

WNC HOUSING TAX CREDIT FUND VI, L.P., SERIES 8

Financial Statements and Independent Auditors Report

For the fiscal year ended March, 31, 2018 and 2017



August 3, 2018

re: WNC Housing Tax Credit Fund VI, L.P., Series 8

Dear Investor:

We are pleased to provide you with the March 31, 2018 and 2017 financial statements and independent auditors report for your fund.

If you have any questions please contact Investor Services by phone or email at investorservices@wncinc.com

Best regards,

WNC & ASSOCIATES, INC.
Investor Services

WNC Housing Tax Credit Fund VI, L.P., Series 8

**Financial Statements and
Independent Auditor's Report**

March 31, 2018 and 2017

WNC Housing Tax Credit Fund VI, L.P., Series 8

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Independent Auditor's Report

To the Partners
WNC Housing Tax Credit Fund VI, L.P., Series 8

We have audited the accompanying financial statements of WNC Housing Tax Credit Fund VI, L.P., Series 8, which comprise the balance sheets as of March 31, 2018 and 2017, and the related statements of operations, partners' equity (deficit) and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of WNC Housing Tax Credit Fund VI, L.P., Series 8 as of March 31, 2018 and 2017, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.



Bethesda, Maryland
May 4, 2018

WNC Housing Tax Credit Fund VI, L.P., Series 8

Balance Sheets
March 31, 2018 and 2017

	<u>Assets</u>	
	<u>2018</u>	<u>2017</u>
Investment in Operating Partnerships	\$ -	\$ -
Other assets		
Cash and cash equivalents	<u>164,220</u>	<u>174,161</u>
Total assets	<u>\$ 164,220</u>	<u>\$ 174,161</u>
	<u>Liabilities and Partners' Equity (Deficit)</u>	
Liabilities		
Accounts payable - affiliates	\$ 14,647	\$ 9,289
Partners' equity (deficit)	<u>149,573</u>	<u>164,872</u>
Total liabilities and partners' equity (deficit)	<u>\$ 164,220</u>	<u>\$ 174,161</u>

See Notes to Financial Statements.

WNC Housing Tax Credit Fund VI, L.P., Series 8

Statements of Operations
Years Ended March 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Revenue		
Interest income	\$ 49	\$ 52
Reporting fees	<u>4,000</u>	<u>4,861</u>
Total revenue	<u>4,049</u>	<u>4,913</u>
Gain from disposition of Operating Partnerships	<u>-</u>	<u>122,698</u>
Expenses		
Administration expenses	16,245	11,848
Asset management fee	<u>3,103</u>	<u>3,103</u>
Total expenses	<u>19,348</u>	<u>14,951</u>
Net income (loss)	<u>\$ (15,299)</u>	<u>\$ 112,660</u>

See Notes to Financial Statements.

WNC Housing Tax Credit Fund VI, L.P., Series 8

Statements of Partners' Equity (Deficit)
Years Ended March 31, 2018 and 2017

	General partner	Limited partners	Total
Partners' equity (deficit), March 31, 2016	\$ (8,951)	\$ 61,163	\$ 52,212
Net income (loss)	113	112,547	112,660
Partners' equity (deficit), March 31, 2017	(8,838)	173,710	164,872
Net income (loss)	(15)	(15,284)	(15,299)
Partners' equity (deficit), March 31, 2018	<u>\$ (8,853)</u>	<u>\$ 158,426</u>	<u>\$ 149,573</u>

See Notes to Financial Statements.

WNC Housing Tax Credit Fund VI, L.P., Series 8

**Statements of Cash Flows
Years Ended March 31, 2018 and 2017**

	<u>2018</u>	<u>2017</u>
Cash flows from operating activities		
Net income (loss)	\$ (15,299)	\$ 112,660
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Gain from disposition of Operating Partnerships	-	(122,698)
Decrease in other assets	-	1,150
Increase (decrease) in accounts payable - affiliates	<u>5,358</u>	<u>(62,682)</u>
Net cash used in operating activities	<u>(9,941)</u>	<u>(71,570)</u>
Cash flows from investing activities		
Proceeds from sale of Operating Partnerships	<u>-</u>	<u>122,698</u>
Net cash provided by investing activities	<u>-</u>	<u>122,698</u>
Net increase (decrease) in cash and cash equivalents	(9,941)	51,128
Cash and cash equivalents, beginning of year	<u>174,161</u>	<u>123,033</u>
Cash and cash equivalents, end of year	<u>\$ 164,220</u>	<u>\$ 174,161</u>

See Notes to Financial Statements.

WNC Housing Tax Credit Fund VI, L.P., Series 8

Notes to Financial Statements March 31, 2018 and 2017

Note 1 - Organization and summary of significant accounting policies

Organization

WNC Housing Tax Credit Fund VI, L.P., Series 8 (the "Partnership") was formed as a limited partnership under the laws of the State of California on June 16, 1997, for the purpose of investing in various limited partnerships which have been organized to acquire, develop, own and operate low-income residential rental properties ("Operating Partnerships"). Significant operations commenced on December 12, 2000. The Operating Partnerships qualify for the low-income housing tax credit under Section 42 of the Internal Revenue Code, are restricted as to rent charges, and are required to lease units to low- or moderate-income individuals or families, subject to the provisions of Section 42(g)(2) of the Internal Revenue Code. In addition, some projects may qualify for the historic rehabilitation tax credit.

The Partnership originally registered with the Securities and Exchange Commission (the "SEC") on July 16, 1999 to raise capital through a public offering. At the time, 9,814 units were sold raising partner capital of \$9,807,585, net of volume and dealer discounts. In 2004, the Partnership fell below the required number of outstanding units, thereby relieving it of its responsibility to file annual and quarterly reports with the SEC.

In accordance with the partnership agreement, profits, losses, cash flow (subject to certain priority allocations and distributions) and tax credits are allocated 99.9% to the limited partners and 0.1% to the general partner, WNC & Associates, Inc.

The Partnership will continue in existence until December 31, 2060.

Investment in Operating Partnerships

All of the Partnership's investments in Operating Partnerships are considered to be variable interest entities ("VIEs") because the owners of the equity at risk in these entities do not have the power to direct their operations. The Partnership is not considered the primary beneficiary of the Operating Partnerships since it does not have the power to direct the activities that are considered most significant to the economic performance of these entities. Therefore, the Partnership accounts for the investment in its Operating Partnerships using the equity method of accounting. Under the equity method, the initial investment is recorded at cost, increased or decreased by the Partnership's share of income or losses, and decreased by distributions and syndication costs. The investment cannot be reduced below zero.

Variable interest entities

In accordance with the accounting guidance for the consolidation of VIEs, the Partnership determines when it should include the assets, liabilities, and activities of a VIE in its financial statements, and when it should disclose information about its relationship with a VIE. A VIE is a legal structure used to conduct activities or hold assets, and a VIE must be consolidated by a company if it is the primary beneficiary. The primary beneficiary of a VIE is the entity that has (1) the power to direct the activities of the VIE that most significantly impact the VIE's economic performance and (2) the obligation to absorb losses or receive benefits that could potentially be significant to the VIE. If multiple unrelated parties share such power, as defined, no party is required to consolidate the VIE.

The Partnership determines whether an entity is a VIE and whether it is the primary beneficiary at the date of initial involvement with the entity. The Partnership reassesses whether it is the primary beneficiary of a VIE on an ongoing basis based on changes in facts and circumstances. In determining whether it is the primary beneficiary, the Partnership considers the purpose and activities of the VIE, including the variability and related risks the VIE incurs and transfers to other entities and their related parties. These factors are considered in determining whether the Partnership has the power to direct

WNC Housing Tax Credit Fund VI, L.P., Series 8

Notes to Financial Statements March 31, 2018 and 2017

activities of the VIE that most significantly impact the VIE's economic performance and whether the Partnership also has the obligation to absorb losses of or receive benefits from the VIE that could be potentially significant to the VIE. If the Partnership determines that it is the primary beneficiary of the VIE, the VIE is consolidated within the Partnership's financial statements.

The Partnership's maximum exposure to loss as a result of its involvement with these VIEs is estimated to be the entire balance in its investment in Operating Partnerships and estimated future funding commitments. To the extent that the Partnership does not receive the full amount of tax credits specified in its initial investment contribution agreement, it would be eligible to receive payments from the general partner of the Operating Partnership under the provisions of tax credit guarantees.

Impairment of long-lived assets

The Partnership reviews its investments in Operating Partnerships for impairment whenever events or changes in circumstances indicate that the carrying value of such investments may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the investment to the sum of the total amount of the remaining tax credits allocated to the Partnership and any estimated residual value of the investment. No impairment loss was recorded for the years ended March 31, 2018 and 2017.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and cash equivalents

Cash equivalents of \$164,220 and \$174,161, respectively, at March 31, 2018 and 2017 consist of investments in money market funds with original maturities of 90 days or less.

Revenue recognition

The Partnership is entitled to receive reporting fees from the Operating Partnerships. The intent of the reporting fee is to offset (in part) administrative costs incurred by the Partnership in corresponding with the Operating Partnerships. Due to the uncertainty of these fees, the Partnership recognizes reporting fees as collections are made.

Income taxes

The Partnership has elected to be treated as a pass-through entity for income tax purposes and, as such, is not subject to income taxes. Rather, all items of taxable income, deductions and tax credits are passed through to and are reported by its owners on their respective income tax returns. The Partnership's federal tax status as a pass-through entity is based on its legal status as a partnership. Accordingly, the Partnership is not required to take any tax positions in order to qualify as a pass-through entity. The Partnership is required to file and does file tax returns with the Internal Revenue Service and other taxing authorities. Accordingly, these financial statements do not reflect a provision for income taxes and the Partnership has no other tax positions which must be considered for disclosure. Income tax returns filed by the Partnership are subject to examination by the Internal Revenue Service for a period of three years. While no income tax returns are currently being examined by the Internal Revenue Service, tax years since 2014 remain open.

WNC Housing Tax Credit Fund VI, L.P., Series 8

**Notes to Financial Statements
March 31, 2018 and 2017**

Note 2 - Capital contributions

The limited partners were required to make capital contributions to the Partnership in the aggregate amount of \$9,815,000. As of March 31, 2018 and 2017, all contributions have been made.

Note 3 - Related party transactions

The following fees and expenses are payable to the general partner or its affiliates as follows:

- I. Fees payable for services related to the day-to-day operations of the Partnership and its investment in Operating Partnerships:

An asset management fee is paid on an annual basis in an amount not to exceed .2% of the sum of the Partnership's investment in Operating Partnerships and its allocable share of the amount of the mortgage loans on the Operating Partnerships. During each of the years ended March 31, 2018 and 2017, the Partnership incurred asset management fees of \$3,103 and \$6,206 and \$3,103, respectively, remains payable and is included in accounts payable - affiliates as of March 31, 2018 and 2017.

- II. Reimbursable expense:

The general partner and its affiliates have paid for certain miscellaneous operating expenses on behalf of the Partnership. During the years ended March 31, 2018 and 2017, \$16,245 and \$11,848, respectively, was incurred, of which \$8,441 and \$6,186, respectively, remains payable and is included in accounts payable - affiliates as of March 31, 2018 and 2017.

Note 4 - Investment in Operating Partnerships

The Partnership owns a limited partnership interest in the following Operating Partnership which was formed to acquire, rehabilitate or construct, own and operate a low-income residential rental housing project:

<u>Operating partnership</u>	<u>Ownership percentage</u>	<u>Date of acquisition</u>	<u>Number of units</u>
505 West Main L.P.	59.14%	April 18, 2001	30

During the year ended March 31, 2017, the Partnership disposed of its interest in TCM Haven, Ltd. The investment balance had previously been reduced to zero, and proceeds of \$122,698 were received and recorded as a gain. The compliance period of TCM Haven, Ltd. ended in 2015.

Under the terms of the Partnership's investment in the Operating Partnerships, the Partnership was required to make capital contributions to the Operating Partnerships. All contributions have been paid to the Operating Partnerships as of March 31, 2018 and 2017.

The loss from the investment in Operating Partnerships for the years ended March 31, 2018 and 2017, respectively, was recorded by the Partnership based on 12 months of reported results provided by the Operating Partnerships for the years ended December 31, 2017 and 2016, respectively.

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**Notes to Financial Statements
March 31, 2018 and 2017**

The Partnership's investment in the Operating Partnerships at March 31, 2018 and 2017 is summarized as follows:

	<u>2018</u>	<u>2017</u>
Capital contributions paid to the Operating Partnerships	\$ 1,065,804	\$ 1,065,804
Partnership's cumulative share of Operating Partnerships' losses	(126,613)	(126,613)
Cumulative impairment losses	<u>(939,191)</u>	<u>(939,191)</u>
Investment per balance sheet	<u>\$ -</u>	<u>\$ -</u>

The summarized balance sheets of the Operating Partnership at December 31, 2017 and 2016 and the summarized statements of operations for the years then ended are as follows:

Balance Sheets

	<u>Assets</u>	
	<u>2017</u>	<u>2016</u>
Investments in real estate		
Land	\$ 75,000	\$ 75,000
Buildings and improvements	3,987,465	3,987,465
Furnishings and equipment	<u>181,889</u>	<u>173,459</u>
	4,244,354	4,235,924
Accumulated depreciation	<u>(1,767,011)</u>	<u>(1,651,480)</u>
	<u>2,477,343</u>	<u>2,584,444</u>
Other assets		
Cash	258,185	208,132
Accounts receivable	33,981	223
Restricted cash	155,324	121,103
Other assets	<u>-</u>	<u>6,158</u>
	<u>447,490</u>	<u>335,616</u>
Total assets	<u>\$ 2,924,833</u>	<u>\$ 2,920,060</u>

WNC Housing Tax Credit Fund VI, L.P., Series 8

**Notes to Financial Statements
March 31, 2018 and 2017**

Balance Sheets

Liabilities and Partners' Equity

	<u>2017</u>	<u>2016</u>
Liabilities applicable to investments in real estate		
Mortgages payable	\$ 1,349,536	\$ 1,418,667
	1,349,536	1,418,667
Other liabilities		
Accounts payable and accrued expenses	59,045	50,942
Due to affiliates	17,765	19,002
Tenant security deposits	22,936	22,656
Other	7,303	4,950
	<u>1,456,585</u>	<u>1,516,217</u>
Partners' equity	<u>1,468,248</u>	<u>1,403,843</u>
Total liabilities and partners' equity	<u>\$ 2,924,833</u>	<u>\$ 2,920,060</u>

Statements of Operations

	<u>2017</u>	<u>2016</u>
Revenue		
Rents	\$ 580,862	\$ 575,393
Other	54,490	31,314
	<u>635,352</u>	<u>606,707</u>
Expenses		
Interest on mortgages payable	83,958	104,079
Depreciation and amortization	118,961	130,068
Other expenses	340,806	380,066
	<u>543,725</u>	<u>614,213</u>
Total expenses	<u>543,725</u>	<u>614,213</u>
Net income (loss)	<u>\$ 91,627</u>	<u>\$ (7,506)</u>

WNC Housing Tax Credit Fund VI, L.P., Series 8

**Notes to Financial Statements
March 31, 2018 and 2017**

Note 5 - Subsequent events

Events that occur after the balance sheet date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the balance sheet date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the balance sheet date require disclosure in the accompanying notes. Management evaluated the activity of the Partnership through May 4, 2018 (the date the financial statements were available to be issued) and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

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