

**NEBRASKA INVESTMENT FINANCE AUTHORITY
BOARD OF DIRECTORS MEETING**

**Friday, November 20, 2020
9:00 a.m.**

**Embassy Suites – Regents A/B
1040 P Street, Lincoln, Nebraska**

Option of Video/Audio Conference for Members of the Public

**Notice Published: November 15, 2020 – Omaha World Herald
November 15, 2020 – Lincoln Journal Star**

AGENDA

Open Meetings Act – Copies of the Open Meetings Act are located on the table at the entrance to the meeting room, posted against the wall in the meeting room and also posted on the NIFA website at www.nifa.org/about/history-board.

1. Call Meeting to Order and Roll Call – 5 minutes
2. Public Comment Related to the November 20, 2020 Agenda Items (comment period limited to five minutes) – 5 minutes
3. Consent Agenda – 5 minutes
 - a. September 18, 2020 NIFA Board of Director Meeting Minutes
 - b. Executive Director's Report
 - c. Report from Risk Management Committee
 - d. Report from Programs Committee
 - e. Report from Governance Committee
 - f. Report on Agricultural Program
 - g. Report on Single Family Program
 - h. Report on Outreach Activities
 - i. Report on Collaborative Resource Allocation of Nebraska (CRANE)

j. Private Activity Bond Cap Summary

Consideration of a Motion to Approve the Minutes and Accept the Reports on the Consent Agenda as presented

Action Items – 65 minutes

General Action Items – 5 minutes

4. Consideration of Adoption of Board Resolution No. 451, Amending and Clarifying Certain Terms of Board Resolution No. 392 Regarding the Nebraska Opportunity Fund

Programs Committee Action Items – 25 minutes

5. Consideration of a Motion to Approve the 2021 Low Income Housing Tax Credit (LIHTC) / Affordable Housing Tax Credit (AHTC) Allocation Plan for 4% LIHTCs and Nebraska AHTCs and the incorporation of such Allocation Plan into the 2020/2021 Amended and Restated Qualified Allocation Plan Previously Approved by NIFA for the Tax Credit Program
6. Consideration for Approval of a Conditional Reservation for CRANE in the 2020 Low-Income Housing Tax Credit (LIHTC) and Affordable Housing Tax Credit (AHTC) Program

Single Family Housing Finance Action Items – 10 minutes

7. Review and Consideration for Approval to File Notice with the Nebraska Legislature and the Governor of the State of Nebraska of NIFA's Intent to Issue Single Family Housing Program Bonds in the Aggregate Principal Amount of up to \$500,000,000

Audit Committee Action Items – 15 minutes

8. Presentation of Draft Audited Financial Statements with Related Analysis of Results and Consideration of a Motion to Approve the Audited Financial Statements for Fiscal Year Ending June 30, 2020

Closed Session – 10 minutes

9. Closed Session to Discuss Threatened Litigation
 - a. Consideration of a Motion for Closed Session/Motion to exit Closed Session
 - b. Consideration of a Motion, if necessary, for authorizations relating to the Closed Session

NIFA Highlights

11. Announcements and Discussion of Upcoming Events
12. Adjournment

**NEBRASKA INVESTMENT FINANCE AUTHORITY
BOARD OF DIRECTORS MEETING**

**Embassy Suites – Regents A/B
1040 P Street, Lincoln, Nebraska**

Option of Video/Audio Conference for Members of the Public

MINUTES OF FRIDAY, SEPTEMBER 28, 2020 @ 9:00 A.M.

Notice Published: September 13, 2020 – Omaha World Herald [Affidavit attached]
September 13, 2020 – Lincoln Journal Star [Affidavit attached]

Open Meetings Act – Copies of the Open Meetings Act were posted by the door as you entered Regents A/B and on the NIFA website at www.nifa.org/about/history-board

All votes taken by roll call of the members.

Board Members Present: Anthony Goins
Colten Zamrzla
Galen Frenzen
George Achola
Warren Arganbright
Steve Wellman
Susan Bredthauer

Board Members Absent: Michael Walden-Newman – arrived at 9:11 a.m.
Herb Freeman (Excused – absent due to concerns about COVID-19)

NIFA Staff Present: Shannon Harner, Executive Director and Board Secretary
Sheila Gans, Program Support Specialist and Board Clerk
Steve Clements, Chief Operating Officer
Christie Weston, Deputy Director
Judy Krasomil, Treasurer
Robin Ambroz, Deputy Director of Programs
Jody Cook, Controller
Jacki Young, Chief Homeownership Officer
Stacy Fotinos, Homeownership Operations Manager
Sara Tichota, LIHTC Allocation Manager
Kelly Schultze, LIHTC Compliance Manager
Tammy Burd, LIHTC Assistant Compliance Manager
Dudley Beyer, Agricultural Program Manager
Elizabeth Fimbres, Communication & Outreach Manager
John Turner, Manager of Community Development & Research
Joe Spitsen, Assistant Manager for RHA Development & Training
Amanda Wusk, Marketing & Relationship Manager
Andray Fairley, Compliance Specialist

MINUTES
September 18, 2020
Page 2

Eric Matty, Compliance Specialist
Shelley Abraham, Compliance Specialist

Guests:

Mike Gawley, Holy Name Housing
Herb Freeman, N.P. Dodge
Tyler Arens, MHEG
Jeff Gertz, J.P. Morgan
Barry Gottfried, Stifel
Mechele Grimes, Nebraska Department of Economic Development
Ryan Harris, MHEG
Sheryl Hiatt, Nebraska Department of Economic Development
Fred Hoppe, Hoppe Homes
Scott Keene, Piper Sandler Companies
Teresa Kile, Kile Consulting
Cindy Koster, MHEG
Janet Latimer, Horizon Bank
Christopher Lenz, Excel Development
Pamela Otto, Nebraska Department of Economic Development
Rob Woodling, Foundation Development, LLC
Erika Lynch and Patti Peterson, Kutak Rock LLP

1. Call Meeting to Order and Roll Call

Chair Goins called the meeting to order at 9:05 a.m. with seven members present. Goins reported that copies of the Open Meetings Act were posted by the door as you entered Regents A/B, on the NIFA website, as well as in the "Handouts" section of the webinar. The notice of the meeting was published on Sunday, September 13, 2020 in the Omaha World Herald and Lincoln Journal Star. Affidavits of publication are attached.

2. Public Comment Related to the September 18, 2020 Agenda Items (comment period limited to five minutes)

Chair Goins asked if anyone wished to comment on any of the agenda items and directed that they come forward and state their name for the record. Those coming forward to comment were:

- Fred Hoppe of Hoppe Homes provided comments with respect to the 2020/2021 QAP relating to the unusual increase in construction material and labor costs for projects that have already received a 2020 conditional reservation. He requested the Board consider allowing an additional allocation from the 2020/2021 Amended and Restated Qualified Allocation Plan to ensure projects could start on time and remain viable.
- Mike Gawley of Holy Name Housing provided comments with respect to the 2020/2021 Qualified Allocation Plan and point allocation.

Michael Walden-Newman joined the meeting at 9:11 a.m.

3. Consent Agenda

- a. **August 21, 2020 NIFA Board of Director Meeting Minutes**
- b. **Executive Director's Report**
- c. **Report from the Risk Management Committee**

- d. Report from the Programs Committee**
- e. Private Activity Bond Cap Summary**
- f. Status Report on Single Family Program**
- g. Outreach Report**

Consideration of a Motion to Approve the Minutes and Accept the Reports on the Consent Agenda as presented

Moved by Achola, seconded by Wellman to approve the minutes and accept the reports on the Consent Agenda as presented.

Via roll call vote, the following votes were recorded:

Voting AYE: Zamrzla, Frenzen, Achola, Arganbright, Walden-Newman, Wellman, Bredthauer and Goins. The motion passed unanimously.

Strategic Topic

4. Overview of the Low Income Housing Tax Credit/Nebraska Affordable Housing Tax Credit Qualified Allocation Plan (QAP)

Sara Tichota provided an overview of NIFA's Qualified Allocation Plan (QAP) describing the process and plan that governs the distribution of LIHTC including QAP 2020/2021 proposed requirements and providing statistics of 9% LIHTC projects over the last five years.

Action Items

Program Committee Action Items

5. Consideration of Approval of the 2020/2021 Amended and Restated Qualified Allocation Plan, Including for 2021 the Allocation of the 9% Low Income Housing Tax Credit (LIHTC) and Related Nebraska Affordable Housing Tax Credit (AHTC) Programs

On behalf of the Programs Committee, Bredthauer moved for approval of the 2020/2021 Amended and Restated Qualified Allocation Plan for the 9% Low Income Housing Tax Credit and Related Nebraska Affordable Housing Tax Credit Programs which motion was seconded by Arganbright.

Moved by Achola, seconded by Walden-Newman, to amend the motion on the floor by adding the following to the final paragraph to the motion in the Board book:

(ii) with respect to the prior conditional reservations of 2020 LIHTCs/AHTCs approved by the NIFA Board, authorizes the Executive Director, based upon procedures outlined by NIFA staff, to review requests for additional LIHTCs/AHTCs and adjust 2020 conditional reservation amounts by up to 20% to address the increase in industry construction costs as a result of the Covid-19 pandemic and other extenuating circumstances.

Via roll call vote, the amendment to the motion was considered and the following votes were recorded:

Voting AYE: Frenzen, Achola, Arganbright, Walden-Newman, Wellman, Bredthauer, Goins and Zamrzla. The amendment passed unanimously.

MINUTES
September 18, 2020
Page 4

The Motion, as amended and set forth below, was considered:

Whereas, the Nebraska Investment Finance Authority (NIFA) has completed the review of the 2020/2021 Amended and Restated Qualified Allocation Plan, which includes for 2021 the provision for allocation of the 9% Low Income Housing Tax Credit (LIHTC) and related Nebraska Affordable Housing Tax Credit (AHTC) Programs;

Whereas, said review was conducted pursuant to Section 42 of the Internal Revenue Code;

Whereas, as part of said review, the Board determined that the interests of the tax credit program and its stakeholders were best served by amending and restating the existing 2020 Qualified Allocation Plan and expand its provisions to include provision for allocations of the 9% LIHTC and related Nebraska AHTC for 2021;

Whereas, accordingly the 2020/2021 Amended and Restated Qualified Allocation Plan has been prepared after taking into consideration public comments received during focus groups and a public hearing held on June 15, 2020, as well as recommendations from the NIFA Programs Committee and NIFA staff; and

Whereas, the 2020/2021 Amended and Restated Qualified Allocation Plan includes the following documents:

- a. 2020/2021 Amended and Restated LIHTC Allocation Plan for 9% LIHTCs and related Nebraska AHTCs
- b. the 2020/2021 LIHTC, AHTC, HOME, CDBG-DR and National Housing Trust Fund Application
- c. the 2020/2021 LIHTC, AHTC, HOME, CDBG-DR and National Housing Trust Fund Exhibit Examples
- d. the 2020/2021 LIHTC Forms and Documents
- e. the 2020 CRANE Guidelines and Application
- f. the 2020 Carryover Allocation Procedures Manual
- g. the 2020 10% Test Certification
- h. the 2020 Cost Certification Procedures Manual
- i. the 2020/2021 Land Use Restriction Agreement (LURA)
- j. the 2020/2021 LIHTC CROWN Land Use Restriction Agreement (CROWN LURA)
- k. the 2021 CRANE Guidelines and Application
- l. the 2021 Carryover Allocation Procedures Manual
- m. the 2021 10% Test Certification
- n. the 2021 Cost Certification Procedures Manual

Be it resolved that, the NIFA Board of Directors hereby (i) approves the 2020/2021 Amended and Restated Qualified Allocation Plan for the 9% Low Income Housing Tax Credit (LIHTC) and related Nebraska Affordable Housing Tax Credit (AHTC) Programs and authorizes its submittal to the Governor of Nebraska for approval in accordance with Section 42 of the Internal Revenue Code, and (ii) with respect to the prior conditional reservations of 2020 LIHTCs/AHTCs approved by the NIFA Board, authorizes the Executive Director, based upon procedures outlined by NIFA staff, to review requests for additional LIHTCs/AHTCs and adjust 2020 conditional reservation amounts by up to 20% to address the increase in industry construction costs as a result of the Covid-19 pandemic and other extenuating circumstances.

MINUTES
September 18, 2020
Page 5

Via roll call vote, the following votes were recorded:

Voting AYE: Wellman, Bredthauer, Goins, Zamrzla, Frenzen, Achola, Arganbright and Walden-Newman. The motion, as amended, was approved unanimously.

6. Consideration of a Motion to Approve the Continuation of the NIFA Rural Workforce Housing Match Program

After review and discussion led by staff member Robin Ambroz, it was moved by Bredthauer, seconded by Walden-Newman to approve the following motion:

Motion to approve the use of funds remaining in the NIFA Rural Workforce Housing Match Account (previously named the 518 Match Fund Program Account) within the Nebraska Opportunity Fund to provide match funds to new applicants making applications to the Rural Workforce Housing Fund (RWHF) administered by the Nebraska Department of Economic Development.

Via roll call vote, the following votes were recorded:

Voting AYE: Achola, Arganbright, Walden-Newman, Wellman, Bredthauer, Goins, Zamrzla and Frenzen. The motion passed unanimously.

NIFA Highlights

7. Announcements and Discussion of Upcoming Events

Shannon Harner made the following announcements:

- a.) Appointment by Chair Goins of Board Member Warren Arganbright to the Governance Committee, since Herb Freeman (previously appointed), as chair of the Programs Committee, serves on the Governance Committee.
- b.) Grand Opening and Ribbon Cutting Ceremony at 2:00 this afternoon for Victory II Apartments, a permanent supportive housing community for Veterans in Omaha. Congratulations to Board member Achola and Burlington Capital.
- c.) December offsite retreat combined with Board Meeting currently planned for December Thursday, December 10th and Friday, December 11th.
- d.) Handout of a report on NIFA's investments in housing developments in North and South Omaha from 2015-2020. The strategic topic for October's Board of Directors' meeting will be the ecosystem and developments that are occurring in North and South Omaha.

8. Adjournment

Moved by Achola to adjourn at 10:23 a.m.

Respectfully submitted,



Shannon Harner
Executive Director and Board Secretary



Executive Director's Report

November 13, 2020

Board Members:

I thank you all for making time to attend committee meetings most recently. At our November board meeting NIFA will present the audited financials for your review and approval. Since the Board's last meeting, NIFA staff has done yeoman's work, and below are a few highlights:

1. The 9% QAP was signed by the Governor.
2. The staff reviewed and I approved additional credits to ease the unexpectedly high construction cost increases for NIFA's 2020 conditionally allocated 9% LIHTC developments, as authorized by the Board in September.
3. NIFA announced the First Home Grant Program on September 10th. As noted last meeting, this program provides first mortgage financing and grant funds for down payment and/or closing cost assistance. The grant amount is \$5,000 per household and the maximum income limit is 50% of the Area Median Income. The total funding goal amount is \$200,000 with allocations made on a first-come, first-serve basis. This program utilizes HUD funds we have been holding which needed to be put into programmatic use. As of this writing we have 3 grants in the pipeline and two closed for a total of \$25,000 granted.
4. On the docket for this board meeting is review and approval of the Restated and Amended 2020/2021 Qualified Allocation Plan (QAP) for 4% Low Income Housing Tax Credits (LIHTC) and related Nebraska Affordable Housing Tax Credit (AHTC). There was significant Public Comment and some changes were implemented as a result, with additional ideas for consideration as the next round of QAP revision begins. NIFA will encourage significant input from communities, neighborhoods, developers and housing groups in this process; and will review sister states' QAPs and bring forward relevant ideas and best practices. I anticipate this will be a lengthy process.
5. BDO has begun its risk assessment. While the goal was for that to be complete in time for the December board meeting, due to year end work and staffing shortages, the schedule has been changed and staff interviews will occur in January, to allow time for all year-end deadlines to be met in a reasonable fashion.
6. NIFA on-boarded Zelle as its in-house HR provider on November 1, with a kickoff on November 2. The transition is beginning and will take some time to fully role out and for the staff to realize the full benefits of this new service.
7. A long awaited overhaul of the NIFA-sponsored, joint website www.housing.ne.gov is being rolled out. This is a great resource for renters and landlords alike, across the state.

Vision, Mission, Values and Goals:

NIFA departments are honing in on their departmental goals. In addition, the staff had its initial session to consider our WHY and core values, and this important work will continue over the next several months.

At this time, we anticipate (subject to changes based on DHMs and conditions on the ground) that a Board and staff Vision and Mission session will be held the day prior to our December meeting.

Strategic Topic: This month there will not be a strategic topic, as we were unable to make speaker schedules work. The topic will be moved or rescheduled as a virtual workshop.

Board Member Follow Up: No items this month.

Engagement Opportunities:

Networking with NIFA – please refer to our website calendar:

<https://www.nifa.org/about/calendar?year=2020&month=9&name=Networking%20with%20NIFA%20-%20Eviction%20Prevention>

December 2, 1:00 – 2:00 p.m. Attend the webinar: *"Missing Middle Housing: Thinking Big and Building Small to Respond to Today's Housing Crisis"*. NIFA will be co-hosting this one-hour webinar on December 2, 2020 with Opticos Design, Inc. Founder, Dan Parolek, a Nebraska Native, relative to "Missing Middle" housing issues, and LB866's requirements for certain communities to have an affordable housing plan. I encourage you to attend and to share this information with others. NIFA will be providing two to three follow-up Networking with NIFA Sessions relating to this topic and affordable housing planning for communities. Our partners are AARP Nebraska, Metro Area Planning Agency and the League of Municipalities. A registration link will be on our website.

Conclusion:

While the pandemic has made it more challenging to meet all of the great people involved in our programs, I am meeting new partners every week – Nebraska has a rich set of people interested and involved in the important work of making our communities better. I appreciate your time and efforts on behalf of NIFA. Thank you for prioritizing the good work that we do; I know you all have other important obligations and we appreciate the time and attention you provide to further our mission. Have a happy Thanksgiving!

Best Regards,



Shannon R. Harner

Risk Management Committee

Report to the Board of Directors

November 20, 2020

Committee Members:

George Achola
Warren Arganbright
Steve Wellman
Colten Zamrzla

Others Attending:

Shannon Harner
Christie Weston
Patti Peterson

Meeting Details:

Friday, November 6 at 11:00 AM
via Video Conference

Summary of Meeting Discussion:

Approval of Meeting Minutes

The minutes of the Committee's September 8, 2020 meeting were approved.

Operational Risk Assessment Project Update

The risk assessment project began the last week of October with planning discussions and review of relevant documents and policies. BDO has begun to compile a preliminary list of key risks and will be scheduling interviews with NIFA managers, Board members, and four external stakeholders next. Warren recommended tabling governance committee approval of the risk management committee charter until the risk assessment is complete to ensure the charter includes all appropriate considerations.

Update on HR Partner and Policy Review

NIFA's engagement of Zelle as our Human Resources partner was effective November 1 and this week has been spent onboarding them. Zelle performed a preliminary review of NIFA's existing HR policies and recommended that they be refreshed, and that additional policies be formalized and adopted. The committee was provided Zelle's list of recommended policies. Such policies will be brought to a future meeting of the committee once they are ready for review. As such, the Workplace Harassment policy reviewed at the committee's last meeting will not be taken to the Board for adoption at this time.

New Business

The committee discussed how NIFA provides cybersecurity training to all staff and how NIFA serves customers whose first language is not English. The committee will not have any action items on the Board agenda for the November 20 meeting.

NIFA Programs Committee
Report to the Board of Directors
November 20, 2020

Committee Members:

Susan Bredthauer
Herb Freeman
Galen Frenzen
Michael Walden-Newman

Others Attending:

Shannon Harner
Robin Ambroz
Sara Tichota

Meeting Details:

Thursday, November 12, 2020 at 11:00 AM
via Video Conference

Summary of Meeting Discussion:

CRANE Program – LIHTC/AHTC Conditional Reservation Review and Recommendation

Sara provided an overview of the CenterPointe South Street Project and the review process. Committee members unanimously agreed to recommend the South Street Project for approval of a Conditional Reservation in the 2020 LIHTC/AHTC Program.

Review and Recommendation of the 2021 Qualified Allocation Plan for 4% LIHTCs and AHTCs (“4% QAP”)

Sara reviewed the 4% QAP process and presented details regarding revisions to the 4% QAP documents. The Committee discussed the revisions. The committee unanimously agreed the Programs Committee recommend to the NIFA Board the approval of the 2021 Low Income Housing Tax Credit (LIHTC)/ Affordable Housing Tax Credit (AHTC) Allocation Plan for 4% LIHTCs and AHTCs and the incorporation of such Allocation Plan into the 2020/2021 Amended and Restated Qualified Allocation Plan previously approved by NIFA for the Tax Credit Program.

Governance Committee

Report to the Board of Directors

November 20, 2020

Committee Members:

George Achola
Warren Arganbright
Herb Freeman
(Tony Goins not in attendance)

Others Attending:

Shannon Harner
Christie Weston

Meeting Details:

Friday, November 13 at 10:30 AM
via Video Conference

Summary of Meeting Discussion:

Review of Programs Committee Charter

The committee charter submitted by the Programs Committee was presented for discussion. Recommended changes will be sent back to the Programs Committee before adoption.

Update on Budget Process

Shannon and Christie briefed the committee on changes being implemented in the internal budgeting process. The draft budget brought to this committee prior to the December Board meeting will include revenues of the operating fund, and will provide greater transparency on how we budget. NIFA is using a zero-based budgeting strategy that starts at the department level and flows upward. The budget cycle will change from biennial to annual.

Other Business

The committee asked that in addition to the materials in the Board book, any information to be presented during the Board meeting be provided to the Board members ahead of the meeting date to give the members an opportunity for more in-depth review prior to the discussion. Shannon stated that staff will make every effort to do so.

Beginning Farmer/Rancher Division Report

Dudley Beyer

AG LOANS IN PROCESS

Jaydn Grabill

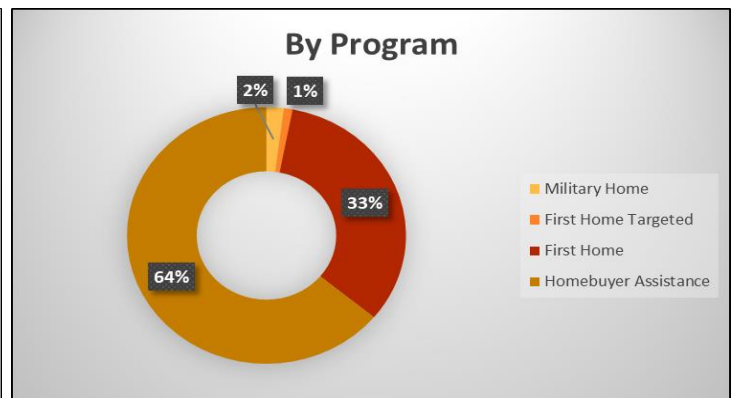
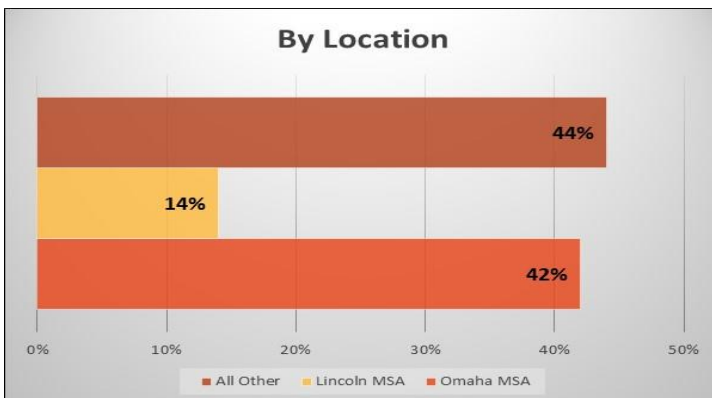
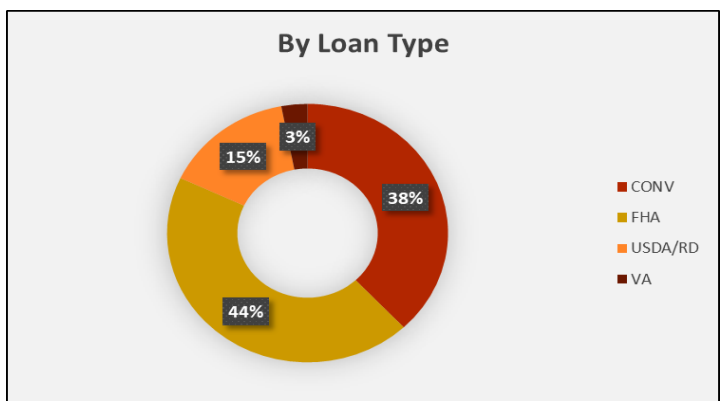
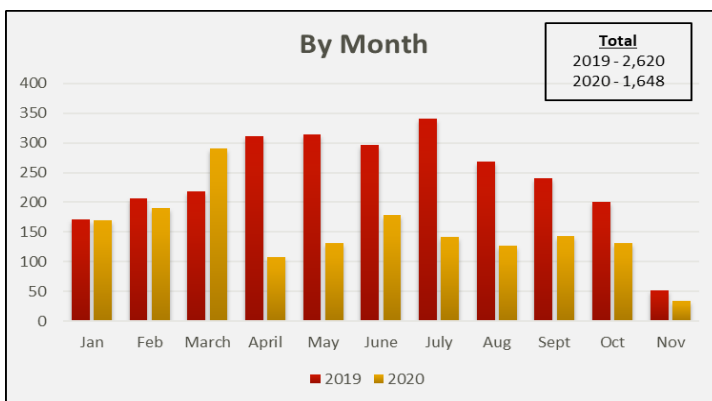
- Purchase of 155.52 acres of farm real estate, including a pivot, barn and grain storage bins
- Loan amount of \$486,560 from South Central State Bank – Blue Hill, NE (25-year Note)
- **Interest rate through NIFA of 3.75% variable** (Lender's normal rate: 4.50% variable)
- Additional info: This land is located slightly southwest of Roseland, NE. Jaydn also rents 224 acres for row crop production on a cash basis, and works for Norder Ag Supply as a Scripts Advisor.

SINGLE FAMILY REPORT

Board of Directors Meeting
November 20, 2020

YTD 2020 Reservation Activity (As of 11/11/20)	
# Loan Reservations	1,648
\$ Loan Reservations	\$229,793,711
Average 1 st Loan Amount	\$139,438
Average 2 nd Loan Amount	\$6,850
Urban Areas	56%
Rural Areas	44%

Program Name	Government Rate	Conventional Rate
Military Home	2.375%	NA
First Home Grant	2.375%	2.500%
First Home Targeted	2.375%	2.500%
First Home	2.625%	2.750%
Homebuyer Assistance (HBA)	3.125%	3.250%



NIFA OUTREACH REPORT

11.13.20

HOUSING.NE.GOV WEBSITE RENOVATION

The Outreach Team is happy to announce a new look for the housing.ne.gov website. Originally launched in 2007 through a collaboration with other partners, the site provides detailed information about rental properties to help people find housing that best fits their needs. [Housing.ne.gov](https://housing.ne.gov) is powered by Emphasys Software and supported by the nonprofit Socialserve toll-free call center. This service is brought to Nebraska through funding by Nebraska Investment Finance Authority.

Find
Housing,
Find
Renters



Housing Study Grants

The Housing Study Grant team has received six applications for second round of the fiscal year 2021 grant cycle. These applications will be reviewed by the outreach team, scored, and potentially approved for funding. The total grant amounted requested for this cycle is \$46,560 with \$76,533 in community matching funds.

The communities that applied include: Benkelman, Dakota County, Sidney, Wakefield, Walthill, and Yutan



Upcoming NIFA Webinars

11/18: Missing & Murdered

12/2: Innovative Housing Ideas

12/9: housing.ne.gov

12/16: Work Burnout and Fatigue

Community Engagement

NIFA hosts weekly webinars in place of in-person trainings. The recent webinar topics included:

- Property Manager Training – Eviction Prevention
- Profile of Nebraska: How to Use It
- Property Manager Training – Tenant Behavior
- Fair Housing, Civil Rights
- Property Manager Training – Domestic Violence
- Highlighting Locally Produced Food Resources
- Property Manager Training – Human Trafficking
- Military Home Loan Program

635

**TOTAL
ATTENDEES**

Outreach staff continue to be engaged in organizations focused on a number of issues related to housing including homelessness, reentry initiatives, landlord engagement, and transitional living.

Team members attend weekly online meetings and events held by our partners to stay up to date on the latest housing topics.

CRANE Public Meeting Report
NIFA Office
September 16, 2020
10:30 a.m.

Attendees (via telephone): Michael Maroney and Annette Artherton, Omaha Economic Development Corporation; Fred Hoppe and Carly Davis, Hoppe Homes; Mike Gawley, Holy Name Housing; Teresa Kile, K Consulting; Neeraj Agarwal and Tom Mcleay, Clarity Development; Darin Smith and Mindy Crook, Arch Icon; Thomas Monteith, Sheltering Tree; Cindy Koster and Ryan Harris, Midwest Housing Equity Group; Ryan Durant, RMD Group ; Mechele Grimes, Nebraska Department of Economic Development and Sara Tichota and Kirk Benner, NIFA.

Meeting called to order by Sara Tichota at 10:31 a.m.

Hanscom Apartments – Omaha

Neeraj Agarwal reported they resubmitted the 2020 application and are awaiting feedback.

Angels Share Campus – Blair

Ryan Durant reported the full 2020 application has been submitted.

South Street Project – Lincoln

Teresa Kile reported they are submitting application to Federal Home Loan Bank.

Larimore 3483 – Omaha

Michael Maroney reported they are working on submittal of the full 2020 application.

Siena Francis Cottages - Omaha

Representatives were unavailable.

Abide-Better Together Campus - Omaha

Ryan Durant indicated they are working on Historic Tax Credits and a full 2020 application.

Shadow Lake Apartments - Papillion

Thomas Monteith reported on completing 2020 CRANE application for submittal.

Eastside Bungalows – Omaha

Mike Gawley indicated the development had been working on the CRANE application for submittal by September 30, 2020.

Omega Westpoint – Westpoint

Fred Hoppe reported they resubmitted the 2020 application and are awaiting feedback.

Meeting adjourned: 10:43 a.m.

CRANE APPLICATION LIST

NEBRASKA INVESTMENT FINANCE AUTHORITY
LOW INCOME HOUSING TAX CREDIT PROGRAM
(updated 9/16/2020)

NIFA PROJECT #	PROJECT NAME & ADDRESS	APPLICANT NAME	COUNTY	TOTAL UNITS	LIHTC UNITS	MARKET UNITS	# OF BLDGS	PROJECT TYPE	PROFIT STATUS	FINANCING SOURCES	ESTIMATED COST	LIHTC REQUESTED	AHTC REQUESTED	CATEGORY DESIGNATION
7-0911 3/31/2017	Hanscom Apartments 1029 Park Ave. & 1040 S. 29th St. Omaha, NE	Clarity Development, LLC 3814 Farnam Street, Suite 201 Omaha, NE 68131 (Neeraj Agarwal: 402.981.3735)	Douglas	75	75	0	2	Rehabilitation Metro Special Needs	For Profit	Conventional Loan Tax Increment Financing Historic Tax Credits Deferred Developer Fee Owner Equity	\$ 14,202,920	\$ 715,000	\$ 715,000	Category 3
7-0917 11/20/2017	Transformation Hill 2848 College Drive Blair, NE	Angel Share, Inc. 9290 Dodge Street Omaha, NE 68114 (Ed Shada: 402.630.5664)	Washington	60	60	0	2	Con / Acq & Rehab Metro Youth Aging	Non-Profit	Conventional Loan HOME/HTF Funds Deferred Developer Fee	\$ 11,407,002	\$ 753,920	\$ 753,920	Category 3
7-0973 8/30/2019	South Street Project 2202 S. 11th Street Lincoln, NE	CenterPointe, Inc. 2633 P Street Lincoln, NE 68503 (Tophen Hansen: 402.475.8717)	Lancaster	32	32	0	1	Rehabilitation Metro Special Needs	Non-Profit	HOME/HTF Funds FHL Bank Funds Tax Increment Financing Deferred Developer Fee	\$ 13,772,066	\$ 728,000	\$ 728,000	Category 3
7-0974 (9/23/19)	Larimore 3483 2221 North 24th Street Omaha, NE 68110	Omaha Economic Development 2221 North 24th Street Omaha, NE 68110	Douglas	52	52	0	1	Rehabilitation Metro Special Needs	Non-Profit	Community Dev. Grant HOME Omaha City Funds Tax Increment Financing	\$ 11,673,650	\$ 676,293	\$ 676,293	Category 3
7-0975 (9/25/19)	Sienna Francis Cottages 1528 N 16th Street Omaha, NE	Sienna Francis House 1702 Nicholas Street Omaha, NE 68102 (Linda Twomey: 402.341.1821)	Douglas	50	50	0	50	New Construction Metro Special Needs	Non-Profit	HOME/NAHTF Funds CDBG Funds Deferred Developer Fee	\$ 6,993,500	\$ 497,115	\$ 497,115	Category 3
7-0988 (4/6/2020)	Abide - Better Together Campus 3223 N 45th Street Omaha, NE 68104	Abide 3223 N 45th Street Omaha, NE 68104 (Josh Dotzler: 402.455.7807)	Douglas	22	22	0	1	Rehabilitation Metro Special Needs	Non-Profit	Conventional Loan HOME Funds Historic Tax Credits Deferred Developer Fee	\$ 6,596,485	\$ 219,617	\$ 219,617	Category 4
7-0989 (5/29/2020)	Shadow Lake Apartments 72nd & Ponderosa Drive Papillion, NE 68046	Sheltering Tree PO Box 4990 Omaha, NE 68104 (Thomas Monteith: 402.202.1401)	Sarpy	48	48	0	2	New Construction Metro Special Needs	Non-Profit	Conventional Loan Differed Developer Fee	\$ 10,828,735	\$ 748,500	\$ 748,500	Category 4
7-0990 (6/16/2020)	Eastside Bungalows 18th and Corby Street 1620 Clark Street Omaha, NE	Holy Name Housing Corporation 4324 Fort Street Omaha, NE 68111-1849 (Mike Gawley: 402.453.6100)	Douglas	26	23	3	16	New Construction Metro Special Needs	Non-Profit	Conventional Loan HOME Funds GP Loan	\$ 7,389,872	\$ 506,188	\$ 506,188	Category 3
7-0982 (6/30/2020)	Omega Westpoint 960 Prospect Road Westpoint, NE	Hoppe & Son, LLC 5631 S 48th Street, Ste 220 Lincoln, NE 68516 (Ward F. Hoppe: 402.328.8100)	Cuming	22	17	5	1	Rehabilitation Rural Adaptive Reuse	For Profit	Conventional Loan HOME Funds TIF Financing Deferred Developer Fee Solar Tax Credit	\$ 3,036,790	\$ 126,651	\$ 126,651	Category 3
				387	379	8	76				\$ 85,901,020	\$ 4,971,284	\$ 4,971,284	

NEBRASKA INVESTMENT FINANCE AUTHORITY
PRIVATE ACTIVITY CAP-ALLOCATION STATUS
CALENDAR YEAR 2020

AS OF 11/10/20

	50%	20%	30%	321,775,000		
		Ag/ IDB/Non Statewide Hsg				
	Housing Carryforward	Statewide Housing	50% Jan-June	50% July-Dec	Governor's Discretionary	GRAND TOTAL
Beginning Allocation	611,195,612	160,887,500	32,177,500	32,177,500	96,532,500	932,970,612
Expired Carryover	0					0
Allocations Todate	(174,967,444)	0	(2,211,003)	(552,500)	0	(177,730,947)
Ag Allocation not used			(2,236,497)			(2,236,497)
50% Waiver			0	0		0
Transfers				0	0	0
Balance Remaining	436,228,168	160,887,500	27,730,000	31,625,000	96,532,500	753,003,168
				59,355,000		

Housing-CARRYFORWARD DETAIL				
Originated	2017	2018	2019	TOTAL
Expires	2020	2021	2022	
Beginning	30,375,971	297,672,744	283,146,897	611,195,612
Used	(30,375,971)	(144,591,473)		(174,967,444)
Ending	0	153,081,271	283,146,897	436,228,168

Ag/IDB/Non Statewide Housing-ALLOCATION DETAIL				
District	AG	IDB	MF	Total by District
1	(1,187,664)	0	0	(1,187,664)
2	0	0	0	0
3	(1,575,839)	0	0	(1,575,839)
Total by Category	(2,763,503)	0	0	(2,763,503)

Remaining Ag (2,236,497)
Total Ag (5,000,000)

AGENDA ITEM NO. 4

CONSIDERATION OF ADOPTION OF BOARD RESOLUTION NO. 451, AMENDING AND CLARIFYING CERTAIN TERMS OF BOARD RESOLUTION NO. 392 REGARDING THE NEBRASKA OPPORTUNITY FUND

Background: Pursuant to Board Resolution No. 392, a copy of which is included with this Agenda Item (“Resolution No. 392”) adopted by the Board of NIFA on June 20, 2014, NIFA approved the dedication on the books and records of NIFA of \$30,000,000 representing unencumbered funds of NIFA (the “Nebraska Opportunity Fund”) to implement the programs and purposes described in Resolution No. 392. The Nebraska Opportunity Fund is designed to encourage the investment of private and/or public funds which, together with the assets in the Nebraska Opportunity Fund, are used to carry out the public purposes set forth in the NIFA Act.

Allocation of Funds from the Nebraska Opportunity Fund. The NIFA Board has authorized the allocation of funds from the Nebraska Opportunity Fund for projects and programs in the form of operating resolutions (“Operation Resolutions”) and board authorizations for programs and projects in connection with the adoption of fiscal year NIFA operating budgets. Board Resolution No. 451 would clarify that either authorization method is consistent with Board Resolution No. 392 with respect to the allocation of funds and assets in the Nebraska Opportunity Fund. The Executive Director will periodically provide to the NIFA Board a report of Nebraska Opportunity Fund expenditures.

Termination of Commitment-Board Resolution No. 400 (12/12/2014): Board Resolution 451 additionally terminates the prior commitment of funds (\$5,000,000) authorized by Board Resolution No. 400. Such Resolution established a Workforce Housing Account within the Opportunity Fund to assist with the development of newly constructed 1-4 units in Nebraska communities of 50,000 persons or less. NIFA staff worked with and provided technical assistance to several communities and developers in that effort and, ultimately, such communities and developers, were able to complete their projects without the financial assistance of the Nebraska Opportunity Fund. Additionally, subsequent allocations from the Nebraska Opportunity Fund (e.g. pursuant to Board Resolution No. 423 which established the Rural Workforce Housing Match Program) have continued to provide rural communities (with populations above and below 50,000) with financial assistance for the development of workforce housing.

Staff Recommendation: Adoption of Board Resolution No. 451.

BOARD RESOLUTION NO. 392

AUTHORIZING THE ESTABLISHMENT OF THE NEBRASKA OPPORTUNITY FUND FOR THE PURPOSES OF PROMOTING, DEVELOPING, IMPLEMENTING, FINANCING AND SECURING ECONOMIC AND COMMUNITY DEVELOPMENT OPPORTUNITIES WITHIN THE STATE OF NEBRASKA, PRESCRIBING GENERAL PARAMETERS FOR THE PROGRAMS AND PURPOSES OF THE NEBRASKA OPPORTUNITY FUND, AND DEDICATING GENERAL FUNDS OF THE NEBRASKA INVESTMENT FINANCE AUTHORITY IN THE AMOUNT OF THIRTY MILLION DOLLARS (\$30,000,000) FOR FUNDING THE PURPOSES AND PROGRAMS OF SUCH OPPORTUNITY FUND.

WHEREAS, the purposes of the Nebraska Investment Finance Authority ("NIFA") include providing resources and technical expertise to communities within the state of Nebraska (the "State") essential for basic economic development, including, but not limited to, activities designed to address the housing, economic, community and agricultural development needs in Nebraska communities, all in accordance with the Nebraska Investment Finance Authority Act (the "NIFA Act"); and

WHEREAS, NIFA has developed a strategic plan that directs NIFA to transform communities in the state, broaden the financing options NIFA may provide or participate in for addressing economic development, community development and agricultural needs, to work with NIFA partners to explore ways to increase overall funding for these and other initiatives as permitted by the NIFA Act, to broaden additional options for enhancing Nebraska's attractiveness as a place to live and work and to deploy NIFA resources to achieve measurable long-term results; and

WHEREAS, NIFA desires to develop programs that will encourage local investment and participation in community investments meeting the specific needs of the communities, including, but not limited to small business development, community revitalization, microenterprise lending, businesses using the federal new markets tax credit, businesses using the state new markets tax credit, financing for first-time farmers and ranchers, workforce housing and financing for the acquisition and demolition and/or rehabilitation of homes; and

WHEREAS, the dedication on the books and records of NIFA of specific funds (the "Nebraska Opportunity Fund") is needed to implement the programs and purposes described in this Board Resolution; and

WHEREAS, it is intended that the use or pledge of assets in the Nebraska Opportunity Fund encourage the investment of private and/or public funds which, together with the assets in the Nebraska Opportunity Fund, will be used to carry out the public purposes set forth in the NIFA Act; and

WHEREAS, the source of the private funds for projects and programs to be assisted by the Nebraska Opportunity Fund may be secured, from time to time, by limited

obligations or contractual agreements and/or bonds of NIFA pursuant to the terms and conditions of one or more resolutions of the NIFA Board; and

WHEREAS, although many economic development, community development, housing, health care and agricultural initiatives utilize one or more resources or subsidies, often these subsidies are “thin” in that while beneficial, alone they are insufficient to make the project or program a success; and

WHEREAS, with respect to the initial investment by NIFA in the Nebraska Opportunity Fund, such funds would be targeted to those projects, programs and developments that have an allocation of resources from other programs or entities, but still require the additional assistance from NIFA; and

WHEREAS, it is intended that assets and funds in the Nebraska Opportunity Fund be made available for programs and projects throughout the State to leverage other resources, public and private, to accomplish the purposes of the NIFA Act, this Board Resolution and the Nebraska Opportunity Fund.

NOW THEREFORE, BE IT RESOLVED BY THE NEBRASKA INVESTMENT FINANCE AUTHORITY THAT:

Section 1. The Nebraska Opportunity Fund is hereby established to assist in financing the programs and purposes as further described in Exhibit A hereto and to further encourage the investment of private and public capital all in the manner generally described in this Board Resolution.

Section 2. An amount equal to \$30,000,000 from the general funds of NIFA is hereby designated on the books and records of NIFA as the Nebraska Opportunity Fund, to be used in accordance with the terms and conditions of this Board Resolution and as directed in one or more resolutions (an “Operating Resolution”) adopted by the Board. The Board of NIFA may consider, from time to time, additional transfers to the Nebraska Opportunity Fund from unrestricted funds of NIFA.

Section 3. In connection with projects or programs to be assisted by the Nebraska Opportunity Fund, the staff of NIFA shall present to the Board for its consideration an Operating Resolution prescribing the parameters of the project and/or program, which Operating Resolution shall describe the purposes for the use of assets in the Nebraska Opportunity Fund and which may authorize the issuance of limited obligations and contractual agreements secured by the assets of the Nebraska Opportunity Fund on deposit and pledged to those obligations and contractual agreements as provided for in such Operating Resolution.

Section 4. All provisions of prior resolutions or parts thereof, in conflict with the provisions of this Board Resolution are, to the extent of such conflicts, hereby repealed, rescinded and restated.

Passed and approved this 20th day of June, 2014.

NEBRASKA INVESTMENT FINANCE AUTHORITY

By: _____
Executive Director

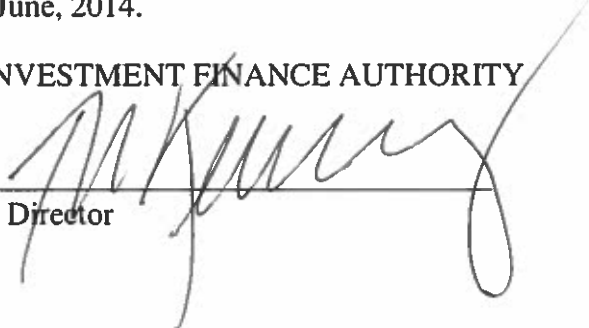
A large, stylized handwritten signature in black ink, written over a horizontal line. The signature is cursive and appears to be the name of the Executive Director.

EXHIBIT A

Authorized Uses of the Nebraska Opportunity Fund

Individual funds and accounts may be established within the Nebraska Opportunity Fund and, pursuant to the adoption by the Board of an Operating Resolution, used in connection with the financing of, providing security for, or investing in projects (as defined in and permitted by the NIFA Act).

As set forth in an Operating Resolution, obligations and contractual agreements may be secured by the assets of the Nebraska Opportunity Fund from time to time in accordance with the provisions of one or more Operating Resolutions and the NIFA Act.

Types of Assistance

Funds credited to the Nebraska Opportunity Fund (or subaccounts created therein) may be pledged or otherwise used for:

- leveraging of loans or other contractual obligations consistent with the NIFA Act in conjunction with other parties (e.g., participations in loans/guarantees)
- guarantees by NIFA of loans/bonds/other obligations
- loan subsidies
- direct loans
- capitalizing reserve funds
- standby or conditional "take-outs" of loans
- as security for bonds issued to finance projects and/or programs carried out pursuant to the Nebraska Opportunity Fund
- providing technical assistance
- grants
- such other purposes authorized by the NIFA Act and as specified in an Operating Resolution

BOARD RESOLUTION NO. 451

A RESOLUTION TO CLARIFY AND AMEND BOARD RESOLUTION NO. 392, WHICH RESOLUTION AUTHORIZED THE ESTABLISHMENT OF THE NEBRASKA OPPORTUNITY FUND FOR THE PURPOSES OF PROMOTING, DEVELOPING, IMPLEMENTING, FINANCING AND SECURING ECONOMIC AND COMMUNITY DEVELOPMENT OPPORTUNITIES WITHIN THE STATE OF NEBRASKA, WITH RESPECT TO THE PROCESS FOR AUTHORIZING THE ALLOCATION OF FUNDS IN THE NEBRASKA OPPORTUNITY FUND

WHEREAS, the purposes of the Nebraska Investment Finance Authority (“NIFA”) include providing resources and technical expertise to communities within the state of Nebraska (the “State”) essential for basic economic development, including, but not limited to, activities designed to address the housing, economic, community and agricultural development needs in Nebraska communities, all in accordance with the Nebraska Investment Finance Authority Act (the “NIFA Act”); and

WHEREAS, NIFA developed a strategic plan that directed NIFA to transform communities in the state, broaden the financing options NIFA may provide or participate in for addressing economic development, community development and agricultural needs, to work with NIFA partners to explore ways to increase overall funding for these and other initiatives as permitted by the NIFA Act, to broaden additional options for enhancing Nebraska’s attractiveness as a place to live and work and to deploy NIFA resources to achieve measurable long-term results; and

WHEREAS, NIFA develops programs intended to encourage local investment and participation in community investments meeting the specific needs of the communities, including, but not limited to small business development, community revitalization, microenterprise lending, businesses using the federal new markets tax credit, businesses using the state new markets tax credit, financing for first-time farmers and ranchers, workforce housing and financing for the acquisition and demolition and/or rehabilitation of homes; and

WHEREAS, pursuant to Board Resolution No. 392 (“Resolution No. 392”) adopted by the Board of NIFA on June 20, 2014, NIFA approved the dedication on the books and records of NIFA of specific funds (the “Nebraska Opportunity Fund”) to implement the programs and purposes described in Resolution No. 392; and

WHEREAS, in connection with projects or programs to be assisted by the Nebraska Opportunity Fund, the staff has previously presented to the Board of NIFA, and the Board of NIFA approved, operating resolutions (“Operation Resolutions”) prescribing the parameters for the projects and programs specified, respectively, in such Operating Resolutions; and

WHEREAS, the Board of NIFA, in connection with the adoption of fiscal year budgets, has additionally approved the use of funds in the Nebraska Opportunity Fund for

specific projects and programs as further set forth in the respective budgetary approvals;
and

WHEREAS, the Board of NIFA desires to clarify, pursuant to this Board Resolution No. 451, that the use of the funds and assets in the Nebraska Opportunity Fund may be authorized by Operation Resolutions, as well as pursuant to the Board budgetary approvals adopted from time to time.

NOW THEREFORE, BE IT RESOLVED BY THE NEBRASKA INVESTMENT FINANCE AUTHORITY THAT:

Section 1. Funds designated on the books and records of NIFA as the Nebraska Opportunity Fund may be authorized and used in accordance with the terms and conditions of an Operating Resolution and any resolution adopted by the NIFA Board in connection with the authorization of the operating budget of NIFA.

Section 2. With respect to the Workforce Housing Account established within the Opportunity Fund pursuant to Resolution No. 400 (adopted by the NIFA Board on December 12, 2014) for the development of newly constructed 1-4 units in Nebraska communities of 50,000 persons or less, amounts in such account were not needed in connection with the particular program authorized in such Resolution and shall, upon adoption of this Board Resolution No. 451, be released from such account and available for reallocation from the Nebraska Opportunity Fund.

Section 3. The Executive Director will periodically provide to the Board of NIFA a report of Nebraska Opportunity Fund expenditures.

Section 4. All provisions of prior resolutions or parts thereof, in conflict with the provisions of this Resolution No. 451 are, to the extent of such conflicts, hereby amended, repealed, rescinded and restated.

Passed and approved this 20th day of November, 2020.

NEBRASKA INVESTMENT FINANCE AUTHORITY

By: _____
Executive Director

NIFA Board of Directors Meeting

November 20, 2020

Agenda item # 5: Consideration of a Motion to Approve the 2021 Low Income Housing Tax Credit (LIHTC) / Affordable Housing Tax Credit (AHTC) Allocation Plan for 4% LIHTCs and Nebraska AHTCs and the incorporation of such Allocation Plan into the 2020/2021 Amended and Restated Qualified Allocation Plan previously approved by NIFA for the Tax Credit Program

Background:

Annually, the NIFA staff performs a review of the Qualified Allocation Plan (“QAP”), and the documents that are used to administer the LIHTC and AHTC programs. This review includes gathering and analyzing input from the public, housing providers and public resource allocators to update the QAP. On September 18, 2020, the NIFA Board of Directors approved the 2020/2021 Amended and Restated Qualified Allocation Plan for the Low Income Housing Tax Credit (LIHTC) Program and the Nebraska Affordable Housing Tax Credit (AHTC) Program. At that time, the Allocation Plan for 4% LIHTCs and Nebraska AHTCs was not included to allow staff time to prepare the plan and complete the public comment period and hold the public hearing.

A draft of the 2021 Allocation Plan for 4% LIHTCs and Nebraska AHTCs was shared with you on October 23, 2020. A public hearing was held on November 4, 2020. Comments from the public hearing with NIFA’s response/suggested revisions are attached. Also attached is a redline of the 2021 Allocation Plan for 4% LIHTCs and Nebraska AHTCs reflecting revisions accepted from the public hearing and internal staff review.

Board Action Required:

Adoption of the Motion attached hereto.

**NEBRASKA INVESTMENT FINANCE AUTHORITY
BOARD OF DIRECTORS MEETING
Friday, November 20, 2020**

**PROPOSED MOTION
For Agenda Item No. 5**

Whereas, the Nebraska Investment Finance Authority (“NIFA”) has completed the review of the 2021 LIHTC/AHTC Allocation Plan for 4% LIHTCS and Nebraska AHTCS (“4% LIHTC/AHTC Allocation Plan”);

Whereas, said review was conducted pursuant to Section 42 of the Internal Revenue Code and the Nebraska Affordable Housing Tax Credit Act pursuant to Neb. Rev. Stat. §77-2501 et seq.;

Whereas, accordingly the 4% LIHTC/AHTC Allocation Plan was revised after taking into consideration public comments received during focus groups and a public hearing, as well as recommendations from the NIFA Programs Committee and NIFA staff; and

Whereas, the 4% LIHTC/AHTC Allocation Plan shall be incorporated into and made a part of the 2020/2021 Amended and Restated Qualified Allocation Plan (the “2020/2021 QAP”) previously approved by the NIFA Board; and

Whereas, the 4% 2021 LIHTC/AHTC Allocation Plan, as incorporated into the 2020/2021 QAP, includes the following documents:

- a. the 2021 4% Low Income Housing Tax Credit/Nebraska Affordable Housing Tax Credits/Bonds Pre-Application
- b. the 2020/2021 LIHTC, AHTC, HOME, CDBG-DR and National Housing Trust Fund Application
- c. the 2020/2021 LIHTC, AHTC, HOME, CDBG-DR and National Housing Trust Fund Exhibit Examples
- d. the 2020/2021 LIHTC Forms and Documents
- e. the 2020/2021 Land Use Restriction Agreement (LURA)
- f. the 2020/2021 LIHTC CROWN Land Use Restriction Agreement (LURA)
- g. the 2021 Cost Certification Procedures Manual

Be it resolved that, the NIFA Board of Directors hereby approves the 2021 LIHTC/AHTC Allocation Plan for 4% LIHTC and Nebraska AHTCs and the incorporation of such Allocation Plan into the 2020/2021 QAP, as described above, and authorizes its submittal to the Governor of Nebraska for final approval.

**Nebraska Investment Finance Authority
2021 LIHTC/AHTC Allocation Plan for
4% LIHTCs and Nebraska AHTCs
Public Hearing
November 4, 2020**

Attendees: Thomas Judds, Lincoln Housing Authority; Wynn Hjermstad and Dan Marvin, City of Lincoln; Kathryn Mesner, Mesner Development Company; Mike West, Inland West; Rex Sandquist; Mona Spaulding; Rob Woodling, Foundations Development; Marjorie Olivo, Nebraska Realty; Pamela Otto, NEHHS; Fred Hoppe and Jake Hoppe, Hoppe Homes; Ryan Durant, RMD Group; Thomas McCleay and Neeraj Agarwal, Clarity Development Company; Ryan Harris, Tyler Arens and Cindy Koster, Midwest Housing Equity Group; David Lennon, National Affordable Housing Trust; Kayla Beller, Apogee Professional Services; Scott Nixon, Sugar Creek Capital; James Rieker, Advantage Capital; Kristin Nemmers, PNC; Patti Peterson, Kutak Rock.

NIFA Staff in Attendance: Sara Tichota, Kelly Schultze, Kirk Benner, Robin Ambroz, Tim Kenny, and Shannon Harner.

Meeting called to order at 10:01 a.m. CST

Summary of Public Comments categorized by topic:

Application Process

Fred Hoppe, Hoppe Homes

NIFA should look at distribution of the 4% more like CRANE rather than a competitive process. The process should be negotiation based by congressional district.

Neeraj Agarwal, Clarity Development

Readiness to proceed should be a focus. Shovel ready projects should get additional points. Having cycles will slow down the process and monthly reviews would help the process move quickly.

Kathy Mesner, Mesner Development

A review process similar to CRANE would be recommended with a monthly review.

Jake Hoppe, Hoppe Homes

The process should be similar to CRANE and be a negotiated process.

The application process for developments requesting bond volume cap without AHTC is very similar to the CRANE process since we have review cycles. The application process for developments requesting bond volume cap with AHTC will be competitively scored since it is a very limited resource.

Minimum Score in “Other Selection Criteria” \ Evaluation Criteria

Fred Hoppe, Hoppe Homes

The 30 points required in “Other Selection Criteria” should be removed as 30 points is almost impossible to reach. The disaster points are unfair and puts Lincoln at a disadvantage. Consideration should be given to different points for 4% deals and the evaluation criteria and policies should be clearly defined.

Rob Woodling, Foundations Development

The 4% program is underutilized, so would recommend removing the minimum scoring threshold to create more options.

Neeraj Agarwal, Clarity Development

Remove minimum score requirement.

Kathy Mesner, Mesner Development

The scoring for the 9% and the 4% cannot be the same.

Jake Hoppe, Hoppe Homes

The minimum points in “Other Selection Criteria”, 2 points for threshold review, and efficient housing production scoring should be removed.

NIFA has reduced the minimum score in the “Other Selection Criteria” from 30 to 25. In addition, the threshold review points and the disaster points will not be applied. The Efficient Housing Production points will only be utilized in the event that multiple applications are received for development in a single community.

Distribution

Dan Marvin, City of Lincoln

Allocation by congressional district might be appropriate.

Kathy Mesner, Mesner Development

The 3rd district should receive an extra allocation of 9% since the 1st and 2nd congressional districts will primarily be benefiting from 4%.

Scott Nixon, Sugar Creek Capital

Rural deals are difficult to get done using 4%.

NIFA has specified that it anticipates awarding Private Activity Bond Cap with 4% LIHTCs and AHTCs to approximately 1 to 3 applications, with no more than one application awarded in a single community.

Amount per Development Limitation for Applications requesting bond volume cap with AHTCs.

Neeraj Agarwal, Clarity Development

The \$10 million limitation is difficult.

David Lennon, National Affordable Housing Trust

If a project needs more than \$10 million in bond cap would they automatically be unable to request the AHTC? Removal of the cap would give more flexibility and provide a better use of resources.

The maximum amount of bond volume cap per development for applications requesting both LIHTC and AHTC has been increased to \$18 million.

Developments in Qualified Census Tracts

Fred Hoppe, Hoppe Homes

The 30% bonus for a QCT will make it more difficult to develop in Lincoln.

Dan Marvin, City of Lincoln

Lincoln will need 17,000 units between now and 2030. The QCT and boost will make it difficult for Lincoln to compete.

No changes proposed at this time. A development located in a Qualified Census Tract (QCT) receives one point and NIFA is required by the federal guidelines of the LIHTC program to incentivize developments in QCTs.

Matching the AHTC with LIHTC

Neeraj Agarwal, Clarity Development

You may not need the full amount of state credits on some projects. Some developments may need a lesser amount of state credits than federal.

Thomas McLeay, Clarity Development

The federal and state credit do not need to match to best leverage the AHTC.

The Nebraska AHTC is required to be equally matched with the federal LIHTC per the state legislation.

Preservation\Rehab Developments

Fred Hoppe, Hoppe Homes

The QAP scoring hugely weights redevelopment and does not provide creation of new units.

Thomas McLeay, Clarity Development

Using 4% on redevelopment has the ability to preserve affordable housing and that is important.

No changes proposed at this time. NIFA awards points for preservation if the development is at risk of foreclosure of a federally subsidized loan, preserves project-based rental assistance, or include historic tax credits.

Non-Profit Set-Aside

Fred Hoppe, Hoppe Homes

For set-asides, meeting the 10% non-profit requirement would be almost impossible in the 4% program.

The non-profit set-aside requirement does not apply to the 4% QAP and therefore, is not referenced in the document.

Meeting adjourned at: 11:13 a.m. CST

From: [Fred Hoppe](#)
To: [Sara Tichota](#); [Robin Ambroz](#); [Shannon Harner](#)
Cc: [Daniel K. Marvin](#)
Subject: 4% QAP comments
Date: Wednesday, November 4, 2020 11:06:07 AM
Attachments: [image001.png](#)

Sara,

Bullet points:

4% projects are a special breed of cat requiring big deals/projects.

Negotiate 4% allocations with Ne AHC match. Much like CRANE. Particularly, so one can go in que and work with NIFA but move forward. Keeps us from having to pay fees forever.

Also the QAP should emphasize and weight projects that are a collaboration with the community and move forward community affordable housing goals.

4% scoring should be tailored to 4% projects not to 9% projects.

Scoring should not prefer renovation of housing rather it should prefer new construction. The application gives tons of points to renovations which is inappropriate.

Award and allocation should be by congressional district.

Thanks.

Smile and have a GREAT Day!

Fred

Ward F. Hoppe



P.O. Box 6036
Lincoln, Nebraska 68506
402-328-8100

Click [here](#) to report this email as spam.

From: [Fred Hoppe](#)
To: [Sara Tichota](#); [Robin Ambroz](#); [Shannon Harner](#)
Cc: [Jake Hoppe](#); [Daniel K. Marvin](#)
Subject: 4% QAP
Date: Wednesday, November 4, 2020 11:31:52 AM
Attachments: [image001.png](#)

Just a quick another point.

Many of the comments really speak to negotiated award of 4% and bond cap. That would also allow looking at maximizing 4% fed credit but leveraging the 4% match ie not a direct match.

Awarding points to renovations and preserving affordable housing thereby really says NIFA didn't do its jobs in inspecting and monitoring the housing for the first 15 years. And it rewards a developer owner who lets the place get run down or sucks the money out of a project leaving it needing renovation later. Whether the housing goes to market or not it still is housing and the reality is the rents are going to stay the same as will most of the tenants. And consider that the project should have been 30 years at a minimum anyway. Most affordable housing is market anyway.

Smile and have a GREAT Day!

Fred

Ward F. Hoppe



P.O. Box 6036
Lincoln, Nebraska 68506
402-328-8100

Click [here](#) to report this email as spam.

From: [Jake Hoppe](#)
To: [Sara Tichota](#)
Subject: Comments
Date: Wednesday, November 4, 2020 11:05:19 AM

NIFA has applied a set of scoring criteria that was created to help democratize awards throughout the state, however in the application to the 4% credit, it sets up a challenging opposition between a healthy project and scalable development model. The state match is a critical gap filler, that will make additional projects possible. However, allocating it as we allocate 9% will compound rewards to projects that already have significant opportunity for soft money and gap closing. In many cases, you are punishing projects that are most efficient from a federal perspective, when the project may be securing what is an unlimited federal tax credit, and treating the federal tax credit as if it is the limiting resource. Additional commentary below:

1. Inheriting many allocation plan items that are probably acceptable for 9%, but not clear their application to the 4%
 - Rural vs urban
 - Nonprofit vs forprofit
 - Emphasis on efficiency relative to basis and LIHTC, which in this case are not limited. In fact, really need to reward ability to secure additional LIHTC.
2. Other Criteria: of the "other criteria" really would be detrimental to a sustainable project and executable project. See below for examples / detail.
3. NIFA Scoring Criteria – This probably needs to review to what extent and clarify how it applies. Certain items are not clear their application (e.g. threshold). Efficiency scoring is set up to allocate a limited LIHTC allocation to the state, but in this case, this LIHTC is not constrained.
4. It is not clear upon what dimensions projects compete, if they meet the minimum thresholds. Setting up a more negotiated process would be more appropriate.
5. "Readiness to proceed" should be more highly weighted.
6. Tie more closely to the CRANE type of process

Other Criteria: There are numerous scoring elements that are mutually exclusive with a healthy and adequately assembled bond deal, such that the minimum of 30 points presents an onerous target.

- Points for density, small community, economic development certified community, mixed income, and eventual tenant ownership are virtually mutually excluded from a successful project, and in fact the pursuit of such points could make a project significantly less stable and have undesired affects
- Out of the total of 52 points, you have eliminated 14 immediately, resulting in a point total of 38
- It is clear why this has been set up for the 9% allocation. It is not clear that an arms race on these points would be in the best interest of a bond project.

NIFA Scored Criteria

- It is unclear what the meaning of threshold points would be in the case of the 4% bond. There is no threshold application period.
- It does not make sense to make a deep skewing of rents a criteria for award. This will have the adverse effect of limiting bonds to projects with high levels of soft financing, and compounding additional tax credit capacity to projects that would otherwise have been feasible.
- It does not make sense to make efficiency / basis and efficiency / federal tax credit as a criteria, when federal tax credits are not a limiting factor to additional development. Again, this compounds tax credits to projects that would otherwise have been feasible.
 - It is unclear why the availability of the basis boost for LIHTC would be considered negatively against a project that qualified for additional LIHTC

Hoppe Homes

Vice President, Development and Finance

402.730.9639

Click [here](#) to report this email as spam.

NEBRASKA INVESTMENT FINANCE AUTHORITY
LOW INCOME HOUSING TAX CREDIT PROGRAM
2021 LIHTC/AHTC ALLOCATION PLAN
FOR
4% LIHTCS and NEBRASKA AHTCS

REVISED **DRAFT** 11/24/2020



LOW INCOME HOUSING TAX CREDIT PROGRAM

2021 LIHTC Allocation Plan For 4% LIHTCS and AHTCS

Table of Contents

	<u>Page</u>
1. INTRODUCTION.	3
1.2 DEVELOPMENT OF QUALIFIED ALLOCATION PLAN AND 4% LIHTC/AHTC ALLOCATION PLAN.....	4
1.3 APPLICATION PROCESS.....	5
Requests for Private Activity Bond Cap for 4% LIHTCs Only – Allocation Cycles*..	6
1.4 INELIGIBLE APPLICANTS.....	6
2. BOND, 4% LIHTC AND AHTC FEE SCHEDULE.....	7
2.1 BOND APPLICATION/NIFA ISSUANCE FEE.....	7
2.2 PRIVATE ACTIVITY BOND CAP ALLOCATION FEE (VOLUME CAP) AND RESERVATION DEPOSIT.....	7
2.3 BOND ISSUANCE FEE (PAYABLE AT BOND CLOSING).	7
2.4 BOND ANNUAL ISSUER COMPLIANCE FEE.	8
2.5 BOND LOAN DOCUMENT/REGULATORY AGREEMENT/ASSUMPTION/ TRANSFER FEE.....	8
2.6 BOND MODIFICATION FEE.....	8
2.7 BOND REFUNDING FEE.....	8
2.8 4% LIHTC/AHTC APPLICATION FEES.....	8
2.9 LIHTC SECTION 42(m) LETTER FEE.....	8
2.10 4% LIHTC/AHTC LATE FEE – SECTION 42(m) LETTER DOCUMENTATION.	8
2.11 4% LIHTC/AHTC ALLOCATION/COST CERTIFICATION FEE.....	9
2.12 4% LIHTC LATE FEE – COST CERTIFICATION.....	9
2.13 4% LIHTC EXTENSION FEE.....	9
2.14 4% LIHTC/AHTC ANNUAL COMPLIANCE FEES.	9
2.15 4% LIHTC LATE PAYMENT PENALTY.....	10
2.16 4% LIHTC DEVELOPMENT TRANSFER/ASSUMPTION FEE.....	10
2.17 4% LIHTC/AHTC APPLICATION/DOCUMENTATION CHANGE FEE. ...	11
2.18 LEGAL FEES.....	11
3. 4% LIHTC AND AHTC ALLOCATIONS, PRE-APPLICATION, LIHTC/AHTC APPLICATION AND PRIVATE ACTIVITY BOND CAP.....	12

3.1	REVIEW OF PRE-APPLICATION AND SCORING OF LIHTC/AHTC APPLICATION.	12
3.2	PRE-APPLICATION and LIHTC/AHTC APPLICATION SUBMITTAL PROCESS.	12
3.3	EVALUATION OF THE PRE-APPLICATION AND FULL LIHTC APPLICATION.	13
3.4	MAXIMUM ALLOCATION OF 4% LIHTCS/AHTCs.	13
3.5	DEVELOPER FEE/ACQUISITION OF EXISTING BUILDING.	14
3.6	PRIVATE ACTIVITY BOND CAP APPLICATION.	14
3.7	NIFA AS ISSUER OF TAX-EXEMPT BONDS.	15
3.8	NON-NIFA ISSUER OF TAX-EXEMPT BONDS.	15
4.	LIHTC SECTION 42(M) LETTER.	15
5.	LIHTC REVOCATION.	17
6.	MODIFICATION OR REVOCATION OF 4% LIHTC AND, IF APPLICABLE, AHTC ALLOCATIONS.	17
7.	FINAL 4% LIHTC (AND, IF APPLICABLE, AHTC) ALLOCATION/COST CERTIFICATION.	18
8.	LIHTC GUIDELINES.	18
9.	BOND MINIMUM SET-ASIDE ELECTIONS	19
9.1	20-50 ELECTION.	19
9.2	40-60 ELECTION.	19
10.	LIHTC MINIMUM SET-ASIDE ELECTIONS.	20
10.1	20-50 ELECTION.	20
10.2	40-60 ELECTION.	20
10.3	INCOME AVERAGING ELECTION.	20
11.	LIHTC COMPLIANCE MONITORING.	21
11.1	TENANT INCOME CERTIFICATIONS.	22
11.2	ANNUAL OWNER CERTIFICATIONS.	22
11.3	RECORD KEEPING AND RETENTION.	22
11.4	REVIEW PROCESS.	23
11.5	ON-SITE INSPECTION AND TENANT FILE REVIEW.	23
11.6	NOTIFICATION TO OWNER.	24
11.7	NOTICE TO INTERNAL REVENUE SERVICE.	24
11.8	LIABILITY AND DISCLOSURE OF INFORMATION.	24
12.	NIFA CONTACT INFORMATION.	25
	EXHIBIT A.	26
	EXHIBIT B.	29

NEBRASKA INVESTMENT FINANCE AUTHORITY

2021 LIHTC ALLOCATION PLAN

FOR
4% LIHTCS & AHTCS

1. INTRODUCTION.

The 2021 Allocation Plan (“4% LIHTC/AHTC Allocation Plan”) for the federal 4% Low Income Housing Tax Credit (“LIHTC”) and the Nebraska Affordable Housing Tax Credit (“AHTC”), as incorporated into and made a part of the 2020/2021 Amended and Restated Qualified Allocation Plan (“2020/2021 QAP”) described below, provides (i) in accordance with Section 146 of the Internal Revenue Code of 1986 (“the Code”) for the allocation of federal private activity volume cap (“Private Activity Bond Cap”) required for the issuance of bonds (“Bonds”) for qualified residential rental projects (“developments”) (pursuant to Section 142 of the Code) and (ii) as set forth in this 4% LIHTC/AHTC Allocation Plan, the allocation of federal 4% LIHTCs and Nebraska AHTCs. [NOTE: The allocation of the 9% federal low income housing tax credit is governed by a separate 2020/2021 Amended and Restated LIHTC Allocation Plan for 9% LIHTCs adopted by NIFA.]

1.1 AVAILABLE PRIVATE ACTIVITY BOND CAP, 4% LIHTCS AND AHTCS.

An owner/developer desiring to request from NIFA an allocation of Private Activity Bond Cap for a development and the allocation of 4% LIHTCs and AHTCs must follow the process outlined and subject to the limitations set forth in this 4% LIHTC/AHTC Allocation Plan. NOTE: As set forth below, a limited amount of Private Activity Bond Cap will be made available in 2021 for the issuance of Bonds to finance developments for which the owner/developer requests an allocation of Nebraska AHTCs.

Allocations of Private Activity Bond Cap in 2021

- **Requests for Private Activity Bond Cap for Both 4% LIHTCs and AHTCs**

NIFA will make available ~~up to approximately~~ \$20 million of Private Activity Bond Cap in accordance with the procedures further set forth in this 4% LIHTC/AHTC Allocation Plan pursuant to a competitive process in connection with requests for the allocation of 4% LIHTCs and accompanying AHTCs for developments as further set forth in this 4% LIHTC/AHTC Allocation Plan. A request for Private Activity Bond Cap for a development accessing both 4% LIHTCs and AHTCs shall not exceed \$1~~80~~ million per development. ~~(Note: the reference in the Unified Volume Cap Allocation Application (as described herein) to an \$18 million limit for multifamily rental housing is not applicable to an allocation of Private Activity Bond Cap in connection with a development to be financed with AHTCs.)~~

- **Requests for Private Activity Bond Cap for 4% LIHTCs Only**

NIFA will consider requests for Private Activity Bond Cap in accordance with the procedures further set forth in this 4% LIHTC/AHTC Allocation Plan for the allocation of 4% LIHTC only. Private Activity Bond Cap for Bonds to finance

developments which will not request or receive an allocation of Nebraska AHTCs will be allocated subject to availability of Private Activity Bond Cap as announced by NIFA. A request for Private Activity Bond Cap for a development which is not eligible to be awarded AHTCs shall not exceed \$18 million per development.

1.2 DEVELOPMENT OF QUALIFIED ALLOCATION PLAN AND 4% LIHTC/AHTC ALLOCATION PLAN.

The 2020/2021 QAP was adopted by NIFA with public participation and comment pursuant to a public process established by NIFA and with the approval of the Governor of the State of Nebraska in accordance with Section 42 of the Code. This 4% LIHTC/AHTC Allocation Plan, pursuant to a public process as described below, has been incorporated and made a part of the 2020/2021 QAP. The 2020/2021 QAP consists of the following:

- a. the 2020/2021 Amended and Restated LIHTC Allocation Plan for 9% LIHTCs and AHTCs
- b. this 2021 4% LIHTC/AHTC Allocation Plan
- c. the 2020 4% LIHTC Allocation Plan
- d. the 2021 4% LIHTC/AHTC/Bonds Pre-Application
- e. the 2020/2021 LIHTC, AHTC, HOME, CDBG-DR and National Housing Trust Funds Application
- f. the 2020/2021 LIHTC, AHTC, HOME, CDBG-DR and National Housing Trust Funds Exhibit Examples
- g. the 2020/2021 LIHTC Forms and Documents
- h. the 2020 CRANE Guidelines and Application
- i. the 2020 Carryover Allocation Procedures Manual
- j. the 2020 10% Test Certification
- k. the 2020 Cost Certification Procedures Manual
- l. the 2020/2021 Land Use Restriction Agreement (LURA)
- m. the 2020/2021 LIHTC CROWN Land Use Restriction Agreement (CROWN LURA)
- n. the 2021 CRANE Guidelines and Application
- o. the 2021 Carryover Allocation Procedures Manual
- p. the 2021 10% Test Certification
- q. the 2021 Cost Certification Procedures Manual

A public hearing on the proposed incorporation of this 4% LIHTC/AHTC Allocation Plan into the 2020/2021 QAP was held by video and telephone conference from Lincoln, Nebraska. All comments received by NIFA were taken into consideration in developing and drafting the 4% LIHTC/AHTC Allocation Plan.

This 4% LIHTC/AHTC Allocation Plan and the incorporation thereof into the 2020/2021 QAP was approved by the NIFA Board of Directors and forwarded to the Governor of the State of Nebraska for approval in accordance with the Section 42 of the Code.

The 2020/2021 QAP is designed to provide for the selection of developments that address the most pressing housing needs of Nebraska, within the guidelines and requirements of Section 42

of the Code. NIFA, in its sole discretion, reserves the right to modify or waive any conditions, which are otherwise not mandated by the Code, contained in the 2020/2021 QAP. Modifications by NIFA may include, but are not limited to, changes which provide for better coordination with other state and federal programs and/or funding sources.

The QAP may be amended from time to time as new guidelines and regulations are issued under Section 42 of the Code or as NIFA deems necessary to meet the LIHTC and AHTC Program goals and objectives.

1.3 APPLICATION PROCESS.

Persons interested in applying for an allocation of Private Activity Bond Cap, together with 4% LIHTCs and AHTCs in connection with the financing of a development shall submit the documents set forth below at the times specified in this 4% LIHTC/AHTC Allocation Plan. For a development to be eligible for review during an allocation cycle (“Allocation Cycle”), a complete 2021 4% LIHTC/AHTC/Bonds Pre-Application (the “Pre-Application”) and a complete 2020/2021 LIHTC, AHTC, HOME, CDBG-DR, and National Housing Trust Funds Application (the “LIHTC/AHTC Application”), together with all required supporting information must be submitted to NIFA via the online funding application system by the respective deadlines for that particular Allocation Cycle. Submissions for an allocation of Private Activity Bond Cap and 4% LIHTCs/AHTCs that do not include a fully completed Pre-Application or LIHTC/AHTC Application, with correctly attached Exhibits and specified application fee, will not be reviewed or scored by NIFA. The Pre-Application and LIHTC/AHTC Application are available on NIFA’s web site at www.NIFA.org.

Requests for Private Activity Bond Cap with 4% LIHTCs and AHTCs – Allocation Cycle

2021 Allocation Cycle	<u>PRE-APPLICATION</u> 2021 4% LIHTC/AHTC/Bonds Pre-Application Deadline (no later than 5:00 p.m. CST)	<u>FINAL APPLICATION</u> 2020/2021 LIHTC, AHTC, HOME, CDBG-DR and National Housing Trust Funds Application Deadline (no later than 5:00 p.m. CST)	Private Activity Bond Cap to be Reserved
Cycle 1	February 12, 2021	March 19, 2021	Up to <u>Approximately</u> \$20 Million

Requests for Private Activity Bond Cap for 4% LIHTCs Only – Allocation Cycles*

2021	<u>PRE-APPLICATION</u> 2021 4% LIHTC/Bonds Pre-Application Deadline (no later than 5:00 p.m. CST)	<u>FINAL APPLICATION</u> 2020/2021 LIHTC, AHTC, HOME, CDBG-DR and National Housing Trust Funds Application Deadline (no later than 5:00 p.m. CST)	Approximate Private Activity Bond Cap to be Available*
Cycle 1 Cycle 2 Cycle 3	March 26, 2021 May 21, 2021 July 23, 2021	April 30, 2021 June 25, 2021 August 27, 2021	\$30 Million

*NIFA reserves the right to hold additional Allocation Cycles or make changes to the above Allocation Cycles as it deems necessary to meet 2021 LIHTC/AHTC Program goals and objectives.

1.4 INELIGIBLE APPLICANTS.

Neither a Pre-Application nor a final LIHTC/AHTC Application will be reviewed, scored or considered by NIFA at any time if:

- i. the developer general partner/managing member or any affiliate thereof is delinquent on LIHTC fees, AHTC fees or Tax-Exempt Bond fees due and payable in connection with any other LIHTC developments located in Nebraska; or
- ii. the general partner/managing member or any affiliate thereof currently has or has had items of noncompliance or violations of a Land Use Restriction Agreement/Tax-Exempt Bond Regulatory Agreement that have not been corrected within the applicable correction period on any other LIHTC development located in Nebraska; or
- iii. the developer, general partner/managing member or any affiliate thereof is delinquent on any documentation or payments that are due and payable to NIFA, including but not limited to the following:
 - (a) Conditional Reservation Documentation/42(m) Letter
 - (b) Carryover Documentation
 - (c) 10% Test Documentation
 - (d) Cost Certification Documentation
 - (e) Asset Management Documentation
 - (f) TCAP Loan Repayment Amounts
 - (g) Any other documentation requested by NIFA

2. BOND, 4% LIHTC AND AHTC FEE SCHEDULE.

NIFA reserves the right to revise the fee schedule from time to time.

The following sets forth the various fees to be paid by the owner/developer of the development in connection with the allocation of Private Activity Bond Cap, 4% LIHTC to include the issuance of bonds (whether the bonds are issued by NIFA or another issuer) and AHTCs.

2.1 BOND APPLICATION/NIFA ISSUANCE FEE.

If NIFA will be requested to consider issuing the Bonds, a non-refundable fee of 1/16th of 1% of the Bond amount (both tax-exempt and taxable, if appropriate) requested (\$1,000 minimum) is due upon submission of the Pre-Application. This fee will be applied to the “Bond Issuance Fee” if the Bond issue closes.

2.2 PRIVATE ACTIVITY BOND CAP ALLOCATION FEE (VOLUME CAP) AND RESERVATION DEPOSIT.

Private Activity Bond Cap Allocation Fee: A non-refundable fee of \$150 is due to NIFA at such time as NIFA has reviewed the LIHTC/AHTC Application and notified the owner/developer that the owner/developer may submit a request for an allocation of Private Activity Bond Cap.

Reservation Deposit: A reservation deposit is equal to the lesser of \$10,000 or 1% of the amount of the Private Activity Bond Cap allocation requested (minimum Deposit of \$1,000) is also due to NIFA at such time as NIFA has reviewed the LIHTC/AHTC Application and notified the owner/developer that the owner/developer may submit a request for an allocation Private Activity Bond Cap. In the event an allocation of Private Activity Bond Cap granted to the developer/owner by NIFA is not used prior to the expiration date of the Private Activity Bond Cap allocation (or the amount of such allocation used by the developer/owner is less than the amount of the allocation granted by NIFA), the Reservation Deposit (or if the allocation used is less than the allocation amount granted, a proportionate amount of the Reservation Deposit) will be forfeited by the developer/owner and retained by NIFA. **In any event, the Reservation Deposit is refundable only to the extent and in the proportion that the allocation of Private Activity Bond Cap is used prior to the expiration date of the allocation and upon receipt by NIFA from the developer/owner of the IRS Form 8038 as filed with the IRS.** (Unpaid expenses incurred may be offset by NIFA against any refundable portion of the Reservation Deposit.)

2.3 BOND ISSUANCE FEE (PAYABLE AT BOND CLOSING).

If NIFA is the issuer of the Bonds, a one-time fee of 1/8th of 1% of the Bond (aggregate of tax-exempt and taxable) amount (\$1,000 minimum) is due upon issuance of the Bonds, less credit for the amount paid as a Bond Application Fee (Section 2.1). The development owner/developer is responsible for paying all costs related to the issuance of the Bonds.

2.4 BOND ANNUAL ISSUER COMPLIANCE FEE.

If NIFA is the issuer of the Bonds, an annual fee of 1/8 of 1% of the original principal amount of the Bonds (aggregate of tax-exempt and taxable), payable until the expiration of the “qualified project period” for the Bonds.

2.5 BOND LOAN DOCUMENT/REGULATORY AGREEMENT/ASSUMPTION/TRANSFER FEE.

If NIFA is the issuer of the Bonds, a fee of 1/8th of 1% of the original principal amount of the Bonds (aggregate of tax-exempt and taxable; \$1,000 minimum). The development owner/developer is responsible for paying all other costs.

2.6 BOND MODIFICATION FEE.

If NIFA is the issuer of the Bonds, a fee of 1/8th of 1% of the original principal amount of the Bonds (aggregate of tax-exempt and taxable; \$1,000 minimum).

2.7 BOND REFUNDING FEE.

If NIFA is the issuer of the Bonds, a fee of 1/8th of 1% of the original principal amount of the Bonds (aggregate of tax-exempt and taxable; \$1,000 minimum).

2.8 4% LIHTC/AHTC APPLICATION FEES.

4% LIHTC: A non-refundable fee equal to the greater of 1% of the annual amount of 4% LIHTCs requested or \$500 is due to NIFA at the time of submission of the Pre-Application.

AHTC: A non-refundable fee equal to \$500 is due to NIFA upon the submission of the Pre-Application.

NOTE: Applications for which allocations of LIHTCs/AHTCs/Private Activity Bond Cap are not awarded and which applications are resubmitted in a subsequent calendar year must pay the full amount of the LIHTC/AHTC Fees set forth in the Section 2.8.

2.9 LIHTC SECTION 42(m) LETTER FEE.

A non-refundable fee equal to the greater of 2% of the annual 4% LIHTC stated in the Section 42(m) Letter or \$500 is due to NIFA no later than the date specified for the submission of the Section 42(m) Letter Documentation.

2.10 4% LIHTC/AHTC LATE FEE – SECTION 42(m) LETTER DOCUMENTATION.

A late fee of 1% of the amount of the 4% LIHTCs set forth in the Section 42(m) Letter will be assessed and collected from developers/owners of developments for which the Section 42(m) Letter Documentation as set forth below in Section 4 of this 4% LIHTC/AHTC Allocation Plan is not received in NIFA’s office by the required deadline.

2.11 4% LIHTC/AHTC ALLOCATION/COST CERTIFICATION FEE.

4% LIHTC: A non-refundable fee equal to 2% of the annual amount of the 4% LIHTC allocated to a development is due and payable to NIFA by the developer/owner at the time of submission of the Final Cost Certification Documentation as set forth in the Final Cost Certification Procedures Manual.

AHTC: In connection with the allocation, if applicable, of the AHTC, a non-refundable fee equal to \$500 is due and payable to NIFA by the developer/owner at the time of submission of the Final Cost Certification Documentation as set forth in the Final Cost Certification Procedures Manual.

2.12 4% LIHTC LATE FEE – COST CERTIFICATION.

A late fee of 1% of the 4% LIHTC amount reserved for a development will be assessed and collected from developers/owners of developments for which the Cost Certification Documentation is not received in NIFA's office by the required deadline as set forth in the Cost Certification Procedures Manual.

2.13 4% LIHTC EXTENSION FEE.

A developer/owner may request an extension of any of the following deadlines: Section 42(m) Letter and Final Cost Certification, if

- (a) an Extension Fee of \$500 is received in NIFA's office on or before the applicable deadline; and
- (b) in NIFA's sole discretion, the following conditions have been satisfied.
 - 1. A written explanation of the conditions that exist which have caused the need for the extension, along with the proposed date that information will be submitted to NIFA to meet the extended deadline.
 - 2. Based on the facts and circumstances, the request for an extension is reasonable.
 - 3. The request for an extension is submitted to NIFA on or before the deadline for the original submittal.
 - 4. The Extension Fee is paid concurrently with the extension request.

If NIFA has granted an extension prior to any deadline as outlined above, no late fees will be assessed, unless the agreed upon extension date is not met.

2.14 4% LIHTC/AHTC ANNUAL COMPLIANCE FEES.

4% LIHTC: A non-refundable fee equal to the greater of 2% of the annual 4% LIHTC allocated or \$500 minimum is due to NIFA each year during the 15-year Compliance Period for the development.

If an owner chooses the Income Averaging (“IA”) set-aside election (set forth in Section 9) an additional fee of one half of one percent of the annual 4% LIHTC allocated for each year during the 15-year compliance period will be due at Final Cost Certification submission.

Example: Annual Credit Amount x .005 x 15 years= Additional Annual Fee for IA Election

AHTC: In connection with the AHTC, a non-refundable fee equal to \$250 is due to NIFA each year during the 6-year Credit Period for the development. (The AHTC annual fee may be paid upfront; however, there is no discount for doing so.)

PREPAYMENT OF ANNUAL COMPLIANCE FEES: Owners have the option to pay the 4% LIHTC Annual Fee upfront as part of their Development Budget. If an owner chooses to pay the 4% LIHTC Annual Fee in full, the amount due for the Annual Fee will be discounted to 1.5% of the annual 4% LIHTCs allocated multiplied by 15 years with a minimum fee of \$7,500.

Example: Annual Credit Amount x 1.5% x 15 years = Total Upfront Annual Fee for first 15 years.

If an owner elects to pay the full 15 years of the Annual Fee upfront, this should be reflected in the Development Budget within the LIHTC/AHTC Application.

After the 15-year Compliance Period (e.g. during the Extended Use Period), the 4% LIHTC Annual Fee will be payable in the amount and as set forth in the Post Year-15 Monitoring Procedures.

The AHTC annual fee may be paid upfront; however, there is no discount for doing so.

2.15 4% LIHTC LATE PAYMENT PENALTY.

A late payment penalty equal to 5% of the 4% LIHTC Annual Fee will be charged to all accounts that are more than 30 days delinquent. Any fees not collected will be turned over to appropriate agencies for collection.

2.16 4% LIHTC DEVELOPMENT TRANSFER/ASSUMPTION FEE.

In addition to any ownership transfer/assumption fees due to NIFA if proceeds of Bonds issued by NIFA have been used to finance the development, a nonrefundable fee of \$1,500, plus attorney fees shall be assessed and collected from the owner of the development for changes in the ownership structure of the development or a transfer of the development to another entity.

NIFA reserves, commits and allocates LIHTCs/AHTCs/Private Activity Bond Cap to partnerships, corporations, limited liability companies and individuals. Reservations and commitments of LIHTCs/AHTCs/Private Activity Bond Cap are non-transferable, and **any change in the partners/members of the development owner or sale of the development requires NIFA’s prior written approval and payment of the fee described in this Section 2.16, and, if applicable, other provisions of the 4% LIHTC/AHTC Allocation Plan** (e.g., addition of a third party or removal of an

individual/entity listed as part of the ownership entity of the development in the Pre-Application, the LIHTC/AHTC Application, or the Private Activity Cap Application).

2.17 4% LIHTC/AHTC APPLICATION OR DOCUMENTATION CHANGE FEE.

A non-refundable fee of \$100 an hour after the first hour of review, plus attorney fees, shall be assessed in connection with a request, subsequent to receipt of the reservation of 4% LIHTCs/AHTCs for the development, to amend the terms, conditions or information included in the Pre-Application, LIHTC/AHTC Application or other documentation submitted in connection with the request for 4% LIHTCs/AHTCs. Such non-refundable fees shall be submitted to NIFA at the time of request for consideration of an application or documentation change.

Reservations and commitments of Private Activity Bond Cap, 4% LIHTCs and AHTCs are non-transferable, and any change from the commitments in the application requires NIFA's prior written approval and payment of the fee described in this Section 2.17 (e.g., request for changes to commitments made in the Pre-Application, the LIHTC/AHTC Application or the Private Activity Cap Application).

2.18 LEGAL FEES.

Extraordinary legal fees incurred by NIFA in connection with the review of the Pre-Application, the LIHTC/AHTC Application, or the Private Activity Cap Application or any materials submitted in connection with an allocation of 4% LIHTCs/AHTCs/Private Activity Bond Cap, the allocation process (including, but not limited to the cost certification process) or ongoing compliance with respect to a development will be assessed and charged to the development owner, including but not limited to the following:

- Fees for research relating to irregular situations
- Ownership agreements
- Rental rate questions
- Unusual timing situations
- Specific technical questions related to Code Section 42

3. 4% LIHTC AND AHTC ALLOCATIONS, PRE-APPLICATION, LIHTC/AHTC APPLICATION AND PRIVATE ACTIVITY BOND CAP.

3.1 REVIEW OF PRE-APPLICATION AND SCORING OF LIHTC/AHTC APPLICATION.

PRE-APPLICATION:

Applicants who have submitted a Pre-Application by the required Allocation Cycle deadline should proceed to the completion of the final LIHTC/AHTC Application by the required Allocation Cycle deadline unless notified by NIFA.

FINAL APPLICATION:

The following criteria will be reviewed for purposes of scoring each LIHTC/AHTC Application:

- Threshold Criteria
- Other Selection Criteria
- NIFA Scored Criteria

A minimum score of 2530 is required in the Other Selection Criteria of the LIHTC/AHTC Application for Private Activity Bond Cap/4% LIHTCs/AHTCs.

NOTE: Pre-Applications and LIHTC/AHTC Applications will be scored SOLELY on information provided in the online Pre-Application and LIHTC/AHTC Application submitted for the applicable Allocation Cycle deadlines. Any Pre-Application or LIHTC/AHTC Application submitted for review (and for which an allocation is not awarded during an Allocation Cycle) must be resubmitted in full (whether or not changes have been made by the applicant subsequent to the prior review by NIFA) by the next Pre-Application and LIHTC/AHTC Application deadline in order to be considered for an allocation of Private Activity Bond Cap/4% LIHTCs/AHTCs. (Any documentation or information submitted for a previous Allocation Cycle will not be taken into consideration for the current deadline.)

3.2 PRE-APPLICATION and LIHTC/AHTC APPLICATION SUBMITTAL PROCESS.

To be considered for a reservation of Private Activity Bond Cap, 4% LIHTCs and AHTCs, all documentation must be submitted through the online Pre-Application and LIHTC/AHTC Application. Only the information submitted for the current Allocation Cycle will be reviewed regardless of any prior Allocation Cycle's submittal of documentation. If information was submitted for the first Allocation Cycle, information must be resubmitted in full for each subsequent Allocation Cycle, until the submissions results in an award. The Private Activity Bond Cap, Pre-Application and LIHTC/AHTC Application Fees must be submitted on or prior to the submittal of the online Pre-Application or LIHTC/AHTC Application.

3.3 EVALUATION OF THE PRE-APPLICATION AND FULL LIHTC APPLICATION.

- (a) Each Pre-Application and subsequent full LIHTC/AHTC Application for 4% LIHTCs, and, if applicable, AHTCs for a particular development will be evaluated based upon the information submitted in the respective online Pre-Application or LIHTC/AHTC Application for the applicable Allocation Cycle in which such application was submitted and such other information that NIFA may request or obtain in the evaluation process. LIHTC/AHTC Applications that do not receive points under all Threshold Criteria will not be considered for an allocation of Private Activity Bond Cap, 4% LIHTCs or AHTCs.
- (b) Developments will be ranked based upon the total number of points awarded in all criteria categories, with the exception of the following: 1). The Efficient Housing Production points will only be utilized in the event that multiple applications are received for development in a single county. In the event more than one application is received for development in a single county, those applications will be evaluated against each other in the Efficient Housing Production category, and 2). The Natural Disaster Designation points will not be applied.
- (c) Applications that do not receive points under all Threshold Criteria will not be considered for an allocation of 4% LIHTC and AHTC.
- (d) NIFA anticipates awarding Private Activity Bond Cap with 4% LIHTCs and AHTCs to approximately 1 to 3 applications, with no more than one application awarded in a single county.
- (e) NIFA will conduct an initial evaluation to determine the appropriate amount, if any, of Private Activity Bond Cap, 4% LIHTCs~~S~~, and, if applicable, AHTCs to be reserved, using data provided by the eligible applicant and according to NIFA benchmarks and Sections 142 and 42 of the Code.

NOTE: NIFA will only review materials submitted during the applicable Allocation Cycle in which it was submitted.

3.4 MAXIMUM ALLOCATION OF 4% LIHTCS/AHTCs.

- (a) In accordance with Section 42 of the Code, each LIHTC/AHTC Application will be evaluated by NIFA to determine the amount of 4% LIHTCs (and AHTCs, if applicable) to be allocated for a particular development. LIHTC/AHTC allocations will be limited to the amount necessary to ensure the financial feasibility of the development based on the pro-forma information submitted by the developer/owner and such other materials as requested and deemed necessary by NIFA.
- (b) For purposes of determining the amount, if any, of 4% LIHTCs (and AHTCs, if applicable) to be reserved for a particular development, NIFA will limit the amount of developer/contractor overhead, profit and fees, general requirements,

and consultant fees included in the eligible basis to an amount not to exceed 24% of the total eligible basis of the development.

Example: Total Eligible Basis
 - (Builder/Contractor Overhead)
 - (Builder/Contractor Profit)
 - (General Requirements)
 - (Developer Overhead)
 - (Developer Fee)
 - (Tax Credit Consultant Fee)
 - (Real Estate Consultant Fee)
 = Adjusted Eligible Basis
 X 24%
 = Maximum amount allowable for developer, contractor overhead & profit, general requirements & consultant fees includable in eligible basis for LIHTC 42(m) Letter purposes

Applicants/owners/developers should be aware that NIFA may reduce the 4% LIHTC (and AHTC, if applicable) allocation to achieve the range of 24% limit for these fees.

- (c) For purposes of determining the amount of 4% LIHTCs (and AHTCs, if applicable) allocable to a development, NIFA will limit the amount of architecture design/architect supervision/ engineering/survey fees to an amount not to exceed 7% of new and/or rehabilitation of hard construction costs (not to include contractor overhead/profit or general requirements).

3.5 DEVELOPER FEE/ACQUISITION OF EXISTING BUILDING.

A developer fee is permitted in an amount related to the acquisition cost of an existing building that will also be rehabilitated. Such developer fee will be limited to 5% of the building acquisition costs excluding the cost of land and fees associated with the purchase or lease of the land. Acquisition cost of the existing building(s) must be supported by an appraisal from an unrelated third party and a settlement statement.

3.6 PRIVATE ACTIVITY BOND CAP APPLICATION.

To be considered for an allocation of Private Activity Bond Cap and 4% LIHTC (and AHTC, if applicable), an applicant/owner/developer must submit a complete Pre-Application and complete LIHTC/AHTC Application, together with all supporting information required by such applications which will be reviewed and scored in accordance with this 4% LIHTC/AHTC Allocation Plan. Developments for which Private Activity Bond Cap is requested for the issuance of tax-exempt Bonds must qualify for and use 4% LIHTCs. Additionally, at least 50% of the aggregate basis of the development (including the land) must be financed with the proceeds of the tax-exempt Bonds. At the request of NIFA, an applicant/owner/developer shall complete the Private Activity Bond Cap Application.

Developments financed with tax-exempt Bonds pursuant to Section 142 of the Code and with respect to which Private Activity Bond Cap is allocated to the owner/developer of the development in accordance with Section 146 of the Code are eligible to receive 4% LIHTC based on the amount of the qualified basis of the development (as set forth in Section 42 of the Code). The Nebraska AHTC will only be available to owners of developments to whom specific Private Activity Bond Cap is allocated in connection with AHTCs. 4% LIHTC do not count against, and are not required to be allocated from, Nebraska's 9% LIHTC credit ceiling.

3.7 NIFA AS ISSUER OF TAX-EXEMPT BONDS.

Applicants desiring that NIFA act as the issuer of the tax-exempt Bonds shall indicate such request on the Pre-Application (along with payment of applicable fees) by the appropriate dates set forth for each Allocation Cycle in order for the NIFA board to consider the adoption of a limited purpose intent resolution. A limited purpose intent resolution does not bind NIFA to ultimately issuing Bonds, but is a requirement prior to the consideration by the NIFA board of an allocation of Private Activity Bond Cap and final Bond issuance approval. Additionally, the applicant must submit a completed LIHTC/AHTC Application by the appropriate dates set forth for each Allocation Cycle. A separate application for the Bond Cap allocation (NIFA's Unified Volume Cap Allocation Application) must then be submitted at the request of NIFA after a completed LIHTC Application has been reviewed and accepted by NIFA with no deficiencies and selected for an allocation, along with the applicable Reservation Deposit and Bond Allocation Fee.

3.8 NON-NIFA ISSUER OF TAX-EXEMPT BONDS.

If NIFA will not be the issuer of the Bonds, the applicant must submit a completed Pre-Application and include a copy of the intent resolution adopted by the proposed issuer (e.g. governmental entity) of the Bonds. Once the Pre-Application has been submitted (in accordance with the deadlines for the applicable Allocation Cycle) and reviewed, the applicant may submit the completed LIHTC/AHTC Application (in accordance with the deadlines for the applicable Allocation Cycle). A separate application for Bond Cap allocation (NIFA's Unified Volume Cap Allocation Application) must then be submitted at the request of NIFA after a completed LIHTC/AHTC Application has been reviewed and accepted by NIFA with no deficiencies and selected for an allocation, along with the applicable Reservation Deposit and Bond Allocation Fee.

4. LIHTC SECTION 42(m) LETTER.

An applicant requesting to receive an allocation of 4% LIHTC in a particular Allocation Cycle will be notified in writing of the allocation of 4% LIHTCs and will receive a Section 42(m) Letter of 4% LIHTCs subject to the conditions set forth in the Conditional Reservation.

Within 90 days of notification of a Section 42(m) Letter, the applicant must submit to NIFA documentation of the following:

- (a) Payment of Section 42(m) Letter Fee and any other fees due to NIFA (including fees due for all other developments sponsored by such applicant).

- (b) Syndication commitment (signed by both parties) outlining 4% LIHTCs and AHTCs, if applicable, equity contribution commitment or terms (i.e., percentage, proceeds to be received, etc.).
- (c) A Phase I Environmental Site Assessment prepared by an unrelated third party professional. For developments for which rehabilitation will be performed, such report must include an assessment of the risks relating to environmental conditions including but not limited to lead-based paint, asbestos and radon.
- (d) Each development owner must agree to provide complete annual operating data and federal income tax returns to NIFA on a timely basis.
- (e) Firm commitments for all sources of funding (including construction and permanent sources and subsidies, if applicable).
- (f) A Fair Housing Certification in the form attached hereto as Exhibit A signed by the development's architect evidencing that, when constructed in accordance with the plans and specifications, the development will be in compliance with the design and construction requirements set forth in the Fair Housing Act and Americans with Disabilities Act.
- (g) Development status reports, in form and frequency as specified by NIFA, outlining the progress toward completion of the development. The Quarterly Progress Report attached hereto as Exhibit B shall be used to submit such reports to NIFA by the 5th day following the end of each calendar quarter. Information requested by NIFA may include such items as zoning approvals, construction progress reports, site control documentation and cost analysis updates.
- (h) If the owner of the development intends to claim Federal or State Historic Rehabilitation Tax Credits, NIFA will require evidence from the State Historic Preservation Office (SHPO) of the United States Department of the Interior National Park Service Part I approval of the historic rehabilitation of the development, if not previously submitted with the LIHTC/AHTC Application.
- (i) Exhibit 111.
- (j) Each development owner must certify that the development will be in compliance with the Violence Against Women's Act, to include ensuring prospective applicants and tenants are provided with the Notice of Occupancy Rights Under the Violence Against Women Act.
- (k) Any other documentation required by NIFA.
- (l) Election of Applicable Percentage.
- (m) Designation of Placed-In Service Date as effective date of Gross Rent.

NOTE: Failure to submit the above requirements, and/or other conditions imposed by NIFA, by the required deadline, will result in late fees and could result in the

revocation of the development's Section 42(m) Letter issued in connection with the 4% LIHTCs for the development. Extensions may be requested as set forth in Section 2.13.

5. LIHTC REVOCATION.

NIFA may revoke the Section 42(m) Letter providing for the 4% LIHTC allocation (and accompanying AHTC, if any) made to a developer/owner for any development. Revocation may occur at NIFA's sole discretion due to actions taken by the development's owner without NIFA's prior written approval, from the time the Section 42(m) Letter is issued and up to the placed-in-service date of the development, for any of the following reasons:

- (a) Site change;
- (b) Change in ownership—a change in the parties involved in the ownership entity (e.g., addition of a third party or removal of an individual/entity listed as part of the development ownership submitted in the LIHTC/AHTC Application);
- (c) Change in unit design, square footage, unit mix, number of units, number of residential buildings, etc.;
- (d) Instances of curable non-compliance issues beyond the specified cure period on an applicant's existing LIHTC developments in any state; or
- (e) Change in rents to be charged to tenants; or
- (f) Applicant fails to promptly notify NIFA of any material adverse changes from the original LIHTC/AHTC Application.

6. MODIFICATION OR REVOCATION OF 4% LIHTC AND, IF APPLICABLE, AHTC ALLOCATIONS.

NIFA may modify or revoke a 4% LIHTC Section 42(m) Letter to the developer/owner of the development for any of the following reasons:

- (a) Information submitted to NIFA is determined to be false or fraudulent;
- (b) Failure to meet conditions set forth in the Conditional Reservation;
- (c) Material changes occur in the actual costs and/or square footage of the development without the prior written approval of NIFA;
- (d) Owner receives additional subsidies or financing for the development other than those disclosed in the LIHTC/AHTC Application without the prior written approval of NIFA;
- (e) Subsequent regulations are issued by Department of the Treasury or the IRS pertaining to Section 42 of the Code; or

- (f) Applicant fails to promptly notify NIFA of any material or adverse changes from either the Pre-Application or the LIHTC/AHTC Application.

7. FINAL 4% LIHTC (AND, IF APPLICABLE, AHTC) ALLOCATION/COST CERTIFICATION.

No 4% LIHTC (and AHTC, if applicable) allocation will be made until the development has been placed-in-service and the developer/owner has submitted to NIFA the Final Cost Certification Documentation, as set forth in the Cost Certification Procedures Manual. Final 4% LIHTC (and AHTC, if applicable) allocations may be requested as soon as an eligible building has been placed in service. NIFA requires the submission of the Final Cost Certification Documentation by the deadlines set forth in the Final Cost Certification Procedures Manual. The 4% LIHTC (and AHTC, if applicable) amount allocated for a development will be based on NIFA's final determination of the qualified basis for the building(s) or development and a review of the development's costs.

NOTE: Failure to submit the Final Cost Certification Documentation by the required deadlines as set forth in the Final Cost Certification Procedures Manual will result in late fees and could result in the revocation of the 4% LIHTC and, if applicable, the AHTC allocations. Extensions may be requested as set forth in Section 2.13.

8. LIHTC GUIDELINES.

Following are general guidelines of the LIHTC Program and other set-asides. These guidelines are not conclusive and should not be relied upon as tax advice. NIFA suggests that, prior to completing the Pre-Application or the LIHTC/AHTC Application; you consult with an independent, third-party certified public accountant or attorney for a complete interpretation of Section 42 and other related tax laws in the Code. NIFA's review of documents submitted in connection with a Pre-Application or the LIHTC/AHTC Application is solely for its own purposes. NIFA makes no representations to the development's Owner or anyone else as to:

- (a) compliance with the Code, Treasury Regulations or any other laws or regulations governing LIHTCs or AHTCs; or
- (b) the financial feasibility or viability of any development.

No member, officer, agent or employee of NIFA will be personally liable concerning any matters arising out of, or in relation to, the allocation of LIHTCs or AHTCs. LIHTCs will be awarded based on federal tax law and Nebraska's QAP. AHTCs will be awarded based on Nebraska law and Nebraska's QAP. NIFA reserves, commits and allocates LIHTCs to partnerships, corporations, limited liability companies. LIHTC commitments, reservations and allocations are not transferable, and any change in development ownership requires NIFA's prior written approval. NIFA verifies development ownership through organizational documents, closing documents, warranty deeds and title reports.

NIFA reserves the right to not allocate 4% LIHTCs (and, if applicable, AHTCs) to any development, regardless of ranking/scoring, if NIFA determines in its sole discretion that the development does not further the purpose and goals of the LIHTC Program. For purposes of this

determination, the information taken into account may include, but is not limited to, the applicant/sponsor's experience and performance and the applicant/sponsor's prior participation in the NIFA program and other states' LIHTC programs. The prior performance considered may include, but is not limited to, progress achieved with previous Conditional Reservations, Section 42(m) Letter, Carryover Allocations, Cost Certifications, development compliance and payment of fees due to NIFA.

NIFA reserves the right to not allocate 4% LIHTCs (and, if applicable, AHTCs) to any development, regardless of ranking/scoring, if NIFA determines in its sole discretion that a disproportionate number of LIHTC developments (including developments using 9% LIHTCs) have been developed in a particular census tract within the past three-year period. NIFA may decide to allocate 4% LIHTC to a development in another county to best serve the citizens of Nebraska. This right will be exercised only in limited circumstances, such as when LIHTC developments (including developments using 9% LIHTCs) in a particular census tract have a vacancy rate of 7% or more, or if, when taking into account current LIHTC/AHTC Applications and existing LIHTC developments and others previously approved and funded (but not yet constructed or occupied), LIHTC developments would create a disproportional number of low-income housing units in that particular area.

Applicants who have been convicted of, entered an agreement for immunity from prosecution for or pleaded guilty (including a plea of no contest) to a crime of dishonesty, moral turpitude, fraud, bribery, payments of illegal gratuities, perjury, false statement, racketeering, blackmail, extortion, falsification or destruction of records are ineligible to apply for LIHTCs. Applicants who have been barred from any other NIFA program, other state LIHTC programs or any federal programs are also ineligible to apply for LIHTCs. Applicants having an identity of interest with any barred entity may also not be eligible to apply for LIHTCs at the sole discretion of NIFA. Furthermore, NIFA reserves the right to amend or modify any of the program instructions or procedures contained within the QAP, the Pre-Application and LIHTC/AHTC Application and may exercise such right at any time and without liability to any applicant or other party for their expenses incurred in the preparation of a Pre-Application or a LIHTC/AHTC Application or otherwise.

9. BOND MINIMUM SET-ASIDE ELECTIONS

The Applicant must elect a minimum set-aside of income levels from those listed below.

9.1 20-50 ELECTION.

At a minimum twenty percent (20%) or more of the residential units in the development are occupied by individuals whose income is fifty percent (50%) or less of the Area Median Income ("AMI"); or

9.2 40-60 ELECTION.

At a minimum forty percent (40%) or more of the residential units in the development are occupied by individuals whose income is sixty percent (60%) or less of the AMI.

10. LIHTC MINIMUM SET-ASIDE ELECTIONS.

Any owner election made in regard to the minimum set-aside election requirement for a qualified low-income housing development cannot be changed once made at the final LIHTC/AHTC Application submittal date(s) as outlined for the Allocation Cycles in Sections 4. If a development fails to meet its elected minimum set-aside at the end of a year, it is not a qualified low-income housing project for that year under Section 42(g)(1)(C) of the Code and this noncompliance will be reported to the IRS on IRS Form 8823. Note, the owner may be subject to the loss of 4% LIHTCs and any accompanying AHTCs.

NIFA will permit the IA option only for 4% LIHTC/AHTC Applications submitted under the 2020 (and future) Qualified Allocation Plan. Section 42 was modified to allow for IA, but similar changes were not made in Section 142 of the Code, with respect to multifamily housing bonds. However, IA still may be used in bond-financed LIHTC developments as long as the development satisfies both the IA set-aside election and one of the minimum set-aside elections applicable to tax-exempt bond financing (20/50 or 40/60 minimum set-aside). Thus, units with income limits above 60% or 50%, as applicable, do not count for purposes of bond compliance.

10.1 20-50 ELECTION.

At a minimum twenty percent (20%) or more of the residential units in the development are both rent restricted and occupied by individuals whose income is fifty percent (50%) or less of Area Median Income (“AMI”); or

10.2 40-60 ELECTION.

At a minimum forty percent (40%) or more of the residential units in the development are both rent restricted and occupied by individuals whose income is sixty percent (60%) or less of AMI; or

10.3 INCOME AVERAGING ELECTION.

At a minimum forty percent (40%) or more of the residential units in the development serve households earning as much as eighty (80%) AMI, as long as the development’s average income/rent limit is sixty (60%) or less of AMI.

NIFA is currently developing IA compliance and monitoring policies and will require any development electing IA to comply with such policies. Please note that as of the date of this Allocation Plan the IRS has not issued full and definitive guidance as to how it will administer or monitor developments making the IA election. Any development that considers such an election should do so in consultation with its counsel and/or tax advisors. NIFA is not espousing or recommending any specific approach to this matter.

(a) IA Affordability Requirements

IA is only permitted if all residential units in a development are designated low-income. Developments selecting IA may not have any unrestricted or market-rate residential units. Manager units are not subject to this restriction and are permitted in IA developments.

Income and rent levels are restricted to four (4) of the following AMI income brackets: 20% of AMI, 30% of AMI, 40% of AMI, 50% of AMI, 60% of AMI, 70% of AMI, and 80% of AMI.

Existing LIHTC developments are not eligible for the IA Election.

(b) Multi-Building Election

If the proposed development contains more than one building, the owner must make the 8b election on Form 8609, indicating that the development will be treated as a multiple building development.

(c) Documentation Requirements

The market study submitted with the LIHTC/AHTC Application, must demonstrate sufficient market demand for each AMI income bracket proposed. Equity and debt commitment letters must affirmatively demonstrate that they are based upon an IA set-aside. NIFA reserves the right to require a legal opinion verifying the ability of a development to utilize IA in combination with any other subsidy.

(d) Design Requirements

Units of similar size and configuration must have substantially similar design and be reasonably distributed throughout the building(s) regardless of the assigned AMI income bracket restriction. Owners must disperse AMI income bracket levels across unit types in a manner that does not violate fair housing laws.

(e) Timing Requirements

Eligible applicants must select IA at the time of final application as indicated in Section 4. NIFA will not permit a change to IA after a development has received a Section 42(m) Letter.

11. LIHTC COMPLIANCE MONITORING.

During the 15-year Compliance Period as set forth in the LURA, NIFA, as part of this LIHTC/AHTC Allocation Plan, is required to adopt and adhere to compliance monitoring procedures which will: (i) monitor developments for noncompliance and (ii) notify the IRS of any noncompliance of which NIFA becomes aware of in accordance with Section 42(m) of the Code, Treasury Regulation §1.42-5 and any other applicable regulations. All development owners must enter into a LURA with NIFA, binding all parties to comply with Section 42 of the Code, Treasury Regulation §1.42-5 and any other applicable regulations, such as the Violence Against Women Act of 2013. Pursuant to the LURA, development owners (or the management agents thereof) are required to attend, on an annual basis, a compliance seminar sponsored by NIFA. In addition, development owners with items of noncompliance that have not been corrected in a timely fashion may be required to provide quarterly compliance reports to NIFA and may, in NIFA's sole discretion, be ineligible to receive future allocations of LIHTCs/AHTCs.

The following procedures outline NIFA's plans for compliance monitoring by development owners. Such procedures, together with the covenants and representations contained in the LURA (which form of LURA is part of the 2020/2021 QAP) shall constitute the procedures for compliance monitoring by NIFA. (Capitalized terms used below and not otherwise defined shall have the meanings as set forth in the LURA).

11.1 TENANT INCOME CERTIFICATIONS.

Development owners shall maintain a file for each Qualified Tenant residing in the development (which shall be updated during each year of unit occupancy by the development owner). Each tenant file shall contain a copy of the rent record and a copy of such tenant's executed Application and Tenant Income Certification (a form of which is attached to the LURA) as well as supporting documentation, which is subject to independent investigation and verification by NIFA. Each tenant file shall be submitted to NIFA as set forth below or in such other form and manner as may be required by the applicable rules, regulations or policies now or hereafter promulgated by the Department of the Treasury or the IRS.

11.2 ANNUAL OWNER CERTIFICATIONS.

Development owners are required to immediately notify NIFA if, at any time, the residential units in a development are not occupied or available for occupancy as provided above. Development owners shall prepare and submit, under penalty of perjury, to NIFA, no later than January 31st of each year following the first year in which the minimum set-aside is required to be met, a Certificate of Continuing Program Compliance (a form of which resides on NIFA's website at www.nifa.org) and an Annual Tax Credit Summary Report (a form of which resides on NIFA's website at www.nifa.org), both executed by the development owner stating the number of dwelling units in the development which, as of the first date of such calendar year, were occupied by Qualified Tenants (or were deemed to be occupied by Qualified Tenants as provided in the LURA for all or part of such period), and submission of Certification On-Line (COL) data collected by the development owner.

11.3 RECORD KEEPING AND RETENTION.

Development owners are required to collect and retain records for each qualified low-income building in the development for at least six years after the due date (with extensions) for filing the federal income tax return for such year. Notwithstanding the above, records for the first year of the Credit Period must be retained for at least six years beyond the due date (with extensions) for the filing of the federal income tax return for the last year of the 15-year Compliance Period of the building. Such records shall include for each year during the 15-year Compliance Period the following information pertaining to each building in the development:

- (a) The total number of residential rental units in the building (including the number of bedrooms and the size in square feet of each residential rental unit);
- (b) The percentage of residential rental units in the building that are Qualified Units;
- (c) The rent charged on each residential rental unit in the building, including any utility allowances;

- (d) The number of occupants in each Qualified Unit and any changes in the number of occupants in each Qualified Unit;
- (e) The Qualified Unit vacancies in the building and information that indicates when, and to whom, the next available units were rented;
- (f) The annual income certification of each Qualified Tenant per Qualified Unit;
- (g) Documentation to support each Qualified Tenant's annual income certification (for example, a copy of the Qualified Tenant's federal income tax return, Forms W-2 or verifications of income from third parties such as employers or state agencies paying unemployment compensation). Tenant income is to be calculated in a manner consistent with the determination of annual income under Section 8 of the United States Housing Act of 1937 ("Section 8"), and not in accordance with the determination of gross income for federal income tax liability. In the case of a tenant receiving housing assistance payments under Section 8, this documentation requirement is satisfied if the public housing authority provides a statement to the development owner declaring that the tenant's income does not exceed the applicable income limit under Section 42(g) of the Code;
- (h) The Eligible Basis and the Qualified Basis of the building at the end of the first year of the Credit Period; and
- (i) The character and use of the nonresidential portion of the building included in the building's eligible basis under Section 42(d) of the Code (e.g., tenant facilities that are available on a comparable basis to all tenants and for which no separate fee is charged for use of the facilities, or facilities reasonably required by the development).

11.4 REVIEW PROCESS.

For each year of the Affordability Period, NIFA will perform a compliance review on the development. Certifications and other information submitted to NIFA (as described above) shall be reviewed for compliance with the requirements of Section 42 of the Code.

11.5 ON-SITE INSPECTION AND TENANT FILE REVIEW.

The LURA provides that NIFA, or its designated agent, shall have the right to perform on-site inspections of each building in the development, inspect each Qualified Unit and review the tenant file for each such Qualified Unit.

NIFA, or its designated agent, will conduct an on-site inspection of each building in the development and inspect the number of the Qualified Units and review the tenant files for such Qualified Units as required by Section 42 of the Code. On-site inspections and tenant file reviews shall be conducted by the end of the second calendar year following the year in which the last building in the development was placed in service. Thereafter, NIFA, or its designated agent, will conduct on-site inspections of all buildings in the development and review the tenant files at least once every three years. NIFA shall notify each development owner in advance of

any such on-site inspection and review. NIFA shall randomly select which Qualified Units and tenant records will be inspected and reviewed.

Any duly authorized representative of NIFA, the Department of the Treasury or the IRS may inspect the books and records of the development pertaining to the incomes of the Qualified Tenants residing in the development.

In conjunction with each on-site inspection, development owners must provide to NIFA, or its designated agent, any local health, safety or building code violations reports or notices received on the development. Based on the on-site inspection and NIFA's receipt and review of any local health, safety or building code violations reports or notices provided by the owner, NIFA shall determine whether each building in the development and its Qualified Units are suitable for occupancy.

11.6 NOTIFICATION TO OWNER.

In the event NIFA discovers a noncompliance issue with any of the provisions of the LURA or Section 42 of the Code, NIFA will immediately notify the development owner in writing. The development owner shall have 60 days from the issuance of such notice (the "Correction Period") to correct the noncompliance.

Noncompliance includes, but is not limited to, the following: (a) NIFA's failure to receive tenant income certifications, supporting documentation and rent records, (b) noncompliance with any provision of Section 42 of the Code and/or (c) any change in the applicable fraction or eligible basis of the development which would result in a decrease in the Qualified Basis of the development. NIFA shall be authorized and entitled, pursuant to the provisions of the LURA, to perform all acts necessary to comply with the monitoring and notification responsibilities set forth in Section 42(m)(i)(B)(iii) of the Code and any Treasury Regulations promulgated thereunder or other interpretations thereof by the IRS or the courts.

11.7 NOTICE TO INTERNAL REVENUE SERVICE.

Within 45 days after the expiration of the Correction Period, NIFA shall file with the IRS, a copy of Form 8823, setting forth the nature of the noncompliance and whether or not such noncompliance has been corrected.

11.8 LIABILITY AND DISCLOSURE OF INFORMATION.

Compliance with the requirements of Section 42 of the Code is the sole responsibility of the development owner. NIFA's obligations to monitor for compliance with the requirements of Section 42 of the Code does not, and will not, make NIFA liable for a development owner's noncompliance.

All Pre-Applications, LIHTC/AHTC Applications, and Private Activity Bond Cap Applications, materials, exhibits and correspondence submitted to NIFA are the property of NIFA. An agreement may be made between NIFA and any other appropriate federal regulatory agency to exchange such information.

Copies of Applications submitted pursuant to the Qualified Allocation Plan (which includes applications for 9% LIHTCs, AHTCs, 4% LIHTCs, CRANE, and Private Activity Bond Cap) will be made available by NIFA to the public (other than during the active review process) upon written request. Additionally, NIFA will post the scores for Applications at www.nifa.org.

By submission of an Application pursuant to the QAP, applicant acknowledges and agrees to such publication of its Application and related information.

12. NIFA CONTACT INFORMATION.

Correspondence and inquiries should be directed to:

Nebraska Investment Finance Authority (NIFA)
1230 O Street, Suite 200
Lincoln, NE 68508-1402

Attention: LIHTC Program
Telephone: (402) 434-3900
(800) 204-NIFA
Internet: www.NIFA.org

EXHIBIT A

FAIR HOUSING ACT ACCESSIBILITY CERTIFICATION

The following is a certification regarding design and construction requirements of the Fair Housing Act (the “Act”). This certification represents many, but not all, of the requirements to the Act. This certification is not intended to be exhaustive; rather, it is a helpful guide in determining if the major requirements of the Act have been met in designing and constructing the development. **If a box below is not checked due to the applicability of an exception to the Act, the architect MUST include an explanation of the exception, including a citation to the relevant section of the Act.**

GENERAL REQUIREMENTS

- ☐ Development has buildings containing 4 or more units and was designed and constructed for first occupancy on or after March 13, 1991.
- ☐ If it is an elevator building, all units are “covered units.”
- ☐ All units in buildings with elevators have features required by the Act.
- ☐ If it is a non-elevator building, all ground-floor units are “covered units.”
- ☐ All ground-floor units in buildings without elevators have features required by the Act.

NOTE: There is a narrow exception which provides that a non-elevator building in a development need not meet all of the Act’s requirements if it is impractical to have an accessible entrance to the non-elevator building because of hilly terrain or other unusual characteristics of the site.

ACCESSIBLE BUILDING ENTRANCE ON AN ACCESSIBLE ROUTE

- ☐ The accessible route is a continuous, unobstructed path (no stairs) through the development that connects all buildings containing covered units and all other amenities.
- ☐ The accessible route also connects to parking lots, public streets, public sidewalks and public transportation stops.
- ☐ All slopes are no steeper than 8.33%.
- ☐ All slopes between 5% and 8.33% have handrails.
- ☐ Covered units have at least one entrance on an accessible route.

- ☐ There are sufficient curb cuts for a person using a wheelchair to reach every building in the development.

COMMON AND PUBLIC USE AREAS

- ☐ At least two percent of all parking spaces are designated as handicapped parking.
- ☐ At least one parking space at each common and public use amenity is designated as handicapped parking.
- ☐ All handicapped parking spaces are properly marked.
- ☐ All handicapped parking spaces are at least 96" wide with a 60" wide access aisle which can be shared between two spaces.
- ☐ The accessible aisle connects to a curb ramp and the accessible route.
- ☐ The rental or sales office is readily accessible and usable by persons with disabilities.
- ☐ All mailboxes, swimming pools, tennis courts, clubhouses, rest rooms, showers, laundry facilities, trash facilities, drinking fountains, public telephones and other common and public use amenities offered by the development are readily accessible and usable by persons with disabilities.

USABLE DOORS

- ☐ All doors into and through covered units and common use facilities provide a clear opening of at least 32" nominal width.
- ☐ All doors leading into common use facilities have lever door handles that do not require grasping and twisting.
- ☐ Thresholds at doors to common use facilities are no greater than 1/2".
- ☐ All primary entrance doors to covered units have lever door handles that do not require grasping and twisting.
- ☐ Thresholds at primary entrance doors to covered units are no greater than 3/4" and beveled.

ACCESSIBLE ROUTE INTO AND THROUGH THE COVERED UNIT

- ☐ All routes through the covered units are no less than 36" wide.

ACCESSIBLE ENVIRONMENTAL CONTROLS

- ☐ All light switches, electrical outlets, thermostats and other environmental controls must be no less than 15" and no greater than 48" from the floor.

REINFORCED BATHROOM WALLS FOR GRAB BARS

- ☐ Reinforcements are built into the bathroom walls surrounding toilets, showers and bathtubs for the later installation of grab bars.

USABLE KITCHENS AND BATHROOMS

- ☐ At least 30" x 48" of clear floor space at each kitchen fixture and appliance.
- ☐ At least 40" between opposing cabinets and appliances.
- ☐ At least a 60" diameter turning circle in U-shaped kitchens unless the cooktop or sink at end of U-shaped kitchen has removable cabinets beneath for knee space.
- ☐ In bathroom, at least 30" x 48" of clear floor space outside swing of bathroom door.
- ☐ Sufficient clear floor space in front of and around sink, toilet and bathtub for use by persons using wheelchairs.

Certification completed by the development architect:

Signature _____

Printed Name _____

Company Name _____

Title _____

Date _____

EXHIBIT B

[illegible]

2021



4% Low Income Housing Tax
Credits/Nebraska Affordable Housing Tax
Credits/Bonds

Pre-Application

A. INTRODUCTION

Applicants interested in requesting an allocation of federal 4% low income housing tax credits (“4% LIHTC”) and Nebraska Affordable Housing Tax Credits (“AHTC”) issued in connection with the issuance of qualifying tax-exempt bonds (“Bonds”) must complete the various applications described herein and submit such applications to the Nebraska Investment Finance Authority (“NIFA”) in accordance with the procedures and at the times set forth herein and as further described in the NIFA Low Income Housing Tax Credit Program, 2021 LIHTC/AHTC Allocation Plan for 4% LIHTCS and Nebraska AHTCS (the “4% LIHTC/AHTC Allocation Plan”).

NOTE: NIFA will **only** review applications during the allocation cycles (“Allocation Cycles”) set forth in the 4% LIHTC/AHTC Allocation Plan.

- **Pre-Application.** To initiate the process, complete and submit this 4% LIHTC/Nebraska AHTC/Bond Pre-Application (along with applicable fees) online to NIFA at www.nifa.org by the date(s) set forth in the 4% LIHTC/AHTC Allocation Plan. **NOTE:** For 2021, NIFA will allocate ~~no more than approximately~~ \$20 million of private activity volume cap (“Private Activity Bond Cap”) for the issuance of Bonds for multifamily rental housing projects (“developments”) for which both 4% LIHTCs and AHTCs are being requested. If you are requesting that NIFA be the issuer of the bonds, a date for consideration by the NIFA Board of a limited purpose intent resolution will be scheduled during a regular Board meeting.
- **Full 4% LIHTC/AHTC Application.** Complete and submit the LIHTC, Nebraska Affordable Housing Tax Credits, HOME and National Housing Trust Funds Application (the “LIHTC/AHTC Application”) (along with applicable fees) online at www.nifa.org by the date(s) set forth in the 4% LIHTC/AHTC Allocation Plan. Until the LIHTC/AHTC Application is considered “final” by NIFA staff, a request for Unified Volume Cap (next step below) will not be scheduled for action by the NIFA Board.
- **Application for Private Activity Bond Cap.** Upon notification and request by NIFA, complete and submit the Unified Volume Cap Allocation Application (the “Cap Application”) (along with applicable fees) online at www.nifa.org to request an allocation of Private Activity Bond Cap.

• Requests for Private Activity Bond Cap for Both 4% LIHTCs and AHTCs

- NIFA will make available ~~up to approximately~~ \$20 million of Private Activity Bond Cap in accordance with the procedures further set forth in the 4% LIHTC/AHTC Allocation Plan pursuant to a competitive process in connection with requests for the allocation of 4% LIHTCs and accompanying AHTCs for developments as further set forth in the 4% LIHTC/AHTC Allocation Plan. A request for Private Activity Bond Cap for a development accessing both 4% LIHTCs and AHTCs shall not exceed ~~\$10~~ \$18 million per development.

• Requests for Private Activity Bond Cap for 4% LIHTCs Only

- NIFA will consider requests for Private Activity Bond Cap in accordance with the procedures set forth in the 4% LIHTC/AHTC Allocation Plan for the allocation of 4% LIHTCs only. Private Activity Bond Cap for Bonds to finance developments which will not receive an allocation of state AHTCs will be allocated subject to availability as announced by NIFA. A request for Private Activity Bond Cap for a development which is not eligible to be awarded AHTCs shall not exceed \$18 million per development.

Submission of Pre-Applications: Pre-Applications must be submitted to NIFA in the following manner:

- (a) Pre-Applications are due via the online funding application system no later than 5:00 p.m. on the last day of the Allocation Cycle as described in the NIFA 4% LIHTC/AHTC Allocation Plan.
- (b) Pre-Application fees are due in NIFA's office no later than 5:00 p.m. on the last day of the Allocation Cycle as described in the NIFA 4% LIHTC/AHTC Allocation Plan.
- (c) A Pre-Application will not be reviewed, scored or considered by NIFA at any time if:
 - (i) the developer, general partner/managing member or any affiliate thereof is delinquent on Nebraska LIHTC fees, Nebraska Affordable Housing Tax Credit fees or Tax-Exempt Bond fees due and payable for other Nebraska LIHTC developments; or
 - (ii) the general partner/managing member or any affiliate thereof has or has had items of noncompliance or violations of a Land Use Restriction Agreement/Tax-Exempt Bond Regulatory Agreement that have not been corrected within the applicable correction period on any other Nebraska LIHTC development; or
 - (iii) the developer, general partner/managing member or any affiliate thereof is delinquent on any documentation or payments that are due and payable to NIFA, including but not limited to the following:
 - (a) Conditional Reservation Documentation/42(m) Letter
 - (b) Carryover Documentation
 - (c) 10% Test Documentation
 - (d) Cost Certification Documentation
 - (e) Asset Management Documentation
 - (f) TCAP Loan Repayment Amounts
 - (g) Any other documentation requested by NIFA

All applications referred to above are available at www.nifa.org and must be completed and submitted to NIFA online. Submit fees to MF Bond Program:

Chief Operating Officer
Nebraska Investment Finance Authority
1230 O Street, Suite 200
Lincoln, NE 68508-1402

For additional information on the 4% LIHTC/AHTC/Bonds process, please refer to the NIFA 4% LIHTC/AHTC Allocation Plan.

B. PRE-APPLICATION PROCESS

Please check the appropriate box below regarding the proposed issuer of the bonds.

☐ **NIFA AS ISSUER OF TAX-EXEMPT BONDS (See credit requirements for bonds issued by NIFA at www.nifa.org.)**

Applicants shall complete and submit this Pre-Application for a particular Allocation Cycle prior to the adoption by the NIFA Board of a limited purpose intent resolution. A limited purpose intent resolution does not bind NIFA to ultimately issue bonds, but is a requirement for an allocation of Private Activity Bond Cap and consideration of final bond approval by the NIFA Board.

Pre-Application Fee:

A non-refundable fee of 1/16th of 1% of the bond amount requested (\$1,000 minimum) is due upon submission of this Pre-Application. This fee will be applied to the “Bond Issuance Fee” if the bond issue closes.

Upon issuance of a limited purpose intent resolution, the applicant must proceed to complete and submit the full LIHTC/AHTC Application online in accordance with the applicable Allocation Cycle dates.

Once the LIHTC/AHTC Application has been reviewed and accepted as final by NIFA, the applicant will be notified and requested to submit to NIFA a separate Cap Application requesting an allocation of Private Activity Bond Cap. This Cap Application must be accompanied by both the applicable Reservation Deposit and the Private Activity Bond Allocation Fee. (See the NIFA 4% LIHTC/AHTC Allocation Plan for additional details.) **[NOTE: The duration of the allocation of Private Activity Bond Cap is limited to a specific period of time. Thus, your LIHTC/AHTC Application should be approved by NIFA as final prior to applying for an allocation of Private Activity Bond Cap.]**

*See the NIFA 4% LIHTC/AHTC Allocation Plan for information on the applicable fees charged by NIFA in connection with both the issuance of Bonds and the allocation of 4% LIHTCs and AHTCs.

☐ **NIFA IS NOT THE ISSUER OF TAX-EXEMPT BONDS**

Applicants shall complete and submit this Pre-Application for a particular Allocation Cycle and include a copy of the intent resolution adopted by the proposed issuer (e.g. governmental entity) of the bonds. Submission of an intent resolution does not bind NIFA to ultimately allocate Private Activity Bond Cap, but is a requirement for an allocation of Private Activity Bond Cap by the NIFA board.

Upon submission and review by NIFA of the Pre-Application, the applicant will be notified to proceed to complete and submit the full LIHTC Application online in accordance with the applicable Allocation Cycle dates.

Once the LIHTC/AHTC Application has been reviewed and accepted as final by NIFA, the applicant will be notified and requested to submit to NIFA a separate Private Activity Bond Cap Application requesting an allocation of Private Activity Bond Cap. This Private Activity Bond Cap Application must be accompanied by both the applicable Reservation Deposit and the Private Activity Bond Allocation Fee. (See the NIFA 4% LIHTC/AHTC Allocation Plan for additional details.) **[NOTE: The duration of the allocation of Private Activity Bond Cap is limited to a specific period of time. Thus, your LIHTC/AHTC Application should be approved by NIFA as final prior to applying for an allocation of Private Activity Bond Cap.]**

*See the NIFA 4% LIHTC/AHTC Allocation Plan for information on the applicable fees charged by NIFA in connection with the allocation of 4% LIHTCs and AHTCs.

ARE YOU REQUESTING NEBRASKA AFFORDABLE HOUSING TAX CREDITS IN CONJUNCTION WITH THE FEDERAL LOW INCOME HOUSING TAX CREDITS?

☐ Yes

☐ No

*If you are NOT requesting Nebraska AHTC, complete and sign the waiver at the end of this Pre-Application and include a copy with your Pre-Application submittal.

C. APPLICANT/OWNER OVERVIEW

APPLICANT INFORMATION:

The applicant anticipates being part of the final ownership entity. ☐Yes ☐No

Legal Name of Entity: _____

Address: _____

City: _____

State: _____

Zip Code: _____

Telephone Number: _____

Email: _____

Applicant Contact Person: _____

Applicant Contact Information if different from above:

Address: _____

City: _____

State: _____

Zip Code: _____

Telephone Number: _____

Email: _____

OWNERSHIP INFORMATION:

Name: _____

Contact Person: _____

Address: _____

City: _____

State: _____

Zip Code: _____

Email: _____

Telephone Number: _____

Fax Number: _____

Has Ownership Entity been formed?

☐Yes ☐No

Federal Tax ID Number: _____

Identify the Persons or Entities who will be part of the Ownership Entity:

Name: _____	EIN #: _____	Telephone: _____	Ownership Interest: _____%
Name: _____	EIN #: _____	Telephone: _____	Ownership Interest: _____%
Name: _____	EIN #: _____	Telephone: _____	Ownership Interest: _____%
Name: _____	EIN #: _____	Telephone: _____	Ownership Interest: _____%

Has the applicant, or any affiliate of the applicant or ownership entity ever sold or transferred LIHTCs to a new ownership entity prior to placing the buildings in service or within a year thereafter?

☐Yes ☐No *If "Yes", provide the details of the transfer in **Exhibit 1**.*

D. DEVELOPMENT OVERVIEW

DEVELOPMENT NAME AND ADDRESS:

Development Name: _____

Address: _____

County: _____

City: _____

Legislative District: _____

Zip Code: _____

Congressional District: _____

DEVELOPER NAME AND ADDRESS:

Name: _____
Address: _____
City: _____
State: _____
Zip Code: _____

Contact Person: _____
Telephone Number: _____
Email: _____

TYPE OF PROJECT (check one):

- ☐ New Construction
☐ Acquisition and Rehabilitation
(Percent of Rehab: _____%)
☐ Total Development Cost

*Please provide a one-page summary of the proposed development in **Exhibit 2**, which includes the following:*

The impact of the proposed project on the local economy (the description should include the following elements):

- The ability of the local community to provide support services including, among other things, roads, sewer, water and schools.
- Local need for the project and effort on the local economic base in terms of direct and indirect jobs, diversification, and tax base.

DEVELOPMENT TEAM/OTHER PARTIES:

Has any party of the development team (including those participants listed below) received an allocation of LIHTCs from a previous year for the development? ☐ Yes ☐ No

If "Yes" provide the following: Year of Allocation: _____ NIFA Number: _____ BIN Numbers: _____

*For each participant listed below, please provide the full name of the firm and/or individual, their full address, telephone number and the name of the contact person, and interest, if any, in the development in **Exhibit 3**. If any members of the development team (to include the Developer, Bond Counsel, or Bond Trustee located elsewhere on this Pre-Application) have any direct or indirect financial or other interest or relationship with any other project team member, describe those relationships in **Exhibit 3**.*

Applicant/Sponsor:	_____	Phone Number:	_____	Identity of Interest:	_____
Developer:	_____	Phone Number:	_____	Identity of Interest:	_____
General Partner:	_____	Phone Number:	_____	Identity of Interest:	_____
Contractor:	_____	Phone Number:	_____	Identity of Interest:	_____
Management Company:	_____	Phone Number:	_____	Identity of Interest:	_____
Consultant:	_____	Phone Number:	_____	Identity of Interest:	_____
Architect:	_____	Phone Number:	_____	Identity of Interest:	_____
Development Attorney:	_____	Phone Number:	_____	Identity of Interest:	_____
Accountant:	_____	Phone Number:	_____	Identity of Interest:	_____
Syndication Firm:	_____	Phone Number:	_____	Identity of Interest:	_____

SITE INFORMATION:

- ____ Total Number of Buildings in the Development
____ Number of Stories in Tallest Building
Will any of the buildings include an elevator? ☐ Yes ☐ No If yes, how many? ____
____ Total Number of Units in the Development (LIHTC, HOME, Market, Other, etc.)
____ Total Square Footage of the Development
____ Square Footage of Area for Commercial Space
____ % Percentage of Floor Area for Commercial Space
Will the Development have Manager/Maintenance Unit(s)? ☐ Yes ☐ No
____ Number of Employee/Maintenance Unit(s)
____ Square Footage of Employee/Maintenance Unit(s)
____ Other Common Space Square Footage
____ Total Net Rentable Square Footage of all Rental Units in the Development
____ Total Number of LIHTC Units in the Development (excluding employee/maintenance unit(s))
____ % Percentage of LIHTC Units in the Development
____ Total Square Footage for LIHTC Units
____ % Percentage of Floor Area for LIHTC Units
____ Total Number of Market Rate Units
____ Square Footage of Market Rate Units
____ Total Site Area (Land) to be used for the Development. Please Specify: ☐ Acres ☐ Sq. Feet
- Development Structure: (check all that apply)
- | | | |
|---|--|---|
| <input type="checkbox"/> Multifamily (more than 4 units per building) | <input type="checkbox"/> Duplex | <input type="checkbox"/> Elderly Housing |
| <input type="checkbox"/> Single-family | <input type="checkbox"/> Four-plex | <input type="checkbox"/> Congregate care facility |
| <input type="checkbox"/> Single Room Occupancy (SRO) | <input type="checkbox"/> Special Needs | <input type="checkbox"/> Other: ____ |

BOND MINIMUM SET-ASIDE ELECTION (check one only):

- ☐ 20-50 Test The development meets this requirement if 20% or more of the residential units in the development are both rent restricted and occupied by individuals whose income is 50% or less of the area median gross income.
- ☐ 40-60 Test The development meets this requirement if 40% or more of the residential units in the development are both rent restricted and occupied by individuals whose income is 60% or less of the area median gross income.

LIHTC MINIMUM SET-ASIDE ELECTION (check one only):

- ☐ 20-50 Test The development meets this requirement if 20% or more of the residential units in the development are both rent restricted and occupied by individuals whose income is 50% or less of the area median income ("AMI").
- ☐ 40-60 Test The development meets this requirement if 40% or more of the residential units in the development are both rent restricted and occupied by individuals whose income is 60% or less of the AMI.
- ☐ Income Averaging Test The development meets this requirement if 40% or more of the residential units in the development serve households earning as much as eighty percent (80%) of the AMI, as long as the average income/rent limit in the development is sixty percent (60%) or less of the AMI.
- PLEASE NOTE: Income Averaging may be used in bond-financed LIHTC developments as long as the development satisfies BOTH the Income Averaging set-aside election and one of the minimum set-aside elections applicable to tax-exempt bond financing (20/50 or 40/60 minimum set-aside).

E. BOND FINANCING

BOND ISSUER:

Name: _____

Contact Person: _____

Address: _____

City: _____

State: _____

Zip Code: _____

Telephone Number: _____

Email: _____

If NIFA is not the Issuer of the Tax-Exempt Bonds, please provide the Bond Intent Resolution from the Bond Issuer in Exhibit 4.

BOND COUNSEL:

Name: _____

Contact Person: _____

Address: _____

City: _____

State: _____

Zip Code: _____

Telephone Number: _____

Email: _____

BOND TRUSTEE:

Name: _____

Contact Person: _____

Address: _____

City: _____

State: _____

Zip Code: _____

Telephone Number: _____

Email: _____

F. SOURCE OF FUNDS

Will any portion of the project be financed directly or indirectly with Federal, State, or Local Government funding? ☐ Yes ☐ No

Please indicate the sources of funds and the amounts anticipated for this project.

<input type="checkbox"/> Tax-Exempt Bonds	\$ _____
<input type="checkbox"/> Taxable Bonds	\$ _____
<input type="checkbox"/> Tax Increment Financing	\$ _____
<input type="checkbox"/> Grants	\$ _____
<input type="checkbox"/> Other	\$ _____

BONDS:

☐ **TAX-EXEMPT BONDS**

Will the development receive tax-exempt bond financing for at least 50% of the aggregate basis of the building(s) and land includable in the Development? ☐ Yes ☐ No

Type of bond sale: ☐ Private Placement ☐ Public Sale

If a Public Sale is proposed, will the bonds be rated? ☐ Yes ☐ No

If "Yes" provide the following:

Rating: _____

Rating Agency: _____

Bond Underwriter: _____

Bond Trustee: _____

Bond Security:

Bond Insurance: ☐ Yes ☐ No
Project Mortgage: ☐ Yes ☐ No
Credit Enhancement: ☐ Yes ☐ No

If "Yes" provide the following:

What type? _____

By whom? _____

Other: _____

☐ **TAXABLE BONDS**

Type of bond sale: ☐ Private Placement ☐ Public Sale

If a Public Sale is proposed, will the bonds be rated? ☐ Yes ☐ No

If "Yes" provide the following:

Rating: _____

Rating Agency: _____

Investment Bank: _____

Bond Trustee: _____

Bond Security:

Bond Insurance: ☐ Yes ☐ No
Project Mortgage: ☐ Yes ☐ No
Credit Enhancement: ☐ Yes ☐ No

If "Yes" provide the following:

What type? _____

By whom? _____

Other: _____

☐ **LOANS**

Projected Loan Terms:

Principal Amount: \$ _____
Interest Rate: ☐ Fixed ☐ Variable
Term of Loan: _____ Years
Amortization: _____ Level _____ Balloon

Loan Security:

Development Mortgage: ☐ Yes ☐ No
Assignment of Project Rents: ☐ Yes ☐ No
FHA Mortgage Insurance: ☐ Yes ☐ No
Personal Guarantees: ☐ Yes ☐ No
Loan Credit Enhancement: ☐ Yes ☐ No

G. PROPOSED EFFECT ON TAXES

Present property tax base:	\$ _____
Property taxes after completion:	\$ _____
Property tax increase:	_____
Estimated sales taxes during construction:	\$ _____

H. EXPRESSION OF INTENT

Adoption of a limited purpose intent resolution by NIFA (or submission to NIFA of an intent resolution adopted by another governmental issuer of bonds) does NOT constitute final approval by NIFA and does not legally obligate NIFA to issue bonds or to allocate Private Activity Bond Cap. NIFA may require additional information from the applicant and the NIFA Board of Directors must be satisfied that the public purposes of the NIFA Act are furthered by the development and financing of the proposed development.

I. PUBLIC INFORMATION

Copies of Applications submitted pursuant to the Qualified Allocation Plan (which include applications for 9% LIHTCs, AHTCs, 4% LIHTCs and CRANE) will be made available by NIFA to the public (other than during the active review process) upon written request. Additionally, NIFA will post the scores for each Application at www.nifa.org.

By submission of an Application pursuant to the QAP, applicant acknowledges and agrees to such publication of its Application and related information.

J. STATEMENT AND CERTIFICATION OF APPLICANT/OWNER

The undersigned has read and fully understands this Pre-Application. The information contained in this Pre-Application is true and correct to the best of the applicant's knowledge.

Signature of Applicant/Owner

____/____/____
(Month/Day/Year)

K. DIRECT INQUIRIES TO:

MF Bond Program:
Chief Operating Officer
Nebraska Investment Finance Authority
1230 O Street, Suite 200
Lincoln, NE 68508-1402
Telephone: (402) 434-3900
Web Address: www.nifa.org

WAIVER
WITH RESPECT TO
NEBRASKA AFFORDABLE HOUSING TAX CREDITS

The undersigned, on behalf of the applicant/developer/owner (“Applicant/Owner”) of the proposed development (“development”) identified in the Nebraska Investment Finance Authority (“NIFA”) 4% Low Income Housing Tax Credits/Nebraska Affordable Housing Tax Credits/Bonds Pre-Application (the “Pre-Application”) and below, hereby understands, agrees and acknowledges the following:

1. NIFA will make available a limited amount (for 2021, ~~up to~~approximately \$20 million) of Private Activity Bond Cap for the issuance of tax-exempt bonds in connection with requests for the allocation of 4% low-income housing tax credits (“4% LIHTCs”) and accompanying Nebraska Affordable Housing Tax Credits (“AHTCs”) for developments as further described in the NIFA 4% LIHTC/AHTC Allocation Plan.

2. Recognizing that applicants, such as the Applicant/Owner, may desire to request an allocation of Private Activity Bond Cap in order to access the 4% LIHTC, even without an allocation of AHTCs, NIFA will make allocations of Private Activity Bond Cap, as available, for developments, the owners of which will not receive an allocation of AHTCs and will agree that a claim shall not be made to the AHTC.

Accordingly, in consideration of the foregoing and the submission of a Pre-Application the Applicant/Owner, by execution below, waives all right title and interest in and to, and agrees not to claim, Nebraska AHTCs in connection with the allocation of Private Activity Bond Cap and 4% LIHTCS, if received, in connection with the development identified in the Pre-Application to which this Waiver applies.

Name of Applicant/Owner

By: _____

Title: _____

Date: _____

Development to Which this Waiver Applies:

Name: _____

Location: _____

Date of Pre-Application: _____

Agenda Item No. 6

Consideration for Approval of a Conditional Reservation for CRANE in the 2020 Low-Income Housing Tax Credit (LIHTC) and Affordable Housing Tax Credit (AHTC) Program.

Discussion:

Nine (9) applications are currently in the CRANE process for LIHTCS and AHTCS.

- One (1) application is for a development to be located in a rural area and eight (8) applications are for developments to be located in urban areas.

NIFA, NDED, and Kutak Rock staff members reviewed each application. The scoring methods followed are in accordance with the Low Income Housing Tax Credit Program 2020/2021 Amended and Restated Qualified Allocation Plan for Low Income Housing Tax Credits and Nebraska Affordable Housing Tax Credits.

Action Required:

The Board will be asked to make a conditional reservation of tax credits from the CRANE set-aside, per the recommendations of the Programs Committee.

South Street Project

(Exhibit 1 - Summary)

The proposed South Street Project is a rehabilitation of Trabert Hall. Trabert Hall was first used as a nurse's dorm for the original St. Elizabeth Hospital. Over the years it has been repurposed into various county offices.

The South Street Project is located at 2202 South 11th Street, Lincoln, NE 68502. The development will consist of one building with 5 floors and a large addition on the north and east face to allow access to the Garden Level and 1st floor which are 3 feet down and 9 feet up, respectively. The Garden Level/Floor and the 1st floor will serve as a Community Service Facility to the neighborhood and will include offices, multipurpose rooms, conference rooms, pharmacy, teaching kitchen, facility maintenance operations and storage, primary care examination rooms for physical health, dental, vision and other health care specialist. These two floors will also include behavioral health outpatient clinic rooms, conference rooms and staff space. The first floor is where most of the direct care for people seeking services will occur. The design will allow easy access to each side and will be designed to have integration of services. The intent is to care for the whole person with the services that they need for that day. All of second floor will consist of CenterPointe staff's workspace and conference rooms. The 2nd floor will be a separate condo from the rest of the building. The third floor will consist of 16 one-bedroom apartments and one community room. The fourth floor will consist of 16 one-bedroom apartments and one community room.

Entrance/Lobby: The east side of this area will allow people to be greeted at the front desk and directed to the appropriate activity needed. It also allows them to move between the garden level and 1st floor by way of a ramp system or elevator. This is the space where the facility interfaces with the public through reception, activities, meetings, and programming.

At the garden level of the development, immediately to the south of the conference facility in the garden level will be a patio space that is at a sub-grade level. This space will be used for meetings, relaxing or for performances. From the patio, the land will be terraced to rise to the grade surrounding the building. The terracing will serve as drainage but can also be used as seating in the event of a performance. Ramps will be available on both sides of the terrace for access. At the upper grade, the south and east part of the area will be utilized for a serenity path and a community garden space. East and north of the building will be utilized for parking.

The development will consist of two condo units. The first condo unit will include the garden floor, 1st, 3rd and 4 floors. The second condo unit will include the 2nd floor.

Google Maps 2202 S 11th St

N

W



E

Google

S

Imagery ©2019 Google, Map data ©2019 Google 50 ft



1. North side
of Building



2. East side of
building



3. South side of building



4. South side of building



5. South side of building



6. West side of building



New Stair & Elevator Tower

New Accessible Entrance & Ramps

New Egress Stair Tower



2020 Allocation Summary

Sources

2020 Low Income Housing Tax Credits (LIHTC)

National Pool

Returned Credits

2020 LIHTC Available

Competitive	CRANE	Total
\$ 3,645,150	\$ 1,795,372	\$ 5,440,523
15,397	\$ 7,698	23,095
482,480		
\$ 4,143,027	\$ 1,803,070	\$ 5,946,098

		2020 LIHTC Allocation		2020 AHTC Allocation		Set Asides						
Uses		Amount Requested	Competitive	CRANE	Competitive	CRANE	Non-profit (10%)		Metro (50%)		Non-Metro (50%)	
Round 1 Reservation of Tax Credits												
7-0964	Gatewood Village	\$ 182,196	\$ 200,410		\$ 200,410						\$ 200,410	
7-0966	Hidden Brook Townhomes II	\$ 231,625	\$ 253,037		\$ 253,037						\$ 253,037	
7-0959	Rolling Meadows	\$ 569,417	\$ 606,914		\$ 606,914						\$ 606,914	
7-0967	Maple 37	\$ 380,045	\$ 399,672		\$ 399,672		\$ 399,672		\$ 399,672			
Sub Total - Round 1 Reservations			\$ 1,460,033	\$ -	\$ 1,460,033	\$ -	\$ 399,672	6.72%	\$ 399,672	9.65%	\$ 1,060,361	25.59%
Round 2 Reservation of Tax Credits												
7-0969	Lofts on Main Street	\$ 260,934	\$ 288,273		\$ 288,273				\$ 288,273			
7-0980	Fremont Northside Townhomes	\$ 206,536	\$ 228,175		\$ 228,175						\$ 228,175	
7-0962	Southlawn IV	\$ 248,214	\$ 256,000		\$ 256,000						\$ 256,000	
7-0970	Deer Creek Village	\$ 387,310	\$ 427,890		\$ 427,890				\$ 427,890			
7-0987	131 Fort	\$ 495,000	\$ 544,500		\$ 544,500				\$ 544,500			
7-0958	The Rows of Fremont	\$ 306,547	\$ 101,680		\$ 101,680						\$ 101,680	
Sub Total - Round 2 Reservations			\$ 1,846,518	\$ -	\$ 1,846,518	\$ -	\$ -	0.00%	\$ 1,260,663	30.43%	\$ 585,855	14.14%
Total - Competitive Reservations			\$ 3,306,551	\$ -	\$ 3,306,551	\$ -	\$ 399,672	6.72%	\$ 1,660,335	40.08%	\$ 1,646,216	39.73%
Forward Commitments from 2019 & Supplemental Allocations												
7-0929	Belle Plaine Apartments LP	\$ 595,000	\$ 595,000		\$ 595,000				\$ 595,000			
7-0922	Osborne View Estates (Supplemental)		\$ 17,837		\$ 17,837						\$ 17,837	
7-0951	Ohio 36 Limited Partnership	\$ 223,639	\$ 223,639		\$ 223,639		\$ 223,639		\$ 223,639			
Sub Total - Forward Commitments/Supplementals from 2019			\$ 836,476	\$ -	\$ 836,476	\$ -	\$ 223,639	3.76%	\$ 818,639	19.76%	\$ 17,837	0.43%
Total - Competitive Reservations & Competitive Forward Allocations			\$ 4,143,027	\$ -	\$ 4,143,027	\$ -	\$ 623,311	10.48%	\$ 2,478,974	59.83%	\$ 1,664,053	40.17%
CRANE Reservations												
7-0909	Bethlehem House	\$ 240,000		\$ 259,200		\$ 259,200						
7-0939	Villa Rows	\$ 463,552		\$ 512,120		\$ 512,120	\$ 512,120					
7-0973	South Street Project			\$ 540,160		\$ 540,160	\$ 540,160					
CRANE Forward Commitments from 2019 & Supplemental Allocations												
7-0940	Columbus FRC Housing	\$ 425,745		\$ 425,745		\$ 425,745	\$ 425,745					
7-0912	Eagle Heights (Supplemental)	\$ 65,845		\$ 65,845		\$ 65,845						
											\$ -	
Total - CRANE Reservations & CRANE Forward Allocations/Supplementals			\$ -	\$ 1,803,070	\$ -	\$ 1,803,070	\$ 1,478,025	24.86%	\$ -	0.00%	\$ -	0.00%
Total Reservations			\$ 4,143,027	\$ 1,803,070	\$ 4,143,027	\$ 1,803,070	\$ 2,101,336	35.34%	\$ 2,478,974	41.69%	\$ 1,664,053	27.99%
Balance to Allocate			\$ 0	\$ 0	\$ 0	\$ 0						

Forward Commitment from 2021 Allocation

7-0958 The Rows of Fremont	\$	232,068
7-0973 South Street Project	\$	106,915

** Did not accept credits.

7-0976 210 West Mission Avenue	\$	422,418
7-0961 Trinity Heights	\$	268,896

MOTION

Whereas the Nebraska Investment Finance Authority (“NIFA”) has completed its review of the applications for federal low-income housing tax credits (“Section 42 Credits”) and Nebraska state low-income housing tax credits (“Nebraska Credits” and, together with the Section 42 Credits, collectively, the “Tax Credits”) pursuant to the Low Income Housing Tax Credit Program 2020/2021 Amended and Restated Qualified Allocation Plan (the “2020/2021 QAP”), which includes the 2020/2021 Amended and Restated LIHTC Allocation Plan for 9% LIHTCs and Nebraska Affordable Housing Tax Credits – CRANE;

Whereas said review was conducted pursuant to the 2020/2021 QAP, adopted by NIFA pursuant to a public process and approved by the Governor of the state of Nebraska; then

Be it resolved that subject to continued authorization of the Section 42 Credit program pursuant to Section 42 of the Internal Revenue Code of 1986 (the “Code”) and the continued authorization of the Nebraska Affordable Housing Tax Credit pursuant to Neb. Rev. Stat. § 77-2501 et seq. (the “AHTC Act”) and, in each case, the allocation amounts established therein, a “conditional reservation” of Tax Credits in the amounts and categories set forth below shall be granted to the applicants of the following projects:

CRANE

<u>Applicant</u>	<u>Project</u>	<u>County</u>	<u>City</u>	<u>LIHTC Amount</u>	<u>AHTC Amount</u>
*CenterPointe Inc	CenterPointe South Street Project	Lancaster	Lincoln	\$647,075	\$647,075
Total				\$647,075	\$647,075

Conditions:

1. The amount reserved for the Section 42 Credits may be adjusted by the Executive Director by up to 10% up or down, based upon receipt and review of the final information necessary to complete the analysis and subsidy layering review. The amount reserved for the Nebraska Credits may be adjusted by the Executive Director by up to 10% up or down, based upon receipt and review of the final information necessary to complete the analysis and subsidy layering review.
2. A conditional reservation for Tax Credits will become a final reservation upon the resolution within ninety (90) days of all outstanding items, including financial and technical questions, to the satisfaction of the Executive Director. Upon satisfaction of such conditions, a reservation will require no future action by this Board to become a final reservation of Tax Credits.
3. Reservations and allocations of Tax Credits will be made pursuant to the requirements of the 2020/2021 QAP, Section 42 of the Code, in the case of the Section 42 Credits, the AHTC Act, in the case of the Nebraska Credits and, in each case, are subject to the representations made by the applicant in the application, the conditions imposed by the 2020/2021 QAP and such other conditions as the Executive Director deems necessary in light of her review of the application within the purposes of the 2020/2021 QAP and the Tax Credit Programs.
4. *This Motion authorizes a conditional reservation of \$647,075 for CenterPointe, Inc. Of such conditional reservation, \$540,160 . will be reserved from 2020 Tax Credits. The remaining \$106,915 for CenterPointe Inc. shall be funded from the following sources, or any combination thereof at the discretion of the Executive Director, subject to the availability of Tax Credits: returned 2020 Tax Credits, Tax Credits returned from a prior year, national pool received for 2020 Section 42 Credits or 2021 Tax Credits.

AGENDA ITEM #7

Review and Consideration of Approval to File Notice with the Nebraska Legislature and the Governor of the State of Nebraska of NIFA's Intent to Issue Single Family Housing Bonds in the Aggregate Principal Amount of up to \$500,000,000.

BACKGROUND:

Attached is a copy of the Notice to be filed with the Nebraska Legislature and the Governor of the State of Nebraska relating to the Authority's intention to issue up to \$500,000,000 in aggregate principal amount of single family housing revenue bonds, general obligation bonds, or some combination thereof during the 2021 calendar year to finance projects, the beneficiaries or borrowers of which will not be known at the time of issuance. Such bonds are expected to be issued in connection with the Authority's single family bond program. The Notice is required pursuant to the Nebraska Investment Finance Authority Act.

RECOMMENDED ACTION:

Approval to file Notice with the Nebraska Legislature and the Governor.

**NOTICE REQUIRED PURSUANT TO
SECTION 58-270, REISSUE REVISED STATUTES OF NEBRASKA**

The Nebraska Investment Finance Authority (the “Authority”) hereby gives notice in accordance with the Nebraska Investment Finance Authority Act, Sections 58-201 et seq., Reissue Revised Statutes of Nebraska, as amended (the “Act”), to the Honorable Pete Ricketts, Governor of the State of Nebraska (the “State”), and Patrick J. O’Donnell, Clerk of the Legislature of the State, of the proposed issuance by the Authority of the following bonds:

\$500,000,000
Nebraska Investment Finance Authority
Single Family Housing Program Bonds
(consisting of one or more Series of Bonds
to be issued during the periods described herein)

The Authority anticipates that it will authorize the issuance and sale of one or more separate issuances of single-family housing bonds (which may be revenue bonds, general obligation bonds, or some combination thereof) (collectively, the “Bonds”) from time to time as provided herein. Such Bonds may, at the election of the Authority, be issued on a tax-exempt or taxable basis. The Authority would from time to time issue an amount of Bonds in order to make funds continuously available for the public purposes of the Authority (described below). Based upon the needs identified below, the Authority believes, depending upon capital market conditions, a beneficial method of carrying out its public purposes for the Authority’s Mortgage Loan Program (defined below) may be to issue its Bonds (in one or more issues and as one or more series in an amount not to exceed \$500,000,000) over the period of time from the date hereof to December 31, 2021 or as otherwise provided herein. The issuance of Bonds on this basis, together with implementing other financial strategies in connection with the Authority’s Mortgage Loan Program, will:

(a) as the capital markets permit, allow the Authority to continue to timely and orderly provide for funds for the financing of (i) first mortgage loans (“First Mortgage Loans”) (as whole loans and/or as mortgage-backed securities) to be originated in connection with the Authority’s several single-family housing programs, (ii) down payment and closing cost assistance (“Home Buyer Assistance”) to be provided in connection with certain of the Authority’s First Mortgage Loans and (iii) mortgage loans which may or may not be FHA-insured, VA-guaranteed or USDA/RD-guaranteed or conventional mortgage loans and which may or may not be guaranteed or insured by private mortgage insurance or other insurance and which may include mortgage loans with varying terms to maturity of 30 years or less, mortgage loans that are below market rates or noninterest bearing and Mortgage Loans, such as rehabilitation or home improvement loans, that may or may not be secured by first lien mortgages and to acquire mortgage-backed securities that are not issued or guaranteed by GNMA, Fannie Mae or Freddie Mac (“NIFA Portfolio Loans,” and, collectively with the First Mortgage Loans and the Home Buyer Assistance described above, the “NIFA Program Mortgage Loans”);

(b) minimize the costs the Authority experiences during the period from Bond issuance to the time Bond proceeds would be used to finance NIFA Program Mortgage Loans; and

(c) reduce the risk of nonorigination of NIFA Program Mortgage Loans should interest rates generally fall subsequent to the issuance of the Bonds.

The Authority expects to use the proceeds of the Bonds, if issued, (a) to provide moneys for the Trustee, on behalf of the Authority, to purchase or finance or, in some cases, reimburse the Authority (through funds provided from Authority operating funds or Authority borrowings), the Master Servicer or other parties for NIFA Program Mortgage Loans acquired and held in anticipation of the availability of Bond proceeds (in each case, “to finance”) and NIFA Program Mortgage Loans made to qualified low- and moderate-income persons in the State under the Authority’s “First Mortgage Loan Program” (with respect to First Mortgage Loans), the Authority’s “Home Buyer Assistance Program” (with respect to Home Buyer Assistance) and the Authority’s “Portfolio Mortgage Loan Program” (with respect to Portfolio Mortgage Loans) (such programs, including other related programs of the Authority, are referred to herein as the “Mortgage Loan Program”); (b) to make certain deposits into the funds and accounts created under the indenture(s) of trust securing the Bonds; (c) in the case of the proceeds made available by the issuance of “refunding Bonds” (not required to obtain volume cap), to pay the principal of or the redemption price on certain of the Authority’s previously issued single-family mortgage revenue bonds and thereby make additional funds available to finance NIFA Program Mortgage Loans or to provide subsidy benefits applicable to certain NIFA Program Mortgage Loans; or (d) to pay or, in some cases, reimburse the Authority (through funds provided from Authority operating funds or Authority borrowings) for certain expenses relating to the Mortgage Loan Program.

The Authority desires, through its Mortgage Loan Program, to cause to be provided, through the issuance of the Bonds and the implementation of various other financial strategies, sanitary, safe and uncrowded housing for low- and moderate-income persons and families in the State.

Section 1. The Public Purposes To Be Effectuated and the Needs To Be Addressed Through the Issuance of the Bonds. The public purposes to be effectuated and the needs to be addressed by the Authority through the issuance of the Bonds are (i) to provide more adequate owner-occupied residential housing for low- and moderate-income persons and families, particularly first-time homebuyers, within the State by providing financing of mortgage loans at interest rates lower than those otherwise available; (ii) to continue to provide an ongoing program of making such financing available within the marketplace in an orderly fashion at below-market interest rates; and (iii) to encourage homeownership by low- and moderate-income persons, including particularly first-time homebuyers, which results in an overall benefit to society.

The Legislature of the State has found and declared that:

(a) from time to time the high rates of interest charged by mortgage lenders substantially restrict existing housing transfers and new housing starts, and the resultant reduction in residential construction starts causes a condition of substantial unemployment and underemployment in the construction industry;

(b) such conditions generally result in and contribute to the creation of slums and blighted areas in the urban and rural areas of the State and a deterioration of the quality of living conditions within the State and necessitate excessive and disproportionate expenditures of public funds for crime prevention and punishment, public health and safety, fire and accident prevention and other public services and facilities; and

(c) there exists in the urban and rural areas of the State an inadequate supply of, and a pressing need for, sanitary, safe and uncrowded housing at prices at which low- and moderate-income persons, particularly first-time homebuyers, can afford to purchase, construct or rent forcing such persons to occupy unsanitary, unsafe and overcrowded housing.

The Legislature of the State has further indicated a need (as evidenced by Section 58-249 of the Act) to provide financing of mortgages for low-income persons at an interest rate below the interest rate which otherwise applies to mortgages financed from Authority single-family Bond issues.

Through Section 143 of the Internal Revenue Code of 1986, as amended (the “Code”), providing for the exclusion of interest on “qualified mortgage bonds,” the federal government of the United States of America has recognized a need for and benefit in providing financing for mortgage loans to persons, particularly first-time homebuyers, with qualifying incomes for the purchase of owner-occupied residences at purchase prices not exceeding certain limits imposed by the Code. Additionally, to further provide financing for mortgage loans to persons and families of moderate income, the Authority may elect to issue Bonds, the interest on which may not be exempt from federal income taxation.

Section 2. The Manner in Which Such Need Was Identified.

(a) *Summary of Existing Single Family Housing Programs.* The needs to be addressed as described in Section 1 above were identified by the Authority on the basis of demand for financing under the Authority’s existing single-family housing programs. As of September 30, 2020, to provide funds for the Mortgage Loan Programs, bonds (the “Single Family Bonds”) aggregating \$5,570,515,000 have been issued as 123 series pursuant to the Authority’s General Indenture of Trust (Single Family Housing Revenue Bonds) dated as of July 1, 1994, as amended (the “Single Family General Indenture”), bonds (the “GNMA MBS Bonds”) aggregating \$43,353,567 have been issued pursuant to the Authority’s Trust Indenture dated as of June 1, 2011 (the “GNMA MBS Indenture”), bonds (the “Homeownership Bonds”) aggregating \$178,000,000 have been issued pursuant to the Authority’s General Indenture of Trust (Homeownership Revenue Bonds) dated as of December 1, 2009 (the “Homeownership Indenture”), and bonds (the “G.O. Bonds”) aggregating \$27,815,177 have been issued as 22 series pursuant to the Authority’s General Indenture of Trust (General Obligation Bonds), dated as of January 1, 1998 (the “General Obligation Indenture”). In addition to the proceeds of such bond issues, certain principal payments on single-family mortgage loans previously financed with bonds issued pursuant to such indentures have been recycled, thereby creating additional financing for approximately \$746,145,000 of NIFA Program Mortgage Loans. A description of the Bonds issued pursuant to the Single Family General Indenture, the GNMA MBS Indenture

and the Homeownership Indenture and the use of the proceeds thereof for the financing of First Mortgage Loans as of September 30, 2020 is set forth in Appendix B to this Notice.

(b) *Applications Received and Availability of Remaining Mortgage Loan Account Funds—Single Family Revenue Bonds Indenture of Trust.* As of September 30, 2020, approximately \$38,547,000 in proceeds of Bonds remain available to finance First Mortgage Loans. As of September 30, 2020, applications have been received from borrowers for approximately \$53,525,000 of funds, of which amount approximately \$12,605,000 of Mortgage Loans have been financed on behalf of the Authority by the Master Servicer and \$-0- have been financed from operating funds of the Authority, some of which, depending upon the capital markets, may be purchased from available proceeds upon the issuance of Bonds. Applications are currently being received from borrowers at an average approximate rate of \$885,000 a day.

The experience of the Authority with respect to the origination of First Mortgage Loans (for each of the years ended) has been as follows:

6-30-20	306,990,746
6-30-19	282,823,715
6-30-18	237,603,263
6-30-17	203,022,315
6-30-16	255,086,744
6-30-15	226,114,873
6-30-14	238,843,331
6-30-13	126,839,557
6-30-12	136,942,529
6-30-11	151,115,310
6-30-10	85,837,387*
6-30-09	124,199,992*
6-30-08	466,291,134
6-30-07	404,844,643
6-30-06	152,187,760
6-30-05	107,307,288
6-30-04	118,892,003
6-30-03	161,773,866
6-30-02	187,120,885
6-30-01	194,863,773
6-30-00	227,705,360
6-30-99	170,456,154
6-30-98	239,039,052
6-30-97	197,690,532
6-30-96	101,355,173
6-30-95	171,983,230
6-30-94	39,596,450
6-30-93	108,991,111
6-30-92	130,729,086

6-30-91	171,090,731
6-30-90	165,313,531

(*Because of the disruption in the capital markets beginning in the fall of 2008, the issuance of bonds for single-family programs during the latter part of 2008 through most of 2010 was severely impacted and very few bonds were issued. This affected all issuers of single-family mortgage revenue bonds.)

(c) *Home Buyer Assistance—General Obligation Bonds and Other Sources.* The Authority operates and funds programs offering Home Buyer Assistance to borrowers who received First Mortgage Loans from the Authority's First Mortgage Loan Program. This Home Buyer Assistance has been financed with general operating funds of the Authority, through the issuance of G.O. Bonds pursuant to the terms of the General Obligation Indenture, with recycled bond proceeds and with other resources pursuant to the Single Family General Indenture. To date, G.O. Bonds aggregating \$27,815,177 have been issued to finance Home Buyer Assistance. To the extent possible, the Authority expects to continue to offer Home Buyer Assistance which, as in the past, may be financed using various resources of the Authority.

(d) *Historical and Expected Demand.* Based upon (i) the historical experience of the Authority over the prior 30 years with respect to the financing of mortgage loans through the issuance of single-family mortgage revenue bonds and certain general obligation bonds, (ii) its experience to date with its First Mortgage Loan Program and its Home Buyer Assistance Program and (iii) the continued requests for the reservation of First Mortgage Loan Program funds and continued requests for the reservation of Home Buyer Assistance Program funds, the Authority anticipates the need for funds in order to finance NIFA Program Mortgage Loans on a regular and consistent basis during the 2020 calendar year not to exceed approximately \$500,000,000. In order to maximize its resources for purposes of financing NIFA Program Mortgage Loans under existing, and any future, programs, and to take advantage of marketing opportunities, while at the same time preserving the bond ratings on, and the security pledged to the holders of, Bonds issued and outstanding pursuant to the terms of the various trust indentures securing the Bonds, the Authority intends, depending upon capital market conditions, to finance additional NIFA Program Mortgage Loans to meet that need through the issuance of Bonds (which may be revenue bonds, general obligation bonds or some combination thereof) pursuant to the terms of one or more indentures of trust (which may include, but shall not be limited to, the Single Family General Indenture, the Homeownership Indenture, the GNMA MBS Indenture and/or the General Obligation Indenture).

(e) *Board Approval.* At its meeting held on November 20, 2020, the Board of the Authority approved, in substantially the form submitted, this Notice.

Section 3. The Anticipated Principal Amount of the Bond Issues and the Anticipated Dates of Issuance of the Bonds. Subject to capital market conditions, the Authority anticipates issuing Bonds in the aggregate principal amount of approximately \$500,000,000 in one or more series of bonds and one or more separate issuances of the Bonds (which may be revenue bonds, general obligation bonds, or some combination thereof) the interest on which may or may not be,

at the election of the Authority, exempt from income taxation, pursuant to the terms of one or more indentures of trust, which may include (but shall not be limited to) the Single Family General Indenture, the Homeownership Indenture and/or the General Obligation Indenture. The Authority expects that an amount approximately equal to the final principal amount of each series of the Bonds if issued (less any amount of Bond proceeds, if any, used to fund reserve funds as described in Section 4 below) will be made available to finance NIFA Program Mortgage Loans. Issuance and delivery of the Bonds is expected to occur, on a regular basis, over approximately the next 12 months, in such amounts, and at such times, as determined by the Authority. The issuance of Bonds in one or more issues and as one or more series over several months will better provide the Authority with lower interest rates as the result of more competitive borrowing, ultimately for the benefit of low- and moderate-income borrowers. Issuance and delivery of all of the Bonds referred to in this Notice is anticipated to occur on or before December 31, 2021, although Bonds may be issued after that date within the description provided in this Notice, at the discretion of the Executive Director of the Authority. Issuance and delivery of the Bonds in the aggregate principal amount not expected to exceed \$500,000,000 in one or more series of bonds and one or more separate issuances of the Bonds (which may be revenue bonds, general obligation bonds, or some combination thereof) pursuant to the terms of one or more indentures of trust, which may include (but shall not be limited to) the Single Family General Indenture, the Homeownership Indenture, the GNMA MBS Indenture and/or the General Obligation Indenture, shall be in addition to any revenue bonds and general obligation bonds which may be issued by the Authority up to those amounts for which the Authority has previously delivered one or more notices required pursuant to Section 58-270 of the Act (but with respect to which bonds have not yet been issued by the Authority).

Section 4. Anticipated Size of Reserve Funds. It is anticipated that to the extent the Bonds will be secured by one or more reserve funds, such reserve funds will not exceed, in the aggregate, 15% of the principal amount of the Bonds.

Section 5. The Professionals Involved in Connection With the Issuance of the Bonds. The following professionals have been selected or approved by the Authority to participate in the issuance, sale and delivery of the Bonds:

Underwriters:	JPMorgan Securities LLC Ameritas Investment Corp. D.A. Davidson & Co. First National Capital Markets, Inc.
---------------	---

Counsel to the Underwriters:	Sherman and Howard LLC Denver, Colorado
---------------------------------	--

Bond Counsel and General Counsel to the Authority:	Kutak Rock LLP Omaha, Nebraska
--	-----------------------------------

First Mortgage Loan Master Servicer:	U.S. Bank National Association Bedford, Ohio
---	---

Trustee for
the Bonds:

Wells Fargo Bank, National Association
Minneapolis, Minnesota

Guaranteed Investment
Agreement Providers:

It is anticipated that all funds and accounts will be invested until such time as needed to finance NIFA Program Mortgage Loans and, in the case of the reserve funds, until the maturity of the Bonds, in Permitted Investments (as defined in the related bond indenture). Such Permitted Investments include guaranteed investment agreements with one or more entities which carry a rating by Standard & Poor's Ratings Group and/or Moody's Investors Service, Inc. which will not adversely affect the rating assigned to the Bonds which is anticipated to be not less than "A". Selection of the provider or providers of any guaranteed investment will be made by the Authority by obtaining at least three bids, but will not occur until the actual marketing and pricing of each series of the Bonds.

Funding Facilities:

From time to time in connection with the issuance of Bonds, the Authority may consider, to the extent determined to be in the best interest of the Authority or as may be necessary or advisable in the interest of the Authority, entering into one or more Funding Facilities. Such Funding Facilities may be entered into for the purpose of meeting certain cash flow management objectives of the Authority, including but not limited to (i) supporting floating rate payments on the Bonds with a fixed maximum interest rate source or fixed rate payment source or (ii) providing a source of funds for remarketing, rate setting, auction, market or related purposes. Selection of the providers of any Funding Facilities will be made in connection with marketing and pricing of the Bonds and any such Funding Facility will be provided by entities such that there is not an adverse impact on the rating of the Bonds.

The Authority may, from time to time, select other professionals to participate in the issuance, sale and delivery of the Bonds to the extent it deems such selection advisable and in the best interests of the Authority.

The filing of the foregoing Notice with the Governor and the Clerk of the Legislature, in accordance with the Act, was approved by the Authority on November 20, 2020.

A copy of this Notice has also been provided to those representatives of the news media requesting notification of the proposed issuance of bonds, which representatives are listed on Appendix A hereto.

Date: November 20, 2020

NEBRASKA INVESTMENT FINANCE
AUTHORITY

By _____
Executive Director

APPENDIX A

BOND ISSUE REQUEST LIST

Matt Olberding
The Lincoln Journal Star
926 P Street
Lincoln, NE 68508

Don McCabe
Nebraska Farmer Magazine
4131 Pioneer Woods Drive
Suite 103
Lincoln, NE 68506

David Hahn
New Digital Group
P.O. Box 83672
Lincoln, NE 68501

Associated Press
Broadcast Editor
1700 Farnam Street
Suite 1270
Omaha, NE 68102

Cindy Gonzalez
Omaha World-Herald
14th & Dodge Streets
Omaha, NE 68102

APPENDIX B

SUMMARY OF THE FIRST MORTGAGE PROGRAM

The following sets forth certain particulars of the First Mortgage Program as of September 30, 2020 (which includes Mortgage Loans and Mortgage-Backed Securities).

First Mortgage Program Summary

As of September 30, 2020	Original Expended Bond Proceeds	Recycling and Other Funds Expended	Weighted Avg Pass Through Interest Rate	Principal Outstanding			(3) Percentage 90 or More Days Delinquent (Including Foreclosure)
				Whole Mortgage Loans	Mortgage- Backed Securities	(2) Community Program Loans	
Series 2020 BC	\$ 49,071,420	\$ -0-	3.38%		\$ 49,071,420		0.80%
Series 2020 A	122,905,334	-0-	3.09%		117,891,965		1.07%
Series 2019 DE	175,047,108	3,181,386	3.29%		155,794,541		2.05%
Series 2019 ABC	173,098,128	16,179	3.81%		142,088,693		2.67%
Series 2018 CD	200,666,393	5,419,469	3.80%		138,776,576		4.20%
Series 2018 AB	93,667,600	2,105,474	3.32%		73,426,518		1.67%
Series 2017 ABC	103,382,133	5,479,520	3.39%		54,973,715		1.57%
Series 2016 CD	127,001,054	11,459,920	3.00%		86,367,409		1.12%
Series 2016 AB	116,091,640	12,323,215	3.36%		64,945,019		1.34%
Series 2015 CD	121,012,757	12,320,132	3.14%		61,210,540		0.75%
Series 2015 AB	95,461,246	22,232,724	3.43%		45,541,679		1.16%
Series 2014 AB	97,831,258	24,722,895	3.51%		44,215,545		2.14%
Series 2013 EF	88,778,897	24,082,816	3.20%		39,641,642		1.54%
Series 2013 CD	102,004,098	19,378,176	2.72%		48,639,616		2.14%
Series 2013 AB	102,465,844	20,619,591	3.02%		45,913,824		1.57%
Retired Series(1)	3,626,949,069	582,803,293	3.83%	<u>\$921,185</u>	<u>214,523,017</u>	<u>\$24,293,155</u>	1.77%
TOTAL HOUSING INDENTURE				<u>\$921,185</u>	<u>\$1,383,021,719</u>	<u>\$24,293,155</u>	
GNMA MBS INDENTURE							
Series 2011-1	43,353,567	0	4.04%	<u>\$0</u>	<u>\$7,980,752</u>	<u>\$0</u>	0.00%

HOMEOWNERSHIP INDENTURE

Series 2011 A, Series 2009 A, Subseries A-1	109,985,158	0	3.33%	<u>\$0</u>	<u>\$28,279,984</u>	<u>\$0</u>	0.55%
--	-------------	---	-------	------------	---------------------	------------	-------

- (1) Represents Mortgage Loans and Mortgage-Backed Securities financed with Bonds issued pursuant to the Housing Indenture and which Bonds are no longer outstanding. Such Mortgage Loans and Mortgage Backed Securities remain pledged under the Housing Indenture. A portion of the principal payments received on these Mortgage Loans and Mortgage Backed Securities are dedicated to the payment of certain term bonds.
- (2) Community Program Loans represent a.) Mortgage Loans (both first and second Mortgage Loans) originated by certain nonprofit entities (such as Habitat for Humanity of Omaha), and b.) Second Mortgage Homebuyer Assistance Loans ("HBA Loans") the proceeds of which are loaned for down payment and closing cost assistance in connection with first Mortgage Loans financed under the Housing Indenture. Community Program Loans do not have mortgage insurance or guarantees. HBA loans allocated to the Retired Series bear interest at rates ranging from 0.00% to 7.30% with maturities from 7 to 30 years and under certain circumstances are forgivable.
- (3) Information does not include Community Program Loans.

Information on page B-2 consists of the following categories at September 30, 2020.

Category	Principal Outstanding	% of Total	% 90 or more days delinquent
HOUSING INDENTURE:			
GNMA Mortgage-Backed Securities	\$693,282,605	50.09%	0.18%
Fannie Mae Mortgage-Backed Securities	689,207,349	49.80%	3.95%
Freddie Mac Mortgage-Backed Securities	531,765	.04%	0.00%
Whole Mortgage Loans (1st Mortgages) ^{1,2}	<u>921,185</u>	<u>.07%</u>	<u>0.00%</u>
TOTAL³	\$ 1,383,942,904	100.00%	1.83%
GNMA MBS INDENTURE:			
GNMA Mortgage-Backed Securities, at par	\$7,980,752	100.00%	0.00%
HOMEOWNERSHIP INDENTURE:			
GNMA Mortgage-Backed Securities	\$26,498,920	93.70%	.29%
Fannie Mae Mortgage-Backed Securities	<u>1,781,064</u>	<u>6.30%</u>	<u>4.00%</u>
TOTAL	\$28,279,984	100.00%	.55%

¹All Whole Mortgage Loans (1st Mortgage Loans) are either (i) insured by the FHA, (ii) guaranteed by USDA/RD or (iii) guaranteed by VA.

²Excludes Community Program Loans

³In addition to the categories of Whole Mortgage Loans and Mortgage Backed Securities listed above for the Housing Indenture, NIFA also had outstanding, as of September 30, 2020, Community Program Loans in the aggregate principal amount of \$24,293,155. Such Community Program Loans do not have mortgage insurance or guaranties and most are subordinate to preexisting first liens. For purposes of cash flow analysis, these loans are assumed to have no probability of repayment and are not considered as assets of the Program.

Ongoing NIFA Single Family Program

The following sets forth as of September 30, 2020, the principal amount of mortgage-backed securities held by NIFA in its general operating fund and/or credited thereto, the principal amount of originated whole mortgage loans held by the master servicer, the principal amount of whole mortgage loans closed but not yet held by the master servicer, and the principal amount of mortgage loan reservations taken by NIFA. (See Note 1)

Interest Rate	Mortgage Backed Securities Held by NIFA	Whole Mortgage Loans Held by Master Servicer	Whole Mortgage Loans Closed but Not Yet Held by Master Servicer	Mortgage Loan Reservations Taken by NIFA	Total
2.375%	\$-0-	\$ -0-	\$ -0-	\$ 571,000	\$ 571,000
2.500%	-0-	-0-	-0-	368,000	368,000
2.625%	-0-	-0-	-0-	1,484,000	1,484,000
2.750%	-0-	-0-	-0-	1,503,000	1,503,000
2.875%	-0-	669,000	290,000	4,562,000	5,521,000
3.125%	-0-	850,000	273,000	4,827,000	5,950,000
3.250%	-0-	-0-	-0-	3,074,000	3,074,000
3.375%	-0-	3,740,000	3,431,000	12,423,000	19,594,000
3.500%	-0-	121,000	105,000	-0-	226,000
3.625%	-0-	5,364,000	2,517,000	4,112,000	11,993,000
3.750%	-0-	-0-	108,000	-0-	108,000
3.875%	-0-	1,164,000	437,000	-0-	1,601,000
4.000%	-0-	599,000	347,000	150,000	1,096,000
4.125%	-0-	-0-	-0-	120,000	120,000
4.250%	-0-	100,000	-0-	-0-	100,000
4.500%	-0-	-0-	-0-	-0-	-0-
5.000%	-0-	-0-	216,000	-0-	216,000
TOTAL	\$-0-	\$12,607,000	\$7,724,000	\$33,194,000	\$53,525,000

Note 1 At the direction of NIFA, the master servicer will issue or cause to be issued mortgage-backed securities ("MBSs"), backed by the whole mortgage loans currently being held by the master servicer. Such MBSs will thereafter be available for delivery to one or more trustees for bonds issued by NIFA to fund its Program, to NIFA or to the provider of interim financing as described in this Note 1. NIFA has purchased and may continue to purchase with its general operating funds MBSs backed by mortgage loans held by the master servicer. Additionally, NIFA has used and intends to continue to use advances provided by the Federal Home Loan Bank of Topeka (the "FHLB of Topeka"), for the purchase of MBSs backed by mortgage loans held by the master servicer as available from time to time. In addition to the Housing Bonds issued from time to time pursuant to the Housing Indenture, NIFA may elect to enter into one or more other indentures for the issuance of bonds to finance mortgage loans. Upon the issuance of Housing Bonds and/or other bonds, NIFA anticipates, directing the delivery of those whole mortgage loans currently held by the master servicer when backed by MBSs, together with the MBSs held by NIFA or pledged by NIFA to the FHLB of Topeka to either or both of the trustee for the Housing Bonds and/or the trustee for the other bonds, as applicable. However, rather than deliver the MBSs to either the trustee for the Housing Bonds or the trustee for the other bonds, NIFA may elect to continue to hold the MBSs as assets of NIFA or dispose of the MBSs in such manner as determined by NIFA. In the event mortgage loans held by the master servicer do not become backed by MBSs, such mortgage loans may be delivered to the trustee for the Housing Bonds for purchase as whole loans with proceeds available under the Housing Indenture.

**ACKNOWLEDGMENT OF RECEIPT
OF
NOTICE REQUIRED PURSUANT TO**

**SECTION 58-270
REISSUE REVISED STATUTES OF NEBRASKA, AS AMENDED**

The undersigned, Pete Ricketts, Governor of the State of Nebraska, hereby acknowledges receipt on the date set forth below of the attached Notice Required Pursuant to Section 58-270, Reissue Revised Statutes of Nebraska, as amended, with respect to the following:

Nebraska Investment Finance Authority
Single Family Housing Program Bonds
(consisting of one or more Series of Bonds)

Accepted this ____ day of _____, 2020.

[SEAL]

PETE RICKETTS,
GOVERNOR

By _____
Name _____
Title _____

**ACKNOWLEDGMENT OF RECEIPT
OF
NOTICE REQUIRED PURSUANT TO**

**SECTION 58-270
REISSUE REVISED STATUTES OF NEBRASKA, AS AMENDED**

The undersigned, Patrick J. O'Donnell, Clerk of the Legislature of the State of Nebraska, hereby acknowledges receipt on the date set forth below of the attached Notice Required Pursuant to Section 58-270, Reissue Revised Statutes of Nebraska, as amended, with respect to the following:

Nebraska Investment Finance Authority
Single Family Housing Program Bonds
(consisting of one or more Series of Bonds)

Accepted this ____ day of _____, 2020.

Patrick J. O'Donnell
Clerk of the Legislature

[SEAL]