



Report of the Rent-Restricted Housing Projects Valuation Committee

November 25, 2025

Chairperson Amber Berliner

The Rent-Restricted Housing Projects Valuation Committee (Committee) hereby issues this report in accordance with [Neb. Rev. Stat. § 77-1333\(7\)](#).

The Committee has the statutory obligation to determine a capitalization rate or rates to be applied to the income stream for all low-income housing projects receiving tax credits under Section 42 of the Internal Revenue Code (LIHTC projects) in the State of Nebraska.

The Committee has reviewed income and expense statements submitted by LIHTC projects on or before July 1, 2025 in developing its rates. A spreadsheet of that information is attached to this report as Exhibit A. The Committee also considered the equity return rates provided by the Midwest Housing Equity Group, presented in Exhibit B. The minutes of the Committee meetings for tax year 2025 are attached as Exhibit C.

The Committee has determined that the submitted equity and debt information overcomes the statutory assumption that equity should be weighted at 80 percent and the debt should be weighted at 20 percent. Based upon the findings of the Committee, the following table provides the capital stack, rates for equity and debt, and unloaded capitalization rates for the State of Nebraska.

Geographic Locations	Equity	X	Equity Rate	+	Debt	X	Debt Rate	=	Unloaded Capitalization Rate
State of Nebraska	0.6	X	0.0625	+	0.4	X	0.075	=	.068

This is an unloaded capitalization rate, which means that the local property taxes must be removed from the expenses that have been received by the county assessor, resulting in a higher indicated NOI, and the effective consolidated property tax rate applicable to each project should be loaded onto (added to) the capitalization rate in determining a project's assessed value for tax year 2026. The Committee recommends that the assessor correlate and round the effective property tax rates to be loaded from the actual 2023, 2024, and 2025 tax years.

The Committee was comprised of the following members:

- Charity Farley, representing the county assessors;
- John Wiechmann, representing the low-income housing industry;
- Lori Johnson, representing appraisers from the private sector; and
- Amber Berliner, Chairperson, representing the Property Tax Administrator.

Respectfully submitted this 25th day of November, 2025.



Amber Berliner, Chairperson