



LOW-INCOME HOUSING TAX CREDITS



2025 Cost Certification Procedures Manual

Our Mission

Growing Nebraska communities through affordable housing and agribusiness.

2025 FINAL COST CERTIFICATION PROCEDURES MANUAL

Nebraska Investment Finance Authority (“NIFA”) Low Income Housing Tax Credit (“LIHTC”) and Nebraska Affordable Housing Tax Credit (“AHTC”) Final Cost Certification Procedures Manual (this “Manual”) sets forth criteria and documentation required for requesting IRS Form 8609(s) and Nebraska Form 8609N(s).

SECTION 1.1 QUALIFYING FOR FINAL ALLOCATION OF LIHTC—IRS FORM 8609

An owner must notify NIFA when a development has been placed in service. NIFA will issue IRS Form 8609(s) and Nebraska Form 8609N(s) contingent upon the owner submitting one copy of all documentation detailed in Section 1.2(b) of this Manual to NIFA (the “Final Cost Certification Documentation”) by:

- (a) Developments Placed in Service During Calendar Year 2025. For developments placing in service in 2025, the owner must notify NIFA when the development has been placed-in-service and submit to NIFA within sixty (60) days following the placed in service date, the Final Cost Certification Documentation detailed in Section 1.2(b) of this Manual. If the owner is unable to meet the sixty (60) day submission deadline, information regarding extension request can be found in Section 6.1 of the 2024/2025 Housing Credit Allocation Plan for 9% LIHTC and AHTC. Note: Owner’s requesting issuance of an IRS Form(s) 8609 and Nebraska Form(s) 8609N prior to the end of the calendar year must submit the Final Cost Certification by no later than December 1, 2025.
- (b) Developments Placed in Service After Calendar Year 2025. For developments receiving a Firm Commitment during 2025 that will be placed in service after the end of the 2025 calendar year, the owner must submit to NIFA the Carryover Allocation Documentation as set forth in the Carryover Allocation and 10% Test Procedures Manual by October 31, 2025. Such developments must be placed-in-service no later than December 31, 2027. The owner must notify NIFA when the development has been placed in service and submit to NIFA within sixty (60) days following the placed in service date, the Final Cost

Certification Documentation detailed in Section 1.2(b) of this Manual. If the owner is unable to meet the sixty (60) day submission deadline, information regarding extension request can be found in Section 6.1 of the 2024/2025 Housing Credit Allocation Plan for 9% LIHTC and AHTC. Note: Owner's requesting issuance of an IRS Form(s) 8609 and Nebraska Form(s) 8609N prior to the end of the calendar year must submit the Final Cost Certification by no later than December 1, 2027.

SECTION 1.2 REQUIREMENTS FOR REQUESTING A FINAL ALLOCATION OF LIHTC/IRS FORM 8609

- (a) Owners must submit **one complete copy** (may be submitted electronically) of the Final Cost Certification Documentation detailed in Section 1.2(b) to NIFA by the deadlines set forth in Section 1.1 of this Manual.

- (b) Upon receipt and review of the following documentation, NIFA will prepare the Land Use Restriction Agreement (LURA). Once the LURA is signed and notarized by all parties and recorded in the county in which the development is located, NIFA will issue IRS Form(s) 8609 for each building in the development:
 - (1) Final Cost Certification in the form set forth in Exhibit A;
 - (2) Individual Building Cost Certification for each building in the development that is being placed in service, Attachment 1b of the Final Cost Certification;
 - (3) Placed in Service Acknowledgment for each building in the development that is being placed in service, Attachment 2 of the Final Cost Certification;
 - (4) Contractors Certification from the general contractor of the development, Attachment 3 of the Final Cost Certification;
 - (5) Annual Operating Expense Information and Permanent Financing certified by an independent, third-party certified public accountant, Attachments 4a and 4b of the Final Cost Certification;

- (6) Syndicator Certifications from the Limited Partner/State Limited Partner/Member of the Owner, Attachment 5 and 5a of the Final Cost Certification;
- (7) Architect Certification for developments that have first floor units (or all units are accessible by an elevator) which are designed and constructed for first time occupancy after March 31, 1991, certifying that on-site inspections were performed during construction and that the development has been constructed in compliance with the Fair Housing Amendment Act, Attachment 6 of the Final Cost Certification and provide list of units that are have been built to be visitable;
- (8) Certification in the form of Exhibit B completed by an independent, third-party certified public accountant. For developments financed under the USDA-RD Section 515 program, owners may submit the RHS cost certification instead of the Audit Cost Certification;
- (9) For developments under the CROWN Program, CROWN Program Compliance Letter in the form of Exhibit C;
- (10) Recorded Warranty Deed reflecting the owner as the grantee and a copy of the settlement statement or an executed long-term ground lease reflecting the owner as leasee;
- (11) An occupancy permit from the municipality in which the development is located or, in the case of rehabilitation developments, other information in form and substance acceptable to NIFA that demonstrates that the development has been placed in service;
- (12) A copy of the owner's final title insurance policy;
- (13) For rehabilitation developments, a final work write-up clearly stating the items included in the rehabilitation, the quantity of items rehabilitated or replaced and their associated cost;
- (14) Evidence of any and all liens secured against the development;
- (15) For each source of permanent financing provide a copy of the deed of trust(s) and promissory notes(s) for closed loans or firm

commitment(s) for permanent loan(s) not closed. Note, the permanent financing amounts should tie to Attachment 4 of the Final Cost Certification;

- (16) Certificate of Good Standing for the owner (within 30 days of submission of the Final Cost Certification);
- (17) Payment of all applicable fees to NIFA, including upfront LIHTC and AHTC Annual fees;
- (18) Final executed partnership or operating agreement identifying all partners/members;
- (19) Completed and executed IRS Form 8821;
- (20) For developments receiving Historic Rehabilitation Tax Credits, copy of the United States Department of the Interior National Park Service Part II;
- (21) If points were received under the LIHTC Application for providing a Right of First Refusal, provide a copy of the executed Right of First Refusal;
- (22) If points were received under the LIHTC Application for design standards, amenities, and/or green standards, the development's architect, developer and owner must certify in detail that the completed development includes the items committed to in the LIHTC application;
- (23) If points were requested under Exhibit 211 of the LIHTC Application ("Supportive Services"), submit a **current** executed supportive service agreement with a qualified supportive services provider memorializing the terms of the plan submitted with the LIHTC Application;
- (24) Certification from the owner that the development will comply with the Violence Against Women's Act, and provide prospective applicants and tenants with the Notice of Occupancy Rights Under the Violence Against Women Act;
- (25) Provide a list of each BIN (Building Identification Number), the unit number(s) in that BIN, the corresponding address(s) of each

unit, the number of bedrooms in each unit and the square footage of each unit;

- (26) Provide contact information for property manager including address, phone and email; and
 - (27) If tax exempt bonds were used to finance the development, provide a certification from the accountant that at least 50% of the development's aggregate basis of the building(s) and land is financed by volume cap.
 - (28) Provide exterior photos of the completed development, including: playgrounds, community gardens, exterior additions, etc.
 - (29) Confirmation that the development is listed on Nebraska.findhelp.com, the free state resource for renters and landlords.
 - (30) Confirmation of the first year the Owner plans to begin taking LIHTCS.
 - (31) Any additional information requested by NIFA.
- (c) Upon review of the Final Cost Certification Documentation submitted, NIFA will notify the owner of any discrepancies in the submitted documentation and may request additional information to complete its review for the issuances of IRS Form 8609(s) and Nebraska Form 8609N(s). The owner will be given a deadline in which to correct any discrepancies and/or submit additional information. Failure to correct any discrepancies or provide additional information within the specified deadline may result in the revocation of the LIHTC and AHTC allocations.
- (d) Upon the satisfactory completion of the conditions and requirements of this Manual, NIFA will generate the LURA, IRS Form 8609(s) and Nebraska Form 8609N(s) and forward to the owner. **NOTE:** The Form 8609(s) and 8609N(s) will be issued to the Owner upon receipt by NIFA of an executed and recorded LURA. The original IRS Form 8609(s) must be submitted to the Internal Revenue Service by the owner.

EXHIBIT A
FINAL COST CERTIFICATION

Complete the yellow-shaded areas in the following spreadsheets by double clicking on the icon below:

1. Final Cost Certification – Attachment 1.a
2. Individual Building Final Cost Certification (Complete for ALL Buildings) – Attachment 1.b
3. Placed In Service Acknowledgment (Complete for ALL Buildings) – Attachment 2
4. General Contractor’s Certificate – Attachment 3
5. Annual Operating Expense Information – Attachment 4.a
6. Permanent Financing – Attachment 4.b
7. Syndicator Certification – Attachment 5
8. State Syndicator Certification –Attachment 5.a

Click on the following link to open the Hyperlink:

[2024/2025 Cost Certification Worksheet](#)

**ATTACHMENT 6
ARCHITECT'S CERTIFICATE**

ARCHITECT'S CERTIFICATE

The undersigned, being a duly licensed architect registered in the State of Nebraska, has prepared for _____ (the "Owner") final plans, working drawings and detailed specifications (and addenda) dated _____ (collectively, the "Plans and Specifications") in connection with certain real property located in _____, Nebraska (the "Development") for which the undersigned acknowledges will receive low-income housing tax credits under Section 42 of the Internal Revenue Code of 1986, as amended.

Accordingly, the undersigned hereby certifies to the Owner and Nebraska Investment Finance Authority that the Plans and Specifications comply with and conform in all respects to the requirements of existing law, have been duly filed with and have been approved by all appropriate governmental and municipal authorities having jurisdiction there over and that the Development as shown on the Plans and Specifications is in compliance with all requirements and restrictions of all applicable zoning, environmental, building, fire, health and other governmental ordinances, rules and regulations and the requirements of the appropriate board of fire underwriters or other similar body acting in and for the locality in which the Development is located. All conditions to the issuance of building permits have been satisfied.

In the opinion of the undersigned, the Development has been constructed in a good and workmanlike manner substantially in accordance with the Plans and Specifications and is free and clear of any damage or structural defects that would in any material respect affect the value of the Development. In the further opinion of the undersigned, all of the preconditions have been met justifying the issuance of (i) the permanent certificate or certificates of occupancy for the Development (or the letter or certificate of compliance or completion stating that the construction complies with all requirements and restrictions of all governmental ordinances, rules and regulations) and (ii) such other necessary approvals, certificates, permits and licenses that may be required from such governmental authorities having jurisdiction there over pertaining to the construction of the Development.

The Development will be in compliance with all current zoning, environmental and other applicable laws, ordinances, rules and regulations, restrictions and requirements, including, without limitation, Title III of the Americans with Disabilities Act of 1990 and the Fair Housing Amendment Act, as it relates to the following:

- ***Accessible Building Entrance on an Accessible Route:***

Covered multifamily dwellings must have at least one building entrance on an accessible route, unless it is impractical to do so because of terrain or unusual characteristics of the site. For all such dwellings with a building entrance on an accessible route the following six requirements apply.

- ***Accessible and Usable Public and Common Use Areas:***

Public and common use areas must be readily accessible to and usable by people with disabilities.

- ***Usable Doors:***

All doors designed to allow passage into and within all premises must be sufficiently wide to allow passage by persons in wheelchairs.

- ***Accessible Route Into and Through the Covered Dwelling Units:***

There must be an accessible route into and through the dwelling units, provided access for people with disabilities throughout the unit.

- ***Light Switches, Electrical Outlets, Thermostats and Other Environmental Controls in Accessible Locations:***

All premises within the dwelling units must contain light switches, electrical outlets, thermostats and other environmental controls in accessible locations.

- ***Reinforced Walls for Grab Bars:***

All premises within dwelling units must contain reinforcements in bathroom walls to allow later installation of grab bars around toilet, tub, shower stall and shower seat, where such facilities are provided.

- ***Usable Kitchens and Bathrooms:***

Dwelling units must contain usable kitchens and bathrooms such that an individual who uses a wheelchair can maneuver about the space.

The above can be found in the Fair Housing Act Design Manual.

There are no building or other municipal violations filed or noted against the Development. All necessary gas, steam, telephone, electric, water and sewer services and other utilities required to adequately service the Development are now available to the Development. All street drainage, water distribution and sanitary sewer systems have been accepted for perpetual maintenance by the appropriate governmental authority or utility.

The Plans and Specifications do not require the installation or use of any asbestos-containing materials in connection with the construction or use of the Development.

_____ Dated: _____
Architect Name
By: _____
Name: _____
Title: _____

EXHIBIT B

**INDEPENDENT AUDITORS' REPORT ON
APPLYING AGREED-UPON PROCEDURES**

**INDEPENDENT AUDITORS' REPORT ON APPLYING
AGREED-UPON PROCEDURES**

A. General Instructions

All requested information must be prepared in the format provided below. Submission of this report in any other format or without all requested items will not be reviewed by NIFA. If any question is not applicable, mark "N/A," and, if necessary, provide an explanation. The letter should be on the auditor's letterhead with an original signature.

B. Required Format

To: Nebraska Investment Finance Authority ("NIFA")
Suite 200
1230 O Street
Lincoln, NE 68508-1402
Attn: Low Income Housing Tax Credit Division

RE: Low Income Housing Tax Credit Allocation Request
Name of Development [REDACTED]
NIFA LIHTC # [REDACTED]
Development Owner Name [REDACTED]

To Whom It May Concern:

We have examined the costs included in the accompanying NIFA Final Cost Certification (the "Final Cost Certification") of [REDACTED] (the "Owner") for [REDACTED] (the "Development") as of [REDACTED], 20[REDACTED]. The Final Cost Certification is the responsibility of the Owner and the Owner's management. Our responsibility is to express an opinion on the Final Cost Certification based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting Exhibit [REDACTED] and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

The accompanying Final Cost Certification was prepared in conformity with the accounting practices prescribed by the Internal Revenue Service, under the accrual method of accounting, and in conformity with the format and qualified allocation plan rules set by NIFA, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion the Final Cost Certification presents fairly, in all material respects, the actual costs of \$_____ and eligible basis of \$_____ of the Owner for the Development as of _____, 20____ on the basis of accounting described above.

This report is intended solely for the information and use of the Owner and the Owner's management and for filing with NIFA and should not be used for any other purpose.

We have no financial interest in the Development other than in the practice of our profession.

City, State

_____, 20_____

Signature of Principal of Firm

Title

EXHIBIT C

CROWN PROGRAM COMPLIANCE LETTER

CROWN Program Compliance Letter

Owner Name: _____ (the "Owner")

Development Name: _____ (the "Development")

NIFA LIHTC Project No.: _____

Section 1: Description of CROWN Set-Aside

1. A long-term CROWN development is a rent to own housing unit pursuant to a plan and with documents approved in advance by NIFA that will be sold to a qualified tenant at the end of the 15 -year compliance period.
2. CROWN developments must set aside at least \$50 per month for each tenant. This set-aside will be used by the tenant to assist in the purchase of a home at a future date.

Section 2: Development Specific CROWN Requirements

1. The Owner has constructed (list the number of housing units) _____ (the "Home(s)"), and at the end of the Development's 15--year compliance period will make these Homes available for sale to qualified tenants.
2. The cost per Home is \$ _____ (average cost, based on Final Cost Certification Documentation submitted to NIFA on _____, _____, 20____).
3. The Homes will be sold for a price determined under Section 42(i)(7) of the Internal Revenue Code of 1986, as amended. The **minimum purchase price** under this subparagraph is an amount equal to the sum of:
 - a. the principal amount of outstanding indebtedness secured by each Home (other than indebtedness incurred within the 5-year period ending on the date of the sale to a qualified tenant), plus
 - b. all Federal, State, and local taxes attributable to such sale.
4. The Owner shall establish a "Rent to Own" program under which a qualified tenant can purchase a Home at the end of the Development's 15-year

compliance period. The Owner will establish a separate tenant escrow account for each tenant. The tenant escrow account shall be held in an interest bearing account and will be utilized as discussed in Section 1.2 above. The specific utilization of these funds can be for down-payment, closing cost assistance, and any physical upgrades as set forth in Section 6 which may be required on a replacement basis.

5. The Owner will provide to NIFA copies of all bank statements relating to the tenant escrow accounts described above, as requested throughout the term of the Development's 15-year compliance period.
6. The Owner will provide evidence that the following has been completed for each Home prior to the sale to a qualified tenant:
 - a. Repair or replacement of the roof.
 - b. Replacement of all appliances.
 - c. Replacement of all floor coverings (vinyl and carpet).
 - d. Complete repainting of all interior rooms.
 - e. Replacement of garage door.
7. The estimated costs for the above renovations are estimated at \$_____ per Home. The expense for these renovations will be funded from three (3) sources:
 - a. Any remaining replacement reserves.
 - b. Operating reserve.
 - c. Any needed short term financing until the Home is sold.
8. The replacement reserve will be established by the Owner, and will be used for repair or replacement items as set forth in Section 6. During the Development's 15-year compliance period, \$_____ will be set-aside for the replacement reserve (\$_____ per year).
9. The operating reserve will be established by the Owner, and will be used to fund any operating and/or debt-service shortfalls during the Development's 15-year compliance period. The amount of the required operating reserve for this Development equals \$_____. This amount was taken from the Final Cost Certification Documentation submitted to NIFA on _____, _____, 20_____.