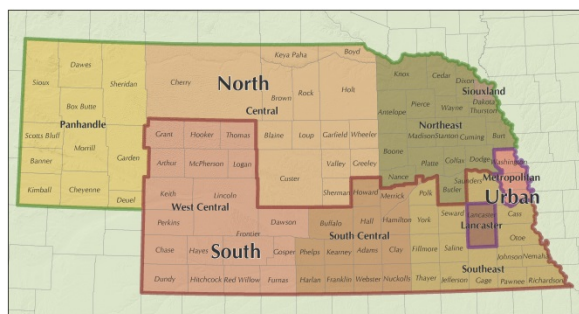


Executive Summary

The Nebraska Profile, sponsored by the Nebraska Investment Finance Authority (NIFA), is undertaken annually to provide current, high-quality information about factors influencing the development, production, use, and need for housing and housing services in Nebraska’s communities. This executive summary addresses Nebraska in three zones: North, South, and Urban. The North and South zones contain the three northern and three southern regions, respectively, as shown in the map below. The Urban Zone is comprised of the Lancaster and Metropolitan regions, which include the counties of Douglas, Lancaster, Sarpy and Washington.



Demographics

Between 1990 and 2000, Nebraska’s population increased by 8.4 percent, or from 1,578,385 to 1,711,263 persons. In 2010, the Census Bureau reported a statewide population of 1,826,341 persons. The state population rose by more than 115,000 people between 2000 and 2010, or 6.7 percent, which was much higher than previously estimated. By 2016, the statewide population estimate had risen another 4.4 percent, to 1,970,116 persons.

Data on income tax returns were also evaluated to gauge net change in households in the State of Nebraska. A review of income tax returns from the Department of Revenue (DOR) filed by Nebraska residents from 2000 through 2016 showed that the number of

returns expanded by 8.5 percent between 2010 and 2016. These data are presented in Table A.

Table A Resident Income Tax Returns State of Nebraska 2000–2016 Department of Revenue Data					
Year	North	South	Urban	Other*	Total
2000	158,091	212,227	390,726	96,050	857,094
2001	155,463	209,178	389,276	95,378	849,295
2002	154,208	208,782	392,982	87,985	843,957
2003	152,416	206,846	394,598	89,286	843,146
2004	151,937	206,938	402,608	90,013	851,496
2005	140,351	191,298	367,211	163,517	862,377
2006	153,483	209,838	419,355	98,189	880,865
2007	154,703	211,986	431,209	125,519	923,417
2008	157,119	215,145	445,047	103,943	921,254
2009	153,851	211,517	439,539	103,207	908,114
2010	153,782	211,404	444,466	106,628	916,280
2011	155,577	214,515	452,724	108,336	931,152
2012	155,697	217,280	460,125	109,944	943,046
2013	154,902	217,149	464,398	118,974	955,423
2014	155,483	219,421	473,924	125,064	973,892
2015	156,832	220,983	484,667	127,500	989,982
2016	156,289	220,746	488,634	128,799	994,468

The DOR data might underrepresent lower-income individuals, the elderly and new foreign residents, all of whom are more likely to have little or no income to report. Even with this undercount, these data still indicate steady growth.

The Census Bureau reported that growth varied significantly throughout Nebraska. The results of the 2016 intercensal estimates, the most recent estimates available by county, are tabulated and presented by the three zones in Table B.

Zone	2000 Census	2010 Census	2016 Estimates	% Change 2010-16
North	378,249	365,522	360,662	-1.3
South	477,687	479,228	482,196	0.6
Urban	855,294	981,591	1,064,258	8.4
Nebraska	1,711,230	1,826,341	1,907,116	4.4

These 2016 intercensal population estimates showed that the rate of population change in the North Zone was negative, falling 1.3 percent during the past 6 years. The population in the South Zone increased by 2,968 persons, while the population in the Urban Zone experienced a rise of 82,667 persons, or 8.4 percent. In 2010, the Urban Zone held 53.7 percent of the state's population, and this figure grew to 55.8 percent by 2016.

An additional source of information was researched to further explore population change: The Nebraska Department of Motor Vehicles, Driver Services Division, provided data files related to the number of driver's licenses surrendered and exchanged during the past 15 years. These data provided the number of people who moved to Nebraska and exchanged their previous license for a Nebraska license as well as those who left the state and surrendered their Nebraska license to a new state. Together, these factors represent an indicator of net movement into and out of Nebraska.

In 2001, DMV data showed that a net of 1,162 individuals out-migrated from Nebraska. Data from 2002 and 2003 showed positive net migration, with the total net increase reaching 4,275 in 2002 and 5,745 in 2003, for an increase of 34.4 percent. Net flows into Nebraska were positive in every quarter after 2003 and reached an annual high of 7,610 in 2012. In 2016, net in-migration remained strong with a net of 5,469 licenses issued to new residents in the state.

An additional 1,923 in-migrants arrived in the first half of 2017.

Economics

Bureau of Economic Analysis (BEA) statistics showed that the number of full- and part-time jobs exceeded 1.304 million in 2016. Still, over the past 21 years, Nebraska's labor force, defined by BLS as individuals working or seeking work, increased at an annual rate of 1.0 percent and reached 1,011,041 people in 2016. The unemployment rate increased slightly from 3.0 to 3.2 percent between 2015 and 2016, far below the national rate of 5.3 percent.

While Nebraska's real average wage per job has been traditionally much lower than the national average, this figure is improving. In 2006, Nebraska showed \$10,038 less per job, but in 2016, it was only \$3,379 less. However, the state's average real per capita income exceeded the national average in 2016 by \$783.

Housing

Census Bureau data showed that Nebraska's housing stock increased by 30,363 units, or 3.8 percent, over the past 6 years, as shown in Table C.

Region	2000 Census	2010 Census	2016 Estimate	% Change 2010-16
North	165,283	168,421	169,230	0.5
South	208,107	217,678	221,359	1.7
Urban	349,278	410,694	436,567	6.3
Nebraska	722,668	796,793	827,156	3.8%

Increases occurred in all zones of the state. The Urban Zone housing stock grew by 6.3 percent during the past 6 years, rising to 436,567 units.

Data on residential property transactions were also provided by the Department of Revenue, Property Assessment Division

(PAD), from fiscal years 1999 through 2017. These data provided information on several attributes of existing homes that are sold. The average size of existing homes sold was 1,428 square feet. Generally, newer homes were larger, with homes built between 1931 and 1960 averaging 1,150 square feet and homes built from 2011 to 2017 averaging 1,859 square feet.

Price per square foot increased as homes became newer. Homes built in 1930 or earlier had a sales price of \$51.14 per square foot, for an average value of \$66,756, but homes constructed from 2011 through 2017 reached \$147.11 per square foot for an average price of \$273,475. The PAD data indicate that the statewide average price for an existing single-family unit rose from \$91,617 in 1999 to \$175,779 in 2017.

The Nebraska Association of Realtors (NAR) provided sales price data from its member organizations. While these data are a composite of both existing and newly constructed homes, they indicate that prices have been steadily rising since 2009, increasing from \$146,088 in 2009 to \$195,420 in 2016

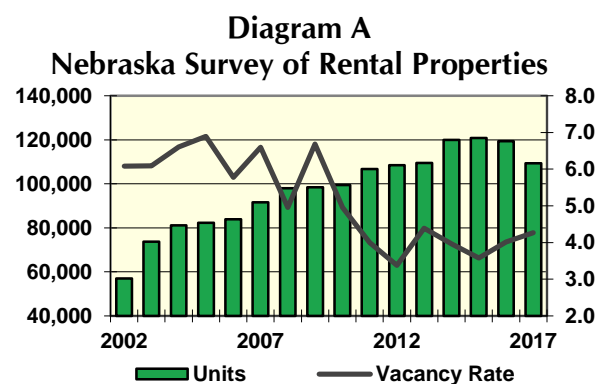
According to census building permit data single family development has remained at last year's levels, falling from 5,198 single family permits in 2015 to 5,080 permits in 2016 .Overall, permitted new construction fell 0.2 percent from 2015 through 2016, falling from 8,096 units in 2015 to 8,078 units in 2016.

Building is still strong, with the Metropolitan Region seeing the largest over-the-year total change in permitting activity. The value of new construction increased from about \$88,729 in 1980 to \$173,377 in 2004. Between 2004 and 2009, prices fluctuated around \$169,778, but beginning in 2010 prices have steadily increased, reaching a high of \$206,586 in 2016.

To assess Nebraska's rental market, a telephone survey was conducted with apartment managers, Low Income Housing Tax Credit project managers, public housing authorities, and other rental agencies, covering both market rate and assisted rental properties in the last quarter of 2016.

This survey has been conducted in each of the past 16 years with the survey sample increasing each year; while 456 surveys were completed in 2002 and 2,149 surveys were completed in 2017.

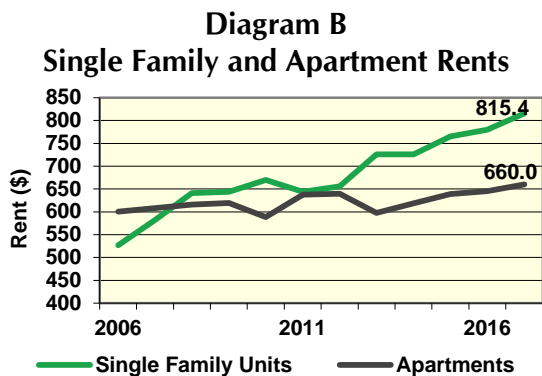
Diagram A, below, shows the total number of units covered in each year of the survey rose from 57,009 units in the 2002 survey to 109,378 units in the 2017 survey.



Rental vacancy rates moved slightly higher this past year. The urban zone had the lowest vacancy rate, at 4.1 percent compared to 5.2 and 4.3 percent for the North and South regions respectively, as shown in Table D.

Table D Vacancy Rates State of Nebraska 2012-2017 Survey Data					
Region	2013	2014	2015	2016	2017
North	5.4%	4.0%	4.5%	5.0%	5.2%
South	4.4%	3.9%	3.2%	4.8%	4.3%
Urban	4.2%	4.0%	3.5%	3.7%	4.1%
Nebraska	4.4%	4.0%	3.6%	4.0%	4.3%

Rental prices for single-family homes rose to \$815.4, while apartment rental rates rose to \$660.0 as shown in Diagram B.



need for affordable housing options in many areas of the state, especially in the fast growing urban centers.

Summary

According to the 2016 intercensal estimates, population continued to rise, increasing to 1,907,116. The state's economy continues solid growth, with the unemployment rate at 3.2 percent, which was far lower than the national rate of 4.9 percent.

Average earnings per job continue to close in on the national average, shrinking that difference from \$10,038 in 2006 to \$4,474 in 2016. Real per capita income exceeded the national average by \$783 in 2016.

While Nebraska's housing stock increased by more than 30,363 over the past five years, the Urban Zone jumped by 6.3 percent and the South by 17 percent, with the North rising by 809 units.

Single family development decreased slightly from last year, but the state still saw 5,080 single family permits issued. Total units permitted rose by 6.5 percent between 2014 and 2015, increasing to 8,096 total permits. Prices of homes have followed this path as well, with prices rising since 2009 and reaching over \$200,980 in 2015.

NIFA's Rental Vacancy Survey covered some 2,149 housing providers and 109,378 rental units. Statewide, the vacancy rate rose from 4.0 percent last year to 4.3 percent. The relatively low vacancy rate and the continued increase in housing prices indicate a growing

Introduction

The Nebraska Profile, sponsored by the Nebraska Investment Finance Authority (NIFA), is undertaken annually to improve, enhance, expand, and make more readily available information about homeownership and rental housing needs in the state. The objective is to provide current, high quality, relevant information about factors that influence the development, production, use, rehabilitation, demand, and need for housing and housing services in Nebraska's local communities.

The goals of the study are to enrich policy formation and decision-making capacity, improve the ability to interpret and predict affordable housing needs at the state and local levels, and aid housing choices so that they are made more soundly. The results of these research efforts are designed to assist planners, developers, lenders, state and local government agencies, non-profit and for-profit organizations, and other providers of affordable housing and housing-related services throughout Nebraska.

Information developed for this research includes evaluation of 2010 decennial Census data, intercensal estimates, American Community Survey (ACS) data, labor force statistics, full- and part-time employment, earned and unearned income, building permits, value of residential construction, residential property transaction data from the Property Assessment Division (PAD), income tax returns, driver's license registrations from the Department of Motor Vehicles (DMV), the number of school-aged children estimated by local school districts, and a comprehensive survey of rental properties by county and selected cities in the state.

The Nebraska Profile has three volumes: Volume I contains information describing the state in its entirety and nine regions¹ within the state. These regions are classified as North, Southeast, Central, South Central, West Central, Pan Handle, Siouxland, Lancaster and Metropolitan region. Map A, presenting these nine different regions, is shown on the following page.

Volume II represents a county-by-county analysis, identifying pertinent statistics for all of Nebraska's 93 counties. Because it is a large document, it is released as a two-chapter report. Exhibit A, presented on page 9, itemizes the nine regions and the counties within each region.

The 2016 Nebraska Profile also contains a separate Volume III document, which reports additional demographic, economic, and housing statistics; population and housing unit estimates; and housing production data for the 31 Class largest cities in Nebraska. These cities are presented alphabetically in Exhibit B on page 9.

Information on how to obtain these documents is available on the Nebraska Investment Finance Authority website at <http://www.nifa.org>.

¹ In 2015, the regions were redefined to better match Nebraska's economic development districts and planning agencies.

Map A
Nebraska's Nine Regions
 State of Nebraska
 2010 Census Data

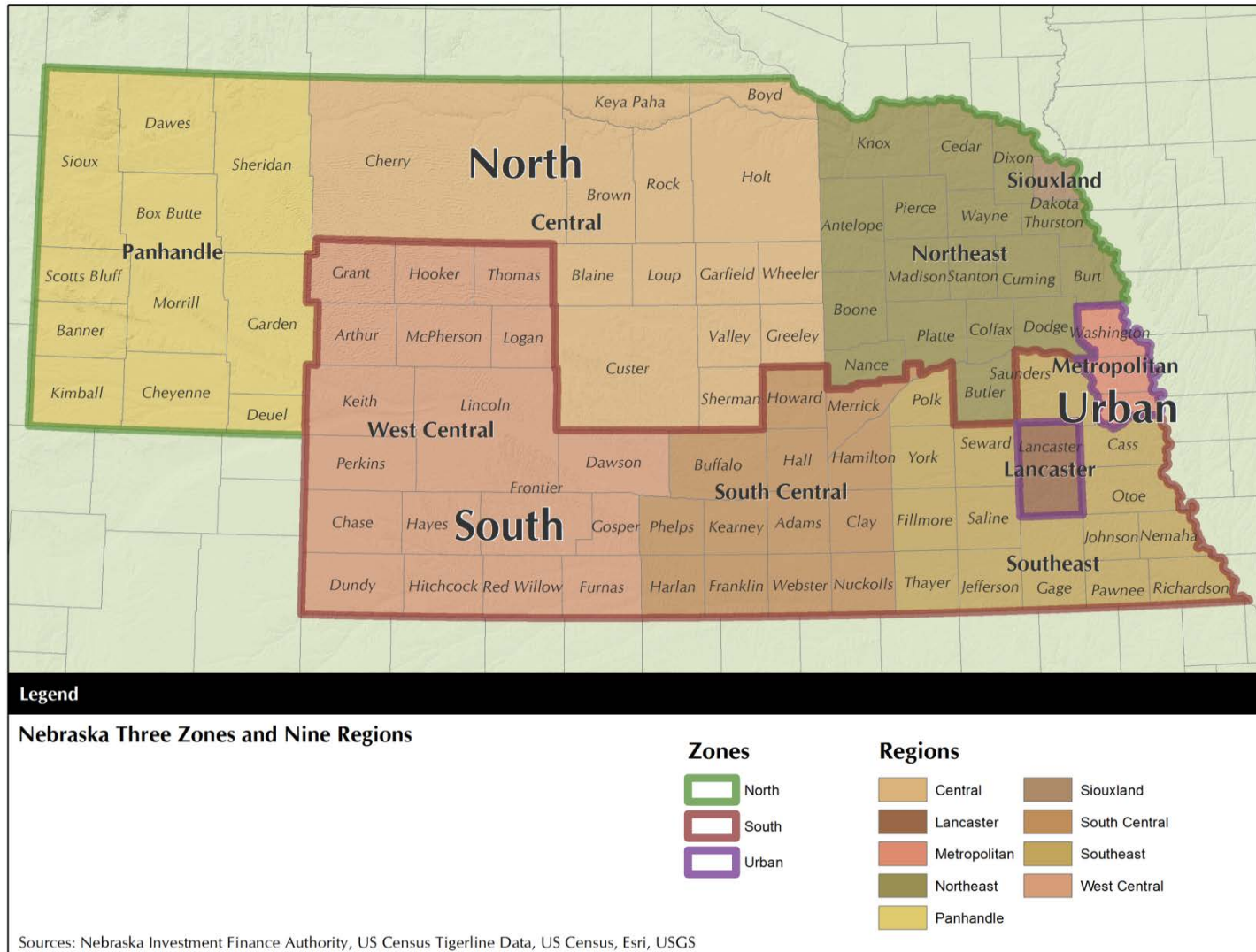


Exhibit A					
Nebraska Counties by Region					
Region	County	Region	County	Region	County
Northeast	Antelope	Southeast	Cass	Central	Blaine
	Boone		Fillmore		Boyd
	Burt		Gage		Brown
	Butler		Jefferson		Cherry
	Cedar		Johnson		Custer
	Colfax		Nemaha		Garfield
	Cuming		Otoe		Greely
	Dixon		Pawnee		Holt
	Dodge		Polk		Keya Paha
	Knox		Richardson		Loup
	Madison		Saline		Rock
	Nance		Saunders		Sherman
	Pierce		Seward		Valley
	Platte		Thayer		Wheeler
	Stanton		York		Pan Handle
Thurston	West Central	Box Butte			
Wayne		Hooker			
South Central		Thomas	Cheyenne		
		Howard	Arthur	Dawes	
		Merrick	McPherson	Deuel	
		Buffalo	Logan	Garden	
		Hall	Keith	Kimball	
		Hamilton	Perkins	Morrill	
		Phelps	Lincoln	Scotts Bluff	
		Kearney	Dawson	Sheridan	
	Adams	Chase	Sioux		
	Clay	Hayes	Siouxland	Dakota	
	Harlan	Frontier	Lancaster	Lancaster	
	Franklin	Gosper	Metropolitan	Douglas	
	Webster	Dundy		Sarpy	
	Nuckolls	Hitchcock		Washington	
		Red Willow			
	Furnas				

Exhibit B		
Nebraska's Largest Cities		
Alliance	Holdrege	Plattsmouth
Beatrice	Kearney	Ralston
Bellevue	La Vista	Schuyler
Blair	Lexington	Scottsbluff
Chadron	Lincoln	Seward
Columbus	McCook	Sidney
Crete	Nebraska City	South Sioux City
Fremont	Norfolk	Wayne
Gering	North Platte	York
Grand Island	Omaha	
Hastings	Papillion	

