

HB 2059 - DIGEST

(SEE ALSO PROPOSED 1ST SUB)

Provides that sales of affordable multifamily housing involving nonprofits or housing authorities shall not be used as sales of similar property, nor may any other transaction involving an affordable multifamily rental housing project be used, when the price paid does not reflect government restrictions on use, actual net operating income, and typical investor motivations or financing. Sales of conventional multifamily projects that have no affordable rent restrictions shall not be used as sales of similar housing without applying a cash equivalency and a net operating income adjustment. The sales comparison approach shall be deemed secondary to the direct capitalization of income approach.