

North Dakota Housing Finance Agency (the "Agency") certifies and monitors annual compliance for any parcel seeking a property tax exemption under NDCC 57-02-08(43). The parcel's respective property tax assessing municipality implements the exemption. The assessing municipality's implementation of the exemption may require the Owner to provide additional documentation and/or information.

If a Project is eligible for the exemption, in lieu of the ad valorem taxes that would otherwise be assessed, the Project Owner will make a payment equal to five percent of the balance of total annual rents collected during the preceding calendar year minus the utility costs for the property paid by the Owner.

If a Project fails to comply with the requirements under NDCC 57-02-08(43) or fails to comply with rent and household income restrictions under a local, state or federal affordable housing program on or before March 15<sup>th</sup> of each calendar year, the Agency must notify the applicable county's Director of Tax Equalization and the State Supervisor of Assessments that the property is no longer eligible for an exemption from property taxation under NDCC 57-02-08(43).

### **Exemption Certification Process and Requirements**

The Owner or Owner's authorized agent shall submit an Exemption from Property Taxation Application (SFN 61058) along with all necessary supporting documentation to the Agency. The Owner or Owner's authorized agent shall submit any additional information, documentation and/or certification requested by the Agency, which the Agency deems reasonably necessary, to substantiate the Owner's compliance to NDCC 57-02-08(43). Copies of original documentation are acceptable, unless otherwise indicated. Applications and supporting documentation can be sent electronically to [HFAPlan@nd.gov](mailto:HFAPlan@nd.gov) or via mail to North Dakota Housing Finance Agency, PO Box 1535, Bismarck, ND 58502-1535. Electronic submission is preferred.

If the Project is eligible for the exemption, the Agency shall provide the approved Initial Owner Certification (SFN 60499) to the Owner's primary contact for execution by the Owner's Authorized Agent. Upon receipt of the Owner executed SFN 60499, the Agency will provide a copy of the fully executed SFN 60499 to the applicable county Director of Tax Equalization, the State Supervisor of Assessments and the Owner's primary contact.

Annually, the Agency will provide an Annual Owner Certification (SFN 60500) to the Project's primary contact for execution and recertification of specific information relating to the Project's exemption status. The Annual Owner Certification is due back to the Agency with all necessary supporting documentation by January 31<sup>st</sup>.

Annually, by February 1<sup>st</sup>, the Owner must submit a completed ND Office of State Tax Commissioner's Application for Property Tax Exemption (SFN 24740) to the Project's county assessor. The form can be obtained by contacting the ND State Tax Department at (877) 328-7088 or online, [www.nd.gov/tax](http://www.nd.gov/tax). Additional forms or other requirements may be necessary to complete the exemption process with the Project's local county assessor.

Annual recertification with the Agency is required and may not be available if an ownership interest change involving the qualified nonprofit entity or political subdivision occurs during an annual certification period (Jan. 1 – Dec. 31). Any change in ownership interest involving a Project's qualified nonprofit entity or political subdivision and/or the entity controlled by the qualified nonprofit entity or political subdivision during an annual certification period may require the Project to complete a new Application for Initial Owner Certification including providing all information and documentation required for a new application.

The Owner shall comply with all applicable federal, state and local laws, rules and ordinances at all times in the performance of this agreement, and shall conduct its activities so as not to endanger any person or property. Owner agrees to indemnify and save and hold harmless the Agency, its officers, directors, employees and agents from any and all claims of any nature, including claims of employees or agents of the Owner, resulting from or arising out of the activities of Owner, its subcontractors, agents, officers or employees.