


2023 ANNUAL REPORT

Mission and Values

North Dakota Housing Finance Agency is a self-supporting and mission-driven state agency dedicated to making housing affordable for all North Dakotans.

From homelessness to homeownership, we strive to meet the diverse needs of individuals and families to ensure that everyone has access to safe, decent and affordable housing in communities across the state.



Service

We are knowledgeable, passionate and committed to making continuous improvements and providing the best service to current and future clients.



Teamwork

We hold ourselves accountable as industry leaders and collaborate with our housing partners to enhance communication and innovation.



Integrity

We lead with truth and honesty and pledge to treat those we serve with respect and integrity.



Compassion

We appreciate the perspective of others and genuinely care about our clients, co-workers and partners in housing.

From the Executive Director

Over the past decade, the North Dakota Housing Finance Agency (NDHFA) has issued over \$3 billion in bonds to fund the purchase of over 16,000 home loans. While this is a great achievement, our work isn't finished.

The state has record low unemployment, creating workforce issues that affect us all. If North Dakota is going to continue its success, housing will be key in attracting new talent and families to our state. An area crucial to increasing and improving our housing stock will be the private sector housing industry with the support of state and local government. This will require flexibility, information, and guidance.

Governor Burgum has set a goal to have a comprehensive housing strategy for the 2025 legislature to consider. Through sessions with housing stakeholders, we hope to gather ideas and create actionable steps. We look forward to this challenge and encourage all to be involved.

2023 Highlights

- Fifty thousand homes have been purchased statewide through NDHFA's FirstHome™ program - a milestone more than 40 years in the making.
- NDHFA issued \$440,000,000 in mortgage revenue bonds and provided \$10,037,983 in down payment assistance.
- 1,752 households achieved homeownership through NDHFA's programs.
- We combatted interest rate and fee increases in the mortgage market with below market rates that saved borrowers thousands of dollars per year on mortgage payments.
- National Mortgage News and Best Companies Group named NDHFA one of the 2023 Best Mortgage Companies to Work For.
- HUD's National Servicing Center ranked NDHFA as a Tier 1 Federal Housing Administration loan servicer for FY 2023. The agency has achieved this ranking for six consecutive years.
- Five new housing projects received funding, creating 223 units of affordable workhouse, senior and rural housing.
- Under the state and federal programs NDHFA administers, we continue our work with housing providers to ensure that over 10,000 units are safe and affordable.
- In an effort to streamline government operations, NDHFA assumed administration of the federal Emergency Solutions Grant and the North Dakota Homeless Grant combining them with the administration of the ND Homeless Continuum of Care.
- We also repaired or made accessibility upgrades in 122 homes in partnership with other entities to ensure homes are safe and accessible.
- NDHFA awarded a \$59,316 housing counseling grant from the U.S. Department of Housing and Urban Development to support services for renters and households experiencing or at risk of homelessness.
- Finally, NDHFA was recognized by United Way with the 2022 Spirit Award for our employee involvement through volunteerism and creative workplace campaigns.



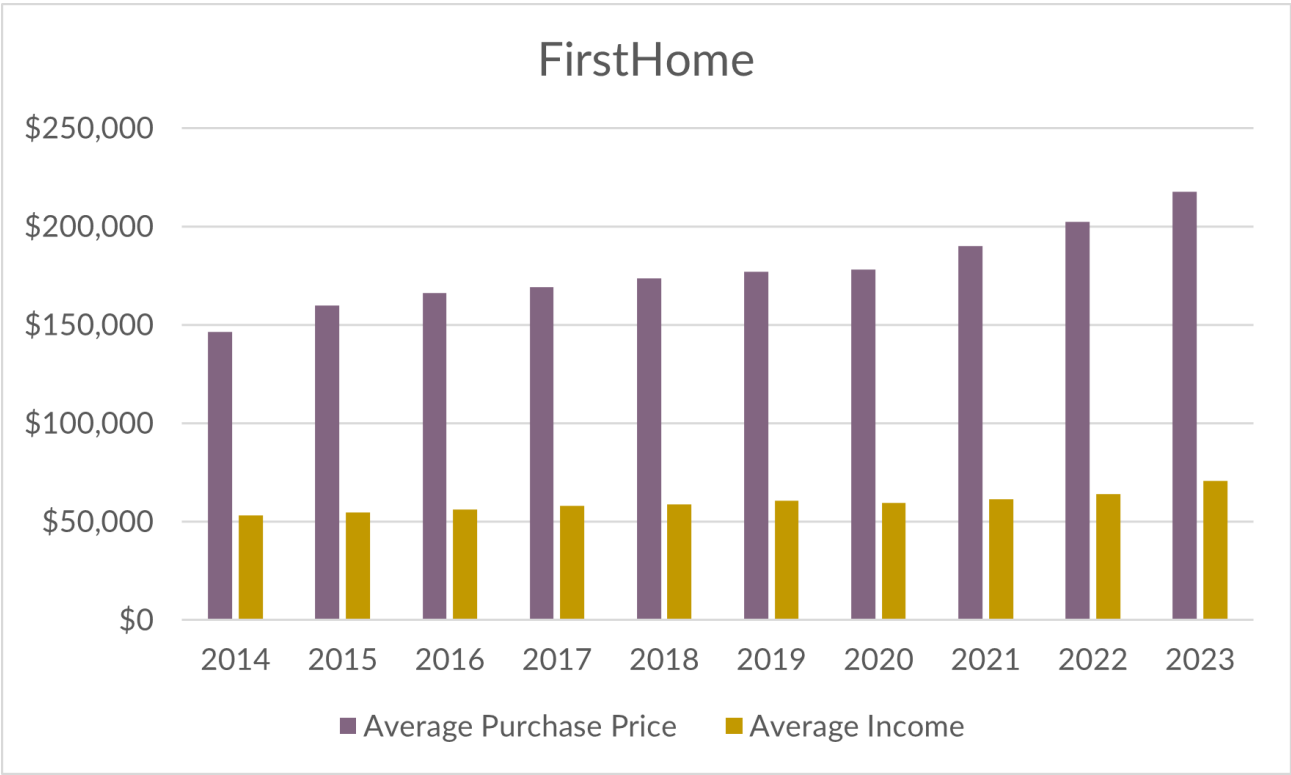
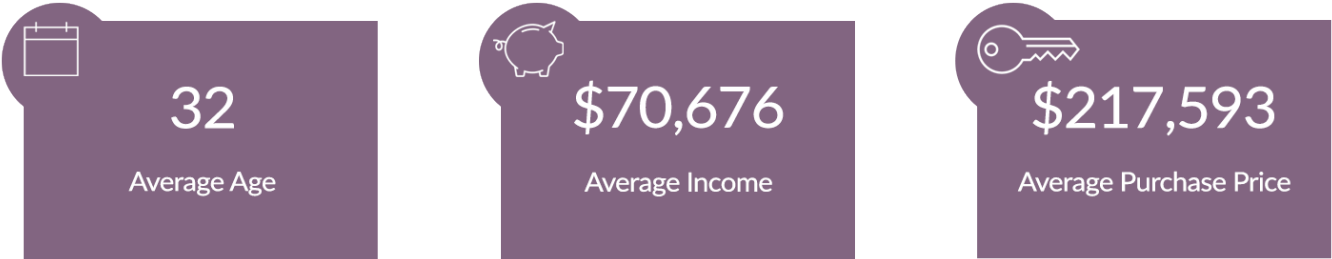
Homeownership

Homeownership is traditionally one of the most coveted goals of individuals and families, providing a household with security and stability.

NDHFA's programs are available to a broad range of potential buyers, and we strive to make the dream of homeownership a reality for all North Dakotans. This goal could not be achieved without the dedicated lenders and real estate agents who promote our programs, working hard to make the dream of homeownership a reality.

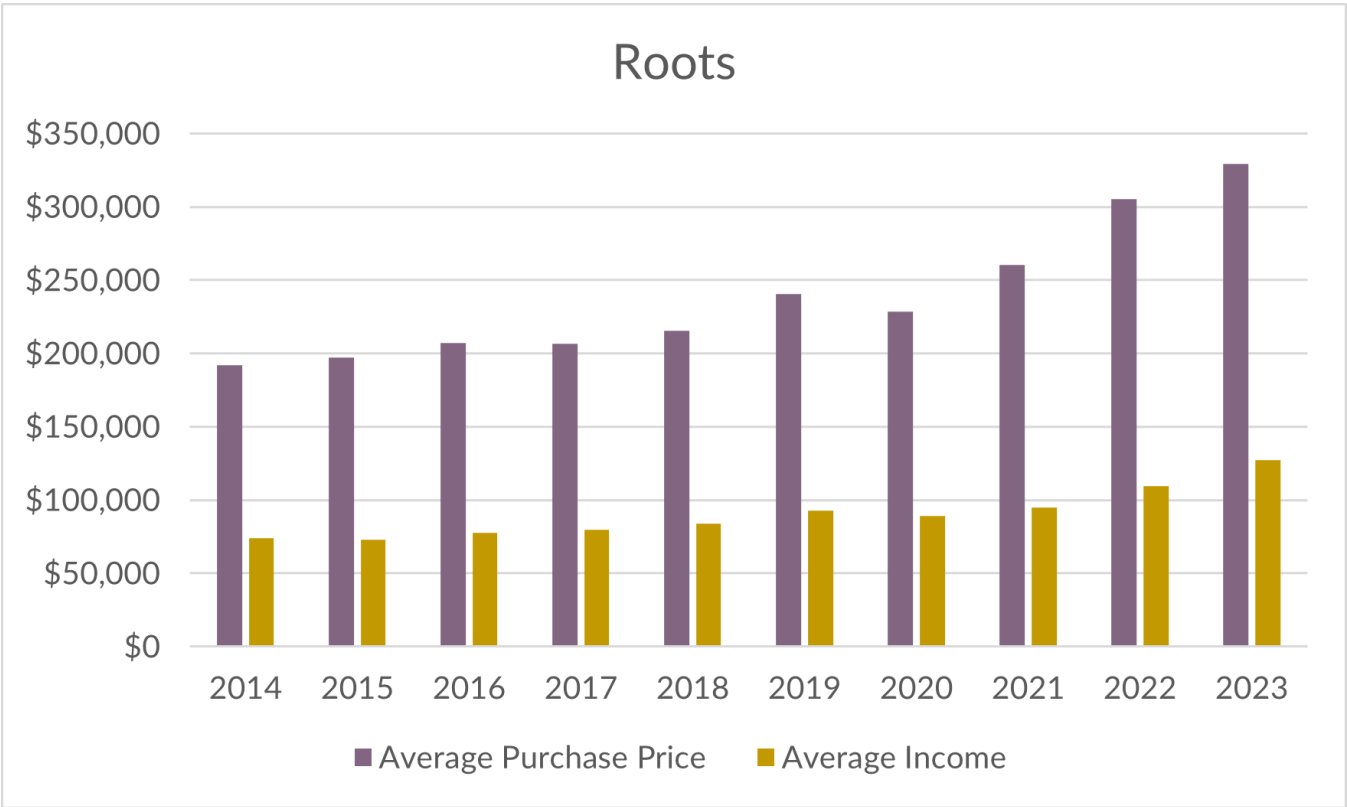
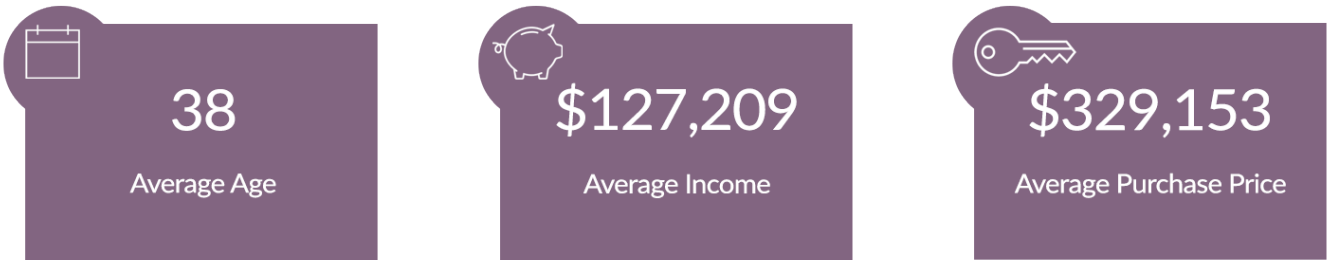
FirstHome™

FirstHome provides affordable mortgage loans to low- to moderate-income first-time homebuyers. In 2023, 1,351 households (sum of family size 2,740) used the program, 62 percent receiving some form of down payment and closing cost assistance.



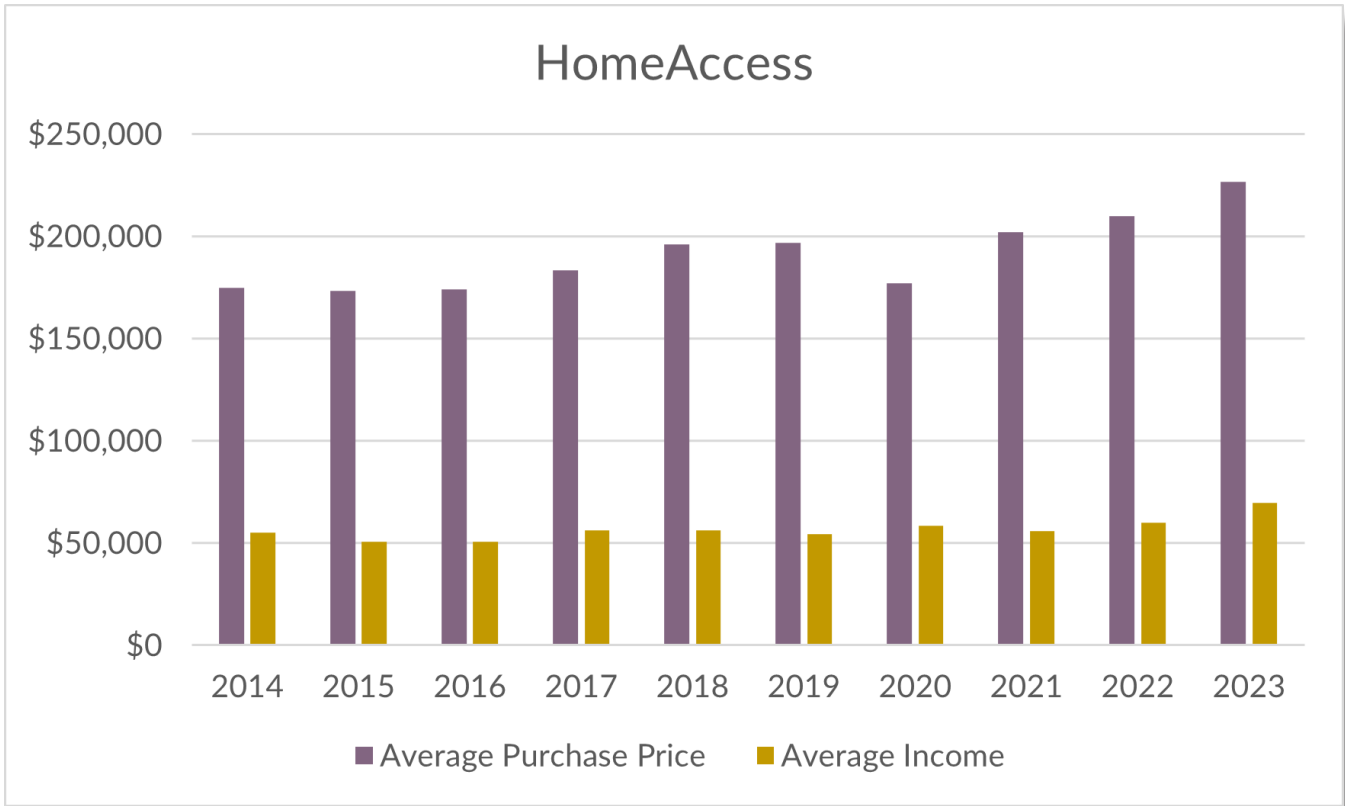
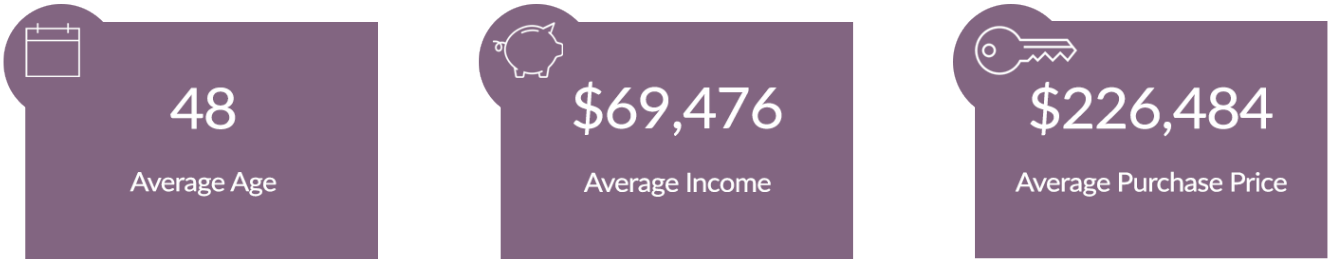
North Dakota Roots

Through North Dakota Roots, NDHFA provides individuals and families who may have previously owned a home or whose income exceeds the limits of the agency’s FirstHome program with down payment and closing cost assistance and affordable home financing. Roots can also be used to refinance residential real estate loans. In 2023, 401 households (sum of family size 1,158) used our Roots program, 63 percent receiving some form of down payment and closing cost assistance.



HomeAccess

HomeAccess assists low- to moderate-income buyers who are single parents, honorably-discharged veterans, or those who have household members who are elderly or disabled. In 2023, 197 individuals were assisted. The greatest number of program users are single parents at 60 percent.



Creating and Preserving Multifamily Housing

NDHFA works with development partners to create and preserve affordable multifamily housing in urban and rural communities. Federal and state funded programs administered by the agency provide equity to reduce debt, which results in more affordable rents for low- to moderate-income wage earners, older adults, persons with disabilities and individuals experiencing or at risk of homelessness.

Multifamily Housing Projects Awarded Funding

The Gardenette in Jamestown is a multiphase rehabilitation project led by Stride Development PBC. The \$48 million project will transform 168 single-bedroom units into 150 units providing one-, two- and three-bedroom options. Phase 1 secured \$1.1 million in 9% Low Income Housing Tax Credits, Phase 2 received \$1.1 million in 9% Low Income Housing Tax Credits, and Phase 3 was awarded \$1 million in 4% Low Income Housing Tax Credits and \$3 million through the Housing Incentive Fund.

Avalon at Mandan, a \$9.4 million new construction project led by Domera Development LLC and CUBIT Development Group LLC, involves the construction of a 25-unit, two-story rowhome for families. This infill development received \$975,000 in 9% Low Income Housing Tax Credits.

NEX Senior in Fargo is a 40-unit senior community with one- and two-bedroom units, on-site management, and integrated supportive services. This infill project will be developed by Commonwealth Development and was awarded \$1.1 million in 9% Low Income Housing Tax Credits, \$1.5 million through the HOME Investment Partnerships Program and \$2.8 million through the National Housing Trust Fund.

Dakota Apartments is an eight-unit, two-story new construction apartment building in Cavalier, to be developed by Red River Community Housing Development Organization. The \$3 million project was awarded \$1.7 million from the Housing Incentive Fund.

NDHFA also provided additional funding to the following developments to complete their projects:

- Jewel City 1 Rehab in Rolla received \$1.15 million through the HOME Investment Partnership Program and the Housing Incentive Fund.
- Boulevard Avenue Apartments in Bismarck received \$661,702 through the HOME Investment Partnership Program.
- Washington Court Apartments in Bismarck received \$300,000 through the Housing Incentive Fund.

Completed Projects

Lantern Light in Fargo is the renovation of the former Sacred Heart Convent which was built in 1984. This YWCA Supported Residence will provide homes for 23 families at risk of homelessness, many of them survivors of domestic violence. The families residing in these apartments receive supportive services from the Jeremiah Program and volunteers from other area non-profits and organizations. NDHFA committed \$2 million from the National Housing Trust Fund, \$735,000 from the state's Housing Incentive Fund and \$4.2 million from the HOME Investment Partnerships Program.

Eagle Flats is 33 new homes for families at the site of the former Eagles building in downtown Jamestown. Commonwealth Development Corporation was awarded \$720,000 in credit authority through the Low Income Housing Tax Credit program.

Jackson Flats in Grand Forks is a 40- unit affordable housing community dedicated to qualifying seniors aged 62 and older. NDHFA awarded Grand Forks Homes Inc. \$796,000 in credit authority through the Low Income Housing Tax Credit Program and \$950,000 from the National Housing Trust Fund.

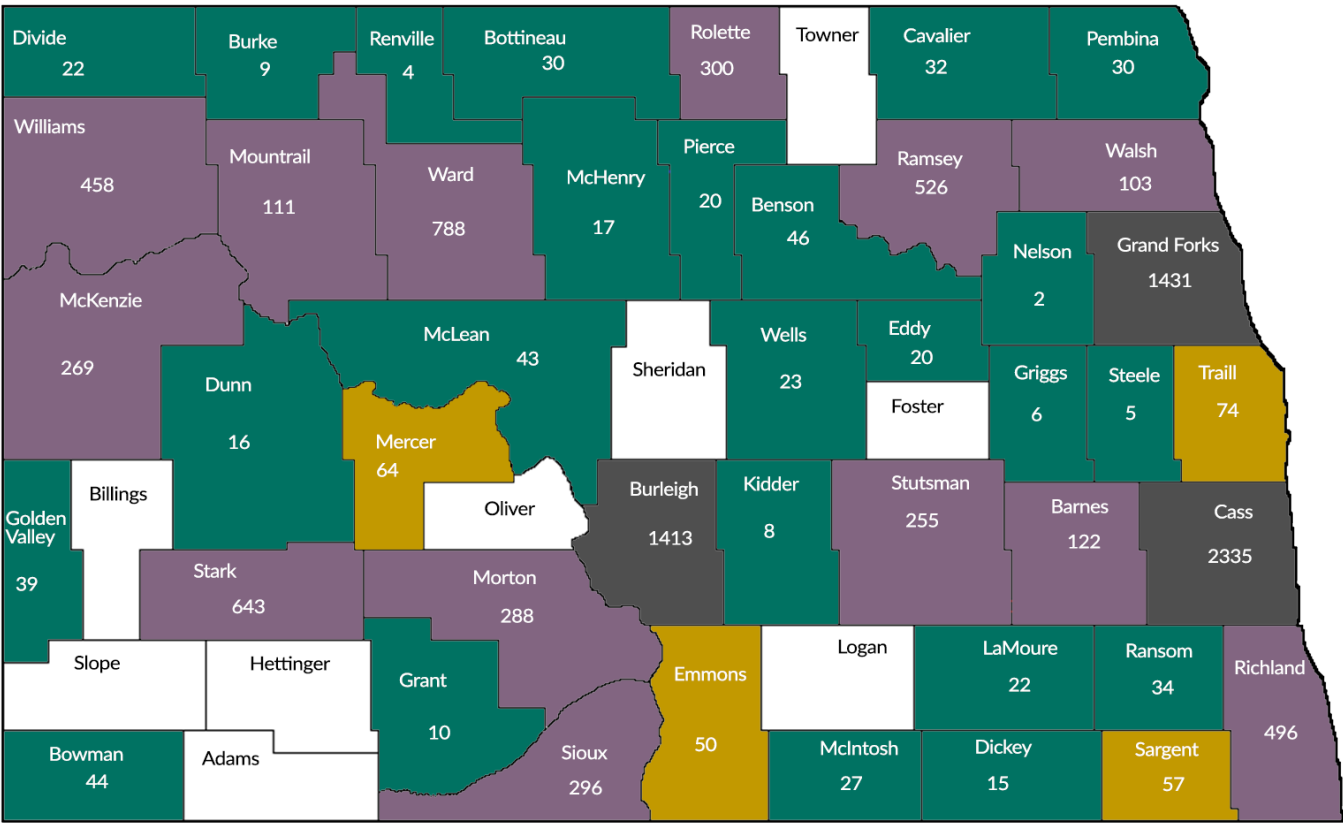


Dave Flohr, Sister Mary Margaret Mooney and Erin Prochnow at Lantern Light

Multifamily housing constructed or rehabilitated with state and federal programs must meet financial and structural compliance. NDHFA ensures compliance with program requirements by making property managers aware of housing program laws, rules, regulations and policies. By providing customized trainings and on-site monitoring reviews, NDHFA guarantees individuals and families are safely living in their homes. In 2023, NDHFA oversaw compliance for more than 10,000 housing units.

NDHFA Multifamily Housing Compliance Monitoring Unit Totals By County

Multifamily housing development and rental subsidy programs administered and monitored by NDHFA include Low Income Housing Tax Credit, National Housing Trust Fund, Housing Incentive Fund, HOME Investment Partnerships Program, Neighborhood Stabilization Program, Section 8 Contract Administration, Rural Housing Rehab and Law Enforcement Housing Pilot Program.



Program Administration

NDHFA compassionately reinvests profit earning into grant programs that can rehabilitate single and multifamily housing primarily occupied by low-income households and individuals with physical disabilities. The intent is to remove barriers to address accessibility issues and allow individuals to remain in their home as long and as safely as possible. Some of the programs are administered in conjunction with non-profit organizations and tribal entities.

Rehab Accessibility Program (RAP)

During FY 2023, through RAP, NDHFA awarded grant dollars for accessibility upgrades to properties occupied by lower-income North Dakotans with physical disabilities. A maximum of \$5,000 may be awarded for each project. A minimum 25 percent match is required.



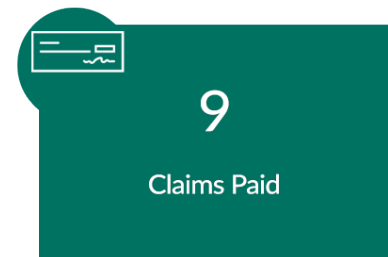
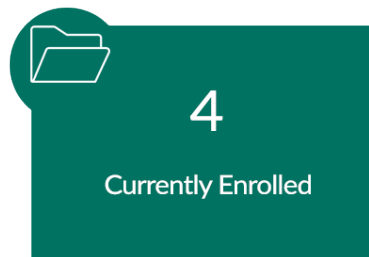
Helping Housing Across North Dakota (Helping HAND)

Helping HAND funding is available to non-profit organizations (by invitation only) to support the needs of lower-income homeowners through grants targeted to single family housing rehabilitation.



Opening Doors Landlord Risk Mitigation Fund (Opening Doors)

Opening Doors provides participating households with an opportunity to access housing, while protecting the property and investment of property owners. Tenants with poor credit, a history of evictions or a criminal record work with a care coordinator to secure housing, receive support services and mediate any disputes with the landlord. Landlords receive financial coverage beyond a security deposit if a participant causes excessive damage or loss of revenue.



Addressing Homelessness

North Dakota Continuum of Care

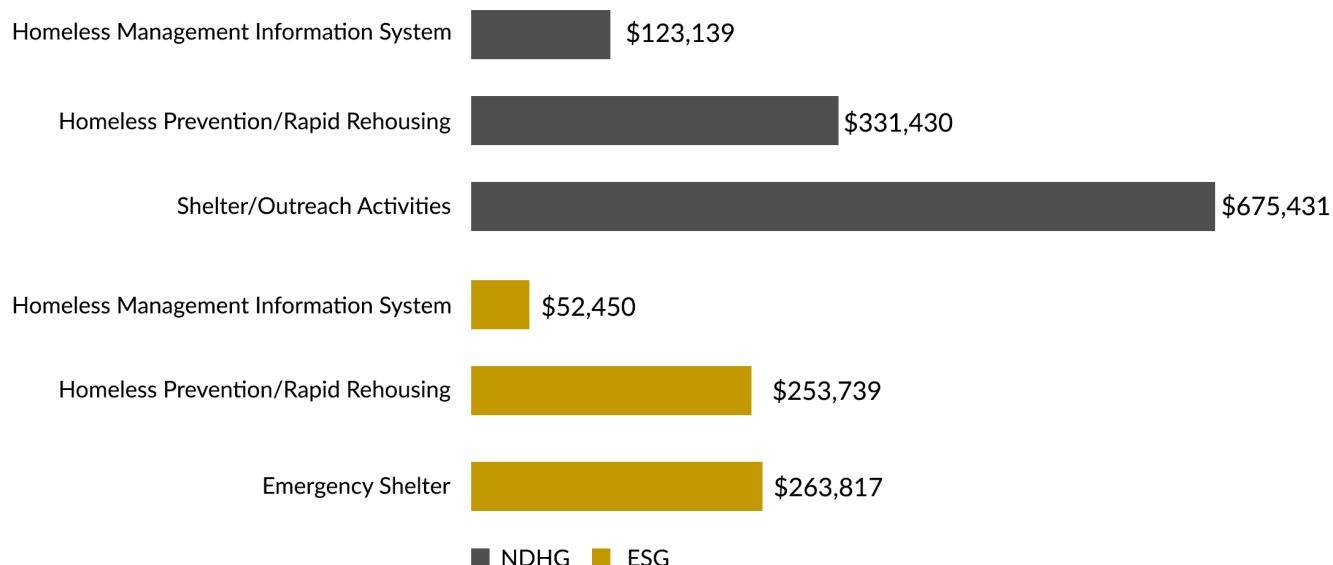
The U.S. Department of Housing and Urban Development awarded a \$2.1 million competitive grant to North Dakota's Homeless Continuum of Care (CoC) to support:

- fifteen programs across the state that provide housing and supportive services to individuals and families experiencing homelessness using a Coordinated Entry system.
- a Homeless Management Information System used to collect data on the provision of housing and services.
- funding for CoC planning.

North Dakota Homeless Grant and Emergency Solutions Grant

During the most recent legislative session, NDHFA assumed administration of the North Dakota Homeless Grant (NDHG) and the federal Emergency Solutions Grant (ESG), streamlining government operations.

Both NDHG and ESG are designed to provide financial assistance to facilities and programs within North Dakota to identify sheltered and unsheltered homeless persons, as well as those at risk of homelessness and provide the services necessary to help those persons quickly regain stability in permanent housing after experiencing a housing crisis and/or homelessness. In 2023, NDHFA awarded a little over \$1.7 million through both programs.



2023 Program Administration

As a self-funded agency, NDHFA does not receive any general fund dollars for its operations. Revenue generated through the servicing of mortgage loans covers the cost of salaries, operational expenses, professional service contracts, technology and equipment. Fees received for administering federal programs also cover salaries and operational expenses. Any excess agency revenue is re-invested into grants specifically created to address housing challenges for residents and communities. The following information highlights programs administered in 2023.

Homeownership	Planning and Housing Development	Homeless	Property Management
<p>\$2,066,458,137 Total servicing portfolio value as of Dec. 2023.</p> <p>13,925 loans held by NDHFA</p>	<p>\$5,142,935 servicing revenue</p> <p>12,429 loans serviced</p>		<p>\$12,762,839 Contract Administration rental subsidy payments on behalf of HUD</p>
<p>1,492 BND loans serviced</p>	<p>\$3,185,000 Low Income Housing Tax Credit U.S. Dept. of Treasury allocation</p>		<p>\$347,910 Moderate Rehabilitation rental subsidy payments on behalf of HUD</p>
<p>\$3,000,000 HOME Investment Partnerships Program HUD program administration</p>	<p>\$100,000 Rehab Accessibility Program NDHFA-funded grant</p>		<p>\$486,494 Emergency Solutions Grant HUD program administration</p>
<p>\$3,066,413 National Housing Trust Fund HUD program administration</p>	<p>\$200,000 Helping HAND NDHFA-funded grant</p>		<p>\$2,109,161 ND Continuum of Care HUD program administration</p>
<p>\$15,000 Housing Market Survey NDHFA-funded grant</p>	<p>\$13,500,000 Housing Incentive Fund biennium allocation from the State of North Dakota</p>		<p>\$2,500,000 ND Homeless Grant biennium allocation from the State of North Dakota</p>

Employee Culture

Throughout the year, NDHFA employees participated in fun and interactive activities such as employee sponsored events, charitable contributions and volunteering.





Industrial Commission

NDHFA is overseen by the North Dakota Industrial Commission.



Governor
Doug Burgum



Agriculture Commissioner
Doug Goehring



Attorney General
Drew H. Wrigley

Advisory Board

NDHFA's advisory board is made up of representatives of the mortgage lending, residential real estate and mobile home and manufactured housing industries. The board advises the Industrial Commission on the agency's business activities.

Ninetta Wandler, Chairman
Representative of Realtors
RE/Max Realty, Dickinson

Joe Sheehan, Board Member
Representative of Lenders
Benchmark Mortgage, Bismarck

Lisa Rotvold, Vice Chairman
Representative of Homebuyer/Homeowner
Red River Regional Community Housing
Development Organization, Hillsboro

Kevin Hanson, Board Member
Representative of Lenders
Gate City Bank, Fargo

Jim Farnsworth, Board Member
Representative of Manufactured Housing
Retired, Bismarck

Larry Nygard, Board Member
Representative of Builders
Crown Development, Fargo

NORTH DAKOTA
housing
FINANCE AGENCY

A North Dakota Industrial Commission Agency

2624 Vermont Ave, PO Box 1535
Bismarck, ND 58502-1535
800/292-8621 • www.ndhfa.org