



Assessment Department

**ANNUAL REPORT**

To The Fargo  
City Board of Equalization

April 10, 2007

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# ***Overview of Assessment Function***

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The overall function of the Fargo Assessment Department is to maintain a record of property ownership boundaries and to appraise all property in Fargo. This encompasses many varied tasks and responsibilities, but all serve that overall objective.

## ***Property Ownership Maintenance***

This is accomplished by analysis of the various instruments by which property rights may be acquired, transferred, or disposed of. This department collects all such instruments that have been legally recorded. The status of property ownership is reflected in the city on a real time basis.

Therefore, each year's tax bill for a property reflects the ownership according to the most recently recorded property transfers. Tax bills normally are sent by the Cass County Treasurer in mid-December.

## ***Property Appraisal***

Extensive analysis of the factors affecting the value of all classes of property is conducted by this department. Once the forces that affect property value are quantified, new and existing properties are appraised on an individual basis. This is done by appraising all new properties as they are constructed and periodically reappraising existing properties by type or location.

Market forces that affect the value of real estate over broad subclasses of property are dealt with by the Assessment Department through a process called *value trending*. This involves applying value changes uniformly across various classes of property based upon careful statistical analysis.

## ***Property Taxes***

Property taxes are determined by each local political body (city, county, school, etc.) by setting their budget. This process determines how much revenue must come from property taxes. That amount is then levied against the total taxable value of property in Fargo. The work of the Assessment Department results in determining the distribution of each property's share of that tax burden. In order to calculate gross taxes on a property, the following formula is used:

$$\text{Assessor's Value} \times \text{Assm't Ratio} \times \text{Assm't Factor} \times \text{Mill Levy} = \text{Gross Tax}$$

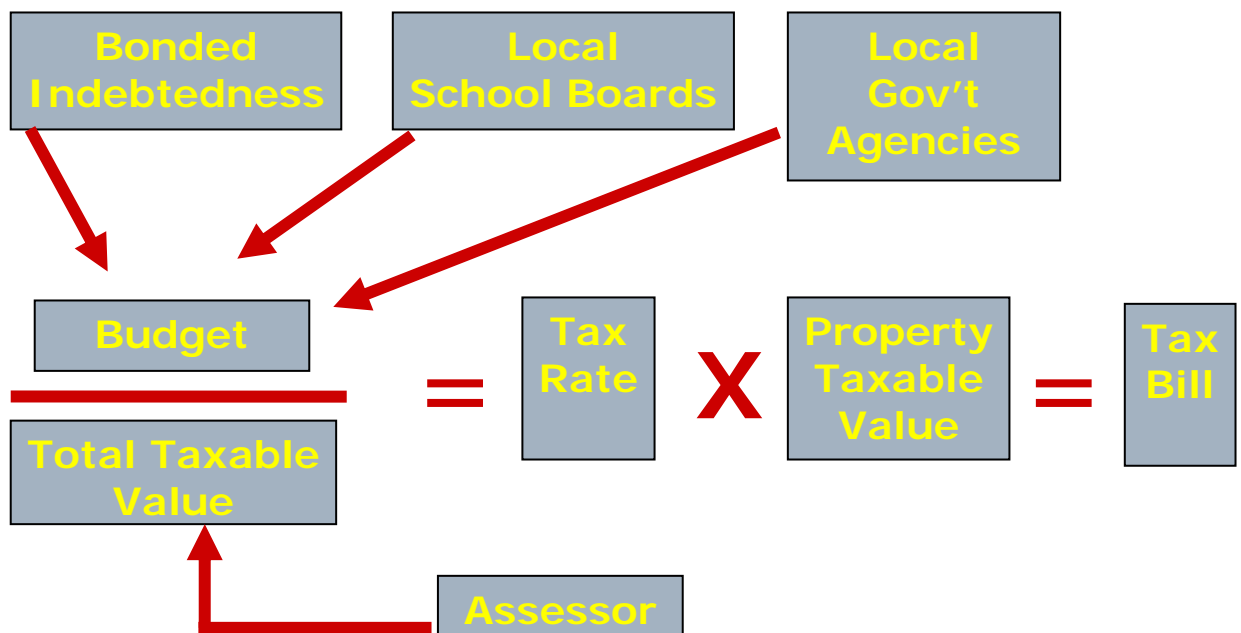
The Assessment Ratio is 50% for all properties. The Assessment Factor is 9% for residential and 10% for all other classes of property. The mill levy changes every year but was 467.25 mills in most of Fargo in 2006.

# Property Tax Basics

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The makeup of the property tax system is very simple. It contains only three primary elements: **budget**, **valuation**, and **tax**. The amount of tax to be collected is calculated by dividing the budget by the taxable valuation.

- **BUDGET**  
Taxing authorities (school, city, county, etc.) approve budgets annually for the services they provide.
- **VALUATION**  
Buyers and sellers in the market create value.  
Assessors study market transactions and estimate value.
- **TAXATION**  
Approved budgets are divided by the total taxable value and tax rates (mill levies) are set.



## ***Property Tax Basics***

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Here are a couple of basic examples of how this process works. The assumptions used in the first example are that the total amount of approved budgets in a jurisdiction is \$2,000,000 and the total taxable value of all properties is \$100,000,000. The second example assumes that property values increase and the total budget remains the same.

The following illustrates the effect on a home valued at \$100,000:

<b>BUDGET = \$2,000,000</b>	<b>TAXABLE VALUE = \$100,000,000</b>
<b><u>\$2,000,000</u></b>	<b>= .02 (OR 2% tax rate)</b>
<b>\$100,000,000</b>	
<b>HOME VALUE = \$100,000 X .02 = \$2,000 TAX</b>	

If property values were to increase in this example community, that in itself should not affect the amount of budget required.

The following illustrates the effect of a 50% valuation increase on property values without an increase in a community's total budget:

<b>BUDGET = \$2,000,000</b>	<b>TAXABLE VALUE = \$100,000,000</b>
<b><u>\$2,000,000</u></b>	<b>= .0133 (OR 1.3% tax rate)</b>
<b>\$150,000,000</b>	
<b>HOME VALUE = \$150,000 X .013 = \$2,000 TAX</b>	

## ***2006 Mill Levy***

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The mill levy is calculated each year by the County Auditor, usually in late September. That levy appears on the tax bill that most property owners receive in December of the same year. The most recent bill is 2006 and the mill levies in Fargo were 467.25 in School District #1 and 412.25 in School District #6. For the most part, School District #6 is the area west of I-29. The following illustrates how that levy is broken down:

### **2006 MILL LEVY BREAKDOWN**

<u>School Dist #1</u>		<u>School Dist #6</u>
3.41	State/Other	3.41
61.00	Cass County	61.00
57.25	City of Fargo	57.25
32.07	Park District	32.07
309.02	School District	254.02
4.50	Water District	4.50
<b>467.25</b>	<b>TOTAL</b>	<b>412.25</b>

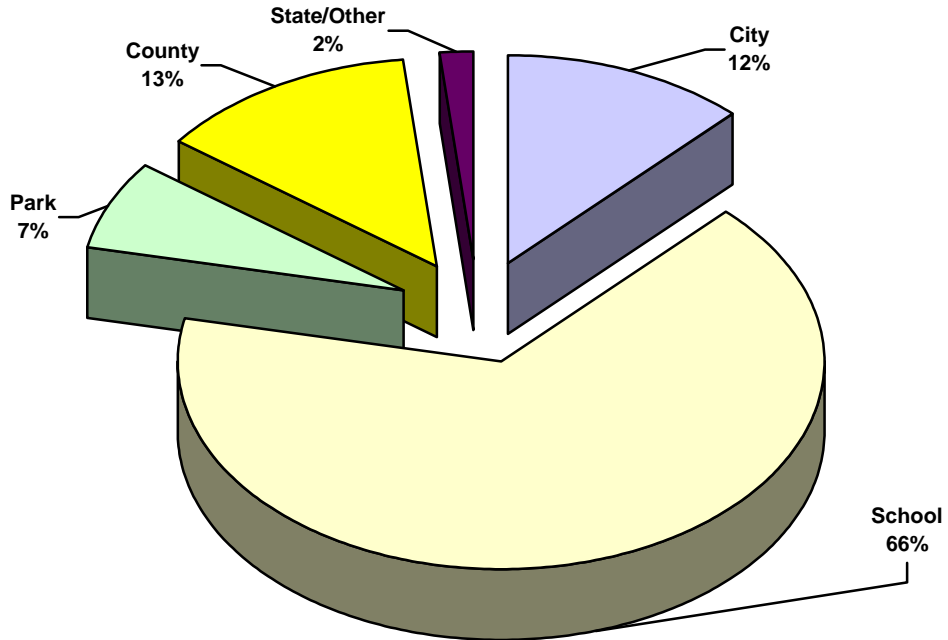
### **Mill Levy History School District #1 1996-2006**

<u>YEAR</u>	<u>CITY</u>	<u>COUNTY</u>	<u>PARK</u>	<u>SCHOOL</u>	<u>OTHER</u>	<u>TOTAL</u>
1996	61.56	61.49	31.61	308.39	6.55	469.60
1997	61.53	65.00	31.84	314.21	7.34	479.92
1998	61.53	69.26	32.38	322.66	7.39	493.22
1999	60.24	67.37	33.07	320.24	7.60	488.52
2000	60.31	65.37	32.67	327.40	8.00	493.75
2001	60.13	62.69	32.76	327.88	7.98	491.44
2002	60.30	65.05	32.87	323.84	7.96	490.02
2003	60.24	65.00	32.73	320.20	8.41	486.58
2004	58.73	65.00	32.46	319.55	8.32	484.06
2005	59.25	62.00	32.58	318.62	8.31	480.76
2006	57.25	61.00	32.07	309.02	7.91	467.25

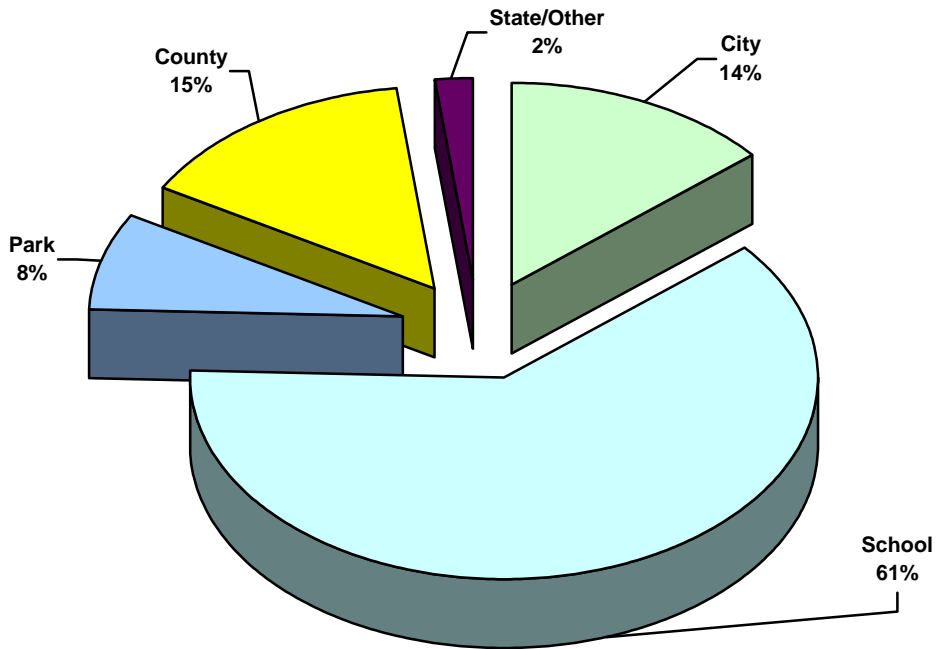
# ***Mill Levy***

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### 2006 School Dist #1 Levy



### 2006 School Dist #6 Levy



# ***2007 Total Appraised Value***

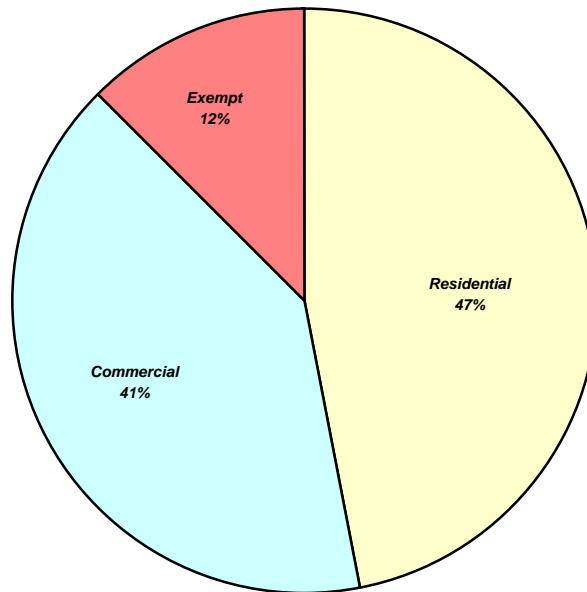
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## TOTAL MARKET VALUE BREAKDOWN

<b><u>Class</u></b>	<b><u>Count</u></b>	<b><u>% Of Total</u></b>	<b><u>2007 Total Value</u></b>	<b><u>% Of Total</u></b>
Residential	<b>24,675</b>	80.6%	<b>\$ 3,461,798,700</b>	46.9%
Commercial	<b>4,600</b>	15.0%	<b>\$ 2,997,079,600</b>	40.6%
Agricultural	<b>136</b>	.4%	<b>\$ 3,536,300</b>	.05%
Exempt	<b>1,213</b>	4.0%	<b>\$ 917,982,240</b>	12.4%
<b>TOTAL</b>	<b>30,624</b>		<b>\$ 7,380,396,840</b>	

\*The *Exempt* property class includes hospitals, schools, government owned property, etc. These properties are not reappraised on as regular a basis as are other classes of property. Therefore, our current value on the books for these properties has been increased by 40% here to better reflect the actual value of exempt property in Fargo.

## ***Breakdown By Value***



It should be noted that the figures represented here reflect merely a snapshot of the status of property in the City of Fargo. Property ownership and valuation is always in a state of change. The Assessment Department responds to these changes on a daily basis. The numbers in this report reflect the way things are as of the date of the report. Next month, next week, or tomorrow, the figures will be different. Several figures here also represent estimates of value changes between now and September when mill levies are established. Agencies using the numbers in this report for budget purposes should consult additional sources for verification.

## ***2007 Exempt Property***

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Exempt property falls into two classes in the property tax assessment roll for Fargo: *partial (or discretionary)* and *fully* exempt. Partial, or discretionary, exemptions are granted for reasons such as relief for the disabled or elderly, economic expansion, or renovation of properties. Fully exempt properties include those such as churches, schools and hospitals. Following is a breakdown of exemptions for the 2007 assessment:

<b><u>EXEMPTION TYPE</u></b>	<b><u># PROPERTIES</u></b>	<b><u>APPRAISED VALUE EXEMPT</u></b>
<b>Fire Protection Levy</b>		
Comm School Dist #1	<u>31</u>	<u>\$ 14,859,900</u>
Sub Total	31	\$ 14,859,900
<b>Residential New Construction</b>		
School Dist #1	252	\$ 18,694,600
School Dist #6	<u>246</u>	<u>\$ 18,321,800</u>
Sub Total	498	\$ 37,016,400
<b>Homestead Credit</b>		
School Dist #1	139	\$ 6,702,800
School Dist #6	<u>2</u>	<u>\$ 135,000</u>
Sub Total	141	\$ 6,837,800
<b>Wheelchair, Blind, Disabled Veteran</b>		
School Dist #1	99	\$ 7,786,100
School Dist #6	<u>4</u>	<u>\$ 365,200</u>
Sub Total	103	\$ 8,151,300
<b>Remodeling</b>		
Res School Dist #1	127	\$ 2,373,400
Comm School Dist #1	<u>15</u>	<u>\$ 5,197,400</u>
Sub Total	142	\$7,570,800
<b>New Industry &amp; Payment In Lieu</b>		
Comm School Dist #6	33	\$ 85,396,100
Comm School Dist #1	<u>54</u>	<u>\$ 60,414,600</u>
Sub Total	87	\$145,810,700
<b>Tax Increment Financing</b>		
Comm School Dist #6	1	\$ 1,438,800
Comm School Dist #1	<u>1</u>	<u>\$ 359,100</u>
Sub Total	2	\$ 1,797,900
<b>Renaissance Zone</b>		
Comm School Dist #1	44	\$ 28,388,100
Res School Dist #1	<u>56</u>	<u>\$ 16,003,300</u>
Sub Total	100	\$ 44,391,400
<b>Daycare, Geothermal, Parking Struct., Educ. Corp., Group Homes</b>		
Res School Dist #1	19	\$ 1,557,500
Res School Dist #6	1	\$ 11,000
Comm School Dist #1	28	\$ 21,356,900
Comm School Dist #6	<u>3</u>	<u>\$ 2,141,400</u>
Sub Total	51	\$ 22,925,400
<b>2007 PARTIAL EXEMPTION</b>		
<b>GRAND TOTAL</b>	<b>1,155</b>	<b>\$ 289,361,600</b>
<b>2007 FULLY EXEMPT TOTAL</b>		
	<b>1,213</b>	<b>\$ 917,982,240</b>

## **2007 Fargo Taxable Valuation**

The **taxable valuation** is the amount that is considered the *tax base* of the City of Fargo. This accounts for the removal of exempt amounts and represents the net assessed value of all property in the city subject to property taxation.

This amount is determined by applying an *assessment ratio* of 50% to the net appraised value of all taxable property, then a factor of 9% is applied to residential and 10% to all other property classes.

The taxable valuation multiplied by the mill levy will determine the total revenue to be received from property taxes.

The following projections of the 2007 taxable valuation of Fargo will vary somewhat from the final amount. Changes will occur between now and when the mill levy is determined in September. An amount (*Adjustments*) has been estimated to allow for those changes. Also, the figure used for *Corporations* is an estimate based upon last year's figures. Corporations are utilities such as railroads and pipelines which are assessed by the State Tax Department.

### ***TOTAL EXPECTED 2007 TAXABLE VALUATION***

<u>CLASS</u>	<u>TAXABLE VALUE</u>
Agricultural	\$ 176,815
Commercial	\$139,042,620
Residential	<u>\$152,941,496</u>
Sub Total	\$292,160,931
(less)	
Traditional Tax Increment	\$ 4,392,860
Adjustments Estimate	<u>\$ 2,000,000</u>
Sub Total	(\$ 6,392,860)
(add)	
Corporations Estimate	<u>\$ 3,019,944</u>

### **2007 PROJECTED NET TAXABLE VALUE \$288,788,015**

2006 Net Taxable Valuation	\$ 268,423,651
Difference	\$ 20,364,364

***Percent Increase in Taxable Value 7.6%***

# ***2007 Fargo Taxable Valuation***

## **2007 Projected Fargo Taxable Value By School District Locally Assessed Property**

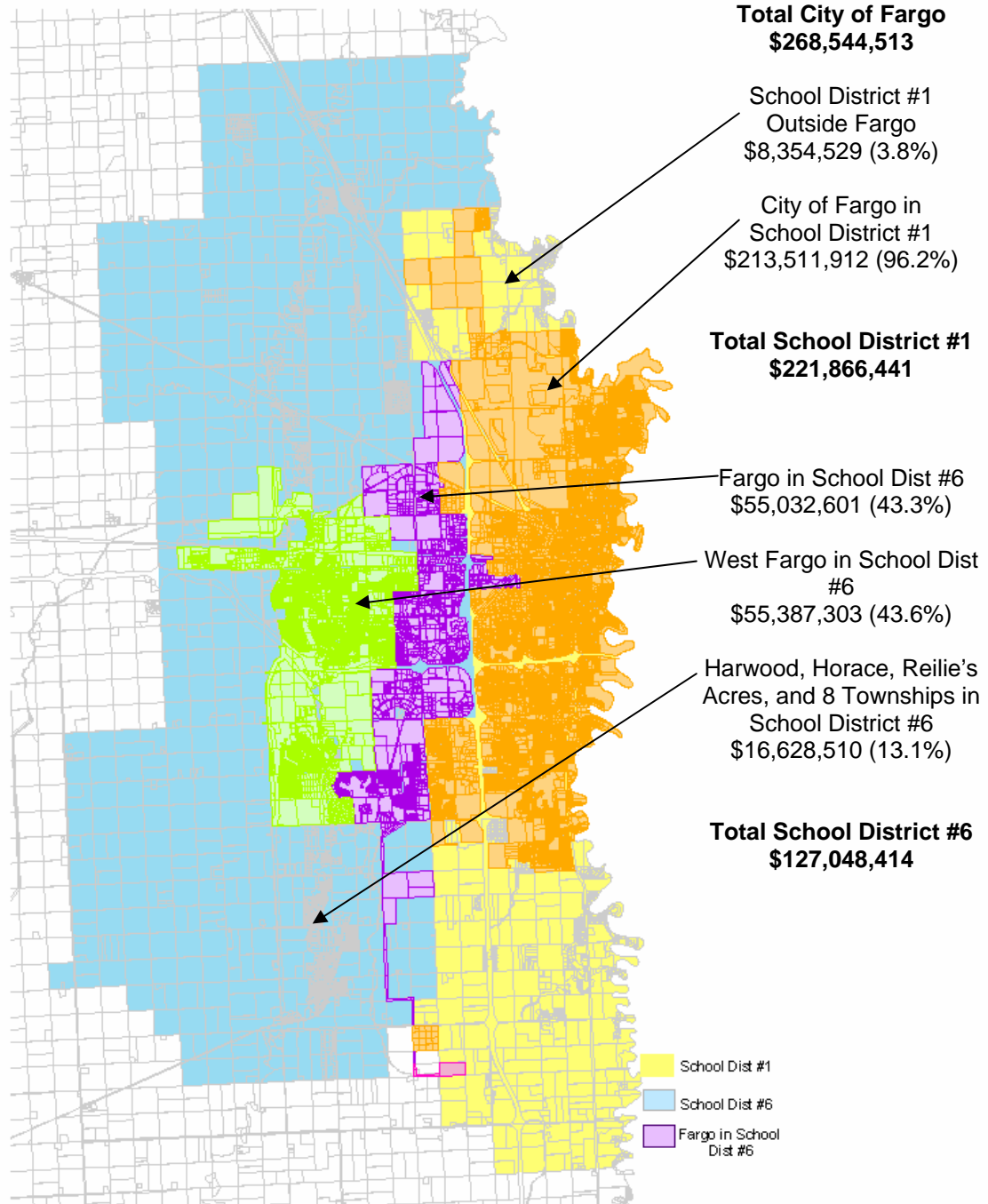
<b><u>CLASS</u></b>	<b><u>2007 TAXABLE</u></b>	<b><u>2006 TAXABLE</u></b>	<b><u>% CHG</u></b>
<i>Agricultural</i>			
School District #1	\$111,755	\$ 39,955	+180%
School District #6	\$ 61,535	\$ 63,930	-3.7%
School District #2	\$ 3,525	\$ 0	+100%
Sub Total	\$176,815	\$103,885	+70.2%
<i>Commercial</i>			
School District #1	\$ 83,827,385	\$ 75,057,205	+11.7%
School District #6	\$ 55,215,235	\$ 47,566,455	+16.1%
Sub Total	\$139,042,620	\$122,623,660	+13.4%
<i>Residential</i>			
School District #1	\$142,997,668	\$135,472,626	+5.6%
School District #6	\$ 9,626,537	\$ 7,055,807	+36.4%
School District #2	\$ 9,590	\$ 0	+100%
Sub Total	\$152,633,795	\$ 142,528,433	+7.1%
Total School District #1	\$ 226,936,808	\$ 210,569,786	+7.8%
Total School District #6	\$ 64,903,307	\$ 54,686,192	+18.7%
Total School District #2	\$ 9,590	\$ 0	+100%
<b>GRAND TOTAL</b>	<b>\$ 291,849,705</b>	<b>\$ 265,255,978</b>	<b>+10.0%</b>

\*These figures do not include homestead credit, tax increment, corporation, or projected adjustment values.

### **10 Year Fargo Taxable Value History**

<b><i>Year</i></b>	<b><i>Taxable Valuation</i></b>	<b><i>% Change</i></b>
1998	\$ 146,988,032	+ 4.3%
1999	\$ 157,790,468	+ 7.3%
2000	\$ 169,667,306	+ 7.5%
2001	\$ 183,845,794	+ 8.4%
2002	\$ 194,773,430	+ 5.9%
2003	\$ 208,083,503	+ 6.5%
2004	\$ 225,535,096	+ 8.4%
2005	\$ 244,141,153	+ 8.2%
2006	\$ 268,423,651	+ 9.9%
2007 est.	\$ 288,788,015	+ 7.6%

# ***2006 Taxable Value By Taxing District***



## ***2006 Building Permit Appraisals***

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Part of appraising properties for assessment purposes is to know what's out there. One of the ways to do that is to perform appraisals on all parcels of land where building permits are issued.

This is a count of building permit *appraisals*, which differ from a count of actual building permits. Some permits require multiple appraisals as in the case of multiple tenant properties. Also there is a carry over from one year to the next on projects unfinished by the assessment date.

### **2006 Building Permit Appraisal Count**

Residential New Construction	713	
Residential Renovation	<u>1,459</u>	
<b>TOTAL RESIDENTIAL</b>		<b>2,172</b>
Commercial New Construction	217	
Commercial Renovation	<u>614</u>	
<b>TOTAL COMMERCIAL</b>		<b><u>831</u></b>
<b>TOTAL 2006 PERMIT APPRAISALS</b>		<b>3,003</b>

### **2006 Building Permit Appraisal Value Summary**

Commercial New Construction (Dist #1)	\$ 24,425,700	
Commercial New Construction (Dist #6)	<u>\$ 43,167,700</u>	
<b>COMMERCIAL NEW CONSTRUCTION</b>		<b>\$67,593,400</b>
Residential New Const. (Dist #1)	\$ 65,914,000	
Residential New Const. (Dist #6)	<u>\$ 45,244,100</u>	
<b>RESIDENTIAL NEW CONSTRUCTION</b>		<b><u>\$111,158,100</u></b>
<b>TOTAL NEW CONSTRUCTION</b>		<b>\$178,751,500</b>
Commercial Renovation (Dist #1)	\$ 24,412,900	
Commercial Renovation (Dist #6)	<u>\$ 31,819,200</u>	
<b>COMMERCIAL RENOVATION</b>		<b>\$ 56,232,100</b>
Residential Renovation (Dist #1)	\$ 11,364,100	
Residential Renovation (Dist #6)	<u>\$ 1,019,200</u>	
<b>RESIDENTIAL RENOVATION</b>		<b><u>\$ 12,383,300</u></b>
<b>TOTAL RENOVATION</b>		<b>\$ 68,615,400</b>
<b>TOTAL PERMIT APPRAISAL VALUATION</b>		<b>\$ 247,366,900</b>

## **2007 Appraisal Value Changes**

**For the 2007 assessment,**

- ✓ 746 residential properties were completely reappraised.
- ✓ 220 commercial vacant site appraisals updated.
- ✓ 860 commercial improved site appraisals updated.
- ✓ 112 neighborhood strip mall property appraisals updated.
- ✓ 3,003 building permit appraisals were performed.

**In addition, the following trending adjustments were made to property values not included in those appraisal efforts:**

- 846 Apartment Properties Were Trended +2%
- 2,131 Commercial Properties Were Trended +2%

### **RESIDENTIAL PROPERTY VALUE TRENDING**

<b>TYPE</b>	<b>STORY HEIGHT</b>	<b>YEAR BUILT</b>	<b>TRENDING</b>	<b># PROP</b>
Single Family	1 Story	Up to 1932	+5%	707
Single Family	1 Story	1948-1955	+4%	4,023
Single Family	1 Story	1991-2006	+5%	568
Single Family	1 Story w/ Attic	1920-1947	+5%	285
Single Family	1½ Story	1933-2006	+5%	563
Single Family	Split Level	1956-1964	+5%	114
Single Family	Split Level	1965-1974	+3%	215
Single Family	Split Level	1991-2006	+5%	393
Single Family	2 Story	Up to 1932	+5%	1,118
Single Family	2 Story	1956-1990	+5%	848
Single Family	2 Story	1991-2006	+2%	747
Single Family	2 Story Split Level	All Ages	+5%	69
Duplex	1 Story	All Ages	+5%	55
Duplex	2 Story	All Ages	+5%	264
Tri-Plex	All Story Heights	All Ages	+5%	123
Twinhome	1 Story	Up to 1990	+5%	145
Twinhome	1 Story	1991-2006	+2%	300
Twinhome	1½ Story	All Ages	+5%	10
Twinhome	Bi-Level	1983-2006	+5%	1,116
Twinhome	2 Story	Up to 1990	+5%	203
Apt Style Condos	-----	Up to 1990	+5%	1,343
Townhome	Bi-Level	Up to 1990	+5%	37
Townhome	2 Story	1965-1982	+5%	254
Townhome	2 Story	1991-2006	+5%	87
			<b>Total</b>	<b>13,557</b>

## **2007 Traditional Tax Increment Financing**

The traditional method of granting tax increment financing is one where the properties pay the total amount of tax each year. The increment to amortize the granted amount (usually done by selling bonds) is determined by taking the difference between the total tax, based on the current value, and the tax on a “base year” value. The base year value is normally the value of the property prior to any development at the time the tax increment financing was approved.

The following is the breakdown of the current traditional tax increment financing projects in Fargo. The tax amounts shown are estimates based on current 2007 valuations and the most recent (2006) mill levy.

The “Base Tax” is the estimated amount to be distributed to the taxing entities. The “Increment Tax” is the amount estimated to be placed in a fund to amortize the increment financing.

	<b>Current Value</b>	<b>Base Value</b>	<b>Total Tax</b>	<b>Base Tax</b>	<b>Increment Tax</b>
Dakota Bank	\$17,192,400	\$2,846,200	\$381,575	\$63,170	\$318,405
Radisson Hotel	\$8,755,100	\$821,205	\$194,314	\$18,226	\$176,088
Great Northern	\$1,562,800	\$298,700	\$34,685	\$6,629	\$28,056
Dale Properties	\$22,906,500	\$1,929,144	\$503,580	\$39,849	\$463,731
Matrix Properties	\$30,221,700	\$366,000	\$591,798	\$7,167	\$584,631
Horse Park	\$380,200	\$85,800	\$7,445	\$1,680	\$5,765
Service Oil	\$6,358,800	\$209,000	\$141,130	\$4,639	\$136,491
Scattered 2003-01	\$1,440,500	\$570,133	\$28,774	\$11,388	\$17,386
Scattered 2004-01	\$905,100	\$645,222	\$18,079	\$12,888	\$5,191
Fayland Properties	\$4,245,400	\$104,000	\$83,133	\$2,037	\$81,096
Bdwy St & Bristol	\$2,295,000	\$408,816	\$48,904	\$9,073	\$39,830
Roers 19 Ave N	\$1,461,200	\$1,312,700	\$32,430	\$29,135	\$3,296
<b>GRAND TOTAL</b>	<b>\$97,724,700</b>	<b>\$9,596,921</b>	<b>\$2,065,847</b>	<b>\$205,881</b>	<b>\$1,859,965</b>

\*Tax amounts are estimates using the previous year's mill levies.

## ***2006 Major Taxpayers***

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Following is a list of major taxpayers in Fargo ranked in order of the appraised value of the respective properties:

<b>#</b>	<b><u>Taxpayer</u></b>	<b><u>Type</u></b>	<b><u>2006 Value</u></b>
1	West Acres Development Corp.	Retail	\$ 71,216,200
2	Dakota Specialty Institute/Innovis	Medical	\$ 59,574,100
3	Meritcare	Medical	\$ 48,245,900
4	Matrix Properties	Apts/Comm/Res	\$ 46,692,500
5	RCV Ltd Partnership/Van Raden	Apts/Comm/Res	\$ 29,570,600
6	Blue Cross-Blue Shield of ND	Insurance	\$ 25,947,400
7	Dakota UPREIT	Apartments	\$ 23,046,700
8	Anda Const. / Roger Anda	Comm/Apts	\$ 22,795,700
9	Dakota Park Ltd. Ptsp.	Apartments	\$ 22,640,100
10	Medical Properties, Inc.	Medical	\$ 22,233,800
11	Osgood Investments	Apts/Comm/Res	\$ 21,825,300
12	Gerald Eid / Eid-Co Buildings, Inc.	Apts/Comm/Res	\$ 20,249,600
13	Case Equipment Corp.	Industrial	\$ 19,317,500
14	Wal-Mart Real Estate Business Trust	Retail	\$ 18,822,600
15	Wold Properties / Midwest Hospitality	Hotel	\$ 17,040,600
16	R & B Development	Apartments	\$ 15,158,100
17	Rabanus Center / Rabanus West	Comm/Retail	\$ 14,967,200
18	Lexus Tower	Commercial	\$ 14,913,600
19	JPR Investments LLC	Commercial	\$ 14,647,700
20	Super Valu Stores, Inc.	Grocery	\$ 14,417,300

## ***Major North Dakota City Comparison***

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### **Population / Taxable Value Comparison**

<b>CITY</b>	<b>ESTIMATED POPULATION</b>	<b>2006 TAXABLE VALUE</b>
Fargo	93,000	\$ 268,544,513
Bismarck	55,532	\$ 149,966,086
Grand Forks	53,000	\$ 121,056,846
Minot	36,567	\$ 82,330,669
West Fargo	19,487	\$ 55,387,303
Dickinson	16,094	\$ 28,194,976
Jamestown	15,500	\$ 24,231,610
Williston	17,000	\$ 17,729,539

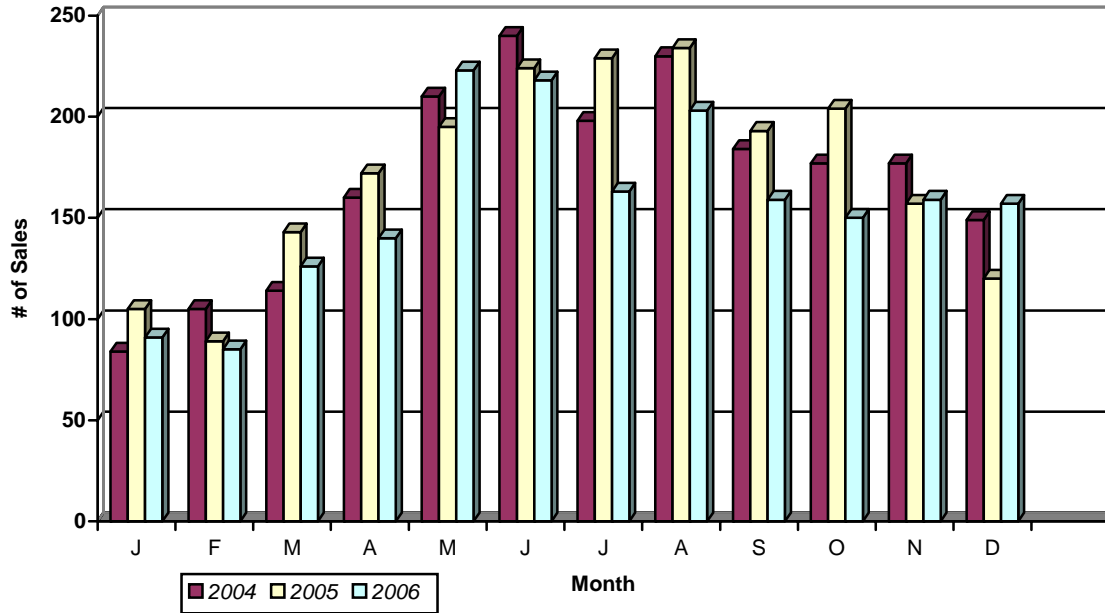
### **Mill Levy / Property Tax Comparison**

<b>CITY</b>	<b>2006 Total Mill Levy</b>	<b>2006 City Mill Levy</b>	<b>Est. Tax \$100,000 Residential</b>	<b>Est. Tax \$100,000 Commercial</b>
<i>Jamestown</i>	<i>521.61</i>	<i>133.85</i>	<i>\$ 2,230</i>	<i>\$ 2,478</i>
<i>Williston (School Dist #1)</i>	<i>502.19</i>	<i>92.59</i>	<i>\$ 2,147</i>	<i>\$ 2,385</i>
<i>Grand Forks</i>	<i>483.47</i>	<i>113.55</i>	<i>\$ 2,067</i>	<i>\$ 2,296</i>
<i>Fargo (School Dist #1)</i>	<i>467.25</i>	<i>57.25</i>	<i>\$ 1,997</i>	<i>\$ 2,219</i>
<i>Dickinson</i>	<i>457.21</i>	<i>109.49</i>	<i>\$ 1,955</i>	<i>\$ 2,172</i>
<i>West Fargo</i>	<i>449.99</i>	<i>88.69</i>	<i>\$ 1,924</i>	<i>\$ 2,137</i>
<i>Minot</i>	<i>441.74</i>	<i>122.74</i>	<i>\$ 1,888</i>	<i>\$ 2,098</i>
<i>Bismarck (School Dist #1)</i>	<i>440.40</i>	<i>94.37</i>	<i>\$ 1,883</i>	<i>\$ 2,092</i>

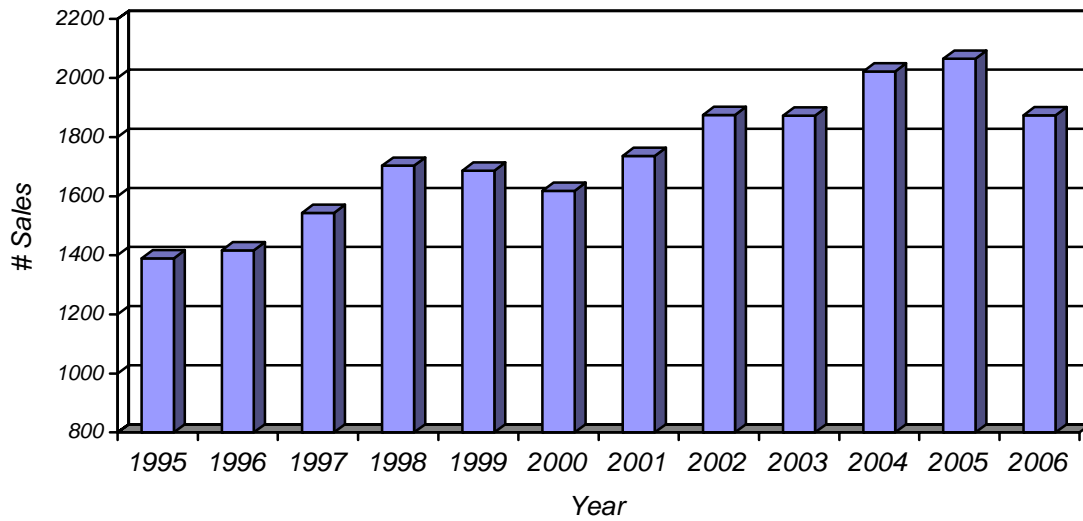
# ***Residential Property Sales***

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## **2004-2006 Residential Sales**

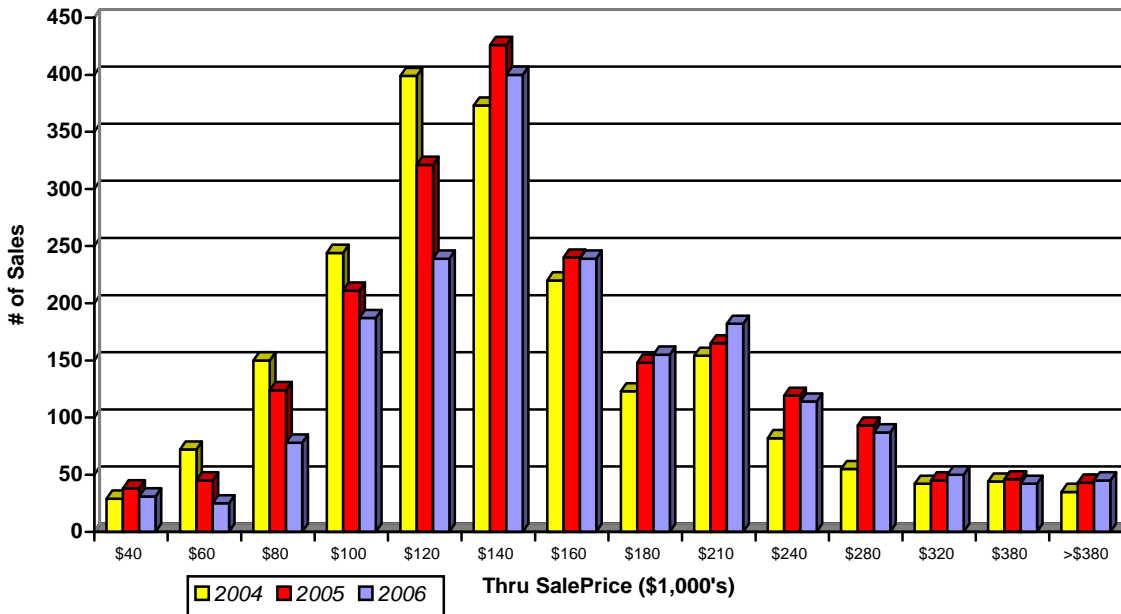


## **Residential Sales By Year**

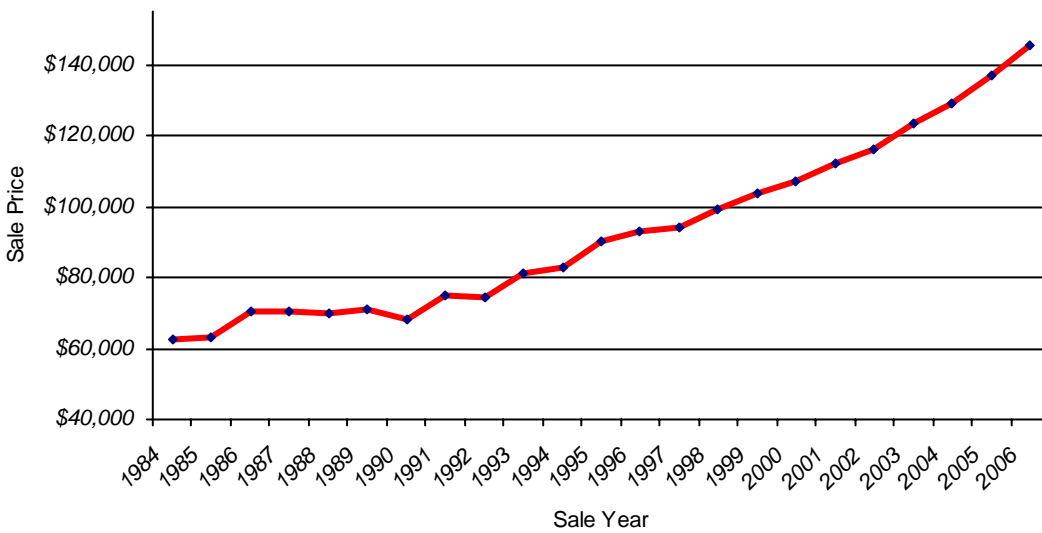


# Residential Property Sales

## 2004-2006 Residential Sales By Price Range

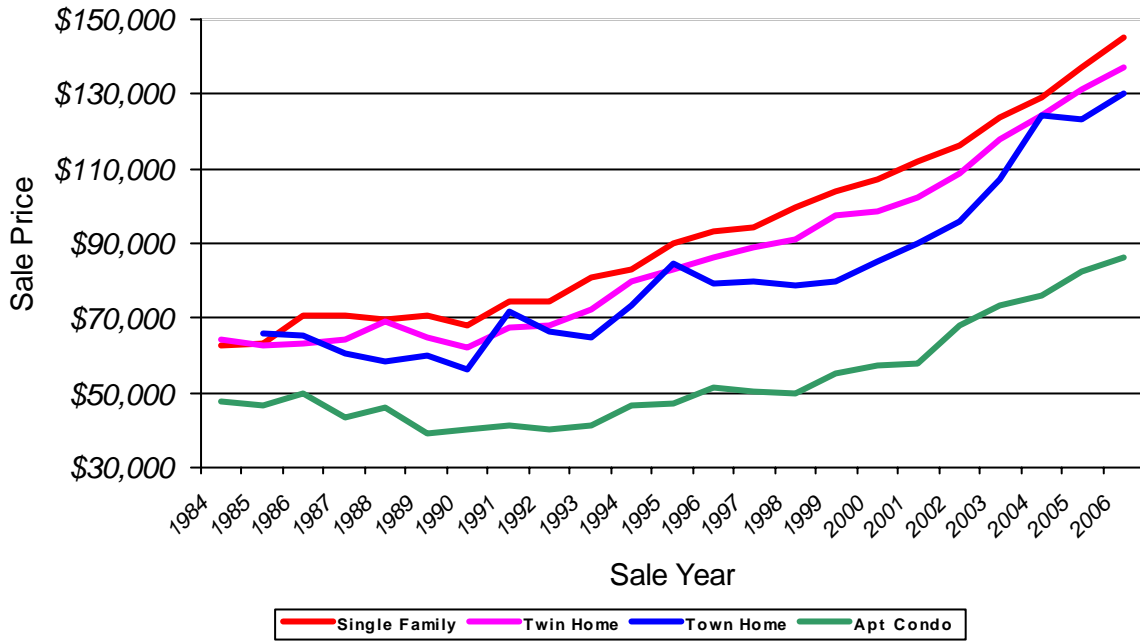


## Median Sale Price of Single Family Homes

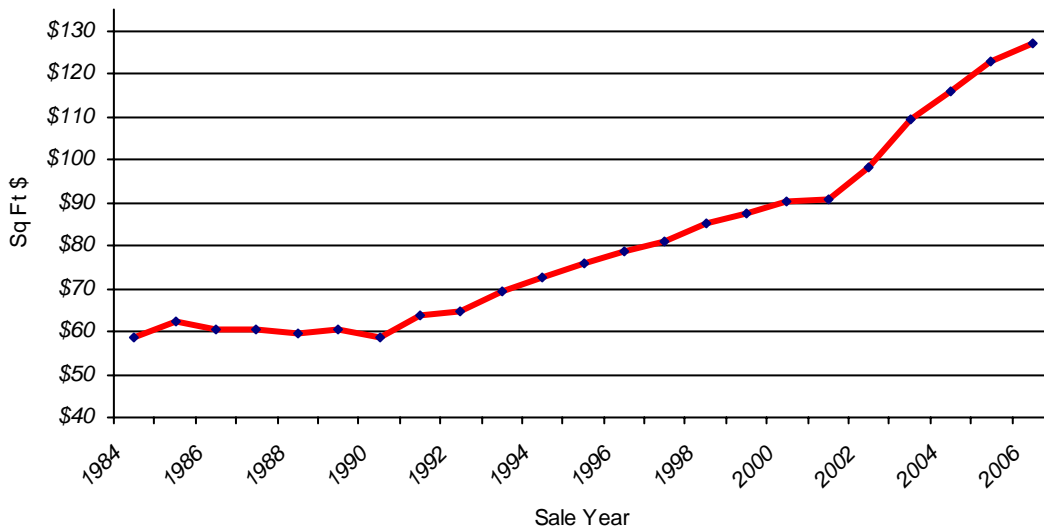


# Residential Property Sales

## Median Sale Price of All Residential Homes



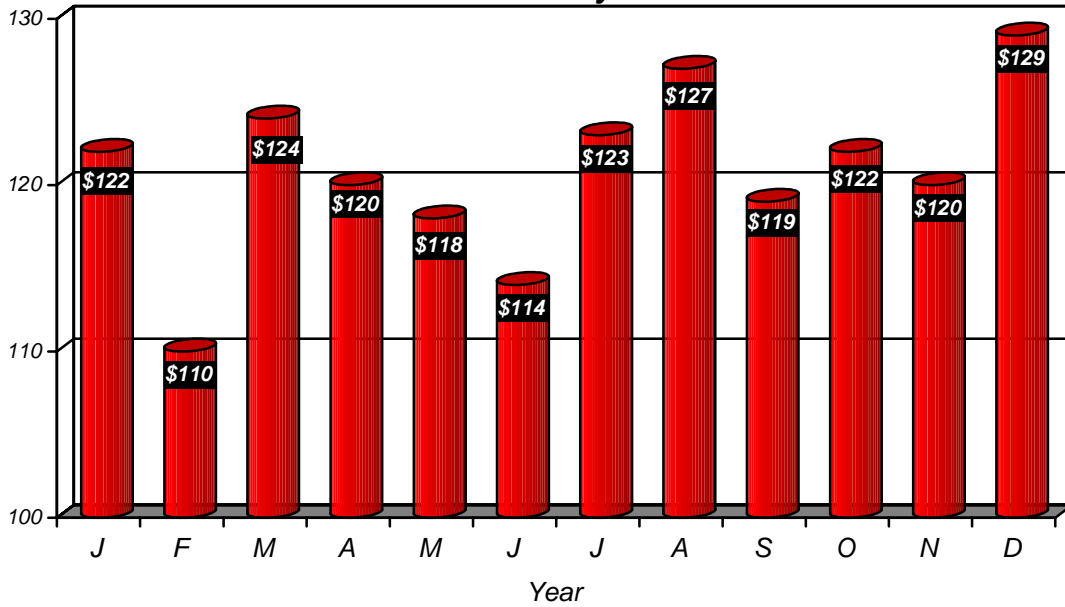
## Median Sq Ft \$ of Typical Single Family 1 Story (Built 1952-1973, Average Quality, 801-1,025 Sq Ft, Full Basement)



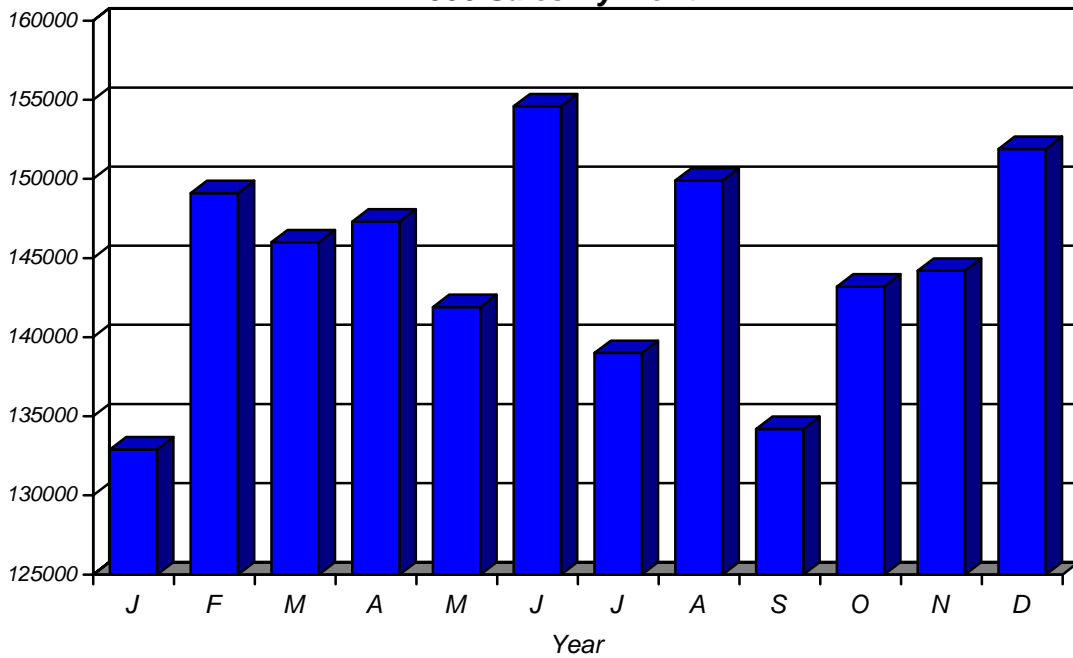
# ***Residential Property Sales***

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**Single Family Median Square Foot \$  
2006 Sales By Month**



**Residential Median Sale Price  
2006 Sales By Month**



# ***City Board of Equalization Statute***

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## **CHAPTER 57-11 CITY BOARD OF EQUALIZATION**

### Section

- 57-11-01. Membership of board - Quorum - Meeting.
- 57-11-02. Duties of auditor.
- 57-11-03. Duties of board - Limitation on increase - Notice.
- 57-11-04. Application for correction of assessment.
- 57-11-05. Adding property to assessment list.
- 57-11-06. No reduction after session of board - Exception.
- 57-11-07. Effect of failure of board to meet.

### **57-11-01. Membership of board - Quorum - Meeting.**

The board of equalization of a city consists of the members of the governing body, and shall meet at the usual place of meeting of the governing body of the city, on the second Tuesday in April in each year. The executive officer of the governing body shall act as chairman, but in his absence the governing body may elect one of its members to preside. A majority of the board constitutes a quorum to transact business, and it may adjourn from day to day until its work is completed. In case a quorum is not present at any time, the clerk may adjourn from day to day and publicly announce the time to which the meeting is adjourned.

Notwithstanding the provisions of subsection 1, if the same person performs the duties of assessor for two or more cities or townships, the county director of tax equalization may designate the hour and day in the month of April at which the meeting provided for in subsection 1 must be held for each such city board of equalization; provided, that notice of the hour and day must be published in the official newspaper of the county and posted at the usual place of meeting at least ten days before such meeting.

**57-11-02. Duties of auditor.** The city auditor, as clerk, shall keep an accurate record of all changes made in valuation, and of all other proceedings, and, within ten days after the completion of the equalization of the assessment, shall deliver the assessments as equalized to the county auditor of the county in which the city is situated, with his certificate that the assessments are correct as equalized by the city board of equalization. The assessment as equalized must be accepted by the board of county commissioners in lieu of all other assessment rolls for the property in said city.

## ***City Board of Equalization Statute***

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**57-11-03. Duties of board - Limitation on increase - Notice.** At its meeting, the board of equalization shall proceed to equalize and correct the assessment roll. It may change the valuation and assessment of any real property upon the roll by increasing or diminishing the assessed valuation thereof as is reasonable and just to render taxation uniform, except that the valuation of any property returned by the assessor may not be increased more than twenty-five percent without first giving the owner or his agent notice of the intention of the board to increase it. The notice must state the time when the board will be in session to act upon the matter and must be given by personal notice served upon the owner or his agent or by leaving a copy at his last known place of residence.

**57-11-04. Application for correction of assessment.** During the session of the board, any person, or the attorney or agent of any person feeling aggrieved by anything in the assessment roll, may apply to the board for the correction of alleged errors in the listing or valuation of real property, and the board may correct the errors as it may deem just.

**57-11-05. Adding property to assessment list.** The board of equalization shall place upon and add to the assessment roll any real property subject to taxation which has been omitted by the owner or the assessor and shall enter the property at a valuation which will bear an equal and just proportion of the taxation.

**57-11-06. No reduction after session of board - Exception.** After the adjournment of the board each year, neither the governing body of the city nor the city board of equalization may change or alter any assessment. Neither may the governing body or the board of equalization reduce or abate, or authorize the reduction, abatement, or return, of any taxes levied upon such assessments for any cause except that the property assessed was not subject to taxation at the time the assessment was made.

**57-11-07. Effect of failure of board to meet.** The failure of the board of equalization to hold its meeting does not vitiate nor invalidate any assessment or tax except as to the excess of valuation or tax thereon shown to have been made or levied unjustly.

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## ***Various ND Property Tax Statutes***

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**57-02-01. Definitions.** 15. "True and full value" means the value determined by considering the earning or productive capacity, if any, the market value, if any, and all other matters that affect the actual value of the property to be assessed. This shall include, for purposes of arriving at the true and full value of property used for agricultural purposes, farm rentals, soil capability, soil productivity, and soils analysis.

**57-02-03. Property subject to taxation.** All property in this state is subject to taxation unless expressly exempted by law.

**57-02-04. Real property defined.** Real property, for the purpose of taxation, includes:

1. The land itself, whether laid out in town lots or otherwise, and improvements to the land, such as ditching, surfacing, and leveling, except plowing and trees, and all rights and privileges thereto belonging or in anywise appertaining, and all mines, minerals, and quarries in and under the same and shall expressly include all such improvements made by persons to lands held by them under the laws of the United States, all such improvements to land the title to which still is vested in any railroad company and which is not used exclusively for railroad purposes, and improvements to land belonging to any other corporation or limited liability company whose property is not subject to the same mode and rule of taxation as other property.
2. All structures and buildings, including systems for the heating, air conditioning, ventilating, sanitation, lighting, and plumbing of such structures and buildings, and all rights and privileges thereto belonging or in anywise appertaining, but shall not include items which pertain to the use of such structures and buildings, such as machinery or equipment used for trade or manufacture which are not constructed as an integral part of and are not essential for the support of such structures or buildings, and which are removable without materially limiting or restricting the use of such structures or buildings.
3. Machinery and equipment, but not including small tools and office equipment, used or intended for use in any process of refining products from oil or gas extracted from the earth, but not including such equipment or appurtenances located on leased oil and gas production sites.

## ***Various ND Property Tax Statutes***

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**57-02-11. Listing of property - Assessment thereof.** Property must be listed and assessed as follows:

1. All real property subject to taxation must be listed and assessed every year with reference to its value, on February first of that year.
2. Whenever after the first day of February and before the first day of April in any year, it is made to appear to the assessor by the oath of the owner that any building, structure, or other improvement, or tangible personal property, which is listed for taxation for the current year has been destroyed or injured by fire, flood, or tornado, the assessor shall investigate the matter and deduct from the valuation of the property of the owner of such destroyed property an amount which in the assessor's judgment fairly represents such deduction as should be made.

**57-02-27.1. Property to be valued at true and full value.** Beginning with the year 1981, all assessors and boards of equalization shall place the values of all items of taxable property at the true and full value of the property except as otherwise specifically provided by law, and the amount of taxes that may be levied on such property for the year 1981 and each year thereafter must be limited as provided in this chapter. For the purposes of sections 57-02-27, 57-02-27.1, 57-02-27.2, and 57-55-04, the term "true and full value" has the same meaning as provided in subsection 15 of section 57-02-01, except that "true and full value" of agricultural lands must be as determined pursuant to section 57-02-27.2.

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