

## ACKNOWLEDGEMENT OF ANNUAL VERIFICATION COMPLIANCE

To: Big Sky Community Housing Trust

From: [\[Enter name\(s\) of Owner\]](#)  
(whether one or more, the “Owner”)

Date: [Enter today’s date.](#)

The capitalized terms this Acknowledgement of Annual Verification Compliance uses but does not define have the meanings the Deed Restriction gives them. By reviewing and signing this document, Owner understands how the Deed Restriction affects Owner’s rights as a Good Deeds recipient, in particular:

- The Deed Restriction carries with the property in perpetuity regardless of sale, foreclosure, acceptance of deed-in-lieu of foreclosure, or assignment.
- Annually, Owner must provide proof that they continue to meet the terms of the Deed Restriction. As part of their Annual Verification, Owner must provide tax documents for the prior year to prove one occupant in the home was a Qualified Resident who worked an average of 30 hours per week a year or more at a Qualified Business in Big Sky and earned at least 75% of their income from such business. Federal Income Tax Documents may include, but are not limited to, Internal Revenue Service Form 1040, applicable schedules, W2s, and 1099s. In cases where a tenant is identified as the Qualified Resident, Internal Revenue Service Form 8821 Tax Information Authorization must be completed to ensure Section 4 of the Deed Restriction is satisfied. Internal Revenue Service Form 8821 Tax Information Authorization permits BSCHT to request needed tax documents directly from the IRS.
- Short-term rentals (30 days or less) are strictly prohibited in any portion of the property. In cases where a tenant is identified as the Qualified Resident, Owner is responsible for including lease verbiage outlining the need to collect tax documents annually. Owner must provide BSCHT with executed copies of all leases.
- BSCHT will impose the following fine structure if Owner does not complete their Annual Verification by the deadline(s) by either providing all needed documents or proof of a tax extension:

Deadline	Fine
Tax Day (typically April 15 <sup>th</sup> )	\$250
June 1 <sup>st</sup>	\$500
For Extension: six months from Tax Day	\$250
For Extension: December 1 <sup>st</sup>	\$500

- Any uncured Breach of the Deed Restriction will result in Big Sky Community Housing Trust’s use of any and all remedies permitted under the Deed Restriction or provided by law.

Sincerely,

[Click or tap here to enter Owner’s name\(s\)](#)