

UNAHA TRIBE **HOMEOWNERSHIP POLICY AND** **PROGRAMS**

These policies and procedures were adopted by the UNAHA Board of Trustees

by Resolution # _____ on XXXXXXXXX, 2015.

Introduction

The Native American Housing Assistance and Self Determination Act (NAHASDA) encourages tribes to leverage HUD funds to attract new housing opportunities for Indian Families. The following policy and program descriptions constitute the intent and philosophy of the UNAHA Tribe regarding Tribal Member Homeownership.

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Section I

UNAHA TRIBE ***HOMEOWNERSHIP POLICY***

Overview

It is the Policy of the UNAHA Tribe (UNAHA TRIBE) to provide housing assistance to any member of the Tribe requesting such assistance. Such assistance may take many forms. For lower income families, it may be subsidized rent or lease to own payments or assistance with repairs or emergencies. Assistance may also be provided in the form of education or help regarding leases or sanitation facilities.

It is also recognized that certain UNAHA families that do not qualify for income tested Federal programs may still need assistance with planning, water/waste water facilities, construction and mortgage origination. In some cases the UNAHA TRIBE may assist in the purchase of casualty insurance through a risk sharing pool or

commercial insurance company on behalf of homeownership program participants. It is the intent of the UNAHA TRIBE to provide services to all members of the Tribe in a manner that is consistent with applicable income restrictions and program capacity.

It is understood that the UNAHA Tribe does not possess, nor does it receive, adequate funding to meet all of the unmet housing need for their membership. It is the plan of the UNAHA TRIBE to assist families with reliable income to pursue options other than subsidized units currently operated. This assistance may come from many resources and requires additional training for the staff and the Tribal Membership.

The UNAHA TRIBE has determined that the key to effectively addressing its housing waiting lists and meeting housing goals is to match families with appropriate housing programs. In furtherance of this goal, the UNAHA TRIBE Board of Trustees has adopted this policy.

Policy

It is the Policy of the UNAHA TRIBE that UNAHA families that have the income capacity to support all or part of their cost of housing are expected to do so.

The UNAHA TRIBE will offer assistance to those families consistent with resource guidelines and may be limited to: 1) Homebuyer Education; 2) Technical assistance with land lease and infrastructure development; 3) Down payment and closing cost assistance that may be income tested; 4) First time homebuyer counseling and application assistance; 5) Construction/planning assistance; 6) Mortgage Origination; 7) Purchase of fire and other casualty insurance; and, 8) Market rentals.

Goals

The UNAHA TRIBE recognizes that in order to further the goals of its policy, opportunities for homeownership should be readily available. Currently, several of the components needed to promote and sustain homeownership as the anchor of a successful housing program are either limited or do not exist on UNAHA Reservation.

To fill such gaps and to increase the availability of other housing options, the UNAHA TRIBE will work towards accomplishing the following goals:

1. Educate Reservation communities regarding the opportunities, advantages and value of homeownership.

- ✓ Conduct Reservation-wide Housing Fairs providing an opportunity to discuss components of home ownership, credit requirements (on site credit scores)
 - ✓ Create and conduct surveys to determine interest, need and location of new communities
 - ✓ Complete Model Homes and conduct Open House Viewing, Tours and information dissemination
2. Help to “mainstream” the mortgage process including:
- ✓ Create and facilitate Tribal approval of HEARTH Act Regulations, thereby expediting leasing of Tribal lands by limiting the involvement of the BIA
 - ✓ Assure Tribal adherence to all Federal lending requirements
 - ✓ Refine Tribe’s eviction/foreclosure Ordinance
 - ✓ Develop reporting capacity to record land activities on a local basis (with County)
3. Initiate new homebuyer options such as the draft UNAHA TRIBE Lease/Purchase Agreement (Form A-2010) as a limited duration bridge to homeownership.
4. Identify and train a local Tribal Member as a tribally certified appraiser.
5. Expand UNAHA TRIBE Homeownership Coordinator position in order to
- Provide a fully functioning, full service, homebuyer resource center which shall include:
- ✓ Homebuyer training
 - ✓ Homeownership Options
 - ✓ Explanation of insurance exposures and products including AMERIND Risk Management to address each.
 - ✓ Loan options with origination capacity
 - 184
 - Conventional
 - USDA Guaranteed
 - 502
 - Direct
 - Guaranteed

6. With the exception of UNAHA TRIBE Mutual Help units: which are specifically managed by UNAHA HOUSING Department pursuant to Section II of this Policy, below; the UNAHA TRIBE shall not maintain a waiting list for non-Mutual Help homes in its inventory which are for sale. In lieu of managing a homeowner waiting list(s) for the purchase of non-Mutual Help units, the UNAHA TRIBE shall maintain a list of persons interested in homeownership opportunities; and shall periodically notify such persons as well as the general tribal membership of such UNAHA TRIBE units which are available for purchase. UNAHA TRIBE non-Mutual Help units shall be sold on a first come basis to Tribal Members, subject to income eligibility restrictions and documented capacity to meet homeownership obligations, including obtaining a home loan.

Section II

MUTUAL HELP SUBSEQUENT HOMEBUYER PROCEDURE

The UNAHA Tribe continues to administer several Mutual Help projects built under HUD Annual Contribution Contracts (ACCs). If a homebuyer interest is terminated for a home currently subject to a valid ACC, it remains as part of the Mutual Help project and is counted as Current Assisted Stock (CAS). The UNAHA TRIBE will adhere to the following policy when selecting subsequent homebuyers for identified vacated units:

1. If a Mutual Help participant is unable to continue occupancy for reasons other than violation of their Mutual Help and Occupancy agreement, the unit shall first be offered to a designated successor as identified by the Homebuyer in Article XIII, Section 13.2 of their homebuyer agreement. Approval of the successor is subject to them meeting the conditions outlined in Section 13.3 of homebuyer agreement as well as current Native American Housing Assistance and Self Determination Act (NAHASDA) income guidelines.

2. If a Mutual Help participant forfeits his/her rights under an executed MHO, due to Breach of the agreement as outlined in Article XII, Section 12.1, the UNAHA TRIBE will have the option to place another eligible family selected from homebuyer applicants identified by the UNAHA TRIBE Homeownership Technician willing to enter into a new MHO agreement consistent with the traditional Mutual Help Program or to sell the unit to a UNAHA Family willing to apply for and execute a mortgage on the home.

3. If the UNAHA TRIBE chooses to sell the home to a family seeking a mortgage, they will convey home and all interest in existing lease to purchasing family.

SECTION III

ELDERS INSURANCE PROGRAM

It is recognized that many Members of the UNAHA Tribe have successfully completed the Mutual Help Homebuyer Program or have achieved homeownership by some other means. The UNAHA TRIBE also recognizes that many elders do not have adequate income to maintain and keep in force casualty insurance that would protect their homes. It is in the interest of the UNAHA TRIBE to assist these families with modest insurance programs. The UNAHA TRIBE will provide coverage to elders under the following conditions:

1. Any enrolled elder (age 60 or greater) of the UNAHA Tribe that has title to their home may apply to the UNAHA TRIBE for assistance with paying for casualty insurance.
2. Each applicant must qualify for assistance under NAHASDA (adjusted gross income less than 80% of medium.).
3. The insured home must be within the boundaries of the UNAHA Indian Reservation.
4. The UNAHA TRIBE will be listed as also insured and will assist the family in the event of a claim with relocation, claims and rebuilding.
5. All participants will provide information as needed by the UNAHA TRIBE to establish eligibility and secure coverage by the Insurance carrier. This may include inspection of unit and photographs.
6. All participants will hold policies with a \$1,000 deductible or an amount determined by the UNAHA TRIBE. In the event of a claim, the UNAHA TRIBE will pay the deductible for participating elders.

APPENDIX 1

LEASE/PURCHASE AGREEMENT

THIS LEASE/PURCHASE AGREEMENT (hereinafter referred to as “Agreement”) has an agreed upon effective date of _____, and is hereby entered into by and between the **UNAHA Tribe** (hereinafter referred to as “UNAHA TRIBE”) and

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_____ (hereinafter referred to as "Purchaser"). This Agreement is for the lease/purchase of the house, described below.

Subject to the terms and conditions set forth below, and in consideration of the mutual covenants contained herein, it is hereby agreed by the parties that the Purchaser shall pay to the UNAHA TRIBE monthly payments stated below, from _____ until the date of the closing of Purchaser's HUD 184 or other home purchase loan, or for the period of 12 months from the date of this Agreement, whichever occurs first.

This Agreement is subject to the following terms and conditions:

Article 1. Description of Unit -- Purchaser agrees to purchase a UNAHA TRIBE owned house more specifically described as follows:

a. _____ Unit No _____, namely a 3 (three) bedroom, 2 (two) bath, house attached to a cement foundation, located in _____, within the exterior boundaries of the UNAHA Reservation, and situated upon Tribal land.

Article 2. Purchase Price Schedule--

a. **Purchase Price Schedule** -- The purchase amount of **\$ 0.00 or balance thereof**, will be paid in cash by the Purchaser to UNAHA TRIBE upon the closing of Purchaser's HUD 184 or other home purchase loan. A total monthly payment of **\$ 0.00** will be paid by Purchaser until such loan closing and payment of the purchase price. One half (50%) of each payment paid within 10 days of the due date, will be applied to the purchase price, provided this Agreement is not terminated prior to Purchaser's payment of the purchase price or balance thereof.

b. **Payments** -- Monthly payment by the Purchaser in the amount of **\$ 0.00** is due and owing on the first day of each month, commencing on the date of occupancy, which is hereby agreed upon to be effective as of _____, and continuing until the purchase price balance is paid off through attaining financing. Such payments will continue to be due and owing upon the same schedule, for the duration of this Agreement.

c. The term of this Agreement shall commence as of the above effective date, _____, and shall expire on _____ or when the purchase price has been fully paid, whichever shall occur first.

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Article 3. Acceptance of Unit "AS IS" --

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PURCHASER HEREBY ACCEPTS _____ UNIT NO. _____, "AS IS", WITH NO SPECIFIC WARRANTIES FROM UNAHA TRIBE AS TO THE CONDITION OR USEFUL LIFE OF SAID HOUSE, FIXTURES, LANDSCAPING, UTILITIES, WATER AND SEWER SERVICE, AND ANY AND ALL OTHER FEATURES AND ASPECTS OF THE HOUSE AND PREMISES .

Article 4. Inspections -- The UNAHA TRIBE and Purchaser agree to perform a joint Move-In Inspection prior to occupancy. Additionally, the UNAHA TRIBE shall perform regular inspections of the house and premises during the duration of this Agreement and/or the occupancy of the house by the Purchaser. UNAHA TRIBE shall provide Purchaser with at least 48-hour written notice of the date and time of a scheduled monthly inspection. Such inspections may be performed without Purchaser's presence or additional consent.

Article 5. Maintenance Obligation, Utilities --

a. Maintenance Obligation -- Purchaser shall be responsible for all routine and non-routine maintenance of the home, including all repairs and replacements (including those resulting from damage from any cause). The UNAHA TRIBE shall not be obligated to pay for or provide any maintenance of the home other than the correction of any item still covered under a Manufacturer Warranty, provided the problem is reported during the applicable warranty period (if any warranties are applicable).

(1) Failure of the Purchaser to perform the maintenance obligations constitutes a breach of this Agreement and grounds for its termination.

(2) If the UNAHA TRIBE determines that the condition of the property creates a hazard to the life, health or safety of the occupants, or if there is a risk of damage to the property if the condition is not corrected, the corrective work may be done promptly by the UNAHA TRIBE with the cost of such work being charged to the purchaser. The UNAHA TRIBE shall give the Purchaser a written statement of the cost of any maintenance/repair work required to put the home in satisfactory condition, and Purchaser shall be responsible for such charges.

b. Purchaser's Responsibility for Utilities -- The Purchaser is solely responsible for paying for any water, sewer, electricity, telephone, satellite/cable television or heating costs for the home. Failure to maintain electricity shall be cause for default of agreement. The UNAHA TRIBE shall have no obligation for the utilities.

Article 6. Purchaser's Obligations Regarding Use of Home--

- a.. Purchaser shall utilize home as his/her primary residence.
- b. Purchaser agrees that all members of his household and guests shall refrain from any unlawful activity, including criminal and/or drug related activity on or near the premises, and shall not interfere or breach his/her neighbors' peaceful use and enjoyment of their homes. Such unlawful activity and/or breach of neighbor(s)'s peaceful use and enjoyment of their homes shall constitute a breach of this Agreement and shall be grounds for immediate termination hereof.
- c. Purchaser agrees to maintain the home and premises in a safe and sanitary manner. Purchaser may not have more than two pets (dogs or cats). Dogs must be either chained up or kept inside a fenced yard at all times. Furthermore, Purchaser may not keep junk vehicles, i.e., vehicles which are not operable, on the premises for more than thirty (30) days. Allowing junk vehicles to remain on the premises for more than 30-days shall constitute a breach of this Agreement and shall be grounds for termination hereof.
- d. Purchaser agrees to not make any structural changes or additions to the home, without first obtaining UNAHA TRIBE's written permission. Changes or additions to the home include, but are not limited to, removing walls or adding living or storage space which is physically attached to the home; and installing energy conservation items such as solar panels, wood-burning stoves, flues and insulation;

Article 7. Purchase and Conveyance -- The purchase of the house shall be completed during the term of this Agreement by the Purchaser paying to the UNAHA TRIBE the total amount of the balance of the sale price due and owing at that time. The Purchaser agrees to provide written notice to the UNAHA TRIBE in which the Purchaser specifies the manner in which the purchase price or balance thereof, will be paid. Upon such notice, a settlement date shall be mutually agreed upon by the parties. On the settlement date, provided the Purchaser has met all obligations under this Agreement including payment of the purchase price; the Purchaser shall receive the documents necessary to convey to the Purchaser the UNAHA TRIBE's right, title and interest in the home and lease-hold interest subject to any applicable restrictions or covenants as expressed in such document.

Article 8. Termination of Agreement --

- a. **Termination Upon Breach --** In the event the Purchaser fails to comply with any of the obligations under this Agreement, the UNAHA TRIBE may terminate the Agreement by written notice to the Purchaser, enforced by Tribal Law and procedures applicable to landlord-tenant relationships. **The Purchaser is a renter during the term of this Agreement and acquires no equitable interest in the home until the purchase is completed.**

b. Notice of termination by UNAHA TRIBE --Termination of this Agreement by the UNAHA TRIBE for any reason shall be by written notice of termination. Such notice shall be in compliance with the terms of this Agreement and shall afford a fair and reasonable opportunity to have the Purchaser's response heard and considered by the UNAHA TRIBE. Such procedures shall incorporate all the steps and provisions needed to comply with Tribal and other applicable law, with the least possible delay.

c. Termination of Agreement by Purchaser -- The Purchaser may terminate this Agreement by giving the UNAHA TRIBE written notice in accordance with the Agreement.

If the Purchaser vacates the home without notice to the UNAHA TRIBE, the Purchaser shall remain subject to the obligations of this Agreement including the obligation to make monthly payments, until the UNAHA TRIBE terminates the Agreement in writing. Notice of the termination shall be communicated by the UNAHA TRIBE to the Purchaser to the extent feasible and the termination shall be effective on the date stated in the notice. In such cases, notice of termination will be posted on the unit and mailed to the Purchaser's last known address.

d. Obligation and Liability of the Purchaser -- The Purchaser agrees to be liable for and accepts the obligation to pay to the UNAHA TRIBE in the event of termination of this Agreement, all payments due and owing at the time of termination; and the costs of all damages and repairs to the house; and for all expenses or losses incurred or suffered by the UNAHA TRIBE as the result of the termination of the Agreement.

e. Right to Purchase Becomes Null and Void Upon Termination of Agreement
The Purchaser's right to purchase the home becomes null and void upon termination of this Agreement. As stated above, the Purchaser is a renter during the term of this Agreement and acquires no equitable interest in the home until the purchase is completed. **Upon termination of this Agreement, all payments made prior to termination are monthly rental or lease payments with no right of the Purchaser to reimbursement or equitable interest in the home.**

Article 9. Tribal Jurisdiction and Venue

The parties agree that any action at law, equity or any judicial proceeding for the enforcement of this Agreement or any provision thereof, shall be instituted only in the courts of the UNAHA Tribe, after first exhausting all administrative remedies; and that this Agreement shall be governed by the laws of the UNAHA Tribe, both as to interpretation and performance.

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Article 10. Miscellaneous --

a. **Insurance** -- For the duration of this Agreement, the UNAHA TRIBE shall maintain fire insurance on this unit. Said insurance shall cover only the cost of repair or replacement of the home in the case of fire or other casualty. It is the sole obligation of the Purchaser at his/her own expense, to obtain extended insurance coverage providing protection against personal contents loss and liability.

e. **Assignment** -- This Agreement may be assigned to another person, upon the written consent of both Purchaser and the UNAHA TRIBE, provided the assignee is deemed eligible by the UNAHA TRIBE.

f. **Amendment** -- This Agreement may be amended upon the written consent of both Purchaser and the UNAHA TRIBE.

IN WITNESS, THE UNDERSIGNED AUTHORIZED REPRESENTATIVES OF THE PARTIES HEREBY AGREE TO BE BOUND AS SET FORTH ABOVE.

Accepted for Purchaser

Purchaser

Date

Accepted for UNAHA TRIBE

□ □

By _____
UNAHA TRIBE
Chief Executive Officer

Date _____

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STATE OF Oregon)

County of _____)
: ss

This document was signed and acknowledged before me, a Notary Public for the State
Of Oregon this _____ day of _____, 20____, by _____
_____, (the above named Purchaser).

(SEAL)

NOTARY PUBLIC FOR THE STATE OF OREGON

Notary Public (Name Typed/Stamped/ or Printed)

Residing At: _____

Commission Expiration: _____

* * * *

STATE OF Oregon)

: ss

County of UNAHA)

This document was signed and acknowledged before me, a Notary Public for the State of Oregon this _____ day of _____, 20____, by XXXXXX.

(SEAL)

NOTARY PUBLIC FOR THE STATE OF OREGON

Notary Public (Name Typed/Stamped/ or Printed)

Residing At: _____

Commission Expiration: _____

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