

NPTHA

SUNDOWN HEIGHTS

LOT ACQUISITION PROGRAM

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LOT ACQUISITION PROGRAM

SECTION 1: DESCRIPTION OF PROGRAM

- A. Summary:** The Sundown Heights Lot Acquisition (SHLA PROGRAM) provides enrolled members an opportunity to acquire a lot in Sundown Heights to build a single family residence. At least one of the applicants must be an enrolled member of the Nez Perce Tribe, although preference will be given to all Nez Perce Families who are enrolled members of the Nez Perce Tribe.
- B.** Under this program the NPTHA is providing Homebuyer the opportunity to use and occupy a lot pending financing of a home to be constructed under a leasehold mortgage to be entered into between the Homebuyer(s) and a private lender approved as a Section 184 Loan Guarantee Program pursuant to Section 184 of the Housing and Community Development Act of 1992 (Pub. L.102-550) or other federally guaranteed, insured or direct loan program that has been approved by the Nez Perce Tribe. Financing a home on a lot in Sundown Heights represents a leasehold purchase. It only includes the house and does NOT include the purchase of the land on which the home is located. The Homeowner may be required to surrender and vacate the home being purchased upon expiration of the land lease or in the event of relinquishment of enrollment in the Nez Perce Tribe without payment or other compensation. This program is designed to assist primarily low-income families and moderate-income families who are willing to comply with the non low-income assistance requirements. Generally, applicants for homeownership must comply with the following:
1. Be committed to purchasing the leasehold property.
 2. Have sufficient income required to meet the house payment and the other financial obligations of maintaining and buying a home.
 3. Be committed to schedule the time to participate in the required group counseling and the one-on-one counseling tailored to the individual family's needs.
 4. The success of this homeownership opportunity is contingent upon an intense Housing Counseling and Homebuyer Education program. It will consist of homebuyer education classes and one-on-one counseling individualized to meet each family's needs. Needs vary from family to family. Income, employment, education, debt, the number in a family, etc., all contribute to the differences that make each family unique. Although each family's uniqueness must be addressed, it is imperative that policies are applied equitably.
- C.** The SHLA Program seeks to respond to the following goals:
1. To promote affordable homeownership opportunities for those low-income enrolled members who need assistance in qualifying for mortgage financing.

2. To provide homeownership opportunities for low-income enrolled members to better access the private mortgage market for homeownership on tribal trust property.
 3. To promote self-sufficiency of tribal members.
- D. Purpose of Policies: Policies have been prepared to provide direction to staff for admission of applicants into the housing program and for administering the requirements governing their occupancy. The SHLA PROGRAM will be implemented by NPTHA Housing Management through a staff of Housing Counselors. Staff will conduct a reasonable and broad based effort to solicit and accept applications from all interested parties. After determining eligibility, a waiting list of potential SHLA PROGRAM applicants will be maintained according to criteria outlined in this policy.
- E. Applicability of Policies: All Participants are subject to the policies of the NPTHA as now in effect or as hereafter enacted or amended. A copy of such policies is available for inspection and copying in the offices of the NPTHA. A breach of such policies shall be a breach of this Agreement.
1. The Board of Commissioners and staff will comply with all applicable laws and regulations of the Department of Housing and Urban Development (HUD), particularly CFR 1000. Additionally, commissioners and staff must be in compliance with the Nez Perce Tribal codes and Ordinances, applicable state and federal laws and regulations, and NPTHA policies. Failure for staff to be in compliance will be addressed through disciplinary action that could result in termination of employment or removal from the Board.
 2. Codes: Applicants as well as occupants are required to adhere to the Nez Perce Tribal Code and other applicable laws with regard to their personal conduct when it impacts their housing obligations and the rights of others. Participants in this program agree to adhere to the following covenants as long as they reside on the premises as a renter and/or subsequently as a homeowner.

SECTION 2: COVENANTS

The following covenants apply to any and all programs operated in the Sundown Heights Subdivision.

A. Sweat Houses

The structure of your sweat house needs to demonstrate that you have pride and dignity in your culture.

B. Home & Homesite Requirements & Maintenance

1. The Resident is responsible for planting and maintaining a yard.

2. Each resident will be responsible to maintain and keep clean and in good repair the exterior of their home as well as all appurtenant resident structures such as decks, steps, carports, storage buildings, and fences at all times. All wooden structures such as decks, handrails, etc., shall be painted or stained as necessary to prevent their visual and/or physical deterioration.
3. Driveways, streets, and Resident's homesite, including porches and decks, are to be kept clean and free from trash and litter at all times. Garbage cans, gardening tools, equipment, bicycles and other personal belongings must be stored in the Resident's carport, garage, storage shed.
4. Furniture left outside a home shall be limited to outdoor or patio furniture. No household appliance or upholstered furniture can be placed outside of the home. Storage of any type beneath the home including any material of an illegal or explosive nature is prohibited.
5. Dead animals or dead animal parts are not to be discarded outside the residence.
6. Any unallowable items left out may be removed by the NPTHA at the residents – homeowner's expense after complying with any notice requirements.

C. Residents & Guests

1. Residents shall respect the peace of the Subdivision and see that their guests do the same. It is the responsibility of the Resident to keep their children under control at all times. Neither Resident, their children, guests nor any other person staying or visiting the Resident shall cause unreasonably loud or disturbing noise between the hours of 10 p.m. to 8 a.m.
2. Residents are responsible for the actions of occupants of their home, as well as guests, licensees and invitees.
3. Residents shall conduct themselves and cause other persons who are on the premises with their consent to conduct themselves in a manner which will not disturb his neighbors' peaceful enjoyment of their accommodations and will be conducive to maintaining the neighborhood in a decent, safe and sanitary condition. Excessive alcohol abuse, partying, fighting, quarreling and any other action or activities that interfere with or disturb the health, safety, or right to peaceful enjoyment of the premises by other residents are prohibited.
4. Home Occupations are permitted, provided they are consistent with the NPTHA Home Business Policy.
5. Residents shall refrain from, and to cause his household and guests to refrain from destroying, defacing, damaging, or removing any part of the home or grounds.

D. Parking Vehicles

1. No vehicle or equipment over 10,000 pounds gross vehicle weight is allowed to be parked on the street other than for service to the Resident. Inoperable vehicles or vehicle parts may not be stored or left on driveway, Homesite or anywhere in the Subdivision. Inoperable vehicles will be impounded or towed after 30 days of written notice. The expense of such removal shall be assessed against the Resident. Resident parking is restricted to the Resident's driveway, carport, or garage.
2. Vehicles may not be parked on the street or parked in such a way as to extend into the street. Vehicles may not be parked in yards. Guests may park their vehicles in a Resident's driveway, carport, or garage or other designated parking areas when visiting a Resident but must ensure that they are parked in a location so as not to block any neighbor's access, or restrict traffic flow within the Subdivision.
3. Three wheelers, all terrain vehicles, dirt bikes or the like are not allowed to operate in the Subdivision.

E. Pets

1. Residents and owners shall keep no vicious animals. All pets shall be confined to the yard and not interfere with neighbors' peaceful enjoyment.
2. Residents and owners shall not keep farm animals, including horses, on the property.
3. NPTHA Policies and Tribal Ordinances shall apply as they now exist or hereafter are amended.
4. Residents shall keep no domestic animals on or about the leased premises without the prior, express and written consent of NPTHA and evidence of registration with the Nez Perce Tribe. There shall be a non-refundable pet deposit due to the NPTHA.

F. Landscaping

1. The Resident is responsible for keeping all landscaping mowed, trimmed, watered, and due to fire hazard, weeded and well maintained within their Homesite. If landscaping is not properly maintained and has reached 6 inches, the NPTHA or the Tribe reserves the right to perform whatever landscape maintenance may be required and charge the Resident per established policy.
2. Each Resident shall install a sufficient amount of landscaping to prevent erosion and run off onto neighboring homesites, as well as to provide a pleasant environment.
3. The installation of fencing is subject to approval by the NPTHA. A request with sufficient information must be made to the NPTHA before a decision can be made by the NPTHA. Fencing is not permitted between the street and the front of the home if it blocks visibility for auto traffic. All homes will be fenced in a similar design upon NPTHA approval.
4. Barbed wire, electrical fencing or any type that could be hazardous is prohibited.

G. Utilities

1. Payment for electrical, telephone, cable TV, natural gas, propane and kerosene is the responsibility of each Resident.
2. Garbage, water and sewer will be paid by the Resident including any deposits.
3. Each Resident is required to provide their own garbage cans. These cans are to be in a form acceptable to the local trash collection agency. If the Resident fails to remove trash on a regular basis, arrangements will be made to have the trash picked up at the Resident's expense.
4. Each Resident shall be responsible for ensuring that there be no obstructions to access to any water meter, water shut off valve, sewer clean-out, electrical/telephone/cable TV pedestal which may be located on their Homesite.

H. Preserve Land Corners

1. The NPTHA has expended funds to place pins marking the corners of the lots. Land corners are to be preserved and maintained by the resident. Disturbance of land corners is subject to prosecution and penalties.

I. Owner Homesite Improvements

1. Owner shall be responsible for installing all improvements in accordance with Section I, Item 2. Any additional improvements which the Owner wishes to construct on his homesite must show the size, design and materials to be used and be approved by the NPTHA.
2. All alterations are to be made according to applicable building codes. Any electrical and major plumbing work must be performed by a licensed contractor. Plans must be approved prior to commencement of any construction or lease assignment.

J. New Construction

1. New construction on lots is subject to review and approval by the NPTHA. All construction activities must be in accordance with the Uniform Building Code. Plans and specification must be made available for evaluation. Inspection by a qualified building inspector will also be required.

K. Manufactured/Modular Homes

1. A structure that is multi-sectional, encloses a space of not less than one thousand square feet, consists of a minimum of 28 feet wide, and was built after 1998.
2. The home must meet the additional standards required by the lender and/or the NPTHA, including but not limited to the following:

- a. The manufactured home shall be placed on an excavated and backfilled foundation and enclosed at the perimeter such that the home is located not more than twelve (12) inches above grade; and comply with all FHA regulations regarding permanent foundations.
- b. A vapor barrier shall be installed.

L. Unlawful Conduct

1. The resident is prohibited from using, causing to be used or allowing to be used any part of said rented or leased premises for any unlawful conduct or purposes. Any unlawful conduct is prohibited and may result in eviction and termination of the Use & Occupancy Agreement or assignment.
2. Nez Perce Tribal Law Enforcement is responsible for receiving and investigating any suspicious or illegal acts. Residents are requested to notify the local law enforcement agency for investigation and prosecution.
3. The Nez Perce Tribal Court shall have exclusive jurisdiction over any dispute that arises.

M. Amendment of Rules

NPTHA reserves the right to make reasonable modifications to these rules if needed for health or safety purposes or necessitated by a change in Tribal Code or Federal law. Residents will be given at least 30 days notice of any such modification.

SECTION 3: APPLICATION

All enrolled members of the Nez Perce Tribe are encouraged to submit applications as soon as possible because of the extensive requirements for qualifying for homeownership. They also must be informed that if they need assistance in completing the application, staff are available to assist them. Federal law prohibits discrimination based on race, color, creed, religion, national origin, sex, age or handicap, although selection for the SHLA PROGRAM is limited to applicants who are enrolled members of the Nez Perce Tribe in accordance with the provisions of NAHASDA, Title II, Section 201 (b) 4.

- A. Application Forms: There are specific forms that must be used to complete an application depending on the type of assistance for which one is submitting an application. The application forms will be designed by staff to gather enough information to allow a full assessment of the family's background to determine and verify eligibility, consistent with any applicable federal and NPTHA requirements and the requirements of any other funding entity that are applicable at the time of admission. These forms may be supplemented with additional forms as deemed necessary by the Executive Director for clarification purposes. The minimum application forms generally required by the NPTHA include, but are not limited to the following:

1. Intake, the Uniform Residential Loan Application (URLA) or program specific application.

2. Consent for Credit Report
3. Homebuyer Counseling Agreement
4. Goal Statement
5. Budget Worksheets
6. Applicable Verifications
7. Client Action Plan
8. Applicable Consents to Release Information

B. Application Process: Families must submit a full and complete application, including authorizations and evidence of prior attendance in Housing Counseling and Homebuyer Education classes and sessions, before they can be determined eligible or placed on a waiting list.

1. In order to be considered for occupancy in any housing program offered by the NPTHA, a written (legible) application must be completed in consultation with a NPTHA staff member.
2. All applications processed by NPTHA staff are entered in the Client Action Plan report database.
3. The staff member preparing an application must note the date and time when the application was received.
4. All information provided in the application must be verified and documented before an application is considered complete. In the event there are concerns regarding the information obtained, the Housing Counselor will report the concerns to the Executive Director. The Executive Director will request information for review purposes from Board members and staff to either make a decision or to refer the issue to the Board for Board action.
5. After reviewing the application data, the Housing Counselor will submit the file with a written recommendation for action to another Housing Counselor who will review the file and document in the file the concurrence or non-concurrence with the action to be taken. If there is no agreement regarding the action to be taken, the information will be forwarded to the Executive Director for review and action. All recommendations and actions are to be in the form of written documentation.
6. Once the application is complete and eligibility has been determined, the applicant data will be entered into the appropriate Waiting List database.

7. In the event of a rejection, the staff will notify the applicant in writing (certified mail return receipt requested) of the basis of the determination and the right to appeal the decision in accordance with the Grievance Policy.
 8. The Housing Counselor will prepare a letter notifying the applicant of the resultant placement on the Waiting List.
 9. The Waiting Lists will be updated to the greatest extent feasible on a bi-weekly basis; however, a minimum of a monthly update is required. The Housing Counselor will provide the Waiting Lists on a monthly basis to the Executive Director for inclusion in the report to the Board at the next regularly scheduled meeting.
 10. Waiting Lists (indicating applicants' last four digits of their social security number, bedroom size, lot preference, and points) are to be posted for public view in the NPTHA office.
- C. Charges: There is no application fee for NPTHA program assistance, although the applicant will be responsible for other fees assessed by lenders in the event the Participant successfully exercises their option to purchase. Also, the applicant is not responsible for the cost of the initial credit report obtained by the NPTHA for the purposes of qualifying for the SHLA PROGRAM.
- D. Communications: All communications with the applicant must adhere to the following requirements:
1. All official notices must be in writing and signed by a Housing Counselor with a copy to the Executive Director
 2. All verbal communications are to be documented in the applicant file, indicating date, time, content, and disposition.
 3. All written communications or major inquiries from an applicant are to receive a written response within 5 working days from the date of receipt.
 4. All phone calls are to be returned within a maximum of two working days.
 5. All appointments are to be confirmed in writing.
 6. All phone reminders of appointments are to be documented in the applicant file, indicating date, time, content, and disposition.

SECTION 4: WAITING LISTS ORGANIZATION

- A. Preferences: It is the goal of the NPTHA to provide decent, safe, and sanitary housing for all enrolled members. In accordance with this goal, homeownership opportunities will be made available in accordance with NPTHA established preferences. The waiting list will be organized based on the established preferences.

1. Preferences are established to ensure that the benefits accrue to enrolled members of the Nez Perce Tribe. Consequently, the following definitions will apply:
 2. ALL NEZ PERCE FAMILY means the head or heads of household and at least one child is enrolled members of the Nez Perce Tribe. Nez Perce couples are also included in the definition of all Nez Perce family. Only an enrolled member of the Nez Perce can be the applicant.
 3. AN INDIAN FAMILY means at least one of the heads of household is an enrolled member of the Nez Perce Tribe. Only an enrolled member of the Nez Perce can be the applicant.
 4. Single enrolled Nez Perce members are considered a family only for the purpose of applying for a lot.
- B. Waiting Lists Organization:** The NPTHA requires that Waiting Lists are established and maintained for each type of housing assistance program. The NPTHA must maintain a separate Waiting List for the SHLA PROGRAM and for each preference. Preliminary selection of applicants for new construction or for a lot who meet all eligibility requirements of the SHLA PROGRAM will be based on preferences established by the Board of Commissioners.
Placement on the Waiting List does not guarantee selection. It indicates that at the time of verification and certification, the applicant is eligible for the program and is to be considered for selection.
- C. Maintaining Waiting Lists:** The following information is required to properly maintain the waiting list:
1. Minimum Information:
 - a. record number
 - b. name and address
 - c. community preference
 - d. lot preferences
 - e. family size
 - f. income
 - g. date/time of application
 - h. Tribal Affiliation/non-Indian
 - i. offers (2) (date/status)

- j. notification to update
 - k. recertification date
 - l. mortgage readiness date
2. Optional information:
- a. source of income
 - b. place of employment
 - c. length of employment
 - d. Federal IRS Form 4506
 - e. previous federal housing assistance
 - f. financing capability
 - g. disabled
 - h. veteran
- D. The Waiting List will be updated to the greatest extent feasible on a bimonthly basis; however, a minimum of a monthly update is required.
1. Waiting List applicants must update their application on a yearly basis or they will be removed and placed in the inactive file. Applicants on the waiting list will be notified in writing one year after the date of the initial application to update their application within a specified time period. The efforts to notify the applicant must be noted on the Waiting List by date.
 2. Yearly updates by applicants will be noted on the Waiting Lists by date.
 3. Applicants who fail to respond to the request to update their applications will be removed from the Waiting List and transferred to the Inactive File.
- E. Reporting Requirement: A summary of the Waiting List using social security numbers for confidentiality must be prepared and submitted to the Executive Director on a monthly basis.

SECTION 5: APPLICANT FILES

- A. Filing Requirement: All applications are filed as Active or Inactive.

- B. File Management: When an applicant is placed on the Waiting List, the application and all the supporting documentation is maintained in the Active file. All applicant files are organized alphabetically.
- C. Inactive File: Applicants who are determined to be ineligible for whatever reason are placed in the Inactive File, organized alphabetically by fiscal year. Inactive files will be set up in a data base indicating the name, bedroom size, income, and date.
- D. File Retention: All Inactive Files are retained for a minimum of 3 years. All active files where the option to purchase is not successfully exercised are retained for five years after move-out in accordance with HUD Handbook 4350.3 Rev. 1, whichever is less. In the event of home purchase, the files will be retained for the length of the leasehold mortgage.
- E. Inactive File Placement: Waiting List applicants will be placed on the inactive waiting list when treated as follows:
 1. Staff has made a determination of ineligibility.
 2. An applicant will be offered no more than 2 homes. Only a maximum of 15 days will be allowed for an applicant to accept or reject an offer of a home. When an applicant refuses 2 offers of a home, the applicant will be ineligible for a period of 1 year from the date of refusal of the second site of home offer.
- F. Confidentiality: Information contained in the NPTHA files is confidential. Only those with a need to know have the right to review the contents of client files. Staff is prohibited from discussing the contents of a client's file with anyone other than NPTHA staff. NPTEC and other Tribal officials must have a court order to access applicant or occupant information unless the applicant or occupant has signed a consent to release the information to the requesting party.

SECTION 6: ELIGIBILITY

The following eligibility requirements must be met at a minimum prior to persons being considered for the SHLA PROGRAM.

- A. Only those who are eligible under the laws and customs of the Nez Perce Tribe to lease tribally owned land for residential purposes or who otherwise obtain the specific approval of the Nez Perce Tribal Executive Committee shall be eligible. Non-Indian and non-member spouse may join in the application process and have their income and credit considered; however, non-Indian and non-member spouses may not inherit property pursuant to the Laws and Customs of the Nez Perce Tribe. Therefore, once the option is exercised if the Tribal member dies or becomes divorced from the non-Indian or the non-member, the non-Indian or non-member spouse may not inherit the property in the case of death or be granted the property by consent of the parties or by the Courts in the event of a divorce. Likewise during the rental phase of the program if the Nez Perce Tribal member dies or relinquishes Nez Perce membership, the non-Indian or non-member spouse can not be the beneficiary or remain in possession of the rental unit; nor may the parties or the Courts

allow the non-Indian or non-member spouse to remain in possession of the rental unit in the event of divorce.

- B.** Applicants who are an “Indian Family” will only be considered if they can comply with the following: at least one of the qualifying applicants must be an enrolled member of the Nez Perce Tribe. Eligible Family/Individual Composition means:
 - 1. ALL NEZ PERCE FAMILY means the head or both heads of household and at least one child is enrolled members of the Nez Perce Tribe. All Nez Perce family includes a Nez Perce couple. Only an enrolled member of the Nez Perce can be the applicant.
 - 2. AN INDIAN FAMILY means at least one of the heads of household is an enrolled member of the Nez Perce Tribe.
 - 3. Single enrolled Nez Perce members are considered a family only for the purpose of applying for a lot.
- C.** Enrollment documentation must be provided by a third party source. Nez Perce enrollment must be documented and verified through the Nez Perce Tribal Enrollment Office. Other Indian applicants must have third party enrollment documentation and verification provided by the Bureau of Indian Affairs (BIA). A BIA Certificate of Degree of Indian Blood (CIB) and verification of enrollment from a federally recognized tribe.
- D.** “FAMILY” means two or more persons related by blood, marriage, or adoption, or who have evidenced a stable family relationship by living regularly together in the same dwelling unit for at least two years or a single adult enrolled member of the Nez Perce Tribe for consideration of a lot only.
- E.** The applicant must use the home as their principal residence.
- F.** The applicant family must have sufficient income to meet and maintain the minimum payment and be within the income limits established and approved by HUD annually (see Appendix A: Income Limits). A homebuyer applicant’s family income must be high enough to afford the minimum monthly house payment and the applicant’s family income must demonstrate, through a detailed client action plan, that the family will be able to achieve mortgage readiness within an established time frame not to exceed 3 years. Mortgage readiness qualifying ratios as set forth by the NPTHA, the specific lending institution, or the specific program will be applied. Factors governing the analysis and verification of income are set forth in the applicable Underwriting Procedures of the NPTHA or the Section 184 Guaranteed Loan as they now exist or as they may hereafter be revised or added to by the NPTHA.
- G.** The Executive Director may allow participants whose family income exceeds the income levels established for lower income families to be admitted to the SHLA PROGRAM in accordance with the guidelines established by the Non-Low Income Assistance Policy. The determination to provide such assistance must demonstrate that there is a documented need for housing for such families that cannot reasonably be met without such assistance, consistent with the applicable regulations and policies governing that program. In all

instances, assistance and benefit can not be the same as for a Low-Income family. Payment requirements and any other assistance will be according to rates established by the NPTHA for moderate and above moderate-income families and affordability.

- H. Employment Stability: For an applicant to be financially eligible for the SHLA PROGRAM, they must have at least two years stable income and also demonstrate the ability to maintain at least their present level of income. This will be verified by staff and may be satisfied by a written statement from the applicant's employer. If it is not feasible to determine income potential from an employer, this verification may come from copies of the applicant's income tax returns for the last three years prior to the application date. The applicant must sign a IRS Form 4056, authorizing the IRS to release the information to the NPTHA. These income tax returns will be kept on file and new ones will be submitted each year thereafter until the option is exercised.
- I. Ability to Enter Into an Agreement: For a family to be eligible for admission to the SHLA PROGRAM, they must be at least 21 years of age and have the legal capacity to enter into a Use & Occupancy Agreement and be willing and able to meet all obligations of the Use & Occupancy Agreement. The applicant family must be willing to commit the time required to comply with all of the housing counseling and education requirements.
- J. Admission of Single Persons in the Process of Securing Legal Custody: An applicant in the process of securing legal custody through other means than adoption must provide evidence that success of obtaining legal custody is likely. This determination of reasonable likelihood of success will be made at the time an offer of a unit is to be made to an individual. If at that time it is determined that there is not a likelihood of success, then that individual nonetheless shall be allowed to retain his place on the waiting list, with any preference for which he remains eligible and with his original date and time of application until custody is secured. At that time the individual will be offered an appropriate unit in accordance with his position on the waiting list.
- K. Credit, Use & Maintenance History: All applicants must have a satisfactory credit, use, and maintenance history. The following will be required at a minimum. Additional requirements and specifics pertaining to analysis are governed by the NPTHA Underwriting Procedures or the Section 184 underwriting procedures.
 - 1. Credit history will be verified by a credit report and any or all of these sources or other means as determined by the NPTHA:
 - a. Two or more landlord or lender references detailing previous house payment history.
 - b. Non-traditional means.
 - 2. Use and maintenance history will be documented by one or both of these sources:
 - a. Landlord references from the previous 5 years.
 - b. Police/Court record check.

If negative reference on either the credit or use/maintenance history is obtained, staff will notify the applicant in writing of the negative items found. The applicant will be afforded an opportunity to respond in writing within 5 working days of the postmarked date of the notice regarding any negative information derived from any source. The response will be taken into consideration in determining the applicant's eligibility.

- L. Habits & Practices:** An applicant must be of good character and possess habits and practices that promote safe, clean and healthy homes, property and communities. This also applies to applicant's household members as they appear on the application or as they are requested to be added to the occupancy agreement.
- M. Social Security Numbers:** To be eligible, the families must disclose and verify social security number for all family members.
- N. Privacy Act Statement:** Participants must sign the Privacy Act Statement initially and each year thereafter until the option to purchase is exercised. Eligibility for admission or continued occupancy will be denied for failure to comply with the Privacy Act requirement.
- O. Previous Assistance from Other Housing Authority:** Participants in other housing authority programs may apply for housing and be placed on the waiting list. Verification that the applicant has terminated the other assisted unit agreement and terminated in good standing must be obtained before the applicant will be allowed to participate in the SHLA PROGRAM.
- P. Previously Assisted NPTHA Resident:** No applicant or applicant's household member who has an outstanding debt to the NPTHA or whose participation was terminated by the NPTHA will be eligible for assistance until the following conditions are satisfied:
- Q. Voluntary Terminations:** Any outstanding debt from an applicant or an applicant's household member must be paid in full prior to consideration.
- R. Involuntary Terminations:** Any applicant whose assistance was terminated by the NPTHA or who was evicted for nonpayment will not be considered eligible for a period of one (1) year from date of full payment and verification from a landlord who verifies that the applicant had a satisfactory payment history.
- S. Compensating Factors:** In rare circumstances, and only with supporting documentation, may an applicant family be selected if the projected house payment and other projected housing costs (i.e., monthly maintenance reserve, utilities, etc.) would exceed the income limits defined and established by the specific program assisting the Homebuyer or the family income just barely meets the minimum requirements. Compensating factors will be considered in accordance with the Underwriting Procedures of the Section 184 Loan Guaranty Program as they now exist or as they may hereafter be revised or added to by HUD or the NPTHA. The Housing Counselors will submit a recommendation with supporting documentation to the Executive Director for a final decision. There must be compelling factors documenting that the family would be able to fully meet the obligations of homeownership, such as, but not limited to, the following:

1. Documented family income from sources which are not counted towards computation of adjusted monthly income, i.e., per capita payments, etc.
2. The family's ability to supplement income by providing its own foods, fuel, or other necessities.
3. Prior history indicating rental payments exceeding the NPTHA house payment.
4. The family will be required to sign a statement verifying that they are aware they are below income and that they feel they are able to meet and maintain the payment calculated by staff and pay for all maintenance expenses.
5. History of excellent repayment of all debt obligate.
6. Good landlord, creditor references.
7. Stable savings account.

SECTION 7: INELIGIBILITY

The reasons for a determination of ineligibility are based on NPTHA policies and other applicable program regulations. Although an applicant may meet the basic criteria for eligibility, any one of a number of reasons can form the basis of a determination of ineligibility. Families who have applied for housing or who have applied to add an additional occupant, and who, for any reason, have been determined to be ineligible will be notified by staff in writing, stating the reasons for their ineligibility. The family would then be entitled to an informal hearing under the provisions of the Grievance Policy. All information relative to the rejection of an applicant family must be documented and placed in the applicant family's file for future reference.

- A. The following does not represent an exhaustive list of reasons an applicant may be denied final selection as a homebuyer; however, it is illustrative of many common reasons for a determination of ineligibility.
 1. Failing to repay previous debts owed to any housing authority or other HUD program.
 2. Conviction of fraud in connection with any HUD program, or failing to disclose previously committed fraud in connection with any HUD program.
 3. Prior conviction of crime(s) of a sexual nature.
 4. Non-cooperation. Refusing or failing to complete required forms or to supply requested information.
 5. Applicants who appear on HUD's List of Suspensions, Debarments, and Limited Denial of Participation.

6. The applicant family does not qualify as a family according to the applicable program requirements.
7. The applicant family does not meet the income requirements.
8. Lack of verifiable information
9. The applicant previously participated in the program.
10. Family composition is not compatible with the occupancy standards applicable to the vacant unit.
11. The applicant family has a record of unsatisfactory performance in meeting past financial obligations.
12. NPTHA records indicate that the applicant family has an outstanding debt.
13. Applicant family has a record of destruction of property, acts which would imperil the health, safety or peaceful occupancy of neighbors, and/or disregard for the rights of others and the rules of occupancy.
14. The applicant family has a pattern of violent behavior. This includes evidence of repeated acts of violence on the part of a member of the family or a pattern of conduct constituting danger to peaceful relationships with neighbors.
15. The applicant family has a record of any illegal activity which would impair the physical or social environment of the surrounding neighbors, including but not limited to trafficking in drugs, use and/or possession of drugs, prostitution, possession of explosives, illegal possession of firearms, and crimes of violence against persons or property.
16. The applicant family has a history of unsanitary or poor housekeeping habits.
17. The applicant family has provided false information on the application or other application on file with NPTHA.
18. The applicant family has a history of lease violations.
19. NPTHA Participants who were evicted for non-payment of any financial obligation to NPTHA will be denied participation in NPTHA housing assistance programs for at least one year from the date on which all NPTHA debt has been retired and evidence of a good credit history is verifiable.
20. NPTHA Participants who were evicted for violations due to acts which threatened the health, safety and welfare or peaceful enjoyment of others will be denied participation in NPTHA housing assistance programs for at least three (3) years and references are positive.

Consideration of Derogatory Findings: One minor derogatory finding will not be used as a basis for denial of eligibility or participation. However, a combination of derogatory findings may be used as a basis for denial. The inability to achieve mortgage readiness within 3 years is a major derogatory finding. In this event, the applicant will be advised to pursue housing through a rental program until such time as the obstacles to mortgage readiness can be overcome within a maximum of 3 years.

Section 8: VERIFICATION

Procedures for verification will be in accordance with the verification guidelines outlined in HUD Handbook 4350.3 Rev. 1 as it now exists or is hereafter amended.

- A. Verifiable Information: All information must be verifiable. Verification must be obtained through a third party and in accordance with HUD Handbook 4350.3, as it now exists or is hereinafter amended. Handbook 4350.3 is hereby incorporated by reference. The procedures for income verification are detailed in Handbook 4350.3 in Appendix 3, Acceptable forms of Verification and Appendix 15, Verification and Consent Guidance and Sample Formats, although the NPTHA reserves the right to develop their own forms.
- B. Verification of Annual Income: Anticipated annual family income for admission will be determined by staff on the basis of verification of income at the time of initial application, unless otherwise stated in the program policy or regulations. To remain on the waiting list, applicants must inform staff in writing of any changes in income, as they occur. Staff will reverify eligibility of the applicant based on any change of income and ensure that the applicant meets all eligibility requirements for admission. Should an applicant become ineligible based on a change in income, staff will notify the applicant in writing by certified mail that he no longer qualifies for admission into the program. In addition to income changes, disqualification may also be caused by program and policy changes.
- C. Verification Time Frame: Applicant information will be verified as soon as possible after submission of an application. However, if there is a long waiting list, staff may do an initial assessment of a family's eligibility and suitability at the time of application and wait to do a more complete evaluation until shortly before admission. By doing this, staff will avoid the time and expense involved in evaluating applicants who may withdraw from the waiting lists before their names can be reached. Verifications are only good for 90 days and must be recertified 30 days prior to occupancy. See HUD Handbook 4350.3 Rev. 1 for additional guidance.
- D. Verification Data: Verification data are to be reviewed and evaluated as they are received for completeness, adequacy, and conclusiveness. Where the information received is not completely adequate in all respects, follow-ups or new efforts to obtain such information are to be made and carried through to conclusion. The NPTHA has the right to ask for any information from the applicant that the NPTHA deems necessary to completing the process. See HUD Handbook 4350.3 Rev. 1 for additional guidance.
- E. Verification Summary: As verification of all necessary items for each application is completed, a summary of the verified information is to be prepared and filed in the tenant's

folder. The summary is to cover at least the following determinations and the basis for such determinations:

1. Family Status;
2. Nez Perce Enrollment;
3. Eligibility as a low-income family;
4. Eligibility of the family with respect to Section 6 of this policy;
5. Counseling requirements/Client Action Plan;
6. Rent Calculation;
7. Management or administrative fee, if applicable.

See HUD Handbook 4350.3 Rev. 1 for additional guidance.

SECTION 9: SELECTION OF FAMILIES FOR A LOT

- A. Selection of an applicant who desires to purchase a lot includes a three step process.
 1. Applicants must first be determined to be eligible.
 2. Secondly, applicants must complete the homebuyer education requirements.
 3. Once eligibility and qualification requirements have been met and the applicant has acquired plans and specifications for a home, a Reservation Agreement for a lot will be executed between the NPTHA and the applicant will be placed on the list of those waiting to meet the terms of the Reservation Agreement. Waiting List applicants have a maximum of 60 days to secure construction financing. Selections from the preference list for a final lot assignment will be made according to the date the Reservation Agreement is issued.
- B. Eligibility: The applicant must be an enrolled member of the Nez Perce Tribe and meet the general eligibility requirements cited in Section 6 and completion of the following at the time of selection from the waiting list:
 1. Attendance of adult family members in the Sundown Heights Hills Homebuyer Education classes
 2. Intake Form
 3. Consent to Release Credit Information

4. Homebuyer Education Counseling Agreement

5. Personal Assessment.

C. Qualifications: In order to qualify for a lot reservation in the Sundown Heights Hills Subdivision, applicants must demonstrate that they can immediately meet lender qualifications, including but not limited to homebuyer education classes, detailed cost estimate, plans and specifications and loan requirements. The lender will determine the qualifying factors to be used in mortgage approval, but typically they include credit history, household, income, ability to afford a mortgage payment, meet all other debt obligations, and provide construction plans and specs that meet the requirements of the NPTHA and the lender. Charges for improvements to the lot will apply for all moderate- and above-moderate-income families. The applicant has a maximum of 60 days from the date of the Reservation Agreement to obtain construction financing.

D. Preferences: Preferences are established for 2 categories of preferences. The NPTHA will give first preference to families consisting of all Nez Perce members enrolled in the Nez Perce Tribe. A second category of preference will be given to enrolled members of the Nez Perce Tribe whose family composition includes non-enrolled Nez Perce members. There are a total of 8 waiting lists. See the definitions for family type and composition. Waiting lists are established for each preference as follows:

1. Waiting List Preference 1: All Nez Perce families who have never been assisted, do not own a home, are Low- or moderate income and meet all qualifications to obtain construction financing within 60 days.
2. Waiting List Preference 2: All Nez Perce families who do not own a home, have been previously assisted but did not achieve homeownership for acceptable reasons, are Low- or moderate-income, and meet all qualifications to obtain construction financing within 60 days;
3. Waiting List Preference 3: All Nez Perce families who do not own a home, are currently assisted by a NPTHA homeownership opportunity program but have not yet achieved homeownership, are Low- or moderate-income, and can meet all qualifications to obtain construction financing within 60 days, and the following requirements:

a. MUTUAL HELP

- (1) Able and willing to relinquish rights under the MHOA to apply for an SHLA PROGRAM house in order to meet HUD occupancy standards
- (2) Existing MH residence does not comply with HUD occupancy standards.
- (3) Family must have a good payment history
- (4) Any equity remaining after all costs associated with the existing mutual help have been met must be applied to the new unit or remain with the NPTHA as determined by the NPTHA, and;

- (5) Any costs exceeding the equity balance must be paid prior to acceptance.

b. STARTER HOME

- (1) Family must have a good payment history;
 - (2) Family must leave the home in good condition for resale;
 - (3) Any costs to bring the home to resale condition exceeding the deposit must be paid prior to acceptance.
4. Waiting List Preference 4: An Indian family with a Nez Perce applicant who has never been assisted, does not own a home, is Low- or moderate-income, and meets all qualifications to obtain construction financing within 60 days;
 5. Waiting List Preference 5: An Indian family with a Nez Perce applicant who does not own a home, has been previously assisted but did not achieve homeownership for acceptable reasons, and is Low- or moderate-income and meets all qualifications to obtain construction financing within 60 days;
 6. Waiting List Preference 6: An Indian family with a Nez Perce applicant who does not own a home, is currently assisted by a NPTHA homeownership opportunity program but has not yet achieved homeownership, is Low- or moderate-income, and can meet all qualifications to obtain construction financing within 60 days and the following conditions:

a. MUTUAL HELP

- (1) Able and willing to relinquish rights under the MHOA to apply for an SHLA PROGRAM house in order to meet HUD occupancy standards
- (2) Existing MH residence does not comply with HUD occupancy standards.
- (3) Family must have a good payment history
- (4) Any equity remaining after all costs associated with the existing mutual help have been met must be applied to the new unit or remain with the NPTHA as determined by the NPTHA, and;
- (5) Any costs exceeding the equity balance must be paid prior to acceptance.

b. STARTER HOME

- (1) Family must have a good payment history;
- (2) Family must leave the home in good condition for resale;

- (3) Family must be able to qualify for mortgage assumption within six (6) months, and
 - (4) Any costs to bring the home to resale condition exceeding the deposit must be paid prior to acceptance.
7. Waiting List Preference 7: All Nez Perce families who do not own a home and do not meet any of the above Waiting List categories, are Low- or moderate-income, and meet all qualifications to obtain construction financing within 60 days;
8. Waiting List Preference 8: An Indian family with a Nez Perce applicant who does not own a home, does not meet any of the above Waiting List Categories, is Low- or moderate-income, and meets all qualifications to obtain construction financing within 60 days.

E. Procedures: The table below provides a general summary of the procedures for acquisition of a lot and construction-built home or placement of a new modular home.

CRITERIA	TIME FRAME	DOCUMENTATION
Homebuyer Counseling	12 hours total required	HBC Certificate; determine when mortgage ready; remove obstacles, if any, to mortgage readiness.
Personal Assessment		Intake Form, Consent to Release Credit Info. Meet with Counselor to review financial status and ability to apply.
Identify possible lots		Counselor provides summary of assessment in writing to applicant. Meet with assigned Counselor to look at possibilities and obtain lot and homesite dimensions, drawings, etc.
Acquire house plans and specs; Detailed cost estimate using 184 forms; Obtain builder's packet, Builder approval from lender		Obtain Lender and NPTHA requirements
Select lot on first come, first serve basis by date of Reservation Agreement	60 DAYS	NPTHA will provide legal description information and initiate assignment. Copy of covenants and specifications for placement of home on lot provided by the NPTHA. Applicant will obtain additional information regarding requirements from the NPTHA depending on the type of structure to be constructed.
Sign Reservation Agreement		A Reservation Agreement must be executed between the NPTHA and the applicant to secure a lot. Construction financing must be secured within 60 days from the date of issuance of the Reservation Agreement .
Ability to meet lender qualifications: <ul style="list-style-type: none"> • TSR • Appraisal • Letter from HUD re: Environ. • Insurance • Closing Costs • Etc. 		Lender loan documents must be provided to NPTHA via a consent to release information. Lender must provide Good Faith Estimate, Loan commitment info, etc., Environmental Review information will be provided by the NPTHA to the applicant for the lender
Apply for NPTHA down payment assistance if applicable.		NPTHA MFA Application & Supporting documentation.

- F. Unmet Requirements: Failure to complete the construction financing requirements within the required time frame will result in the removal of the applicant from the waiting list for 6 months or until all those on the waiting list as of the date upon which the 60 days ends are served or whichever comes first.

SECTION 10: INCOME

- A. Policy: It is the policy of the NPTHA to use the definition of income (e.g., IRS, Census, Section 8) most advantageous to the family or to the housing entity as provided by NAHASDA.
- B. Verification: Section 1000.128 of NAHASDA requires the NPTHA to verify that the family is income eligible based on anticipated annual income. The family household's annual income may not exceed the applicable income limits (NAHASDA Guidance No. 2004-03 Income Limits dated February 10, 2004). Each year these guidance numbers are revised and supersede the previous year's guidance.
- C. Documentation: The family is required to provide verifiable income documentation to verify this determination. The NPTHA is required to maintain the documentation on which the determination of eligibility is based. The NPTHA will require a family to periodically verify its income in order to determine housing payments, fees, household composition, or continued occupancy.
- D. Income Limits: Whenever HUD funds are used to assist a family, the NPTHA will utilize the HUD national median income limits as amended annually as the applicable income limits.
- E. Applicable Definition: The NPTHA will use the meaning of annual income as defined for HUD's Section 8 programs in 24 CFR, part 5, subpart F. In using the HUD's Section 8 program definition of annual income the NPTHA will exclude from annual income any amounts that are on the list of Federally Mandated Exclusions as amended from time to time in the Federal Register.
- F. Meaning of Annual Income: Annual income is defined in accordance with Section 8 and 24 CFR Part 5, Subpart F (Section 5.609). The implementing handbook, HUD Handbook 43501.3, is included as Attachment C.
- G. Calculation of Income: Income will be calculated in accordance with the procedures outlined in HUD Handbook 4350.3 as it now exists or is hereafter amended (Attachment C).

SECTION 11: OCCUPANCY

- A. Use of the Home
1. The tenant and the NPTHA are jointly responsible to the Tribe and future generations for ensuring that homes are used properly and are well maintained.

2. It is the responsibility of each tenant to take pride in their home by keeping it and the grounds in a decent, safe and sanitary condition at all times.
3. Tenant are responsible for all home repairs and are expected to perform necessary maintenance in a timely manner.

B. Home Business Use : A tenant must request prior written approval from the Executive Director to operate a small home business in their unit. The request is subject to the conditions specified in the NPTHA Home Business Use Policy.

SECTION 12: CLIENT ACTION PLAN & HOUSING COUNSELING

- A. Completion of Required Actions: All homebuyer and each occupant of the premises will complete all “Required Actions” as described in the Client Action Plan (CAP), which shall become a part of the Use & Occupancy Agreement. The Homebuyers must agree that all actions will be completed in a period of time not to exceed 36 months from the effective date of the Use & Occupancy Agreement.
- B. Condition of Participation: As a condition of participation in the NPTHA housing programs the homebuyer will attend and satisfactorily complete Housing Education/Counseling provided by the NPTHA in accordance with the NPTHA Housing Counseling Policy.
- C. One-on-One Housing Counseling: If NPTHA deems it advisable or necessary, the homebuyer will attend as many One-on-One Housing Counseling sessions as needed to meet the requirements with respect to property maintenance, financial management, compliance with the Client Action Plan, and such other matters as may be appropriate.
- D. Failure to Comply: with the Housing Counseling requirements or the Client Action Plan is a matter of non-compliance which will result in termination of participation in the SHLA PROGRAM.

SECTION 13: CONSTRUCTION DESIGN REQUIREMENTS

- A. No construction of any building, whether new construction or improvements or additions to existing structures, shall begin until the NPTHA has issued a permit approving the design, construction, and all other aspects of the building or improvement. The NPTHA shall not arbitrarily or unreasonably withhold any permit or approval. All aspects of construction must be performed reputable, responsible contractors and inspected by a licensed residential inspector or architect. No Residence may be occupied until a building inspector or licensed architect approved by the NPTHA has issued a certificate of occupancy.
- B. Design and Construction Guidelines. Design and construction shall be developed and performed in accordance with written uniform standards and requirements. Such uniform standards and requirements (the “Design Guidelines”) shall be made available to any

person who is qualified to construct a Residence within the Sundown Heights Subdivision. The Design Guidelines shall, among other matters, (i) ensure that all homes and other buildings, including appurtenances thereto, meet minimum standards for the health and safety of all Residents; (ii) establish and preserve a harmonious and aesthetically pleasing environment within the Subdivision; and (iii) provide guidance for the efficient and orderly development of housing within the Subdivision.

- C. Industry Code Compliance. All construction shall comply with the Uniform Building Code (latest edition) or the International Building Code and such other industry codes as required by the NPTHA.
- D. Trailers and Recreational Vehicles. No trailer home or recreational vehicle may be used as a permanent or temporary residence within the Subdivision. Modular homes set on permanent foundations may be permitted provided such structures meet the design and construction requirements of the NPTHA and the prevailing code.
- E. Right to Inspect. Any member of the NPTHA shall have the right (but not the obligation) to enter upon and inspect any Lot where construction is underway to determine whether or not the plans and specification for such construction have been approved and whether the construction complies with the plans and specifications as approved. In the event the inspecting person determines that the ensuing construction has not been approved or that it is out of compliance with the approved plans and specifications, he shall immediately report the violation to the Executive Director. Following review and consideration of the inspection report, the NPTHA shall be entitled to enjoin further construction and to require the removal or correction of any work in place which does not comply with the approved plans and specifications.

SECTION 14: SHLA MANAGEMENT FEE

A management fee may be assessed to each resident to ensure coverage of maintaining and operating the Sundown Heights Subdivision common areas and utilities. The fee may be modified annually to reflect actual costs.

SECTION 15: MAINTENANCE AND REPAIR

- A. Responsibility: The Resident will, at his sole expense, keep and maintain the leased premises, including the grounds, buildings, improvements and appliances in good order, good repair, safe and clean and sanitary. Each Resident shall at all times be obligated to maintain his property and all improvements thereto, as well as the boundary lines of his/her Lot and the curb or edge of the pavement of the adjacent streets, so as to keep the same in a clean, manicured and safe condition. The Resident's maintenance obligation shall include, without limitation, the maintenance of all visible exterior surfaces of all buildings and other improvements; the prompt removal of all debris and refuse; the removal and replacement of dead and diseased trees and plantings, the mowing, watering and upkeep of all landscaping and grass.

- B. In the event a Responsible Party fails to maintain his/her Lot as herein required, the NPTHA or the Tribe shall have the right, but not the obligation, to enter upon the applicable Lot to perform the necessary work. Charges and fines shall be assessed against the Resident to pay the cost of such work.
- C. The Resident shall make all necessary repairs to the dwelling with reasonable promptness at his own cost and expense, including repairs and replacements necessitated by damage from any cause.
- D. Notification: Although the Resident is responsible for all maintenance, the Resident shall notify the appropriate Tribal department promptly of all known need for repairs and of any known unsafe conditions on the premises or grounds, which may either lead to damage or to injury.
- E. If the condition of the property creates a hazard to the life, health or safety of the occupants and the tenant fails to correct the deficiency in an expeditious manner, the Tribe shall have the work done, and charge the cost thereof to the Resident.

SECTION 16: HOUSEKEEPING STANDARDS

In an effort to improve the livability and conditions of the Sundown Heights Subdivision, uniform standards for resident housekeeping have been developed for all residents of the Subdivision.

A. Standards: Inside the Unit

General--

- Walls should be clean, free of dirt, grease, holes, cobwebs, and fingerprints.
- Floors should be clean, clear, dry and free of hazards
- Ceilings should be clean and free of cobwebs.
- Windows should be clean and not nailed shut with shades or blinds intact.
- Woodwork should be clean, free of dust, gouges, or scratches.
- Doors should be clean, free of grease and fingerprints, with functional locks.
- Heating units should be dusted and access uncluttered.
- Trash shall be disposed of properly and not left in the unit.
- Entire unit should be free of rodent or insect infestation.

Kitchen--

- Stove should be clean and free of food and grease.
- Refrigerator should be clean. Freezer door should close properly and gaskets should be clean.
- Cabinets should be clean and neat. Cabinet surfaces and counter tops should be free of grease and spilled food. Cabinets should not be overloaded. Storage under the sink should be limited to small or lightweight items to permit access for repairs.
- Exhaust fan filters should be free of grease and dust.

- Sink should be clean, free of grease and garbage. Dirty dishes should be washed and not stored in the sink.
- Food storage areas should be neat and clean without spilled food.
- Trash/garbage should be stored in a covered container until removed to the disposal area.

Bathroom--

- Toilet and tank should be clean and odor free. Condensation should be wiped regularly.
- Tub and shower should be clean and free of mold and mildew. Where applicable, shower curtains should be in place, and of adequate length to prevent spillage.
- Sink should be clean.
- Vanities should be kept clean and free of water leakage.
- Exhaust fan should be free of dust.
- Floor should be clean and dry.

Storage Areas--

- Linen closet should be clean.
- Other closets should be clean.
- No highly flammable materials should be stored in the unit.
- Other storage areas should be clean and free of hazards.

B. Housekeeping Standards: Outside the Unit

- Yards are to be free of debris, trash, and inoperable vehicle and vehicle parts.
- Exterior walls should be free of graffiti.
- Porches (front and rear) should be clean and free of hazards. No items are to be stored on the porch. Outdoor porch furnishings shall not impede access to the unit.
- Steps (front and rear) should be clean and free of hazards.
- Sidewalks should be clean and free of hazards.
- Storm doors should be clean, with glass or screens intact.
- Hallways should be clean and free of hazards.
- Yards are to be maintained at the tenant's expense.
- Laundry areas should be clean and neat. Lint should be removed from dryers after use.
- Utility room should be free of debris, motor vehicle parts, and flammable materials.

SECTION 17: ASSIGNMENT AND SUBLETTING

Assignment can only be made by the NPTHA in accordance with the Homesite Lease.

SECTION 18: RISK OF LOSS/INSURANCE

Responsibility for the provision of fire and other peril insurance on the premises is as follows:

- A. It shall be the sole responsibility of the resident to obtain fire and other peril insurance covering their personal property.
- B. It shall be the responsibility of the homeowner to obtain hazard insurance sufficient in amount and kind as required by the Mortgage. Upon final payment on their mortgage it shall remain the responsibility of the Homeowner to maintain Hazard insurance on their home and property.
- C. Evidence of the homebuyer's understanding of the requirements for insurance shall be documented by a statement signed by the homebuyer attesting to the receipt of information from the NPTHA staff regarding insurance requirements.

SECTION 19: FIRE

In the event the premises shall become untenable by reason of fire or other casualty, resident shall WITHIN 90 DAYS bring the lot and the premises to standard condition or ASSIGNMENT OF LOT SHALL BECOME NULL AND VOID.

SECTION 20: PURCHASE PRICE FOR LOTS

- A. Low-Income AND MODERATE-INCOME Families: The purchase price for a lot for a low-income AND MODERATE-INCOME families is forgiven.
- B. Above Moderate-Income Families: The purchase price for a lot for above moderate-income families is \$5,000. The family must meet the criteria set forth in the Non Low-Income Policy and meet the approval of HUD-ONAP.

SECTION 21: LIFE ESTATE

- A. Death of Homeowner: In the event of the death of the homeowner, the provisions of the Nez Perce Life Estate Code may apply.
 - 1. Enrolled members of the Nez Perce Tribe, with a leasehold interest in Trust lands, may bequeath by a Will a life estate in their leasehold Trust land and any improvements thereon to their non-enrolled spouse and or their non-enrolled children. The non-enrolled spouse and or the non-enrolled children shall be permitted to use and occupy the leasehold during the course of their lifetime subject to the same terms and conditions of the enrolled deceased member, which may include any outstanding mortgage. The non-enrolled spouse and or non-enrolled children can never inherit the land or any improvements thereon. Upon the expiration of these life estates the leasehold interest in

the land and any improvements thereon shall be transferred and conveyed to an enrolled member pursuant to the terms of the deceased enrolled member's Will.

2. In the event that an enrolled member dies intestate (without a will), his non-enrolled surviving spouse and or non-enrolled children may elect to take a life estate in the leasehold lands and any improvements thereon. The non-enrolled spouse and or the non-enrolled children shall be permitted to use and occupy the holding during the course of their lifetime subject to the same terms and conditions of the enrolled deceased member, which may include any outstanding mortgage.
3. The non-enrolled spouse and or non-enrolled children can never inherit the land or any improvements thereon. Upon the expiration of these life estates the leasehold interest in the land and any improvements thereon shall be transferred, conveyed and sold to the Tribe pursuant to 43 CFR Part 4 at the appraised value. The non-enrolled spouse and or non-enrolled children may decline to take a life estate in the Leasehold and sell to the Tribe that leasehold interest pursuant to 43 CFR Part 4, Tribal Purchase of Interests Under Special Statutes.

SECTION 22: RELINQUISHMENT

In the event that a member of the tribe relinquishes their membership in the Nez Perce Tribe while being the Lessee or Assignee of a residential Lease from the Tribe, then said member Lessee or Assignee of a residential Lease from the Tribe shall be responsible for making monthly Lease payments to the Tribe in the amount of \$400.00 per month during the duration of the Lease period. These payments are in addition to any monthly mortgage payment or other contractually obligated payments owed by Lessee-Assignee for which the Leasehold is collateralized. Failure to make said Lease payments on a monthly basis shall constitute a default of the Lease or Assignment which may result in foreclosure on the Lessee or assignee's interest in the leased premises and any and all real improvements located thereon.

SECTION 23: NOTICES

Any notices or demand to be given, served, or made shall be validly and sufficiently given, served, or made, if from the NPTHA to the homeowner, if the same is deposited in the United States mail, by certified mail, return receipt, postage prepaid, addressed to the homeowner at:
; and, if from the homeowner to the NPTHA, if the same is deposited in the United States Mail, by certified mail, return receipt, postage prepaid, addressed to the NPTHA at: _____.
The service of such notice shall be deemed complete by the said deposit thereof in the United States Mail as aforesaid. Either party, may, by notice to the other in writing, designate a different place to which notices shall be sent.

SECTION 24: WAIVERS

No waiver by the NPTHA of any term, covenant or, condition of this Sundown Heights Hills Subdivision Policies shall be construed as a continuing waiver thereof, nor a waiver of any other term, covenant, or condition of this Policy. Each and every default on the part of the homebuyer shall be considered a separate and a new breach of the Policy, irrespective of whether or not other defaults exist at that time.

The Executive Director will have the authority to waive this policy as it relates to compensating factors.

SECTION 25: MODIFICATION

Modifications of the Sundown Heights Lease Acquisition Policy are subject to approval by the Board of Commissioners. Matters incorporated in the Policy by reference shall be publicly posted in a conspicuous manner in the NPTHA's office and a copy shall be furnished to the homeowner on request. If such schedules, rules and regulations are modified as to substance, the NPTHA shall give at least 30-days written notice to each affected homebuyer through a mass mailing setting forth the proposed modification, the reasons therefore, and provide an opportunity to present written comments which shall be considered by the NPTHA prior to the effective date of the proposed modification.

SECTION 26: NUMBER AND GENDER

Whenever used throughout this policy, unless the context shall otherwise provide, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all genders.

SECTION 27: DEFINITIONS

“Adult Person” means any person eighteen (18) years of age or older.

“Board of Commissioners” means the governing body of the Nez Perce Tribal Housing Authority.

“Common Area” means all real property, including improvements thereto, within the Subdivision which has been leased to the Nez Perce Tribal Housing Authority by the Tribe for the common use and enjoyment of Residents of the Subdivision.

“Housing Authority” means the Nez Perce Tribal Housing Authority, a public body duly established by the Nez Perce Tribe.

“Lot” means the parcel of land within the Sundown Height Hills Subdivision designated by the Housing Authority as (i) available for assignment to a Tribal Member; or (ii) assigned to a Tribal Member.

“Minor Child” means any biological or adopted child under the age of eighteen (18) years.

“Nez Perce Tribal Executive Committee” means the duly elected governing body of the Tribe pursuant to the Tribal Constitution.

“NPTHA” means the Nez Perce Tribal Housing Authority, a public body duly established by the Nez Perce Tribe.

“Reservation” means all lands within exterior boundaries of the Nez Perce Tribe Reservation according to the 1855 Treaty.

“Residence” means a single-family home constructed or proposed for construction on a Lot.

“Resident” means any person who resides within the Subdivision.

“Responsible Party” means a person or persons within each household who is solely or jointly with others legally responsible for compliance with this policy. Such legal responsibility shall be presumed to be vested in (i) the lessee under a lease or use and occupancy agreement with the Housing Authority; (ii) the equitable owner or titleholder of a Residence within the Sundown Heights Subdivision; and (iii) the assignee of a Lot assigned by the Nez Perce Tribal Housing Authority.

“Spouse of Tribal Member” means an individual who is lawfully married to a Tribal Member.

“Surviving Spouse of Tribal Member” means the widow or widower of a deceased Tribal Member.

“Sundown Heights Subdivision” or **“Subdivision”** means the land area within the Reservation designated as the Sundown Heights Hills Subdivision on the official maps of the Tribe and recorded with Bureau of Indian Affairs.

“Tribal Constitution” means the Constitution of the Nez Perce Tribe, including any amendments thereto.

“Tribal Member” means an enrolled member of the Nez Perce.

“Tribe” means the Nez Perce Tribe, a sovereign Indian Nation and a federally-recognized Indian Tribe.