

2003

**TRIBAL HOUSING GRANT and LOAN PROGRAMS
POLICIES & PROCEDURES GRAND RONDE TRIBAL HOUSING
AUTHORITY**

Adopted by Tribal Council on December 31, 2002, effective January 1, 2003.

The housing grant and loan programs promote the general welfare of the Tribe and its members by assisting Tribal families in acquiring and maintaining adequate housing. Adequate housing is a primary need of Tribal members and such need cannot be reasonably met without assistance.

In recognition of this endeavor, these policies and processes are established for the operation of specific Tribal funded housing assistance programs for Grand Ronde tribal members pursuant to the Housing Plan and the Tribal Housing Ordinance.

These programs are administered in accordance with internal processes not outlined in this policy.

PROGRAM DEFINITION

DOWN-PAYMENT ASSISTANCE GRANT: A grant to tribal homebuyers for down-payment assistance for the purchase of a home in standard condition.

2003 DOWN PAYMENT ASSISTANCE GRANT POLICY AND PROCEDURES

2003 **DOWN PAYMENT ASSISTANCE GRANT** POLICY AND PROCEDURES

This program provides a “one time” grant to homebuyers for down-payment assistance for the purchase of a single family home in standard condition.

I. ELIGIBILITY REQUIREMENTS

Down Payment Assistance Grants may be awarded and applied toward the purchase of a primary residence under the following conditions:

A. Applicant Eligibility Requirements:

1. The applicant must be a Confederated Tribes of Grand Ronde tribal member, age 18 or older.
2. If GRTHA has a federally funded Down Payment assistance program available, the applicant must first apply for that program and be determined ineligible.
3. The applicant’s gross annual household income must be adequate to support a mortgage payment, taxes, insurance, and maintenance, and therefore:
 - be no less than \$15,000 per year; and
 - the applicant’s debt-to-income ratio, including housing cost, cannot exceed more than 41% of their income, as determined by GRTHA.
4. If the purchase transaction is a land sale contract, applicants will be pre-screened by GRTHA at the time of application to determine their ability to afford payments. 30% of the applicant’s income must be adequate to reasonably support a housing payment in the current housing market.
5. Applicants must be financially pre-qualified by a lending institution no more than two months prior to making a purchase offer.
6. Applicants must not have any past due unpaid debts owed to GRTHA or the CTGR.
7. For first time homebuyers, applicants will be required to participate in a GRTHA sponsored or approved homebuyer education program prior to grant approval, to obtain information about the home buying process and homeownership responsibilities.
8. Applicants are ineligible for this program if they have previously received a tribally funded or federally funded Down Payment Assistance Grant.

2003 DOWN PAYMENT ASSISTANCE GRANT POLICY AND PROCEDURES

B. Property Eligibility Requirements:

1. The property to be purchased may be located anywhere in the 50 states or the District of Columbia. However, GRTHA, by Board Resolution and with Tribal Council approval, may focus resources annually to a specific geographic area to implement a specifically designated Tribally supported project consistent with the Housing Plan.
2. The property must be legally zoned for residential use.
3. The dwelling must be a wood-frame home (or other GRTHA approved construction type), a modular home (see definition), or a manufactured home.
4. If the dwelling is a manufactured home, it must have been manufactured in 1990 or later, have a minimum of 840 square feet of living space, and meet all state and local construction and placement specifications for the area in which it is/will be located.
5. All homes must be in standard condition and meet inspection requirements of the lender. In the case of a land sale contract, the home and property must meet the inspection requirements of GRTHA. See item "H" of the Terms and Conditions below.
6. Ineligible properties include, but are not limited to: vacant land, fixer-uppers, rental or commercial property, mobile homes (see Definitions) or travel trailers.
7. Manufactured homes may be:
 - a. placed on land which is owned by the recipient; or
 - b. purchased as a package with land; or
 - c. placed on land with a long-term lease or long-term tenancy agreement; or
 - d. placed in a mobile/manufactured home park with a long-term lease.

II. TERMS AND CONDITIONS

- A. The recipient is required to contribute \$1,000 towards earnest money, closing costs, down payment or other purchase costs such as appraisals or inspections.
- B. The grant amount is 20% of the purchase price and closing costs, not to exceed a maximum amount of \$10,000; plus up to an additional \$2,500 at a one-to-one (1:1) match for additional cash contribution by the applicant over and above the \$1,000 required.

2003 DOWN PAYMENT ASSISTANCE GRANT POLICY AND PROCEDURES

II. TERMS AND CONDITIONS (continued)

- C. The grant is available to applicants pre-qualified by both GRTHA and a lender with priority applied as follows: pre-qualified applicants who have found an available home they wish to purchase and who are ready to make an offer will be processed on a first come, first served basis, subject to funding availability and the program grant priorities. There will be no “waiting list” for this program other than if annual funds are fully expended prior to the end of the program year; in such case, any transactions that are approved by GRTHA will be processed in order of readiness at the beginning of the following program year.
- D. The home purchase transaction must be approved by GRTHA, and will be subject to receipt of copies of acceptable current title report, Purchase Agreement, property inspection and appraisal reports, and other information required by GRTHA.
- E. GRTHA will endeavor to disburse grant funds within 30 days of home purchase approval.
- F. The grant monies will be released to the title company or appropriate party/closing agent at the time of closing.
- G. Recipients of this grant are not eligible to apply for Home Repair Grant assistance for a minimum of five years after receipt of this grant.
- H. If the property transaction is a private land sale contract, the following additional conditions apply: 1.) the property must receive a total home inspection, at the applicant’s or seller’s expense, by a qualified independent state licensed and approved property inspector acceptable to GRTHA; 2.) be determined to be a “Home in Standard Condition” by GRTHA; and 3.) the recipient must establish an escrow account for monthly payment collection.

III. GRANT PRIORITIES

Sixty percent (60%) of the available annual funding will be allocated to “first-time” homebuyers. The remaining forty percent (40%) of the funding will be available to non-first time homebuyers. The GRTHA Director shall evaluate the use in each category and re-determine the allocation percentages in October in order to ensure that the funds are spent prior to the end of the year. If there are more eligible applicants ready to purchase than there is funding available, preference will be given first to Elders and Disabled and then to those with the greatest financial need based on annual household income.

2003 DOWN PAYMENT ASSISTANCE GRANT POLICY AND PROCEDURES

IV. CREDIT ASSISTANCE PROGRAM

Staff will be available to work with Tribal members who are interested in the Down Payment Assistance Grant program but do not currently qualify to buy a home due to credit problems. Credit reports may be obtained and assistance provided in interpretation of the reports as part of an effort to provide credit-counseling assistance. Staff will also assist with understanding the credit requirements of lenders, and provide support prior to submission of an application for Down Payment Assistance.

GRANT/LOAN APPROVAL AUTHORITY

The grant/loan amounts shall generally not exceed the limits specified above. However, amounts may be exceeded or other exceptions made by authorization of the GRTHA Board of Commissioners at the recommendation of the GRTHA Director for special/extraordinary circumstances.

WAITING LIST REVIEW

All tribal members who appear to meet the specific program requirements may apply with the GRTHA. Incomplete applications will not be accepted, and will be returned to the applicant for completion. Applicants are responsible for keeping the information on their application current.

For programs with waiting lists, each year the waiting list will be reviewed and eligible applications will be selected for funding. If an applicant cannot be located after telephone and written contact (by certified mail), the application will be removed from its place on the waiting list and held for 30 days prior to being inactivated. Upon contact from the applicant, if it is within 30 days, the application will be placed back on the list with its original date. If it is more than 30 days, a new application will be taken and the new date will be used to establish a place on the waiting list.

FUNDING

The level of funding for all programs is subject to availability of Tribal resources and budget approval.

MONITORING AND REPORTING

The GRTHA Director is responsible for daily compliance with this policy, and will provide semi-annual reports to the CTGR General Manager on the expenditure of funds.

2003 DOWN PAYMENT ASSISTANCE GRANT POLICY AND PROCEDURES

RIGHT TO DENY PARTICIPATION

Any suspicion of a direct violation or intentional misuse of the grant programs may result, at the discretion of GRTHA, in an action to deny eligibility or discontinued participation.

IMPLEMENTATION AND POLICY REVIEW

This policy shall become effective upon approval by the Grand Ronde Tribal Housing Authority Board of Commissioners and the Tribal Council, and shall be reviewed on an annual basis.