





**HO-CHUNK NATION
POLICY AND PROCEDURE**

Title: Down Payment Assistance	Subject: Down Payment Assistance for Ho-Chunk Enrolled Members.
Scope: Ho-Chunk Department of Housing Staff	Effective Date: 05/11/20
Issuing Authority: Heather Cloud Executive Director – Department of Housing	Issuing Authority Signature: 
Approval Authority: Kimberly Lonetree Executive Director - Department of Personnel	Approval Authority Signature: 
Legislative Authority: Ho-Chunk Nation (IICN) Employment Relations Act (ERA) 6 ICC § 5 Ch. 1. 4. (b) Each department, division, or unit of the Nation, with the prior approval and consultation of the Executive Director of the Department of Personnel, may develop, implement, and revise as necessary internal procedures, operating rules and policies pertaining to the unique operational requirements of the work unit for efficient and effective performance. Advance notice of internal unit procedures and rules shall be provided to employees and must be posted in public places to serve as notice to all employees.	Policy Number: DOH-HOP-5-17-17-003

1.0 Policy Statement:

- 1.1 This policy will establish a process for assisting enrolled Ho-Chunk Nation (HCN) members with financing towards their mortgage from an outside lender by:
 - 1.1.1 Determining eligibility and selection criteria for applicants seeking Down Payment Assistance (DPA).
 - 1.1.2 Establishing policy and procedures for the Department of Housing's DPA Program.
 - 1.1.3 This is a once-in-a-lifetime benefit. If a grant is approved and utilized, the applicant's name will be withdrawn from the Ho-Chunk Nation's Home Ownership Program (HIOP), Veterans Home Ownership Program (VIOP), or Existing Mortgage Assistance (EMA) waiting lists and will not be eligible to receive any additional funding from these programs.
- 1.2 Any current/previous recipients of the HOP, VIOP, or EMA programs will not be eligible to use the Down Payment Assistance Program due to the utilization of the once-in-a-lifetime benefit.
- 1.3 Prior recipients of the DPA grant are not eligible to have their grant amended to the \$50,000.00.
- 1.4 This supersedes and replaces policy DOH-HOP-05-17-17-002.

2.0 Policy Purpose:

- 2.1 The Down Payment Assistance Program assists enrolled HCN members with a down payment or closing costs for new home construction or an existing home purchase up



HO-CHUNK NATION POLICY AND PROCEDURE

to \$50,000. HCN members must also secure financial resources with lenders outside the Ho-Chunk Nation to cover the remaining cost of the home purchase.

3.0 Rationale and Background:

3.1 The DPA Program will assist enrolled Ho-Chunk Nation members with a grant to access funds for down payment and closing costs when seeking financial assistance with an outside lender of the Ho-Chunk Nation for purposes of attaining home ownership.

4.0 Policy:

4.1 Enrolled HCN members requesting assistance through the DPA program through the Department of Housing must completely fill out the DPA application and return it with the requested documents prior to being considered for assistance.

4.2 Down Payment Assistance can be requested for new home construction or existing home purchase as long as it is within the guidelines of approved home types or locations of the home.

4.3 The property must be a single-family or duplex home and be legally zoned for residential use.

4.4 Modular homes are allowed.

4.5 Property must be used as the primary residence of the DPA recipient.

4.6 Homes constructed on Ho-Chunk Nation trust land must meet HCN building codes.

4.7 The property cannot be on land identified by F.E.M.A. as having special flood hazards.

4.8 The property cannot be on another tribe's trust land or fee simple.

4.9 Ineligible properties include but are not limited to:

4.9.1 Vacant land

4.9.2 Rental or commercial properties

4.9.3 Travel trailers

4.9.4 Investment properties such as multi-family apartment buildings.

5.0 Eligibility:

5.1 Applicants must be an enrolled member with the Ho-Chunk Nation and provide proof of enrollment, be 18 years of age or older, and be legally competent.

5.2 The applicant must fill out and sign the Down Payment Assistance Program application.

5.3 The following information must be submitted with the application in order to be considered for approval:

5.3.1 A photo copy of your Ho-Chunk Nation issued Tribal I.D.

5.3.2 A **Pre-Approval letter** from the financial institution (bank, Mortgage Company, or Credit Union) that you are working with for financing (once your name comes up for consideration).

5.3.3 A signed **Release of Information** (included with this application).



HO-CHUNK NATION POLICY AND PROCEDURE

- 5.3.4 Complete an approved Home Buyer Education class and submit a copy of your Home Buyers Education Class Certificate. Classes can be taken through the Ho-Chunk Nation or a Financial Institution.

6.0 Grant Terms:

- 6.1 Grants shall be awarded on a first-come, first-served basis when completed DPA applications and required documents are received (**contingent on program funding**).
- 6.2 Applicants who have been approved for funding will have three months (90 days) to schedule and complete closing with their Financial Institution.
- 6.3 Applicants must notify the Department of Housing of the closing date and location.
- 6.4 Applicants who are unable to schedule a closing within 90 days, will not have funding reserved for them. Funding will be offered to the next applicant on the waiting list.
- 6.4.1 With written justification, an additional 30 days will be granted with Home Ownership Manager (HOM) approval.
- 6.4.2 If the applicant cannot meet the timeframe allowed, they will be deferred per DPA policy #5.1.10.1 below.
- 6.5 Applicants must sign a stipulation agreement prior to disbursement of any funds.
- 6.5.1 If the Applicant does not sign the Stipulation Agreement, the applicant will be considered ineligible to receive Down Payment Assistance and will be removed from the waiting and approval lists.
- 6.6 Applicants must agree that utilization of the program is a once-in-a-lifetime benefit of which makes them ineligible for future assistance through the DPA, EMA, HOP, or VHOP through Ho-Chunk Housing.
- 6.7 Applicant must agree to reside in the home as primary residence for a period up to five (5) years.
- 6.7.1 If the applicant resides in the home less than five (5) years, the re-payment of the grant will be required at a prorated amount.
- 6.8 Repayment of DPA will be required if the applicant defaults on their mortgage or forecloses on the home within five years.
- 6.8.1 Each year the applicant resides in the home, \$10,000 of the grant is forgiven.
- 6.9 The applicant must agree to place the Ho-Chunk Nation as the second lien holder for a period of five (5) years from the date of closing.
- 6.10 There will not be any reimbursement or distribution of funds if the home closing is prior to DPA grant approval through the Home Ownership Program.
- 6.11 Down Payment Assistance funds cannot exceed \$50,000.00 and must be applied toward the down payment of the construction loan or the closing costs on the mortgage loan.
- 6.12 If funds remain after being applied to the closing costs, the remaining funds shall be applied to the principal balance of the mortgage loan.

7.0 Procedure:

- 7.1 Applications received by the Department of Housing will be date-stamped on the application and forwarded to the Home Ownership Office (HOO).



HO-CHUNK NATION POLICY AND PROCEDURE

- 7.2 Required documents for complete applications must include the following:
- 7.2.1 Down Payment Assistance Application
 - 7.2.2 A *Pre-Approval letter* from the financial institution (bank, Mortgage Company, or Credit Union) that you are working with for financing (once your name comes up for consideration).
 - 7.2.3 A signed *Release of Information* (included with this application).
 - 7.2.4 Copy of Tribal ID
 - 7.2.5 Home Buyers Education Class Certification
 - 7.2.6 DD214 if applicable (Veteran status)
- 7.3 Once the HOO receives the application, the applicant will be added to the relevant waitlist. The applicant's spot on the waitlist will be determined by the date the application is complete.
- 7.4 The Elder and Veteran applicants will be placed on the Elder/Veteran waitlist, as they will receive preference per Legislative Resolution 10-09-18D. Applications will be processed by date of application.
- 7.4.1 Non-Elder applicants will be placed on the Non-Elder waiting list.
 - 7.4.2 If an application is incomplete, the applicant will be placed on the incomplete list until required documentation has been received.
- 7.5 The HOO will verify the application is complete and all required supporting documentation has been submitted.
- 7.6 HOO will send a letter and/or email the applicant when the application has been completed.
- 7.6.1 If the application is incomplete, the HOO will send a letter to the applicant specifying what is still needed to complete the application.
- 7.7 The Home Ownership Office will process the complete applications when funding is available, and will process applications per their application date. The number of applications processed in any given year will be determined by available funding.
- 7.8 The Home Ownership Staff will create a file for each of the approved applicants.
- 7.8.1 The file will be labeled with the applicant's first and last name, as well as their DPA account number (DPA-0000) which will be the last four digits of the applicant's Tribal ID.
 - 7.8.2 The Home Ownership Staff will submit a Fiscal Verification form to the Junior Accountants (JA) to determine if any funds are still owed to Housing. This form will be added to the applicant's file.
 - 7.8.2.1 If nothing is owed to Housing, the application may be forwarded to the Home Ownership Manager (HOM).
 - 7.8.3 The Home Ownership Staff will submit a Fiscal Verification form to the Department of Treasury to determine if any funds are still owed to the Ho-Chunk Nation. This form will be added to the applicant's folder.



HO-CHUNK NATION POLICY AND PROCEDURE

- 7.8.3.1 If nothing is owed to the Ho-Chunk Nation, the application may be forwarded to the HOM.
- 7.8.3.2 The DPA checklist will be added to the folder.
- 7.9 The Home Ownership Staff will provide the HOM with a list of applicants that have been approved for DPA.
- 7.9.1 The HOM will send a notification letter to the approved applicants via the United States Postal Service.
- 7.9.2 The letter will request the approved applicants to provide a pre-approval letter from their financial institution/lender.
- 7.9.2.1 A pre-approval letter must be received by the HOO within 30 days of the approval letter being sent. **If you do not submit a pre-approval letter, your spot on the waiting list will be deferred (See below policy #5.1.10.1).**
- 7.10 The Home Ownership Staff will contact the approved applicants to assist them with the process of obtaining the funds.
- 7.10.1 If the applicant is unable to begin the process of obtaining funds at that time, they may defer their approval. Home Ownership Staff will document the deferral in the applicant's file.
- 7.10.2 The applicant may defer their approval two (2) times before they must re-apply for DPA.
- 7.10.3 If the applicant decides to defer their spot, they will need to provide a written letter to the Home Ownership Program.
- 7.11 If the applicant chooses to purchase an existing home, they must provide the following documentation to the Home Ownership Staff:
- 7.11.1 An Inspection Report of the house
- 7.11.2 An Inspection Report of the well/septic system if the house has a separate system that is not connected to the city or county system.
- 7.11.3 An Irrevocable Per Cap Agreement (applicant signature)
- 7.11.4 A Down Payment Stipulation (applicant signature)
- 7.11.5 Wire Transfer information to the Financial Lender
- 7.11.6 Once the applicant has provided the required documents to the Home Ownership staff, the Draw Voucher can be sent to HOM and the Executive Director of Housing for approval, and then to JA for processing.
- 7.12 If the applicant chooses to construct a new home, the following documents must be provided by the applicant:
- 7.12.1 An Irrevocable Per Cap Agreement (applicant signature)
- 7.12.2 A Down Payment Stipulation (applicant signature)
- 7.12.3 Wire Transfer information to the Financial Lender
- 7.12.4 Location of construction site (Trust land lease/Fee simple)



HO-CHUNK NATION POLICY AND PROCEDURE

- 7.12.5 Once the applicant has provided the required documents to the Home Ownership Staff, the Draw voucher can be sent to HOM and the Executive Director of Housing for approval, and then to JA for processing.
- 7.13 Once the applicant's file has been closed and funds have been released, the file will be sent to Records for scanning and storage per the Department of Housing Records Transfer Policy.

8.0 Definitions:

- 8.1 **Closing Cost:** Various fees and expenses payable by the buyer at the time of closing.
- 8.2 **Down Payment:** The amount one pays for property in addition to the debt incurred.
- 8.3 **Existing Purchase:** Purchase of an existing house on the real estate market.
- 8.4 **FEMA:** Federal Emergency Management Agency is a National Flood Insurance Program.
- 8.5 **Grant Stipulation Letter:** Letter outlining the stipulations of the grant award.
- 8.6 **Manufactured Home:** Formerly known as "mobile homes". Manufactured homes are homes built in a factory, after 1976, which are governed by federal building codes. (*not eligible for this program*)
- 8.7 **Modular Home:** Homes built in a production facility and are governed by local and state building codes. (*eligible for this program*)
- 8.8 **Mortgage:** A legal document in the form of a not that pledges a property to the lender as security for payment of a debt.
- 8.9 **New Construction:** Building a new house on a property.
- 8.10 **One Time Benefit:** An individual shall only be eligible to utilize this benefit once in a lifetime.
- 8.11 **Principal:** The amount owed on a debt that has been partially amortized/reduced.
- 8.12 **Rental:** A property that an individual does not own and leases from owner.
- 8.13 **Vacant Land:** A property that does not have water or septic.
- 8.14 **Zoned:** An area for specific use, subject to certain restrictions or conditions.

9.0 References:

- 9.1 Ho-Chunk Nation Employment Relations Act amended July 23, 2019
<http://ntob-sharepoint:2000.gov/Personnel/Shared%20Documents/Forms/AllItems.aspx>

10.0 Policy History:

- 05-17-17: DOH-HOP-5-17-17-001 Approved by the Executive Director of Personnel
07-01-18: DOH-HOP-5-17-17-002 Approved by the Executive Director of Personnel
05-08-20: Issued by the Executive Director – Department of Housing
05-08-20: Approved by the Executive Director – Department of Personnel



HO-CHUNK NATION
DEPARTMENT OF HOUSING

Down Payment Assistance Application

All questions on the application must be answered. **Incomplete applications will be returned.**

APPLICATION INFORMATION					
Applicant's Name (include Jr. or Sr. if applicable)			Co-Applicant's Name (include Jr. or Sr. if applicable)		
Tribal Enrollment # (Last Four)	Phone Number	District	Tribal Enrollment# (Last Four)	Phone Number	District
Mailing Address (street, city, state, county, zip code)			Mailing Address (street, city, state, county, zip code)		
Date of Birth	Email Address		Date of Birth	Email Address	
Military Service	Elder (55 or older)		Military Service	Elder (55 or older)	
Yes No	Yes No		Yes No	Yes No	

PROPERTY INFORMATION
Street Address of Property: _____ City: _____ State: _____ Zip: _____
County of Residence Property is located: _____

Required Documents
<p>Please attach the following documentation with your application: Incomplete applications will not be considered.</p> <ol style="list-style-type: none"> 1. Release of Information 2. Tribal ID

Applicants Signature: _____

Date: _____



HO-CHUNK NATION
DEPARTMENT OF HOUSING

AUTHORIZATION FOR THE RELEASE OF INFORMATION

I/we, the undersigned, with this, authorize the Ho-Chunk Nation Department of Housing and their agents to obtain any information, necessary, to process the Ho-Chunk Nation Department of Housing Assistance Application. This information may be obtained from the following sources, any of the Programs of the Ho-Chunk Nation, federal, state, and local governments and any of their agencies and representatives, law enforcement agencies, financial institutions, and current and prior landlords. This list is not all-inclusive and may include any additional agency, government, or private source, as deemed necessary by the Ho-Chunk Nation Department of Housing and/or their agents.

I/we, the undersigned, with this release the Ho-Chunk Nation Department of Housing and/or their agents any requested information from the following agencies: federal, state and local governments, law enforcement agencies, financial institutions, and current or prior landlords.

The information requested may be given by fax, telephone or in writing. This release is valid for fifteen (15) months from the date of the applicant's signature. This release is valid if photocopied and does not have to have an original signature.

I/we, have read the terms and conditions of the AUTHORIZATION FOR THE RELEASE OF INFORMATION and with this, give consent for the release of any requested information.

Printed Name of Applicant
Date

Signature of Applicant

S.S.N. of Applicant

Date of Birth of Applicant

Printed Name of Co-Applicant
Date

Signature of Co-Applicant

S.S.N. of Co-Applicant

Date of Birth of Co-Applicant