

Housing Authority of the Seminole Nation of Oklahoma

LEASE PURCHASE POLICY

These policies and procedures were amended by the Board of Commissioners of the Housing Authority of the Seminole Nation of Oklahoma by Resolution #2015-08 on December 9, 2014.

SECTION 1

GENERAL PROVISIONS

A. Introduction; Tribal Preference. The mission of the Housing Authority of the Seminole Nation of Oklahoma (“HASNOK”) is to provide decent, safe, sanitary and affordable housing to income-eligible Native Americans living or intending to live within its housing service area, as same may change from time to time. The Board of Commissioners (“BOC”) hereby enacts this Lease Purchase Policy (“Policy”) in order to set forth the policies and procedures applicable to the Lease Purchase Homeownership Program (“Program”) of the HASNOK, as well as previous homeownership programs of the HASNOK, as more fully described below. Citizens of the Seminole Nation of Oklahoma (“Nation”) will receive preferential consideration in the allocation of housing services and other resources in compliance with the Nation’s Indian Housing Plan and applicable law.

B. Purpose. This Policy is designed to serve as:

1. A guide regarding participant eligibility, admission, selection and occupancy standards;
2. A document to provide consistent, equitable and uniform treatment of clients and applicants; and
3. A basis for decision-making by staff.

C. Interpretation; Applicability. This Policy supersedes any and all ordinances, policies, laws or resolutions regarding its subject matter, provided that this Policy shall not affect the computation of payments for continuing participants in any previous projects of the HASNOK that are identified in Appendix B-1 (“Previous Projects”). Such continuing participants and/or their successors shall comply with the payment and/or debt retirement provisions in effect for such projects at the time of initial occupancy. A partial list of payment methodologies for the Previous Projects is set forth in Appendix B-2, which hereby is adopted and incorporated by reference. All previous methods of computing base rent and homeowner payments for the Previous Projects hereby are ratified and approved. The payments of any incoming participants shall be governed by the terms and provisions of this Policy, including incoming participants who assume occupancy of a unit in one of the Previous Projects. This Policy shall apply to all participants in homeownership programs of the HASNOK (including but not limited to the Mutual Help, Lease with Option to Purchase and Lease-Purchase Programs) in all other respects. The Low-Income Housing Tax Credit Program and all participants therein specifically are excluded from this Policy.

D. Compliance with Applicable Law. This Policy shall be implemented and may be conformed to comply with applicable provisions of the Native American Housing Assistance and Self-Determination Act of 1996 (“NAHASDA”), the rules and regulations

of the United States Department of Housing and Urban Development (“HUD”), and other applicable tribal, state and federal laws. **This Policy shall not be construed or applied to prevent the HASNOK from complying with the terms and conditions of any federal grant or contract, including any rules or regulations applicable to HUD-assisted programs.**

E. Sovereign Immunity. The HASNOK specifically retains all governmental immunities associated with its sovereign status. The HASNOK’s subsidiaries, employees, officers and agents shall share in its sovereign immunity from suit. The HASNOK does not waive its sovereign immunity in any respect and this Policy shall not be construed as such waiver.

F. Notice. All continuing and incoming homeownership program participants shall receive a copy of this policy, and shall acknowledge receipt in writing. The HASNOK shall post a copy of this policy in the lobby of its headquarters. All continuing participants shall receive at least thirty (30) days notice prior to the effective date of any upward adjustment in base rent that may be required pursuant to Section 7, below.

SECTION 2

LIMITATIONS

A. Status of Program Participants. Program participants are considered lessees and do not acquire any legal or equitable interests in the property that is the subject of the lease agreement (“program unit”) or other attributes of homeownership. This Policy and any lease agreement executed pursuant thereto shall not be construed as a land contract, contract for deed or constructive mortgage.

B. Disposition of Unit Upon Death or Divorce. In the event of death or divorce, Section 12 of this Policy shall apply.

C. Remedies of HASNOK. In the event the Participant fails to comply with any provision of this Policy, the HASNOK may terminate his or her participation in the Program pursuant to the provisions of Section 14 of this Policy and applicable laws governing landlord/tenant relationships.

SECTION 3

CONDITIONS OF ELIGIBILITY

A. Participant Eligibility Criteria. The following criteria shall govern eligibility for Program participation:

1. The applicant must qualify as a family (includes a family with or without children, an elderly family, a near-elderly family a disabled family and a single person);

2. The applicant must be a Native American or a member of a Native American Family. A Native American is defined as any person recognized as being an Indian or Alaska Native by a Tribe, the Federal government, or any State. A Native American Family is defined as a family with at least one Native American member residing in the household. Native American status must be verified by a copy of a BIA Certificate of Degree of Indian Blood (CDIB), enrollment verification, or a Tribal Enrollment Card;
3. The applicant must be at least eighteen (18) years of age;
4. Subject to Section 3(B) of this Policy, the Applicant must qualify as a low-income family, whose income does not exceed eighty percent (80%) of the national median income, as set by HUD. Income limits are adjusted for family size and updated on an annual basis. The HUD income guidelines, as same may change from time to time, hereby are adopted and incorporated by reference. The HASNOK defines "annual income" pursuant to the income guidelines applicable to HUD's Section 8 programs set forth in 24 CFR part 5, subpart F;
5. The program unit must be located within the Nation's housing service area, as same may change from time to time;
6. . The applicant must be ready, willing and able to meet all obligations of participation in the Program, including but not limited to financial and maintenance obligations;
7. The applicant must intend to use the program unit as his/her principal residence throughout the term of the lease;
8. The applicant and/or spouse of the applicant must demonstrate a satisfactory record of prior rental history; and
9. The Applicant must attend pre-homeownership counseling.

B. Special Provision Regarding Non Low-Income Applicants. A non low-income family may receive housing assistance only in accordance with 24 CFR 1000.110 and with the prior approval of the BOC.

C. Computation of Income. The applicant's annual income shall be computed by choosing one of the three following definitions of annual income:

1. The Part 5 Definition (as same may change from time to time), which is defined in 24 CFR 5.609 and is incorporated by reference;
2. The Census Long Form Definition (as same may change from time to time), which is incorporated by reference; or
3. The IRS Form 1040 Definition (as same may change from time to time), which is incorporated by reference.

HASNOK shall use the Definition most advantageous to the applicant. When a Definition allows for excessive mileage, excess mileage shall not exceed twenty five dollars (\$25) per family per week, for employment or educational related travel.

D. Ineligible Applicants; Participant Exclusion Criteria.

1. Ownership, use, or acquisition of an additional residence that is decent, safe, and sanitary before or during occupancy of a program unit shall disqualify an applicant or participant from the Lease-Purchase program.
2. Previous tenants, Mutual Help Participants, LOPA or Lease-Purchase Lessees who owe a debt to the HASNOK or to any public or Indian Housing Authority will not be eligible for program participation until the owed monies are paid in full as evidenced by appropriate documentation or five (5) years have elapsed since the date of termination or abandonment of the previous lease, provided that the BOC approves the readmission of such former participants. Former participants (inclusive of all homeownership programs offered by the HASNOK) who desire to be readmitted to the program, shall be given the opportunity to appear before the BOC to present any documentation, justification or other evidence demonstrating why he/she should be considered by the BOC for readmission to the program. Landlord reference and/or payment history will be taken into consideration. The decision of the BOC shall be final.
3. The HASNOK, in its sole discretion, may withhold admission to the Program if it is determined during the application verification process that the applicant and/or any adult household member(s):
 - a. Have been evicted from any public or Indian Housing Authority or private rental property within the past three (3) years;

- b. Have previously abandoned and/or damaged a unit operated by this or another housing authority;
- c. Have been determined to be guilty of program abuse or fraud in any federal housing assistance program;
- d. Owe a debt to the HASNOK for past-due rent or damages to a program unit;
- e. Owe debts incurred from prior occupancy of a unit at any other housing authority or private rental property;
- f. Have a history of conduct which would be detrimental to the project or its residents;
- g. Has been convicted of a drug or alcohol related felony within the last three (3) years;
- h. Has been convicted of a violent crime related felony within the last ten (10) years. These crimes shall include, but are not limited to:

- Abuse of a vulnerable adult;
- Aggravated assault and battery on a police officer, sheriff, highway patrolman, or any other officer of law;
- Aggravated assault and battery upon any person defending another person from assault and battery;
- Aggravated trafficking;
- Any crime against a child;
- Armed robbery;
- Arson in the first degree;
- Assault with intent to commit a felony;
- Assault with intent to kill;
- Assault, battery, or assault and battery with a dangerous or deadly weapon;
- Assaults while masked or disguised;
- Bombing;
- Burglary in the first degree;
- Burglary with explosives;
- Child abuse;
- Child pornography;
- Child prostitution;
- Conjoint robbery;
- Criminal syndicalism;

Extortion;
First degree arson;
First degree burglary;
First degree murder;
First degree rape;
First degree robbery;
Forcible sodomy;
Inciting to riot;
Injuring or burning public buildings;
Kidnapping for extortion;
Kidnapping;
Lewd or indecent proposition or lewd or indecent act
with a child;
Lewd molestation of a child;
Maiming;
Manslaughter in the first degree;
Manslaughter in the second degree;
Mistreatment of a mental patient;
Murder in the first degree;
Murder in the second degree;
Obtaining signature by extortion;
Pointing firearms;
Poisoning with intent to kill;
Rape by instrumentation;
Rape in the first degree;
Rape in the second degree;
Rioting;
Robbery by two (2) or more persons;
Robbery in the first degree;
Robbery in the second degree;
Robbery with dangerous weapon or imitation firearm;
Robbery;
Sabotage;
Second degree murder;
Seizure of a bus, discharging firearm or hurling missile
at bus;
Shooting with intent to kill;
Use of a firearm or offensive weapon to commit or attempt
to commit a felony;
Using a vehicle to facilitate the discharge of a weapon;
Wiring any equipment, vehicle or structure with explosives;

and/or

- i. Is a sex offender. Housing of such person shall be prohibited for a period of ten (10) years from the date of the arrest, conviction, or end of incarceration (whichever is later) or the period of the registration requirement.

Such applicant(s) shall be referred to the Board of Commissioners pursuant to Section 3(D)(5), below, provided that the Board shall have no discretion to waive sections (f) through (i) of this Sub-section.

4. In order to evaluate the detrimental effect an applicant's conduct may have on the project or its residents, the HASNOK may conduct personal or telephonic interviews of reliable sources (including the applicant during a home visit, current and previous landlords and employer(s)) and research court records. The HASNOK may document the name and title of any source contacted and summarize the information received. The applicant, by applying for program participation, consents to the HASNOK's investigation regarding his or her:
 - a. Past performance in meeting financial obligations, especially rent;
 - b. Compatibility with neighbors;
 - c. Treatment of leased property;
 - d. Living or housekeeping habits;
 - e. History of criminal activity; and/or
 - f. Other acts which may adversely affect the health, safety or welfare of other residents.
5. In the event that adverse background information is discovered during the verification or recertification process, the BOC, in its sole discretion, shall determine whether the applicant(s) are suitable for program participation. The BOC may consider factors which indicate a probability of favorable future conduct or financial prospects, such as: evidence of rehabilitation, evidence of willingness to participate in appropriate counseling service programs, and availability thereof, evidence of willingness to

attempt to increase income and availability of training or employment programs in the locality.

E. Unit size qualification. Selection of applicants pursuant to this Policy is dependent upon the availability of an appropriately-sized unit in accordance with Section 6, below.

F. Special Provision Regarding Sex Offenders. In the event that the Participant or any household member is made subject to the registration requirements of the Oklahoma Sex Offenders Registration Act, 57 O.S. §§ 581-590 (“Registration Act”), at any time, the Participant shall disclose this fact immediately to the HASNOK. Such Participants shall be referred to the Board of Commissioners for a determination regarding their suitability for continued occupancy in accordance with Section 3(D)(5) of this Policy. Participants shall be subject to immediate eviction if the occupancy of the housing unit by the sex offender would constitute a violation of any provision of Sections 590 through 590.2, inclusive, of the Registration Act.

SECTION 4

APPLICATION PROCEDURES

A. Application Requirement. The application is the basic record of each family applying for admission to the Program. Each applicant is required to provide the information requested on the application form and to sign the application and all supporting documents. All information and statements made by the applicant are subject to verification. **Providing false statements renders the applicant ineligible.** Incomplete applications will not be accepted.

B. Application Procedure.

1. Applications are accepted by the Intake Clerk. Each application shall reflect the date and time received. A copy of the front page will be handed to the applicant as receipt of the application and will bear the initial of the employee who accepted the application.
2. All adult household members must sign an authorization for release of information, which is required for third party verification.
3. In the event it is determined that an applicant has an immediate family tie to any HASNOK employee, Commissioner or elected tribal official, the HASNOK will publish a “Public Disclosure” in accordance with its Conflict of Interest Policy.

4. The application and all information relating to the family's eligibility shall be maintained in a file, along with all relevant correspondence. Files will be placed in one of three categories, as follows:
 - a. **“Eligible”** - Applicant has met initial eligibility requirements and has been placed on the waiting list for the program;
 - b. **“Ineligible”** - Applicant has not met initial eligibility requirements and has been determined to be ineligible for the program; or
 - c. **“Inactive”** – Applicant has not updated the application within **thirty (30) days** of notification and has been removed from the waiting list pursuant to Section 4(E), below.

5. If during the application intake and screening process it is determined that the applicant is ineligible for program participation, the applicant will be informed of such determination and the application classified as ineligible. In such instances, sufficient information and findings pertaining to the denial of services will be entered on the application form. A certified letter with return receipt requested will be mailed to the applicant within **thirty (30) days** of the date of denial. The notice shall specify the grounds for the denial of service and shall advise the applicant of his/her right to appeal the decision pursuant to the HASNOK Grievance Policy and Procedure.

6. All entries will be made in ink or typed. Corrections or changes will be made by striking through the original entry and entering the correct information. Such changes are to be dated and initialed by the person recording the change, with all changes and explanations noted in the record.

7. Upon request, a disabled person may receive assistance from the HASNOK or a representative of his/her choice in completing the application.

C. Verification and Documentation of Application Information. Information submitted by each applicant shall be verified to assure that the information is true and correct. Complete and accurate verification records will be maintained. Each applicant shall provide the following documents to verify Indian status, identity, income and other conditions of eligibility. At a minimum, each Applicant shall provide copies of:

1. The Seminole Nation membership card indicating degree of Indian blood;

2. Social Security cards and birth certificates for all household members;
3. Federal tax returns or transcripts filed for the previous year or a statement from the applicant explaining why a tax return was not filed;
4. Copies of paycheck stubs from the Applicant and each household member with earned income;
5. Statements or award letters from agencies documenting unearned income (including but not limited to Social Security, General Assistance, Retirement, Unemployment Benefits, Department of Human Services Assistance, Oil and Gas Royalty and Veterans benefits); and/or
6. Certified statements from self-employed persons or persons whose earnings are irregular, setting forth gross receipts, itemized expenses and net income.

D. Waiting List.

1. Waiting lists shall be maintained for the Program. All eligible applicants shall be placed on the waiting list according to the selection preferences set forth at Section 5 of this Policy.
2. If, for any reason, the applicant becomes ineligible for participation, the applicant shall not lose his or her place on the waiting list for a period of 90 days. During the 90 day period, the applicant may be passed over by other applicants, but the applicant will not lose his or her ranking on the list. If, after 90 days, the applicant is unable to remedy the situation that resulted in the applicant's ineligibility, the applicant will be removed from the waiting list. If or when the applicant reapplies for participation, the applicant's ranking prior to being removed from the waiting list shall not be considered.
3. The waiting list shall be updated on a regular basis. Any applicant wishing to be removed from the list must submit a written request; otherwise, no eligible applicant may be removed from the waiting list except for failure to update his or her application in accordance with Section 4(E), below.

E. Application Updates. Applicants shall update their applications and supporting documents and maintain current contact information on file on an annual basis. This is the responsibility of the applicant and not the HASNOK. Applicants who have not updated their applications within **thirty (30) days** of notification will be

removed from the waiting list and will have to re-apply to be placed back on the waiting list. These applicants will receive a new approval date and will be placed at the bottom of the waiting list.

SECTION 5

SELECTION OF PARTICIPANTS

A. Preference Categories and Point System. The HASNOK reserves the right to reconfigure the rank order when an applicant's living environment presents an imminent health or safety risk. In all other cases, the HASNOK shall allocate program assistance to the qualifying applicant(s) receiving the highest number of points as outlined below.

1. *Displaced.* Displaced households shall receive priority consideration if unit is available. This category includes only those households displaced by governmental action, or whose dwelling has been extensively damaged or destroyed by extreme weather, fire or other involuntary act. Persons displaced by reasons of misconduct or failure to meet financial obligations are specifically excluded from priority consideration under this category.
2. *Indian Preference* shall be given where the applicant(s) is a full-blood, enrolled Seminole Indian (qualified applicant-households shall receive a total of 5 points priority consideration);
3. *Elderly and/or Disabled.* If there is at least one elderly and/or disabled member of the household, the household shall receive a total of four (4) points priority consideration. For purposes of this policy, elderly means and refers to persons who are sixty-two (62) years of age or older. "Disabled" means and refers to any person who has a physical or developmental disability as defined in Section 223 of the Social Security Act (42 U.S.C. 423) or the Disabilities Assistance and Bill of Rights Act (42 U.S.C.6001(7)). Disability status must be verified by at least two acceptable sources, such as medical professionals, the Social Security Administration and/or the Veterans Affairs Administration;

4. *Veterans*. If at least one veteran lives in the household on a permanent basis, the household shall receive a maximum of three (3) points priority consideration;
5. *Near-Elderly*. If there is at least one near-elderly member of the household, the household shall receive a total of two (2) points priority consideration, provided that the household does not qualify for priority consideration based on elderly and/or disabled status. For purposes of this policy, near-elderly means and refers to persons who are at least fifty-five (55) years of age;
6. *All other Seminole Nation Tribal members* will receive one (1) point.
7. *Other tribes* shall be given preference once Seminole Tribal members are served and provided that the Applicant must possess a valid certificate of degree of Indian blood.

B. Preference among Applications with Same Ranking Score. In the case of two or more applicant-households having equal preference, the date and time the application was received by the HASNOK shall determine which applicant-household is selected.

C. Preference for First-time Applicants. Qualified applicants who have never received assistance under any housing program administered by the HASNOK and/or the Nation shall receive priority over previously served applicants. Previously served applicants can reapply but will be placed at the bottom of the list and will not receive service until all Seminole applicants are served.

D. Informing Applicants about Preferences. The HASNOK shall inform all applicants of the preferences set forth in this section and shall give applicants an opportunity to demonstrate that they qualify for such preferences.

E. Notice and Opportunity for a Meeting if Preferences are Denied. If an applicant does not qualify for a claimed preference, the HASNOK shall notify the applicant in writing. The notice shall briefly describe the reasons for the determination and notify the applicant of his or her right to file a grievance to review the determination.

F. Notification of Selected Applicants. The HASNOK shall notify applicants who are selected for program participation in writing. The notification shall include, at a minimum, the following information:

1. A statement that the family has been documented as eligible for participation in the program;
2. A statement that the family will be required to participate in a counseling/training session prior to occupancy and to execute a lease agreement;
3. The address of the unit; and
4. A statement that the family has fifteen **(15)** days in which to respond to the notice, either by accepting or rejecting the service/assistance/unit offered. Failure to respond shall be considered a rejection of the offer.

G. Rejection of Offer. The HASNOK offers units based on its selection preferences and the preferences of the applicant (i.e., location of the project, size of the unit, etc.). The applicant may reject the offer of the HASNOK, but after **three (3)** rejections, the applicant will be placed at the bottom of the waiting list.

SECTION 6

OCCUPANCY; LEASE AGREEMENT

A. Method of Determining Household Size. Every household member regardless of age (except for unborn children) shall be included by name on the application and counted as a person for purposes of applying the occupancy standards set forth in Section 6 of this Policy. The premises leased are for the exclusive use and occupancy of the Participant and his/her household members identified in the Lease Agreement, under the terms and conditions stated herein. **Any person occupying the home in excess of thirty (30) days in any one (1) year period shall be reported as a household member and made subject to all required verifications and occupancy standards.**

B. Occupancy Standards. To avoid overcrowding and prevent waste of space, program units shall be assigned in accordance with the occupancy standards set forth below, except that such standards may be waived when necessary to achieve and maintain full occupancy or to comply with the preference provisions set forth in Section 5, above.

Number of Bedrooms	Number of Persons
2 Bedrooms	1-4 Persons

3 Bedrooms	2-5 Persons
4 Bedrooms	5-9 Persons
5 Bedrooms	6+ Persons

C. Lease Agreement. A lease agreement in a form prescribed by the HASNOK shall be executed by the Executive Director of the HASNOK (or his/her designee) and the Participant(s). The adult Seminole tribal member(s) who qualified for Program participation shall sign as the head(s) of household. The form of lease set forth at Appendix "A" of this policy hereby is adopted and incorporated by reference. In the case of new construction on land donated by the applicant(s), a lease agreement is to be executed jointly by the HASNOK and the applicant(s) before any construction is commenced. In the case of subsequent participants or successors, a lease agreement must be executed prior to occupancy of the home. The Participant shall receive a copy of the lease agreement, and the original shall be retained by the HASNOK.

D. Commencement of Occupancy. **Selected Applicants must take possession of the assigned unit within fifteen (15) days of the date of the response to the notice of availability or forfeit their eligibility to occupy that unit.** Applicants who notify the HASNOK within thirty (30) days of defaulting under this Section shall be returned to the waiting list without further penalty. Failure to execute the Lease Agreement, to secure utility service or to take occupancy of an assigned program unit may constitute grounds for termination of participation in the Program.

E. Deposit. The Participant shall pay a security deposit in the amount of \$400.00 for a 2-bedroom unit, \$500.00 for a 3-bedroom unit, \$600.00 for a 4-bedroom or \$700.00 for a 5 or more bedroom unit. The deposit may be refunded at the time of move-out, provided that all conditions, obligations and requirements have been satisfied. The Participant may pay the deposit over a period of twelve (12) months, with the prior, written approval of the HASNOK, and such payment shall be added to the Participant's base rent.

1. *Deposit Refunds.* Under normal circumstances, refunds of deposit will be made when the Participant has notified the HASNOK in writing thirty (30) days prior to leaving the unit and a satisfactory move-out inspection is completed. Damages to the unit and any unpaid charges due to the HASNOK shall be debited from the deposit prior to any refund. Any remaining Security Deposit may be returned to the Participant or to the remaining Head of Household. No refund of the Security Deposit shall be made upon eviction or abandonment.
2. *Liquidated Damages.* In the event the Participant(s) vacate the unit and the balance of the rent owed to the HASNOK and/or the damages to the unit exceed the Security Deposit, the HASNOK may retain the

deposit as liquidated damages and seek reimbursement from the Participant(s) in the amount of any deficiency.

F. Use of Deposit for Emergency Repairs. With the permission of the HASNOK (and only after the deposit is paid in full), the Participant may utilize an amount not to exceed the deposit for emergency repairs to the unit. The Participant shall replenish the deposit within twelve (12) months of completion of the repairs. The repairs and improvements shall be solely for the purpose of restoring the program unit to decent, safe and standard condition. The amount of the assistance will be transferred to the qualified, licensed and insured contractor who submits the bid that best satisfies the criteria outlined in the HASNOK's procurement policy and request for proposals. No moneys will be granted, loaned or transferred directly to Participants.

SECTION 7

COMPUTATION AND COLLECTION OF PAYMENTS

A. Rent Payment. The monthly rent payment ("base rent") shall be equal to twenty percent (20%) of the household's adjusted gross income, provided that the base rent shall not exceed the maximum rent established in Section 7(B), below under any circumstances.

B. Maximum Rent. Maximum rent shall be equal to the total development cost of the program unit plus five percent (5%) divided by the number of payments specified in the lease agreement. See example below.

<u>Total Development Cost</u>	<u>\$100,000</u>	<u>\$125,000</u>	<u>\$150,000</u>
<u>Plus 5%</u>	<u>\$5,000</u>	<u>\$6,250</u>	<u>\$7,500</u>
	<u>\$105,000</u>	<u>\$131,250</u>	<u>\$157,500</u>
<u>Number of Payments</u>	<u>300</u>	<u>300</u>	<u>300</u>
<u>(25 years = 300 payments)</u>			
<u>Maximum Rent</u>	<u>\$350</u>	<u>\$437.50</u>	<u>\$525</u>

C. Determination of Purchase Price. The purchase price of the unit shall be established in accordance with the following terms and provisions:

1. Initial Purchase Price. The initial purchase price shall be an amount equal to the total development cost of the unit plus five percent (5%). The HASNOK shall determine the initial purchase price prior to execution of the lease agreement and shall issue a purchase price/amortization schedule to the Participant within thirty (30) days of move-in. The Participant also shall receive periodic statements detailing the payments made, balance owed, equity accrued and anticipated pay-off.

2. *Subsequent Purchase Price.* The HASNOK shall establish the purchase price for subsequent participants prior to move-in. For subsequent participants who are successors, the remaining balance owed on the home shall be the purchase price. For subsequent participants who are not successors, the purchase price shall be based on the appraised value of the dwelling unit. Subsequent participants who are successors shall accept the dwelling unit on an “as-is” basis. In the event that repairs or renovations must be made by the HASNOK prior to occupancy by a successor, the purchase price shall be adjusted to reflect the cost of such improvements. Subsequent participants shall be issued a purchase price/amortization schedule and periodic statements of account.

D. Payment of Rent. All rent payments are due and owing on the first (1st) day of each month, and shall be considered delinquent if not paid on or before the tenth (10th) day of the month. If the tenth (10th) day of the month falls on a weekend or holiday, rent shall be considered delinquent if not paid on or before the next business day. Monthly rental payments will be accepted between the hours of 8:00 a.m. and 4:30 p.m., Monday through Friday, excluding holidays. Payment may be made in the form of money order, cashier's check or personal check. If, however, a personal check made payable to the HASNOK is returned by the bank, that Participant shall be charged a return check fee in the amount of \$25.00 and all future payments shall be by money order or cashier's check. Rent should be paid at the office or mailed to:

Housing Authority of the Seminole Nation of Oklahoma
101 South Hitchite
Wewoka, Oklahoma 74884

E. Acceptable Payment Arrangements Prior to Delinquency.

1. *Delayed Payment.* The Executive Director, in his or her sole discretion, may approve an arrangement for the delayed payment of rent prior to delinquency under circumstances including, but not limited to:

- a. Unusual and unexpected family expenses, such as a death of a household member or extraordinary medical expenses not covered by insurance. **This does not include changes in normal living expenses, such as grocery bills, utility bills, store bills, etc.;**
- b. Extraordinary expenses incurred as a consequence of natural disaster or otherwise uncontrollable circumstances; and/or
- c. Sudden loss of income.

2. *Partial Payment.* The Executive Director, in his or her sole discretion, may approve an arrangement for a partial payment at the time rent is due, provided that the balance is paid in full by the end of that same month.

3. *Self-Help Opportunity.* A Participant experiencing difficulty making rental payments as scheduled may request counseling and assistance from credit management, social service and/or employment agencies at his or her own expense. The HASNOK may provide such services when practical and/or necessary.

F. Payment Arrangements Subsequent to Delinquency. Payback Agreements following delinquency are discouraged. The HASNOK may, but is not required to, authorize a Payback Agreement upon a showing of one or more of the circumstances set forth in Section F, below. Participants owing balances incurred prior to the effective date of this Policy (for which no Payback Agreement exists) may be given the opportunity to make arrangements for a Payback Agreement with the HASNOK within a thirty (30) day period, beginning on the first (1st) day of the month following the effective date of this Policy. Participant(s) who fail to execute a written agreement within the allotted time period shall be sent a Final Notice for the amount of any unpaid back rent. **Installment payments on Pay-back Agreements are subject to the collection procedures set forth in Section 7(D), above, and the Termination Procedures set forth in Section 14, below.**

G. Suspension of Payments. Full suspension of payments is highly discouraged. However, the BOC of the HASNOK, in its sole discretion, may suspend a Participant's obligation to make required monthly payments for a specified period of time not to exceed six (6) months due to unusual circumstances. Such circumstances include, but are not limited to: death of a household member, extraordinary medical expenses not covered by insurance, sudden reduction in income, catastrophic events (such as fire or flood), and/or substantial rehabilitation/repair work being performed on the unit. The Participant shall request the suspension of payments in writing addressed to the BOC, and shall provide adequate documentation to substantiate the request. The HASNOK shall notify the Participant of the determination within fifteen (15) days of the request. The Participant shall update the HASNOK not less than once per month regarding his or her progress in curing the conditions that resulted in the suspension of payments. The Participant's repayment/amortization schedule shall be extended to reflect the period in which payments were suspended pursuant to this Section.

SECTION 8

RULES AND CONDITIONS OF CONTINUED OCCUPANCY

A. Tenant Code of Conduct. All Participants, household members and guests must comply with all rules and regulations affecting the use and occupancy of the premises and abide by all laws of the Nation, including but not limited to:

1. *Principal Residency Requirement.* Program participants are required to use the program unit as their principal place of residence. A unit that has been unoccupied for a period of **thirty (30) days** or more may be determined to be abandoned in violation of the lease agreement.
2. *Maintenance/Repairs.* The participants shall provide all maintenance and basic upkeep of the program unit, keeping it in an acceptable condition at all times. Participants are responsible for the cost and completion of any repairs necessary from damages caused by the Participants or their guest(s). Participants shall report any problems with items that may be covered under manufacturer's warranties (including but not limited to appliances, roofs and HVAC systems) to the HASNOK, so that arrangements for repair or replacement of these items may be arranged. Participants who fail to report such problems to the HASNOK within the warranty period or who undertake unauthorized repairs of covered items may void the manufacturer's warranty and shall be responsible for repairing or replacing such items at their own expense. A list/packet of the applicable warranties for a particular unit may be provided to the Participant(s) upon request.
3. *Structural Modifications.* The unit is the property of the HASNOK, and all structural modifications and major improvements must be pre-approved by the BOC in writing prior to actual construction. Any activities approved pursuant to this section must be paid for in full by the Participant and comply with any and all applicable construction/building codes. No liens or other encumbrances may be placed on the unit as a result of the work undertaken.
4. *Utilities.* The Participant(s) shall activate and pay any required deposits for utility services (including, but not limited to, water and electricity) in the Participant's name prior to occupancy. Documentation of such services shall be provided to the HASNOK upon request. Disconnection of utility services to the unit for a period in excess of ten (10) days constitutes grounds for termination of program participation.

B. Conduct Prohibited. Participant(s), all household members and guests shall not:

1. Disturb the peace of the project community or disturb or harass other program participants;
2. Engage in domestic violence;

3. Appear drunk or intoxicated in public or common areas within the project community;
4. Possess, consume or distribute illegal drugs, drug paraphernalia or any other controlled substances; and/or
5. Destroy, deface, disturb or interfere with the use of any structure, unit, building or other property (real or personal) of the HASNOK or other program participant.
6. Engage in any activities prohibited by or deemed to be illegal under applicable State or Tribal law.
7. Litter upon the property of the HASNOK or other program participant.

C. Use Restrictions. All participants, household members and guests must abide by the following restrictions on property use, provided that this section shall not apply to units located on donated land sites.

1. *Business Use of Unit.* The homeowner may request permission, in writing, to operate a small business. The business shall not disrupt the basic residential nature of the home or require permanent structural changes to the unit.
2. *Public Nuisances.* Participants shall keep the premises in a clean and sanitary condition and shall not create or permit any unsightly conditions or offensive activity in the project area. Unlicensed, inoperable and/or wrecked vehicles or household appliances on the premises are specifically prohibited. The Maintenance Staff along with the Housing Coordinator or Housing Director may monitor the condition of the unit and grounds through periodic inspections and drive-bys. A car must have a valid license plate or it will be considered a junk car and the Participant will be required to remove it from the property. No satellite dish or similar device may be erected on the exterior of the unit. The HASNOK, in its sole discretion, may define and summarily abate any condition constituting a nuisance at the Participant's expense.
3. *Temporary Structures.* No structure of a temporary character (including but not limited to trailers, tents, shacks, garages or barns) may be used at any time as a residence, either temporarily or permanently. Additionally, no portable or prefabricated building or dog pen shall be located upon any lot without the prior, written permission of the HASNOK.

4. *Animals.* Pets are only permitted as allowed for by the Housing Authority of the Seminole Nation of Oklahoma's Pet Policy and Rules.
5. *Garbage and Refuse Disposal.* Participants shall not burn or permit the burning of garbage or other refuse, nor accumulate or permit the unsightly accumulation outdoors of such refuse or garbage.
6. *Yard Maintenance; Improvements.* Participants shall maintain yard areas and shall not permit the accumulation of weeds, underbrush or other unsightly vegetation. No fence, wall, garden, pond or other modification may be erected without the prior, written permission of the Director of HASNOK. Blueprints, cost estimates and any other relevant information shall be presented to the Director of HASNOK to aid in determination. Participant(s) must maintain any enhancements or modifications approved pursuant to this section at their own expense.
7. *Common Areas; Roads; Ponds.* Participant(s), household members and/or guests shall not evade speed bumps, drive through yards or otherwise operate their motor vehicles (including all-terrain vehicles and "four-wheelers") in an unsafe manner. Tampering with manhole covers, street lamps and/or security cameras/lights is specifically prohibited. Littering of any kind is prohibited. Fishing and/or swimming in or near the pond areas is prohibited. Entry onto the pond areas will be deemed a trespass.

D. Special Provision Regarding Donated Land Sites. Participants residing on donated land are subject to any and all applicable rules, ordinances and regulations of the unit of government within which the property is located.

E. Inspections. The HASNOK may periodically inspect the unit/home and grounds and the Participant shall facilitate such inspections, as follows:

1. *Initial Move-in Inspection.* At the time of initial occupancy, a move-in inspection shall be conducted by a HASNOK representative and the Participant. The Participant may have a representative of his/her choice present at the initial inspection. At the conclusion of the initial inspection, the Participant shall sign an inspection report detailing any deficiencies in the unit/home. In the case of new construction, the HASNOK shall notify the contractor of any deficiencies for correction within a reasonable amount of time.
2. *Annual Inspection.* The HASNOK will conduct annual inspections, which will include the interior, exterior and adjacent grounds of the program unit. The Participant shall be provided with written notification of the scheduled inspection at least **five (5) days prior**

to the date of the inspection. The Participant shall sign and receive a copy of the inspection report.

3. *Opportunity to Cure Deficiencies.* If the inspection reveals any deficiencies in the condition of the unit, the participant shall be given thirty (30) days to correct the deficiencies. A follow-up inspection shall be scheduled at the conclusion of the thirty (30) day period.
4. *Follow-up Inspection.* The HASNOK shall conduct a follow-up inspection to determine if the deficiencies identified in a previous inspection have been corrected. The Participant shall be notified, by certified mail with return receipt requested, and given the opportunity to be present at the inspection. If the Participant has not corrected the deficiencies, the lease agreement may be terminated in accordance with this Policy, or the HASNOK may perform the necessary work and charge the Participant's account.
5. *Move-out Inspections.* A move-out inspection will be conducted by the HASNOK within three (3) days of the date of termination of occupancy. Participant(s) may be responsible for damages noted during the move-out inspection. The HASNOK shall notify the former Participant of the amount to be charged and the effect of such damage on future participation in the Program within ten (10) working days of completion of the inspection.
6. *Other Inspections.* The HASNOK may inspect the unit at any other time for any reasonable purpose. The HASNOK shall provide the Participant(s) with prior notice of the inspection when possible under the circumstances and shall use its best efforts to minimize any disruption or inconvenience to the Participant(s).

F. Counseling/Continuing Education. Participants may be required to participate in ongoing educational programs regarding maintenance obligations, financial responsibility and other aspects of homeownership. Attendance is mandatory for all counseling sessions scheduled by the HASNOK, and participation in such programs is a condition of continued occupancy.

G. Insurance. The HASNOK shall provide required insurance on the unit structure, including fire and extended coverage. The HASNOK's insurance coverage does not include damages to the Participant's personal property and/or the contents of the unit. The Participant may obtain insurance for personal property/contents. The Participant shall report all damages to the unit in a timely manner for claims processing.

SECTION 9

EXAMINATION AND RE-EXAMINATION OF PARTICIPANT STATUS

A. Re-examination Procedure. For the purpose of determining the base rent, the HASNOK shall examine the Participant household's earnings and other income prior to initial occupancy and shall re-examine such income at least once a year thereafter.

1. *Re-examination Schedule.* The Participant's "re-examination schedule" shall coincide with the date of the effective date of initial occupancy. The re-examination process shall commence at least two (2) months prior to the effective date to allow sufficient time for HASNOK staff to verify all information provided by the Participant(s). The Participant will be notified of the need to re-certify and to set a date/time for the re-certification interview. Monthly payments shall not be adjusted between dates of annual re-examination except as provided in Section 9(B), below.
2. *Personal Declaration.* The Participants shall be required to complete and sign a personal declaration at the time of the re-certification interview. Participants shall also be required to sign and new lease in which they agree to comply with all changes made to the HASNOK policies since the original certification. All entries are to be made in ink, indelible pencil or typeface. Changes or corrections are to be initialed and dated by the person making such changes.
3. *Records Retention.* Data assembled at the time of the re-examination is to be filed in the folder set up for the participants at the time of admission.

B. Interim Reexamination of Income and/or Household Status/Composition. In addition to submitting such information as may be required at the time of annual re-examination, **Participant(s) have an affirmative duty to report immediately any changes in income or household composition to the HASNOK.**

1. *Circumstances Requiring Immediate Reexamination.* Participant(s) are required to report immediately the occurrence of one or more of the following circumstances:
 - a. any changes in income;
 - b. the loss of any household member through death, divorce or other circumstance;

- c. the addition of a family member by marriage, birth or other circumstance;
- d. ownership, use, or acquisition of an additional residence that is decent, safe, and sanitary; and/or
- e. a household member being convicted of a drug or alcohol felony, a violent crime felony, and/or of a crime resulting in a sex offender status determination.

Failure to report these changes in circumstance to the HASNOK, could, at the discretion of the BOC, result in eviction.

- 2. *Adjustments.* Any participant who reports a change in family circumstances (such as a decrease in income or a change in family composition) shall be given an interim income determination and, upon verification, the base rent shall be adjusted.
- 3. *Effective Date of Adjustment.* Adjustments to base rent are to be made effective on the first day of the month following the income change, provided that no downward adjustments are to be processed until the alleged changes in circumstance have been substantiated.

C. Verification and Documentation of Re-examination Data. To assure that the data upon which determinations as to eligibility for continued occupancy and changes in base rent are made (either by scheduled re-examination or an interim re-examination) are complete and accurate, the information submitted by the participant household shall be verified. Verification procedures are the same as those described in Section 4(C), above.

D. Action Required Following Re-examination. Within thirty (30) days of receiving the personal declaration and all required supporting documentation, the HASNOK shall notify the family in writing of: (1) any change to be made in the tenant's rent payment and the effective date thereof; (2) any changes to the HASNOK policy and the effective date thereof; and/or (3) any instances of misrepresentation or non-compliance with the program policy, HUD regulations or other applicable law and of any corrective or punitive action which is to be taken.

E. Failure to Comply With Annual Re-examination. If the Participant(s) fail to respond to the letter requesting re-certification information, a written notice, by certified mail with return receipt requested, will be mailed with a deadline for submission of information. If the participant(s) fail to provide the information requested by the due date, it shall be deemed a violation of this Policy, which may result in termination of program participation. In addition, Participant(s) who fail to report upward changes in income may be liable for additional amounts due the HASNOK. Participant(s) who fail

to report downward changes in income within a reasonable time period shall not be entitled to any retroactive adjustment of rent.

SECTION 10

SUB-LEASING

A. Approval Requirement; Duration. The HASNOK, in its sole discretion, may approve the sub-leasing of a program unit for a period of up to six (6) months. A one-time extension for an additional six (6) months may be granted upon proper application by the Participant(s).

B. Grounds. In order to sub-lease the unit, Participant(s) must demonstrate to the satisfaction of the HASNOK that they are unable to continue to occupy the unit as their primary residence due to relocation for one or more the following reasons:

1. Employment;
2. Higher Education;
3. Medical treatment or illness; and/or
4. Military Duty

C. Application for Sub-Lease. The request to sub-lease the unit must be in writing and state the reason for the request and the expected duration of the sub-lease. Additionally, the sub-lessee must submit to an investigation by the HASNOK as to the sub-lessee's suitability as a member of the community. The investigation shall specifically address whether the sub-lessee will detrimentally affect the health, welfare, and/or safety of the community and the sub-lessee's willingness to comply with the HASNOK policies.

D. Additional Requirements. In order to sub-lease his/her assigned unit, the Participant must be in full compliance with his/her lease agreement and all other conditions of program participation set forth in this Policy.

E. Form of Sub-Lease. The sub-lease shall be in a form prescribed by the HASNOK and shall be executed in triplicate original by a HASNOK representative, the Participant(s) and the sub-lessee(s). Each party to the sub-lease shall receive a fully-executed copy of the agreement.

F. Sub-Lease Payment. The participant's base rent will continue to be calculated based on the Participant-household's adjusted income.

G. Participant's Obligation. Sub-leasing does not waive or otherwise exempt the Participant(s) from any other requirements or obligations of this Policy or the lease agreement. Failure to comply with any term or provision of this Policy may result in termination of the sub-lease and/or termination of the Participant's lease in accordance with Section 14 of this Policy.

SECTION 11

CONVEYANCE

A. Conveyance Eligibility. A unit shall be eligible for conveyance to the Participant(s), and the HASNOK shall convey such unit, when the Participant(s) have met all of the obligations of participation in the Program set forth in this Policy and a minimum of twenty-five (25) years have elapsed from the date of initial occupancy of the Participant (or of the initial occupant in the case of succession). The minimum compliance period may vary on a case by case basis, depending upon payment suspensions, delinquencies or other factors. The unit shall be conveyed to the Seminole citizen(s) who initially qualified for program participation based in part on such citizenship, regardless of whether the lease agreement also was executed by a spouse or co-habitant.

B. Conveyance Procedure. When the balance owed on the program unit equals \$1,000.00 or less (and/or the 25-year compliance period has elapsed unless extended pursuant to this Policy), the HASNOK shall provide the Participant(s) with written notice of the anticipated payoff by certified mail with return receipt requested. The notice shall include, at a minimum: a statement of the balance owed, the approximate date of payoff, and an estimate of all required charges, fees, and costs to be paid by the Participant(s) at the time of settlement. The HASNOK representative shall prepare all of the necessary documents and perform all required actions to enable the home to be conveyed. Once the Participant has paid off the balance of the home and other necessary settlement costs, notification shall be made to the Participant of the closing date. At the closing, the Participant and a duly-authorized representative of the HASNOK shall execute all of the required documents and legal instruments necessary to effectuate the conveyance of title to the unit. The Participant shall receive a copy of the settlement statement detailing all charges and a copy of the warranty deed or other instrument of conveyance.

SECTION 12

SUCCESSION

A. Manner of Designation. At the time the lease agreement is executed, the Participant(s) shall designate a successor in interest who would assume all rights and obligations of participation in the Program upon the occurrence of a recognized event. The designation may be changed at any time, provided that such change must be made in writing. The form of designation, which is attached hereto as Appendix D, hereby is adopted and incorporated by reference.

B. Events Authorizing Successorship. In the event of death and/or physical or mental incapacity of the Participant(s), the person(s) designated as the successor may succeed to the rights and responsibilities of the Participant(s), provided that all eligibility and other requirements set forth in this Policy are met.

C. Situations where Successorship will not be Recognized. Subject to Section 12(E), below, the designated successor shall not succeed if the lease agreement is terminated for any reason other than death and/or physical or mental incapacity of the participant(s).

D. Requirements for Succession. The designated successor shall assume all rights and obligations of the former Participant(s), including all outstanding amounts owed. The designated successor shall execute a new lease agreement prior to occupancy and must meet all eligibility and selection requirements at the time the agreement is executed. The successor must be a first-time recipient of homeownership assistance from the HASNOK and must intend to occupy the program unit as his/her primary residence. The successor must meet all eligibility and other requirements set forth in this Policy.

E. Special Provision Regarding Donated Land. When succession occurs on a home built on donated land, the HASNOK shall use its best efforts to keep the home in the possession of that family.

F. Special Provision Regarding Divorce. The Participant(s) shall notify the HASNOK in writing within five (5) days of the filing of a divorce action, and such notice shall advise the HASNOK that an action has been filed, the jurisdiction of the proceeding and the case number. The program unit is the sole property of the HASNOK and shall not be considered part of the parties' marital estate. The Participant who initially qualified for participation in the Program shall continue to occupy the unit, and the other party shall vacate the unit within ten (10) days of the filing of the final decree of divorce. If the Participant is unable or unwilling to continue to occupy the unit, the other party may purchase the unit from the HASNOK within six (6) months of the date of filing of the final decree. The purchase price shall be the amount remaining on the Participant's established payment schedule, and such amount must be paid in full within the six (6) month period. In the event that both parties initially met all requirements for program participation (i.e., both parties are Seminole citizens possessing certificates of degree of Indian blood), the HASNOK may reassign the unit to one of the parties according to the following factors:

1. Custodial arrangements for minor children;
2. Whether the unit is on a donated land site and, if so, whether the adjoining land remains in the possession of one party's extended family; and

3. Each party's respective ability to satisfy all terms and conditions of Program participation, including financial and maintenance obligations.

G. Procedure in the Event the Designated Successor Is Not Eligible/Qualified. In the event that the successor does not meet the eligibility and other requirements set forth in this Policy, the HASNOK may allow the successor to purchase the unit for the amount remaining on the Participant's established payment schedule. Such amount must be paid in full within six (6) months of the date of the original Participant's death or incapacity. If the designated successor is not eligible or does not meet admissions standards and is unable to purchase the unit for the unpaid amount, the HASNOK may designate an alternate successor or place the next eligible family from the waiting list in the unoccupied unit.

H. Procedure in the Event Participant is Survived by a Spouse. A spouse of a participant who **does** meet the eligibility and other requirements set forth in this Policy shall be treated as any other qualified designated successor as set forth in Subsection (D) above. A spouse of a participant who **does not** meet the eligibility and other requirements set forth in this Policy shall have the option to purchase the unit from the HASNOK in the event of the Participant's death, which shall be superior to the rights of any designated successor(s), provided that the spouse was residing in the unit at the time of the Participant's death and further provided that the option to purchase is executed within six (6) months. The purchase price shall be the amount remaining on the Participant's established payment schedule, and such amount must be paid in full within the six (6) month period. The rights of surviving spouses with children are addressed under Section 12(l), below, and such provision also governs and controls over any successorship designation.

I. Procedure in the Event Participant is Survived by Minor Children. After the occurrence of death, physical or mental incapacity of the Participant(s), and if there is no qualified/eligible successor designated on the lease, the HASNOK may permit the surviving parent or other adult who has been appointed legal guardian of the children to occupy the home under a lease agreement. The surviving parent or guardian shall be responsible for performing the duties and obligations of the lease agreement on behalf of the children. This arrangement will remain intact until the oldest child reaches the age of **eighteen (18) years**, at which time that child may become the head of household and succeed to the status of program participant, if qualified. After the youngest child reaches the age of eighteen (18) years and in the event no qualified child of the household has succeeded to the status of a program participant, the surviving parent shall purchase the home from the HASNOK or vacate the unit within six (6) months. The purchase price of the unit shall be the amount remaining on the Participant's established payment schedule, and such amount must be paid in full within the six (6) month period. If at any time prior to the youngest child reaching the age of **eighteen (18) years**, the surviving parent or guardian is no longer willing or able to perform the obligations and duties of the agreement, and no other guardian is appointed, possession of the home shall revert to the HASNOK. Base rent shall be computed and

collected throughout the period of occupancy, and shall be credited to the purchase price of the home in the event of purchase.

SECTION 13

TRANSFERS

A. Approval Requirements. The Lease-Purchase Program is designed to foster homeownership, and pride thereof, among all participants. Therefore, transfer of units is discouraged. However, the BOC may approve a transfer of a unit on a case-by-case basis, subject to the following terms and conditions:

1. The participants shall have lived in their respective units for no less than five (5) years before a transfer will be considered;
2. The request shall be made in writing and all applicable requirements for transfer and admission must be satisfied by both parties before approval will be granted;
3. Both participant households must be current on their rent payments and compliant with all provisions of this Policy and all other applicable rules, regulations and/or policies of HASNOK;
4. The Participants requesting the transfer shall perform necessary maintenance to restore the unit being vacated to satisfactory condition. The parties shall agree to accept, in writing, the unit to be assigned for occupancy in the existing condition at the time the transfer is approved;
5. Each transferring participant shall execute a mutual release of lease for the dwelling being vacated and shall execute a new lease agreement for the dwelling to be occupied, on the agreed effective date of reassignment; and
6. A move-in inspection shall be conducted and signed by the transferring participants and a representative of the HASNOK to establish a record of the condition of the unit at the time of initial occupancy.

B. Limitations. Vacant units must be offered to any and all eligible applicant(s) on the waiting list for the Program before a transfer request from a participant can be approved.

C. Purchase Price Schedule. All rights and obligations of Program participation shall be transferred to the new unit. The purchase price shall be the remaining balance owed on the home for which occupancy is assumed as of the effective date of the transfer.

SECTION 14

TERMINATION OF OCCUPANCY

A. Termination by the Participant. The Participant may terminate the lease agreement, provided that **thirty (30) days** written notice is given in writing to the HASNOK. The HASNOK does not waive any claim to additional payments due for accrued rent and/or damages to the unit by accepting such notice.

B. Procedures Upon Termination of Occupancy. Participant(s) shall provide the HASNOK at least thirty (30) days written notice prior to moving out of their assigned unit, unless such notice requirement is waived in writing by the HASNOK. A move-out inspection shall be conducted within three (3) days of termination of occupancy. Participant(s) who move out of their assigned unit without conveying proper notice to the HASNOK will be considered to have abandoned the premises and may be responsible for damages sustained by the unit while vacant and/or any legal fees or costs incurred by the HASNOK to regain possession of the unit.

C. Grounds. Participant(s) may be subject to termination of occupancy and Program participation for reasons including, but not limited to, the following:

1. Non-payment of rent or installment payments pursuant to a Pay-back Agreement;
2. The acquisition or occupancy of another home or failure to continue to use the program unit as the family's principal residence;
3. Failure to comply with income reexamination requirements;
4. Misrepresentation of income, household composition or other material fact(s), regardless of whether the Lessee is or is not eligible to participate at the time the misrepresentation is discovered;
5. The Participant or any household member is convicted of a drug or alcohol related felony and/or of a violent crime felony;
6. The Participant or any household member is made subject to the registration requirements of the Oklahoma Sex Offenders Registration Act as set forth in Section 3(F) of this Policy;
7. More than three (3) unexcused absences from scheduled appointments with HASNOK staff for inspections, counseling, recertification or any other purpose;

8. Failure to supply any requested certification, release, information, or documentation as the HASNOK determines to be necessary;
9. Moving and/or abandoning the Dwelling Unit without notice to the HASNOK;
10. Interference, obstruction or non-compliance with inspection requirements; and/or
11. Other material violation of any term or provision of this Policy or other tribal, state, or federal law or regulation.

D. Termination for non-payment of rent. Participants who fail to pay their monthly base rent, to pay any installment payment due pursuant to an approved pay-back agreement, or to enter into acceptable alternative payment arrangements shall be subject to termination from participation in the Program, as follows:

1. First Notice of Delinquency. When a Participant fails to pay his/her base rent when due, an initial notice of delinquency shall be sent on the first business day after rent is considered delinquent of the month in which the payment is due and shall state the following:
 - a. The date of the notice;
 - b. The date the monthly payment was due; and
 - c. The amount owed as of the date of the notice.
2. Final Notice of Delinquency. If no payments are received or no acceptable payment arrangements are made by the twentieth (20th) day of the month in which the payment is due, the HASNOK shall deliver to the Participant the final notice of delinquency. The final notice shall inform the Participant that he/she must pay the overdue balance on or before the first (1st) day of the next month to avoid eviction proceedings.
3. Notice of Termination. If no payments are received or no acceptable payment arrangements are made on or before the first day of the month following the month when rent became due and owing, the HASNOK shall issue a notice to terminate the lease.
4. Commencement of Eviction. If the Participant(s) do not vacate the unit within twenty-four (24) hours of receipt of the notice to terminate, the HASNOK shall commence termination and eviction procedures in a court of competent jurisdiction. The District Court of the Seminole Nation of Oklahoma and/or such other tribal court as the Seminole Nation may hereinafter establish shall be considered courts of competent jurisdiction for purposes of enforcement of this Policy.

E. Termination for reasons other than non-payment of rent. In the event of non-compliance with any of the provisions set forth in this Policy, other than for non-payment of rent, the HASNOK may terminate the Participant's lease as follows:

1. The HASNOK shall send a letter stating that the household is not in compliance with a specific provision of the Policy, describing the satisfactory means of resolving the violation and providing that such violation must be cured within ten (10) calendar days of the date of the notice.
2. If the Participant(s) do not cure the violation within the timeframe specified, the HASNOK may issue a notice to terminate the lease, and commence eviction procedures in accordance with Section 14(D)(4), above.
3. Participant(s) whose conduct constitutes fraud or presents an imminent threat to the health, safety and/or welfare of others shall not be entitled to the due process standards set forth in this Section.
4. If the Participant(s) receives three (3) letters of non-compliance, the HASNOK may issue a notice to terminate lease, and commence eviction procedures in accordance with Section 14(D)(4), above.

F. Enforcement Subsequent to Court Action. The following provisions apply to the collection of any court-ordered payments due to the HASNOK:

1. Repayment of delinquent amounts subsequent to a court order shall be in full.
2. The HASNOK may collect judgment debts from previous or current Participant(s) by:
 - a. Garnishing wages; and/or
 - b. placing liens on property.
3. Should written arrangements be made and the provisions thereof breached, the account may be referred to an attorney without further notice or action on the part of the HASNOK.

G. Additional Payments Due to the HASNOK. Additional charges that shall be assessed to the Participant include, but are not limited to:

1. Charges for extraordinary maintenance and other services;
2. Repayments of past due accounts;
3. Attorney's fees and court costs; and/or

4. Other charges specified under any applicable tribal, State or federal laws or regulation(s).

H. Abandonment. In the event that a Program unit is abandoned, the HASNOK shall post a notice of abandonment prominently on the door of the unit. If the Participant does not contact the HASNOK within ten (10) days of the date of the notice, the HASNOK may assume possession of the Program unit without further notice or court proceedings. The HASNOK does not waive any claim for past rent, damages or other amounts that may be due to the HASNOK by assuming possession of the premises.

SECTION 15

MISCELLANEOUS PROVISIONS

A. Replacement Keys. Participant(s) shall be charged a fee of ten dollars (\$10.00) in the event a mail box key is lost and must be replaced. The cost for a replacement house key is ten dollars (\$10.00). In the event that the locking mechanism of a unit must be replaced due to no fault of the HASNOK, the Participant(s) shall be assessed a fee of fifty dollars (\$50.00).

B. Confidentiality. Pursuant to Part 256 of 25 CFR, all information obtained by the HASNOK in order to establish suitability for program participation shall be kept strictly confidential. Additional disclosures of the information may occur during program reviews or audits, investigations by authorized law enforcement personnel or as necessary to comply with any reporting requirements of the Nation or its funding agencies.

C. Limitation of Liability; Indemnification. The HASNOK and/or the Nation shall not be liable to the Participant or any of the Participant's household members, visitors or patrons for any damage to person or property caused by any action, omission or negligence of the Participant or any other Participant of the project. Further, the Participant(s) agree to hold the HASNOK and the Nation harmless from any claim, obligation, liability, loss, damage or expense, including without limitation attorney's fees and court costs, arising from any condition or natural feature -- known or unknown -- affecting the premises of the project.

D. Disposition of Personal Property. In the event of abandonment or termination of Program participation, the HASNOK may remove and dispose of any personal property left remaining in the Program unit for a period of fifteen (15) days following the date of abandonment and/or termination.

E. Appeals. Participants may appeal a denial of service or any other qualifying decision or action relating to implementation of this Policy pursuant to the Grievance Policy and Procedure of the HASNOK.

F. Sovereign Immunity. HASNOK specifically retains its sovereign immunity and nothing contained within this policy shall be considered a waiver of HASNOK's sovereign immunity.

**APPENDIX “A”
LEASE TO OCCUPY PROGRAM UNIT
 (“LEASE AGREEMENT”)**

The Lease-Purchase Program Operating Policy (“Policy”) and any other policy, agreement or procedure governing the Lease-Purchase Program (“Program”), as adopted and amended from time to time by the Board of Commissioners of the Housing Authority of the Seminole Nation of Oklahoma (“HASNOK”), are hereby incorporated by reference. Execution of this Agreement is deemed consent to amend it to conform to any provision of the Native American Housing Assistance and Self-Determination Act (“NAHASDA”) and the HASNOK’s rules, regulations and policies.

This Lease Agreement is executed in accordance with the above-referenced substantive laws, policies and procedures governing the Lease-Purchase Program and is not a separately enforceable legal document.

The undersigned Lessee(s) hereby acknowledge that any violation of the HASNOK’s rules, regulations or policies may constitute grounds for termination of participation in the Program. **The undersigned Lessee(s) hereby accept liability for any damages to the unit, unpaid rental fees, attorney’s fees and court costs, and collection fees arising from enforcement of this Policy or termination of participation in the Program.** For lease enforcement purposes, the Lessee(s) consent to the jurisdiction of the District Court of the Seminole Nation of Oklahoma and/or such other tribal court as the Seminole Nation may hereinafter establish.

Premises To Be Leased

PROJECT # _____ UNIT # _____

Street Address of Property:

STREET CITY STATE ZIP CODE

Legal Description of Property:

Persons Authorized to Occupy Said Premises:

Name	Age	Relationship to Lessee(s)
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

HOUSING AUTHORITY OF THE
SEMINOLE NATION OF OKLAHOMA

LESSEE(S)

Signature of Housing Representative

Lessee Signature

Official Title

Co-Lessee's Signature (If Applicable)

Executed this _____ day of _____.

Appendix “B-1”

Previous Projects

<u>Program</u>	<u>Project Numbers</u>
<i>Mutual Help</i>	93 - 6, 7, 8, 9, 10, 13
<i>LOPA</i>	93 - 6, 7, 8, 10, 13, 14, 15, 17, 18

Appendix “B-2”

Partial List of Payment Computation Methods for Previous Projects

Projects Numbered 93-6, 7, 8, 9, 10 and 13 (“Mutual Help Homeownership Program”):

A. Rent Payment. The monthly rent payment (“base rent”) shall be equal to fifteen percent (15%) of the household’s adjusted gross income (after deducting the utility allowance as described below), provided that the base rent shall not exceed the maximum rent established in Section (B), below, under any circumstances.

B. Maximum Rent. Maximum rent shall be equal to the total development cost (“TDC”) of the program unit plus a 6.625% interest rate (“purchase price”), divided by 300 months (the number of payments specified in the lease agreement).

C. Minimum Rent. Due to the provision allowing for adjustment of income based on anticipated utility use (which could result in a negative rental payment), the base rent paid by the Participant shall not be less than least seventy-five dollars (\$75.00) per month, provided that the base rent shall not exceed thirty percent of the household’s adjusted gross income (prior to adjustment for utility use) under any circumstances.

D. Utility Allowances. The HASNOK shall adjust the Participant’s income for anticipated utility use pursuant to the following schedule:

3 BR Unit	\$164.00
4 BR Unit	\$199.00

Project Number 93-17 (otherwise known as “Rolling Meadows”):

A. Rent Payment. The monthly rent payment (“base rent”) shall be equal to twenty percent (20%) of the household’s adjusted gross income provided that the base rent shall not exceed the maximum rent established in Section (B), below, under any circumstances.

B. Maximum Rent. Maximum rent shall be equal to the total development cost (“TDC”) of the program unit, after subtracting a grant equal to thirty percent of the TDC (“purchase price”), divided by 300 months (the number of payments specified in the lease agreement).

C. Utility Allowances. No utility allowances shall be provided for this project.

Projects Numbered 93-8 and 93-10 (“LOPA Program”):

A. Rent Payment. The monthly rent payment (“base rent”) shall be equal to twenty percent (20%) of the household’s adjusted gross income (after deducting the utility allowance as described below), provided that the base rent shall not exceed the maximum rent established in Section (B), below, under any circumstances.

B. Maximum Rent. Maximum rent shall be equal to the total development cost (“TDC”) of the program unit, divided by 300 months (the number of payments specified in the lease agreement).

C. Minimum Rent. Due to the provision allowing for adjustment of income based on anticipated utility use (which could result in a negative rental payment), the base rent paid by the Participant shall not be less than least seventy-five dollars (\$75.00) per month, provided that the base rent shall not exceed thirty percent of the household’s adjusted gross income (prior to adjustment for utility use) under any circumstances.

D. Utility Allowances. The HASNOK shall adjust the Participant’s income for anticipated utility use pursuant to the following schedule:

3 BR Unit	\$164.00
4 BR Unit	\$199.00

Project Numbered 93-14, 15 and 18 (“LOPA Program”):

A. Rent Payment. The monthly rent payment (“base rent”) shall be equal to twenty percent (20%) of the household’s adjusted gross income, provided that the base rent shall not exceed the maximum rent established in Section (B), below, under any circumstances.

B. Maximum Rent. Maximum rent shall be equal to the total development cost (“TDC”) of the program unit (“purchase price”), divided by 300 months (the number of payments specified in the lease agreement).

C. Utility Allowances. No utility allowances shall be provided for these projects.

**APPENDIX “D”
DESIGNATION OF SUCCESSOR IN INTEREST**

The Seminole Nation of Oklahoma, a federally-recognized Indian tribe, receives federal housing assistance pursuant to the Native American Housing Assistance and Self-Determination Act of 1996, 25 U.S.C. 4101 et seq., to provide affordable housing within its housing service area. The Tribe has authorized the Housing Authority of the Seminole Nation of Oklahoma (“HASNOK”) to provide affordable housing through the Lease With Option to Purchase Program (“Lease-Purchase Program”).

The Lease with Option to Purchase Program Operating Policy (“Policy”) and any other policy, agreement or procedure governing the Program, as adopted and amended from time to time by the Board of Commissioners of the HASNOK, are hereby incorporated by reference. Execution of this Designation of Successor in Interest form is deemed consent to amend it to conform to any provision of NAHASDA and the HASNOK’s rules, regulations and policies.

Under the Policy, a Participant may designate a successor who, at the time of a recognized event of successorship would assume the status of the Participant, provided that at the time all conditions of eligibility set forth in Section 12 of this Policy are satisfied. The Participant may change the designation at any time by written modification of this form.

This Designation of Successor in Interest form is executed in accordance with the above-referenced substantive laws, policies and procedures governing the Lease-Purchase Program and is not a separately enforceable legal document.

The designated successor as of the date written below is:

First Name	Middle Initial	Last Name
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Street Address

City, State

Relationship

Acknowledged By:

HOUSING AUTHORITY OF THE
SEMINOLE NATION OF OKLAHOMA

LESSEE(S)

Signature of HASNOK Representative

Lessee Signature

Official Title

Co-Lessee's Signature (If Applicable)

Executed this _____ day of _____.