

News from HCCDC...

Are you tired of rowdy neighbors?

Are you tired of renting? Do you want to have something of your own that you can be proud of? Do you want to buy your own home? Let the Ho-Chunk Community Development Corporation (HCCDC) help you.

It is the goal of HCCDC to assist the low to middle income persons and families to secure safe, comfortable, healthy and affordable housing within the Winnebago Indian Reservation in Nebraska. You could get a \$160,000 home for a loan of \$80,000. There are forgivable loans available to tribal members. See HCCDC for the details.

HCCDC can provide information on Section 184 Indian Home Loans that require only 1.25% to 2.25% down payments. Some of these programs are for Homeownership and for Housing Rehabilitation Opportunities for Native Americans. In 1922, Congress established the Section 184 Indian Home Loan Program. The program was designed to offer homeownership and housing rehabilitation opportunities for eligible Native American individuals, families, tribes and tribally designated housing entities on their native lands and within an approved area. The Section 184 program was designed to improve access to capital for Native Americans and provide private funding opportunities for tribal housing agencies.

Some of the programs HCCDC works with include the Down Payment Assistance Program, which is available to help with up to \$15,000 for the down payment of a new home. Of the funds available for down payment assistance, fifty percent (50%) are designated for homes built in the Ho-Chunk Village subdivision. The remaining fifty percent (50%) will be for homes constructed on property other than within the Ho-Chunk Village subdivision. Another Program is the New Home Construction and Resale, which also will help with up to \$15,000 for a down payment. Of the funds available, one hundred percent (100%) shall be designated for homes to be built in the Ho-Chunk Village subdivision.

APPLICANT ELIGIBILITY: All applicants must have completed the homebuyers education class sponsored by the Winnebago Housing Authority, Winnebago, Nebraska, and must present, at the time of their application, a certificate of completion. This requirement may be waived by Housing Review Committee approval in exceptional circumstances. Either the applicant or an immediate, family member of the applicant who will reside in applicants home must be an enrolled member of the Winnebago Tribe of Nebraska. Those considered immediate family members are: Spouse, child, parent, and grandparent. Only one applicant per household will be eligible.

INCOME ELIGIBILITY: Income restrictions for eligibility of this program will be based on the source of the funds awarded to the applicant. Generally, private sources of funding will have no income restrictions. Source of funds and income restrictions will be provided to the applicant prior to award of funds. For funding sources that have income restrictions, the income limits will be in accordance with standards established by HUD for lower income assisted housing. These limits will be updated within 30 days of US Census or HUD notification of a revised median income for this area. Income will be determined by the household's total income in the preceding calendar year.

PROPERTY LOCATION: The location of the new home construction must be within the boundaries of the reservation of the Winnebago Tribe of Nebraska.

The amount awarded to a qualified

homebuyer will be in the form of a forgivable loan. For those building in the Ho-Chunk Village the amount shall be fifteen thousand dollars (\$15,000.00) or up to twenty per-cent (20%) of the total home construction cost, whichever is less.

For those building outside the Ho-Chunk Village the amount may be:

Up to five thousand dollars (\$5,000.00) or up to ten percent (10%) of the total project cost, whichever is less for mobile homes or construction that does not meet the construction requirements.

Up to fifteen thousand dollars (\$15,000) or up to twenty percent (20%) of the total project cost, whichever is less for construction that meets all construction requirements.

All homebuyers shall sign a Promissory Note equal to the amount of the award. A subordinated lien in the form of a Deed of Trust will be placed upon the property at the time of signing the promissory note in an amount equal to the loan. This lien shall be in favor of Ho-Chunk Community Development Corporation and will take a subordinate position to all existing liens.

Property purchased will be subject to the following "Deed Restrictions" by the first buyer and subsequent buyers for a time period that is based on the level and type of assistance invested in the property. Deed Restrictions may include, but are not limited to: (1) must be occupied by the buyer as a principal residence, (2) must be occupied by an income-eligible household. Typically, properties utilizing state or federal assistance will have greater restrictions than those utilizing private sources of assistance. Regardless of source of funding assistance, five years is the minimum period of Deed Restriction. Properties funded with less than \$15,000 of state or federal assistance have a 5-year Deed Restriction period. Properties funded with \$15,000 to \$40,000 of state or federal assistance have a 10-year Deed Restriction period. Properties funded with greater than \$40,000 have a 15-year deed restriction period.

At the appropriate annual anniversary date of the loan, the lien on behalf of HCCDC shall be released and the funds awarded to the homebuyer shall be automatically and totally forgiven, without further resell restriction on the homeowner. In the event the homebuyer fails to occupy the home for the required time period as a homeowner, the lien shall stay in effect and the loan must be repaid to HCCDC before the new owner can secure a free and clear title to the property.

In the event the borrower or his or her heirs shall sell or transfer said property prior to the Deed Restriction Period, the net sale price received less the owner's equity established at the time of application and adjusted for inflation, and less all other superior loans and liens on the property, will be applied to satisfy the balance of the down payment assistance forgivable loan. The new homebuyer may apply to HCCDC to assume the outstanding loan, but terms would be established based upon the new homebuyer's financial information. In the event the owner moves and rents the property to another occupant, the loan will become due and payable within 90 days after the borrower rents out the property.

Property owners may be subject to an annual review of their application in order to verify continuing income eligibility (if applicable), occupancy of the unit by the property owner, etc.

Contact the Ho-Chunk Community Development Corporation for information on how to apply.