



Federal Home Loan Bank  
Native American Homeownership Initiative Grant  
Down Payment Assistance Policy

## **Mission Statement**

The purpose of the Federal Home Loan Bank (FHLB) Native American Homeownership Initiative Grant (NAHI) Down Payment Assistance Program (DPA) is to assist enrolled members of the Ponca Tribe of Nebraska who wish to purchase a home in the State of Nebraska with down payment and closing cost assistance.

## **Section A: Qualifications**

Applicants requesting assistance shall meet the following criteria:

1. The applicant, whose name will appear on the purchase agreement, must be a member of the Ponca Tribe of Nebraska. Copies of enrollment certification and/or Tribal ID shall be attached as part of the completed application.
2. The property being purchased must be their primary residence and located within the State of Nebraska. Applicants who are purchasing a home on a Native American Reservation within the State of Nebraska will not qualify.
3. Applicants must be a first-time homebuyer. For the purpose of this program and policy, a first-time homebuyer is defined as someone who, with their spouse (if applicable) has not owned a principal residence for three years prior to the purchase of their new primary residence.
4. Applicants must be purchasing the land and the home in order to qualify. Rent-to-own agreements do not qualify.
5. Applicants must be pre-qualified for a mortgage/home loan with a lending institution prior to applying for assistance.
6. Applicant shall successfully complete an NPHA approved homebuyer education course to be eligible to receive assistance.
7. Applicant will be required to live in the home for at least five years after the purchase date or will be subject to repayment of funds.

## **Section B: General Restrictions**

This policy is adopted as guidance for the Northern Ponca Housing Authority (NPHA) to implement objective and firm processing procedures for applicants requesting down payment assistance.

This policy is subject to limitations and/or restrictions based on the available budget of NPHA. It is also subject to regulatory requirements that may be required by 3rd party funding agencies.

Restrictions include:

1. The homebuyer shall not receive more than \$25,000.00 of assistance through the program.
2. The home must be located in the State of Nebraska.
3. The lending institution must be willing to participate in the DPA program and its requirements.
4. Rent-to-own agreements do not qualify.

### **Section C: List of Required Documentation**

The following documents must be included at the time of application or application will be deemed incomplete:

1. Verification of Tribal Enrollment – copy of Tribal ID and/or Enrollment Certificate
2. Copy of pre-qualification letter from a lending institution approving applicant for a mortgage/home loan
3. Release of information form

The following documents will be required to submit to NPHA after a home is identified for purchase through this program:

1. Copy of purchase agreement with NPHA approval of program requirements being listed as a provision
2. Copy of homebuyer education certificate
3. Copy of third party inspection and termite inspection

The following documents will be required to submit to NPHA at time of closing:

1. Copy of property insurance certificate
2. Copy of title insurance
3. Settlement statement
4. Closing documentation
5. Signed grant agreement/lien

### **Section D: Property Requirements**

The property being purchased must meet the following requirements:

1. The property being purchased must be the primary residence of the applicant.
2. The property must be a single family residence, including condominiums and townhouses. Homes without a permanent foundation are ineligible.
3. The property must be located in the State of Nebraska.

4. The property must pass all housing quality standards as established by NPHA, except for those issues approved to be fixed with a portion of down payment assistance.
5. The property is subject to a third party inspection and termite inspection. If the applicant is using an FHA or VA loan to purchase the property, the inspection/appraisal can be considered a third party inspection and NPHA will require the items on those reports to be remedied.

### **Section E: Assistance Available**

The maximum amount of assistance for each homebuyer is \$25,000.00 and funds can be used for the following items:

1. Down payment – Funds can be used to buy down the amount of the first mortgage
2. Closing costs – Funds can be used to pay for closing costs
3. Rehabilitation – Up to 20% of the award may be used for repairs to a home that would otherwise fail inspection, as approved by NPHA
4. There are no monthly payments or interest associated with this DPA Program award.

### **Section F: Reservation of Funds**

1. The DPA program is operated on a first come-first served basis.
2. Funds will be reserved for each applicant when all DPA program requirements have been met.
3. Funds will be reserved for 60 days and may be extended for 30 days at a time in the event of purchasing delays that are not any fault of the applicant.

### **Section H: Budget Narrative**

NPHA will provide 10 DPA awards through this program to qualified homebuyers.