

MEPA Use Policy



Standing Rock Housing Authority

Revised December 20, 2006

Standing Rock Housing Authority

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MEPA USE POLICY

The MEPA (Monthly Equity Payments Account) as defined by both the Mutual Help Homeownership Agreement (MHOA) and U.S. Department of Housing and Urban Development (HUD) regulations, is the homebuyer account under the Mutual Help Program that is credited with the amount of the homebuyer's required monthly payment that exceeds the administrative charge.

This Policy applies to all Mutual Help units managed by the Housing Authority. It is a comprehensive statement of how the MEPA can be used. The MEPA are funds belonging to the Housing Authority. The MEPA is an equity account that may be used to purchase the home or to make improvements or additions when approved by the Housing Authority. The MEPA account is also a source of funds that the Housing Authority can utilize when the homebuyer fails to make administrative payments, pay utility charges, or when there is a need to remedy an emergency regarding the unit. Use of the MEPA is at the sole discretion of the Housing Authority.

All current Mutual Help homebuyers shall be provided with a copy of this Policy, and all future homebuyers shall receive a copy of this policy upon execution of a Mutual Help Homeownership Agreement.

I. USE OF MEPA BY THE HOMEBUYER

A. Provisions Governing the Use of MEPA

1. Homebuyers are responsible for doing routine and non-routine maintenance on their units as well as to pay for their own utilities, their administrative fee or other monthly payment.
2. A homebuyer may request funds from the MEPA for betterment and improvements to the Mutual Help home.
3. MEPA cannot be used for luxury items as determined by the Housing Authority.
4. The MEPA balance must be comprised of an amount backed by cash actually received in order for the homebuyer to obtain MEPA.

5. All requests for MEPA must be carried out in full compliance with this Policy, and cannot be used without the written approval of the Housing Authority.

B. Requirements for Use of MEPA

1. A homebuyer must be in compliance with all terms of the MHOA before they will be eligible to request use of the MEPA.
2. A homebuyer must be paid in full on all housing payments in order to request use of the MEPA.
3. A homebuyer in the process of payment delinquent payments under a Repayment agreement will not be eligible to request use of the MEPA until all past due payments are paid in full.
4. Homebuyers must maintain a minimum balance of Five Hundred dollars (\$500.00) in MEPA, except in emergency cases, determined by the Housing Authority. Payment of utilities (electricity or propane) for the winter months (December, January and February) is considered an emergency. *Revised 12-20-06*
5. MEPA may be used to purchase utilities (electricity or propane) in preparation for the winter months. *Revised 12-20-06*
6. Homebuyers may be required to replenish the MEPA with a loan at a 0% interest per annum, as determined by the Housing Authority.
7. Once a unit is paid off, a homebuyer is no longer eligible to request use of MEPA.

C. Requesting Use of MEPA

1. The homebuyer must submit a signed request describing what repairs are needed.
2. The homebuyer will be advised by the Housing Authority if the request is approved or denied.
3. The homebuyer will then be responsible for making arrangements for the work to be done.
4. The homebuyer must submit material estimates and invoices from the Supplier and a labor estimate, if the work is to be contracted, from the contractor to the Housing Authority before any work is done or any payments are made.

5. No payment will be made for in-kind labor. Homebuyers doing their own repairs will be reimbursed for cost of material only.
6. Once the work has been completed the homebuyer is required to notify the Housing Authority of this fact.
7. The Housing Authority may inspect the unit to verify the completion of the work.

II. USE OF MEPA BY THE HOUSING AUTHORITY

- A. The Housing Authority may use the funds in the homebuyer's MEPA account for the following purposes:
 1. To pay unpaid administrative charges.
 2. To pay unpaid utilities for the home that are hazardous to life, health, or safety of the occupants or threaten damage to the property.
 3. To pay unpaid maintenance charges for the home that are part of the homebuyer's maintenance obligations.
 4. To pay for maintenance for the home that is needed where the condition of the property creates a hazard to the life, health or safety of the occupants or if there is a risk of damage to property if the condition is not corrected.
 5. When the funds are used for these purposes, the MEPA will be charged and these funds must be repaid by the homebuyer.
 6. When the homebuyer's MEPA account has been exhausted, the Housing Authority must pursue termination of the homebuyer agreement.
- B. Disposition of Funds
 1. If the MHOA is terminated, the homebuyer MEPA will be charged with:
 - a. Any maintenance and replacement cost incurred by the Housing Authority to prepare the home for the next occupant.
 - b. Any amount the homebuyer owes the Housing authority, including required monthly payment.

- c. The required monthly payment for the period the home is vacant, not to exceed sixty (60) days from the date of receipt of the notice of termination, or if the homebuyer vacates the home without notice to the Housing Authority, for the period ending with the effective date of termination by the Housing Authority.
- d. The cost of securing a vacant unit, the cost of notification and associated termination tasks, and the cost of storage and/or disposition of personal property.

C. Conveyance


1. The IHA shall convey title to the homebuyer when the balance of the purchase price can be covered from the amount in the equity account.
2. Once a unit is paid off, it will not be conveyed until any Outstanding loans from the MEPA are paid in full.
3. When a unit is conveyed, any funds remaining in the MEPA account will be used by the Housing Authority at its discretion for purposes that benefit the housing needs of Tribal members.

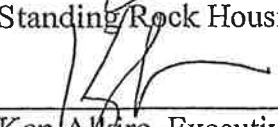
ENDORSEMENT

The MEPA Use Policy shall be strictly enforced by the Housing Authority. The Executive Director has the right to take all necessary actions to ensure that the Policy is fairly and consistently enforced.

The above Policy was adopted as amended, by the Standing Rock Housing Authority Board of Commissioners on this 20th day of December, 2006.

Voting: 5 Yes; 0 No; 1 Not Voting; 2 Absent


Henry Harrison, Chairman, Board of Commissioners
Standing Rock Housing Authority


Ken Alzire, Executive Director
Standing Rock Housing Authority