

 ONEIDA NATION STANDARD OPERATING PROCEDURE	TITLE: Land Acquisition through Land Management for Residential Leasing (HIP - Homeownership by Independent Purchase Program)	ORIGINATION DATE: 02/01/2016 REVISION DATE: 06/14/2021 09/05/2024 EFFECTIVE DATE: After last signature
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1.0 PURPOSE

- 1.1 The purpose of the Homeownership by Independent Purchase (HIP) Program is to expand the services being offered by the Nation by providing a program in which the prospective lessee buyer initiates a purchase in which the buyer purchases the improvements, and the Nation purchases the land.
- 1.2 This process works in conjunction with the HIP Rule #6 and is developed pursuant to Real Property Law which requires all transactions adding property to the Nation's land base be administered through the Land Management area.

2.0 DEFINITIONS

- 2.1 "Buyer" means the potential lessee entering into the Offer to Purchase document to purchase the improvements.
- 2.2 "Contingency" means a clause in the Offer to Purchase document that allows the buyer to back out of the sale if the conditions of the clause are not met.
- 2.3 "Defect" means a condition that would have a significant adverse effect on the value of the property; that would significantly impair the health or safety of future occupants of the property; or that if not repaired, removed, or replaced would significantly shorten or adversely affect the expected normal life of the premises.

- 2.4 “Improvement” means buildings, other structures, and associated infrastructure attached to land.
- 2.5 “Nation” means the Oneida Nation.
- 2.6 “Offer to Purchase” means the written contract made by the buyer, accepted by the seller, and approved by the Nation in which the buyer agrees to purchase the improvements upon the land and the Nation agrees to purchase the land.
- 2.7 “Reservation” means all the property within the exterior boundaries of the Reservation of the Oneida Nation, as created pursuant to the 1838 Treaty with the Oneida 7 Stat. 566, and any lands added thereto pursuant to federal law.
- 2.8 “Residential Lease” means the legal document issued by the Nation pursuant to its applicable leasing laws and rules which establishes a buyer’s right to occupy Tribal fee and trust land for residential purposes.
- 2.9 “Seller” means the party that is offering their property for sale.
- 2.10 “Survey” means the measurement of the boundaries of land and its area.
- 2.11 “Tax Assessed Value” means the value the local taxing authority uses to distinguish the value of the land from the improvements.
- 2.12 “Title Defect” means a problem or omission associated with the title that impairs ownership rights to the property.
- 2.13 “Total Purchase Price” means the total amount offered to the seller for the acquisition of the improvements and the land.
- 2.14 “Tribal Fee Land” means land held in fee status by the Nation.
- 2.15 “Tribal Trust Land” means the surface estate of land or any interest therein held by the United States in trust for the Nation; land held by the Nation subject to federal regulations against alienation or encumbrance; land reserved for federal purposes; and/or land held by the United States in trust for the Nation under Section 17 of the Indian Reorganization Act, 25 U.S.C §447, et. seq.

3.0 GENERAL

- 3.1 *Subject to Available Funding.* All offers submitted to the Nation are subject to the Nation’s available funding.
 - 3.1.1 The Land Management Acquisition Manager will notify the Residential Leasing Specialist of any time acquisition funds are depleted or near depletion.
 - 3.1.1.1 If funds are depleted or near depletion, Offers to Purchase will not be accepted for this program until such time that the Acquisition Manager, the EHSLA Director, and the Land Commission determines that funds are available.
- 3.2 *Program Education.* Land Management shall make these rules and all relevant educational pieces and required paperwork available electronically on its website and in hard-copy format at its office.
- 3.3 *Title Company.* The buyer must work with Bay Title on HIP transactions.
- 3.4 *Offer to Purchase Dates:* If at any time, any of the parties cannot meet the deadline dates detailed in the offer for any reason, the Nation’s Offer to Purchase document must be amended and signed by all parties.

- 3.5 *Nation Determines Defects.* The Nation reserves the sole right to determine whether defects exist in relation to the contingencies related to the title commitment, survey, and environmental investigation required under 6.4.1.2, 6.4.1.3, and 6.4.1.4.
- 3.6 *Nation Acquisition Financial Responsibilities.* The Nation shall pay for the Tax Assessed Value of the land and any costs associated with the environmental inspection required under 6.4.1.2. All other costs are the responsibility of the buyer and/or seller.
- 3.7 *Financing.* In the event a loan is required for the improvements, homeowners may secure said financing from Bay Bank or the Comprehensive Housing Division Finance Department (CHD), provided that any financing secured from CHD is subject to the Mortgage and Foreclosure Law and any accompanying rules.
- 3.8 *HIP Program E-Mail Address and Shared Drive.* CHD shall work with the Nation's Digital Technology Services Department to establish a HIP Program e-mail, which shall be available to accept all required submittals electronically, and a shared drive so that HIP Program documents may be jointly accessed by CHD and Land Management. The CHD Residential Leasing Specialist shall be the HIP point of contact and the administrator of the shared HIP Program e-mail and shall be the only party to respond to buyer e-mails, except that the Acquisition Manager is authorized to respond to offers to purchase that require an immediate response outside of business hours in accordance with section 6.5.
- 3.9 *Land Commission approval.* Land Commission approval is deemed granted based on approval of this SOP and is not required for each purchase.

4.0 ELIGIBLE BUYERS

- 4.1 In order to be eligible to participate in the HIP Program, the Buyer must:
 - 4.1.1 Have adequate funds available for the purchase of the improvements or be able to secure financing, including any required down payments, provided that the total purchase price after the tax assessed value of the land is deducted may not exceed the maximum value for improvements which shall be determined by the Oneida Land Commission on an annual basis each fiscal year; and;
- 4.2 Be eligible to enter into a residential lease with the Nation based on the Leasing Law and any applicable residential leasing rules.

5.0 ELIGIBLE PROPERTIES

- 5.1 In order for a property to be eligible for an Offer to Purchase pursuant to the HIP program it;
 - 5.1.1 Must be fee land located within Reservation; and
 - 5.1.2 Must have a single family dwelling located on the property; vacant properties are not eligible for this program; and
 - 5.1.3 Must be free of any and all environmental concerns to the satisfaction of the Environmental Health, Safety, Land, and Agriculture Division;
 - 5.1.4 Must be free of any and all title defects to the satisfaction of the Oneida Law Office; and

- 5.1.5 May not require mortgage loan for the improvements in excess of in excess of the value determined by the Oneida Land Commission annually each fiscal year; and
- 5.1.6 May not have a Tax Assessed Value of greater than \$100,000 for the land.
- 5.2 May not have restrictive covenants which would prevent the Nation from having the land taken into trust status. Subdivisions which are known to have such restrictive covenants include, but are not limited to: Thornberry Creek subdivisions, Tailwinds, Centennial Centre, and Polo Point.

6.0 REQUIRED PROCESS

- 6.1 *Residential Lease Application.* In order to initiate the HIP Process, the buyer shall complete an Oneida Residential Lease Application with either the Residential Leasing Specialist or lender, which shall include notice of process provisions related to this program.
- 6.2 *Pre-approval.* Once the Oneida Residential Lease application is complete, the buyer shall request a certificate of pre-approval from Bay Bank and/or CHD which expires in one hundred and twenty (120) days and provides the maximum amount of financing available towards a home purchase. A copy of the pre-approval shall be provided to the Residential Leasing Specialist.
- 6.3 *Real Estate Agent Representation Optional.* Upon receipt of a certification of pre-approval, the buyer may choose to be represented by a real estate agent, but representation is not required. The buyer may request a list of real estate agents familiar with the HIP Program from Land Management. The Acquisition Manager shall maintain said list based on the real estate agents that have completed HIP Program training and shall provide updated lists to the Residential Leasing Specialist as needed.
- 6.4 If the buyer finds a potentially eligible property they would like to purchase, the buyer shall make an Offer to Purchase to the seller using the Offer to Purchase form available with CHD. The Nation may not assist buyers in making and/or negotiating an Offer to Purchase.
 - 6.4.1 The Offer to Purchase form available with CHD must, at a minimum, contain contingencies relating to:
 - 6.4.1.1 The Real Estate Condition report in the format required by Wisconsin law; and
 - 6.4.1.2 The environmental inspection, which must be completed by the Nation at the Nation's expense; and
 - 6.4.1.3 The title commitment, which is the document by which a title insurer discloses to all interested parties the liens, defects, burdens and obligations, etc., that affect the subject property; and
 - 6.4.1.4 The survey or plat map, which provides the measurement of the boundaries of land and its area and reveals building

- setbacks as well as any encroachments provided that the survey may be completed using the Nation's vendor within 21 calendar days of receipt of an accepted Offer to Purchase; and
- 6.4.1.5 If the property is on a septic system, the septic system inspection; and
 - 6.4.1.6 If the property is served by a well, the well water testing, which must analyze the water's bacteria and nitrate levels, and, if in Outagamie County, the arsenic levels, to determine whether the water is safe for human consumption; and
 - 6.4.1.7 If the property is served by a well, the well system inspection, which reveals information, such as the well depth, date of construction, protective clay layers, drilling stipulations; and
 - 6.4.1.8 The closing papers and costs.
- 6.4.2 All terms of the Offer to Purchase are non-negotiable with the exception of the following which are agreed upon by the buyer and seller:
- 6.4.2.1 Who is responsible for ordering and paying for the reports and forms required by the contingencies, except the environmental report, which is the responsibility of the Nation; and
 - 6.4.2.2 The closing date: provided that, it must be a minimum of sixty (60) calendar days from the date the offer is accepted by all required approving parties unless an alternative closing date is agreed upon by all parties; and
 - 6.4.2.3 The purchase price for the improvements; the purchase price of the land must be determined by the tax assessed value of the land; and
 - 6.4.2.4 The items included in the purchase price; and
 - 6.4.2.5 The amount of the earnest money; and
 - 6.4.2.6 The closing proration.
- 6.5 *Nation's approval.* If the buyer makes an Offer to Purchase that is accepted by the seller, the buyer shall present the accepted Offer to Purchase to the Leasing Specialist within five (5) calendar days from the date of acceptance; this initiates the Nation's approval process.
- 6.5.1 Immediately upon receipt of an accepted Offer to Purchase between the buyer and the seller, the Residential Leasing Specialist shall:
 - 6.5.1.1 Review the information on the accepted Offer to Purchase and verify the applicant satisfies the Residential Lease Eligibility Requirements as listed in 1.4-1 of Rule #1, Residential Leasing, to determine if the homeowner is

be corrected so that the information is able to be communicated to the buyer and eligibility is able to be confirmed in accordance with these requirements.

6.5.2.4.1 Once eligibility is confirmed, Acquisition Manager will forward to EHSLA Director for signature.

6.6 *Gathering Information*

6.6.1 All information related to the contingencies must be provided from the buyer to CHD, who will then forward to the Acquisition Manager.

6.6.2 The Acquisition Manager will forward this information to the Oneida Law Office who shall determine whether any defects exist related to the contingency information.

6.6.2.1 If no defects exist, or if they have been resolved, and if all contingencies are satisfied, Oneida Law Office shall notify Land Management with approval.

6.6.2.1.1 Title defects, defects, and contingency satisfactions can be resolved in different ways, including but not limited to corrections, agreements, and affidavits.

6.7 *Pre-closing.*

6.7.1 The lender shall notify the buyer, the Residential Leasing Specialist, and the Acquisition Manager of the date, time, and location of the closing. If Bay Bank is providing financing, then upon receipt of a closing date, the Residential Leasing Specialist shall forward information, including the closing date, to the Senior Loan Officer to create an Assignment of Lease for Financing using the closing date as the effective date. The Senior Loan Officer shall provide the assignment of lease for financing to the Residential Leasing Specialist prior to the closing date.

6.7.2 Acquisition Manager will process the funds for the closing.

6.8 *Closing.* Closing responsibilities for Land Management are as follows:

6.8.1 The Acquisition Manager shall attend closing; and

6.8.1.1 Bring the check for the value of the land to the closing; and

6.8.1.2 Bring any other documents required by the Nation to the closing which may include affidavits; and

6.8.1.3 Sign closing documents on behalf of the Nation; and

6.8.1.4 See HIP Rule 1.7-8(b)(c)(d)(e) for the remainder of the closing responsibilities that are not Land Management's responsibilities.

6.9 *Post-Closing.*

- 6.9.1 If Bay Bank is the lender, the Acquisition Manager shall:
 - 6.9.1.1 Ensure that Bay Title provided a final title policy and include said policy in the Land Management file; and
 - 6.9.1.2 Ensure that Bay Title complied with Wisconsin's electronic transfer return requirements; and
 - 6.9.1.3 Ensure that Bay Title recorded the deed with the county Register of Deeds and once received, record the county recorded deed with the Oneida Nation Register of Deeds; and
 - 6.9.1.4 See HIP Rule 1.7-9(1)(3) for any other applicable Department's closing requirements.
- 6.9.2 If CHD is the lender, the Acquisition Manager shall:
 - 6.9.2.1 Ensure that Bay Title provided a final title policy and include said policy in the Land Management file; and
 - 6.9.2.2 Ensure that Bay Title complied with Wisconsin's electronic transfer return requirements; and
 - 6.9.2.3 Ensure that Bay Title recorded the deed with the county Register of Deeds and once received, record the county recorded deed with the Oneida Nation Register of Deeds; and
 - 6.9.2.4 CHD shall record the following with the Oneida Nation Register of Deeds:
 - 6.9.2.4.1 The Residential Lease; and
 - 6.9.2.4.2 The mortgage