

SPOKANE INDIAN HOUSING AUTHORITY

Equity Use Policy

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Amended: Sept. 23, 2014; June 5, 2019

EQUITY USE POLICY

INTRODUCTION:

This policy provides guidance for the Housing Authority and the Homebuyer on the uses and restrictions on uses of Mutual Help Monthly Equity Payment Accounts (MEPA). This policy also ensures consistent and fair treatment of all Homebuyers.

The equity paid in by the Homebuyers is used for payoff of the home. If a Homebuyer of the housing authority was to terminate the Mutual Help and Occupancy Agreement, the Homebuyer is able to recover any remaining equity, after payment of any accounts receivable and damages to the home that are the responsibility of the Homebuyer.

A. ELIGIBLE USES OF FUNDS:

1. Administration Charge Reduction.
2. Emergency Replacements.
3. Insurance Claim Deductible.

B. MEPA AVAILABILITY:

Under the Mutual Help Home Ownership Program regulations, available MEPA funds are defined as the balance in the MEPA account less any amounts owed to the Housing Authority. If at any time the amount in the Homebuyer's MEPA account is less than the Homebuyer's Tenant Account Receivable, no MEPA funds are available.

C. ADMINISTRATION CHARGE:

To use available MEPA funds to reduce delinquent Administrative Charges, the following must be done:

1. A verifiable financial emergency must exist that would severely limit a Family's ability to make their monthly payment.
2. A written request to use a Family's available MEPA funds for this purpose must be received by the Housing Authority **prior** to the issuance of a Notice of Termination.
3. MEPA funds can be used to pay only up to three months of delinquent administrative charges during any 12-month period.

D. EMERGENCY REPLACEMENTS:

Available MEPA funds can be used for emergency replacements, using the following guidelines:

1. A written request, specifying the exact proposed use of the funds and a least two cost estimates, must be given to the Housing Authority before any work can be authorized.
2. Available MEPA funds can be used for non-routine replacement of a major system, the failure of which threatens the health or safety of the Family. Major systems include the following:

Range or Refrigerator Replacement
 Wood Stove, Propane Stove or Pellet Stove Replacement
 Septic System Pumping
 Change of Exterior Door Locks
 Handicap Access Conversion
 Plumbing System Repairs for current water leaks.
 Electrical Repairs and Evaluation of Problem
 Water System or Septic/Drain field Issues

3. Available MEPA funds cannot be used to repair damages caused by family abuse, neglect or misuse of the property, unless the family vacates.
4. For jobs larger than those listed above, the Home Improvement Loan Program is available.

5. Homebuyers are responsible for choosing qualified contractors, carpenters, laborers etc. to perform the required work in the home: subject to the approval of the Housing Authority. All work performed must be in conformance with the uniform building code. The Housing Authority or staff is not liable for the work performed or for doing the work directly.

E. DEDUCTIBLE EXPENSES:

Available MEPA funds can be used to pay the insurance claim deductible, for costs related to insurance risk management claims, using the following guidelines:

1. A written request, specifying the exact proposed use of the funds, must be given to the Housing Authority before funds can be authorized.
2. An eligible incident that exceeds the INSURANCE deductible has to be submitted to the insurance carrier by the housing authority.

MEPA USE AMOUNTS:

\$100 to \$1,000	For Emergency Use Only
\$100 to \$ 3000	Only for Wood, Propane, or Pellet Stove Replacement
\$100 to \$ 2500	For insurance claim deductible
\$100 to \$5000.00	Water System or Septic/Drain field Issues

The MEPA use is for expenses more than \$100 but less than \$1,000 except for wood stove, propane stove or pellet stove replacements which have has a limit of \$3,000.

For those Homebuyer families needing more than the above stated dollar amounts in MEPA funds, especially if not an emergency, the whole amount may be borrowed using the Home Improvement Loan Program, if eligible and repaid according to that program.

Amended by the Board of Commissioners on June 5, 2019.



Timothy Horan, Executive Director