

Foreclosure Procedures
Coquille Indian Tribe

Adopted August 26, 1995

LEASEHOLD MORTGAGES

1. Purpose

The purpose of this Title is to available the Coquille Indian Tribe and its members (and other Indians) of financing for the construction and/or purchase of family residences on trust and otherwise restricted lands within the jurisdiction of the Coquille Indian Tribe by prescribing procedures for the recording, priority and foreclosure of leasehold mortgages given to secure loans insured under Section 184 and Section 248 of the National Housing Act.

2. Definitions

- (a) Tribe shall refer to the Coquille Indian Tribe as defined in the Tribal Constitution. The Service Area of the Coquille Indian Tribe, as defined in Public Law 101-42: The Coquille Restoration Act, is Coos, Curry, Douglas, Jackson, and Lane Counties in southwestern Oregon.
- (b) Tribal Council shall mean the Tribal Council of the Coquille Indian Tribe as defined in the Tribal Constitution.
- (c) Tribal Recording Clerk shall mean the person designated by the Tribal Council to perform the recording functions under this Title or any deputy or designee of such person.
- (d) Tribal Secretary shall mean the Secretary of the Coquille Indian Tribe as defined in the Tribal Constitution .
- (e) Tribal Court shall mean the Tribal Court as established by the laws of this Tribe or such body as such body as may now or hereafter be authorized by the laws of the Tribe to exercise the powers and functions of a court of law.
- (f) Secretary shall mean the Secretary of the United States Department of Housing and Urban Development (HUD) or his or her designee, attorney or agent.
- (g) Section 184 shall mean Section 184 of the National Housing Act, 12 U.S.C. 1715z-13.
- (h) Section 248 shall mean Section 248 of the National Housing Act, 12 U.S.C 1715z-13.
- (i) Lease shall mean the lease of trust or otherwise restricted property for which a Leasehold Mortgage, as defined in this Title, has been or will be given.
- (j) Lessor shall mean the beneficial or equitable owner of trust or otherwise restricted property under a Lease for which a Mortgage, as defined in this Title, has been given, or the heir(s), successor(s), executor(s), administrator(s) or assign(s) of such Lessor.
- (k) Leasehold Mortgage shall mean the mortgage of a lease of trust or otherwise restricted property given to secure a loan insured under Section 184 and Section 248.
- (l) Mortgagor shall mean the Tribe or any Indian(s) who has executed a Leasehold Mortgage as defined in this Title, or any heir(s), successor(s), executor(s), administrator(s) on assign(s) of the Tribe or such Indian(s).
- (m) Mortgagee shall mean the mortgagee under any Leasehold Mortgage as defined in this Title or the successor(s) in interest of any such mortgagee including the Secretary as defined in this Title, or the Secretary's assignee under any such mortgage.
- (n) Subordinate Lienholder shall mean the holder of any lien, including a subsequent mortgage, perfected subsequent to the recording of a Leaseholder Mortgage under this Title (except the Tribe with respect to a claim for a tribal leasehold tax).
- (o) Leasehold Mortgagee Foreclosure Proceeding shall mean a proceeding in the Tribal Court:

- (1) To foreclose the interest of the Mortgagor(s), and each person or entity claiming through the Mortgagor(s), in a Lease for which a Mortgage has been given under Section 184 and Section 248; and
- (2) To assign such Lease to the Secretary or the Secretary's assignee.

3. Priority

A Leasehold Mortgage recorded in accordance with the recording procedures set forth in this Title shall have priority over any lien not perfected at the time of such recording and any subsequent lien or claim excepting a lien or claim arising from a tribal leasehold tax assessed after the recording of the mortgage. Nothing in this Title shall prevent any person or entity from recording a Leasehold Mortgage in accordance with state law or from filing a Leasehold Mortgage with the Bureau of Indian Affairs.

4. Recording

- (a) The Tribal Council shall from time to time designate by law or resolution a Tribal Recording Clerk and such additional deputy tribal recording clerks as it deems proper to perform the recording functions under this Title. If approved by resolution of the Tribal Council, the Tribal Recording Clerk may designate one or more designees to perform the recording functions under this Title.
- (b) The Tribal Recording Clerk shall maintain in the Tribal Court a system for the recording of Leasehold Mortgage and such other documents as the Tribal Council may designate by law or resolution.
- (c) The Tribal Recording Clerk shall endorse upon any Leasehold Mortgage or any other document received for recording:
 - (1) The date and time of receipt of the Leasehold Mortgage or other document;
 - (2) The filing number, to be assigned by the Tribal Recording Clerk, which shall be a unique number for each Leasehold Mortgage or other document received; and
 - (3) The name of the Tribal Recording Clerk receiving the Leasehold Mortgage or document.

Upon completion of the above endorsements, the Tribal Recording Clerk shall make a true and correct copy of the Leasehold Mortgage or other document and shall certify the copy as follows:

COQUILLE INDIAN TRIBE)

COQUILLE INDIAN RESERVATION)

I certify that this is a true and correct copy of a document received for recording this date.

Given under my hand and seal this _____ day of _____.

(SEAL)

(Signature)

(Title)

The Tribal Recording Clerk shall maintain the copy in the records of the recording system and shall return the original of the Leasehold Mortgage or other document to the person or entity that presented the same for recording.

- (d) The Tribal Recording Clerk shall also maintain a log of each Leasehold Mortgage or other document recorded in which there shall be entered:
 - (1) The name(s) of the Mortgagee(s) of each Leasehold Mortgage, identified as such;
 - (2) The name(s) of the Mortgagee(s) of each leasehold Mortgage, identified as such;
 - (3) The name(s) of the grantor(s), grantee(s), or other designation of each party named in any other documents;
 - (4) The date and time of receipt;
 - (5) The filing number assigned by the Tribal Recording Clerk; and
 - (6) The name of the Tribal Recording Clerk receiving the Leasehold Mortgage or document.
- (e) The certified copies of the Leasehold Mortgages and other documents and the log maintained by the Tribal Recording Clerk shall be made available for public inspection and copying.
- (f) In lieu of presenting an original Leasehold Mortgage or other document for recording, any person or entity may present a copy of the same upon which there is an original certification is substantially the following form which has been signed and sealed by a judge or clerk of the Tribal Court, the Tribal Secretary, or by a notary public or other authorized official of the State of Oregon:

State of Oregon)
) ss.
 County of Coos)

I certify that this is a true and correct copy of a document in the possession of _____ this date.

(SEAL)

(Signature)

(Title)

(Date of Expiration of Commission, if applicable)

- (g) The recording procedures set forth in the Title for Leasehold Mortgages shall also apply to any assignments of Leasehold Mortgage.

- (h) The Tribal Council may from time to time establish recording fees, copying fees, and fees for the certification of any document recorded under the recording system established under this Title.

5. Leasehold Mortgage Foreclosure Proceedings

Upon the default of the Mortgagor(s) under a Leasehold Mortgage, the Secretary may commence a Leasehold Mortgage foreclosure proceeding in the Tribal Court by filing:

- (a) A verified complaint:
 - (1) Naming the Mortgagor(s) and each person or entity claiming through the Mortgagor(s) subsequent to the recording of the Leasehold Mortgage, including each Subordinate Lienholder Mortgage, including each Subordinate Lienholder (except the Tribe with respect to a claim for a tribal leasehold tax), as a defendant;
 - (2) Describing the property;
 - (3) Stating the facts concerning the execution of the Lease and the Leasehold Mortgage; the facts concerning the alleged default(s) of the Mortgagor(s); and such other facts as may be necessary to constitute a cause of action;
 - (4) Having appended as exhibits true and correct copies of each promissory note, Lease, Leasehold Mortgage, or assignment thereof relating to the property; and
 - (5) Including an allegation that all relevant requirements and conditions prescribed in
 - i) Section 248 and Section 184,
 - ii) the regulations promulgated thereunder by the Secretary, and
 - iii) the provisions of the Lease, have been complied with by the Secretary.
- (b) A summons issued as in other cases requiring the Mortgagor(s) and each other defendant to appear for a trial upon the complaint on a date and time specified in the summons. The trial date specified in the summons shall be not less than 20 nor more than 45 days from the date of service of the summons and complaint. The summons must notify the defendant(s) that judgment will be taken against the defendant(s) in accordance with the terms of the complaint unless the defendant(s) file an answer with the court and appear for trial at the time, date and place specified in the summons.

6. Service of Process and Procedure

The laws of the Tribe governing service of process and all other matters relating to the conduct of Tribal Court proceedings shall apply to any Leasehold Mortgage Foreclosure Proceeding under this Title.

7. Alternate Service

If it appears by affidavit filed in the Tribal Court, that any party to a Leasehold Mortgage Foreclosure Proceeding cannot be located, then service of process may be had upon such party by:

- (a) Posting a copy of the summons and complaint in a conspicuous place on the property which is the subject of the Lease within 5 days after the issuance of the summons, but not less than 20 days prior to the date set for trial; and
- (b) Mailing a copy of the summons and complaint by certified mail, return receipt requested, to such party at the last known address of such party and in care of the Superintendent of the Siletz Agency of the Bureau of Indian Affairs within 5 days after the issuance of the summons, but not less than 20 days prior to the date set for trial.

8. Certified Mailing to Tribe and Lessor

In any Leasehold Mortgage Foreclosure Proceeding where the Tribe or the Lessor(s) is not named as defendant, a copy of the summons and complaint shall be mailed to the Tribe and to the Lessor(s) by certified mail, return receipt requested, within 5 days after the issuance of the summons, but not less than 20 days prior to the date set for trial. If the location of the Lessor(s) by certified mail, return receipt requested within 5 days after the issuance of the summons, but not less than 20 days prior to the date set for trial. If the location of the Lessor(s) cannot be ascertained after reasonable inquiry, a copy of the summons and complaint shall be mailed to the Lessor(s) in care of the Superintendent of the Siletz Agency of the Bureau of Indian Affairs.

9. Intervention

The Tribe or any Lessor may petition the Tribal Court to intervene in any leasehold Mortgage Foreclosure Proceeding under this Title. Neither the filing of a petition for intervention by the Tribe, nor the granting of such a petition by the Tribal Court shall operate as a waiver of the sovereign immunity of the Tribe.

10. Cure of Default by Subordinate Lienholder

Prior to the entry of a judgment of foreclosure, any Mortgagor or any Subordinate Lienholder may cure the default(s) under the Leasehold Mortgage. Any Subordinate Lienholder who has cured a default shall thereafter have included in its lien the amount of all payments made by such Subordinate Lienholder to cure the default(s), plus interest on such amounts at the rate stated in the note for the Leasehold mortgage.

11. Power of the Tribal Court

If the alleged default(s) have not been cured, and if the Tribal Court should find for the Secretary, the Tribal Court shall enter judgment:

- (1) Foreclosing the interest in the Lease of the Mortgagors and each other defendant named in the complaint upon whom proper and timely service has been made, including each such Subordinate Lienholder; and
- (2) Assigning such lease to the Secretary or the Secretary's assignee.

12. No Redemption

There shall be no right of redemption in any Leasehold Mortgage Foreclosure Proceeding.

13. No Deficiency Judgment

No deficiency judgment shall be entered in any Leasehold Mortgage Foreclosure Proceeding.

14. Remedies exclusive

The remedies provided under this Title are exclusive.

15. No Merger

There shall be no merger of estates by reason of the execution of a Lease or a Leasehold Mortgage or the assignment or assumption of same, including an assignment adjudged by the Tribal court, or by operation of law, except as such merger may arise upon satisfaction of the Leasehold Mortgage.

16. Limited Waiver of Immunity

In any case where the Tribe is a Mortgagor under a Leasehold Mortgage. the Tribe may be sued as a defendant in such capacity only and only under this Title; provided, that there shall be no award

of attorney fees or costs against the Tribe in any proceeding involving the Tribe, except where prior written consent to such an award have been given by the Tribe.