



Title VI Loan Guarantee Program Fact Sheet for Lenders

The Title VI Loan Guarantee Program was created to assist tribes, Alaska Native Villages, and Tribally Designated Housing Entities (TDHE) with financing affordable housing as prescribed by the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA). The tribe/TDHE leverages Indian Housing Block Grant (IHBG) funds by pledging those funds to HUD, and HUD provides the guarantee to the lender.

Program Features	Program Requirements
Eligible Lenders	<ul style="list-style-type: none"> ▶ Any lender that is supervised, approved, regulated, or insured by any agency of the United States ▶ Any other lender approved by the Secretary of HUD
Eligible Borrowers	Tribes, Alaska Native Villages, and their tribally designated housing entities that are Indian Housing Block Grant (IHBG) recipients, and that demonstrate administrative and financial capacity
Uses of Funds	Funds must be used for affordable housing activities under NAHASDA including: <ul style="list-style-type: none"> ▶ Purchasing land and housing ▶ Designing building and site plans ▶ Constructing and rehabilitating housing ▶ Constructing infrastructure (roads, sidewalks, water, sewer, electric, gas) ▶ Financing loan costs ▶ Financing other activities approved by the Area Office of Native American Programs
Maximum Loan Amount	Up to five times the annual need portion of the borrower’s annual Indian Housing Block Grant. There is no minimum loan size.
Collateral	HUD Guarantee
HUD Guarantee	Payment of 95% of the outstanding principal and interest
Collateral	None
Loan Terms	Construction and/or permanent financing: <ul style="list-style-type: none"> ▶ Loan term up to 20 years ▶ Interest rate may be fixed, adjustable, or floating
Lender Benefits	<ul style="list-style-type: none"> ▶ Flexible loan structures ▶ No guarantee fee ▶ Limited risk exposure with payment guarantee ▶ Avoids foreclosure ▶ Loans are marketable ▶ Lender’s loan documents are generally acceptable

For More Information	Contact HUD’s Office of Loan Guarantee (202) 402-4134
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