Indian Affairs - Office of Public Affairs

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Ada E. Deer, Assistant Secretary for Indian Affairs is thrilled to announce that there is $34.6 million in loan guarantee authority currently available to assist tribal and individual enterprises on or near Indian reservations.

"In 1974, the U.S. Congress passed the Indian Financing Act to assist Indian tribes, Native Alaska groups, and their individual members with financing of business enterprises to develop Indian reservation and tribal economies," Ms. Deer said. "Many tribes credit the loan guaranty program for spurring economic activity in their communities. The loan guaranty program is currently funded with authority to guarantee payment of up to 90 percent of the $34,615,385.00 in loans to eligible Native Americans. Tribal and American Indian entrepreneurs are encouraged to contact a local lending institutions to begin the process for a loan guaranty under this program."

The Bureau of Indian Affairs guaranteed loan program's general requirements are:

- **Eligibility** - A borrower must be a Federally recognized Indian tribe or Alaska Native group, or American Indian (an enrolled member of a federally recognized Indian tribe or Alaska Native group), or a business organization with no less than 51 % American Indian ownership. The business must be on or near an Indian reservation.
- **Loan Purpose** - must be to finance American Indian and Alaska Native owned commercial, industrial, agriculture or business activity organized for profit.
- **Loan Amount** - A maximum of $5.5 million to a tribe or tribally owned business, and $500,000 to individuals or business entities other than tribes.
- **Equity Requirements** - a minimum of 20% of project funding in either cash or unencumbered assets to be used in the proposed business is required.
- **Terms of Loan** - maturity is determined by lenders making the loan and is based on the type of loan, (e.g., manufacturing, retail, construction, seasonal, etc.) and the applicant's repayment capability, except 30 years is the maximum maturity term. • Loan Guaranty - the percentage of a loan that is guaranteed is the minimum necessary to obtain financing, but may not exceed 90% of the unpaid principal and interest on the loan.
- **Application Procedures** - The applicant should work directly with a BIA approved lender and use the lenders' loan application and security documents. The applicant must have a fully completed business plan which demonstrates fiscal responsibility and sound management capability. The lender must initiate the request for a BIA Loan Guaranty. Complete guidelines can be obtained by referring to Title 25 of the Code of Federal Regulations Part 103, or contacting the local BIA Area Office, see listing below.
- **Initiation Request** - Requests for BIA loan guarantees may be submitted to the appropriate BIA Agency or Area Office at any time during the fiscal year (October 1 - September 31) but approval is always subject to availability of funds.

"Loan guarantees have helped to finance Indian-owned business in construction, cattle ranching, commercial fishing, air carrier charter services, shuttle bus services, convenience/grocery stores, charter and sightseeing, hotel/conference centers, office building rentals, bulk fuel stations, and

others," Nancy Jemison, Director of the Office of Economic Development said.

Aberdeen Area Office (Nebraska, North Dakota and South Dakota)
Bureau of Indian Affairs
115 4th Avenue S.E.
Aberdeen, South Dakota 57401
(605) 226-7343 FAX (605) 228-7448

Albuquerque Area Office (Colorado and New Mexico)
Bureau of Indian Affairs
615 First St. N.W.
Albuquerque, New Mexico 87125
(505) 766-3754 FAX (505) 766-1964

Anadarko Area Office (Kanau and West Oklahoma)
Bureau of Indian Affairs
WCD Office Complex
P.O. Box 368
Anadarko, Oklahoma 73005
(405) 247-6673 FAX (405) 247-5611

Minneapolis Area Office (Minnesota, Iowa, Mich., & Wisc.)
Bureau of Indian Affairs
331 S. Second Avenue
Minneapolis, MN 55401
(612) 373-1000 FAX (612) 373-1188

Muskogee Area Office (East Oklahoma)
Bureau of Indian Affairs
Old Federal Building
Muskogee, Oklahoma 74401
(918) 687-2296 FAX (918) 687-2571

Navajo Area Office (Navajo Res. Only, Arizona, Utah, and New Mexico)
Bureau of Indian Affairs
P.O. Box 1060
Gallup, New Mexico 87305
(505) 863-8314 FAX (505) 863-8324

Billings Area Office (Montana and Wyoming)
Bureau of Indian Affairs
316 North 26th Street
Billings, Montana 59101
(406) 247-7943 FAX (406)247-7976

Eastern Area Office (N.Y., Maine, Louisiana, Florida, North Carolina, and Mississippi)
Bureau of Indian Affairs
3701 N. Fairfax Drive
Mail Stop 260-VASQ
Arlington, Virginia 22203
(703) 235-2751 FAX (703) 235-8610

Juneau Area Office (Alaska)
Bureau of Indian Affairs
P.O. Box 25520
Juneau, Alaska 99802-5520
(907) 586-7177 FAX (907) 588-7169

Phoenix Area Office (AZ, Nevada, UT, California, and Idaho)
Bureau of Indian Affairs
One North First Street P.O. Box 10 Phoenix.
Arizona 85001 (602) 379-6600 FAX (602) 379-4413

Portland Area Office (Oregon, Washington, and Idaho)
Bureau of Indian Affairs
911 N.E. 11th.Avenue
Portland, Oregon 97232
(503)231-6702 FAX (503) 231-2201

Sacramento Area Office (California)
Bureau of Indian Affairs
2800 Cottage Way
Sacramento, California 95825
(916) 979-2600 FAX (916) 979-2569