Mortgage Loan Flow Chart
For Direct Loans on Indian Trust Lands

1.
Applicant eligibility determination

2.
Tribal lease and foreclosure ordinances reviewed for approval

3.
Applicant obtains building and site plans, specifications, and construction bids, or offer to purchase if existing property

3a.
Applicant contacts tribe to obtain residential lease and submits to BIA

4.
Rural Development conducts site visit for property eligibility and necessary repairs if appropriate

4a.
BIA approves lease, records at a title office, and distributes copies along with the Title Status Report (TSR)

5.
Property is appraised

6.
Loan is approved and funds obligated based on underwriting criteria

7
RD sends mortgage and, if appropriate, underwriting criteria to BIA for approval, and other loan closing documents to title company or escrow agent for closing
(see more detailed loan closing flow chart for further guidance and options)

8
Closing agent reviews closing instructions and obtains BIA approvals and TSR

8a
BIA issues "Commitment for Mortgage/Deed of Trust Approval"

9
Loan is closed and mortgage sent to BIA for recording

10
BIA records mortgage and issues "Certificate of Approval for Leasehold Mortgage/Deed of Trust" and TSR

11
Funds are disbursed by escrow agent