



105(l) Lease Program - 2026

105(l) Guidebook Overview

- (ISDEAA) Section 105(l)
- Eligibility Requirements
- Types of Compensation
- The Application Process
- Required Documents
- Lease Terms & Renewals



Indian Self Determination and Education Assistance Act (ISDEAA)



The act is statutory and, upon request of a Tribe or Tribal organization (T/TO), requires the Secretaries of the Department of the Interior and the Department of Health and Human Services to enter into a facility lease agreement for certain facilities used for Programs, Functions, Services, or Activities (PFSAs) assumed under ISDEAA.

Section 105(l) Leases are not traditional leases but are more like “*Facility Cost Agreements*” between the BIA, or IHS and T/TO for facility operational expenses.



Eligibility Requirements



Eligible facilities are those to which the T/TO has:

- Title
- Leasehold Interest
- Trust Interest

Note: A T/TO may negotiate to construct a new facility to carry out PL 93-638 programs.

T/TO must prove interest in a facility by:

- Trust Title
- Quitclaim Deed or Warranty Deed
- Lease or Rental Agreement

The facility must be *occupied*, the space must be used for a PFSA, and the PFSA must be in an approved ISDEAA Self-Determination contract, Self-Governance compact, or Public Law 100-297 grant.





Types of Compensation



- Fair Market Rental
- Cost Elements listed in 25 CFR Section 900.70 (a) – (h) only
 - (a) Rent (sublease).
 - (b) Depreciation of the useful life of the facility based on acquisition costs not financed with federal funds.
 - (c) Contributions to a reserve for replacement of facilities.
 - (d) Principal and interest paid or accrued.
 - (e) Operation and maintenance expenses, to the extent not otherwise included in rent or use allowances.
 - (f) Repairs to buildings and facility equipment (no furnishings or office equipment).
 - (g) Alterations that are needed to meet program requirements (Tenant improvements).
 - (h) Other reasonable expenses (Tribe must provide written justification).
- Combination of Fair Market Value and Cost Elements

** Compensation must be reasonable and not duplicative.*



Application Process



On Tribal letterhead, submit a letter of intent to ISDEAA105L@BIA.GOV.

Letter of Intent should include:

- The name of each facility.
- The address of each facility.
- Identify the approved ISDEAA PFSAs in each facility.
- The type of compensation the Tribe is seeking.
- A statement of ownership interest.
- Identify fiscal or calendar year accounting.



Required Documents

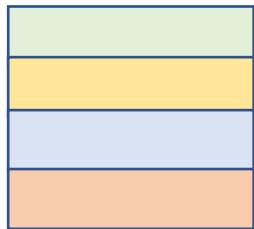


- Proof of ownership (Title, Deed, Trust Interest, Rental Agreement).
- Certificate of occupancy.
- Recent photos of the facility's interior and exterior.
- Fair market rental appraisal/analysis (FMRA) and/or proof of actual cost.
- Floor plans that clearly identify all spaces and types of use.
- Financial certification.
- Tribal resolution.



EXAMPLE - Building with Multi-Use Spaces

Total Space = 1,550 SF

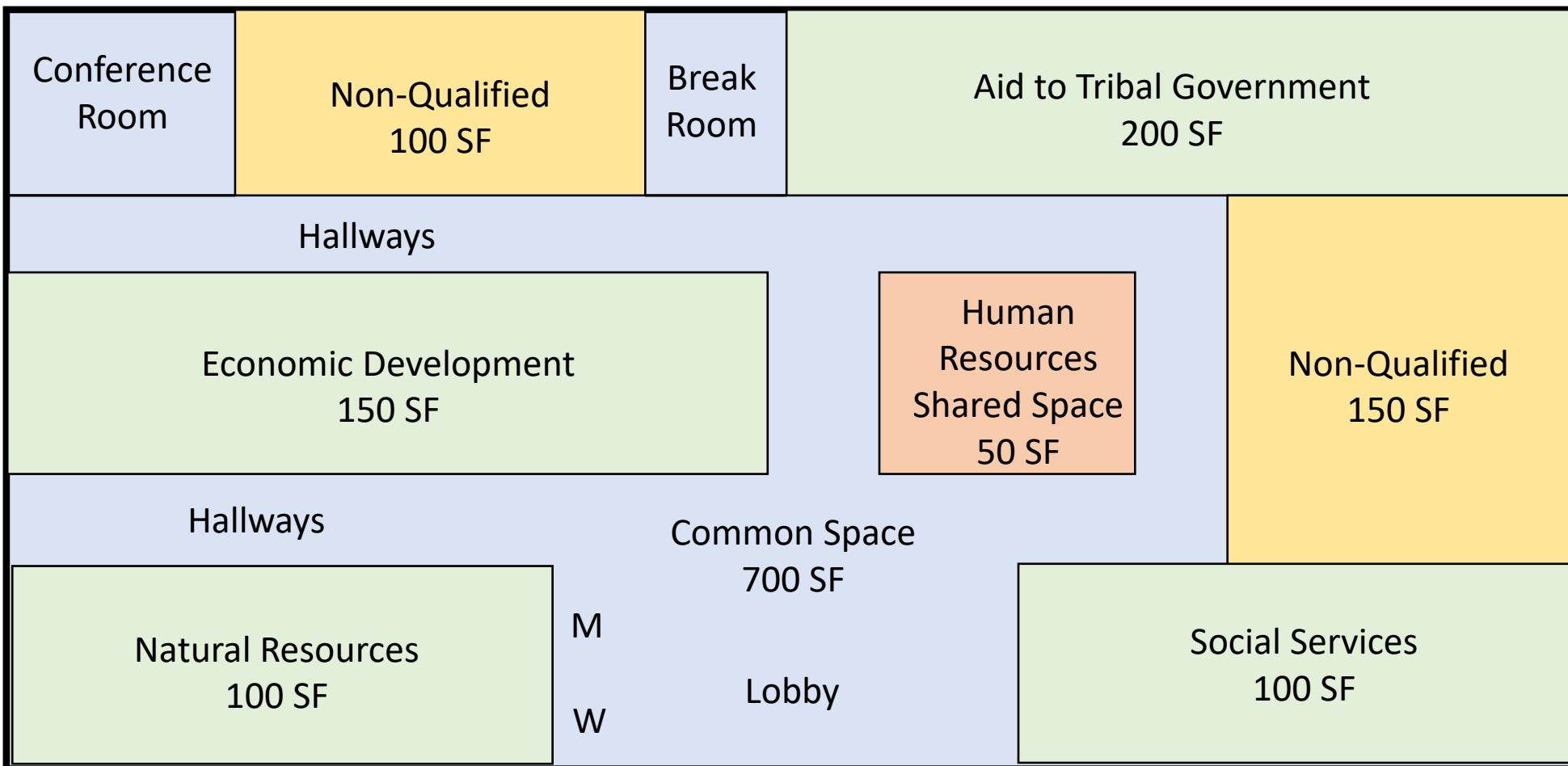


BIA PFSA Space = 550 SF

Non-Qualified Space = 250 SF

Common Space = 700 SF

Shared Space = 50 SF





Lease Execution Process

- Tribe submits letter of intent to ISDEAA105L@BIA.GOV.
- Assigned Realty Specialist (RS) verifies PFSAs qualify based on the T/TO current funding agreement.
- RS reviews submitted documents, confirming they meet requirements.
- RS and T/TO review the draft lease and confirm the agreeable terms.
- Surnaming/Legal sufficiency review.
- All parties sign the lease.
- The RS sends an executed copy to the T/TO and requests the delivery of funds.
- The funds will be distributed to the T/TO in one lump sum annually by the 638 contract/compact or 297 grant awarding official.

Lease Terms and Renewals



Initial Lease

- Lease is incorporated into the ISDEAA 638 contract, compact, or 297 grant.
- Initial leases are prorated for year one and year two is for a full calendar or fiscal year.

Lease Renewals

- Renewal requests must be received 90 days before lease expiration.
- Lease terms may be renegotiated at renewal.
- Renewals are for two calendar or fiscal years.



The Path Forward



- All correspondence needs to go through ISDEAA105L@BIA.GOV
- The technical assistance guidebook, presentation slides, and sample templates are posted on the Office of Tribal Leases website: <https://www.bia.gov/as-ia/ofpsm/otl>
- The 105(l) team will coordinate with IHS and DFMC to ensure no duplicative payments.
- Technical assistance is available upon request.





QUESTIONS?