



HUD-Guaranteed Section 184 Native American Mortgages

Grow your market opportunities with mortgages to Native Americans

Better serve Native American; Alaskan Native and New Mexican Pueblo homebuyers; and Indian Tribes with mortgages that are guaranteed by the Department of Housing and Urban Development pursuant to the Indian Housing Loan Guarantee Program, Section 184 of the Housing and Community Development Act of 1992. These loans must also be originated pursuant to Section 184 Regulations and the terms of the Freddie Mac *Single-Family Seller/Servicer Guide* (Guide).

> Borrower Profile

- Native American; Alaskan Native and New Mexican Pueblo homebuyers; and Indian Tribes

> Key Features

- 15-, 20- and 30-year assumable fixed-rate mortgages
- 1- to 4-unit primary residences
- Owner-occupied or leasehold estates located on fee simple and restricted lands
- Mortgage insurance is not required

> Borrower Benefits

- Finance closing costs for borrowers who need assistance
- Increased access to homeownership opportunities
- Eliminate the reserve requirement (cash reserves of at least three months may be considered a compensating factor for higher ratios)
- Allows various options for funding a down payment, closing costs, and prepaids

ORIGINATION & UNDERWRITING REQUIREMENTS	
Eligible Property Types	<ul style="list-style-type: none"> • 1- to 4-unit primary residences including single family dwellings, condominiums and Planned Unit Developments (PUDs), and manufactured homes (in accordance with HUD requirements and the Guide) • Note: Owner-occupancy is not a requirement for Tribally Designated Housing Entities, Indian Housing Authorities or an Indian Tribe. • Properties located on: <ul style="list-style-type: none"> ▪ Alaskan Native lands ▪ Native American trust, allotted trust and unrestricted land ▪ Tribal fee status land for New Mexican Pueblos ▪ Rancheros in California
Eligible Mortgages	<ul style="list-style-type: none"> • 15-, 20- and 30-year fixed rate mortgages • First lien, purchase transactions • Assumable • Mortgage must be sold to Freddie Mac with recourse within the requirements of Guide Section 11.10(a.). • Mortgages must not be seasoned mortgages or Mortgages for Newly Constructed Homes. • Maximum loan amount may not exceed lesser of Freddie Mac loan limits or any HUD Section 184 Regulation loan limits. • Mortgage may not be originated in connection with other FHA/VA programs, such as Section 203(k) of the National Housing Act. • Construction or rehabilitation must be completed before the mortgage is sold. • Mortgage insurance is not required based on government guarantee. • Underwriting requirements are based on HUD requirements and take into consideration the unique needs of Native American borrowers. See the HUD Regulations for more information.
Loan Prospector[®] Evaluation	<ul style="list-style-type: none"> ▪ HUD-Guaranteed Section 184 Native American Mortgages may not be assessed through Loan Prospector[®] at this time.
DELIVERY REQUIREMENTS	
Eligible Executions	<ul style="list-style-type: none"> • Fixed-rate Cash, servicing retained • Fixed-rate Guarantor. • MultiLender Swap.
Delivery Requirements	<p>To deliver HUD-Guaranteed Section 184 Native American Mortgages originated to a Native American tribe or tribal organization under the selling system, you'll need to select the appropriate Gender Code on the Form 11:</p> <ul style="list-style-type: none"> • Gender Code 8: 'NA – Native Am Tribe/Org' <p>See Guide Section 17.11 for more information about special delivery requirements for these mortgages.</p>
Delivery Fees	<ul style="list-style-type: none"> • See Guide Exhibit 19 for details on applicable fees. • The Investment Property Mortgage postsettlement delivery fee (delivery fee) indicated on Exhibit 19 will not be assessed and billed to the seller if the borrower is a Tribally Designated Housing Entity, an Indian Housing Authority or an Indian Tribe. • In addition, the following delivery fees will not be assessed and billed to the Seller in conjunction with the sale of Section 184 Native American Mortgages that meet the requirements of this section and are delivered as Section 184 Native American Mortgages: <ul style="list-style-type: none"> ▪ Credit Score/Loan-to-Value (CS/LTV) delivery fee (A-minus fee) ▪ Indicator Score/Loan-to-Value delivery fee

Learn more about HUD-Guaranteed Section 184 Native American Mortgages:

- Review Chapter 35 of the *Single Family Seller/Service Guide*
- Call (800) FREDDIE
- Visit www.FreddieMac.com
- Visit www.hud.gov
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