

MEMORANDUM OF UNDERSTANDING

BETWEEN

THE U.S. DEPARTMENT OF VETERANS AFFAIRS

AND

THE _____ TRIBE

WHEREAS, the Secretary of Veterans Affairs is authorized under the provisions of title 38 U.S. Code §§ 3761 et. seq. to establish a program of direct loans for Native American veterans living on trust lands, and

WHEREAS, the law requires, as a condition of making these loans available, that the tribal organization which has jurisdiction over the veteran enter into a Memorandum of Understanding with the Department of Veterans Affairs (VA) with respect to such loans, and

WHEREAS, the _____ Tribal Council has jurisdiction over Native American Veterans living on the _____ Reservation, and

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the parties hereto do agree and establish as follows:

- a. That the Department of Veterans Affairs will make direct loans available to qualified _____ veterans for the purchase, construction or improvement of homes on trust lands to the extent funds are available and subject to such terms and conditions as may be established by VA.
- b. That the _____ Tribe has established standards and procedures that apply to the conveyance of a leasehold interest in real property by a Native American veteran borrower, who is a member of the _____ Tribe, to VA as security for the loan, including procedures for foreclosing the interest and procedures for resale of the lot or the dwelling (or both) purchased, constructed, or improved using the proceeds of the loan. The ordinance which prescribes the minimum requirements for such standards and procedures is attached as Exhibit 1.
- c. That each _____ Tribal Member who is under the jurisdiction of the Tribe and to whom VA makes a direct loan holds, possesses or will obtain a leasehold or other acceptable interest in a lot that is located on trust land and will purchase, construct, or improve a dwelling on that lot with the proceeds of the VA direct loan. A sample residential lease acceptable to the _____ Tribe, VA and BIA is attached as Exhibit 2.
- d. That each such _____ Tribal Member will convey the

above-described interest to the Secretary of Veterans Affairs, by an appropriate instrument, as security of the direct housing loan made pursuant to title 38 U.S. Code § 3761.

- e. That the _____ Tribe and each veteran who obtains a loan from VA under this agreement will permit VA, its agents and employees to enter upon the trust land of the tribe and the veteran for the purpose of carrying out such actions as the Secretary determines are necessary to evaluate the advisability of the loan and to monitor any purchase, construction, or improvements carried out using the proceeds of the loan.

- f. The _____ Tribe will to the maximum extent possible assist VA in its efforts to manage this program in a prudent and cost- effective manner. This will include assisting VA in finding qualified substitute purchasers if the initial borrower is unable to fulfill his or her obligations under the law, carrying out evictions, assuring that mortgages and other legal instruments can be properly recorded and otherwise assuring that the program is operated in a responsible and prudent manner.

IN WITNESS OF WHEREOF, the parties hereto have signed this agreement as follows:

DATE: _____

Secretary of Veterans Affairs

DATE: _____

Tribal Council