

The Ultimate Section 184 Tribal Home Loan Guide



Your Path to Financial Growth,

Presented by Amy DeBusk

Phone Number
(916)705-2557

Our Website
www.amydebuskhomeloans.com

MORTGAGE MADE EASY ACADEMY

A Note Before You Begin

Reader update | September 27, 2026

This edition refreshes the colors of Amy's existing guide. The original educational pages follow. Specific examples and lender requirements in those pages should be confirmed before you rely on them for a home purchase.

Eligibility: Use current HUD eligibility and enrollment requirements. Broader eligibility statements in the original guide are not a substitute for verification with your lender and tribal enrollment office. Military service is not a Section 184 eligibility requirement.

Assistance and credit: The guide's DPA interest rate, forgiveness period, balloon payment, credit scores, and other product terms are historical program examples, not current offers or universal Section 184 rules. Ask Amy which assistance, if any, can be paired with your loan today.

Property and income: HUD allows eligible purchases, construction, rehabilitation, and refinancing. Property eligibility, proposed rental income, income documentation, and underwriting conditions require a current loan review. An absolute statement in the older guide may not describe your available options.

Costs: HUD currently lists a 1% upfront guarantee fee and no annual guarantee fee for loans closed on or after July 1, 2023. Do not assume a promised rate advantage or dollar savings compared with another mortgage.

Begin with current guidance:
amydebuskhomeloans.com/section-184-tribe-loan
hud.gov/section184
hud.gov/section184-borrowers

Questions are welcome. Schedule a conversation with Amy to discuss your goals, the property, and the current lending options. All loans are subject to approval.

Welcome Tribal Homeowners

Thank you for your service and heritage. At **Amy DeBusk Home Loans**, we're honored to help enrolled tribal members achieve homeownership through the HUD Section 184 program. This guide explains everything you need to know in clear, friendly language.

What Is the Section 184 Tribal Loan?



The Section 184 program is a federal loan guarantee specifically created to help Native American and Alaska Native families achieve homeownership. It offers flexible, affordable financing options for eligible tribal members and entities.

Who's Eligible?

- Federally recognized tribal members
- Regional or village corporations under ANCSA (Alaska Native Claims Settlement Act)
- Members of five specific state-recognized tribes (Coharie, Haliwa-Saponi, Lumbee, Waccamaw Siouan, Mowa Band of Choctaw)

Note: Many other federally recognized tribes and tribal entities are eligible under Section 184 beyond those listed here. Please reach out to confirm if your tribe qualifies.

It offers:

- Low down payment (as low as 2.25%)
- No mortgage insurance
- Flexible credit guidelines (no minimum FICO for the loan itself)
- Competitive interest rates

Who Qualifies for the Section 184 Loan?

To be eligible for a Section 184 loan, a few key requirements must be met:

- At least one borrower must be an enrolled member of a federally recognized tribe or a qualifying Alaska Native corporation
- The home must be owner-occupied—it must be your primary residence
- Second homes, vacation homes, and investment properties are not eligible

Not sure if you qualify? We can help verify your tribal enrollment and confirm your eligibility.

Down Payment & Loan Guarantee Fee

Section 184 loans offer flexible down payment solutions—especially with the help of tribal programs and down payment assistance (DPA).

Home Price	Minimum Down Payment
Over $50,000	2.25% of the purchase price
$50,000 or less	1.25% of the purchase price

Tribal grants or Down Payment Assistance (DPA) can be used to cover your required down payment.

Down Payment Assistance (DPA) Options

Type	Details
Forgivable DPA	No repayment if you remain in the home and stay current for 5 years
	Minimum FICO: 620 (or 640 for manufactured homes)
Non-Forgivable DPA	30-year amortized loan with 9.99% interest, balloon payment in 10 years
	Minimum FICO: 660; high-balance loans allowed

Loan Guarantee Fee

Fee	Fee
1% Guarantee Fee	Required for all Section 184 loans (can be financed into the loan amount)
	Helps support and sustain the program for future tribal homeowners

Many tribes offer first-time homebuyer grants—check with your tribe to see if funds are available to assist you!

Credit & Debt Requirements

Section 184 features no minimum FICO score requirement for loan approval. Instead, every application is manually underwritten, meaning our underwriters evaluate your entire credit profile—payment history, credit mix, and explanations for any blemishes—rather than relying on an automated credit score threshold.

What Manual Underwriting Means:

- An in-depth review of your **credit report,** including on-time payments and collection statuses
- Consideration of **compensating factors** (stable income, cash reserves, low LTV) over a simple score cut-off
- Flexibility to approve **borrowers with limited or challenged credit** if overall risk is low

Key Credit & Debt Guidelines:

- **Collections, judgments, and charge-offs** must be paid and satisfactorily explained before closing
- **No liens or judgments** within the last 24 months
- Bankruptcy discharge: **2-year waiting period** after Chapter 7
- Foreclosure or short sale: **3-year waiting period** (a prior Section 184 foreclosure disqualifies)

Because Section 184 loans are **manually underwritten,** you have greater flexibility. Amy DeBusk Home Loans will prepare your file to highlight your strengths and address any concerns directly.

Income, Employment & Assets

To qualify for a Section 184 loan, you'll need to document your income, assets, and available funds for closing. Here's what to know:

Income Documentation

- Provide **2 full years** of employment history (schooling can count)
- Tax returns required for all income types

Asset & Funds to Close

- Use all standard sources (savings, gifts)
- Tribal grants or second-lien DPA allowed (total CLTV ≤ 100%)
- **Closing costs cannot be financed** — seller credits up to **6%** allowed

Debt-to-Income (DTI) & Underwriting Guidelines

When applying for a Section 184 loan, your Debt-to-Income (DTI) ratio plays a key role in determining your eligibility. Here's how it works:

Standard DTI Limit

- The typical cap is 41% of your gross monthly income (including housing and all other monthly debts).
- Extended DTI Allowance
- Your DTI may go up to 45% if you meet at least one compensating factor as outlined by HUD's Section 184 underwriting guidelines.

If your DTI exceeds the standard 41%, you may still qualify by meeting one or more strong compensating factors. These help offset risk and support loan approval:

Factor	Details
Strong Credit Score	FICO score of 700 or higher
Substantial Cash Reserves	Six months or more of reserves covering principal, interest, taxes, and insurance (PITI)
Low Loan-to-Value (LTV)	**LTV of 75% or lower**
Additional Verifiable Income	Income not included in initial qualifying income (e.g., bonus, side income)

Source: HUD Section 184 Manual Underwriting Guidelines (hud.gov)

Property Requirements

To qualify for a Section 184 loan, the property must meet specific condition and usage guidelines. These are based on FHA standards to ensure the home is safe and suitable for long-term occupancy.

- Must meet **FHA property standards** (safe, sound, sanitary)
- All homes: single-family, condos (FHA-approved, two years of financials), PUDs, townhomes, manufactured/modular
- Multi-unit (2–4 units) allowed if owner-occupied; **rental income cannot be used**
- **Appraisal** uses FHA guidelines
- Pest and termite inspections: if required, copy to lender

Process & Timeline

Here's a high-level look at the Section 184 loan process. While standard purchases follow a typical timeline, additional time may be needed for trust land or new construction loans.

1. Tribal Eligibility Verification
2. Pre-Approval & Application Submission
3. Manual Underwriting & Approval
4. Property Appraisal & Inspections
5. Loan Guarantee Processing
6. Final Closing

We'll guide you through each step and keep your loan on track for a smooth, timely closing.

Special Nuances You Should Know

The Section 184 loan comes with unique features that offer flexibility—but also require a deeper understanding of the program. Here's a breakdown of key details that can impact your eligibility, savings, and loan structure.

Program Features & Benefits	
Feature	**Details**
Manual Underwriting	No AUS—loan files are manually reviewed. Strong documentation is essential.
Tribal Grants	Can reduce or eliminate down payment requirements.
Seller Credits	Up to 6% of the purchase price can be used toward closing costs and prepaids.
Guarantee Fee	1% fee (can be financed into the loan amount). Helps sustain the program.
No Mortgage Insurance	Saves borrowers hundreds per month compared to FHA or conventional loans.

Section 184 Property & Land Use Guidelines	
Category	**Requirement / Details**
Property Types	Single-family homes, townhomes, PUDs, modular/manufactured homes, FHA-approved condos with 2+ years of financials
Multi-Unit Properties	2–4 units allowed only if owner-occupied; rental income cannot be used for qualification
Appraisal Standards	Must follow FHA appraisal guidelines
Pest/Termite Inspection	Required if applicable by location or lender guidelines; copy of inspection must be provided to lender
Trust Land	Allowed with: • HUD-approved model lease • Tribal ordinance ensuring first lien priority • BIA lease approval
Fee Simple Land	Eligible without lease requirements—standard lending process applies
Construction & Rehab	Allowed for new builds, substantial rehab, or purchase. Construction-to-permanent loans must be delivered as whole loans
Energy Upgrades	Energy-efficient improvements may be financed through FHA's EEM program—no separate loan needed
Condo/PUD Projects	Must meet FHA standards, including: • Minimum 2 years of financials • No pending special assessments

These details often get overlooked—**Amy DeBusk Home Loans** ensures you benefit from every nuance.

Why Work with Amy DeBusk Home Loans?

We're not just mortgage experts—we specialize in helping Native American and Alaska Native families navigate the Section 184 Tribal Home Loan program with clarity, care, and confidence. Here's what we offer:

1. Personalized pre-approval & income analysis
2. Tribal enrollment & eligibility support
3. Property & land use guidance
4. Support with seller credits & DPA
5. Step-by-step loan process assistance

Contact Amy DeBusk Home Loans

We understand the unique guidelines of the Section 184 Tribal Home Loan, know how to maximize your benefits, and are committed to helping you save money every step of the way. From pre-approval to closing, we'll guide you through the process and make homeownership easier and more accessible.

Let us serve you as you've served us.

📞 Call/Text: (916) 705-2557
✉️ Email: adebusk@loandepot.com
✏️ Website: amydebuskhomeloans.com
🤖 Reddit: r/MortgageMadeEasy
📽️ YouTube: Amy DeBusk Home Loans

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