

personal property which is available and needed to protect the interests of FmHA or its successor agency under Public Law 103-354.

(a) *Land plus assignments of income.* When land security is taken, it will be coupled with assignment(s) of uncommitted tribal, trust, or other income sufficient to cover loan repayments and payments to the reserve account.

(b) *Assignments of income without land security.* One or more assignments of income determined to be sufficient to cover the installment repayments plus reserve on the loan will be taken using exhibit C in this subpart N as a guide. The assignment may consist of one or more of the following:

(1) *Assignment of uncommitted income.* A general assignment of uncommitted tribal, trust, or other income, together with a BIA Subordination Agreement using exhibit D in this subpart N as a guide. A statement will be obtained from BIA on the amount of such income that will be available to cover repayments and payments to the reserve account.

(2) *Assignment of land sale or lease income.* An assignment of any net proceeds from the sale, lease, or other disposition of real estate, including minerals, timber, water, water rights, or other interests in real estate, if a real estate mortgage is not taken on such property.

(3) *Assignment of other income.* An assignment or pledge of other income or revenue.

(c) *Recordation of assignments.* Each assignment of income will be approved by BIA and recorded in the appropriate public records.

§ 1823.410 Appraisals.

The amount of loan funds used to acquire property will not exceed its market value as determined by FmHA or its successor agency under Public Law 103-354. Market value will be based on an appraisal made by authorized FmHA or its successor agency under Public Law 103-354 personnel, BIA appraisers or appraisers approved by the State Director. The value of any existing buildings that pass with the land will be deducted from the market value.

[43 FR 18161, Apr. 28, 1978]

§ 1823.411 Land rights.

Title to land acquired may, with the approval of the Secretary of the Interior or his designee, be in the name of the United States in trust for the tribe.

§ 1823.412 Loan docket.

The loan docket will consist of those items set forth in exhibit A. Forms and guides are available in all FmHA or its successor agency under Public Law 103-354 County Offices. Part of the docket will be prepared by the tribe with the assistance of BIA in accordance with exhibits A(1), B, C, and D of this subpart N. FmHA or its successor agency under Public Law 103-354 will provide items in exhibit A(2) of subpart N.

§ 1823.413 Loan approval.

State Directors are authorized to approve all loans except those in excess of \$500,000 which must first be authorized by the National Office. Information to be furnished the National Office will include the completed loan docket, proposed letter of conditions to be met by the applicant, any comments of OGC, and the State Director's recommendations. The State Director will forward an executed Form FmHA or its successor agency under Public Law 103-354 440-1, "Request for Obligations of Funds," to the Finance Office for each loan approved. If approval was authorized by the National Office, a copy of the memorandum authorizing approval will be attached to the Form FmHA or its successor agency under Public Law 103-354 440-3. An executed Form FmHA or its successor agency under Public Law 103-354 440-1 will be forwarded to the applicant on the same date the loan is approved, that is, on the same date it is forwarded to the Finance Office.

[39 FR 3662, Jan. 29, 1974, as amended at 41 FR 7488, Feb. 19, 1976]

§ 1823.414 Title to security property.

The applicant will provide evidence of title satisfactory to the FmHA or its successor agency under Public Law 103-354 for all property that will serve as security for the loan.

(a) *Real estate security—(1) Trust property.* The applicant will request BIA to furnish Title Status Reports to the