



## **A New Financing Opportunity for Tribes**

Indian Land Capital Company (ILCC) is happy to announce that it is now open for business. A new company established to help Tribes consolidate and increase their land bases, ILCC provides Tribal Governments with flexible financing to purchase lands. As an Indian controlled Community Development Financial Institution (CDFI), ILCC is uniquely positioned to provide loans that respond to the distinct needs of Tribes. ILCC is committed to improving Tribes' land management capacity and has partnered with non-profit affiliates who can provide technical assistance and grants so that Tribes make the best strategic decisions and purchases possible. With a team of Indian and non-Indian professionals who have decades of experience in finance, banking, and all aspects of land management, ILCC presents an exciting new financing opportunity for Tribes.

## **Flexible Financial Services**

ILCC understands the challenges Tribes experience when interfacing with finance institutions. It is difficult for banks to recognize the sovereign nature of native nations, a political concern central to the future vitality of Indian people. Collateral is often needed and the result is opportunity for purchases can disappear before the red tape is navigated. Because ILCC is not regulated like a bank but is instead a CDFI, it can give Tribes the control and flexibility to acquire and manage land more appropriately for their own strategic objectives. Specifically, Tribes aren't required to match the revenues of a particular land parcel with the debt service of a particular loan; debt service can come from the cash flows of the total portfolio, or even from other dedicated tribal revenues. Each Tribe can assemble a portfolio that generates sufficient revenue to cover the cost of financing but which meets their own unique goals for economic development, recovery of tribal land, and cultural vitality. In addition, for a strategy that includes a series of purchases, ILCC can provide a loan or line of credit to allow Tribes to negotiate and make those purchases knowing that financing has been pre-approved. ILCC does not require land to be used as collateral. By not having to put a lien on purchased property, the Tribe can more quickly start the process of putting the land into trust. By lending in this manner, ILCC can help save a Tribe on costly legal fees and, in many cases, can help save time in securing authorizations required to mortgage land, whether it is in fee or trust status.

### ***Indian Land Capital Company, with its flexible nature can***

- help to leverage other financing,
- make subordinate loans,
- refinance an existing loan,
- make a stand alone loan,
- pre-approve financing,
- use creative loan repayment strategies.

**LOAN PRODUCTS** - Indian Land Capital Company has designed two loan products that fit the needs of Tribes.

#### **TERM LOANS:**

Tribes' aggregate real estate portfolios can be financed by term loans that can be amortized over time to match projected tribal revenues. These loans would not be secured by underlying real estate, but would have a claim on the cash flow stream from the whole portfolio of acquired and managed real estate or possibly other sources (e.g. casino revenues, settlement funds, or general tribal funds). Tribes can build a diverse portfolio of higher and lower yielding land which gives room to acquire land for cultural purposes as well as for economic reasons.

- Up to \$3 million
- Up to five year term, up to 20 year amortization and balloon maturity.
- Competitive interest rates
- 1 to 1.5% origination fee.

#### **LINES OF CREDIT/BRIDGE LOANS:**

These loans would assist a borrower to take advantage of a purchase opportunity for which it has identified other financing, but desires to make the purchase before that financing could be obtained.

- Up to \$3 million
- One year, renewable
- Competitive interest rates
- 1.5 to 2% origination fee.

*“Keeping Indian Capital in Indian Country”*

## Improving Land Management Capacity

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Just as important as financing, Indian Land Capital Company recognizes the importance of having a sound strategy for land purchase matched with a land management and use strategy. In keeping with this, ILCC has designed its loan requirements to encourage Tribal Governments to develop land use and management plans. In order to meet these requirements, ILCC's non-profit affiliates, Indian Land Tenure Foundation and Native American Community Development Corporation can provide assistance and, in some cases, grants to Tribes to develop the strategies required to receive a loan from ILCC. It is our hope that as Tribes put these strategies into effect their economies will begin to prosper.

## A Team of Professionals

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Indian Land Capital Company has a staff and board of directors with decades of experience in Indian Country working in the fields of banking and finance, business and housing development, as well as working with Indian lands. With our understanding of Tribes, community development finance, and Tribal land issues, we can help design financing that can meet the specific needs of Tribes. Our affiliate, Indian Land Tenure Foundation, can provide assistance with developing land purchase and management strategies and can help to prepare you for borrowing from Indian Land Capital Company. If a Tribe needs assistance with business or housing developing, Native American Community Development Corporation can lend their expertise.

## Why Use Our Financial Services?

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- ILCC was established specifically to help Tribes recover non-Indian owned reservation land and other property of importance to them. We specialize in financing the acquisition of lands by Tribes and it is our mission to help Tribes consolidate and increase their land bases and to develop strategies to manage lands.
- We recognize and support Tribal sovereignty. Because of our belief in Tribes and their ability to repay loans responsibly we do "full faith and credit" lending, which is the way states and the federal government are financed. This is what separates us from banks and their methods of lending to Tribes as corporations, and not as sovereign nations.
- ILCC offers flexibility in its lending practices. We can secure a loan with various revenue sources or we can base it upon the financial strength of the tribe. Our flexibility allows us to use our financing to leverage other financing by taking a second position in a loan participation. We can refinance an existing loan whether it is a bank loan or a government loan. We can help Tribes to pay for lands bought by the BIA under the Indian Land Consolidation Act because we don't have to put a lien on the land.
- Once a Tribe has a track record with ILCC, we can quickly and easily make subsequent loans. When a Tribe has developed a land use and management strategy we can continue to finance purchases of fee lands or trust lands.
- By requiring a Tribe to make an equity investment into ILCC, the Tribe becomes a client member owner and will have representation on the ILCC Board of Directors through an elected representative.
- ILCC has a team of Indian and non-Indian professionals with years of experience in Indian Country engaged in banking and finance, community development, and Indian land issues. This team of talented and creative people will use their expertise to make sure that the decisions of ILCC benefit the Tribal borrower. This team will look out for the needs of the Tribe while managing ILCC in a prudent and professional manner so that it will continue to grow into an institution that will be able to provide more and larger loans to Tribes.

## CONTACT US

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*If you would like to explore financing with Indian Land Capital Company please contact:*

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Indian Land Capital Company

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*If you need assistance in developing a land purchase and management program contact:*

**Indian Land Tenure Foundation**

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Little Canada, Minnesota 55117

Phone: 651-766-8999

*For assistance in housing or business development contact:*

**Native American Community Development Corporation**

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