



Testimony of
Juel Burnette
Wells Fargo Native American Housing Initiatives
Before the
US Senate Committee on Indian Affairs
March 22, 2007
Oversight Hearing of Indian Housing Programs

Chairman Dorgan, Vice Chairman Thomas, and Members of the Committee, thank you for the invitation to testify before the Committee on Indian Affairs regarding the various Indian Housing programs that fall under this Committee's jurisdiction. I am honored to be here.

My name is Juel Burnette. I am the Native American Lending manager for Wells Fargo Home Mortgage based in Sioux Falls, South Dakota. Wells Fargo Home Mortgage has full-time mortgage consultants based in Arizona, Montana, New Mexico, Oklahoma, and South Dakota who work with Native American customers on home loans across the United States.

For many years, Wells Fargo has been pleased to work with this Committee, as well as with individual Members, on various Federal initiatives to improve availability of credit for Native Americans. We look forward to a

continued collaboration with Congress, tribes and relevant organizations, as Congress proceeds with a reauthorization of Indian Housing programs.

Wells Fargo has been serving Native American tribes for more than 50 years and today we provide capital and financial services to more than 150 tribal nations across the United States. We've been a leading home mortgage lender to tribal nations for more than 25 years, and Wells Fargo was the first financial services company to originate a home mortgage on tribal lands.

In 2005, we closed mortgage loans on 47 different reservations in 20 different states. We were also the first major national financial services company to dedicate more than 10 professionals to serve Native American and Tribal Nation housing needs.

In 1991, we created Native American Banking Services, a specialty financial services group for Tribal Nations. The role of this group is to develop non-gaming credit opportunities with tribal governments and middle market Native American-owned companies. The group also supports tribal relationships and underwrites the sovereign risk associated with all lending to tribal governments on both taxable and tax-exempt loans.

I have appended a fact sheet summarizing our Wells Fargo programs tailored for use on tribal lands and to Native Americans. I ask that it be made part of the Committee's hearing record.

Today, I would like to concentrate my remarks on a few main issue areas: First, on the viability of the HUD Section 184 Loan Guarantee Program and second, concerns with the Bureau of Indian Affairs Land Titles and Records Office (LTRO).

As you know, the HUD Section 184 program was created by the Housing and Community Development Act of 1992. This program offers a loan guarantee to private sector lenders such as Wells Fargo Home Mortgage who then make mortgage loans to eligible borrowers for homes on Indian land, near reservations, and other eligible areas. In 2006, Wells Fargo's Native Lending group originated 241 HUD 184 loans. This is an all time high for Wells Fargo, and leads all financial services companies. We strongly support reauthorization of the HUD 184 program.

We believe the program could be improved with the addition of staff. Currently there are only two HUD Office of Native American Programs (ONAP) underwriting staff members. While these two individuals do an outstanding job, we believe that additional staff would increase efficiency and better accommodate for increased utilization of the program.

With regard to the Bureau of Indian Affairs Land Titles and Records (BIA LTRO) office, a number of areas could be improved. We believe that lenders, borrowers, and others involved in the process would greatly benefit from the development of a streamlined, consistent policy for the timely processing and delivery of necessary documents. Unfortunately, we have experienced a number of inconsistencies with requests for documents such as the recorded home site leases and Certified Title Status Reports. In fact, I have been working with the Pacific Regional Office and the Southern California Agency for three years on obtaining our recorded mortgage documents and the Certified Title Status Report. These delays are the most significant barrier to providing more home

loans to Native Americans in a state that has more tribal nations than any other state in the country.

With these challenges, there are also successes within the BIA that should be recognized. The work of Nila Solaman and Brenda High Rock at the Great Plains Regional Office is exemplary – their consistent, timely processing is an example that should be followed throughout the agency. BIA agencies located at the local reservation level should be commended for their efforts to facilitate processing of requests as well. The Northwest Regional Office in Portland, Oregon, and the Southwest Regional Office in Albuquerque, New Mexico, have been helpful, particularly when receiving requests from the local agencies. The personnel at the regional offices do a lot of good work; however, consistent and streamlined processes would facilitate the lending of more mortgages and greater utilization of these housing programs.

In closing, I would like to thank the Chairman and Members of the Committee for the opportunity to present our views on Federal Indian Housing Programs. In our view, a partnership among all interested parties is critical for financial success on tribal lands. I would be happy to respond to any questions that the Committee may have. Thank you.