



OFFICE OF PUBLIC AND INDIAN HOUSING

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-5000

Date: March 6, 2025

Dear Lender Letter 2025-04

To: All Tribes
All Tribally Designated Housing Entities
All Section 184 Approved Lenders and Servicers
All Section 184A Approved Lenders and Servicers
Department of Hawaiian Home Lands

Subject Extension of the Section 184 and Section 184A Loss Mitigation Options

Purpose This Dear Lender Letter (DLL) extends the loss mitigation options established in DLL 2023-04, as amended by DLL 2023-09, until the compliance date for the Section 184 Final Rule.

Effective Date This DLL is effective immediately.

Public Feedback HUD welcomes feedback from interested parties for a period of 30 calendar days from the date of issuance. To provide feedback on this policy document, please send feedback to the Office of Loan Guarantee at Section184Comments@HUD.gov. HUD will consider the feedback in determining the need for future updates.

Affected Programs This guidance applies to the Section 184 and Section 184A programs.

This DLL supersedes DLL 2024-07 and extends DLL 2023-04 and DLL 2023-09.

Background

On May 12, 2023, the Section 184 program extended and expanded its COVID-19 Loss Mitigation Options under DLL 2023-04 to be available to all borrowers in default and clarified the extent of those options under DLL 2023-09.

On March 20, 2024, HUD published the final rule entitled “Strengthening the Section 184 Indian Housing Loan Guarantee Program,” with an effective date of June 18, 2024.

On June 13, 2024, the Section 184 program extended the effective date of the final rule to December 31, 2024, and established a compliance date of March 1, 2025.

On August 22, 2024, the Section 184 program published DLL 2024-07, which extended the expiration of the COVID-19 Recovery Options to March 31, 2025, to align with the compliance date of the final rule. This was done in order to have an effective transition between the loss mitigation options established in DLL 2023-04 and 2023-09 and the loss mitigation requirements of the final rule and subsequent Section 184 Program Policy Handbook (Handbook).

On January 17, 2025, the HUD published a Federal Register Notice (FRN) titled “Strengthening the Section 184 Indian Housing Loan Guarantee Program; Extension of Compliance Date” (90 FR 5604). The FRN announced the extension of the March 1, 2025, compliance date to December 31, 2025.

This DLL extends the loss mitigation options expiration date to align with the newly extended final rule compliance date. The extension prevents Lenders and Servicers from having to revert to the prior loss mitigation options prior to PIH Notice 2014-11, Section 8 for a period of eight months, while also transitioning to the loss mitigation requirements under the final rule.

**Extension of
Loss
Mitigation
Options**

This DLL extends the loss mitigation options established in DLL 2023-04, as amended by DLL 2023-09, including the COVID-19 Native Advance Loan Modification, Recovery Loss Mitigation Advance and Recovery Native Loan Modifications options. These loss mitigation options may be offered through December 30, 2025, and must be completed no later than January 31, 2026.

Questions

Any questions regarding this DLL may be directed to
Section184@HUD.gov.

Signature

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Public and Indian Housing