



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-8000

OFFICE OF PUBLIC AND INDIAN HOUSING

Date: September 30, 2021

Dear Lender Letter 2021-11

To: All Tribes
All Tribally Designated Housing Entities
All Section 184 Approved Lenders and Servicers
All Section 184A Approved Lenders and Servicers

Subject Extension of COVID-19 Forbearance for the Section 184 Indian Home Loan Guarantee (Section 184) and Section 184A Native Hawaiian Home Loan Guarantee (Section 184A) programs.

Purpose The purpose of this Dear Lender Letter (DLL) is to provide additional COVID-19 Forbearance relief for certain borrowers through the end of the COVID-19 National Emergency.

Effective Date The provisions in this DLL are 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.

Background HUD continues to review Section 184 and Section 184A policies to ensure Lenders and Borrowers are provided with appropriate options to mitigate the financial impacts of the COVID-19 pandemic while managing risk to the programs.

On May 19, 2020, HUD published DLL 2020-06, which established the Forbearance for Borrowers Affected by the COVID-19 National Emergency (COVID-19 Forbearance). HUD has extended the deadlines for approval of

Dear Lender Letter 2021-11

an initial COVID-19 Forbearance multiple times, most recently to September 30, 2021, through DLL 2021-06. That DLL only provided for a six-month period of COVID-19 Forbearance when the forbearance was requested between July 1, 2021, and September 30, 2021.

Further, HUD understands that some Borrowers may be newly affected and may need relief through the end of the COVID-19 National Emergency. Due to the continued impacts of the pandemic, and in particular, the Delta variant, on Borrowers across the country, HUD recognizes a further need to provide an additional period of relief, to assist those impacted by COVID-19.

Summary of Changes

This DLL provides an additional period of up to six months of COVID-19 Forbearance when the initial forbearance was requested between July 1, 2021, and September 30, 2021.

This DLL also establishes an initial COVID-19 Forbearance period for up to six months when requested between October 1, 2021, and the end of the COVID-19 National Emergency.

Further, this DLL provides an additional COVID-19 Forbearance of up to six months if the initial COVID-19 Forbearance, requested on or after October 1, 2021, is exhausted and expires during the COVID-19 National Emergency.

Update to the COVID-19 Forbearance Start Date

Lenders may approve an initial COVID-19 Forbearance period for Section 184 or 184A guaranteed loans from October 1, 2021, through the end of the COVID-19 National Emergency. The initial period may not exceed six months.

If needed, an additional COVID-19 Forbearance period of up to six months may be requested by the Borrower and must be approved by the Lender if:

- the Borrower has utilized a full six months of initial COVID-19 Forbearance; and
- the initial COVID-19 Forbearance will expire on or before the end of the COVID-19 National Emergency.

No COVID-19 Forbearance period may extend beyond six months after the end of the COVID-19 National Emergency or September 30, 2022, whichever is later.

Dear Lender Letter 2021-11

Extension Period for COVID-19 Forbearance initiated between July 1, 2021 – September 30, 2021

Borrowers receiving an initial COVID-19 Forbearance between period July 1, 2021, and September 30, 2021, may request an additional COVID-19 Forbearance period of up to six months, which must be approved by the Lender. This COVID-19 Forbearance period must not extend beyond September 30, 2022. The maximum COVID-19 Forbearance period for these Borrowers is 12 months.

COVID-19 Forbearance Period, Based on Date of Initial COVID-19 Forbearance

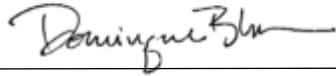
Initial Forbearance Date	Initial Forbearance Period	Additional Forbearance Period	Forbearance Extensions	Maximum Forbearance Period
March 1, 2020 – June 30, 2020	Up to 6 months	Up to 6 months	Up to 6 months (in 3-month increments)	Up to 18 months
July 1, 2020 – Sept. 30, 2020	Up to 6 months	Up to 6 months	Up to 3 months	Up to 15 months
Oct. 1, 2020 – June 30, 2021	Up to 6 months	Up to 6 months	0	Up to 12 months
July 1, 2021 – Sept. 30, 2021	Up to 6 months	Up to 6 months	0	Up to 12 months
October 1, 2021 – the end of the COVID-19 National Emergency	Up to 6 months	Up to 6 months (if the initial forbearance will be exhausted or expires during the COVID-19 National Emergency)	0	Up to 12 months (if the Borrower is eligible for the additional COVID-19 Forbearance Period)

Dear Lender Letter 2021-11

Questions

Any questions regarding this DLL may be directed to
Krisa.M.Johnson@hud.gov.

Signature



Dominique Blom
General Deputy Assistant Secretary
For Public and Indian Housing