



**Date: August 22, 2024**

**Dear Lender Letter 2024-07**

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

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**Subject** Extension of the COVID-19 Loss Mitigation Options

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**Purpose** This Dear Lender Letter (DLL) extends the COVID-19 Recovery Loss Mitigation Options.

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**Effective Date** This DLL is effective immediately.

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**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](mailto:Section184Comments@HUD.gov). HUD will consider the feedback in determining the need for future updates.

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**Affected Programs** This guidance applies to the Section 184 and Section 184A programs.  
This DLL extends DLL 2023-04 and DLL 2023-09.

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**Background**

The current COVID-19 Recovery Loss Mitigation Options (COVID-19 Recovery Options) have proven to be very successful in helping delinquent Borrowers bring their Section 184 Loans current and, for Borrowers who cannot afford to resume their previous loan payments, in providing significant payment reduction.

On May 12, 2023, the Section 184 program extended and expanded its COVID-19 Loss Mitigation Options under DLL 2023-04 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. HUD intends to publish a Handbook implementing the final by the compliance date.

HUD is now aligning the expiration of the COVID-19 Recovery Options to the compliance date of the final rule 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 Handbook.

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**Extension of  
COVID -19  
Loss  
Mitigation  
Options**

The COVID-19 Recovery Options may be offered through, but no later than, February 28, 2025, and completed no later than March 31, 2025.

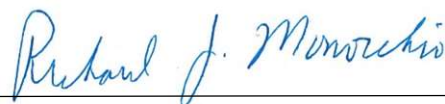
Lenders are reminded that, for the COVID-19 Recovery Modifications, they must comply with the Government National Mortgage Association's (Ginnie Mae) mortgage-backed securities requirement that loans must be 90 or more Days Delinquent before they can be bought out of a Ginnie Mae pool.

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**Questions**

Any questions regarding this DLL may be directed to [Section184@HUD.gov](mailto:Section184@HUD.gov).

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**Signature**

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Public and Indian Housing