1. This Transmits: Handbook 4350.1, REV-1, “Partial Payment of Claims Loan Modifications”

2. Summary: This change to HUD Handbook 4350.1, REV-1, Chapter 14, Partial Payment of Claims Loan Modifications, provides current guidance on Partial Payments of Claim for multifamily housing projects. Specific policy changes from the previous version were recently summarized in Mortgagee Letter 2010-32.

3. Filing Instructions:

   Remove: [Chapter 14 dated 9/92]  
   Insert: [Chapter 14 dated 11/2010]

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David H. Stevens
Assistant Secretary for Housing -
Federal Housing Commissioner

Distribution: W-3-1

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