



**OLG INFO 2023-04**

**May 12, 2023**

## **Expansion of the COVID-19 Loss Mitigation Options**

Today, the Office of Native American Programs, Office of Loan Guarantee published [Dear Lender Letter 2023-04](#), Expansion of the COVID-19 Loss Mitigation Options. This DLL will extend the time period that the Section 184 and Section 184A COVID-19 loss mitigation options are available and expand the availability of these options to additional borrowers. Specifically, the DLL:

- Extends the COVID-19 Advance Loan Modification and the Recovery Loss Mitigation Options to all borrowers in default regardless of the reason for their hardship.
- Updates the COVID-19 Recovery Loss Mitigation Advance and the COVID-19 Recovery Native Loan Modification to raise the maximum loss mitigation advance amount permitted from 25 percent to 30 percent.
- Updates Loss Mitigation for Borrowers in Presidentially Declared Major Disaster Areas.

As a result of the expansion of the COVID-19 loss mitigation options, the Partial Claims and Loan Modification loss mitigation options found in PIH Notice 2014-11, and Loan Modification loss mitigation option found in the Section 184A Processing Guide are suspended concurrent with this DLL.

The provisions of this DLL may be implemented immediately, but must be implemented no later than May 31, 2023, in all cases where the Lender/Service has not sent documents to the borrower to complete any loss mitigation option.