



U.S. Department of Housing and Urban Development  
Washington, D.C. 20410

OFFICE OF PUBLIC AND INDIAN HOUSING

Section 184 Letter 2012-01

FOR: All Section 184 Lenders

FROM: Thomas Wright, Director of the Office of Loan Guarantee

SUBJECT: Fiscal 2012 Yearend Closeout, Dates, Deadlines and  
Important Developments impacting the Section 184 Program

I wanted to take a brief moment to communicate with you about some important developments that will be impacting the Section 184 program in the coming months. As all of you are aware, the Section 184 Program is a governmental program that relies on an annual appropriation from Congress to operate and thus must abide by federal accounting and budgetary procedures. The office of Loan Guarantee has received the following closeout instruction for FY2012.

**Closeout, Dates and Deadlines:**

In order to meet the program's 2012 fiscal reporting requirements the Section 184 program will not be able to issue any new firm commitments for funding after 11:59 PM EDT on Friday September 21st. It is the programs hope that by Monday October 1, 2012 we can again begin to issue firm commitments for fiscal year 2013. Any requests received after September 21 will not be able to be processed until October 1, 2012 at the earliest.

**Important Developments:**

Another major development impacting the Section 184 program is that as of now there is no federal budget in place for fiscal year 2013. It is my hope and expectation that there will at least be a continuing resolution to keep the program open for business. However, in this uncertain budgetary climate, HUD believes that it is prudent to place a moratorium on refinance transactions and not issue new case numbers for fee simple case request after September 21, 2012. Thus, until further notice the Section 184 program will be limiting its guarantee to purchase and construction loans as well as refinance loans occurring on tribal trust land (the limited exemption for refinances on trust land is due to the fact that the Section 184 program is often the only way to secure financing on trust land). I assure you that the moment this moratorium on refinance transactions is no longer necessary it will be lifted and you will be notified immediately.

The Office of Loan Guarantee realizes that these developments are not ideal for many of you and I sincerely apologize for the inconvenience and frustration that this might cause for you and your staff, but I assure you that both decisions are being made to ensure the long term viability of the Section 184 program. If you have any questions or concerns about these policies I will be happy to try and provide you with further clarification. As always, I appreciate all that you do and I look forward to continue working with you to help serve Indian Country.

Sincerely Yours,

A handwritten signature in black ink that reads "Thomas C. Wright". The signature is written in a cursive style with a large, sweeping initial 'T'.

Thomas C. Wright  
Director, Office of Loan Guarantee  
PIH, Office of Native American Programs