

SFH Guaranteed Servicing

February 23, 2026

USDA Guaranteed Loan Program Updates for Loss Mitigation and Loss Claims

The Single-Family Housing Guaranteed Loan Program (SFHGLP) is pleased to announce several program updates for Loss Mitigation and Loss Claims.

Loss Mitigation

USDA Lender Interactive Network Connection ([LINC](#)) has been enhanced with two new Loss Mitigation Servicing Plans to align with the Final Rule for Special Servicing Options for Non-Performing Loans which was effective on April 14, 2025. This rule made changes to the use of Special Servicing Options for Non-performing Loans and adjusted the Mortgage Recovery Advance (MRA) process. These plans are available for use and should be utilized when the loan's last paid installment is on or after May 1, 2025.

Servicing Plan Type:

- Modification MRA – This plan replaces the Special Servicing Mod/MRA servicing plan.
- Final Offer – This plan should be utilized as a foreclosure alternative, when all servicing options have been thoroughly exhausted and a completed application for Loss Mitigation has not been received. This plan does not require any financial documentation.

Loss Claims

The Maximum Property Preservation Allowances have been updated. The updated fee schedule was effective with preservation actions completed on or after October 1, 2025. The updated fee schedule is located on the [USDA Training and Resource Library](#) under Loan Servicing; the prior version of this schedule will be archived but will remain available for viewing.

The USDA Individual State Based Bidding Chart has been updated. The updated bidding chart will be effective May 15, 2026. The updated bidding chart is located on the [USDA Training and Resource Library](#) under Loan Servicing; the prior version of this chart will be archived but will remain available for viewing (Direct Link: <https://www.rd.usda.gov/media/file/download/usda-individual-state-based-bidding-chart.pdf>).