

VALERI Servicer Newsflash

December 4, 2015

IMPORTANT INFORMATION

Net Value – The new Net Value percentage was published in the Federal Register on November 23, 2015. The new percentage is 15.95 percent and will be effective on December 23, 2015. All Notices of Value issued on or after December 23, 2015, will be calculated using the new percentage.

New Maximum Allowable Foreclosure Timeframes - The new maximum allowable foreclosure timeframes were published in the Federal Register on December 4, 2015. The new foreclosure timeframes will be effective for all loan terminations completed on or after January 3, 2016.

Circular 26-15-30, Title Documentation of HOA Matters in Florida - On November 16, 2015, Circular 26-15-30 was released. The guidance corrects and amends the previous Circular 26-15-26, entitled Title Documentation in Florida. The specific changes made are as follows:

- 1) Title changed from Title Documentation in Florida to Title Documentation of HOA Matters in Florida
- 2) Section 1: Language added to rescinding prior circular
- 3) Section 3:
 - a. Deleted background on FL statutory progression;
 - b. Revised opening sentence;
 - c. Changed pronoun reference from "current owner" to "mortgagee, or its assignees or successor in interest";
 - d. Corrected "The fixed period is 6 months 12 months for a condominium and 12 months for or a property in a PUD" to "The fixed period is 12 months for a condominium *or* a property in a PUD".
- 4) Sections 2, 4: "VA" substituted twice for sub organizations within VA
- 5) Sections 2, 4 and 6: Four cites total were corrected from 38 CFR 36.4814 to 38 CFR 4314
- 6) Section 6: Corrected "...which came due no more than 6 or 12 months (for a condominium or PUD property, respectively)..." to "which came due no more than 12 months..."

REMINDER

Pre-Approval Procedures – Pre-approval requests to deviate from a regulation must be submitted through the VALERI application. VA does not grant pre-approval on claim expenses or for additional time to foreclose. These items must be appealed.

VALERI Reports – VA is requesting servicers provide feedback regarding the VALERI report descriptions and the data included in the reports. VA is seeking comments on the Servicer Loan Listing report, including which departments use the report and for what purpose. VA can then determine if information from this report should be moved to a new report. Please email your feedback to the VALERI Helpdesk at VALERIHeldesk.vbaco@va.gov by December 18, 2015.

Deficiency Waiver Letter (DWL) – Under 38 CFR 36.4323, a DWL must be sent to the borrower no later than 15 calendar days after receipt of the guaranty claim payment. The DWL **must include the date** and **amount** of waived indebtedness when VA paid maximum guaranty and the property was conveyed. A regulation infraction will be added to the loan during post audit review if the servicer fails to provide a DWL meeting all regulatory requirements.

DEVELOPMENT UPDATES

On Saturday, December 12, 2015, VALERI 3.7 manifest will be released. The following system enhancements will be included:

CQ10875 – Removed the duplicate Borrower Incentive line item from the dropdown selection for Foreclosure Recording Expense Type. A new Claims Bulk Upload Template will be available on Monday, December 12th.

CQ11035 - Security Notice/Privacy Act message now displays after a password reset for VALERI users.

CQ11016 – Added the ability to view who withdrew/canceled events in Servicer Web Portal (SWP).