

**Veterans Benefits Administration  
Department of Veterans Affairs  
Washington, D.C. 20420**

**VA Manual 26-4, Revised  
Change 8  
February 26, 2019**

**To: Regional Loan Center Personnel and Other Participants in the VA Loan Administration Program**

**Subject: Transmittal of Change 8 to M26-4, Servicicr Handbook**

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**Purpose** Attached are revisions to Chapters 1, 2, 4, 5, 8, 10, 14, 15, 21 and Appendix B, F, G and H of VA M26-4, Servicicr Handbook.

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**Changes** Chapter 1 of VA Manual 26-4 was revised to correct the subsequent chapter titles in section 1.05.

Chapter 2 of VA Manual 26-4 was revised to update and correct the Servicicr Reports currently available in the VA Loan Electronic Interface (VALERI) application.

Chapter 4 of VA Manual 26-4 was revised to update a subsequent appendix reference.

Chapter 5 of VA Manual 26-4, section 5.01 was revised to add clarification to the Electronic Default Notification requirements for loss mitigation and alternatives to foreclosure; section 5.06 was revised to provide clarification on the document requirements for repayment plans and special forbearances, to clarify modification programs available and the corresponding requirements, including modification options available for borrowers impacted by natural disasters; and section 5.07 was added to provide guidance on VA requirements for trial payment plans.

Chapter 8 of the VA Manual 26-4 was revised to update a web reference for the State Foreclosure Process and Statutory Bid Information.

Chapter 10 of VA Manual 26-4 was revised to provide instruction on insurance policies and related refunds in section 10.07.

Chapter 14 of VA Manual 26-4 was revised to add the State Pre-Foreclosure Fee in sections 14.03 and 14.04, to clarify the policy on the payment of taxes after loan termination in section 14.04, to provide additional direction for funds received after the initial claim payment in sections 14.12, and to update a subsequent appendix and web references.

Chapter 15 of VA Manual 26-4 was revised to correct the criteria for Post Audit selection by removing the modification with no incentive paid option in section 15.01.

Chapter 21 of VA Manual 26-4 was revised to remove the modification options for borrowers impacted by a natural disaster (all modification options are outlined in Chapter 5 of VA Manual 26-4).

Appendix B of VA Manual 26-4 was revised to update the glossary to include the definition of the Default Resolution Rate.

Appendix F of VA Manual 26-4 was revised to update the web reference for the office of jurisdiction and office of origination codes.

Appendix G of VA Manual 26-4 was revised to remove the previously included charts, transfer in the information from Appendix H and update the policy to allow winterization advances all year in states where the advance is payable.

Appendix H of VA Manual 26-4 was removed.

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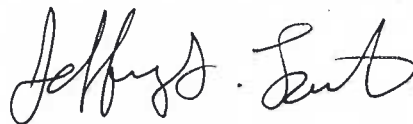
**Additional  
Copies**

Additional copies may be downloaded at  
<http://www.benefits.va.gov/warms/topic-homeloans.asp>.

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**Rescissions**

The following Circular has been incorporated into this revision, and is rescinded: Circular 26-17-39, Updated Disaster Modifications Guidance.



Jeffrey F. London  
Director, Loan Guaranty Service