

# VALERI Servicer Newsflash

Thursday, August 8, 2013

## FOR YOUR INFORMATION

### **New Net Value Percentage**

VA expects to publish in the Federal Register within the next few days a notice changing the percentage used to calculate net value. The notice advises servicers that a new percentage of 14.95 will be used in net value calculations, which will be effective 60 days after it is posted in the Federal Register. We will confirm the effective date in the next newsflash and provide additional guidance.

### **"Imminent Default" Option for EDNs**

VA allows the completion of loss mitigation options on current loans, if a payment default is certain. In 2011, we added a new Reason for Default (RFD) option for Electronic Default Notifications (EDNs) that are submitted through the Servicer Web Portal (SWP) or via bulk upload. This option is called "Imminent Default". It can be found on the drop-down list in SWP or on the bulk upload template. This option allows accurate reporting on the loan rather than using the alternate method of selecting "Property Problems" as the RFD. Please note that a loan must still be a reportable default (61 or more days delinquent) when a loss mitigation option is completed in order to be eligible for an incentive payment.

### **Uploading Documents for the Review Early Payment Default Process**

When a loan becomes delinquent within six months from the first payment date on the modification, VALERI opens the "Review Early Payment Default" Process for VA review. Servicers are required to upload documents related to this process. To associate the correct document(s), please ensure that you select "Review Early Payment Default" in the dropdown boxes for both "Process Name" and "Document Type(s)" before uploading documents in the Servicer Web Portal (SWP).

## DEVELOPMENT UPDATES

On Saturday, August 10, 2013, VA will deploy VALERI manifest 2.23. The following system enhancements will be included in this release:

CQ 9472 – Change the Frequency of the Review Adequacy of Servicing (AOS) Process (120-90-90-180). The initial AOS process will open when a loan is 120 days delinquent from the Payment Due Date of the EDN. Two subsequent 90 day reviews will generate only if the loan is still at least 120 days delinquent AND the prior AOS review was completed more than 90 days in the past. We hope this revised timeline will reduce the AOS process for loans where borrowers are actively making payments on their loans. Once two 90 day AOS processes are completed, the timeframe will extend to every 180 days as long as the loan is still at least 120 days delinquent.

CQ 7959 – Ability to appeal SCRA data. If you reported SCRA data at time of claim and made an error, you will now have the ability to appeal the SCRA data through SWP.

### **REPORTS TICKETS (to be deployed by August 31, 2013)**

CQ 9468 – Post Audit Results Report. We are enhancing the Post Audit Report to add a completion column so servicers can view which Post Audit cases were selected and completed. If the column is blank, the PA is still being worked, and once completed, the date of completion will be in this column.

CQ 9154 – Non Matching Report I. Servicers were concerned that not all loans are appearing accurately on this report. We have revised this report to ensure all valid loans are captured.