

VALERI Servicer Newsflash

Friday, September 19, 2014

IMPORTANT INFORMATION

Denver Appraisal Increase – The Denver Regional Loan Center (RLC) increased the appraisal fee for single family homes and condominiums to \$625.00 for the Colorado counties of Adams, Arapahoe, Broomfield, Boulder, Denver, Douglas, El Paso, Jefferson, Larimer, Mesa, Pueblo, and Weld. The change is effective for appraisals ordered on or after August 1, 2014. The VALERI application is coded to allow the maximum of \$500.00 for all Colorado counties therefore mortgage servicers will need to appeal for the increased appraisal fee of \$625.00.

Clarification on Deficiency Waiver Letters (DWL) – The Department of Veterans Affairs (VA) requires a DWL on any loan that is conveyed to VA where VA paid a Max Guaranty claim payment.

Deed-in-Lieu (DIL) Title Package Submission Clarification – The timeframe requirement for the submission of a title package following a loan termination by DIL is the same as the requirements for a loan terminated by foreclosure sale. The hardcopy and electronic documents must be provided to VA's contractor, Vender Resource Management (VRM), no later than 60 days after the liquidation of the loan by DIL in **most** jurisdictions. For jurisdictions that exceed the 60 day timeframe, please refer to the "Title Documentation, Insurance and Timeframe Requirements" spreadsheet located on the VALERI Internet web page.

VRM Title Letters – VRM will now notify servicers when a title package is approved. However, the approval notification includes the following disclaimer – "Please note that if any subsequent issues are discovered that may affect title, the title package may be subject to re-review and revised opinion of title."

Circular Updates – The following circulars were recently published and are located on the VALERI Internet web page:

Circular 26-14-19 - *Processing Request for Execution of Quit Claim Deeds*, issued on August 1, 2014.

Circular 26-14-22 - *VA Making Home Affordable Program*, issued on September 2, 2014.

FOR YOUR INFORMATION

Reminder - Invalid Sale vs. Invalid Transfer of Custody (ITOC) –The following provides an explanation of the two types of events that a servicer may report when a sale is invalid, the property was transferred to VA in error, or title problems were identified.

- **Invalid Sale Results (ISR) Event** – An invalid sale occurs when sale results are invalidated due to bankruptcy, procedural errors (including title problems or when an attorney has failed to follow local requirements for loan termination), or due to the Servicemembers Civil Relief Act (SCRA). The ISR will place the loan back in **guaranty issued** status and allow the servicer to take the loan back to foreclosure sale, thus retaining the option to convey the property to VA in the future.
- **ITOC event** – An ITOC occurs when a servicer conveys a property to VA in error or a servicer has not provided clear title. The servicer shall submit an ITOC to initiate the process of returning custody of the property from VA's inventory. VA will issue a Bill of Collection (BOC) to recover acquisition and other applicable costs. The loan will remain in a **terminated status**.

Servicer Admin Responsibilities – Recently, we have seen an increase in e-mails to the VALERI Helpdesk mailbox from servicers requesting password resets. There is now a "Forgot Password" link on the login page to help you reset your password. VALERI Administrators please remind staff that you may assist in resetting passwords.

DEVELOPMENT UPDATES

On Saturday, September 20, 2014, VALERI manifest 3.0 will be deployed.

Point of Contact (POC) – Two new categories have been added to the POC lists in VALERI. They are BOC and Quit Claim Deeds (QCD). We are requesting you provide VA with contacts for questions regarding either BOCs or

QCDs so that we can effectively resolve any issues. VALERI Administrators please update your company profile in VALERI.