

# VALERI Servicer Newsflash

Thursday, June 5, 2014

## IMPORTANT INFORMATION

**Incentive Clarification** - Per VA regulation 38 CFR 36.4319, CQ10413 has been opened to clarify the business rule for incentives regarding the status of delinquency for a loan and is scheduled for the VALERI 3.0 release. Until this CQ is in place, VACO is providing the following guidance for clarification of when a servicer is eligible for an incentive on a special forbearance, repayment plan or loan modification with regard to the delinquency status of the loan:

*A loan must have been at least 61 days delinquent any time during the current default to be eligible for an incentive.*

**VA Circular 26-09-13, Change 3** - This Circular was issued on May 7, 2014, and clarifies VA's position on paying for lockboxes and padlocks. This line item will be included and considered for payment up to the maximum allowable for securing of the property.

**Hardest Hit Fund (HHF) Guidance** – Servicers should seek resolution to a delinquency using traditional VA loss mitigation options followed by and including a VA Home Affordable Modification Program (HAMP) Style modification. If none of those options would successfully resolve the existing delinquency and HHF funds are available to assist the borrower **in** combination with any of our available loss mitigation options, then the mortgage servicer is approved to use the funds to best resolve the delinquency. The VA loss mitigation waterfall would then be followed to find the most appropriate option in combination with the HHF funds to bring the loan current.

**Title Escalations** - Any title escalations should go to Vendor Resource Management (VRM). If you need VA assistance, please copy the Contract Assurance (Property Management Oversight) mailbox at [nashpm.vbaco@va.gov](mailto:nashpm.vbaco@va.gov).

**Title Package Extensions** - Title extension requests made by servicers will only be considered by VRM if the request is received prior to the expiration of the 60-day (or whatever applies to that particular state) title submission period.

## DEVELOPMENT UPDATES

On Saturday June 7, 2014, VALERI Manifest 2.28 will be deployed. The following system enhancements will be included:

CQ 10420 – The appeal line item display issue has been resolved. When the servicer reports an appealed claim with multiple items, the process is now matching the line item to the amount.

CQ 10168 – Tool tips have been added to all Appeals Links in the Servicer Web Portal (SWP). The tool tip provides a brief description for each link.

CQ 10225 – There is now a Log Out link located on all applications within the VALERI application. Users will be able to logout of VALERI from any application (Administration and SWP). Using the Exit link will bring you to the main menu but the Log Out link will log you out and take you to the sign-on page.

CQ 10306 – To correct foreclosure timeframes in New York. This change will allow 240 days for loans in the Western counties (VA loans starting with 0707) and 270 days for all other counties (VA loans starting with 0606).