

VALERI Servicer Newsflash

Thursday, December 22, 2011

SPECIAL ANNOUNCEMENT

The Department of Veterans Affairs (VA) just published the final changes to regulation 38 CFR 36.4315, Loan Modifications, with an effective date of January 19, 2012.

Highlights of these changes are:

- VA revised **38 CFR 36.4315 (a)(8)** to establish the maximum interest rate based on the loan modification approval date, rather than the execution date.
- VA revised **38 CFR 36.4315 (a)(10)** to limit the amount of legal fees and costs for a cancelled foreclosure that may be included in the modified indebtedness to the maximum amounts prescribed in 38 CFR 36.4314.

Please review the attached section of the Federal Register from December 20, 2011, which includes pages 78827-78829, to familiarize yourself with these amendments.

A circular will be forthcoming with additional information.

MERRY CHRISTMAS and HAPPY NEW YEAR

From the VALERI Support Team