

Reconveyance Disputes Process

1. Purpose. The purpose of this Circular is to outline the process for a servicer to dispute a final reconveyance decision. This policy is effective March 13, 2015.

2. Background. In certain instances, servicers may not agree with the reconveyance decision by the Department of Veterans Affairs (VA). This Circular provides guidance for servicers who wish to dispute a final reconveyance decision. A list of letters associated with the reconveyance process is attached in Exhibit A.

3. Reconveyance Dispute Process. VA developed a reconveyance dispute process with Vendor Resource Management (VRM) to address servicer disagreements pertaining to the reconveyance of an asset. This process will require the servicer to complete and submit information regarding the dispute to VRM via email. See the requirements below involving the dispute process.

- a. Disputes must be received directly from the servicer (not the foreclosure attorney).
- b. The dispute should be emailed to the VRM Reconveyance Team at title-va-reconveyance@vrmco.com.
- c. The email submission must include the following:
 - (1) Email Subject Line: Reconveyance Dispute,
 - (2) Title Package Due Date,
 - (3) Copy of Pre-Reconveyance or Incomplete Letter,
 - (4) Copy of Final Reconveyance Letter,
 - (5) Proof of compliance in resolving any/all noted deficiencies by the due date in either the Pre-Reconveyance or Incomplete Letter, and
 - (6) the Reason for Dispute.
- d. Reconveyance disputes must be submitted within 10-business days of receipt of the Final Reconveyance Letter.
- e. VA through VRM will respond to disputes within 72 hours of receipt.

4. Rescission. This Circular is rescinded January 1, 2018.

By Direction of the Under Secretary for Benefits

Michael J. Frueh
Director, Loan Guaranty Service

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Description of Reconveyance Letters

Incomplete Title Package Letter - This letter is emailed to both the foreclosure attorney and servicer when a title package is received prior to the due date and is found to be incomplete (i.e. missing state-specific required documents). The letter will note the deficiencies and allow up to the original title package due date for additional documents to be submitted.

Pre-Reconveyance Letter (Expired Title Package) - This letter is emailed to both the foreclosure attorney and servicer when a title package has not been submitted by the due date. The letter will be sent 3 days after the due date has expired and allows for an additional 10-business days to submit the complete title package.

Pre-Reconveyance Letter (Incomplete Title Package) - This letter is emailed to both the foreclosure attorney and servicer when a title package is received on/after the due date and is found to be incomplete (i.e. missing state-specific required documents). The letter will note the deficiencies and allow for an additional 10-business days for submission of required documents.

Pre-Reconveyance Letter (Rejected Title Package) - This letter is emailed to both the foreclosure attorney and servicer when a title package has been rejected by the VA Regional Counsel (VARC). The letter will note the deficiencies and allow for an additional 10-business days for submission of corrective documents.

Final Reconveyance Letter - This letter is emailed to both the foreclosure attorney and servicer after the reconveyance has been approved and processed accordingly. If a quit-claim deed (QCD) is applicable (to vest back to the servicer), then the QCD will be sent along with the Final Reconveyance letter. If a QCD is not required, only the Final Reconveyance letter will be sent.