

MORTGAGE BANKERS ASSOCIATION

MBA'S NATIONAL MORTGAGE SERVICING CONFERENCE & EXPO 2009 / TAMPA

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Department of Veterans Affairs VALERI Program
Andy Trevayne

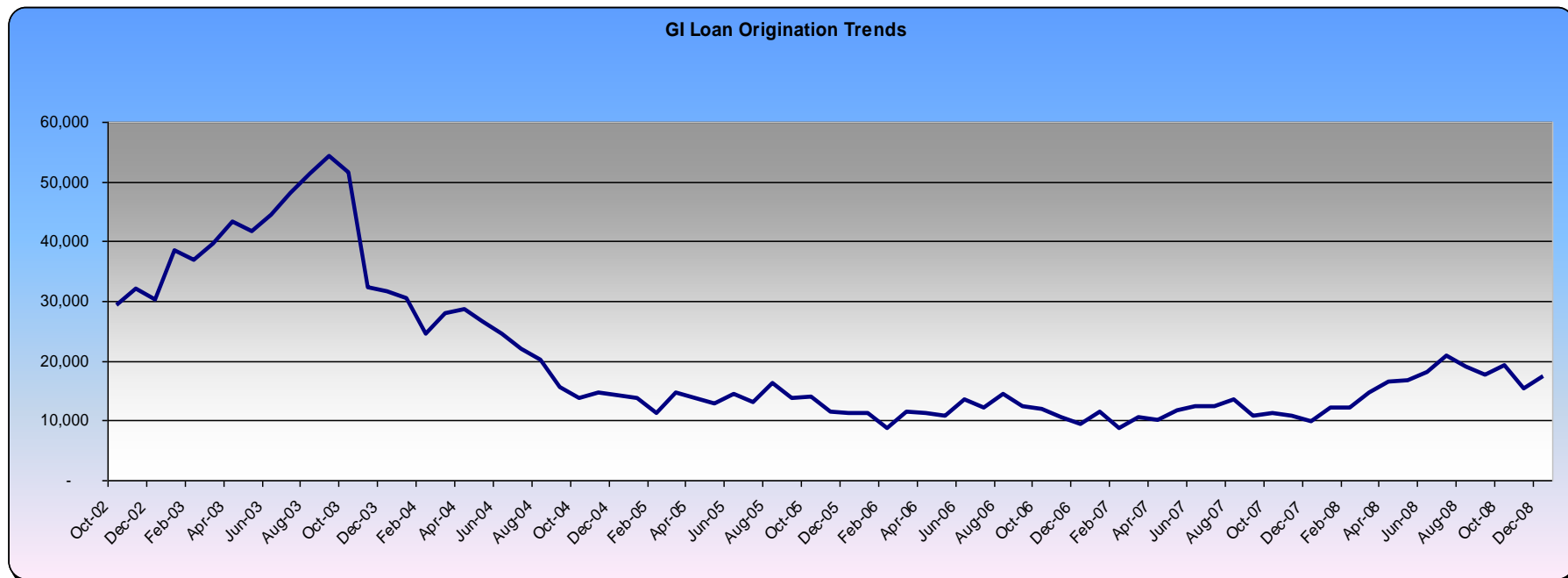


- Welcome and introduction
- What is VALERI?
- VALERI Statistics
- Foreclosure vs. Default
- Origination Trends
- Delinquency Trends
- Foreclosure Trends
- Current and Future Focus of VA
- Additional Information

- In November 2008, the Department of Veterans Affairs completed its implementation of the VALERI Initiative.
- With VALERI's full implementation, VA succeeded in accomplishing their four goals of the initiative:
 - Delegate approval of loss mitigation options with incentive payments for successful service.
 - Automate electronic reporting for servicer and VA data through a near paperless environment.
 - Standardize processes and procedures through organization and reporting requirements.
 - Perform supplemental servicing by exception only through post payment audit processes

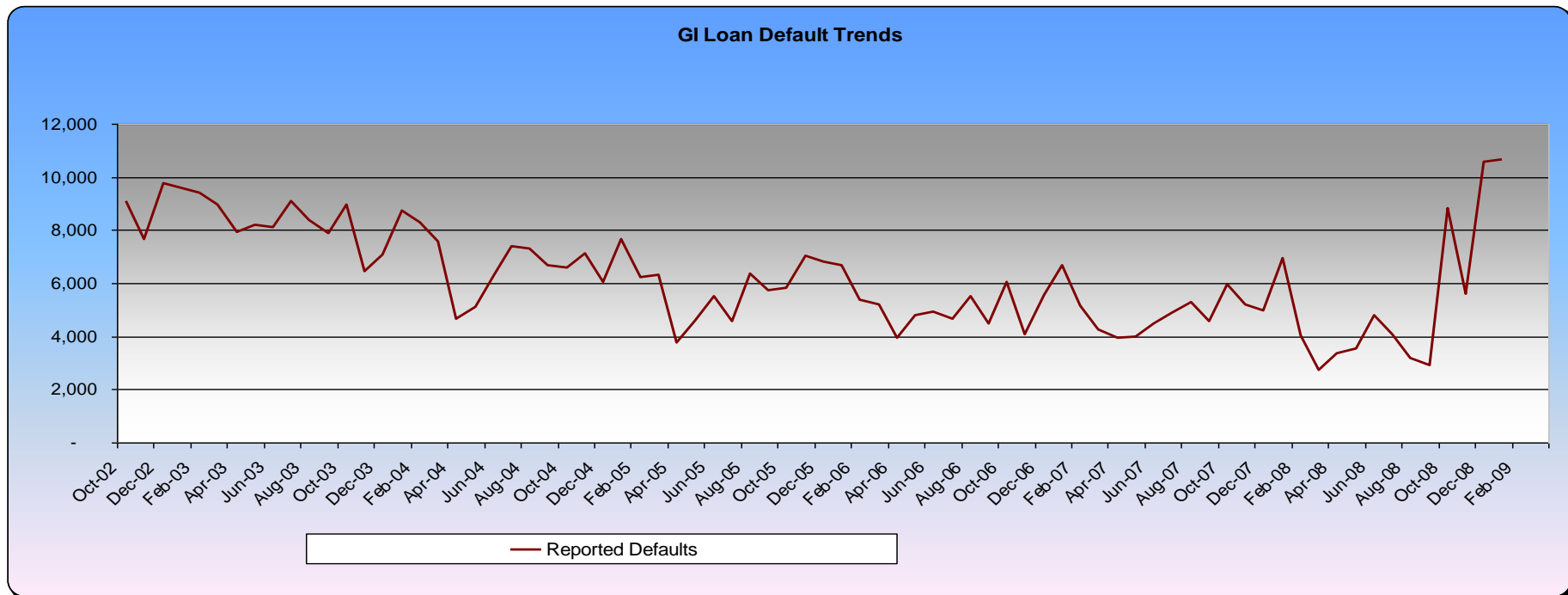
- VALERI Participation
 - Number of Servicing Companies - 282
 - Number of VA Technicians - 298
 - Number of Service Bureaus – 9z
 - Servicer Web Portal only Users - 170
- Total Loans in VALERI – 1,315,972
 - Currently in Default – 88,346
 - Default Rate – 6.6%
 - Total Number Payments made from VALERI – 17,016
 - Total Incentive Payments – 2,160 for \$1,133,204.00
 - Total Acquisitions – 7,489 for \$795,748,502.00
 - Total Claims – 4,231 for \$124,657,812.38

- Number of Foreclosures FY09 – 3929
- Foreclosure Rate FY09 – 0.3%
- Number of Loss Mitigation Options FY09 – 2,421
- Loan Modifications represent 41% of all Loss Mitigation Options
- Default Resolution Rate FY09 – 64.44%



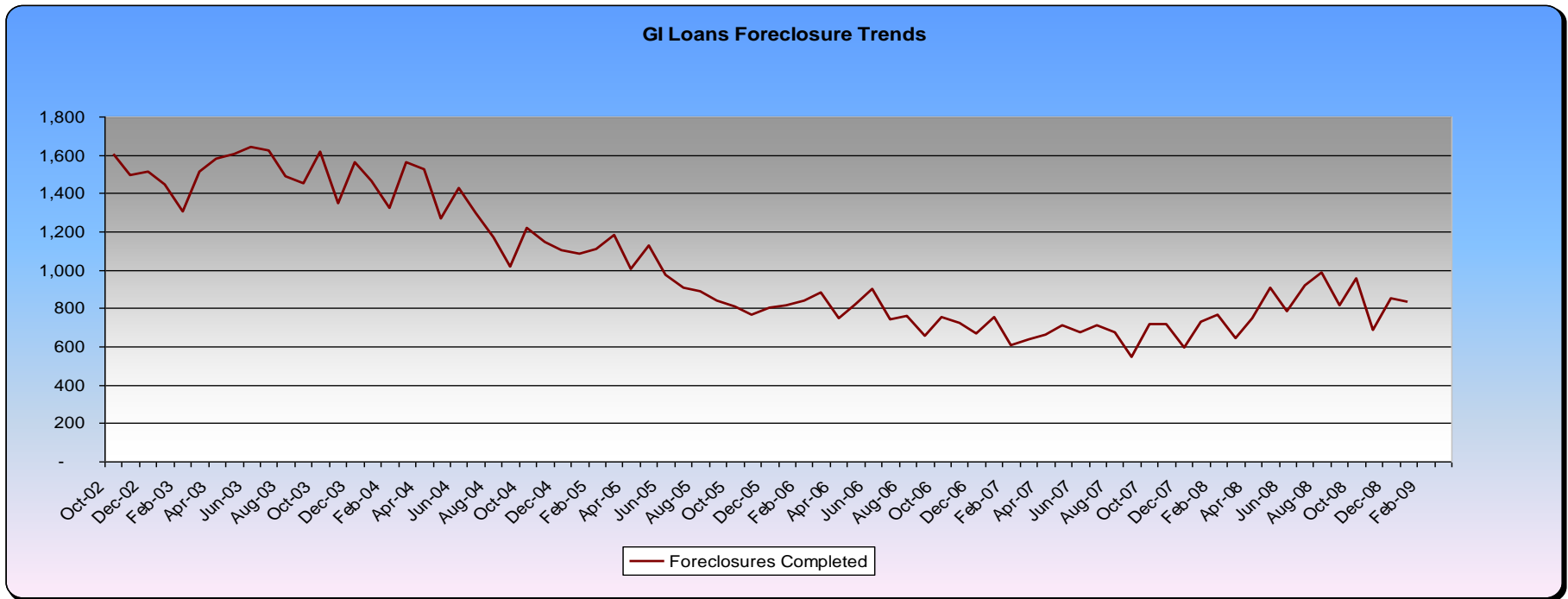
Recent Origination History

- **FY 2006 142,587**
- **FY 2007 133,241**
- **FY2008 179,670**
- **FY2009 (est.) 210,000**



Recent Default History

- **FY 2006 65,151**
- **FY 2007 58,836**
- **FY2008* 51,702**
- **FY2009* (est.) 107,000**

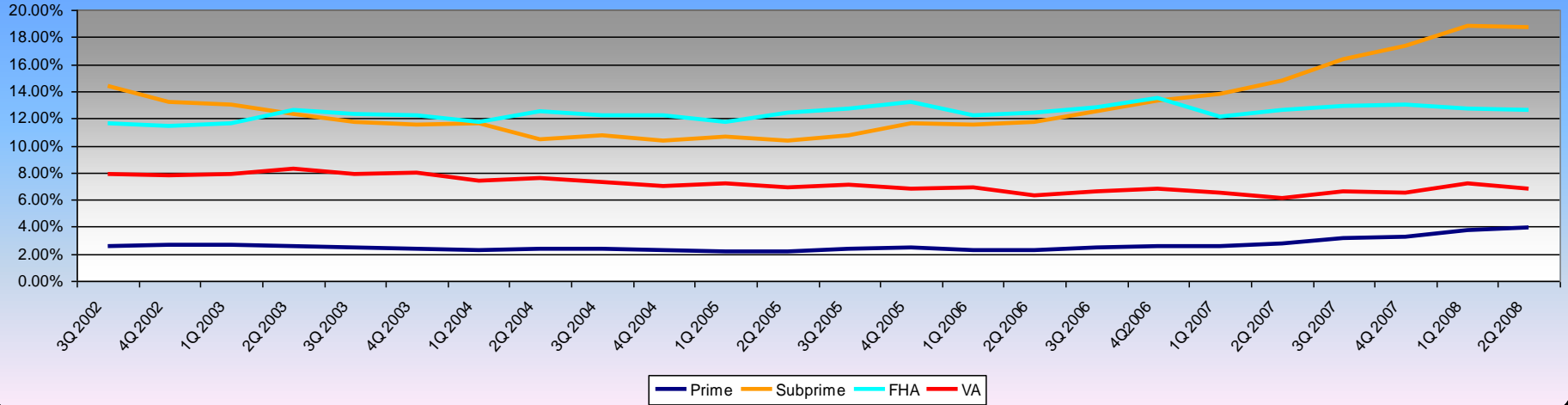


Recent Foreclosure History

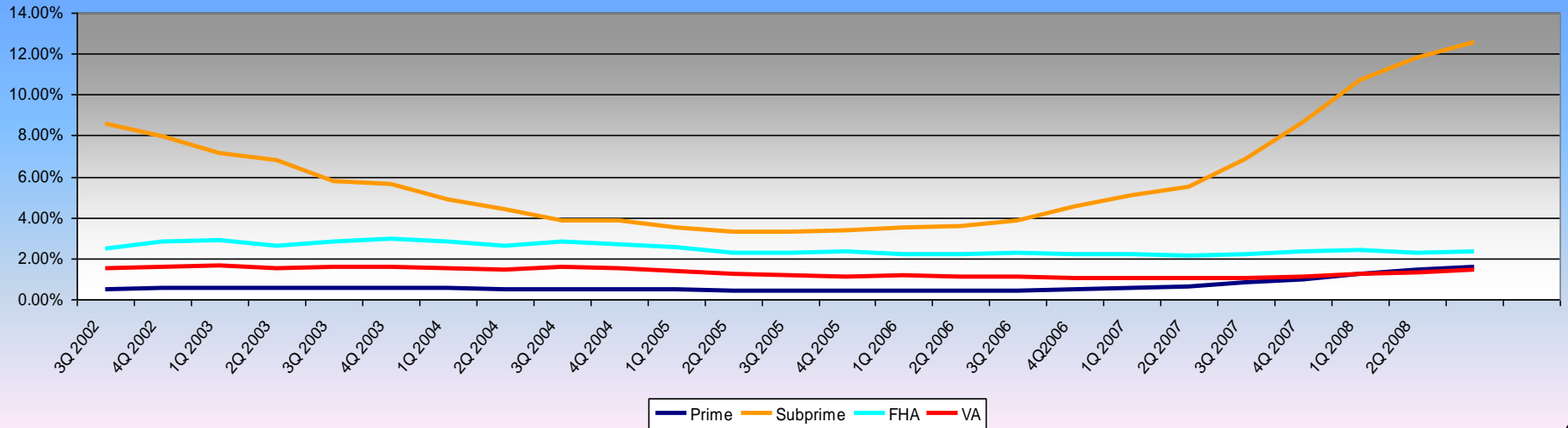
- **FY 2006 9,528**
- **FY 2007 8,113**
- **FY2008* 9,324**
- **FY2009* (est) 9,981**

Delinquency and Foreclosure Trends

Total Delinquencies (from MBA)



Foreclosure Inventory (from MBA)



- Tier Ranking
 - VA is in the process of developing a Tier Ranking program.
 - The goals of the tier ranking program is:
 - Motivate servicers to serve veterans while maintaining fiscal discipline.
 - Pursue alternatives to foreclosure.
 - Promote an attitude of excellence amongst servicers.
 - Provide transparent analysis of servicer rankings to industry.
 - Identify training opportunities for low ranking performers.
 - Focus on using objective measures.
 - The program will place servicers into four tiers.

- For additional information, access the VALERI website at www.homeloans.va.gov/valeri.htm
- Contact the VALERI Helpdesk with implementation questions.