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***BULLETIN NO. 2005-07***

**June 2, 2005**

**TO: ALL HOLDERS AND SERVICERS**

**SUBJ: TITLE REQUIREMENTS - ARKANSAS**

**Purpose**

The purpose of this bulletin is to incorporate the revised procedure for title documents due to the transition of VA's Property Management activity to a private contractor, Ocwen Loan Servicing LLC (Ocwen). When holders elect to convey property to the Department of Veterans Affairs (VA) pursuant to 38 CFR 36.4320, title packages for loans secured by property in Arkansas must be sent to Ocwen.

**Effective Date**

These changes were effective December 22, 2003.

**Where To Mail Title Packages**

Mail title packages to:

**VA REO/Title Review  
Ocwen Loan Servicing LLC  
12650 Ingenuity Drive  
Orlando, FL 32826**

**When To Submit Title Packages**

Submit a complete and acceptable title package to Ocwen no later than 60 days after the termination action, i.e., the foreclosure sale date or the execution date on the deed-in-lieu of foreclosure.

**Extensions And Penalties**

Written requests for extension of the deadline must be received by Ocwen before the expiration of the 60 days and must outline the reason for delay and the expected date title will be perfected. Ocwen has authority to grant up to an additional 30 days. VA has no obligation to extend the 60-day deadline. If acceptable title is not received timely, custody of the property may be returned to the holder, and the holder may lose the right to convey the property to VA.

### **Title Package**

The documents listed below are required after a VA guaranteed loan has been terminated by foreclosure or a deed-in-lieu of foreclosure. The prior approval of the Secretary of Veterans Affairs is required for a deed-in-lieu of foreclosure unless you are approved to participate in the Servicer Loss Mitigation Program. Forward all documents in one package. The twelve digit VA loan identification number must appear clearly on all documents submitted. Incomplete packages are not acceptable and may be returned. Documents should be stapled together at the left hand corner only. Photocopies must be legible.

1. Owner's Title Policy: An acceptable policy insuring the holder or Secretary of Veterans Affairs in an amount equal to the amount specified for credit to the indebtedness prior to the foreclosure sale (upset price), or rounded to the nearest, highest five hundred dollars. In cases where total indebtedness is specified, the policy should be in an amount equal to the principal balance of the loan, rounded to the nearest, highest five hundred dollars.
2. Special or General Warranty Deed: The original, executed, recorded deed to:

**Secretary of Veterans Affairs  
c/o Ocwen Loan Servicing LLC  
12650 Ingenuity Drive  
Orlando, FL 32826**

3. Deed of Trust: The original instrument from loan closing or a copy reflecting the recording information

### **Reconveyance**

VA will reconvey the property and demand reimbursement of the amount paid for the property and all expenses incurred by VA (Ocwen) while the property was in VA custody if a holder or servicer is unable to provide acceptable title evidence timely or if VA Regional Counsel determines that title is not acceptable. Ocwen will recommend reconveyance to VA's Property Management Oversight Unit (PMOU) in Nashville, Tennessee and send a copy of the notice to the holder/servicer. If the PMOU concurs with the recommendation, Ocwen will obtain a property inspection, prepare a deed to the holder, submit the deed for recording, and advise the holder in writing of the reconveyance and the amount due VA. The RLC will prepare and present a Bill of Collection (BOC ) for the total of the price VA paid for the property and VA's expenses while the property was in custody, as well as items on the claim if already paid by VA. If a BOC is not paid timely, VA will offset future acquisition and claim payments due the holder/servicer to recover the amount of the BOC. If holders are given an opportunity to reconvey property to VA, they will not be reimbursed for any amounts offset for expenses while the property was in VA custody.

### **Questions And Comments**

Please e-mail questions and comments concerning this bulletin to [Helen.Galer@vba.va.gov](mailto:Helen.Galer@vba.va.gov). You may contact Ocwen through their website at [www.ocwen.com](http://www.ocwen.com).

### **Rescission**

This bulletin rescinds Loan Guaranty Bulletins No. 2003-01 and No. 2003-15 dated January 9, 2003, and December 18, 2003, respectively.



R. BIAGIOLI  
Loan Guaranty Officer