



DEPARTMENT OF VETERANS AFFAIRS
Veterans Benefits Administration
Washington, DC 20420

April 24, 2026

Docket: VA-2026-VACO-0001-0001
Notice Requesting Comments

Comments on: VA-2026-VACO-0001-0041
Agency Information Collection Activities; Proposals, Submission, and Approvals: VA Loan Electronic Reporting Interface (VALERI) System and Title Requirements for Conveyance of Real Property to the Secretary [FR Doc No: 2026-03000; OMB Control No. 2900-0021]

Document: VA-2026-VACO-0001-0154

To Whom it May Concern,

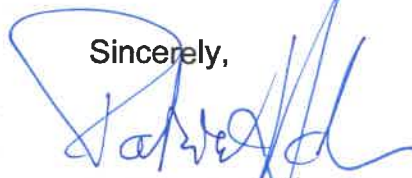
Thank you for your comment and for addressing the necessity, burden, and utility of the information collection. VA acknowledges the concerns raised regarding system functionality, reporting practices, and burden estimates. The VALERI system supports oversight of loan servicing activities based on required submissions. While the system relies on data reported directly by loan servicers, VA maintains program oversight through established policies, procedures, and compliance monitoring.

Regarding burden estimates, VA's calculations are based on the expected number of respondents and frequency of required submissions associated with the collection. These estimates reflect the information collection requirements placed on loan servicers and do not include activities outside the scope of the collection. With respect to minimizing burden, the collection is limited to the required submissions associated with the information collection. References to certain information collections (that is the COVID Veterans Assistance Partial Claim Payment program) are covered separately and are outside the scope of this information collection. In addition, the Paperwork Reduction Act process is limited in scope and does not address individual case adjudication or dispute resolution.

VA continually evaluates system functionality and data collection requirements to improve accuracy, utility, and clarity. Feedback provided will be shared with the appropriate VA offices for consideration in further updates. The comment included personally identifiable information (PII); therefore, any such information will be redacted or withheld from public posting in accordance with applicable privacy requirements. Comments received are made publicly available; and commenters should avoid including personal or sensitive information as part of their submission.

This comment does not result in any changes to the information collection.

Sincerely,

A handwritten signature in blue ink, appearing to read "Patrick J. Zondervan", is written over the word "Sincerely,". The signature is fluid and cursive, with a large loop at the beginning.

Patrick J. Zondervan
Executive Director
Loan Guaranty Service

PUBLIC SUBMISSION

As of: 4/21/26, 8:39 AM
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Docket: VA-2026-VACO-0001
Notices

Comment On: VA-2026-VACO-0001-0041

Agency Information Collection Activities; Proposals, Submissions, and Approvals: VA Loan Electronic Reporting Interface System and Title Requirements for Conveyance of Real Property to the Secretary [FR Doc No: 2026-03000; OMB Control No. 2900-0021]

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Comment from Leann Ledford on VA-2026-VACO-0001-0041

Submitter Information

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General Comment

RE: OMB Control No. 2900-0021 | FR Doc. 2026-03000 | VALERI System and Title Requirements for Conveyance of Real Property

I submit this comment as the spouse/caregiver of a disabled Marine veteran, since our family has been directly impacted by the VALERI information collection. I am the spouse of a disabled Marine veteran with a VA-guaranteed loan (Loan No. 0136811965), a 2022 Elizabeth Dole Foundation Caregiver Fellow, an MSW graduate student, and a Washington State Certified Victim Advocate who works in social work and community programs. Our case is the subject of an active VA OIG investigation (Ref. No. 2026-16691) and a CFPB complaint (No. 260407-31030512). I address each of VA's four questions in turn.

1. NECESSITY AND PRACTICAL UTILITY

The VALERI collection (38 CFR 36.4817) is necessary — but only functions if servicers submit events to the system. Freedom Mortgage Corporation never submitted our loan to VALERI at any stage of loss mitigation. A VA loan technician confirmed on a recorded call that there had been no VALERI activity on our loan since 2023. Because no events were submitted, no automated compliance checks triggered. VA foreclosed while our loss mitigation application was pending — also confirmed on a recorded call.

OMB records show VA has submitted this collection as "extension without change" in every cycle since 2020, despite the COVID forbearance crisis, VASP's creation and cancellation, and H.R. 1815's enactment in July 2025. None of these developments prompted substantive revision. That gap directly affected our

family.

This failure is not isolated. Freedom Mortgage has accumulated \$130.3 million in federal penalties across 18 enforcement actions and is a CFPB-designated "repeat offender." The violations in our case — rate cap, loss mitigation failure, dual tracking, false credit reporting — reflect patterns already established in prior findings against this servicer. On July 28, 2025, at a VA loan technician's direction, I submitted a written violation report to VA. VA transmitted it to Freedom Mortgage, which never responded. VA has not addressed the report since — despite direct follow-up after the February 2026 foreclosure notification and subsequent complaints to VA OIG, congressional offices, CFPB, and the Washington State Attorney General. The collection's practical utility is undermined when VA receives a documented violation report, transmits it to the servicer, and takes no further oversight action when the servicer does not respond.

2. ACCURACY OF BURDEN ESTIMATE

VA estimates 16,509 respondents. This figure likely undercounts affected borrowers: families whose servicers never submit to VALERI are not captured as respondents because they never appear in the system. We were subject to VALERI's oversight framework but invisible within it due to servicer non-compliance. Any burden estimate based solely on submitted events will systematically exclude the borrowers most harmed by servicer non-reporting.

3. QUALITY, UTILITY, AND CLARITY OF INFORMATION COLLECTED

Two documented gaps in our case directly undermine the collection's utility.

First, Freedom Mortgage offered a loan modification at 7.25% on a 2.25% VA-guaranteed loan — 400 basis points above the maximum permitted under VA's M26-4 Manual, Chapter 5. A VA loan technician reviewed this offer on July 24, 2025 and did not flag the rate cap violation. VALERI should collect modification terms at submission and apply automated rate cap validation before any offer reaches a borrower.

Second, the system collected no data on our loan during the period loss mitigation was supposedly being evaluated. Zero-event loans in active default were not flagged as anomalous. VA should treat the absence of servicer reporting — not just inaccurate reporting — as a compliance trigger requiring audit.

4. MINIMIZING BURDEN ON RESPONDENTS

When servicers fail to report, burden shifts to borrowers, who must navigate a system with no record of their case. The absence of VALERI reporting in our case meant no recourse through normal VA oversight channels.

To minimize burden on borrowers while improving integrity: (a) require automated servicer confirmation of VALERI submission at each loss mitigation stage, with a system hold on foreclosure referral until confirmed; and (b) implement regular audits of zero-event loans in default to identify non-reporting before foreclosure proceeds.

CONCLUSION

The VALERI collection serves a critical oversight function but cannot detect what servicers do not report, and has not been substantively revised since 2016. I urge VA to address non-reporting as a compliance category, implement automated rate cap enforcement under 38 CFR 36.4817, and audit zero-event loans in active default.

Leann Ledford

2022 Elizabeth Dole Foundation Caregiver Fellow
MSW Graduate Student | WA Certified Victim Advocate