

MERS Foreclosures Process for Handling Reconveyance and Reacquisition

Mortgagees will be instructed by HUD to identify MERS-related properties within their portfolio and provide a list to MCB to initiate immediate reconveyance. Mortgagees should submit their list to MCM-MERS@mcbreo.com. In the event a MERS-related property is not included on the Mortgagee's list, the same process for reconveyance and reacquisition will apply.

HOC GTRs/GTMs, AMs, FSMs, and closing agents can report suspected MERS cases in HUD inventory to MCM-MERS@mcbreo.com for MCB to initiate reconveyance.

Title packages will be required to include the sheriff's deed in order to determine in whose name the foreclosure was conducted.

Reconveyance Process. MCB will immediately initiate reconveyance:

- Process will begin with the issuance of the Billing Letter.
 - Language in letter to include instruction for Mortgagee to:
 - Prepare the deed from HUD back to Mortgagee. Document should be in a Word format, and emailed to: MCM-MERS@mcbreo.com.
 - Prepare the check for recording fees made payable to the recording agency.
 - Provide confirmation copy of the wire transfer of funds made through the Claims Remittance feature in FHA Connection.
 - Send all items to:
MERS Reconveyances
Michaelson, Connor and Boul
5312 Bolsa Avenue, Suite 200
Huntington Beach, CA 92649
- If Mortgagee does not respond within thirty days of Billing Letter, the Notice of Intent to Collect by Administrative Offset will be issued.
- If Mortgagee does not respond within thirty days of the Offset Letter, an offset will occur. Offset will include funds for recording fees.

Returning Property to HUD Inventory. When the Mortgagee remedies the title issue and is ready to return property to HUD inventory, the normal Reacquisition process will occur:

Upload the following items to P260 under Title Evidence and 27011A:

- Copy of the Billing Letter
- Copy of documentation proving the reason for the reconveyance has been corrected.
- All inspection reports with current photos of the property.

Once all documentation has been uploaded to P260, send an email notification to: mcm-reconveyance@mcbreo.com. Please state the case number and reason why the property should be returned to HUD's inventory.

MCB's decision of approval or denial will be emailed to the Mortgagee. If approved, Mortgagee will upload the following to P260:

- A new 27011A with the words "Reconveyance" written at the top and description ***Reconveyance***.
- Proof that the deed conveying title to HUD has been sent for recording. Sufficient proof includes a copy of the deed and a copy of the check for the recording fees.

When information is uploaded to P260, the Mortgagee should email mcm-reconveyance@mcbreo.com for notification that the package is ready. The Mortgagee is responsible for maintaining the property until the final approval is issued via email to the Mortgagee and HUD Single Family Claims.