****WORKING WITH EQUATOR: THE BASICS****

1. Setting up your Equator account:

- A. Go to www.equator.com and create a free account to setup a login with a password
- B. Login in with your email and password at www.equator.com

2. Working in the "Workflow" and "My Properties & Offers" sections:

A. Workflow section: This section will notify you if there is an "offer that needs a response", if you have "assigned tasks" and/or if you have any "messages" generated through the Equator system

Assigned Tasks:

- Tasks will be emailed to you as they are generated by the system.
- Be sure to check Equator daily for new tasks and messages, as you may not always receive an email.
- All tasks that are due to be completed will be noted in the Workflow Section. Simply click on the "task" to be directed as to what information is being requested.
- Note the "Due/Completed Date" as it will tell you how long you have to complete the task.
- Tasks that are not completed in a timely manner will result in the short sale offer being closed!
- ****TIP**** Timeframes for tasks are 24 hours a day. Tasks do not take into account weekends and/or holidays.

Offer Needs Response:

 By clicking on this link you will be directed to any offers or counter offers being sent by the bank.

Messages:

- Check messages on a regular basis for communication from the bank
- Unread messages can also be viewed by clicking on the "(0)
 Unread Messages" link in purple on every page in the
 Equator system
- Click on the "+" tab to view the complete message
- To reply to multiple people, hold down the "Ctrl" button on your keyboard and make the additional selections

<u>B. My Properties & Offers:</u> This section will allow you to search all of your short sale properties (by clicking on the "My Properties & Offers") and start a new short sale (by clicking on "Initiate a Short Sale")

- My Properties & Offers:
- By clicking on this link, you will be directed to a view of all of the initiated short sale properties
- This page gives an overview of the properties with the "Offer" section detailing the status of offers
- Property status is identified by different colors:

New: A newly initiated short sale

Negotiating: The negotiator is reviewing the file

Rejected: The offer has been rejected

Held: The property may be waiting for investor and/or

MI approval, HAFA approval, etc.

Accepted: The offer has been accepted

- Initiate Short Sale:
- Go to "My Properties & Offers" and click on "Initiate a Short Sale"
- Select the lender for the short sale (choices are: BofA, Wells Fargo and ASC)
- Enter loan number, Sellers last name and reason for default.
 TIP Note: Select the "Reason for Default" carefully, since the Seller will be asked to provide more detailed information through the BofA Short Sale Processing website
- Once you have completed the initiation you will be assigned a new task, which will be emailed to you
- ****TIP**** Fax over the 3rd party Authorization to BofA to 805-520-5019 even though you have uploaded into Equator

3. Viewing and working in the Property Page:

- A. By clicking on the property address you will be able to view a specific property
- B. The property page allows you to:
 - 1. View the negotiator: Click on this link for the address, phone number and email of the negotiator
 - 2. View the Library: Click on this link to view the "property files"
 - Click on the "Tasks' section to view the uploaded documents for this property
 - Use this section to upload any additional documents requested for the file such as a HUD, HAFA documents, Seller documents, etc.

- Upload the requested documents, identifying each document in the "comments" section and selecting the "task" as "Upload Supporting Documents"
- 3. View Messages: Click on this link to view all messages on this file
- 4. View tasks: Click on this link to view all tasks for this file
- 5. View Offers: Click on this link to view all offers (including counter offers) on this property
- 6. View Expenses: You will not need to utilize this function

4. Completing tasks and uploading documents:

- A. "Initiating a Short Sale" tasks:
 - **TIP** Have all documents completed and ready for input prior to initiating a short sale due to the time constraints of the system
 - **TIP** Make sure you have the Buyer(s) provide you with the following information before you get started;
 - Buyer(s) information: Name, address, telephone, birth date and first 5 digits of their social security number
 - Financing information: type of financing, lender name, telephone and email, interest rate
 - 1. Upload the Authorization form and identify it, then submit
 - 2. Borrower Contact Information: Complete this section and submit
 - 3. Submit Short Sale Offer: Complete all requested information
 - a. **TIP** Print out the HUD and have it ready to view
 - b. **TIP** Be sure to complete the Agent information first and select whether the Listing and Buyers Agent are the same or not. Failure to do this at the beginning of the process will result in the remaining data boxes being deleted!
 - c. Complete the Buyer information
 - d. Complete the Financing Information
 - e. Complete the offer information using the HUD:
 - There will not be a category for each item on the HUD
 - Use your best judgment to complete the HUD section
 - Use the "Other Expenses" section for items not identified on the form
 - **TIP** 2nd liens are entered on the bottom of the form under 1st or 2nd Lien Release Amount (not in the Cash Contribution section)
 - **TIP** The "net" number at the end of the form should equal the Payoff to the 1st or 2nd on the HUD

- Do not submit the form until all numbers are correct! You cannot re-do this form!!
- 4. Upload Supporting Documents
 - a. Upload Property Photo (in jpeg format)
 - b. Upload pre-qualification letter of proof of funds
 - c. Upload estimated HUD
 - d. Upload MLS
 - e. Enter the MLS number
 - f. Submit
- 5. Upload Offer Documents
 - a. Upload Purchase Agreement; identify it as such; submit
 - b. Upload any additional documents (eg; Cost of Repairs)
 - c. Submit
- 6. Supply Settlement Statement (this is AFTER approval):
 - a. You must upload the final estimated HUD for approval 72 hours prior to closing

***TIP** Do not complete this task until you know exactly when you are closing as it will result in a rejection!

- b. Enter the offer amount
- c. Enter the total closing costs
- d. Enter the commission percentage amount
- e. Enter the net proceeds to the 1st
- f. Enter the net proceeds to the 2nd (if applicable)
- g. Enter the title company email
- h. Submit

5. Responding to an offer:

- A. Click on "Offer Needs Response" to view the offer from the bank
- B. Click on "View Worksheet" to view and save in pdf format.
 - Use this pdf worksheet to send to Title, Sellers, Buyers and other Agents for viewing
 - ****TIP**** This worksheet does NOT show the "net" amount of the offer to the bank; be sure to communicate the "net" to title when sending them the pdf worksheet
 - Read the "comments" section at the bottom of the form to see if the negotiator has communicated any notes
- C. Click on "Counter Offer" to view the originally input offer (that you completed) along side the counter offer from the bank
- D. Carefully go through every line item to determine what has changed (if anything)
- E. If you are in FULL agreement with the counter offer, click on "Agree" and it will be submitted to the bank
- F. Do **not** click on "Reject" unless you want the offer to be rejected and closed!
- G. If you are changing the offer presented by the bank, check "ok" next to the line items that you agree with, and make changes to the other items.

- H. **TIP** Title fees may change when the offer amount has changed. Be sure to check with the escrow officer for any changes to Settlement Fee, Transfer Tax and Title Insurance.
- 1. **TIP** Make sure the "Commission Percent" is correct, as this figure automatically changes to 5% in the responding section!
- J. Use the "Comments" section to communicate pertinent changes to the bank

6. Using messages and communicating with the bank:

- A. Regularly check all messages
- B. All messages are saved within each property section
- C. Clear out any messages from the main messaging center by using the drop-down box and selecting "Clear from Incoming"
- D. **TIP** Retrieving messages from closed files:
 - Click on "Search Messages"
 - Enter property address or "created after" or "created before" dates
 - All messages from closed files will be available
- E. Communicating with the bank:
 - 1. To communicate with the negotiator or closing officer:
 - Click on the property address
 - Click on the "Reply" button of the most recent message
 - ****TIP**** Change the subject line of the email when you are communicating with the bank so that a quick look at all emails for each property will identify the subject of the communication
 - Identify the subject line carefully since BofA Customer Service representatives are also able to view the messages in Equator
 - 2. ****TIP**** Select the "Closing Officer" when you are submitting the HUD for approval as the negotiator does **not** approve the HUD.
- F. When a negotiator has requested additional documents:
 - 1. If you are responding to a negotiator's request for additional documents, attach the documents to the "reply" email
 - 2. In addition to attaching the documents to the email, upload the requested documents in the "Library" section under "Tasks"
 - Upload the file
 - Identify the file
 - Select the task as "Upload Supporting Documents"

**** EQUATOR UPDATES FROM BOFA **** AS OF 9/1/10

Short sales are categorized as: Delegated or Non-Delegated

Delegated files/loans: BofA has the ability to make a decision on the investor's behalf without sending the investor a complete package for review.

Non-Delegated files/loans: BofA cannot make the decision without a complete document review by the investor. The investor makes the decision in a non-delegated arrangement. (BofA is asking investors to respond in 1-3 weeks.)

****TIP**** As soon as you have uploaded your file into Equator, send an email to the negotiator and find out whether file approval is delegated or non-delegated.

Time Frames:

Initial Review and Submission:

Delegated files: 5 weeks
Non-Delegated files: 12 weeks

Valuations stage: 1-3 weeks Held stage (negotiations): 4 weeks

After file has been reviewed:

Approval for Delegated: 2 weeks Approval for Non-Delegated: 4 weeks

Common problems according to BofA:

- **All docs must be in pdf format (expect the property photo, which must be in jpeg format only)
- **All signatures must be on the forms as applicable. Must have "wet" signatures (no electronic signatures)
- **When completing the initial offer, be sure to allow for enough time to close according to the above timeframes
- **The closing date on the HUD must match the approval letter. After acceptance of an offer, submit the HUD with the requested closing date.