



Short Sale Validation Program Overview

Nationstar Mortgage

Dear Valued Real Estate Agent,

Nationstar Mortgage is excited to have your participation in the Offer Validation Program.

The purpose of this program is to ensure that a fair return is yielded for the seller/homeowner as well as the underlying investor of the loan. Keep in mind the following key points:

- The listing agent remains fully involved throughout the auction process.
- The Real Estate Agent commission is 6%.
- HomeSearch.com's marketing is at no cost to to the real estate agent or homeowner.
- If the auction produces a lower final bid than the original offer, then the original offer will still be reviewed by Nationstar in an expedited manner.
- The Offer Validation Program provides Nationstar with key market data to determine if the existing offer is supported.

This package will provide you valuable information regarding the program, as well as answers to frequently asked questions. Also included in this package is Nationstar's Short Sale Offer Validation Program Terms and Conditions document (OVP Terms). The OVP Terms will require a signature from the seller(s) as well as you the listing agent. Upon completion, the OVP Terms can be sent to shortsaleassist@solutionstar.com and/or submitted through the Equator system.

Nationstar is dedicated to making this process as effective and efficient as possible for the seller, the buyer and the Real Estate Agent(s) involved. We look forward to a successful working partnership.

Please don't hesitate to contact us with any questions, comments or concerns at (866) 312-2432 or e-mail us at shortsaleassist@solutionstar.com.

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Offer Validation Program Overview

The Offer Validation Program (OVP) is a process instituted by lenders and servicers to validate offers presented on short sale properties against current market values by holding a single online auction event through HomeSearch.com. The program brings efficiency and transparency to the short sale process, offering substantial benefits to all participants in the market.

Offer Validation Process

The OVP runs in parallel with the traditional short sale review process and generally follows the steps below:

1. The listing agent submits a short sale offer on a property to the lender or mortgage servicer through the Equator workflow module.
2. The listing agent is informed of the auction review process by Nationstar. The auction review process will not affect the structure of the listing commission based on the standard Nationstar commission policy.
3. The borrower and their agent are fully involved throughout the entire market validation process.
4. The property is extensively marketed by HomeSearch.com, with an auction date scheduled in approximately 3 weeks. The original buyer and the agent who had submitted the original offer are encouraged to bid in the auction. Under Nationstar's current policy, the person who submitted the original offer will not be required to pay a Buyer's Premium if he or she is the successful bidder at the auction.
5. The auction is open for online bidding during a four day period at the end of the marketing campaign.
6. Subsequent to the completion of the auction, the servicer will evaluate both the original offer and any offer obtained through the auction and will make a decision on offer acceptability.
7. For any buyer that is not the original buyer, a 5% Buyer's Premium will be added to the winning auction bid. (See Buyer's Premium definition in glossary.)
8. If the auction does not produce a higher acceptable offer, then the traditional process for review and approval of the original offer continues. The review may be expedited as the auction has given the servicer valuable market valuation data.
9. The borrower and their agent ultimately have the final choice to sell or not to sell, in the same way that the servicer ultimately has the final choice in what offer to accept or not accept.

Program Options

Listing Assistance Program (LAP)

- For homes currently listed without an offer.
- Property may be placed in multiple auction events.
- Marketing at no cost to Real Estate Agent/Seller.

Offer Validation Program (OVP)

- For homes that have received an offer.
- Property will be placed in one auction event.
- Valuable tool to ensure the current offer is supported.

Milestones For Success

1. Document Collection

All necessary documents are sent out to participating parties for review, signature & return to Nationstar.

2. Referral

The home is referred to HomeSearch.com to begin due diligence process.

3. Pre-Auction

The home is extensively marketed on HomeSearch.com website, through open-houses, & MLS.

4. Auction Event

Online Auction event occurs, bringing various bidders to the marketplace.

5. Auction Results

Auction event results are provided to all parties outlining the bid amounts & terms.

6. Approval/Denial

Nationstar provides a decision on the Short Sale.

7. Closing

Upon approval, escrow is opened and the property proceeds to closing.

Current Milestone



1. Document Collection

2. Referral

3. Pre-Auction

4. Auction Event

5. Auction Results

6. Approval/Denial

7. Closing



Document Collection

- Property is initiated into Equator.com
- Welcome Call from the Nationstar Negotiator to Listing Agent regarding program highlights & details.
- All necessary documents are sent out to participating parties for review, signature & return to Nationstar.
- Documentation is reviewed by Nationstar to ensure accuracy & completeness.

Listing Agent Expectations

- Check the Equator system for necessary documents required to process the Short Sale.
- Timely provide ratified "OVP Terms" & "SSPA" documents to Nationstar.
- Engage in negotiation activities with any subordinate lien holders for settlement.

Current Milestone

1. Document Collection



2. Referral

3. Pre-Auction

4. Auction Event

5. Auction Results

6. Approval/Denial

7. Closing

Referral

- The property has been referred to HomeSearch.com to start due diligence process.
- A valuation expert will be in contact with the Listing Agent to gain interior access.

Listing Agent Expectations

- Be available to coordinate/allow access for the valuation provider.



Current Milestone

1. Document Collection

2. Referral

➔ 3. Pre-Auction

4. Auction Event

5. Auction Results

6. Approval/Denial

7. Closing



Pre-Auction

- Marketing activities begin on HomeSearch.com highlighting subject property, event details, & attracting potential bidders.
- Listing Agent conducts open house events to drive foot traffic & generate awareness around the property.

Listing Agent Expectations

- Update the MLS listing with Auction specific comments.
- Be available for HomeSearch.com to conduct an introduction call regarding next steps in process, which will include the Auction event date.
- Provide program information to original buyer's agent.

Current Milestone

1. Document Collection

2. Referral

3. Pre-Auction

➔ 4. Auction Event

5. Auction Results

6. Approval/Denial

7. Closing

Auction Event

- Original Offer Buyer registers on HomeSearch.com
- Bidding activity is opened to the public.
- The Auction event occurs over a 4 day period.
- Once the Auction Event has concluded, the highest bid received at auction is submitted for Servicer Review.



Current Milestone

1. Document Collection

2. Referral

3. Pre-Auction

4. Auction Event

➔ 5. Auction Results

6. Approval/Denial

7. Closing



Auction Results

- Auction results are sent to Nationstar for review.
- Nationstar determines if the acceptance of the offer presented is in the best interest of the investor.
- Results are conveyed to the Listing Agent via Equator messaging.

Listing Agent Expectations

- Work with HomeSearch.com to obtain necessary documents/ purchase contracts.

Current Milestone

1. Document Collection

2. Referral

3. Pre-Auction

4. Auction Event

5. Auction Results

➔ 6. Approval/Denial

7. Closing



Servicer Decision

- If approved, an approval letter is generated and provided to the Listing Agent outlining the terms of acceptance.
- If the offer is denied, the customer will have the option of placing the property back through an auction in an effort to yield a higher offer, or to explore other options that may be available to them.
- The Listing Agent informs the seller, buyer, and Buyer's Agent of the approved terms.

Listing Agent Expectations

- Be available to provide additional documents needed to process the Short Sale.
- Communicate with the Escrow/Title company as to next steps.

Current Milestone

1. Document Collection

2. Referral

3. Pre-Auction

4. Auction Event

5. Auction Results

6. Approval/Denial

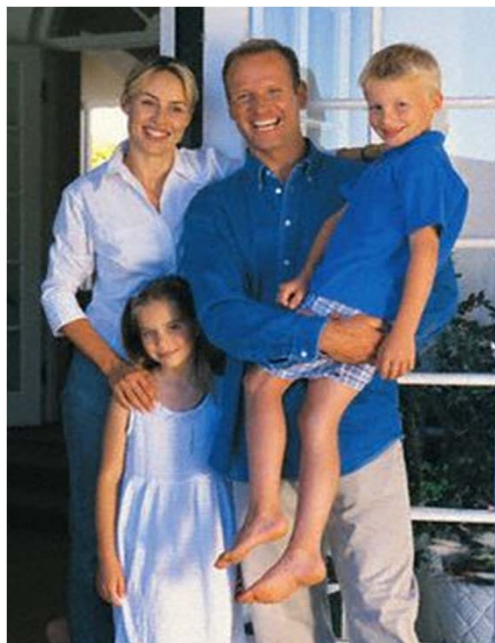
7. Closing

Closing

- Escrow is opened with the title company.
- The seller arranges for the buyer to conduct the inspection.
- Title is reviewed to ensure any encumbrances or liens are satisfied as part of closing.
- The property closes & funds are wired to Nationstar Mortgage.

Listing Agent Expectations

- Communicate with closing updates.
- Submit HUD for approval by Nationstar.
- Provide all closing docs post-closing.



Frequently Asked Questions at a Glance

Q: How does participation in the OVP auction process help the borrower?

A: To the extent the property can be sold at a higher price than the current short sale offer, it is in the interest of all parties to maximize the sales price, including the borrower.

- The greater the sales price, the greater the reduction in the deficiency balance that remains outstanding in states where a deficiency is permitted by applicable law
- Where the unpaid balance is forgiven, the greater the reduction in potential tax exposure to the borrower by reducing the amount deemed as income related to forgiveness of debt.
- A full payoff might occur as a result of the winning bid net proceeds being sufficient to satisfy the mortgage lienholder(s), thus resulting in a traditional sale.

Q: Can Nationstar require a borrower who is seeking short sale approval to go through the auction process?

A: Yes, based on the following:

- A borrower is always free to sell their property without involving a mortgage servicer such as Nationstar in the sales process, as long as any existing mortgage on the property is paid in full. In a short sale situation, however, Nationstar is being asked by the borrower to release a mortgage for less than the outstanding balance due, and contracts between homeowners and buyers resulting in less than a full payoff on a mortgage loan must therefore be approved by the servicer.
- Nationstar must become involved in the process in this scenario because Nationstar, as the mortgage servicer, has a contractual duty to its investors – the mortgage lenders-- to maximize the recovery of principal and interest.
- The auction process helps to ensure that maximum recovery is obtained. Servicers always face a risk when entering into a short sale as it is difficult on a nationwide basis to ensure that the transaction is an “arms length” transaction.
- The auction process provides an opportunity to ensure that controls are in place to protect the investors, as well as the borrowers, from these risks by exposing the property to a broader market in order to obtain the highest price.

Q: How is my commission impacted if one of my properties is included in the OVP?

A: The cooperation and participation of agents contribute to the success of the OVP. As a listing agent, the structure of your commission is not affected by the auction process. As with any short sale, any sale of the property – and accordingly - your commission is ultimately subject to the servicer’s approval.

The listing agent will be responsible for any cooperating broker commission as set forth in the listing agreement. However, if a higher offer is obtained from a buyer that does not have an agent, that buyer will be referred to the listing agent. No referral fee is assessed in this scenario.

Q What do I need to do as a Real Estate Agent under the OVP?

A: As an agent, you will be asked to do the following:

1. Sign and obtain your seller's signature on the OVP Terms and Conditions
2. Update your MLS listing to reflect the recommended auction disclosure provided by HomeSearch.com
3. Upload quality images of the property to Equator
4. Field any typical questions and follow-up on potential buyer leads
5. Conduct at least one open house and record foot traffic
6. Register your original buyer for the auction if they choose to bid and make sure they understand that they cannot submit further offers outside of the auction
7. Provide the preferred closing company's information
8. Obtain the seller's signature on applicable transaction documents

Potential Auction Outcome Scenarios:

If....	Then....
The original offer buyer is the high bidder at the time the auction closes & the auction reserve is met.	The offer is reviewed for servicer decision. This may include obtaining investor or mortgage insurance company approval. If approved, an approval letter is sent to the listing agent to provide to all parties.
The original offer buyer is the high bidder at the time the auction closes, however the reserve is <u>not met</u> .	The offer will require additional review by the Nationstar Negotiator & Listing Agent. This may include a value dispute being filed, investor review and/or mortgage insurance company review. Ultimately, if the offer presented is not in the best interest of the investor to accept, the offer will be declined.
The original buyer's offer is exceeded during the auction.	The original buyer will have the option to increase their offer by bidding at auction. Bidding can only take place via the online auction event. No counter offers will be entertained post auction.
The original buyer's offer is not the highest bid at the time the auction closes.	The highest bid at auction is reviewed for servicer decision. If approved, an approval letter is sent to the listing agent to provide to all parties.
There are no bids at auction	The original offer will require additional review by the Nationstar Negotiator & Listing Agent. The file will transition into a traditional Short Sale process. Nationstar will engage in active negotiations with the original offer buyer.
The highest bid at auction is denied	The file will transition into a traditional Short Sale process. Nationstar will either: A) Engage in active negotiations with the original offer buyer. -or- B) Reject all offers. -and- C) Encourage the seller to participate in the Listing Assistance Program (LAP). -and- D) The property will be featured in additional auction events.
The original offer buyer has fallen out, or is not willing to negotiate	The file may transition into the Listing Assistance Program (LAP). The Negotiator will reach out to the listing agent and homeowner with program highlights/options.
If there is no offer, and the customer is not interested in the LAP	The customer will be provided with options to avoid foreclosure, including exploring a deed in lieu of foreclosure.

Frequently Asked Questions-Seller:

Q: Why is the auction process required?

A: Nationstar must attempt to obtain maximum recovery to the mortgage lender on the short payoff of a loan.

- While appraisals and broker price opinions provide opinions of value, it is widely recognized that the best value is always set in an open market with multiple buyers and sellers transacting on an “arms-length” basis.

Q: How does this impact the community?

A: The higher sales price helps avoid the negative effects that can arise from depressed real estate values in the local area often associated with foreclosures and short sales. This translates into higher values for the neighborhood and a higher tax base for the community.

Q: How much does the auction cost?

A: Neither the borrowers, nor their listing agent, incur any cost related to the auction process. HomeSearch.com is paid its fee through the Buyer’s Premium that is charged to the winning bidder in the auction.

- The borrower does not pay the fee for the auctioneer; the highest bidder pays the fee, unless that bidder is the original offer buyer.
- The bidders are advised, in advance, of the expenses that will be incurred by participating in the auction through a disclosure and agreement during the bidder registration process. The Buyer’s Premium is waived for the original purchaser, even if they bid in an offer that is higher than their original short sale offer.
- To the extent the borrower does not wish to sell the property at the higher price, they are free to decline the offer, although the mortgage will remain in place.

Q: At what point in the short sale process are borrowers asked to use HomeSearch.com (before or after an offer is received)?

A: Nationstar offers two short sale auction programs.

- The Offer Validation Program (OVP) is where an initial short sale offer has been received.
- The Listing Assistance Program (LAP) is where no short sale offers have been received.
 - The borrower is informed of these programs early in the process when the Borrower Response Package is forwarded to the borrower through their listing agent. At that time, the borrower is asked to execute the Short Sale Participation Agreement (SSPA) which describes the two programs offered by Nationstar.

Frequently Asked Questions-Buyer:

Q: If a borrower must advertise their home for sale on HomeSearch.com after the borrower has presented Nationstar with an offer the borrower has accepted, does that mean that Nationstar is rejecting the offer presented?

A: No. While the contract offer may be accepted by the borrower, Nationstar has not completed its required review of that offer due to it being a short sale.

- Nationstar must approve all short sale offers and must ensure that recovery is maximized for the underlying investors before accepting an offer. The auction process is the means through which Nationstar can validate the market value of the property.
- Nationstar will not reject or accept the current offer until the initial review process is complete. See Potential Auction Outcome Scenarios on page 15 of this package.

Q: Will this program increase the likelihood that the buyer will walk?

A: We understand that a significant percentage of short sale offers fall out of contract due to buyers walking away because they have grown impatient. One of the benefits to the Offer Validation Program is a streamlined offer review process, thus removing the need for multiple offer negotiations that could cause the buyer to withdraw.

Q: What if the current buyer wants to bid at the auction?

A: They are actually encouraged to participate in the auction and will have equal opportunity to bid on the property or any other properties with no cost to them as the buyer's premium for the original buyer is waived.

Q: I'm under contract, what is wrong with my current offer?

A: There may not be anything wrong with your current offer, and it may be accepted by Nationstar. By going to auction we are simply verifying that this offer represents the current market.

Q: Why are you doing this?

A: By showing that multiple bidders have only reached a certain price level, the auction becomes a market pricing tool with real data points. Nationstar will be looking at this as an additional pricing model along with their BPOs or appraisals.

Frequently Asked Questions-Real Estate Agent:

Q: The descriptions of servicer programs involving HomeSearch.com indicate that the listing agent (broker) will receive their “full listing commission” and there may be opportunities to earn even more. Does this mean that they would receive the full commission agreed to in the listing contract or does it mean they receive a lesser amount?

A: The broker’s commission will not exceed 6%. The listing broker will receive the listing commission, but will only receive the buyer’s commission if they represent the high bidder or if the auction buyer is not represented by a real estate agent.

Q: Does this program replace HAFA or other incentives that the Seller qualified for?

A: If you are participating in the HAFA short sale program, you are eligible for the HAFA relocation incentive and therefore, relocation incentives that may be offered on Non-HAFA loans will not be paid.

Q: Will the Seller be inconvenienced and have to show the home again?

A: No. The marketing auction takes place on-line and not at the property. In order to not disrupt the Seller or occupant, only one open house is requested; however two open houses are preferred during the 21 day pre-auction period.

Q: Will this new added step extend the short sale offer review process?

A: It could, however, Nationstar encourages the Real Estate Agent upon initial listing of the home to activate the property in the Equator system in order to reduce the Short Sale review process. This can be accomplished by logging on to Equator.com and following the instructions provided on the website. Equator provides an online portal for processing short sales aimed at ensuring transparency and accountability throughout the transaction.

Q: If I refuse to participate in the auction or sign the OVP Terms, will my borrower not be able to do a short sale?

A: In order to move forward with the short sale process, Nationstar requires that the OVP Terms and Conditions are signed and returned so that the auction process can continue.

Q: I don’t need to do this when I work with other banks. Why is Nationstar requiring it?

A: All banks use some kind of valuation tool to assess current market value. Nationstar has chosen to use a public auction along with BPOs and other pricing matrices to ensure they are receiving the proper value in today’s market.

Q: Who do I contact if I have questions?

A: Upon initiation of the program, you will receive a welcome package with various points of contact that are equipped to answer any questions you may have regarding the process. As always, you can contact us directly at (866) 312-2432 or e-mail us at shortsaleassist@solutionstar.com

Q: I'm representing the buyer and seller in my current offer, so what happens if another agent is representing the buyer via Auction?

A: In that instance, you will receive your listing commission and the buyer's broker for the winning bidder will receive the buyer's broker commission. Of course, your current buyer is more than welcome to participate in the auction as well.

Q: I have done short sales with Nationstar in the past and this was not required. Why am I being asked to participate in an Auction?

A: This is a new process to assure that Nationstar is mitigating the loss to the owner of the loan. As the listing agent, you will receive your full listing agent commission, and by achieving the highest sale price, you are earning the highest commission available to you.

Q: What if there is a foreclosure sale date?

A: Once Nationstar receives the SSPA, a foreclosure hold will be placed on the loan. In the event a foreclosure sale date has been scheduled, the foreclosure sale date will be postponed for the same period of time to allow for completion of the auction program and time to obtain lender approval.



Notice Date: 01/01/2014

Loan No.: 123456789
Property Address:
1313 Mockingbird Lane
Anywhere, TX 99999

John Doe
Jane Doe
1313 Mockingbird Lane
Anywhere, TX 99999

Dear John and Jane:

As a follow up to our conversation regarding Nationstar Mortgage's ("Nationstar") Short Sale Validation Program (the "Validation Program"), we are providing you with a copy of Nationstar's Short Sale Validation Program Terms and Conditions (the "Terms and Conditions").

The Validation Program is designed to assist borrowers like you who have already received a short sale offer. In order to verify the market value of the property, Nationstar will use the services of HomeSearch.com¹ to conduct an expanded marketing campaign followed by an online offer validation of the property in which additional offers may be submitted. This process is likely to generate additional interest in your property, and could result in an even higher offer for your property. HomeSearch.com's role will be limited to acting as the auctioneer only (including conducting marketing in connection with the program); any communication regarding your loan should be made directly with Nationstar.

In order for us to process your short sale request, you and your agent will both need to read the Terms and Conditions carefully, sign the form where indicated and return the fully executed document to your real estate agent. *If you fail to submit the fully-executed Terms and Conditions within 10 days as of the date of this letter, your short sale request cannot be processed.*

As a reminder, the following are potential benefits of completing a short sale through the Validation Program:

- You may avoid foreclosure sale of your property.
- Any foreclosure sale date will be suspended while the property is in the Validation Program.
- The proceeds of the short sale will be used to pay off the balance of your loan(s). To the extent recovery of deficiency balances is permitted by applicable law, the remaining deficiency balance of your loan will be waived (subject to approval by the mortgage insurance provider, if applicable).
- You may be eligible to relocation assistance to assist with the costs associated with moving if the final approved offer is received through the Validation Program.

Sincerely,

Nationstar Mortgage

¹ HomeSearch.com Realty Services Inc., HomeSearch Realty Services AZ LLC (for AZ properties) and HomeSearch.com Realty Services CT LLC (for CT properties).

Nationstar's Short Sale Validation Program Terms and Conditions

1. The short sale must be an "arm's length" transaction. An arm's length transaction means that you cannot list the property with or sell it to anyone to whom you are related or with whom you have a close personal or business relationship.
2. If you are in default on your loan, the foreclosure process may begin or continue while the property is in the Validation Program; however, the foreclosure date will be suspended until the property is sold in an approved sale or otherwise removed from the Validation Program.
3. You will be required to vacate the property upon successful closing of a short sale. You are responsible for all maintenance and expenses on the property through the date that it is sold.
4. Nationstar may include the property in an expanded marketing campaign followed by an online auction of the property in which additional offers may be submitted. This process is likely to generate additional interest in your property, and could result in an even higher offer for your property. Nationstar will use the services of HomeSearch.com for such marketing and auction. HomeSearch.com's role in the short sale process will be limited to acting as the auctioneer ONLY (including conducting marketing in connection with the auction); any communication regarding your loan should be made directly with Nationstar.
5. If the offer you submitted grants the buyer a right of first refusal or similar right, such offer will not be considered for a short sale unless such offer is revised to omit such right and resubmitted to Nationstar.
6. If Nationstar uses the services of HomeSearch.com, your property may be advertised and marketed prior to the event (which may include HomeSearch.com's website, print advertising, web media, direct mail, and email marketing), and you and your listing agent agree to cooperate by, among other things, (a) providing access to the property for a third party valuation to be completed prior to the event, (b) making your property available for at least one (1) open house date prior to the event date and directing any interested parties to submit offers through the process, (c) responding to inquiries and assisting any parties interested in the property, and (d) providing to HomeSearch.com, potential buyers and the winning bidder all legally required disclosures related to the property. Your listing agent will be listed as the contact for bidders who are interested in purchasing the property. All costs of such additional advertising and marketing shall be at no cost to you.
7. The original buyer who previously submitted an offer is encouraged to register and bid at the event. Should the original buyer be the winning bidder at the event, the buyer's premium will be waived for the transaction. The buyer must register and participate in the auction to be eligible to have the buyer's premium waived. Nationstar will not consider any offer (including a counter offer from the original buyer) submitted outside of the program while the property is in the Validation Program; all offers not previously submitted to Nationstar must be submitted using the process.
8. If a higher offer is obtained through the Offer Validation Program, Nationstar may present such offer to you, through your listing agent, for consideration. Nationstar will evaluate your current offer and any other offers obtained through the Offer Validation Program and make a firm decision on their acceptability.
9. In connection with the auction and marketing services provided by HomeSearch.com, a buyer's premium in an amount not to exceed five percent (5%) of the winning bid amount shall be added to the winning bid amount to establish a "Total Purchase Price" for any buyer obtained through the HomeSearch.com site. The buyer's premium will apply to all bidders, except that (a) the buyer's premium will not apply if the originally submitted offer is the offer resulting in the highest net proceeds to the investor, or (b) if the highest bidder is the original buyer at the auction. The buyer's premium shall be paid by the buyer to HomeSearch.com at closing from the sale proceeds due to the lender/servicer on behalf of the investor. HomeSearch.com may submit these Terms and Conditions to any escrow as escrow instructions for the payment of the buyer's premium.
10. Neither you nor any other person shall enter any bid for the property on your behalf at any auction. Notwithstanding the foregoing, HomeSearch.com has the right to enter a bid for the property up to a predetermined "reserve price" during any event to encourage bidding (but not as an offer to purchase the property). HomeSearch will not enter bids above the reserve price. Note: This is a common auction practice and increases the likelihood that the auction will result in an approved sale. When placing a below-reserve price bid on behalf of the seller of a property, the intent of HomeSearch is to

Nationstar's Short Sale Validation Program Terms and Conditions

create an active marketplace for the property. This practice benefits the borrower by maximizing the price obtained (and lowering any potential deficiency balance where it is applicable under applicable law), and benefits potential buyers by keeping the auction alive for a longer period of time in the hopes of meeting the reserve price and effectuating a short sale.

11. Once the event has ended, the buyer will be asked to sign the purchase contract with the winning bidder. The signed contract and all supporting documentation will be sent to your listing agent to obtain your signatures. In order to complete the short sale, you will need to submit the fully executed contract to Nationstar within 48 hours for final written approval, which may be withheld for any or no reason. Time is of the essence in obtaining all required signatures.
12. The listing agreement between you and your listing agent sets forth the terms under which your listing agent shall market and sell your property. If your property is sold through the HomeSearch.com site, any commission(s) that are to be calculated as a percentage of the sale price shall be calculated based solely upon the winning bid amount (i.e. the sale price less the buyer's premium, if applicable), not the total purchase price.
13. HomeSearch.com is compensated through the buyer's premium and not from your listing agent's commission. Should your listing agent be representing both you and the buyer on the originally submitted offer, your listing agent agrees that if a higher offer is obtained from a buyer who has a different buyer's agent, your listing agent will be responsible for any applicable cooperating broker commission. However, if a higher offer is obtained from a buyer that does not have a buyer's agent; such buyer will be referred to your listing agent.
14. HomeSearch.com maintains a real estate broker license in all jurisdictions where it is required (see homesearch.com/licensing for a listing of such licenses); however, you and your real estate agent acknowledge that HomeSearch.com is and will be acting as the auctioneer ONLY (including conducting marketing in connection with the event) and does not represent any buyer or seller as their real estate broker or agent in this transaction. Your listing agent shall remain the listing agent for the property and shall continue to be responsible for ensuring compliance with his or her duties as listing agent in the transaction, and you shall look to your listing agent with respect to all real estate agent-related services in connection with this transaction.

To the extent that HomeSearch.com is deemed to be acting as a real estate agent in connection with this transaction, HomeSearch.com shall be deemed to be acting only as a "transaction" agent or a "facilitator" where permitted, otherwise as the real estate agent of Nationstar only. In the event that, notwithstanding the foregoing, HomeSearch.com is deemed to also be acting as a real estate agent on your behalf as a dual agent, then you and Nationstar consent and agree as follows:

- a. Inherent in dual agency (representing more than one party in a transaction) are the concepts that a dual agent must represent the interests of multiple parties, there will be limitations upon the representation provided to any particular party, there may be conflicts in and will be limitations upon the performance of any duties of loyalty, obedience, disclosure and confidentiality, and HomeSearch.com shall have limitations upon any such duties owed to you or Nationstar;
 - b. HomeSearch.com may disclose known facts which materially and adversely affect the consideration to be paid by or to any party to the transaction;
 - c. HomeSearch.com is authorized to at all times deal honestly with you and Nationstar and to respond honestly to questions asked by you or Nationstar with respect to the transaction; and
 - d. You and Nationstar understand the necessary and essential consequences of dual agency and consent to any dual agency engaged in by HomeSearch.com with respect to or arising out of this transaction.
15. By executing these Terms and Conditions, you warrant that (a) you are the owner of the property, (b) no other persons or entities have title to the property, (c) you have the authority to execute these Terms and Conditions, and (d) you have full authority to sell the property.

These Terms and Conditions shall be governed and construed in accordance with the laws of the State of Texas, without giving effect to any conflict of laws principles. Short Sale Validation Vendor is an express intended third-party beneficiary of, and shall have the right to enforce, each provision of these Terms and Conditions inuring to its benefit.

Nationstar's Short Sale Validation Program Terms and Conditions

After the Auction

Once the auction is completed, your continued cooperation is necessary in order to accelerate the approval process. If a higher offer is obtained through the Offer Validation Program:

- The winning bidder and the winning bidder's real estate agent (if applicable) will be contacted within 48 hours of the event completion to review the details of the winning bid and request the signed purchase contract from the winning bidder.
- Once the purchase contract is signed by the winning bidder, the purchase contract will be sent to you through your listing agent for your review and signature. **We must have all documents completed, signed and returned within 48 hours of delivery to you.**
- Once the purchase contract has been fully executed by you and the winning bidder, it will be returned to Nationstar for review and final approval. Please save a copy of the executed purchase contract for your records.
- If Nationstar approves the purchase contract, the file will be transferred to the closing agent for closing. Your listing agent, as well as the closing agent, will be your points of contact for the closing of the transaction. They will assist you and answer any questions you may have regarding the closing process.

If a higher offer is not obtained through the Validation Program, Nationstar will continue with the review of your existing offer. Your listing agent should contact the Nationstar representative for next steps.

It is extremely important to respond quickly to requests made by Nationstar, and any auction-related requests made by HomeSearch.com. Your quick response and cooperation will help accelerate the processing of your short sale request.

By signing below, I acknowledge that I have read, understand and accept Nationstar's Short Sale Validation Program Terms and Conditions.

<p>Borrower:</p> <p>_____ SIGNATURE</p> <p>_____ PRINTED NAME</p> <p>Listing Broker/Agent:</p> <p>_____ SIGNATURE</p> <p>_____ PRINTED NAME</p> <p>_____ LICENSE NUMBER</p>	<p>CoBorrower:</p> <p>_____ SIGNATURE</p> <p>_____ PRINTED NAME</p>
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Please return the signed Terms and Conditions to Nationstar within 10 days to your listing agent.

Information on Avoiding Foreclosure

Mortgage Programs Are Available to Help

There are a variety of programs available to help you resolve your delinquency and keep your home. You may be eligible to refinance or modify your mortgage to make your payments and terms more manageable, for instance, lowering your monthly payment to make it more affordable. Or, if you have missed a few payments, you may qualify for a temporary (or permanent) solution to help you get your finances back on track. Depending on your circumstances, staying in your home may not be possible. However, a short sale or deed-in-lieu of foreclosure may be a better choice than foreclosure – see the table below for more information:

OPTION	OVERVIEW	BENEFIT
Refinance	Receive a new loan with lower interest rate or other favorable terms	Makes your payment or terms more affordable
Reinstatement	Pay the total amount you owe, in a lump sum payment and by a specific date. This may follow a forbearance plan as described below	Allows you to avoid foreclosure by bringing your mortgage current if you can show you have funds that will become available at a specific date in the future
Repayment Plan	Pay back your past-due payments together with your regular payments over an extended period of time	Allows you time to catch up on late payments without having to come up with a lump sum
Forbearance Plan	Make reduced mortgage payments or no mortgage payments for a specific period of time	Have time to improve your financial situation and get back on your feet
Modification	Receive modified terms of your mortgage to make it more affordable or manageable after successfully making the reduced payment during a “trial period” (i.e., completing a three [or four] month trial period plan)	Modifies your mortgage so that your payments or terms are more manageable as a permanent solution to a long-term or permanent hardship
Short Sale	Sell your home and pay off a portion of your mortgage balance when you owe more on the home than it is worth	Allows you to transition out of your home without going through foreclosure. In some cases relocation assistance may be available
Deed-in-Lieu of Foreclosure	Transfer the ownership of your property to us	Allows you to transition out of your home without going through foreclosure. In some cases relocation assistance may be available. This is useful when there are no other liens on your property

We Want to Help

Take action and gain peace of mind and control of your situation. Please contact us at 1-877-800-2432 to discuss your options for avoiding foreclosure and the application process. You must meet certain requirements to qualify for any of the options/products referenced above. Terms are subject to change.

This is an attempt to collect a debt and any information obtained will be used for that purpose. However, if this debt is involved in a bankruptcy or has been discharged in a bankruptcy proceeding, this communication is not an attempt to collect a debt against you and any information obtained or given will be for informational purposes only.

Glossary of Terms

Bid

The amount offered to buy something while competing with others at an auction. At HomeSearch.com, bidding is done online for short sale auctions.

Bid Increment

The amount the bid increases during the auction. For example, if the current bid is \$50,000 and the bid increment is \$5,000, the next acceptable bid amount would be \$55,000.

Buyer's Premium

For winning bidders only, this is a fee added to the winning bid amount. The Buyer's Premium amount is typically equal to 5% of the winning bid amount (or \$2,500 for residential properties and \$10,000 for commercial properties, whichever is greater), and will be added to establish the total purchase price. The Buyer's Premium will be waived if the buyer under the original short sale offer is the winning bidder at the auction.

Earnest Money Deposit

A deposit on the real estate property placed by the buyer (winning bidder) used to let sellers know that you are earnest (very serious) about buying the property. A winning bidder in an HomeSearch.com short sale auction will be required to put up an Earnest Money Deposit in the amount of 5% of total purchase price or \$2,500, whichever is greater, for the first property purchased in a given auction and 15% of total purchase price or \$5,000, whichever is greater for any subsequent properties purchased in the same auction.

Listing Assistance Program (LAP)

Auction program for properties that do not have an offer. The property will be placed in multiple auction events in order to generate an offer.

Offer Validation Program (OVP)

Auction program for properties that currently have an offer. The property will be placed in one auction event in order to support the existing offer.

Reserve Price

An amount established by the servicer as the lowest acceptable price below which the servicer is not obligated to sell the property. The reserve price is not made public. In cases where a reserve price is not met, a property may be sold "subject to servicer confirmation" and HomeSearch.com will give the servicer the option of accepting the winning bid if it is below the reserve price.

Starting Bid

The beginning price for an available property to be bid on at an auction event. The starting bid is set based on HomeSearch.com's proprietary valuation approach.

If you have questions about the Offer Validation Program, please contact us at 1-866-312-2432.