Customer Service = Resolution

Securing Utilities
• Safeguard’s clients require certain utility items to be secured in an effort to remediate any possible safety hazard
• Most REO clients list some or all of these safety hazard items within their parameters which are translated into the work order instructions
• The common utility items we are required to address in the REO service line are capping of water lines, capping of gas lines, capping of wires and open sewer/drain lines
• Water lines – FNMA, BANA
• Sewer/drain lines – FNMA, BANA
• Gas lines - BANA, CITIRL, SPS, HHF, AURORA, WILS, CMCF, HSBC, HM, M&T, SAXON, CMCIAS/EMCIAS/EMCRED
• Wires - BANA, CITIRL, SPS, HHF, AURORA, WILS, CMCF, HSBC, HM, M&T, SAXON, CMCIAS/EMCIAS/EMCRED
Safeguard’s clients require us to cap any exposed water line that may cause flooding or water damage to the interior of the asset.

An exposed water line is defined as any water line that does not have a drain underneath regardless of shut off valves.

There are many different types of water lines that pose this threat throughout any given property.
Types of Water Lines

- These types of water lines include:
  - Sink/toilet supply lines
  - Refrigerator/dishwasher lines
  - Washer connections
  - Hot water heater drain spigot
  - Any open or damaged plumbing lines (copper, PEX, steel/iron, PVC)
  - Main water line
• Most areas where a sink or a toilet is present, or was present, there are water valves or open plumbing lines.

• If the water lines are missing from the valves or if the fixture is no longer present, these lines must be capped to avoid flooding or water damage should the water be turned on at the property.

• If the valves themselves are missing or damaged, the lines will still need to be capped as a part of the client parameters.

• There are numerous resources online or at your local plumbing supply store regarding compression fitting charts and guidelines.
Examples of Supply Line Caps

- The following are different types of caps used to cap supply lines:
  - Compression caps
  - Copper fittings
  - Shark bite
Examples of Supply Line Caps

• Supply line caps come in a variety of sizes and types depending on the type of plumbing
• In most cases, standard sized caps can be easily installed and tightened on the sink valves
• In other cases it may be required to sweat a copper fitting on to the exposed line or utilize a shark bite.
• Teflon thread seal tape should always be used when installing standard caps to avoid leaks
In many cases the refrigerators and dishwashers are missing or removed from the properties we service.
The lines that supply water to these appliances also need to be capped.
It is best practice to remove the actual line and cap at the source if possible.
Washer Connections

• Most properties have an area where a washing machine can be connected to the water source
• These connections need to be capped 100% of the time per client parameters
• Standard hose spigot caps must be used to complete this task as they have a gasket that remediates leaking
• In the instance where a hot water heater is present, the drain spigot must also be capped with a standard hose spigot cap
• If it is during winterization season this should be completed directly after draining the hot water tank
• If it is out of winterization season this should still be completed at the time of the initial service
In the instance of the plumbing lines being open or damaged, work should be completed to remediate the potential flood issue:

- Shark bite caps
- PVC caps
- Copper fittings
- PEX end caps
- Galvanized caps
Main Water Line

- All main water lines must be capped upon removal of, or where the meter is missing.
- Meters should not be removed and lines capped where municipalities prohibit.
Examples of Sewer/Drain Lines

• All open sewer/drain lines must be capped per client parameters:
  – Toilet flanges
  – Drains at missing fixtures
  – Drain and sewer openings in basements that do not allow flood drainage
Examples of Sewer/Drain Caps

There are a variety of different sewer/drain line caps that can be used to remediate the exposed area:

- Wing nut trap plugs
- Toilet flange compression caps
- Rubber flex caps
- PVC
Capping Gas Lines - Interior

• All open gas lines must be caped upon arrival to the property on the initial service or any recurring services.
• Vendors must use the proper size gas cap and ensure the gas line is capped correctly forming a seal that ensures gas does not escape in any way.
• Vendors must ensure that the caps are tightened wrench tight using the appropriate male or female fittings.
• All appliance flex hoses must be removed prior to capping.
Capping Gas Lines-National Pipe Thread

- In many instances, vendors will hear that the gas line is capped incorrectly.
- In some of these instances an NPT has been installed in the flare to connect an appliance or connect an additional line. The NPT always needs to be removed from the flared fitting and appropriate cap installed.
  - Once the additional line or appliance line has been removed from an NPT, a complete seal can not be achieved again on that NPT due to the threading being damaged.
Vendors must also be aware that the open gas lines on the exterior of the property need to be capped as well – Grills – Torches – Fire pits – Pool heaters
Capping Electrical wires

• All exposed electrical wires must be capped according to client parameters to avoid shock should the eclectic be on or turned on

• As a better business practice even low voltage wires such as, speaker wires should be capped or removed if possible

• All wires should be capped separately with individual caps

• All exposed wires present in plug or light sockets should be capped and covered with a blank cover plate if possible
Examples of Wire Caps

- Below are standard wire caps that can be used to remediate exposed wires:
Best Practices

- Vendors should always carry the proper tools on their trucks to ensure they can complete the work properly
  - Wrenches
  - Pliers
  - Teflon Tape
  - Pipe cutter for damaged copper
Best Practices

• Vendors should always carry the proper supplies on their trucks to ensure they can complete the work properly
  – A variety of water line caps
  – A variety of gas line caps
  – A variety of sewer/drain line caps
  – Wire caps
Best Practices

- Upon arriving to the property initially or if an existing property is allocated to your inventory, perform a visual inspection of the plumbing lines, gas lines, sewer/drain lines and for any exposed electrical wires.
- Utilize the Safety Hazard and Quality Control Checklists to ensure you are identifying and documenting any utilities that need secured.
- Ensure you have all the proper tools and supplies to remediate any of these hazards.
- Perform your required independent quality check once the property is completed to ensure you have remediated any and all hazards.
Best Practices

• Should vendors have any questions regarding the proper way to secure any utility please contact your local Safeguard FQC Representative

• Should vendors have any questions on pricing or client parameters regarding these items you can refer to the REO pricing model, read the work order text or contact the VCC

• Training material as well as pricing models are available on SPIvendor.com for your reference
Questions?

If you have questions related to this presentation, please email your question to: FQCVendorcalls@safeguardproperties.com

Thank you for your time today and continued hard work at making Safeguard Properties the best servicing company in the business.