Market Synopsis and Investment Analysis

NestWorth® Home Equity Sharing Option Agreement for Seniors

1 Product Design

NestWorth is a senior-focused residential financial services company founded in 2008 that originates NestWorth Home Equity Sharing Option Agreements for Seniors. After proving the concept and refining the product with a small portfolio, in 2014, NestWorth's Board brought in an experienced management team to scale the business. Each has over 25 years of product and sales experience in home equity release products, jumbo mortgages or financial services.

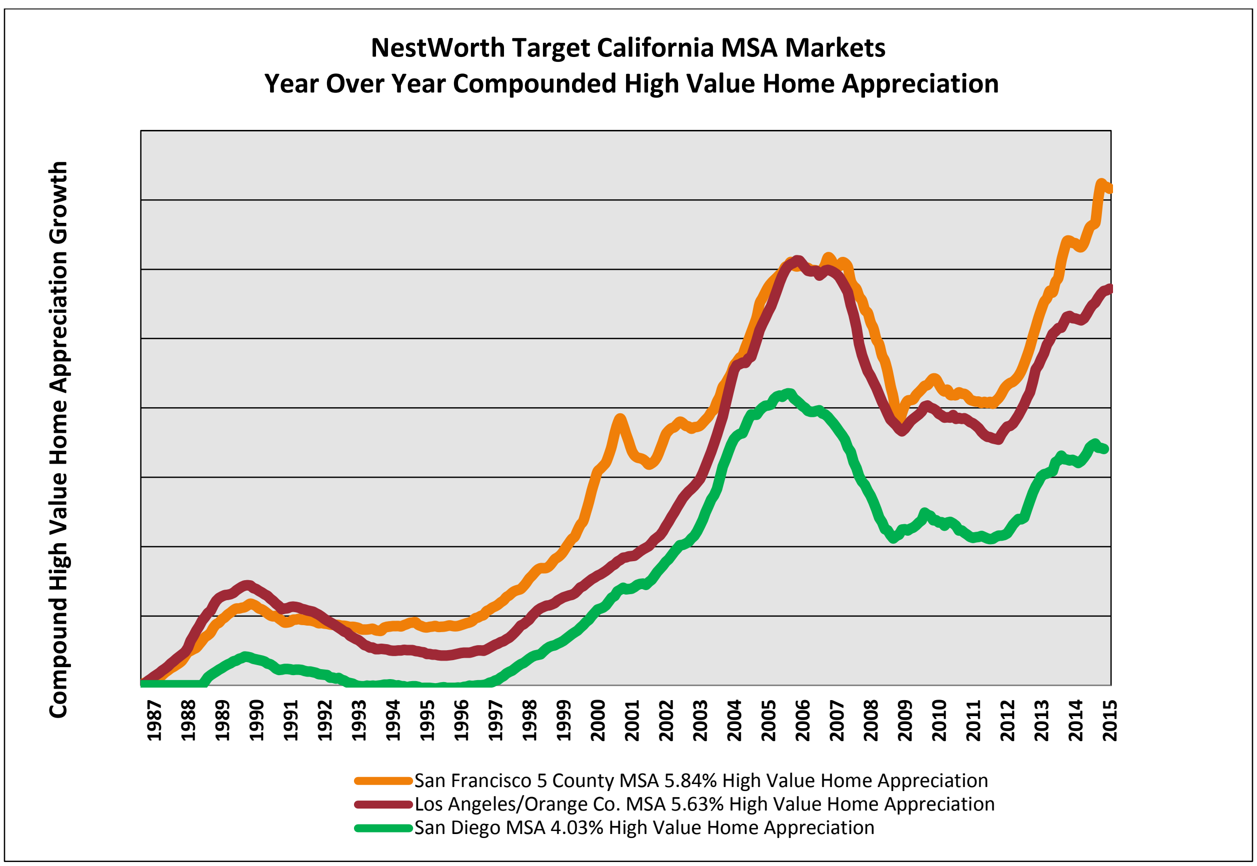
NestWorth Agreements are an option interest in real estate that allows senior citizens to use the equity built up in their homes to pay living and care expenses while they continue to age in place. Clients are evaluated on home value, zip code, and unique and proprietary longevity algorithms. Based on the amount of equity in the home and the homeowner's age, NestWorth will pay the homeowner several thousand dollars each month of tax-deferred income, for an initial term of 10 years, and will ensure a settlement payment out of sale proceeds at Agreement maturity. In exchange, when the home is sold, NestWorth will receive half of its appreciated value. At the end of 10 years, Agreements can be extended; owners do not have to move as their homes can continue to be held in the portfolio and to appreciate. NestWorth will partner with each senior client to make sure that the home is well-maintained and in good repair, so that it continues to appreciate and to be a sound place to live, and will make sure that the balance of the value of the home is available to the heirs. This unique partnership guarantees income certainty and inheritance certainty for clients, and is expected to yield a very attractive ROI for investors.

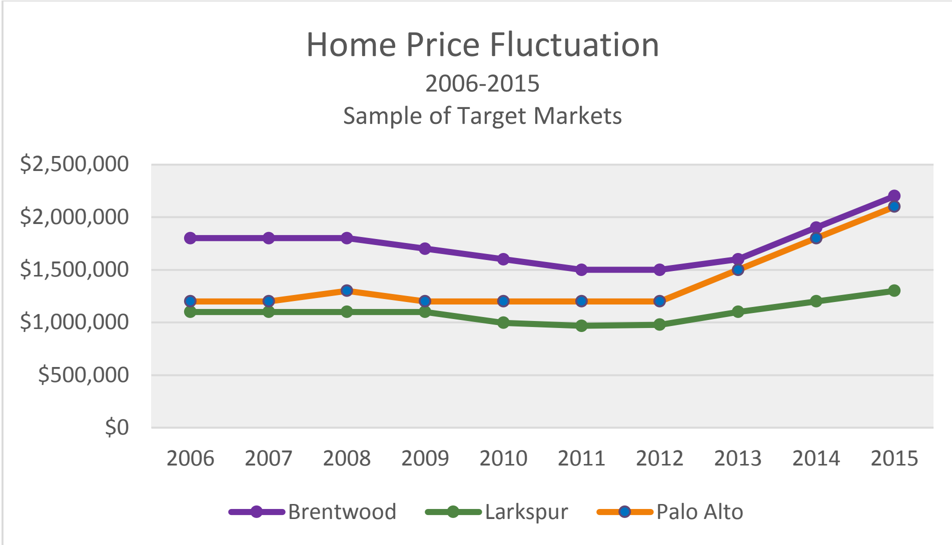
NestWorth evaluated potential competing products at 2% and 4% forward home appreciation. The NestWorth Option Agreement portfolios yield accretive cash flows with investor IRRs between 10% and 18%, with strong positive NPV cash flows. Other products yield lower IRRs, and their NPVs decrease accounting balance sheet asset values, produce near-term book losses, and decrease earnings per share and annual incremental earnings or reserve requirements. NestWorth Option Agreements are the best-designed product for the current market and regulatory environment and the best investment vehicle. The NestWorth operating company offers further upside potential to investors.

2 MARKET

The initial target market is the retired workforce who purchased homes in what were new suburban areas in coastal California in the 1960's and 1970's, areas where homes have appreciated substantially over this time. These seniors have aged in place largely because of favorable State property tax law - Proposition 13, passed in 1978 - that freezes property tax increases irrespective of increased home value, until a home is sold. These house-rich retirees live on fixed incomes that are not sufficient to qualify for traditional mortgage lending product, and are too house-rich for a reverse mortgage. With a NestWorth Agreement, a homeowner with a $1.25M FMV home can expect to receive $2,500 per month in tax-deferred income, which nearly triples the $1,272 average Social Security or defined benefit s/he receives today.

Coastal counties in California are the initial geographic market focus for good reason. Of the 830 top-tier cities in America with average home values over $600,000, over one-third (i.e., 281 cities) are in coastal California. These markets have *enjoyed better than 5% annual compounded home appreciation for more than 25 years*. This target market now and in the next five years represents 1.8 million households, age 75 or older, with well over $1.3 trillion of home value, much of it debt free. Follow-on target states include FL, NY, NJ, IL, HI, MA, VA, MD, TX, with key cities and counties in these states adding an additional 280,000 households and $231 billion of home value opportunity.





NestWorth's Opportunity in Targeted California Counties

Households Age 75+ Where Median Home Value is Greater Than $600,000

County	Total Population by County (thousands)	Population Age 75 + (thousands)	Households Age 75 + (thousands)	Median Home Value	Potential NestWorth® Housing Market (thousands)
Alameda	1,600	200	132	$700,000	$92,400,000
Contra Costa	1,100	100	66	$600,000	$39,600,000
Los Angeles	10,000	1,100	726	$600,000	$435,600,000
Marin	258	100	66	$1,100,000	$72,600,000
Orange	3,200	300	198	$700,000	$138,600,000
San Diego	3,200	400	264	$650,000	$171,600,000
San Francisco	840	100	66	$1,000,000	$66,000,000
San Mateo	750	100	66	$950,000	$62,700,000
Santa Barbara	435	56	37	$650,000	$24,024,000
Santa Clara	1,900	200	132	$850,000	$112,200,000
Ventura	900	100	66	$600,000	$39,600,000
	24,183	**2,756**	**1,819**		**$1,254,924,000**

Sources: Census Bureau Fast Facts, Top Tier Housing and Age data by cities and counties

3 NestWorth Marketing Distribution Channels

NestWorth's principal distribution channels will be organized and specially trained networks of conventional forward mortgage originators and HUD (r)HECM loan brokers. NestWorth has relationships with two large California-based conventional mortgage originators, one of which is funded by a member of NestWorth's Executive Committee. Two of the four largest HUD (r)HECM reverse mortgage originators are based in or have large salesforces in California. One of these believes its 600 wholesalers each has 25–50 prospects who want and qualify for NestWorth Agreements. The recent(r) HECM restrictions reducing the reverse mortgage market now makes these mortgage originators ideal distributors for NestWorth Agreements. They can be easily trained to also offer NestWorth Agreements to targeted owners of homes above the (r)HECM FMV limit.

Commercially available data, when refined by NestWorth, will allow the Company to direct mail on a highly-targeted individual household basis. This will be supplemented by a robust advertising and public relations campaign.

Further, 1,500 independent broker dealer offices serve high home value target markets in coastal California counties. NestWorth Agreements from this segment will generate both commission and referral income to the reps. Other referral sources are affinity groups, insurance agents, realtors, mortgage brokers, CPAs and attorneys. NestWorth has in the past and will continue to use its management team and a captive field sales force to educate advisors, field prospects and handle the interactions with seniors to place NestWorth Agreements.

4 Filling a Void in a Disrupted Market

Recent changes in Federal lending rules by both Housing and Urban Development (HUD) and the Consumer Financial Protection Bureau (CFPB), described in detail below, have disenfranchised many senior homeowners who live on fixed unearned income, and who want to tap their equity while staying in their homes. NestWorth is positioned to serve this market while filling the void created in both the recently revised (r) HECM government reverse mortgages, and tightened traditional bank lending standards.

5 Investment Opportunity / Tax Efficiencies

NestWorth has retained investment bankers Janney Montgomery Scott on a non-exclusive basis to seek a debt with equity kicker capital infusion of $250M to expand the operating company and inventory contracts. For ease of illustration, the operating company is separate from the portfolio vehicle for income tax efficiency reasons. $10 million is a loan to the operating company which is repaid in year two and $250 million is secured debt used to originate and service the ongoing portfolio. Surplus cash flow in the operating company is used to augment the $250 million of portfolio monies to reduce the time it takes for the portfolio to be cash flow self-sustaining.

The income tax efficiencies by leaving the operations combined is dramatic and has two components:

1. Much of the taxable income earned by the operating company are expense offsets in the portfolio. Combining the operations nets these out and saves considerable monies in the U.S. domiciled operating company. On a consolidated basis operating company income would be minimized with dollars retain in the SPV portfolio.

2. Placing the portfolio offshore under U.S. reciprocal income tax treaties allows "profits" in the portfolio to not be taxed until repatriated or sold – and then treated as capital gains. In the 10-year projection model, this saves approximately $1 billion over 10-years.

The capital infusion will be used to expand operations; update the operating platform; and staff underwriting, servicing and training to support expected volume. The company's integrated operating platform is infinitely scalable. Projections show the operating company becoming cash flow positive after eight operating months. By the 15th operating month, the company anticipates ramping to 245 closings per month, and assumes this volume on a continuous basis. At that run rate, NestWorth will only penetrate 2.5% of the targeted California coastal market in 10 years.

For illustrative purposes the operating company will have six "cash generating unit" (CGU) profit centers:

1. Agreement origination & underwriting – 3% of average option strike price
2. Portfolio management – 1% of the FMV of residences in portfolio
3. Portfolio servicing - $1,200 per year per residence
4. Maturity fees at time of agreement maturity and disposal of residence - $1,000
5. 10% profits interest in each portfolio in which NestWorth is the general partner, or
6. 100% of the profits from agreements retained in NestWorth's Master Portfolio

	NestWorth Consolidated Operating Company & Contract Portfolio Projected EBITDA				
$ in Millions	Year 1	Year 2	Year 3	Year 4	Year 5
Incremental Portfolio FMV	$ 84.70	$ 504.70	$ 589.90	$ 601.50	$ 577.40
Maturity Proceeds This Period	$ 13.70	$ 114.70	$ 289.90	$ 501.40	$ 729.50
Interest Income from Loan to NestWorth Ops Co	$ 1.10	$ 1.00	$ -	$ -	$ -
Portfolio Book Expenses	$ (16.00)	$ (120.10)	$ (235.80)	$ (359.50)	$ (482.00)
Portfolio GAAP EBITDA	$ 83.50	$ 500.30	$ 644.00	$ 743.40	$ 824.90
NestWorth Operating Company EBITDA	$ 2.70	$ 62.60	$ 96.70	$ 130.90	$ 160.20
NestWorth Consolidated GAAP EBITDA	$ 86.20	$ 562.90	$ 740.70	$ 874.30	$ 985.10

6 HECM Reverse Mortgages Compared to NestWorth Agreements

Backed by the US government, Home Equity Conversion Reverse Mortgages ((r) HECM) allow seniors with modest home values and income to easily access the equity in their homes. About one million (r)HECMs have been written, which is less than 3% of possible market penetration. Viewed with suspicion by the public, and with fraud uncovered by the US Inspector General, the program was recently redesigned. HUD announced stringent underwriting financial assessment guidelines and a longevity-dependent reserve for future property taxes and insurance. When these new guidelines went into effect April 27, 2015, HUD estimated that the reserve, combined with financial suitability requirements, could halve the number of senior households that qualify for the revised (r)HECM. HUD also anticipates that monthly payout to some seniors will be reduced by as much as 50%. There are also significant home value and interest rate issues.

For all US mortgage products, the CFPB recently strengthened underwriting standards that will further constrain seniors living on fixed retirement income, without W-2 earned income, from qualifying for conventional refinancing or home equity loan products that will be securitized. As the chart below shows, all of these factors make NestWorth Agreements an innovative, needed financial tool available to seniors with few ways to access their home equity, and to seasoned networks of licensed HECM originators who will be seeking to replace diminished revenues.

Comparison of (r)HECM to NestWorth Agreement

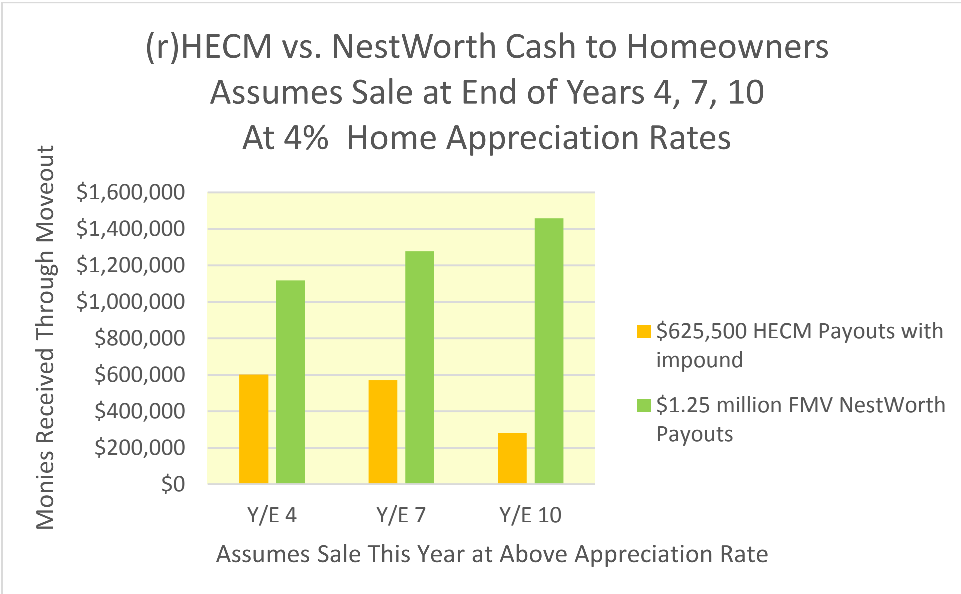
	(r)HECM	NestWorth Agreement
Product Structure	Loan	Option
Minimum Homeowner Age	62	72
Payment Calculation Longevity Dependent	Yes; no termination date.	Yes, but only to a max of 10 years.
Homeowner Retained Equity	None	50%
Agreement Term	Move out	10 years or earlier (if move out), but may reside in home after year 10 w payment extension
Interest Rate – Actual or Implied	4.5% to cap of 14.5% actual	4.25% implied based upon appreciation sharing
Home Appreciation Assumption Used in Calculation Payment Stream	4% unrealistic assumption nationwide	5% in target markets, 2% nationwide
Home Appreciation Sharing	None	Yes: 50%
Front-end impound	$82,000 on average	None
Credit reserve for necessary home improvements	None	$100,000 reserve against homeowner's equity drawn down only if required for home improvements
If payment Stream Exceeds Home value, Who Incurs Loss	U.S. taxpayers. When payments plus accrued interest exceeds 98% of origination home value, home is "put" back to the U.S. Treasury while payments continue	No nominal loss since payments are less than 50% of expected future home value. Pool investor only loses some time value of money
AU C§ 820 Mark-to-Fair Value GAAP accounting treatment	Carried at cost because of government guarantee	Marked-to-Fair Value with accreted balance sheet and incremental book profits.

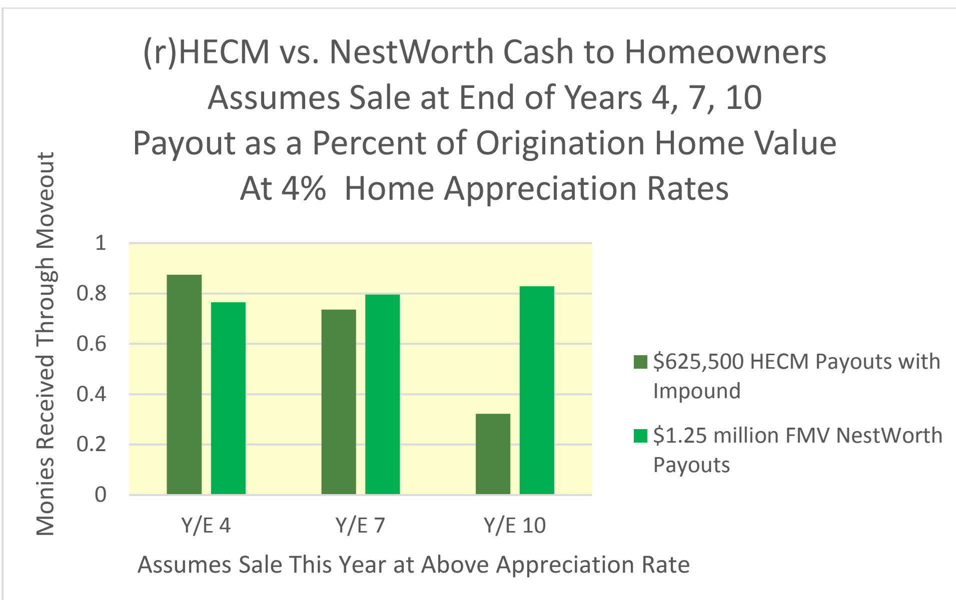
Below is a monthly payout comparison of the two products' percentage of value received to origination home value. The (r)HECM payments assume an origination home value of $625,500. The NestWorth Agreements assume the origination home value/strike price is $625,000 ($1.25 million/2 = $625,000). The up-front (r)HECM impound is assumed to average $82,000 (the NPV of $500 per month for property taxes and homeowner's insurance for a homeowner with a 12-year life expectancy). The payment differential is caused primarily by the HECM's accrued compound interest.

Monthly Amount Received

(1) $625,500, 2015 (r)HECM home value limit
with up-front property tax and insurance impound $2,247 per month

(2) $1,250,000, NestWorth option on ½ origination FMV: $2,500 per month



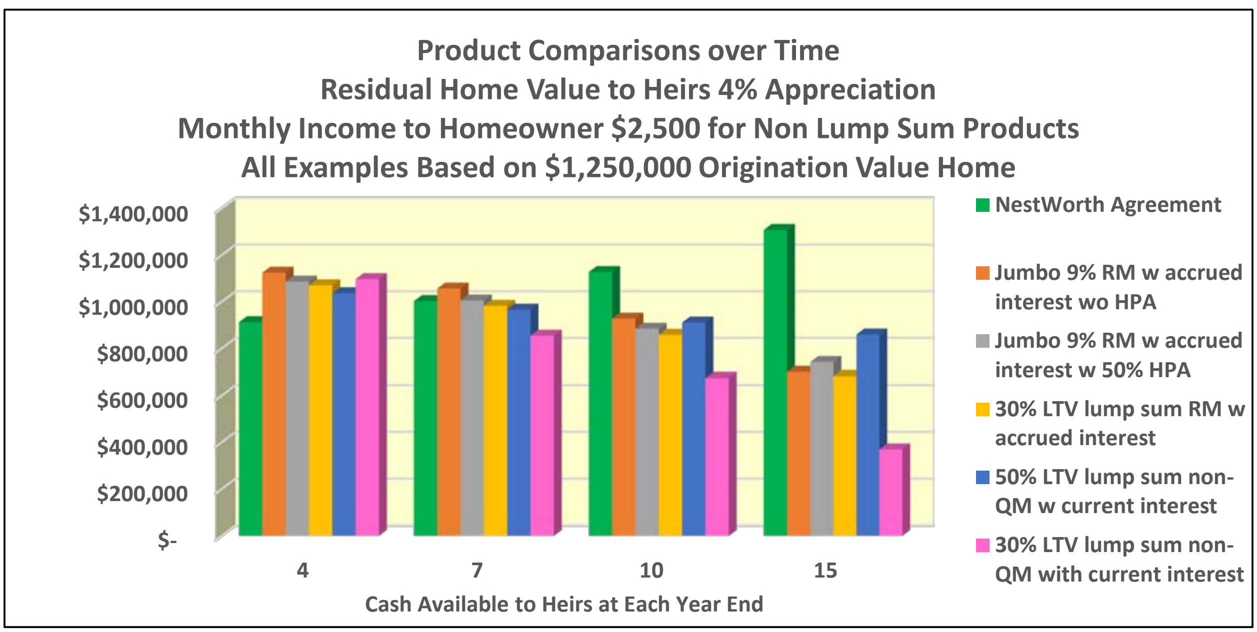


7 NESTWORTH AGREEMENTS ALSO OUTPERFORM OTHER SENIOR HOME FINANCING ALTERNATIVES

In a difficult mortgage environment, a NestWorth Agreement provides both income certainty and inheritance certainty, and the product revenues provide a clear and substantial ROI for investors. On balance, it is a better solution for unlocking senior home equity to pay for living and care expenses so that senior homeowners can age in place, even as it protects a significant portion of future home value for heirs. It also may be the **only** way for many seniors to access their home equity: Both Private Jumbo Reverse Mortgages and Non-Qualified Mortgages have significant regulatory features and terms that can make them unwise for senior homeowners and particularly for investors, as detailed below. These product types are only good for investors who do not issue financial statements.

Below is a comparison of the NestWorth Agreement to other “potential” competitor products being discussed in the marketplace. With the exception of the two jumbo reverse mortgages and the 30% LTV lump sum with accrued interest the others are Non-QM loans with regulatory roadblocks that make them non-feasible. The three accrued interest reverse mortgages yield negatively NPVs to an investor because of the high discount rate that must be used to estimate the NPV of their future cash flows – the measure of balance sheet value and incremental book profit or most likely loss.

It is crucial to note that today, the negative impact that GAAP mark to fair value accounting has on book balance sheet asset values and corresponding GAAP book losses dooms many equity release products. As does the CFPB Ability to Repay (ATR) rule requiring current W-2 income, which has resulted in classifying all mortgages to seniors other than second mortgages as Non-Qualified Mortgages (Non-QM). Product design and marketing teams rarely understand the profound consequences these rules and regulations have on portfolio returns and GAAP profitability.
Readers are directed to the August 6, 2015 Product Comparison paper and companion Excel Product Comparison Model.



A NestWorth Agreement is better than a non-QM front-loaded payment loan or private jumbo reverse mortgage because it is not hampered by regulation, provides very attractive income and inheritance certainty for senior homeowners who want to age in place, and in aggregate yields a demonstrated and substantial ROI for investors. Foreclosure or "short-sale" issues with the non-QM product bear considerable headline risk and regulatory risk that the loans will be put back to the lender and holders of the securitized portfolios.

Home Equity Release Product Comparison Chart

Product	Summary Conclusion
NestWorth Option Agreement	Best balance of income certainty, inheritance certainty. IRR of future cash flows of 10% to 18% and positive NPV which accretes value and ultimately offer good return to investors.
Jumbo reverse mortgage with 9% accrued interest	Good product for affinity groups to offer retiree members, but negative NPV of future cash flows that are used to value portfolio, creating balance sheet & P&L losses. Expected IRRs of 7% to 8%.
Jumbo reverse mortgage with accrued interest and 50% appreciation sharing	Good product for affinity groups to offer retiree members with higher IRR than 2 above, but still negative NPV of future cash flows when discounted correctly.
30% LTV lump sum reverse mortgage with accrued interest	Lump sum version of 2 above, but negative NPV of unpredictable future cash flows impact financial statements and yield lower IRR to investors of 8% to 9%.
50% Non-QM lump sum loan w 9% current interest	Put-back to originator/investor by homeowner because of CFPB ATR rules makes this a bad legal bet. 100% of loans can be forgiven. NPV pf unpredictable future cash flows negatively impacts financial statements. Low IRR to investor of 7% to 8%.
30% LTV lump sum Non-QM with current interest due monthly	Lump sum version of 2 above, but NPV of unpredictable future cash flows negatively impact financial statements. Low IRR to investors of 8% to 9%

8 PORTFOLIO RETURNS FROM COLLATERALIZED AGREEMENTS

NestWorth will originate agreements using the Company's capital to hold Agreements in a master portfolio for approximately 24 months. Alternatively, NestWorth will originate contracts into a portfolio the Company manages for an investor. After approximately 15 months, the portfolio will have sufficient maturities to begin applying GAAP / IFRS 13 mark-to-fair-value analysis. A published valuation methodology will be employed using an audit program consistently applied every time the portfolio achieves 20 maturities. This assurance of predictable future cash flows will minimize the risk premium component of the discount rate used to determine the net present value of future cash flows. Incremental portfolio FMV adds substantially to balance value and annual book profits. NestWorth may or may not securitize and sell portfolios of Agreements. If it does, here is a likely format.

1. **Zero Coupon Fund**: The $80M funded capital will be structured as a 7-year zero coupon fund. Initially, NestWorth will hold these Agreements in a master portfolio while tracking maturities. Although no final decision has been made, the $80 million portfolios may be placed in special purpose vehicles domiciled in Dublin, Ireland to take advantage of the tax efficiencies of the U.S.-Ireland Tax Treat; or in Sydney, Australia under a similar treaty. The Treaty provisions allow for U.S. taxation at long-term capital gains rates when funds are repatriated. Annual surplus cash flow will be reinvested to originate new NestWorth Agreements, which will increase investors' rate of return. At the end of 7 years, the fund will be sold to an all-cash buyer to yield an 8% forward cash flow. NestWorth will be the general partner, and share an 8% to 10% profits interest after the investors have had a return of capital, and a 6% annual compounded preferential return on investment. At 4% compounded forward home appreciation, investors' return is projected to be $219 million (18% IRR).
2. **NestWorth Retained Portfolio**: Provided there is sufficient capital, the greatest gains and investment yield comes from NestWorth retaining ownership of the portfolio held in a special purpose vehicle offshore as described above. This combined operating company and portfolio strategy provides the greatest income tax efficiency, maximization of cash flow management and the least amount of capital infusion. The accompanying Excel model shows the operating company separate from the portfolio, but then consolidates them.

9 Exit Strategy

NestWorth's goal is to position the company for an IPO or acquisition after full operating year 3, where year 3 consolidated EBITDA is forecast to be $740 million. At a 6X valuation this is between $4.0 and $4.4 billion. NestWorth is committed to manage each portfolio originated for a minimum of 10 years. This provides the assurance of continuing compounded future management fees.

10 Management Team

Directors

Robert Friese, Chairman, Securities Lawyer, Partner Shartsis Friese LLP
Richard Wollack, Real Estate Investor, REIT Fund Manager
John House, Investment Advisor, Broker Dealer
Terry Otton, former CFO Robertson Stephens, CEO of RS Investments
Peter Paul, Founder Headlands Mortgage
Barry Sachs, ERISA Lawyer, PhD
Stephen Sogin, PhD, former CEO Montgomery Medical Ventures

Key Executives

Peter Mazonas, CPA – Chief Executive Officer. Peter has 25 years of experience designing financial products and managing emerging companies specializing in senior markets. In 2006, he founded Life Settlement Financial to aggregate life insurance policies as investments for institutional buys. Previously, he founded and managed Transamerica HomeFirst, an early leader and largest provider of privately-funded reverse mortgages throughout the United States. Peter has been issued patents for both the design of shared appreciation reverse mortgages and other longevity-dependent products. In 1972, he founded and managed the Executive Financial Planning division at Bank of America. He later founded the Private Banking Division of Bank of America. Peter received his initial audit and tax training at Price Waterhouse after graduate school.

Peter (not released), CPA **-** Pete is currently the COO and CFO of a national mortgage banking firm.

Eric Ranson, FIAA – Chief Actuary and Portfolio Manager. Eric is a Fellow of the Institute of Actuaries of Australia (FIAA) and has a BA and Masters of Applied Finance. He securitized $8 billion of mortgage-backed securities annually while managing a $20 billion fund. He has worked as an actuary, portfolio manager and chief financial officer in the UK, Australia and the U.S. in longevity and real estate markets for the past twenty-five years for Bankers Trust and GE Capital.

Mary Gavin, JD - Director of Policy, Marketing and Communications. Mary is a lawyer by training who has been running her own C-level communications strategy and content company for 25 years. Formerly at Bank of America, she was in the Corporate Treasury Group, Chief of Staff to the CEO, and Manager of Executive Communications, where she served three successive CEOs, and was chief speechwriter. She has extensive experience growing sales and revenues for both for-profit and nonprofit companies.

Kevin Malone, Director of Sales. Until recently, Kevin was the COO of Summit Capital in Seattle. Previously, he was the CEO of the underwriting division of Examination Management Services (EMSI), a large outsourcing firm of the insurance industry. Kevin also owns Longevity Services, Inc.

Traci (not released), Traci currently runs the 250-person underwriting division of a major mortality dependent asset class portfolio manager. She is also the curator of its automated medical records provider company.

Matthew Friese – Vice President, Accounting and Servicing. Matt joined NestWorth as an analyst in 2009, overseeing the firm's bookkeeping and financial records. He was promoted to Fund Manager in 2012, and currently handles the day-to-day fund operations.

11 CONTACTS

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Revised, September 21, 2015