NatEquity, Inc. National Equity Access For Senior Homeowners

NatEquity Knowledge Base

Marketing Strategy Tuned to Senior Homeowners: Prospecting and Data Driven Pre-Qualification Process

NatEquity's marketing strategy is tuned to the way senior homeowners get their information and make decisions – internet savvy for information but need for a personal touch to aid in decision-making. Targeted internet pop up ads create awareness and prompt inquiry. Integrating numerous big data sources, combined with proprietary screening algorithms to update and fill in data will eventually give NatEquity the ability to target down to the individual senior households those who need the meaningful extra monthly cash flow NatEquity provides. NatEquity's integrated big data sources leads for pop ups and coordinated direct mail. In the meantime, a lot of data analytics can be done pulling together information from partial data sets. Some seniors will respond to a non- invasive, non-threatening opportunity to receive additional information via the mail, NatEquity's web site; or by initiating a call to the NatEquity information center. This is step one – low cost internal lead generation and data scrubbing while providing additional education information. Scrubbed data has both immediate value for immediate responders and longer-term data for seniors who want to think about it. The key is to make it clear NatEquity will not reach out to them unless they agree or initiate the contact.

Often after receiving direct mail about a NatEquity Contract, senior homeowners will reach out to community-based organizations, family or friendly realtors to get their opinion. Knowing this NatEquity will have already done educational work with YWCAs, The Villages, financial planning groups, targeted realtor groups, reverse mortgage and conventional mortgage wholesalers and others. NatEquity's field support staff will be in constant contact with our teams of local mortgage wholesalers who are our feet on the street with the realtors.

Step two takes several hands-on paths. These paths are based upon extensive experience gained at Transamerica HomeFirst, the first successful jumbo reverse mortgage company. Seniors who pick up the phone and called into our "inbound call center", are engaged in a conversation with a compassionate inbound call center specialist. These specialists are carefully salaried seniors trained to be informative and not pushy. They are further compensated by their conversion success ratio, but this is a minor piece of their total compensation package. Pop up screens in CRM allow NatEquity specialists to see what we already know about their property and the homeowners. Existing data is used as prompts to update property information which may be wrong because it predates (<1995) online record keeping by cities and counties. Providing information without pressuring the senior is critical and part of NatEquity's DNA.

After an in-bound call center or other response for information, NatEquity provides the homeowner, based upon best available data, budgeting workbooks and specific product information tied to what they represent to be home value, existing debt and homeowner ages. The path can split several ways at this point.

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1. Homeowners get the information and sit on it for several months. Remember, we only project a 2% penetration of the 2.1 million coastal California households in 10-years. Experience from Transamerica HomeFirst tells us that some seniors will continuously reread the materials, make numerous in-bound calls, but are not converted to a sale for as much as 18 months.
2. Homeowners want a second discussion/interview during which we clarify information and provide further explanations. NatEquity may or may not at this time do the non-intrusive Longevity Cost Calculator 10-minute assessment. The probability of a face-to-face meeting with an originator doubles if these steps can be accomplished.

First American Data Base and NatEquity Enhancements

First American began its life in the 1889 as a title company, later called First American Title Co. (Fatco). In the 1990s, Transamerica Corp. and Transamerica HomeFirst used them exclusively for escrow, title abstracts, property tax verification and title services. By the late 1990s First American had begun buying other real estate data service providers, including Transamerica's residential real estate data company based in Sacramento. They also bought a similar company in San Diego and CoreLogic in Orange County. Today, First American's CoreLogic and Data Tree divisions have the largest national residential real estate data base and offer an array of licensing options to that data.

During the summer of 2017, NatEquity was provided a limited time license to the full unstructured First American data base. NatEquity was able to experiment with various structured data queries to test the accuracy of the data. Recently constructed properties and those with high turnover since about 2000 show comprehensive accuracy. NatEquity also did queries on 150 properties, mostly in California, that had not been on the market since the 1970 into the mid-1980s. The results of these queries proved problematic because information was often limited and not updated via recent sales data. For these older properties the usual updates were for new financings and property tax payments.

The biggest shortcoming is missing data on home improvements because, although permits were issued for work, these older building permits were not included in the electronic data begin in about 1995. By analyzing data short comings, NatEquity was able to write algorithms to fill in missing data and flag prospective errors for correction.

Filling in the Missing Data Attributes in the First American Data Tree Data Sets

Data Attribute Sought	How Data Obtained	Data Field Response and/or Actions and Tools Used to Fill in Data
(DT=Available Data, NE=NatEquity Sourced from Homeowner, V=Data Verified, E=Data Extrapolated, A=From Appraisal, HI=From Home Inspection, CR=Credit Report)		
Owner 1 Name	DT	
Owner 2 Name	DT	
Original Vesting	DT	
Vesting Changed to	DT	
Year Vesting Change	DT	
Street Address	DT	
City	DT	
County	DT	
State	DT	

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Zip Code	DT	
Census Tract	DT	
Census Block	DT	
Year Built	DT	
Year Last Recorded Expansion (Eff)	DT	
Lot Size per Data Tree	DT	
Living Area per Data Tree	DT	
Basement per Data Tree	DT	
Bedrooms per Data Tree	DT	
Baths (F / H) per Data Tree	DT	
Garage per Data Tree	DT	
Interior Wall per Data Tree	DT	
Exterior Wall per Data Tree	DT	
Price/Sq. Ft. per Data Tree	DT	
NE Update Year Last Recorded Expansion (Eff)	NE	
Year Last Un-Recorded Expansion	NE	
Permits Filed, Not Recorded	NE	
NE Update Lot Size	NE	
NE Update Living Area	NE	
NE Update Basement	NE	
NE Update Bedrooms	NE	
NE Update Baths (F / H)	NE	
NE Update Garage	NE	
NE Update Foundation (Slab, Piers, In-ground)	NE	
NE Update Interior Wall	NE	
NE Update Exterior Wall	NE	
NE Update Price/Sq. Ft.	E	
URL To NE SharePoint Photos	NE	
Appraisal 1 Update Lot Size	A	
Appraisal 1 Update Living Area	A	
Appraisal 1 Update Basement	A	
Appraisal 1 Update Bedrooms	A	
Appraisal 1 Update Baths (F / H)	A	
Appraisal 1 Update Garage	A	
Appraisal 1 Foundation (Slab, Piers, In-ground)	A	
Appraisal 1 Update Interior Wall	A	
Appraisal 1 Update Exterior Wall	A	
Appraisal 1 Update Price/Sq. Ft.	A	
Appraisal 1 URL To SharePoint Photos	A	
Appraisal 2 Update Lot Size	A	
Appraisal 2 Update Living Area	A	
Appraisal 2 Update Basement	A	

Appraisal 2 Update Bedrooms	A	
Appraisal 2 Update Baths (F / H)	A	
Appraisal 2 Update Garage	A	
Appraisal 2 Foundation (Slab, Piers, In-ground)	A	
Appraisal 2 Update Interior Wall	A	
Appraisal 2 Update Exterior Wall	A	
Appraisal 2 Update Price/Sq. Ft.	A	
Appraisal 2 URL To SharePoint Photos	A	
Home Inspection Lot Size	HI	
Home Inspection Living Area	HI	
Home Inspection Basement	HI	
Home Inspection Bedrooms	HI	
Home Inspection Baths (F / H)	HI	
Home Inspection Garage	HI	
Home Inspection Foundation	HI	
Home Inspection Interior Walls	HI	
Home Inspection Exterior Walls	HI	
Home Inspection Roof Type	HI	
Roof Condition	HI	
Estimated Roof Replacement Date	HI	
Estimated Roof Replacement Cost in Today Dollars	HI	
Estimated Cost Other Necessary Now Improvements	HI	
Home Inspector Home Condition	HI	
Home Inspector Yard Condition	HI	
Home Inspector Condition of Surrounding Homes	HI	
Home Inspector Assessment of FMV to Like-kind in Neighborhood	HI	
Home Inspector Assessment of Commercial Businesses Nearby	HI	
URL to Home Inspection Report	HI	
URL to Home Inspection Photos	HI	
Prior Total Taxable Value	DT	
Prior Land Value	DT	
Prior Improvements Value	DT	
Prior Total Property Taxes	DT	
Last Year at Prior Tax Value	DT	
Current Total Taxable Value	DT	
Current Land Value	DT	
Current Improvement Value	DT	
Current Property Taxes	DT	
Current Tax Year	DT	

Data Tree Estimated Loan to Value	DT	
Loan 1 Last Financed Date	DT, CR	
Loan 1 Type	DT, CR	
Loan 1 Term	DT, CR	
Loan 1 Lender	DT, CR	
Loan 1 Amount	DT, CR	
Loan 1 Rate	DT, E	
Loan 1 Fixed or Variable	DT, CR	
Loan 1 Computed Month Payment	DT, CR	
Loan 1 Current Outstanding	DT, CR	
Loan 2 Last Financed Date	DT, CR	
Loan 2 Type	DT, CR	
Loan 2 Term	DT, CR	
Loan 2 Lender	DT, CR	
Loan 2 Amount	DT, CR	
Loan 2 Rate	DT, E	
Loan 2 Fixed or Variable	DT, CR	
Loan 2 Computed Month Payment	DT, CR	
Loan 2 Current Outstanding	DT, CR	
Loan 3 Recorded Date	DT, CR	
NatEquity Calculated Total Loan Amount	NE	
Owner 1 Date of Birth	NE	
Owner 1 Date of Death	NE, V	
Owner 1 Residence	NE	
Owner 1 Residence Name If Not Home	NE, V	
Owner 2 Date of Birth	NE	
Owner 2 Date of Death	NE, V	
Owner 2 Residence	NE	
Owner 2 Residence If Not Home	NE, V	
Other 1 Resident at Address	NE, V	
Other 1 Relationship	NE, V	
Other 1 Date of Birth	NE, V	
Other 1 Employed	NE, V	
Other 1 Employer	NE, V	
Other 2 Resident at Address	NE, V	
Other 2 Relationship	NE, V	
Other 2 Date of Birth	NE, V	
Other 2 Employed	NE, V	
Other 2 Employer	NE, V	
Other 3 Resident at Address	NE, V	
Other 3 Relationship	NE, V	
Other 3 Date of Birth	NE, V	
Other 3 Employed	NE, V	
Other 3 Employer	NE. V	

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Other 4 Resident at Address	NE, V	
Other 4 Relationship	NE, V	
Other 4 Date of Birth	NE, V	
Other 4 Employed	NE, V	
Other 4 Employer	NE. V	
Owner 1 Credit Score	CR	
Owner 1 Total non-Mortgage Debt	CR, NE, V	
Owner 1 Judgements Outstanding	CR, NE, V	
Owner 1 Employer Prior/Current	CR, NE, V	
Owner 1 Occupation	NE	
Owner 1 Edu Level Attained	NE	
Owner 1 DL Number	NE	
Owner 1 DL Expire Date	NE	
Owner 1 Passport Number	NE	
Owner 2 Credit Score	CR	
Owner 2 Total non-Mortgage Debt	CR, NE, V	
Owner 2 Judgements Outstanding	CR, NE, V	
Owner 2 Employer Prior/Current	CR, NE, V	
Owner 2 Occupation	NE	
Owner 2 Edu Level Attained	NE	
Owner 2 DL Number	NE	
Owner 2 DL Expire Date	NE	
Owner 2 Passport Number	NE	

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