

FT PARTNERS FINTECH INDUSTRY RESEARCH

November 8, 2021

Featuring:
In-Depth Real Estate
Technology Company
Landscape

Valon[☀] Mortgage

Valon Mortgage Raises \$44 million in Financing

a16z
ANDREESSEN HOROWITZ

||| Human Capital



NEW RESIDENTIAL
INVESTMENT CORP.



FINANCIAL
TECHNOLOGY
PARTNERS

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San Francisco • New York • London

Valon Mortgage Raises \$44 million in Financing

FT PARTNERS RESEARCH



Transaction Summary

Transaction Summary

- On November 3, 2021, tech-enabled residential mortgage servicer Valon Mortgage announced that it has raised \$43.9 million in new equity financing
- The raise included participation from existing investors Andreessen Horowitz and New Residential Investment Corporation (NRZ), and garnered investments from new backers Human Capital Management, Starwood Capital Group, SoftBank CEO Marcelo Claure, and others
- The investment comes at an opportune time as the federal moratorium on foreclosures, which was originally put into place in response to COVID-19 as part of the CARES act, has come to an end
- The Company intends to use the new cash to fund hiring needs, develop a loan origination and property insurance business, and to contribute to future strategic acquisitions
- The deal follows a \$50 million Series A round announced in February 2021 and brings Valon's total equity raised to nearly \$100 million since its founding in 2019
- Valon is the first FinTech mortgage servicer to be approved by all government-sponsored enterprises

Transaction Commentary

"The mortgage sector is frustrating and lacks clear guidance on how to access plans for repayment, reinstatement, deferral, or loan modification. As a result, many homeowners are at risk of losing their homes. But it doesn't have to be that way. Valon's software platform is designed to be intuitive and deliver a truly borrower-centric experience. Putting the homeowner first is the foundation of our technology. We offer a self-service interface that is transparent, accessible, and supported by expert customer service. This way, all the resources you need are right at your fingertips."

Valon
Mortgage

Andrew Wang
Co-Founder & CEO



"Like so many FinTech giants that have revolutionized their industries, Valon has changed the game in Real Estate with a consumer first approach to keep the borrower better informed of their options as they navigate their homeownership journey. By aligning themselves with homeowners, they will build trust necessary for homeowners to partner with them in both good and bad times."

 **SoftBank**

Marcelo Claure
CEO



Valon Mortgage Raises \$44 million in Financing

FT PARTNERS RESEARCH

Valon
Mortgage

Valon Mortgage Overview

Company Overview

Valon
Mortgage

Co-Founder & CEO:

Andrew Wang

Headquarters:

New York, NY

Founded:

2019

- Valon is a residential mortgage servicing company challenging the status quo of the space with a software platform targeting consumer pain points
 - Its digital, user-friendly mortgage management platform allows borrowers to make payments, check balances, request information, manage escrows and more from day one of ownership
- For Lenders, Valon offers a way to enhance the customer experience by taking over the servicing aspect of mortgage lending– a process which has historically been secondary to origination
- The Company operates in 49 states and is expected to enter New York later in 2021
- Valon expects over 20,000 customers and nearly \$6 billion in mortgages to be serviced on its platform by the end of 2021
- The Company has received approval to service mortgage backed by Freddie Mac, Fannie Mae, and the Federal Housing Administration

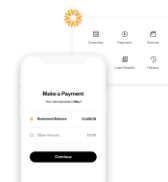
Selected Financing History

Date	Size (\$ mm)	Selected Investor(s)
November 2021	\$44	Andressen Horowitz; Human Capital; Starwood Capital Group; New Residential Investment; Other Private Investors
February 2021	50	Andressen Horowitz; New Residential Investment; Jefferies Financial Group; Other Private Investors
August 2019	3	AlleyCorp; Fortress Investment Group; Jefferies Financial Group; K50 Ventures; Kairos; Soros Fund Management; Zigg Capital; Quantum Venture Partners; Other Private Investors

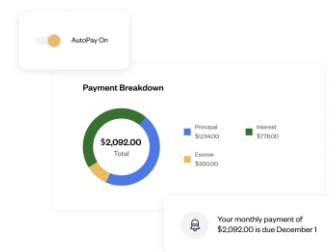
Products & Services Overview

For Borrowers

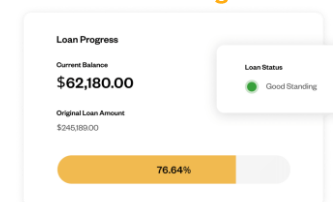
Mortgage Management



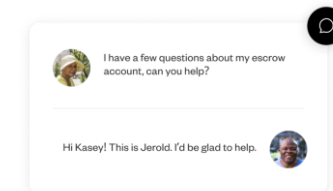
Make Payments



Track Progress

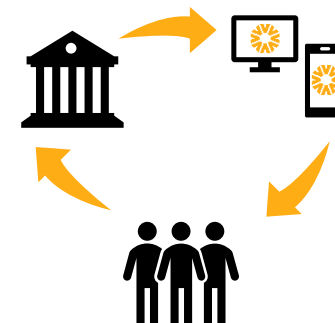


Digital Support



For Lenders

- ✓ Borrower-focused experience
- ✓ Top-notch customer service
- ✓ Competitive pricing
- ✓ Modern tech stack
- ✓ Custom-tailored
- ✓ Secure and Compliant



Valon Mortgage Raises \$44 million in Financing

Real Estate Technology Industry Landscape

FT PARTNERS RESEARCH

Valon
Mortgage



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FT PARTNERS RESEARCH

Selected FT Partners Research – *Click to View*

July 15, 2021

FT PARTNERS
TRANSACTION ANNOUNCEMENT

FT PARTNERS is Pleased to Announce its Role as Exclusive Strategic and Financial Advisor to

Revolut

on its Series E financing led by

SoftBank
TIGERGLOBAL

for a total amount of
\$800,000,000
at a valuation of
~\$33,000,000,000

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Revolut's \$800 million Series E Financing

September 9, 2021

FT PARTNERS
TRANSACTION ANNOUNCEMENT

FT PARTNERS is Pleased to Announce its Role as Exclusive Financial & Strategic Advisor to

Varo

on its E Round financing led by

LONG FINE CAPITAL
with participation from
ELDRIDGE
STOCKBRIDGE INVESTORS
BlackRock

for a total amount of
\$510,000,000

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Varo's \$510 million E Round Financing

August 6, 2021

FT PARTNERS
TRANSACTION ANNOUNCEMENT

FT PARTNERS is Pleased to Announce its Role as Exclusive Financial and Strategic Advisor to

bigpay

on its Series A financing led by

SK

for a total amount up to
\$100,000,000

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BigPay's \$100 million Series A Financing

August 11, 2021

FT PARTNERS
TRANSACTION ANNOUNCEMENT

FT PARTNERS is Pleased to Announce its Role as Exclusive Strategic and Financial Advisor to

upgrade

on its Series E financing led by

KDOT
KODAK ROBOTICS TECHNOLOGIES

for a total amount of
\$105,000,000
at a valuation of
\$3,325,000,000

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Upgrade's \$105 million Series E Financing

FT PARTNERS FINTECH INDUSTRY RESEARCH

October 27, 2021

endpoint

Endpoint Raises \$150 million in Financing from First American Financial

First American

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Endpoint Raises \$150 million in Financing

FT PARTNERS FINTECH INDUSTRY RESEARCH

November 4, 2021

nerdwallet

NerdWallet Completes its IPO Raising \$131 million (NASDAQ: NRDS)

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NerdWallet Raises \$131 million in its IPO

FT PARTNERS FINTECH INDUSTRY RESEARCH

October 27, 2021

opismo

Pismo Raises \$108 million in Series B Financing Led by SoftBank, Amazon and Accel

amazon
Accel
SoftBank

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Pismo Raises \$108 million in Series B Financing

FT PARTNERS FINTECH INDUSTRY RESEARCH

November 1, 2021

ally

Ally Financial (NYSE: ALLY) Acquires Fair Square Financial for \$750 million

FAIR SQUARE
ollo

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Ally Acquires Fair Square Financial for \$750 million

[VIEW MORE FT PARTNERS RESEARCH](#)

Track Record of Success Across the Real Estate Tech Sector

Digital Mortgage Origination

Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its role as advisor to



on its Series C financing from new investors



with participation from existing investors

for total consideration of

\$160,000,000



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Real Estate Invoicing & Payments

Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its exclusive role as
strategic and financial advisor to



on its growth financing
with new investors



for a total amount of

\$ 388,000,000



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Mortgage Technology

Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its role
advising on the sale of:



to



for total consideration of

\$1,800,000,000



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Online Home Services Platform

Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its exclusive role
as strategic and financial advisor to



on its merger with



for a post-transaction equity value

\$1,079,000,000⁽¹⁾



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Consumer Home Improvement Financing

Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its role as
IPO Advisor to



in its

**\$1,010,000,000
Initial Public Offering**

for a total enterprise value of

\$4,500,000,000



The Only Investment Bank
Focused Exclusively on Financial Technology

Mortgage Technology

Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its exclusive role as
Capital Markets & IPO Advisor to



on its

Initial Public Offering

valuing the equity at approximately

\$ 146,000,000



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Property Insurance Solutions

Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its exclusive role as
sole strategic and financial advisor to



in its sale to



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SaaS-based Real Estate Loan Origination

Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its exclusive role as
sole strategic and financial advisor to



in its sale to



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Title Insurance

Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its role as
exclusive strategic and financial advisor to



in its sale of



to



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Mortgage Audit & Document Processing Tech

Financial Technology Partners LP
FTP Securities LLC

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strategic and financial advisor to



on its sale to



**SUN CAPITAL
PARTNERS, INC.**



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FT Partners Advises GreenSky on its \$2.2 billion Sale to Goldman Sachs

Overview of Transaction

- On September 15, 2021, Goldman Sachs (NYSE: GS) announced it has entered into a definitive agreement to acquire GreenSky (NASDAQ: GSKY) in an all-stock transaction valued at approximately \$2.24 billion
- GreenSky stockholders will receive an implied price of \$12.11 per share
- The transaction price represents a premium of 56% over the closing share price of GreenSky common stock as of September 14, 2021
- GreenSky is a leading FinTech company that powers commerce at the point of sale; the Company's technology platform facilitates merchants' sales, while reducing the friction, and improving the economics, associated with a consumer making a purchase and a bank extending financing for that purchase
 - GreenSky has a growing network of over 10,000 merchants on its platform enabling >4 million consumers to finance over \$30 billion of transactions since its inception through June 30, 2021

Significance of Transaction

- GreenSky's differentiated lending capabilities and market-leading merchant and consumer ecosystem will enhance Goldman Sachs's ability to create the consumer banking platform of the future
- This transaction further supports FT Partners' continued success advising leading FinTech growth companies and also highlights the long-term nature of many of the Firm's advisory relationships

FT Partners' Role

- FT Partners served as financial and strategic advisor to GreenSky in this transaction
- FT Partners previously advised GreenSky on its [\\$1.1 billion IPO](#), its [\\$300 million investment by TPG, Iconiq, Wellington, and DST in 2014](#), its [\\$2 billion loan purchase agreement and \\$50 million investment by Fifth Third Bank in 2016](#), and its [\\$200 million investment by PIMCO in 2017](#)

Financial Technology Partners LP FTP Securities LLC

*is pleased to announce its role as
strategic and financial advisor to*



on its sale to

Goldman Sachs

for total consideration of

~\$2,240,000,000



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FT Partners Advises Porch on its Merger with PropTech Acquisition Corp.

Overview of Transaction

- On July 31, 2020, PropTech Acquisition Corporation ("PropTech"), a special purpose acquisition company ("SPAC") announced a definitive merger agreement with Porch.com, Inc. ("Porch")
- The business combination was completed on December 23, 2020, PropTech changed its name to Porch, and its common stock is scheduled to begin trading on the Nasdaq Stock Market under the ticker symbol "PRCH" on December 24, 2020
 - The deal represents a post-transaction equity value of \$1.079 billion
 - Transaction includes a \$150 million fully committed common stock private investment at \$10 per share led by Wellington Management Company, LLP
- Porch is a unique home services platform that provides leading ERP and CRM software to 11,000 inspection, moving and adjacent home services companies, gaining access to a proprietary and recurring sales funnel which captures a majority of homebuyers in the U.S. annually

Significance of Transaction

- While creating significant liquidity for existing shareholders, Porch's Management team will continue to lead the merged Company as over 92% of their existing equity is expected to be rolled as part of the transaction
- The net proceeds raised from the transaction will be used to support Porch's working capital, pay down debt and fund expansion through acquisitions

FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to Porch
- Builds on FT Partners' expertise in navigating the unique process in selling companies to SPACs, and follows highly successful sales of FT Partners' clients [Open Lending](#), [CardConnect](#) and [REPAY](#)

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on its merger with



(NASDAQ: PTAC)

for a post-transaction equity value

\$1,079,000,000⁽¹⁾

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(1) Post transaction equity value is based on PTAC's closing stock price as of December 23, 2020 of \$14.81 and total shares of 72.8mm, which include Porch's equity rollover of 36.3mm shares, PTAC public shares of 17.2mm, PTAC Sponsor shares of 4.3mm, and PIPE shares of 15mm. Total shares of 72.8mm used in the calculation of equity value excludes unvested restricted shares, options and RSUs, management incentive plan, and 6.15 million restricted shares issued at the closing of the transaction that are subject to forfeiture should the company not meet certain stock trading price hurdles (one-third during the three-year post-closing period at each of \$18.00, \$20.00 and \$22.00 per share). The transaction was initially announced at a value of \$523 million.

FT Partners Advises Better on its \$160 million Series C Financing

Overview of Transaction

- On August 19, 2019, Better.com announced it has closed its Series C financing round for a total of \$160 million
 - The round included new investors Activant Capital, Ping An Global Voyager Fund, Ally Financial, Citi, AGNC, American Express Ventures and Healthcare of Ontario Pension Plan, as well as existing investors Goldman Sachs, Pine Brook and Kleiner Perkins
 - Better.com initially closed its Series C round in January 2019 for a total of \$70 million, but expanded the round due to high demand
 - The Company has now raised \$254 million in total financing
- Better.com is one of the fastest growing homeownership platforms in the U.S. and has funded more than \$4 billion in loans since its founding in 2016
 - The Company has reconstructed the process of buying and financing a home, step-by-step, using technology and automation to create the most efficient, cost-effective and user-friendly experience in the market
 - Better.com has grown 3x year-over-year (vs. -15% for the industry) and is currently funding \$375 million in mortgages a month, which puts the Company on track to lend over \$4 billion in 2019 alone

Significance of Transaction

- With strong investor demand including from high profile strategics, this financing round positions Better.com as a market leader in streamlining and digitizing the home loan process
- The additional capital will enable Better.com to enhance its offerings, grow its strategic partnerships, as well as expand its team by hiring an additional 400 people in sales and technology by the end of 2019

FT Partners' Role

- FT Partners served as strategic and financial advisor to Better.com
- This transaction highlights FT Partners' deep domain expertise in the Alt Lending / Real Estate Tech space as well as our successful track record generating highly favorable outcomes for leading FinTech companies globally

Financial Technology Partners LP FTP Securities LLC

*is pleased to announce its role as
strategic and financial advisor to*



on its Series C financing from new investors



VENTURES



along with participation from existing investors

for total consideration of

\$160,000,000



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FT Partners Advises LoanLogics on its Sale to Sun Capital

Overview of Transaction

- On July 7, 2021, LoanLogics announced its sale to an affiliate of Sun Capital Partners
- Founded in 2005, LoanLogics is a provider of mortgage audit software and document processing automation solutions that help residential mortgage lenders, servicers, insurers and investors validate compliance, improve profitability and manage risk during the manufacture, sale and servicing of loan assets
 - LoanLogics is a pioneer in utilizing AI and Machine Learning to improve the overall transparency and accuracy of the mortgage loan process
- Sun Capital is a leading global private equity firm with offices across the US and Europe, which possesses over 25 years of history investing in the Business Services, Consumer, Healthcare, Industrial and Technology sectors

Significance of Transaction

- Sun Capital's deep strategic and operational expertise will enhance LoanLogics' ability to focus on ensuring quality performance for clients in the production of loan assets and creating the premier investor network ecosystem for digital loan commerce
- Sun Capital can provide support and resources to LoanLogics, which will enable the Company to ensure quality performance for clients, enhance operations and serve the rapidly modernizing mortgage technology market

FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to LoanLogics
- This transaction underscores FT Partners' continued success advising companies in the lending and mortgage technology space

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loanlogics®

on its sale to



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FT Partners Advises Lennar on its Sale of NATC and NATIC

Overview of Transaction

- On December 6, 2018, Lennar Corporation (“Lennar”) announced its wholly-owned subsidiary North American Title Group (NATG) plans to combine its underwriter and the majority of its retail title business with States Title. The deal received regulatory approval and became effective on January 7th, 2019
 - States Title has acquired NATG’s underwriter, North American Title Insurance Company (NATIC), and a majority of the retail business of NATG’s national title agency, North American Title Company (NATC)
 - The newly combined company will continue to operate under the North American Title brand led by States Title CEO, Max Simkoff, and Lennar has assumed a substantial minority equity ownership stake
- NATC’s builder business and a portion of its retail business remains with Lennar and operates as CalAtlantic Title, while around two-thirds of NATG’s current associates have been transferred to States Title
- Lennar Corporation (NYSE:LEN) is one of the nation’s leading builders of quality homes
- States Title is a San Francisco-based title insurance and escrow platform that uses predictive analytics to streamline the underwriting, settlement, and closing processes of purchasing a home
- North American Title Group (NATG) is one of the largest real estate settlement service providers in the U.S.

Significance of Transaction

- The combination accelerates the growth of States Title and its vision, enabling the Company to better serve home buyers and sellers across the U.S. by leveraging its proprietary technology and analytics to create a modern real estate closing experience
- The transaction is consistent with Lennar’s strategy to align itself with leading technology innovators in order to streamline and enhance the overall customer experience

FT Partners’ Role

- FT Partners served as exclusive strategic and financial advisor to Lennar
- FT Partners also recently advised Lennar on its co-lead investment in home insurance innovator [Hippo’s \\$70 million financing round](#)
- This transaction underscores FT Partners’ deep FinTech expertise and its continued success in providing advisory services to world class organizations

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LENNAR®

in its sale of



to



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FT Partners’ Recent Awards and Recognition

Bloomberg

Bloomberg

- FT Partners’ Steve McLaughlin was featured on Bloomberg / Bloomberg TV
- View the [full article](#) and watch the live [TV interview](#)



M&A Advisor Awards

- Technology Deal of the Year (2019)
- Cross Border Deal of the Year and Corporate / Strategic Deal of the Year (2018)
- Investment Banker of the Year (2017) – Steve McLaughlin, CEO & Managing Partner of FT Partners
- Investment Banking Firm of the Year (2016) – FT Partners



LendIt FinTech Industry Awards 2018:

- FT Partners wins Top Investment Bank in FinTech

Institutional Investor



The FinTech Finance 40:

- Steve McLaughlin ranked #1 in 2017 and 2018

The Information

A logo for "Silicon Valley's Most Popular Dealmakers" featuring a grid of names and titles.

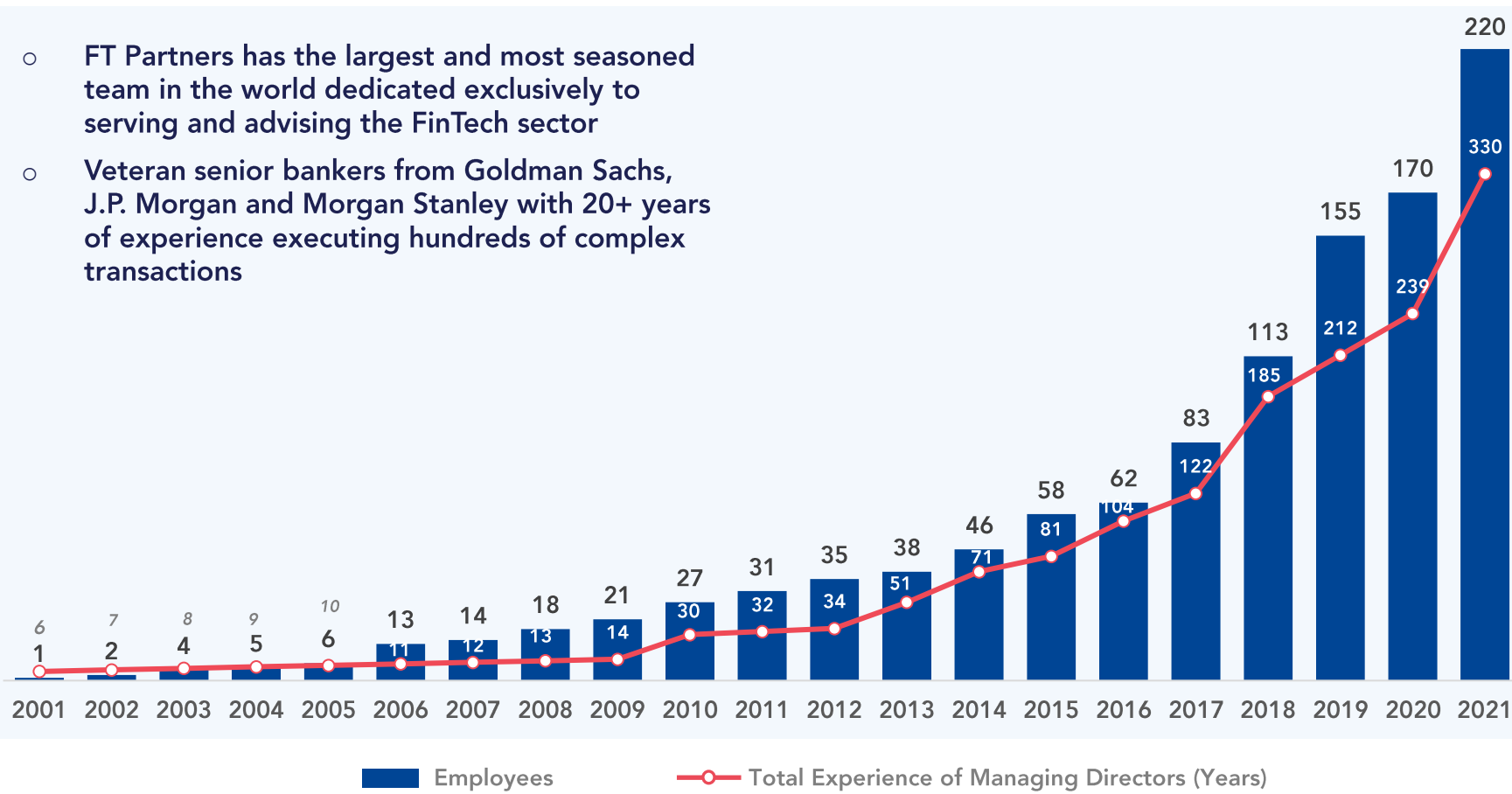
Silicon Valley's Most Popular Dealmakers		
Name	Title	Company
Sam Smith	Managing Director	Golden Gate
Steve McLaughlin	Managing Partner	FT Partners
Michael Hedges	Managing Director	Golden Gate
Mark Winkler	Managing Director	Golden Gate
Paul Rosen	Managing Director	Golden Gate
Quincy Smith	Partner	Golden Gate

The Information’s “Silicon Valley’s Most Popular Dealmakers”

- Ranked as the #2 top Technology Investment Banker by The Information subscribers (2016)
- Only FinTech focused investment banking firm and banker on the list

The Largest FinTech Advisory Practice in the World

- FT Partners has the largest and most seasoned team in the world dedicated exclusively to serving and advising the FinTech sector
- Veteran senior bankers from Goldman Sachs, J.P. Morgan and Morgan Stanley with 20+ years of experience executing hundreds of complex transactions



Average Experience of Managing Directors (Years)

