

May 13, 2015

Financial Technology Partners LP FTP Securities LLC

Transaction Profile:



acquires

&

secures



\$60,000,000

in financing from



Courtesy of:



***The Only Investment Bank
Focused Exclusively on Financial Technology***

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Real Matters Acquires Southwest Financial / Secures \$60 Million

Transaction Overview

The latest financing round enables Real Matters to further expand through strategic acquisitions

The Company seeks to maintain momentum; Real Matters is growing rapidly with YTD revenue up 65% along with positive cash flow and earnings ⁽¹⁾

Transaction Overview

- On May 4, 2015, Real Matters' subsidiary, Solidifi, announced an agreement to acquire Southwest Financial Services
 - Southwest Financial Services provides title, valuation, flood determination services and other outsourced solutions to home equity lenders
 - The acquisition was made with Solidifi's existing cash resources
 - Southwest Financial Services' analytical platform will further enhance Solidifi's appraisal management solutions
- Concurrent with the acquisition, Real Matters secured \$60 mm in growth equity financing from Whitecap Venture Partners at an undisclosed valuation
 - Real Matters has raised over \$120 mm to date; its previous round occurred in December 2013 where the company raised \$40 mm
 - Whitecap first invested in Real Matters in 2007

Transaction Rationale

- The acquisition of Southwest Financial Services extends and bolsters Solidifi's solutions for the North American home equity market
 - The acquisition allows Real Matters and Solidifi to utilize next-gen appraisal services and to offer and enhance Southwest Financial Service's solutions for customers
 - The U.S. home equity market has strengthened, providing a tailwind for the Company
- The \$60 mm will enable Real Matters to expand its growth and offerings through strategic acquisitions
 - The funding builds upon significant organic momentum as the Company has experienced over the past year
 - Real Matters intends to enter adjacent markets that could be disrupted with the Company's solutions

Executive Commentary

"The synergies between Solidifi and Southwest Financial Services are undeniable. Both companies are dedicated to serving our customers at the highest level possible. Our cultures are extremely compatible and I am confident that our respective teams will flourish under this new structure. The acquisition paves the way for a powerful partnership going forward."

– **Greg Schroeder**
President of Southwest Financial



"This new round of financing was supported by our existing investor syndicate. Combined with our existing cash resources, the company continues to be well capitalized going forward... It's an exciting time for Real Matters as we continue to drive innovation in the lending industry."

– **Jason Smith**
CEO of Real Matters



Real Matters Acquires Southwest Financial / Secures \$60 Million

Real Matters Overview

Real Matters Overview

CEO: Jason Smith

Headquarters: Markham, ON, Canada

Founded: 2004

- Real Matters leverages a cloud-based technology platform to provide customers with property valuation, collateral risk management and data analytic services
 - Focuses on the mortgage and casualty insurance industry
- The Company is experiencing positive cash flow and earnings, and its revenue year-to-date has increased by 65% over the previous year
- Real Matters has over 28,000 field agents working with its cloud-based platform
- Solidifi, a subsidiary of Real Matters, is an independent provider of residential real estate appraisals
 - Solidifi has a partnership with more than 25,000 appraisers and serves more than half of the top 100 lenders in the US
 - The Company invested more than \$30 mm in its lending SaaS-based platform

Subsidiaries

Real Matters implements, redihive, a proprietary cloud-based platform through:



Independent Appraiser



Insurance Inspector

Transaction History

Date	Size (\$ mm)	Type	Counterparty
05/04/15	\$60	Financing	
05/04/15	na	Acquisition	Acquires 
12/16/13	40	Financing	Undisclosed investors
02/08/12	22	Financing	Undisclosed investors
09/16/10	5	Debt Financing	
10/08/08	na	Financing	

Real Matters Acquires Southwest Financial / Secures \$60 Million

Southwest Financial Services Overview

Southwest Financial Services Overview

Headquarters: Cincinnati, OH
Founded: 1983
Employees: 160

- **Southwest Financial Services provides title, valuation, flood determination services and other outsourced solutions to home equity lenders**
 - Mainly focused on serving the financial services industry
- **The Company also provides mortgage filing and preparation to reduce time and unnecessary costs associated with rejected mortgages**
 - Also offers the Rapid Close program designed to protect lenders from undisclosed liens – the program offers complete and verified vesting data upfront to ensure the mortgage is properly executed
- **Offers an exhaustive property tax data search and provides a national solution for lenders looking to conduct tax status research during the lending process**
- **Southwest Financial processes more than 5,000 transactions per day via its valuation, flood and title determination services to the nation's largest lending institutions**
- **The Company is partnered with some of the largest lending institutions in the United States**

Products and Services

Title Services



- Traditional title searches and alternative insurance products aimed to protect customers against undisclosed property claims
- Proprietary software that searches courthouse records to verify title information

Valuation Services



- Offers innovative valuation and testing products such as automation valuation model (AVM) cascade generation and model testing, desktop reports, traditional appraisals and nationwide appraisal management services
- Testing program enable lenders to optimize AVM usability and minimize risk with their portfolios

Flood Zone Determinations



- Proprietary system utilizes emerging tech to deliver immediate responses and offers complete compliance with federal flood insurance regulations
- Provides nationwide coverage with accuracy and efficiency for immediate response

Overview of FT Partners

Proven Track Record of Success Across Financial Technology

Financial Technology Partners LP
FTP Securities LLC

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



CORILLIAN

in its sale to



of approximately

\$ 245,000,000



*The Only Investment Bank
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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



for approximately

\$ 42,500,000



*The Only Investment Bank
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Financial Technology Partners LP
FTP Securities LLC

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



in its acquisition of



for total cash consideration of

\$ 60,500,000



*The Only Investment Bank
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Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its role as advisor to



in its strategic investment in



with additional participation from





for total consideration of approximately

\$ 70,000,000



*The Only Investment Bank
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Financial Technology Partners LP
FTP Securities LLC

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



in its

\$45,000,000

Initial Public Offering

valuing the equity at approximately


\$ 146,000,000




*The Only Investment Bank
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Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its exclusive role as sole debt capital advisor to




in its acquisition of



for total consideration of approximately

\$ 300,000,000



*The Only Investment Bank
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Financial Technology Partners LP
FTP Securities LLC

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



in its financing, including investment from







for approximately

\$ 15,000,000



*The Only Investment Bank
Focused Exclusively on Financial Technology*

Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its role as advisor to



in its lead investment in



with additional participation from





for approximately

\$ 85,000,000



*The Only Investment Bank
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Overview of FT Partners

Award-Winning Investment Banking Franchise Focused on Superior Client Results

FT Partners has been recognized as Investment Banking Firm of the Year and regularly achieves Merger and Financing Deal of the Year recognition



M&A Advisor Awards

- | | |
|------|--|
| 2014 | <ul style="list-style-type: none"> ■ Equity Financing Deal of the Year ■ Professional Services Deal of the Year, Above \$100mm |
| 2012 | <ul style="list-style-type: none"> ■ Dealmaker of the Year ■ Professional Services Deal of the Year, Above \$100 mm |
| 2011 | <ul style="list-style-type: none"> ■ Boutique Investment Bank of the Year ■ Deal of the Decade ■ <i>10 Deal of the Year Nominations Across 9 Categories</i> |
| 2010 | <ul style="list-style-type: none"> ■ Upper Middle Market Deal of the Year, Above \$500 mm ■ IT Services Deal of the Year, Below \$500mm ■ Cross-Border Deal of the Year, Below \$500mm |
| 2007 | <ul style="list-style-type: none"> ■ Dealmaker of the Year – Steve McLaughlin ■ Business to Business Services Deal of the Year ■ Computer and Information Technology Deal of the Year, Above \$100mm ■ Financial Services Deal of the Year, Above \$100mm |



- | | |
|-----------|---|
| 2006-2008 | <ul style="list-style-type: none"> ■ Steve McLaughlin consecutively ranked (2006, 2007 and 2008) among the top Bankers in Financial Technology |
|-----------|---|



Middle Market Financing Awards

- | | |
|------|--|
| 2008 | <ul style="list-style-type: none"> ■ Equity Financing Dealmaker of the Year – Steve McLaughlin ■ Information Technology Deal of the Year ■ Financial Services Deal of the Year |
| 2006 | <ul style="list-style-type: none"> ■ Financing Professional of the Year – Steve McLaughlin ■ <i>Financing Deal of the Year - Equity</i> ■ <i>Financing Deal of the Year - Debt</i> |

Note: **Bold** represents awards that FT Partners has won, *italics* represents nominations.