

eCOS Holdings, LLC - Investment Summary

eCOS Holdings, LLC is a holding company of national seller-financed Mortgages and Land Contracts ("Notes"). eCOS Holdings purchases notes from its sister company, REO Logic, which buys and sells hundreds of foreclosure properties nationwide each year. Upon closing a seller-financed property sale, REO Logic immediately sells the resulting Note to eCOS Holdings.

All Notes are underwritten, originated and serviced by National Asset Mortgage, LLC ("NAM"), a nationally licensed mortgage company. NAM creates real borrower files that are underwritten to CFPB compliance. REO Logic offers four different types of seller financing programs to buyers, including an owner occupied program, two non-owner occupied programs and a non-profit sponsor program. All of the programs have specific underwriting guidelines that a borrower must meet to qualify.

All Notes originated are first liens on the property and have relatively small Unpaid Principal Balances ("UPB"), averaging around \$20,000 with an average LTV of 89%. The average amortization period is 13 years and the average interest rate is 9.45%. With average PITI payments of only \$380/month it makes homeownership affordable for qualified buyers. The rental equivalency for the same property would be typically 2-3 times higher. All tax and insurance escrows are collected to ensure borrowers are keeping up with their taxes and protecting their properties.

Based on the deal flow of Notes available to be purchased from REO Logic, eCOS Holdings is poised to grow its Note portfolio to \$30M with approximately 1,500 Notes by the year 2020. In order to grow at this pace, eCOS Holdings is currently seeking a debt facility to lever their portfolio to a 70% LTV of UPB, which is roughly 62% LTV of the property values.

eCOS Holdings is seeking an investor looking to participate in the growing note industry without the inherent risks of owning notes directly. eCOS Holdings has solved some of the greatest challenges of owning notes, which include servicing, defaults and foreclosure processing.

Servicing - eCOS Holdings has contracted with NAM to service all of their loans. This reduces the risk of default as a third party now has the obligation to collect and track all payments. NAM also manages the Borrower's escrow accounts in compliance with all federal mortgage regulations.

Default - eCOS Holdings has an ongoing agreement with REO Logic stating any Note in a default status for 180 days will be automatically purchased back by REO Logic for the full UPB amount. This guaranty limits the risk of non-collections and eliminates the risk of default, resulting in no foreclosures on the books. REO Logic sets aside a guaranteed buy-back fund with funds that are a minimum of 5% of the UPB of eCOS Holdings portfolio. In turn, eCOS Holdings collects a Private Finance Fee of \$1,000 that is either paid upfront or rolled into the loan for all Notes having less than a 20% down payment. These funds are given to REO Logic for the privilege of offering the guaranteed buy-back provision.

Foreclosure - The above described guaranteed buy-back fund eliminates any exposure to eCOS Holdings of owning real estate and managing the lengthy and expensive foreclosure process. REO Logic is a recovery arm for foreclosure properties, so the infrastructure is already in place for them to manage any foreclosures and re-sell the properties.

Please see attached Term Sheet for details of the investment opportunity.

eCOS Holdings, LLC - Term Sheet

- Purpose:** Grow a Seller Financed Note Portfolio.
- Type:** Non-Recourse, Borrowing Base Style Facility.
- Amount:** \$1,000,000 initial advance with options to increase to \$5,000,000.
- Interest Rate:** 8% annual interest with quarterly interest only payments on the outstanding principal balance.
- Duration:** 1-3 Year term with options to extend.
- Collateral:** Pledge of Membership Interest in eCOS Holdings, LLC which owns a pool of first lien position Notes.
- Loan to Value:** Up to 70% LTV of the Note Portfolio's Unpaid Principal Balance which is roughly 62% LTV of the property values.
- Loan Covenants:** Funds will be placed in a sweep account.
- A monthly portfolio analysis will be provided to calculate the borrowing base to allow additional draws or a return of principal to the sweep account.
- Notes greater than 90 days in default fall off the borrowing base.
- Owner, Lender and Servicer will sign a Tri-Party Agreement allowing Lender to take Owner's rights upon default of a quarterly loan payment.
- Minimum Debt Service Coverage ratio of 1.5x from Note payments.
- 3 Month Interest Reserve Account maintained at all times.

eCOS Holdings - Note Holdings Summary

CURRENT NOTE PORTFOLIO																
State	Total Notes	Sales Price	Original Note Amount	Current Note Balance	Avg Note Balance	Current LTV	% of Owner Occupied	Avg Interest Rate	Avg Loan Term Mo's	Avg Month of Seasoning	Total Monthly P&I	Total Tax Escrow	Total Ins Escrow	Total Private Mortgage Fees	Total Payments	Avg Payment/ Note
	79	\$ 1,759,883.00	\$ 1,589,633.00	\$ 1,565,972.30	\$ 19,822.43	89.0%	71%	9.49%	159	5.8	\$ 17,795.66	\$ 8,613.81	\$ 2,568.91	\$ 1,053.08	\$ 30,031.46	\$ 380.15
IN	64	\$ 1,335,633.00	\$ 1,222,483.00	\$ 1,203,147.27	\$ 18,799.18	88.96%	48	9.55%	159	5.5	\$ 13,871.34	\$ 7,404.35	\$ 1,966.49	\$ 953.08	\$ 24,195.26	\$ 378.05
MD	14	\$ 395,250.00	\$ 339,150.00	\$ 334,825.03	\$ 23,916.07	82.02%	7	9.86%	171	7.5	\$ 3,640.32	\$ 1,109.46	\$ 509.14	\$ 100.00	\$ 5,358.92	\$ 382.78
SC	1	\$ 29,000.00	\$ 28,000.00	\$ 28,000.00	\$ 28,000.00	96.55%	1	9.00%	180	1.0	\$ 283.99	\$ 100.00	\$ 93.28	\$ -	\$ 477.27	\$ 477.27

UNDER CONTRACT PIPELINE OF NOTES																
State	Total Notes	Sales Price	Original Note Amount	Current Note Balance	Avg Note Balance	Current LTV	% of Owner Occupied	Avg Interest Rate	Avg Loan Term Mo's	Avg Month of Seasoning	Total Monthly P&I	Total Tax Escrow	Total Ins Escrow	Total Private Mortgage Fee	Total Payments	Avg Payment/ Note
	23	\$ 476,066.00	\$ 403,232.80	\$ 403,232.80	\$ 17,531.86	84.7%	74%	9.26%	137	0	\$ 10,473.43	\$ 1,328.94	\$ 612.28	\$ 99.80	\$ 12,514.45	\$ 544.11
IN	13	\$ 304,166.00	\$ 239,832.80	\$ 239,832.80	\$ 18,448.68	78.85%	8	9.33%	122	0	\$ 8,382.44	\$ 928.94	\$ 472.28	\$ 49.80	\$ 9,833.47	\$ 756.42
MD	10	\$ 171,900.00	\$ 163,400.00	\$ 163,400.00	\$ 16,340.00	95.06%	9	9.19%	152	0	\$ 2,090.99	\$ 400.00	\$ 140.00	\$ 50.00	\$ 2,680.99	\$ 268.10
SC	0	\$ -	\$ -	\$ -	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

eCOS Holdings - Mortgage Portfolio Investment

NOTE PORTFOLIO INVESTMENT			
1 Year Investment	Existing Portfolio	Pending New Portfolio	Total Portfolio
Note Portfolio Details:			
Home Sales Price	\$ 1,759,883.00	\$ 476,066.00	\$ 2,235,949.00
UPB Amount of Notes	\$ 1,565,972.30	\$ 403,232.80	\$ 1,969,205.10
UPB After 1 Year	\$ 1,497,636.98	\$ 363,014.83	\$ 1,860,651.81
Average Note Size	\$ 19,822.43	\$ 17,531.86	\$ 19,305.93
# of Notes (all first lien position)	79	23	102
Average Loan Interest Rate	9.49%	9.26%	9.37%
Average Amortization Schedule	159	137	148
Average Monthly PITI+PMF Payments	\$ 380.15	\$ 544.11	\$ 296.10
# of Loans Performing (0-60 days late)	79	23	102
# of Loans Sub-Performing (61-120 days late)	0	0	0
# of Loans Non-Performing (121-180 days late)	0	0	0
Collections:			
Monthly Principal	\$ 5,694.61	\$ 3,351.50	\$ 9,046.11
Monthly Interest	\$ 12,101.05	\$ 7,121.93	\$ 19,222.98
Late Fees 5%	\$ 889.78	\$ 523.67	\$ 1,413.45
Private Mortgage Fees	\$ 1,053.08	\$ 99.80	\$ 1,152.88
Recapture Principal on Note Buy-Backs	\$ 1,779.57	\$ 1,047.34	\$ 2,826.91
Total Monthly Payments Received	\$ 21,518.09	\$ 12,144.25	\$ 33,662.33
Expenses:			
Servicing Fees @ \$32 (serviced by a national mortgage co)	\$ 2,528.00	\$ 736.00	\$ 3,264.00
Private Mortgage Fees to REO Logic	\$ 1,053.08	\$ 99.80	\$ 1,152.88
Non-Collections 15%	\$ 1,779.57	\$ 1,047.34	\$ 2,826.91
Default Interest Loss 5%	\$ 605.05	\$ 356.10	\$ 961.15
Servicing Fees for Defaults	\$ 237.00	\$ 69.00	\$ 306.00
Title, Deed & Closing Fees for Payoffs	\$ 474.00	\$ 138.00	\$ 612.00
Total Expenses	\$ 6,676.70	\$ 2,446.24	\$ 9,122.94
Total Monthly Net Cash Flow	\$ 14,841.39	\$ 9,698.01	\$ 24,539.39
Debt Service:			
Debt up to 70% of UPB	\$ 1,096,180.61	\$ 282,262.96	\$ 1,378,443.57
Approx LTV of Home Values	62%	59%	62%
Debt Fixed Interest Rate	8%	8%	8%
Debt Term	2 Years	2 Years	2 Years
Monthly IO Payment to Investor	\$ 7,307.87	\$ 1,881.75	\$ 9,189.62
Debt Service Coverage Ratio	2.03	5.15	2.67
Net Monthly Cash Flow to eCOS Holdings	\$ 7,533.52	\$ 7,816.25	\$ 15,349.77
1 Year Net Cash Flow to eCOS Holdings	\$ 90,402.19	\$ 93,795.03	\$ 184,197.22