HECM Trends

HECMS Endorsed through August 2011

REVERSE MARKET

Endorsement Growth Rate

| Year | <u>Units</u> | <u>% Chg.</u> |
|--------|--------------|---------------|
| 2008 | 115,157 | 6.4 % |
| 2009 | 111,864 | -2.9 % |
| 2010 | 72,683 | -35.0 % |
| | | |
| YTD | <u>Units</u> | <u>% Chg.</u> |
| Aug 10 | 48,336 | -37.7 % |
| Aug 11 | 49,118 | 1.6 % |
| | | |

Reverse Market Insight is the trusted source for reverse mortgage research and analysis.

As a provider of market intelligence, analysis and customized business solutions to the reverse mortgage industry, we help our clients analyze and interpret key trends impacting their business.

Solutions Include:

<u>Retail Trilogy</u>

- Sales Performance Analysis
- Competitive Analysis
- Market Opportunity

Wholesale Analytics

<u>Business Consulting</u>

- Servicing Rights Valuation
- Market Intelligence
- Business Intelligence (BI)

Product/Solution Inquiries:

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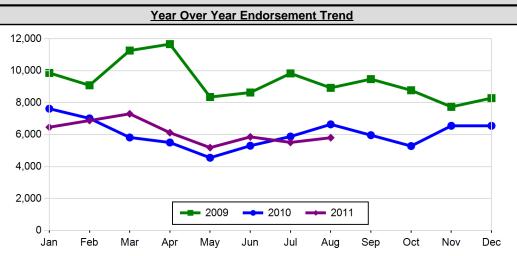
Media Inquiries:

We are happy to assist members of the media with commentary or special data requests

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Sales Performance



Next Release Date: Week 3 of November

Endorsement Rank by Geographic Area (YTD) Units and Growth %

| Rank | State | | Units | Growth | Rank | City | St | Units | Growth |
|---------------------------------|-----------------------------------------------------------------------------------------------|----------------------------------------------|--------------------------------------------------------|-----------------------------------------------------------------------------|--------------------------------------|----------------------------------------------------------------------|----------------------------------------------|-----------------------------------------------|-------------------------------------------------------------------------------|
| 1 | California | | 6,693 | 0.4 % | 1 | PHILADELPHIA | PA | 707 | 25.8 % |
| 2 | Texas | | 4,287 | 9.1 % | 2 | BALTIMORE | MD | 482 | -40.4 % |
| 3 | Florida | | 3,269 | -23.2 % | 3 | HOUSTON | ТΧ | 434 | 5.6 % |
| 4 | New York | | 2,981 | 8.4 % | 4 | WASHINGTON | DC | 386 | 1.3 % |
| 5 | Pennsylvania | | 2,288 | 24.8 % | 5 | CHICAGO | IL | 364 | -50.3 % |
| 6 | New Jersey | | 2,080 | 8.6 % | 6 | BROOKLYN | NY | 360 | 1.1 % |
| 7 | Virginia | | 1,890 | 0.6 % | 7 | LOS ANGELES | CA | 345 | 1.2 % |
| 8 | Maryland | | 1,694 | -19.6 % | 8 | SAN ANTONIO | ТΧ | 328 | 19.7 % |
| 9 | North Carolina | | 1,300 | 31.2 % | 9 | MIAMI | FL | 310 | -43.4 % |
| 10 | Illinois | | 1,280 | -23.3 % | 10 | SAN DIEGO | CA | 269 | 10.7 % |
| | | | 27,762 | -0.8 % | | | | 3,985 | -14.4 % |
| Rank | County | St | Units | Growth | Rank | Zip | St | 11.26 | Onereth |
| | •••• | 0. | Units | Growth | Kalik | Zip | 31 | Units | Growth |
| 1 | LOS ANGELES | CA | 1,834 | -1.3 % | 1 | 20011 | DC | Units 107 | 27.4 % |
| 1 2 | | | | | | · · | | | |
| | LOS ANGELES | CA | 1,834 | -1.3 % | 1 | 20011 | DC | 107 | 27.4 % |
| 2 | LOS ANGELES ORANGE | CA CA | 1,834 735 | -1.3 % 1.1 % | 1 2 | 20011 32162 | DC FL | 107 77 | 27.4 % 13.2 % |
| 2 3 | LOS ANGELES ORANGE SAN DIEGO | CA CA CA | 1,834 735 708 | -1.3 % 1.1 % 9.8 % | 1 2 3 | 20011 32162 19143 | DC FL PA | 107 77 67 | 27.4 % 13.2 % 4.7 % |
| 2 3 4 | LOS ANGELES ORANGE SAN DIEGO PHILADELPHIA | CA CA CA PA | 1,834 735 708 707 | -1.3 % 1.1 % 9.8 % 25.8 % | 1 2 3 4 | 20011 32162 19143 21215 | DC FL PA MD | 107 77 67 61 | 27.4 % 13.2 % 4.7 % -49.2 % |
| 2 3 4 5 | LOS ANGELES ORANGE SAN DIEGO PHILADELPHIA COOK | CA CA CA PA IL | 1,834 735 708 707 679 | -1.3 % 1.1 % 9.8 % 25.8 % -38.2 % | 1 2 3 4 5 | 20011 32162 19143 21215 20002 | DC FL PA MD DC | 107 77 67 61 59 | 27.4 % 13.2 % 4.7 % -49.2 % 3.5 % |
| 2 3 4 5 6 | LOS ANGELES ORANGE SAN DIEGO PHILADELPHIA COOK HARRIS | CA CA CA PA IL TX | 1,834 735 708 707 679 599 | -1.3 % 1.1 % 9.8 % 25.8 % -38.2 % -1.3 % | 1 2 3 4 5 6 | 20011 32162 19143 21215 20002 00926 | DC FL PA MD DC PR | 107 77 67 61 59 56 | 27.4 % 13.2 % 4.7 % -49.2 % 3.5 % -18.8 % |
| 2 3 4 5 6 7 | LOS ANGELES ORANGE SAN DIEGO PHILADELPHIA COOK HARRIS SUFFOLK | CA CA CA PA IL TX NY | 1,834 735 708 707 679 599 495 | -1.3 % 1.1 % 9.8 % 25.8 % -38.2 % -1.3 % 5.5 % | 1 2 3 4 5 6 7 | 20011 32162 19143 21215 20002 00926 00725 | DC FL PA MD DC PR PR | 107 77 67 61 59 56 55 | 27.4 % 13.2 % 4.7 % -49.2 % 3.5 % -18.8 % 19.6 % |
| 2 3 4 5 6 7 8 | LOS ANGELES ORANGE SAN DIEGO PHILADELPHIA COOK HARRIS SUFFOLK MIAMI-DADE | CA CA CA PA IL TX NY FL | 1,834 735 708 707 679 599 495 493 | -1.3 % 1.1 % 9.8 % 25.8 % -38.2 % -1.3 % 5.5 % -44.2 % | 1 2 3 4 5 6 7 7 | 20011 32162 19143 21215 20002 00926 00725 84790 | DC FL PA MD DC PR PR UT | 107 77 67 61 59 56 55 55 | 27.4 % 13.2 % 4.7 % -49.2 % 3.5 % -18.8 % 19.6 % 111.5 % |

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Commercially thinking companies rely on ReverseVision

SaaS

ReverseVision is offered as *Software as a Service*. Low fixed costs provide a high *Return on investment*.

Low TCO

ReverseVision Inc. takes care of hosting, upgrades and new regulations, minimizing *Total Cost of Ownership*.



Originator Growth Rate

(unique origination companies in period)

| <u>Year</u> 2009 | <u>Active</u> <u>Originators</u> 3,152 | <u>% Chg.</u> 6.9 % |
|---------------------|----------------------------------------------|------------------------|
| 2010 | 2,286 | -27.5 % |
| Month | <u>Active</u> Originators | <u>% Chq.</u> |
| | | |
| Aug 10 | 774 | -42.3 % |
| Aug 11 | 619 | -20.0 % |

Refinance Transactions (% of endorsements)

| 0.01 | 011001001110 | ////// | |
|------|--------------|---------------|---------------|
| | <u>Year</u> | <u>% Refi</u> | <u>% Chg.</u> |
| | 2009 | 9 % | 128 % |
| | 2010 | 6 % | -58 % |
| | | | |
| | <u>Mth</u> | <u>% Refi</u> | <u>% Chg.</u> |
| | Aug 10 | 7 % | -45 % |
| | Aug 11 | 3 % | -58 % |
| | | | |

The competitive landscape is changing.

- What is your company doing to keep up with this dynamic environment?

- Do you know how your competitors are performing?

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Competitive Landscape -YTD

Endorsement and OriginatorTrends



Rank Chg Originator Units 0 WELLS FARGO BANK NA 1 12.404 2 1 METLIFE BANK 4,220 3 -1 BANK OF AMERICA NA CHAR 3,465 4 0 ONE REVERSE MORTGAGE LL 2,943 5 6 AMERICAN ADVISORS GROUP 1,054 0 GENERATION MORTGAGE COM 6 1,051 2 GUARDIAN FIRST FUNDING 7 712 8 -3 URBAN FINANCIAL GROUP 636 9 -1 REVERSE MORTGAGE USA IN 620 10 4 SECURITY ONE LENDING 535 Total: 27,640

Active Originator Rank by Geographic Area Act Origs Act Origs Avg. Unit/Mo Avg. Unit/Mo Rank City St St Rank Zip LOS ANGELES CA 20 20011 DC 26 21 1 84 1 BROOKI YN 2 2 21207 MD 24 NY 83 1.9 1.1 3 SAN DIEGO CA 71 1.9 3 32162 FL 23 1.6 4 MIAMI FL 70 2.0 3 11203 NY 23 1.2 5 PHILADELPHIA PA 67 4.6 3 11413 NY 23 1.1 6 CHICAGO IL 65 23 6 20002 DC 22 1.4 7 BALTIMORE MD 62 2.9 21122 MD 20 1.0 7 8 DALLAS ТΧ 51 2.1 7 11234 NY 20 1.0 9 STATEN ISLAND NY 49 1.2 9 21215 MD 19 1.5 10 WASHINGTON DC 48 2.7 9 11412 NY 19 1.1

Penetration Rank by Geographic Area

| Union at | | eeegraphie / iiea | | | | |
|----------|-------|-------------------|------|--------------|-------|-------------|
| Rank | State | Penetration | Rank | City | State | Penetration |
| 1 | DC | 8.7 % | 1 | Opa Locka | FL | 17.9 % |
| 2 | MD | 4.6 % | 2 | Compton | CA | 14.3 % |
| 3 | UT | 4.5 % | 3 | Hialeah | FL | 13.0 % |
| 4 | CA | 4.2 % | 4 | Portsmouth | VA | 10.0 % |
| 5 | NV | 4.1 % | 5 | Apple Valley | CA | 8.9 % |
| 6 | OR | 4.0 % | 6 | Miami | FL | 8.8 % |
| 7 | СО | 3.7 % | 7 | Washington | DC | 8.7 % |
| 8 | FL | 3.6 % | 8 | Norfolk | VA | 8.7 % |
| 9 | СТ | 3.4 % | 9 | Sun City | CA | 8.6 % |
| 10 | н | 3.3 % | 10 | Hesperia | CA | 8.5 % |

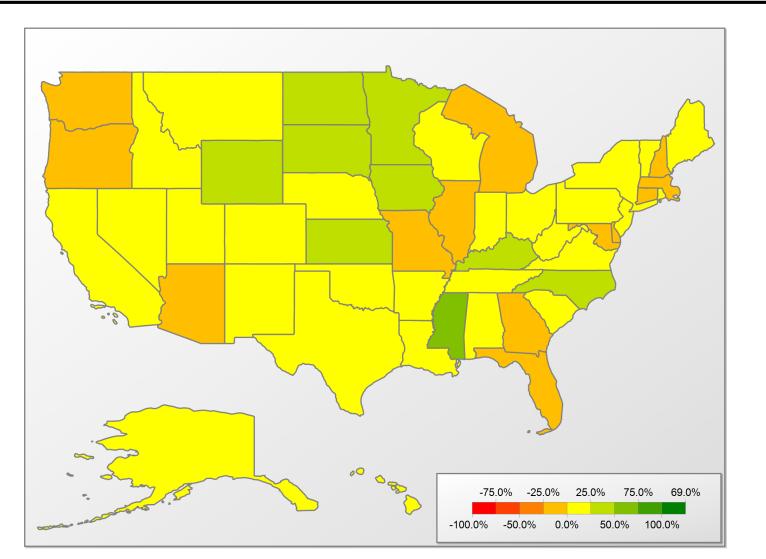
Geography Rank by Avg MCA Growth

| Rank | City | St | MCA \$(000) | Growth \$(000) | Rank | Zip | St | MCA \$(000) | Growth \$(000) |
|------|--------------|----|----------------|-------------------|------|-------|----|----------------|-------------------|
| 1 | SAINT GEORGE | UT | \$316 | \$79 | 1 | 84790 | UT | \$321 | \$47 |
| 2 | RALEIGH | NC | \$263 | \$59 | 2 | 20011 | DC | \$426 | \$38 |
| 3 | NAPLES | FL | \$388 | \$55 | 3 | 19138 | PA | \$127 | \$5 |
| 4 | ANAHEIM | CA | \$439 | \$48 | 4 | 19150 | PA | \$153 | \$4 |
| 5 | WASHINGTON | DC | \$411 | \$36 | 5 | 20002 | DC | \$398 | \$3 |
| 6 | LAS VEGAS | NV | \$231 | \$30 | 6 | 32162 | FL | \$223 | (\$7) |
| 7 | SHREVEPORT | LA | \$141 | \$29 | 7 | 19143 | PA | \$108 | (\$10) |
| 8 | OMAHA | NE | \$161 | \$26 | 8 | 21215 | MD | \$145 | (\$20) |
| 9 | INDIANAPOLIS | IN | \$143 | \$25 | 9 | 60628 | IL | \$110 | (\$23) |
| 10 | BAKERSFIELD | CA | \$190 | \$24 | 10 | 21229 | MD | \$128 | (\$28) |

Geography Rank by Total MCA Growth

| Rank | City | St | MCA \$(000) | Growth \$(000) | Rank | Zip | St | MCA \$(000) | Growth \$(000) |
|------|--------------|----|----------------|-------------------|------|-------|----|----------------|-------------------|
| 1 | PHILADELPHIA | PA | \$98,966 | \$16,732 | 1 | 20011 | DC | \$45,564 | \$13,016 |
| 2 | WASHINGTON | DC | \$158,786 | \$15,678 | 2 | 84790 | UT | \$17,629 | \$10,519 |
| 3 | SAINT GEORGE | UT | \$25,562 | \$14,670 | 3 | 19138 | PA | \$6,458 | \$2,692 |
| 4 | ANAHEIM | CA | \$23,280 | \$8,429 | 4 | 32162 | FL | \$17,144 | \$1,523 |
| 5 | DENVER | CO | \$32,110 | \$8,373 | 5 | 20002 | DC | \$23,466 | \$963 |
| 6 | TOMS RIVER | NJ | \$14,705 | \$6,583 | 6 | 19150 | PA | \$6,128 | \$770 |
| 7 | SAN DIEGO | CA | \$118,519 | \$6,358 | 7 | 95648 | CA | \$15,839 | (\$167) |
| 8 | RALEIGH | NC | \$10,764 | \$6,293 | 8 | 19143 | PA | \$7,257 | (\$337) |
| 9 | SAN ANTONIO | ТХ | \$46,588 | \$6,250 | 9 | 21207 | MD | \$7,807 | (\$1,976) |
| 10 | LAS VEGAS | NV | \$25,464 | \$6,127 | 10 | 60628 | IL | \$5,377 | (\$3,815) |

YTD Endorsement Growth Heatmap



Definitions

Active originators:

Count - Number of originators with at least one endorsement in the given time period.

Percent Change - The percentage change in the count of active originators period over period.

Average Loans per originator:

Count of endorsements in a given month divided by the number of active originators in the same month. An overall average per originator is then calculated for all months in the same period.

Market Share:

A measure of success in a market relative to other originators. Percent of total endorsements originated by a given originator.

Penetration:

Percent of Target Market with an active Reverse Mortgage in service as of report date.

Rank by originator:

Originator rank by total endorsements in the time period.

Rank by Total Volume:

Rank of geographic area by total endorsements in the time period.

Target Market:

Number of Senior (62+) Homeowner Households.





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