

ADVISOR FACT SHEET

General Information

Convert Home Equity to Tax-Free Cash For: Investments, Life Insurance, Annuities, Long-Term Care, In Home Care, etc.

Funding Product Terms

Funding Product Description	Cornerstone Home Equity Insurance/Investment Funding Solutions (CHEIFS) CHEIFS is a minority fractional investment in residential real estate
Term	The earlier of voluntary repayment, sale, non-occupancy, or death
Origination Fee	1.5% of CHEIFS Proceeds
Payoff Interest Rate	See Graph (page 2)
Maximum Annualized Payoff Cost	12.99%
Age Requirement	None
Trust Owned Residence	Revocable Trust permitted (<i>Irrevocable Trust eligibility currently under review</i>)

Eligibility Requirements

Minimum Home Equity	\$300,000+
Maximum Current Loan to Home Value Ratio	50%

Proceeds Calculation

Current Loan to Home Value Ratio	Existing mortgage debt / home value (expressed as a %)
CHEIFS Equity Share	50% of home value minus Current Loan to Home Value Ratio
CHEIFS Proceeds %	$1 \div 2.25 = 44.44\%$
Proceeds to Homeowner	50% of CHEIFS Equity Share
TRANSACTION EXAMPLE <i>A \$1,000,000 Home with a \$200,000 mortgage</i>	<ul style="list-style-type: none"> \$200,000 existing mortgage = 20% Current Loan to Home Value Ratio 50% of Home Value – 20% = 30% CHEIFS Equity Share $44.44\% \times 30\% = 13.33\%$ $13.33\% \times \\$1,000,000 = \mathbf{\\$133,333}$ Proceeds to Homeowner

Property Information

Current State Approvals	Arizona, California, Florida, Pennsylvania, more to follow
Eligible Property Types	Single Family Residence, Condominiums, and PUDs
Ineligible Property Types	<ul style="list-style-type: none"> Manufactured homes 2-4 unit Investment properties Mixed use properties except home office. Commercial properties (non-residential use is primary use) Cooperative units Other unique properties
Home Valuation	Home Value is the fair market value of the Residence, based on an Independent Appraisal(s)

HOW CHEIFS WORK: PAYOFF EXAMPLES

Initial Home Value	\$1.0m Home
Maximum Annualized Payoff Cost	12.99%
Home Appreciation	3%
Policy Premium	\$200K Policy Premium
Maximum Cornerstone Home Investment %	45%

Claim Year	Home Value	Cornerstone Home Investment (%)	Annualized Payoff Cost (%)
1	\$1,030,000	21.94%	12.99%
2	\$1,060,900	24.07%	12.99%
3	\$1,092,509	26.40%	12.99%
4	\$1,125,509	28.96%	12.99%
5	\$1,159,274	31.77%	12.99%
10	\$1,343,274	45.00%	11.70%
15	\$1,557,967	45.00%	8.72%
20	\$1,806,111	45.00%	7.26%

The Cornerstone Home Investment % never exceeds the Maximum Cornerstone Home Investment %

FAQs

Is Title Insurance required?	Yes, or other form of title verification is required
Do CHEIFS have a Prepayment Penalty?	No Prepayment Penalty
Are CHEIFS a Non-Recourse transaction?	There is no personal liability for payment of the Homeowner's obligations under this Agreement.
Who is a party to the Agreement?	All homeowners and, if applicable, their spouse or domestic partner(s) must sign the Agreement regardless of occupancy status.
Can the Homeowner make improvements post origination?	Yes, and homeowner receives credit for value of improvements/alterations.
Is there a minimum FICO to qualify?	Yes, the minimum representative score must be at least 680
Are senior liens allowed in front of a CHEIFS?	Yes, a CHEIFS can be done in second lien position behind a fully amortizing and interest only mortgages.
Will my home value or occupancy status impact my available CHEIFS proceeds?	Yes, second homes and homes with values over \$3,000,000 will be subject to lower CHEIFS proceeds.

LICENSING DISCLOSURES

General.

Cornerstone Financing LLC has its principal office at 1455 Broad Street, Suite 200, Bloomfield NJ, 07003. Our toll-free number is (888) 462-4343.

In Ohio, Cornerstone Financing LLC is doing business as “Domus Funding LLC.”

In California, Cornerstone Financing LLC has a wholly-owned subsidiary that is a California corporation with the name, “Domus Funding Corp.”

State Specifics.

Cornerstone Financing LLC (“Cornerstone”) – NMLS #2557707

Cornerstone offers its home equity investment (HEI) products in the following states under the licenses indicated, and if no license is indicated, then such states do not currently require a license for HEI products:

- ARIZONA – Premium Finance Company License #1051390
- FLORIDA – DBPR Division of Real Estate # CQ 1070295
- PENNSYLVANIA – State Real Estate Commission #RB 069985
- CALIFORNIA – DRE Real Estate Corporation License #02248492

*In states where Cornerstone has a premium finance company license, the investment amounts and related features of the HEI product will be specific to the provisions in the applicable state’s premium finance company act.

** In states where Cornerstone has a real estate broker or other real estate specific license, the investment amounts and related features of the HEI product will be specific to the provisions in the applicable state’s real estate broker rules. Cornerstone does not act as an agent or broker on behalf of any third party, and no agency relationship is established between Cornerstone and a customer related to an HEI agreement.

Cornerstone is not licensed in the state of New York and does not offer HEI products or solicit business related to properties located within New York state.