

Michael G. Nathans

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Summary of Experience

CEO and Co-founder at Sleep Secure, PBC, dba WhisperSom January 2014 – Present

Developer of patent-pending wearable tech mobile medical device to detect and terminate episodes of snoring and pauses in breathing before they become annoying to bed partners and roommates, or hazardous to health.

Owner at Good-Thrift Benefit Corporation December 2012 – Present

A Maryland B Corp that educates families about the financial and emotional burdens of obtaining long term care for a loved one, and how to put an affordable funding plan in place to protect income and assets. Assists employers understand and comply with the Patient Protection and Affordable Care Act (ACA), and how to make supplemental voluntary health benefits available to attract and retain good talent, increase worker wellness, productivity, and appreciation at no cost to employers.

Licensed in eight states for Accident, Health, Life, Annuities, Long Term Care and Disability: NY, NJ, PA, DE, MD, DC, VA, AZ.

Director at Los Taxes, Inc. January 2014 – Present

National network of independently owned tax preparation centers for the Latino Community. Los Taxes provides training, tax prep software, technical support and branded marketing to its Tax Center Owners and Regional Affiliates. The Los Taxes System offers a culturally sensitive service, meeting the needs of the Latino Community in reference to Tax Preparation and Financial Services, in a business environment where our clients feel very comfortable. Services include: Electronic Filing; Direct Deposit; Refund Anticipation Loan alternative; Deferred Filing Payment; Offers in Compromise and IRS Debt Settlement; IRS Transcript Services; Business Accounting Services including: General Accounting; Tax Planning; Corporate Tax Returns; Sales Tax Returns; Payroll; Minority Certification; Non-profit Certification; Strategic Planning; Pro System Design and Quickbooks Setup; and Workers Compensations Audit.

Owner at Penn Capital, Inc. September 1987 – Present

Through PCI, Michael has provided financial advisory services related to real estate, whole loan and loan portfolio acquisition, disposition, underwriting, asset management, payments, and alternative credit reporting.

Engagement Highlights:

- On a loan sale involving 157 HUD-Held Section 8 partially assisted mortgages with a UPB of \$884 million, provided program guideline, investment due diligence and loan valuation services in connection with this structured finance offering to a major institutional investor, a Wall Street investment bank, and special loan servicer.
- On a loan sale involving the auction of 174 non-performing HUD multifamily loans with a total UPB of \$1 billion, arranged the formation of an investment group consisting of a major institutional investor, a Wall Street investment bank, and a special loan servicer. Assisted the investment group with partnership formation, due diligence, underwriting, valuation roll-up, bidding strategy, bid preparation and bid submission services.
- As a subcontractor to Price Waterhouse, LLP: The Department of Housing and Urban Development, Sale of HUD-Held Health Care Mortgage Notes, including 34 loans secured by senior housing and nursing home properties with an aggregate portfolio UPB of approximately \$123 million. Responsibilities included analysis of the feasibility of a whole loan sale versus a structured sale and submission of a sale structure recommendation to

the Comptroller of the FHA, determining the loan-level and collateral-level data to be provided to potential bidders, oversight of the collection of this data and the overall due diligence process, portfolio financial analysis, calculation of Credit Reform Value to Government, estimating market value, managing the bidder qualification process, marketing, independent oversight of the auction process, and providing post-bid award services to HUD including place-based analysis.

- As a subcontractor to Price Waterhouse, LLP: The Department of Housing and Urban Development, Portfolio Reengineering Demonstration Program Tracking and Financial Model. Advised on data fields and analytical requirements with respect to the actual procedures called for under the Demonstration Program for determining market rents, reasonable operating expenses, supportable debt, closing costs, third party management incentive fees, and credit subsidy calculations.
- Placed \$1 million of acquisition equity with a Fortune 400 Family on behalf of the buyer for the purchase of a financially distressed 256 unit townhouse condominium development located in Washington Township, NJ. Performed market due diligence, negotiated the terms of the partnership, and wrote the business plan for completing the development. Recruited and trained the on-site sales team, obtained Fannie Mae end-loan approval for the project, set up several sources of end-loan financing, including New Jersey's first-time buyer loans, and created the grand re-opening advertising and sales promotions. The sales team sold 32 homes within the first six weeks of re-opening, and the same team stayed on to sell all of the units out significantly ahead of schedule.
- Originated the listing, negotiated, and closed the sale and placed the capital for a 320 unit luxury high-rise apartment community with 14,800 square feet of office and commercial space, located in Montgomery County, Pennsylvania. The sale price was \$18 M. Placed all of the acquisition capital for the buyer, including a first mortgage of \$13.5 M with Prudential Insurance Company of America, and the \$4 M equity requirement with six private high net worth investors including a Fortune 400 Family. Assisted both the buyer and the investors with structuring the terms of the partnership and writing the ten year business plan for the partnership. Oversubscribed the equity placement by \$550,000, yet managed to admit all subscribers to the partnership by negotiating equitable reductions of their subscription amounts.
- Placed \$3,450,000 of first mortgage debt on behalf of the owners of Green Valley Manor Apartments with AAL Life Insurance Company. Green Valley is a 98 unit apartment community located in Montgomery County, PA that Mr. Nathans sold to the owners in 1984.
- Placed \$13,500,000 of new first mortgage debt with General Electric Capital Credit (GECC) for the developers of a portfolio of four manufactured home communities. Assisted GECC with underwriting due diligence including financial and market analysis, documentation, physical inspections, Phase I environmental studies, Phase II ACM testing, on-site sewer treatment, and well water lab tests.
- Arranged the capital and brokered the transactions that grew a portfolio of affordable apartments and condominiums in the Philadelphia area to over 3,500 units on behalf of a regional property management company. Provided asset due diligence, market studies, risk assessment, and asset management services for this portfolio over a ten-year period.
- Designed a patented system and method for assisting the maximum number of apartment renters to build credit with rent payments, as homeowners do with mortgage payments, so that significantly more low- and moderate-income (LMI) credit applicants can be assessed by automated underwriting technologies. Obtained an opinion letter from the Federal Reserve Board qualifying the methodology as a "community development service" under the Community Reinvestment Act (CRA), and affirming that banks can receive favorable CRA performance consideration for using their lock box and information reporting technologies to assist LMI apartment renters build a credit history with rent payments.

Senior Fellow and Advisory Board Member at Policy & Economic Research Council January 2010 – Present

PERC is a non-profit organization dedicated to finding Information Solutions for Development Challenges worldwide. Going beyond the standard think tank model of solely carrying out research and producing reports, PERC's staff develops real-world applications and works with policy makers at all levels to bring about positive economic change. Michael provides contacts and guidance to help PERC deliver its services and develop alternative credit scores specifically designed to reduce financial exclusion.

President Credit Services Division at Trycera Financial, Inc., September 2010 – November 2011

Trycera is a non-bank financial services company. Michael designed the Trycera ScoreReady™ Credit Reference Statement, which is independently verified by a third party credit reporting agency and formatted to be instantly merged with an Equifax, Experian, and TransUnion credit report and scored by FICO and Vantage Score. He created a partnership with National Credit Reporting Association and is responsible for helping Trycera Financial customers learn how to use an FDIC--insured prepaid debit card to establish and maintain a ScoreReady™ Credit Reference Statement, verifiable budget, and a personal financial statement that can be attached to any application requiring a credit check. He is also responsible for helping creditors obtain more complete and accurate credit reports and scores for their applicants, and to comply with the Equal Credit Opportunity Act (ECOA), Regulation B. Michael obtained an ECOA legal opinion from the National Credit Union Association on Trycera's behalf.

Chief Information and Compliance Officer, eCredable LLC

September 2009 – May 2010

Developed eCredable Tradeline Report and established verifier relationships with National Credit Reporting Association Members.

Chief Development Officer, founder, and Director at PRBC Division of MicroBilt Corporation

December 2008 – September 2009

Managed transfer of PRBC assets to MicroBilt.

Chief Development Officer, Chairman and founder at PRBC

September 2006 – December 2008

Created and managed PRBC Report with FICO Expansion Score.

CEO, Chairman and founder at Pay Rent, Build Credit, Inc.

March 2002 – September 2006

Created and launched the first consumer and small business alternative credit bureau specialized for rental, utility, phone and other regularly recurring bill payments that are recognized by the FHA, Fannie Mae and Freddie Mac for determining "creditworthiness". Michael obtained start-up funding from IBM, Citibank, Fannie Mae, Freddie Mac, and the Ford

Foundation despite PRBC's for-profit status. Mr. Nathans and his team created the Bill Payment Score™ (BPS™) and the PRBC Report with FICO Expansion Score. They grew the data repository to 3 million consumers and developed a process for on-line bill payment systems and debit/credit card payment processors to report alternative credit references to a consumer's credit file.

Sr. Manager at PricewaterhouseCoopers March 1997 – March 2002

For the Asset Securitization and Housing Finance Groups, Michael had Senior Management oversight responsibility of asset quality due diligence testing and certification for collateralized bond and debt obligation transactions sponsored by the firm's investment bank clients; US Department of Housing and Urban Development Loan Sale Advisor; Advisor to the HUD Real Estate Assessment and Enforcement Centers where he led the conceptualization and development of secure web-based peer analysis and reporting applications for benchmarking the financial performance and physical condition of FHA's \$40B multifamily portfolio.

Significant assignments were:

- Senior Engagement and Project Manager: Pre-closing deal analytics for the securitization of portfolios of publicly rated corporate Collateralized Debt Obligations by the Issuer/Underwriter clients listed below. Supervised portfolio stratifications, collateral-level due diligence, collateral eligibility criteria and portfolio quality tests. Delivered an Agreed Upon Procedures Letter attesting to the portfolio quality test values represented in the Offering Memorandum and the Indenture for each transaction.
 - SunAmerica Investment Advisors, Inc.
CIBC Oppenheimer World Markets Corp.
Galaxy CLO 1999-1, Ltd.
\$1 billion
3rd quarter 1999.
 - Sankaty Advisors, Inc.
CIBC Oppenheimer World Markets Corp.
Brant Point CBO 1999-1, Ltd.
\$367 million
2nd quarter 1999.
 - Triton Partners LLC
CIBC Oppenheimer World Markets Corp.
Triton III CBO
\$750 million
2nd Quarter 1999.
 - IBEX Capital Management
IBEX Portfolio Holdings CBO/CLO
\$300 million
1st Quarter 1999.
 - Indosuez Capital
CIBC Oppenheimer World Markets Corp.
Porticoes Funding CBO, Ltd.
\$400 million
4th Quarter 1998.
- Management and assessment of HUD's Real Estate Assessment Center (REAC) new multifamily physical inspection protocol using hand-held computer-based devices and Multifamily Physical Inspection Software System. Received HUD REAC training, and trained others in the inspection protocol. Managed the field test and implementation of the System including inspector hiring, training, hardware, software and Internet communications support, scheduling, random unit sampling, quality assurance, program evaluation and user surveys, inventory control, subcontractor oversight and billing. Scheduled and managed the inspection of 1,816 properties in three months. Delivered final independent Program Assessment report and testing results.

- Subject matter expert for Federal statutory and regulatory compliance, asset management, and loss mitigation strategies for HUD's FHA-insured portfolio of 20,000 multifamily loans having an insured book value in excess of \$40 billion. Led an unsolicited and successful initiative within HUD's Real Estate Assessment Center to develop a computer-based, comparative financial, peer-analysis model dubbed MF C-FASS (multifamily comparative financial assessment subsystem). MF C-FASS was conceived to detect unauthorized diversions of project funds from under-performing and troubled FHA-insured properties by owners and management agents.
- Course designer and class room instructor for HUD's financial analysts and attorneys, with a focus on teaching them to use peer analysis and other best practices to identify and document federal regulatory violations of financing and rental subsidy agreements by owners and managers of under-performing properties in HUD's multifamily portfolio.
- Subject matter expert for HUD multifamily real estate and mortgage loan portfolio financial assessment. Recommended additions and modifications to financial and physical condition indicators that HUD Real Estate Assessment Center used to measure and benchmark the financial condition of the physical assets and borrowers comprising FHA's \$40 billion multifamily loan portfolio.
- Technical advisor to the Price Waterhouse Financial Advisory Team that designed a program to sell approximately 866 HUD-held subsidized mortgages in 47 states with a UPB of \$1.2 billion. Assisted the team to determine bidder qualifications based on S&P and Fitch rating agency standards for Special Loan Servicers, value the loans in the Pennsylvania portfolio, develop due diligence standards and the scope of work for physical needs assessments, market surveys, and environmental reports.
- Senior real estate asset management and capital markets advisor to The U.S. Department of State: Overseas Presence Advisory Panel. Assisted project team construct ten year operating proformas to project magnitude and timing of capital needs using existing studies, industry benchmarks and alternative portfolio capitalization approaches to the traditional government appropriations process. Provided recommendation for bifurcating portfolio asset management from leasing, property and construction management, as well as a structure for incentive-based compensation packages for key managers.
- Multifamily Mortgage Banker/Loan Servicer and Portfolio Evaluation for a wholly owned subsidiary of a large International Reinsurance Company. Performed acquisition due diligence and valuation of the servicing portfolio of a major FHA and Fannie Mae DUS multifamily mortgage banker and loan servicer. Developed a spread sheet model to analyze over 150 fields of loan- and collateral-level data. Provided individual asset cash flow, market and physical condition analysis; portfolio servicing cash flow analysis and a loss exposure analysis of the assets on the servicing "watch list". Estimated the potential claims to the lender that might arise under the alternative scenarios of loan modification, conversion to full FHA insurance/partial payment of claim (FHA PPC), refinance and risk sharing.

Independent Director, C-BASS Reserve Funds and Pledge Street 1, LLC 1996 – 2003

Mr. Nathans served as an independent member of the Board of Directors of several Credit-Based Asset Servicing and Securitization LLC (C-BASS) Reserve Funds. C-BASS was an industry leader in servicing and securitizing credit-sensitive residential mortgages. C-BASS serviced the loans it acquired through Litton Loan Services, a wholly owned subsidiary of C-BASS. C-BASS Reserve Funds managed the mortgage interest reserve accounts for portfolios of single-family mortgage loans acquired, securitized, and serviced by C-BASS.

President and Broker of Record, Fastnet Realty Group, Incorporated September 1987 – 1992

Michael founded Fastnet Realty Group for the purpose of acquiring and creating value in under-performing real estate assets through aggressive hands-on property and asset management techniques. Arranged the capital and managed the conversion, development, subdivision, and leasing of a 220,000 square foot building on 40 acres to a class B commercial office building. Renovations included the abatement of a substantial amount of asbestos, the removal of an abandoned 12,000 gallon underground fuel tank, and EPA monitoring compliance, tenant improvements to leased space and major renovations to all of the major systems including roofs, HVAC, windows, electrical, and plumbing. Successful in remediation of environmental contamination, marketing, leasing, and tenant fit-out of this property as a community health and fitness, education, and job services center.

Executive Vice President and co-founder at Just the Facts, Inc. September 1986 – December 1996

JFI was the first apartment rental screening company in the Middle-Atlantic states to aggregate, store, and report Landlord/Tenant public records together with Equifax, Experian, and TransUnion consumer credit reports. JFI Subscribers could search 67 individual district and city court house records in seconds to see if their applicant did not paid their rent as agreed. JFI also provided Dun & Bradstreet reports to commercial landlords, prior address, criminal, background, employment, and income verifications.

Vice President at Sterling Investments April 1983 – September 1987

Sterling was a specialty multifamily brokerage and financing business having leadership with 30 years of experience. Michael developed expertise in the evaluation of apartment income, expenses, construction quality, property management capability, and an extensive client list consisting of regional builders, national tax-shelter syndicators, condominium converters, rehab and turn-around specialists, and institutional and private high net worth investors. While at Sterling, Mr. Nathans raised the level of physical and financial assessment offering materials significantly above competitors and those previously available to apartment investors.

Honors and Awards

Ford Foundation Grantee, 2003 and 2004

U. S. Patent, 2007 - Preferred Credit Data Collection Method

Rhode Island Honor Society – 1975

Commodore Chesapeake Bristol Club - 1987

Papers and Publications

“Fair Credit Reporting Empowers Individuals and Enables Commerce, Democratizes Access to Capital”

September 14, 2008. Presented at the Fourth International Symposium on Credit and Counseling held at Magdalene College, Cambridge, England, on September 14-16, 2008.

“Shoe Box Credit, 3 Steps to Take Before Your Next Credit or Employment Application”

March 20, 2011. www.3Steps2GoodGredit.com

Education, Degrees, and Training

Bachelor of Arts, Franklin and Marshall College, 1975

Brown University, 4 credits Advanced Physics, 1972

University of Rhode Island, Advanced Engineering for High School Students, 1970

Pennsylvania Real Estate Commission:

Professional License Board Accredited Broker Courses, 1981- 1996

Institute for Professional and Executive Development:

Transforming Today's Public Housing (HOPE VI), 1998

Revitalizing the HUD Inventory (Mark-to-Market), 1999

Frank J. Fabozzi, Inc./Information Management Network: CBOs/CLOs, 1999

Enterprise Insurance Training, Accident and Health Insurance, 2013

Enterprise Insurance Training, Life Insurance, 2014

WebCE, Long-Term Care: Programs, Policies, and Partnerships, 2014

Corporation for Long-Term Care Certification, CLTC - The CLTC Comprehensive Course in LTC Planning, 2014

WebCE, Ethics for the Insurance Services Practitioner, 2015

Professional Memberships and Designations

Licensed Health, Life, Annuities and Long Term Care Insurance Agent 2013-2015, NY, NJ, PA, DE, MD, DC, VA, AZ
National Credit Reporting Association Member –2004 – 2009, Honorary Member - 2010
National Housing Conference Legislative Task Force on HUD Portfolio Reengineering, 1996
Licensed Pennsylvania Real Estate Broker, 1987-1997
Licensed Pennsylvania Real Estate Salesman, 1981-1987
National Apartment Association, Associate Member, 1981-1997
National Association of Home Builders, Associate Member, 1981-1997

Speaking Engagements

- June-04 Federal Reserve Bank of Chicago, Corporation for Enterprise Development, Local Capital Markets Investment Fund Institute, Alternative Credit and The Bill Payment Score
- June-04 Congressional Black Caucus, “Using a Bill Payment Score to make loans to Consumers with No-or-Low FICO Scores”
- September-04 FDIC, New Alliance Task Force, Consulate General of Mexico In Chicago , “Building credit with housing, utilities, insurance, and other commonly recurring bill payments is now everyone’s equal credit opportunity.”
- September-04 Fannie Mae, 2004 Credit Union Advisory Council. “Pay Rent, Build Credit is everyone’s equal credit opportunity”
- September-04 United Way of New York City, Financial Literacy Education Consortium
- September-04 Fannie Mae, Fifth Annual Fannie Mae Fair Lending Conference
- November-04 BAI Retail Delivery Conference and Expo, Expand Profits with Enhanced Credit Scores
- January-05 Federal Interagency Task Force on Fair Lending
 - Board of Governors of the Federal Reserve System
 - Department of Housing and Urban Development
 - Department of Justice
 - Federal Deposit Insurance Corporation
 - Federal Housing Finance Board
 - Federal Trade Commission
 - National Credit Union Administration
 - Office of the Comptroller of the Currency
 - Office of Federal Housing Enterprise Oversight
 - Office of Thrift Supervision
- June-05 FDIC, New Alliance Task Force, New York, “Building credit with housing, utilities, insurance, and other commonly recurring bill payments is now everyone’s equal credit opportunity.”

- August-05 FDIC, New Alliance Task Force Texas, "Building credit with housing, utilities, insurance, and other commonly recurring bill payments is now everyone's equal credit opportunity."
- November-05 BAI Retail Delivery Conference and Expo, Unlock Profits, Gain New Deposits, Manage Risk
- November-05 National Credit Reporting Association Annual Conference, "Building credit with housing, utilities, insurance, and other commonly recurring bill payments is now everyone's equal credit opportunity."
- November-05 Federal Reserve Bank, Dallas, Texas, Building Assets in a Growing Market, "Building credit with Microenterprise loans, housing, utilities, insurance, and other commonly recurring bill payments is now everyone's equal credit opportunity."
- December-05 Brookings Institution, Payment Aggregation and information Dissemination, Roundtable on using Alternative Data Sources in Credit Scoring, Challenges and Opportunities, "Building credit with housing, utilities, insurance, and other commonly recurring bill payments is now everyone's equal credit opportunity."
- August-06 National Association of Latino Elected Officials, Community Empowerment Financial Literacy Education Strategy Session
- September-06 Corporation for Enterprise Development, New Trends in Credit Reporting and Scoring: Using Alternative Data to Increase Access
- November-06 National Credit Reporting Association Annual Conference, "Making the Most of Alternative Credit Data"
- December-06 Federal Reserve Bank of Houston, Houston Community Reinvestment Act Council
- February-07 National Black Caucus of States Institute, National Symposium on Financial Literacy, "To Build Credit and Assets... Education, Achievement, and Inclusion Matter"
- March-07 Brookings Institution, Symposium on Automating Alternative Credit
- March-07 Financial Service Centers of America," In-Person Bill Pay with PRBC Payment Reporting"
- April-07 California Latino Legislative Caucus
- May-07 FDIC Alliance for Economic Inclusion, Baltimore Forum
- May-07 FDIC Alliance for Economic Inclusion, Wilmington, DE Forum
- May-07 FDIC, North Carolina Financial Access for Immigrants
- June-07 FDIC, New Alliance Task Force Virginia, "Building credit with housing, utilities, insurance, and other commonly recurring bill payments is now everyone's equal credit opportunity."

- June-07 National Black Caucus of States Institute, Economic Empowerment Forum, "To Build Credit and Assets... Education, Achievement, and Inclusion Matter"
- June-07 National Association of Latino Elected Officials, 24th Annual Conference, "To Build Credit and Assets... Education, Achievement, and Inclusion Matter"
- September-07 Center for Financial Services Innovation, "Bill Payment History: A Tool for Building Credit & Customer Relationships"
- September-07 National Association of Hispanic Real Estate Professionals, Hispanic Marketing Convention and Expo 2007, "Using Bill Payment History to Qualify "Thin" and No Credit Files for Prime Mortgage Loans"
- October-07 Third Annual Mortgage Lending Industry, Emerging Markets and Diversity Conference, Expanding Homeownership Opportunities through Credit Scoring and Automated Underwriting Technology
- October-07 University of North Carolina, Financial Education and Asset Building Conference: Pathways to Wealth, "Automating the Use and Scoring of Bill Payment Data"
- October-07 National Credit Reporting Association Annual Conference, "Automating the Use and Scoring of Bill Payment Data"
- October-07 Federal Reserve Bank of Philadelphia, Innovative Financial Tools for Serving the Underbanked, Alternative credit data: Reaching untapped markets, "Automating the use and scoring of bill payment data"
- December-07 Neighborworks America Training Institute, Building Credit by Paying Bills On Time
- December-07 Federal Reserve Board of Governors, Washington , DC, Credit Scoring Forum
- January-08 Neighborworks America, Realizing the American Dream, Financial Fitness, Alternative Credit Supplement
- April-08 Federal Reserve Bank of St. Louis, Exploring Innovation, Closing the Wealth Divide... New Ways to help the Underserved Build Credit and Assets, "The Credit Rating In Your Shoe Box."
- June-08 U.S. Department of the Treasury, Roundtable Discussion on Financial Education in the Hispanic Community, "Moving from Credit-building to Asset-based Wealth"
- June-08 Federal Reserve Bank of Cleveland, Policy Summit 2008, "From Credit Building to Asset-based Wealth"
- July-08 Consumer Data Industry Association, Emerging Trends in Finding Non-traditional Credit Data Sources and Tools

- September-08 Fourth International Symposium on Credit and Counseling, Magdalene College, Cambridge, England "Fair Credit Reporting Empowers Individuals and Enables Commerce, Democratizes Access to Capital"
- September-08 National Association of Hispanic real Estate Professionals, Hispanic Marketing Convention & Expo, "FHA Mortgagee Letter - Acceptable bill payments for credit worthiness"
- November-08 National Credit Reporting Association Annual Conference
- April-09 Center for Financial Services Innovation, Why and How to Add Bill Payments to Consumer Credit Reports and Scores
- September-10 National Resident Services and Resident Leaders' Conference 2010 , Capacity Building for Resident Services & Resident's Council, "Apartment Residents Can Build Good Credit Without Debt"
- November-10 National Credit Reporting Association Annual Conference, "Alternative Credit Reporting and ECOA Reg B"