

— EST. 2017 —

# Scottsdale Mortgage

## INVESTMENTS

Since 2017, our firm have closed over 300 deals on mortgage loans valued at over \$75 million dollars with an average discount of 40%.



# Meet the Founders



**Seth Gershberg**

**Founding Partner  
President of Investments and  
Operations**

Seth is primarily focused on several areas of the organization: Quantitative Asset Analytics, Loan Committee, Corporate operations including the oversight of Marketing, HR, Systems, Finance, Training, Investor Relations, Sourcing of Notes, Capital Raising. Seth's skills include strategic thinking and has designed Scottsdale Mortgage Investments to be focused, unique and moving in a singular direction in order to scale.



**Jay Tenenbaum**

**Partner  
President of Loss Mitigation and  
Asset Disposition**

Jay is responsible for management of Due Diligence, Loss Mitigation, Asset-REO-Project Management as well as business development including the sourcing of capital and loans. Jay skills include being creative and resourceful as well as the tactics of the execution of the company's goals and strategic vision.



# —Meet the Team


**Amy Jones, Operational Business Consultant:** Amy is entrusted with the pivotal role of driving forward and actualizing the strategic vision of the company, while ensuring alignment with organizational goals and fostering a culture of innovation and excellence.

**Matt Gillette, Jr. Partner | Senior Portfolio Director:** Matt oversees the company's nationwide loan portfolio and manages the in-house loss mitigation and due diligence efforts in collaboration with our national network of attorney's and local housing counselors.

**Bryan Rodriguez, Jr. Partner | Senior Quantitative Analyst:** Bryan is a quantitative analyst responsible for modeling all potential portfolio purchases for profitability, with a focus on creative acquisitions and exits to minimize risk and maximize profit.

**Steven Tucker, Jr. Partner | Director of REO's and Rental Properties:** Steven is the boots on the ground for the company's nationwide footprint of properties. He manages the exit strategy with regard to physical real estate owned (REO) owned by the company.





**Nicole Liebenow, Chief of Staff:** Nicole is the personal Executive Assistant for Seth Gershberg and has the responsibility to engage with staff at all levels. She is responsible for the human resources department and acts as the company's virtual office manager.

**Tyler Wennet, Director of Sales and Marketing:** Tyler is accountable for managing the development and execution of strategic growth, marketing, and new business objectives for the company. Tyler is also the producer for our Radio Show KSFO and Global Podcast “Real Estate Mastermind Live”

**Lindsay Savell, Director of Investor Relations:** Lindsay works directly with the company's retail investors and institutional partners, creating a white glove experience that many firms overlook.

**Evan Isaac, Jr. Quantitative Analyst:** Evan serves as quantitative analyst for the company, focusing on the due diligence of the company's acquisitions and dispositions. Evan holds a Masters degree in Real Estate Finance from Cornell University.

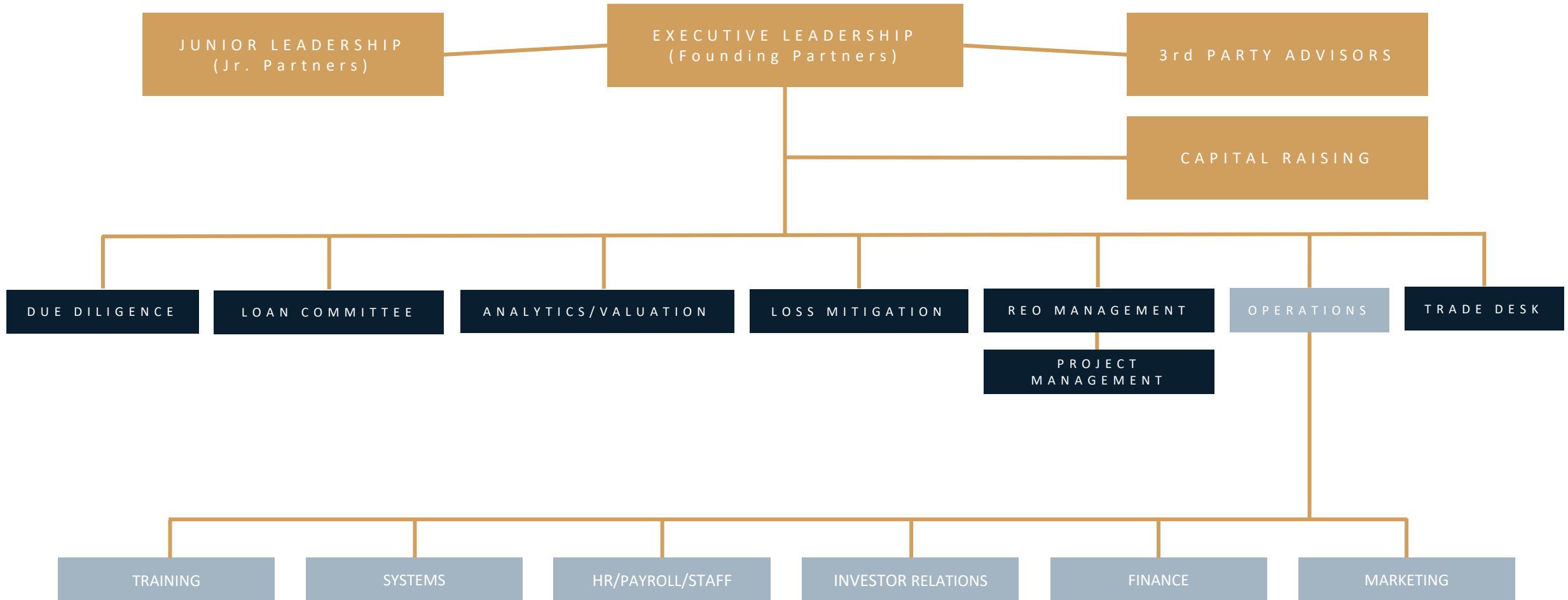
**Jordan Higa, Business Development Specialist:** Jordan is responsible for facilitating the company's business growth by cultivating strategic relationships and partnerships in the financial space.

**Kevin Close, Construction and Renovation Management:** Kevin serves as the company's general contractor and construction/project manager. He oversees all ongoing construction projects including the evaluation and selection of contractors in local markets.





# Corporate Structure







WHO IS

# Scottsdale Mortgage Investments

Scottsdale Mortgage Investments is a nationwide mortgage loan investment hedge fund headquartered in Scottsdale, Arizona.

Our Non-Performing Loan, (NPL) strategy was created to profit from opportunities in the defaulted residential 1<sup>st</sup> position mortgage market.

With the current avalanche of non-performing mortgage loans being auctioned by the federal government following the Pandemic era, it is expected that over 26,000 NPLs will be offered in the next year. This equates to the total number of NPLs sold from 2016-2020. We are well-positioned to capitalize on this opportunity in the default mortgage and distressed real estate markets throughout the country.

In other words, we provide solutions that remedy defaulted mortgage loans that both assist borrowers and allow our investors to experience above-average returns.



# What Makes Us Different?

We are unique and full service. Certain traditional business functions have been brought in-house as well as creating other unique services not typically found at other NPL hedge funds. Such services and teams are set forth below.

We've also developed our own proprietary analytical models that help us identify deal opportunities, and pricing and identify exit scenarios.



**In-House Loss  
Mitigation  
Team**



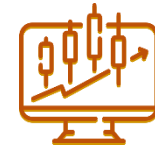
**Internal  
Due Diligence**



**Asset  
Valuation**



**Asset  
Management  
Team**



**Trade Desk for  
Institutional and  
Retail Investors.**



**Proprietary  
Financial  
Models**



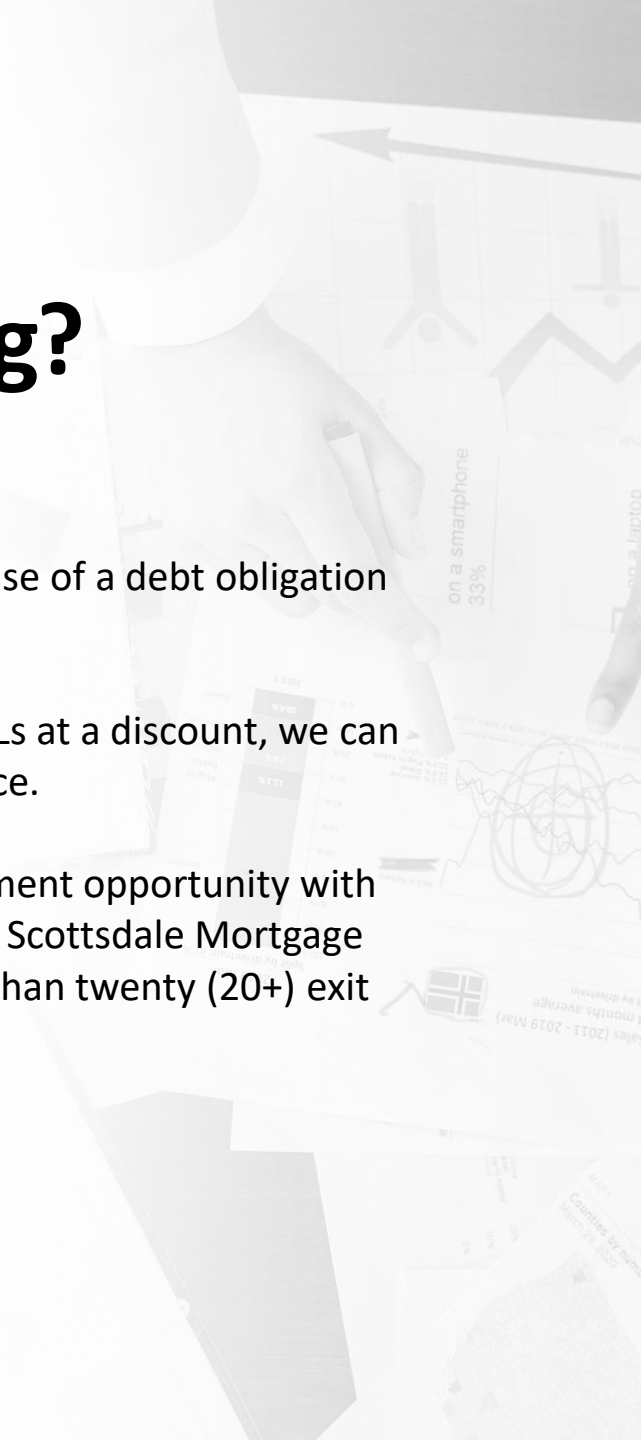


# What is NPL Mortgage Investing?

A mortgage investment involves the purchase of a debt obligation that is secured by real property.

By investing in non-performing loans or NPLs at a discount, we can safely project a below-market purchase price.

Mortgage note investing is a unique investment opportunity with the ability to utilize multiple exit strategies. Scottsdale Mortgage Investments has identified and used more than twenty (20+) exit strategies over the course of our career.





# Our Strategy

We acquire non-performing mortgages with the intention of remedying the default. Borrowers that fall on hard times should be given every opportunity to stay in their homes.

Since we purchase loans at a 40% discount, we can offer lower payments to the borrower. If the loan is modified, we may keep the loan as a performing loan on our books or sell the loan for profit on the secondary market.

If the negotiations with the borrowers do not lead to a resolution, then lost mitigation efforts would be directed toward foreclosure. At the eventual auction of the mortgage, the loan could ideally get paid off. Alternatively, we may take back the property at auction, thereafter we can engage in a variety of different property exit strategies.



# Multiple Exit Opportunities

We have utilized over 20 profitable exit strategies. 14 core strategies are listed.



## Core Exits

Wholesale, Fix and Flip, Sale w/ Delayed Financing, Sale at Auction.



## Cashflow Exits

Performing Loan and Sale, Loan Modification and Sale, Handyman Special w/ Sale, Handyman Special w/ Refinance, Single Family Rehabbed w/ Sale, Single Family Rehabbed w/ Refinance.



## Rental Exits

Lease and Sell, Lease and Sell to Tenant w/ Option, Turnkey Rental w/ Bridge, Refinance to Seller.



A background image showing a group of people in business attire sitting around a table. One person's hand is visible, pointing at a tablet displaying a financial chart with red and green bars and lines. The scene is dimly lit, with a bright light source creating a reflection on the table surface.

# Due Diligence

**Scottsdale Mortgage Investments uses a two-tiered concurrent approach to due diligence.**

Prior to purchasing loans, we review hundreds of documents, speak with legal counsel, analyze financial outcomes, valuing assets to determine whether we should purchase a loan and ultimately the price we should purchase it at.

After extensive review and analysis of multiple documents and data, we can make a confident decision whether to purchase a specific loan. Our propriety financial models provide support or adjustment of the price to be paid for such asset.





# Loss Mitigation Nationwide

Loss mitigation is the process of helping borrowers stay in their homes by renegotiating the mortgage terms that are more favorable to them yet still achieve attractive returns to our investors.

Our record of loss mitigation creates new resolutions where others cannot, which is why we're trusted among investors.



# Track Record



**300+**  
Total Transactions



**\$75M+**  
Transaction Value



**40%+**  
IRR  
\*Non-Performing Loan  
Sales



**23.2%**  
Current Yield  
\*Reperforming Loan  
Modifications.



**185**  
Total Assets



**\$38M+**  
Legal Balance



**\$22M+**  
UPB



**\$55M+**  
BPO



# Portfolio Details

CURRENT INVENTORY 2023

| Asset Class | # of Assets | Acquisition Cost | Legal Balance    | UPB              | BPO Value        |
|-------------|-------------|------------------|------------------|------------------|------------------|
| NPL         | 100         | \$ 15,092,614.58 | \$ 32,989,326.18 | \$ 17,971,966.91 | \$ 31,759,317.00 |
| REO         | 21          | \$ 4,348,264.89  |                  |                  | \$ 7,495,559.00  |
| Performing  | 36          | \$ 3,832,653.73  | \$ 5,640,384.19  | \$ 4,942,141.34  | \$ 13,285,622.00 |
| Rental      | 28          | \$ 1,470,149.00  |                  |                  | \$ 2,499,900.00  |
| TOTAL       | 185         | \$ 24,743,682.21 | \$ 38,473,107.69 | \$ 22,914,108.25 | \$ 55,040,398.00 |



# Case Studies



## Performing Loan

1522 E. Percy Ave. Springfield, IL 62702

Acquisition Price: \$74,525  
UPB: \$112,303  
Legal Balance: \$118,752  
Monthly P&I: \$1000  
Annual ROI: 15.6%



## REO / Fix & Flip

34 Skyline Dr., Brookfield, CT 06804

Acquisition Price: \$267,000  
Repairs: \$32,000  
Sold Price: \$550,000  
Estimated Profit: \$251,000  
Purchased: 6/3/2021  
Sold: 3/10/2023  
ROI: 83.95%  
IRR: 41.64%



## Note Auction Sale

220 Sterling Ave., Providence, RI 02909

Acquisition Price: \$187,000  
Repairs: None  
Sold Price: \$290,000  
Estimated Profit: \$103,000  
ROI: 55.1%  
IRR: 1,291%



## Scottsdale Trade Desk

8 Berry St., Lindenhurst, NY 11757

Acquisition Price: \$252,000  
Repairs: None  
Sold Price: \$300,000  
Estimated Profit: \$48,000  
Purchased: 11/30/2022  
Sold: 2/7/2023  
ROI: 19.05%  
IRR: 102.81%



## Total Portfolio

93 Total Sold

## Total Portfolio ARV

\$16,591,300

## Total Portfolio ROI

34.3%

## Total Portfolio IRR

47.2%

# Past Performance

## SCOTTSDALE MORTGAGE INVESTMENTS PORTFOLIO

### 46 - Total Wholesale Flips

Total ARV: \$5,980,800

Total ROI: 36.5%

Total IRR: 24.3%

### 13 - Total Auction Sale

Total ARV: \$3,661,900

Total ROI: 35.5%

Total IRR: 90.4%

### 3 - Total Seller Finance

Total ARV: \$410,000

Total ROI: 52.4%

Total IRR: 81.9%

### 6 - Total Retail Flips:

Total ARV: \$1,390,000

Total ROI: 72.6%

Total IRR: 547.6%

### 14 - Total Note Sales

Total ARV: \$2,339,000

Total ROI: 15%

Total IRR: 120.9%

### 35 - Total Performing Loans

Total Legal Balance: \$5,153,717.24

Total Acquisition Price: \$3,285,227

Total BPO Value: \$12,176,362

### 2 - Total Short Sales

Total ARV: \$1,589,000

Total ROI: 7.6%

Total IRR: 12.5%

### 9 - Total Note Payoff

Total ARV: \$1,220,600

Total ROI: 46.6%

Total IRR: 40.4%

### 20 - Total Loan Mods

Since Q42022 Avg. Yield 23.2%



# The **Unique** Opportunity

## **Access to a niche segment, with high barriers to entry, in the NPL space**

Less competition exists and a significant opportunity sits unaddressed by larger private equity players in the mortgage loan market.

## **Golden Age of NPL Industry Potential**

First, This is an industry that exists regardless of any economic conditions; however, as the large number of NPL's available increases, we are well-positioned to take advantage of greater discounts and higher margins.

## **Direct investments with an established business structure**

Our platform is managed by an established team with transparent reporting to investment partners with preferred returns.





# Contact Us

## Investor Relations Department

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[www.scottsdalemortgageinvestments.com](http://www.scottsdalemortgageinvestments.com)



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