

REVERT

Reverse Mortgage

BUSINESS PLAN

Transforming Real Estate Assets into Income for Seniors

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1. Executive Summary

Revert is an innovative PropTech startup dedicated to transforming Brazil's real estate market through the implementation of reverse mortgage solutions, enhanced by cutting-edge Artificial Intelligence technology. Our platform adapts the proven French Viager model to the Brazilian context, addressing critical structural challenges faced by an aging population with significant property assets but limited liquidity.

The Opportunity

Brazil is experiencing a rapid demographic transformation. Currently, 32.1 million Brazilians are over 60 years old (15.6% of the population), and this number is projected to reach 75.3 million by 2070, representing 37.8% of the total population. Meanwhile, 83.9% of elderly Brazilians own their homes, yet many struggle financially as 70.5% of INSS beneficiaries receive only one minimum wage. This creates a paradox of 'home rich, cash poor' seniors.

Our Solution

Revert offers a technology-powered platform that enables seniors to convert their real estate equity into monthly income while continuing to live in their homes. Our AI-driven solution provides automated document analysis and approval (reducing processing time from weeks to hours), secure and transparent contract management, compliance with emerging legislation (PL 2128/2025), and scalable infrastructure that maintains profitability across all growth scenarios.

Market Potential

Based on comparable market penetration from the United States HECM program, the Brazilian reverse mortgage market represents an estimated R\$16.7 billion opportunity. With 27 million elderly property owners and an average property value of R\$655,620, even a conservative 0.1% market penetration would generate substantial transaction volume.

Financial Highlights

- Monthly revenue per contract: R\$9,178.68
- Year 1 target: 10-20 contracts with development costs below R\$400,000
- Year 2 target: Break-even with 100+ active contracts
- 80% reduction in operational costs vs. traditional model through AI automation

2. Company Description

Mission

To democratize access to real estate liquidity for Brazilian seniors while creating innovative property acquisition pathways for younger generations, using technology to make transactions faster, safer, and more accessible.

Vision

To become Brazil's leading platform for reverse mortgages and innovative real estate financing, contributing to financial security for seniors and housing accessibility for young professionals.

Core Values

- **Innovation:** Leveraging AI and technology to transform traditional processes
- **Transparency:** Clear contracts and honest communication with all stakeholders
- **Security:** Fraud-proof systems and non-recourse protections for clients
- **Social Impact:** Reducing elderly poverty and enabling homeownership
- **Efficiency:** Streamlined processes that benefit all parties

Business Model

Revert operates as a B2B2C platform, connecting financial institutions (lenders) with end consumers (elderly homeowners) through a technology-enabled marketplace. Our revenue model is diversified across three streams:

1. **Technology Subscription Fees:** Monthly fees charged to creditors for platform access and white-label solutions
2. **Success Fees:** Performance-based fees paid after loan approval
3. **Administration Fees:** Ongoing percentage of monthly payments for contract management

Legal Structure

Revert will be incorporated as a Sociedade Limitada (LTDA) under Brazilian law, with plans to convert to a Sociedade Anônima (S.A.) upon Series A funding. The company will be registered with the Central Bank of Brazil as required by the proposed legislation (PL 2128/2025).

3. Market Analysis

3.1 Industry Overview

The Brazilian real estate market contributes approximately 5% of the country's GDP and is undergoing significant transformation due to demographic shifts and macroeconomic pressures. The sector is characterized by high interest rates, bureaucratic processes, and limited innovation in financing alternatives.

3.2 Demographic Trends

Brazil is experiencing one of the fastest demographic transitions in the world:

| Indicator | 2025 Projection | Source |
|----------------------------|----------------------|--------|
| Population Over 60 | 32.1 million (15.6%) | IBGE |
| Population Over 60 (2070) | 75.3 million (37.8%) | IBGE |
| Fertility Rate | 1.53 children/woman | IBGE |
| Life Expectancy | 76.8 years | IBGE |
| Elderly Homeownership Rate | 83.9% | IBGE |

3.3 Economic Environment

| Economic Indicator | 2025 Value | Source |
|------------------------|-------------------|-------------------------|
| Selic Rate | 15% - 15.5% | Banco Central do Brasil |
| Inflation (IPCA) | 4.99% - 6.1% | Focus Report, BCB |
| USD/BRL Exchange Rate | R\$6.00 - R\$6.20 | Bloomberg |
| Average Property Value | R\$655,620 | FipeZAP Index |

3.4 Market Gap Analysis

The Brazilian market presents significant unmet needs:

- **Elderly Financial Insecurity:** 70.5% of INSS beneficiaries receive only one minimum wage (R\$1,412), insufficient for healthcare and living costs

- **Locked Assets:** Approximately 27 million elderly own properties worth billions in aggregate but lack mechanisms to monetize these assets
- **Young Buyer Barriers:** 43% of Brazilians want to buy property, but high Selic rates (15%) make traditional financing prohibitive
- **No Innovative Alternatives:** Unlike mature markets (US, France, UK), Brazil lacks structured reverse mortgage products

3.5 International Validation

Reverse mortgage models have proven successful globally. The United States HECM program has processed over 1.3 million loans since 1990, regulated by FHA/HUD. France has had specific legislation since 2006 with robust consumer protection. The United Kingdom maintains a mature equity release market regulated by the FCA. Spain has offered the product since 2007 with tax benefits for seniors, while Mexico and Colombia have implemented similar solutions with minimum loan-to-value ratios.

3.6 Competitive Landscape

Currently, there are no established reverse mortgage providers in Brazil. Traditional banks focus on conventional mortgage products, and fintech companies have not yet entered this segment. This first-mover advantage positions Revert to establish market leadership and brand recognition before competitors emerge.

4. Product & Service Description

4.1 Core Product: Reverse Mortgage Platform

Our flagship product is an AI-powered platform that facilitates reverse mortgage transactions between elderly homeowners and financial institutions. The platform handles the entire lifecycle from initial assessment to ongoing contract management.

Key Features

1. **AI-Powered Property Assessment:** Automated valuation using market data, property characteristics, and location analysis
2. **Document Analysis Engine:** Extraction and verification of property documents, reducing processing time by 80%
3. **Eligibility Calculator:** Real-time calculation of loan amounts based on age, property value, and regulatory requirements
4. **Digital Contract Management:** Secure signing and storage with blockchain verification
5. **Lifetime Income Simulator:** Tools for seniors to understand payment options and scenarios

4.2 How It Works

The reverse mortgage process through Revert follows four simple steps:

1. **Property Assessment:** Our AI analyzes the property's value and eligibility within hours
2. **Contract Generation:** Digital contract with full transparency on terms and protections
3. **Income Distribution:** Senior receives monthly payments, lump sum, or combination
4. **Settlement:** Upon sale or inheritance, debt is settled from property value with non-recourse protection

4.3 Value Proposition by Stakeholder

For Seniors

- Additional income without leaving their home
- Lifetime guarantee of housing rights
- Non-recourse protection (debt never exceeds property value)
- Fraud-proof contracts through AI verification

For Financial Institutions

- New revenue stream in untapped market
- Asset-backed lending with real estate collateral
- Reduced operational costs through automation
- Regulatory compliance built into the platform

For Society

- Reduction in elderly poverty rates
- Decreased pressure on public healthcare system
- Economic stimulus through property market activity

4.4 Technology Differentiators

- **Proprietary AI Engine:** Document analysis with 80% accuracy, improving with machine learning
- **100% Digital Process:** End-to-end online experience reducing costs and friction
- **Real-time Valuation:** Integration with FipeZAP and market databases
- **Scalable Infrastructure:** Cloud-native architecture supporting unlimited growth

5. Marketing Strategy

5.1 Target Market Segments

Primary Segment: Senior Homeowners (B2C)

- **Demographics:** Age 62+, property owners, urban areas
- **Psychographics:** Seeking financial security, value independence, concerned about healthcare costs
- **Size:** ~27 million potential customers

Secondary Segment: Financial Institutions (B2B)

- **Profile:** Banks, credit unions, insurance companies, asset managers
- **Needs:** New product offerings, diversified portfolios, technology solutions
- **Size:** 50+ potential institutional partners

5.2 Marketing Channels

- **Digital Marketing:** SEO, content marketing, social media targeting seniors and their families
- **Partnership Networks:** Real estate agencies, notaries, elder care organizations
- **Financial Education:** Webinars, workshops on retirement planning and property options
- **B2B Direct Sales:** Dedicated team for institutional partnerships
- **PR and Media:** Thought leadership on aging economy and financial inclusion

5.3 Brand Positioning

Revert positions itself as the trusted technology partner for retirement financial planning. Our brand emphasizes security, transparency, and innovation while maintaining warmth and accessibility for senior users.

5.4 Customer Acquisition Strategy

Phase 1 (Year 1): Focus on São Paulo metropolitan area with high concentration of eligible seniors and property values. Build case studies and testimonials.

Phase 2 (Year 2): Expand to Rio de Janeiro, Belo Horizonte, and other major urban centers. Scale marketing campaigns based on proven channels.

Phase 3 (Year 3+): National rollout with regional partnerships and localized marketing.

6. Operations Plan

6.1 Technology Infrastructure

- **Cloud Platform:** AWS/Azure-based infrastructure for scalability and reliability
- **AI/ML Pipeline:** Document processing, valuation models, fraud detection
- **Security:** SOC 2 compliance, encryption, regular audits
- **Integration APIs:** Connections to property databases, financial institutions, government registries

6.2 Key Processes

1. **Customer Onboarding:** Digital registration, document upload, identity verification
2. **Property Assessment:** AI valuation, physical inspection coordination (when required)
3. **Underwriting:** Automated risk assessment with human oversight
4. **Contract Execution:** Digital signing, notarization coordination, registry filing
5. **Ongoing Management:** Payment processing, annual reviews, customer support

6.3 Quality Metrics

- Platform availability: >99.5%
- Mean time to recovery: <2 hours
- API response time: <300ms
- Document processing accuracy: >80%
- Customer satisfaction score: >4.5/5

6.4 Regulatory Compliance

Revert will operate in full compliance with Brazilian regulations, including the proposed PL 2128/2025 which establishes the National Reverse Mortgage System. Key compliance requirements include mandatory counseling for borrowers (7-day cooling-off period), Central Bank supervision, non-recourse clause guarantees, and periodic property revaluation.

7. Management Team

7.1 Founding Team

The founding team combines expertise in technology, finance, real estate, and business development:

Rodrigo Moraes Martins - Business Strategy & Operations

Matheus Fidelis dos Santos Pinto - Technology & Product Development

Kathlyn Diwan - Marketing & Customer Experience

Mateus Almeida - Financial Analysis & Modeling

Stefano Tosi Butori - Legal & Regulatory Affairs

7.2 Advisory Board (Planned)

We are building an advisory board with expertise in real estate finance, senior services, fintech regulation, and AI technology. Key advisors will include executives from major Brazilian banks, former regulators, and successful PropTech founders.

7.3 Organizational Structure

Year 1: Lean startup with 5-8 team members focused on MVP development and initial market validation.

Year 2: Expansion to 15-20 team members with dedicated teams for technology, operations, and business development.

Year 3+: Full organizational structure with C-suite executives and departmental leadership.

8. Financial Projections

8.1 Revenue Model

Based on FipeZAP December 2024 data, with average property value of R\$655,620:

| Revenue Component | Value per Contract |
|-------------------------------------------|--------------------|
| Initial Payment (Bouquet) - 20% of value | R\$131,124.00 |
| Company Commission on Bouquet (1%) | R\$1,311.24 |
| Monthly Payment to Senior (0.5% rate) | R\$2,622.48 |
| Administration Fee (1% monthly) | R\$6,556.20 |
| Total Monthly Revenue per Contract | R\$9,178.68 |

8.2 Cost Structure Comparison

Our AI-powered model offers significant cost advantages over traditional approaches:

| Cost Category | Traditional Model | Revert Model |
|-----------------------------|-------------------------------|------------------------|
| Initial Infrastructure | R\$200,000 - R\$500,000 | R\$40,000 - R\$110,000 |
| Monthly Ops (1 client) | R\$10,450 - R\$24,100 | R\$14,500 - R\$31,000 |
| Monthly Ops (100 clients) | R\$1,045,000 - R\$2,410,000 | R\$18,000 - R\$35,000 |
| Monthly Ops (1,000 clients) | R\$10,450,000 - R\$24,100,000 | R\$25,000 - R\$50,000 |

8.3 Profitability Analysis

The traditional model becomes infeasible beyond 100 clients due to linear cost increases from hiring lawyers and brokers. Our AI-powered model maintains profitability from 100 clients onward as infrastructure scales without proportional headcount increases.

| Clients | Monthly Revenue | Traditional Profit | Revert Profit |
|---------|-----------------|------------------------------|------------------------------|
| 1 | R\$9,179 | (R\$1,271) to (R\$14,921) | (R\$5,321) to (R\$21,821) |
| 100 | R\$917,868 | (R\$127k) to (R\$1.49M) | R\$883k to R\$900k |
| 1,000 | R\$9,178,680 | (R\$1.27M) to (R\$14.9M) | R\$9.13M to R\$9.15M |

8.4 Funding Requirements

Seed Round (Year 1): R\$500,000 - R\$800,000

- MVP development and launch
- Initial partnerships and pilot contracts
- Regulatory compliance setup

Series A (Year 2): R\$3,000,000 - R\$5,000,000

- National expansion
- Marketing campaigns
- Team scaling

9. Risk Analysis & Mitigation

9.1 Regulatory Risk

Risk: Delay or failure in PL 2128/2025 approval

Mitigation: Develop platform compatible with existing legal frameworks (usufruct rights, life annuity contracts). Engage with legislators and industry associations to support passage.

9.2 Market Adoption Risk

Risk: Low awareness and trust among target demographics

Mitigation: Invest in financial education campaigns. Partner with trusted institutions (banks, senior organizations). Build case studies with early adopters.

9.3 Economic Risk

Risk: Property value decline affecting loan-to-value ratios

Mitigation: Conservative LTV caps (typically 50-60% of property value). Annual property revaluation. Geographic diversification.

9.4 Technology Risk

Risk: AI model accuracy and system reliability

Mitigation: Human oversight for all critical decisions. Continuous model training and validation. Robust disaster recovery procedures.

9.5 Competition Risk

Risk: Entry of established players (banks, fintechs)

Mitigation: Build proprietary technology and data advantages. Establish brand recognition as pioneer. Consider partnerships or white-label offerings to potential competitors.

10. Implementation Roadmap

Phase 1: Foundation (Year 1)

Q1-Q2 (Months 1-6)

- Seed funding capture
- MVP platform development
- Regulatory studies and compliance framework
- Initial partnerships with banks and/or insurance companies

Q3-Q4 (Months 7-12)

- MVP launch with essential features
- Lifetime income simulator release
- Pilot contracts (10-20 transactions)
- Market validation and feedback collection

Phase 2: Expansion (Year 2)

- National launch and marketing campaigns
- Scale to 100+ active contracts
- Series A funding round
- Integration with public sector systems
- Hybrid financing models introduction
- Expansion to 1-2 cities with high senior concentration

Phase 3: Consolidation (Year 3+)

- Platform-as-a-Service offering for financial institutions
- Predictive property pricing system
- Geographic expansion to all major Brazilian cities
- 1,000+ active contracts
- International expansion exploration (Latin America)

11. Success Metrics & KPIs

11.1 Business Metrics

- Number of active users (seniors and institutions)
- Volume and value of transactions processed
- Customer acquisition cost (CAC)
- Customer lifetime value (LTV)
- Customer satisfaction rates (NPS)

11.2 Technical Performance

- Platform availability: >99.5%
- Mean time to recovery: <2 hours
- API response time: <300ms
- Code coverage: >70%

11.3 Financial Targets

| Metric | Year 1 | Year 2 |
|--------------------|-------------|--------|
| Active Contracts | 10-20 | 100+ |
| Development Costs | <R\$400,000 | N/A |
| Platform Uptime | 85% | 99.5% |
| Administration Fee | 1% | 0.75% |
| Break-even Status | No | Yes |

11.4 Social Impact Metrics

- Enable 2-3 pilot transactions for seniors in Year 1
- Document 4-10% cost reduction vs traditional methods
- Improve access to housing for young professionals
- Measure improvement in quality of life for participating seniors

12. Appendix

12.1 References

- IBGE - Instituto Brasileiro de Geografia e Estatística (Brazilian Demographics)
- Banco Central do Brasil - Central Bank Economic Indicators
- FipeZAP Index - Real Estate Market Data
- IPEA - Instituto de Pesquisa Econômica Aplicada
- CNN Brasil - Demographic Projections
- Senado Federal - Legislative Information
- Câmara dos Deputados - PL 2128/2025
- Connexion France - Viager System Information
- FHA/HUD - US HECM Program Data
- Bloomberg - Exchange Rate Projections

12.2 Key Persons

Carlos Silva (Senior Homeowner)

- Age: 72 years old
- Occupation: Retired history teacher
- Property: Owns home outright, needs additional income
- Concerns: Maintaining living rights, financial security, healthcare costs

Estela Morro (Young Professional)

- Age: 29 years old
- Occupation: Marketing analyst
- Goal: Property investment with limited initial capital
- Open to: Alternative financing methods

CrediSenior S.A. (Institutional Partner)

- Type: Financial institution
- Focus: Innovative financial products
- Priority: Regulatory compliance and risk management
- Need: Technology platform for reverse mortgage operations

12.3 Document Review Schedule

This Business Plan is a living document and should be reviewed and updated every 12-24 months or when significant changes occur in market conditions, regulatory environment, competitive landscape, or company strategy. The next scheduled review is December 2026.

— End of Business Plan —