<u>VeriScreen Comprehensive Eviction Study Summary</u>

In a continuous effort to better serve our clients and prospects, as well as stay ahead of the competition, VeriScreen conducted a comprehensive study of over 4,000 subjects who had recently applied to numerous HUD housing properties. The specific focus of this research project was to analyze and determine data patterns and resulting cost indicators relating to eviction behavior. The study produced a number of results, with the most significant four outlined below.

The first surprising conclusion we found was that nearly 70% of documented evictions were not reported on the applicant's credit report. The second and arguably most compelling outcome of the study was that subjects who were evicted one time, had a 98.6% chance of being evicted again. In fact, there were many subjects who had been evicted more than twice. The third interesting finding revolved around timing. In almost 70% of the documented eviction cases, the second eviction took place less than 12 months after the first. The fourth discovery confirmed the hypothesis discussed during the eviction analysis questioning whether there was a strong correlation between felony history and eviction activity. The metrics showed that 70% of convicted felons did have at least one documented eviction.

The above four findings are both relevant and significant from a business financial model. Consider the fact that the national direct cost average per eviction is $4,000. VeriScreen has demonstrated large cost-savings and ROI for property management companies by uncovering eviction data that had been previously missed. In fact, VeriScreen's latest side-by-side background screening studies vs. other screening vendors has demonstrated an average eviction error-rate of 15%. To put that into perspective, a property company managing 10,000 units with a turnover rate of 40% would create a bottom-line cost-savings of over

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$2.3M per year, using the trade-marked VeriScreen process and eviction analytics database.