CORPORATE PARTICIPANTS

Blair Hobson, *Chair, Board of Directors*

Jason Smith, *President, Chief Executive Officer*

OTHER PARTICIPANTS

Morgan Pampe, *Caldwell Investment Management*

Bill Cox, *Bank of Montreal*

PRESENTATION

Blaine Hobson:

Good morning everybody. Welcome to the Real Matters Annual General Meeting of Shareholders. My name is Blaine Hobson, I'm the Chair of the Board of Directors of Real Matters and I will act as Chairman for this meeting. This meeting is now called to order.

I'd like to extend a warm welcome to our shareholders present with us this morning, particularly given the circumstances of getting here as well as those joining by Webcast.

Present with us today from the Company's Board of Directors are: Garry Foster, Bill Holland and Jason Smith, who is also the Company's President and Chief Executive Officer.

From the Management Team we are joined by Executive Vice President and Chief Financial Officer, William Herman, and Executive Vice President, Andrew Bough, Loren Cooke, Kim Montgomery, Ryan Smith and Kevin Walton.

Also joining us today are Jay Greenspoon, our General Counsel and Secretary for Real Matters. Jay will act as Secretary of the meeting and Rosa Vieira, representative of the TSX Trust Company, the Company's register and transfer agent will act as Scrutineer.

The agenda for this meeting can be found on the screen behind me which is also visible to those on the Webcast. After the formal portion of the meeting, Jason will update you on the Company's progress and long-term objectives followed by a Q&A session.

As shareholders, you have questions or comments, we ask that you hold them until the appropriate time in the meeting.

With that I'd like to move forward with the official part of the proceedings. I would first like to recognize that for convenience to movers and seconders for the motions presented by the Company are employees of the Company who are also shareholders.

In terms of voting procedure, each shareholder of the Company is entitled to one vote for each common share held. Voting on the election of Directors will take place by way of ballot. Other matters will be voted on by way of show of hands unless expressly requested, they be voted on by way of ballot.

The Scrutineer of this meeting will report to me on the shareholders present in person and the number of shares represented by proxy meeting and we will compute the votes cast by ballot on any ballots conducted at this meeting.

I have received the preliminary Scrutineers report from the registration of shareholders this morning, and we have to Holders represented in person or by proxy, 75,679 shares, 82 management proxies received representing 56,548,159 shares. Total represented at this meeting is 56,623,838 shares percentage of 87,456,978 outstanding shares is 64.74% represented.

With that, I can declare that the requisite Quorum of shareholders is present and the meeting is properly constituted for the transaction of business. I directed the Scrutineers report be annexed to the minutes of this meeting.

With respect to the mailing of materials to shareholders. I have a statutory declaration attesting to the do service of the notice of the meeting. The Company management information circular in Form of Proxy and I direct that this Statutory Declaration be annexed to the minutes of this meeting.

The agenda promotions to be submitted to shareholders at this meeting is contained in the notice of meeting that you received prior to this meeting. The notice calling this meeting the accompanying management information circular and the form of Proxy were all mailed to shareholders entitled to receive notice in accordance with applicable law. Additional copies of these materials are also available at this meeting and on the Company's website. Accordingly. I will ask for a motion to dispense with the reading of the notice of meeting.

Female Speaker:

I am a shareholder, and I move that the meeting dispense with the reading of the notice of the meeting.

Blaine Hobson:

May have the motion seconded, please.

Female Speaker:

Mr. Chairman. I am a shareholder and I second the motion.

Blaine Hobson:

I now put the motion to the meeting. All those in favor of the motion. Please signify by raising your hands.
Contrary of any? I declare the motion to dispense with the reading of the notice of the meeting is carried.

The next item of business concerns the audited consolidated financial statements of Real Matters for the financial year ended September 30th, 2018. On behalf of the Directors, I now place before the meeting the consolidated financial statements and report of the Auditors there on for the financial year ended September 30th, 2018. We will now proceed with the election of Directors.

Now, the Board of Directors has fixed a number of Directors to be elected the meeting at seven. I would now ask for the nomination of the persons named in the management information circular for the election of Directors for the coming year. Each of whom has agreed to serve if elected. Unless authority to vote is withheld the person named in the Form of Proxy accompanying the management information circular intends to vote for the election of each of the seven nominees named in the management information circular. Please present a motion for this resolution.

Female Speaker:

Mr. Chairman. I'm a shareholder and I nominate Garry M. Foster, Blaine Hobson, William T. Holland, Frank V. McMahon, Lisa Melchior, Jason Smith and Peter Vukanovich.

Blaine Hobson:

As Real Matters adopted bylaw Number 1A effective May 11th, 2017, any shareholder wishing to nominate additional persons for election to the Board of Directors meeting was required to provide notice of such nomination of the Company no later than January 1st, 2019. As no further nominations were presented to Real Matters by that date, in accordance with bylaw Number 1A, I declare nominations closed. I would ask for a motion for the election of Directors.

Female Speaker:

Mr. Chairman. I am a shareholder and I move that the person's nominated for election as Directors be elected as Directors of the Company until the end of the next annual general meeting of shareholders or until their successors are elected or appointed.

Blaine Hobson:

May I have a resolution seconded, please.

Male Speaker:

Mr. Chairman. I am a shareholder and I second the motion.

Blaine Hobson:

I direct that we proceed to take the vote by ballot. Upon registration as Scrutineer identified those shareholders who are eligible to vote on this ballot and has distributed ballots as necessary. If you have previously submitted a proxy in favor of management, your shares will be voted in accordance with the instructions you provided and you do not need to complete a ballot. If you have not received a ballot and believe you are entitled to one, please raise your hand in the Scrutineer will provide you with a ballot form now.

Does anyone require a ballot form? If everyone entitled to vote now has a ballot form, please mark the ballot form in accordance with the instructions and hand it to the Scrutineer. While the Scrutineer tabulates the results of the vote. I propose that we take a very short recess. That was short.

The Scrutineer’s report shows that each of the nominees set out in the management information circular has been duly elected as a Director of Real Matters. On behalf of the Company, I would like to thank the Directors for agreeing to stand for election and for their past efforts and contribution to Real Matters.

We will now proceed with the appointment of the auditors. Deloitte LLP has served as the auditors of Real Matters since 2011. The Secretary has advised me that with respect to the appointment of auditors, the total number of votes attached to shares represented by proxy and required to be voted against the appointment of Deloitte LLP as auditors totals less than 1% of all votes cast at this meeting. Accordingly, in order to expedite this voting on this matter, I propose to conduct the vote on this matter by a show of hands unless a ballot is requested.

I now request a motion for this resolution.

Male Speaker:

Mr. Chairman, I am a shareholder and I move that Deloitte LLP be hereby appointed as auditors of the company until the end of the next Annual General Meeting of shareholders and that the Directors of the company be authorized to fix the remuneration of the auditors.

Blaine Hobson:

May I have that seconded place?

Female Speaker:

Mr. Chairman, I am a shareholder and I second the resolution.

Blaine Hobson:

I'll now put the resolution to the meeting. All those in favor of the resolution please signify by raising your hand.

Contrary?

I declare the motion carried.

If there's no further business to be brought before the meeting, I would ask for a motion to terminate the meeting.

Female Speaker:

Mr. Chairman, I move that this meeting be terminated.

Blaine Hobson:

Can I have that second it please.

Female Speaker:

Mr. Chairman. I second the motion.

Blaine Hobson:

All in favor signify by raising your hands.

Contrary if any?

Thank you, and I now declare the meeting officially closed, and I'll turn this over to Jason for an update on the business. Thank you.

Jason Smith:

Thank you Blaine, and good morning everyone. For those of you joining us via webcast, and as a reminder, the accompanying slide presentation for today's event can be found in the Investor Relations section of our website. Please note that my presentation may contain certain forward-looking statements about the Company's business and the industry in which we operate as well as references to non-GAAP measures. Details regarding forward-looking information and non-GAAP measures are on the screen behind me and can also be found in our MD&A.

As Blaine remarked earlier, joining us from our Senior Executive Team today are Bill Herman. Bill is Executive Vice President and Chief Financial Officer. He has been with us for over two years and has more than 20 years of public company experience.

Loren Cooke. Loren is Executive Vice President and President of Solidifi, which is our lender-facing mortgage industry brand. Loren has been with Real Matters for the last 11 years and has more than 20 years of experience in mortgage technology. Loren leads our lender relations efforts.

Kim Montgomery. Kim is the Executive Vice President in charge of our Title Operations. She joined us in 2008 and was instrumental in the build-out of our U.S. Appraisal business. With Andrew Bough coming on board to lead our U.S. Appraisal operations, we were able to unlock Kim so that she could leverage her experience and background on the appraisal side of the business to help us scale in Title.

Ryan Smith. Ryan is our Executive Vice President and Chief Technology Officer. Ryan has spent the last 20 years working on mortgage technology. He's been with us since the early days in 2006.

And finally, Kevin Walton. Kevin is our Executive Vice President of Corporate Development. He joined Real Matters a little over 10 years ago with a background in strategic planning in the Global Property Information Services industry.

When we went public, I wrote a letter to shareholders that I stand by today. The guiding principles that I laid out in that letter are the foundation by which we've established an industry leading position and that continue to guide how we manage the business, measure our success and ultimately create long-term value for our shareholders. We know that our business will be subject to secular trends and seasonality, but we don't get distracted by things we can't control. Instead we focus on the things we can control in order to consistently outperform our competitors, grow market share with our clients and attract and retain strategic alliance. We believe that the true value of our business will be realized by building a business that can weather the peaks and valleys and grow over the long term.

Looking at what will drive growth for Real Matters, first and foremost, it’s all about market share. Our strategy hasn't changed and we remain committed to achieving the market share objectives that we laid out when we went public. Market share remains the most important growth driver of our business. It's how we measure our success internally, it’s how our clients reward us for a job well done, and ultimately, what will drive our financial performance outside of how the U.S. mortgage market performs, which is not something we can control.

The second driver of our growth is network optimization. How we’re able to get better at what we do through technology enhancements and performance management within our network. In this regard, we have been making excellent progress with enhanced inspection scheduling and logistics management to cite a few examples. As a result of this focus on continuous innovation, we assume steady improvements in our appraisal net revenue margins over the course of the last year.

Our third growth driver is operating model leverage, representing how we get more efficient as we take on more volume. In an industry that is cyclical like the U.S. mortgage market, we believe the purest measure of our success is market share. Just like we reward our independent field professionals with more volume, the champion challenger model is how we are measured by our clients. It's what we focus on and what we rally around as an organization. The principal objective for our U.S. Appraisal segment is to increase market share to 15% to 20% by Fiscal 2021. We ended Fiscal 2018 at 9% up from 7.7% in Fiscal 2017, and we believe we are on track to achieve this Fiscal 2021 objective.

In Title, we ended Fiscal 2018 with 0.6% market share which was down slightly from 0.7% in Fiscal 2017. Given that our business principally services the mortgage refinance segment of the market today, the sharp decline in rate refi transaction volumes over the last year made it a very challenging year to grow. As we set our sights on Fiscal 2021, we continue to target market share of 1% to 3%. We believe that this is well within reach as we are beginning to gain traction by selling Title and Closing services to our Tier 2 clients, the first of which went live just recently

So what does the path to 15% to 20% market share look like in U.S. Appraisal? We currently serve approximately 60 of the top 100 lenders, including all six of the Tier 1, lenders and we anticipate growing the number of top 100 lenders we serve over time. Our approach is the same approach we've always outlined: deliver service better than our competition, eliminate pain points, and do it consistently. This is what has, and we believe will, continue to win us market share. We also continue to focus on the top 100 lenders in America since we estimate they contribute approximately 80% of the overall appraisal spend. How we reach our market share our goal of 15% to 20% will be a function of how we continue to grow share with these lenders.

We gain share in the channels we currently service because our business model and our technology platform allow us to win in the champion challenger model that all the Tier 1s and the majority of the others use to allocate market share. We also gain share with our clients because our performance in the champion challenger model underpins our ability to move into other appraisal channels like home equity and default.

While we focus on the top 100 lenders, we are primarily focused on the Tier 1 lenders because we believe they represent the largest opportunity for growth and control 20% to 25% of the market. Winning points of market share from one of these lenders is more meaningful than a new relationship with a smaller lender. As it stands today, we believe that we are the largest valuation services provider. We touch 1 in 11 appraisals in the U.S. and we believe that we are the only one that does business with all of the largest mortgage lenders in the U.S. We don't know of any other appraisal services company that can make the same play today.

To put this in context, in roughly three and a half years, we have gone from working with none of the Tier 1 lenders in America to working with all of them. This is a huge accomplishment and a testament to our business model.

Our goal is to eventually have at least 30% market share with each Tier 1 lender across each channel they serve, be it purchase, refinance, home equity, or default. It remains our view that Tier 1 lenders will grow their market share over the coming three to five years from current levels. According to a recent survey, over the next 10 years, Millennials are expected to purchase at least 10 million new homes. By 2060 it is estimated that this generation will have produced more than 20 million first time home buyers. We believe that the Tier 1 lenders are well positioned to capitalize on this trend and that they will grow because they have the largest customer basis, the most embedded customer relationships, the largest national footprint, and the strongest balance sheets to withstand severe economic changes.

In fact, if you were to look at which mortgage lenders are left standing after the housing crisis of 2008, the Tier 1 lenders remain at the top of that list. Beyond Tier 1, the bulk of the remaining opportunity is with the top 100 lenders. As indicated earlier, we believe that the top 100 lenders in the U.S. contribute roughly 80% of the dollar spend today.

So how does this translate to our views of the future for our U.S. Appraisal segment? In Fiscal 2018, we posted annual revenues of $186 million, net revenue margins of nearly 21%, and an Adjusted EBITDA margin of over 30%. We believe that our business is built for scale, and with scale, we believe we can generate an additional $60 million of net revenue on the next $186 million of revenues and incrementally add nearly $50 million to Adjusted EBITDA by achieving a target net revenue margin of 27% and an Adjusted EBITDA margin of 60%.

The key to this result is volume, which can be achieved in several ways. First, mortgage market transactions could double, consistent with activity last seen in the early and mid 2000s. Our share of the market volumes we service today could also double, and third, some combination of the two.

As you know, we earn our revenues from transaction volumes, and we continue to pursue channel expansion across the clients we serve today and those we expect to serve in the future. What we don't know is what the market is going to do. Taking a closer look at operating costs in our U.S. Appraisal segment, today we estimate the mix to be roughly 40% fixed and 60% variable. Reflecting on our example where revenues double on higher volumes, we estimate the relationship between fixed and variable costs will be 30% fixed and 70% variable at that time. The takeaway here is that leverage placed through both components of Op Ex in the form of lower cost of servicing higher volumes, i.e. lower cost to serve, together with no meaningful increases in fixed costs.

Turning to our U.S. Title segment. The strategy is simple. It's what we discussed in U.S. Appraisal. Focus on the centralized market, build on our existing top 100 relationships, demonstrate our performance, and grow our share. One advantage we have in Title is that we benefit from having existing relationships in U.S. Appraisal and a strong reputation for performance. We are now live with our first centralized Tier 2 lender. The first Tier 2 conversions from our growing pipeline, and experience tells us having a Tier 2 lender that we can reference is valuable.

This next slide highlights our metrics and how we intend to win the title business. While the Title and Closing business is different and in some ways more complex than appraisal, we are leveraging the same principles to drive market share. This includes: performance, which looks at clear to close performance and how we do against service level agreements; quality, which includes error rates and escalations; consistency, that is maintaining the same level of quality and performance on every transaction; consumer experience, which has to be professional, reflecting everything from scheduling of appointments to having knowledgeable Closing agents; and finally, outlier management, how well we handle the tougher files. This is a very important consideration for large lenders and a big part of why we win.

Our goal is to reduce the time it takes to close a mortgage by ensuring there are fewer errors along the way that can create delays for the lender and homeowner, and ultimately provide a better customer experience. Applying our network management capabilities, our technology platform combined with our region manager model drives accountability, quality, and speed. Together, these work to reduce costs for lenders; hard costs like the costs associated with checking quality, and soft costs like delays which can jeopardize the lenders relationship with its customer. With Title, given that it's early innings, we are still evolving. That said, we have a very strong foundation from which to build.

Having set the stage on where we are today in our U.S. Title segment, let’s take a minute to review how we think the segment will perform if volumes and revenues double. We believe that our U.S. Title segment can deliver net revenue margins of 65% as a percentage of revenue. The result of product mix, market stability, and leveraging our network of field professionals. We further believe that at these volume levels, we can achieve Adjusted EBITDA margins of 30%. Given that it's still early days for our U.S. Title operations, we know there will be investments required to service the larger Tier 1 and Tier 2 lenders not unlike the investment we made in our U.S. Appraisal business early in 2017, when we launched two Tier 1 clients within a week of one another. So operating leverage in this example is simply covering fixed costs.

Our objectives are clear and our strategy is straight forward. Market share is everything. We've landed the clients on appraisal, and we simply need to keep performing to grow our share. On Title, we recently launched a few top 100 lenders, including our first Tier 2 lender, but we still have work to do to convert our growing pipeline. We already have deeply embedded client relationships with the majority of the top 100 lenders, including the largest, and we have an established track record as a top performing vendor. We don't spend our time with lenders discussing remediations, a performance affords us the privilege of having growth conversations with our clients. Make no mistake, we are on a mission to be the platform for the U.S. lender marketplace. Market share will drive volume and volume will drive our financial performance. Real Matters has a significant core competency in network management, which we are leveraging with the top 100 lenders in the U.S. to grow market share in a large addressable market.

The U.S. Mortgage market is one of the largest asset classes in the world. It's also one of the most inefficient and complex businesses you’ll ever come across. In other words, it’s a massive market filled with opportunities to be innovative. Our singular focus on innovating around our core competency network management has resulted in a platform that rivals best-in-class network platforms anywhere. We believe our platform provides significant operating leverage to drive improved profitability with scale. We will not be distracted by short-term market movements and will continue to do the right thing for the long run. Our success would not be possible without the trust of our clients, the loyalty and the professionalism of our field professionals, the commitment and dedication of our employees, and the support and encouragement of our shareholders, and for that we are grateful

We'll now open the floor to questions, and if you have a question, please raise your hand so we can provide you with a microphone for the benefit of those joining us via webcast.

Male Speaker:

Yes, I like your outlook. It's very optimistic. But, the way I read right now in the United States, their house sales are already dropping. Harley-Davidson dropped and now Trump is still threatening 20% tariffs on it. If they go under 20% tariff, this means the American has to pay those tariffs, not the Chinese. I know where people get that idea.

If this happens, I can see a major, not me, but experts on TV say there could be a major recession coming into the United States. How will this affect your housing then?

Jason Smith:

Got it. Thank you for your question. So there's two elements of the mortgage market that we drive revenues from. One is new home purchases, and the other is refinancing. So either tapping equity out of the home to pay for renovations or for college or for lowering into a lower rate. So, we have to look at both segments of the business. Today, the new home purchase market is by far the largest segment. The refinance activity is bottom bouncing your 14-year lows. So, interestingly enough, what drives our activity on the refi side is interest rates not what the Fed. Chairman says, but what 10-year Treasury yields do, which are a reflection of the long-term outlook for the economy. So 10-year Treasury yields are actually quite low right now and we're in January seeing an uptick in volumes that no economists predicted back in early October.

So on the home purchase side, there's a housing inventory problem. There's different parts of the United States that Millennials want to live in, and there isn't the right inventory. So there's many moving parts which drive overall market activity. So how we've responded is to focus on good quality banks that can last over the long run, focus on gaining share within those banks, and take a very long view of market activity. So to be less focused on, you know, where mortgage activities are calling what mortgage activities are going to be in 2019 or 2020 and 2021, but to engineer the business to be quite scalable where costs can move up and down, where we externalize our costs to the independent field agents, and where we can drive profitability and increased cash flow even in challenging times

Male Speaker:

You mentioned that within the two segments you have the same customers. Can you give us a little color as to, you know, how specific that is? Specifically, are you dealing with the same people within these organizations or are you leveraging off your reputation from department to department?

Jason Smith:

Got it. So within most regulated institutions, there's both the appraisal and the centralized title decision is managed by strategic sourcing or vendor management and their RFI and RFP processes. Operations is involved as well as sales is involved, and so there is often a separate vendor management person on the appraisal side than on the title side, but It ultimately links up into the one strategic sourcing department within the bank.

On the operation side, it's actually the same business unit, so the President of mortgage operations will weigh in on the Title decision just like they weigh in on the appraisal decision and they're ultimately the owner of how the customer experience is. So how fast appraisals get done or how fast Title gets done. They're the ones driving—we really want this. So same unit, but there are additional individuals that we've had to engage with and sort of cross over the lot, the aisle, a couple of levels down.

Female Speaker:

As a reminder if you could please state your name and tell us if you're a shareholder. Thank you.

Morgan Pampe:

I'm Morgan Pampe from Caldwell Investment Management. You have a large pipeline with regards to Title and Closing and appraisal, and last quarter you generated $7 million, I think, cash flow from operations, roughly purchase three million shares, and you will have about $70 million on your balance sheet. Do you guys have enough staff in place now to handle the pipeline coming down? Do you foresee growing operations? Are going to need to use that money in order to expand, possibly acquire?

Jason Smith:

We maintain a strong balance sheet because it's really important to these large regulated clients and it's a huge advantage for us when we're dealing with strategic sourcing groups, but in terms of meeting the cash to spend, we see our fixed costs actually coming down a little bit as the IPO, some of the IPO movements we had to make or wield—layered out. So we think we're very comfortable with our fixed cost base and can handle that additional volume without significant increases. It'll just move up and down on a variable basis in sort of that margin profile that we laid out going to 2021.

Bill Cox:

Hey, I'm Bill Cox here from Bank of Montreal. There's been talk lately about mortgage originations moving more towards non-banks from bigger banks. I'm wondering if that's impacted you guys at all or if it changes your strategy going forward.

Jason Smith:

Yes, it has impacted us. You know, the regulated deposit-taking banks used to have a much larger percentage of the market pre- the housing crisis, and as they cleaned up their mortgage portfolios and dealt with the servicing issues, they came off the gas. So we've actually seen, in our opinion, that effect take place already in our results the last few years. And in fact, you know, it's more than non-banks and their poor balance sheets lack of longevity that has many speculating that the large institutions will regain their share.

When we look at our 15% to 20% market share target though, we are not anticipating a recovery. We think that'll happen, but we don't require the regulated banks to recover. In fact, in some of the results we're seeing the some of the regulated banks regain share as interestingly enough as interest rates also go up, their net interest margins go up and they get more interested in the business. Lots of moving parts there.

Female Speaker:

Any other questions? Okay.

Jason Smith:

Well, thank you and that concludes our meeting. Thank you for joining us and enjoy the rest of your day.