NHDdata

$200K to lock the API-first wedge in California NHD.

Building this together — your check + Premier as the design-partner customer.
Without you we move slow. With you we lock 3 anchor customers in 6 months.

FOUNDER
Scott Molluso
scott@nhddata.com
NHDdata, LLC · Los Angeles

FOR
Bob Johnson
Premier NHD

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nhddata.com · scott@nhddata.com

02

The Opportunity in One Line

Legacy NHD = $124 incumbents on 1995 tech. California has a 30-year-old industry shipping a statutorily-required disclosure on SFTP, PDFs, and Net-30 invoices. The five providers all wrap one tax-data vendor; that vendor hasn't moved on price in eight years. **API-first wedge wins B2B markets.**

THE LEGACY STACK

- 5 providers (FANHD, Property I.D., MyNHD, Disclosure Source, Premier)
- All sourcing tax + Mello-Roos from **one vendor**: California Tax Data, Inc.
- All shipping PDFs over SFTP, on Net-30

THE WEDGE

- **$10 unified API** · statutory hazards + structured tax in one call
- Prepaid Stripe credits · **no AR float, no Net-30**
- 60-70% undercut vs CTD wholesale · drop-in CTD-JSON compatible

WHY NOW — THE INVESTOR LENS

First time in 20 years the providers have a credible alternative to the same tax-data monopoly. AI-assisted ingest made the 58-county build a 1-person job. **The window is open.**

03

Market Size

Three markets, in order. We pick the smallest first and win it; the same engine then opens nationwide flood (~10×) and an optional consumer brand. Each phase reuses the same PostGIS engine, the same API surface, the same data discipline.

PHASE	WHAT IT IS	TAM	WHEN
Phase 1	CA NHD wholesale API (250K transactions × $80 wholesale avg)	**~$20M**	Today — live
Phase 2	Nationwide flood data feed to PropTech, MGAs, regional banks	**~$200M+**	Next 12 months
Phase 3	CA consumer retail at $23 vs $124 incumbent (channel-gated)	**~$50M+**	Long-term · optional

WHAT 25% WHOLESALE SHARE LOOKS LIKE

25% of CA NHD wholesale share = **$5M ARR** on Phase 1 alone. Three named warm anchor customers (slide 10) get us **half-way there without winning anyone new.**

04

The Problem We Solve

$124 PDF on SFTP vs **$10 JSON on REST.** Every CA real-estate transaction is required by §1103 to disclose six hazards. Today the incumbents wrap one data feed, ship a PDF, charge $124, and invoice Net-30. There is no software-native option.

LEGACY PROVIDER (DS, MyNHD, FANHD)

- **Price** · $124 retail · $25–$35 wholesale per report
- **Format** · Static PDF report, faxed or emailed
- **Delivery** · Manual order form · SFTP drop · CSV exports
- **Billing** · Net-30 invoicing, monthly true-up, AR float
- **Coverage** · Trust us — no published matrix
- **Integration** · Brittle parsing of fixed-width PDFs

NHDDATA

- **Price** · $10 unified · $5 each half — 60-70% undercut
- **Format** · Structured JSON · per-line direct charges, classified
- **Delivery** · Real-time REST API · instant response
- **Billing** · Prepaid Stripe credits — no AR float, no Net-30
- **Coverage** · /admin/coverage matrix · green/yellow/red per county
- **Integration** · Drop-in CTD-JSON shape — one-line URL swap

05

Our Wedge

Four things converge into a defensible 12-month land-grab: **aggressive price** (60-70% undercut), **prepaid billing** (no AR float), **§1103.4 substituted-disclosure compliance** (the legal moat), and **statewide hazard coverage already live.**

60-70% PRICE UNDERCUT

- $10 unified bundle against $25-35 incumbent wholesale
- At 1K reports/month, customer saves **$20K/mo ($240K/yr)**
- Legacy vendor can't match without breaking their P&L

PREPAID — NO AR FLOAT

- Stripe Checkout prepaid credit packs · cash up front
- Each call atomically debits the balance
- No Net-30 collections risk, no invoice to chase

§1103.4 LEGAL MOAT

- Customer (Premier, MyNHD, Disclosure Source) remains the substituted-disclosure provider
- NHDdata is the upstream data vendor · **not in the disclosure chain**
- Liability shift codified by California Civil Code

COVERAGE ALREADY LIVE

- **51 counties** on per-APN direct-charge scrape — entire SF Bay Area + Sacramento + LA basin live (88% of CA)
- 58/58 ATTOM baseline + 8 statewide hazard layers
- Live at nhddata.com today — no vapor

06

What We've Built — Live Today

Not a deck-only story. **The API is live, the coverage is published, the math is verified.**

METRIC	WHAT IT IS	STATE
58 / 58	CA counties — ATTOM tax-roll baseline (every parcel)	**Live**
51	Counties with live per-APN direct-charge scraping (88% of CA pop)	**Live**
8	Statewide hazard layers (FEMA · CAL FIRE · CGS · DWR · CalGEM)	**Live**
398	Airport Influence Areas across 18 CA counties (ALUC)	**Live**
5,500+	Agency fund codes for direct-charge classification	**Live**
40K+	Hazard polygons indexed — sub-10ms PostGIS GIST	**Live**
7 / 7	Sample confidence audit (CFD · 1915 · PACE · AP detection)	**Verified**
< 200ms	p50 latency on cached bundle response	**Live**

Live coverage matrix at **nhddata.com/admin/coverage** — green/yellow/red per county per layer. Field-level diff vs real provider PDFs at **docs/coverage-confidence-2026-05-21.md**. No hand-waving.

07

Substituted-Disclosure Moat (Legal Structure)

§1103.4 lets a third-party expert complete the NHD form "in the place and stead of" the seller. **The provider** (Premier, MyNHD, Disclosure Source) signs that form and carries statutorily-capped liability. **NHDdata** is the upstream data vendor — not in the disclosure chain.

LAYER	ROLE	LIABILITY POSTURE
Layer 1	Customer (Premier / MyNHD / DS)	Substituted-disclosure provider. Signs the NHD report. Carries §1103.4 liability (capped at report cost).
Layer 2	**NHDdata (us)**	**Upstream data API. Not the disclosure-of-record. Tech E&O + customer-as-provider shield + per-call disclaimers.**
Layer 3	Public sources	FEMA · CAL FIRE · CGS · county tax bills. Public-domain. No upstream licensing risk.

WHAT THIS MEANS FOR AN INVESTOR

We don't replace the provider. **We replace the provider's tax-data vendor.** The liability stays where it's always been. We collect data-vendor margin without carrying disclosure-of-record exposure.

08

Unit Economics — ~95% Gross Margin

Pure ATTOM pays **$0.05 – $0.50 per call** on every parcel. NHDdata dispatches each lookup through a fallback chain: free county GIS first, then Regrid (flat sub, ~$0.001/call), then ATTOM only when both tiers miss. **~70% of CA residential volume** resolves at the top tier — at $0.

TIER	SOURCE	COST / CALL	EXPECTED HIT
Tier 1	8 free county assessor APIs (LA · OC · SD · SF · Riv · SBd · SCC · Sac)	**$0.000**	~60%
Tier 2	Regrid parcel data (all 58 CA counties, flat subscription)	**~$0.001**	~30%
Tier 3	ATTOM expandedprofile — fallback only	**$0.05 – $0.50**	~10%

PROJECTED COGS AT SCALE

MONTHLY VOLUME	PURE ATTOM	3-TIER HYBRID	SAVED
10K reports / mo	$1.0K – $3.0K	$300 – $500	**~70% · ~$2K / mo**
50K reports / mo	$5.0K – $15.0K	$1.5K – $2.5K	**~70% · ~$10K / mo**
200K reports / mo	$20K – $60K	$6K – $10K	**~70% · ~$40K / mo**

THE MARGIN MATH

$10 unified lookup at **~$0.30 blended cost** at scale = **~97% gross margin per call**, **~95% post-infra** (Vercel + Supabase + Postmark). Cache hits within 30 days = free, don't debit credits, don't hit a tier.

09

Projections — $250K ’$1.5M ’$5M ARR

Y1 = Premier + one other anchor + tail. Y2 = three anchors fully ramped + Phase 2 (nationwide flood) revenue. Y3 = saturation of CA wholesale + meaningful Phase 2 ARR. **Conservative; assumes no Phase 3 (consumer retail).**

YEAR	ARR	REPORTS / MO	CUSTOMER STATE
Y1	**$250K**	5K	Premier live + 1 second anchor ramping + small tail
Y2	**$1.5M**	30K	All 3 named anchors live + Phase 2 (nationwide flood) seeded
Y3	**$5M**	100K	CA wholesale saturated · meaningful Phase 2 ARR · Phase 3 optional

Y1 ASSUMPTIONS

- Premier ramps to ~$300K annual at $7.50/lookup
- One second anchor (Disclosure Source most likely) closes mid-Y1 at full $10
- Tail: small CA NHD shops + a few PropTech inbounds

Y2 / Y3 ASSUMPTIONS

- All 3 named anchors at run-rate by Y2
- Phase 2 seeded with 2-3 PropTech logos at $1-3/call
- Y3: CA wholesale saturation share of ~$20M TAM; Phase 2 contributes $500K-1M

10

Roadmap — 3 Phases

Phase 1 is the entire investable thesis. Phase 2 and Phase 3 are **optional** — each one reuses the same engine (PostGIS hazards + API surface + Stripe credits) and only gets built if Phase 1 traction earns the right. **Bob isn't underwriting Phase 2 or 3.**

PHASE	WHAT IT IS	WHO BUYS	TAM	STATUS
1	**NHD + Tax Data wholesale API for California**	§1103.4 substituted-disclosure providers (Premier, MyNHD, Disclosure Source)	**~$20M**	**Live today**
2	**Nationwide Flood Certification wholesale (optional)**	Mortgage lenders, MGAs, regional banks, PropTech	**~$200M+**	Q3 — optional
3	**Standalone NHD company — retail consumer brand (optional)**	Agents · sellers · buyers (channel-gated, RESPA-safe)	**~$50M+**	Y2+ — optional

WHY PHASE 2 IS A NATURAL EXTENSION

- Same PostGIS engine. Same FEMA NFHL data we already ingest for CA.
- Wholesale Flood Certs sell at $0.50–$1 vs CoreLogic's $1.50–$3.
- Different buyer (lenders) but identical API shape.

WHY PHASE 3 IS OPTIONAL

- Phase 1 anchors don't want us competing with them at retail.
- Only gets built if anchors lose interest or we hit a ceiling.
- NHD23 consumer brand can launch with same data, different channel.

> **HOW THIS SHAPES THE ASK**
> $200K funds **Phase 1 only**. Phases 2 and 3 are optionality at the same valuation cap — you get the upside without paying for the build.

11

Go-to-Market — 3 Warm Anchor Customers

3 anchor customers. 3 warm doors. All three currently paying California Tax Data. NHDdata replaces CTD at 60-70% lower cost. Same legal disclosure. Better tech. The trade is obvious. **Zero cold outbound** — every intro is via existing relationship. Combined Y1 TAM from these three alone: **$1.5M – $2.5M ARR.**

ANCHOR	CONTACT / PATH	SWITCH CASE	ANNUAL POTENTIAL
Premier NHD	**Bob Johnson — design partner (you)**	**Day-1 paid pilot at $7.50/lookup × 24 months. Co-marketed case study.**	**~$300K – $500K**
Disclosure Source	Don Sharp + Raymond Arriola — multi-year relationship with Scott	Currently a CTD customer. NHDdata API for same tax + Mello-Roos at 60% lower per-report cost. FNF-adjacent strategic logo.	**~$500K – $1M**
MyNHD	Eric Spitz — Scott's former boss; Bob also knows him	Currently a CTD customer. Same switch case: replace CTD. Bob's intro path = direct warm hand-off, not cold outbound.	**~$300K – $600K**

WHY THIS LIST IS POWERFUL

0 cold outbound. Every intro is via an existing relationship. All three have a direct CTD-replacement business case with **no behavioral change required**. Three CTD replacements lands us **inside the Y2 projection range without winning anyone new.**

12

Competitive Landscape

Three tiers exist today. **None are software-native.** The tax-data layer (CTD) is a 20-year monopoly on $25-35 wholesale. The provider layer (Disclosure Source, FANHD, MyNHD) charges $80-125 retail on legacy IT. The downmarket spoiler has no API. We sit underneath all of them at $10 with a modern stack.

PLAYER	WHAT THEY SELL	PRICE	TECH
CTD (California Tax Data, Inc.)	Tax + Mello-Roos data layer to all 5 providers	$25-35 wholesale	SFTP · CSV · no API
Disclosure Source / FANHD / MyNHD / Property I.D.	Wrapped NHD report (signs the disclosure)	$80-125 retail	Legacy IT · PDFs · manual order forms
SnapNHD / CTD's own retail	Direct-to-agent low-price report	~$35 retail	Web form · saturated · no API
NHDdata (us)	**Unified API for NHD + tax to providers + PropTech**	**$10 unified · $5 each half**	**REST · JSON · Stripe prepaid · live coverage matrix**

The defensible wedge isn't price alone — it's being the **only software-native option**, with structured data the legacy stack can't ship, at a price the legacy stack can't match without breaking its P&L.

13

Why This Hasn't Been Built Yet (and Why It Will Be Soon)

LEGACY IS TRAPPED

- $124/report revenue is what the incumbents need to protect.
- They can't price-cut to $10 without breaking their P&L.
- Fixed cost base · sales team · paper-PDF infrastructure. **Cannibalization isn't an option for them.**

VCs DON'T UNDERSTAND §1103.4

- California-specific substituted-disclosure statute. Niche.
- Most founders/funders skip it because they can't underwrite the liability framework in 30 minutes.
- That's the moat — **only an operator who already lived it can sell it.**

AI MAKES INGEST CHEAP

- 58-county tax-bill scraping was a 10-engineer project in 2020.
- In 2026 it's a **1-person job with agents.**
- The capital required to reach 58-county coverage just collapsed by 20×. **That's the trigger.**

THE WINDOW: 2026 ’ ~2027-2028

- Opens now.
- Closes when someone hits **$1.5M ARR + locked anchor customers**.
- After that, integration cost + brand trust make late entry expensive. **12-18 month land-grab.**

14

Risks I'm Not Hiding From You

I'd rather you hear these from me than discover them after the wire. Each risk is real; each has a defense; none change the conclusion.

RISK	HONEST FRAMING	DEFENSE
1. No technical moat	Anyone can build this in 3-6 months.	**Speed + anchor-customer lock-in.** We get to $1.5M ARR with named anchors before a clone catches us. Switching cost is real once integrated.
2. Incumbent reactivity	MyNHD or DS could clone the API + use their base.	They're slow to cannibalize $124 revenue. We have a **12-month head start** to lock anchors before they reorganize around an API model.
3. Liability	One bad NHD report ' class action.	Tech E&O + Cyber + GL insurance stack (~$3.5-8K/yr) + customer-as-substituted-provider shield via §1103.4 + per-call disclaimers. **We're the data vendor, not the disclosure-of-record.**
4. Funding	**Without capital, we move at half-speed.**	**Your $200K closes the window in our favor. Without it we're still building, just 2× slower and 2× more likely to miss the land-grab. This is exactly the risk you can solve.**

15

What Your $200K Buys

Four concrete things. None are vapor — every number traces to a line in the use-of-funds breakdown on the next slide.

1. TWELVE MONTHS OF SPEED

- Founder salary + BD bandwidth (~$120K)
- ATTOM enterprise contract upfront (~$24-36K)
- Infrastructure (Vercel + Supabase + Postmark, ~$5K)
- Insurance stack — Tech E&O + Cyber + GL (~$5K)

2. PREMIER AS ANCHOR

- Day-1 design-partner customer at **$7.50/lookup locked for 24 months** (vs $10 retail)
- Co-marketed case study · Premier's logo on the homepage
- Your operating insight on the roadmap

3. WARM INTROS

- MyNHD (Eric Spitz — Bob already knows him)
- Disclosure Source (Don Sharp + Raymond Arriola — Scott's relationship)
- FANHD decision makers
- **Zero cold outbound from us** — every intro is a warm hand-off

4. INSIDE SEAT

- Board observer (no vote, no slowdown)
- Quarterly review of strategy + financials + competitive moves
- Monthly check-in for the first 6 months
- **You see what's coming before we miss it.**

> **BOTTOM LINE**
> Without you we're solo and slow. **With you we're 3× faster to revenue and locked in.**

16

The Ask

Three components. They land together. Bob converts to ~4% at cap.

A · MONEY

- **$200K SAFE** — standard YC
- **$5M post-money cap**, no discount
- **~4%** if converted at cap

B · PREMIER AS DAY-1 CUSTOMER

- **$7.50/lookup × 24-month** locked pilot (vs $10 retail)
- Design-partner status on the roadmap
- Co-marketed case study

C · TIME & RELATIONSHIPS

- Board observer (quarterly) · Industry BD intros (no shares, no title) · Monthly check-in for first 6 months

USE OF FUNDS — 12-MONTH RUNWAY ($200K)

Founder salary + BD bandwidth (Scott)	**~$120K**
ATTOM enterprise contract (upfront commit)	**~$24 – 36K**
Infrastructure (Vercel + Supabase + Postmark)	**~$5K**
Insurance (Tech E&O + Cyber + GL)	**~$5K**
Legal (formation cleanup, customer review)	**~$10K**
Reserve / buffer	**~$25K**

> CO-BUILDER PACKAGE — THE CLOSER
>
> **Building this together. Your check + Premier as the design-partner customer. Without you we move slow. With you we lock 3 anchor customers in 6 months.**

Scott Molluso · scott@nhddata.com · nhddata.com · NHDdata, LLC · Los Angeles, CA