

Summary



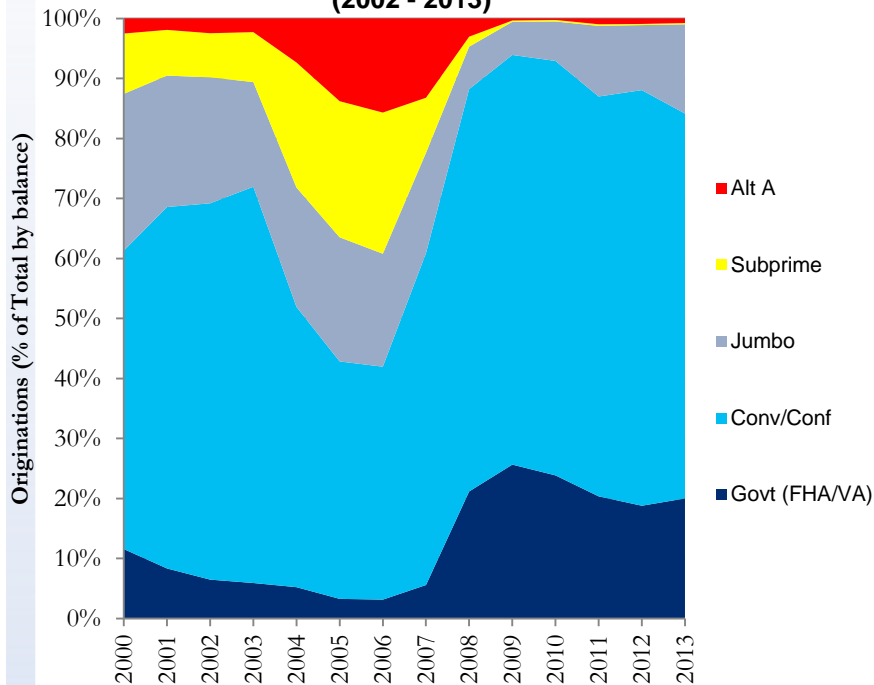
Home Partners helps residents find high quality housing in strong communities throughout the United States

- We offer a transparent choice – rent or buy in a great community, it's the resident's option
- First-time homebuyers, heads of household under 34 years old
 - Help young households obtain quality housing
 - Facilitate access to HUD first-time home buyer education resources
 - Assist in navigating first-time home buyer assistance
- Households in transition
 - Going through relocation
 - Changed family status or job, causing a credit event
- Consumers who are cautious about purchasing a home
- Market need is estimated between \$300 billion and \$1 trillion

Consumer Need

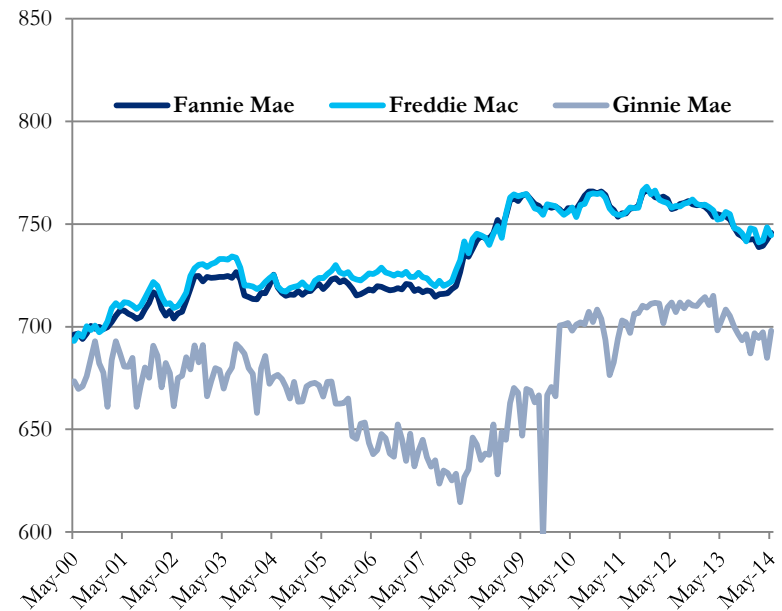
- Excluding jumbo prime mortgages, more than 98% of mortgages are conforming or guaranteed by the FHA. Including jumbo mortgages, conforming and FHA loans represent more than 88% of the first mortgage market.
- The GSEs and FHA have tightened credit requirements, leaving middle market borrowers with limited alternatives.
- In 2002 and 2003, 10% of the mortgage market was non-prime. Annual US first mortgage volume ranges between \$1.5 and \$2.5 trillion.

**Share of First Mortgage Originations
(2002 - 2013)¹**



Source: 1. Citigroup
2. Citigroup

**GSE and FHA Average Credit Scores
at Underwriting²**



Basic Program



In Home Partners approved communities, there are few rental choices compared to large rental inventory in investor-led communities

	Standard Residential Lease	Lease With a Right to Purchase
Approved locations		Top 50% Schools
Sign a Lease	✓	✓
Financial commitment limited to 1 year	✓	✓
Security Deposit Required	½ -1 month	2 months
Rental Rate Certainty	1-2 years	3-5 years
Right to Purchase		5% per annum
Pick from Many Homes Available for Sale		✓

Right to Purchase prices in pilot markets increase at 5% per annum.

In the future, the premium will vary based on financing and expected market growth.

Simple Transparent Search



- All MLS listed homes for sale in approved communities are priced for the program
- We attempt to price rent in line with local market

Rents are generally priced on a yield basis by high school attendance zones.

Hyperion Homes
A NEW PATH TO HOMEOWNERSHIP®

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Step 1: Understand our Lease with a Right to Purchase

Step 2: Apply and get approved

Step 3: Find a home that is right for you

Step 4: We buy the home. You rent it and have the right to buy later if you want to

Lease with a Right to Purchase
You find a home. We approve it, buy it, and rent it to you. You have the right to buy it later if you want to.
[Learn more](#)

The Right Choice For You
Buying a home can have many advantages compared to renting. Carefully evaluate your options before applying.
[Learn more](#)

Pre-Approval
Check key issues. A full credit and background check is also required.
[Learn more](#)

mercy HOUSING
Live in Hope

Hyperion Homes is very proud to announce our new partnership with Mercy Housing. Hyperion Homes and Mercy Housing are working to help families successfully navigate the path back to homeownership. Learn more about the new services, benefits, and requirements of the Hyperion Homes – Mercy Housing partnership [here](#). You can learn more about Mercy Housing's mission to create stable, vibrant and healthy communities at www.mercyhousing.org.

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308 Prism Lane McKinney, TX 75070 | List Price: \$320,000 | Hyperion Homes Lease with Purchase Right

The estimated rent and purchase right price as outlined below and assume that Hyperion Homes buys this home and rents to an approved resident.

Monthly Rent	
Year 1	\$2,826
Year 2	\$2,932
Year 3	\$3,042

Purchase Right Program	
Year 1	\$342,815
Year 2	\$359,955
Year 3	\$377,953

The estimated Monthly Rent and Purchase Right Price described above are based upon certain assumptions and the actual amounts will vary depending on the actual cost of acquiring the home (plus estimated closing, rehabilitation, homeowner dues (if any), and real estate tax costs) and other factors considered by Hyperion Homes in underwriting the transaction.

Hyperion Homes LLC is the source of all "Monthly Rent" and "Purchase Right Price" data and information above.

[Need Renovations? Learn More](#)

Property Description:

List Price: \$320,000
Status: Active
Beds: 4
Baths: 2 Full, 1 Half Baths
Sq Ft: 2,825
Type: House
Year Built: 1997
MLS #: 12080551
Tax Amount: \$6,756
Tax PIN: R342300B04401

Stonebridge Ranch! Oversized tree lot! Beautifully updated: Pool and Spa, Board on Board fence, Covered Extended patio, Workshop with electric, Plantation shutters, Remodeled Bathrooms and Kitchen with Island, Granite counters, Slate backsplash & Stainless steel appliances, Hardwood flooring, Insulated 3 Car garage with storage, Custom gas fireplace with fire glass, Recently installed AC, water-heater, & additional attic insulation. Energy Efficient home!

Listing Courtesy Of: Keller Williams Realty

Mortgage Comparison



	Non-QM Mortgage	Lease with a Right to Purchase
Consumer financial obligation	30-year mortgage loan	One-year lease, with right to purchase
Consumer impact of serious delinquency	<ol style="list-style-type: none"> 1. Most consumers lose their homes 2. Severely limit access to credit 3. May suffer emotional setbacks 4. Consumer finds it difficult to move 	<ol style="list-style-type: none"> 1. No foreclosure 2. Eviction is unusual 3. Limited impact on credit 4. Ability to move with limited cost
Lender impact of serious delinquency	<ol style="list-style-type: none"> 1. Time and cost of foreclosure 2. Untested non-QM legal risk 3. Difficult to predict behavior of borrowers with past credit issues 4. Reputation risk 	<ol style="list-style-type: none"> 1. Reduced credit costs 2. Limited time to re-rent home 3. Can liquidate quickly 4. Limited reputation risk
Non-prime default probability	Mortgage default hazard increases 2x -10x for consumers with FICO scores below 700	Adverse impact of default is limited
Benefit of recourse to individual in event of home price decline	Very limited; combined cumulative default rate may total 30-50% for non-prime borrowers	None; turnover rates may increase if right to purchase is uneconomical, can re-negotiate terms
Financing available	Difficult to finance with securitization; limited liquidity available through banks, primarily short-term repo	Multiple financing alternatives available, including securitization and term bank funding