

## Going strong at 14 years!

### Mission

*To help our business partners connect homebuyers with the down payment help they need.*

### Vision

*That anyone who aspires to homeownership will know that down payment help is available and how to find it.*

### History

Since 2008, Down Payment Resource (DPR) has enabled greater visibility into down payment assistance (DPA) programs across the United States and championed the idea that like tax records, walkability scores and school performance indices, DPA eligibility is a critical layer of property data that should be available to homebuyers and professionals on demand. In so doing, the DPR team has:

- Expanded adoption of DPA among MLSs, including the largest in the country.
- Built collaborative partnerships with Housing Finance Agencies and others who provide DPA programs.
- Grown adoption of DPR's lender tools among mortgage lenders looking to participate in or streamline their participation in DPAs
- Enabled unprecedented awareness of DPA programs among consumers and the real estate and finance professionals who have and will serve those buyers.
- Coordinated the training of tens of thousands of real estate and finance professionals on the basics, availability, nuances, details and operationalization of DPA programs.
- Informed and influenced policy makers and think tanks about the value, benefits, necessity and impact of DPA programs.
- Fought to recognize the importance and relevance of DPAs through the CRA, affordability and fair housing lenses.

By integrating access to down payment assistance programs across the housing finance continuum, real estate professionals, millions of consumers searching for homes online each month, home mortgage providers and non-profits, DPR puts technology to work making homeownership a more viable opportunity for more qualified borrowers by:

- Providing data standardization, centralization and automation sorely lacking in the affordable lending sector.
- Allowing homebuyers to complete a self-directed search for down payment help via DPR's public website.
- Flagging MLS listings eligible for down payment programs.

- Equipping mortgage loan officers with transaction-level matching of borrowers, properties and approved programs.

Most recently, DPR's achievement in bringing DPA resources to the broadest possible awareness includes Zillow's 12/15/21 announcement of its partnership with DPR (<https://www.washingtonpost.com/business/2021/12/21/zillow-partners-with-housing-group-make-down-payment-assistance-programs-more-accessible/>) "to help home shoppers discover the wide variety of down payment assistance programs that can make homeownership more attainable, especially for first-time home buyers." (see the traffic stats below)

DPR's technology vision has moved the needle on down payment assistance, and by doing so, is moving the needle on the housing industry's goal to broaden and diversify U.S. homeownership.

While building a technology firm equal to the task of serving consumers, real estate professionals and mortgage finance providers, DPR has buttressed its solution with meaningful industry participation, as cited in a 2018 announcement commemorating DPR's 10th-anniversary: <https://downpaymentresource.com/homebuyer-resource/10-years-of-opening-new-doors-to-homeownership/>

- Since 2010, approximately 9.3 million consumers and real estate professionals have come to Down Payment Resource to search for down payment assistance (DPA) programs about 11.2 million times. Approximately 1.8 million of those users completed
- roughly 2.3 million DPA eligibility searches.
- In 2021 alone more than 1.4 million consumers and real estate professionals came to DPR to search for programs 1.5 million times.
- **On average we're seeing ~200k daily (6M monthly!) visits from consumers on Zillow.com who have expressed interest in DPA at some point of their journey.**
- The full suite of DPR tools is available to approximately 380,000 real estate agents and brokers through their Multiple Listing Service (MLS) or Realtor Associations. Moreover, DPR expects to onboard three new MLSs representing approximately 96,000 agents and brokers in the first quarter of 2022.
- In 2020 more than 25,000 real estate agents/brokers, lenders and consumers registered for one of the 32 webinars we conducted including one joint webinar in partnership with the Urban Institute and Freddie Mac.

- The reliability and accuracy of the program data DPR curates is critical to gaining adoption by real estate and lending professionals. In addition to DPR's one of a kind proprietary database of homeownership assistance programs and matching algorithms, our team updates the funding status, eligibility rules, benefits and other vital details of these programs on a monthly basis.
- DPR did not begin tracking the number of updates to this data until 2015 but since then there have been 951,000 program updates including 223,000 in 2021 alone.

From 2013 to 2016, conventional mortgages with DPA doubled from 5% to 10% according to Freddie Mac. HUD's annual MMI Fund report to Congress in November stated that well over 40% of FHA mortgages included DPA, which is historically high and has been climbing steadily in recent years.

Determining what portion of this growth is attributable to DPR's tools, educational outreach and media coverage is uncertain. Other forces are clearly helping. However, no other entity does what DPR does, and based on the data cited above, DPR has made a significant contribution in connecting more homebuyers with the down payment help they need.

And while these are certainly encouraging trends, significant missed opportunities remain apparent. In 2018 DPR collaborated with the Urban Institute to illustrate the degree to which homebuyers are still underserved when it comes to DPA opportunities.

DPR analysis of 2017 HMDA data found on pages 25-28 of the *2018 Barriers to Accessing Homeownership Report*

([https://www.urban.org/sites/default/files/publication/99028/barriers\\_to\\_accessing\\_homeowners hip\\_2018\\_4.pdf](https://www.urban.org/sites/default/files/publication/99028/barriers_to_accessing_homeowners hip_2018_4.pdf)) shows how many closed owner-occupied purchase mortgage transactions were eligible for down payment assistance across 31 major MSAs. For all loan types combined, an average of 36% (788,000) of all borrowers were eligible for an average of 6 DPA programs each with an average benefit of about \$9,700 per program. Break out FHA loans and the numbers skyrocket to 60-70% or more of all borrowers. Compare Freddie Mac's 10% and HUD's 40% and the gap becomes starkly clear.

DPR has analyzed thousands of declined purchase mortgage loan applications and found that roughly 33% of all declines could have been approved and closed by applying available DPA. Further, these analyses found the average LTV reduction that could have been achieved for those loan applications to be between 5% and 6%, making many of those loan applications salvageable.



## The Future

While we're proud of our achievements, we have even more work ahead to fully realize our vision. We have a robust roadmap of product enhancements and new product and service offerings. Deepening our collaboration with Housing Finance Agencies and other program providers and working to ensure our customers' success are top priorities.

Widening awareness of DPR coupled with a growing appreciation for the critical value of the information we provide is fueling demand for our product. We will continue to forge exciting new partnerships, grow revenue and serve more homebuyers this year and beyond!

## Thank you!

My deepest gratitude to our fearless and devoted team and all of those who have supported us throughout this amazing journey including shareholders, advisors, business partners, customers and other housing stakeholders. Thank you all for believing in our mission!

Sincerely,

A handwritten signature in blue ink, appearing to be the initials "R" and "L" written together.

Rob