



Achieve Announces Close of Innovative, \$175M HELOC Securitization

Inaugural deal receives AAA rating and is backed by home equity lines of credit originated by Achieve Loans.

SAN MATEO, Calif., December 1, 2022 — [Achieve](#), the leader in digital personal finance, announces the closing of a first-of-its-kind, AAA-rated securitization backed by \$175 million in newly-originated home equity lines of credit (HELOCs).

The securitization, FREED Mortgage Trust 2022-HE1, consists of three classes of rated notes backed by nearly 3,300 HELOCs originated by Achieve Loans. The HELOCs in the portfolio have an average seasoning of 7 months and range from 2 to 33 months' seasoned. DBRS Morningstar rated the securitization's Class A notes AAA (sf), the Class B notes BBB (low) (sf), and the Class C notes B (low) (sf).

"This deal is among only a handful of AAA-rated securitizations of HELOCs issued since the Great Recession," said Achieve Co-Founder and Co-CEO Andrew Houser. "But what makes this securitization truly unique is the consumer-centric nature of the Achieve HELOCs backing the deal."

Achieve's HELOCs are designed to help homeowners with unsecured debt reduce the burden of high interest rates by using a portion of their home's available equity to consolidate their debt and lower their payments. Each HELOC is fixed-rate and fully amortizing, which eliminates the uncertainty and risk of payment shock that traditional HELOCs present via variable rates, interest-only periods, or balloon payments. Since Achieve Loans (formerly known as Lendage) launched in 2019, HELOC borrowers have saved an average of \$860 per month compared to their previous unsecured debt payments.

The HELOCs are fully drawn at origination and carry a 10- or 15-year term that includes a five-year draw period. In most cases, the HELOCs are secured by a junior lien on the homeowner's primary residence, although a small portion of HELOCs hold a first-lien position. Achieve works with its members to conduct a comprehensive financial assessment during the application process. A thorough collateral valuation process ensures the HELOCs are originated with low combined loan-to-value ratios that preserve an ample cushion of remaining home equity. As a result, Achieve is able to help its members address their immediate financial needs without jeopardizing their opportunity to build long-term wealth via their home.

"When we started our HELOC program in 2019, we designed it from the ground up to serve the needs of everyday homeowners," said Achieve Loans President Kyle Enright. "We made the large investment to learn how to help homeowners use their home equity responsibly to address their most significant financial pain points. Along the way, we've built up highly proprietary data and our own, differentiated credit models which allow us to serve these consumers in ways that few others can."

The HELOC transaction is the 15th securitization by the Freedom Consumer Credit Fund (FCCF), an investment fund managed by Freedom Financial Asset Management (FFAM), an Achieve company. Previous securitizations have been backed by unsecured personal loans originated by partner banks on the FFAM platform.

“This precedent-setting transaction demonstrates our capital markets leadership and is the first step in our plan to be a regular, programmatic issuer of HELOC-backed securitizations,” said Achieve Senior Vice President of Capital Markets Barry Rafferty. “We are encouraged by the positive response we’ve received from the ABS market for our differentiated HELOC assets.”

About Achieve

[Achieve](#) is the leader in digital personal finance. Our solutions help everyday people get on, and stay on, the path to a better financial future, with innovative technology and personalized support. By leveraging proprietary data and analytics, our solutions are tailored for each step of a consumer’s financial journey and include personal loans, home loans, help with debt and financial tools and education. Headquartered in San Mateo, California, Achieve has more than 2,700 dedicated employees across the country with hubs in California, Arizona and Texas and has regularly been recognized as a Best Place to Work.

Achieve and its affiliates are subsidiaries of Freedom Financial Network Funding, LLC, including Bills.com, LLC d/b/a Achieve.com (NMLS ID #138464) Equal Housing Lender; Freedom Financial Asset Management, LLC (NMLS ID #227977); Freedom Resolution (NMLS ID #1248929); and Lendage, LLC d/b/a Achieve Loans (NMLS ID #1810501), Equal Housing Lender.

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