

fraction

# Fraction Raises \$289MM To Reduce Financial Stress for Cash-Strapped Homeowners

*With its platform operating in Ontario and British Columbia, the company is taking on the reverse mortgage industry with a fairer, more transparent solution.*

**Vancouver, B.C. & San Francisco, CA.** – February 10, 2021 – Fraction Technologies Inc. ("Fraction"), is announcing that it has raised C\$289 million in a combination of equity and debt financing from Impression Ventures, Primetime Partners, Global Founders Capital, and Panache Ventures, among others. It will use this funding to launch in Canada, expand its team and technology platform, and also prepare for its launch in the U.S.

Fraction offers a digital platform that provides socially conscious financial solutions. Its flagship product is the first of its kind in North America: the Fraction Appreciation Mortgage, which enables homeowners to access the value locked in their homes to increase their income or cover unexpected expenses. In contrast to products such as home equity loans or traditional mortgages, the Fraction Appreciation Mortgage has no monthly payments, and instead offers a reasonable interest rate payable upon sale of the home or when the homeowner decides not to renew.

Pre-launch interest in the Fraction Appreciation Mortgage has been exceptional, with over \$20 million in demand from interested homeowners.

*"Fraction aligns its interests with the homeowner. Upon the sale of the home, if the home value appreciates, Fraction shares in the upside, but if the home value decreases, then there is a protected downside, which helps homeowners preserve their home equity," said Hayden James, CEO and co-founder of Fraction. "With over \$20 trillion locked in home equity in the U.S. and Canada, no homeowner should be strapped for cash, struggling to pay for their child's education, unable to pay bills during retirement or unable to help a loved one who has lost their job due to the pandemic. It is a common story to own your home but be barely able to afford anything else."*

Despite the fact that mortgage rates are at an all time low, taking on more debt is often not the answer for homeowners, particularly older adults hoping to age in place.

*“Refinancing a mortgage with a low rate does not help homeowners with immediate cash needs for retirement income, or with unexpected or large expenses. And reverse mortgages, which can provide that upfront cash, do not adequately protect the homeowner and come with higher interest rates and restrictions.”* said Rayan Rafay, COO/CFO and co-founder of Fraction, who previously served as CFO/COO and Chief Investment Officer at Unison.

*“Qualifying for a Fraction Appreciation Mortgage is more straightforward than current products available in the market. We created Fraction to make it fast, easy, and transparent to access your home equity.”* said Josh Baker, CTO and co-founder of Fraction. *“We also work hand-in-hand with mortgage brokers and other financial advisors to maintain a personalized, high-service experience for homeowners.”*

*“The Fraction Appreciation Mortgage is ideal for older adults eager to age in place but faced with insufficient retirement funds to cover the cost of their healthcare and other expenses.”* adds Abby Miller Levy, Managing Partner of Primetime Partners. *“The Fraction team has designed the most consumer-friendly home equity product in the industry and is eager to help millions of homeowners remain in their home with financial peace of mind.”*

*“The Fraction team impressed us with their breadth and depth of experience in lending. Driven by a strong sense of purpose that aligns with ours, Fraction makes accessing home equity easy regardless of income, age or profession, in a fair and transparent manner, strengthening an individual's financial position.”* says Christian Lassonde, Managing Partner and Founder at Impression Ventures. *“Homeowners can now support their children's education or simply better prepare for their retirement without giving up their home or putting it at risk.”*

Fraction's team includes North American fintech leaders such as COO/CFO and co-founder Rayan Rafay, previously CFO/COO and Chief Investment Officer at Unison, and outside-General Counsel Sara Priola, who was previously a co-founder at the fintech unicorn, Figure.

Fraction is currently hiring, see opportunities at: <https://www.fraction.is/careers>

## **About Fraction Technologies Inc.**

Fraction Technologies Inc. ("Fraction") is a technology company offering a digital platform that provides socially conscious financial solutions. Its signature product, the Fraction Appreciation Mortgage, empowers homeowners by enabling them to access the value locked in their homes without the need to make monthly payments, take on a new mortgage or erode their home equity. Clients can use the equity in their homes to increase their monthly income, buy a second home, trade an existing mortgage for one without monthly payments, and more. Fraction is committed to using technology to create financial solutions that are fair for everyone.

Learn more: <https://www.fraction.is/>

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