



Investor Update

ROI Strategies

For the last couple months we have been working on an exciting change for Hughes Private Capital and My Lease 2 Own. Since February, we have been structuring an alliance with a HUD certified non-profit company, HFN, Inc., out of Las Vegas, whose mission is to get families into homeownership.

They offer multiple programs to help families in all walks of life. Some of their programs include down payment assistance, financial education, assistance in getting a mortgage, counseling programs on foreclosures and short sales, and one special program near and dear to our heart... a Lease 2 Own program called Home Today.

So how does this all fit together? Quite nicely actually. First, the HFN counselors will be taking over the front end of our process, which entails the screening of candidates. We have wanted to do this for a long time but could not find the right partner to do it with. When we handle these calls we only have one product, so they either fit or they do not. **These counselors have a group of products to help people, so the call flows better and is less threatening.**

HFN will work with them as long as it takes to get them prepared to be homeowners. This means many of the clients we used to toss out because they were not qualified can be cultivated and brought back to us when they are ready. Nothing about our underwriting process is changing, just the initial intake and counseling to get them ready.

Our marketing efforts over the next 30 to 60 days are going to concentrate on attracting families to HFN to find the right candidates for the Lease 2 Own program. **We believe this will be a more successful approach because HFN is a non-profit and offers multiple solutions.** This is a less threatening approach with more options to solve the client's problems.

HFN has other advantages. It is one of only two non-profits in the state of Nevada that are allowed "First Look" at foreclosed homes before they go to the open market. We are just getting started and buying our first home with them. It is in Las Vegas and we are getting a 26% discount below market value. We will set the home up to be flipped or Leased 2 Owned, whichever comes first. This is not just a great opportunity to make some money, but also by purchasing at a discount we will be able to offer more affordable terms for the families and all with a greater profit and protection for our investors. **I would call that a win-win.**

Along this same line of buying homes at a discount from a reliable source, we are working with another company out of Texas on purchasing tax lien properties for profit or Lease 2 Own. This is still in the very preliminary stages but it has the same win-win quality as previously mentioned.

There is more to tell, but I have run out of paper. The home buying season has certainly begun and as always, we require capital to buy homes for families, so keep us in mind as one of your investment options.

Greg Hays *Stel L. Sney*