



Better Mortgage Secures \$15 Million In Series B Funding From Pine Brook, Kleiner Perkins and Goldman Sachs

Technology-driven residential mortgage lending platform expands into home purchase mortgages after funding over \$500 MM in loans since launching in 2016.

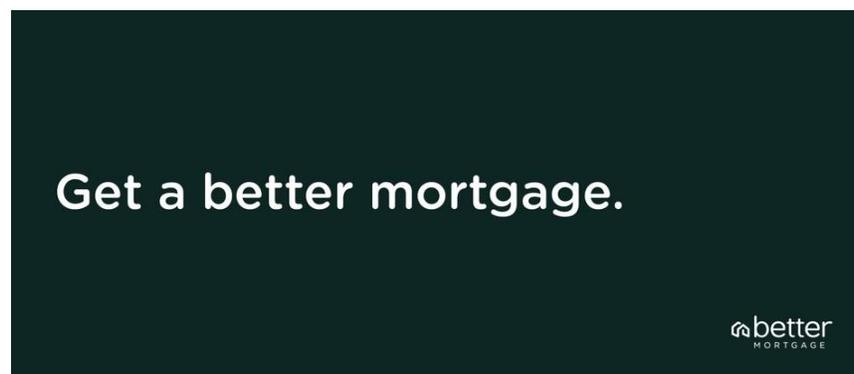
NEW YORK, Feb. 9, 2017 /PRNewswire/ -- Better Mortgage ("Better"), a technology-driven mortgage bank, today announced its closing of \$15 million in Series B financing from Kleiner Perkins, Goldman Sachs, and Pine Brook. The new capital will support the launch and expansion of Better's home purchase finance product on Better.com. Since launching in January 2016, Better has funded more than \$500 million in loans by tapping into underserved consumer demand for a simpler and more affordable home finance experience.

"We built the best customer experience out there; the one we would want for ourselves, our friends and family," said Vishal Garg, Founder and CEO of Better. "With over half a billion dollars in loans originated in our first year—more than any other fintech startup in its initial year of launch—consumers have confirmed that we are onto something extraordinary."

According to Ellie Mae's December 2016 Originations Insight Report, the average time to close a loan was **50 days** and **23%** of home purchase applications did not close. The Mortgage Bankers Association cites total loan production expenses of nearly **\$7,000** in the third quarter of 2016 and a recent report by the former chairperson of the MBA noted that an average closing package numbers **806 pages**. Consumers feel the pain; the average Net Promoter Score of the **three largest banks in the mortgage business is negative 12**. "We could say that the mortgage industry is broken, but the numbers speak for themselves, and almost anyone who has ever dealt with a typical mortgage company as a consumer like we did will tell you pretty much the same ---- so rather than just build another website on top of the existing backend process, we fixed it

from the ground up and built something that delights consumers and investors," added Erik Bernhardsson, CTO of Better.

Better eliminates the jargon, complexity and commissions of the traditional mortgage process, and aligns incentives, provides consumers real advice and service, when and where consumers want it. Consumers can get transparent rate quotes in seconds, and get approved and lock a rate in minutes online at Better.com 24 hours a day, 365 days a year, all without ever speaking to a single commissioned mortgage broker. Better takes the thousands of dollars in savings from digitization and passes them onto the



consumer, in the form of better rates and better process and service.

"Better is a breakthrough for consumers in the mortgage market," said Noah Knauf, General Partner at Kleiner Perkins, the venture capital firm that invested in tech greats Amazon and Google. "The next generation of homebuyers will expect a customer experience that none of the current industry players are equipped to deliver, and we're very excited to join Goldman Sachs and Pine Brook in helping Better transform the market."

"Technology has upended personal finance, replacing expensive middlemen with intuitive and transparent online processes," said Nicholas Krenteras, Partner at Pine Brook. "The exception has been the mortgage origination business, which has been sheltered by onerous capital, regulatory, and operating requirements. Innovation in the industry has been defined by traditional players patching together third-party services, leading to poor borrower experiences and runaway costs. In contrast, Better built a seamless digital platform from the ground up."

Better Mortgage operates in California, New Jersey, North Carolina, Pennsylvania, Washington, Oregon, Connecticut, Illinois and Washington D.C., and plans to continue expanding its licensed geographic footprint in 2017. In June 2016, Better announced a \$30 million Series A investment round led by Goldman Sachs, Pine Brook, KCK Group, 1/0 Capital and IA Ventures.

About Better Mortgage

Better is a direct mortgage lender dedicated to reengineering the home finance process from the ground up to make it simple, fast, and transparent. By giving customers access to home loan products that meet their needs and arming them with powerful tools and support, Better empowers Americans to achieve their financial goals. We're using technology to change the way people finance their homes, for the better. For more information, visit Better.com.

About Pine Brook

Pine Brook is an investment firm that manages more than \$6.0 billion of limited partner commitments that makes "business building" and other equity investments, primarily in energy and financial services businesses. Pine Brook's team of investment professionals collectively has over 300 years of experience financing the growth of businesses with equity, working alongside talented entrepreneurs and experienced management teams to build businesses of scale without relying on acquisition leverage. Learn more at www.pinebrookpartners.com.

About Kleiner Perkins Caufield Byers

Kleiner Perkins Caufield & Byers (KPCB) partners with the brightest entrepreneurs to turn disruptive ideas into world-changing businesses. The firm has helped build pioneering companies like Amazon, Electronic Arts, Genentech, Google, Nest, Netscape, and Twitter. KPCB offers entrepreneurs years of operating experience, puts them at the center of a vast and influential network, and accelerates their success through expertise and support in recruiting, product design and delivery, business development, strategic partnerships, and brand building. KPCB invests in all stages from seed and incubation to growth companies and operates from offices in Menlo

Park, San Francisco, Shanghai and Beijing. For more information, follow @kpcb or visit <https://www.kpcb.com>.

About Goldman Sachs Principal Strategic Investments

The Goldman Sachs Principal Strategic Investments Group (NYSE: GS) seeks to make long-term strategic investments in fast growing technology companies that are uniquely positioned to benefit from a deeper business relationship with Goldman Sachs.