

## HYPERION STRATEGIC MORTGAGE INCOME FUND INC

Form 4

June 13, 2007

**FORM 4****UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

Check this box  
if no longer  
subject to  
Section 16.  
Form 4 or  
Form 5  
obligations  
may continue.  
*See* Instruction  
1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF  
SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,  
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section  
30(h) of the Investment Company Act of 1940

## OMB APPROVAL

OMB  
Number: 3235-0287  
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2005  
Estimated average  
burden hours per  
response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
FEENEY JOHN JAY JR

(Last) (First) (Middle)

C/O HYPERION BROOKFIELD  
ASSET MGMT., INC, 3 WFC, 200  
VESEY STREET, 10TH FLOOR

(Street)

NEW YORK, NY 10281-1010

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading  
Symbol  
HYPERION STRATEGIC  
MORTGAGE INCOME FUND INC  
[HSM]

3. Date of Earliest Transaction  
(Month/Day/Year)  
06/13/2007

4. If Amendment, Date Original  
Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to  
Issuer

(Check all applicable)

\_\_\_\_ Director      \_\_\_\_ 10% Owner  
\_\_\_\_ Officer (give title \_\_\_\_ Other (specify  
below) below)  
CEO & Pres of Issuer's Adviser

6. Individual or Joint/Group Filing(Check  
Applicable Line)

\_\_X\_\_ Form filed by One Reporting Person  
\_\_\_\_ Form filed by More than One Reporting  
Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
Common Stock	06/13/2007		P	100	A \$ 12.81	14,163 <sup>(1)</sup>	D
Common Stock	06/13/2007		P	600	A \$ 12.816	14,763 <sup>(2)</sup>	D
Common Stock	06/13/2007		P	300	A \$ 12.82	15,063 <sup>(3)</sup>	D

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474  
(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Own Follo Repor Trans (Instr
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares

## Reporting Owners

### Reporting Owner Name / Address

### Relationships

Director 10% Owner Officer Other

FEENEY JOHN JAY JR  
C/O HYPERION BROOKFIELD ASSET MGMT.,  
INC  
3 WFC, 200 VESEY STREET, 10TH FLOOR  
NEW YORK, NY 10281-1010

CEO & Pres of Issuer's  
Adviser

## Signatures

John J. Feeney,  
Jr. 06/13/2007

\*\*Signature of  
Reporting Person Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) D = 13,213 I = 950

(2) D = 13,813 I = 950

(3) D = 14,113 I = 950

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.