Fintech and the Changing Landscape of Mortgage Lending

Fintech lenders have entered the market with a focus on driving efficiencies, technology-first processes, and streamlined operational workflows – all aimed at guiding consumers through a one-stop-shop transaction. Fannie Mae will discuss the ever-changing mortgage landscape and its disruption by Fintech lenders.

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Defining Fintech

"A business that aims at providing financial services by making use of software and modern technology."

Seamlessly integrating the lives of the tech-savvy and sophisticated customers to stay relevant in a world where business and private life become increasingly digitalized.

Source Fintech Weekly
https://www.fintechweekly.com/fintech-definition

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Fintech Characteristics

Proprietary Platforms:
Fully digital fulfillment capabilities – not hindered by legacy technology

One-Stop Shop:
End-to-end solutions – POS to Title/Real Estate/Title/Closing/Debt Equity/Payments

Digital Applications:
Completion in 5-8 minutes with all income/asset validations up front

Driving Efficiencies:
Reducing costs, improving transparency and reporting, and ultimately passing savings along to customers

Loan Officer Comp:
Driving the right behaviors (Net Promoter and Applications – not closed loans – salaried, not commissioned [in some cases])

Real Estate Tech vs. Mortgage Tech

Real Estate Tech

- Broad to include any US-based startup or disruptive company that is receiving VC investment
- Fannie Mae is tracking 700+ companies in this space
- Includes commercial, residential, construction, lending tech, etc.



Mortgage Tech

- Approximately 100 US-based companies that are building the digital mortgage and homebuying process of the future
- Mostly single-family lending (iBuyers, equity sharing, and innovations in single-family)

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