



Better Mortgage
Corporation
NMLS #330511

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Sandra L. Thompson
Acting Director
Federal Housing Finance Agency
400 7th St SW
Washington, DC 20024

RE: Better Mortgage Corporation (NMLS #330511) Response to Request for Input on FHFA Draft Strategic Plan for Fiscal Years 2022-2026

Dear Acting Director Thompson:

Thank you for the opportunity to provide input on the Federal Housing Finance Agency (FHFA) Strategic Plan for Fiscal Years 2022-2026. Better Mortgage Corporation (“Better”) supports the Agency's priorities and objectives identified through the strategic planning process for the coming years. We especially appreciate FHFA's strategic goal to foster housing finance markets that promote equitable access to affordable and sustainable housing.

Unequal outcomes are prevalent throughout the housing finance market, and Better strongly supports efforts to pinpoint and address them. We are encouraged by the FHFA Strategic Plan's commitment to promote sustainable access to mortgage credit, advance equity in housing finance, and support leveraging technology and data to further promote efficiency and cost savings in the mortgage process.

Objective 2.1 - Promote sustainable access to mortgage credit

Promoting sustainable access to mortgage credit will be critical to FHFA's efforts to foster equitable housing finance markets. In 2021, Better was proud to be among the first lenders to participate in the Enterprises' programs, [RefiNow](#) and [Refi Possible](#), to help low and moderate-income borrowers refinance their current loans to save on their monthly mortgage payments. FHFA and the Enterprises should allow more households to be eligible for these innovative programs by expanding program criteria to include area median income (AMI) caps up to 120%.

Better also recently launched PurchaseNow, a new product that allows borrowers to use monthly rental payment history as an alternative indicator of creditworthiness to qualify for a home loan. In particular, this product allows customers who are currently renting to not only experience homeownership for the first time, but to possibly lower their monthly housing payments. For example, our first PurchaseNow loan enabled the customer to go from a \$4,500 monthly rent payment to a \$3,600 monthly mortgage payment. The PurchaseNow program has the potential to benefit many underserved markets, including first-time homebuyers, retirees, and the self-employed. Better encourages FHFA to work with the Enterprises to support these types of innovative programs.

Objective 2.2 - Advance equity in housing finance, including through compliance with fair lending laws and regulations

Advancing equity in housing finance will also be essential to FHFA's goal to foster housing finance markets that promote access to affordable and sustainable housing. As the FHFA has recognized, racial inequity in housing is a systemic problem that spans centuries, in large part as a result of intentional and unintentional past policy and strategies from the government and industry. Partnership across the public, private, and nonprofit sectors, along with the Enterprises, is essential to make meaningful advancements

in bridging disparities in housing. We believe that among the ways that the Enterprises can address inequities in housing finance is through reforming the underwriting and property valuation processes.

Better is actively engaged in our own efforts to eliminate bias from home valuations by supporting work to increase diversity in the appraisal profession, advocating for more diversity-related education for appraisers, and modernizing valuation. In the wake of alarming recent reports of bias in the appraisal industry, Better proudly launched the [Better Appraiser Program](#). This year, Better will build a pipeline of approximately 250 trainee and supervisory appraisers who will deliver faster turnaround times, reduce borrower costs, and create an optimized customer experience. Better will equip trainees with the education and coursework necessary to become licensed, match in-house trainees with in-house supervisors to ensure trainees gain required field experience, and prepare trainees and supervisors with tools to eliminate bias in the industry. Despite these efforts, appraisal trainee requirements remain overly burdensome and costly.

We encourage the Enterprises to continue working with public and private stakeholders to address barriers for professionals seeking to enter the industry, including through the removal of in-person supervisory requirements, enacting training incentives, and supporting the adoption of desktop, hybrid, and bifurcated appraisals.

Better Mortgage Corporation provides financial technology-enabled mortgage lending services for purchase and refinance home loans to consumers throughout the United States. Since our founding in 2016, we've been committed to helping families realize the dream of homeownership by making the entire homeownership process easier, more affordable, and more accessible. Our industry-leading technology, "Tinman," allows us to optimize efficiency and cost savings in the mortgage process. As FHFA considers how best to leverage technology to further promote efficiency and cost savings in the mortgage process, we encourage you to continue to prioritize innovation in the financial technology industry.

We appreciate the FHFA's strategic goal to foster housing finance markets that promote equitable access to affordable and sustainable housing. We are confident that promoting sustainable access to mortgage credit, advancing equity in housing finance, and leveraging technology will be crucial to achieving this important goal. We look forward to continuing to work with FHFA to advance homeownership accessibility for all Americans.

Best regards,



Paula Tuffin
General Counsel & Chief Compliance Officer