LEND ACADEMY

nonPODCAST TRANSCRIPTION SESSION NO. 255-VISHAL GARG

Welcome to the Lend Academy Podcast, Episode No. 255. This is your host, Peter Renton, Founder of Lend Academy and Co-Founder of LendIt Fintech.

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Today's episode is sponsored by Lendit Fintech USA, the world's largest fintech event dedicated to lending and digital banking is going virtual. It's happening online September 29th through October 1st. This year, with everything that's been going on, there'll be so much to talk about. It will likely be our most important show ever. So, join the fintech community online this year where you will meet the people who matter, learn from the experts and get business done. LendIt Fintech, lending and banking connected. Sign up today at lendit.com/usa

Peter Renton: Today on the show, I am delighted to welcome back Vishal Garg, he is the CEO and Founder of Better.com. Now, we last had Vishal on the show about two and a half years ago and, obviously, a lot has changed since then at Better, a lot has changed really in the last three or four months. I wanted to get him back on the show....they've been in the press quite a bit talking about how they've been hiring like crazy, things that have been growing like gangbusters and we talk about that, we talk about the reasons behind that and the broader mortgage market, in general.

We talk about how their underwriting has changed based on the current environment, we talk about the technology they're using to be able to do underwriting and loans applications so quickly, we talk about lessons he'd learned from the previous financial crisis, what he's excited about in the future and what his thoughts are on a future IPO. It was a fascinating interview, hope you enjoy the show.

Welcome back to the podcast, Vishal!

Vishal Garg: Hey, Peter, how are you? Thank you for having me back.

Peter: Okay, you're welcome. So, first question I want to ask is where are you today? You're outside, it looks like. I know you're based in New York so let us know where you are.

Vishal: Well, Peter, I didn't know that this was going to be a video podcast and so I was going to do an audio podcast. I have been using COVID as an excuse to start to get out more and travel and walk around the city so my wife and I have a regularly scheduled walk and so I said, oh, you know, I'm going to have this breakaway and do this podcast so, now that it’s on video.

So, we are actually....I'm in the Meatpacking District, as you can see, it's totally empty, there's a restaurant that's opened up so I'm frequenting it. It's a Mediterranean restaurant and they were kind enough to offer me a table and a place to video, so here we are. COVID is the era of improvisation.

Peter: It is indeed, it is indeed. Speaking of which, let's just ....why don't we get started by ......obviously, you guys have been impacted dramatically, as has everybody. Obviously, the impact on Better seems to have been mainly positive, but before we even get into that, let's just take a step back and look at the mortgage market over the last three months. I mean, just tell us what the state of the mortgage market is and what's changed.

Vishal: The mortgage market is gone from near death to bursting with activity over the course of the past three to four months since COVID struck. So, in the beginning, COVID struck and the Administration unveiled the capacity for consumers to get a forbearance for up to 12 months and, you know, laid that out in law which I think was just awesome. But, what that meant is that mortgage servicers and mortgage investors were inundated with calls for forbearances because the level of unemployment and the ferociousness with which it hit was just completely unanticipated and in mortgageland, servicers are expected to advance principal and interest and taxes and other things to the investors while consumers might be on forbearance.

So, suddenly, you saw major firms like Quicken, United Wholesale Mortgage, loanDepot suddenly stop originating because they did not have liquidity available to be able to service the consumers who wanted to have a forbearance in place. People who were buying mortgages didn't want to buy mortgages that were being originated by the market because they were unsure what percentage of people will apply for forbearance. People were thinking it might be 20/25% so, to be out principal and interest on a loan in which, you know, for a year on 25% of your production, that is just billions and billions and billions of dollars and these are not companies that have been well capitalized to do that. And so, fundamentally, it just put a grinding halt to it.

At the same time, interest rates started coming down and COVID started to have a real impact in people not being able to go to the office and so, many, many, many large chunks of the mortgage market was just taken out of commission. At the same time, consumers' capacity and willingness to refinance their mortgages...they're sitting at home themselves like working from home, they all want to refinance their mortgages and bring their monthly cost down.

So, it's just created this triple whammy where liquidity dried up, the consumers' need for mortgage was greater than ever before and the traditional industry players sitting in their bank branches or the mortgage broker branches all around the country were unable to go to the office and log on to their mainframe system. And so, it's been absolutely the perfect storm and, you know, the mortgage market is only now really recovering from that.

Peter: Right, right. And so, for your company, specifically.....I mean, I've read articles saying that you've been hiring like crazy, why don't you just take us through the specific impact on you guys.

Vishal: What was interesting was, you know, so much of what we do was validated in the past three months. People have been saying, well, I heard everyone else is a digital mortgage company too, everyone else is, you know, doing this other stuff with home finance, people have platforms and, you know, we have been saying, that's lipstick on a very, very old pig (Peter laughs), but it's very hard to prove it until things like these happen.

So, one, COVID happened, the forbearance rate on our mortgages that our consumers have taken, we'd always thought, oh, if we give people a better mortgage they'll be able to better afford it. And, yes, they were able to better afford it and so the forbearance rate on our mortgages was 1/8 that of the traditional conforming loan forbearance rate.

Peter: Wow!

Vishal: And so, it was less than 1% compared to 8% for the average Fannie Mae direct originator. So, that gave us market access to liquidity when almost no one else had it so literally, it was like the top three mortgage originators in the country had access to liquidity and us and that allowed us to stay, keep the lights on and continue to satisfy customer demand.

Two, we actually have a really amazing workforce now, you know, it was 1,500 people before COVID started, it's 2,700 people now and because this platform is entirely built from scratch, the first new loan origination system for the mortgage industry, the 15 Trillion industry built from scratch in the past 25 years, everything is capable of being done in a browser window or your mobile, including all the work that our own team does. So, we were able to adapt to work from home really quickly and we were able to keep everything going.

And then, the third thing is through this, we've learned that we can actually onboard and teach people how to become experts in mortgage really fast on our machine, something that's not possible actually on your traditional mortgage software system where you have to learn seven different systems, all the hot keys, literally a servicing system that charges per key stroke so people learn all sorts of control, F9 like type a key stroke just to learn how to like use it. We've been able to do that so we've been able to rise to the occasion and meet our customers' demand which has been really gratifying and fulfilling for our team as they're all working from home, other than the people who are most necessary like on the closing team to be able to close home mortgages.

Peter: Right, right. So, how much of an increase in demand have you seen?

Vishal: Since COVID started, we have seen a 3x increase in demand. Since last year, we've seen an 8x increase in demand and growth. I think the last time I spoke to you was about two years ago, we are 15 times bigger than we were two years ago. You know, I get the question a lot, how do you know it's a tech company? Well, you know, it's a tech company when you can scale 15x in two years.

Peter: Right.

Vishal: We're not even a tech company, we're a growth company, that's really what we are and we can satisfy our customers' demand, but customer demand has been through the roof and we are just working very, very hard. Our teams are working 24/7 to be able to satisfy that customer demand.

Peter: I'm curious about....you know, you're getting a lot of inbounds, what about conversions? Are you finding that people are just out there just shopping around, are you finding conversions maintaining what they were before?

Vishal: Interestingly, we are at 40% organic traffic now, 40% from zero two years ago. So, part of that is people are just getting to know us better, but more and more people...I think 18% of users type in Better.com and they're starting to search on Better when they are looking for a refinance rather than search on other platforms that have traditionally been places where they've searched because they know that we have the better price guarantee, we can deliver.

Maybe they'd consider the refinance six months ago, nine months ago, hadn't gone through with it, now rates are really, really tempting and then conversion has held still. This month, we're going to fund about $1.8 Billion of mortgages. We are at north of a $20 Billion a year origination rate and the percentage of people going and visiting the site and actually following through into applications and locking continues to grow.

Peter: Okay, okay, interesting. What type of loans are consumers trying to lock in today? Are they locking in, you know, like a 30-year fixed, 15-year fixed, are they doing like 7-year arms, I mean, what are they doing?

Vishal: For all the product differentiation that the rest of the industry talks about and the need to have all these different complicated products, we have like the world's largest product catalogue of US mortgage products across our 32 investors, but 90% of people go for a 30-year fixed rate mortgage because, fundamentally, consumers are seeking the benefit of longer amortization which lowers their monthly payment which allows them to live....you know, save money and live a better life with all of the other money that they can use.

Fundamentally, the usability of the asset is a long-dated asset, it's not a car that's going to go away in five years, seven years, ten years. It's going away....the house is going to be there for 30 years or longer so it makes sense to borrow money to match. We've seen people....on the other side, we've seen a demand for cash out refinancing so people are consolidating all their other loans, their car loans, their personal installment loans, their credit card loans and leveraging the value of their homes to be able to do that.

So, we're seeing demand for that and most surprisingly, we are continuing to see month-on-month growth so we had a pause in March/April for COVID, like the depth of COVID and now, we're starting to see massive uptake in demand to buy a home, first time home buyers, 40% higher for first time home buyers coming on to the platform. The average age of someone getting a pre-approval on Better has gone from 40 years old to 36 years old in the space of three months and all of that is just indicative that COVID has surfaced this long hidden desire.

We thought, you know, the millennial generation, the Airbnb generation, they want experiences not assets. Well, fundamentally, you know, I think now they're staying at home, they've gone to the suburbs, they're living with family and the hidden expression of desire, the object of desire to own your own home is manifesting itself in a way that we thought was going to take a lot longer.

Peter: Right, right, okay. So, before we go any further, I do want to get you to describe your business model because it's somewhat unique and the fact that you don't charge fees, no commissions. Why don't you just describe how Better makes money.

Vishal: Sure. So, our business model is actually very similar to the business model of companies like Amazon or Kayak or Alibaba is that we are actually a multi-sided marketplace. So, consumers log on to the website, they don't get charged any commissions or any fees, we don't have any commissioned employees, you know. So, you get on to the site, you can find your rate in three seconds, you can get approved in three minutes, you can lock your rate and know what your cost of housing is going to be for the next 30 years in 15 minutes and then you can fulfill the rest of the process entirely online.

If you want to talk to someone, there's someone sitting and waiting to be able to talk to all the time, you have a dedicated loan expert. But, separately, you can also just go through the process entirely by yourself and you're able to do that with certainty, with speed and backed by the Better price guarantee which means that we will match anyone else's price out there in the market and then beat it and give you something extra. That provides consumer certainty that they're not going....they can rest easy on price and focus on process and savings and know that they're going to be able to close on their new home.

So, we think what we've done is taking the most stressful element of the home ownership experience which is how to pay for it and how to like translate a $300,000 house, which very few of us have $300,000 walking around, right, that's a lot more commas and zeroes than most of us are used to, and turn that into what we can actually digest which is $1,520 a month and that's our unique, unique value proposition. We turn $300,000 or $400,000 or $700,000 into an affordable monthly payment. That's what I think consumers can understand.

And because of the way we do it, by getting rid of the commissions, by automating the process, by taking things like homeowners' insurance and title insurance and putting it all in one seamless, fast, easy flow guaranteed by the Better price guarantee, what we're able to do is help them basically afford a better house, in a better school district with a shorter commute to work and, therefore, live a better life. I think that's the consumers' value proposition on the front end.

On the back end, the way we do it is we built a matching engine that takes consumer attributes, property attributes and matches it with investor criteria. We have 32 investors on our platform that make up about 80% of the value of all mortgages originated in the country. What we've done is eight of the ten largest banks are there, many of the largest insurance companies...these are end investors in mortgages and what they're able to do is buy a cash flow stream with more detail and more data off the Better platform, they submit pricing and requirements to them.

We've built a rules engine that's not like one lender, one warehouse line, one set of underwriting criteria. We take all of their criteria and we are able to match them effectively like a massive, awesome, recursive like VLOOKUP table, right, for all the Excel like, you know, aficionados here. And by doing that, we're able to give a consumer the best price that they qualify for across the entire range of products that they could possibly qualify for, whether it's non-QM or jumbo or prime or conforming or Fannie or whatever it is instantly. I think that's what's so powerful is that the back end....at the front end we're basically Charles Schwab e-trade for mortgage and at the back end, we're basically NASDAQ for mortgage.

Peter: Right. So, you're making money on selling of these loans, right, that's the revenue stream.

Vishal: Investors pay us a premium for the stream of cash flows that a Better mortgage produces and that premium is, effectively, not even paid for by the consumer because the consumer is getting a lower rate than they can get anywhere else. It's being paid for by the commission sales people that we've cut out of the picture, it's paid for by the automation that we've done to reduce the cost of like data verification and underwriting and then it's paid for by the surplus spread that we're earning the investor by getting the consumer a better house that they can better afford which then leaves the out performs.

Peter: Right, right. One thing I've always wondered about your model and I'd love to hear you explain it. You said you got eight of the top ten largest banks all of whom, I imagine, are also providing mortgages direct to their customers. Why do they buy your mortgage at a mark up what they are doing themselves. You know, they're obviously competing with themselves in some fashion so explain that sort of dichotomy.

Vishal: Yeah, and it's getting even weirder now because two years ago, we didn't have a B2B platform. Now, we basically have like Amazon, AWS/third party seller marketplace where for Ally, for American Express, for Northwest and Mutual Pro, a whole bunch of very large consumer brands that are financial services companies, we are their mortgage partner.

So, literally, their customers are actually coming to us and getting a mortgage powered by Better, but, you know, like the way that mortgages work is most banks, whether you look at Wells Fargo, Chase, Citi, their branches don't produce enough mortgages for their investment box. They actually need like .....Wells Fargo let's say has a Trillion dollar mortgage book, about $150 Billion is paying off per year and the branches are only producing $60 Billion of mortgages so those 42,000 loan officers and mortgage brokers that Wells Fargo has aren't producing enough mortgages so they've got to go find $60/80 Billion of mortgages.

What's more, the average bank spends $15,000 to make a mortgage between the commissions, the people, the process, the paperwork, the fax machine, all that stuff, all the old systems and so if they have a choice of paying $15,000 to make a mortgage the old fashioned way, or they have a choice of paying $10,000 to Better to get a better mortgage with a better consumer who can afford a house better and live a better life, they are choosing to buy mortgages on Better.com.

So, we don't compete with the banking system for their customers and, you know, it's reverse in some cases like you go to some of our bigger partners like banks, you can get a cheaper mortgage as a Wells Fargo or a Citibank or Chase customer on Better.com funded by Chase, Citi, Wells then you can...at Chase, Citi, Wells.

Peter: Yeah, that's kind of funny isn't it? (laughing) Yeah, okay, I get it, I get it now. Now, I do want to talk a little bit about how the underwriting is changing because obviously we've got ....there's a lot of unemployment happening, people that did have a job when they might have started to fill up a mortgage application no longer have a job, I mean, how are you managing that? Are you doing more when it comes to employment verification or other forms of underwriting.

Vishal: The employment verification that we have traditionally done, because it's API-driven, has always been nearly real-time. So, when your mortgage broker is asking you to fax pay stubs, yes, those are dated, right, because you need to get the physical pay stub and fax it to them or take a picture and email it to them. We're getting it directly off the API's so for us to accommodate some of the changes that Fannie Mae has put in place which is to effectively get employment verification right before you close, for us that's like an API call.

For others, it's a really Herculean task which is why we're able to continue to close whereas others have had to literally shut down because they've got to shut down the assembly line so like put the process in and then re-tool it and take it out there and then cost a lot of money. The other thing that has changed in small businesses.... Fannie Mae and the FHA have changed their guidelines around small businesses and now they're asking people, consumers specifically, to provide a year-to-date financial statement so P&L and things like that so, that's been a pretty huge change.

The mortgage industry software in the industry is not built to underwrite small business income and so like your traditional systems, for them that main frame system to actually go and be able to like effectively integrate Quickbooks into that system, that's just like a Herculean task for them. It will take them a year, two years so, they're basically saying, no, they are not underwriting small businesses or for getting a mortgage. Now, imagine you're a small business owner, you have a nice business and, actually, you want to get cash out of your home to go and to continue to keep that business going or to re-start that business.

We are, fundamentally, not serving the American public by .....look how broken the mortgage industry is with that. And so, we're able to continue to do that because we were able to integrate a P&L statement and a template for all of our consumers who are small business owners in a day. So, in a certain way......you know, one of the CEOs of a big mortgage bank said this to me, we are able to short the past.

The banks are long the past, the mortgage brokers are long the past and we are able to short the past and the banks and the mortgage brokers are short volatility and we are long volatility. So, volatility is good for us because if rules change, we can move and create and change our rules engine. To change them, they have to change 42,000 employees, underwriting guideline book, it's just totally different.

Peter: Yeah, yeah, that makes sense. So, before I talked to you, I went back and I went through Better.com and I went into the refinance application and it really was quite impressive to me because I timed it and I spent just over two minutes to basically .....I kind of knew what I was doing, of course, and I had everything ready. It was just over two minutes to go through from start to finish through your process. I did not lock in a rate though because I am actually not looking to refinance, but I wanted to see how it works. So, explain the...I'd love to hear a little on it, I know you touched on it, but talk about the tech that you're able to put in so someone can go from start to finish, almost finish in two minutes.

Vishal: So, I think there's a couple of principles that we've always thought about, right, and it's always been a consumer first, consumer focus company. So, the first thing is, how do you get the consumer something of value every single time you ask them to do something. So, when I ask you to fill out a page on a form, what value am I returning back to you, right, and so you might have seen we are flow, we are returning value and providing information and guidance through the flow.

We're asking you what you're paying and I think we can still be 10x better about it, but like literally through that entire process we are engaged in transparency and communication with the consumer as to what is happening. That is how, over time, we can possibly displace the traditional mortgage loan broker. The traditional mortgage broker, for all their flaws, has empathy, understands the situation, you know, humans are very good at that, our software system takes that data. What the software system is able to do that any person is not is that immediately starts getting data so when you put in your address, we immediately know a lot about your property, it's automatically through API going and figuring that out.

When you enter in what the value of your property is, it's automatically checking whether actually that's a reasonable value for your property or not and if it's a flag, it's not stopping you and saying, hey, you're lying about the value of your home, it's actually saying, well, let's check this, it might be flag a little later in the process and we're going to have a communication about it. So, we've had to not just build an API layer, which a lot of people have been doing or aggregating...so we started in like 2015/2016 aggregating the API's, then we started figuring out what is data that is not required but helpful.

Then we started figuring out how to order the data around and what we do that, you know, is so that we reduce the number of branches of dependencies and branches of dependencies for a consumer or for a consumer type and stuff like that. And then from there, how do we get the customer in and out on a refi because refi....you know, the consumer already has a mortgage, they are looking for savings, how do we identify that savings amount for them as quickly as possible and give them certainty that they can qualify for it. So, like on refi we think about, you know, "add a click, kill a kitten", and you know, you can see that it's like streamline in and out, really helpful for a consumer to be able to see that.

I think there's more we could do like in terms of surfacing other options, maybe you have other debts that you should be consolidating, maybe there are other things that you should be doing. But I think, you know, the technology behind it and all at the same time, it's pinging, each unit of data that's collected from you, it's pinging the back end engine and fulfilling criteria for 32 investors and saying there's a check box in that VLOOKUP table equals true for these investors and we're matching you with a group of investors and then their bids, and then their bids, and then their bids.

Peter: So, are there any of the group....like how wide is that credit box today? Are you finding that's there more that simply don't match those 32 investors that maybe would have matched six months ago?

Vishal: So, the non-QM marketplace has shut down a lot and we've worked with some community banks and some CDFI's to continue to provide funding for that product and we've actually entered into two financing agreements; one with one of the largest life insurance companies in the country, one with a major, you know, top five bank to be able to continue to finance those because they know that the process is much less error-prone and much less prone to fraud and moral hazard with better than it is in a traditional real-world context.

But, that's really where we've seen shrinkage in the market is in non-QM, then also in the jumbo marketplace. So, we were never actively doing $5/10 Million loans for people, but generally, it's become much harder to get a mortgage on anything that cost more than $3 Million.

Peter: Right, right, that makes sense. So then, I'm curious about the......you've talked about sort of this "powered by Better" product where you're powering the mortgage origination systems for a lot of these banks, do you see....I mean, when you're looking at the opportunity in front of you, do you see that as the bigger opportunity or is it just growing your traditional business that's farming out to 32 investors?

Vishal: I think Better will take 5, 10, 15 years to become a household name and I think, fundamentally, our goal is to give consumers a better life and a better mortgage and a better homeowner insurance policy, life insurance policy, title policy, connecting with a better realtor, allow them to do all these things. The power of multiple brands will always be greater than the power of one singular brand and through the power of multiple brands, through our partnerships with Ally and American Express we're able to reach consumers that are not necessarily going to go with the new fintech, right, we're able to do all that.

To give you some context, 68% of the products that Amazon sells are from third party sellers and those tend to be the most stable and margin-lucrative products that are sold. What they get the benefit of is the customer base Amazon has compiled and also all of their fulfillment technology. So, we think, again, you know, we're going to continue build products, but we think our B2B platform and our third party partnerships are going to be an enormous part of our growth going forward.

Peter: Right, right.

Vishal: I wouldn't be surprised it it's 70/80% of our business going forward.

Peter: Okay, we're running out of time, but there's several questions I really want to get to.

Vishal: Totally, should I shorten up the questions?

Peter: Yeah. You're one of the few entrepreneurs that actually was running a company ...in the last financial crisis running a lender, a different vertical, obviously, you were with MyRichUncle, it was student loans, but I'd love to hear what you learned from that experience with the last financial crisis that you can take and make and implement into Better in this financial crisis.

Vishal: I would say never get high on your own supply. MyRichUncle was winning, it was winning, it was winning. I even remember like our delinquency rates were 50% better than like Sally Mae's and the competition and a lot of our competitors went out of business in 2007, early 2008 and we were continuing to win. I thought we would just win and we would make it, but our financing partners didn't make it. Merrill and Lehmann didn't make it and so we went down with them so, fundamentally, that's why we created a marketplace.

It's not enough to have two warehouse lines, three warehouse lines, five warehouse lines, five partners. We really actually need to come out and find capital, we actually need to create a full, whole loan marketplace and.....you know, that's the last thing any of these investors were buying yield one, they wanted to take up all the loans. No, we've created that true marketplace and I think that desire and that willingness to work so hard in this dark corner that we actually created where we were getting no credit for at Better for a long time, I think that was the hard stuff. I think my experience from MyRichUncle helped me do that.

I think the second thing is liquidity. We just simply ran out of money because our investors stopped funding us and so, what we've tried to do this time is we have just had the best financing partners and have continued to be very liquid. You know, we went into COVID with over $250 Million of liquidity and that just allowed us to be bold when others were fearful.

Peter: Right, right, okay, that makes sense. I want to talk about electronic closings because it's something that's been on the Holy Grail for real estate, everyone in the real estate ecosystem for a while, but suddenly, we have been forced to have electronic closings. Are you conducting 100% electronic closings end-to-end today and do you see that as sort of the way....when is it going to become standard, I guess, is my question.

Vishal: So, in certain states today, it's still not possible to do remote notarization. Why? Because there are constituents, local, statewide constituents, that want to have a physical notary present, a physical title agent present and maybe the future is coming fast and COVID has accelerated the future. There are all these very large incumbents, almost operating, you know, operating as someone who wants only....this is a very tribal business, right, like the local lender is key, the real estate agent is key, the local title agent is key.

What COVID has rendered that locality, local proximity nearly useless and so the industry is forced to adopt the future. There are 12 states that still don't allow remote notarization. We are working with regulators in those states to kind of do that. As much as we can do e-online and e-closing we are doing, but I would tell you, we are very long from 100%.

Peter: Right, right, okay. So, you have been also pretty vocal about saying.....it was last year, so before the crisis you were saying that you wanted to do an IPO sooner rather than later and, obviously, things have changed since you made that comment. So, are your plans on hold, do you still want to be conducting an IPO in the near future or has it sort of been pushed out aways?

Vishal: Well, I'm not allowed to speak about our plans, but all I can say is the future is coming faster (Peter laughs) and I have always held a personal belief that there is a social contract between America's household brands and the consumer and that the consumer should have the ability to own a stake in the company whose products they use. I use Apple products, I get to buy shares of Apple stock, I understand the product, I understand the company and it creates loyalty.

I think this last ten years of startups have bred this complacency about staying private and, effectively, making a few rich at the expense of the many. So, most of these companies should have gone public when they had the chance. If you think about the big fintechs that have succeeded like Square went public, had a rocky ride, but, I mean, look at that valuation today and then look at all these other guys that.....you know, being public is a good thing. Having your consumers be able to taste the soup and to participate in it is a good thing. So, I firmly believe that and I think, actually, the benefits of being public are better than ever before.

The venture capital community has three to five years of mistakes that they've made in the past three to five years of over valuing companies that are going to be paid for by the founders that they're going to be investing in the next three to five years. (Peter laughs) So, you know, the cost of capital used to be cheaper in the private markets, I think the public markets are going to be far cheaper in the next decade.

Peter: Right, right, that makes sense, okay. So, last question then, what are you excited about most when you're looking at what Better's got on top for the next 12 months? What's the most exciting for you?

Vishal: The ability to transform home ownership for a new generation, one that isn't used to doing it the old way. I think, you know, millennial home ownership rates are at 35%, whereas like traditionally, most populations as they've entered this age have had 75% home ownership, right. The idea that our generation and below, we can double the rate of home ownership, double like make the place that they call home really a lot better, that's super exciting.

Peter: Okay, Vishal, we'll have to leave it there. It's always great chatting with you, thanks for coming on the show.

Vishal: Thank you, Peter, for having me, always a pleasure to chat with you.

Peter: Okay. See you.

You know, it seems to me the mortgage industry is still clinging desperately to the 20th century as many companies are still trying to do things exactly the same way they've always done them. Now, with the pandemic it's not been possible to do that, but as Vishal has shared, there's some things that, from a regulatory perspective, you simply can't do digitally and that, I believe, is going to change.

I feel like one thing the pandemic has taught us is that ...if it is possible to do something online, then it will be moved online and I think there's certainly customer demand to do that. There's no reason why we can't have an end-to-end digital mortgage closing process for almost all mortgages today. I feel like people may have thought we were five years away from that, my opinion is we're going to see this move a lot quicker than it has in the past.

Anyway, before I sign off, I just want to remind everybody, if you listen to the show regularly, thank you and I'd really appreciate it if you would leave a review, a 5-star review would be great, but leave an honest review on Apple Podcast, Stitcher, Spotify, whoever you listen to the show, I would very much appreciate it.

So on that note, I will sign off. I very much appreciate your listening and I'll catch you next time. Bye.

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(closing music)