



## Better.com Closes Series C at \$160 Million

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NEW YORK--(BUSINESS WIRE)--Better.com, one of the fastest-growing homeownership platforms in the country, today closed its Series C fundraise at \$160 million, bringing the company's total funding to \$254 million to date. Activant Capital, Ping An Global Voyager Fund, Ally Financial, Citi, AGNC, Healthcare of Ontario Pension Plan (HOOPP) and American Express Ventures joined existing shareholders Goldman Sachs, Pine Brook, and Kleiner Perkins in the round.

The new investment round comes amid a period of tremendous growth for the fin-tech disruptor: Better.com has grown 3x year-over-year and is currently funding \$375 million in mortgages a month. This puts the company on track to lend over \$4 billion in 2019. Better.com also funded \$1 billion of loans in Q2 of this year alone, more than in all of 2016 and 2017 combined.

Better.com was created in 2016 after its founder, Vishal Garg, lost a home to an all-cash buyer due to a slow and antiquated traditional mortgage process. His wife was pregnant with their second child at the time. He used the money he had saved for the down payment to start Better.com, which has digitized the entire mortgage process to eliminate commissions, fees, unnecessary steps, and time-wasting branch appointments. Customers are able to upload and eSign documents, get loan estimates in seconds and a pre-approval within minutes. Better.com is also able to close a typical mortgage 50% quicker than the industry average (21 days vs. industry average of 42 days<sup>1</sup>).

The startup's commission-free business model also allows borrowers to save more than \$3,000 on average in up-front costs, or over \$700 a year in interest payments on a typical \$300,000 conforming loan mortgage.<sup>2</sup>

"Similar to how Amazon upended the retail industry, Better.com is digitally disrupting the [\\$15 trillion mortgage industry](#) through best-in-class technology, a commission-free business model and first-rate customer support," said Vishal Garg, CEO and Founder of Better.com. "The capital we've raised will enable us to accelerate our investment in product development, grow our strategic partnerships, expand our team and scale our platform to continue making it easier for borrowers to get home financing."

Better.com's rise as a leading online lender comes at a time when digital-native and cost-conscious millennials now account for the group [responsible for the most new mortgages](#). Millennials also now make up 42 percent of all mortgage dollars originated in the United States. For context, [78% of homes](#) were purchased with a mortgage in 2018.

"Better.com is reengineering and digitizing the mortgage process, making the entire home-buying experience faster and more affordable," said Lindsay Fitzgerald, Managing Director at Amex Ventures, the strategic investment group of American Express. "We are delighted to support Better.com as they continue to grow and transform the market."

In the last year, Better.com added 550 new hires and moved its headquarters to 7 World Trade Center to accommodate its rapid growth. The company also opened additional offices in Irvine and Oakland, CA in 2018 and in Charlotte, NC just this month.

Better.com board member, investor, and Activant Capital founder Steve Sarracino said: “Better.com is completely changing the way consumers purchase a home. Their end-to-end digital solution is simplifying the mortgage process for people, affecting billions of dollars’ worth of home sales. The team is effectively overhauling the way millions of Americans make the most meaningful investment of their lives. We’re thrilled to work with them as they continue to grow.”

In addition to Sarracino, Better.com recently added former CFPB Director Raj Date and Pine Brook Managing Partner and Co-Founder William Spiegel to its Board of Directors.

“Pine Brook has been an investor in Better since it launched in 2016. It is exciting to see how the management team’s vision has turned into reality as the company has grown over 10x in just 3 years and become an innovative leader in the mortgage market. I am proud to join the Better board and help the company continue its impressive growth and be the preferred financial partner for consumers buying or refinancing a home,” shared William Spiegel.

To continue its growth, the fin-tech disruptor anticipates hiring an additional 400 people in sales and technology by the end of 2019.

Better.com was recognized as one of *Fortune’s* “Best Places to Work in NYC” 2019, ranked #964 on *Inc.’s* “5000 Fastest-Growing Companies” for 2019 and listed to *Forbes’* [FinTech 50](#) for 2018.

**About Better.com:**

[Better.com](#) took apart the home-financing ecosystem, step-by-step, using a technology-driven process and non-commissioned loan consultants. Since inception in 2016, Better.com has funded more than \$4B in loans. Better.com was recognized as one of *Fortune’s* “Best Places to Work in NYC” 2019, ranked #964 on *Inc.’s* “5000 Fastest-Growing Companies” for 2019 and listed to *Forbes’* [FinTech 50](#) for 2018. For more information, follow [@betterdotcom](#).

<sup>1</sup> *Ellie Mae June Origination Report 2019*

<sup>2</sup> *Comparing the MBA industry average mortgage rate to the average mortgage rate offered by Better over the period July 2018-June 2019*

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