

Prosperity Home Mortgage

Start with a 12-month asset report to save on time and report costs



Prosperity Home Mortgage, LLC is a full-service mortgage banker specializing in residential and refinance loans. Operating in 48 states and the District of Columbia, Prosperity offers a suite of mortgage products, including fixed- and adjustable-rate mortgages, FHA and VA loans, jumbo loans, and renovation financing.

The challenge

In a challenging real estate market, lenders are continually looking for ways to save time and money without sacrificing the borrower experience. To maintain their competitive edge, Prosperity wanted to use new technology to streamline processes, reduce operating costs, and maintain their already-high level of borrower satisfaction.

The solution

Fannie Mae's latest enhancement to the Desktop Underwriter® (DU®) validation service uses a single source of data to verify assets, employment, and income. Now, instead of needing — and paying for — multiple data verification reports, lenders can purchase just one report containing 12 months of a borrower's bank account transactions with their permission. This asset report can validate a borrower's employment for 15 days and income for 120 days. In addition, the report can be submitted to DU for an evaluation of a borrower's rent payment history to help lenders qualify more first-time homebuyers as well as view their cash flow transactions, which can help potential homebuyers without credit scores.

When validating employment and income with a single asset report, lenders can skip the purchase

of verification of income (VOI) and verification of employment (VOE) reports — both at the beginning of the application process and 10 days before closing.

Prosperity was already using DU, so implementing this enhanced validation was seamless. "It's really an effortless and elegant integration on top of DU," says Josh Byrom, VP, Head of Innovation at Prosperity. "Every lender is looking for an 'easy button.' This is it."

Recognizing the cost savings of this more efficient method, Prosperity was able to prioritize the use of the 12-month asset report. "Since we know validation from an asset report is best in class, we start there," says Byrom, only turning to more expensive validation methods when required.



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Josh Byrom
VP, Head of Innovation
Prosperity Home Mortgage

The results

Prosperity has experienced significant benefits.

Reduction in data verification report costs

By using the single asset report to validate multiple borrower data components, Prosperity reduced the number of VOI and VOE reports purchased and cut annual spending on reports by more than 50%. Prosperity now saves several hundred dollars per loan on report costs alone.*

Faster application-to-close

An analysis of Prosperity's cycle times revealed that borrowers who were able to use an asset report for employment and income validation closed more than 10 days faster, on average, freeing up staff members to work on other loans and providing borrowers with a better experience.**

Enriched customer relationships

Using a single report to validate data with DU reduces the need for lenders to contact borrowers for additional information or confirmations. Prosperity used this time and cost savings to connect with customers in new and different ways.

"For us, it has shifted the way we do business and allowed our team members to focus even more on customer service," says Prosperity President and CEO Justin Messer. "This, in turn, creates opportunities not only to nurture leads but also to generate more business."

High-quality data

According to Messer, the 12-month asset report is "the most reliable source of data we've ever had."

"We're not dealing with inconsistencies, employer name mismatches, or errors that you might see from other sources," Byrom adds. And because the report data comes directly from the borrowers' bank accounts, the process is transparent and familiar for customers.



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Improved customer satisfaction

"It's shocking to borrowers that the process is so much easier," says Byrom. Prosperity says that loan applications validated with a single asset report can be processed and underwritten the same day — complete with a commitment letter — rather than the typical seven to ten days via other methods. That's a win for everyone, as reflected in Prosperity's interactions with borrowers.

"Customers generally experience a feeling of awe," says Messer. "They say, 'Is that really it? Am I really done?' The pure simplicity of the transaction from a borrower's perspective is massive."

Fannie Mae's latest DU enhancement further streamlines the mortgage application process, making it simpler for borrowers and more efficient for lenders. Learn more at fanniemae.com/SingleSource, or contact your Fannie Mae account team.

All performance and savings claims are specific to this case study as reported by this lender. Fannie Mae cannot guarantee similar benefits to other lenders who utilize this latest DU enhancement.

* In a survey of pilot lenders, 50% saw some level of cost savings over their existing third-party report costs. Customer results may vary.

** In a survey of pilot lenders, 86% saw some level of time savings over their existing processes. Customer results may vary.