



Freddie Mac Announces First Automated Assessment of Direct Deposit Income

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New capability helps lenders provide sustainable homeownership for more borrowers

MCLEAN, Va., Feb. 15, 2022 (GLOBE NEWSWIRE) -- [Freddie Mac](#) (OTCQB: FMCC) announced today that the company will launch a new, automated capability that allows mortgage lenders to assess a prospective homebuyer's income paid through direct deposit to reduce the paper documentation burden on borrowers so they can close loans faster and simplify the lending process.

This income assessment solution is available to mortgage lenders nationwide through Freddie Mac's Loan Product Advisor[®] (LPASM) asset and income modeler (AIM). AIM for income using direct deposits provides these cost-saving efficiencies, while continuing to meet Freddie Mac's strong credit underwriting standards.

"Our direct deposit solution is an innovative, data-driven approach that takes minutes, not days to assess income so our clients can serve more borrowers more efficiently," said Matt Vincent, Freddie Mac Single-Family vice president of credit and capacity. "Sourcing data directly from the mortgage applicant's bank account increases accuracy, removes subjectivity, reduces manual underwriting errors and delivers a better experience for borrowers and lenders."

With more than [93 percent](#) of U.S. workers being paid by direct deposit, according to the American Payroll Association, AIM is now able to assess more income sources than ever. In addition to direct deposit data, with borrower permission, AIM can assess an applicant's income from employer data as well as tax return data for self-employed individuals.

"We are thrilled to announce another first-of-its-kind solution to help bring greater loan origination efficiencies," said Kevin Kauffman, vice president of client and partner delivery, Freddie Mac Single-Family. "Working alongside our partners, we're offering tremendous value to our lender clients and their borrowers, while leading the industry on its digital journey to modernize the mortgage process."

A recent Freddie Mac [study](#) highlights how lenders, through the adoption of Freddie Mac Loan Product Advisor automated solutions (including AIM), were able to significantly boost efficiency and on average shorten cycle times by as much as 15 days. In addition, these efficiencies translated into cost reductions, increased customer satisfaction and improved capacity and conversion pull-through rates.

This new AIM capability will be available to Freddie Mac-approved Sellers using Loan Product Advisor. Additional requirements and the effective date will be announced in an upcoming March Guide Bulletin. Initial service providers supporting Freddie Mac's AIM for income using direct deposits include Finicity, a Mastercard Company, FormFree and PointServ. Freddie Mac's privacy policy is available [online](#).

To learn more, visit the AIM [webpage](#).

About Freddie Mac

Freddie Mac makes home possible for millions of families and individuals by providing mortgage capital to lenders. Since our creation by Congress in 1970, we've made housing more accessible and affordable for homebuyers and renters in communities nationwide. We are building a better housing finance system for homebuyers, renters, lenders, investors and taxpayers. Learn more at [FreddieMac.com](#), Twitter [@FreddieMac](#) and Freddie Mac's blog [FreddieMac.com/blog](#).

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