Lenda raises $5.25 million in Series A financing

First it was an expansion into new states from California, then a “TurboTax for mortgage” product that allowed consumers to complete the home loan process start-to-finish online without a loan officer.

Today, online lender Lenda announced the latest disruptive ripple in the pond: Series A financing that netted the startup $5.25 million.

“Lenda’s platform, built from the ground up, educates its users throughout the entire process and has licensed representatives available for homeowners to get their questions answered by live chat, email or phone,” explained the company in a press release. “Lenda’s customers have collectively saved over $750,000 in fees and over $5 million in interest over the lives of their loans.”

Launching in 2013, Lenda currently services customers in California, Washington and Oregon. It said in the release that it plans further expansions to additional states this year. Its Series A funding was led by SF Capital Group, with additional investment by CreditEast Fintech Investment Fund and Rubicon Venture Capital.

“Our mission at Lenda is to fix the broken mortgage finance system by simplifying the entire process and providing customers with what they want — honesty, simplicity and speed,” said Jason van den Brand, Lenda’s Co-founder and Chief Executive Officer, in the release. “This new round of funding enables us to further build out our management team and expand our transformative service to more people in more states.”

“With their disciplined focus on automation, Jason and his team are bringing the traditional mortgage process into the 21st century, for both new origination and refinancing,” said Neil Wolfson, President, SF Capital Group, in the release. “Unlike many digital mortgage companies that are mainly sales organizations with outsourced middle and back offices, Lenda demonstrates true innovation by using technology to achieve scale.”

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The company stated in the release that Lenda loans close “nearly 3.5 times faster than the industry average,” adding that loans “can be completed in a quick 17 days versus the typical two month close time.” It also claims to save customers “approximately $409 a month in loan repayments” from interest rate and APR savings, compared to banks and other lenders.

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