WHO WE ARE

WWW.PHYSICIANLOANS.COM

LICENSED
NMLS #1587

A Preferred Mortgage Provider for
the AMA, AOA and SOMA

IN BUSINESS
SINCE 1993
The #1 Question - Buy vs. Rent

How Much You Qualify For

Monthly payment you feel comfortable with

Local Home Prices
BUY VS. RENT

Local Home Prices

How Much You Qualify For

Monthly Payments You Feel Comfortable With

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THE 4 THINGS THAT MATTER MOST

How Much You Qualify For + The Right Loan Officer + The Right Real Estate Agent + The Right Loan

Monthly payment you feel comfortable with

Local Home Prices
THE #2 QUESTION - WHAT PRICE RANGE?

Most Single Income Graduating Medical Students will purchase a home in the range of:

$125,000 - $330,000

Monthly payment between $850 - $1,800

Dual Income families are able to purchase into the $450,000+ range.

Payments of $2500+
BUY VS. RENT

TOP FOUR DECISION FACTORS

Match City

Time in Home

Lifestyle

Financial Benefits
Houston We Don’t Have a Problem

the case for moving to houston

Imagine you’re a professional earning $100,000 and are considering a move. The chart below, based on data from the Economic Research Institute, shows how much your salary would vary across metro areas and compares it to the cost of living. The two are generally correlated, but not perfectly. San Diego, for instance, is about 40% more expensive than average but has only slightly better pay. Houston, on the other hand, has similar relative pay but below-average costs.
HOUSE PRICE INFORMATION

*FHFA HPI Release Dates

House Price Calculator

Calculate the current estimated dollar value of your home using FHFA's House Price calculator.

FHFA House Price Index

Download the latest FHFA House Price Index
Monthly House Price Index for U.S. from January 1991 - Present
Purchase-Only FHFA HPI® (Seasonally Adjusted, Nominal)

Compound Annual Growth Rate Since January 1991: 3.8%
Compound Annual Growth Rate Since January 2000: 3.9%
Compound Annual Growth Rate Since January 2012: 6.2%

Source: FHFA
THE FINANCIAL BENEFITS OF BUYING

Benefits of a $275,000 House Held for 4 Years:

- **PITI ($1,553/mo)**: $74,554
- **Equity**: -$21,000
- **Appreciation (3.5%)**: -$36,000

**Total Difference of $44,846**

- **Rent Payments ($1,300/m for 4 years)**: $62,400
- **Total**: $17,554
THE FINANCIAL BENEFITS OF BUYING

Gross Difference of $44,846

Maintenance (apx. 1% per year) $10,000
Selling Cost (6% of $311,000) $18,660

Net Difference of $16,186
Who Should You Trust???

Do your clients understand how much equity they could be building in just **one year**?

Buyers waiting on the sidelines need this information in order to make a great decision. 

In spite of rising home prices, housing is still affordable for the majority of homebuyers because **incomes are still increasing and interest rates are still dropping**. 

(If you'd like to dive in to the numbers, we’ve broken them down in our recent blog article: [https://XXXXXXXXX](https://XXXXXXXXX)

I share this with you because I know your clients are discouraged by home prices and are worried they won't be able to afford a mortgage payment. 

My job is to educate them on how quickly they can build wealth in real estate and to relieve their stress. 

If you have buyers who are currently on the fence, I would be happy to prepare a free Total Cost Analysis for them. This detailed report will help them determine which mortgage option fits their budget with the lowest overall cost and greatest wealth-building potential.
HOW MUCH YOU QUALIFY FOR IS DETERMINED BY YOUR DEBT RATIO

\[
\text{Total Debt Ratio} \geq \frac{\text{Total Monthly Debt Payments}}{\text{Monthly Gross Income}}
\]
## WHAT MORTGAGE PRODUCTS ARE OUT THERE?

<table>
<thead>
<tr>
<th>Physician Loan</th>
<th>Conforming</th>
<th>FHA</th>
<th>VA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Portfolio Loan</td>
<td>Fannie Mae and Freddie Mac</td>
<td>Government Insured</td>
<td>Government Guaranteed</td>
</tr>
</tbody>
</table>
TOTAL DEBT RATIO ALLOWED

Physician Loan 50%

Conforming 36-41%

FHA 41%
HOW MUCH YOU QUALIFY FOR

Total Debt Ratio ≥

Solve for: 🏡
Total Debt Ratio: 50%

\[
\frac{\text{Total Monthly Debt Payments}}{\geq} \frac{\text{Monthly Gross Income}}{
\begin{align*}
\text{Total Monthly Debt Payments} & \geq 2,417 \\
\text{Monthly Gross Income} & \leq 4,833
\end{align*}
\]

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How are Student Loans accounted for?

Total Debt Ratio \( \geq \) Total Monthly Debt Payments

Monthly Gross Income
Hi Tal

I've been through multiple fraudulent 'Physician Loan' programs and I decided to stick with the best one I received which was with XXXX XXXXX from XXXXXXX Bank. He's located in NC but is able to assist me with my purchase in Texas.

He has offered me 100% financing (0 down required) with no PMI and he will exclude my student loans (ONLY if I can show deferment for 12 months which is my only current issue).

I've struggled with trying to contact Navient and even get a financial advisor to figure out how I can prove that my loans are deferred for 12 months but I haven't had much success with trying to defer them ahead of time.

Would you be able to assist me in finding a lender that offers all my current lender is offering in addition to not requiring my loans to be deferred?

Thanks Tal!

Sincerely,

XXXXXXXX
THE HOUSE YOU BUY DEPENDS ON YOUR PITI

Principal + Interest + Taxes + Insurance

PITI + HOA

House Payment

Home Owner Association Dues (Condo)
THE HOUSE YOU BUY DEPENDS ON YOUR PITI

Purchase Price (assumes 3.75%) $275,000

P&I $1273
Taxes $230
Insurance (Home Owners) $50

Total PITI $1553
THE HOUSE YOU BUY DEPENDS ON YOUR PITI

- **$150,000**
  - **P&I:** $694
  - **T:** $125
  - **I:** $40
  - **PITI:** $859

- **$275,000**
  - **P&I:** $1273
  - **T:** $230
  - **I:** $50
  - **PITI:** $1553

- **$450,000**
  - **P&I:** $2084
  - **T:** $375
  - **I:** $80
  - **PITI:** $2539
WHY IS APPLYING FOR THE RIGHT LOAN IMPORTANT AS A GRADUATING MEDICAL STUDENT?

- Little / no savings
- Student loan debt.
- No proof from lender of student loan payments for next 12 months
- No employment contract & no pay stubs.
- Job starts in July, but you wish to move in June or earlier
- No Medical license
WHY IS APPLYING FOR THE RIGHT LOAN IMPORTANT AS A GRADUATING MEDICAL STUDENT?

Wednesday, April 15, 2020 6:14 PM

comments: My name is xxxxx and I am in the process of closing on a house with my fiance David. We are both 4th year medical students starting residency in Phoenix, AZ. Our mortgage is through Johnson Financial and we have verified that this is a physician loan. Our problem is with our student loan repayments. They are insisting that we show them documentation from our loan servicers with the amount our repayments will be each month. We can't provide this and need some help! :)

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WHY IS APPLYING FOR THE RIGHT LOAN IMPORTANT AS A GRADUATING MEDICAL STUDENT?

Mon, Mar 21, 2016 at 11:49 PM

Great talk tonight,
I am listening for the second time from Rochester NY. I matched in Salt Lake City

I called XXXX XXXXX today and they said they want to have (1) a contract that is signed by the university (2) They want a statement from my financial aid office saying what my estimated amount of money that I would pay for the student debt. I remember that these are red flags from your talk. However, when I confronted them about this, apparently there was a law change last year around October that now required these things. I was wondering what your thoughts were on this.
## Mortgage Loan Types

<table>
<thead>
<tr>
<th>Feature</th>
<th>Physician Loan</th>
<th>Conforming</th>
<th>FHA</th>
<th>VA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Down Payment</td>
<td>0%</td>
<td>5%</td>
<td>3.5%</td>
<td>0%</td>
</tr>
<tr>
<td>Proof of student loan deferment or IBR NOT required for graduating students</td>
<td>✔️</td>
<td>✔️</td>
<td></td>
<td></td>
</tr>
<tr>
<td>No PMI</td>
<td></td>
<td>✔️</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Medical License NOT required for graduating students</td>
<td></td>
<td>✔️</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Graduating students NOT required to provide signed employment contract</td>
<td>✔️</td>
<td>✔️</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Higher debt ratio allowed</td>
<td>✔️</td>
<td>✔️</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Close up to 90 days prior to Orientation/Job</td>
<td>✔️</td>
<td>✔️</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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**WHAT MORTGAGE PRODUCTS ARE OUT THERE?**

<table>
<thead>
<tr>
<th>When is a PhysicianLoan the Right option for you?</th>
<th>When is a PhysicianLoan not the best option for you?</th>
</tr>
</thead>
<tbody>
<tr>
<td>• When you have 700+ credit score</td>
<td>• Putting 20% Down</td>
</tr>
<tr>
<td>• Want / Need 0 Down</td>
<td>AND</td>
</tr>
<tr>
<td>• Do not want to pay PMI</td>
<td>• You qualify per FannieMae/FreddieMac</td>
</tr>
<tr>
<td>• Will not have proof of student loan payments from student loan lender prior to loan closing</td>
<td></td>
</tr>
<tr>
<td>• Will not have a signed employment contract prior to loan closing</td>
<td></td>
</tr>
<tr>
<td>• Will not have a state medical license prior to loan closing</td>
<td></td>
</tr>
</tbody>
</table>
WHAT MORTGAGE PRODUCTS ARE OUT THERE?

When is a Conforming loan the Right option for you?

- 20% Down
- Meet all Fannie/Freddie guidelines
- Have proof of student loan payments for next 12 months
- Already working or have signed contract
- Have a state medical license

When is a Conforming loan the Wrong option for you?

- <20% Down
- Not able to meet all FannieMae/FreddieMac guidelines
- Will not have proof of student loan payments from student loan lender prior to loan closing
- Will not have a signed employment contract prior to loan closing
- Will not have a medical license prior to loan closing
### WHAT MORTGAGE PRODUCTS ARE OUT THERE?

<table>
<thead>
<tr>
<th>When is an FHA loan the <strong>Right</strong> option for you?</th>
<th>When is an FHA loan the <strong>Wrong</strong> option for you?</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Credit does not qualify for a PhysicianLoan</td>
<td>• You qualify for a PhysicianLoan</td>
</tr>
<tr>
<td>• Parent willing to be co-borrower</td>
<td>• OR</td>
</tr>
<tr>
<td>• Property will meet FHA appraisal requirements</td>
<td>• Property does not meet FHA guidelines</td>
</tr>
<tr>
<td>• Have proof of student loan payments for next 12 months</td>
<td></td>
</tr>
<tr>
<td>• Already working or have signed contract</td>
<td></td>
</tr>
<tr>
<td>• Have medical license</td>
<td></td>
</tr>
</tbody>
</table>

**Government Insured:**

- FHA
- VA
- Fannie/Freddie

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WHAT MORTGAGE PRODUCTS ARE OUT THERE?

When is a VA loan the Right option for you?

• Credit scores under 700
• Want / Need 0 Down
• OK paying the VA Funding Fee or you are exempt
• Do not have student loans
• Have a signed employment contract prior to loan closing
• Will have a medical license prior to loan closing
• Property will meet VA appraisal requirements

When is a VA loan the Wrong option for you?

• You qualify for a PhysicianLoan
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A Preferred Mortgage Provider for
the AMA, AOA and SOMA

IN BUSINESS
SINCE 1993
Good Morning Tal-

I have attached the guidelines for our doctor loan programs. This is a Freddie Mac Loan and does require MI.

Thank you,
Michelle

Michelle XXXXX
National Account Executive
XXXXXXX Lending, Inc.
XXX-XXX-3063
## PREPARING YOUR CLOSING BUDGET

### Funds to Close

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Down Payment</td>
<td>$</td>
</tr>
<tr>
<td>Closing Costs</td>
<td>$</td>
</tr>
<tr>
<td>1% - 3% of purchase price - varies by state</td>
<td>$</td>
</tr>
<tr>
<td>Escrows</td>
<td>$</td>
</tr>
<tr>
<td>3 - 6 mos. taxes &amp; insurance</td>
<td>$</td>
</tr>
<tr>
<td>1 yr. homeowners insurance</td>
<td>$</td>
</tr>
<tr>
<td>Prorated interest from closing date to month-end</td>
<td>$</td>
</tr>
<tr>
<td><strong>Sub-Total</strong></td>
<td>$</td>
</tr>
<tr>
<td><strong>Less Earnest Funds</strong></td>
<td>$</td>
</tr>
<tr>
<td><strong>TOTAL Funds at Closing</strong></td>
<td>$ As low as zero - Up to apx. $5000</td>
</tr>
</tbody>
</table>

### TIP
- Have the seller pay your closing costs
- OR
- Modify contract to include closing costs
THE HOME BUYING TIMELINE

START

Select a Loan Officer you trust (Jan - March)
Hi,
I am a 4th year medical student and will find out where I match for residency (within Ohio) in mid March. I am interested in purchasing a home during residency and have a couple of questions.
-Does your loan cover townhouses and condos?
-I will not have a contract in hand until likely late March. When can I begin the process of pre-qualification?
-Do you offer fixed interest rates in addition to your ARM rates? Could you give me any information on current interest rates?
Thanks!
<table>
<thead>
<tr>
<th>QUESTIONS TO ASK A LOAN OFFICER ABOUT HIM/HERSELF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Do you hold a personal mortgage license in the state in which I plan to purchase?</td>
</tr>
<tr>
<td>Is your company licensed in the state in which I plan to purchase?</td>
</tr>
<tr>
<td>Am I free to use the real estate agent of my choice?</td>
</tr>
<tr>
<td><strong>Do you offer a true PhysicianLoan?</strong></td>
</tr>
<tr>
<td>Am I able to call you after hours and weekends?</td>
</tr>
<tr>
<td>Is your company endorsed by any medical associations?</td>
</tr>
<tr>
<td>Can you provide references from doctors?</td>
</tr>
<tr>
<td>Have you completed CE in 2019?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>QUESTIONS TO ASK A LOAN OFFICER ABOUT THE PROCESS</th>
</tr>
</thead>
<tbody>
<tr>
<td>How do I need to handle Earnest Funds?</td>
</tr>
<tr>
<td>How much is the Inspection and Appraisal and when do I need to pay?</td>
</tr>
<tr>
<td>How much money do I need to show for approval? What about Funds to Close?</td>
</tr>
<tr>
<td>Will my going on vacation impact your process?</td>
</tr>
<tr>
<td>Will you require my state medical license to close the loan?</td>
</tr>
<tr>
<td><strong>What student loan documentation will you need from my student loan company?</strong></td>
</tr>
<tr>
<td>Do you have a dedicated processor assigned to me?</td>
</tr>
</tbody>
</table>
Home Lending Solutions
Product Overview

PORTFOLIO®
PORTFOLIO JUMBO LOANS
Mortgage financing at extremely competitive interest rates for loan amounts over $417,000.
- Jumbo and super jumbo loan amounts
- For primary residences only
- Up to 80% financing with no mortgage insurance on loan amounts up to $1 million
- Up to 90% financing with mortgage insurance on loan amounts up to $850,000
- Fixed and adjustable-rate mortgages, interest-only option available on select ARMs
- Second homes eligible

CONSTRUCTION-TO-PERMANENT FINANCING
A single-close loan that combines construction and permanent financing. Also available for renovations and workouts.
- Some mortgage insurance required before construction begins
- One-loan qualification and one set of closing costs
- During construction, borrower only pays interest on the construction loan
- Jumbo and super jumbo loan amounts
- Up to 90% financing with lender paid mortgage insurance for loan amounts up to $850,000 (primary residences only)
- Fixed and adjustable-rate mortgages, interest-only option available on select ARMs
- Second homes eligible

DOCTOR LOAN
- Up to 95% financing with lender paid mortgage insurance for loan amounts up to $250,000
- Up to 80% financing with no mortgage insurance
- Loans extended beyond the term of the mortgage, up to 5 years post-graduation
- Up to 7% APR maximum loan amount
- Adjustable-rate mortgages, interest-only option available on select ARMs
- Second homes eligible

DESTINATION HOME MORTGAGE PLUS (DHM PLUS)
A conventional portfolio product with competitive interest rates designed to support the community lending efforts of Citibank. Subject to funds availability, income and property limits apply.
- Up to 95% financing, up to 100% financing with an approved community second
- No monthly mortgage insurance requirements
- Low debt-to-income requirements
- Fixed-rate mortgages for primary residences only
- Closing costs assumable; grace eligibility
- Seller contributions allowed

TANDER HOME EQUITY LOAN/LINE OF CREDIT
Subordinate financing for purchase and refinance transactions in which Citibank is providing the first mortgage.
- Closed simultaneously with the first mortgage
- Helps borrowers avoid mortgage insurance on jumbo loan amounts
- Second homes eligible

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Citizens Bank Doctor Loan

A mortgage available to licensed Doctors of Medicine (MD), Doctors of Osteopathic Medicine (DO), Doctors of Dental Surgery (DDS), and Doctors of Dental Medicine (DMD).

Borrowers must have completed residency within the last ten years, be a newly licensed medical resident currently in residency, or begin residency within sixty (60) days of mortgage closing. May also be self-employed or a medical researcher employed by a major hospital.

- Up to 95% financing with lender paid mortgage insurance for loan amounts up to $850,000
- Up to 89% financing with no mortgage insurance
- Student loan debt deferred for greater than 12 months from the date of closing can be excluded from the DTI (40% max. DTI)
- Construction-to-permanent financing eligibility - maximum 89% financing
- $1 million maximum loan amount
- Fixed- and adjustable-rate mortgages; interest-only option available on select ARMs
- Purchase transactions of primary residences only
Citizens Bank Doctor Loan

A mortgage available to licensed Doctors of Medicine (MD), Doctors of Osteopathic Medicine (DO), Doctors of Dental Surgery (DDS), and Doctors of Dental Medicine (DMD).

Borrowers must have completed residency within the last ten years, be a newly licensed medical resident currently in residency, or begin residency within sixty (60) days of mortgage closing. May also be self-employed or a medical researcher employed by a major hospital.

- Up to 95% financing with lender paid mortgage insurance for loan amounts up to $850,000
- Up to 89% financing with no mortgage insurance
- Student loan debt deferred for greater than 12 months from the date of closing can be excluded from the DTI (40% max. DTI)
- Construction-to-permanent financing eligibility - maximum 89% financing
- $1 million maximum loan amount
- Fixed- and adjustable-rate mortgages; interest-only option available on select ARMs
- Purchase transactions of primary residences only
THE HOME BUYING TIMELINE

1. Select a Loan Officer you trust (Jan - March)
2. Get Pre-Qualified by the Loan Officer (Jan - March)
3. Select a Real Estate Agent you trust (Jan - March)

START

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www.DRSGENT.com

REALTOR MATCH

Use to find a vetted, expert real estate agent in any city.

This network is recommended by AMA, AOA, AMSA and SOMA.
# QUESTIONS TO ASK A REAL ESTATE AGENT

**Generic Questions**
- How many transactions did you close in the last year?
- Are you a licensed agent?
- What is your experience working with first-time homebuyers?
- Are you working for me and in my best interest throughout this transaction?

**Modified Questions to ask as a Graduating Med Student**
- How many houses have you sold to buyers using a true doctor loan?
- Are you a DRS Agent?
- What is your experience working with graduating med students who are first time home buyers?

**Additional Questions**
- How will you communicate with me?
- Are there any fees I need to pay you?
Complete Application / Get LE (March - May)

Find a home & get under contract (March - early May)

Have the home inspected & appraised

Update your loan approval papers

Obtain a Clear to Close (May - June)

Receive Closing Disclosure

Close on the Home (May-June)

MOVE IN
Beware The Faux-sician Loan Offer

Tal,

I matched in Arizona and am looking for a lender to help me through the process of getting a physician loan. I was set up with XXXXXXX but they require a signed contract which I cannot get until the start of residency so I was wondering if you knew of any work arounds or Lenders that accept a Match contract.

Regards,

Tyler XXXXXXX
MS4 XXSOM
208-XXX-XXXX
Hi Tal,

Great presentation! Thank you for correctly informing us about the Physician loan and walking us through the home-buying process.

Thanks to you I will be applying to the DRS Agent network to well informed agents.

Attached is the faux-sician loan a loan officer presented to me.
Faux-sician Loan
THE #1 QUESTION - BUY VS. RENT

How Much You Qualify For

Monthly payment you feel comfortable with

Local Home Prices
THE 4 THINGS THAT MATTER MOST

- How Much You Qualify For
- Monthly payment you feel comfortable with
- Local Home Prices

+ The Right Loan Officer
+ The Right Real Estate Agent
+ The Right Loan
The New Mortgage You
<table>
<thead>
<tr>
<th>SERVICE</th>
<th>SITE</th>
<th>NOTES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Find a Real Estate Agent</td>
<td><a href="http://www.drsagent.com">www.drsagent.com</a></td>
<td>Program approved by AMA, AMSA and SOMA. Free service to get matched with a real estate agent that specializes in working with new doctors.</td>
</tr>
<tr>
<td>Find a Loan Officer</td>
<td><a href="http://www.physicianloans.com">www.physicianloans.com</a></td>
<td>To find a Loan Officer anywhere in the US that offers a good, true PhysicianLoan. Complete the on-line request form.</td>
</tr>
<tr>
<td>Book About Mortgages</td>
<td>All About Mortgages by Julie Garton-Good</td>
<td>Good book about mortgages. Not a lot of fluff. Not all of it will apply to you but a good book that sits between media for the masses such as the Mortgages for Dummies and a thick training manual used solely by Loan Officers.</td>
</tr>
<tr>
<td>Personal Loans</td>
<td><a href="http://www.graduationloan.com">www.graduationloan.com</a></td>
<td>Up to $20K for graduating medical/dental students and first year residents. Good rates. If you are past PGY1 - email <a href="mailto:danielfrank@physicianloans.com">danielfrank@physicianloans.com</a></td>
</tr>
<tr>
<td>Complex Mortgage Calculations</td>
<td><a href="http://tvmcals.com/calculators/apps/excel_loan_amortization">http://tvmcals.com/calculators/apps/excel_loan_amortization</a></td>
<td>For proud math geeks only. Use this site to understand the math behind a mortgage and how paying extra can impact the loan.</td>
</tr>
<tr>
<td>Great Investing Article</td>
<td><a href="http://www.physicianloans.com/investing101">www.physicianloans.com/investing101</a></td>
<td>If you only read one page about investing, this is the page. This page along with an understanding of the Pay Yourself First principle will get you through the next 4 - 5 years.</td>
</tr>
<tr>
<td>Courtesy of Tal Frank</td>
<td>PhysicianLoans</td>
<td>Feel free to reach out to me as a resource for any questions you may have.</td>
</tr>
</tbody>
</table>

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