

# The Flawless Home Purchase

## Part 1 – Guest Post



Josh Mettle

*[Editor's Note: This week we're going to focus on home buying and mortgages, especially physician mortgages. On Monday, I surveyed the physician mortgage landscape. Today and tomorrow feature a two-part guest post by Josh Mettle. Friday will be a Q&A post about some difficulties an intern experienced trying to get a physician loan. You should be aware that Josh and I have a serious financial conflict of interest. Not only did he give me a great deal on my current mortgage, but his company has also purchased the most prominent ad on this site, the one just above this paragraph if you're reading the web version of this article.]*

*Josh is a fourth generation real estate investor and owns rental homes, apartments, and mortgages. He specializes in mortgage lending to physicians and similar professionals in eleven states. He is in the finishing stages of a book entitled: *Why Physician Home Loans Fail: How to Avoid the Land Mines for a Flawless Home Purchase* for which I wrote the foreword. If you like what you're reading here, you may want to get the book. Additional information on purchasing a home, relocating, and getting a mortgage can be found on [his website.](#)]*



In the post mortgage meltdown world of mortgage lending, physicians face more challenges and have a higher rate of underwriter decline than any other professional client we advise. It's shocking but true. Spend a few minutes in physician chat rooms where the topic is mortgage and you will read nightmare after nightmare horror story. It's truly scary what a botched home loan and closing can do to a family.

With Match Day coming up on March 21 and in preparation for all the physicians who will be relocating for their residency programs, fellowships and new attending positions, I'd like to share this helpful insider information from my upcoming book "Why Physician Home Loans Fail – How to Avoid the Land Mines for a Flawless Home Purchase" being released March 2014. This article is aimed at physicians who are considering buying a home and are looking to get a doctor mortgage to help fulfill that dream of home ownership. Follow these 6 insider steps to avoid time-consuming and embarrassing mistakes and ensure a flawless home purchase.

## **1. Choose a Mortgage Professional Who Can Educate and Truly Guide You**

If you just do one thing right, find a professional experienced with doctors and dentists. You've got to do your due diligence by researching and interviewing the professional. Make sure the mortgage professional has experience with physicians and has done a good job with physician clients in the past.

If you spend extra time and energy to find the right person and then allow that professional to guide you through the process, you're much more likely to get to closing without a hitch. Physicians often run into trouble when they think that there is no reason that they shouldn't get financing. For instance, the resident who was easily able to get a home loan back in 2006, before the mortgage meltdown, who is now making significantly more money, may think that getting a home loan today should be easy and any bank would finance them. However, the physician may not be taking into consideration all of the factors, like his new position being a 1099 independent contractor or wanting to close on the new home prior to starting the new position. Both of which would throw a huge wrench in things for a conventional mortgage lender.

The reality is that a lot has changed and under the lens of the post mortgage meltdown underwriting guidelines, getting a loan is not as easy as it used to be. If there's a deficiency or complication with your situation, you need an expert to guide you through the loan process and all possible solutions. Nobody is better able to do this than someone who specializes in physician home loans; they've seen all the same challenges before and have an arsenal of outside of the box solutions.

## **2. Verify Your Lender's Reputation**

Once you think you've identified a good loan officer, verify his or her reputation. Look for past client testimonials and don't be afraid to ask how many doctors they have worked with in the past few months and how many they are working with currently. If you don't get a good vibe or you're not sure, I'd advise you to keep looking or even ask to speak with past physician clients.

Once you've identified several loan officers in your area who appear to be experts, who have testimonials and who look like

they serve physicians on a regular basis, it's really important to have a good phone conversation with them. Take a few minutes to cut out all distractions, don't call from the freeway or emergency room (I've literally had a call from an anesthesiologist in the middle of a procedure). Find a place and time you can be focused on the mortgage professional you are interviewing, let them know any challenges that you can see, such as student loans, relocation to a new state and or job, source of down payment and ask them a couple of intelligent questions. You will know in your gut whether the mortgage professional is the real deal.

### **3. Obtain a Credit and Income Approval**

A Pre-Approval is simply not enough for you to gamble your family's new home on. You must get a full credit and income approval. *[Editor's Note: Remember that "pre-approval" is a more comprehensive process than "pre-qualification." Josh is recommending here that you make sure your potential lender has all your income documents (like contract) and credit documents (like student loan amounts and payments.)]* The importance of getting all credit and income documents into the hands of an underwriter as early in the process as possible cannot be overstated.

The thing to keep in mind is that the underwriter is the one who has the final say. Finding a seasoned loan officer who is experienced with doctors is a great first step, but at the end of the day, it doesn't matter how good your loan officer thinks your file is because he or she is not the final decision maker. It's not like a mom and dad situation where the underwriter and loan officer meet in the middle. It's like a kid and parent situation and the parent in this situation is the underwriter. That's where the buck stops. Get all of your



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income, new employment contract, student loan changes and down payment documents all the way to the underwriter and insist on a full Credit and Income Approval. Once you have that, you're ready to rock.

If you follow these first three of six steps to a flawless home purchase, you will be off to a great start. But there are a few more things you can do to ensure the rest of your transaction is flawless. Be sure and read the next installment for the last 3 steps of Flawless Home Purchase.

*Had a physician mortgage horror story? Let's hear it. Comment below!*