

FILED

DEPARTMENT OF REAL ESTATE

P. O. Box 187000

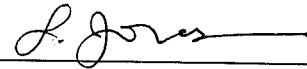
Sacramento, CA 95818-7000

September 25, 2012

Telephone: (916) 227-0789

DEPARTMENT OF REAL ESTATE

By



STATE OF CALIFORNIA

DEPARTMENT OF REAL ESTATE

To:

WILLIAM GRUBB, doing business
as EXCLUSIVE PHYSICIAN LOANS,
EPL, PHYSICIAN RELOCATION
SPECIALIST, and EXCLUSIVE
RESIDENT LOANS, and
MATTHEW MURPHY

NO. H-4411 SD

ORDER TO DESIST AND REFRAIN
(B&P Code Section 10086)

The Commissioner (Commissioner) of the California Department of Real Estate (Department) caused an investigation to be made of the activities of WILLIAM GRUBB (GRUBB), doing business as EXCLUSIVE PHYSICIAN LOANS, EPL, PHYSICIAN RELOCATION SPECIALIST, and EXCLUSIVE RESIDENT LOANS, and MATTHEW MURPHY (MURPHY). Based on that investigation, the Commissioner has determined that GRUBB, doing business as EXCLUSIVE PHYSICIAN LOANS, EPL, PHYSICIAN RELOCATION SPECIALIST, and EXCLUSIVE RESIDENT LOANS, and MURPHY have engaged in, are engaging in, or are attempting to engage in, acts or practices constituting violations of the California Business and Professions Code (Code), including the business of, acting in the capacity of, and/or advertising or assuming to act as, a real estate broker in the State of California within the meaning of Section 10131(d) (soliciting borrowers and/or lenders,

1 and/or performing services for borrowers and/or lenders in connection with loans secured by
2 real property) of the Code. Furthermore, based on the investigation, the Commissioner hereby
3 issues the following Findings of Fact, Conclusions of Law, and Desist and Refrain Order under
4 the authority of Section 10086 of the Code.

5 Whenever acts referred to below are attributed to EXCLUSIVE PHYSICIAN
6 LOANS, EPL, PHYSICIAN RELOCATION SPECIALIST, and/or EXCLUSIVE RESIDENT
7 LOANS, those acts are alleged to have been done by GRUBB, MURPHY, and/or individuals
8 unknown at this time, acting by themselves, or by and/or through one or more agents, associates,
9 affiliates, and/or co-conspirators, and using the name "Exclusive Physician Loans", "EPL",
10 Physician Relocation Specialist", "Exclusive Resident Loans", or other names or fictitious names
11 unknown at this time.

12 FINDINGS OF FACT

13 1. At no time mentioned has GRUBB been licensed by the Department in
14 any capacity.

15 2. EXCLUSIVE PHYSICIAN LOANS, EPL, PHYSICIAN RELOCATION
16 SPECIALIST are fictitious business names registered by GRUBB in the County of San Diego.
17 At no time mentioned have EXCLUSIVE PHYSICIAN LOANS, EPL, PHYSICIAN
18 RELOCATION SPECIALIST been licensed by the Department in any capacity.

19 3. At no time mentioned has EXCLUSIVE RESIDENT LOANS been
20 licensed by the Department in any capacity.

21 4. At no time mentioned has MURPHY been licensed by the Department in
22 any capacity.

23 5. During the period of time set forth below, GRUBB, doing business as
24 EXCLUSIVE PHYSICIAN LOANS, EPL, PHYSICIAN RELOCATION SPECIALIST, and
25 EXCLUSIVE RESIDENT LOANS, and MURPHY, for or in expectation of compensation; on
26 behalf of another solicited borrowers or lenders for and/or negotiated loans, and/or performed
27

1 services for borrowers or lenders in connection with loans secured directly or collaterally by liens
2 on real property.

3 6. GRUBB and/or EXCLUSIVE PHYSICIAN LOANS solicit borrowers for
4 mortgage loan services on their website, www.exclusivephysicianloans.com. As described on the
5 website, GRUBB and/or EXCLUSIVE PHYSICIAN LOANS make the following services and
6 general claims:

- 7 • “Special Mortgage Solutions for Soon To Be Attendings
 - 8 • Access to ALL physician loans & Lender (even
 - 9 • Local expert realtors who understand physicians &
 - 10 • their challenges
 - 11 • Inside secrets & tips for loan approvals and
 - 12 • negotiating closing costs away
 - 13 • Solutions to solve \$20-\$40K closing cost problem
 - 14 • Ability to qualify on future income & close before
 - 15 • new job start
 - 16 • RATES! RATES! RATES! We have access to them
 - 17 • all, so you get the lowest”
- 18 • ““We’re the home of the Zero Down Doctor Loan (a.k.a Physician
- 19 Mortgage Loans)”
- 20 • ““At Exclusive Physician Loans, we’ve helped thousand of young doctors
- 21 and their families find special physician mortgage loans over the past
- 22 decade. These physician home loans have helped young doctors who have
- 23 tons of debt and minimal savings but great income, or great income in the
- 24 very near future.”
- 25 • ““The surprising thing is that many young physicians realize they need a
- 26 special physician mortgage, but since these special doctors home loans are
- 27 unadvertised, it is incredibly hard to find them. That’s where Exclusive
- Physician Loans’ experience with helping thousand of physicians with
- these doctor home loans will pay off for graduating med students, as well
- as graduating residents and fellows.”

- “We have contacts at super safe banks that want to have young physicians as customers, and are willing to provide special physician mortgages that no other bank is willing to provide. We’re passionate about helping young physicians with the Physician Loan, and passionate about providing great home buying options to insure the best plan for your and your family.”

7. GRUBB and/or EXCLUSIVE RESIDENT LOANS solicits borrowers for mortgage loan services on their website, www.exclusiveresidentloans.com. As described on the website, GRUBB and/or EXCLUSIVE RESIDENT LOANS makes the following services and general claims:

- “Helping Graduating Med Students Buy Homes!”
- “Zero Down Doctor Loan Top 10 ... by Exclusive Resident Loans
 - We have access to ALL the zero down doctor loans
 - Access to unadvertised investors who love doctors
 - Truly zero down in almost all markets
 - Student Debt IS OK
 - The seller can pay your closing costs, so...
 - Truly ZERO Down
 - Available in all 50 states
 - Great realtor referrals who understands PGY1’s
 - Qualifying tips to improve credit, increase qualifying amount
 - Experienced consultants who are physician loan experts”

8. Beginning on July 3, 2012, and continuing after, MURPHY, who was acting on behalf of Exclusive Physician Loans and/or Exclusive Resident Loans, solicited Special Investigator Patricia Davies, using the names Ann and Adam Appel, for a mortgage loan. MURPHY indicated he was a “Physician Relocation Specialist” with Exclusive Resident Loans. The solicitation made the claim: “We work with a couple lenders in California who offer special financing for physicians – typically, 95% Loan to Value with No Origination Fee and No Private Mortgage Insurance. They will require both of you to have middle credit scores above 720. Both lenders will require an additional 5% down in “declining markets”, but I have not had any problems in the LA area recently. I am currently waiting on updated rates from our lender,

1 though I can tell you the last 30 year Fixed I had received was approx 4.75%, but that was a few
2 weeks ago and I'm sure they've changed several times since."

3 CONCLUSIONS OF LAW

4 9. Based on the findings of fact contained in paragraphs 1 through 8,
5 GRUBB, EXCLUSIVE PHYSICIAN LOANS, EPL, PHYSICIAN RELOCATION
6 SPECIALIST, and EXCLUSIVE RESIDENT LOANS, and MURPHY, solicited one or more
7 borrowers for loans secured directly or collaterally by one or more liens on real property, which
8 are acts requiring a real estate broker license under Section 10131(d) (real estate license required
9 for enumerated acts) of the Code.

10 DESIST AND REFRAIN ORDER

11 Based on the Findings of Fact and Conclusions of Law stated herein, GRUBB,
12 EXCLUSIVE PHYSICIAN LOANS, EPL, PHYSICIAN RELOCATION SPECIALIST, and
13 EXCLUSIVE RESIDENT LOANS, and MURPHY, whether doing business under your own
14 name, or any other name or fictitious name, ARE HEREBY ORDERED to:

15 1. Immediately desist and refrain from performing any acts within the State
16 of California for which a real estate broker license is required. In particular, you are ordered to
17 desist and refrain from soliciting borrowers and/or performing services for borrowers or lenders
18 in connection with loans secured directly or collaterally by one or more liens on real property,
19 unless and until you obtain a real estate broker license issued by the Department.

20 DATED: 9/5/2012

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22 REAL ESTATE COMMISSIONER

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24 By WAYNE S. BELL
25 Chief Counsel
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