



Investors Overview

About:

Private Mortgage Group is the country's largest and most experienced Private Mortgage company. With 20+ years in experience and over \$76M in loans funded, Carol Ussery and her team are your go to resource for Private Mortgages. PMG sources high yielding home mortgages for deserving borrowers via it's relationships with top mortgage brokers.

Key Performance Indicators:

- Over 700 loans funded in 20 years
- \$76,000,000 in Funded Loans
- Typical loan amount of \$180,000 for 2018-2020
- Only 3% of loans (30 days or more late) compared to 17.4% for FHA
- Average 8.5% APR = \$134,000,000 in Interest to investors over life of the loans

Minimum Investment

1st Liens
= \$200,000

2nd Liens
= \$30,000

Investors Overview

How Investors Make Money:

Your mortgage loan that you invest in will be serviced by a professional licensed loan servicer. The fee for this service will be paid for by the borrower. As the borrower of your purchased loan makes monthly mortgage payments you receive interest for the loan amount in your purchase agreement. The typical rates of return are 7 to 9% depending on the package rates and lien position.

How Private Mortgage Group Makes Money:

Private Mortgage Group (PMG) facilitates the introductions of investors to mortgage brokers. We then process, audit, create the closing package and other compliance related tasks. Private Mortgage Group then assigns the loan to the new loan owner. We retain the servicing fees and a 1% funding fee at the time of closing. PMG will remain with you as minority owner of the loan and receive a ____ fee each month.



Potential Risks of Private Mortgage Investments:

Default Risk

Life events happen to all demographic groups, job loss, death, divorce. In these events borrowers' ability to pay may change. PMG and our loan servicers will monitor the situation and reach out to our borrowers to assess the circumstances and determine the best course of action. During this time our investor partners may not be receiving monthly principal and interest payments.

Market Value Risk

In addition, the lender faces the risk that the value of the property underlying the mortgage could drop in value to below the outstanding balance on the mortgage; if this event induces the borrower to default, the lender may not only incur the costs of implementing a foreclosure but also may sell the property at a price that fails to recoup the lender's investment.

Prepayment Risk

One additional risk for lenders is prepayment. If market interest rates drop, a borrower could refinance the fixed-rate mortgage, leaving the lender with an amount that now can be invested only at a lower rate of return. This risk is currently mitigated by the fact that our borrower demographic typically has no other options for mortgage financing. PMG will monitor the market for lenders who lend to borrowers like our typical borrower. Should the option arise for increased payoffs due to refinance PMG and our lender partners could and should consider refinancing our high quality well performing borrowers ourselves.