

A photograph of a man with glasses and a beard, wearing a denim jacket, high-fiving a young girl with long blonde hair. They are sitting at a white table with a laptop and a glass of orange juice. The background is a bright, modern kitchen.

Frequently Asked Questions

All of your All In One Loan questions answered all in one place.

Q1: What Is The All In One Loan?

The All In One Loan is a first lien position, 30-year term, open-ended mortgage security, or line of credit, with an integrated zero-balance sweep-checking account. In other words, it's a combination home loan and checking account, merging together home financing and personal banking into one easy to use financial tool.

This unique program optimizes income by generating a relationship between dollars earned and dollars owed to lower the cost of financing efficiently and aggressively, with less dependency on interest rates. It eliminates the principal balance faster, lowers payments monthly and keeps money available for use without refinancing.

Where conventional mortgage products are structured with more focus on helping borrowers get into mortgage debt, the All In One Loan was engineered to help borrowers achieve transformational outcomes, like investing in retirement security, funding emergencies or a child's college tuition cost, and mortgage freedom.

The All In One Loan can be used for new purchases and mortgage refinances, and applied to single family dwellings, condominiums and town-homes and 2-4 unit multi-family homes, whether occupied as a primary residence, second home or investment property. It can also be used to finance the construction of a brand new primary residence or second home from the ground-up. Speak to a licensed and All In One Loan Certified Mortgage Professional for more details on financing allowances.

Q2: How Does It Work?

Deposits made into the integrated checking account lower loan principal automatically through a feature known as a sweep. That money remains securely available 24/7 for bills and expenses, the same way all other common checking accounts do. But prior to being spent, deposits are used to maintain a lower daily principal mortgage balance which also lowers the monthly interest payments. Interest is computed nightly and totaled once the month ends. Total daily interest from each month becomes the interest payment, which is drafted from the All In One Loan line of credit automatically on the 21st of each new month. If the 21st falls on a weekend or holiday, the interest payment is drafted the next business day. Borrowers can draw from their All In One Loan for 30-years. The original credit limit (loan amount) will reduce evenly each month by 1/240th starting on the 121st month. This structure is unique and helps borrowers maintain a superior level of liquidity and access to their home's stored wealth while also enforcing a comfortable path to pay-down and payoff.

Texas Homestead Properties: For primary residences in Texas (Homestead Properties), the All In One Loan functions slightly differently to comply with state constitutional rules:

- Deposits remain in the linked checking account and do not sweep to the line of credit.
- Money needed for near-term expenses can be kept in the checking account for use.
- Money not needed for near-term expenses can be transferred from the linked checking account to the line of credit to lower loan principal and monthly interest payment expense.
- Advances from the line of credit to the checking account can be made at any time over a 25-year draw period at a minimum of \$4,000 per advance.
- Interest payments are remitted to the loan servicer by the 21st of each new month (not drafted).
- Auto-pay of monthly interest payments can be set-up after closing.
- Monthly interest payments can be remitted from any other bank of the borrower's choice.
- After year 25 the payment on any remaining balance is amortized and will include both principal and interest in 60 equal monthly installments with a fixed interest rate.

Q3: What Can It Help Borrowers Achieve?

The purpose of the All In One Loan is to reduce lifetime interest expense and provide borrowers greater control of their pay-off timing and use of home equity dollars, without changing their monthly budget or relying on interest rates. Cash-flow positive borrowers can payoff their balance potentially decades sooner compared to a traditional mortgage and save tens of thousands of dollars in interest in the process. Many borrowers also use their All In One Loan to invest in additional properties.

Q4: What Comes With The Checking Account?

The All In One Loan checking account comes with all the same features you're accustomed to with a traditional bank account, including ATM Debit Point-Of-Sale (POS) VISA cards, personal checks, online and mobile bill-pay, external account transfer, direct payroll deposit, mobile banking App, downloadable monthly statements, and much more. It's a complete checking account with a team of customer service agents available to answer questions.

Q5: Why Doesn't Every Bank Or Lender Offer Something Similar?

The All In One Loan has helped several thousands of borrowers advance their housing goals more flexibly and strengthen their overall financial health, every year, since its release in 2005. Unfortunately, mainstream banks may view the program as a threat to their ability to leverage customer deposits and many lenders lack the determination to market a product that requires more consumer education than traditional financing. Additionally, traditional HELOC products aren't designed to accelerate mortgage payoff. This is what makes the All In One Loan so unique.

Q6: How Does The Lender Benefit?

The All In One Loan has proven to lower risk of borrower delinquency and default compared to traditional mortgages and is valuable because it develops a longer-lasting relationship with customers due to its extended draw-period. With so much built-in flexibility and savings opportunities, it is engineered to potentially be the last loan needed on the home it is used to finance and can be used to fund other major objectives, in and outside of real estate.

Q7: Can It Be Used To Finance Investment Properties?

Yes. It can be used to finance primary residences, second homes and investment properties. Check with your licensed Loan Officer for more details.

Q8: Does It Make Sense To Have More Than One?

It depends on the situation. In most cases, having one All In One Loan in place can be very advantageous and help pay down multiple mortgages. Savings can be farmed from a property with the All In One Loan and used to lower principal on a conventional mortgage on another property more aggressively while making faster progress on both. In other cases, it may also make sense to obtain more than one All In One Loan due to the level of cash-flow a borrower has.

Q9: Is The Interest Rate Fixed?

The only part of the All In One Loan that is fixed is the margin, which borrowers lock-in prior to closing. The index may adjust monthly. The sum of the margin and index is the rate.

Q10: Aren't Adjustable-Rate Mortgages Risky?

The All In One Loan isn't your typical adjustable-rate mortgage that amortizes your payments and principal reduction. For cash-flow positive borrowers it is designed to generate savings even if the rate rises. That's because the key to lowering the cost of borrowed money is lowering the amount owed (in which interest is computed) as well as reducing the time in debt. The faster loan principal is repaid the greater the savings. As an example, a 2.5% mortgage designed to pay-off in 30-years is more expensive than a 10% mortgage that pays-off in 5.

Q11: Which Index Is Used?

The 30-Day Average SOFR, or Secured Overnight Financing Rate, is the index used to set the interest rate. The SOFR is a broad measure of the cost of borrowing cash overnight collateralized by Treasury Securities. The 30-Day Average SOFR has been in place since March 2020.

Q12: When Is The Index Updated On The Loan?

The index is updated on the first calendar day of each new month, based on the 30-Day Average SOFR value published on the last business day of the prior month, by the Federal Reserve Bank of New York. As an example, if the last business day of June is the 28th, then the published 30-Day Average SOFR for June 28th will be used for all of July. Source: <https://www.newyorkfed.org/markets/reference-rates/sofr-averages-and-index>.

Q13: Is The Index Volatile?

No. The 30-Day Average SOFR tracks nearly identically with the Federal Funds Rate, the benchmark rate used by the Federal Open Market Committee (FOMC) to set U.S. monetary policy. The FOMC meets regularly throughout the year and makes critical decisions that influence the nation's economic growth and money supply. This enhances predictability and forecasting accuracy. For a point of reference, the Federal Funds Rate has averaged about 2% over the last 25 years. For more information about the index speak with a licensed Loan Officer and visit the All In One Loan Interactive Comparison Simulator.

Q14: What Margins Are Available?

A variety of margin options are available with All In One Loan financing. Speak to a licensed Loan Officer for more details.

Q15: Can The Margin Adjust?

No. The margin is fixed over the duration of the loan's term and will not adjust.

Q16: Is There A Rate Cap?

Yes. There is both a floor-rate and maximum-rate cap applied to the All In One Loan. The floor-rate is the lowest rate charged and is determined by the occupancy of the home. The floor-rate for primary residences and second homes is 3.750%. The floor rate for investment properties is 4.750%. The maximum-rate cap is set at closing and equals 6.000% over the initial rate.

Q17: What Rate Will I Be Charged?

The sum of the margin and monthly index is the rate computed on each day's ending loan balance throughout a monthly billing period (calendar month). Once a billing period ends, daily interest is totaled and becomes the monthly interest payment. Monthly interest payments are drafted from the line of credit automatically on the 21st of each new month.

Texas Homestead Properties: For primary residences in Texas (Homestead Properties), interest payments are not drafted from the line of credit and must be remitted to the loan servicer from either the All In One Loan checking account or an external checking account that the borrower owns.

Q18: Isn't A Lower Fixed-Rate Mortgage Better?

For those that are cash-flow positive the All In One Loan can provide transformational advantages over a fixed-rate mortgage product. Remember, the interest rate is only a small part of the total equation. The principal balance and number of payments in the loan's term have a greater impact on cost. While the All In One Loan rate may adjust over time, shortening the lifespan of a mortgage is a more efficient way to save.

Q19: Is There A Way To Compare Its Benefits To A Traditional Mortgage?

Yes. The All In One Loan Interactive Comparison Simulator is engineered to analyze total interest cost and pay-off timing results compared to a traditional mortgage. It is available online and is easy to use. Ask your licensed Loan Officer for details.

Q20: Who Will Service My Loan?

The All In One Loan is serviced by a specific bank partner who provides all the account features for your use. The bank is selected during the application stage and will be outlined by your Loan Officer.

Q21: Is There A Balloon Payment?

No. The All In One Loan has no balloon payment or pre-payment penalty.

Q22: How Is The Line Of Credit Limit Structured?

The approved credit limit remains unchanged for the first 10 years, then reduces each month by 1/240th thereafter. This unique structure keeps money liquid and available for use for an extended period compared to traditional HELOC products and ensures a comfortable paydown.

Q23: How Are Interest Payments Made?

Interest payments are the cumulative sum of each day's interest throughout the monthly billing cycle. Once the month ends and daily interest is totaled, the payment is drafted automatically from the All In One Loan line of credit on the 21st of the new month. If the 21st falls on a weekend or holiday, the draft rolls-forward to the next business day.

Texas Homestead Properties: For primary residences in Texas (Homestead Properties), the All In One Loan is structured slightly differently to comply with state constitutional rules:

- Interest payments are remitted to the loan servicer by the 21st of each new month (not drafted).
- Auto-pay of monthly interest payments can be set-up after closing.
- Monthly interest payments can be remitted from any other bank of the borrower's choice.
- After year 25 the payment on any remaining balance is amortized and will include both principal and interest in 60 equal monthly installments with a fixed interest rate.

Q24: Should I Put All My Extra Income In It?

Unless you can earn more interest on your income in other accounts than you pay on your mortgage, it may make great sense to use most, if not all your extra income, to lower your principal balance. It is really up to you how you want to use and benefit with the All In One Loan.

Q25: Is The Loan Process Similar To A Traditional Mortgage?

Yes. The process follows industry standards and practices. Speak to your licensed Loan Officer for more details and obtain an estimate of fees.

Q26: Can Multiple Borrowers Be On The Account?

Yes. Credit standards allow for multiple borrowers to apply for one loan. Non-occupying co-borrowers are not allowed when financing is being applied to a primary residence or second home. All borrowers on the loan application will receive access to the All In One Loan account and non-borrowing authorized users can be added in order to gain access.

Q27: How Long Does Set-Up Take After Closing?

Once an All In One Loan funds, the account set-up process begins. Borrowers receive a "Congratulations and What To Expect" letter electronically delivered over secured email messaging, within about 72 hours after closing. Bank cards and information regarding accessing the account online and through the mobile App is included in a packet mailed by the Loan Servicer typically within 30-45 days, but could take as much as 60.

Q28: Can An Authorized User Be Added To The Account?

Yes. Authorized users are allowed and can be added once the account set-up is completed.

Q29: What Happens To The Line Of Credit When The Balance Is Paid-Off?

If the principal mortgage balance is paid to zero, the All In One Loan remains open and available for use for the remainder of the term. The account can be closed by request and a copy of the Deed Of Trust will be sent.

Q30: Can One All In One Loan Be Used To Finance More Than One Property?

No. The All In One Loan is secured by the one property it is being used to finance.

Q31: Is The Mortgage Interest Paid Still Deductible?

Mortgage interest paid towards the All In One Loan is eligible for deduction and a 1098 is issued to borrowers at the end of each calendar year. As outlined in Publication 936 of the U.S. IRS Tax Code, deduction eligibility is not defined by the type of loan you have on your home, but rather by the occupancy of the property and the use of the mortgage security (i.e. to buy, improve, etc.). Interest paid on home equity loans and line of credit is deductible if the borrowed funds are used to buy, build, or substantially improve the taxpayer's home that secures the loan. The loan must be secured by the taxpayer's main home (primary residence) or second home and meet all other requirements. Refer to Publication 936 (<https://www.irs.gov/pub/irs-pdf/p936.pdf>) and speak with a tax professional for advice.

Q32: Is The All In One Loan FDIC Insured?

The integrated checking account is FDIC insured and monies swept or transferred to the LOC are used to curtail principal and improve the borrower's overall equity position. The Homeowners Insurance Policy protects the owner, the home and its occupants from damage and loss.