

# IPC CHECKLIST

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| Interested Parties |                   | Not Interested Parties   |           |
|--------------------|-------------------|--|-----------|
| Property Seller    | Real Estate Agent | Lender*  | Employer* |
| Builder/Developer  | Broker            | <i>*Unless lender or employer is the property seller or is affiliated with the property seller or another interested party to the transaction.</i> |           |

## Considered IPCs

### Financing Concessions (must adhere to IPC limits below)

| Downpayment Assistance  | Prepaid Expenses:  |
|---|--|
| <b>Closing Costs:</b>   | - Interest Charges (max 30 days interest)  |
| - Typical Fees and/or closing costs paid by the seller              | - Real Estate Taxes covering any period after the settlement date (only if taxes are being impounded by servicer for future payment) |
| - Origination Fees  | - Property insurance premiums (max 14 months)  |
| - Discount Points   | - HOA dues covering period after the settlement date (max 12 months)   |
| - Commitment Fees   | - Initial and/or renewal mortgage insurance premiums   |
| - Appraisal Fees  | - Escrow accruals required for renewal of borrower-purchased mortgage insurance coverage   |
| - Transfer Taxes  |  |
| - Stamps  |  |
| - Attorneys' Fees   |  |
| - Survey Charges  |  |
| - Title Insurance premiums  |  |
| - Funds to subsidize a temporary or permanent interest rate Buydown |  |
| - Real Estate Tax Service Fee                                       |  |

| Occupancy Type                     | LTV/CLTV Ratio   | Maximum IPC Based off Purchase Price |
|------------------------------------|------------------|--------------------------------------|
| Principal Residence or Second Home | Greater than 90% | 3%                                   |
|                                    | 75.01% - 90%     | 6%                                   |
|                                    | 75% or less      | 9%                                   |
| Investment Property                | All CTLV ratios  | 2%                                   |

### Sales Concessions (must reduce purchase price if considered)

|                      |  |
|----------------------|--|
| Cash                 | Moving Costs                                     |
| Furniture            | Vacations  |
| Automobiles          | Giveaways  |
| Decorator Allowances | Financing Concessions that exceed the IPC limits |

### Not Considered IPCs

|  |   |
|--|---|
| A legitimate pro-rated real estate tax credit in places where real estate taxes are paid in arrears is not considered a financing concession and is not subject to the IPC limits. | A gift of equity from the Property Seller: <ul style="list-style-type: none"> <li>- Must meet gift donor requirements.</li> <li>- May not be affiliated with the builder, developer, real estate agent or other interested party in the transactions</li> </ul> |
| Pay off a PACE loan by the seller  | Lender credit derived from premium pricing is not considered an IPC even if the lender is an interested party to the transaction  |
| Up to \$500 from lender (cash/gift card)   |   |

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Undisclosed IPCs: Mortgages with undisclosed IPCs are not eligible for delivery to FNMA. Examples of these types of contributions include, but are not limited to, moving expenses, payment of various fees on the borrower's behalf, "silent" second mortgage held by the property seller, and other contributions that are given to the borrower outside of closing and are not disclosed on the settlement statement.