

DPA FAQ'S

- Available in 49 states (except for NY)
- The second lien will need to be set up as a separate loan.
- Reserve the funds for the second lien in Essex's TPO portal. The 2nd lien must meet Federal RESPA and Truth in Lending laws.
- Borrower Homebuyer Education certificate is required.
- Compliance reports required on both 1st and (fully amortized) 2nd liens.
- 1st lien must be 30 year FHA 203(b), 203(b)(2), or 203(c)
- Both 1st and 2nd liens must be sold to Essex.
- 1st lien collateral must be sent in a separate package from the 2nd lien.
- Essex Approved Document providers are DocMagic and Encompass / ICE. Pricing is available in Optimal Blue.
- This is a servicing released execution.
- 7,15, 30, and 45 day BE or Mandatory lock options are available.
- 2/1 Buydowns available on the FHA 1st.
- Loans must be delivered on or prior to the lock expiration date.
- Admin fee of \$395, tax service fee of \$75, and flood fee of \$5 apply to the 1st lien. No fees apply to the 2nd lien.
- FHA guidelines must be followed when underwriting and closing the 1st lien.
- Only third party settlement costs related to closing the 2nd lien are allowed to be charged on the 2nd. No separate title policy is required for the 2nd lien.
- Seller concessions are allowed per FHA guidelines. Borrower cannot receive any cash back (other than their earnest money) in the transaction.
- 600 minimum credit score and no DTI overlay with DU or LP approval.
- Manually underwritten files require 660+ score and DTI no more than 45.0.
- High priced (HPML) loans are allowed.

Homebuyer Course Certificate is required (whether FTHB or not.)