

# DPA FAQ'S

- Not available in NY or WA.
- The second lien will need to be set up as a separate loan.
- Reserve the funds for the second lien in Essex TPO Connect 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.
- 15, 30, and 45 day BE or Mandatory lock options are available.
- Up to 2 Extensions are permitted.
- Loans must be purchased 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 settlement costs related to closing the 2nd lien are allowed.
- No separate title policy is required for the 2nd lien.
- A maximum of 2% Origination or Discount fee can be charged to the borrower on the 1st.
- Seller concessions are allowed per FHA guidelines.
- Borrower cannot receive any cash back in the transaction.
- DU or LP approval is required.
- High priced (HPML) loans are allowed.