



SimpliFi

MORTGAGE

Interested Party Contribution (IPC) Limits (Seller Concession limits)

Occupancy Type	Loan to Value	Max IPC	Notes
Conventional			
Primary or Second Home	>90%	3%	Seller concessions are listed on the purchase agreement and are given to the buyer as an incentive to complete the transaction. Seller concessions cannot exceed the amount of closing costs associated with the loan. For example, if seller concessions total \$5,800 and the closing costs total \$5,000, the maximum allowable amount to be applied to the transaction is \$5,000. Additionally, seller concessions cannot exceed the Interested Party Contribution Limits. Fannie Mae and Freddie Mac have Interested Party Contributions limits based on occupancy type and LTV/CLTV ratios. Refer to the Selling Guides for specific guidance: FNMA B3-4.1-02: Interested Party Contributions, Freddie Mac All Regs, Section 5501.5 Interested Party Contributions & Eligibility Requirements.
	>75%-90%	6%	
	≤75%	9%	
Investment	Any LTV	2%	
FHA			
Primary only	Any LTV	6%	Interested Parties may contribute up to 6% of the sales price toward the borrower's origination fees, other closing costs, prepaids and discount points.
VA			
Primary only	Any LTV	4%*	Seller concessions may not exceed 4% of the established reasonable value of the property. *VA does not include closing costs in the seller concession cap. All other costs paid by the seller must be included in the 4% cap.
USDA			
Primary only	Any LTV	6%	Interested Parties may contribute up to 6% of the sales price toward the borrower's origination fees, other closing costs, prepaids and discount points.