HDB Flat Financing: Do Not Confuse an IPA With a Letter of Offer

Description

An In-Principle Approval is an indicative assessment, while a Letter of Offer states the confirmed mortgage terms and amount. Resale buyers need a valid LO before exercising the OTP, and multiple applications may affect bank credit assessments.

This guide is for a new or resale HDB flat buyer comparing bank financing through the HDB Flat Portal. Its job is to sequence the HFE, IPA and Letter of Offer before the purchase commitment, using a five-step HFE to IPA to flat to LO to commitment timeline and a lender comparison sheet that separates indicative amount, confirmed amount, rate reset, fees and validity rather than a headline or remembered rule.

Put the steps in order

1. **Only an IPA is available:** Do not treat the amount as confirmed.
2. **Resale OTP is approaching:** Secure a valid LO first.
3. **Several lenders are being compared:** Limit applications and record possible credit effects.
4. **Preferred lender is outside the portal:** Approach that lender directly.

Separate the documents

HDB integrated loan application FAQ states the controlling point used here: HDB distinguishes IPA from LO, allows applications to multiple participating institutions, warns of possible credit-score effects and says buyers should accept only one offer. IPA is indicative while LO is contractual. Label each clearly

If only an IPA is available, do not treat the amount as confirmed. Use â??Label each clearlyâ?• as the recorded proof step, with the decision date and the version of the document or live page relied on.

Anchor to the purchase stage

The flat choice changes when the confirmed offer is needed. Build a milestone line

For this articleâ??s anchor to the purchase stage check, the working file should show whether â??Build a milestone lineâ?• is complete. If it is unresolved, name the responsible person or official service and set the last safe time to close that specific gap.

Protect the OTP

A resale buyer needs the valid LO before exercise. Set an internal deadline

If several lenders are being compared, limit applications and record possible credit effects. Use â??Set an internal deadlineâ?• as the recorded proof step, with the decision date and the version of the document or live page relied on.

Manage applications

HDB financial-institution housing loans states the controlling point used here: HDB explains when to apply for IPA and LO and requires a valid LO before an Agreement for Lease or resale OTP commitment. Multiple requests may affect a lender assessment. Choose a shortlist

For this articleâ??s manage applications check, the working file should show whether â??Choose a shortlistâ?• is complete. If it is unresolved, name the responsible person or official service and set the last safe time to close that specific gap.

Accept one offer

Parallel comparison should end with one accepted LO. Archive the accepted terms

If only an IPA is available, do not treat the amount as confirmed. Use â??Archive the accepted termsâ?• as the recorded proof step, with the decision date and the version of the document or live page relied on.

Keep HFE distinct

Housing eligibility and a bank offer answer different questions. Track both validity periods

For this articleâ??s keep hfe distinct check, the working file should show whether â??Track both validity periodsâ?• is complete. If it is unresolved, name the responsible person or official service and set the last safe time to close that specific gap.

A five-step HFE to IPA to flat to LO to commitment timeline

Start with Separate the documents, then test Anchor to the purchase stage and Protect the OTP. Show the input, the condition applied and the resulting action in separate columns. If a number is calculated, retain the arithmetic; if a route is selected, retain the branch that ruled out the alternative.

Input or condition	Evidence to keep	Decision it changes
Only an IPA is available	Label each clearly	Do not treat the amount as confirmed
Resale OTP is approaching	Build a milestone line	Secure a valid LO first
Several lenders are being compared	Set an internal deadline	Limit applications and record possible credit effects

A lender comparison sheet that separates indicative amount, confirmed amount, rate reset, fees and validity

Use Manage applications, Accept one offer and Keep HFE distinct as the verification pass. Check the live condition, note the time checked and keep the response or document that supports the conclusion. Unknowns remain visible until resolved; they should not be replaced by a guessed price, deadline, eligibility result, service level or operating detail.

Evidence map for HDB IPA versus Letter of Offer

Check	Record before acting
Separate the documents	Label each clearly
Anchor to the purchase stage	Build a milestone line
Protect the OTP	Set an internal deadline
Manage applications	Choose a shortlist
Accept one offer	Archive the accepted terms
Keep HFE distinct	Track both validity periods

Use this map to sequence the HFE, IPA and Letter of Offer before the purchase commitment. Date each item, distinguish a live response from an older copy, and keep any unsupported row visibly open.

Worked example

A resale buyer has two IPAs and a seller ready to grant an OTP. The buyer requests LOs before exercise, compares confirmed terms rather than the IPA figures and accepts only one offer.

This example demonstrates a five-step HFE to IPA to flat to LO to commitment timeline. It is not a guarantee: change one material input at a time and recheck the current HDB integrated loan application FAQ page before relying on the result.

Before you commit

1. Do not treat the amount as confirmed.
2. Secure a valid LO first.
3. Limit applications and record possible credit effects.
4. Approach that lender directly.

5. Save the date and evidence used for every material condition.
6. Stop and ask the controlling authority, operator or qualified professional if a disputed fact changes the outcome.

Keep the property, party, document, amount and decision date in separate fields. A sales description, managing-agent explanation or remembered conversation should not replace the controlling plan, resolution, contract or regulator record.

Limits

Each financial institution applies its own credit assessment and may change or decline the final offer.

For an adjacent live guide, see HDB Resale Lease: Run the Age-95 Financing Check. If the next decision shifts to a second practical issue, Buying an HDB Resale Flat in 2026: From HFE Letter to Key Collection provides the relevant progression without duplicating this primary intent.

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