

## Conventional DTS – First Time Homebuyer:

### **Duty To Serve Definition:**

Defined by Freddie Mac:

Under the guidance of the Federal Housing Finance Agency (FHFA), Freddie Mac collaborated with mortgage industry stakeholders to develop the Duty to Serve plan to make financing of first-time homebuyers, manufactured housing, and rural housing easier for families with very low-, low- and moderate-income, and preserve the affordability of these homes over time.

Here is a helpful link for more information if you would like to review further:

[Duty to Serve - Freddie Mac Single-Family](#)

(In House note – Freddie Delivery Code is N/A)

### **What is the advantage of this Product?**

Both Freddie Mac and FNMA have announced that borrower(s) who purchase their first home, that meet these product requirements, are eligible to have all loan level price adjustments waived on their purchase or rate term refinance transaction.

### **Why have we created a new product code for this even though we are selling this to Freddie?**

Having a new product code will help all you, our lockdesk, and our internal staff that all the requirements of the program are met.

### **Overlays to this product:**

- 1) All household income must be at or below 100% of the Hud Median Income for county. See the link below to check your income limit.
- 2) Property must be Primary Residence
- 3) Purchase or Limited Cash Out Refinance transactions
- 4) Conv 30 Fixed Product
- 5) Can be used in combination with both Freddie Mac 97% Conventional Products.

HUD AMI Search:

HUD Income Only Link:

[https://www.huduser.gov/portal/datasets/il/il2022/select\\_Geography.odn](https://www.huduser.gov/portal/datasets/il/il2022/select_Geography.odn)

Freddie Direct Income and Property Link:

[Area Median Income and Property Eligibility Tool - Freddie Mac Single-Family](#)