



Desktop Underwriter Release Notes

DU Validation Service April Update

Updated April 9, 2020

Update: As a result of the impacts related to COVID-19, the DU validation service will implement the changes described below.

Fannie Mae will implement updates within the Desktop Underwriter® (DU®) validation service in response to the temporary policies announced in [Lender Letter \(LL-2020-03\)](#). **Unless otherwise specified below, these changes will apply to all new DU Version 10.3 loan casefiles created on or after April 18, 2020, until further notice.**

Age of documentation

The age of documentation requirements will be updated for income and asset verification reports. Prior to this update, these reports could not be more than 120 days old on the closing date. Starting April 18, 2020, the DU validation service will require that vendor reports used in the validation of wage-related income (base, bonus, overtime, commission) are no more than 30 days old on the closing date, and vendor reports used in the validation of assets are no more than 60 days old on the closing date. The DU messages will be updated to provide the ‘close by date’ in alignment with these changes.

Market-based assets

Prior to this update, when validating assets, the DU validation service considered both depository accounts (checking, savings, certificates of deposit, and money market accounts) and investment accounts (stocks, mutual funds, retirement funds). Due to current market conditions, starting April 18, 2020, the DU validation service will no longer consider the value of any investment accounts when validating assets, even when such accounts appear on the asset report.

Message updates

Some DU messages which refer to the age of documentation will be updated to remove the statement that “all credit documents must be no more than 4 months old on the note date.” **This change will be in effect for all loan casefiles submitted or resubmitted to DU on or after April 11, 2020.**

Update: The changes described below originally scheduled for April 18, 2020 have been postponed until further notice.

Close-by date for Employment Validation - *Postponed*

When employment is validated in DU, a DU Findings message indicates that employment has been validated and that the loan must close by the “close-by date” provided to retain employment validation. The DU validation service will be updated to calculate the close-by date for employment validation using 10 business days, rather than 10 calendar days. This update will not change the Findings message text; only the close-by date in the employment validation message will be affected.

The updated calculation will provide lenders with more time to close the loan before needing to obtain an updated employment verification report, and also aligns with the 10-business day verbal verification of income policy in the *Selling Guide*.

Business days will be determined in accordance with the definition of “business day” in the *Selling Guide* [glossary](#).

For More Information

For more information about these Release Notes, lenders may contact their Fannie Mae account representative. Mortgage brokers should contact their DO sponsoring wholesale lender.