

Desktop Underwriter® (DU®) Validation Service Integration Impact Memo

February update

Jan. 5, 2023

During the **weekend of February 25, 2023**, Fannie Mae will implement changes to the Desktop Underwriter® (DU®) validation service.

Please review the following to ensure that your integrated system(s) will be prepared to support this release.

Change to the Equifax Reference ID Model

An update will be made to how the DU validation service requests Income and Employment Verification (VOIE) reports from The Work Number® (TWN) and Tax Transcript reports from Equifax.

NOTE | For lenders who have signed up through Fannie Mae to order Equifax or TWN reports, DU obtains reports from Equifax/TWN automatically using the Lender Loan Number on the casefile.

If the report was ordered using an identifier other than the Lender Loan Number associated with the DU submission, lenders who have signed up to have their DU Institution use Equifax or TWN may request a report by populating the DU Underwriting Verifications section of the loan application with the Tracking Number from the Equifax/TWN report. In this case, the word “Placeholder” is passed in the Verification Report Supplier Type field in the DU Underwriting Verifications section of the loan application, and DU uses the Tracking Number populated in the Reference ID field to request report(s) from Equifax/TWN. When “Placeholder” is submitted in the Verification Report Supplier Type field, DU will use the provided Tracking Number instead of the Lender Loan Number to request reports from Equifax/TWN.

As of this release, lenders will be able to request a report from Equifax or TWN using the Reference ID even if they have not signed up through Fannie Mae to use Equifax or TWN. Alternatively, lenders will be able to opt out of the process to obtain Equifax and TWN reports using the Lender Loan Number while still retaining the ability to request a report from Equifax or TWN using the Reference ID. Lenders wishing to opt out of the Lender Loan Number process can use the Fannie Mae [DU Validation Service Setup Form](#) or reach out to their Fannie Mae relationship manager for help.

The update implemented in this release does not require changes by integrated partners. However, if you have not currently implemented a process to obtain Equifax/TWN reports using the Reference ID field, you may want to consider doing so.

Pertinent DU MISMO Version 3.4 Data Points

| Unique ID | XPath | MISMO v3.4 Data Point Name |
|-----------|---|-----------------------------------|
| 4.0316 | MESSAGE/DEAL_SETS/DEAL_SET/DEALS/DEAL/LOANS/LOAN/EXTENSION/OTHER/DU:LOAN_EXTENSION/DU:UNDERWRITING_VERIFICATIONS/DU:UNDERWRITING_VERIFICATION | DU:VerificationReportSupplierType |
| 4.0317 | MESSAGE/DEAL_SETS/DEAL_SET/DEALS/DEAL/LOANS/LOAN/EXTENSION/OTHER/DU:LOAN_EXTENSION/DU:UNDERWRITING_VERIFICATIONS/DU:UNDERWRITING_VERIFICATION | DU:VerificationReportIdentifier |
| 4.0318 | MESSAGE/DEAL_SETS/DEAL_SET/DEALS/DEAL/LOANS/LOAN/EXTENSION/OTHER/DU:LOAN_EXTENSION/DU:UNDERWRITING_VERIFICATIONS/DU:UNDERWRITING_VERIFICATION | DU:VerificationReportType |



Snippet of a Sample DU MISMO v3.4 File

Below is a snippet from a sample DU MISMO v3.4 file for a loan that contains a fictitious Equifax Reference ID. DU will try to pull the Verification of Employment and Income report as well as the Tax Transcript report for the borrower(s) in the loan application using the Reference ID provided.

```
<EXTENSION>
  <OTHER>
    <DU:LOAN_EXTENSION>
      <DU:UNDERWRITING_VERIFICATIONS>
        <DU:UNDERWRITING_VERIFICATION xlink:label="VERIFICATION_0_0">
          <DU:VerificationReportIdentifier>abc123456789</DU:VerificationReportIdentifier>
          <DU:VerificationReportSupplierType>Placeholder</DU:VerificationReportSupplierType>
          <DU:VerificationReportType>VOE</DU:VerificationReportType>
        </DU:UNDERWRITING_VERIFICATION>
      </DU:UNDERWRITING_VERIFICATIONS>
    </DU:LOAN_EXTENSION>
  </OTHER>
</EXTENSION>
</LOAN>
'LOANS>
```

Release Support

The DU validation service changes will be implemented in the DU integration environment on or about **January 18, 2023**. Integration partners will be notified via e-mail from Integration News (integration_news@fanniemae.com) after implementation.

If you have questions about the Integration Impact Memo or if you require support specific to this release, contact [Integration Support](#). For more information about the DU validation service, visit the [DU validation service page](#) or contact your Fannie Mae representative.