



Desktop Underwriter/Desktop Originator DU Underwriting Findings Update Integration Impact Memo

May 31, 2018

In the 3rd quarter of 2018, Fannie Mae will update the Desktop Underwriter® (DU®) Underwriting Findings report for DU Version 10.1 and Version 10.2 loan casefiles. The Integration Environment is being updated the evening of June 4, 2018 to reflect those changes. Please review the updates below and conduct testing to ensure that your integrated system(s) will be prepared to support these changes.

Action Needed: *In order to confirm that the updates being made to the DU Underwriting Findings report do not negatively impact DU integrated systems, Fannie Mae highly recommends testing these changes in the integration environment. The Integration Team will be available to provide assistance for this testing. Please provide the results of your testing to [Integration Support](#) as soon as your testing is complete.*

The format and display updates to the DU Underwriting Findings report described below will only impact the **HTML version of the Findings**. None of these changes will be seen on the DU Underwriting Findings report for FHA or VA loan casefiles underwritten through DU.

DU Underwriting Findings Report

The following updates to the look and feel of the DU Underwriting Findings report are being made.

- Bolding and coloring will be added to information in the summary sections, and in the body of certain messages to add emphasis.
- Basic navigation functionality will be added that will enable users to quickly move from one section of the report to another.
- A Day 1 Certainty® section will be added that includes Borrower Overview and Asset & Property Information tables specifying what information was validated.
- The Day 1 Certainty messages will be flagged with a “Day 1” next to the message number.
- Bolding, bulleting and hard returns will be added in the body of certain messages to add emphasis and improve readability, and the text of certain messages will also be updated to improve clarity.
- Dollar amount in data fields formatting will be changed to include a comma (i.e., \$100000.00 will be seen as \$100,000.00).
- New symbols will be included throughout the DU Underwriting Findings report.

NOTE: *The message text updates that will be seen in the HTML version of the DU Underwriting Findings report will be slightly different than the text seen in the XML, TXT, and RES versions of those messages.*

The following is an example of a message being updated to include bulleting:



Message ID	Name	Category	Lender Text (Current)	Lender Text (Proposed)
176	NET-RENTAL-INCOME-VERIFICATION	EMPLOYMENT & INCOME	Verify the net rental income or loss from any properties that are not the subject property with the borrower's most recent federal income tax return (Pages 1, 2 and Schedule E), or a copy of the current lease agreement. Rental income is not permitted on second homes. If the debt-to-income ratio already includes the entire rental property payment (i.e., income from the property not considered), no documentation is required for qualifying purposes. Refer to the Selling Guide for additional information on documentation requirements, rental history, and the calculation and treatment of rental income.	Verify the net rental income or loss from any properties (that are not the subject property) with either: <ul style="list-style-type: none"> • The borrower's most recent federal income tax return (Pages 1, 2 and Schedule E), or • A copy of the current lease agreement. <p>Additionally:</p> <ul style="list-style-type: none"> • Rental income is not permitted on second homes. • No documentation is required for qualifying purposes if the debt-to-income ratio already includes the entire rental property payment (i.e., income from the property is not considered). <p>Refer to the Selling Guide for additional information on rental history, documentation requirements, and the calculation and treatment of rental income.</p>

The following new symbols will also be added to the DU Underwriting Findings report in the Day 1 Certainty section and next to certain messages:

Name	Symbol	Color
Check Mark		Green
Universal sign for warning "see messages"		Grey
Not Eligible		Red
D1C Arrow/Tag		Dark Blue with white Font

The updates for DU Underwriting Findings report style guide is as follows (click [here](#) to view a full sized version):



Summary of Findings

Casefile ID: 1367588236

Recommendation
Approve/Eligible

Borrower 1: Johny Homeowner
Borrower 2: Mary Homeowner

Lender Loan Number: 504892100
DU Version: 10.2

Submission Number: 2
Submission Date: 04/05/2018 09:06PM
First Submission Date: 04/05/2018 05:15PM
Submitted By: gaumaa

Mortgage Information

LTV/CLTV/HCLTV: 50.00% / 50.00% / 50.00%
Note Rate: 4.400%
Housing Expense Ratio: 8.25%
Debt-to-Income Ratio: 19.79%

Total Loan Amount	\$400,000.00	Amortization Type	Fixed Rate
Sales Price	\$0.00	Loan Purpose	Refinance
Actual/Estimated Appraised Value	\$200,000.00	Refi Purpose	Cash-Out
Months' Reservey	5		

NOTE: Lenders and technology integrated partners **may not** use the DU Underwriting Findings report HTML format when coding, or use screen scraping technology to translate the data. All the workflow solutions derived from the Findings must be reviewed and approved by Fannie Mae's technology integration team.

The HTML version of the report has been developed to run most optimally on the following web browser versions:

- Microsoft Internet Explorer®11
- Mozilla Firefox® Version 38.1.1
- Google Chrome™ Version 46

Integration Support

If you have questions about the integration impact and if you require support specific to this release, contact [Integration Support](#). For more information about DU, visit the [DU web page](#) and contact your Fannie Mae Technology Development Manager or representative.