

Desktop Underwriter (DU) Version 10.3

Integration Impact Memo

May 23, 2019

Updated June 20, 2019

Updated June 26, 2019

During the **weekend of July 20, 2019**, Fannie Mae will implement an update to Desktop Underwriter® (DU®) Version 10.3, as described in the Desktop Originator® (DO®)/DU Version 10.3 July Update release notes.

Please review the following updates, in addition to the [Release Notes](#), to ensure that your integrated systems will be prepared to support this release.

June 20, 2019: This memo has been updated to reflect changes related to the recent announcement of the [Uniform Residential Loan Application \(URLA\) optional use period postponement](#). (Red text signifies content that has been updated or added.)

June 26, 2019: We previously communicated that the support of the redesigned URLA/Form 1003 in the Fannie Mae Integration Environment would occur on June 26, 2019; it is now planned to occur in early July. Once the update is successfully implemented, integration partners will be notified via e-mail from Integration News (integration_news@fanniemae.com).

DU Version 10.3 Integration Impact Memo - Section	Update
<i>New, Modified, Deferred, and Retired DU Underwriting Findings Report Messages</i>	<i>New Messages: 7 Modified Messages: 5 Deferred Messages: 18</i>
<i>Support of the Redesigned Uniform Residential Loan Application (Form 1003)</i>	<i>New DU Production Environment Error Messages DU Integration Test Environment</i>

New, Modified, Deferred, and Retired DU Underwriting Findings Report Messages

This release will introduce new messages and modify existing messages that are displayed in the DU Underwriting Findings report.

How will this affect my integrated system(s)?

Integrated systems that parse the DU Underwriting Findings – Codified Findings (XML file), DU Messages API, or Uniform Residential Data Format (RES file) – may require updates to support the message changes. Reference the table below for a preliminary assessment of the expected message changes.



New Messages	Modified Messages	Deferred Messages	Retired Messages
7	5	18	0

Support of the Redesigned Uniform Residential Loan Application (Form 1003)

At the direction of the Federal Housing Finance Agency (FHFA), the optional use period for the redesigned URLA form and corresponding datasets will not begin on July 1, 2019. We will continue to accept the new DU loan application submission file (MISMO v3.4) in the DU Integration Test Environment and work with lenders and technology solution providers as a new timeline is determined.

As announced in September 2016, to promote data standards in the mortgage industry, Fannie Mae and Freddie Mac (the GSEs) developed the redesigned URLA (Form 1003) and the Uniform Loan Application Dataset (ULAD), a common dataset based on the Mortgage Industry Standards Maintenance Organization® (MISMO®) Reference Model Version 3.4 (MISMO V3.4.0_B324).

Leveraging the MISMO Version 3.4 standard, Fannie Mae created and published the new DU Specification (DU Spec). The DU Spec contains elements, attributes, enumerated values, and conditionality rules to create the new DU loan application submission file for DO and/or DU.

How will this affect my integrated system(s)?

New DU Production Environment Error Messages

Effective early July 2019, Fannie Mae will implement the following new error messages in the **DU Production Environment** via **XIS Direct Integration** and the **DU User Interface**.

XIS Control Output (CO) Error Response

When attempting to submit a new DU loan application submission file (MISMO v3.4) to DO, DU, Casefile Data Services, or the Credit Service via XIS Direct Integration in the DU Production Environment, the submission will fail and the applicable error will be returned in the XIS Control Output Status Element.

XIS Business Service	DU Error Code	XIS Control Output - Error Response
Casefile Data Service Casefile Import	110397	<CASEFILE_IMPORT_RESPONSE> <STATUS_Condition="FAILURE" _Name="Integrator1.0" _Description="This loan application was submitted using the MISMO 3.4 format, which is not accepted at this time. The loan application must be resubmitted using the 1003 3.2 or MISMO 2.3.1 format. " _Code="110397"/> </CASEFILE_IMPORT_RESPONSE>
Credit Service	317	<DU_GET_CREDIT_RESPONSE>



XIS Business Service	DU Error Code	XIS Control Output - Error Response
		<STATUS_Condition="FAILURE" _Name="SBAWF1.3" _Description="This loan application was submitted using the MISMO 3.4 format, which is not accepted at this time. The loan application must be resubmitted using the 1003 3.2 or MISMO 2.3.1 format." _Code="317"/> </DU_GET_CREDIT_RESPONSE>
Desktop Originator (DO)	317	<DO_UNDERWRITE_RESPONSE> <STATUS_Condition="FAILURE" _Name="SBAWF1.3" _Description="This loan application was submitted using the MISMO 3.4 format, which is not accepted at this time. The loan application must be resubmitted using the 1003 3.2 or MISMO 2.3.1 format." _Code="317"/> </DO_UNDERWRITE_RESPONSE>
Desktop Underwriter (DU)	317	<DU_UNDERWRITE_RESPONSE> <STATUS_Condition="FAILURE" _Name="SBAWF1.3" _Description="This loan application was submitted using the MISMO 3.4 format, which is not accepted at this time. The loan application must be resubmitted using the 1003 3.2 or MISMO 2.3.1 format." _Code="317"/> </DU_UNDERWRITE_RESPONSE>

DO/DU User Interface Error Message

When attempting to submit a new DU loan application submission file (MISMO v3.4) to the DO and DU User Interface in the DU Production Environment, the submission will fail and the following error will be returned.



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Desktop Underwriter®

Error Retrieving Data

The file you selected is not in the format required for a DO/DU loan file. Make sure you are importing the correct file and try again. If the problem persists, please call the Fannie Mae Customer Contact Center at 800-2FANNIE (800-232-6643).
Error Code: ed3dab10-f063-4fdc-aa7a-_IMP001_6_18_2019_137_125

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DU Integration Testing Environment

Effective early July 2019, DU Version 10.3 will begin using certain new DU MISMO Version 3.4 data points in the **Fannie Mae Integration Environment** via XIS Direct Integration (System-to-System), allowing lenders and technology solution providers to complete development and testing prior to the DU production release. Once the update is successfully implemented in the Fannie Mae Integration Environment, integration partners will be notified via e-mail from Integration News (integration_news@fanniemae.com).

The following table specifies the MISMO Version 3.4 data points or enumerations that will be used by DU Version 10.3 in the **Fannie Mae Integration Environment**. For more information related to the Update to DU see the [DU Version 10.3 July Update Release Notes](#).

Integrated systems that transact with the 1003 Version 3.2 or MISMO AUS Version 2.3.1. file formats will not be impacted.

Note: When submitting the new loan application submission file, if a DU MISMO Version 3.4 data point maps to a DU data point supported in the current 1003 Version 3.2 and MISMO AUS Version 2.3.1 DTD, existing DU Underwriting Messages will be issued in the DU Underwriting Findings Report, as expected.

See the DU Spec (DU Map v1.7 worksheet tab) for mapping of the MISMO Version 3.4 data with the Residential Loan Data Format 1003 Version 3.2 and MISMO AUS Version 2.3.1 DTD file).

Unique ID	Form Field ID	MISMO v3.4 Data Point Name	DU Supported Enumerations	DU Data Point Format	Update to DU
4.0015	1b.6	EmploymentStartDate		CCYY-MM-DD	New for DU



Unique ID	Form Field ID	MISMO v3.4 Data Point Name	DU Supported Enumerations	DU Data Point Format	Update to DU
					Existing message issued using new data point
4.0123	1b.8	SpecialBorrowerEmployerRelationshipIndicator	false true	Boolean	New for DU New Message
4.0014	1b.9.1	OwnershipInterestType	GreaterThanOrEqualTo25Percent LessThan25Percent	Enumerated	New for DU Used to determine if borrower is self-employed
4.0026	1b.10.6	IncomeType	ContractBasis	Enumerated	New DU Supported Enumeration New or existing message issued – depending on Start Date
4.0044	1e.1	IncomeType	HousingAllowance SeparateMaintenance	Enumerated	New DU Supported Enumerations New Messages
5.0047	2a.1	AssetType	IndividualDevelopmentAccount StockOptions	Enumerated	New DU Supported Enumeration New Messages
5.0235	2b.1	AssetType	ProceedsFromSaleOfNonRealEstateAsset	Enumerated	New DU Supported Enumeration New Message
2.0195	4a.6	FHASSecondaryResidenceIndicator	false true	Boolean	New for DU New Message
2.0039	4a.7	PropertyMixedUsageIndicator	false true	Boolean	New for DU New Message
5.0067	4d.1	AssetType	Grant	Enumerated	New DU Supported Enumeration



Unique ID	Form Field ID	MISMO v3.4 Data Point Name	DU Supported Enumerations	DU Data Point Format	Update to DU
					New Message
5.0255	4d.2	ULAD:IncludedInAssetAccountIndicator	false true	Boolean	New for DU Used in total available assets calculation
8.0182	5a.5	PropertyProposedCleanEnergyLienIndicator	false true	Boolean	New for DU New Messages
8.0036	5b.5	PriorPropertyDeedInLieuConveyedIndicator	false true	Boolean	New for DU New Messages
8.0039	5b.6	PriorPropertyShortSaleCompletedIndicator	false true	Boolean	New for DU New Message
8.0042	5b.7	PriorPropertyForeclosureCompletedIndicator	false true	Boolean	New for DU Existing message issued using new data point
2.0029	L1.3	ConstructionLoanIndicator	false true	Boolean	New for DU
2.0211	L1.3	ConstructionLoanType	ConstructionToPermanent	Enumerated	New for DU
2.0067	L1.3.1	ConstructionToPermanentClosingType	OneClosing TwoClosing	Enumerated	New for DU New and existing messages issued using new data point
2.0035	L1.10	PropertyExistingCleanEnergyLienIndicator	false true	Boolean	New for DU New Messages
3.0037	L3.14.4	HousingExpenseType	SupplementalPropertyInsurance	Enumerated	New DU Enumeration Used in total housing payment calculation



Codified Findings File Update

The following Documentation Level Codes will be added to support the new income and asset types in the redesigned URLA/Form 1003.

Integrated systems that parse the DU Underwriting Findings – Codified Findings (XML file), DU Messages API, or Uniform Residential Data Format (RES file) – may require updates to support these changes.

New Non-employment income documentation

345 = Housing Allowance

346 = Separate Maintenance

New Non-depository assets

216 = Individual Development Account

217 = Stock Options

218 = Proceeds From Sale Of Non-Real Estate Asset

219 = Grant

Additional Information

To support the transition to the new loan application submission file based on the new DU Spec, review the [DU Implementation Guide MISMO V3.4](#) and related artifacts available on Fannie Mae's [Technology Integration page](#).

- Review key dates for the URLA/Form 1003 and the DU Spec in the [URLA Timeline](#) on the [URLA Webpage](#).
- Update your loan application submission file based on the new DU Spec.

Related Resources	Description
DU Spec Implementation Guide MISMO V3.4	Assists lenders and technology solution providers in planning and implementing the new DU Spec. Designed as a supplement to the new DU Spec, it provides an overview of the data architecture, including reference information about the allowable structures, sequence numbers, arc roles, and additional information about the conditionality and format of the new DU loan submission files. It also describes how to translate loan submission files from the Residential Loan Data 1003 Version 3.2 flat file and the MISMO Version 2.3.1 XML file formats to the DU Spec.
DU Specification MISMO V3.4 (DU Spec)	New Fannie Mae DU XML Data Requirements Specification
DU MISMO v3.4 Test Cases	The Test Case Suite contains a Test Case Matrix and business narratives describing the test scenarios.



Related Resources	Description
	<p>The 1003 and DTD folders contain legacy 1003 3.2 and MISMO 2.3.1 test cases to be used in comparison to the new DU loan application submission file (MISMO 3.4) XML test cases to help in understanding format differences.</p> <p>The XML folder contains MISMO v3.4 files based on the DU Spec and corresponding Form 1003s for Test Cases C01, C03, C07, and C09.</p> <p>Note: Currently there are no plans to add additional URLA forms.</p>
XIS Integration Guides (DO, DU, Casefile Data Service, EarlyCheck)	Integration guides are available upon request. Please contact Integration Support or your Fannie Mae representative.

Release Support

The DU Version 10.3 July Update will be implemented in the DU integration environment on June 26, 2019, **with the exception of support of the redesigned URLA/Form 1003, which will follow in early July**. 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 or if you require support specific to this release, contact [Integration Support](#). For more information about DU, visit the [DU web page](#) or contact your Fannie Mae representative.