Leveraging the power of DU to provide you with Day 1 Certainty®

Desktop Underwriter (DU), the most widely used automated underwriting system in the market today, gives you even more power with the DU validation service. It provides lenders with enhanced loan origination controls, process efficiency, and certainty around a borrower's income, assets, and employment input into DU.
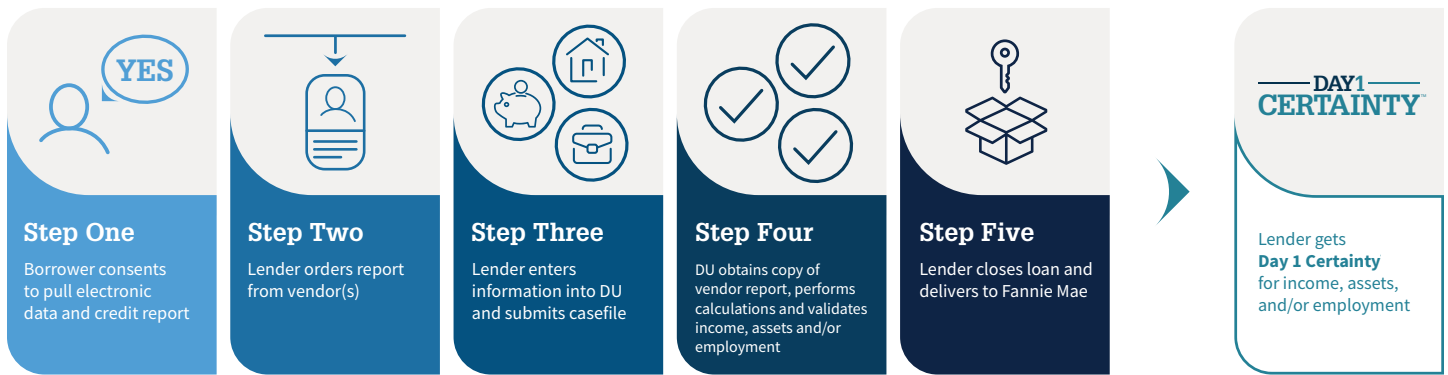
How It Works

When a lender opts into the DU validation service, DU uses third-party vendor data to validate information entered by the lender in DU.

To get started, after receiving borrower consent, the lender orders verification reports from vendor(s). The lender enters report information into DU when submitting the casefile.

DU obtains a copy of the vendor report and performs its own income and asset calculations to arrive at a value that is compared to the casefile.

If the lender meets all DU validation service requirements and complies with applicable DU messages, the lender receives Day 1 Certainty for validated components.

Step One
Borrower consents to pull electronic data and credit report

Step Two
Lender orders report from vendor(s)

Step Three
Lender enters information into DU and submits casefile

Step Four
DU obtains copy of vendor report, performs calculations and validates income, assets and/or employment

Step Five
Lender closes loan and delivers to Fannie Mae

DAY1 CERTAINTY™
Lender gets **Day 1 Certainty** for income, assets, and/or employment

Better borrower experience	Provide borrowers with a streamlined, efficient process that saves time and reduces the hassle of collecting documents such as paystubs, bank statements, and investment account statements.
Dynamic underwriting	Validates key loan data up front and confirms that the validated component meets Fannie Mae's requirements.
Process efficiencies	Reverification is not required for assets, income, and/or employment validated in DU; execution of the IRS Form 4506-T is not required when all borrower income has been validated; and lenders have lower fraud risk when data is gathered from the source.
Day 1 Certainty	Lender receives certainty regarding income, assets, and employment information validated by DU. With validation, lenders receive freedom from representations and warranties with regard to the accuracy of income and/or asset calculation, borrower employment status, and the integrity of the data from the vendor.

Digital efficiencies are driving reduced cycle times

Lenders who have successfully integrated the DU validation service into their loan workflow are seeing cycle time reductions[1] from application to close date of up to:

- Eight days with asset validation
- Eight days with employment validation
- 12 days with income and employment validation

Get Started

✓ **Learn more about the DU validation service.**

Review learning materials on our **site**, including:

- **DU Validation Service Resource Center**
- **Frequently Asked Questions (FAQs)**
- **Policy changes in the Reference Guide**

  You will need DU / Desktop Originator® (DO®) or Fannie Mae Connect user credentials to access the reference guide.

✓ **Choose your data vendor.**

See the current **data vendor list** for vendor options and eligible reports.[2]

Complete the contract process either through:

Vendors who use a Reference ID	Using Equifax (including The Work Number)
Step One: Complete contracts and activation with approved vendor.	**Step One:** Complete contracts and activations with Equifax (or their resellers).
Step Two: Start using the validation service by requesting verification reports.	**Step Two:** Submit Fannie Mae DU/DO setup form and allow up to 72 hours for activation.
	Step Three: Start using the validation service by requesting verification reports.
NOTE: The DU validation service will run and issue messages only when a vendor is selected from the drop down and a reference number is entered in the additional information field in DU.	*NOTE: DU validation service messages (including verification report not found) will be issued as soon as Step Two above has been completed.*

For more information, contact your account team or call **1-800-2FANNIE (1-800-232-6643)** and press option 1 for technology support, or visit **singlefamily.fanniemae.com/applications-technology/desktop-underwriter-validation-service**.

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[1] Numbers based on data from October 2018 through September 2019. Note that many lenders realizing best-in-class savings had extended cycle times when not using DU validation service, typically about 40-45 days from application-to-close.

[2] Fannie Mae does not endorse any particular vendor and does not represent or warrant that any report supplier will meet a lender's requirements. Lenders must establish controls to manage and monitor the vendors in accordance with their own regulatory requirements.