

DU for Government Loans Integration Impact Memo

October 2019 Release

Sept. 18, 2019

During the weekend of Oct. 19, 2019, Desktop Underwriter® (DU®) for government loans will be updated to support the Maximum Loan-To-Value (LTV) and Combined Loan-To-Value (CLTV) Percentages for Cash-out Refinance Mortgages announced by FHA in [Mortgagee Letter 2019-11](#).

NOTE: For ease of reference, this document generally uses the term “DU” to refer to “DU for government loans.”

Updated Messaging

FHA Mortgagee Letter 2019-011 reduced the maximum allowable LTV and CLTV limits for cash-out refinances. To support these changes, several impacted DU eligibility messages will be updated. These updates will apply to all FHA cash-out refinance loan casefiles submitted or resubmitted on or after the weekend of Oct. 19, 2019. Between the FHA effective date of Sept. 1, 2019, and the weekend of Oct. 19, 2019, lenders will need to ensure that the updated FHA LTV and CLTV guideline is met. These changes will not impact recommendations returned from DU, only messaging related to FHA policy.

How will this affect my integrated system(s)?

Integrated systems that receive and parse the Underwriting Response Data Format (RES file) may require updates to support modified messages.

DU Underwriting Findings Message Updates		
New	Modified	Retired
0	2	0

Additional Information

More information can be found in the Help Center, which is accessed through the Desktop Originator® (DO®)/DU User Interface. Additionally, lenders may contact their Fannie Mae account team, and mortgage brokers should contact their DO sponsoring wholesale lender. For questions regarding HUD policies and guidelines, lenders and mortgage brokers should contact HUD at 1-800-CALL-FHA (1-800-225-5342). All other questions about this release, contact [Release Support](#).