

DU for Government Loans Release Notes

January 2023 Release

Jan. 4, 2023

During the weekend of Jan. 21, 2023, Desktop Underwriter® (DU®) for government loans will be updated to support FHA and VA changes.

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

DU Address Standardization on VA loans

The service used by DU to standardize the address in order to determine the county in which the property is located, which also provides other data for DU, will be updated. The updated version of the service will now return data based on 2020 census.

New VA version 3.1

VA version 3.1 will be implemented and will apply to new VA loan casefiles created on or after the weekend of Jan. 21, 2022. Loan casefiles created in VA version 3.0 will continue to be underwritten with VA version 3.0.

With the release of VA version 3.1, VA version 2.1 will be retired. Customers will be able to view online loan applications and DU Underwriting Findings reports that were created under VA version 2.1, but in order to obtain an updated underwriting recommendation after the weekend of Jan. 21, customers must create a new loan casefile and submit it to DU.

NOTE: VA version 2.1 loan casefiles would have been created prior to June 11, 2022; therefore, those loan casefiles would have been created 6 months prior to the retirement of VA version 2.1.

FHA Loan Limits

FHA county loan limits are applied by the FHA TOTAL mortgage scorecard, so a DU update is not required for FHA's 2023 county loan limit updates.

However, in cases where a property county cannot be determined, DU applies the FHA National Low Cost Area Limit and the FHA National Low Cost Area Limit amounts will be updated in DU as part of this release to reflect the new values. In these cases, DU will display the 2022 limit on FHA loan casefiles submitted or resubmitted prior to the weekend of Jan. 21 where a property county cannot be determined, regardless of Agency Case Number assignment date. For FHA loan casefiles submitted or resubmitted on or after the weekend of Jan. 21 where a property county cannot be determined, DU will display the 2023 FHA National Low Cost Area Limit, regardless of Agency Case Number assignment date. Lenders are responsible for verifying that the correct limit is applied when determining eligibility.

VA 2022 County Loan Limit Changes

The 2023 county loan limits are available on [VA's website](#).

VA loan casefiles submitted or resubmitted prior to the weekend of Jan. 21 will be underwritten using the 2022 VA county loan limits. VA loan casefiles submitted or resubmitted on or after the weekend of Jan. 21 will be underwritten using the 2023 VA county loan limits. These loan limit changes will apply to both the 3.0 and 3.1 versions.

NOTE: Because the 2023 VA county loan limits will not be implemented on the date they are in effect, lenders are responsible for ensuring that the correct VA county loan limit is applied to all VA loans underwritten through DU from Jan. 1 through Jan. 21.



Additional Resources

For additional information, please reference the documents and web sites listed below.

Document Name and Description	URL
Online HUD Handbook 4000.1	http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/sfh/handbook_4000-1
HUD Mortgagee Letters	https://www.hud.gov/hudclips/letters/mortgagee
FHA Mortgage Limits	https://entp.hud.gov/idapp/html/hicostlook.cfm
CHUMS Data Files	http://www.hud.gov/pub/chums/file_layouts.html
FHA Resource Center: Contact Information and FAQs	http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/sfh/fharesourcectr
VA Lenders Handbook	https://benefits.va.gov/warms/pam26_7.asp
VA Circulars	http://www.benefits.va.gov/homeloans/new.asp
VA Loan Limits	http://www.benefits.va.gov/homeloans/loan_limits.asp
VA Regional Loan Centers: Contact Information	https://www.benefits.va.gov/homeloans/contact_rlc_info.asp

For More 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 Business Account Management Solutions team, and mortgage brokers should contact their DO sponsoring wholesale lender. For questions regarding VA policies and guidelines, lenders and mortgage brokers should contact their VA Regional Loan Center. For questions regarding HUD policies and guidelines, lenders and mortgage brokers should contact HUD at 1-800-CALL-FHA (1-800-225-5342).