

Desktop Underwriter Validation Service Integration Impact Memo

March update

March 6, 2024

On March 29, 2024, Fannie Mae will update the Desktop Underwriter® (DU®) validation service as described in the DU validation service [Release Notes](#) also published on March 6, 2024.

Please review the following Integration Impact Memo to ensure that your integrated system(s) will be prepared to support the release.

This update will introduce new messages and modify existing messages related to the DU validation service that may be returned for new casefiles created on or after March 29, 2024. Integrated systems that parse the DU Codified Findings (UNDERWRITING_FINDINGS_XML), DU Underwriting Findings report data file (RES), or DU Message API response file (JSON) may require updates to support the message changes. A summary of the expected message changes is included below to assist with impact assessment.

New Messages	Modified Messages	Retired Messages
6	7	0

Integrated systems that receive and display the DU Underwriting Findings report TXT file, HTML, and/or PDF files should not be impacted since these files are for display purposes only and parsing is not supported.

DU Underwriting Findings – New DU Validation Service Messages

DU will implement business rules to trigger several new DU validation messages in the DU Underwriting Findings Report, when applicable.

Message Status	Message Identifier	Message Severity Type Code	Message Category Type Code	Message Type	Lender Text
New	3101	VERIFICATION	EMPLOYMENT & INCOME	Fixed	Asset account information may have been used to support the income and/or employment information provided on the online loan application.
New	3103	VERIFICATION	EMPLOYMENT & INCOME	List	Income and/or employment cannot be supported using asset account information due to the following: Reason
New	3107	VERIFICATION	EMPLOYMENT & INCOME	Parametric	The total income for this loan casefile of \$%a entered on the online loan application is supported using asset account information. The asset report from %a is acceptable documentation to support this income.
New	3489	VERIFICATION	EMPLOYMENT & INCOME	Fixed	DU observed that the submitted asset report(s) do not contain twelve months of transaction history. Therefore, this asset report(s) will be insufficient for employment-related income validation.



Message Status	Message Identifier	Message Severity Type Code	Message Category Type Code	Message Type	Lender Text
New	3735	VERIFICATION	EMPLOYMENT & INCOME	Parametric	Child support must be verified for %a with one of the following documents: divorce decree, separation agreement, court decree, any other legal agreement that describes the payment terms, or any applicable state law that requires such payments and specifies the conditions under which the payments must be made. The lender must verify the child support income will continue for at least three years. Refer to the Selling Guide for additional information.
New	3737	VERIFICATION	EMPLOYMENT & INCOME	Parametric	Alimony must be verified for %a with one of the following documents: divorce decree, separation agreement, court decree, any other legal agreement that describes the payment terms, or any applicable state law that requires such payments and specifies the conditions under which the payments must be made. The lender must verify the alimony income will continue for at least three years. Refer to the Selling Guide for additional information.

DU Underwriting Findings – Modified DU Validation Service Messages

DU verification messages returned in the DU Underwriting Findings report can include “list” type messages that specify details on the validation received from third party verification reports that customers can order and reference to DU. The following messages are designated as modified because there are new combinations of vendors and report types that can be used to validate employment and income for a borrower.

Message Status	Message Identifier	Message Severity Type Code	Message Category Type Code	Message Type	Lender Text
Modified	3299	VERIFICATION	RISK ASSESSMENT	List	DU received data from the vendor report(s) shown below. Borrower Vendor and Rep Type Rep ID Rep Date Exp Date
Modified	3303	VERIFICATION	RISK ASSESSMENT	List	DU did not receive report data from the vendor(s) shown below. Borrower Vendor and Rep Type Rep ID Reason
Modified	3305	VERIFICATION	EMPLOYMENT & INCOME	List	DU validated borrower employment shown below. The specified report(s) is acceptable documentation to support this employment. Borrower DU Employer Vendor and Rep Type Rep ID Employer Name in Rep Close-By Date



Message Status	Message Identifier	Message Severity Type Code	Message Category Type Code	Message Type	Lender Text
Modified	3307	VERIFICATION	EMPLOYMENT & INCOME	List	DU could not validate borrower employment shown below for the reason provided. Borrower DU Employer Vendor and Rep Type Rep ID Employer Name(s) in Rep Reason
Modified	3309	VERIFICATION	EMPLOYMENT & INCOME	List	DU validated borrower income shown below. The specified report(s) is acceptable documentation to support this income. Borrower DU Income Type Vendor and Rep Type Rep ID Income Source from Rep Validated Amount Close-By Date
Modified	3313	VERIFICATION	EMPLOYMENT & INCOME	List	DU could not validate borrower income shown below for the reason provided. Borrower DU Income Type Vendor and Rep Type Rep ID Income Source from Rep DU Reported Amount Reason
Modified	3319	VERIFICATION	EMPLOYMENT & INCOME	List	DU matched vendor data to income source(s) based on the following components. Borrower DU Income Type Vendor and Rep Type Rep ID DU Employer Employer Name in Rep Calculated Amount

DU XML Codified Findings – Message Text (Sample)

The following example illustrates the new combination of vendor and report types that can be returned within the modified DU messages.

```
<Message MessageIdentifier="3305" MessageSeverityTypeCode="5" MessageCategoryTypeCode="5">
  <LenderMessageText>
    <LineMessageText="DU validated borrower employment shown below. The specified report(s) is acceptable documentation to support this employment."/>
    <TableRow>
      <Column MessageText="Borrower"/>
      <Column MessageText="DU Employer"/>
      <Column MessageText="Vendor and Rep Type"/>
      <Column MessageText="Rep ID"/>
      <Column MessageText="Employer Name(s) in Rep"/>
      <Column MessageText="Close-By Date"/>
    </TableRow>
    <TableRow>
      <Column MessageText="Lorraine Purchaser"/>
      <Column MessageText="Enterprise USA"/>
      <Column MessageText="Example Vendor1 (Asset)"/>
      <Column MessageText="1111111"/>
      <Column MessageText="DIR DEP Enterprise USA ALICE FIRSTIMER"/>
      <Column MessageText="4/1/2024"/>
    </TableRow>
  </LenderMessageText>
</Message>
```



</TableRow>

Release Support

The DU validation service changes are available in the DU integration environment for testing, although the message updates will only return if an integrator is activated to receive them.

If you have questions about this Integration Impact Memo or if you require support specific to this release, contact [Integration Support](#). For more information about the DU validation service, visit the [DU validation service page](#) or contact your Fannie Mae representative.