



Desktop Underwriter Version 10.0 Overview

Expanding Access to Credit and Sustainable Homeownership with More Certainty and Simplicity

Fannie Mae's Desktop Underwriter® (DU®) is the industry-leading automated underwriting system. For more than 20 years, DU has provided lenders a comprehensive risk assessment that determines whether a loan meets Fannie Mae eligibility requirements.

[DU Version 10.0](#) will provide more certainty and simplicity to lenders while expanding access to credit and sustainable homeownership for creditworthy borrowers by providing:

- Enhanced credit risk assessment including the use of trended credit data.
- Automated underwriting of loans for borrowers with no traditional credit.
- Automated underwriting for borrowers with multiple financed properties.

Enhanced Credit Risk Assessment Including Use of Trended Credit Data

- The DU Version 10.0 credit risk assessment will:
 - Use “trended credit data” – a two-year historical perspective on a consumer's utilization of credit accounts.
 - Enhance how the risk assessment views loans to borrowers who are self-employed or have no mortgage history.
- A better risk assessment means better performing loans, resulting in reduced costs to service those loans.
- The overall percentage of loans that receive an Approve/Eligible recommendation is expected to remain relatively stable.

Including the trended data in DU's credit risk assessment: 1) improves the accuracy of DU's overall risk assessment, and 2) will benefit borrowers who regularly pay off revolving debt (such as credit cards), increasing the likelihood that they will receive an Approve recommendation from DU.

Underwriting for Borrowers with No Traditional Credit

DU will help lenders more efficiently serve borrowers who do not have a traditional credit history.

- Helps lenders reduce costs by automating and streamlining a previously manual and time-consuming underwriting process.
- Requires verification of at least two nontraditional credit sources, one of which must be housing-related.

Underwriting for Borrowers with Multiple Financed Properties

- Simplified multiple financed properties policy.
- Simpler underwriting process for lenders and improved operational efficiency.
- Will have fewer eligibility overlays, automate remaining eligibility requirements, and determine required reserves for all financed properties.

For more information go to www.fanniemae.com/singlefamily/desktop-underwriter or call 1-800-2FANNIE.