



Desktop Underwriter/Desktop Originator Release Notes DU Version 10.0 and 10.1 November Update

October 17, 2017

During the **weekend of November 18, 2017**, Fannie Mae will update Desktop Underwriter® (DU®) Version 10.0 and Version 10.1 to include the change described below. This change will apply to DU Version 10.0 and Version 10.1 loan casefiles submitted or resubmitted to DU on or after the weekend of November 18, 2017.

Frozen Credit Report Update

DU currently issues an error message when a borrower has a security freeze on their credit report with Equifax, Experian, or TransUnion. DU will now be updated to underwrite loan casefiles when a borrower has placed a freeze on their credit report at only one of the three credit repositories.

When credit is frozen at one of the three repositories, the loan casefile will be underwritten using the credit data received from the other repositories, and DU will issue the following Potential Red Flag message.

Based on the credit data received, a borrower has frozen their account with one of the credit repositories. No data from that repository was used in underwriting the loan casefile. The lender remains responsible for preventing fraud, which includes, but is not limited to, ensuring the borrower's identity has been verified. In addition, the lender must continue to investigate any liabilities or derogatory credit that is disclosed by the borrower but not reflected on the credit report.

When credit is frozen at one of the three repositories, and no credit scores are received from the other two repositories, DU will evaluate the loan casefile using the guidelines specific to borrowers without traditional credit and issue a Potential Red Flag message. This new message will inform the lender that the borrower has frozen their account with one of the credit repositories, there is no data available from the other two repositories, and that the lender remains responsible for ensuring the borrower's identity has been verified and any credit disclosed by the borrower is investigated.

NOTE: *If credit is frozen at two or more of the credit repositories, DU will issue an Error recommendation and a message stating the loan casefile cannot be underwritten because a borrower has frozen their account at two or more credit repositories.*

Additional information regarding manually underwritten loans for borrower who have placed a security freeze on their credit report will be provided in a future *Selling Guide* update.

For More Information

For more information about these Release Notes, lenders may contact their Fannie Mae customer delivery team; and mortgage brokers should contact their DO sponsoring wholesale lender. For technology considerations, an Integration Impact Memo will be posted on the [Technology Integration](#) page.