



## Desktop Underwriter/Desktop Originator Release Notes DU Version 10.1 December Update

October 10, 2017

During the **weekend of December 9, 2017**, Fannie Mae will implement an update to Desktop Underwriter® (DU®) Version 10.1, which will include the changes described below. The changes in this release will apply to DU Version 10.1 loan casefiles submitted or resubmitted to DU on or after the weekend of December 9, 2017.

### Updates to Align with the *Selling Guide*

#### New Employment Offer Message

A new message will be issued on loan casefiles for two- to four-unit properties, second home and investment property transactions, and refinance transactions when the years and months on job in DU are 0 or blank. This message will remind the lender that a paystub must be obtained and the lender must confirm the borrower has started employment prior to delivery of the mortgage loan.

**NOTE:** *This message will not be issued on primary residence, one-unit, purchase transactions as the lender may not need to obtain a paystub and confirm the borrower has started employment prior to delivery of the mortgage loan if other requirements are met.*

#### Multiple Financed Properties Updates

The logic in DU that determines the number of financed properties will be updated. When the number is derived from the Real Estate Owned section of the loan application, properties that would be paid off with the transaction will no longer be included in the determination.

The message issued specifying the number of financed properties derived by DU will also be updated to display “1” as the number of financed properties when there are currently no other financed properties. This “1” represents the subject property.

#### Lot Ownership Verification Messages

DU will be updated to issue messages specifying how long the borrower must have held title to the lot on loan casefiles submitted as Construction-Permanent transactions. Those loan casefiles underwritten as a limited cash-out refinance will receive a message stating that the lender must verify that the borrower held legal title to the lot prior to the application date for the mortgage loan, and those underwritten as a cash-out refinance will receive a message stating that the lender must verify that the borrower held legal title to the lot for at least six months prior to the closing date of the mortgage loan.

#### Homebuyer Education Message Updates

The homebuyer education messages issued on loan casefiles for borrowers without credit scores will be updated to take into account information provided in the Homebuyer Education Completion Indicator.

#### Lender Contribution Message Updates

Update will be made to the messages issued in DU when a Lender Credit is provided as an Other Credit on the Details of Transaction. The updates will remind lenders that lender credits may not be used as a source of funds to satisfy borrower down payment requirements.

#### Miscellaneous Message Text Changes

Various DU messages will be updated to provide clarity and consistency with the *Selling Guide*.



## 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.