



DU for Government Loans Release Notes January 2018 Release

December 19, 2017

During the weekend of January 20, 2018, Desktop Underwriter® (DU®) for government loans will be updated to support the VA 2018 county loan limit changes, as well as minor system changes to support the new FHA 2018 loan limits.

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

VA 2018 County Loan Limit Changes

The new county loan limits are available on VA’s website at:
http://www.benefits.va.gov/homeloans/purchaseco_loan_limits.asp

VA loan casefiles submitted or resubmitted prior to the weekend of January 20, 2018, will be underwritten using the 2017 VA county loan limits. VA loan casefiles submitted or resubmitted on or after the weekend of January 20, 2018, will be underwritten using the 2018 VA county loan limits.

NOTE: Because the 2018 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 for all VA loans underwritten through DU from January 1 through January 20, 2018.

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 2018 county loan limit updates.

However in cases where a property county cannot be determined, DU applies the FHA National Low Cost Area Limit, therefore the 2018 FHA National Low Cost Area Limit amounts will be updated in DU as part of this release. In these cases, DU will display the 2017 limit on FHA loan casefiles submitted or resubmitted prior to the weekend of January 20, 2018 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 January 20, 2018 where a property county cannot be determined, DU will display the 2018 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.

Additional FHA Changes

The text of several messages will be updated and several messages will be deleted to better align with the Online HUD Handbook 4000.1. These changes will be effective for all loan casefiles submitted on or after the weekend of January 20. We will also remove any references to HOPE for Homeowners, as this is no longer a valid FHA program. Any loans submitted with values referencing HOPE for Homeowners will receive an error.

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/housin g/sfh/handbook_4000-1
HUD Mortgagee Letters	http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/sfh/FHA_info_messages
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/fhresources
VA Lenders Handbook	https://benefits.va.gov/warms/pam26_7.asp
VA Lenders Handbook – Credit Underwriting	http://www.benefits.va.gov/WARMS/docs/admin26/pamphlet/pam26_7/ch04.doc
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	http://www.benefits.va.gov/homeloans/rlcweb.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 account 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).