



June 8, 2016

## DU for Government Loans Release Notes

### FHA TOTAL Scorecard June Updates

On June 11, FHA is making several changes to the TOTAL scorecard. These changes may affect information provided on the Desktop Underwriter® (DU®) Underwriting Findings report and what DU sends to the FHA TOTAL scorecard. The changes are outlined below, but none will require lenders to submit data differently. For additional information on the changes outlined below, contact HUD at 1-800-CALL-FHA (1-800-225-5342).

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

#### Annual Mortgage Insurance Premium Update

The FHA TOTAL scorecard will no longer return either Upfront or Annual Mortgage Insurance Premium (MIP) amounts for display by DU. Lenders should consult Appendix 1 of FHA Single Family Housing Policy Handbook 4000.1 for current MIP amounts.

#### Allowable LTV ranges

There will be a change in FHA TOTAL scorecard for the range of allowable LTV values. The current allowable values of greater than 10% and less than 126% will be changed to greater than 0.10% and up to 125.0%. The language for this FHA error message in DU will be updated as part of an upcoming release.

#### HUD Approved Counseling

As of June 11, it will be mandatory to report whether a borrower was counseled by a HUD-approved Counseling Agency in all submissions to the FHA TOTAL scorecard, including those for refinance transactions and loan casefiles for borrowers who are not first-time homebuyers. Beginning the evening of June 10, when a value is not provided or an invalid value is received in the First time Homebuyer Counselor Type field, DU will default a value of “Not Counseled” before sending the loan casefile to the FHA TOTAL scorecard.

#### Additional Resources

For additional information, please reference the documents and web sites listed below.

| Document Name and Description                     | URL   |
|---|---|
| Online HUD Handbook 4000.1                        | <a href="http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/sfh/handbook_4000-1">http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/sfh/handbook_4000-1</a> |
| HUD Mortgagee Letters                             | <a href="http://www.hud.gov/offices/adm/hudclips/letters/mortgagee/">http://www.hud.gov/offices/adm/hudclips/letters/mortgagee/</a>   |
| FHA Mortgage Limits                               | <a href="https://entp.hud.gov/idapp/html/hicostlook.cfm">https://entp.hud.gov/idapp/html/hicostlook.cfm</a>   |
| CHUMS Data Files                                  | <a href="http://www.hud.gov/pub/chums/file_layouts.html">http://www.hud.gov/pub/chums/file_layouts.html</a>   |
| FHA Resource Center: Contact Information and FAQs | <a href="http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/sfh/fhresourcectr">http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/sfh/fhresourcectr</a>     |

#### For More Information

More information can be found in the Help Center, which is accessed through the 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 HUD policies and guidelines, lenders and mortgage brokers should contact HUD at 1-800-CALL-FHA (1-800-225-5342).