



DU for Government Loans Release Notes June 2017 Release

May 16, 2017

During the **weekend of June 24, 2017**, Desktop Underwriter® (DU®) for government loans will be updated to support FHA related changes, as well as several other messaging and logic updates. All changes will apply to both new casefiles and to resubmissions.

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

FHA Message Changes

The text of several messages will be updated to better align with the Online HUD Handbook 4000.1, including messages for undisclosed mortgage debt. Several errors returned from the FHA TOTAL Mortgage scorecard (TOTAL) and displayed on the DU findings will also be added or have language updated.

Desktop Originator® (DO®)/DU User Interface Change

Because it is no longer a valid value for FHA, we will be removing “Streamline with Appraisal” as a value in the “Type of Refinance” field. New cases, or resubmissions with this value will now receive an error. FHA also no longer considers “Hope for Homeowners” as a valid value as it is not an active program, so lenders may receive an error from FHA when submitting with this value. This will be removed from DU in a future release.

FHA Secondary Financing Change

FHA is now requiring that a Secondary Financing Amount be sent to TOTAL. For loans that do not have secondary financing or where no amount is submitted, DU will send a default a value of zero to the TOTAL scorecard.

FHA Assets Calculation Change

In the DU August, 2016 release, in conjunction with the Required Investment Change, DU changed how assets were calculated for loans with Agency Case Numbers assigned on or after August 22, 2016. Based on discussions with FHA, DU will be reverting this calculation back to the pre-August 2016 release calculation for all submissions. In conjunction with this change, DU will no longer show the Assets amount sent to the TOTAL scorecard on the DU findings for those casefiles.

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/housing/sfh/handbook_4000-1
HUD Mortgagee Letters	https://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/hudclips/letters/mortgagee
FHA Mortgage Limits	https://entp.hud.gov/idapp/html/hicostlook.cfm
CHUMS Data Files	http://www.hud.gov/pub/chums/file_layouts.html



Document Name and Description	URL
FHA Resource Center: Contact Information and FAQs	http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/sfh/fharesourcectr
VA Lenders Handbook	http://www.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 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).