DU for Government Loans Release Notes
December 2011 Release

September 27, 2011

During the **weekend of December 17, 2011**, Desktop Underwriter® (DU®) for government loans will be updated as follows for VA loan casefile submissions.

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

Updates to the Credit Risk Assessment for VA Loan Casefiles

The credit risk assessment for the U.S. Department of Veteran's Affairs (VA) loan casefiles will be updated with this release. As a result of these updates, customers should expect to see:

- Overall improved credit characteristics for loan casefiles that receive an Approve recommendation.
- A change in the underwriting recommendation for some loan casefiles. For example, some loan casefiles that previously received an Approve recommendation may now receive a Refer recommendation.
- Reduced Approve recommendation rates. The overall reduction may vary by customer depending on the credit characteristics of the VA loan casefiles submitted to DU.

VA loan casefiles created on or after the weekend of December 17, 2011, will be evaluated using the new credit risk assessment. In addition, VA loan casefiles created prior to December 17, 2011, and resubmitted to DU on or after the weekend of December 17, 2011, will be evaluated using the new credit risk assessment if there are changes to any of the key credit characteristics of the loan casefile (e.g., LTV).

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 HUD policies and guidelines, lenders and mortgage brokers should contact HUD at 1-800-CALL-FHA (1-800-225-5342). For questions regarding VA policies and guidelines, lenders and mortgage brokers should contact their VA Regional Loan Center.

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