

## Desktop Underwriter® (DU®) Early Assessment

#### **SCENARIO**

# A borrower is interested in a mortgage but isn't ready to complete a full loan application

Let's look at how using DU to perform an early risk assessment, with a soft credit data file and minimal dataset, can result in efficiencies and benefits during the pre-qualification of a mortgage loan.

Streamlined steps Key outcome Borrower provides a limited amount of personal information and lender obtains consent to access the The lender: consumer's soft credit data file. Enters the borrower information into DU, leveraging default values, as appropriate Requests or re-issues a soft credit data file, and Submits the file for Credit and Underwriting The lender may also collect and enter property information (e.g., address, sales price), if available DU ingests the soft credit data file, performs a risk assessment, and assigns a casefile ID. DU assesses the loan file for value acceptance (appraisal waiver). DU issues a Findings Report that includes: The lender may request income, employment and/or The outcome of the risk assessment (e.g., a asset validation. DU will retrieve income, employment, Conditional Approve/Eligible Recommendation) and asset verification reports and attempt to validate. Observational Messages (including Message 3087 which informs the lender of the conditional nature of the Recommendation) Notifications of value acceptance (appraisal waiver), and positive rent payment history and/or HomeReady eligibility The lender reviews the Findings Report and discusses Results of income, employment, and/or asset the pre-qualification application with the borrower. validation Lender provides borrower with a pre-approval letter; borrower's credit is not impacted by the soft credit pull.

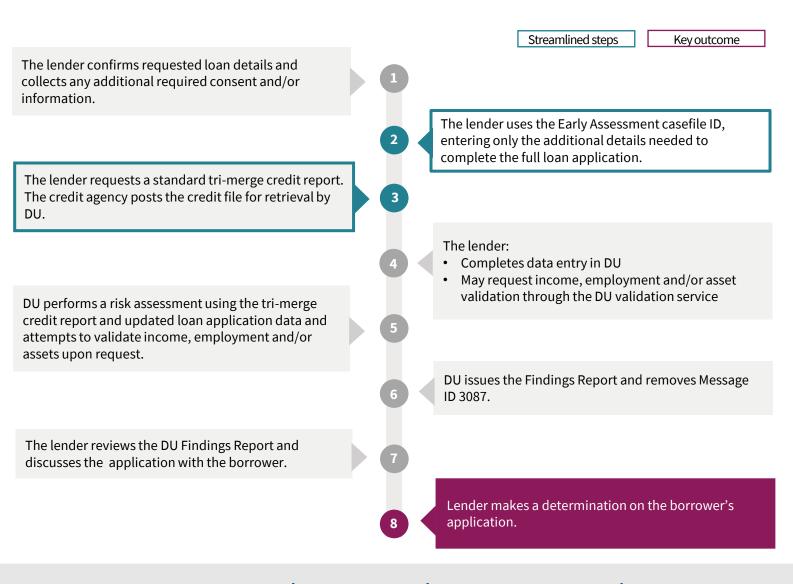


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### Borrower is ready to proceed with the loan application

See the steps needed to convert a DU Early Assessment casefile to a standard loan application.



Learn more about DU Early Assessment today.

Contact your Fannie Mae Business Account Management Solutions team to get started.