



## IN CASE YOU MISSED IT...DU 10.1 CHANGES

There were several changes in late 2017 that provide opportunities for 2018 Originations. One of those changes was the implementation of DU 10.1 - here is a quick review:

<input checked="" type="checkbox"/> Max DTI	<b>Now up to 50%</b> - Does not apply to all loans but DU 10.1 will approve more loans with 50% ratios.
<input checked="" type="checkbox"/> Max LTV on ARMs	<b>Now up to 95%</b> for a 1 unit Owner Occupied property.
<input checked="" type="checkbox"/> Student Loan Payments	<b>Can now use the Minimum Payment</b> from an Income Based Payment Plan for Federal Student Loans to calculate qualifying ratios and DTI. <a href="#">Click Here for restrictions</a>
<input checked="" type="checkbox"/> Student Loan Cash Out Refi	<b>No Price Adjustments (LLPAs)</b> when a Cash Out Refi is used to payoff a Student Loan. <a href="#">Click Here for restrictions</a>
<input checked="" type="checkbox"/> Disputed Trade Lines	<b>Now specific instructions</b> will be provided by DU on how to investigate and document the Disputed Trade Line.
<input checked="" type="checkbox"/> Alimony	<b>Alimony payments can now be deducted from income.</b>
<input checked="" type="checkbox"/> Time Shares	<b>Now considered an Installment Loan</b> regardless of how it appears on the Credit Report.
<input checked="" type="checkbox"/> Mortgage Paid By Others	<b>Can now be excluded as a debt from DTI.</b> Borrower must show proof the Mortgage Debt has been paid by others in last 12 months.
<input checked="" type="checkbox"/> Employment Contracts	<b>Can now close before the Borrower starts his job.</b> (Many restrictions apply: 1 unit, owner occupied, purchase, must start in 90 days, fixed base income, no family employers, etc)

Contact your District Director for more information.

