

EMPLOYMENT VERIFICATION

Documentation is obtained to verify the borrower's employment and income. The employment should be verified of any borrower whose income is used for qualifying the mortgage loan. Employment and income must be verified for the two years that precede the date of the loan application. There are two sets of generally acceptable documentation that may be obtained.

Option 1:

- *A Verification of Employment form (VOE)*

Option 2:

- *Two-years' IRS W-2 forms,*
- *Payroll earning statement(s) for the last 30 days (including year-to-date earnings), and*
- *Telephone confirmation from the borrower's employer.*

Regardless of the type of documentation used to verify employment and income, the following must be observed:

- Check the dates of employment. If the documentation does not cover the past two years, the borrower's previous employment must also be verified.
- If the borrower has been in school but not working for the past two years, he or she must provide a transcript or copy of the degree earned.
- For borrowers who are paid by the hour, the number of hours worked per week must appear on the pay stub or VOE.
- For borrowers who include overtime or bonus pay as part of the income, the documentation should include the amount of overtime or bonus earnings.
- Borrowers who receive income from commissions must provide complete signed tax returns for the previous two years.