

Understanding VOE, VVOE, and WVOE

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A Comprehensive Guide by The Housing Assistant



Introduction

Verifying a borrower's employment is a crucial part of the mortgage lending process. It ensures that the borrower has a reliable source of income and helps the lender assess risk accurately. Three common employment verification methods are:

- VOE — Verification of Employment
- VVOE — Verbal Verification of Employment
- WVOE — Written Verification of Employment

Each method plays a different role at different stages of the mortgage process.

What is a VOE (Verification of Employment)?

A VOE is a general term that refers to verifying a borrower's employment status. It can be done either in writing or verbally. The VOE confirms the borrower's job title, start date, and employment status.

✅ When to Use:

- Early in processing to document employment history and status.
- Helps underwriters validate income and employment stability.

What is a VVOE (Verbal Verification of Employment)?

A VVOE is a phone call made to the employer to verbally confirm that the borrower is actively employed. It is a final employment verification step before closing.

✅ When to Use:

- Required within 10 calendar days before Note Date for salaried borrowers.
- Required within 120 days for self-employed borrowers (alternative business verification methods).

✓ Purpose:

- Ensure borrower has not lost their job before closing.
- Confirm borrower's active employment to satisfy investor guidelines.

What is a WVOE (Written Verification of Employment)?

A WVOE is a written document completed by the employer to verify the borrower's employment details and income information. It is especially useful when borrowers have complex income structures or when paystubs are unavailable.

✓ When to Use:

- Borrower's pay structure involves bonuses, commissions, or overtime.
- No paystubs available or not sufficient for verification.
- When agency guidelines or underwriters request a formal written verification.

✓ Examples:

- FNMA 1005 or Freddie Mac Form 90.

Summary Table

Verification Type	Description	When Used
VOE	General employment verification (written or verbal).	During loan processing to validate employment.
VVOE	Verbal confirmation of active employment status.	Within 10 days of closing (for salaried borrowers).
WVOE	Written verification confirming employment and income.	When additional income verification is needed or paystubs are insufficient.

Best Practices

- ✓ Always perform VVOE close to the Note Date to comply with investor and agency rules.
- ✓ Document all VOE and WVOE forms carefully in the loan file.
- ✓ Escalate discrepancies immediately if employment status differs from what was disclosed.

THA Tip:

- ◆ Employment verifications protect the lender and borrower. Ensure timing requirements and documentation types match the loan program guidelines to avoid delays or repurchase risks!