

Gaps In Employment & Job Changes

Please Record your answers in the space provided.

? Which part of the VOE will you use at for Gaps in Employment and Job Changes?

? What questions should you consider as a reason for job change or gap in employment?

? What other questions do you need to ask yourself when verifying this income?



Watch me!

Gaps in Employment
& Job Changes



Answer Me!

Notes:

Stability of Income

Let's learn a bit more about the borrower's income and its stability: Remember how we talked about high and low risk? Stability is a risk factor.

The borrower's employment and income must be stable with at least a two-year history in the same or similar line of work. We all know the loan application must specify the employer's name, the borrower's job title, amount of income and the length of employment to be considered for qualification.

Borrowers who entered the work force with less than two years of employment must provide evidence of extended or higher education (such as college or trade schooling in a related field) immediately before employment in order to complete the two year history requirement. The borrower must supply evidence of the education, such as a diploma, certificate, and/or transcripts.

When determining if income is "stable" you must also consider:

- Is the actual dollar amount used for qualifying reflected in the borrowers recent pay history?
- Is the dollar amount reasonable based on the history, line of work and income potential?
- Are the qualifying ratios acceptable when using a reasonable income calculation?



Read Me!

Notes: