

Correspondent Mortgage Bulletin

Information for Correspondent Lenders of SunTrust Mortgage, Inc.

August 17, 2012 • COR12-095



Alert

Update

Reminder

Clarification

Training
Information

Preview

VVOE Form Revision and Guideline Clarification

SunTrust Mortgage, Inc. revises the Verbal Verification of Employment (VVOE) guidelines to incorporate several updates. The updates include the following:

- new guidance regarding when to start the time frame for completing a VVOE
- clarification regarding what employment types require a VVOE when income is used to qualify
- revision of the Verification of Employment Form (COR 0050)

Intended Audience

Origination
Processing

Secondary Marketing

Underwriting

Closing
Delivery
Funding

Compliance
Legal

Other

Effective Dates

Friday, August 17, 2012

Begin applying the new guidelines with new applications and loans currently in pipeline on or after this date.

You may begin using the revised VVOE form (COR 0050) with new applications and on loans currently in pipeline.

Background Information

SunTrust Mortgage implemented these updates as a result of feedback received and continual monitoring of these guidelines. Although you are not required to use our form, we updated the Verification of Employment form (COR 0050) to accommodate these changes.

Bulletin Details

VVOE Time Frame

Complete the VVOE within 10 business days for salaried borrowers, and 30 calendar days for self employed borrowers, prior to closing.

Once the VVOE form is successfully completed confirming the borrower's employment status, the loan must close (i.e., Note signed) within 10 business days (salaried)/30 calendar days (self employed) of the date the VVOE was completed.

Action Required

Processing, Underwriting, Closing, Delivery, and Funding Starting August 17, 2012

Begin applying the new guidelines with new applications and loans currently in pipeline on or after this date.

Discard any previous versions of the VVOE form (COR 0050) on or after this date.

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Bulletin Details, continued

For example, if you completed the VVOE on Monday, August 13, count that same day as the first business day. The loan must close no later than Friday, August 24, the tenth business day.

Business days do not include Saturdays, Sundays, or Federal Holidays when obtaining the VVOE.

For escrow states, obtain the VVOE *after the closing date*, but prior to the funding date. The completed VVOE should be dated within 10 business days/30 calendar days prior to the *funding date*. Ensure that the credit expiration date is still valid.

Note:

Escrow states are as follows: Alaska, Arizona, California, Idaho, Nevada, New Mexico, Oregon, Utah, Washington (New York and Rhode Island in some cases).

When a VVOE is Required

We require a Verification of Employment (VOE) for all jobs where income is used to qualify, including seasonal jobs, second jobs and borrowers currently on temporary leave, short term disability, or during a seasonal layoff period.

The following apply in lieu of a VVOE or written VOE for borrowers currently active in the military:

- obtain a VOE through the Defense Manpower Data Center website, <https://www.dmdc.osd.mil/appj/mla>, or
- a Leave and Earnings Statement dated within 30 calendar days prior to the Note date in addition to an Alive and Well Certification.

Completing the VVOE

The information obtained during the loan process may be used to complete the VVOE, such as independently verifying the employer phone numbers or third party vendor print outs.

Revised VVOE Form (COR 0050)

We revised the VVOE (COR 0050) to mirror Freddie Mac Form 90 in order to simplify the form.

Revised Materials

Click [Verbal Verification of Employment Guidelines](#) and [Fraud Prevention Certification Guidelines](#) to view the revised materials.

We revised the Verification of Employment (VVOE) form (COR 0050) by adding information that is typically located on a written VOE form. SunTrust Mortgage provides this form as a courtesy for our correspondent lenders. You may use this form for either a verbal VOE or written or faxed VOE. While the use of this form is optional, the lender must still provide this information on their written VOE form if they are using the written form for the verbal VOE as well. The VVOE Form ([COR 0050](#)) must be completed and included in the loan file for all borrowers whose income is being used to qualify.

Former Guidelines

The VVOE was to be completed within five (5) business days for salaried borrowers, and 15 business days for self employed borrowers, prior to closing.

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Other Resources

| Support Group | Description and Contact Information: |
|--------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Account Manager or Correspondent Relations Coordinator | Specific questions on applying this procedure to specific loan files. Direct contact information for each account manager or correspondent relations coordinator is located in General Section 1.01: The Correspondent Division |
| Resource Center | Provides phone and email support on products, policies, and procedures as well as new product rollout and existing product enhancement. Contact the Resource Center at 800.382.2111, Option 1, Option 2. |

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