



The Work Number

Maximize your Value by Providing Data – Mortgage Verifications

At Workforce Solutions, one of our primary goals is to deliver services that help meet industry specific requirements. For the mortgage industry, we aspire to help ensure our customer's employees have access to a better experience when applying for a mortgage loan. We work directly with leaders in the mortgage industry to help make the employment and income verification process more consumer-oriented and help borrowers experience a quicker, seamless process similar to the digital experiences already being offered by many retailers. In 2017, 4.5 million borrowers had information supplied to their mortgage originator by The Work Number®*.

When your company contributes complete, current and accurate data to The Work Number, it helps lend to a more positive employee experience and an efficient HR office. The information below provides additional background on the specific income and employment data requirements and why this data is requested by mortgage originators.

Standards of a Mortgage Income and Employment Verification

One of the principle requirements in mortgage banking is that the borrower has the ability-to-repay (Truth in Lending Act Regulation Z) the loan. For that reason, originators must review specific aspects of an applicant's employment and income information to help validate that the borrower meets investor/lending and ability-to-repay requirements.

- **Income.** Payroll data is utilized to help determine the level and stability of a borrower's income. Reviews of the borrower's gross monthly income, from sources that can reasonably be expected to continue at the current level, is critical to evaluate a borrower's ability-to-repay, even when the pay is received at varying frequencies (hourly, weekly, twice a month, bonuses, etc.).
- **Employment.** Ability-to repay is also dependent upon a borrower's current and previous employment status. The duration of employment and type of employment are both key factors utilized to help validate the loan will meet ability-to-repay obligations.
- **Documentation.** Complete, current and accurate documentation of employment and income is necessary to help determine the borrower's ability to repay a loan. If any of the required employment or income data fields are not available, the borrower must provide additional documentation. This can potentially include historical tax records. This information is then validated directly with the employer.

Without complete, current and accurate data, employees will have to potentially locate and provide additional documentation; your HR office may get phone calls to help verify missing information. This can make the mortgage process longer and more tedious for your employee and require more effort by your organization's HR office. In order to avoid these challenges, request a copy of the Verification Data Elements sheet for your reference.

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*Figures are an estimate based on borrowers verified on mortgage verifications 2017.