



**Announcement 16-24**

**Date: June 30, 2016**

**Topic: Employment Beginning After Close Allowed on Conforming DU Loans**

Previously, PennyMac required borrowers to begin employment before the Lender delivered the loan to PennyMac on all conforming Desktop Underwriter (DU) approved transactions.

Effective immediately, PennyMac is pleased to announce that borrowers may begin employment after close on conforming DU transactions, in accordance with the following requirements:

- Eligible for One Unit Primary Residence purchase only;
- The borrower's employment offer must be non-contingent and the non-contingent offer letter must be included in the mortgage file;
- The borrower's written acceptance of the employment offer must be included in the mortgage file;
- The borrower's employment must begin within 60 days after the note date;
- The borrower must have a minimum of 3 months PITIA reserves in addition to all other required reserves; and
- The Lender is not required to provide a Verbal Verification of Employment (VVOE) in connection with the borrower's future employment.

Please contact your Sales Representative with any questions.