

Gift Letter

Borrower(s) Name(s)	
Property Address	
Donor's Name	
Donor's Address Donor's Phone Number	
Relationship to Borrower	
Amount of Gift Funds	

I/We hereby certify that I/we have given will give gift funds to the referenced borrower as a **Gift Of Equity** for the following:

If funds have been transferred, indicate date transferred: _____

Funds have been or will be provided from:

I/We certify that there is no re-payment expected or implied for this gift either in the form of cash or future services from the borrower(s).

I/We certify that the funds given to the borrower(s) were not made available from any person or entity with an interest in the sale of the property including the seller, real estate agent or broker, builder, loan officer, or any other person or entity associated with the transaction.

Donor's Signature

Date Signed

Borrower(s) Signature

Date Signed

Gift Fund Documentation Requirements

Product: FHA and VA	
Donor(s) must provide evidence of their ability to donate gift funds <u>and</u> evidence of receipt of the gift funds from the donor's account must be provided.	
If the gift funds:	Documentation Required
Have been verified in the Borrower's account	Obtain the donor's bank statement showing the withdrawal and evidence of deposit into the Borrower's account.
Are not verified in the Borrower's account	Obtain the certified check, money order, cashier's check, wire transfer or other official check; AND a bank statement showing the withdrawal from the donor's account.
Are being paid directly to the settlement agent	Obtain a bank statement showing the withdrawal from the donor's account disclosed in the gift letter and verification that the settlement agent received the funds from the donor for the amount of the gift.
Were borrowed by the donor	<ul style="list-style-type: none"> Donor must provide written evidence that the funds were borrowed from an acceptable source and not from a party to the transaction. The borrower must provide a bank statement showing evidence of deposit and the account's new balance.
Product: USDA	
Donor must be able to furnish conclusive evidence that funds given to the buyer came from the donor's own funds and were not provided directly or indirectly by the seller, real estate agent, builder, or any other entity with an interest in the sales transaction.	
If the gift funds:	Documentation Required
Have been verified in the recipient's account	A copy of the donor's canceled check or withdrawal document showing that the funds are from donor's account is required. Evidence that the gift funds were deposited into the borrowers account is also required.
Are to be provided at loan closing	<ul style="list-style-type: none"> If the transfer of gift funds is by certified check, obtain a bank statement to document the withdrawal from the donor's account with a copy of the certified check. If the transfer of gift funds is from a donor purchased cashier's check, money order, official check or bank check, obtain a withdrawal document or canceled check for the amount of the gift to evidence the funds came from the donor's personal account. If the transfer of funds was via a wire transfer, obtain a wire transfer confirmation to verify the settlement agent received the funds from the donor for the amount of the gift.
Product: Conventional (Fannie Mae/Freddie Mac) and Non-Agency Products	
The lender must verify that sufficient funds to cover the gift are either in the donor's account or have been transferred to the borrower's account, or will be provided at closing.	
Documentation Required	
<ul style="list-style-type: none"> Copy of the donor's check or Evidence of transfer of funds and the borrower's deposit slip, or Copy of the donor's withdrawal slip and the borrower's deposit slip, or Copy of the donor's check to the closing agent, or A settlement statement showing receipt of the donor's check. <p>When the funds are not transferred prior to settlement, the lender must document that the donor gave the closing agent the gift funds in the form of a certified check, a cashier's check, or other official check.</p>	