



**GIFT LETTER**

Borrower(s) Name	
Property Address	
Donor's Name	
Donor's Phone Number	
Donor's Address	
Relationship to Borrower	

I/We do hereby certify the following:

I/We (Donor) have made a gift of \$\_\_\_\_\_ dollars to the Borrower(s) named below, and no repayment of this gift is expected or implied, either in the form of cash or future services of the recipient(s).

I/We certify 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.

This gift is to be applied toward the purchase of the property located at the above stated Property Address.

The source of funds for this gift is: \_\_\_\_\_  
*Financial Institution, Bank, Stocks, Government Entity, Other*

Bank Name \_\_\_\_\_ Date \_\_\_\_\_  
*(Cash on hand is not an acceptable source of funds.)*

Donor's Signature \_\_\_\_\_ Date \_\_\_\_\_

Borrower's Signature \_\_\_\_\_ Date \_\_\_\_\_

Borrower's Signature \_\_\_\_\_ Date \_\_\_\_\_

**Please Note:** Upon affixing signatures to this Gift Letter, I/we hereby certify that any funds given to the Borrower(s) were not made available to the Donor from any person or entity with an interest in the sale of the property, including the seller, real estate agent, broker, builder, loan officer, of any other entity associated with this transaction.

**WARNING:** Section 1010 of title 18 U.S.C. Federal housing Administration provides: "Whoever, for the purpose of influencing in any way the action of such Administration, makes, passes or publishes any statement and knows the same to be false shall be fined not more than \$5,000.00 or imprisoned not more than 2 years or both."

**Acceptable Donors:** Refer to specific loan program guidelines for approved donors. Donors may include a "relative" defined as a spouse, child, grandparent, or other individual related by blood, marriage, adoption, or legal guardianship, a domestic partner, fiancé, or fiancée. In addition, FHA allows for gift funds from an employer or close friend with a clearly defined family-type relationship not arising out of the loan transaction.



## DOCUMENTATION REQUIREMENTS

### DOCUMENTING THE TRANSFER OF GIFTS

#### FHA (4000.1)

**The Mortgagee must verify and document the transfer of gift funds from the donor to the Borrower in accordance with the requirements below.**

A. If the gift funds have been verified in the Borrower's account, obtain the donor's bank statement showing the withdrawal and evidence of the deposit into the Borrower's account.

B. If the gift funds are not verified in the Borrower's account, obtain the certified check or money order or cashier's check or wire transfer or other official check, and a bank statement showing the withdrawal from the donor's account.

If the gift funds are paid directly to the settlement agent, the Mortgagee must verify that the settlement agent received the funds from the donor for the amount of the gift, and that the funds were from an acceptable source.

#### CONVENTIONAL AND VA

If the Gift Funds	Then the Required Documentation is
Are in the borrower's account	Obtain a copy of the donor's cancelled check and the borrower's deposit slip, or a copy of the donor's withdrawal slip and the borrower's deposit slip.
Are to be provided at closing AND in the form of a certified check from donor's account	Obtain a copy of the certified check made payable to escrow company.
Are to be provided at closing AND are in the form of a cashier's check, official check, or other type of bank check	Donor to provide the withdrawal document or cancelled check for the amount of the gift, evidencing that the funds came from the donor's personal account disclosed in the gift letter, AND a copy of the check provided to closing agent.
Are to be provided at closing AND are in the form of an electronic wire transfer to the closing agent.	Written acknowledgement that the specific check or wire transfer was received and is being held in escrow by the closing agent.