



**How to document GIFT funds**

First and foremost, please let us know if any of the funds will be a gift so we can help you document the paper trail with the appropriate documentation. A “gift” is considered any money that belongs to a person that is not applying for the loan. The gift must come from a close family member (i.e., child, parent, grandparent, spouse adopted children or stepchildren) or have a long standing relationship (must be able to document) with the borrower. A gift is eligible to be used toward all down payment, closing costs and prepaids. Please see below of what is needed as proper documentation from the borrower and the donor:

If the gift funds...	Then the lender must receive...
Are already in the borrowers account	<ul style="list-style-type: none"> <li>• Provide copy of executed gift letter signed &amp; dated by all parties</li> <li>• Copy of cancelled check and copy of the deposit slip</li> <li>• Provide borrower’s full bank statement showing the deposit</li> <li>• Copy of donor’s bank statement showing the funds withdrawn</li> </ul>
Are NOT yet in the borrowers account	<ul style="list-style-type: none"> <li>• Provide copy of executed gift letter signed &amp; dated by all parties</li> <li>• Copy of gift check along with deposit slip when deposited</li> <li>• Provide borrower’s full bank statement to show deposit of funds – Gap in bank statements are not allowed. Provide the full printout from the bank from the date of the last bank statement provided</li> <li>• Copy of donor’s bank statement showing the funds withdrawn</li> </ul>
Are to be provided at or before closing and paid directly to the title company	<ul style="list-style-type: none"> <li>• Provide copy of executed gift letter signed &amp; dated by all parties</li> <li>• Copy of wire receipt or copy of check to the title company</li> <li>• Copy of donor’s bank statement showing the funds withdrawn</li> </ul>

**Large deposits outside of the gift deposit, will still need to be sourced according to program guidelines**