GIFT LETTER FOR MORTGAGE

1. 1. Date and Lender Information

Date: [DATE]. To: [LENDER NAME], attention [LOAN OFFICER OR UNDERWRITER NAME], [LENDER ADDRESS], [LENDER EMAIL AND PHONE]. Re: Gift of funds in connection with loan application number [LOAN NUMBER] for the purchase of [PROPERTY ADDRESS]. This letter is provided at the request of the lender in support of the mortgage application of the recipient named in Section 3 and may be relied on by the lender, its underwriter, the settlement agent, and any investor to whom the loan is subsequently sold.

2. 2. Donor Information

Donor full legal name: [DONOR FULL NAME]. Current address: [DONOR STREET ADDRESS], [CITY], [STATE], [ZIP]. Telephone: [DONOR PHONE]. Email: [DONOR EMAIL]. If the gift is from more than one person, the second donor is: [SECOND DONOR FULL NAME], of [SECOND DONOR ADDRESS], telephone [SECOND DONOR PHONE]. The donor is an individual and not an entity, unless otherwise stated here: [ENTITY NAME AND RELATIONSHIP, IF APPLICABLE]. The donor confirms that no person or company involved in the sale of the property, including the seller, the builder, the real estate agent, the mortgage broker, or any affiliate of them, is the actual source of these funds or has agreed to reimburse the donor in any way.

3. 3. Recipient Information and Relationship

Recipient full legal name: [RECIPIENT FULL NAME]. Co-borrower, if any: [CO-BORROWER FULL NAME]. Current address: [RECIPIENT STREET ADDRESS], [CITY], [STATE], [ZIP]. Telephone: [RECIPIENT PHONE]. Email: [RECIPIENT EMAIL]. The relationship of the donor to the recipient is: [RELATIONSHIP, e.g., parent, grandparent, sibling, aunt or uncle, spouse, domestic partner, fiance, legal guardian, godparent, close family friend with a documented long-standing relationship]. The donor and recipient acknowledge that some loan programs limit eligible donors to relatives by blood, marriage, adoption, or legal guardianship, and confirm that the relationship stated above is accurate.

4. 4. Gift Amount

The donor has given or will give to the recipient a gift in the amount of [GIFT AMOUNT IN NUMERALS] ([GIFT AMOUNT IN WORDS] dollars) in United States dollars. If the gift is being provided in more than one transfer, the transfers are: [TRANSFER 1 AMOUNT] on [TRANSFER 1 DATE], [TRANSFER 2 AMOUNT] on [TRANSFER 2 DATE], [ADDITIONAL TRANSFERS]. No portion of this amount is contingent on any future event, and the donor has not placed any condition on the use of the funds other than the purpose stated in Section 5.

5. 5. Purpose of the Gift and Property

The gift is provided to be applied toward [PURPOSE, e.g., the down payment, closing costs, prepaid items and reserves, or a combination of them] on the purchase of the property located at [PROPERTY ADDRESS], [CITY], [STATE], [ZIP], which the recipient intends to occupy as a [PRIMARY RESIDENCE / SECOND HOME / INVESTMENT PROPERTY]. The gift is not intended for any other purpose and is not to be applied to any obligation of the donor. The donor understands that the recipient is applying for mortgage financing in connection with this purchase and that the lender will rely on this letter in underwriting that application.

6. 6. Statement of No Repayment

This transfer is a bona fide gift. The funds are given freely and voluntarily, and there is no obligation, expectation, or understanding, express or implied, that the funds will be repaid in whole or in part, in cash, by services, by future transfer of property, by an interest in the property being purchased, or in any other form. The donor claims no lien, security interest, ownership interest, equity, or right of any kind in the property being purchased and will not record any instrument against it in connection with this gift. No promissory note, side agreement, or repayment schedule exists between the donor and the recipient relating to these funds. The donor understands that a false statement in this letter may be a violation of federal law, including 18 U.S.C. 1014, punishable by fine or imprisonment.

7. 7. Source of Funds

The gift funds come from the following account: institution name [FINANCIAL INSTITUTION NAME], account type [CHECKING / SAVINGS / MONEY MARKET / BROKERAGE / RETIREMENT], last four digits of the account number [LAST FOUR DIGITS]. The funds are the property of the donor and are not borrowed, advanced, or provided by any third party with an interest in the transaction. If any portion of the funds was recently deposited into that account, the source of that deposit was [SOURCE OF RECENT DEPOSIT, e.g., proceeds from the sale of a vehicle, a retirement distribution, or the sale of securities]. The donor authorizes the lender to verify the availability of the funds and agrees to provide a recent account statement, a copy of the withdrawal or wire confirmation, and any additional documentation the lender reasonably requests.

8. 8. Transfer Method and Date

The funds [ ] have been transferred on [TRANSFER DATE] / [ ] will be transferred on or about [EXPECTED TRANSFER DATE] by the following method: [ ] wire transfer to the account of the recipient at [RECIPIENT INSTITUTION AND LAST FOUR DIGITS]; [ ] certified or cashier check number [CHECK NUMBER] payable to [PAYEE]; [ ] direct transfer to the settlement or escrow agent, [SETTLEMENT AGENT NAME], for disbursement at closing; [ ] other: [DESCRIBE]. The donor and recipient understand that lenders generally will not accept cash and require the transfer to be traceable from the account of the donor to the account of the recipient or to the settlement agent. Copies of the withdrawal and deposit records will be provided to the lender on request.

9. 9. Donor Certification

The donor certifies that: the donor has the legal right and ability to make this gift and giving it does not violate any agreement, court order, or obligation binding on the donor; the funds are the sole and separate property of the donor or are given with the consent of any spouse or co-owner of the account; the donor is not receiving and has not been promised any compensation, benefit, or reimbursement from the seller, the builder, the real estate agent, the lender, or any other party to this transaction in connection with this gift; and all statements in this letter are true and accurate to the best of the knowledge of the donor. The donor further understands that gifts above the annual federal exclusion amount may require the donor to file a federal gift tax return, and that the donor is responsible for consulting a tax advisor about that filing.

10. 10. Authorization to Verify

The donor and the recipient each authorize the lender and its agents to verify any information contained in this letter, including by contacting the donor directly, requesting account statements, and confirming the transfer with the financial institutions involved. The donor and recipient agree to promptly provide any supplemental documentation the lender or its underwriter reasonably requires, including a signed and dated bank statement, evidence of the withdrawal, evidence of the deposit, or a supplemental letter if the amount or timing of the gift changes. This letter may be delivered electronically and a photocopy, scan, or electronic image has the same effect as an original.

11. 11. Signatures

DONOR: I certify that the statements in this letter are true and that the funds described are a gift with no expectation of repayment. Signature: ______________________. Printed Name: [DONOR FULL NAME]. Date: [DATE]. SECOND DONOR (if applicable): Signature: ______________________. Printed Name: [SECOND DONOR FULL NAME]. Date: [DATE]. RECIPIENT: I certify that I have received or will receive the funds described above as a gift and that I have no obligation to repay them. Signature: ______________________. Printed Name: [RECIPIENT FULL NAME]. Date: [DATE]. CO-BORROWER (if applicable): Signature: ______________________. Printed Name: [CO-BORROWER FULL NAME]. Date: [DATE]. NOTARY (only if your lender requires it): State of [STATE], County of [COUNTY]. Subscribed and acknowledged before me on [DATE]. Notary Public: ______________________. My commission expires: [EXPIRATION DATE]. [Seal].

12. Disclaimer

This template is provided for general informational purposes only and is not legal, tax, or lending advice. Every lender and loan program sets its own gift rules, including which donors are eligible, what share of the down payment may be gifted, whether gift funds are permitted on second homes and investment properties, and exactly what documentation the underwriter must see, and those rules differ across conventional, FHA, VA, USDA, and portfolio loans. Ask your loan officer for their required form and documentation checklist before any money moves, since a transfer made the wrong way can delay or derail a closing. Gifts above the annual federal exclusion may create a gift tax filing obligation for the donor, and some states have their own rules, so consult a tax professional. Use of this template does not create an attorney-client relationship with ScanContract.