

GIFTED DEPOSIT LETTER TEMPLATE

From MortgageExplained.co.uk. This is a general template, not legal advice. Many lenders have their OWN gifted deposit form: if the lender or solicitor gives you one, use theirs instead. Check the exact wording your lender wants before signing.

[Donor's full name]

[Donor's address]

[Date]

To: [Lender name] and [Solicitor / conveyancer firm name]

Re: Gifted deposit for the purchase of [full property address]

Applicant(s): [Full name(s) of the buyer(s)]

I, [donor's full name], of [donor's address], date of birth [DD/MM/YYYY], confirm the following:

1. I am giving [buyer's full name(s)] the sum of £ [amount] ([amount in words]) to be used towards the deposit for the purchase of the property at [full property address].
1. This money is an unconditional, non-refundable gift. It is not a loan. There is no expectation or requirement that it will ever be repaid, in money or in any other form.
1. I will have no interest, share or rights in the property, now or in the future, and I will not live in the property. [Delete or amend the "will not live in the property" line if it does not apply, and tell the lender: it can affect their requirements.]
1. My relationship to the buyer(s) is: [e.g. parent / grandparent].
1. The gift comes from my own funds, held at [bank/building society name], and I can provide statements showing the source of these funds for anti-money-laundering checks.
1. Making this gift does not leave me unable to meet my own debts and financial commitments, and I am not bankrupt, subject to insolvency proceedings, or aware of any claims against me.

Signed: _____

Full name: [Donor's full name]

Date: [DD/MM/YYYY]

Witness (if required by the lender or solicitor):

Signed: _____

Full name: _____

Address: _____

Date: [DD/MM/YYYY]

NOTES (do not send this section with the letter)

- Lender's own form first. Many lenders insist on their own template or a specific wording. Ask the broker or solicitor before using any generic letter.
- Each donor signs. If the gift comes from a couple, most lenders want the declaration from both, or one letter each.
- Evidence follows the letter. The solicitor will usually also ask the donor for photo ID, proof of address, and bank statements showing the money (anti-money-laundering rules).
- Gift vs loan matters. A loan, even informal, must be declared and can reduce how much you can borrow. Never describe a loan as a gift.
- Tax: large gifts can have inheritance-tax implications for the donor's estate (the seven-year rule). That is a tax question, not a mortgage one: see GOV.UK on inheritance tax or speak to a tax adviser.
- This template is general information, not legal advice. Have the solicitor confirm the final wording.

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