

Announcement #24-60**Date:** July 01, 2024

FHA Info 2024-30 Handbook Updates: Transfer of Gift Funds

FHA is updating guidelines to expand and clarify requirements and expectations for gift funds transferred prior to settlement and gift funds transferred at settlement. These changes may be implemented immediately but are required for casefiles assigned on or after August 19, 2024.

Obtain one of the following for gifts verified prior to settlement:

- Donor's bank statement showing the withdrawal and evidence of the deposit into the borrower's account;
- Copy of the donor's canceled check and evidence of deposit into the borrower's account;
- Copy of the donor's withdrawal receipt and evidence of deposit into the borrower's account; or
- Evidence of the electronic transfer of funds from the donor's account to the borrower's account.

Obtain one of the following evidencing payments to the settlement agent for gifts verified at settlement:

- Evidence of electronic transfer of funds from the donor's account to the settlement agent;
 - Line item on the CD reflecting gift funds received does not evidence electronic transfer of funds
- Bank certified check;
- Cashier's check; or
- Other official bank check.

Notes:

- Regardless of when gift funds are made available to a borrower or settlement agent, a reasonable determination must be made that the gift funds were not provided by an unacceptable source.
- In addition to these requirements, a satisfactory gift letter signed and dated by the donor and borrower meeting FHA requirements still applies.

Pennymac is aligning with these changes effectively immediately. Please refer to the FHA 4000.1 Handbook for complete requirements.

Please contact your Sales Representative with any questions.