

## Source of Funds

### Why do we need this?

Lenders have a regulatory requirement to prevent the proceeds of Financial Crime being used in their mortgages / loans. They need to obtain evidence about a borrower's source of funds, which can be for:

- Property purchases to determine where the funds for the deposit are coming from
- Refinance and capital raising applications where there is no current lender and the property was purchased with the borrowers' own funds or that of a private lender

To document source of funds for a lender, please complete the following information: **(the first row is an example)**

Amount	Origin & ultimate source of funds <ul style="list-style-type: none"> <li>• <i>Savings / build-up of funds</i></li> <li>• <i>Sale of property</i></li> <li>• <i>Refinance of a property</i></li> <li>• <i>Loan</i></li> <li>• <i>Gift</i></li> <li>• <i>Other</i></li> </ul>	Name of the legal entity / person providing the funds	Documentation of evidence to prove the source of funds. Provide an audit trail of funds, so if funds have moved between bank accounts, please provide copies of all bank statements to evidence the source to the final bank account holding the funds. <i>Please note screen shots from computers or mobile devices are <b>not acceptable</b> documents</i>	Relationship with borrower(s) if any  <i>Personal or business relationship</i>
£100,000	<u>Savings / Cash reserves</u> Profits from buy to let business which generated profits of £123,657 in 2023 & £99,567 in 2024	Home to let Ltd	3 months bank statements showing the retained profits in the ltd company and the transfer of £100,000 on the 16 <sup>th</sup> August.	Home to let Ltd is fully owned by me and my wife
<b>Total</b>				