

Bank of America® Down Payment Grant Program

Letter of Understanding

Borrower(s): _____

Property Address: _____

Purchase price \$: _____

Are you a woman or minority-owned business¹? _____

If yes, please check below which one applies:

Woman-owned Business¹ _____ Minority-owned business ¹ _____ Both _____

Good news – you may qualify to receive up to \$25,000 through our Small Business Down Payment Grant Program.

Since you've chosen to finance your commercial real estate through us, you may qualify to receive up to 50% (\$25,000 maximum) of the required down payment of the purchase price of your commercial real estate from our grant.

In order to qualify, you must be a woman or minority small business owner that is purchasing owner occupied commercial real estate within an opportunity zone and your commercial real estate loan must be a Small Business Administration (SBA) 7(a) or 504 product. Keep in mind, your qualification isn't a credit decision and won't affect your application for a commercial property. If you do not qualify for the Down Payment Program, you may still apply for SBA loan products, as well as for other non-SBA loan products of Bank of America.

IMPORTANT TAX INFORMATION: Our grant can be considered taxable income by both state and federal authorities, which means, you may owe more in taxes. If you choose to accept this grant, we're required to report the funds we gave to you to the Internal Revenue Service (IRS) on Form 1099-MISC. We'll also send you a copy of this form for your tax records. We will need a copy of your W-9 to determine your tax implication. Before accepting this grant, we'd recommend you talk with a tax advisor.

Thank you,

Small Business Banker: _____
(print)

Signature: _____ Date: _____

Only applications that reflect the business owner is woman or minority owned and with a complete property address will be considered for the Grant. I (We) understand that our eligibility for the Program is at the sole determination of Bank of America and should I (We) be deemed eligible for the grant I (We) will accept it.

Applicant: _____
(print) Date: _____

Signature: _____

Applicant: _____
(print) Date: _____

Signature: _____

How the grant works:

- Funds given can only be used as down payment for this property and cannot exceed 50% of the required down payment of the purchase price (up to \$25,000)
- Cash back not able to be provided on any differences
- Funds not available to applicants purchasing with intent to re-sell the property such as:
 - Seller
 - Real estate agent
 - Broker
 - Builder



¹ The Down Payment Grant is available only for qualified women-owned and minority-owned business applicants for Small Business Administration (SBA) 504 and 7(a) loans, who are purchasing owner occupied commercial real estate within an opportunity zone. Qualified recipients must certify that business entities (including sole proprietorships) are at least 51% owned by women, Black or African American, Hispanic or Latino, American Indian or Alaska Native, Asian, Native Hawaiian or other Pacific Islander. Program funds can be applied toward down payment only. Borrowers cannot receive program funds as cash back in excess of earnest money deposits.

The Down Payment Grant Program is only available with the SBA 7(a) and SBA 504 products. Down Payment Grant program may be considered taxable income and a 1099- MISC will be issued; consult with your tax advisor. The commercial real estate loan must fund with Bank of America. Down Payment Grant may only be applied once to a qualifying owner occupied commercial real estate, regardless of the number of applicants. Bank of America may change or discontinue the Bank of America Down Payment Grant Program or any portion of it without notice. Not available with all loan products, please ask for details.

Credit and collateral are subject to approval. Terms and conditions apply. This is not a commitment to lend. Programs, rates, terms and conditions are subject to change without notice. May be combined with other offers.

If you do not qualify for the Down Payment Grant, you may still apply for SBA loan products, as well as for other non-SBA loan products of Bank of America. For Owner-Occupied Commercial Real Estate loans (OOCRE), 51% owner occupancy is required. SBA financing is subject to approval through the SBA 504 and SBA 7(a) programs. Loan terms, collateral and documentation requirements apply. Bank of America credit standards and documentation requirements apply. SBA eligibility and restrictions apply.

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