Finance your home without making a cash down payment

Use the Mortgage 100® and Parent Power® programs for your next home purchase

If you're buying or refinancing a home but prefer not to liquidate assets, and you don't want the added expense of mortgage insurance, consider a 100% home financing strategy from Bank of America, N.A.[1]

What are the Mortgage 100® and Parent Power® programs?

Mortgage 100 and Parent Power are home financing programs that combine with an eligible Bank of America mortgage and allow you to finance 100% of a primary residence by pledging eligible securities instead of liquidating assets to make a cash down payment. Mortgage 100 is for your personal mortgage. Parent Power allows you to help family members so they can finance up to 100% of their purchase price with an eligible Bank of America mortgage. This can be done without you cosigning on the loan, paying gift taxes or disrupting your investment strategy. Parent Power isn't just for helping your children — it's also for other qualified family members[2] or established adult children who wish to help their parents finance a home. Both Mortgage 100 and Parent Power can be used in conjunction with a variety of Bank of America mortgages.

Leverage assets and remain fully invested

- You can remain fully invested by leveraging eligible assets and holding them in a Merrill pledge account.
  - Continue to buy, sell or trade eligible securities held in the pledge account (with certain restrictions).
  - The pledge account will be released once the mortgage is paid down to the release amount.
- You continue to have the potential to earn dividends, interest and/or capital appreciation.
- By keeping assets invested for long-term growth, you can potentially enhance your net worth.

Minimize upfront mortgage expenses

- Reduce your down payment — even to zero — without having to pay mortgage insurance.
- There are no additional fees or higher interest rates for taking advantage of our 100% financing programs.

Enjoy potential tax benefits

- Depending on your financial situation, there may be tax benefits. Consult your tax advisor.

About Mortgage 100® and Parent Power®

Mortgage 100 and Parent Power programs require the pledge of eligible diverse securities owned by an individual and maintained in a Merrill (Member SIPC) brokerage account.

These programs may not be suitable for everyone, and a default on your mortgage could result in the loss of both your home and the securities pledged. Should the value of the securities pledged as collateral decrease below a certain level (as specified within the loan documents), the deposit of additional assets and/or liquidation of assets may be required.

Merrill may liquidate some or all of the securities in the account without contacting you. You are not entitled to an extension of time to meet a collateral call or choose which securities in your account are sold to meet the collateral call. Liquidation may result in adverse tax consequences. Mortgage interest may not be deductible if exempt obligations are pledged as additional collateral; consult your tax advisor. Trading within the brokerage account for the 100% financing programs is subject to restrictions.

To learn more, please contact a financial advisor.

Here's an example of the guaranty, initial collateral value and maintenance calculations for 100% financing on a $500,000 home.

The **guaranty amount** is the value Bank of America has the ability to liquidate in order to satisfy a mortgage default/foreclosure and is generally 30% of your purchase price and/or appraised value, whichever is less (A). The **initial collateral value** is the amount of eligible securities that must be held in the pledged account prior to real estate closing, which is generally 130% of the guaranty amount (B). You'll also be required to keep a **maintenance amount** of 110% of the guaranty amount in the account. The value of the securities may not fall below the maintenance value. If this occurs, the applicant must pledge additional eligible collateral to return the pledge account value to the approved maintenance amount (C).

Note: *Example is for illustrative purposes only and may vary based on your situation.*

$500,000 x 30%	Purchase price and/or appraised value (.30)
$150,000	**Guaranty amount (A)**
$150,000 x 130%	Guaranty amount (1.30)
$195,000	**Initial collateral value (B)**
$150,000 x 110%	Guaranty amount (1.10)
$165,000	**Maintenance amount (C)**

How do Mortgage 100 and Parent Power work?

Pledge eligible securities

- You or a qualified sponsor can pledge securities in an eligible Merrill pledge account, including:
  - Delaware Cash Account
  - Cash Management Account® (CMA® account) with Consults
  - CMA with Mutual Fund Advisor®
  - CMA SubAccount®[3]
  - CMA SubAccount with the Merrill Lynch Investment Advisory Program (MLIAP) Managed, Custom Managed or Personalized — Client Discretion
  - CMA (with MLIAP) Custom Managed, Defined or Personalized — Advisor Discretion
  - CMA with Unified Management Account
  - CMA SubAccount with BlackRock Private Investor Service
- Use a variety of nonretirement and nonbusiness assets as collateral, including stocks, bonds, Treasurys, mutual funds, cash and certificates of deposit.

Select from available mortgage options

- Combine 100% financing with a variety of mortgages.
- Select an interest-only payment option for your mortgage (where applicable).[4]

How can you get started?

Contact a financial advisor to learn about innovative home financing solutions from Bank of America.

[1] You are invited to apply. Your receipt of this material does not mean you have been pre-qualified or pre-approved for any product or service we offer. This is not a commitment to lend; you must submit additional information for review and approval. If you are refinancing to lower your monthly payment or change from a variable-rate to a fixed-rate loan, you should carefully consider the potential increase in the total number of monthly payments and/or the total interest charges paid over the full term of the new refinance loan – especially for borrowers who currently have loan terms less than 30 years.

[2] The Parent Power® program is not limited to parents who want to help their children with home financing. The applicant's parent, child, dependent or any other individual related to the applicant by blood, marriage, adoption or legal guardianship or from a domestic partner, fiancé or fiancée can pledge securities.

[3] When you hold pledged assets in a Merrill CMA SubAccount®, you will receive an account statement as part of your monthly statement package.

[4] **Some of Bank of America's loans have a payment option that allows you to pay only the interest on the money you borrow for the first 10 years of the loan. If you pay only interest, you will still owe the original amount borrowed at the end of the 10-year period, and your monthly payment will significantly increase because you must pay back the principal as well as interest. Ask about your payments after the end of the interest-only period and carefully consider the possibility of "payment shock." Loans with an interest-only payment option may require a lower loan-to-value ratio. Other restrictions apply. Ask for details.**

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