

HISTORIC PRESERVATION MICROLOAN PROGRAM APPLICATION

Overview and Instructions

This application is for a Historic Preservation Microloan from the Preservation Alliance of West Virginia (PAWV) with funds provided by the 1772 Foundation. Please review all sections and fill out completely. If the property has multiple owners, each owner needs to sign and fill out Section 4.

Submit hard copy or electronic (in .pdf format) completed applications and supporting documentation to the PAWV. Contact the PAWV with questions or comments.

SECTION 1: GUIDELINES AND REQUIREMENTS

I. Program Definition

The Historic Preservation Microloan Program exists to preserve West Virginia's architectural heritage and stimulate community revitalization through advocacy, lending, technical assistance, and development in historic areas in the state of West Virginia. The program directly fulfills the Preservation Alliance of West Virginia's mission "to preserve our Mountain State for future generations."

II. Loan Review Committee

The President of the Preservation Alliance of West Virginia will appoint the Loan Review Committee. The Loan Review Committee will be comprised of individuals with expertise in the following areas: historic preservation, finance, law, and downtown commercial redevelopment. The Executive Director shall be responsible for providing technical assistance, receiving applications; conducting a staff review and presenting qualified applications to the Loan Review Committee.

III. Property Eligibility

A. Funds must be used for the acquisition, restoration, or redevelopment of a building that is:

1. Listed on the National Register of Historic Places (NRHP);
2. A contributing structure in a NRHP district;
3. Eligible to be listed on the NRHP as determined by the State Historic Preservation Office; or
4. On the current or past list of PAWV's Endangered Properties.

B. Located in the state of West Virginia.

C. Be owned in fee simple title by the applicant or the applicant must have a valid sales contract to acquire the property. Evidence must be provided to verify the required ownership interest.

D. Be physically and financially feasible for rehabilitation

E. Eligibility Requirements by Product:

	Commercial Real Estate Loans	Endangered Properties
Loan Amount	\$2,500 - \$10,000	\$2,500 - \$10,000
Borrower Type	Individuals For profit business entities Non Profit Organizations Municipalities	Individuals For profit business entities Non Profit Organizations Municipalities Religious organizations
Location	Any location in West Virginia	Any location in West Virginia
Use of Proceeds	<ol style="list-style-type: none"> 1. Priority is given to construction costs for <u>exterior</u> stabilization or rehabilitation including: <ul style="list-style-type: none"> • Front and secondary facades; • Foundations • Gutters and/or roof; • Windows; • Storefronts • Signage and awnings only as part of an overall façade renovation 2. Building acquisition when all other funds have been secured. 3. Architectural & engineering services. 	<ol style="list-style-type: none"> 1. Priority is given to <u>interior or exterior</u> construction costs that are needed to stabilize the building. 2. Architectural & engineering services. 3. Architectural historian and accounting services for historic tax credit applications or National Register Nominations. 4. Building acquisition when all other funds have been secured.
Leverage	30% equity contribution	20% equity contribution

F. Permitting: All permits (flood plain, construction, building, fire, life-safety, zoning, design review, etc.) are that are required by local issuing authorities, including building, fire, life safety, subdivision, zoning and historic preservation, have been obtained or will be obtained before work is commenced.

G. Inspection: The applicant will permit the Preservation Alliance of West Virginia and/or its employees, agents and representatives to inspect the property.

H. Records and Reporting: The Borrower will maintain clear and accurate records and receipts to verify eligible expenses. Copies of payments to contractors, permitting agencies and professional designers shall be submitted to the Preservation Alliance of West Virginia at the time that the borrower makes a request for final payment.

I. Completion: All work that is funded by the Historic Preservation Microloan program shall be completed within two years (24 months) of the first disbursement of funds. Preservation Alliance of West Virginia may in its sole discretion grant the Borrower an extension upon advance written notice.

IV. Funding/ Loan Amounts

A. Capitalization: The Historic Preservation Microloan Program is capitalized at \$25,000. No more than \$25,000 may be disbursed at any time.

B. Loan Amounts: Loans will be made for amounts between \$2,500 and \$10,000.

C. Interest Rate: Loans will carry a 2% interest rate.

V. Application Process

Each applicant for the Historic Preservation Microloan program will acknowledge that the work for which the applicant seeks funds is commercial, and not consumer, in character. Applications are accepted year-round by submitting the completed application to:

Preservation Alliance of West Virginia
421 Davis Avenue, #4
Elkins, WV 26241

Or by email to info@pawv.org

VI. Disbursement of Loan Proceeds

Proceeds of the loan for each project will be disbursed on behalf of the Borrower in full upon the Borrower's execution of the funds and will begin accruing interest on that date on the full amount of the loan.

VII. Terms of Repayment

- A.** Loans will be fully amortized and repayable over twenty-four (24) months, payable in equal consecutive monthly installments.
- B.** Such monthly payments must be paid on or before the first (1st) day of every month until the full amount of the loan is paid. Payments may be made by check or by setting up ACH direct deposit payments.
- C.** Should the Borrower fail to make the monthly payments on or before the tenth (10th) day of any month, the Note shall be in default and the Preservation Alliance of West Virginia may declare the unpaid principal balance immediately due and payable and will have such other rights and remedies as may be available according to the laws of the State of West Virginia, including the right to foreclose on the property.
- D.** A \$25.00 fee will be added to all late payments.
- E.** Payments will begin on the first (1st) day of the month following the date of the Note (loan closing date).

VIII. Security and Security Position

A. The loan will be evidenced by a Promissory Note and will be secured by a deed of trust on the subject property.

B. The Promissory Note is not assignable or transferable by the Borrower. If the Borrower sells or otherwise disposes of title to the subject property, the full amount of the unpaid balance shall be due and payable upon the closing of the sale.

C. The Borrower acknowledges that the loan from the Historic Preservation Microloan program and the work will be of a commercial character.

_____/_____
Applicant's Signature Date Co-Applicant's Signature Date

SECTION 2: APPLICATION AND CHECKLIST

I (we) hereby apply for a loan in the amount of _____ for the purpose of improving the building located at _____ (address) in _____ (city), _____ County, WV.

I (we) certify that (please check):

- All requirements in the “Guidelines” are met (Section 1)
- The Application is true and complete (Section 2)
- A complete work write-up is attached (Section 3)
- A completed credit application is attached (Section 4)
- All proposed work is eligible for this loan program
- The proposed work in this application has not started

I (we certify that the following required documentation is attached in addition to a complete and signed application (please check):

- Evidence of clear title (property ownership) is attached.
- Income verification (2 years of tax returns, 2 months of bank statements and 2 recent paystubs) is attached.
- Application fee of \$100 attached

We are prepared to close the loan and work can begin upon loan closing on or after _____ (date). The work to be performed is as follows:

All materials will be good quality, securely fastened and all work will be performed in a good, workmanlike manner befitting the quality of West Virginia.

Loan proceeds may be drawn upon satisfactory completion of the work or as permitted by paragraph VII of the “Guidelines and Requirements”.

The Loan Application signed by the owner on _____ (date) and approved by the Preservation Alliance of West Virginia Loan Review Committee on _____ (date) and the promissory note and deed of trust signed by the owner on _____ (date) and the “Work Write-Up” form signed by the owner and certified by the contractor on _____ (date) and _____ (date) and the “Guidelines and Requirements” form signed by the owner on _____ (date) constitute the entire agreement between the parties.

_____/_____/_____/_____
Applicant’s Signature Date Co-Applicant’s Signature Date

Position: _____ Hourly Salary _____ Annual income: _____

APPLICATION INFORMATION CONTINUED

Name of a relative not residing with you: _____

Address: _____

City: _____

State: _____

Phone: _____

ZIP Code: _____

Relationship: _____

CREDIT CARDS

Name _____	Account no. _____	Current balance _____	Monthly payment _____
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MORTGAGE COMPANY

Account no.: _____

Address: _____

AUTO LOANS

Auto loans _____

Account no. _____

Balance _____

Monthly payment _____

OTHER LOANS, DEBTS, OR OBLIGATIONS

Description _____

Account no. _____

Amount _____

OTHER ASSETS OR SOURCES OF INCOME

Description _____

Amount per month or value _____

I authorize Preservation Alliance of West Virginia to verify the information provided on this form as to my credit and employment history. I am aware that Preservation Alliance of West Virginia will pull any credit history one week prior to the monthly Loan Review Committee meetings and that I will notify them immediately if I want to cancel or postpone my application.

Signature of applicant

Date

Signature of co-applicant, if for joint account

Date

SECTION 5: REVIEW CRITERIA (FOR OFFICE USE ONLY)

Applicant: _____ Date received: _____

Property Address: _____ Loan request: _____

The following documentation has been received from applicant:

- We received a complete application
- Evidence of clear title (property ownership) is attached
- Income verification is included
- Type of income verification:

- Application fee of \$100 received
- A complete work write-up is attached
- The cost of the work is reasonable
- All requirements in the "Guidelines" section are met
- A completed credit application is attached
- The amount of work can be completed in two years
- All proposed work is eligible for this loan program
- Construction or work proposed has not started
- All application materials are signed and dated

Debt-to-income ratio after new debt service _____

Verify credit application by checking the following reports:

- Equifax
- Chapter 7 and/or 13 judgments
- Other federal debt or judgments
- Employment verification report

Initial physical inspection of property completed by:

_____/_____
PAWV representative Date

Notes: