

What areas are included in the Program?

For the initial introduction of this program, the areas to be included are: downtown Groveton from the railroad tracks on Upper Main Street to the Elementary School at the corner of Main and Church Streets. Also, from the former Paperboard building at the corner of State Street and Main Street to Emerson's Hardware. If additional funds become available for interest rate subsidy, the area included in the program may be expanded. However, for now it is as defined above.

How Long Will the Program Last?

The Program starts in July 2007 and will last until the interest rate subsidy money is exhausted. The first round of funding is a pool of \$200,000 from the lenders and there is enough subsidy money to subsidize up to that amount of loans for up to three years. If additional funds become available for interest rate subsidy the pool of funds available for lending on a subsidized basis may be expanded. However, interest rates as published for this program in this brochure may be subject to change with the next round of funding.

Other Important Details

- (1) An individual Façade Project's size is not limited. However, the interest rate subsidy only applies to the first \$50,000 of any one project at any one location.
- (2) Lender fees are limited to a 1% origination fee with a minimum of \$250. However, there may be other fees associated with the loan such as but not limited to: legal fees, recording fees, or other fees necessary to document and close the loans.
- (3) All loan payments will be automatically charged directly to the borrower's checking or savings account monthly when due.

Northway Bank

3 State Street
Groveton, NH 03582
Phone: 603-636-2751
www.northwaybank.com

Passumpsic Savings Bank

117 Main Street
Lancaster, NH 03584
Phone: 603-788-4715
www.Passumpsicbank.com

Woodsville Guaranty Savings Bank

199 Main Street
P.O. Box 540
Lancaster, NH 03584
Phone: 603-788-2580
www.thegarantybank.com

BEDCO

Business Enterprise Development Corporation
P.O. Box 628
Berlin, NH 03570-0628
Phone: 603-752-3319
www.bedco.org

NCIC

Northern Community Investment Corporation
347 Portland Street
St. Johnsbury, VT 05819
Phone: 802-748-5101
www.ncic.org

These institutions are equal opportunity providers, lenders and employers.

Brochure Date: July 2007

**In cooperation with three area banks
and two community development
financial institutions**

**Groveton Regional Economic
Action Team (GREAT)
Is pleased to offer a Downtown
Groveton, New Hampshire**

FAÇADE LOAN PROGRAM



What is a Façade Loan?

A façade loan is a loan specifically targeted to financing of improvements to building facades in downtown areas. The improvements should enhance the visual aesthetics of the downtown area.

What banks and other financial institutions are participating in this program?

This is a cooperative effort organized by the Groveton Regional Economic Action Team (GREAT) and includes the following banks and Community Development Financial Institutions:

- Northway Bank
- Passumpsic Savings Bank
- Woodsville Guaranty Savings Bank
- Business Enterprise Development Corporation
- Northern Community Investment Corporation

Who can apply for financing?

Any owner or any tenant with lease authority and approval of the owner may apply for funding.

What is the application process?

- Submit your design specifications and/or renderings to the GREAT downtown committee for approval
- If applicable, apply to the town for any needed approvals and/or permits
- Make application to your bank of choice directly at one of the locations listed in this brochure.
- Your bank lender of choice will determine if additional credit enhancements are required from one of the two participating Community Development Financial Institutions
- With all approvals in place, GREAT will subsidize the loan interest rate on the first \$50,000 of borrowings for a period of up to three years

What types of improvements are eligible?

Permanent exterior improvements, including:

- Repair/replace/preserve historically significant architectural details
- Masonry repairs and tuck pointing
- Storefront reconstruction back to original details
- Cornice repair
- Power washing
- Exterior painting and stucco
- Awnings and canopies
- Window and door repair or replacement
- Permanent exterior signage integrated into the storefront design
- Exterior lighting
- Repair/installation of gutters and downspouts
- Façade building code items
- Visible roof repairs in conjunction with structural repairs
- Public art
- Landscaping
- Planter boxes
- Decorative fencing
- Decking and stairs
- Architectural, engineering or design fees

What items are not eligible?

- Non-visible roofing
- Attached, hanging or projecting signs
- Parking lots and billboards
- Interior renovation
- Temporary or portable improvements
- Non-visible side and rear facades
- New construction and property acquisition
- Expansion of building area
- Working capital
- Refinance of existing debt
- Improvements in progress or completed prior to the loan approval

Are there design guidelines and special requirements?

- All façade improvements must be reviewed and receive approval by the town planning and/or zoning boards prior to loan closing
- The GREAT downtown committee must approve the improvements prior to loan closing
- All construction must comply with applicable building codes and conform to the ADA Accessibility Guidelines.
- A copy of any applicable town permits must be submitted prior to loan closing
- The project must result in visible improvement to the overall façade (e.g. not just sign replacement)
- The loan to value ratio can not exceed 90%*
* Loan to value ratios for property containing residential units may be less than 90%
- All approved projects must be completed within six months of the loan closing date

What are the normal terms and conditions?

Amounts: \$10,000 minimum - \$50,000 maximum ⁽¹⁾

Term: 1 to 15 years depending upon the nature and amount of the improvements

Fees: ⁽²⁾ No application fee, 1% origination fee

Collateral: A mortgage on the property and/or a security interest in all business assets

Guarantors: Anyone with 20% or greater ownership in the business and/or property

Interest Rate:

<u>Loan Term</u>	<u>Actual Rate</u>	<u>Effective Rate</u>
1-3 yrs.	8.00% APR	4.00% APR**
3-5 yrs.	8.25% APR	4.25% APR**
5-7 yrs.	9.00% APR	5.00% APR**
7-15 yrs.	See below*	See below**

*Variable adjusted annually at Prime + 1% with a Floor of 9.00% APR and a Ceiling of 14.00% APR

**Interest Rates will be subsidized by GREAT to create a much lower effective rate to you. Your rate will be 4% below the Actual Rate charged by the lending institutions on the first \$50,000 borrowed.