

CITY OF KALISPELL

KALISPELL REDEVELOPMENT LOAN PROGRAM SUMMARY

The City of Kalispell's Redevelopment Loan Program is intended to provide a financing mechanism for businesses that are located in the city limits of Kalispell for real estate improvements to their place of business. This program is designed to assist businesses by making appropriate long term, fixed rate financing available at a reasonable interest rate for improvements to commercial real estate properties in the City of Kalispell while supporting economic development.

Some of the details of the program are as follows:

- Funds may be used for general improvements to the business owner's real property, such as: façade improvements, weatherization of the property, heating and cooling systems, window and door replacement, electrical improvements, plumbing improvements, roof improvements, floor coverings, interior improvements, foundation improvements and expansion of the commercial building.
- Loans are not to be used for: Inventory, equipment, accounts receivable, furniture and fixtures, or working capital needs.
- The length of the loan term will be up to 10 years (120 months) with regular monthly installments of principal and interest. Loans are to fully amortize over the loan term. Shorter terms may be required on small loans and other conditions may apply.
- The interest rate on loans will be 3.00% fixed.
- The loans are to be secured by a lien on the real estate being improved with other collateral being considered in addition to this depending on values and other risks.
- There is an application fee of \$200.00 plus any other costs associated with the transaction as defined in the revolving loan fund policy.
- The maximum loan amount per borrower is \$50,000.00.
- Davis Bacon rates may apply for construction.

Application requirements:

- Completed loan application and \$200 application fee.
- Current personal financial statements for each party having over 20% ownership of the business.
- Personal tax returns for the last three years for each party having over 20% ownership of the business.
- Resume of each party having over 20% ownership of the business.
- Information release form for each party having over 20% ownership of the business.
- Current year to date financial report for existing businesses.
- Financial reports for the last three years of operation for existing businesses.
- Tax returns for the last three years of operation for existing businesses.
- Completed business plan with forecast for the next three years. (Please ensure all forecast assumptions are adequately disclosed.)