

## INDUSTRIAL IMPROVEMENT LOANS FACT SHEET

A low interest loan program for the acquisition, construction or renovation of commercial, industrial and office facilities containing at least 10,000 square feet.

### **Eligibility Criteria/Guidelines**

#### Amount

The maximum amount available is \$250,000. Further, industrial improvement loans are limited to twenty-five percent (25%) of the appraised value of the project upon completion or twenty-five percent (25%) of the actual cost of the project, whichever is less.

#### Interest Rate

The rate of interest is forty percent (40%) of the prime-lending rate as published in the Wall Street Journal rounded off to the next highest quarter of a percent with a minimum floor of five percent (5%).

#### Term

Generally, the term of the LDFC loan will be the same as the term of the first mortgage unless determined otherwise by the LDFC Executive Committee.

#### Minimum Project Cost

In order to be eligible, the cost of the project to the applicant must be \$200,000 or more after subtracting from the total the amount requested from the LDFC.

### **NOTE:**

All loan commitments are subject to the availability of funds.

Loans may be disbursed over a period of up to five (5) years.

A one percent (1%) commitment fee is due upon acceptance of terms and conditions.

All necessary permits must be obtained from appropriate departments within the City of Lowell.

### **Contact**

Jim Cook, Executive Director

Germaine Vigeant-Trudel, Assistant Director

Lowell Development and Financial Corporation

(978) 459-9899

[jcook@ldfc.org](mailto:jcook@ldfc.org)

[germaine@ldfc.org](mailto:germaine@ldfc.org)

## NEIGHBORHOOD IMPROVEMENT LOANS FACT SHEET

A low interest loan program for the acquisition, construction, restoration and/or renovation of Commercial property that may also have a residential component.

### **Eligibility Criteria/Guidelines**

#### Amount

The maximum amount available is \$50,000 or thirty percent (30%) of the appraised value of the project upon completion, whichever is less.

#### Interest Rate

The rate of interest is forty percent (40%) of the prime-lending rate as published in the Wall Street Journal rounded to the next highest quarter of one percent with a minimum floor of five percent (5%).

#### Term

Generally, the term of the LDFC loan will be the same as the term of the first mortgage unless determined otherwise by the LDFC Executive Committee.

### **NOTE:**

All loan commitments are subject to the availability of funds.

Loans may be disbursed over a period of up to five (5) years.

A one percent (1%) commitment fee is due upon acceptance of terms and conditions.

All necessary permits must be obtained from appropriate departments within the City of Lowell.

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## **DOWN PAYMENT ASSISTANCE PROGRAM FACT SHEET**

A no-interest loan for 2.5% of the purchase price (based upon a 5% down payment requirement) of a home by a first time homebuyer.

### **Eligibility Criteria/Guidelines**

Eligible Uses

Down payment assistance for first time homebuyers

### Amount

The maximum amount is \$5,000

### Loan Terms/Rate

Secured by a mortgage on the property. After 5 years, 20% of the loan amount is paid back each year to the LDFC. In the event of the sale, transfer or refinancing of the property prior to the fifth anniversary, 100% of the loan will be paid. In the event of the sale, transfer or refinancing of the property subsequent to the fifth anniversary, the remaining balance of the loan will be paid.

### Income Eligibility Criteria/Guidelines

Maximum annual household income

\$125,415

### **NOTE:**

Applicants are required to attend Project Genesis training seminars for first time homebuyers through the Merrimack Valley Housing Partnership (MVHP).

Applications are submitted to the MVHP office by the lenders working with the buyers.

All commitments are subject to the availability of funds.

### **Contact**

Jim Wilde

Executive Director

Merrimack Valley Housing Partnership (MVHP)

PO Box 1042

Lowell, MA 01853

(978) 459-8490

[www.mvhp.org](http://www.mvhp.org)



## **DOWNTOWN VENTURE FUND PROGRAM GUIDELINES & FACT SHEET**

The Fund is set up specifically to assist those ventures that add value and diversity to the retail and restaurant climate of Downtown Lowell by making available low-cost financing. The initiative will create the critical mass needed to encourage others to open new ventures in Lowell; similar to what has occurred in recent years in Portsmouth, NH, Newburyport, MA and Portland, ME, among others.

### **Eligibility Criteria/Guidelines**

Any existing venture or new venture that proposes to add value to the retail and restaurant climate of Downtown Lowell and meets the following target characteristics will be considered for funding:

#### **Targeted Retail and Restaurant Concepts:**

Restaurants (not including fast-food, take-out type establishments);  
Specialty food, shoe and apparel stores;  
Art galleries;  
Antique shops;  
Coffeehouse offering entertainment  
Specialty bed, bath and kitchen accessory shops;  
Office supplies;  
Luxury personal care service establishments;

#### **Target Area**

Funds will be focused to assist ventures seeking to locate, or are already located in the core of Downtown Lowell.

#### **Uses**

Funds can be used for design work, construction, equipment purchase, inventory, and working capital. Funds cannot be used to refinance existing debt or obligations;

#### **Amount**

The maximum amount is \$100,000

#### **Loan Terms/Rate**

Term will be based on size of loan; however, no payments are due in year one, interest at an annual rate of 6% is accrued and deferred to the second year;

### **NOTE:**

All commitments are subject to the availability of funds

### **Contact**

Diane Tradd or Alison Lamey – Division of Planning & Development  
(978) 446-7200 X1401  
Jim Cook, Executive Director-LDFC  
Germaine Vigeant-Trudel, Assistant Director-LDFC  
(978) 459-9899  
[www.ldfc.org](http://www.ldfc.org)

## LOWELL NATIONAL HISTORICAL PARK PRESERVATION LOAN PROGRAM FACT SHEET

**Eligible Properties:** Nationally-significant historic buildings on the Index of Historic Properties established by the Lowell Historic Preservation Commission.

**Eligible Activities:** Preservation, restoration and redevelopment activities including architectural and engineering services, exterior rehabilitation/restoration and/or interior rehabilitation/restoration. Exterior work must be a substantial portion of the project scope. Preservation Loan funding should represent no more than 50% of these rehabilitation costs.

**Loan Amount:** Maximum loan available is \$200,000 per building for historic rehabilitation work. The Preservation Loan amount must be at least matched by an equal amount of private funding for other qualifying historic or non-historic rehabilitation work.

**Interest Rate:** 3% fixed rate minimum in second mortgage position. Loans may be co-seconds with LDFC or other funding where justified.

**Loan Term:** Generally, the term of the Preservation Loan will be the same as the term of the first mortgage, unless determined otherwise by the LDFC Executive Committee. However, no term can extend beyond August 2018.

**Ineligible Activities:** Acquisition costs, legal and other non-design-related soft costs.

**Procedures:** The LDFC is administrator of the Preservation Loan Funds, but the application process begins with the Lowell National Historical Park (LNHP):

1. Applicants should contact Charles Parrott, Architect, Lowell National Historical Park, 222 Merrimack Street, 4<sup>th</sup> Floor, Lowell, MA. 01852 for a design application form. Phone: (978) 458-7653 x104, Fax (978) 458-9502, E-mail: [charles\\_parrott@nps.gov](mailto:charles_parrott@nps.gov)
2. Design applications should be completed and returned to Mr. Parrott.
3. A letter to the LDFC will be prepared for the signature of the Superintendent of Lowell National Historical Park, indicating that:
  - (a) the proposed project is for the historic rehabilitation of a property which is listed as a nationally-significant property on the index of properties established by the Lowell Historic Preservation Commission; and,
  - (b) the proposed project is, or appears to be, consistent with the goals of the LNHP's Preservation Plan approved by the U. S. Secretary of the Interior; and,

- (c) the Superintendent has reviewed the design application and has determined that the prospective borrower is capable of performing the work proposed; and,
  - (d) preliminary architectural plans have been provided in a form acceptable to the LNHP and are in compliance with the rules and regulations of **the Lowell Historic Board** and the Secretary of the Interior's Standards for Rehabilitation as determined by the LNHP with final acceptance subject to the submission and approval of construction drawings in a form acceptable to the LNHP and a determination that they are in compliance with the rules and regulations of the Lowell Historic Board and the Secretary of the Interior's Standards for Rehabilitation as determined by the LNHP.
4. Upon receipt by the LDFC of the above letter from the Superintendent of Lowell National Historical Park, the LDFC will:
- a) process the loan application; and,
  - b) determine the creditworthiness of the proposal; and,
  - c) provide the borrower with a loan approval decision; and,
  - d) issue the loan, subject to a vote of the LDFC Executive Committee.
5. **NOTE:** This is permanent financing, not construction financing. The rehabilitation work for which a loan is proposed must be completed by the borrower in accordance with the construction drawings and approved in writing by the Superintendent of Lowell National Historical Park prior to the issuance of the loan proceeds by the LDFC.

**Recorded Preservation Restriction:** Prior to payment by the LDFC, the property owner must record a Preservation Restriction on the financed property assuring that the design of the improvements will not be changed without NPS approval and will be maintained in perpetuity. Among other remedies, Preservation Loan Funds may be recovered by the LDFC in the event of breach of the restrictions.

**Assignment:** Loans may not be transferred, assigned or assumed. Upon sale or refinancing of the subject property, the Preservation Loan must be repaid in full to the LDFC.

August 21, 2003

**LOWELL DEVELOPMENT AND FINANCIAL CORPORATION  
DEVELOPMENT FUND PRE-APPROVAL**

**BORROWER(S) INFORMATION**

Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Telephone No.: \_\_\_\_\_ Home \_\_\_\_\_ Business \_\_\_\_\_

BORROWER(S) SIGNATURE: \_\_\_\_\_

\_\_\_\_\_

**PROJECT INFORMATION**

Property Address:

\_\_\_\_\_

Description of Project:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Anticipated benefit to the City of Lowell:

\_\_\_\_\_

\_\_\_\_\_

ACKNOWLEDGEMENT OF RECEIPT: \_\_\_\_\_ Date: \_\_\_\_\_

City Manager's Office

APPROVED FOR REVIEW BY LDFC: \_\_\_\_\_ Date: \_\_\_\_\_

Kevin Murphy, City Manager

NOTE: No financial information required with this form.