

# Altavista Downtown Revolving Loan Pool Program

<b>Eligible Area:</b>	Town Wide
<b>Loan Amount (per building):</b>	\$500 up to \$10,000 (Loans limited to available funding)
<b>Application Fee:</b>	\$25.00 (refundable if loan is not awarded. If loan is awarded, this fee is used to cover deed of trust recording fees)
<b>Loan Terms:</b>	0% Interest. 60 monthly payments over 5 years. No pre-payment penalty. Funding sources include the loan you are requesting from the Altavista No Interest Loan Pool Program, plus any other financing that will go into the project, including but not limited to bank financing and owner cash. A 50/50 match is required per loan amount.
<b>Match Eligibility:</b>	A 50/50 match is required, and can be a 50/50 cash match of the loan amount, or in-kind, or a combination of cash and in-kind. In-kind matches may include donated labor construction costs, directly related to the eligible aspects of the specified project, and that are quantifiable and determined at current labor costs, costs of signage, and donated supplies, that are quantified and verified through purchase receipts or a determination of current market value. In-kind match may also include certain ineligible costs of a total building project, including plumbing, electrical, HVAC, or renovations of the public portions of a building. These costs must be quantifiable and verified through purchase receipts or a determination of current market value of labor and/or supplies.
<b>Loan Fees:</b>	Each loan will be assessed a one-time <b>servicing fee</b> of 3 percent of the total loan amount. There is a <b>late fee</b> of 5% of the payment amount if not paid by the 15 <sup>th</sup> of the month.
<b>Payments Due:</b>	1 <sup>st</sup> day of each month
<b>Loan Security:</b>	The loan is secured by a deed of trust (assumable if the property is transferred) on the subject property in the amount of the loan and only for the period of the loan. The Town of Altavista and its attorney are the trustees, and the deed of trust need not be in first position. In no case will a loan be larger than the assessed value of the subject property.
<b>Eligible Projects:</b>	Permanent improvements to the exterior of non-governmental buildings within the town limits. Eligible improvements include: painting (including murals and restoration of historic mural-style signage), awnings, masonry repair/cleaning, storefront replacement/restoration, exterior lighting, window repair, cornice repair/replacement, roofing (such as standing seam metal, terra cotta tile, and shingle [slate, wood, asphalt]) that is readily visible from an adjacent public street or alley and is an integral part of the aesthetic design of the building, and restoration of historic and permanent landscaping (hardscape). [ Note: All projects, within the Downtown Overlay District, shall be designed and executed in accordance with the current Altavista Downtown Master Plan, Downtown Design Guidelines, and the Secretary of the Interior's Standards for Historic Rehabilitation (National Park Service).]
<b>Ineligible Projects:</b>	Loan pool funds shall not be used for signage (except as noted), roofing that is not readily visible from an adjacent street or alley or that is not an integral part of the aesthetic design of the building (including flat or gently-sloped EPDM, membrane, or built-up roofs),

and interior-serving renovations (including all components of HVAC, plumbing, and electrical systems, except as noted).

**Application Process:**

Each year, Altavista on Track will coordinate with the Town of Altavista to forecast the amount of principal that will be available for re-distribution for that year. This amount may vary if early payoffs or defaults have occurred.

Property owners shall submit a completed application form with any necessary attachments to Altavista on Track. The applications must include at least three bona fide quotes from qualified contractors, installers, or specialists. The quotes must be valid for at least 60 days following the loan pool application deadline.

A designated loan review committee of Altavista on Track's Design Committee will meet to evaluate the applications that have been received. If loan funds requested in the applications exceed the available amount, the committee may use a rating system to determine which projects will receive funding. The committee may opt to fund all projects at an amount that is less than what is requested, or may select only a few projects that best meet the eligibility requirements.

Loan awards will be announced by November 30, 2013, and the property owner has until December 20, 2013, to execute a contract with the contractor with the lowest qualified bid. A deed of trust and deed of trust note will also be signed by the owner and recorded by Altavista on Track or the Town of Altavista at the office of the Clerk of Circuit Court for Campbell County. The first loan payment is to be made on the first day of the month following the execution date of the contract.

If the construction contract amount is more than the amount of the loan, the property owner is to provide this additional money to the Town of Altavista prior to the beginning of the project. Construction is to be completed within 60 days. The contractor may make two payment requests: the first when the project is 50% complete, and the second when the project is 100% complete. A 10% retainer is withheld from each pay request, and is released upon certification of completion. Each pay request is to be approved by the property owner and Altavista on Track. The Town of Altavista issues payments to the contractor according to its normal payment schedule, typically within 14 days of receipt of pay request.

The Town of Altavista and Altavista on Track are not parties to the construction contract; the contract is between the owner and the contractor. The Town of Altavista is merely the funding source, and Altavista on Track ensures that the project is in compliance with the terms of the loan pool program.

**Default of Loan:**

In the event of a recovery of loan principal following a default on the deed of trust by a property owner, the recovered amount will be re-deposited into the loan pool.

For more information, contact Altavista on Track, 434.401.9842, or [director@altavistaontrack.com](mailto:director@altavistaontrack.com)