

HISTORIC COLUMBUS FAÇADE LOAN PROGRAM

Guidelines and Requirements

1. Program Definition:

The 2012 Historic Columbus Foundation, Inc. (“HCF”) Loan Program (hereinafter referred to as “HCFLP”) is a financial assistance program administered by the HCF to assist owners in rehabilitating residential structures of historic and/or architectural significance. This program meets the criteria of the mission statement of HCF.

"R.E.A.P."

HCF seeks to:

Revitalize Historic Columbus neighborhoods;

Educate the public about local and regional history;

Advocate the benefits that are derived from historic preservation; and

Preserve the historical, architectural and cultural character of Columbus and its environs.

2. Loan Review Committee:

The Loan Review Committee (herein so called) shall be appointed by the President of HCF. The Executive Director of HCF shall be responsible for reviewing all applications and bringing those applications that meet initial guidelines/requirements to the Loan Review Committee. It must be noted that limited funds are available and the Loan Review Committee will make final decision on applications.

3. Property Eligibility Requirements:

A HCFLP Loan (“Loan”) may be made for the improvement of a property provided the following general conditions are met:

- The property must be located within a designated historic district, landmark district or be listed as an individual listing on the National Register of Historic Places.
- The current use of the property must be residential.
- The applicant must own, in fee simple title, the property that is to be rehabilitated, or the applicant must be purchasing the property under a valid sales contract. Evidence of ownership of the property to be provided by a copy of the warranty deed, the sales contract and any security instruments outstanding.
- Owner occupied property will be given first consideration.
- The property must be physically and financially feasible of being rehabilitated.
- The HCFLP is designated for exterior improvements only, at least some of which must be visible from a public right-of-way.

4. Loan Requirements/Conditions:

- Fee. The Borrower shall pay a processing fee of \$35.00.
- Applicant must be a member of HCF to be eligible for loan proceeds. If applicant is not currently a member, the applicant must join to become eligible.

- Weight, as to consideration for assistance, will be given to those applicants whose incomes are within the low and low-to moderate income groups. The credit application must be completed to the fullest extent possible, in the form prescribed by the Loan Review Committee, and will be part of the basis for approval of the Loan Application by the Committee.
- Priority in rehabilitation will be as follows:
 1. Correction of violations of Rehabilitation Standards and Southern Standards and City Building Codes.
 2. Correction of incipient health and safety problems.
 3. General Property improvements.
- The Loan Review Committee must approve the quality of the proposed changes.
- Project Work Plan. A Work write-up of the proposed rehabilitation work must be approved by the Loan Committee and in the form required thereby.
- Use of Proceeds. The Borrower shall agree to use the loan proceeds only to pay for costs of services and materials necessary to carry out the rehabilitation work identified in the project work plan. **Proceeds shall not be used to pay expenses for work completed prior to Loan approval.** Borrowers shall not be paid for their own labor. (No Sweat Equity.)
- Permit Requirements. For work other than general maintenance of property. (1.) All work shall be done under a building permit (s) issued by Columbus, Georgia (2.) Certificates of Appropriateness must be obtained from the Board of Historic and Architectural Review. (Where applicable.)
- Inspections. The Borrower shall permit inspection of the property by Columbus, Georgia employees for compliance with all City codes and ordinances pertaining to property maintenance and safety standards. The Borrower shall permit inspection of the property by HCF and/or its employees, agents and representatives.
- Records. The Borrower shall keep records of payments and receipts in connection with the rehabilitation work. Copies of payments to contractors shall be submitted to HCF at the time owner makes request for final payment.
- Work Completion. The rehabilitation work must be completed in three months from the time the Loan is initially funded.

5. Funding/Loan Amounts:

Funds Available

- The Executive Committee of HCF shall determine on a yearly basis the amount of funds available for rehabilitation loans.

6. Application Process:

Applications must be submitted by Homeowner in a form provided by the Loan Review Committee. The Loan Review Committee will review applications and applicants will usually be notified within 2 weeks.

7. Disbursement of Loan Proceeds:

- Monies may be disbursed in three (3) increments. One-third to begin the rehabilitation work, after work is underway. One-third after approximately one-half of the work is completed upon inspection of the work by a designated agent of HCF and the final one-third upon completion and a final inspection by said agent.

8. Terms of Payment:

- The maximum term of repayment shall be sixty (60) months, payable in equal consecutive monthly installments.
- Such monthly payments must be paid on or before the first (1st) day of each month until the full amount of the Loan is paid.
- Should the Borrower fail to make the monthly payments on or before the tenth (10th) day of each month, the Note shall be in default, and HCF 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 Georgia.
- Payments will begin on the first (1st) day of the month following the date of the Note.
- Note will be in default if construction is not complete within three months from the date of the Promissory Note.

9. Security and Security Position:

- The Loan will be evidenced by a Promissory Note.
- The Promissory Note is not assignable or transferable by the Borrower. If the Borrower sells or otherwise disposes of title to subject property the full amount of the unpaid balance shall be due and payable upon the closing of the sale.
- The Loan will be secured by the real property for which the proceeds will be used. Borrower and any other owner of the Real Property shall execute and deliver, in proper form for recording a security deed in form and content satisfactory to HCF, shall pay the cost of recording same and all applicable intangible taxes.

Borrower

Date: _____

**HISTORIC COLUMBUS LOAN PROGRAM
LOAN APPLICATION**

I (we) hereby apply for a loan in the amount of \$_____ for the purpose of improving the residential building located at _____ in Columbus, Georgia. I (we) certify that:

1. the property is located within the _____ Historic District.
2. the property has been designated as being of historic or architectural significance
3. evidence of ownership or a sales contract is attached
4. it is feasible physically and financially to rehabilitate this property

A work write-up is attached in the form prescribed by the Loan Committee.
The applicants annual income (exceeds) (does not exceed) \$77,867.00 (125% of area median income).
All of the requirements of paragraph 4 of the Historic Columbus Loan Program, "Guidelines and Requirements" have been or will be met.
A credit application is attached.

Work will begin not later than _____ and be completed not later than ninety (90) calendar days thereafter. 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.
Loan proceeds may be drawn upon satisfactory completion of the work or as permitted by paragraph 7 of the "Guidelines and Requirements".

The Loan Application signed by the owner on _____ and approved by the HCF Loan Committee on _____ and the promissory note signed by the owner on _____ and the "Work Write-Up" form signed by the owner and certified by the contractor on _____ and _____ and the "Guidelines and Requirements" form signed by the owner on _____ constitute the entire agreement between the parties.

(Applicant)

(Date)

(approved/disapproved)

(Loan Committee)

(Date)

WORK WRITE-UP FORM

PROPERTY LOCATION: _____

APPLICANT'S NAME: _____

DAYTIME PHONE: _____

WRITE-UP PREPARED BY: _____

PREPARER'S DAYTIME PHONE: _____

EXTERIOR WORK TO
BE PERFORMED

ESTIMATED COST:

TOTAL: \$ _____

*Owner may not be reimbursed for sweat equity.

CERTIFICATE

I certify that the amount shown as "TOTAL" above is the full cost of the work to be done by me.

Signed by Contractor _____