

Wabash Marketplace, Inc.

Grants, Guarantees, and Loans Summary

Wabash Marketplace, Inc. is offering several programs to assist in the rehabilitation of historic downtown buildings. The following grants, guarantees, and loans are available:

1. Pre-development revolving loans

- 1.1. up to \$5,000 per loan with advancements made upon receipt of invoices
- 1.2. for pre-development costs (e.g., architectural, engineer, environmental, and other feasibility reports/studies/drawings) related to gathering information necessary to purchase and rehabilitate an historic downtown building following historic design guidelines
- 1.3. interest rate equal to NY prime
- 1.4. loan to be repaid in full at closing
- 1.5. if closing does not occur due to project not being feasible or inability to obtain primary financing, repayment is not required
- 1.6. Marketplace shall be provided with copies of all reports/studies

2. Gap financing (loan guarantees/second mortgage loans)

- 2.1. up to \$75,000 per loan
- 2.2. for purchase and rehabilitation of an historic downtown building following historic design guidelines
- 2.3. designed to guarantee payment of primary financing or to provide second mortgage loans to provide \$ to cover any shortfall between purchase price/cost to rehabilitate and primary financing
 - 2.3.1. if loan guarantee: recipient negotiates loan from primary lender; if primary lender requires a loan guarantee, Marketplace purchases a certificate of deposit ("CD") from the primary lender for the amount it agrees to guarantee; lender may liquidate the CD in the event of default; at closing, Marketplace gets fee of 1% of amount of the loan guaranteed plus, if no default, all interest from the CD; term of guarantee is three (3) years

2.3.2 if second mortgage loan:

- interest rate equal to NY prime
- repayment schedule negotiable; desired terms will require monthly payments of principal and interest amortized over 15-20 years, with payment in full no later than three (3)- five (5) years following closing
- secured by no worse than second mortgage on real estate

3. Façade Grants

- 3.1. one-half (1/2), up to \$10,000, of cost of rehabilitating the façade (the principal face of a building) of an historic downtown building following historic design guidelines
- 3.2. recipient pays 1st 50% of rehabilitation cost
- 3.3. no repayment obligation unless recipient fails to complete work as agreed
- 3.4. not available for repair/replacement of roofs and/or for routine maintenance such as tuck pointing of facade; these types of costs should be covered by funds from the loan guarantee/gap financing program

4. Downtown Enhancement Revolving Loans

- 4.1. offered in conjunction with the Economic Development Group of Wabash County, Inc. with each entity providing 50% of each loan
 - 4.2. to provide working capital to new and existing businesses located in an historic downtown building
 - 4.3. repayment schedule negotiable; desired terms will require monthly payments of principal and interest amortized over 15-20 years, with payment in full no later than three (3) to five (5) years following closing
5. Grant and loan recipients must be members of Wabash Marketplace at the time application is made and during the term of any loan/loan guarantee.