

**Downtown Eau Claire, Inc. (DECI)
Loan Pool Program**

Program Purpose:

Downtown Eau Claire, Inc. with assistance from the Eau Claire Area Chamber of Commerce, together with American Bank, Associated Bank, Bank Mutual, Charter Bank, M & I Marshall & Ilsley Bank, Peoples Bank of Wisconsin, Royal Credit Union, S & C Bank, US Bank, Wells Fargo Bank have created a **new loan pool totaling \$5 million dollars** to be used to improve property in historic downtown Eau Claire. The purpose of this program is to continue to support the redevelopment of the Central Business District (CBD) that is occurring. This program will assist in fostering a more attractive climate for investment in the CBD and invite new merchants, servicers, and professionals into the area.

Eligible Projects:

Eligible projects include interior and exterior remodeling, purchase of a building, creating housing including projects in the upper floors of identified properties, parking lot, signage, lighting, and landscaping improvements. Projects NOT eligible would be such things as refinancing of previous loans, or loans for working capital. DECI Loan Committee will have to approve all projects involving exterior design, including signage (Signed DECI Approval Form must accompany the loan application submitted to a lender).

Loan Program:

Loans will be available to downtown building owners (tenants may apply with certain restrictions, see below) at a loan rate as low as prime minus ½%, fixed for 5 years. After that, the loan rate would revert to prime floating for the remainder of the loan term. There will be a maximum for 10-year amortization term. Collateral requirements will vary with each project and will be determined by the participating lender as individual projects are reviewed. A minimum of 15% equity into the project is required.

Maximum Loan: \$250,000.

Minimum Loan: \$25,000

Eligible Applicants:

Borrower/s could be the building owner or a tenant. For a tenant, the loan amortization would have to match the remaining term of the underlying lease. The tenant applicant would have to provide a copy of the lease as one of the preliminary loan documents. Tenants may belong to for-profit or not-for-profit organizations. Options to renew a lease will NOT be included when determining the remaining lease term. Borrower/s must be paid member/sponsors of Downtown Eau Claire, Inc. at the time of processing of the application. If not a member of DECI, a \$250 non-refundable payment must be made to DECI prior to processing of all loan documents and design documents.

Required Loan Documentation:

Each participating lender will underwrite loans according to their individual underwriting standards. Applicants are required to provide the following basic information: **A copy of Articles of Incorporation if the borrower is a corporate entity. Copies of Partnership Agreements if appropriate. **Current balance sheet. **At least 3 years of profit and loss statements. Provide what is available if the business hasn't existed that long. **List of all business owners together with their percent of ownership. **Previous year's federal income tax return (personal and business). **Cost breakdown of the proposed project showing all proposed subcontractors and supplies. ** DECI Approval Form (if applicable). **A copy of a written Business Plan. **Personal Financial Statement.

Additional information may be required at the option of each participating lender.

Maturity of Program:

The funds will be available until they are used up or until December 31, 2006, whichever comes first. The program will then be reviewed and may or may not be extended depending upon its overall success.

Eligible Trade Area:

The trade area open to this program matches that of the City's Revitalization Plan, which includes the Downtown Central Business District and the Water Street District (DECI and Lenders will review boundaries, periodically and make changes when appropriate).

Participating Lenders:

The following institutions have agreed to participate in this program: American Bank, Associated Bank, Bank Mutual, Charter Bank, M & I Marshall & Ilsley Bank, Peoples Bank of Wisconsin, Royal Credit Union, S & C Bank, US Bank, Wells Fargo Bank.

- Applicant/s must select one of these participating institutions. Applicant will supply institution of their choice all required loan documentation. Must have signed DECI Approval Form (if applicable) included in the required loan documentation.
- Individual lending institutions can negotiate any of the terms listed above.

How To Apply For A Loan:

Applications for the program are available at the DECI office.

For More Information Contact:

Mike Schatz - Downtown Eau Claire, Inc.
203 S. Farwell St.
PO Box 5148
Eau Claire, WI 54702
(715) 839-4914

**DOWNTOWN EAU CLAIRE, INC. LOAN POOL PROGRAM
Initial Application Form**

Applicant/Owner Information

Applicant: _____ Owner _____ Tenant _____

Tax ID No.: _____

Address: _____

Home Phone: _____ Work Phone: _____

Building Owner: _____
(if different from applicant)

Address: _____

Home Phone: _____ Work Phone: _____

Building Identification

Address: _____

Primary Occupant(s): _____

Legal Description: _____

Building Age: _____

Description of the Project:

Loan Amount Requested: \$ _____

Primary Bank: _____

DECI Member: Yes _____ No _____

*Applicant must be a paid member of DECI at the time of application OR must submit a non-refundable fee of \$250 to DECI prior to submitting application documents for processing.

Supporting Documentation Needed:

- Current balance sheet of business
- Three years profit & loss on business
- List of all business owners & percent of ownership
- Previous year's business & personal tax returns
- Personal financial statement of borrower(s)
- Cost breakdown of project
- Copy of lease, if applicable
- Articles of Incorporation/Partnership Agreement, if applicable
- A written business plan

I hereby certify that all information provided on and accompanying this application is complete and accurate to the best of my knowledge.

Date

Applicant's Signature