

The Whitefish Business Rehabilitation Program

The Whitefish Business Rehabilitation Program was created to assist Whitefish businesses make physical improvements to existing buildings.

The City of Whitefish is buying down the interest rates in order to offer low interest loans. The Program will buy down half of the interest rate up to a maximum of five points. The program will buy down five points from the lowest interest rate available at the lending institution at the time of the loan or 50% whichever is less.

The financial institutions are funding and securing the principle to the loan amount. Subsidized business rehab loans through this City program typically obtain an interest rate of 3.5 percent or less.

The interest subsidy is funding through the use of Tax Increment Funds (TIF) from the Whitefish Urban Renewal District. The use of these public funds is intended to improve the tax base and to stimulate the revitalization of the Whitefish business community.

LOAN TERMS

The program was created to aid business finance repairs or improvements that they would be unable to complete without the Program. Therefore application must be approved before any work begins.

The maximum buy down amount is \$30,000.

Loan terms are five years. Loans will vary, but the interest should be figured using 5 year terms.

The City of Whitefish is buying down the interest rate. The City is paying the interest up front. Businesses must qualify by the standards set by the participating financial institution.

This program is only for long term or mortgage loans, not for new construction loans.

PROCEDURE

1. Fill out an application and submit to:

Lori Collins
Whitefish Business Rehab Program
PO Box 1237
Whitefish, MT 59937-1237
862-4146
2. Staff will review your application for eligibility and conformance to program guidelines.
3. You apply to one of the participating lenders listed in this brochure.
4. Once you are approved by both the business rehab program and the lending institution, the loan officer will contact the program with the total loan amount. The loan officer will then compute the finance charges and interest rates at the lowest bank rate you qualify for and then compute the finance charges and interest at five points below that rate or half that rate, whichever is less.
5. The loan officer will send a letter to the program clearly stating the difference between the interest rates.
6. The City will send a check to the lending institution for the interest buy down amount.

PARTICIPATING LENDERS

The Whitefish Credit Union

American Bank of Whitefish

Glacier Bank of Whitefish

First Interstate Bank of Whitefish

Mountain West Bank

ParkSide Federal Credit Union

ELIGIBILITY

Property owners and/or tenants located within the Tax Increment District are eligible applicants to the Whitefish Business Rehab Program. Please call if you have questions whether your business is within the TIF District.

Eligible renovation work includes only work which requires a City building or plumbing permit and includes:

- Renovations to eliminate building code deficiencies
- Upgrading or creating handicapped access
- Capital Improvements to the real estate (permanent fixtures)
- Exterior storefront improvements (including signs)

Items NOT eligible include:

- Acquisition of Property
- New construction on a vacant lot or post-demolition
- Landscaping or paving unless part of a bigger project which requires a building permit.



THE WHITEFISH BUSINESS REHABILITATION LOAN PROGRAM

The City of Whitefish and local lenders are offering low interest loans to assist Whitefish businesses make physical improvements to their buildings.