

HAMILTON COMMUNITY HERITAGE FUND LOAN PROGRAM SUMMARY OF TERMS

PURPOSE OF THE LOAN

The Hamilton Community Heritage Fund will be the source of funding for this loan program. The purpose of the loan is to act as a catalyst for stimulating the rejuvenation of designated heritage properties within the City of Hamilton.

Acting as a lender, the City provides financial support for the program and ensures that conservation and development activity arising from the program within the City is consistent with sound principles of managing and protecting designated heritage properties.

TERMS OF THE PROGRAM

The Loan interest rate will be at 0% interest.

The Loan will be registered as a second mortgage upon first advance of funds. The maximum loan term is ten (10) years (subject to prior termination on default). Repayment of the principal may be made in either of the following ways:

- a) Principal is repayable in monthly loan payments up to a maximum of ten years, or
- b) Principal is repayable in annual amounts of ten percent (10%) of the original loan amount. Payments will commence one (1) year following completion of construction. The balance outstanding will be paid by a balloon payment at the end of the five (5) year term.

The maximum loan amount is calculated on the basis of 100% of total eligible restoration and/or conservation costs not to exceed \$50,000 per deeded property. The City reserves the right to decide what is considered the total construction cost under the terms of the program.

The City will periodically review the terms and the duration of the program and make appropriate revisions as per the direction of City Council.

The City may request such security as may be required to secure a commercial loan including the following: loan agreement; and/or promissory note; and/or personal property security; and/or personal guarantees; and/or lien on the property to be improved; and/or mortgage charge registered on the property to be improved; or/or letter of credit in lieu of a second mortgage charge on the property (subject to City's minimum equity requirements); and/or such other security which may be appropriate or available in the circumstance.

HAMILTON COMMUNITY HERITAGE FUND LOAN PROGRAM: SUMMARY OF TERMS (cont'd)

The City's funding will be the last monies advanced to all projects.

Loan amounts may be reduced if the applicant is participating in other government supported programs.

A flat administration fee of 2.06% of the total loan amount is charged to the borrower of designated commercial, industrial or like properties, and \$333.35 for all other applicants.

Realty taxes must be paid current and in good standing throughout the development process and during the term of the City loan.

Eligible existing buildings must be located in the City of Hamilton. Only heritage properties designated under the Ontario Heritage Act will be eligible.

Plans in a form acceptable to the City must accompany the application form and be approved by City staff (if applicable).

Any required heritage permit approvals under the Ontario Heritage Act must be approved prior to any works commencing.

Advances are made by the City, upon proof by a paid invoice of 50% completion, confirming the value of the work completed.

All costs associated with the construction or renovations are to be borne by the applicant including construction, design, administration fee, appraisals, inspections, legal and registration fees. City retains the right to assess the reasonableness of costs and which costs are eligible under the terms of the program.

Upon sale of the property, the loan is due and payable upon closing. Upon refinancing of the first mortgage, the loan is due in full or part if take out financing or refinancing takes place in an amount higher than the existing first mortgage.

The proposed development must conform to the Ontario Heritage Act, City of Hamilton Official Plan and Zoning By-law and any other applicable by-laws.

The City of Hamilton will require specific insurance terms to be met to protect the City's interest.

Approval of loan applications is at the absolute discretion of City Council and subject to availability of funds.

Without limiting the discretion as set in the paragraph above, the City Council or its delegate, whether or not an Applicant satisfies the requirements of the Program, may reject any application received from an applicant where there is credible information that an applicant has been involved recently or repeatedly in illegal activity supporting the conclusion that he or she will not conduct himself or herself with honesty and integrity in undertaking the activity, operation or business for which the loan/grant is sought. For corporate applicants, it will be the corporation and the principals of the corporation whose illegal activity will be considered.



Planning and Economic Development Department
Commercial Districts and Small Business Section
71 Main Street West, 7th Floor
Hamilton, Ontario L8P 4Y5
Phone: (905) 546-2424 Ext. 2755
Fax: (905) 546-2693

**2.06% of loan amount Administration Fee for
Designated Commercial, Industrial or like properties
\$333.35 Administration Fee for other properties**

APPLICATION FORM

Application Number: (assigned by staff)

APPLICANT INFORMATION

Property Address:
Property Owner:
Name of Tenant (if applicable):
Mailing Address:
Phone Number:
Fax Number:
Cell Phone Number:

PROPERTY INFORMATION

Registered Plan Number(s)	_____

Lot Number(s)	_____
Assessment Roll Number(s)	_____

WORK ESTIMATES

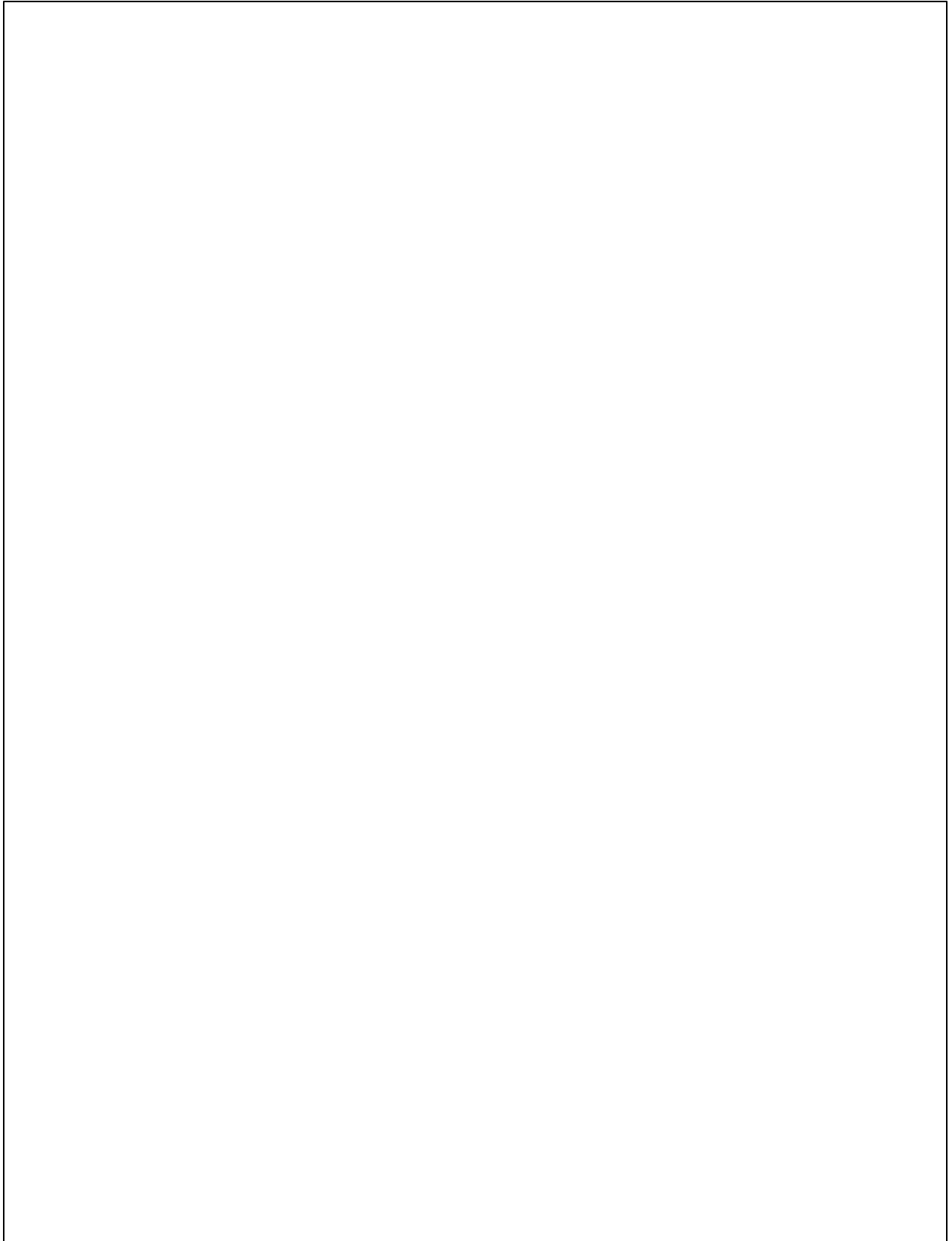
*Must attach two (2) independent contractor estimates for the proposed improvement.

Name of Preferred Contractor: _____
Amount: _____
Name of Second Contractor: _____
Amount: _____

DESCRIPTION OF IMPROVEMENTS

Please provide a written description of the proposed improvements. Attach at least one (1) copy of architectural or design plan prepared by a professional or prepare a sketch showing the proposed improvements.

ATTACH A PHOTO OF THE EXISTING PROPERTY



**SIGNATURE OF OWNER/AUTHORIZED AGENT AFFIDAVIT OR SWORN
DECLARATION DATE OF APPLICATION SUBMISSION**

I, _____, solemnly declare that the information contained in this application is true, and that the information contained in the documents that accompany this application is true. I also give permission to the City of Hamilton to utilize photographs of the project/property in the City of Hamilton's promotional material.

Applicant's Signature

Date

Authorization:

If the applicant is not the owner of the land that is the subject of this application, written authorization of the Owner that the applicant is authorized to make the application must be included with this application.

CONSENT OF THE OWNER

Complete the consent of the owner concerning personal information set out below.

**CONSENT OF THE OWNER TO THE USE AND
DISCLOSURE OF PERSONAL INFORMATION**

I, _____, am the owner of the land that is the subject of this application and for the purposes of the *Municipal Freedom of Information and Protection of Privacy Act*, I authorize and consent to the use by or the disclosure to any person or public body of any personal information that is collected under the authority of the *Ontario Heritage Act* and/or the *Planning Act* for the purposes of processing this application.

Name of Owner (please print)

Signature of Owner

Date

PERSONAL INFORMATION

Applicants Name _____

Address _____

Business Phone _____ Cell Phone _____

BUSINESS INFORMATION

Company Name _____

Address _____

Date of Registration _____

Names of Registered Shareholders _____

Solicitors Name _____

Address _____

Phone _____ Fax _____

Accountants Name _____

Phone _____ Fax _____

PROPERTY INFORMATION

Address _____

Date of Purchase _____ Purchase Price _____

Appraised Value _____

Current Mortgage Amount _____

Rate _____ Term _____ Date of Maturity _____

Secondary Financing _____

Name on Title _____

Proposed Use _____

Estimated Cost _____ Amount Requested _____

Current Use _____

***Please provide survey or site plan**

DECLARATION

I /we hereby grant permission to the city of Hamilton, or its agents to carry out necessary inquiries for the purpose of determining my/our income, assets, liabilities and credit information.

Date

Signature

Date

Signature

OTHER INFORMATION (TO BE COMPLETED BY ALL APPLICANTS)

Addresses of other properties in the City of Hamilton Boundary owned by the Applicant. If the application is from a Partnership or Corporation include addresses of properties owned by the Partnership or Corporation.

Note: This information is being collected to determine if there are any outstanding taxes owed to the City of Hamilton.

Applicant/Partnership/ Corporation Name	Street Number and Name	City (i.e. Hamilton, Stoney Creek, Waterdown, Dundas, Binbrook)

DECLARATION

I/We hereby grant permission to the City of Hamilton, to carry out the necessary inquiries for the purpose of determining my/our income, assets, liabilities and credit information, including checking my/our credit report with a Credit Bureau and, discussing the terms and conditions of my/our first mortgage with the mortgagee.

_____ *Date*

_____ *Signature*

_____ *Date*

_____ *Signature*

The personal information on this form is collected under the legal authority of the Ontario Heritage Act, Section 39. The personal information will be used for determining your eligibility for a loan. If you have any questions about the collection, please contact the Co-ordinator of Urban Renewal Incentives, Commercial Districts and Small Business Section, City of Hamilton Planning and Economic Development Department, 71 Main Street West, 7th Floor, Hamilton, Ontario L8P 4Y5, 905-546-2424 x2755.

DIRECTION TO THE FINANCIAL INSTITUTION THAT HOLDS THE FIRST MORTGAGE ON THE PROPERTY, TO SHARE INFORMATION ON THE MORTGAGE WITH THE CITY OF HAMILTON

TO: _____
(Name of Financial Institution/Mortgagee)

(Address and phone number of Financial Institution)

FROM: _____
(Name of Applicant)

ACCOUNT NUMBER: _____
(Reference number for mortgage account)

PROPERTY DETAILS: _____
(Address of mortgaged property)

You are hereby authorized and directed to provide the City of Hamilton with any requested information relating to the above-noted mortgage account and this shall be your good, sufficient and irrevocable authority for so doing.

Applicant's Signature: _____

Date: _____

The City of Hamilton respects your privacy. The information received from the financial institution will be held in strictest confidence. The information is being requested to assist your eligibility and continued eligibility for financial assistance under the Hamilton Community Heritage Fund Loan Program. However, please note that all information and records provided to the City in relation to the application may be subject to the provisions of the *Municipal Freedom of Information and Protection of Privacy Act*, R.S.O. 1990, c. M. 56, and that the City's obligations under the *Act* or any other applicable legislation may require information and/or records to be released to the public.

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DOCUMENTS/INFORMATION REQUIRED WITH APPLICATION

- ✓ Completed Application
- ✓ Incorporation Documents and list of Officers/Directors/Shareholders (if Corporation applying)
- ✓ Partnership Documents and list of partners (if partnership applying)
- ✓ Site Concept Plan (if applicable)
- ✓ Copies of two (2) estimates
- ✓ Confirmation of the value of the property i.e. appraisal
- ✓ Accountant Prepared Financial Statements if corporation or partnership applying (most recent 2 years and current year-to-date)
- ✓ Net Worth Statement (if individuals applying)
- ✓ Signed Declaration (page 4 of the application)

Please note the above information/documentation form part of a completed application (unless deemed to be non-applicable by the City. The City reserves the right to reject any incomplete application.

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