

Pioneer Bank Façade Enhancement Loan Program

August 2016

PURPOSE: The purpose of Pioneer Bank's Façade Enhancement Loan Program is to offer no interest loans to commercial building owners in the Downtown Business District to make exterior improvements that enhance the "curb appeal" of their property.

FUNDING: Pioneer Bank is dedicating \$35,000 to the program.

LOAN AMOUNTS: Maximum loan of \$5,000 with borrower contributing the first \$1,000 of own funds to be eligible for the program.

LOAN TERMS: Up to 5 year loans with 0% interest.

DESIGN PLANS: All designs must be approved by Pioneer Bank.

ELIGIBLE BUILDINGS INCLUDE: all buildings located in the Downtown Business District except properties classified as residential, church or public in the Watonwan County property tax system. Real Estate taxes must be current.

ELIGIBLE IMPROVEMENTS: Improvements that can be viewed from the public right-of-way including:

- Windows and doors
- Painting, sandblasting or other façade improvements such as siding, soffits and fascia, tuck pointing, trim, and stucco repair.
- Signs and awnings
- Cement work such as private steps and sidewalks
- Handicap accessibility
- Exterior Lighting
- Roofs seen from the street/sidewalk

INELIGIBLE IMPROVEMENTS:

- Roofs not seen from the street/sidewalk
- Foundations
- Landscaping
- Private parking lots
- Additions
- Garage and Storage buildings
- Playground equipment
- Decks
- Elements not visible from the public right of way
- Anything not permanent or affixed to the property

BIDDING: A minimum of one bid per project is required. Please provide a copy of the bid with your loan application. Contractors must be licensed in the State of Minnesota and must provide proof of insurance.

APPLICATION PROCESSING: Pioneer Bank will accept applications to the loan program on a first come, first served basis starting August 2, 2016. Applicants will be asked to complete a Commercial Credit Request and provide the last two years of business tax returns to Pioneer Bank. Pioneer Bank will assign a number to each application as it comes in. The application will be reviewed and if an application is deemed ineligible for any reason, the next application in line will be reviewed. Ineligible applications will be returned to the applicant with an explanation of why the application was deemed ineligible. The ineligible applicant may reapply when the application is corrected and will be placed in the line at the new date of application. Applications deemed eligible will be notified that their loan has been approved. Building permits must be acquired in order to start the projects.

Applicants will need to complete a Credit Request and attach the last two years of business tax returns

* Businesses who lease space must get written approval from the owner of the property. The property owner must sign the Application.

BUILDING PERMITS: The property owner or their agent is responsible for obtaining all of the proper building permits for the project.

WORK COMMENCEMENT/COMPLETION: Work cannot commence until Pioneer Bank approves the loan and the property applicant and building owners have signed the Repayment Agreement. Weather permitting; all projects must be completed within 120 days of the date the loan is closed.

PROCEEDS DISBURSEMENT PROCESS: Pioneer Bank will verify completion of the work. Pioneer Bank will only reimburse the final project cost validated through contractor materials and labor. The applicant shall submit all required paperwork to Pioneer Bank and a two-party check will be issued payable to both the loan recipient and the contractor or materials supplier. Pioneer Bank requires the following items to disburse loan funds:

- 1) Final project cost verified through invoices from customer.
- 2) Copies of all required City permits indicating final inspection by the City building official
- 3) Final inspection by Pioneer Bank
- 4) Proof that the Applicant's matching funds have been paid.

Please allow a minimum of 14 days from the time invoices are submitted for reimbursement checks to issued.

REPAYMENT: There are no prepayment penalties for early payment.



St. James
123 Armstrong Blvd. So.
P.O. Box 107
St. James, MN 56081-0107
Phone (507) 375-3201
Fax (507) 375-3204

Commercial Credit Request

Date: _____

Applicant Name(s): _____

Loan purpose: _____ Estimated loan amount: _____

Applicant's address: _____

Please check the appropriate space below:

_____ If you are applying for an individual account in your own name.

_____ If you intend to apply for credit jointly (please initial here) _____

Important Information about Procedures for Opening an Account:

To help the government fight the funding of terrorism and money-laundering activities, Federal Law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account.

What this means for you: When you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

DL: _____ ST: _____ EXP: _____ DOB: _____

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Authorization to Obtain Credit Information:

I hereby authorize Pioneer Bank its agents or assigns to verify my past and present employment earnings records, past and present employment status, bank accounts, stock holdings, and any other asset balances that are needed to process my application. I further authorize Pioneer Bank its agents or assigns to order a consumer credit report and verify any other credit information. It is understood that a photocopy of this form will also serve as authorization.

SSN: _____ SSN: _____

By signing below, I acknowledge the above information to be accurate to the best of my knowledge and authorize Pioneer Bank to obtain credit information as indicated above.

Applicant's Signature

Co-Applicant's Signature



www.bankwithpioneer.com

Member
FDIC