

Low-Interest Loans

Get a low-interest loan for your rehabilitation project. Preservation Utah's Revolving Loan Fund provides property owners low-interest loans to restore and rehabilitate significant historical or architectural properties throughout the state

FREQUENTLY ASKED QUESTIONS

WHAT ARE THE TERMS AND INTEREST RATES OF THE LOANS?

Our loans offer low monthly payments based on a 20-year amortization schedule, but the payment term for the loan is 5 years with a balloon payment of the remaining principal and interest due at the end of the fifth year. The interest rate is fixed at $\frac{1}{2}$ of the prime interest rate at the time the loan application is approved. For example, if the prime interest rate is 6%, our interest rate is fixed at 3%.

WHAT IMPROVEMENTS CAN BE MADE USING THE LOAN FUNDS?

Loan funds can be used for restoration, rehabilitation and repair, and project-related costs, such as engineering services, architect's fees, and permits.

- **First priority** for funding is placed on exterior improvements, including: brick, chimneys, doors, foundations, masonry, porches, reconstructing existing additions, roofs, seismic retrofitting, siding repair, and windows.
- **Second priority** for funding is placed on interior systems, including: code compliance, electrical systems, heating, insulation, and plumbing.
- **Third priority** for funding is placed on interior finishes. For example, Preservation Utah will not fund a kitchen remodel if the roof needs to be repaired. However, a kitchen and/or bathroom remodel can be funded if they are incorporated into a more comprehensive rehabilitation project.

Funds may not be used for: concrete pads (parking, patio, etc.), fences, incompatible materials, inappropriate rehabilitation techniques, landscaping, new construction, projects that have been completed, refinancing existing mortgages, and retaining walls.

Funding requests for work in progress will be reviewed on a case-by-case basis.

HOW DO I KNOW IF I WILL QUALIFY TO RECEIVE A LOAN?

The building that you expect to improve with the funds is historic (see explanation below).

The borrower(s) must have a credit history that demonstrates the ability to make regular monthly loan payments, as well as the income adequate to repay the funds loaned.

Funds are made available to individuals regardless of race, handicap, age, color, religion, gender, national origin, or familial status. Corporations, partnerships, and non-profit and religious organizations are eligible to apply for funds, however, religious organizations are not eligible for some of our programs.

IS MY PROPERTY HISTORIC?

Yes, if it meets one of the following criteria:

- It is listed on, or it is eligible for listing on the National Register of Historic Places (NRHP)
- It is listed on a local register of historic or cultural resources
- It is eligible to be a contributing building within a local or national historic district

In general terms, to be eligible, a building must be at least 50 years old AND retain its architectural integrity (a rule of thumb: would the original owner recognize the building today?)

HOW LONG IS THE APPLICATION PROCESS?

Loan applications are received throughout the year, but the Historic Properties Committee reviews them at regular monthly meetings. The entire application process is about 45 days.

WHAT INFORMATION DO I HAVE TO PROVIDE IN ORDER TO COMPLETE A LOAN APPLICATION?

when you schedule your loan application appointment.

- **RF Loan Program Application:** The required 4-page application is completed with the assistance of Kelsey Maas.
- **Historical Information:** If available, you must submit information to verify the historic significance of the property being renovated with the loan funds.
- **Statement of Property Value:** You must submit a copy of an appraisal, purchase agreement, or property tax assessment record that was issued within the previous 12 months.
- **Description of Work:** A written description of the work for which Preservation Utah funding is being sought must accompany the application. In addition, construction drawings detailing the proposed improvements may be required.
- **Photographs of the Property:** Photographs showing the current condition of all sides of the building as well as details of problem areas must be submitted.
- **Bids from Licensed Contractors:** Copies of bids from currently licensed contractors for all proposed improvements must be submitted.
- **Personal and Financial Information:** You must provide information regarding your current employment and income, assets, and liabilities.
- **Non-refundable Application Fee:** A \$50.00 non-refundable application fee is due when your Loan Application is prepared.

WHAT DOES THE HISTORIC PROPERTIES COMMITTEE CONSIDER WHEN IT REVIEWS A LOAN APPLICATION?

The Historic Properties Committee uses criteria, which includes, but is not limited to:

- The appropriateness of the proposed project and its compatibility with the character of the historic building.
- The architectural and/or historical significance of the property.
- The financial strength of the application.
- The geographic distribution of current and proposed projects.
- The project's potential effect on the surrounding neighborhood and/or community.
- The availability of funds.

HOW DO I KNOW IF MY APPLICATION IS APPROVED?

I THINK MY PROJECT WOULD QUALIFY FOR THE REVOLVING FUND LOAN PROGRAM, WHAT SHOULD I DO NOW?

First, you must complete and submit the Revolving Loan Fund Inquiry Form (https://docs.google.com/forms/d/e/1FAIpQLSd_sNTkgx9RYDMsgYBwPM_h-M0QNffwrkX-qwflPeXh2kETrQ/viewform?usp=sf_link). Once we receive this form, you will be contacted to set up a meeting with Kelsey Maas. This meeting will help Kelsey to determine whether or not your property qualifies to receive funding from the Revolving Fund Loan Program. If it does, you will receive a follow-up letter outlining the work items discussed, the funding sources, amounts, terms available to you, and the upcoming deadline for submitting a completed application.

INQUIRE TODAY: Complete the Preservation Utah Revolving Loan Fund Inquiry Form (https://docs.google.com/forms/d/e/1FAIpQLSd_sNTkgx9RYDMsgYBwPM_h-M0QNffwrkX-qwflPeXh2kETrQ/viewform?usp=sf_link)

For more information, contact Kelsey Maas (<mailto:kelsey@preservationutah.org>) at (801) 533-0858 extension 101.