

**OAK PARK DEVELOPMENT CORPORATION
VILLAGE OF OAK PARK
COMMERCIAL LOAN PROGRAM GUIDELINES**

Purpose:

To facilitate the creation and retention of permanent jobs in local businesses.

To promote and facilitate rehabilitation of commercial properties by assisting local financial institutions in making low interest loans to business owners and owners of commercial properties located in Oak Park.

To increase the value of commercial property.

Scope:

The thrust of the program is creating and retaining employment opportunities. Funding by local financial institutions is available for the purpose of improving and rehabilitating interiors and exteriors of commercial properties. Funding for new construction also will be considered. Loans may cover costs of maintenance and routine repairs only when such work is undertaken as part of a larger project.

Loans will be made for renovation, repair or new construction of commercial space, including architectural services, building permits and related fees, parking improvements and repairs and/or replacement and installation of building systems, such as plumbing, electrical and heating systems. Architectural fees, incurred prior to notification of loan approval, also are covered. New construction is discouraged if rehabilitation is a viable alternative. Loan funds may be used for acquisition but not for refinancing present debt, simple remodeling, or application costs/fees. All loan applications must be approved before any eligible work begins.

The Village of Oak Park (VOP) guarantees one-third of all loan amounts. The loan rate is Prime, adjusted annually. Loan requests should be for a minimum of \$20,000. The Commercial Loan Review Committee (CLRC) must approve all loan requests. Loan requests for more than \$500,000 must be approved by the CLRC and the Oak Park Development Corporation (OPDC) Board of Directors. A loan cannot exceed 100% of the appraised value on the subject property. Generally, all loans will be amortized for a term of 10 to 15 years with a 5-year balloon. OPDC receives 1½ points of the full loan amount as a fee. The fee will be paid at closing and the lead bank will send the fee to OPDC.

Both building owners and tenants are encouraged to join the local business association for the area in which the property is located and the Oak Park River Forest Chamber of Commerce.

Applicants are encouraged to use goods and services provided by locally owned businesses and by businesses owned by women and minorities.

Participant banks: Charter One Bank, Community Bank Oak Park River Forest, Fifth Third Bank, First Suburban National Bank, Forest Park Federal Bank, Bank of America (LaSalle Bank), Midwest Bank, Private Bank and US Bank.

See page 3 of the Commercial Loan application for details of requirements for an application packet.

For further information, contact *Oak Park Development Corporation*, 104 N. Oak Park Avenue, Oak Park, IL 60301 708/383-3838 or s.faust@opdc.net