



Gaithersburg Multifamily Investment Loan (MIL)

Application & Instruction Guide

This guide contains the application and instructions necessary to apply for a City of Gaithersburg Multifamily Investment Loan (MIL). This program was created to preserve affordable housing opportunities for residents while enhancing energy efficiency and sustainability.

Types of renovations allowed:

- Roofing
- Windows
- Appliances
- Masonry
- HVAC
- LED lighting and Energy Star Fixtures
- High efficiency furnaces/boilers/temp controls
- Insulation
- Energy and Water Efficiency Upgrades
- Exterior Hardscaping
- Structural Repairs
- Common Areas/Stairwells

Project evaluation criteria is multi-faceted and takes into consideration the number of units renovated, the ability of a third party partner to deliver a completed project as proposed, matching funds secured by the applicants, property owner commitment to maintain affordable rent levels

Loans come in the form of a lien against the property at 0% interest, with regular payments amortized over 7 – 10 years, depending on the project scope. Property owners may not raise the rent for existing leaseholders in excess of Montgomery County's voluntary rental rate guideline during the loan repayment period. The Maximum loan amount is \$100,000. City of Gaithersburg funds are able to be combined with other state, local, and utility-based programs.

Total amount of the loan is restricted to the amount of money in the program. Recipients will be expected to report results based upon mutually-agreed benchmarks developed, as appropriate, to the type of assistance provided. Failure to achieve desired outcomes may result in recovery of funds. Funds are limited and the program is subject to modification or termination at any time.

Program Requirements

Application Requirements

This application is intended to be an entry into the program. Each individual loan is anticipated to require additional submissions as appropriate. The applicant must contact the Office of Economic Development prior to executing an agreement with a contractor. All contractors must be licensed in the State of Maryland and in good standing.

The applicant must submit financial documentation with their application. If approved, a conditional loan offer letter will be sent to the applicant. Distribution of funds by the City is subject to successful review of the entities financial information and documentation of eligible expenditures. Application requirements are subject to interpretation solely by the City of Gaithersburg. Submitting a completed application does not guarantee approval of the applicant's request. Funds shall be dispersed at the City's discretion.

Document Checklist

The following documentation must be submitted with this application:

- A copy of your most recent Profit and Loss (Income) Statement and Balance Sheet
- Prior two years of business tax returns
- If you have not established a separate tax entity for ownership, prior two years of personal tax returns are required
- A completed IRS W-9 form
- Proof of matching funding/financing
 - If your match is financed, please provide a copy of your loan application package with approval letter
 - If your match comes from your own reserves, please provide prior THREE years' tax returns

Project Completion and Reporting Requirements

Projects must be completed within a twelve month period. Applicant will be required to submit a report, acceptable to the City in form and content, relating to the impact of City funding on the project. Such reports will be developed on a case-by-case basis. It is anticipated that reporting will occur eighteen months following approval of the application. Failure to submit a report will make applicant in default of the loan terms. All information received is subject to interpretation solely by the City of Gaithersburg.

Filing Instructions and Information

If you would like more information on any of these programs or need assistance in filling out the application, please contact Louise Kauffmann, Housing and Community Development Division Chief, at 240-805-1022 or louise.kauffmann@gaitthersburgmd.gov

Applications received after upgrades have been completed will not be reviewed.

Please print out form, sign, and return to:

Housing and Community Development
City of Gaithersburg, 31 South Summit Avenue Gaithersburg, MD 20877

I hereby certify that this application and all other information furnished now or in the future to the City of Gaithersburg are and shall be true and complete.

Authorized Signatory

Date

Printed Name

Title

Project Description

Property Information

Date of Application: _____

Property Name: _____

Year Built: _____ Federal Tax ID: _____

Street Address: _____

City: _____

State: _____ Zip Code: _____

Management Company: _____

Number of Units: _____ Average Market Rent: _____

Business Contact

Name: _____

Title: _____

Telephone: _____

Email: _____

Project Description

Please describe the total project:

Cost

Cost Per Unit: \$_____ Total Project Cost: \$_____

Timeframe

Estimated date work will begin: _____

Estimated completion: _____