

ELYSIAN ECONOMIC DEVELOPMENT LOAN AGREEMENT

This agreement is made on _____, between _____ (“Borrower”) and the City of Elysian Economic Development Authority (“EDA”) and is ancillary to the making of business property improvements located at _____.

1. Borrower owns a business facility located at _____ in the City of Elysian.
2. Borrower requests EDA assistance in the financing of ‘leasehold’ improvements at the business location.
3. The EDA is determined that it is in the EDA’s best interest to financially assist the Borrower in making the requested improvements.

Now therefore, it is mutually agreed as follows:

1. The EDA will provide a loan not to exceed _____ with a term of _____ years at an interest rate of three percent (3%) and the proceeds of this loan shall be used exclusively for the undertaking of the necessary leasehold improvements as defined by the Borrower in their request for funds. Funds shall not be utilized for any other purpose including working capital or inventory.
2. The Borrower shall submit documentation of all costs with each request for loan funds. The requests may be made monthly or as a single disbursement and the funds shall be provided to the borrower by the EDA. All funds must be disbursed within six (6) months. The date of disbursement shall be referred to as the “Initial Disbursement Date” and shall be the date used for calculating interest charges on the loan. It shall be the Borrower’s responsibility to ensure that all payments for services and material are promptly paid and no liens are filed against the business location.
3. The first loan payment shall begin one (1) month after the full disbursement of funds and monthly thereafter. In the event the full amount of _____ is not utilized, the amortization schedule shall be adjusted to reflect the actual amount of borrowed funds. Amortization shall be in the form of equal monthly payments of _____ and shall be first applied to interest and the balance to the principal. The remaining unpaid principal shall be paid in full on the final monthly payment of the amortization schedule.
4. The Borrower may repay this note in whole or in part at any time without penalty. If the Borrower makes a partial prepayment there will be no changes in the due date or in the amount of the Borrower’s monthly payment unless the note holder and EDA agree in writing to those changes.
5. In the event that the Borrower shall be in default or in violation of any of the covenants, certifications, terms or conditions of the promissory note securing the indebtedness evidenced hereby, then the entire principal amount outstanding hereunder shall at once become due and payable at the option of the EDA without notice or demand. In the event of any default in payment of this note, and if suit is brought hereon, the EDA shall be entitled to collect in such proceedings all reasonable costs and expenses of suit including, but not limited to, reasonable attorney’s fees.
6. The property which is being improved is the Borrower’s principal place of business and is the property in which the Borrower is now/or will be operating her/his business. If the business is sold or ceases to do business or if these premises are no longer used as the Borrower’s

principal place of business during the term covered by said loan agreement and promissory note, the entire balance of this note shall be immediately due and payable.

In Witness Whereof, the respective parties hereto have caused this agreement to be duly executed on the day and year hereinabove set forth.

BORROWER:

By: _____

Date: _____

ELYSIAN ECONOMIC DEVELOPMENT AUTHORITY:

By: _____
President or Treasurer

Date: _____