



FIRST MORTGAGE LOAN APPLICATION

_____ **Full Corporate Name of Church**

_____ **Street Address**

_____ **City, State, Zip**

_____ **Pastor**

_____ **Date of Application**

Church Phone: _____

Pastor's Home Phone: _____

Primary Contact Person regarding this application: (usually other than the pastor)

_____ **Name**

_____ **Office held in the church, if any**

_____ **Address**

_____ **Telephone/Cell Phone/Email**

Brief description of project:

Enclose Check payable to: MISSIONS AND CHURCH EXTENSION TRUST FUND

Opening Fee of \$100.00

[] Check Attached # _____

I. CHURCH ORGANIZATION AND DATA:

(1.) Year organized: _____
Did you file a Michigan Corporate Report last year? [] Yes [] No

(2.) Membership / Attendance in the last six years:

Year: _____	Membership: _____	Average Attendance: _____
Year: _____	Membership: _____	Average Attendance: _____
Year: _____	Membership: _____	Average Attendance: _____
Year: _____	Membership: _____	Average Attendance: _____
Year: _____	Membership: _____	Average Attendance: _____
Year: _____	Membership: _____	Average Attendance: _____

(3.) Present Membership: _____

Average Attendance: First Service _____ Second Service _____ Total _____

(4.) Church School: Enrollment _____ Average Attendance _____

(5.) United Methodist Women: Enrollment _____ Average Attendance _____

(6.) How long has your pastor served your church? _____

Present pastors salary \$ _____ Assoc. salary \$ _____

Amount paid by church \$ _____ Assoc. salary \$ _____

If salary paid by others, show source and amount.

Source: _____

Amount: \$ _____

(7.) What is the average age of the congregation's members?

Year 20____ Average age _____

Year 20____ Average age _____

Year 20____ Average age _____

II. PLEDGE/GIVING DISTRIBUTION:

Show the number of pledges and/or gifts in each bracket for the current Operating Budget:

Over \$100,000	Number _____	Total Amount \$ _____
\$50,000 to \$99,999	Number _____	Total Amount \$ _____
\$20,000 to \$49,999	Number _____	Total Amount \$ _____
\$10,000 to \$19,999	Number _____	Total Amount \$ _____
\$5,000 to \$9,999	Number _____	Total Amount \$ _____
\$2,000 to \$4,999	Number _____	Total Amount \$ _____
\$500 to \$1,999	Number _____	Total Amount \$ _____
Less than \$500	Number _____	Total Amount \$ _____
TOTALS*	_____	\$ _____

*Totals should match figures shown on page 8.

III. OTHER GIVING:

List any special gifts in hand via bequests, stock donations, etc.

Miracle Sunday (cash) \$ _____

Bequests/endowments \$ _____

Expected bequests \$ _____

Congregational loans \$ _____

Land or Land Contracts \$ _____

Other Receivables \$ _____

Other _____ \$ _____

IV. ANALYSIS OF SURROUNDING AREA AND GROWTH OF COMMUNITY:

- (1.) If in a city or village, population within radius of 1/2 mile _____
Other significant census data: _____
- (2.) If outside a city or village, population within a radius of 3 miles: _____
- (3.) Distance to nearest United Methodist Church? (miles) _____
- (4.) Denomination names and distances of other churches within your parish:
_____ Church _____ Distance
_____ Church _____ Distance
_____ Church _____ Distance
- (5.) Proposed loan is for a ____ church ____ parsonage ____ land acquisition located in:
____ Residential District ____ Business District ____ Industrial District
____ Urban Area ____ Suburban Area ____ Rural Area
- (6.) Are new homes being constructed in the area? __ Yes__ No How many per year? ____
- (7.) Price of homes in this area range from: \$ _____ to \$ _____
- (8.) Percentage of area built up (within 1/2 mile radius of proposed building): _____%
- (9.) Explain briefly the present character of the neighborhood.
Also show the possibility of this area being built up within the next five (5) years.

- (10.) Area is on the _____ upward trend _____ downward trend _____ stable
- (11.) Have you made a thorough demographic study of your community? _____ Yes _____ No
- (12.) Do you maintain a non-member constituency/participants list? _____ Yes _____ No
Number of persons on this list: _____ of which _____ are adults.

V. FINANCIAL PLAN AND DATA OF CHURCH PROGRAM

a. Annual church budget for all purposes for past three (3) years (Excluding Building Fund):

Year 20 ____ Amount \$ _____ Percent Received _____ %
Year 20 ____ Amount \$ _____ Percent Received _____ %
Year 20 ____ Amount \$ _____ Percent Received _____ %

* Note: Attach copies of your budgets for each of the years shown.

b. List the number, amount of pledges and amount received for the last three years (Do not include Advance, Hunger, special offerings, home missions or building campaign):

Year ____ # Pledges ____ Amt. Pledged \$ _____ Amt. Rec'd _____
Year ____ # Pledges ____ Amt. Pledged \$ _____ Amt. Rec'd _____
Year ____ # Pledges ____ Amt. Pledged \$ _____ Amt. Rec'd _____

VI. LOCAL CHURCH STEWARDSHIP

A. Does your church have an annual stewardship campaign and receive pledges for the support of our entire financial program including Apportionments, World Service and Conference Benevolence according to the requirements of the Discipline?

_____ Yes _____ No

If "NO", explain method of financial support.

B. Are your current expenses all paid up-to-date? _____ Yes _____ No

If not, attach explanation.

C. Are your apportionments/Ministry Shares all paid up-to-date? _____ Yes _____ No

If not, attach explanation and method to be used to become current _____

VII. List any other loans, mortgages or debts which you have outstanding related to your property.

Year Begun ____ Amt. Of Loan \$ _____ Current Balance \$ _____
Year Begun ____ Amt. Of Loan \$ _____ Current Balance \$ _____
Year Begun ____ Amt. Of Loan \$ _____ Current Balance \$ _____

VIII BUILDING FUND CAMPAIGN:

(1.) List the Building Fund pledges and receipts to date:

Year _____	# Pledges _____	Amt. Pledged \$ _____	Amt. Received \$ _____
Year _____	# Pledges _____	Amt. Pledged \$ _____	Amt. Received \$ _____
Year _____	# Pledges _____	Amt. Pledged \$ _____	Amt. Received \$ _____
Year _____	# Pledges _____	Amt. Pledged \$ _____	Amt. Received \$ _____

Totals _____ \$ _____ \$ _____

Amount (cash) in the Building Fund now: \$ _____
(should agree with cash, item # 1 on page 8)

(2.) Current Building Fund campaign: (list years and pledges)

Year _____	# Pledges _____	Amt. Pledged \$ _____
Year _____	# Pledges _____	Amt. Pledged \$ _____
Year _____	# Pledges _____	Amt. Pledged \$ _____
Year _____	# Pledges _____	Amt. Pledged \$ _____
Year _____	# Pledges _____	Amt. Pledged \$ _____

Total \$ _____
(Should agree with pledges item # 6 on page 8.)

(3.) What was the starting date of your current crusade? _____

For how many years did you ask people to commit for the project? _____

(4.) What is your expected monthly cash flow for loan repayment?

Year _____	Monthly Building Fund Income _____
Year _____	Monthly Building Fund Income _____
Year _____	Monthly Building Fund Income _____
Year _____	Monthly Building Fund Income _____
Year _____	Monthly Building Fund Income _____

NOTE: IS THIS A REFINANCE OF A LOAN FROM A LENDER OTHER THAN THE MICHIGAN AREA LOAN FUNDS ___yes ___ no?

(if it is, omit the following items #1 through #10)

IX COSTS OF PROJECT

- 1. Estimated cost of building to be erected or purchased. 1. \$ _____
- 2. Furniture and fixtures to be installed. 2. \$ _____
- 3. Architect's Fee. 3. \$ _____
- 4. Sewers, water connections, paving to be installed. 4. \$ _____
- 5. Landscaping to be done now. 5. \$ _____
- 6. Parking facilities. 6. \$ _____
- 7. Fees, permits, insurance, performance bond. 7. \$ _____
- 8. Other costs. 8. \$ _____
- 9. Contingency (10% of cost. Larger projects may require 15%) 9. \$ _____
- 10. *Estimated interest costs: 10. \$ _____
(Estimate as 10% of funds to be borrowed, items 2-4 above)
- 11. Amount of existing indebtedness, if any, to be paid off from this mortgage loan. Please give a description of loans or other indebtedness: 11. \$ _____

- **TOTAL FUNDS REQUIRED FOR PROJECT** 12. \$ _____

COMMENTS:

* Interest begins to be charged with the first pay-out from this loan and you will be billed for it.
** This figure must not exceed TOTAL FUNDS AVAILABLE on page 7.

NOTE: IF THIS IS A REFINANCE OF EXISTING INDEBTEDNESS
(complete only items #2 and #8)

X. ESTIMATED FUNDS AVAILABLE FOR PROJECT

1. Cash on hand or in bank set aside for this project.
(Must be at least 25% of Item No. 9 below) 1. \$ _____

2. To be received by first mortgage from Michigan Area Loan Funds: 2. \$ _____

3. If applicable, participating first mortgage from:

Name of Bank: _____

\$ _____ for _____ years @ _____ % interest rate. 3. \$ _____

Do you have a firm commitment for the participating mortgage?

_____ Yes _____ No

4. Second mortgage to be received from:

Lender: _____

\$ _____ for _____ years @ _____ % interest rate. 4. \$ _____

5. Net cash proceeds to be received from sale of property by time of construction.* 5. \$ _____

State what property: _____

***If monthly payments are to be received:**

(1) Monthly payment amount \$ _____

(2) Number of months \$ _____

Total \$ _____

6. Balance due on current building fund pledges. 6. \$ _____

7. Prepaid expense - architect. 7. \$ _____

8. Other prepaid expense _____ 8. \$ _____

9. ****TOTAL FUNDS AVAILABLE FOR PROJECTS** 9. \$ _____

**This figure must equal or exceed TOTAL FUNDS REQUIRED on page 6.

XI. MOTION FOR CHARGE CONFERENCE ACTION

(STRIKE OUT ALL PARTS OF THE FOLLOWING MOTIONS NOT APPLICABLE)

A Church/Charge Conference of the _____ United Methodist Church was called by _____, Superintendent of the _____ District of the _____ Annual Conference, in accordance with provisions of the Book of Discipline of the United Methodist Church and met _____, 20____ with _____ Presided.

Moved by _____, Seconded by _____ that this body approve the following:

- 1. a. Construction of _____ at a cost not to exceed _____ in accordance with architectural plans and specification approved by this body.
- b. Refinancing loan(s) from sources other than Michigan Area Loan Funds for the sum of \$_____.
- 2. Borrowing of \$_____ on a First Mortgage from the Michigan Area Loan Funds.
- 3. Borrowing of \$_____ from _____ Bank as a (construction loan).
(This section not applicable for refinancing).
- 4. Borrowing of \$_____ by Second Mortgage from _____
(Other than from Michigan Area Loan Funds).
- 5. Trustees of the _____ United Methodist Church are hereby authorized and directed to execute all loan applications and mortgages as specified above. The two signators for the church shall be:
 _____ as Trustee Chairperson
 _____ as Trustee _____
- 6. First American Title Company is hereby authorized to act as the title company and as disbursing agent for all proceeds of loans from Michigan Area Loan Funds.
- 7. _____ is the representative of _____ United Methodist Church in dealing with payment of any and all bills after same have been approved and certified by the supervising architect.

Motion Carried.

Signed: _____
Secretary

Witness: _____

RECOMMENDATION OF BOARD OF TRUSTEES

Dear Friends:

We, the undersigned Trustees of the United Methodist Church shown below, after having been duly authorized by the charge Conference, a copy of the minutes/action is attached, do hereby make application for a first mortgage, in the amount and for the terms as shown herein and we do therefore submit the following information:

Name of church: _____ **United Methodist Church**
(The present, exact and full corporate name of church as shown in the Articles of Incorporation).

Address:

Location of proposed building: _____ church _____ parsonage _____ other building
_____ existing building _____ new building

If applicable:

Street Address: _____
Located in _____ City _____ Village _____ Township of _____
In _____ County, Michigan.

And in the _____ District, _____ Annual Conference.
We belong to a _____ station _____ circuit consisting of _____ churches (number).

We hereby make application for a First Mortgage Loan of
\$ _____ for a term of 5 years at _____% interest (and to be amortized over
_____ years creating a balloon balance at five years needed to be refinanced or paid
off.

This loan will be used in full for the following purpose of:

Signatures: _____
President of Trustees

Secretary of Trustees

Date: _____

RECOMMENDATION AND APPROVAL OF PASTOR

_____ United Methodist Church _____, Michigan

With personal knowledge of all the facts, and careful examination of this application, I concur in the statements made herein, and recommend that the loan of \$ _____ from the **MICHIGAN AREA LOAN FUNDS** be granted.

Date: _____ day of _____, 20____.

_____, Pastor.

Address of Pastor:

Street Address **City, State, Zip**

RECOMMENDATION AND APPROVAL OF DISTRICT SUPERINTENDENT

I have made a personal examination of the property and have gone over the statements herein made with the Trustees and concur in them. I certify that, in my best judgement, the Trustees will be able to fulfill the contract required of them for the repayment of this loan of \$ _____ from the **MICHIGAN AREA LOAN FUNDS** and hence I recommend that it be granted.

Date: _____ day of _____, 20____

District Superintendent

Address of District Superintendent:

Street Address **City, State, Zip**

**EXHIBIT A
CONSENT OF PASTOR AND DISTRICT SUPERINTENDENT**

The undersigned, being the Pastor and District Superintendent of United Methodist Church, a Michigan Ecclesiastical Corporation, do hereby consent to the execution of the within mortgage in accordance with The Book of Discipline of the United Methodist Church.

Pastor

Date

District Superintendent

Date

**RECOMMENDATION AND APPROVAL
Of
THE DISTRICT BOARD OF CHURCH LOCATION AND BUILDING
of the**

_____ **DISTRICT** of the
_____ **ANNUAL CONFERENCE**

This statement is to confirm the fact that the Board of Church Location and Building of the above named District has studied and reviewed the preliminary and/or final plans and specifications and building location and/or reviewed the cost in connection with the following building to be built or purchased as shown below by the:

Name of Church

Present Address

TYPE OF PROPOSED BUILDING:

ADDRESS OF PROPOSED BUILDING:

In our opinion and on the basis of facts submitted to this Board, this undertaking by the above church ___ is / ___ is not feasible and financially sound and we ___ do / ___ do not approve this undertaking. This includes:

Their plan of mission and ministry	_____ Yes	_____ No
Financial plans and ability to repay	_____ Yes	_____ No
Architectural plans	_____ Yes	_____ No

Date: _____ day of _____, 20____

Signature: _____ Chairman

Address: _____

Attest: _____, Secretary

This statement is given subject to the following conditions:

DOCUMENTS NEEDED

REQUIREMENTS IF LOAN IS APPROVED

(You will want to start collecting documents use this as a check list).

Please read again carefully the initial letter accompanying the application and our brochure.

1. A previous **Title Policy**, if available, covering the church property.
2. A copy of your latest **Michigan Corporation Report** filed with the Department of Commerce, Lansing, Michigan.
3. **If not already in force, securing Public Liability Insurance for at least \$1,000,000 per occurrence and \$2,000,000 aggregate.**
4. A copy of a **Warranty or Quit Claim Deed** which includes the legal description of the property, the legal name of your church, and the **Trust Clause** as required by the Book of Discipline of the United Methodist Church.

IF CONSTRUCTION IS INVOLVED:

5. One copy of the **Architect's contract**.
6. One copy of the **Building contract**.
7. A **Performance Bond - Labor and Material Bond**.
8. **Builder's Risk and Fire Insurance Policy** with extended coverage **endorsement equal to cost or replacement cost which ever is greater**. The Mortgage clause must name as mortgagor the Mission and Church Extension Trust Fund
9. Two (2) copies of **Mortgage Survey** by an engineer, as a basis for title processing.
10. A **Mortgage Title Insurance Policy** - this will be secured by the First American Title company.
11. If this loan is approved, you will be **invoiced for one half of one percent of the loan amount as a loan commitment fee**. Upon payment of the fee, these requirements, where applicable, will be repeated in a letter committing funds to your project.

**Thank you for your inquiry and we anticipate receiving your application soon.
Applications should be sent to Wayne Barrett, 3347 Eagle Run Dr NE, Suite B, Grand Rapids MI 49525**

A MINISTRY REMINDER:

Remember: When you borrow from a bank, you build a bank,
BUT, when you borrow from the church, YOU build another church.

Thank you, again.