

Synod of the Pacific



FORM B

Presbytery Application for Line of Credit or Amortized Loans, including renewals and conversions

Bridge Loans, Operating Expenses, Construction,
Site or Building Purchase, and Other Projects

Instructions:

Please send the *completed original application* to the Synod office. Include the following:

- Financial Statements (balance sheet and revenue/expense) for current year and past 2 years
- Current budget and next proposed budget
- Preliminary drawings and plans (file size please)
- Construction contract
- Appraisal (for site and building purchases only)

SYNOD OF THE PACIFIC
ATTN: Loan Department
200 Kentucky St. Suite B
Petaluma, California 94952-2879

Consultation and assistance is available by contacting Chuck Tillson, Loan Coordinator, at (800) 754-0669

Synod's application deadline is the 10th of the month prior to scheduled meeting dates in February, May, and October.

SYNOD OF THE PACIFIC

FORM B

PRESBYTERY APPLICATION FOR SYNOD LOAN

Line of Credit Amortized

(Sections B and E do not apply, and therefore are not included)

Section A: General Information

Amount Needed \$ _____ Estimated Date Funds will be Needed _____

Purpose of loan: _____

Name of Presbytery _____

Titleholder (for secured loans) _____

Persons Authorized to Draw Loan Funds: _____, _____, _____
(Authorized Draw List can be revised at any time by Stated Clerk on Presbytery Letterhead)

Section C: Presbytery Statistical Information

Presbytery membership (past five years):

This Yr(est) _____ Last Yr: 200__ _____ 200__ _____ 200__ _____ 200__ _____

Number of Congregations:

This Yr(est) _____ Last Yr: 200__ _____ 200__ _____ 200__ _____ 200__ _____

Please explain any significant changes in Statistical Information expected as a result of this project: _____

Section D: Presbytery Financial Information

Operating Budget (excludes building funds)

	This Yr. (Budget)	Last Yr. 200__	200__	200__	200__
General Operating Revenue					
A Pledged Revenue					
B Non-Pledged Revenue					
C Operating Revenue from other sources (specify: _____)					
D Total General Operating Revenue * (A+B+C)					
E Total General Operating Expenses					
General Operating Surplus or Deficit (D minus E)					

Borrowing:

Existing Loans <small>(include all debt to banks, Synod, G.A., etc.)</small>	Collateral	Note Amount	Unpaid Balance	Maturity Date	Payment	Interest Rate
Projected New Loans						
Synod Loan			N/A			
			N/A			
			N/A			

Please explain any differences between the above financial summary and the financial statements provided: _____

Section F: Mission Strategy Statement

On a separate paper, describe the Presbytery's Mission Strategy for the next twelve months, including specific goals and objectives. Describe how the proposed project will facilitate implementation of these goals and objectives.

Section H: Standard Terms and Conditions

All Loans

1. Loan proceeds shall be used only for the purposes for which they were appropriated.
2. The applicant shall incur no financial obligations which are not scheduled as part of the approved Financial Plan without prior consent from the Synod.
3. Terms and outstanding balances of all loans shall be acknowledged by being printed in the minutes of each annual meeting of the presbytery, until fully repaid.
4. Synod reserves the right to suspend credit if applicant's payments are not within term, or if Synod deems there is any other substantial breach of loan covenants.
5. The Synod reserves the right to revise the interest rate in the event that Synod has a change in banking relationships and/or any significant change in its cost of borrowing.
6. Extension or conversion to an Amortized Loan is not automatic. A new Initiation Fee will be charged on any extension or conversion.
7. The interest rate will increase by 1% at the maturity date and every anniversary thereafter if the loan has not been extended or converted.
8. There is an Initiation Fee of 0.50% of the loan amount approved. The loan will be canceled if Initiation Fee is not paid within 60 days of approval. Initiation Fees are non-refundable.
9. The loan will be canceled if not drawn within one year of approval date.
10. Line of Credit and Amortized Loans over \$25,000 will be secured by a Deed of Trust on real property. All loans requiring a Deed of Trust will also require standard ALTA Title Insurance.
11. All loans shall become immediately due and payable when a congregation sells any portion of real property on which a Synod loan has been made and or at such time as the borrower is no longer under the jurisdiction of the Presbyterian Church (U.S.A).

Construction Loans Only

12. Construction contract will be signed only after receiving a commitment letter from the Synod advising of loan approval.
13. Building fund pledge receipts shall be held in a separate bank account, and shall be applied directly to actual project costs or to reduction of project's mortgage.
14. The owner governing body shall require proof of construction bid and performance bonds, builder's risk and vandalism insurance during the project's construction, and shall carry fire, extended coverage, and liability insurance on the full amount of the contract, and shall require documentary assurances at the conclusion of the project to indemnify the owner against mechanics' liens.
15. All contractors shall provide proof of liability insurance to protect the owner against construction errors and omissions, including a guarantee period of one year from the date of acceptance by owner. All contracts shall be bonded.
16. The applicant shall provide to the Synod proof of Course of Construction insurance.
17. Applicant shall engage the services of companies, contractors and other professionals who are equal opportunity employers
18. Building design shall accommodate the needs of persons with disabilities and comply with the Americans with Disabilities Act.
19. Building design shall incorporate measures to make the building energy efficient.
20. All construction and renovation shall comply with all local building codes and zoning regulations.

Site Loans Only

21. Soil tests must be done before any site is purchased in order to assure that the selected site is suitable for building.
22. An environmental audit shall be conducted on any previously developed sites.

Design, Construction, and Financial Covenant

Select and initial ONE of these statements, then sign below:

- 1) _____ The applicant Presbytery hereby agrees to abide by all terms and conditions of this loan as found above. We understand that conditions 11 through 19 apply only to construction projects (including major repairs and renovations), and that conditions 20 and 21 apply only to site purchases.
- 2) _____ The applicant Presbytery hereby requests a waiver of certain loan terms and conditions as found on the previous page of this application. On a separate page, explain any requests.

Authorized Signor

Title

Date

