

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**

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 94952-3825

Consultation and assistance is available by contacting Danielle McCarthy, Investment and Loan Coordinator, at (800) 754-0669 x 11 or email to danielle@synodpacific.org

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

FORM B

PRESBYTERY APPLICATION FOR SYNOD LOAN

Line of Credit Amortized James M. Muzzy

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

Section A: General Information

Amount Requested: \$ _____ Estimated Date Funds Needed: _____

Purpose of loan: _____

Applicant Presbytery: _____ General Presbyter/ Presby Exec: _____

Address: _____

Presbytery website: _____

Primary Contact Person: _____ Title: _____

Phone Number: (_____) _____ Email Address: _____

Property 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.: 20__ _____ 20__ _____ 20__ _____ 20__ _____

Number of Congregations:

This Yr. (est.) _____ Last Yr.: 20__ _____ 20__ _____ 20__ _____ 20__ _____

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. 20__	20__	20__	20__
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 (include all debt owed to banks, Synod, G.A., etc.)	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 G: Project Financial Plan

COLLATERAL (to secure loan)

Presbytery Office Value: \$ _____ Land Value: \$ _____ Total Value: \$ _____

Other Presbytery Owned Property Value \$ _____

Describe other Property: _____

Address of Property being used to secure loan: _____

Other Collateral, (i.e. endowment fund, etc.): _____ Value: \$ _____

COST (Complete only as applies)

A. Pre-existing Building or Site Purchase	Purchase Price	\$ _____
Appraised Value \$ _____	Renovation or other costs	\$ _____
Appraised By _____	Total Project Cost	\$ _____

B. New Construction or Addition		
Size _____ sq. feet	Cost per square foot \$ _____	Construction to begin on _____, 20____
1. Construction Contract (check one: <input type="checkbox"/> estimated <input type="checkbox"/> firm)		\$ _____
2. Contractor's Payment and Performance Bond		\$ _____
3. Architect Contract (check: <input type="checkbox"/> maximum cost contract <input type="checkbox"/> revision clause)		\$ _____
4. Furnishings, parking, insurance, professional fees (10% of contract is suggested)		\$ _____
5. Contingencies (bid overage and unscheduled costs. 15% is suggested)		\$ _____
6. Inflation factor (minimum 1% per month from now until construction completion)		\$ _____
Total Project Cost		\$ _____

C. Remodeling / Renovation / Rehabilitation	Construction to begin on _____, 20____	
1. Construction Contract (check one: <input type="checkbox"/> estimated <input type="checkbox"/> firm)	\$ _____	
2. Contractor's Payment and Performance Bond	\$ _____	
2. Architect Contract (check: <input type="checkbox"/> maximum cost contract <input type="checkbox"/> revision clause)	\$ _____	
3. Furnishings, parking, insurance, professional fees (if any)	\$ _____	
4. Contingencies (bid overage and unscheduled costs. 20% is suggested)	\$ _____	
5. Inflation factor (minimum 1% per month from now until construction completion)	\$ _____	
Total Project Cost		\$ _____

D. Other Project or Use for loan proceeds	Total Cost	\$ _____
Describe: _____		

RESOURCES

E.	1. Cash on Hand from building campaign pledges	\$ _____
	2. Additional Income expected from building campaign before project begins	\$ _____
	3. Un-borrowed Cash from other sources (source: _____)	\$ _____
	4. Additional Income expected from other sources before project begins (Specify source: _____)	\$ _____
	5. Cash already expended on project	\$ _____
	6. Other Loans (specify source & terms: _____)	\$ _____
	7. Synod Loan (this application)	\$ _____
Resource Grand Total (must equal Total Project Cost above)		\$ _____

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

- ___ 1. Construction contract will be signed only after receiving a commitment letter from the Synod advising of loan approval.
- ___ 2. 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.
- ___ 3. 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.
- ___ 4. 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 contractors shall be bonded.
- ___ 5. The applicant shall provide to the Synod proof of Course of Construction insurance.
- ___ 6. Applicant shall engage the services of companies, contractors and other professionals who are equal opportunity employers
- ___ 7. Building design shall accommodate the needs of persons with disabilities and comply with the Americans with Disabilities Act.
- ___ 8. Building design shall incorporate measures to make the building energy efficient.
- ___ 9. All construction and renovation shall comply with all local building codes and zoning regulations.

Site Loans Only

- ___ 1. Soil tests must be done before any site is purchased in order to assure that the selected site is suitable for building.
- ___ 2. An environmental audit shall be conducted on any previously developed sites.

Initial next to each condition to signify you agree to the terms. If any of the above conditions cannot be met, please request a waiver of the conditions on the following page. State the reasons for your request as part of this loan application.

COVENANT AGREEMENT

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
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APPLICATION FOR WAIVER

The applicant Presbytery wishes to request a waiver of the following condition(s) providing the following explanation:
