

MINISTERIAL AND CHURCH EXTENSION LOAN FUND
LOAN APPLICATION FOR CHURCHES
(MINUTE / RESOLUTION FORM)

OFFICE USE ONLY
Date Rec'd: _____
Date Approved: _____
"Closing" Date: _____
Payoff Date: _____

Date: _____ Federal Tax I.D. Number: _____

The _____ Church

(check appropriate box) Pentecostal Holiness Church Affiliated Church

met at the call of the Pastor, _____, for the purpose of determining the opinion of the Church in borrowing _____

DOLLARS [\$ _____] from the MINISTERIAL AND CHURCH EXTENSION LOAN FUND. A motion was made by _____ and seconded by _____ that the church Official Board/Trustees be authorized to borrow _____ DOLLARS

[\$ _____] from the MINISTERIAL AND CHURCH EXTENSION LOAN FUND for the purpose of _____.

This loan is to be paid at the rate of _____

DOLLARS [\$ _____] per month at the rate of _____ % interest per annum for _____ years.

Number of voting members present: _____.

Number of voting members in favor of motion: _____.

The term of loans made to churches is limited to seven (7) years, at the end of which the church may apply to refinance with the MCELFF at the rate of interest at that time.

Interest begins to accrue from the day funds leave the Loan Fund office. Monthly payments on all loans are due the first day of each month. The Loan Fund office does not provide coupon-type payment books nor send out monthly notices of payments due. When a loan is past due the office will mail a "past due" notice. Any payment arriving in the office after the 15th of the month will necessitate charging that account a late fee of 4% of the monthly payment due. The Conference Board will evaluate late accounts and may recommend accounts which are 90 days late be referred to the Conference Attorney for collection.

All loan payment funds which exceed the required monthly payment will be applied to the loan principal. Paying down the principal will reduce the loan period but will not prepay future monthly payments. Regardless of the additional funds paid against the principal all loan accounts still require regular monthly payments of the stipulated payment amount and will be considered past due if payments are not received on time and in full.

Please list current church debts below:

<u>Creditor</u>	<u>Current Balance</u>	<u>Monthly Payment</u>	<u>Expected Payoff Date</u>
Totals			

All loans are simple interest loans and interest will be charged to the account based upon the current principal balance. There are no penalties for early payment of loans.

Loans granted to Affiliated Churches will be called (considered due and payable in full upon demand) in the event that the Affiliated Church withdraws from its Conference Affiliated status before the loan is paid in full.

Churches should submit at least summary financial statements for the last complete year and current year-to-date to verify ability to repay the loan. Please include attendance figures and recent church growth statistics.

The church's loyalty and faithfulness in monthly reporting and tithing to the North Carolina Conference IPHC may be taken into consideration in the approval process for the loan.

Is the church incorporated? Yes No

Your signature below affirms that you understand and accept these loan guidelines.

_____, Pastor/Chairman/President (if Incorporated)
Signature

Phone: _____ Cell phone: _____

Address: _____

Email (if applicable): _____

_____, Church Secretary
Signature

Please mail both pages of this Minute Form to:

Ministerial and Church Extension Loan Fund
P.O. Box 149
Falcon NC 28342

Keep a copy of this application and pages three and four for your information and records.

MINISTERIAL AND CHURCH EXTENSION LOAN FUND GUIDELINES FOR LOANS

Churches should submit at least summary financial statements to verify ability to repay the loan. The Loan Fund recommends financial statements from at least the last nine months. Please include attendance figures and recent church growth statistics.

The church's loyalty and faithfulness in monthly reporting and tithing to the North Carolina Conference IPHC may be taken into consideration in the approval process for the loan.

Note the following requirements for information, documents etc. necessary for various types of loans.

LAND ONLY

- Certified Appraisal
- Survey
- Title Search (attorney will do this)
- Title Insurance (attorney will do this)
- If city water and sewer are not available, must have a county health dept. approved perk test.
- Warranty Deed (attorney)
- County/City regulations on acreage for placing structure on property met.
- Deed of Trust (attorney)
- Promissory Note (attorney)
- In some situations of risk, property insurance could be required.
- Mortgage insurance is recommended - loss payee N.C. Conference.

NEW CONSTRUCTION BUILDING AND LAND

- Appraisal
- Survey
- Title Search (attorney takes care of this)
- Title Insurance (attorney takes care of this)
- If city water and sewer are not available, must have a county health dept. Approved perk test
- County/City regulations on acreage for placing structure on property must be met.
- Insurance to cover construction materials etc.
- Homeowners insurance on completed structure - loss payee N.C. Conference.
- Churches must have Multi-Peril Insurance Coverage - loss payee N.C. Conference.
- Mortgage insurance is recommended - loss payee N.C. Conference.
- Warranty Deed (if required, attorney takes care of this)
- Deed of Trust (attorney takes care of this)
- Promissory Note (attorney takes care of this)

EXISTING STRUCTURE

- Certified Appraisal
- Title Search (attorney take care of this)
- Title Insurance (attorney take care of this)

- Survey
- Homeowners or, for churches, Multi Peril Insurance with loss payee N.C. Conference of IPHC
- Mortgage Insurance is recommended with loss payee N.C. Conference of IPHC
- Proof of Termite control.
- Warranty Deed (if required, attorney take care of this)
- Deed of Trust (attorney take care of this)
- Promissory Note (attorney take care of this)

VEHICLE

- Loans for vehicles will be considered based upon the Loan Value of the vehicle in the current N.A.D.A. Official used Car Guide.
- Vehicle loans will require furnishing the make, model, and VIN (vehicle identification number).
- Vehicle loans require a 1st lien on the Title. Use form MVR-6 (available from the MCELF office on request) to apply for new title showing the lien.
- Your auto insurance agent must be notified and informed of your lien. The insurance company will then provide our office with a copy of your policy.

The Deeds of Trust and Promissory Notes are normally prepared by the conference attorney, though N.C. state law allows an attorney of the loan applicant's choice. The borrower is responsible for all lawyer and closing costs. Warranty Deeds are the responsibility of the purchaser and are generally prepared by the borrower's attorney. If your loan requires a Warranty Deed you will be responsible for the cost of the Conference Attorney preparing that document. The Conference Attorney will also secure a binder for Title Insurance on all property loans. The cost of the Title Insurance will be included in the closing costs.

The Loan Fund prefers using the North Carolina Conference attorney for all document preparation and for loan closings. Our attorney is familiar with all the loan fund requirements and especially with certain language regarding property ownership for our churches, etc. Our attorney charges are fair and competitive.

Please contact our office at (910) 980-1162 and ask for Kay Glover and request appropriate loan applications.

I will be happy to discuss any loan request or loan questions with you at any time. The Loan Fund exists to serve the churches and ministers of The North Carolina Conference and we will make every effort to do so.

In Kingdom Service,

Rev. Oris Hubbard
 Loan Officer
 loanfund@nc.rr.com
 Office: 910-980-1162; Home: 910-564-4154