



ROCKY MOUNTAIN
UNITED METHODIST FOUNDATION

**Methodists Helping Methodists Fund
Loan Application Handbook**

**For Construction, Renovations, Repairs,
Loan refinancing, or other Capital Needs**

**Rocky Mountain United Methodist Foundation, Inc.
7350 E. Progress Place, Suite 205
Greenwood Village, Colorado 80111**

303.778.6370

303.777.6202

info@RMUMF.org

www.RMUMF.org

APPLICATION CHECKLIST

Required for consideration by the Committee:

- Completed Loan application
- Letter from Pastor and/or Administrative council Chair explaining growth and future of the church (five-year or more projection.)
- Current year's budget, and next year's budget if application submitted in October or later
- Copies of financial statements, balance sheets, and income and expense statements for the church for the current year and at least two previous years
- Copies of annual financial audit report for the last two previous years
- Copies of Church/Charge Conference reports for at least two previous years
- Property insurance declaration page
- Appraisal – if available from the last 5 years (do NOT order a new appraisal)
- If Refinance – most recent statement from current lender

Required for FULL approval

- Executed consent form from the District Superintendent and Senior Pastor
- Charge Conference motion. USE LANGUAGE PROVIDED IN THE APPLICATION PACKET
- Certificate of Approval by the District Board of Church Location and Building if such approval is required pursuant to the Book of discipline
- Copy of construction contracts, purchase agreements, and other commitments for the project
- Copies of all required governmental permits

Loan Application

For churches, agencies, and ministries of the
Rocky Mountain and Yellowstone Annual Conferences of the United Methodist Church

The Foundation is here to help. Please call to discuss this loan application, requirements for financing, and appropriate timelines.

Date of Application _____

1. Congregational Information

Congregation

Physical and Mailing Address (if different)

City, State, Zip

Phone Number

Fax Number

E-mail Address

Web Address (if applicable)

Senior Pastor

Date Started

2. Contact Person

Primary contact concerning the loan application

Name

Mailing Address

City, State, Zip

Daytime Phone Number

Cell Phone Number

E-mail Address

3. Type of Application

Please check one

- Prequalification: Estimated cost for real estate and/or building program
- Final: Actual cost for real estate, building program or refinancing

Addresses of all real property owned by the church:

- Church
 - _____
 - _____
 - _____
 - \$ _____
 - Fair market value of property
 - \$ _____
 - Indebtedness and monthly payment
- Parsonage
 - _____
 - _____
 - _____
 - \$ _____
 - Fair market value of property
 - \$ _____
 - Indebtedness and monthly payment
- Other
 - _____
 - _____
 - _____
 - \$ _____
 - Fair market value of Property
 - \$ _____
 - Indebtedness and monthly payment

4. Loan Purpose

Please check all that apply

- Building Project
- Accessibility
- Renovation and/or repairs
- Refinancing existing debt
- Land purchase
- First site or building
- Other

5. Cost Analysis

List remaining costs only

I. Real Estate Purchases

	Congregation Use	Internal Use
Real estate costs	_____	_____
Due diligence items (appraisal, survey, Level I environmental Report, etc.)	_____	_____
Other closing costs (owner's title policy, taxes, commissions, etc.)	_____	_____

II. Building Projects

Building costs _____

Please indicate if any of the costs below are included "Building Costs."

<input type="checkbox"/> Cut, fill, site preparation	_____	_____
<input type="checkbox"/> Well/water & septic/sewer	_____	_____
<input type="checkbox"/> Building permit	_____	_____
<input type="checkbox"/> Other	_____	_____

Parking, sidewalks, paving _____

Landscaping _____

Payment and performance bond _____

Site topographical survey _____

Geo-technical investigation _____

Architectural and engineering fees (remaining costs only) _____

Assessments (city, county, water district, utilities) _____

Congregation's own builder's risk insurance _____

Signage _____

Chairs, pews, Chancel furniture _____

Educational and office furniture _____

Equipment (video, sound system, musical instruments,

kitchen, etc. _____

III. Refinancing Existing Debt

Estimated balance on existing debt at time of refinance _____

Prepayment penalties and other fees from the existing lender _____

Current Lender _____

IV. Other Related Costs

Congregation's contingency - 8% of shaded costs listed under Section II. could be a good estimate (do not include contractor's contingency) _____

Congregation's legal fees (if applicable) _____

Interest to be paid during construction (if applicable) _____

Other _____

Sub-total (costs from all sections) _____

V. Closing Costs

(To be completed by MHM Fund.)

Closing fee _____

Lender's title insurance policy _____

Recording fees _____

Other _____

Total project cost _____

***MHM Fund loans never have points, loan origination fees, or pre-payment penalties.**

6. Construction Schedule

	Congregation Use	Internal Use
Estimated construction starting date	_____	_____
Estimated construction completion date	_____	_____
Estimated number of months from today to completion of construction	_____	_____

7. Capital Funds Campaign

A Capital Funds Campaign was conducted on _____
(list dates)

by _____
(local church, professional fundraiser, etc.)

Pledges were received from _____ giving units, and the total amount

pledged is \$ _____, payable during the period of

_____ through _____.

Another Capital Funds Campaign will be conducted on _____

to secure additional pledges for debt retirement. It is anticipated that the

Capital Funds Campaign will be conducted by _____.

8. Source of Funds

Current cash available for this Project	_____	_____
Additional cash available from now to end of construction that will be used for this project	_____	_____
Loan amount	_____	_____
Other _____	_____	_____
Total funds	_____	_____

9. Loan Payment Plan *(Please check one and attach your loan payment plan or budget.)*

- Separate pledges for debt reduction.
Guidelines - lesser of the two:

- 75% of the pledges from section 8F will support the loan payments and the actual pledge giving equals or exceeds the pledges.
- Total congregational debt of up to four times the giving to the general ministry budget (not including debt reduction.)

- Payments form general ministry.
Guidelines - lesser of the two:

- Up to 15% of the general ministry giving is spent in debt reduction.
- Total congregational debt of up to two times the giving to the general ministry budget.

These are guidelines only. The Rocky Mountain United Methodist Foundation will take into account the ministry's unique circumstances and its plan to service debt.

10. Requested Loan

	Congregation Use	Internal Use
Requested loan Amount	_____	_____
Estimated interest Rate <i>Call the Foundation, 303.778.6370, for information about relationship pricing</i>	_____	_____
Amortization Schedule <i>(up to 20 years)</i>	_____	_____
Estimated monthly Payments	_____	_____

- One-year adjustable: the interest rate is kept the same for the first year then adjusted annually on the anniversary date of the promissory note.
- Three-year adjustable: the interest rate is kept the same for the first three years then adjusted every three years on the anniversary date of the promissory note.
- Five-year adjustable: the interest rate is kept the same for the first five years then adjusted every three years on the anniversary date of the promissory note.

Please note that the interest rate is set at the time of commitment. All rates and terms are subject to change without notice.

Statistical and Financial Information

	Two Years Prior ending 12/31	One Year Prior ending 12/31	Present Year-to-date	Future Projection Two Years	Future Projection Five Years
Membership	_____	_____	_____	_____	_____
Average worship attendance	_____	_____	_____	_____	_____
Average church school attendance	_____	_____	_____	_____	_____
Number of giving units	_____	_____	_____	_____	_____
<u>FINANCIALS</u>					
Income (Operations or Undesignated)	_____	_____	_____	_____	_____
Income (Other)	_____	_____	_____	_____	_____
Income (Capital, Building Project, or Debt Service)	_____	_____	_____	_____	_____
Total Income	_____	_____	_____	_____	_____
Expense (Operations or Undesignated)	_____	_____	_____	_____	_____
Expense (Other)	_____	_____	_____	_____	_____
Expense (Capital, Building Project, or Debt Service)	_____	_____	_____	_____	_____
Total Expense	_____	_____	_____	_____	_____

**CERTIFICATE OF RESOLUTION OF THE
CHURCH/CHARGE CONFERENCE**

This is to certify that the Church/Charge Conference of the _____ United Methodist Church of _____, _____, (the "Church") at a meeting duly convened on the _____ day of _____, _____, adopted the following resolution:

"RESOLVED, that the Church be and is hereby authorized and empowered to borrow from the Rocky Mountain United Methodist Foundation, Inc., Methodists Helping Methodists Fund, or from such other lender as the Board of the Trustees of the Church may determine, an amount not to exceed \$ _____, for the purpose of _____, and to be secured by a mortgage lien on the real estate owned by the Church as described in Exhibit "A" attached hereto.

BE IT FURTHER RESOLVED that (full legal name) _____, Chairman of the Board of Trustees of the Church, and (full legal name) _____, an Officer of the Board of Trustees of the Church, are authorized to negotiate the terms and conditions of such loan and mortgage on behalf of the church; that these persons named or any two officers of the Board of Trustees are authorized and directed to take such actions and execute and deliver such instruments or documents related to such loan and mortgages as they in their discretion deem necessary or appropriate, including, but not limited to, the execution and delivery of one or more promissory notes, real estate mortgages, security agreements, financing statements, commitment letters, loan agreements; and that the actions so taken and the instruments and documents so executed and delivered are hereby ratified and approved as the binding act and deed of the Church.

BE IT FURTHER RESOLVED that that these persons named or any two officers of the Board of Trustees of the Church are authorized to take such actions and execute and deliver such instruments and documents as they in their discretion deem necessary or appropriate to renew, extend, rearrange, modify, amend or otherwise change the terms of the loan or mortgage without

further action of the Charge Conference, Church Council or other equivalent governing body of the Church, including but not limited to, the execution and delivery of one or more renewals, extensions, modification agreements, and new promissory notes, security agreements; and that the actions so taken and the instruments and documents so executed and delivered are hereby ratified and approved as the binding act and deed of the Church; and

BE IT FURTHER RESOLVED that the loan and mortgage and all actions taken or to be taken in connection with the loan and mortgage by or on behalf of the Church have been, and hereby are, approved and confirmed as required by the Book of Discipline of The United Methodist Church now in effect.

Executed this _____ day of _____, _____.

Church/Charge Conference Recording Secretary

District Superintendent or Presiding Elder

Exhibit A

Address

Legal Description:

**CONSENT OF
DISTRICT SUPERINTENDENT AND
SENIOR PASTOR**

We hereby certify that we have examined the statements given in the application for a Loan from the Methodists Helping Methodists Fund of the Rocky Mountain United Methodist Foundation, Inc., and they are true and complete to the best of our knowledge and belief.

The Church/Charge Conference of the church and the District Board of Church Location and Building have approved and authorized the project and loan, and we recommend that a loan be granted by the Rocky Mountain United Methodist Foundation, Inc. in an amount not to exceed the amount indicated below.

District Superintendent _____

Legal Name (printed) _____

Date _____

Loan Amount: \$ _____

Senior Pastor _____

Legal Name (printed) _____

Date _____

Loan Amount: \$ _____

APPROVAL OF THE
DISTRICT COMMITTEE ON CHURCH LOCATION AND BUILDING

We, the undersigned, hereby certify that at a meeting of the District Committee of Church Location and Building of the _____ District of the _____ Annual Conference of The United Methodist Church, held on _____, 20____, has approved the the project and/or building plans for _____
_____ of the _____ United Methodist Church of _____(city), _____(state); as such, we recommend to the Rocky Mountain United Methodist Foundation, Inc. consider, review, and approve the financing plan for this project and the Methodists Helping Methodists Fund that may or may not include debt service (a loan).

Chair of the District Committee of Church Location and Building

Printed name

Dated: _____