



**3347 Eagle Run Drive NE Suite B • Grand Rapids, Michigan • 49525**

**888-451-1929 • UMFMichigan.org**

## MICHIGAN AREA LOAN FUND - FIRST MORTGAGE LOAN APPLICATION

\_\_\_\_\_  
Full Corporate Name of Church

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City,

\_\_\_\_\_  
State,

\_\_\_\_\_  
Zip Code

\_\_\_\_\_  
Pastor

\_\_\_\_\_  
Date of Application

Church Phone: \_\_\_\_\_

Pastor's Cell Phone \_\_\_\_\_

Primary contact person regarding this application: (usually other than the pastor)

\_\_\_\_\_  
Name

\_\_\_\_\_  
Office Held in the church. (If any)

\_\_\_\_\_  
Address

\_\_\_\_\_  
Phone/Email

Brief description of project:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Enclose Check payable to: Michigan Area Loan Fund

Opening Fee of \$100.00

[ ] Check # \_\_\_\_\_

**I. CHURCH ORGANIZATON AND DATA:**

1) Year organized: \_\_\_\_\_

Did you file a Michigan Corporate Report Last year? [ ] No [ ] Yes  
(Please attach a copy)

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 \$ \_\_\_\_\_ Associates salary \$ \_\_\_\_\_

Amount paid by church \$ \_\_\_\_\_ Associates 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. FINANCIAL GIVING DISTRIBUTION:**

Show the number of annual financial commitments 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 \$ _____
<b>TOTALS</b>	<b>Number</b> _____	<b>Total Amount \$</b> _____

**III. OTHER GIVING:**

List any special received via bequests, stock donations, etc.

Miracle Sunday (cash)	\$ _____
Bequests/endowments	\$ _____
Expected bequests	\$ _____
Congregational loans	\$ _____
Land or Land Contracts	\$ _____
Other Receivables	\$ _____
Other _____	\$ _____
<b>TOTALS</b>	<b>\$ _____</b>

**TOTAL FINANCIAL COMMITMENT \$ \_\_\_\_\_**

**IV. ANALYSIS OF SURROUNDING AREA AND GROWTH OF COMMUNITY:**

- 1) If in a city of village, population with radius of ½ mile \_\_\_\_\_
- 2) If outside a city of 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?  No,  Yes, if yes how many per year? \_\_\_\_\_
- 7) Price of homes in this area range from: \$ \_\_\_\_\_ to \$ \_\_\_\_\_
- 8) Percentage of area built up (within ½ 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 years.  
  
\_\_\_\_\_  
  
\_\_\_\_\_  
  
\_\_\_\_\_  
  
\_\_\_\_\_
- 10) Area is on the  upward trend,  downward trend,  stable.
- 11) Have you made a thorough demographic study of your community?  No,  Yes
- 12) Do you maintain a not-member constituency/participants list?  No,  Yes  
If yes, number of persons on this list: \_\_\_\_\_ of which \_\_\_\_\_ are adults.

**V. FINANCIAL PLAN AND DATA OF CHURCH PROGRAM:**

1) Annual church budget for all purposes for the past three 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.**

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

Year 20\_\_\_\_, # Pledges \_\_\_\_\_, Amt Pledged \$ \_\_\_\_\_, Amt Received \$ \_\_\_\_\_  
Year 20\_\_\_\_, # Pledges \_\_\_\_\_, Amt Pledged \$ \_\_\_\_\_, Amt Received \$ \_\_\_\_\_  
Year 20\_\_\_\_, # Pledges \_\_\_\_\_, Amt Pledged \$ \_\_\_\_\_, Amt Received \$ \_\_\_\_\_

**VI. Local Church Stewardship:**

1) Does your church have an annual stewardship campaign and receive pledges for the support of your entire financial program including Ministry Shares (apportionments), World Service and Conference Benevolence according to the requirements of the Discipline? [ ] No, [ ] Yes

2) If "No", Explain method of financial support:

\_\_\_\_\_  
\_\_\_\_\_

3) Are your current expenses all paid up-to-date: [ ] No, [ ] Yes  
If "No" please explain (or attach explanation):

\_\_\_\_\_  
\_\_\_\_\_

4) Are your Ministry Shares paid up-to-date? [ ] No, [ ] Yes  
If "No" please explain (or attach explanation):

\_\_\_\_\_  
\_\_\_\_\_

**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 Building Fund now \$ \_\_\_\_\_

*(should agree with cash, item #1 on Page 8)*

2) Current building fund campaign amount due: (list years and pledges)

Year \_\_\_\_\_ Amt Pledged \$ \_\_\_\_\_ Amt Received \$ \_\_\_\_\_ Amt Due \$ \_\_\_\_\_

Year \_\_\_\_\_ Amt Pledged \$ \_\_\_\_\_ Amt Received \$ \_\_\_\_\_ Amt Due \$ \_\_\_\_\_

Year \_\_\_\_\_ Amt Pledged \$ \_\_\_\_\_ Amt Received \$ \_\_\_\_\_ Amt Due \$ \_\_\_\_\_

Year \_\_\_\_\_ Amt Pledged \$ \_\_\_\_\_ Amt Received \$ \_\_\_\_\_ Amt Due \$ \_\_\_\_\_

**TOTAL AMOUNT DUE** \$ \_\_\_\_\_

*(should agree with cash, item #6 on Page 8)*

3) What was the starting date of your current campaign? \_\_\_\_\_

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 REFIANCE OF A LOAN FROM A LENDER OTHER THAN THE MICHIGAN AREA LOAN FUND? [ ] NO, [ ] YES**

*(If Yes, omit the following items 1 – 10)*

**IX. COST OF PROJECT**

- 1) Estimated cost of building to be erected or purchased. \$ \_\_\_\_\_
- 2) Furniture and fixtures to be installed. \$ \_\_\_\_\_
- 3) Architect's fee \$ \_\_\_\_\_
- 4) Sewers, water connections, paving to be installed \$ \_\_\_\_\_
- 5) Landscaping \$ \_\_\_\_\_
- 6) Parking facilities \$ \_\_\_\_\_
- 7) Fees, permits, insurance, performance bond \$ \_\_\_\_\_
- 8) Other costs: explain \_\_\_\_\_ \$ \_\_\_\_\_
- 9) Contingency (10% of cost. Larger projects may require 15%) \$ \_\_\_\_\_
- 10) \*Estimated interest costs \$ \_\_\_\_\_

*(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: \$ \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- 12) **\*\* TOTAL FUNDS REQUIRED FOR PROJECT** \$ \_\_\_\_\_

**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 & #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 #9 below)**

2) To be received by first mortgage from Michigan Area Loan Fund \$ \_\_\_\_\_

3) If applicable, participating first mortgage is from:

Name of Bank: \_\_\_\_\_

\$ \_\_\_\_\_ for \_\_\_\_ years @ \_\_\_\_% interest rate. Balance \$ \_\_\_\_\_

Do you have a firm commitment for the participating mortgage? [ ] No, [ ] Yes

4) Second mortgage to be received from:

Name of Lender: \_\_\_\_\_

\$ \_\_\_\_\_ for \_\_\_\_ years @ \_\_\_\_% interest rate. Balance \$ \_\_\_\_\_

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

\$ \_\_\_\_\_

State what property sold: \_\_\_\_\_

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

1) Monthly Payment amount \$ \_\_\_\_\_

2) Number of months \_\_\_\_\_

**TOTAL** \$ \_\_\_\_\_

6) Balance due on current building fund pledges \$ \_\_\_\_\_

7) Prepaid expense – (architect) \$ \_\_\_\_\_

8) Other prepaid expense \_\_\_\_\_ \$ \_\_\_\_\_

9) **\*\*TOTAL FUNDS AVAILABLE FOR PROJECTS** \$ \_\_\_\_\_

**\*\* 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 Michigan 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 specifications 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).
- 4) Borrowing of \$ \_\_\_\_\_ by Second Mortgage from \_\_\_\_\_  
**(Other than from Michigan Area Loan Fund).**
- 5) Trustees of the \_\_\_\_\_ United Methodist Church are hereby authorized and directed to execute all loan applications and mortgages as specified above. The two signatories 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 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 the 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, of the Michigan Annual Conference.

We belong to a [ ] Single point Charge , [ ] Multi point charge, consisting of \_\_\_\_\_ # of churches.

We hereby make an application for a First Mortgage Loan of \$ \_\_\_\_\_  
for a term of five (5) years at \_\_\_\_\_% interest and to be amortized over \_\_\_\_\_ years  
creating a balloon balance at the end of five years needing 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 in \_\_\_\_\_, 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 Code



**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 Code

**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

\_\_\_\_\_  
District Superintendent

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

(new church builds only)

**RECOMMENDATION AND APPROVAL OF  
THE DISTRICT BOARD OF CHURCH LOCATION AND BUILDING OF THE  
\_\_\_\_\_ DISTRICT OF THE MICHIGAN 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

\_\_\_\_\_  
Street Address, City, State, Zip Code

\_\_\_\_\_  
TYPE OF PROPOSED BUILDING

\_\_\_\_\_  
Proposed Street Address, City, State, Zip Code

In our opinion and on the basis of facts submitted to the 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 [ ] No [ ] Yes

Financial plans and ability to repay [ ] No [ ] Yes

Architectural plans [ ] No [ ] Yes

Date: \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

Address of Chairman:

\_\_\_\_\_  
Chairman

\_\_\_\_\_  
Street Address, City, State, Zip Code

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 Licensing and Regulatory Affairs (LARA), Lansing Michigan
3. If not already in force, securing **Public Liability Insurance** for at least \$1,000,000.00 per occurrence and \$2,000,000.00 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 the cost or replacement cost whichever is greater. The Mortgage clause must name as mortgagor the Missions and Church Extension Trust Fund.
9. Two 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 Karen Thompson, 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.**