



UMF of Michigan Circuit Rider Fund LLC
3347 Eagle Run Drive NE · Suite B · Grand Rapids, Michigan · 49525
888-451-1929 · UMFMichigan.org

Application Guidelines

Introduction

We are pleased to offer a program designed to help Michigan Conference United Methodist clergy reduce educational debt and strengthen long-term financial well-being. Educational debt can place significant strain on pastors and their families, affecting both personal and vocational vitality. Beyond reducing the terms of student loan obligations, this program equips participants with practical tools to cultivate healthy financial habits and deepen their capacity for faithful stewardship.

Participant Qualifications

Active, ordained elders and deacons in good standing with the Michigan Conference of The United Methodist Church are eligible to apply for the loan. Loan recipients must remain in good standing throughout the entire term of the loan. Preference will be given to ordained elders or deacons serving in full-time local church appointments within the Michigan Conference. However, ordained elders or deacons serving half-time or more are eligible to apply.

The debt subject to refinance is debt directly attributable to seminary, undergraduate, or post-graduate education. Any other debt, including but not limited to consumer debt, will not be refinanced through this program. In addition, secured debt, including but not limited to mortgage loans or auto loans, is not eligible to be refinanced through this program.

Amounts considered for refinancing will be those student loan debts demonstrably related to basic residual cost of seminary, undergraduate, or postgraduate education and the related costs of tuition, room and board, and other directly billed expenses currently financed in another educational loan program. Amounts related to travel and other miscellaneous expenses incurred during the educational process are not eligible for refinance.

Applications for refinance of educational debt are accepted on a rolling basis as lending assets are available. Further details or materials may be requested during the application process and must be provided within thirty (30) days of the request.

Individuals with a previous bankruptcy history are not eligible for this program.

Loan Terms and Conditions

The UMF of Michigan Circuit Rider Fund, LLC (Fund) will determine the amount to be refinanced, which is subject the following:

- The maximum amount considered for refinancing shall be \$50,000.
- The minimum amount considered shall be \$5,000.
- Loans are subject to a customary underwriting and approval process; no loan is assured until approved and authorized by the Fund.
- Available lending assets may be limited during an application cycle. The Fund will allocate available funds in a manner that will promote the objectives of the program and will consider the eligible applicants' need and ability to repay. Other factors may also be considered in allocating limited funds through a loan cycle.
- The Fund will remit loan proceeds directly to the student loan lender associated with the educational debt being refinanced.
- Loans will have a fixed interest rate of 1.5%. Actual payments will reflect the outstanding principal plus interest due of 1.5%. Payments will apply first to the interest due and then the remainder to reduce the principal.
- All loans will be evidenced by a promissory note payable to the Fund. A cosigner may be required.
- Loan repayment periods will NOT be longer than the period remaining on the existing debt being refinanced or a maximum loan payment period of fifteen (15) years, whichever is less.
- Loans may be pre-paid at any time without penalty.
- Loan payments made more than ten (10) days after the due date are considered late. The Fund may issue a late payment warning. Loans that have late monthly payments on any three (3) occasions will be due and payable in full ninety (90) days after the Foundation sends notice of such event. Delay in the issuance of such ninety (90) day notice shall not constitute a waiver of the rights of the Fund to demand payment in full.
- If a payment is returned by your bank (for example, due to insufficient funds), you will be responsible for any bank fees charged to us, up to the legal limit. You must quickly make the payment again using cleared funds. If the issue is not fixed within five (5) days, it will be considered a default.
- The loan will be due in full and payable for ordained elders or deacons transferring to another conference, terminating their ordination in The United Methodist Church, working less than half-time, or taking leave for any leave category specified in *The Book of Discipline of The United Methodist Church* other than disability.
- Loan payments will be due each month. Automatic withdrawal payments are required.
- Loan recipients will complete a personal financial education course offered by the United Methodist Foundation of Michigan. Participation is mandatory.

Confidential Information

This loan program is intended to be confidential. Every attempt will be made to avoid disclosures of participant names and sensitive personal information to anyone other than those staff directly involved with the administration or operation of the Fund.

Questions

Please contact Rev. Joel Fitzgerald at 888-451-1929 or CircuitRider@UMFMichgian.org if you have questions or would like additional information.