United Methodist Foundation of Michigan

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MICHIGAN AREA LOAN FUND - FIRST MORTGAGE LOAN APPLICATION

Full Corporate Name of Church

Street Address

City State Zip

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/Purpose of loan:

____

____

____

Enclosed Check payable to **Michigan Area Loan Fund**

Opening Fee of $100.00 Check # ____________

Revised 08-01-2026

II. 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 five years:
   Present Year: 20_____ Membership: __________ Average Attendance: ____________________
   Year: 20________ Membership: ________________ Average Attendance: ____________________
   Year: 20________ Membership: ________________ Average Attendance: ____________________
   Year: 20________ Membership: ________________ Average Attendance: ____________________
   Year: 20________ Membership: ________________ Average Attendance: ____________________

3) Sunday School: Enrollment_________________________, Average Attendance _______________

4) United Methodist Women: Enrollment ____________, Average Attendance _________________

5) Other Ministries: Please Describe:
   - Ministry Name _____________________________, Average Attendance________________
   - Ministry Name _____________________________, Average Attendance________________
   - Ministry Name _____________________________, Average Attendance________________

   If more space is needed, please continue another sheet of paper.

6) Do you maintain a not-member constituency/participants list? No ☐ Yes☐
   If yes, number of people on this list: ____________ of which ____________ are adults

7) How long has your pastor served your church? _________
   Present pastors' salary $_____________________ Associates salary $______________________
   Amount paid by church $ _____________________Associates salary $______________________
   If salary paid by others Source: ______________________________ Amount: $ ________________

8) What is the average age of the congregation's members?
   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 t0 $1,999	Number __________________	Total Amount $__________________________
Less than $500	Number __________________	Total Amount $__________________________
TOTALS	**Number __________________**	**Total Amount $__________________________**

III. FINANCIAL PLAN AND DATA OF CHURCH PROGRAM:

1) Attach copies of the last 3 years of your financial statements.
2) List the number 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 $________________

IV. 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) Are your current expenses all paid up to date: No ☐ Yes ☐
   If "No" please explain (or attach explanation):

   ____

   ____

3) Are your Ministry Shares paid up to date? No ☐ Yes ☐

   If "No" please explain (or attach explanation):

   ____

   ____

V. 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 $ __________________

VI. BUILDING FUND CAMPAIGN:

1) List the Building Fund pledges and receipts to date:

Year 20____, # Pledges __________, Amt Pledged $________________, Amt Received $______________
Year 20____, # Pledges __________, Amt Pledged $________________, Amt Received $______________
Year 20____, # Pledges __________, Amt Pledged $________________, Amt Received $______________
Year 20____, # Pledges __________, Amt Pledged $________________, Amt Received $______________
TOTALS **$**________________ **$**______________

Amount (cash) in Building Fund now $____
(should agree with cash, item #1 on Page 5)

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 5)*

3) What was the starting date of your current campaign? ______________________________________
For how many years did you ask people to commit to the project? ___________________________

<u>NOTE:</u> IS THIS A REFIANCE OF A LOAN FROM A LENDER OTHER THAN THE MICHIGAN AREA LOAN FUND? No ☐ Yes ☐

<u>(If Yes, omit the following items 1 – 10)</u>

VII. <u>COST OF PROJECT</u>

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 $________________________
11)

(Estimate as 10% of funds to be borrowed, items 2-4 above)

11) The 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 5.

VIII. ESTIMATED FUNDS AVAILABLE FOR PROJECT

1) Cash on hand or in bank set aside for this project $____________________
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 $_______________
   Describe Property and nature of proceeds (lump sum or monthly?):
   ____
6) Balance due on current building fund pledge $__________________________________
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 4.**

IX. 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 on____________, 20_____ with _________________________ presided.

Moved by _____________________________, Seconded by ______________________ That this body approve the following: Select One

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 $____
   c. Borrowing of $_________________ on a First Mortgage from the Michigan Area Loan Funds.
   d. Borrowing of $_________________ from _________________Bank as a (construction loan).
   e. Borrowing of $______________________ by Second Mortgage from _____________________
   (Other than from Michigan Area Loan Fund).

2) Trustees of the _______________________________________Church are hereby authorized and directed to execute all loan applications and mortgages as specified above. The two signatories for the church shall be:

   _______________________________________ ____

   Signature of Trustee Chair Signature of Trustee

   _______________________________________ ____

   Print Trustee Chair Print Trustee

3) 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.

4) _____________________________ is the representative of ______________________ 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: ____________________________________

****Please note new construction and new buildings need the District Board of Church Location and Building approval per the United Methodist Discipline.***

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: ______________

EXHIBIT A

CONSENT OF PASTOR AND DISTRICT SUPERINTENDENT

The undersigned, being the Pastor and District Superintendent of ____________________________ United Methodist Church, in _________________________ District, a Michigan Ecclesiastical Corporation, do hereby consent to the execution of the within mortgage in accordance with <u>The Book of Discipline of the United Methodist Church.</u>

The undersigned have reviewed the application and approve of the First Mortgage Loan in the amount not to exceed $ ____

______________________________	______________________________
Signed - Pastor	Signed - District Superintendent
______________________________	______________________________
Print - Pastor	Print - District Superintendent
______________________________	______________________________
Date	Date

NEW BUILDINGS 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 based on facts submitted to the Board, this undertaking by the above church is / is not feasible and financially sound and we do / do not approve of 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 contact**

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: Michigan Area Loan Fund
Attn: Karen Thompson,
3347 Eagle Run Dr NE, Suite A, 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.