

LOAN / MORTGAGE APPLICATION

TORONTO UNITED CHURCH COUNCIL
UNIT 24, 30 WERTHEIM COURT
RICHMOND HILL, ON L4B 1B9
TELEPHONE: 905-771-5124 OR 1-800-235-8822
FAX: 905-771-5159

Congregation or Mission Unit

Name: _____

Address: _____

Origination Fee

A non-refundable origination fee of 0.5% of the loan request with a minimum of \$500 is to be made at the time the loan application is presented. The purposes of the fee is to offset the direct costs of TUCC pertaining to the administration and accounting of your loan at the time of application and during the first term (including but not limited to staff time and travel, audit fees, office costs, and Board expenses).

Capital Project Type (select one plus sub-type if applicable)

1. Capital Retrofit / Repairs []

Accessibility retrofit	[]	Room refurbishing	[]
Fire retrofit	[]	Parking lot repairs	[]
Heating system repair	[]	Organ repairs	[]
Roof replacement	[]	Manse repair / renovation	[]

2. Building Construction []

Addition to / replacement of existing building	[]
Renovation to accommodate an amalgamation	[]
New building construction on vacant land	[]
Retrofit of newly acquired existing building	[]

3. Property Acquisition []

New site (vacant land)	[]	Existing site expansion	[]
New site (existing building)	[]	Manse acquisition	[]
Relocation site / building	[]		

4. Other (specify) []

Financing Category (select one and complete required information)

Guideline - The repayment period shall normally not exceed five years for loans of up to \$50,000, ten years for loans of \$51,000 to \$100,000, and twenty-five years for loans over \$101,000.

1. Short-Term Loan (under \$50,000 secured by Promissory Note) []

Amount required: \$ _____

Repayment period: 5 years []
Other (specify) _____

2. Mortgage Loan (over \$50,000) []

Amount required: \$ _____

Repayment period: 5 years []
10 years []
15 years []
20 years []
25 years (maximum) []

3. Bridge Loan (interest payments only) []

Amount required: \$ _____

Bridge period: _____

This loan will be repaid by

(1) _____ or upon

(2) _____, whichever comes first.

(1) Specific date, not to exceed three years from loan date.

(2) Specific action such as sale of property, maturity of investments, etc.

Security for loan: Promissory Note (under \$50,000) []
First mortgage []
Assignment of investments []
Other (specify) _____

For Financing Categories 1 and 2, the following must be completed.

1. Capital project budget:

<u>Project Cost</u>	\$	<u>Financing Sources</u>	\$
Total project cost	_____	Cash on hand	_____
		TUCC loan	_____
		Other UC loan(s) (1)	_____
		Bank loan	_____
		Other loan(s) (2)	_____
TOTAL	=====	TOTAL	=====

(1) Example: loans from General Council, Presbytery Corporations and Extension Councils, etc.

(2) Example: loans from members and friends of the congregation / mission unit or from government.

2. Capital fund raising initiative:

Is the congregation or mission unit undertaking a capital fund raising campaign specifically to assist with the financing of this project?

Yes [] No []

If yes, would the congregation or mission unit be willing to sign an undertaking that net gifts and pledges received from the campaign would be directly applied to TUCC debt reduction?

Yes [] No []

For Financing Categories 2 and 3 (if security for 3 is a mortgage), the following information for the property to be secured must be completed.

1. Type / use of property -

- Church site / building []
- Mission unit site / building []
- Manse []
- Other (specify)

2. Legal description of property:

3. Assessment Roll Number of property:

4. Property Insurance information -

Name of insurance company:

Policy number:

Replacement cost guarantee:

5. Will a municipal site plan be registered on title?

Yes [] No []

6. Is there any reason why TUCC cannot place a first mortgage on the property?

Yes [] No []

If yes, give reason:

For all Financing Categories, the following information must accompany this application:

1. The most recent Annual Report of the congregation or mission unit.
2. The most current financial statement for the congregation or mission unit.
3. A record of the previous year's giving pattern for the congregation (if not included in the Annual Report).

Weekly \$ average	Number of contributing households
0 – 5	_____
6 – 10	_____
11 – 20	_____
21 – 30	_____
31 – 40	_____
41 – 50	_____
over 50	_____

4. The full contact information for the following people (name, address, phone number, fax and email):

For congregations -

- The Contact Person for this application
- The Minister
- The Treasurer
- The full membership of the Board of Trustees
- The lawyer for the congregation

For mission units -

- The Contact Person for this application
- The Executive Director
- The Finance Officer / Treasurer
- The Signing Officers of the Board of Directors
- The lawyer for the mission unit

5. Additional information you feel would be helpful to Tucc in assessing this loan application. This may include but is not limited to:
 - A statement of the vision of the project describing what the congregation / mission unit is attempting to do and why it is attempting to do it.
 - A narrative setting out the demographic changes in the community and/or congregation.
 - A five-year projection for membership, program and finances.

The applicant acknowledges the following matters pertaining to the approval process and management of the loan:

1. This application is deemed to be incomplete until TUCC receives in writing a resolution of the Presbytery (or Conference) giving permission to the applicant to be indebted and to seek a loan from TUCC (see *The United Church Manual, Section 267*).
2. The maximum term for any loan is three years. All additional three-year terms are technically new loans and, therefore, must receive Presbytery (or Conference) permission for the renewal. Upon each renewal, a non-refundable renewal fee of 0.25% of the outstanding balance with a minimum of \$250 will be invoiced and paid 90-days prior to the renewal date. The purposes of the fee is to offset the direct costs of TUCC pertaining to the administration and accounting of your loan at the time of renewal and during the term (including but not limited to staff time, audit fees, office costs, and Board expenses).
3. The applicant is responsible to seek such permissions from the Presbytery (or Conference), to provide that court with the information required to make its decision, and to have the secretary of the court communicate its decision in writing to TUCC.
4. If and when the loan is approved or renewed, the legal expenses of TUCC's lawyers in acquiring, preparing, updating and registering a first mortgage on the property are the responsibility of the applicant.
5. No draws on borrowed funds will be permitted until TUCC's security (promissory note or mortgage) has been signed by the applicant's Trustees and appropriately registered. For this reason, the applicant should attend to administrative requests from TUCC and TUCC's lawyers in a timely manner.
6. The application is terminated if the first draw is not forwarded within three months of the approval. Amounts drawn must be in increments of \$25,000 or more to a maximum of three draws. Draws will be deemed as being complete six months from the approval date unless a request for an extension is granted by TUCC.
7. All applicants are required to have valid and current property insurance remain in place on the mortgaged property for the life of the loan. The applicant must supply TUCC with a new *Certificate of Insurance* on or before the date of each annual insurance renewal. TUCC must be added as an "additional insured" on the policy.

Signature of applicant

Signature of applicant

Print name: _____

Print name: _____

Office: _____

Office: _____

Date: _____

Date: _____