

Procedure for Securing a Two-Year Missions Team Loan

General Information:

The Board of Missions, Inc. of the North Carolina Annual Conference of the United Methodist Church administers a loan fund to assist churches with meeting emergency needs. Such needs would include unexpected but necessary repair or replacement of heating and air conditioning systems, leaky roofs, etc. The fund is also used to make “bridge loans” to cover anticipated Duke Endowment building grants.

The **interest rate** for these loans fluctuates with the rate earned by a two-year Treasury note. The loan rate is fixed for the life of the loan with an additional ¼ percent charged by the Board of Missions, Inc. The loan is secured by a promissory note.

The **promissory note** is signed on behalf of the church by the church trustees, the pastor, and the district superintendent. *The Book of Discipline* prohibits any church officer from being personally liable for a church loan.

The **loan is to be repaid** semi-annually. Loan payments are to begin six months after the funds are disbursed to the church. There is no pre-payment penalty for paying the loan off early. Bridge loans to cover Duke Endowment grants are to be repaid when the grant from the Duke Endowment is received.

There are **no closing costs** associated with the loan.

Application Process:

A church that decides it needs a two-year loan for help with the replacement or repair of a roof or heating and air conditioning system, or other “emergency” should contact the Missions Office at the North Carolina Conference for an application form.

When the **completed form is returned to the Missions Office**, the members of the Missions Team will be polled. When their affirmative vote is secured, a promissory note will be issued.

When the **promissory note** is signed and returned to the Missions Office, the funds will be available to the church. The loans funds will be issued to the church upon written request by the pastor or chairperson of the trustees or building committee.

For more information contact the Board of Missions Office of the North Carolina Conference P.O. Box 1970, Garner, NC 27529. Phone: (800) 849-4433 or (919) 779-6115
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