

LOAN APPLICATION

From

LUTHERAN CHURCH EXTENSION SOCIETY of BUFFALO, NEW YORK

WE, the members of _____ (name) Church at _____ (address) hereby make application for a loan in the amount of \$_____ to be repaid in monthly installments (as per repayment amortization schedule attached) for a period of (select one product and complete interest rate(s) given following discussion with LCES Finance Committee Chair):

_____ 10 Years with initial rate interest at _____% for first 2 Years
And final rate of interest at _____% for last 8 Years

_____ 15 Years with interest at _____% for first 2 Years
And final rate of interest at _____% for last 13 Years

This application has been approved and authorized at a lawfully convened meeting of this congregation held on _____, 20_____, as evidenced by the Certificate of Resolution attached to this Loan Application.

(Please provide full detail of purpose of loan)

THIS CONGREGATION HEREBY AGREES THAT:

1. Every reasonable effort will be made to begin the project within SIX (6) months from the above date. The Society’s Board of Directors shall be apprised of the progress being made. If it appears that the six month limitation cannot be met, the Board should be consulted and an extension of the loan applied for which may necessitate an adjustment of the interest rate(s) charged by the Society in the sole discretion of its Finance Committee, as well as request for resubmission of current financials to ensure continued validity of the loan. It will be necessary to file a new application if no extension, beyond the one year period, is granted.

2. It will give to the Lutheran Church Extension Society of Buffalo, New York the required security for this loan in the form of a NOTE to be held by the Society until the full discharge of payments has been made.

3. It will cause to have written, and pay the premium costs for, the following (minimum) insurance coverage on the building(s) constructed, repaired or redecorated with, and contents provided by, this loan:

- a) Property Coverage: Fire and Lightning, and Extended Coverage in an amount not less than the principal amount of the loan in force;
- b) Liability Coverage;
- c) In the Mortgage Clause of each applicable insurance policy the "Lutheran Church Extension Society of Buffalo, New York" shall appear as Mortgagee; and a Memorandum of Insurance (or Certificate of Insurance) shall be furnished to the Society for each such insurance policy;

Proof that the mortgagee clause as described on such property coverage/liability coverage shall be provided to the Society on an annual basis, or upon written request.

4. It will pay interest on this loan at the rate of interest as set forth on page (1) of this Loan Application per annum as currently prescribed by the Lutheran Church Extension Society of Buffalo, New York.

5. It will pay to the Financial Secretary of the Society repayments on the principal and interest amount of this loan based on the Amortization Schedule(s) as agreed upon between the Lutheran Church Extension Society of Buffalo, New York and the authorized official representatives of this congregation.

6. Should this congregation sever its membership with the Lutheran Church Missouri Synod and/or the Lutheran Church Extension Society of Buffalo, or not remain a member in good standing of the Lutheran Church Extension Society, then the entire amount of the remaining principal balance of this loan together with any interest payable thereon shall immediately become due and payable to the Lutheran Church Extension Society of Buffalo.

7. In the event that this congregation should default (defined as more than six (6) total outstanding payments) in its payment under the terms of the Note, the congregation shall promptly execute a Deed in Lieu of Foreclosure, or a Mortgage, or other security as the Society may demand in its sole discretion upon majority vote of its Board of Directors, and this congregation shall be responsible for any and all fees associated therewith, including any approval required by the New York State Attorney General or Supreme Court of the State of New York.

8. It will cause its delegates to attend all meetings of the Society's Delegate body and will submit at each of said meetings a written status report concerning its congregation and this loan, if granted.

9. During the term of the loan, this congregation will further cause any and all of its financial records to be submitted to the Society's Finance Committee for audit, upon request, to ensure continued viability of the loan.

Date of Application: _____, 20____. _____ Church

Pastor

By: _____
President