

**Florida Baptist Convention  
Church Site Interest Free Loan Program  
Guidelines**

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1. The Church Site Interest Free Loan shall be limited to a maximum of \$100,000 to assist a Florida Baptist Convention member church in obtaining a first piece of property for itself or its mission. This loan shall not exceed 100% of the purchase price of the property, as established by an MAI or equivalent appraisal.
2. The loan shall be repaid on a monthly basis at no interest on the following twelve year repayment schedule:

Loan Year	1	2	3	4	5	6	7	8	9	10	11	12
% of Loan Balance To Repay (at 0% interest rate)	4%	4%	5%	6%	7%	8%	9%	10%	11%	11%	12%	13%
Monthly Payment Amount For \$100,000 Loan	\$333	\$333	\$417	\$500	\$583	\$667	\$750	\$833	\$917	\$917	\$1,000	\$1,083

3. Churches receiving a Church Site Interest Free Loan are expected to make regular monthly loan payments on a timely basis. Payments more than thirty days past due will result in a late fee of \$250 per late payment which will be added to the outstanding loan balance.
4. The loan shall be evidenced by a promissory note and secured by a first or second mortgage.
5. A cooperating Southern Baptist Church with an outstanding Church Site Interest Free Loan, maintaining fellowship with the Florida Baptist Convention and its local association, may prepay their loan at any time during the life of the loan without penalty.
6. A church receiving a Church Site Interest Free Loan shall at all times while this loan is in effect continue to be a cooperating Southern Baptist Church maintaining fellowship with the Florida Baptist Convention and its local association. In the event the church ceases to be a cooperating church, the Florida Baptist Convention, through its Executive Director-Treasurer, shall have the right to accelerate maturity on the loan. Non-cooperation with the Southern Baptist Convention, the Florida Baptist Convention, and its local association, shall be determined by the Florida Baptist Convention, acting through its Board of Missions and the Executive Director-Treasurer. At the time of loan acceleration the loan shall convert to an 8% loan on the outstanding balance, with the balance being immediately due and payable.
7. It is recommended that a church or mission not borrow an amount large enough to cause its payments on total debt service to be more than 33 percent of its annual income. No loan shall be approved which would cause the total debt service, including the Church Site Interest Free Loan, to be more than 45 percent.
8. Since an important purpose of the application process is to assist the applicant and the Committee in thoroughly evaluating the appropriateness and fair value of a specific site, or site with building, any action by the applicant that results in purchase or a binding commitment to purchase the property prior to action by the Committee may provide reason to deny the financial assistance.

The church must work closely with the Church Revitalization & Loans Department to receive counsel and guidance prior to signing a contract to purchase property. All such contracts should contain contingencies covering all outstanding issues and allowing for contract approval from the Director of the Church Revitalization & Loans Department.

In order to be eligible for financial assistance, a church or mission must contact the Church Revitalization & Loans Department within 60 days after the closing date on the purchase of a first piece of property, and a completed application must be received by the Church Revitalization & Loans Department no later than six months after the closing date. If this requirement is not met, the church will no longer be eligible to apply for financial assistance.

The following paragraph will be incorporated in a document signed by a Church Site Committee representative and a person representing the church:

This procedure does not constitute in any way Church Site Committee participation in the purchase and should the church make the purchase without Church Site Committee approval, it would be with the understanding that they could be responsible for the total cost; furthermore, the Church Site Committee is under no obligation to approve this purchase.

9. The purchase agreement contracts shall include acceptable provisions in the following areas: zoning, water and sewer, environmental audit (when appropriate or conditions warrant), utilities, engineering of property, clear title, access, sign ordinances and all other matters relating to the building and operation of a church or a mission. In instances where the zoning provision cannot be included in the purchase agreement contract because of county and/or city zoning requirements, the Florida Baptist Convention Church Site Committee may give approval contingent upon receiving satisfactory documentation.
10. The Committee prefers to consider an application for financial assistance only when the application form is complete and all the information requested is provided. A Florida Baptist Convention staff person shall visit the site early in the application process to inspect the site and to advise on application procedures. Subsequent to the receipt of the application, a site committee member will inspect the site.
11. The following policies relative to giving will apply to all churches and missions receiving financial assistance through the Church Site Committee:
  - a. Financial assistance shall be provided on a percentage basis equal to the percentage the applicant's gifts represent of the required 8% through the Cooperative Program and 2% to the association.
  - b. The applicant's Cooperative Program giving percentage for financial assistance purposes shall be based on its average percentage of gifts for the previous year and the current year-to-date.
  - c. The percentage of eligibility for a church which applies for financial assistance during its first year of existence shall be based on its average percentage of each month's gifts through the Cooperative Program, i.e., if a congregation gives two percent for three months and ten percent for one month, the total of the four months (16%) shall be divided by the number of months (four) to arrive at an average monthly percentage. The same approach will be used with associational missions giving. The Church Site Committee may defer its decision or give partial funding in instances where the applicant's history of Cooperative Program giving is too limited.
  - d. Churches or missions receiving financial assistance must commit to give annually to the Maguire State Mission Offering during the life of the loan.
  - e. Applicants whose average percentage of gifts through the Cooperative Program is less than the required 8% for undesignated receipts must take the initiative to schedule a presentation on the Cooperative Program through the Church Services Division of the Florida Baptist Convention.
  - f. "Applicant" is understood in these guidelines as the congregation which would hold title to the property.

12. The loan note will be credited with funds designated for the Church Site Interest Free Loan Fund by the sponsoring church and/or the mission. Cooperative Program funds may not be designated as repayments on loans.
13. The Executive Director-Treasurer is authorized to make such adjustments as may be deemed necessary, including such matters as substitutions, subordination, change in collateral security and extension of the maturity date of a note for a period not to exceed five years, provided the changes are in order and comply with Convention policy.
14. A sponsoring church or association may be relieved of financial liability for a loan made on behalf of a mission. The sponsored mission must be incorporated, and must show proof of financial capability of assuming responsibility for the mortgage. The parties involved in the original loan application must join in the request for transfer of liability.

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