

## APPLYING FOR A LOAN FOR CONGREGATIONS IN BALTIMORE PRESBYTERY

There are times in the life of every congregation when borrowing money is required. Sometimes money is needed to expand facilities to accommodate congregational growth in membership and/or ministry. Other times the needs are for maintenance and repair such as a new roof. Congregations housed in older facilities may discern the need to upgrade to provide more accessibility for the Physically disabled. Whatever the reason, the Presbytery of Baltimore is eager to help you and is required to approve the purchase, sale or loan related to church property (*G-4.0206*)

The only time a congregation is not required to get presbytery approval for a loan is if the loan is from a non-Presbyterian agency such as a commercial bank and is not secured by real estate.

Most loans are made from one of two sources:

1. The Trustees of Baltimore Line of Credit
2. The Presbyterian Investment and Loan Program ( <https://pilp.pcusa.org/>)

This packet contains the Application Form, information on the Trustee LOC loan and steps for a loan from Presbyterian Investment and Loan Program (PILP)

Application for both loans begins with the submission of the ***Preliminary Application Form*** to the Stated Clerks Office. The application will be forwarded to the Property and Loan Commission charged with making recommendation to the Trustees for approval. The Commission will meet with representatives from the congregation who will be asked to provide the following information:

1. Debt per giving unit – Is this a big loan?
2. Cash flow coverage – Can the church handle the payments?
3. % of revenue going to debt – Will it hurt your ability to continue your mission and ministry?

Please review the materials contained in this packet as you begin your loan process. The Presbytery is looking forward to partnering with you and answering any questions you have now or as the process moves forward.