

Application Kit

Loan Guarantee Assistance for Places of Worship and Other Nonprofit Institutions Damaged by Acts of Arson or Terrorism

Sponsored by the

U.S. Department of Housing and Urban Development

Office of Community Planning and Development

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Part I

To: Places of Worship, Other Nonprofit Organizations and Financial Institutions

From: United.States. Department of Housing and Urban Development
Office of Community Planning and Development

Subject: Submission Information and Guidance for Loan Guarantee Pursuant to Section 4 of the Church Arson Prevention Act of 1996

The U.S. Department of Housing and Urban Development (HUD) welcomes your interest in the Loan Guarantee Recovery Fund. The enclosed materials and information have been prepared to assist your organization in better understanding the types of assistance available for affected organization and to have in-depth information on this loan guarantee program for rebuilding purposes.

For Loan Guarantee Assistance.

Rebuilding assistance from HUD may be obtained in the form of a guaranteed loan. To inform you in more detail about this program, this Application Kit includes a Table of Contents with a listing of application forms in Part I this communication, as well as a Fact Sheet and guidelines to the program regulations at 24 CFR 573. Part II includes forms for submission of a guarantee application.

Actions to be taken by Nonprofit Organization and State or Local Government Official.

Please note that this submission package includes forms to be completed by the Place of Worship or other eligible nonprofit organization the "Nonprofit" or "Nonprofit Organization") or by a State or local government official. We note in particular the importance of two of these forms, the Certification of an Act of Arson and the Features of Damaged Structure(s). The first is to be signed by a State or local official authorized to investigate possible acts of arson. The Features of Damaged Structure(s) form is to provide to the Financial Institution and HUD as much information as possible about the structure and property that has been damaged or destroyed so that an estimate can be made of what it would cost to rebuild, in your local market, the same or similar structure and related property.

The eligible Nonprofit Organization is to complete the attached forms 1-13, as identified in the Table of Contacts, and to submit the documents to the Financial Institution as part of its loan request. If the loan requested is for a refinancing of an existing loan. the Nonprofit should complete the form identified as number 15 in the Table of Contents.

Fact Sheet

Section 4 Loan Guarantee Recovery Fund United States Department of Housing and Urban Development Office of Community Planning and Development

The Loan Guarantee Recovery Fund is a program authorized under Section 4 of the Church Arson Prevention Act of 1996. Section 4 authorizes HUD to guarantee loans made by financial institutions to certain nonprofit organizations to finance activities designed to remedy the damage and destruction to real and personal property caused by acts of arson or terrorism. Regulations governing the Section 4 Loan Guarantee Recovery Fund are found at 24 CFR part 573. [See also the web site at <http://www.hud.gov/offices/cpd/economicdevelopment/programs/section4/index.cfm>.]

An application for a loan guarantee is submitted to HUD by a qualified Financial Institution on behalf of an eligible Borrower.

"Eligible Borrower" means an organization described in section 501(c)(3) of the Internal Revenue Code of 1986, as amended, whose property has been damaged or destroyed as a result of an act of arson or terrorism and that incurs a debt obligation to a financial institution for the purpose of carrying out activities eligible under 24 CFR 573.3. Though the organization may not have sought or obtained a ruling from the IRS under the section, its purpose must be consistent with that of organizations described therein. [See 24 CFR 573.2]

"Financial Institution" means a lender, which may be a bank, trust company, savings and loan association, credit union, mortgage company, or other issuer regulated by the Federal Deposit Insurance Corporation, the Office of Thrift Supervision, the Credit Union Administration, or the U.S. Comptroller of the Currency. A Financial Institution may also be a Pension Fund. [See 24 CFR 573.2]

"Eligible activities" [See 24 CFR 573.3] include the following activities when certified in accordance with §573.6(e) that the activity is necessary to address damage caused by an act or acts of arson or terrorism as certified in accordance with §573.6(f):

- (a) Acquisition of improved or unimproved real property in fee or under long term lease.
- (b) Acquisition and installation of personal property.
- (c) Rehabilitation of real property owned, acquired, or leased by the Borrower.
- (d) Construction, reconstruction or replacement of real property improvement.
- (e) Clearance, demolition, and removal, including movement of structures to other sites, of buildings, fixtures and improvements on real property.
- (f) Site preparation, including construction, reconstruction, or installation of site improvements, utilities, or facilities, which is related to the activities described in paragraph (a), (c), or (d) above.

(g) Architectural, engineering and similar services necessary to develop plans in connection with activities financed under paragraph (a), (b), (c), or (d) above.

(h) Acquisition, installation and restoration of security systems.

(i) Loans for refinancing existing indebtedness secured by a property which has been or will be acquired, constructed, rehabilitated or reconstructed, if such financing is determined to be appropriate to achieve the objectives of the Act and this part.

(j) Other necessary project costs such as insurance, bonding, legal fees, appraisals, surveys, relocation, and closing costs, which have been paid or incurred by the Borrower in connection with the completion of the above activities.

Replacement of Damaged Property [See 24 CFR 573.7(a)(4)]

As provided in Section 24 CFR 573.7(a)(4) of the regulations governing the use of the guaranteed loan funds, HUD may limit loan guarantees to loans financing the replacement of damaged property with comparable new property.

HUD considers the term “comparable new property” to mean a structure or structure(s) with similar quantitative and qualitative features as the damaged property. Generally, the comparable new property would be approximately the same or similar in size, materials, and design as the original structure prior to the arson or terrorism incident. A comparable new property must meet local building codes (as well as local or national historic property standards, if applicable) and is handicapped accessible.

Where a need can be demonstrated for features not required by the local building codes, such as fire retardant materials, security systems or the like, HUD may allow up to an additional 20% of the replacement cost of the comparable new property to be used to defray such additional expenditures. HUD may finance the construction of a comparable new property larger in square footage than the damaged property. However, a new property may be permitted to be larger than 20% of the damaged property on a case-by-case basis only where reasonable growth assumptions can be supported.

Estimating the cost of a comparable new property requires as much knowledge as possible about the damaged or destroyed property. That knowledge may be gained from one or more of the following sources: (1) original building plans of the property before the act of arson or terrorism; (2) foundation layout, footprint, drawings or sketches, surveys, and/or photos of the original structure’s dimensions (total square footage), exterior and interior materials, equipment and systems (i.e. heat, air and plumbing) that were in place before the property was damaged or destroyed.

Submission Requirements

Nonprofit Organization.

A nonprofit organization, including a place of worship, applies to a Financial Institution for a loan to finance eligible activities. The Financial Institution, in turn, applies to HUD for a guarantee of the loan it will make to the nonprofit organization. The nonprofit's loan application shall include the following information [See also forms 1-14 identified in the Table of Contents]:

-
- a description of the assistance needed, including eligible activities
 - a statement of other funds available to finance the eligible activities;
 - a certification from the nonprofit organization that the activities to be assisted resulted from an act of arson or terrorism;
 - a certification by a Qualified Certification Official (QCO) that the damage or destruction to be remedied resulted from an act of arson or terrorism;
 - environmental documentation required under the regulations;
 - replacement information on the damage/destroyed structure;
 - construction/rebuilding plans for the new structure; and
 - other information required by the Financial Institution.

Financial Institution.

A Financial Institution shall submit its request for a loan guarantee to HUD. The submission is to include:

- the nonprofit's loan application;
- a narrative of the Financial Institution's underwriting standards used in underwriting the nonprofit's loan request that includes an analysis of the nonprofit organization's ability to pay loan debt service and the value of the collateral assigned or pledged as security for the repayment of the loan. (In refinancing transactions, advise HUD of any premium or discount to be assessed);
- the interest rate on the loan (which rate shall take into account the value of the HUD guarantee) plus any fees to be charged; and
- the percentage of the loan for which a guarantee is requested.

Loan Term and Repayment Schedule.

Loans may be guaranteed for up to 20 years with flexible repayment terms.

Underwriting Criteria.

Nonprofits seeking a loan will note that a Financial Institutions may use its usual underwriting standards which may include a review of:

- financial statements for the past 3 to 5 years
- the size of the congregation or membership for the past 3 to 5 years
- monthly collections or revenues
- real and personal property owned and pledged as collateral
- a formal cost proposal for construction or rehabilitation of all damaged or destroyed real property
- a formal cost proposal or use of loan other than for the construction or rehabilitation of all damaged or destroyed real property
- property replacement information
- a history of debt service performance or cash flow available from collections and other revenues to repay the loan

Further Definitions [See also 24 CFR 573.3]

Arson means a fire or explosion causing damage to (or destruction of) real or personal property that a Qualified Certification Official determines, or reasonably believes, to be deliberately set.

Terrorism means an act of violence causing damage to (or destruction of) real or personal property that the Secretary or his designee, in consultation with the Federal Bureau of Investigation, determines to be, or reasonably believes to be, a terrorist act, as defined by applicable Federal law or guidelines.

Qualified Certification Official (QCO) (1) For the purpose of certifying an act of arson. A State or local official authorized to investigate possible acts of arson. For the purposes of this definition, such an official is authorized to execute an Official Incident Report or its equivalent. The term “Qualified Certification Official” also includes HUD, which will consult with the Bureau of Alcohol, Tobacco, and Firearms of the Department of the Treasury in making its determinations. (2) For the purpose of certifying an act of terrorism. The Secretary or his designee, in consultation with the Federal Bureau of Investigation, shall determine whether an act of violence is a terrorist act or is reasonably believed to be a terrorist act.

Additional Information

For more information contact the HUD Washington, D.C. office at (202)708-2290. Information, including regulations for the Section 4 Guarantee Recovery Fund, is also available on the web site at <http://www.hud.gov/offices/cpd/economicdevelopment/programs/section4/index.cfm>.

Part II

Authorization to Seek Loan Guarantee

Certification Authorizing Person(s) to Seek Loan Guarantee Assistance and to Execute Loan Documents under Section 4 of the Church Arson Prevention Act of 1996

The governing body of [name of Borrower] _____ (the "Borrower") has duly adopted or passed as an official act a resolution, motion or similar action authorizing the below identified person(s) as the official representative(s) of the (church/nonprofit) to submit to a financial institution for Section 4 Loan Guarantee Assistance an application and amendments thereto and all understandings and assurances contained therein, and directing and authorizing the person(s) identified as the official representative(s) of the (church/nonprofit) to act in connection with the application to provide such additional information as may be required. Such person(s) is also authorized by resolution to execute all documents necessary or desirable to accomplish the transaction.

<u>Name of Authorized Person</u>	<u>Title</u>
1. _____	_____
2. _____	_____
3. _____	_____
4. _____	_____

Certification Officials

Signature

Signature

Name

Name

Title

Title

Date

Date

Eligibility Statement

Eligibility Statement by Nonprofit Entity for Assistance under Section 4 of the Church Arson Prevention Act of 1996

The Borrower, [name of Borrower] _____ is an organization described in the following Section 501(c)(3) of the Internal Revenue Code of 1986 as amended:

"Corporations, and any Community chest, fund, or foundation, organized and operated exclusively for religious, charitable, scientific, testing for public policy, literary, or educational purposes, or to foster national or international amateur sports competition (but only if no part of its activities involve the provision of athletic facilities or equipment) for the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private shareholder or individual, no substantial part of the activities of which is carrying on propaganda, or otherwise attempting to influence legislation (except as otherwise provided in subsection (h)), and which does not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of (or in opposition to) any candidate for public office."

Signature

Signature

Name

Name

Title

Title

Date

Date

Certification of Eligible Activities

The governing body of [name of Borrower] _____ hereby certifies that funds to be guaranteed by the U.S. Department of Housing and Urban Development will be used to finance the following eligible activities which are necessary to address damage or destruction caused by an act or acts of arson or terrorism as certified under appropriate provisions of the regulations governing the "Loan Guarantee Recovery Fund."

<u>Activity</u>	<u>Activity To Be Assisted</u>	
	Yes	No
(a) Acquisition of improved or unimproved real property in fee or under long term lease.	___	___
(b) Acquisition and installation of personal property.	___	___
(c) Rehabilitation of real property owned, acquired or leased by the Borrower.	___	___
(d) Construction, reconstruction or replacement of real property improvement.	___	___
(e) Clearance, demolition, and removal, including, movement of structures to other sites, of buildings, fixtures and improvements on real property.	___	___
(f) Site preparation, including construction, reconstruction, or installation of site improvements, utilities, or facilities, which is related to the activities pursuant to items (a), (c) or (d) above.	___	___
(g) Architectural, engineering and similar services necessary to develop plans in connection with activities financed under items (a), (b), (c) and (d) above.	___	___
(h) Acquisition, installation and restoration of security systems.	___	___
(i) Loans for refinancing existing indebtedness secured by a property which has been or will be acquired constructed, rehabilitated or reconstructed. If such financing is determined to be appropriate to achieve the objective of title regulations and the statute.	___	___
(j) Other necessary project costs such as insurance, bonding, legal fees, appraisals, surveys, relocation, closing costs, etc., paid or incurred by the Borrower in connection with the completion of the above activities.	___	___

Signature: _____ Signature: _____

Name: _____ Name: _____

Title: _____ Title: _____

Date: _____ Date: _____

Statement of Sources of Assistance

Statement of Sources of Assistance

Sources of Funds	Yes	No	Estimated Amount
Financial Institution (Loan guaranteed by HUD)			
Financial Institution (Loan not guaranteed by HUD)			
National Council of Churches			
Congress of National Black Churches			
Borrower/ [Nonprofit/Church] Funds			
Private Donations			
Insurance Funds			
Other			

Borrower Certification for Assisted Activities

Borrower Certification for Assisted Activities as a Result of a Qualified Incident of Arson or Terrorism

Background

The Church Arson Prevention Act of 1996, Section 4, (P.L. 104-155) authorizes the U.S. Department of Housing and Urban Development (HUD) to guarantee loans made by financial institutions to certain nonprofit organizations to finance activities designed to remedy the damage and destruction to real and personal property caused by acts of arson or terrorism. Prior to HUD's provision of the loan guarantee, the Borrower of funds from a financial institution seeking a Section 4 Guaranteed Loan must certify that the activities to be assisted by the Guaranteed Loan are the same activities that are certified to by a Qualified Certification Official, pursuant to 24 CFR Part 573.6(f).

Summary of Incidence(s) of Arson or Terrorism

The Secretary of HUD or his designee, in consultation with the Federal Bureau of Investigation, shall determine whether an act of violence is a terrorist act or is reasonably believed to be a terrorist act. The Borrower is requested to complete the following information to assist in that certification.

1. Description of Real or Personal Property: _____
2. Address/Location of Real or Personal Property
Street: _____
City/Town: _____ State: _____ Zip Code: _____
3. Date(s) of Incident(s) of Arson or Terrorism [if exact date is unknown, provide date of first report of incident(s)]:
4. Brief description of damage to or destruction of the Real or Personal Property described in 1. above and/or description of act(s) of arson or terrorism:

The Borrower certifies that the activities for which funds are sought are the same activities that are the subject of the certification provided (or to be provided) by the Qualified Certification Official.

I am an authorized representative of the Borrower and I am authorized to execute this Certification on behalf of the Borrower.

Signature of Borrower's Authorized Official: _____

Name: _____

Street Address: _____

City _____ State _____ Zip Code _____

Definitions:

Borrower means an organization described in section 501 (c) (3) of the Internal Revenue Code of 1986, as amended, whose property has been damaged or destroyed as a result of an act of arson or terrorism and that incurs a debt obligation to a Financial Institution for the purpose of carrying out activities eligible under 24 CFR 573 Loan guarantee Recovery Fund.

Certification of an Act of Arson

(To be completed by a State or Local Official as Qualified Certification Official (QCO))

Background

The Church Arson Prevention Act of 1996, section 4, (P.L. 104-105) authorizes the U.S. Department of Housing and Urban Development (HUD) to guarantee loans made by financial institutions to certain nonprofit organizations to finance activities designed to remedy the damage and destruction to real and personal property caused by acts of arson or terrorism. Prior to HUD's provision of the loan guarantee, a certification must be provided by a Qualified Certification Official (QCO) that the damage or destruction to be remedied by the use of the Guaranteed Loan Funds resulted from an act of arson or terrorism.

Description of Incident(s) of Arson

If the following information is contained in an official incident or other equivalent report that has been completed, it may be attached in lieu of completing this section. Otherwise, complete the description of the property and related damage, as well as completing the Certification of an Act of Arson below. Check if Incident Report is attached.

1. Description of Real or Personal Property:

2. Address/Location of Real or Personal Property

Street: _____

City/Town: _____ State: _____ Zip Code: _____

3. Date(s) of Incident(s) of Arson (if exact date is unknown, provide date of first report of incident(s)):

4. Brief description of damage to or destruction of the Real Personal Property described in **item 1. above**:

Certification of Qualified Certification Official

I, (enter name) _____, have determined or reasonably believe that the damage or destruction to the real or personal property described on the front was deliberately set.

I am a State or local official authorized to investigate possible acts of arson and am authorized to execute an Official Incident Report or its equivalent.

Signature: _____

Name: _____

Title: _____

Agency/Office: _____

Street: _____

City: _____ State: _____ Zip Code: _____

Telephone: _____

Definitions:

1. **Arson** means a fire or explosion causing damage to (or destruction of) real or personal property that a Qualified Certification Official determines, or reasonably believes, to be deliberately set.
2. **Qualified Certification Official (QCO)**
 - (a) For the purpose of certifying an act of arson. A State or local official authorized to investigate possible acts of arson. For the purposes of this definition, such an official is authorized to execute an Official Incident Report or its equivalent and may be an official or employee of such agencies as the local fire department, the local police department, or the State Fire Marshall's Office or its equivalent. The term "Qualified Certification Official" also includes HUD, which will consult with the Bureau of Alcohol, Tobacco, and Firearms of the Department of the Treasury in making its determinations.
 - (b) For the purpose of certifying an act of terrorism. The Secretary or his designee, in consultation with the Federal Bureau of Investigation, shall determine whether an act of violence is a terrorist act or is reasonably believed to be a terrorist act.
3. **Terrorism** means an act of violence causing damage to (or destruction of) real or personal property that the Secretary or his designee, in consultation with the Federal Bureau of Investigation, determines to be, or reasonably believes to be, a terrorist act, as defined by applicable Federal law or guidelines.

Information Regarding Incident

To assist in determining or better understanding why your organization's property was damaged or destroyed by fire, please provide any information (copies of newspaper articles, police reports or other accounts you or others may have) which might help to document the motivation or likely reason (i.e. religious hatred) this incident took place.

List of information attached:

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____
8. _____
9. _____
10. _____

Additional Comments:

Environmental Thresholds

HUD will need your assistance to determine whether an environmental assessment is required in connection with your rebuilding initiative. In providing this assistance, we encourage you to use the expertise of architectural and engineering consultants who should answer the list of questions on environmental factors. They may also provide information in their plan narratives as to how their construction plans conform with the environmental factors. Have these consultants assist you in answering the questions below for submission with your application to the Financial Institution.

In addition to assistance from an architect or engineer in answering the questions below, you can use qualified data sources to obtain relevant environmental information about the property you are rebuilding. A qualified data source includes any Federal, State, or local agency with expertise or experience in environmental protection (e.g., the local community development agency; the local planning agency; the State environmental protection agency, or the State Historic Preservation Officer) or any other source qualified to provide reliable information on the particular property.

Answer either Section A or Section B.

A. For rebuilding plans involving **minor** rehabilitation of a building and acquisition of any property, please answer the following questions.

Please answer the following questions:	Yes	No
(1) Is the property to be assisted located within designated coastal barrier resources?	___	___
(2) Is the property contaminated by toxic chemicals or radioactive materials?	___	___
(3) Is the property located within a floodplain?	___	___
(4) Is a building involved for which flood insurance protection is required?	___	___
(5) Is the property located within a runway clear zone at a civil airport or within a clear zone or accident potential zone at a military airfield?	___	___
(6) Is the property listed on, or eligible for listing on, the National Register of Historic Places; located within, or adjacent to, an historic district, or is a property whose area of potential effects includes a historic district or property?	___	___

[form continues on next page]

B. For rebuilding plans involving **major** rehabilitation of a building or for new construction or rebuilding, an environmental assessment under NEPA is required.

Please answer the following questions:

Yes **No**

- | | | |
|--|-----|-----|
| (1) Does the property affect coastal zone management? | ___ | ___ |
| (2) Is the property located near hazardous industrial operations, handling fuels or chemicals of an explosive or flammable nature? | ___ | ___ |
| (3) Does the property affect a sole source aquifer? | ___ | ___ |
| (4) Does the property affect endangered species? | ___ | ___ |
| (5) Is it located within a designated wetland? | ___ | ___ |
| (6) Is it located in a high noise area? | ___ | ___ |

Signature: _____

Name: _____

Title: _____

Agency/Organization/Firm: _____

Certification: Information on Damaged Property

Name of Church/Nonprofit: _____

Date of Incident: _____

To help ensure the best estimation of the cost to replace the property damaged or destroyed by arson, the following information is requested:

Option I. If available, please provide photos of the property prior to and after the arson damage. Also provided the original building plans, foundation layout, footprint, other drawings, sketches and/or surveys of the original structure.

Also, please check which of the following enhancement features will be part of your rebuilt structure:

Fire Retardent Materials	_____	Handicap Accessibility Features	_____
Security Systems	_____	Energy Conservation Items	_____
Life and Safety Improvements	_____		

Option II. If the items requested under Option I are not available, please answer the questions below and complete the chart to identify quantitative and qualitative features of the property prior to its damaged or destruction. You are welcome to add comments in narrative form to elaborate or explain any feature(s) of the property.

What was the gross square feet of the original structure(s)? _____

Was the damage limited to one structure or more? Please explain.

Were additions made to the original structure? Yes____ No____
Dates of those additions?

What was the seating capacity of the former structure?

Do you anticipate any unusual site improvements or landscaping at the site to prepare it for the new structure? Please explain.

Will any special utilities (i.e.,water, sewer) be brought to the site for the new property? Please explain.

Will you be assessed any special fees by the city/county as part of the cost of rebuilding? Please explain.

Features of Arson-damaged Structure(s)

Exterior Wall: Circle the primary type or combination:

Wood-Frame	Solid Masonry	Hollow Cinder Block	Brick Veneer	Stucco
Wood Siding	Vinyl Siding	Aluminum Siding	Brick	Other

Roofing Material: Circle the primary type or combination:

Asphalt	Gravel	Shingle	Tile	Other
---------	--------	---------	------	-------

Interior Features: Mark the interior features and provide information requested:

Features	Was part of original structure	Was not part of original structure	Square feet	Other information required
----------	--------------------------------------	--	-------------	-------------------------------

Sanctuary	Ceiling Height*
<hr style="border-top: 1px dashed black;"/>	
Choir Seating	
<hr style="border-top: 1px dashed black;"/>	
Pastor's Office	
<hr style="border-top: 1px dashed black;"/>	
Church Office	Ceiling Height*
<hr style="border-top: 1px dashed black;"/>	
Choir Room	
<hr style="border-top: 1px dashed black;"/>	
Fellowship Hall	
<hr style="border-top: 1px dashed black;"/>	
Kitchen	
<hr style="border-top: 1px dashed black;"/>	
Dining Hall	
<hr style="border-top: 1px dashed black;"/>	
Rest Rooms	
<hr style="border-top: 1px dashed black;"/>	
Class Rooms	
<hr style="border-top: 1px dashed black;"/>	
Nursery	
<hr style="border-top: 1px dashed black;"/>	
A/C	
<hr style="border-top: 1px dashed black;"/>	
Heating	
<hr style="border-top: 1px dashed black;"/>	
Security System	
<hr style="border-top: 1px dashed black;"/>	
Stain Glass Windows	
<hr style="border-top: 1px dashed black;"/>	
Basement (Circle one)	Partial Full None
<hr style="border-top: 1px dashed black;"/>	
Floor Type?	

* Height of ceilings impact cost, so please explain.

General Guidelines - Financial Data

The examples below are possible items of information the financial institution may request from nonprofit organizations seeking a loan to be guaranteed by HUD:

1. Financial Statements for the last two years and year-to-date.
 - a. Income Statement showing income received and disbursed. (Weekly information may need to be summarized, or submit the organization's annual report).
 - b. Balance Sheet showing assets, liabilities, etc.
2. A brief history of when the organization was founded; how it developed over the years and its incorporation status.
3. Size: now and over the next 3 to 5 years.
4. Projected revenues based on active membership and expected future active members.
5. Basis for the amount of loan funds requested.
6. Profile of the organizational structure.
7. History of debt or recent debt account(s) paid and an authorization for the bank to obtain a copy of this information from a credit agency or have a credit agency send such information to the organizations which would in turn send the credit report to the bank. In lieu of this, the bank may accept credit applications on certain members.
8. An environmental report on the building assessing termites, asbestos, and other possible contamination conditions.
9. An appraisal of the property preferably by an MIA appraiser with local area experience.

Items to consider prior to seeking a loan from a bank.

General Information

Name of organization: _____

Legal structure (Corporation, Partnership, Other): _____

Is the organization incorporated under the laws of State where located? Yes ___ No ___

Address: _____

Telephone: _____

Name of Primary contact _____

Tax ID number _____

Inception date of organization _____

Length of time at current location _____

Number of worship services held per week _____

When are offerings collected _____

Seating capacity of current facility _____

Name of head clergyman _____

 Length of time with organization _____

 Full or part time _____

 Age of head clergyman _____

Names of other staff clergyman _____

Member of denomination body, if any? _____

How is body structured? _____

Contributions to body annually, if any? _____

What committee is in charge of financial related affairs? _____

What committees are in charge of other decisions? _____

What is the length of service for persons involved in decision making functions ? _____

Financial Information

Copy of financial statement _____

Fiscal Year _____

Operating Budget	_____	_____	_____
Actual Operating Income	_____	_____	_____
Membership	_____	_____	_____
Giving Units (family units or single, employed adults)	_____	_____	_____
Average Worship Attendance	_____	_____	_____
Average Sunday School Attendance	_____	_____	_____

Breakdown of Current Membership:

Under 18 _____
18-25 _____
25-35 _____
35-45 _____
45-55 _____
55-65 _____
65 + _____

When was the membership list last purged _____

List the individual amount given by your top ten donors:

1 \$ _____ 2 \$ _____ 3 \$ _____ 4 \$ _____ 5 \$ _____
6 \$ _____ 7 \$ _____ 8 \$ _____ 9 \$ _____ 10 \$ _____

Please provide a summary of any borrowings or capital additions completed in the last ten years.

Property Information

How many acres do you currently own? _____

Square footage of current facility _____

Date facility acquired _____ and cost \$ _____

List a description, year completed, and cost of any improvements

How far to the nearest associated church? _____

Project Information (Please attach all permanent budget, drawings, etc.) Please describe the current project (square footage, number of buildings, etc.)

Who is the architect? _____

Who is the contractor? _____

What is the total cost of the project? _____

Construction _____

Soft cost _____

Furniture Fixtures _____

Contingency _____

Land _____

Interest during construction _____

What is the amount of the loan request? _____

What is the estimated length of construction? _____

Are you/will you be involved in a special fund raising campaign for the project? Yes ___ No ___

What is/was the start date? _____

What is/was the length of the campaign? _____

How much is pledged to date? _____

How much has been collected to date? _____

Please list any pledges over \$25,000? _____

Did you/will you use a professional fund raiser? Yes ___ No ___

If yes, which one? _____

Is the following insurance coverage in place?

Fire Yes ___ No ___

Extended Coverage Yes ___ No ___

Vandalism Yes ___ No ___

Malicious Mischief Yes ___ No ___

Will this coverage remain in force? Yes ___ No ___

Have all necessary local permits been received? Yes ___ No ___

Does the organization understand that in the mortgage there will be a clause that, in the event the organization ceases to cooperate with the local association in which the organization is located or affiliated, or if the property should be sold, leased or otherwise disposed of, the remaining indebtedness will become due and payable immediately? Yes ___ No ___

Additional Information Requested:

1. Resume from head clergyman
2. Brief history of organization
3. Last 5 years fiscal year end statements
4. Current budget
5. Operating projections for the next three years

Refinancing an Existing Loan

The Borrower shall provide to the lender, along with other required loan application documents, a statement that the nonprofit is requesting a refinancing of its guaranteed loan. The nonprofit should also document that the funds from the original loan were used to carry out eligible activities described in 24 CFR Part 573 of the HUD regulations [See also page 5 above for list of Eligible Activities].

Financial Institution - Information to HUD

Section 4 Loan Guarantee Recovery Fund

The following information is to be submitted by the Financial Institution from whom the nonprofit is seeking a loan to be guaranteed by HUD.

1. A statement that the organization is regulated by the FDIC, the Office of Thrift Supervision, Credit Union Administration or the U.S. Comptroller of the Currency.
2. The Nonprofit/Church's application documents.
3. A narrative of the underwriting standards used to review the Nonprofit's loan request that includes an analysis of the Nonprofit organization's ability to pay debt service and the value of the collateral assigned or pledged as security for the repayment of the loan. (In connection with a refinancing, advise HUD of any premium or discount that will be assessed in connection with the refinancing);
4. The term of the loan (up to 20 years): _____
5. The interest rate to be charged: _____
6. Any fees to be charged: _____
7. The percent of the loan HUD is to guarantee: _____

Statement of Eligibility of Financial Institution

To be submitted by the Financial Institution

The _____ is a financial institution as defined by 24 CFR Section 573.2, which is regulated by the FDIC, the Office of Thrift Supervision, Credit Union Administration or the U.S. Comptroller of the Currency.

Signature: _____

Name: _____

Title: _____

Date: _____

**Application for
Federal Assistance**

**U.S. Department of Housing
and Urban Development**

OMB Approval No.2501-0017
(exp. 03/31/2005)

1. Type of Submission <input type="checkbox"/> Application <input type="checkbox"/> Preapplication	2. Date Submitted	4. HUD Application Number																
	3. Date and Time Received by HUD	5. Existing Grant Number																
		6. Applicant Identification Number																
7. Applicant's Legal Name		8. Organizational Unit																
9. Address (give city, county, State, and zip code) A. Address: B. City: C. County: D. State: E. Zip Code:		10. Name, title, telephone number, fax number, and e-mail of the person to be contacted on matters involving this application (including area codes) A. Name: B. Title: C. Phone: D. Fax: E. E-mail:																
11. Employer Identification Number (EIN) or SSN		12. Type of Applicant (enter appropriate letter in box) <table border="0"> <tr> <td>A. State</td> <td>I. University or College</td> </tr> <tr> <td>B. County</td> <td>J. Indian Tribe</td> </tr> <tr> <td>C. Municipal</td> <td>K. Tribally Designated Housing Entity (TDHE)</td> </tr> <tr> <td>D. Township</td> <td>L. Individual</td> </tr> <tr> <td>E. Interstate</td> <td>M. Profit Organization</td> </tr> <tr> <td>F. Intermunicipal</td> <td>N. Non-profit</td> </tr> <tr> <td>G. Special District</td> <td>O. Public Housing Authority</td> </tr> <tr> <td>H. Independent School District</td> <td>P. Other (Specify)</td> </tr> </table>	A. State	I. University or College	B. County	J. Indian Tribe	C. Municipal	K. Tribally Designated Housing Entity (TDHE)	D. Township	L. Individual	E. Interstate	M. Profit Organization	F. Intermunicipal	N. Non-profit	G. Special District	O. Public Housing Authority	H. Independent School District	P. Other (Specify)
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H. Independent School District	P. Other (Specify)																	
13. Type of Application <input type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Renewal <input type="checkbox"/> Revision If Revision, enter appropriate letters in box(es) <input type="checkbox"/> <input type="checkbox"/> A. Increase Amount B. Decrease Amount C. Increase Duration D. Decrease Duration E. Other (Specify)		14. Name of Federal Agency U.S. Department of Housing and Urban Development																
15. Catalog of Federal Domestic Assistance (CFDA) Number <div style="border: 1px solid black; padding: 2px; display: inline-block;">14 ---</div> Title: Component Title:		16. Descriptive Title of Applicant's Program																
17. Areas affected by Program (boroughs, cities, counties, States, Indian Reservation, etc.)																		

18a. Proposed Program start date	18b. Proposed Program end date	19a. Congressional Districts of Applicant	19b. Congressional Districts of Program
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20. Estimated Funding: **Applicant must complete the Funding Matrix on Page 2.**

21. Is Application subject to review by State Executive Order 12372 Process?

- A. Yes This preapplication/application was made available to the State Executive Order 12372 Process for review on:
Date _____
- B. No Program is not covered by E.O. 12372
 Program has not been selected by State for review.

22. Is the Applicant delinquent on any Federal debt? No

Yes If "Yes," explain below or attach an explanation.

Form HUD-424 (01/2003)
Ref. OMB Circular A-102