

***Chapel in the Pines Presbyterian Church – January 2011
Financing of the New Church***

Sources of Funds:

	Building Fund	Capital Campaign Funds
Beginning Balances	\$104,803.75	\$0
2010 Contributions	\$11,355.32	\$345,019.03
Contributions by year end	$\frac{?}{\$116,159.10}$	$\frac{\$54,100.00}{\$399,119.03}$
Expenses in 2010	$\frac{\$63,821.04}{\$52,338.06}$	

Funds available to start construction as of 1/1/2011 = \$451,457.09

Capital Campaign Results:

Scheduled Pledges:

2010	=	\$367,903
2011	=	\$210,473
2012	=	\$193,677
Unspecified	=	<u>\$25,000</u>
		\$797,053

General Assembly Grants:

New Church Development Grant	=	\$20,000
Inclusion of Educational Facility	=	<u>\$10,000</u>
		\$30,000

Presbyterian Investment and Loan Program Loan: \$963,000

Grand Total of Present and Future Funds available = \$1,848,607

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Current Cost Estimate of the New Building/Furnishings = \$1,550,000

Excess of Available Funds over Targeted Cost ??? = \$300,000 +

Why the Possible Excess?

Pay the Construction Loan Interest of approximately \$18,000

Pay for any potential construction cost overruns

Bridging Loan until Future Pledges are paid

Pay the mortgage payments for several years as church grows

Final decision on exact loan amount will be made once the final cost of new building and furnishing are known and Session reviews.

Will have Congregational Vote to Approve Loan on January 9, 2011

Presbyterian Investment and Loan Program Loan

Maximum Amount already approved by PILP = \$964,000

Citp decision and documents needed by 2/2/2011

Terms of the Loan:

Interest = 4.83%

Amortization = 20 years

Requirements:

1. Must maintain some investment at PILP dedicated to our loan.
2. Must be guaranteed by Salem Presbytery
3. Conduct future capital campaign(s) to reach affordable mortgage payments in operating budget.

Other Conditions:

Can prepay principal once a year and the mortgage payments will be recalculated based on the lower outstanding principal over the remaining years of the original loan.

Interest rate will be lowered via rebate based on amount of investment at PILP dedicated to our loan. Guaranteed at least 0.25% as a new church.

Interest rates are subject to change every three years based on PILP's need to offer competitive investment rates.