

# Saginaw Bay District Board of Missions and Church Extension

## Loan Policy

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1. The Loan Policy becomes effective October 13, 2007.
2. A minimum loan is \$5,000 and the maximum is \$50,000.
3. Loans up to \$9,999 will be amortized over a maximum of 10 years with payments beginning 24 months after issuance of the loan. Loans \$10,000 and greater will be amortized over a maximum of 15 years beginning 24 months after issuance of the loan.
4. The interest rate for loans issued in the upcoming year will be set at the fall Trustee meeting at the mortgage prime rate issued on September 1 minus 2%. Interest rates are fixed for the life of the loan.
5. Reserves are to be held between \$400,000 and \$600,000 with the aim point of \$500,000 (note: with the current slow repayment of outstanding loans, it is recognized this goal will take some time to reach).
6. Total loans outstanding will not exceed the Reserves at any given time.
7. The Executive Committee of the Board of Missions will be the Loan Committee.
8. Loan applications will be considered at regularly scheduled meetings of the Executive Committee of the Board of Missions.
9. It is realized that extenuating circumstances may in rare cases require adjusting some of these policies.