

The Methodist Church of New Zealand

Te Hāhi Weteriana o Aotearoa

Administration Division
P O Box 931
CHRISTCHURCH

Information Leaflet No. 45

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LOANS FROM THE CHURCH BUILDING & LOAN FUND

The Board of Administration on behalf of the Church Building and Loan Fund administers funds which are loaned to Parishes and other organisations within the Methodist Church of New Zealand and to Union and Co-operating Parishes. The terms under which loans are made have been reviewed and revised.

CHURCH BUILDING AND LOAN FUND

A. BUILDING LOAN

PURPOSE:

To assist Parishes and other Church organisations to finance building projects.

PRINCIPAL:

Loans of up to \$100,000. In exceptional cases applications over this amount will be considered by the Board of Administration.

TERM:

Up to 10 years.

INTEREST:

Rates are set at 90% of current Trading Banks floating home mortgage rates, and are reviewed whenever there are any movements in such rates.

SPECIAL CONDITION:

In order to assist the Parish (or other borrowerS) in management of its finances during the first two years of its programme, the Board will grant a rebate of the interest element in the loan for that 24-month period. The monthly instalments during this period will generally be about two-thirds of the normal instalments, with interest at 2.5% plus principal.

REPAYMENT:

The Borrower will be required to make monthly repayments of equal amounts during the term of the loan, subject to a change in the rate of interest. Those repayments will be of both the principal and interest.

B. SPECIAL LOANS - Board of Administration Special Account

Occasionally Parishes may find they need funds for up to 6 months, while property transactions are being completed. Bridging finance can usually be provided by the Board of Administration Special Account at terms subject to negotiation. Principal is usually repaid at conclusion of arrangement, although part repayments are possible.

GENERAL**APPLICATIONS:**

Application Forms for each of the loans described in this Leaflet are available from the Administration Division.

ASSISTANCE:

Advice on planning and financing of building projects is readily available from the General Secretary, and the Executive Officer of the Church Building and Loan Fund Committee.

REMITTANCES AND CHARGES:

The banking system provides a service which enables regular and recurring amounts to be transferred from the Borrower's bank account to the Church's Fund account, with Direct Debiting facilities being available.