

Assembly Mennonite Church

Building Project Loans

Because Assembly Mennonite Church is growing, we are enlarging our staff and our building.

Loans from congregational members would lessen the amount of money AMC needs to borrow commercially and lower the over-all cost of the building project.

Background

Our building project is projected to cost about \$1.5 million. The Milk and Honey campaign has raised about \$800,000 for the building. We will need to borrow between \$500,000 and \$700,000 to complete the project.

Assembly Mennonite Church has made arrangements with Everence to finance the building project with a construction loan that will roll over into a twenty-year mortgage at 5.1% (interest being adjusted after 10 years).

The plan

Members who have resources available are invited to loan money to the congregation.

Amounts: \$5,000 to \$100,000

Term: 10 years

Interest: 3% per year compounded quarterly

The church will make quarterly payments of principal and interest with the loans being paid off in 10 years. We reserve the right to pay off loans early. Loans are expected to remain with the church for the 10 year period unless there is a hardship. If a member needs repayment earlier, we will have to borrow the amount from another source.

If you are interested in helping out or have questions, please talk to Ben Nelson or John Nafziger.

We will accept loans starting September 1, 2018.

Examples (3% compounded quarterly for 10 years)

Amount	Quarterly payment you would receive	Yearly payment	Total repaid (interest and principal)	Total interest earned
\$5,000	145	581	5806	806
\$25,000	726	2,903	29,030	4,030
\$50,000	1,452	5,806	58,060	8,060
\$100,000	2,903	11,612	116,121	16,121

If we borrowed a maximum of \$500,000 from the congregation, we would save about \$58,000 in interest.

**Construction Loan to Assembly Mennonite Church
1201 South 11th Street, Goshen, Indiana 46526**

By this note I/we lend Assembly Mennonite Church

\$ _____ at _____ % interest
(choose: 0,1,2,3 %)

I/we understand that:

1. The loan will be repaid in quarterly installments over a ten-year period.
2. This loan is not liquid. If I/we need my/our money back before the loan is completely paid off, Assembly Mennonite Church will make every effort to return it as soon as possible, but no assurances can be made regarding the time needed to return the money.
3. The interest earned by me/us on this loan is taxable. Each year we will receive an IRS form 1099 reporting interest amounts.
4. If Assembly Mennonite church no longer requires my/our money, the balance owed may be returned without penalty.

_____ Date _____

_____ Date _____

_____ Date _____

Assembly representative