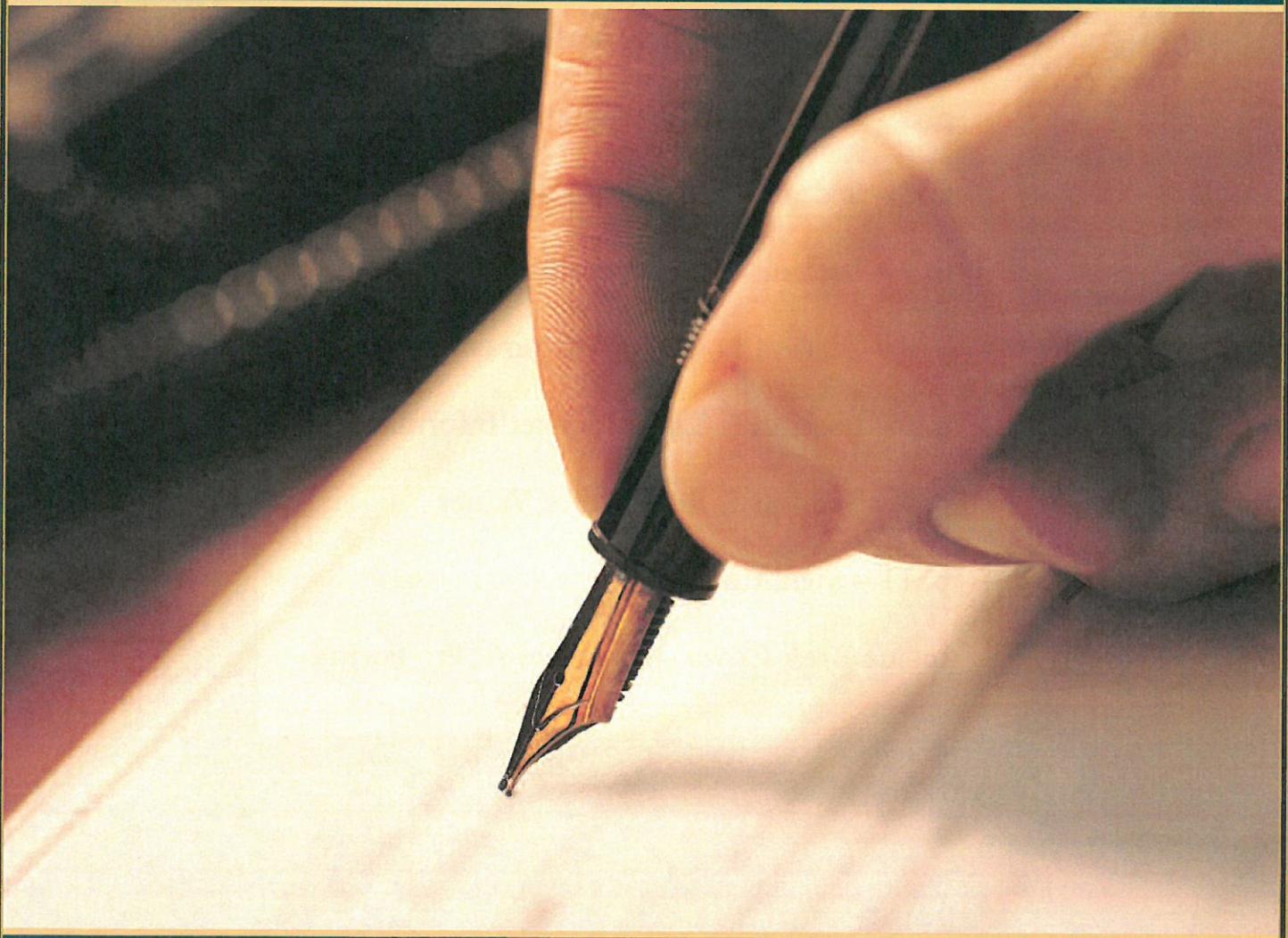


# ChurchLoan<sup>SM</sup>

Loan Application & Instructions



Supporting Catholic Institutions  
-Since 1896-

Our Third Century of Service



Knights of Columbus  
**CHURCHLOAN**  
*Strength. Integrity. Results.*

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## INSTRUCTIONS FOR KNIGHTS OF COLUMBUS' CHURCHLOAN<sup>SM</sup> APPLICATION



This application is divided into six sections. **ALL SECTIONS MUST BE COMPLETED**. If a section area is not applicable please write "NONE" in the space provided. If information is provided in supporting materials, please direct to the relevant documents. If you have questions, please call 1-800-380-9995 and ask for the ChurchLoan Department.

### SECTION A - GENERAL INFORMATION

- Part 1. *Applicant* – Complete all information in this section.
- Part 2. *Loan Request* – Describe the requested loan amount and amortization period (term of the loan).
- Part 3. *Loan Purpose* – Describe how the proceeds will be used.
  - Subsection A* – Complete only if the applicant is a parish.
  - Subsection B* – Complete only if the applicant is a diocese.
  - Subsection C* – Complete only if the applicant is a school run by a diocese or religious order.  
If the applicant is a parish school, complete Subsection A.
  - Subsection D* – Complete only if the applicant is not one of the above institutions.

### SECTION B - CONSTRUCTION COSTS

- Part 1. *Statement of Costs – New Construction* – Please complete all applicable information in this section.
- Part 2. *If Current Construction Is Replacing Existing Facility* – Please complete if applicable.

### SECTION C - REFINANCING

- Part 1. *Refinancing* – Please complete if applicable.
- Part 2. *Information on Loan(s) to Be Refinanced* – List all loans that will be refinanced with proceeds. List all loan account information including the lender of the loan(s) to be refinanced, a contact person at the lending company, and that person's telephone number. Payment history will be required for all outstanding loans considered for refinancing.

### SECTION D - DEBT RETIREMENT

- Part 1. *Fund Drive Information* – Complete this section if a fund drive is currently being conducted or if a drive is planned for the future.
- Part 2. *Financial Statements* – Include all financial statements requested in this section. To complete the five (5) year pro forma statement please call the Church Loan Department at 1-800-380-9995 for the latest rates and payment information.
- Part 3. *Additional Information* - Include any building fund or capital campaign literature and any additional information to show an ability to service the loan.
- Part 4. *Information on Debts Not Included for Refinancing* – This section should be completed for all other debt owed by the applicant. Do not include debts that will be refinanced with the proceeds of this application; those debts should be listed in Section C, part two. Knights of Columbus reserves the right to request payment history from current lenders/debt holders.

## SECTION E – LOCAL MARKET INFORMATION

Part 1. *Local Market/Economic Characteristics* – This section should contain a description of the local industry as well as a list of the major employers in the area.

## SECTION F – REAL ESTATE VALUES

Part 1. *Area Description* – Please provide a general description of the area where the property is located.

Part 2. *Schedule of Land and Facilities That Will Be Subject to Mortgage* – (All land and buildings are subject to mortgage.) To complete this section, we recommend getting help from a real estate professional who is knowledgeable as to values of commercial and church property. Please use the best estimates when completing the fields for the value per acre of land and the value of existing buildings. The estimate of the value of new facilities should be equal to the cost of their construction. For the purpose of this application, facilities shall mean any improvements (buildings) made to the land. Please note that the loan amount cannot exceed 75% of the appraised real estate value, subject to a professional appraisal by a state certified appraiser prior to closing.

Part 3. *Property Layout* – Please attach a sketch or plan of property on a separate sheet.

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## INTEREST RATES

- The interest rate applicable to the loan will be determined by comparable maturity Constant Maturity Treasury notes plus a spread.
- The rate will be set at the close of the last business day of the week prior to funding.



# ChurchLoan<sup>SM</sup> APPLICATION



**ALL SECTIONS MUST BE COMPLETED.** If a section area is not applicable please write "NONE" in the space provided. If information is provided in supporting materials, please direct to the relevant documents.

## **SECTION A.** **GENERAL INFORMATION**

**1. Applicant:** Diocese      Parish      School      Other \_\_\_\_\_

|                                  |                         |                  |                |
|----------------------------------|-------------------------|------------------|----------------|
| Borrower                         |                         |                  |                |
| Street Address                   | Rural Route or P.O. Box | Telephone Number |                |
| City                             |                         | State (Province) | Zip Code       |
| In the Diocese/Order of          |                         | Country          |                |
| Contact Person's Name (Borrower) | Telephone Number        | Fax Number       | E-mail Address |

**Has the diocese or religious order approved and agreed to guarantee the loan?**      Yes      No

|                                       |                  |            |                |
|---------------------------------------|------------------|------------|----------------|
| Contact Person's Name (Diocese/Order) | Telephone Number | Fax Number | E-mail Address |
|---------------------------------------|------------------|------------|----------------|

### **2. Loan Request**

|                |
|----------------|
| Amount of Loan |
| \$             |

#### **Type**

Check one only:

Secured

Unsecured

(available for amounts  
up to \$500,000 only)

|                     |    |    |    |
|---------------------|----|----|----|
| Loan Term Preferred |    |    |    |
| 5                   | 10 | 15 | 20 |

### **3. Loan Purpose**

Please describe the purpose of the proposed loan.

**A. If Parish:**

Please give a brief history of the parish, including the year it was founded.

Population – Town/City \_\_\_\_\_ Catholics as a percent of local population \_\_\_\_\_

**Number of families registered year by year in each of the last five years**

20 \_\_\_ =      20 \_\_\_ =      20 \_\_\_ =      20 \_\_\_ =      20 \_\_\_ =

**Annual giving per family year by year in each of the last five years**

20 \_\_\_ =      20 \_\_\_ =      20 \_\_\_ =      20 \_\_\_ =      20 \_\_\_ =

**If parish has a school:**

**Grades taught** \_\_\_\_\_

**Number of students registered year by year in each of the last five years**

20 \_\_\_ =      20 \_\_\_ =      20 \_\_\_ =      20 \_\_\_ =      20 \_\_\_ =

**Tuition per student year by year in each of the last five years**

20 \_\_\_ =      20 \_\_\_ =      20 \_\_\_ =      20 \_\_\_ =      20 \_\_\_ =

**Does the parish have a Knights of Columbus council?**      Yes      No

**Council Number (if known):** \_\_\_\_\_

**B. If Diocese:**

Please give a brief history of the diocese, including the year it was founded.

**Number of parishes year by year in each of the last five years**

20 \_\_\_ =      20 \_\_\_ =      20 \_\_\_ =      20 \_\_\_ =      20 \_\_\_ =

**Number of diocesan schools year by year in each of the last five years**

20 \_\_\_ =      20 \_\_\_ =      20 \_\_\_ =      20 \_\_\_ =      20 \_\_\_ =

**Number of diocesan hospitals year by year in each of the last five years**

20 \_\_\_ =      20 \_\_\_ =      20 \_\_\_ =      20 \_\_\_ =      20 \_\_\_ =

**Population of the diocese year by year in each of the last five years**

20 \_\_\_ =      20 \_\_\_ =      20 \_\_\_ =      20 \_\_\_ =      20 \_\_\_ =

**Catholics as a percent of the local population year by year in each of the last five years**

20 \_\_\_ =      20 \_\_\_ =      20 \_\_\_ =      20 \_\_\_ =      20 \_\_\_ =

**C. If School:**

Please give a brief history of the school, including the year it was founded.

**Sponsor of school (i.e., the diocese or order)** \_\_\_\_\_

**Grades taught** \_\_\_\_\_

**Number of students registered year by year in each of the last five years**

20 \_\_\_ =      20 \_\_\_ =      20 \_\_\_ =      20 \_\_\_ =      20 \_\_\_ =

**Tuition per student year by year in each of the last five years**

20 \_\_\_ =      20 \_\_\_ =      20 \_\_\_ =      20 \_\_\_ =      20 \_\_\_ =

**Population of area that the school serves year by year in each of the last five years**

20 \_\_\_ =      20 \_\_\_ =      20 \_\_\_ =      20 \_\_\_ =      20 \_\_\_ =

**Number of Catholics as a percent of the local population year by year in each of the last five years**

20 \_\_\_ =      20 \_\_\_ =      20 \_\_\_ =      20 \_\_\_ =      20 \_\_\_ =

**D. If Other Institution:**

Please give a brief history of the institution, including the year it was founded.

Sponsor of institution (e.g., the diocese, the order) \_\_\_\_\_

**SECTION B.**  
**CONSTRUCTION COSTS**

**1. Statement of Costs – New Construction**

|  |    |
|--|----|
| Site cost, if newly purchased (acres)                        | \$ |
| Estimated cost of building project                           | \$ |
| Other costs (professional fees, construction interest, etc.) | \$ |
| <b>TOTAL cost of new construction</b>                        | 0  |
| Name and location of interim construction lender             |    |

**2. If Current Construction Is Replacing Existing Facility**

Please explain the disposition or use of the old facility.

## SECTION C. REFINANCING

### 1. Refinancing

Please describe what the existing loan(s) was used for.

### 2. Information on Loan(s) to Be Refinanced\*

Please list all loans that will be refinanced.

A. Name of Lender: \_\_\_\_\_ Account Number: \_\_\_\_\_

Phone: \_\_\_\_\_ Contact Name: \_\_\_\_\_ Interest Rate: \_\_\_\_\_

Unpaid Balance: \_\_\_\_\_ Monthly Payment: \_\_\_\_\_ Maturity: \_\_\_\_\_

B. Name of Lender: \_\_\_\_\_ Account Number: \_\_\_\_\_

Phone: \_\_\_\_\_ Contact Name: \_\_\_\_\_ Interest Rate: \_\_\_\_\_

Unpaid Balance: \_\_\_\_\_ Monthly Payment: \_\_\_\_\_ Maturity: \_\_\_\_\_

C. Name of Lender: \_\_\_\_\_ Account Number: \_\_\_\_\_

Phone: \_\_\_\_\_ Contact Name: \_\_\_\_\_ Interest Rate: \_\_\_\_\_

Unpaid Balance: \_\_\_\_\_ Monthly Payment: \_\_\_\_\_ Maturity: \_\_\_\_\_

\* Knights of Columbus reserves the right to request payment history information from all current lenders.

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**SECTION D.**  
**DEBT RETIREMENT**

**1. Fund Drive Information**

|   |                                |  |                |
|---|--------------------------------|--|----------------|
| Drive conducted (circle):                                     | Date initiated                 | Number of families participating         | Payment period |
| Yes      No   |                                |  | Years          |
| Amount pledged  | Payments received to date      | Payments anticipated in the current year |                |
| \$  | \$                             | \$                                       |                |
| Name of firm, if any, conducting the drive                    |                                |  |                |
| If a drive has not been started, do you plan to initiate one? |                                | When will the drive begin?               |                |
| Name of firm, if any, that will be conducting the drive       |                                |  |                |
| What will be the goal?  | Payable over what time period? |  |                |

**2. Financial Statements (include with application)**

Please include the following financial statements:

- Balance sheets and income statements of the applicant for the past three (3) fiscal years with supporting schedules
- Audited balance sheet and income statement of the guarantor for the last fiscal year with supporting schedules
- Five [5] year pro forma projection of income and expenses of the applicant (An illustrative pro forma projection is included inside the back cover as Example A. **For annual principal and interest payment information, please call 1-800-380-9995 and ask for the ChurchLoan department.**)
- Spreadsheet of all capital campaign pledges, including the amount of the pledge, when the pledge was made, the amount collected from the pledge, and the terms of payment

**3. Additional Information**

Please include all or any of the following items:

- Any building fund brochures or capital campaign literature
- Any additional information available to show ability to service the loan

**4. Information on Debt(s) Not Included for Refinancing\***

Indicate below all debt owed not included for refinance in section C part two. If extra space is needed, please attach a separate schedule.

**A. Name of Lender:** \_\_\_\_\_ **Account Number:** \_\_\_\_\_

**Phone:** \_\_\_\_\_ **Contact Name:** \_\_\_\_\_ **Interest Rate:** \_\_\_\_\_

**Unpaid Balance:** \_\_\_\_\_ **Monthly Payment:** \_\_\_\_\_ **Maturity:** \_\_\_\_\_

**B. Name of Lender:** \_\_\_\_\_ **Account Number:** \_\_\_\_\_

**Phone:** \_\_\_\_\_ **Contact Name:** \_\_\_\_\_ **Interest Rate:** \_\_\_\_\_

**Unpaid Balance:** \_\_\_\_\_ **Monthly Payment:** \_\_\_\_\_ **Maturity:** \_\_\_\_\_

**C. Name of Lender:** \_\_\_\_\_ **Account Number:** \_\_\_\_\_

**Phone:** \_\_\_\_\_ **Contact Name:** \_\_\_\_\_ **Interest Rate:** \_\_\_\_\_

**Unpaid Balance:** \_\_\_\_\_ **Monthly Payment:** \_\_\_\_\_ **Maturity:** \_\_\_\_\_

\*Knights of Columbus reserves the right to request payment history information from all current lenders.

**SECTION E.**  
**LOCAL MARKET INFORMATION**

**1. Local Market/Economic Characteristics**

Briefly describe the local industry (e.g., farming, retail) and list the major employers in your area.

**SECTION F.**  
**REAL ESTATE VALUES**

**1. Area Description**

Please provide a general description of the area where the property to be mortgaged is located.

**2. Schedule of Land and Facilities That Will Be Subject to Mortgage\***

If more space is needed, please attach a separate schedule.

| LAND  | NUMBER OF ACRES  | EST. VALUE PER ACRE | LAND VALUE                               |
|---|------------------|---------------------|--|
|   |                  |                     |  |
|   |                  |                     |  |
|   |                  |                     |  |
|   |                  |                     |  |
| <b>SUBTOTAL OF LAND</b>   | <b>0</b>         |                     | <b>\$ 0</b>                              |
| EXISTING FACILITIES   | YEAR CONSTRUCTED | AREA (SQ. FT.)      | ESTIMATE OF VALUE OF EXISTING FACILITIES |
|   |                  |                     |  |
|   |                  |                     |  |
|   |                  |                     |  |
|   |                  |                     |  |
| <b>NEW FACILITIES<br/><small>(value should equal total cost of new construction on pg. 4)</small></b> |                  | AREA (SQ. FT.)      | ESTIMATE OF VALUE OF NEW FACILITIES      |
|   |                  |                     |  |
| <b>SUBTOTAL OF ALL FACILITIES</b>   |                  |                     | <b>\$ 0</b>                              |
| <b>GRAND TOTAL OF LAND &amp; FACILITIES</b>   |                  |                     | <b>\$ 0</b>                              |

\*All facilities and land are subject to mortgage.

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## SIGNATURE PAGE

In submitting this application, I am granting Knights of Columbus permission to make inquiry of our creditors in its review of our application. The responses made throughout this application are accurate to the best of my knowledge or were prepared by others who have been identified in the relevant section.

~~Enclosed with this application is the appropriate fee: \$1,000 if the requested amount is \$1,000,000 or less, \$2,000 if the requested amount is more than \$1,000,000 but less than or equal to \$5,000,000; or \$5,000 if the requested amount is more than \$5,000,000.~~

~~If Knights of Columbus does not approve the loan, this application fee will be returned. If Knights of Columbus does approve the loan, this fee will be returned at the time the loan is closed. If the loan is in underwriting or is approved and does not close because of a failure by the applicant to complete the requirements, the fee will be forfeited.~~

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_.  
\_\_\_\_\_  
\_\_\_\_\_

Print Name

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# *Example A*

(This is not an actual statement. Category types under "Revenues" and "Expenses" will differ for each institution.)

## St. Mary's Catholic Church

## Pro Forma Projection of Income and Expenses

|   | Actual                 |      | Year 1                 | Year 2                 | Year 3                | Year 4                | Year 5                |
|---|------------------------|------|------------------------|------------------------|-----------------------|-----------------------|-----------------------|
| Parish families   |                        |      | 1000                   | 1100                   | 1200                  | 1300                  | 1400                  |
| Parishioners per week                                   |                        |      | 4000                   | 4400                   | 4800                  | 5200                  | 5600                  |
| <i>Parish Revenue</i>                                   |                        |      |                        |                        |                       |                       |                       |
| Total Offertory Collection                              | \$750,000              | 3.0% | \$772,500              | \$795,675              | \$819,545             | \$844,132             | \$869,456             |
| Christmas and Easter                                    | 140,000                | 3.0% | 144,200                | 148,526                | 152,982               | 157,571               | 162,298               |
| Auxiliary Income  | 60,000                 | 2.0% | 61,200                 | 62,424                 | 63,672                | 64,946                | 66,245                |
| Other Income  | 25,000                 | 1.5% | 25,375                 | 25,756                 | 26,142                | 26,534                | 26,932                |
| <b>Total Annual Revenue</b>                             | <b>\$975,000</b>       |      | <b>\$1,003,000</b>     | <b>\$1,032,381</b>     | <b>\$1,062,341</b>    | <b>\$1,093,183</b>    | <b>\$1,124,931</b>    |
| <i>Parish Expenses</i>                                  |                        |      |                        |                        |                       |                       |                       |
| Staff costs   | \$600,000              | 4.0% | \$624,000              | \$648,960              | \$674,918             | \$701,915             | \$729,992             |
| Utilities   | 150,000                | 6.0% | 159,000                | 168,540                | 178,652               | 189,372               | 200,734               |
| Supplies  | 25,000                 | 3.0% | 25,750                 | 26,523                 | 27,318                | 28,138                | 28,982                |
| Maintenance   | 36,000                 | 3.0% | 37,080                 | 38,192                 | 39,338                | 40,518                | 41,734                |
| Charitable giving                                       | 75,000                 | 3.0% | 77,250                 | 79,568                 | 81,955                | 84,413                | 86,946                |
| Other   | 10,000                 | 2.0% | 10,200                 | 10,404                 | 10,612                | 10,824                | 11,041                |
| <b>Total Annual Expenses</b>                            | <b>\$896,000</b>       |      | <b>\$933,280</b>       | <b>\$972,186</b>       | <b>\$1,012,794</b>    | <b>\$1,055,180</b>    | <b>\$1,099,428</b>    |
| <b>Net Annual Profit/Loss</b>                           | <b>\$79,000</b>        |      | <b>\$69,995</b>        | <b>\$60,194</b>        | <b>\$49,548</b>       | <b>\$38,003</b>       | <b>\$25,503</b>       |
| Capital Campaign Receipts                               | <u>160,000</u>         |      | <u>150,000</u>         | <u>130,000</u>         | <u>130,000</u>        | <u>135,000</u>        | <u>150,000</u>        |
| Total Available for Debt service                        | 239,000                |      | \$219,995              | \$190,194              | \$179,548             | \$173,003             | \$175,503             |
| Principal & Interest<br>\$2,000,000 at 6% over 20 years | <u>(\$171,943)</u>     |      | <u>(\$171,943)</u>     | <u>(\$171,943)</u>     | <u>(\$171,943)</u>    | <u>(\$171,943)</u>    | <u>(\$171,943)</u>    |
| <b>Excess Capital</b>                                   | <b><u>\$67,057</u></b> |      | <b><u>\$48,052</u></b> | <b><u>\$18,251</u></b> | <b><u>\$7,605</u></b> | <b><u>\$1,060</u></b> | <b><u>\$3,560</u></b> |



Knights of Columbus  
ChurchLoan Department  
1 Columbus Plaza  
New Haven, CT 06510-3326  
1-800-380-9995  
[churchloan@kofc.org](mailto:churchloan@kofc.org)