

Parsonage Funding Information / Update

March 15, 2020 / June 28, 2020

Option #1 - Remodel the parsonage - Pastor Lives in Parsonage

Cost Projection \$90,000

Monthly Payment projection = \$860 per month for first two years, and then the payment will change with the interest rate.

Total congregational cost, principal and interest = \$101,811.

Total interest paid, if we stay at 2.5% = \$11,000 (if we carry the loan for 10 years.)

Update on Remodel since the bids have been collected.

- The bids were due to the church office on March 6, 2020.
- We have no bids from contractors submitted on the remodel project.
- This means at this time we have no contractors interested in the remodel.
- We could re advertise to find a contractor to perform the work.

The floor plan for the remodel was discussed at the church council prior proposed plans and also a new proposal. Pastor was able to provide his input. A decision was made on what the remodel floor plan would look like.

Updated loan Numbers -
June 25, 2020

Loan Amount	Monthly Payment(first 2yrs)
\$60,000	\$558
\$80,000	\$745.10
\$100,000	\$931.37

Detailed Funding information for a parsonage remodel -

- Use Lutheran Church Extension Fund (LCEF) loan
- The loan is referred to as an "Unsecured Loan."
- The amortization period is 10 years. (maybe be possible to go to a 15 yr amortization if absolutely necessary.)
- No prepayment penalties of any kind
- The interest rate is currently 2.5% for the first two years.
 - The remaining 8 years would be a variable interest rate.
 - This is the base rate (currently 2.5%) + 2%
- Time to apply for and get the loan is 2 - 3 weeks.
- Bill Jordan (North Wisconsin - LCMS vice-president) will support us and guide us in the application process.
 - Loan Fee -
 - Loan fee = \$300 for a loan from \$0 - \$50,000;
 - Loan fee = \$350 for a loan from \$50,000 - \$100,000
 - No title fee
 - No recording fee