ITEM E.107
FOR ACTION

FOR PRESBYTERIAN MISSION AGENCY EXECUTIVE DIRECTOR'S OFFICE USE ONLY					
	A. Finance	X	E. Corporate Property, Legal, Finance		J. Board Nominating & Governance Subcommittee
	B. Justice	X	F. PC(USA), A Corporation		P. Plenary
	C. Leadership		G. Audit		
	D. Worshiping Communities		H. Executive Committee		

Subject: Hope Presbyterian Church - Partial Write-Off of Loan Balance

Recommendation:

That the corporate Property, Legal and Finance Committee, recommend to the Board of Directors of the Presbyterian Church (U.S.A.), A Corporation the approval of the following action to grant, in the form of a write off, a portion of the unpaid loan balance owed by Hope Presbyterian Church in Chicago, Illinois:

RESOLVED, That the Board of Directors of the Presbyterian Church (U.S.A.), A Corporation ("Corporation") approve the recommendation of the Mission Development Resources Committee and make a grant to the Hope Presbyterian Church in Chicago in the form of writing off fifty percent (50%) of the outstanding loan balance upon receipt of fifty percent (50%) of the outstanding balance being paid to the Corporation by a sister congregation of Hope Presbyterian Church ("Church"). Such grant/write off shall be in the amount of approximately Thirty-seven Thousand Dollars ($37,000).

FURTHER RESOLVED, That Board of Directors of the Corporation direct staff to indicate a zero dollar ($0) balance of loan #15263909 upon receipt of approximately $37,000 on behalf of the Church and the mortgage securing the loan be released.

Background:

In 1976 the Hope Presbyterian Church in Chicago, Illinois received a renovation loan from the Church Loan Program in the amount of $125,000, loan #15263909 from Loan Fund A. Several adjustments were made to the loan over the years due to the church's financial condition. In 2003, the church was approved for a write off of principal of Two Dollars ($2) for each One Dollar ($1) in principal paid. However, payments from that point forward could not be delinquent. In 2007, the write off offer was suspended due to the past due status.

A sister congregation in the same presbytery has offered to pay one-half (1/2) of the outstanding loan balance if the Presbyterian Church (U.S.A.), A Corporation ("Corporation") will write off the remaining balance. In consultation with the Presbyterian Mission Agency executive staff, the staff of The Presbyterian Church (U.S.A.) Investment & Loan Program, Inc. recommended the above write off proposal to the Mission Development Resources Committee of the Presbyterian Mission Agency on March 28, 2013. The Mission Development Resources Committee reviewed the recommendation and is recommending it for approval to the Board of Directors of the Corporation.

As of December 31, 2013, the payoff balance for loan #15263909 was $73,493.06 with daily interest of $4.05.