

Assembly and Institution Loan Information

Registered Charity CC 10589

www.stewards.org.nz

Secretary:

David Burt B.A., LL.M., B.D., M.C.S

3A Taitokerau Way, St Johns, Auckland 1072

Treasurer:

Steven Duxfield CA, ACIS

PO Box 301643, Albany, Auckland 0752

Eligibility:

The Foundation lends to Brethren Assemblies, and Institutions (such as camps). The loans are for capital development, rather than property maintenance.

Interest:

The current lending rate is 5.75% p.a. The interest rate is subject to review from time to time. Interest is payable quarterly on the amount of principal outstanding at the beginning of the quarter. Each quarter, there is the interest to pay, together with a principal reduction, as set out in the next paragraph.

Repayment:

The maximum loan term is 10 years. Mortgages are on a reducing basis. So if \$100,000 is borrowed over 10 years, the principal will be reduced by \$10,000 p.a., by quarterly payments of \$2,500 each. Additional amounts of principal can be repaid on any quarter day without prior notice.

Security:

First mortgage, with the principal sum not exceeding two thirds of the value of the property.

If you wish, we can discuss a table mortgage option with you.

Progress payments:

Loans can be made available on progress payments, but the Foundation prefers to limit those to not more than three. Interest becomes payable on the amount advanced from the date of draw down.

Limiting factors:

- It is the Foundation's policy not to lend more than 10% of its bond fund to any one borrower. At present the bond fund is approximately \$6 million.
- The Foundation will need to satisfy itself that the borrower is likely to have the capacity to service the loan commitment.

Funding:

We are dependent on believers investing in the Foundation's bonds to provide the pool from which advances can be made. We would ask you, therefore, to urge your members, who may have capital to invest, to consider placing funds with the Foundation.

Costs:

Mortgage documentation will be prepared by the Foundation's Solicitors, Gaze Burt, Auckland. Their normal fees are \$500 for loans up to \$100,000 [\$685 when GST and normal disbursements are added], and \$600 for loans of \$100,000 or more [\$805 when GST and normal disbursements are added]. There will be extra fees for additional work, such as progress payments. When the mortgage is finally discharged, there will also be a small amount to pay for legal fees. All these fees are subject to change and to confirmation by Gaze Burt.

Applications:

We have a loan application form which should be completed. Allow at least two weeks for applications to be processed. Applications should be addressed to the Secretary, David Burt. They can be sent by email to davaudburt@free.net.nz, or by post to 3A Taitokerau Way, St Johns, Auckland 1072.

Updated: November 2011