



Investment &
Loan
Program Inc.

December 9, 2020

The Presbytery of Santa Fe
217 Locust St NE
Albuquerque, NM 87102

statedclerk@santafepresbytery.org

RE: Taos, NM –First Presbyterian Church of Taos
Loan #TBD - \$90,000.00

Dear Stephen:

Enclosed are the documents for the presbytery to sign in connection with our loan to First Presbyterian Church of Taos. The church would like to close this loan at our earliest convenience.

The Affidavit and Certificate of Incumbency form informs us of who is authorized to sign legal documents on behalf of the presbytery. The form must be completed and signed by two officers of the presbytery corporation. The certificate should then be attested to and notarized.

The enclosed Guaranty Agreement needs to be signed by the same two officers who sign the Affidavit and Certificate of Incumbency. **Please do not date the Guaranty, we will date it the day we close this loan.**

We also need the enclosed resolution completed, stating that a motion was approved by the presbytery for the church to borrow funds from the Presbyterian Church (U.S.A.) Investment and Loan Program, Inc. and where the presbytery agreed to be a guarantor on the loan. I also enclosed a copy of the commitment letter and loan requirements for your file.

Once all the documents have been signed, please fax the signature pages to me at 502-333-7245. After faxing, please return the **original** signed documents to me at your earliest convenience.

Should you have any questions or need assistance, please do not hesitate to contact me at 800-903-7457, ext 5245; by e-mail at effie.shipp@pcusa.org or by fax at 502-333-7245.

Thank you in advance for your assistance in this matter.

Sincerely,

Effie J Shipp
Assistant for Credit Operations

Enclosures

INSTRUCTION SHEET

FOR CORPORATE RESOLUTION AND THE CERTIFICATE OF INCUMBENCY

Attached is a Resolution for the Presbytery Corporation and a Certificate of Incumbency form marked Exhibit A.

1. The Corporate Resolution should be approved at a meeting of the Presbytery corporation. The Corporate Resolution indicates the Presbytery corporation approves the loan amount, the purpose of the loan, the lender, and states through Exhibit A (see #2 below), which corporate officers can sign the loan documents. The corporate secretary must sign the Corporate Resolution.

2. Exhibit A is the Certificate of Incumbency and needs to be signed by the corporate officers that will be signing the loan documents. Note: Only duly elected corporate officers can sign the loan documents. This generally includes the president, vice president, treasurer, secretary, and/or assistant secretary. (The church Articles of Incorporation or Bylaws may identify others who are authorized to sign). Listing more than two officers (other than the secretary/assistant secretary) ensures someone will be available to sign on the scheduled closing date. The corporate secretary must certify the signatures on the Certificate of Incumbency. The loan documents must then be signed by any two of the officers listed on the Certificate of Incumbency. Specific instructions are also attached to this form.

GUARANTY

This Guaranty (this “**Guaranty**”) is made as of this _____ day of _____, 202__, by **THE PRESBYTERY OF SANTA FE, (“Guarantor”)**, a New Mexico nonprofit corporation, located at 217 Locust Street NE, Albuquerque, New Mexico 87102, in favor of the **PRESBYTERIAN CHURCH (U.S.A.) INVESTMENT AND LOAN PROGRAM, INC.**, a Pennsylvania not for profit corporation, located at 100 Witherspoon Street, Louisville, Kentucky 40202 (“**Lender**”) and any participant in this Loan in proportion to their respective participation in the Loan (Lender and Participant(s) collectively referred to as “**Beneficiary(ies)**”).

A. Concurrently herewith, Lender is making a loan in the original principal amount of **Ninety Thousand Dollars and 00 Cents (\$90,000.00)** (the “**Loan**”) to **First Presbyterian Church of Taos**, a New Mexico nonprofit corporation (“**Borrower**”).

B. As a material inducement to and in consideration of Lender making the Loan to Borrower, Guarantor has agreed to execute and deliver to Beneficiary(ies) this Guaranty.

Agreement Terms and Conditions

NOW, THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, Guarantor hereby agrees as follows:

1. Guarantor hereby unconditionally and irrevocably guarantees, for the benefit of Beneficiary(ies) of that certain Promissory Note of even date herewith made by Borrower, in favor of Beneficiary(ies) (the “**Note**”), the full and prompt payment to Lender of the Loan, together with all other obligations and liabilities of Borrower under and pursuant to the Note, (collectively “**Loan Documents**”) as the same, or any portion thereof, may from time to time be amended and modified (all of which Loan, obligations and liabilities of Borrower provided for in any of the Loan Documents are referred to herein as the “**Obligations**”) together with costs and expenses, including reasonable attorneys’ fees for Lender or Beneficiary(ies) to enforce this Guaranty. Guarantor hereby covenants and agrees to take all such actions necessary to enable Borrower to observe and perform all of its Obligations under the Loan Documents and to refrain from taking any action which would directly or indirectly prevent Borrower from observing and performing each and every one of Borrower’s Obligations thereunder.

2. The liability of Guarantor hereunder shall not be eliminated or limited in any way by any action taken by Lender or Beneficiary(ies) under any provision hereof, or by any inaction, delay, failure or refusal of Lender or Beneficiary(ies) to exercise any right or remedy they may have at law, in equity or under the Loan Documents against Borrower, any other guarantor or other third party. Guarantor agrees that if any of the Obligations are not timely paid or performed as required under the Loan Documents, Guarantor, after receipt of written demand therefore by Lender, shall immediately pay such Obligations when required of Borrower under

the Loan Documents as if such Obligations constituted the direct and primary Obligations of Guarantor or purchase this Loan from the Lender; provided, however, that nothing contained herein shall be construed to deem Guarantor to be either a primary obligor or an “alter ego” of Borrower. Should Guarantor purchase the Loan from Lender, the purchase price shall be the then current principal balance plus accrued and unpaid interest, together with any costs incurred by Lender to pursue enforcement of the Loan as well as any prepayment penalty under the Loan or incurred by Lender under participation agreement(s). Guarantor shall indemnify, defend, protect and hold Lender and Beneficiary(ies) harmless from any losses, liabilities, costs, expenses, causes of action and damages which arise out of any failure by Borrower to pay or perform any Obligations, as and when such costs, losses, liabilities or damages are incurred. Provided, however, to the extent, if at all 56-7-1 NMSA 1978, as amended, is applicable to this Guaranty, any indemnification provision contained herein shall not extend to liability, claims, damages, losses or expenses including attorneys fees, arising out of bodily injury to persons or damage to property caused by or resulting from, in whole or in part, the negligence, act or omission of the indemnitee, its officers, employees or agents. Guarantor agrees Lender does not have to proceed against Borrower or exhaust any security before seeking to enforce this Guaranty. No transfer of Borrower’s or Lender’s interest in this Loan shall affect this Guaranty.

3. This Guaranty shall be a continuing guaranty (and Guarantor hereby waives any protections of State Law which may provide that a “continuing guaranty” may be revoked at any time, unless there is continuing consideration) and shall be binding upon Guarantor and upon its heirs, administrators, conservators, executors, successors, legal representatives and assigns, and upon any Chapter 11 or Chapter 7 trustee of Guarantor that may be appointed in a bankruptcy proceeding and shall remain in full force and effect and shall not be discharged, impaired or affected by (a) the existence or continuance of any obligation on the part of Borrower; (b) the validity or invalidity of the Note or any other Loan Document; (c) any defense whatsoever that Borrower may or might have to the repayment of the Loan or to the performance or observance of any of the terms, provisions, covenants and agreements contained in the Loan Documents; (d) any limitation or exculpation of liability on the part of Borrower; (e) the existence or continuance of Borrower as a legal entity; (f) the transfer by Borrower of all or any part of the Loan to any other corporation, person or entity; (g) any sale, pledge, surrender, indulgence, alteration, substitution, exchange, change in, extension, renewal, modification or other disposition of any of the Obligations, all of which Lender is hereby expressly authorized to make from time to time without notice to Guarantor, or to any other party; (h) the acceptance by Lender of any security for all or any part of the Obligations; (i) any failure, neglect or omission on the part of the Lender or Beneficiary(ies) to realize or protect any of the Obligations or any collateral or security of the Loan, or to foreclose upon any lien or to otherwise appropriate any monies to which it may be entitled pursuant to applicable law or the Loan Documents; (j) any right, claim or offset which Guarantor may have against Borrower; (k) any defense (other than the full, timely and complete payment of the Obligations, and not the mere tender or offer of the same, and performance of any of the other Obligations, in accordance with its terms) that Guarantor may or might have to its undertakings, liabilities and obligations hereunder, each and every such defense contained in this Section 3 being hereby waived by Guarantor - it being understood and agreed that this Guaranty and the undertakings, liabilities and obligations of Guarantor hereunder shall not be

affected, discharged, impaired or varied by any act, omission or circumstance whatsoever (whether or not specifically enumerated above).

4. Guarantor hereby waives all presentments, demands (including demands for performance), protests, notices of protest, notices of dishonor and notices of acceptance of this Guaranty by Lender and/or Beneficiary(ies), and this Guaranty shall be binding upon Guarantor immediately upon its delivery to Lender.

5. Guarantor waives all rights and defenses that Guarantor may have because the Obligations are or become secured by real property. This means, among other things,

(a) Lender and/or Beneficiary(ies) may collect from Guarantor without first foreclosing on any real or personal property collateral pledged by Borrower; and

(b) If Lender forecloses on any real property collateral pledged by Borrower,

(i) The amount of the Obligations may be reduced only by the net proceeds received by Lender from the sale of collateral sold at the foreclosure sale, even if the collateral is worth more than the sale price, and

(ii) Lender and/or Beneficiary(ies) may collect from Guarantor even if Lender, by foreclosing on the real property collateral, has destroyed any right Guarantor may have to collect from Borrower.

6. Guarantor shall not, without the prior written consent of Lender, commence or join with any other person in commencing any bankruptcy, reorganization or insolvency proceedings against Borrower.

7. Guarantor understands and acknowledges that by virtue of this Guaranty it has specifically assumed any and all risks of bankruptcy or reorganization case or proceeding affecting Borrower, and, as an example and not by way of limitation, a subsequent modification of the Note in any reorganization case concerning Borrower shall not affect the obligation of Guarantor to pay the Note and all other Obligations in accordance with the terms hereof.

8. Guarantor shall file in any bankruptcy or other proceeding in which the filing of claims is required or permitted by law all claims which Guarantor may have against Borrower relating to any indebtedness of Borrower to Guarantor and will assign to Lender all rights of Guarantor thereunder. Lender shall have the sole right to accept or reject any plan proposed in such proceeding and to take any other action which a party filing a claim is entitled to do. In all such cases, whether in administration, bankruptcy, or otherwise, the person or persons authorized to pay such claim shall pay to Lender the amount payable on such claim and, to the full extent necessary for that purpose, Guarantor hereby assigns to Lender all of Guarantors right to any such payments or distributions to which Guarantor would otherwise be entitled; provided, however that Guarantors obligations hereunder shall not be satisfied except to the extent that

Lender receives cash by reason of any such payments or distribution. If Lender receives anything hereunder other than cash, the same shall be held as collateral for amounts due under this Guaranty.

9. The amount of Guarantor's liability and all rights, powers and remedies of Lender and/or Beneficiary(ies) hereunder shall be cumulative and not alternative. Any such rights, powers and remedies shall be in addition to all rights, powers and remedies available to Lender and/or Beneficiary(ies) at law or in equity.

10. In the event of any default hereunder, a separate action or actions may be brought and prosecuted against Guarantor, whether or not Borrower is joined therein or a separate action or actions are brought against Borrower. Lender may maintain successive actions for other defaults.

11. Should any provision of this Guaranty be determined to be illegal or unenforceable, all other provisions hereof shall nevertheless be deemed effective.

12. This Guaranty shall inure to the benefit of and bind the parties hereto and their respective heirs, legal representatives, administrators, executors, successors and assigns and any Chapter 11 and Chapter 7 trustee that may be appointed in a bankruptcy or proceeding involving Guarantor. If more than one person or entity executes this Guaranty, the obligations of each hereunder shall be joint and several.

13. The terms "Lender and/or Beneficiary(ies)" whenever hereinabove used refers to and means Lender and/or Beneficiary(ies) in the foregoing Loan Documents specifically named and also any assignees whether by outright assignment or by assignment for security, and also any successors in interest or of any assignee of such Loan Documents or any part thereof, whether by assignment or otherwise.

14. Guarantor, from time to time following Lender's request, shall execute and deliver to Lender (i) an estoppel certificate containing such truthful information as Lender may reasonably request, and (ii) such further instruments or documentation as may reasonably be requested by Lender to ratify and confirm this Guaranty and the continuing liability of Guarantor hereunder.

15. This Guaranty shall be governed by and construed in accordance with the laws of the State of New Mexico.

16. Any notice, request, demand, instruction or other communication to be given to any party hereunder shall be in writing and shall be either served personally, or sent by overnight courier, or certified mail, return receipt requested with prepaid postage, and addressed to the party to be notified at the address set forth below, or to such other place as the party to be notified may, from time to time, designate by at least fifteen (15) days notice to the notifying party:

To Guarantor: The Presbytery of Santa Fe
217 Locust Street NE
Albuquerque, New Mexico 87102

To Lender: Presbyterian Church (U.S.A.),
Investment and Loan Program, Inc.
100 Witherspoon Street, Room 1043A
Louisville, Kentucky 40202-1396

With a copy to: Legal Services Office
100 Witherspoon Street
Louisville, Kentucky 40202-1396

17. Time is of the essence in the performance under this Guaranty.

18. Guarantor shall report any and all material events adversely affecting Borrower's ability to pay under the terms of the Note of which Guarantor has notice or knowledge.

19. Guarantor hereby represents and warrants that the signatures of the individuals below are authorized representatives of the Guarantor and in such capacity are authorized and empowered to execute this Guaranty on behalf of the Guarantor, and that the Guarantor has authority under its articles, and bylaws to provide this guaranty.

IN WITNESS WHEREOF, Guarantor has executed this Guaranty as of the date first written above.

ATTESTATION:

THE PRESBYTERY OF SANTA FE, a New Mexico nonprofit corporation "Guarantor"

Secretary of the Corporation

Name: _____

By: _____

Title: _____

Name: _____

CERTIFICATION/RESOLUTION FOR PRESBYTERY
GUARANTOR

I, _____, the duly elected and qualified Secretary of the Corporation of The Presbytery of Santa Fe, a New Mexico nonprofit corporation do hereby certify that the following is a true and correct copy of the resolution adopted at a meeting of the corporation held on the ____ day of _____, 20__ at which a quorum was present.

RESOLVED, the First Presbyterian Church of Taos ("**Church**") located at 215 Paseo del Norte, Taos, NM 87571 has applied for a loan as follows from the Presbyterian Church (U.S.A.) Investment and Loan Program, Inc. ("Lender") funded by Endowment Funded Loans:

Amount of Loan: \$90,000

FURTHER RESOLVED, The Presbytery of Santa Fe, a New Mexico nonprofit corporation, ("**Presbytery**") having received and reviewed the Loan application of the Church, a member in good standing of this Presbytery, approves the Loan application, and guarantees the repayment of principal and interest on the loan to the Lender as described above. The officers of the Presbytery as listed on the attached Certificate of Incumbency marked Exhibit A are authorized to sign a guarantee and any and all documents of this loan as authorized agents of the Presbytery.

I certify that this resolution has not been modified, revoked, or rescinded and is in full force and effect this ____ day of _____, 20__.

Secretary of the Corporation

Typed or Printed Name



Investment & Loan Program Inc.

November 20, 2020

The Reverend Virginia Bairby
First Presbyterian Church of Taos
215 Paseo del Norte
Taos, NM 87571

Dear Reverend Bairby:

The Presbyterian Church (U.S.A.), Investment and Loan Program, Inc., as agent for the Endowment Funded Loans, "Lender", hereinafter referred to as "ILP" is pleased to offer the following loan to First Presbyterian Church of Taos, hereinafter referred to as "Borrower". This letter does not set forth all the terms and conditions of the loan offered herein. Rather, it is only an outline, in summary format, of the major points of understanding which shall be the basis of the final Loan Documentation which shall be drafted by ILP. This commitment is valid for a period not more than one hundred eighty (180) days from the date of this letter (until **May 21, 2021**). **ILP has tentatively scheduled the closing for January 21, 2021.**

The following is a summary of the terms and conditions under which the loan will be made:

Funds:	Endowment Funds
Borrower:	First Presbyterian Church of Taos
Purpose:	Proceeds of this loan will be used for renovation
Construction Phase:	Construction amount of \$ 90,000. The construction period will be for 12 months, or upon the completion of construction, whichever comes first. Repayment will be monthly interest-only on the principal sum disbursed during construction phase.
Amount:	\$ 90,000 (Ninety Thousand and 00/100 Dollars)
Term:	180 months
Amortization:	180 months
Interest rate:	As of the date of this letter, the base loan interest rate is 3.00% per year. This rate is good for sixty (60) days from the date of this commitment letter (or until January 21, 2021). The interest rate for the loan will be reviewed every 60 months from the loan closing date and may be adjusted to reflect Lender's current endowment funds interest rate.
Repayment:	Monthly payment at \$621.52, fixed for the first 60 months. The monthly payment shall be adjusted during the term of the loan, when the interest rate is adjusted.

Collateral: Unsecured

Guarantee: Presbytery of Santa Fe

Title Policy: None

Hazard Insurance: Evidence of liability and fire insurance coverage

Fees: None

Appraisal: None

Points: None

Prepayment Penalty: None

Financial Statements: Borrower shall provide ILP with a copy of fiscal year-end financial statements within 90 days of fiscal year-end.

Additional Debt: Borrower covenants and agrees that it will not incur additional indebtedness or permit any lien or any other encumbrances of the property securing the Promissory Note without the prior written consent of ILP

ILP reserves the right to add additional terms and conditions and to modify existing terms and conditions for the loan upon written notice to the Borrower. Attached to this letter and incorporated herein is a list of Requirements, which contains ILP's minimum requirements for making a loan. This commitment is conditional upon meeting these requirements as well as the conditions set forth herein. If in ILP's sole determination, the facts, conditions or circumstances have changed from those stated in the loan application or otherwise, ILP reserves the right to withdraw this commitment at any time. This commitment is not assignable or transferable by the Borrower without the express written consent of ILP.

Further, upon termination of use of the property to be mortgaged as a particular church or upon termination by declaration or otherwise of the Borrower's status as a particular church, entity or agency of the Presbyterian Church (U.S.A.) and subject to the Constitution of the Presbyterian Church (U.S.A.), any loan created by this commitment shall be immediately due, payable and collectible.

The terms of this letter may not be waived, modified or in any way changed except as agreed to in writing and signed by all parties. If you agree with the terms and conditions contained herein, please sign and return the enclosed Acceptance Page. Acceptance of this commitment letter means acceptance of the standard conditions, provisions, limitations, and required documentation necessary to secure the loan as set out herein.

Thank you for this opportunity to serve First Presbyterian Church of Taos and its capital project need. Our program's long history of working with Presbyterian churches and related Presbyterian entities gives us a unique perspective in providing the appropriate level of financing and structure for this capital project need. As your relationship manager, I look forward to working with you on the closing and funding of this loan. Our office team will be calling you in a few days to follow up and answer any questions that you may have about this commitment.

Respectfully submitted,

Judy L. Walton
Director of Credit Operations
1-800-903-7457 Ext. 5231

ACCEPTANCE

This signature page of the commitment letter must be signed, dated and returned within 15 days from the date of this letter to ILP.

By signing and returning a copy of this letter, the undersigned acknowledges receipt of ILP's Commitment Letter and Requirements and agrees to all of the terms and conditions set forth herein.

FIRST PRESBYTERIAN CHURCH OF TAOS

By: _____
(Authorized Corporate Signature)

Printed or Typed Name: _____

Title: _____ Date: _____

LOAN COMMITMENT LETTER

UNSECURED LOAN

General Requirements

The following are the minimum requirements for a loan to be made by the Presbyterian Church (U.S.A.) Investment and Loan Program, Inc. ("Lender"). All of the following items will apply to your loan unless the Lender informs you otherwise in writing. The Lender reserves the right to modify these requirements or to impose additional requirements, as it deems appropriate.

A. Requirements to be met prior to closing

The Lender must receive the following items with sufficient time before closing and/or disbursement to allow proper preparation of the loan documents and their legal review.

1. **ARTICLES OF INCORPORATION:** A copy of the Articles of Incorporation of the Borrower and/or Co-Borrower, certified to be true and complete as of the current date by the Secretary of the Borrower and/or Co-Borrower's corporation, showing the Borrower and/or Co-Borrower has the necessary corporate capacity to enter into the loan transaction. (*Certification form enclosed*).
2. A Certificate of Corporate Good Standing must be obtained from the Secretary of State's Office. (*Instructions for obtaining enclosed*.) *Received 11/20/2020.*
3. **BYLAWS:** Copy of the Bylaws of the Borrower and/or Co-Borrower and all amendments thereto, in form and substance satisfactory to the Lender, certified to be true and complete as of the current date by the Secretary of the Borrower and/or Co-Borrower's corporation. (*Certification form enclosed*).
4. **AFFIDAVIT AND CERTIFICATE OF INCUMBENCY:** Form to be completed by Borrower and/or Co-Borrower, which informs the Lender of the corporate officers and who is authorized to sign on behalf of the corporation (*Form enclosed*).
5. **RESOLUTIONS:** Resolutions adopted by the appropriate bodies of the PC (U.S.A.), which authorizes the loan and the execution of the Note and any other documents or instruments required by the Lender. The Resolutions must be certified to be true and complete and in full force and effect as of the current date by the Secretary of the Borrower and/or Co-Borrower's corporation. (*Preferred wording for resolutions from the Borrower are enclosed*).
6. **INSURANCE:** A certificate of insurance endorsed to name the Lender as an additional insured.
7. **CONTRACTS:** The Lender must be furnished with executed copies of all applicable construction contracts entered into by the Borrower. The Lender does not approve or provide a legal review of these contracts for the Borrower and/or Co-Borrower. All contracts must be for a fixed sum or for a guaranteed maximum cost.
8. **CONTRACTOR LIABILITY INSURANCE:** The Lender must be furnished with copies of the contractor's liability insurance.
9. **FUNDING:** The Lender will wire transfer the funds to the Borrower's bank account. The following information will be needed in order to transfer the funds:

A copy of a voided check; Bank Name, address, city, state, and zip; Bank telephone number Bank ABA Routing Number Account Number Account Name; and any further credit too or additional information the bank needs.
10. All legal matters pertaining to this loan shall be subject to the approval of the Lender's counsel.