



June 14, 2016

Rev. Alan McGrath
Hutto Discovery United Methodist Church
P. O. Box 426
Hutto, Texas 78634

Re: \$975,000 Construction Project

Dear Rev. McGrath:

We are pleased to know that Hutto Discovery United Methodist Church is interested in pursuing financing with the Texas Methodist Foundation (TMF) for its upcoming construction project. We have reviewed the preliminary financial information provided by the church and are of the opinion that, while final approval is determined by our Directors' Loan Committee, this loan request appears to be within the church's financial capabilities assuming pledges from a capital stewardship program of approximately \$600,000. We project that, along with the receipts from the capital stewardship program, the church would need a new loan of approximately \$455,000.

The maturity of the note may be up to 23 years (3 years of monthly "interest only" payments and 20 years of monthly principal and interest payments). TMF will not charge an origination fee nor require an appraisal. A title search, deed of trust, and filing fees will be required. TMF will prepare loan documents at no cost to the church.

This is **not** a commitment for a loan. The Directors' Loan Committee will make final determination, and if the request is approved, then a commitment letter will be sent to your attention. Please note that the suggested terms above are valid for 6 months, or until **December 14, 2016**.

If you have any questions or concerns, please do not hesitate to give me a call. My toll-free number is 1.800.933.5502.

Sincerely,

Robert E. Hoppe
Vice President