Revolving Loans

Loans to parishes are made out of the Revolving Loan fund. This practice provides small loans to parishes who don't have a lot of resources. The interest rate, which is lower than banks would charge, typically is lower if the amount is lower and the term is shorter. The rate is lower than the going rate at banks, and is set by the Department of Finance. We also offer no penalty for prepayment.

If a parish wants to take out a loan, they need to send a letter reviewing the facts of their situation including what the problem is and how much money they need to borrow. The letter should be one to two pages in length.

The parish (rector/vestry) will need to agree on the terms of the loan with the diocese -- interest rate, payback schedule and payment amounts. This will be presented to the Diocesan Council for approval along with the letter from the parish. It's good to have a representative from the parish available to talk with the Council (can join via Zoom if needed) in case questions arise during the approval process.

Diocesan Council will need to vote to approve the loan, based on the letter and the agreement.