



## **Memo of Understanding**

### **Title to the MC USA Office Building at 3145 Benham Avenue, Elkhart, Indiana**

Mennonite Church USA Executive Board approved the building of an office facility adjacent to the AMBS Campus at 3145 Benham Avenue, Elkhart, Indiana. The facility is intended to provide office space for staff of Executive Board, its agencies and other related organizations.

The fundraising campaign approved by Executive Board for the facility was conducted through a campaign titled "Joining Together, Investing in Hope". Additionally, Executive Board asked Mennonite Mission Network to facilitate certain tasks related to the planning and construction of the facility. A primary factor in this decision was that Mission Network had the financial attributes needed to secure financing for the project to supplement funds raised by the campaign. Mission Network agreed to fulfill this role on behalf of Mennonite Church USA. Accordingly, Mission Network acquired the land for the facility, secured supplemental financing, entered into contracts for the construction of the facility, obtained all necessary legal and regulatory permits and purchased furnishings and equipment for the building.

Currently, on behalf of Mennonite Church USA, Mission Network holds title to the real estate as well as furnishings and equipment for the facility. Mission Network has agreed to maintain insurance to protect against fire and other hazards, vandalism, all risk and casualty insurance in an amount not less than the full replacement value of the building and associated equipment. Mennonite Church USA will be named as an "additional insured". All decisions regarding the operation and maintenance of the building, grounds and associated equipment will be made by a joint committee comprised of representatives of the organizations occupying the facility.

While it holds title to the property Mission Network will not cause the real estate or associated equipment to be encumbered by liens or any other judgments not associated with the construction of the facility without the consent of Executive Board.

Executive Board and Mennonite Mission Network agree that it may be desirable in the future for Mennonite Church USA to hold title to the real estate, equipment and furnishings that make up the office facility at 3145 Benham Avenue.

Executive Board and Mission Network acknowledge that until construction and mortgage loans for the project are satisfied transferring title to Mennonite Church USA would require the agreement of Chase Bank, who has provided the supplemental financing for the project, and the title company. There would also be extra costs incurred to make any changes to ownership and loan documents. The organizations agree that the extra costs and time incurred in making changes to the title of the real estate prior to satisfying loan commitments add no long term value to the project or to Mennonite Church USA.

Upon request of the Executive Board, Mission Network agrees to transfer to Mennonite Church USA title to the office facility at 3145 Benham Avenue, Elkhart, Indiana and/or the equipment and furnishings associated

therewith which are owned by Mission Network for the convenience of the Executive Board, provided that the following conditions must first be satisfied:

- (1) All loan commitments related to the facility and all liens and obligations related to the furnishings and equipment to be transferred are satisfied and have been released; or
- (2) Mission Network is fully released from any and all liens, obligations, claims or charges with respect to said real estate and the furnishings and equipment associated with the assets to be transferred;
- (3) All costs, fees, expenses and taxes associated with such transfer are borne by the Executive Board.

Stanley W. Green  
Stanley Green, Executive Director  
Mennonite Mission Network

11-22-2011  
Date

Ervin R. Stutzman  
Ervin Stutzman, Executive Director  
Mennonite Church USA

11/16/2011  
Date