November 17, 1978

The Reverend Jerald R. Borgie Lutheran Church of the Covenant

San Diego, California 92129

Dear Jerry:

After considerable soul searching, conversation, data gathering, and loan projecting, the division is prepared to entertain a loan request from the congregation of between \$440,000 to \$450,000. This is the maximum amount that we feel would be necessary to build a 4,300 square foot unit with the kind of specifications that the division would be able to honor.

Even at this modified request, we have real fear about the congregation's ability to repay the loan. However, we do feel that the congregation is situated in a significant part of northern San Diego County and, therefore, we are willing to consider a reduced loan of the amount that I mentioned earlier. Incidentally, this projection is based on the 4,300 square foot building.

I suggest that you and Fred and your building committee get back with the architecht and tell him what the amount is that is available for the whole project.

I am glad to be able to write this kind of a letter. I was afraid that I would almost have to be suggesting that we not build at Penasquitos because of the excessive cost reflected in the initial request.

Greetings.

Fraternally yours in Christ

William J. Hanson

Director for Organizing Ministries

WJH:pak

cc: Fred Wimberly