

Congratulations!
On setting the goal to buy or lease a House of Worship

This is a historic and wonderful season in the life of your worship family. Over the many years I have been selling Houses of Worship I have gleaned some wisdom on the best way to achieve your goal. To accomplish most larger goals it is very important to set smaller goals to reach the large goal. The following suggestions should be very helpful.

1. Discern is buying now God's will for your worship family or is leasing for a season God's will? Who are you called to serve? What area is the best location to fulfill this calling?
2. Partner with a real estate agent experienced in this type of special use property even if you are leasing. Assembly Hall building code has many particular requirements and it can cost tens of thousands to over hundreds of thousands of dollars to make a facility comply. Be very careful before leasing or buying any building that needs to be converted to an assembly hall. Have an inspection period in your agreement and have a builder and architect inspect the property with a county building inspector.
3. Partner with a lender early in the process (before shopping). Meeting with your current bank or credit union to discuss the goal and determine your borrowing capacity is most important. Change is an opportune time for those with different goals. Most lenders require 20% to 30% cash down and will lend 3 to 4 times your gross annual giving depending on several factors:
 - a) Must have been organized (usually incorporated) at least 2-1/2 years with a steady giving pattern
 - b) Being part of a larger religious organization that has a history of standing behind the loan or will guarantee the loan helps greatly. If you are independent or your larger organization does not stand behind individual groups' debt you can still borrow but meeting all the lender's criteria clearly will be required.
 - c) If you have not already established a separate building fund and deposited to it regularly, do it now. Many groups do not realize they can often double their giving with a well run specific building fund drive. This demonstrates to the lender that you can make a regular payment too.
 - d) Lenders really like to see (and will require before lending) very well organized financial records. A CPA can be very valuable in achieving this goal. It will cost some money but it will be well spent.
 - e) Your particular bank or credit union may have too many loans out to religious organizations or have criteria which you do not meet, i.e. 300 or more members, etc. This is not the end. Ask them or your real estate broker if they know any lenders that would handle your type of loan. I can direct you to several local lenders. It is always best to deal with lenders face to face if possible.
 - f) Do NOT start sending financial information to super church loan brokers you find on the internet that make wild claims or demand up front fees over \$1,000.00.

- g) Use these ratios to guide you. You may find a little better loan or they may require a little more or less equity depending on your particular situation and the lenders criteria.

Sale Price:	\$400,000	\$750,000	\$1,000,000	\$2,000,000
- 25% Cash Down:	\$100,000	\$187,500	\$250,000	\$500,000
- Loan Amount:	\$300,000	\$562,500	\$750,000	\$1,500,000
- Min Gross				
Annual Giving X4	\$75,000	\$140,000	\$187,500	\$395,000
Annual Giving X3	\$100,000	\$187,500	\$250,000	\$500,000

- h) More than 25% cash down or cash reserves after paying the down payment in CDs held at the bank or credit union can help you. This reduces the lender's risk.
- i) Some sellers I work for will consider a second mortgage for a portion of the down payment. This is risky for the seller and so their board will want the same information provided to the first loan lender.
4. Strive for unity at every moment. This is critical. I believe God loves unity and does not want division, subtraction or addition of his family. He wants multiplication. Unity makes this possible.
5. Only show your congregation what you think you can buy after getting pre-qualified by a lender. If they see 2 houses of worship that are four times what you can buy everything in your price range will look disappointing. This creates opportune times for division and can discredit the leadership severely, do not start this way. Most sellers will not present an offer to their board until a lender has given a letter stating you have a high probability of getting a loan.
6. Involve the right professionals, congregation leaders and congregation members at the right stage not too early and not too late. The order below is important.
1. God
 2. Board
 3. Real Estate Broker
 4. CPA
 5. Lender
 6. Congregation
 7. Attorney *often chosen by lender
 8. Inspector*
 9. Architect
 10. Contractor
 11. Appraiser
 12. Title Company
 13. Mover

By following the above guidelines you can act in confidence and with credibility. The larger goal of buying the right house for your congregation can be the most exciting time in the history of your family. It can be fun and great multiplication can be probable with order.

Church Data Sheet

Please fill out this form.

Legal Name of Church			
Location meeting at now:			
Time at current location:			
Current Landlord's Name:			
Pastor's Name:			
Phone:			
Office:			
Mobile:			
Fax:			
Attendance Last Sunday:			
Average attendance last 3 months:			
Number of Paid Staff:			
Is church incorporated:		What Year?	
How are real estate decisions approved?			
What year did the church start meeting?			
Is the church a denomination or independent?			
Is the church part of a group of churches?			
Number of official members:			
Number of giving units:			
Gross giving for the last 12 months to general budget:			
Has a building fund been established?		How long?	
Last 12 months contributions:			
Current balance:			

The above information and more will be required by the lenders.

- Self Help Credit Union
Nikia Sharp
926 Elizabeth Ave
Charlotte, NC 28204
(704) 409-5918
- Charlotte Metro Credit
Dean Truitt
718 Central Ave
Charlotte, NC 28204
Phone 704-375-0183 X331
- John Berardino
Griffin Capital Funding
1135 Heatherstone Dr
Fredericksburg, VA 22407
Phone 540-548-1001 X104
Fax 540-548-1117
- Bank of the West
Phone 800-405-2327
- Bonds Great Nation
Russ Priddy
Phone 704-647-0973
Cell 704-502-1858

Areas of Church Life

Worship:	Music Preaching Teaching Ushering
Service:	Outreach Poor, visitors, people in area, world Daycare Equipping: clothing, food, shelter, jobs, education Inreach: elderly, sic, sad, children, youth, parents
Pastoring:	Visitation Counseling Encouraging Comforting the afflicted Afflicting the comfortable Supporting needy
Business:	Giving (income) Salaries Insurance Facility, purchase, lease, upkeep, expansion, utilizing Building fund (income saved) Pastor discretionary fund Pastor retirement fund Printing CPA Scholarships Savings Endowments Transportation