



## **ADVANTAGE FUNDING SOLUTIONS CUSTOMER INFORMATION & LOAN APPLICATION PACKAGE**

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### **Religious Institutions**

To Our Clients:

Advantage Funding Solutions has developed a program to assist religious institutions build and/or remodel their sanctuaries in order to expand their ministries.

We are sure that you realize that there are only a limited number of banks that provide support in this area, and a fewer number still, that have a program providing quality customer service, along with solutions that sustain a mutually satisfactory relationship over a period of time.

The key to our approach is the effort that we make in the beginning to ensure that you understand how we make our lending decisions, and that we understand how you conduct your ministry. We find that this is essential to making good use of resources, and it increases the likelihood that, once a relationship is established, it can continue to grow.

The information requested in this document is an important step towards Advantage Funding Solutions getting to better know your ministry and its needs. As important, it saves you valuable time and resources by allowing us to quickly assess what role Advantage Funding Solutions can play in meeting these needs and within what time frame.

We hope that you will feel free to contact us as you complete this document.

#### **AFS CONTACTS:**

Name: John G. Berner  
Title: Managing Partner  
Phone: (740) 363-7300 Fax: (740) 363-7377  
Email: [jberner@AdvantageFundingSolutions.net](mailto:jberner@AdvantageFundingSolutions.net)

Name: Dan Kerchner  
Title: Managing Partner  
Phone: (740) 363-7300 Fax: (740) 363-7377  
Email: [dkerchner@AdvantageFundingSolutions.net](mailto:dkerchner@AdvantageFundingSolutions.net)

## SECTION I: Detailing Your Needs

This section requires you to accurately state the financing needs of your ministry. It is one of the most important sections because it ensures that you have thought through your growth strategy and many of the components that will lead to your eventual success.

- 1.] Type of loan that you are requesting:  
 Construction       Permanent Mortgage       Both
- 2.] Purpose of Loan: \_\_\_\_\_
- 3.] Amount of Loan: \$ \_\_\_\_\_  
Targeted Interest Rate: \_\_\_\_\_ %
- 4.] Will guaranty the debt? \_\_\_\_\_
- 5.] Do you currently have building plans?       Yes  No
- 6.] Current seating capacity of auditorium: \_\_\_\_\_  
Proposed capacity: \_\_\_\_\_
- 7.] Estimated date construction to begin: \_\_\_\_/\_\_\_\_/\_\_\_\_  
Estimated completion date: \_\_\_\_/\_\_\_\_/\_\_\_\_
- 8.] Name of Architect: \_\_\_\_\_
- 9.] Name of General Contractor (GC) and or Construction Manager (CM):  
\_\_\_\_\_  
Is GC and/or CM bonded?       Yes  No
- 10.] Are you working with other financial institutions on this transaction?  
 Yes  No

## Attendance & Membership Profile

Please indicate the average weekly attendance over the last 3 years for the following categories:

Average Weekly Attendance	Year _____	Year _____	Year _____
Weekend worship a.m. service			
Weekend worship p.m. service			
Midweek service			
Religious school			
Number of Family Giving Units			
Number of Communicants/Members			

ACQUISITION, CONSTRUCTION AND EXPANSION NEEDS			
	From Loan	From Religious Institutions Equity	Subtotal
Construction and/or Purchase Costs:			
<b>Land</b> Acreage: _____	\$	\$	\$
<b>Hard</b> Sq. Ft.: _____	\$	\$	\$
<b>Soft</b>	\$	\$	\$
<b>TOTAL COSTS:</b>	\$	\$	\$
<b>Refinance existing debt</b>	\$	\$	\$
<b>Religious Institution improvements</b>	\$	\$	\$
<b>Other</b>	\$	\$	\$
<b>TOTALS</b>	\$	\$	\$

Please describe the project, including all costs, site location, and usage in the space below: (attach

financial statements and any additional information)

## DETERMINING CASH AVAILABLE TO SERVICE NEW DEBT

Revenue Sources:	3 Years Ago	2 Years Ago	This Year	Next Year
Total Tithes and Offerings				
Eligible Endowments				
Ongoing Building Fund				
Other Sources of Cash				
<b>[A] TOTAL REVENUE SOURCES:</b>				
Expenses:	3 Years Ago	2 Years Ago	This Year	Next Year
Building Operations				
Ministry Operations				
Lease Payments				
Current Debt (P+I)				
<b>[B] TOTAL EXPENSES:</b>				

### FREE CASHFLOW (A - B)

Definitions:

**Eligible Endowments** are sources of cash that come to your ministry as a result of a *fully-funded written bequest* that is available for *general ministry purposes, including building and construction, and will remain in place for the duration of the financing period.*

**Ongoing Building Fund** is a building fund that is a permanent part of monthly giving, *but not a part of Total Tithes and Offerings. You fully expect this giving to continue for the remainder of the financing period.*

**Other Sources** represent cash that has been received *without restrictions*, in roughly the same amount for a sufficient period, so that you have a high degree of confidence that it will continue for the remainder of the financing period. Cannot include borrowings.

**Building Operations** are uses of cash, such as heating, electricity, water, parsonage upkeep, etc.

**Ministry Operations** represent salaries, outreach programs, cash-due to national organizations, etc.

Annual **payments on leases** that expire beyond one year.

⌘ Current payments of principal and interest (**P+I** .)

## SECTION II: Determining If You Are Ready To Make Application

This section helps you determine if you are ready to successfully apply for financing.

Does the Religious Institution have corporate officers?  Yes  No

Does the Religious Institution have an accountant?  Yes  No

Does the Religious Institution have someone serving as a financial officer?  Yes  No

If the Religious Institution is presently borrowing money, have you been consistent in honoring all the terms and conditions imposed by the lender?  Yes  No  
 If not, please explain:

Does the Religious Institution routinely prepare an annual statement of income and a balance sheet?  Yes  No

Can the Religious Institution make available financial statements representing the current year and last three years of operation?  Yes  No

If not, those financial statements need to be prepared in order to submit a complete application. The required minimum financial statement format will depend on the amount of the loan, as follows:

LOAN AMOUNT	TYPE OF FINANCIALS REQUIRED
Up to \$500,000	Religious Institution prepared
\$500,001 to \$2,000,000	CPA Compilation
\$2,000,001 to \$10,000,000	CPA Reviewed
Over \$10,000,000	CPA Audited

Has the Religious Institution prepared a financial forecast of the next three years?  Yes  No

### **SECTION III: Determining Your Capacity to be Financially Successful**

Advantage Funding Solutions makes it relatively easy for you to assess your ability to be successful with the financing that you are considering. This is important to making sure that you do not needlessly expend time and other valuable resources, and that the Religious Institution manages the expectations of the congregation in a way that fosters, and not diminishes enthusiasm for the project.

Advantage Funding Solutions Religious Institution Lending Program looks at financial capacity in three ways:

***How committed is the congregation to the project, as indicated by the relative size of the building fund prior to the project ● s start date, compared to the total cost of the project?***

***Does the Religious Institution have the ability to pay monthly interest and principal as they come due, while having sufficient cash to meet all other needs?***

***Does the Religious Institution have sufficient systems in place to monitor financial performance today, and in the future?***

**The congregation ● s commitment** is required for Advantage Funding Solutions to move forward, as would be expected. We require that the Religious Institution have available prior to any loan funding, the entire equity amount of the project. If the equity is to be raised through a AA campaign, ● the campaign must be completed prior to any loan disbursement. It is our policy to **provide financing up to 80% of the project cost.**

**Sufficient Free Cash Flow** (FCF) must be available to ensure that the Religious Institution can meet the new financial obligations imposed by the financing, and still meet all other obligations. Our general guideline for **annual FCF is to equal or exceed 1.15 times** the anticipated annual payments of principal and interest on the new financing (a.k.a. debt service coverage). **You can estimate your amount of FCF using the *Free Cash Flow Worksheet, page 7a.***

**Sufficient financial controls** are necessary to ensure proper decision-making as the financing is being evaluated, and to ensure the necessary ongoing monitoring and reporting. We expect to see adequate accounting and financial reporting systems managed by a qualified financial manager. A minimum of three years of financial operating history and forecast are required.

## SECTION IV: Tell Us About Yourself

[1] Name of Religious Institution: \_\_\_\_\_ Address: \_\_\_\_\_  
 \_\_\_\_\_ Telephone: (\_\_\_\_) \_\_\_\_\_  
 \_\_\_\_\_ Fax: (\_\_\_\_) \_\_\_\_\_

[2] Address of Project: \_\_\_\_\_

[3] Is the Religious Institution incorporated?  Yes  No  
 If so, date of incorporation: \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_

[4] Exact corporate name: \_\_\_\_\_

[5] Estimated number of members between the ages of:

0-13	13-21	21-40	41-65	Over 65
_____	_____	_____	_____	_____

[6] Year Religious Institution founded: \_\_\_\_\_ Tax I.D. # \_\_\_\_\_

[7] Denominational affiliation: \_\_\_\_\_

[8] Who is authorized to sign legal documents for the Religious Institution?  
 \_\_\_\_\_

[9] How was the proposed financing authorized? \_\_\_\_\_ (Please attach  
 a written copy of the authorization).

[10] Name of Religious Institution's attorney:  
 Name of attorney's firm: \_\_\_\_\_  
 Telephone: (\_\_\_\_) \_\_\_\_\_ - \_\_\_\_\_ Fax: (\_\_\_\_) \_\_\_\_\_ - \_\_\_\_\_

[11] Name of Religious Institution's accountant:  
 Name of accountant's firm: \_\_\_\_\_  
 Telephone: (\_\_\_\_) \_\_\_\_\_ - \_\_\_\_\_ Fax: (\_\_\_\_) \_\_\_\_\_ - \_\_\_\_\_

[12] Name of Religious Institution's financial manager:  
 Telephone: (\_\_\_\_) \_\_\_\_\_ - \_\_\_\_\_ Fax: (\_\_\_\_) \_\_\_\_\_ - \_\_\_\_\_

[13] Religious Institution's bank for deposits: \_\_\_\_\_

[14] Religious Institution's bank for loans: \_\_\_\_\_

[15] Please list your professional and administrative staff:

Name	Position	Years in Position


[16] Please list your Religious Institution officers, including clergy, elders, deacons, and finance and building committee members:

Name	Position	Years in Position	Full-time Occupation

[17] Please provide us with five credit references:

Firm Name	Phone	Type	Account #
	( ) -		
	( ) -		

	( ) -		
	( ) -		
	( ) -		

[18] Please include the following items in your application package:

- All financial information and all supporting schedules including balance sheet, income statement, budget, and forecast reports.
- By-laws and Constitution of local institution (also include district and national bodies, where applicable).
- Resolution from the congregation granting borrowing privileges, amount of aggregate borrowings, members, committee or group to direct the project.
- Pledge campaign information, including targeted amounts, collected pledges and time period.
- History of the Religious Institution.
- Resume and/or biography on the clergy-in-charge.

[19] Other pertinent information: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

***Please attach any additional documentation, which would help us evaluate your project. Thank you.***

**CERTIFICATION AS TO ACCURACY OF INFORMATION  
AND AUTHORITY TO SIGN**



1. Information contained in this application is provided to Advantage Funding Solutions, LLC for the purpose of securing credit from time to time in whatever form.
2. Applicant(s) certifies to us that all information provided on this application or otherwise in connection with this application is true and correct, is not misleading, and does not contain any material omissions.
3. Advantage Funding Solutions, LLC is authorized to rely on the latest financial statement of applicant(s) or any guarantor/cosigner as a continuing statement until replaced by a new statement or until Advantage Funding Solutions, LLC is notified in writing of any changes therein.
4. Applicant(s) understands and agrees that Advantage Funding Solutions, LLC may obtain business or consumer credit reports on applicant(s) or any guarantor/cosigner or any principal owner, partner, executive officer, or director of applicant (if applicant is a business) in connection with this application or the extension, review, or collection of any credit, and may exchange, obtain, or provide credit information on them or any of them with, from, and to other creditors and credit reporting agencies.
5. Advantage Funding Solutions, LLC is authorized to retain all information and reports in connection with this application.
6. Signer(s) represent to us that each of you is authorized to sign this application on behalf of the Religious Institution, that each of you have the title indicated on the application, and that no other person(s) is/are requires to sign this application in order to bind the Religious Institution or to make any of the representations, agreements, or other information in this application accurate, effective and legally binding.

If this application is given in connection with a credit in Ohio, the following disclosure applies:

**THE OHIO LAWS AGAINST DISCRIMINATION REQUIRE THAT ALL CREDITORS MAKE CREDIT EQUALLY AVAILABLE TO ALL CREDIT WORTHY CUSTOMERS, AND THAT CREDIT REPORTING AGENCIES MAINTAIN SEPARATE CREDIT HISTORIES ON EACH INDIVIDUAL UPON REQUEST. THE OHIO CIVIL RIGHTS COMMISSION ADMINISTERS COMPLIANCE WITH THIS LAW.**

For the Corporation, Partnership, or Other Entity named on the application

Organization Name: \_\_\_\_\_

Signer name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_