



A MINISTRY OF
THE NORTH CAROLINA BAPTIST FOUNDATION, INC.

☞ Church Loan Program ☞

Why did the Foundation decide to start a church loan program?

For several years, we have received a growing number of inquiries from churches needing loans as they expand their mission and ministry. It had become apparent that the North Carolina Baptist Foundation was the logical agency to assume this responsibility. We are convinced that the Lord has opened this new door of opportunity for partnering with growing North Carolina Baptist churches.

For what purpose will loans be made?

Primarily loans will be made for construction, remodeling, land purchases and refinances. We will evaluate the purpose of the loan and match a product that best suits the need.

Where is the Foundation getting the money they will loan?

Individuals and churches across North Carolina can purchase certificates of participation and receive a competitive interest rate. The money received will be loaned out to churches for their growth needs. In addition the Foundation will be using some of its reserve funds as another funding source.

How much will a church be able to borrow?

The loan maximum will be determined by the underwriting criteria that a church must meet before a loan can be made.

What are some of the underwriting criteria that a church must meet?

Some of the general requirements are, a church must have been in existence for at least three years, annual loan payments should not exceed 30% of the undesignated tithes and offerings, and the loan amount should not exceed 80% of the appraised value of the property securing the loan.

What are the terms and rate options for the church loan program?

We offer amortizations up to 25 years and 3 fixed interest rates: a 1 year, 3 year and 5 year rate option. Rates are fixed during the initial period and can adjust up or down at the anniversary date of the option chosen. Current rate options can be found on our web site at

www.ncbaptistfoundation.org/ncbfs/

What are the loan closing costs?

The costs would be similar to the fees that are normal and customary for a loan of this type, i.e. origination fees, attorney fees, appraisal fees, etc.

Will an appraisal be required?

We will require an appraisal. The type of appraisal will be determined by the loan amount and the complexity of the project.

How long will the loan process take once an application has been submitted?

Once an application is complete, it should take no more than two to three weeks to make a decision. After a decision is made, the loan closing process normally takes two-four weeks to complete.

How do I apply for a loan?

You can call Russell Jones, Vice President of NC Baptist Financial Services at 800.521.7334 ext. 1680 and request an application or go to our web site:

www.ncbaptistfoundation.org/ncbfs/

and download an application. A list of financial statement requirements can be found on the application.

Does NC Baptist Financial Services offer any other services to churches?

Yes, we also offer consultative services. Even if you do not utilize our church loan program, we will be glad to offer assistance as a financial advisor to your project. When beginning a new building project, it is normally a good idea to consult with an experienced church lender before spending money on architectural designs that could prove too costly to build. The consulting services are free of charge.

Church Loans

- † Church loans for many purposes**
- † Up to 25 year amortization periods**
- † Low origination fees**
- † Multiple fixed rate options**
- † Your financial partner**
- † Loan consulting services at no cost**