



Types of financing

This information is to be used only for illustration purposes and is subject to change. This information contains sample terms and requirements of Alpha 2 Omega, Inc. and our partners in making first lien mortgage loans and is subject to changes in market conditions.

-- Interim/Construction Financing

Short-term financing issued in anticipation of longer-term financing “interim borrowing.” Typically used in construction, or to meet immediate closing needs.

-- Permanent Financing

Loans for periods of longer than 12 months. Can be used for purchases, refinances, and construction takeout loans.

-- Bond Financing

Bond programs avoid variable interest rates, which typify conventional financing, by having a fixed interest rate over a twenty-year repayment period. The flexibility of bond programs allows the Church to obtain additional bond financing in the future for expansion or remodeling without refinancing its first mortgage.

With no balloon payments there is no need to set aside large amounts of money or seek replacement financing in upcoming years. Your mortgage bonds mature serially up to twenty years. Bond financing may be paid off early. (Modest prepayment charges may apply only in the first 2 years)

* Rates, terms and conditions are customized for each loan request.

General Requirements

Long-term and short-term interim financing (1 year or less) is offered.

- The minimum loan is \$150,000.
- The maximum loan is \$5,000,000.00
- First lien mortgages only.
- The maximum loan to value is 75%.
- Site inspection, commercial appraisal, audited or reviewed financials, environmental assessments, as well as legal fees are usually required.
- The maximum loan is 3.5 times gross income. Gross income does not include non-recurring items such as special contributions or building funds, etc.
- No prepayment penalty
- Monthly payment should not exceed 35% of gross ordinary income.

Preliminary Evaluation

To evaluate a financing application, **Alpha 2 Omega** will need to review the following:

- **Financials.** Financial statements of the church’s last three fiscal years and current period (if available) including income statements (P&L) and balance sheets.
- **Appraisal.** Estimated value of the property to be mortgaged to secure the financing. Include the projected value of proposed improvements (if construction or renovation).
- **Use of Proceeds.** Itemized list of the intended use of the requested loan proceeds.
- **Membership/Attendance.** Membership and attendance figures for the prior three years, and current YTD.
- **Project.** A brief description of the proposed construction or renovation project (if applicable).