

THE

FOURSQUARE CHURCH

REFINANCE A PROPERTY

Every month, there are Foursquare churches that are refinancing their mortgages. The Property Services Team and Foursquare Financial Solutions (FFS) collaborate to assist each church through the process, answer all questions and counsel them regarding all options.

Below are the details about authorization and signatures, requirements, steps in the process, and typical timeframes related to property transactions. Please contact our team early so that we can assist.

AUTHORIZATION + SIGNATURES

According to our bylaws, all offers, agreements and closing documents can only be executed by authorized signers who have prior ICFG board approval. Said offers, agreements and closing documents are only permitted in the name of the International Church of the Foursquare Gospel (ICFG).

LIST OF REQUIREMENTS

- The Foursquare Hub indicates the church is current and up-to-date on monthly reporting, tithing, missions giving, insurance and any mortgage
- 2/3 membership vote certified by the church council (except those which are month-to-month or less)
- Loan conforms to Foursquare policies: (1) only real estate is secured; (2) no unsecured loans; (3) loan in the name of International Church of the Foursquare Gospel; (4) repayment is principal and interest; (5) no prepayment penalties; (6) no personal guarantees; (7) amortization does not exceed 25 years; (8) loan does not exceed 80 percent loan to value (LTV); and (9) loan underwritten on local church creditworthiness
- Adequate property insurance
- Fixed operational expenses and/or cash reserves within policy guidelines
- Use of funds conforms to policy guidelines—purchase of real property, deferred maintenance, property improvements or trade fixtures—not salaries or personal equipment

LIST OF STEPS

- Church contacts current and/or potential lender(s) to discuss refinance terms
- Term sheet or lender commitment letter including actual terms is sent to the Property Services Team for review
- Property Services Team Coordinator creates a property request (PT form) for pastor and church council to sign
- ICFG board approval of refinance request
- Loan documents signed by two ICFG corporate officers and returned back to lender

ESTIMATED TIMEFRAME

Typically, it takes 3-6 months to refinance a property.