

PINEHURST UNITED METHODIST CHURCH
BUILDING ADDITION
FINANCIAL PLAN

	BEST SCENARIO	WORST SCENARIO
RANGE OF COST ¹	\$ 370,000	\$ 440,000
LESS CASH IN HAND ²	72,000	72,000
LESS ADDED OFFERINGS ³	100,000+	50,000
NEEDED TO FINANCE ⁴	198,000	318,000
CURRENT LOAN BALANCE ^{5 6} (as of 12/31/2010)	708,898	708,898
RESULTING BALANCE ⁷ IF THE REFINANCE OCCURRED ON 12/31/2010	\$ 906,898	\$ 1,026,898

***** NOTES *****

1. Range of Cost estimates include architectural, engineering, construction, landscaping, fixtures, and furnishing costs.
2. Cash in hand is the remainder of the Promise Land monies restricted to one of three purposes: new construction, debt reduction, additional staff.
3. This assumes the congregation is invited to make additional capital funds offerings for this purpose. The duration of this campaign would be about 6 weeks. The actual figure depends upon congregational response.
4. Financing would include the refinancing of the entire mortgage of the church which must be done before August, 2012 according to the original terms. The new loan would be similar to the present loan: a 10 year note amortized over 20 years with a balloon at the end. The present interest rate is 6%. First Bank is confident that we may have a comparable rate. (This is a business rate and should not be compared to a home loan rate.)
5. The current loan balance reflects additional principal-only payments including over \$400,000 from Promise Land funds. Had the church not made those payments the balance on 12/31/2010 would be \$1,195,468. Those payments have saved the church \$86,570 in interest payments.
6. The original loan assumed in 2002 (the first payment was due September 1, 2002) was \$ 1,656,000. This was a 20 year convention loan with a 10 year call. The interest rate was 6.087980%. The call is set for August, 2012. Had there been no principal-only payments, the scheduled/original call amount for August 1, 2012 needing to be refinanced was \$1,065,444.
7. \$906,898 is serviced by a monthly payment of \$6,544 using the criteria of the present loan. \$1,026,898 is serviced by a monthly payment of \$7,410. Our present monthly payment is \$11,948 on the note of \$1,656,000.