

Outline of Loan Process for Capital Projects

Church of Christ Development Company Ltd's (CCDC's) Loan Process has 7 steps

- 1) Submission of the completed **Request for Consultation** form together with the signed **CCDC Statement of Beliefs and Practices** and the **last 3 years Financial Statements** is required to begin the loan process.
- 2) A **Consultation** is then scheduled between the ministry leadership and CCDC loan consultant where ministry information and loan process information are outlined. The loan consultant sends a **Consultation Report** with tentative Loan Terms to the congregation.
- 3) **Loan Potential** is provided based on **Annual Income**.
- 4) **Detailed Loan Requirements** will differ depending on the type of Loan Request but some typically required documents for each loan type are as follows:
 - a) Building Purchase – purchase agreement, building inspection report, verification of zoning, possible Phase 1 Environmental Assessment report
 - b) Land Purchase – purchase agreement, verification of zoning or potential zoning as well as servicing, possible Phase 1 Environmental Assessment report
 - c) Major Renovation and New Construction – Stamped Construction Drawings, Building Permit, Contractors Invoices
 - d) Refinancing of Capital Projects – copy of mortgage, payment history
 - e) Renovation – Contractor proposal or receipts of significant expenditure

Regardless of the loan type, the required documents always include a **Loan Approval Motion**.

- 5) A **Commitment Letter** is issued on approval of a loan together with the **Loan Terms**.
- 6) **Security** for the loan is a first Mortgage which is placed by the congregation's lawyer in conjunction with CCDC's lawyer. **Loans secured by land (mortgages) are currently unavailable in Ontario.**
- 7) **Initial funds** are forwarded through the lawyers. **Subsequent Draws** are provided directly to the congregation.

Note: *The length of time for the loan process is variable but on the average takes at least 6 to 8 weeks.*

