

LOANS FOR FREE METHODIST MINISTRIES

Whether your organization is expanding its facilities, renovating, or purchasing a building site, the Free Methodist Investment and Loan Fund (FMLF) at FM Financial is here for you. Since the 1950s, the fund has been assisting Free Methodist ministries across the country with loans that are made possible by Kingdom-minded investors who earn a competitive rate of return on their investments. We have experience working with ministries and their unique financial needs and requirements. It would be our pleasure to guide you through the loan approval process.

KEY INFORMATION

Loans are available to Free Methodist churches and related ministries in all 50 states; they are not available to individuals. Loans may be used to construct new facilities; to renovate, remodel, expand, or replace existing facilities; to relocate existing congregations (including the purchase or construction of new worship facilities); to purchase building sites; to refinance existing loans; or to meet other capital or operational needs.

All loans require collateral. In addition to other requirements, borrowers must provide a Certificate of Property and Liability Insurance covering the collateral property for at least the full loan amount and naming FM Financial as the lender. Borrowers are also required to establish and fully fund a reserve account equal to four months of projected loan payments in an FM Financial investment account.

The current loan rate is available upon request. Your rate will be guaranteed for five years, at which time it will be re-evaluated and adjusted (up or down). Please allow 6-8 weeks from application to funding.

NEXT STEPS



[Contact an FM Financial representative](#) to get started.



Talk with your Conference Superintendent to make sure the conference approves the purpose and amount of your request and to find out any specific conference requirements.



Begin gathering documentation such as current year and previous year financials, and current year budget.



Anticipate communication from Free Methodist Investment and Loan Fund personnel.

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FREQUENTLY ASKED QUESTIONS

* Additional loan information is available at fmlf.org/loans.



What size loan might we qualify for?

FMLF is authorized to loan up to 75% of a property's appraised value; a maximum of 30% of a ministry's revenue (excluding capital funds) can be used to service debt.



What fees are associated with FMLF loans?

Unlike most lenders, FMLF does not charge any points or fees for new loans. The ministry normally incurs out of pocket expenses to cover the cost of an appraisal, mortgage preparation, and title insurance.



Who sets the FMLF loan rate?

FM Financial's Board of Directors and Loan Fund Committee review and set loan rates regularly. Call for current rate.



What are the denominational requirements?

You will need a Release to Encumber from the denomination. In order to receive the release, you will need to submit society minutes approving the loan (or society minutes approving the church board to act regarding the loan). We are happy to guide you through this process.

\$130M

FMLF HAS BEEN SERVING FM
MINISTRIES SINCE THE 1950s
AND CURRENTLY HAS OVER 100
LOAN RELATIONSHIPS
TOTALING OVER \$130M.



FM Financial is the financial services ministry of FMCUSA. We offer professional planning, investing, and giving services for individuals and organizations from a biblical perspective.