

MOUNTAIN SPRINGS CHURCH

JULY 1, 2017

CLIENT PROFILE

Mountain Springs Church began in 1994. The Church initially rented space for worship in an elementary school and then eventually moved to a rented commercial facility. In 2001, the Church purchased the land at its current location and constructed a new worship facility in 2002 with proceeds from a bank loan. A sanctuary expansion project was completed in 2007. The existing approximately 18 acre church site consists of two ministry buildings that provide approximately 58,000 square feet of space, including a 761 seat sanctuary. The church has a current average weekly worship attendance of approximately 2,200.

The construction financing for the worship facility was originally provided by a commercial bank and was refinanced in 2007 and again 2012. The 2012 credit facility had a 10-year maturity, with a 5-year rate reset that occurred in 2017. The church renewed the loan for another 5-year term, but church leadership desired a longer term financing solution that is not typically offered by commercial banks. Additionally, accessing a portion of the property's equity for certain improvements was important.

THE ZIEGLER DIFFERENCE

Church leadership had been in discussion with other lenders on refinancing options, but ultimately felt that Ziegler's financing structure



\$6,275,000 | REFINANCING AND RENOVATION FUNDING
Mountain Springs Church | Colorado Springs, CO

would provide the church with the long-term fixed rate security it was looking for and the ability to access renovation funding to make various campus improvements.

Proceeds of the 2017 financing were used primarily to pay off the bank loan with a smaller portion of the loan to be used to make the desired campus renovations, including cosmetic upgrades to the worship facility building and the resurfacing and re-striping of the asphalt parking lot. The refinancing secured a 25-year fixed interest rate and would initially save the Church approximately \$14,000 in annual debt service on a straight refinance (excluding the new money for site improvements).

"Ziegler provided the flexibility we desired to access our property's equity for renovations, but more importantly we eliminated future interest rate risk by locking into a fixed rate financing."

Rick Clapp
Executive Pastor
Mountain Springs Church

This client's experience may not be representative of the experience of other clients, nor is it indicative of future performance or success.

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