

RELIANCE CHURCH

AUGUST 1, 2017

CLIENT PROFILE

Reliance Church is a growing, Calvary Chapel-affiliated ministry located in Temecula, California founded in 2007 by Senior Pastor Ted Leavenworth and a group of 25 initial attendees. In August 2007 the Church began leasing a commercial office facility in Temecula with seating for 125 in worship services.

The church added a second worship service at this location beginning in October 2008. By January 2011, this facility was no longer adequate to accommodate further growth, and the Church began leasing a nearby gymnasium and some classrooms on the campus of a local Christian school, with seating for 400 in worship services. As of March 2017, the Church was holding three Sunday worship services in this rented facility, with average weekly worship attendance of 1,150.

In November 2014, the church completed a merger with a much smaller local church, and in the process acquired a 3.92-acre ministry site in Temecula, just blocks from U.S. Interstate 15 and near the historic Old Town district. The acquired site had existing worship facilities, which the church anticipated using initially for administrative functions and mid-week services; however, leadership began to develop plans for the construction of a new, permanent campus located there.

THE ZIEGLER DIFFERENCE

In April 2014, Ziegler began conversations with the church about the planned project. Over the course of the next three years, Ziegler provided advice and consultation regarding many of the important decisions. Ziegler's assistance included providing ongoing estimates of the church's borrowing capacity as giving developed and a capital campaign was



\$4,200,000 | FIRST MORTGAGE BONDS, SERIES 2017
Reliance Church | Temecula, CA

implemented. In addition, Ziegler offered counsel concerning qualifications of general contractors and reduction of construction event risk. Finally, drawing upon decades of experience, Ziegler provided referrals to numerous outside professionals required for project and financing completion.

Key discussions also took place concerning the amount, type and structure of the needed financing. Important considerations for the church included interest rate risk protection, and the ability to finance further development of the new site. Ziegler proposed a 25-year, fixed rate, and fully amortized bond issue which would provide the security and flexibility the church needed. The terms and conditions included an open-ended mortgage allowing supplemental bond issuance, with no prepayment penalties or requirement to refinance the 2017 Series Bonds when considering future borrowing.

In August 2017, the church and Ziegler closed the \$4,200,000 First Mortgage Bond issue. Bond proceeds will be used to construct a 13,050 square foot sanctuary building with seating for approximately 600 people and a nursery area, to remodel and relocate the existing modular buildings

located on the site, create a storm water detention pond under the paved parking area, complete additional landscaping, and increase paved parking by 202 spaces. The church hopes to move worship services from its leased location to its permanent worship home in fall 2018.

"Working with Bill Dodson and the entire Ziegler team was a true joy. Reliance Church realized we had partnered with a group that understands the end game with a Kingdom mindset. Most lenders offer a short term fixed rate or adjustable rate, while Ziegler's dedication has given Reliance Church a fixed interest rate and the ability to phase future construction projects so we can grow long term and advance God's kingdom."

Scott Losee
Executive Pastor
Reliance 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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