

# Church Loan Fund, Inc. Board Summary

## General Information

**Date:** April 7, 2026  
**Borrower Name:** Restoration Chapel  
Waterloo, IL  
**Pastor:** Justin Demers

## Loan Request Information

**Amount Requested:** \$645,000  
**Interest Rate:** 6.00%  
**Projected Payment:** \$4,621  
**Appraisal Value:** \$1,075,000  
**60% Loan to Value:** \$645,000

## Membership/Attendance/Giving Information

**Current Membership:** 247  
**Current Worship Attendance:** 240  
**Receipts for Previous 12 Mo:** \$509,547  
**Disbursements for Previous 12 Mo:** \$490,854  
**25% of Annual Income/12:** \$10,616

## Request Summary

Pastor Justin Demers was appointed to Restoration Chapel in August 2021. At that time, the church had approximately 15 members (including his family), \$2,000 in operating funds, and \$4,000 in outstanding obligations, including a mortgage payment.

Since his appointment, the church has experienced consistent and significant growth. Today, more than 350 individuals consider Restoration Chapel their church home. In April 2024, Pastor Demers transitioned from the corporate sector to serve the church full-time.

In late 2024, Church Loan Fund refinanced their \$130,000 outstanding mortgage held by a local lender due to a pending balloon payment and increasing interest rate. At the time of the previous request, they were in the beginning stages of planning an expansion project, but were not quite ready. They are now prepared to move forward with Phase I of its expansion plan which includes a 4,100 square foot addition that will give them 10,200 total square feet of space. This expansion will double the sanctuary seating capacity, allowing for up to 300 per service. It will also double restroom facilities, and add classroom and office space.

Financial statements reflect steady growth and consistent surpluses. March 2026 includes \$64,900 in one-time expenses for engineering, surveying, and parking improvements. These were funded through the Building Fund and will be partially reimbursed by a \$50,000 donor pledge.

In the documents that follow, you will find the Information Worksheet (Application), Receipts and Disbursements spreadsheets, our Ratio Analysis Worksheet, and Risk Analysis Worksheet, drawings, and an updated appraisal including the proposed addition.

Please feel free to contact me should you have questions or wish to discuss this further.

Angie Conine  
Chief Operating Officer

# Church Loan Fund, Inc. Information Worksheet

## General Information/History

**Church Name:** Restoration Chapel  
**Church File Number:** 14402  
**Church Mailing Address:** 235 Grand Ave Waterloo IL 62298  
**Physical Property Address:** 235 Grand Ave Waterloo IL 62298  
**Primary Contact E-mail Address:** [Restorationchapelwaterloo@gmail.com](mailto:Restorationchapelwaterloo@gmail.com)  
**Church Phone Number:** 618-598-6121  
**Church Tax ID#:** 87-2003313

<b>Senior/Lead Pastor:</b> Justin Demers	<b>Ministerial File #:</b> 73538
Home Phone: 704-816-0425	Mobile Phone: 704-816-0425
<b>Church Treasurer:</b> Shane Mueller	
Home Phone: 618-447-2887	Mobile Phone: 618-447-2887
<b>Member of Church/Pastor's Council:</b> Mark Walter	Phone: 618-660-8203
<b>Member of Church/Pastor's Council:</b> Kirt Wilder	Phone: 618-363-2079
<b>State/Regional Administrative Bishop:</b> Mike White	Phone: 704-689-1150
<b>Inception Date of Church:</b> 08/04/21	
<b>Length of Time at Current Location:</b> 24 Years (Has had name changes)	
<b>Seating capacity of existing facility:</b> 150	

## Paid Staff Information

<i>Current Staff</i>	<i>Title</i>	<i>Years in Position</i>
Justin Demers	Senior/Lead Pastor	4 years
Cameron Fearing	Youth Pastor	4 Years
Anna Demers	Kids Pastor	4 years
Carter Young	Worship Pastor	2 years
Jacob Ridenour	Young Adults Pastor	6 months

How long have Senior/Lead Pastors

typically stayed: 7 Years

Has the Church ever had trouble keeping

Pastor (Y/N): Y

prior to the administration, the church could

If Yes, explain: not afford a full time pastor.

## Membership Information

	Most Recent			
	YTD	Prior Year	Prior Year 2	Prior Year 3
	2026	2025	2024	2023
<b>Total Membership:</b>	247	135	80	50
<b>Number of *Giving/Tithing Units:</b>	132	72	12	10
<b>Avg. Sunday School Attendance:</b>	63	34	18	10
<b>Avg. Sunday Morning Worship Attendance:</b>	270	131	72	39

\* One "giving unit" represents a family unit of givers who live in the same household. Each person may give separately but are one "giving unit."

### Breakdown of Current Membership by

Percentage (%):	Under 18:	25%	18-30:	30%
	31-60:	35%	Over 60:	10%

Last date membership rolls were purged: 01/10/26

## Financial Information Overview

Financial Contact Person/Treasurer: Shane Mueller

	Most Recent			
	YTD	Prior Year	Prior Year 2	Prior Year 3
	2026	2025	2024	2023
<b>Operating Budget **</b>	\$ 451,952	\$ 340,845	\$ 200,000	\$ 150,000
<b>Actual Income</b>	\$ 160,368	\$ 431,269	\$ 233,925	\$ 174,095
<b>Actual Expenses</b>	\$ 164,590	\$ 382,691	\$ 241,724	\$ 128,203
<b>Actual Non-recurring Expenses</b>			\$ 23,480	\$ 9,317

\*\*In addition, please complete the detailed 24-month analysis requested.

## Current Debt Obligations

Creditor(s)	Balance Owed	Monthly Payments	Collateral	Rate
Church Loan Fund	\$ 111,869	\$ 1,200	Church Property	6.5%
<b>Total Debt Obligations:</b>	\$ 111,869	\$ 1,200		

## Project Needs and Fundraising Goals

### Project Description

*Fill in ONLY if Construction Project*

**Land Cost:** \_\_\_\_\_  
**Construction Cost:** \$ 500,000  
**Soft Costs:** \_\_\_\_\_  
**Furniture/Fixtures:** \$ 10,000  
**Contingency:** \_\_\_\_\_  
**Interest Costs:** \_\_\_\_\_  
**Other:** \$ -  
**Total Est. Project Cost:** \$ 510,000

### Fundraising Campaign

**Cash On-Hand for project:** \$ 40,331  
**Start date of pledge campaign:** 01/01/26  
**Length of Campaign:** 5 years  
**Amount pledged to date:** \$ 11,450  

	Number	Total Amount
# and Amount of pledges > \$25,000:		
# and Amount of pledges > \$50,000:		

**Professional Fundraiser (name):** Make Room Campaign

## Loan Request\*

Loan Amount	Interest Rate	Term/Months	Payment
\$ 645,000.00	6.00%	240	\$ 4,620.98

240 months =

20 yrs

0.005000

**Has Administrative Bishop granted approved:** Yes *If yes, please attach confirmation*

**Has Congregation granted approval:** Yes *If yes, please attach Resolution*

**Are additional funds above loan amount needed:** No *If yes, please attach a detailed explanation*

## Proposed Collateral Information

**Property Description:** Construction addition on existing building  
**Acquisition Date (Proposed):** 12/31/26 **Acquisition Cost:** \$ 621,869  
**Square Footage of Buildings:** 6100  
**Acreage Owned:** 2.5 **Acreage in Use:** 2.5  
**Has the property been appraised yet (Y/N):** Yes **If yes, Date:** 09/25/24  
**Appraised Value:** \$ 500,000 **Appraiser:** Collier Appraisers Ltd..  
**Insurance Coverage Company:** Brotherhood Mutual  
**Agent:** Jacob Jump **Amount of Coverage:** 3 Million

## Other Attachments

**Resume of Senior Pastor (Y/N):** Y  
**Summary of project and how loan proceeds will be used (Y/N):** Y  
**Current Balance Sheet (Y/N):** Y  
**Last two years' Receipts and Disbursement Detailed Report (Y/N):** Y  
**Most recent YTD interim financial statements - income statement and balance sheet (Y/N):** Y  
**Copy of real estate contract (if applicable) (Y/N):** N/A  
**Copy of current church budget (Y/N):** Y

## RECEIPTS

Name of Church: Restoration Chapel

Pastor: Justin Demers

Prepared by: Jerry Flowers

Period covered: Jan 2024 - Mar 2026

(End with current month and detail chronologically previous 24 months).

	Month	Year	Tithes	Offerings	Building Fund	Missions, Outreach	Other Income	Total
1	January	2024	10,506.09	278.00		611.28	7,144.10	18,539.47
2	February	2024	10,817.16	283.46		361.39		11,462.01
3	March	2024	23,897.55	146.00	951.00	867.67		25,862.22
4	April	2024	13,950.61	710.00	50.00	2,305.86	356.00	17,372.47
5	May	2024	12,821.87	1,071.00	5,100.00	564.06	504.79	20,061.72
6	June	2024	13,883.17	867.63	862.00	1,018.85	200.00	16,831.65
7	July	2024	12,263.38	2,074.35	1,516.00	868.54	460.00	17,182.27
8	August	2024	14,917.81	1,122.10	437.00	773.95		17,250.86
9	September	2024	21,575.37	1,423.45	2,913.00	1,593.72	859.58	28,365.12
10	October	2024	12,005.77	2,380.00	187.00	743.06	4,659.58	19,975.41
11	November	2024	14,119.09	1,445.27		564.37	375.60	16,504.33
12	December	2024	20,255.55	2,359.30	463.00	400.00	1,040.00	24,517.85
13	January	2025	19,347.09	1,118.30	513.00	983.00	20.00	21,981.39
14	February	2025	22,796.71	3,256.90	10.00	100.00		26,163.61
15	March	2025	27,824.52	3,063.20	1,237.00	1,219.90	600.00	33,944.62
16	April	2025	23,681.25	4,329.20	583.00	600.00	501.00	29,694.45
17	May	2025	22,066.92	2,954.10	330.00	413.00		25,764.02
18	June	2025	31,104.88	4,479.68	15,798.00	790.00	2,240.00	54,412.56
19	July	2025	24,062.92	5,033.68	4,661.00	-	2,000.00	35,757.60
20	August	2025	31,182.02	2,072.71	11,016.12	100.00	28.00	44,398.85
21	September	2025	24,746.59	2,387.57	200.00	2,220.90		29,555.06
22	October	2025	25,405.50	764.80	2,268.75	2,768.75	843.40	32,051.20
23	November	2025	23,543.29	2,066.56	700.00	3,870.00		30,179.85
24	December	2025	34,075.68	1,115.30	31,153.49	20.90	1,000.00	67,365.37
25	January	2026	28,105.05	4,563.40	20,000.00	300.00	240.00	53,208.45
26	February	2026	30,883.50	3,641.66	300.00	760.80		35,585.96
27	March	2026	59,813.00	3,598.83	5,000.00	1,836.10	1,326.05	71,573.98

<b>Total</b>	609,652.34	58,606.45	106,249.36	26,656.10	24,398.10	825,562.35
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	Income	Expenses
2024	233,925.38	241,724.09
2025	431,268.58	382,691.35
2026	160,368.39	164,590.30

Account Balances	
General	18,017.74
Building Fund	40,331.00
Missions	2,543.95
Savings	28,075.55
Benevolence	1,000.00
Youth and Kids	1,000.00
<b>TOTAL 2-12-2026</b>	<b>90,968.24</b>

## DISBURSEMENTS

Name of Church: Restoration Chapel

Pastor: Justin Demers

Prepared by: Jerry Flowers

Period covered: Jan 2024-Mar 2026

(End with current month and detail chronologically previous 24 months).

	Month	Year	Salaries	Mortgage/Rent	Utilities	Outreach	Other Expenses	Total
			Gross Pay	Include All Payments	State, General, Missions			
1	January	2024	3,814.82	1,045.70	302.15	773.39	11,304.48	17,240.54
2	February	2024	3,814.82	1,045.70	418.80	-	6,432.99	11,712.31
3	March	2024	3,852.32	1,045.70	773.61	992.00	8,030.67	14,694.30
4	April	2024	3,914.82	1,045.70	408.91	2,429.36	10,227.46	18,026.25
5	May	2024	11,693.64	1,045.70	357.23	2,280.06	22,018.73	37,395.36
6	June	2024	7,828.32	1,045.70	381.25	1,464.29	32,325.71	43,045.27
7	July	2024	8,213.74	1,045.70	310.52	1,502.38	10,622.91	21,695.25
8	August	2024	8,213.74	1,045.70	435.46	-	9,132.49	18,827.39
9	September	2024	8,251.24	1,045.70	472.84	320.00	6,083.32	16,173.10
10	October	2024	12,320.61	1,045.70	445.57	2,511.06	13,091.38	29,414.32
11	November	2024	4,106.87	1,045.70	354.47	-	7,153.69	12,660.73
12	December	2024		-	-		839.27	839.27
13	January	2025	9,611.36	-	367.27	783.49	8,394.59	19,156.71
14	February	2025	5,095.15	1,200.00	602.55	1,551.25	7,635.65	16,084.60
15	March	2025	9,840.30	1,200.00	651.02	615.31	8,879.55	21,186.18
16	April	2025	9,790.30	1,200.00	609.93	6,315.64	17,331.87	35,247.74
17	May	2025	14,685.45	1,200.00	421.51	2,181.14	12,434.92	30,923.02
18	June	2025	9,840.30	1,200.00	420.85	602.24	18,788.73	30,852.12
19	July	2025	9,790.30	2,400.00	408.13	686.99	45,843.59	59,129.01
20	August	2025	9,790.29	-	558.10	2,012.52	15,408.85	27,769.76
21	September	2025	9,840.29	1,200.00	753.37	3,898.20	14,462.73	30,154.59
22	October	2025	21,070.02	1,200.00	561.76	1,442.74	14,395.53	38,670.05
23	November	2025	13,980.01	1,200.00	508.20	1,256.24	22,692.15	39,636.60
24	December	2025	14,401.06	-	427.02	3,620.24	15,432.65	33,880.97
25	January	2026	15,783.40	13,200.00	671.17	4,451.71	12,571.78	46,678.06
26	February	2026	15,964.35	1,200.00	696.27	4,973.11	10,310.79	33,144.52
27	March	2026	16,445.93	1,200.00	879.25	1,319.29	64,923.25	84,767.72
<b>Total</b>			261,953.45	39,102.70	13,197.21	47,982.65	426,769.73	789,005.74

<b>Expenses</b>	
2024	241,724.09
2025	382,691.35
2026	164,590.30

## For Use by Church Loan Fund Only

### Ratio Analysis\*\*

## Restoration Chapel, Waterloo, IL

Proposed Loan Amount:	\$ 645,000
Existing Debt Obligation	\$ -
Total Proposed and Existing Debt Obligations:	\$ 645,000
Proposed Monthly Loan Payment:	\$ 4,657
Existing Monthly Loan Payment:	
Total Proposed and Existing Monthly Payment(s):	\$ 4,657
Total Proposed and Existing Annual Debt Service:	\$ 55,882
Annual Budget:	\$ 400,000
Annual Income:	\$ 400,000
Income Units:	132

<b>Total Proposed and Existing Debt Obligations/Annual Income:</b>	<b>Acceptable Range</b>  < 3.00	<b>Actual</b>  1.61	<b>Acceptable</b>
The growth in annual income has a direct relationship to maximum loan size. A higher growth rate church could support a higher ratio of debt to income.			
<b>Total Proposed and Existing Annual Debt Service/Annual Income:</b>	<b>Acceptable Range</b>  < 30%	<b>Actual</b>  13.97%	<b>Acceptable</b>
This measures the maximum amount of debt service that a church can reasonably be expected to pay from its operating budget.			
<b>Annual Budget/Income Unit:</b>	<b>Acceptable Range</b>  < \$3,000	<b>Actual</b>  \$ 3,030	<b>Unacceptable</b>
This ratio emphasizes the importance of having a congregation that is of adequate size to be able to spread the church's need across a sufficiently broad base.			
<b>Total Proposed and Existing Debt Obligations/Income Units:</b>	<b>Acceptable Range</b>  < \$4,500	<b>Actual</b>  \$ 4,886	<b>Unacceptable</b>
Measures the debt burden per member and reflects the financial commitment to the project that the average member must make.			
<b>Total Proposed and Existing Monthly Payment(s)/Income Units:</b>	<b>Acceptable Range</b>  < \$75	<b>Actual</b>  \$ 35	<b>Acceptable</b>
This calculation can be used with the annual budget/income unit ration to determine the reasonableness of new financing and the necessary contributions.			

\*\* Just because a response in this analysis is unacceptable does not mean the loan request will be denied. The information provides the Church Loan Fund with risk analysis.

# Church Loan Fund, Inc.

## Risk Grade Worksheet

**Church:** Restoration Chapel  
Waterloo, IL

**Date Prepared:**

< 3.0

< 30%

< \$3000

< \$4500

< 75

Risk Grade	Total Proposed Debt to Income	Debt Service to Annual Income	Annual Budget per Income Unit	Proposed Loan per Income Unit	Monthly Payment per Income Unit	Growth Trends	Historical Information
#1	0.00 - 1.00	0 - 10%	\$0 - \$1000 per unit	\$0 - \$2000 per unit	\$0 - \$20.00 per unit	Membership and revenue growing and have grown for past three (3) years.	Founded 35+ years ago. Pastor at church 8+ years. Discretionary expenses represent more than 40% of budget. More than 30% of debt being repaid by committed pledges.
#2	1.10 - 1.75	10.1 - 17.50%	\$1001 - \$1750 per unit	\$2001 - \$3250 per unit	\$21.00 - \$42.00 per unit	Membership and revenue growing and have grown for past two (2) years.	Founded 20+ years ago. Pastor at church 5+ years. Discretionary expenses represent less than 40% of budget. Less than 30% of debt being repaid by committed pledges.
#3	1.76 - 2.50	17.51 - 25.00%	\$1751 - \$2500 per unit	\$3251 - \$4000 per unit	\$43.00 - \$64.00 per unit	Membership and revenue growing and have grown for past year.	Founded 10+ years ago. Pastor at church 3+ years. Discretionary expenses are less than 30% of budget. Pledge campaign exist to repay less than 20% of debt.
#4	2.51 - 3.25	25.10 - 32.50%	\$2501 - \$3250 per unit	\$4001 - \$5000 per unit	\$65.00 - \$86.00 per unit	Membership and revenue are stable. Outlook for growth is good.	Founded 5+ years ago. Pastor at church 2+ years. Discretionary expenses are less than 20% of budget. Significant level of debt will be repaid through annual operating budget.
#5	3.26 - 4.25	32.6 - 42.5%	\$3251 - \$4250 per unit	\$5001 - \$6000 per unit	\$87.00 - \$99.00 per unit	Membership and revenue are stable. Outlook for growth is fair.	Founded less than 5 years ago. Pastor at church 1+ years. Discretionary expenses are less than 10% of budget. Debt will be repaid through annual operating budget.

<b>Results</b>	2	2	4	4	2	1	2.7
<b>Weight</b>	20%	20%	10%	10%	10%	10%	20%
<b>Risk Grade</b>	0.4	0.4	0.4	0.4	0.2	0.1	0.54

**Final Weighted Risk Grade:**

2.44

6.00%

# Church Loan Fund, Inc.

## Risk Grade Worksheet Addendum Historical Information

**Church:** Restoration Chapel  
Waterloo, IL

**Date Prepared:** 4/7/2026

Risk Grade	Longevity of Congregation	Longevity of Pastor	Discretionary Expenses	Debt Repayment
#1	Founded 35+ Years Ago	Pastor at church 8+ years	Represent more than 50% of budget	More than 30% of debt will be repaid by committed pledges
#2	Founded 20+ Years Ago	Pastor at church 5+ years	Represent less than 40% of budget	Less than 30%-of debt will be repaid by committed pledges
#3	Founded 10+ Years Ago	Pastor at church 3+ years	Represent less than 30% of budget	Less than 20% of debt will be repaid by committed pledges
#4	Founded 5+ Years Ago	Pastor at church 2+ years	Represent less than 20% of budget	Significant level of debt will be paid through operating budget
#5	Founded less than 5 Years Ago	Pastor at church 1+ years	Represent less than 10% of budget	All debt will be repaid through annual operating budget

<b>Results</b>	2	3	3	4
<i>Weight</i>	40%	40%	10%	10%
<b>Risk Grade</b>	0.8	1.2	0.3	0.4

**Final Weighted Risk Grade:** 2.7

**RESTRICTED APPRAISAL REPORT**

235 Grand Avenue  
Waterloo, Illinois

**PREPARED FOR**

Pastor Justin Demers  
Restoration Chapel  
235 Grand Avenue  
Waterloo, Illinois 62298

**PREPARED BY**

Collier Appraisers, Ltd.  
226 West Main Street  
Collinsville, Illinois 62234

**EFFECTIVE DATES**

March 11, 2026 ("As Is")  
January 1, 2027 (Estimated Date of Completion)

**INSPECTION DATE**

March 11, 2026

**Subject Property**

Photograph taken March 11, 2026  
235 Grand Avenue, Waterloo, Illinois



## **RESTRICTED APPRAISAL REPORT**

Use of this report is limited to the client(s) and other **named** intended users because it may not contain supporting rationale for all of the opinions and conclusions that are set forth.

<b>SUBJECT ADDRESS:</b>	235 Grand Avenue, Waterloo, Illinois
<b>PROPERTY TYPE:</b>	Church/religious facility
<b>CLIENT:</b>	Pastor Justin Demers, Restoration Chapel, 235 Grand Avenue, Waterloo, Illinois
<b>INTENDED USE:</b>	Internal Asset Management. No other uses of this appraisal are intended by the appraiser(s).
<b>INTENDED USER:</b>	Restoration Chapel. No other users of this report are intended by the appraiser(s).
<b>PROPERTY RIGHTS:</b>	Fee Simple
<b>TYPE OF VALUE</b>	Market Value

**DEFINITION OF MARKET VALUE:** Although the appraisal communicated in this report was not prepared for a financial institution, the definition of market value specified in regulations published pursuant to Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA) has been used in this assignment.

**CONDITIONS OF APPRAISAL:** As an Extraordinary Assumption of this appraisal, it is assumed that the proposed building improvements described herein are completed per plans and specifications within a reasonable amount of time and assuming good quality materials and workmanship are utilized in the construction.

**SALE AND LISTING HISTORY:** In accordance with the Uniform Standards of the Professional Appraisal Practice (USPAP), the appraiser(s) is required to furnish a three-year sales history regarding the appraisal of real estate. According to information obtained from the Monroe County Recorder of Deeds Office, the historical data regarding the subject within the past three years is as follows:

Grantor:	Restoration Chapel
Grantee:	Restoration Chapel
Sale Date:	12/24
Stamps:	Exempt under provisions of Paragraph E, Section 31-45 of the Real Estate Transfer Law (35 ILCS 200/31-45)
Recording:	Document # 435799 (Warranty Deed)

To the best of our knowledge, the subject property is not currently listed for sale or under contract of sale.

**SCOPE OF WORK:** Subject description was obtained from an interior and exterior inspection, building plans (if provided), municipal records, and discussions with the property owner.

The Cost and Sales Comparison Approaches were utilized in valuing the subject. Sales were confirmed via public records and/or discussions with parties to the transactions. Construction costs were obtained from The Cotality Marshall and Swift Valuation Service.

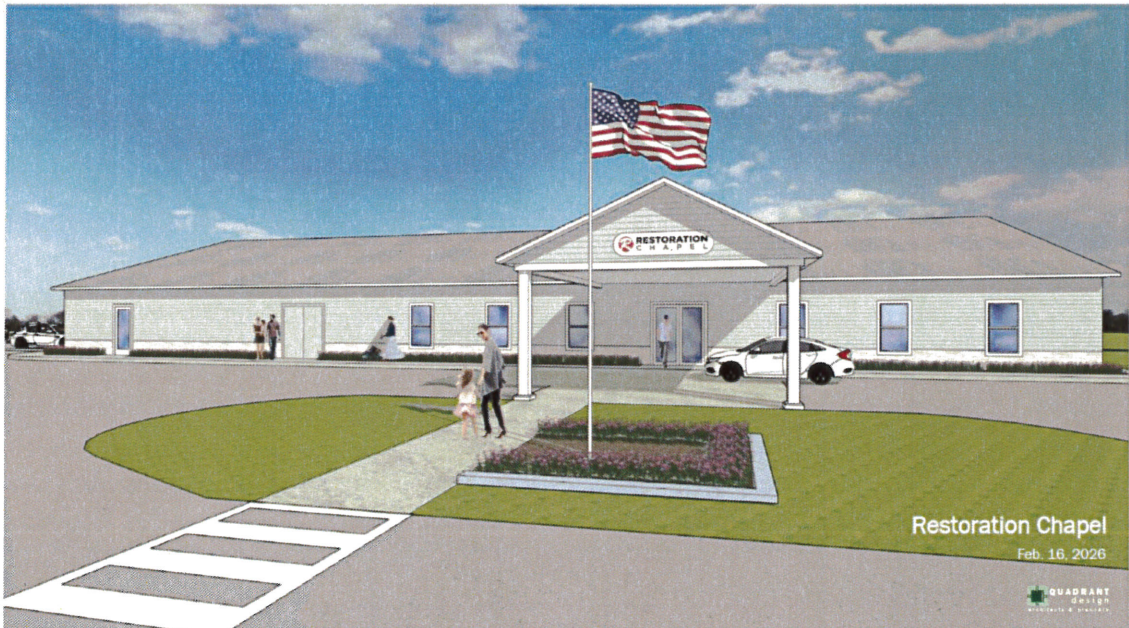
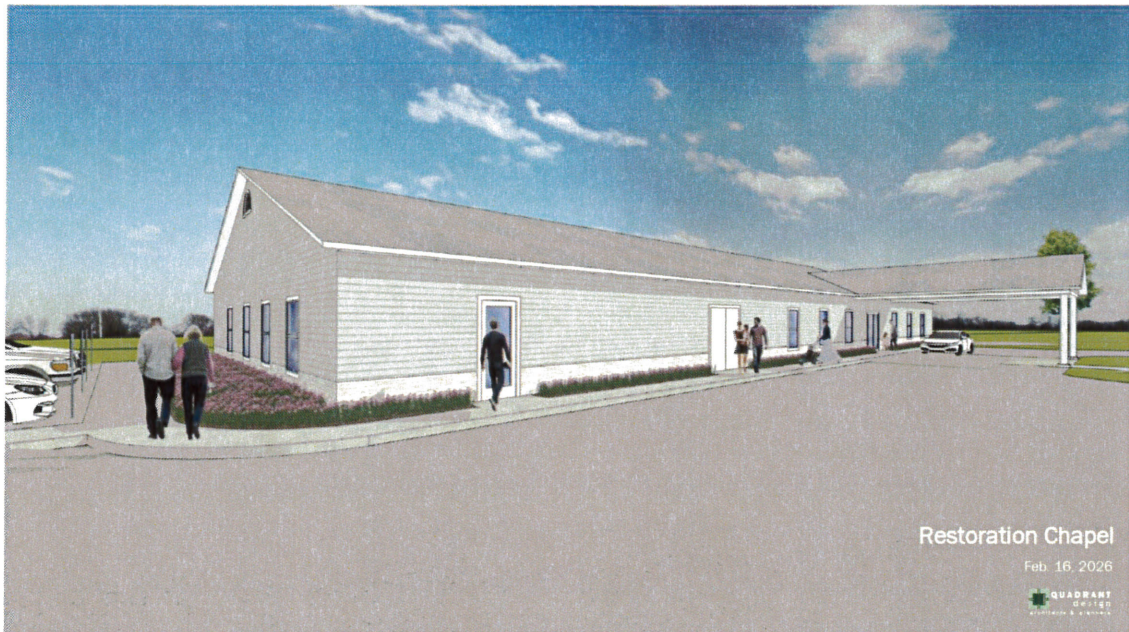
**SUBJECT PROPERTY:**

The subject property consists of an irregular shaped parcel containing approximately 2.5 acres improved with a religious facility and identified as Tax Identification Number 07-25-35-026-000. The property is zoned R-3, Single-Family Residential. The existing building contains 6,100 square feet. Roof is architectural shingle. Floors are laminate or carpet. The interior consists of a lobby, sanctuary, congregational area, fellowship area, two private offices, two classrooms, kitchen, nursery, men's and women's restrooms, and mechanical room. Heat is furnished by zoned, forced air furnaces equipped with central air conditioning. The subject is in good condition due to recent renovations and upgrading. No items of deferred maintenance appear evident.

The proposed improvements consist of a building addition to be constructed and attached to the south end of the existing church. It will contain approximately 4,100 square feet. The purpose of the addition is to enlarge the congregational area, add two offices, a conference room, and two meeting rooms or classrooms. A floor plan and renderings are furnished on the following pages. By virtue of the proposed improvements and the recent improvements to the existing building, we believe an effective age of 10 years and a total economic life of 50 years is applicable.

Other improvements consist of enlarging the existing paved parking lots.





**OPINIONS AND CONCLUSIONS:**

**HIGHEST AND BEST USE\*:** The existing use is the Highest and Best Use.

**EXPOSURE TIME:** 9 months to 12 months

**MARKETING PERIOD:** 9 months to 12 months

**EFFECTIVE DATES:** March 11, 2026 – Date of Inspection/Value As Is  
January 1, 2027 – Estimated Date of Completion

**INSPECTION DATE:** March 11, 2026

\* “1. The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.

2. The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset’s existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid. (IVS)

3. [The] highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future. (Uniform Appraisal Standards for Federal Land Acquisitions)”<sup>1</sup>

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<sup>1</sup> Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 7th ed. (Chicago: Appraisal Institute, 2022).

**COST APPROACH – UPON COMPLETION:** The Cost Approach is based primarily on the principle of substitution, which affirms that a prudent investor would not pay more for improvements on a property than could be built, assuming that similar quality construction materials are used. This approach, then, involves estimating the replacement costs new of the improvements, subtracting accrued depreciation, and adding thereto the land value.

It is important to note the difference between “replacement” and “reproduction” costs.

Definitions follow:

**Replacement Cost:** “The estimated cost to construct, at current prices as of a specific date, a substitute for a building or other improvements, using modern materials and current standards, design, and layout.”<sup>2</sup>

**Reproduction Cost:** “The estimated cost to construct, at current prices as of the effective date of the appraisal, an exact duplicate or replica of the building being appraised, using the same materials, construction standards, design, layout, and quality of workmanship and embodying all the deficiencies, superadequacies, and obsolescence of the subject building.”<sup>3</sup>

Unless otherwise noted, the costs furnished here are replacement costs.

**Replacement Costs New:** An estimate of replacement costs new can be obtained from cost services. The Cotality Marshall and Swift Valuation Service is a national publication to which we subscribe and will be used in this report.

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<sup>2</sup> Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 7th ed. (Chicago: Appraisal Institute, 2022).

<sup>3</sup> Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 7th ed. (Chicago: Appraisal Institute, 2022).

Accrued depreciation must now be accounted for.

**Accrued Depreciation:** Depreciation is a loss of value due to any cause and is classified into three general categories, namely physical, functional, and external. All three types can be accounted for by employing the Modified Effective Age - Remaining Economic Life Method. This method involves applying the straight-line method for physical and functional depreciation and deducting an additional amount for external obsolescence (20%) due to economic factors. Based on the subject's condition, functional utility, and other factors, we believe the following estimates of depreciation for physical and functional items are applicable.

$$10 \text{ divided by } 50 = 20\%$$

The current depreciated cost of the building improvements after deduction for physical and functional obsolescence, then, is equal to:

$$\begin{array}{r} \$1,363,634 \\ \text{Less (20\%)} \quad \underline{272,727} \\ \$1,090,907 \end{array}$$

The allowance for external obsolescence due to the limited number of buyers for religious facilities is now deducted.

$$\begin{array}{r} \$1,090,907 \\ \text{Less (20\%)} \quad \underline{218,181} \\ \$872,726 \end{array}$$

To this figure must be added the contributory value of the new parking lot improvements, flag pole, shrubbery, shed, etc. Our estimate is \$125,000.

The Cost Approach can now be summarized below.

Depreciated Cost of Building Improvements .....	\$872,726
Add Contributory Value of Site Improvements .....	125,000
Add Land Value .....	<u>125,000</u>
Total Value as Indicated by the Cost Approach Upon Completion.....	<b>\$1,122,726</b>
ROUNDED.....	<b>\$1,123,000</b>

This concludes the Cost Approach. The Sales Comparison Approach follows.

**SALES COMPARISON APPROACH - AS IMPROVED - UPON COMPLETION:** This

method involves a comparison of sales improved with religious facilities which are believed similar to the property being appraised. A thorough search of the market revealed the following sales which are considered to have some similarities to the subject property. These sales are deemed to be the most recent and similar to the subject property.

A useful common denominator for comparison purposes is expressed in dollars per square foot of gross building area. Land value and site improvements are inclusive in the unit price by this method. Adjustments are made for differences between the sales and subject to arrive at indicated values for each of the sales. The adjusted sale prices are then reconciled to provide an estimate of value of the property being appraised.

**Comparison Grid:**

	<b>Element of Comparison</b>	<b>Subject</b>	<b>Imp. Sale 1</b>	<b>Imp. Sale 2</b>	<b>Imp. Sale 3</b>
1	Sale Price	N/A	\$1,200,000	\$330,000	\$800,000
2	Unit Price Per Square Foot	N/A	\$111.11	\$42.19	\$31.79
3	Property Rights Conveyed	Fee Simple	Equal/-0-	Equal/-0-	Equal/-0-
4	Adjusted Price Per Square Foot	N/A	\$111.11	\$42.19	\$31.79
5	Financing Terms	Normal	Equal/-0-	Equal/-0-	Equal/-0-
6	Adjusted Price Per Square Foot	N/A	\$111.11	\$42.19	\$31.79
7	Market Conditions (Time)	3-26	12-25/-0-	10-23/+7%	9-23/+7%
8	Adjusted Price Per Square Foot	N/A	\$111.11	\$45.14	\$34.02
9	Location	Good	Equal/-0-	Inf./+10%	Inf./+10%
10	Physical Characteristics				
	Effective Age	10 Years	Inf./+15%	Inf./+15%	Inf./+15%
	Condition	Good	Inf./+10%	Inf./+30%	Inf./+30%
	Quality of Construction	Average	Sup./-10%	Equal/-0-	Sup./-10%
	Design, Appeal	Average	Equal/-0-	Equal/-0-	Sup./-5%
	Functional Utility	Good	Equal/-0-	Inf./+10%	Equal/-0-
	Size (Economy of Scale)	10,200 SF	10,800 SF/-0-	7,822 SF/-0-	25,167 SF/+75%
	Basement	No	Included Above/-0-	No/-0-	No/-0-
	Land to Building Ratio	10.68	15.77/-5%	25.95/-20%	8.45/+5%
11	Other	None	Equal/-0-	Parsonage Detached Garage/-10%	Shed/-1%
12	Net Other Adjustments	N/A	+10%	+35%	+119%
13	Adjusted Sale Price Per Square Foot for Market Conditions (Line 8)	N/A	\$111.11	\$45.14	\$34.02
14	Indicated Value of Subject Per Square Foot	N/A	\$122.22	\$60.94	\$74.50

**Reconciliation:** Improved Sales 2 and 3 require positive adjustments for time of sale and inferior location. Positive adjustments are required to all sales for inferior effective age and condition. Improved Sales 1 and 3 require negative adjustments for quality of construction. Improved Sale 3 requires a negative adjustment for superior design, appeal. Improved Sale 2 requires a positive adjustment for inferior functional utility. Improved Sale 3 requires a positive adjustment for economy of scale. Improved Sales 1 and 2 require negative adjustments for higher land to building ratios than the subject. Conversely, Improved Sale 3 requires a positive adjustment. Improved Sales 2 and 3 require negative adjustments for the existence of parsonage, garages, and/or shed.

After adjustments, indicated values range from \$60.94 to \$122.22 per square foot. Improved Sale 1 is the most recent. Taking into consideration the subject's improvements and addition, we believe the subject's value should be towards the upper end of the range as indicated by these sales. In conclusion and upon tempering Improved Sale 1 with the other sales, it is our opinion that \$100.00 per square foot is a reasonable value to assign the subject by this approach upon completion. Thus,

$$10,200 \text{ SF @ } \$100.00/\text{SF} = \mathbf{\$1,020,000}$$

The Reconciliation and Final Value Estimate follows.

**RESULT OF APPROACHES TO VALUE:**

Cost Approach – Upon Completion.....	<b>\$1,123,000</b>
Sales Comparison Approach – As Improved – Upon Completion .....	<b>\$1,020,000</b>
Income Approach – Upon Completion.....	<b>N/A</b>

**RECONCILIATION:**            Upon tempering the Cost Approach with the Sales Comparison Approach, we believe **\$1,075,000** is a reasonable final value estimate to assign the subject upon completion.

In accordance with the Uniform Standards of Professional Appraisal Practice (USPAP), the appraiser is also required to assign an “as is” value as of the date of inspection. Therefore, it is our opinion that a reasonable “as is” value to assign the subject is **\$600,000**.

The supporting documentation for the analysis and the development of the approaches to value is retained in the appraiser(s)’s work file.

**OPINIONS OF MARKET VALUE:**        **\$600,000 – As Is**  
    **\$1,075,000 – Upon Completion**

235 Grand Avenue, Waterloo, Illinois

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It is our opinion that the market values, as defined herein, of this property are as follows:

**Value As Is (March 11, 2026)**

**SIX HUNDRED THOUSAND DOLLARS (\$600,000)**

**Value Upon Completion (January 1, 2027)**

**ONE MILLION SEVENTY-FIVE THOUSAND DOLLARS (\$1,075,000)**

March 27, 2026



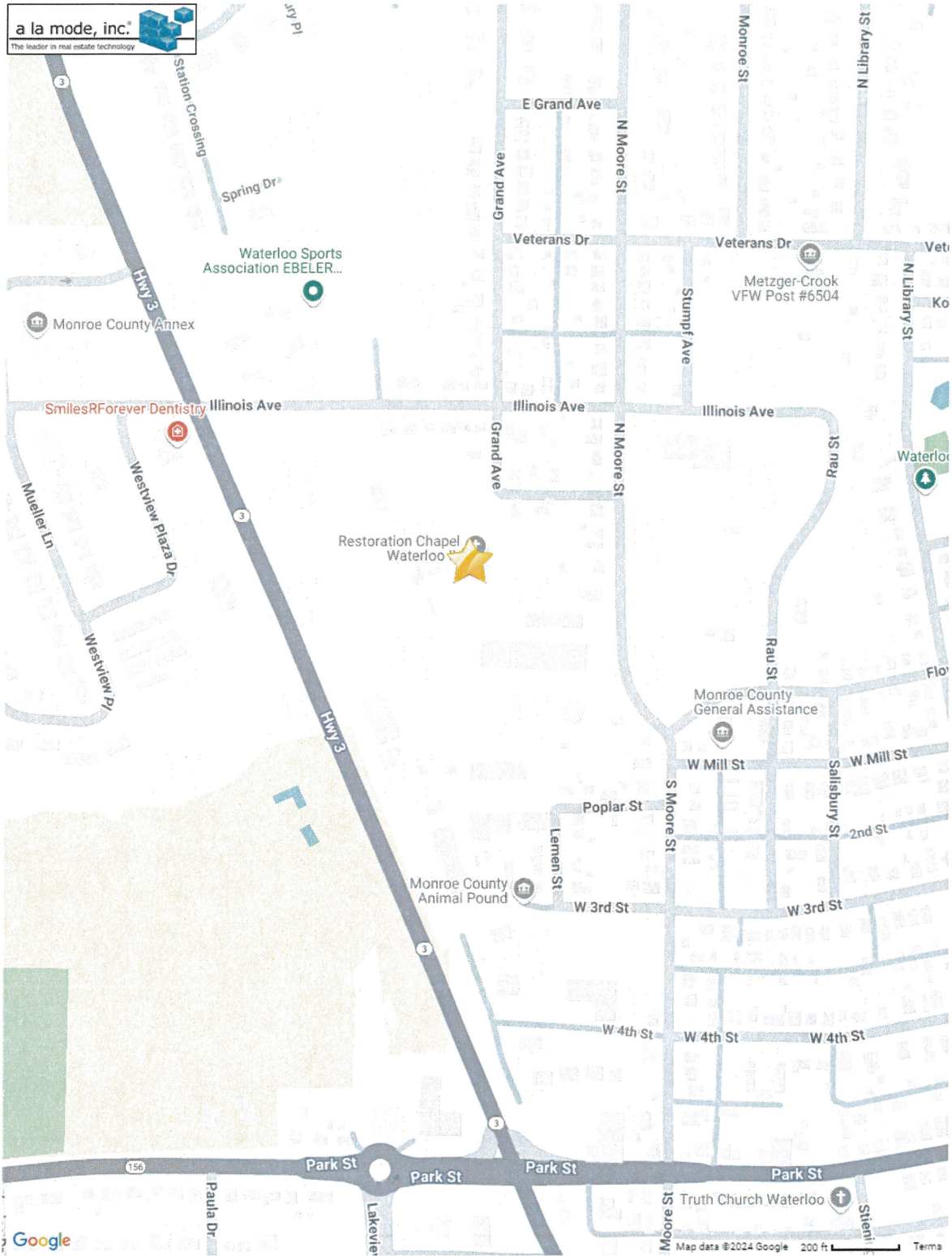
Ryan J. Collier

Certified General Appraiser

Illinois License No. 553.002875

Expiration Date: Sept. 30, 2027

# SUBJECT LOCATION MAP



**PHOTOGRAPHS**



Exterior Views



Exterior Views



Views of Parking Lot



View of Surplus Land



Interior View



Interior Views



Interior Views



Interior Views



Interior Views



Interior Views



Interior Views



Interior Views



Interior Views



Interior View