

11 Things Every Church Should Know About a Building Project

From Vision to Occupancy: A Step-by-Step Guide



Cast the Vision

- Set yourself up to receive vision
- Take notes
- Share the dream
- Be patient and reasonable



Isaiah 55:11

So is my word that goes out from my mouth: it will not return to me empty, but will accomplish what I desire and achieve the purpose for which I sent it.

Plan and Strategize

- Reviews: Land survey, zoning, permitting, & use.
- Considerations: equipment, multi-functional spaces, seating, accessibility, etc.
- Selecting an architect and beginning master planning

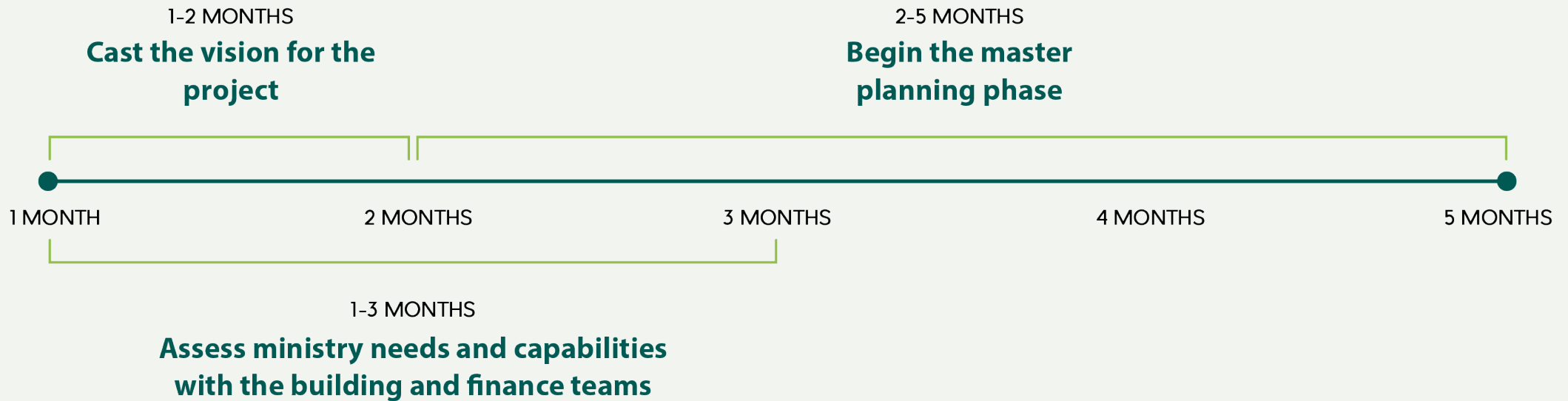
See the master planning phase timeline on the next slide.



Psalm 24:27

Prepare your work outside; get everything ready for yourself in the field, and after that build your house.

Master Planning Phase Timeline



Psalm 24:27

Prepare your work outside; get everything ready for yourself in the field, and after that build your house.

Select Construction Delivery Method

The project delivery method determines the approach for designing and building the needed facilities for the church.

Project Delivery Methods:

- Traditional
- Turnkey (also known as "Design-Build")
- Owner Build (also known as "Owner Controlled")



Proverbs 16:9

The heart of man plans His way, but the Lord establishes His steps.

Engage

Lay the foundation for good construction project management. Depending on your situation, some phases may not be necessary.

Design:

- Pre-Design
- Schematic Design
- Design Development

Documentation:

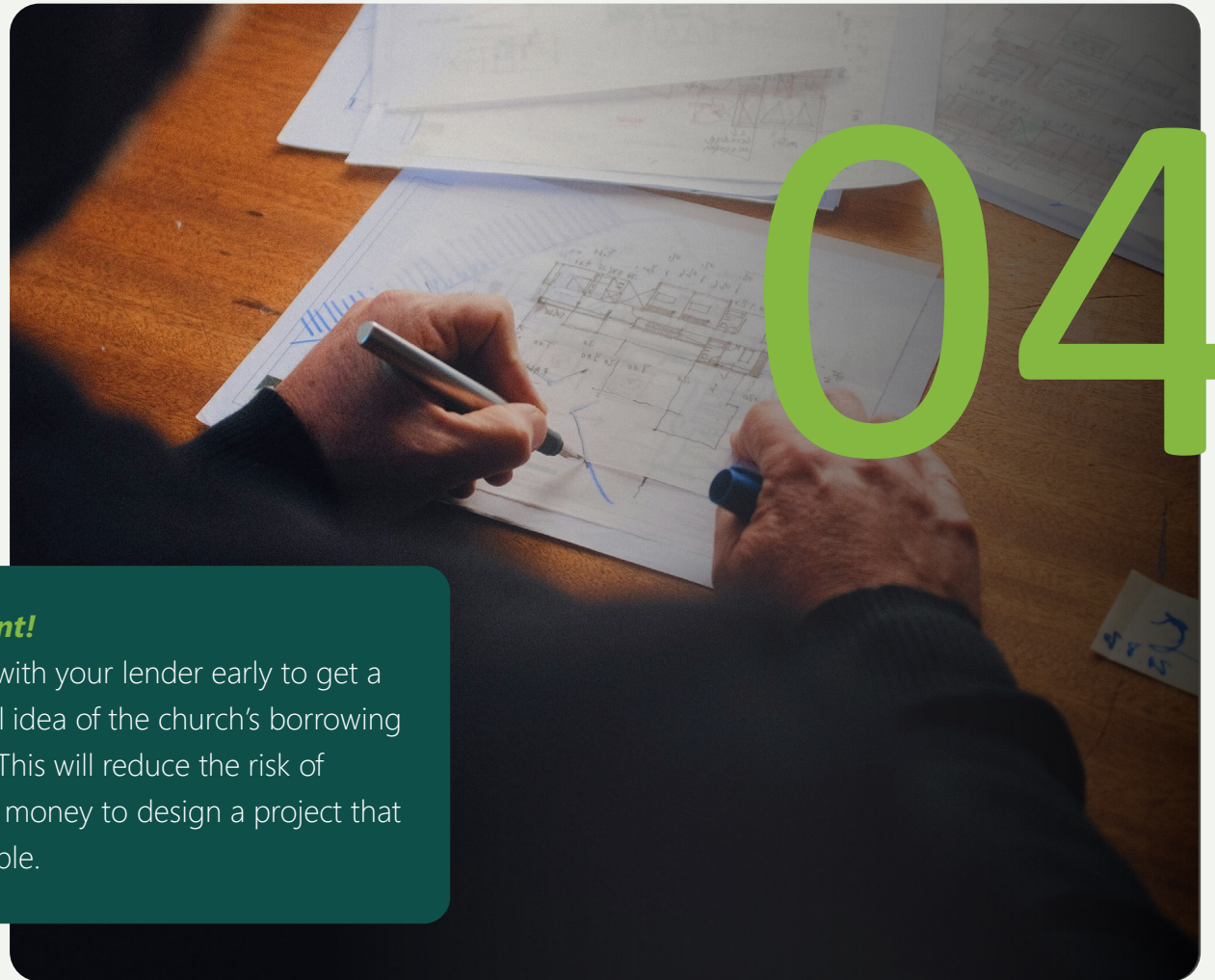
- Construction Documents
- Permitting

Selection Process:

- Bidding

Important!

Connect with your lender early to get a high-level idea of the church's borrowing capacity. This will reduce the risk of spending money to design a project that isn't feasible.



Psalm 33:11

But the plans of the Lord stand firm forever, the purposes of His heart through all generations.

Go All-In

Fundraising Campaign Information and Best Practices

- The role of a campaign consultant
- Rule of thumb for funds from a well-engaged congregation
- Pledge collection and "Firstfruits" Sunday offering
- "Silent" phase with key givers, legacy team, and board members

Important!

If possible, raise a large portion of funds needed for construction (50% or more) prior to breaking ground. Delays due to fundraising shortfall can be costly and jeopardize the project.



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Proverbs 3:9

Honor the Lord with your wealth, with the firstfruits of all your crops.

Coordinate

Pre-Construction Topics

- Managing Entitlements
- Addressing deed restrictions, zoning permits, and use issues
- Obtaining necessary permits
- Consulting an advisor on building risk insurance
- Securing a plan for interim meeting spaces if relocating



1 Corinthians 14:40

But all things should be done decently and in order.

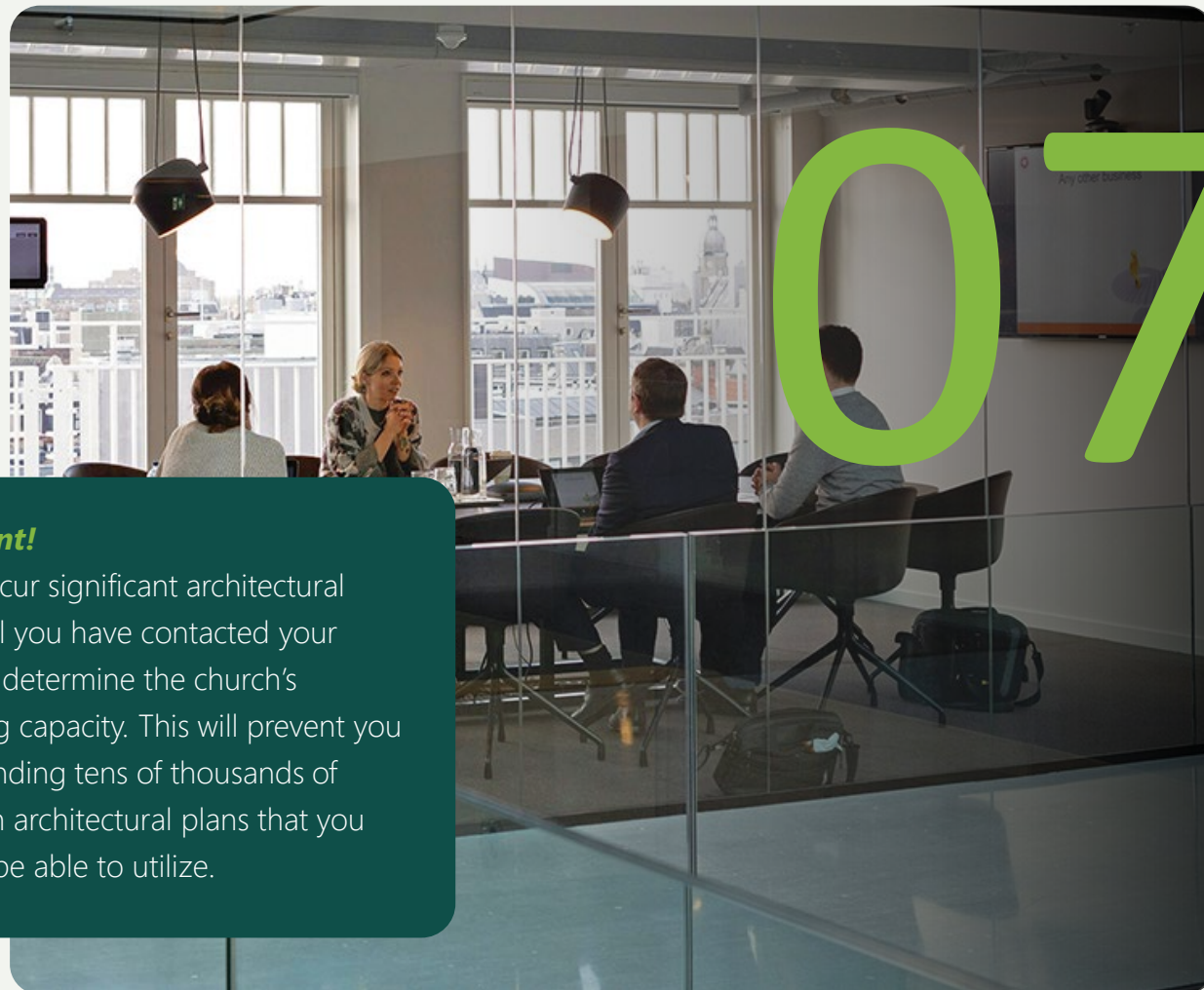
Secure a Financing Partner

Key Lending Guidelines:

1. Ensure borrowing aligns with:
 - Less than 3x annual tithes and offerings
 - Less than 70-75% of the project cost
2. Consider liquidity and cash flow:
 - Minimum of 90 days' worth of cash for emergencies
 - Plan for ongoing loan payments
3. Ask your lender about the loan structure

Important!

Do not incur significant architectural costs until you have contacted your lender to determine the church's borrowing capacity. This will prevent you from spending tens of thousands of dollars on architectural plans that you may not be able to utilize.



Prepare for Action

A fully thought-out Master Project Budget is one of the church's most essential project management tools. It outlines funding sources, allowing the church to track progress and identify any remaining financial needs.

Develop a plan with all hard and soft costs with contingency funds of 5-10% of project costs.



Important!

Update your Master Project Budget worksheet with each draw. This worksheet is part of the draw process, as you'll see in the next slide. It's for your benefit as much as the lender's!

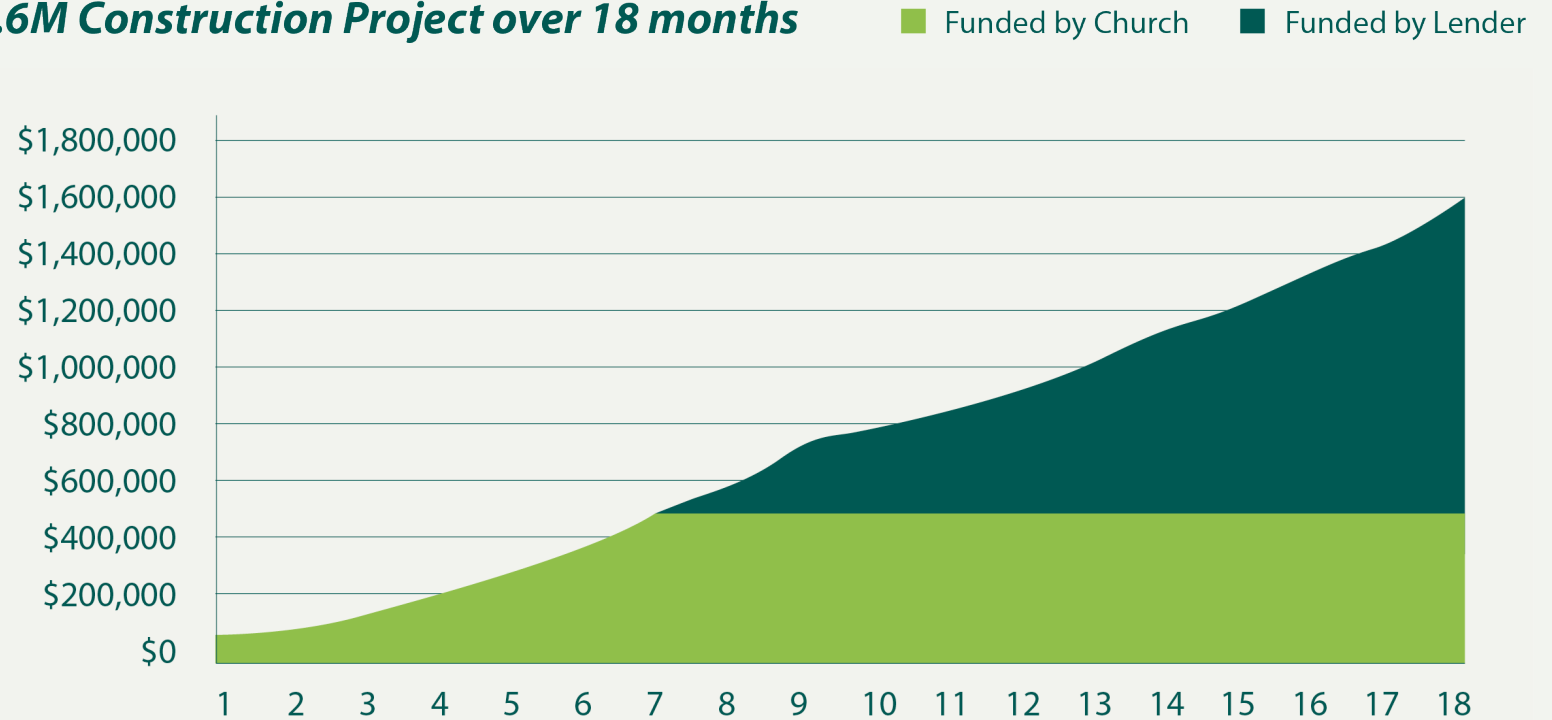
Luke 14:28

Suppose one of you wants to build a tower. Won't you first sit down and estimate the cost to see if you have enough money to complete it?

Prepare for Action

This is an illustration of how funds are typically drawn up during a project.

\$1.6M Construction Project over 18 months



Luke 14:28

Suppose one of you wants to build a tower. Won't you first sit down and estimate the cost to see if you have enough money to complete it?

Ready. Set. Go!

Draw Process:

1. Gather draw information and supporting documentation
2. Submit draw request to your lender
3. Be prepared to provide additional documents to your lender
4. Gain approval & disbursement
5. Build interest into your carrying costs

Note:

It is helpful to establish a timeframe for submitting all periodic—typically monthly—invoices and supporting documentation to ensure costs align with the monthly budget update and to expedite the draw request process.



Philippians 3:14

I press on toward the goal to win the prize for which God has called me heavenward in Christ Jesus.

Occupy

Rejoice! Your building is now complete. Host an open house to welcome your congregation and visitors.

Prepare for moving in by:

- Preparing a detailed schedule for all moving logistics
- Train security, maintenance, and operations
- Allocate time for worship team rehearsals and volunteer training

Important!

All required fire, building code, department of transportation, and environmental inspections should be completed, and the church should ensure it has received all necessary approvals and a certificate of occupancy, before scheduling the open house.



Psalm 122:1

I rejoiced with those who said to me, "Let us go to the house of the Lord."

Steward and Grow

Preparing for Growth:

- Reflect and document learnings for future projects
- Develop a plan for cleaning and maintenance staff
- Keep training volunteers

Retaining Records:

- Pre-construction diligence
- Draw activities
- Post-construction diligence

Walkthrough:

- Schedule a walkthrough prior to the expiration of the general warranty period.



Exodus 15:17

You will bring them in and plant them on the mountain of your inheritance — the place, Lord, you made for your dwelling, the sanctuary, Lord, your hands established.

Final Thoughts

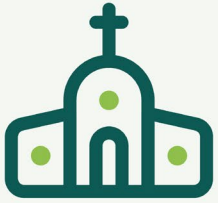
From casting the vision to your first worship in your new space, remember:

- Building a church is more than construction—it's a Kingdom investment.
- Be prayerful, informed, and united in your journey as a congregation.
- Stay focused on the mission: pointing people to Jesus.



Psalm 32:8

I will instruct you and teach you in the way you should go; I will counsel you with my eye upon you.



CHURCH LOANS

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Thank You

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