**Owner Financing BUILDING PROJECT -TMAA Dallas**

**Tigreans Mutual Assistance Association_Dallas- March 2019**

**Purpose**: A building that serves as a place of unity, collaboration, information center, event center, discussion center, study and learning center, developing culture, help each other, entertainment for the young, and retired, source of income that enables serving community better and increase membership benefit, to celebrate life rather than making it just for death only as IDIR.

*ኩሉ ኣባልና ተጠቃሚ ዝገብርን ናይ ኮምዩኒቲና ዕላማ ንምስ ኻዕን ኣብ እንገብሮ ዘለና ሓበራዊ ፃዕረ ንመኻኸረሉን ንዛተየሉን፣ ንተሓጋገዘሉ። ደቂና ኢትዮጵያዊ መንነቶም ዝዕቅብሉን ዝተሓጋገዘሉን ፡ ኻብ ዓዲ ዝመፁ ሓበሬታ ዝረኽቡሉ ኣብዝዓዲ ዘሎ ፀጋታት ሓደ ዝፈልጦ ነቲ ኻልእ ተሞክሮ ዘካፍለሉ። ዓቢይቲ ዝዘናግዕሉ፡ ካብ ወለዶ ናብ ወለዶ ዝሓልፍ፣ ክብርታት እዚ ወለዶዚ ዝገልፅ ዝ ኮምዩኒቲና ወይ ቤት-ፅሕፈት ክህልወና ናይ ግድን እዩ። እዚ ድማ ናይ ኩላትና ናይ ገንዘብን ሞራልን ሓገዝን መሰዋእቲን ዝሓትት ከም መጠን ኣባልን ወይ ከዓ ደጋፊ ናይ'ዚ ዕላማ' ዚ ደጋፊ ብዝህቦ ሓገዝ ይትግበር።*

**What is owner financing?**

-The owner/seller of the building will negotiate on down payment and interest= mostly 20% down and 8% interest

-30years of Amortization, to be paid off within 30years

- a balloon payment ,is a large payment due at the end of a balloon loan, seller/owner asks for the remaining balance to be paid of after Five years

-TMAA will apply to the Bank for refinancing and pay off the seller/owner and other lenders , if any

* in Dallas there is a Chinese Comm owned Bank-East West Bank

**Task force:** TMAA chairman, Treasurer, Building committee (including youngsters, women..): search building, sign agreement and expenses, plan on how to financing, discuss with other experienced communities and professionals

**Task Force support group:** volunteer non members; searching building, feedback, discuss with other experienced communities and professionals

**Building Location:** Richardson, Plano, Garland, Texas; multipurpose; good location, better cashflow,

**Building features:** for meeting, events, rent….best location, for cash flow, to cover costs..

Owner financing property is one of the options to acquire the community building.

**Financing:** To achieve this goal, we took into consideration the information from the members' survey, interview with Atlanta ,Colorado, sales agent- Mr Scott Wooley from Chase Hall, licensed broker firm, a Seattle based relator- Ayte Maekele, and bank information:

Total budget: 550k to 800k, minor variance is acceptable

Currently TMAA checking balance has around…… 105,000(checking $92,000. Paypal 2,215 And Building acct 12,090)

Building Contribution ,based on the minimum $1,000 contribution(55 member families as of April 2019)=……$60,000 ……

NOTE : Based on Denver, Seattle, and Atlanta communities experience minimum contribution of members is an income source. The $ 1,000 contribution started from TMAA members, is expected from every member; some are contributing more than $1,000. Contribution started Sep 2018, and it will be finalized within a maximum of 36 months(look details for more, page 6 )

- The Deposit will be at a separate Building bank account, withdrawal by check, expenses by receipt, only for building purpose,

**Building expected income**: bimonthly dinner deposit, bimonthly dinner fees ,membership and registration(distributed monthly), Ashenda, Xmass/events ,music nights, business rent, new membership and contribution, donation from charity donors/matching, govt support for serving community, youth creative ideas, …..and other

**Building costs** : Mortgage, Insurance, Tax, electricity, water, garbage,

**Fundraising Date**: to be announced, Ashenda is the best option

- All Tegaru will be invited, membership discount based on the amount of donation, Tegaru Forum(all USA community organizations) to be invited,…

❖ **<u>Down payment,…….</u>**

If we put aside /keep in Bank, about $40,000 ( for mourning benefit of three member deaths And for other expenses ), the remaining $50,000 will be for the down payment; $60,000 + $50,000= $110,000.

Therefore , We will have about $110,000. For Building Down payment…

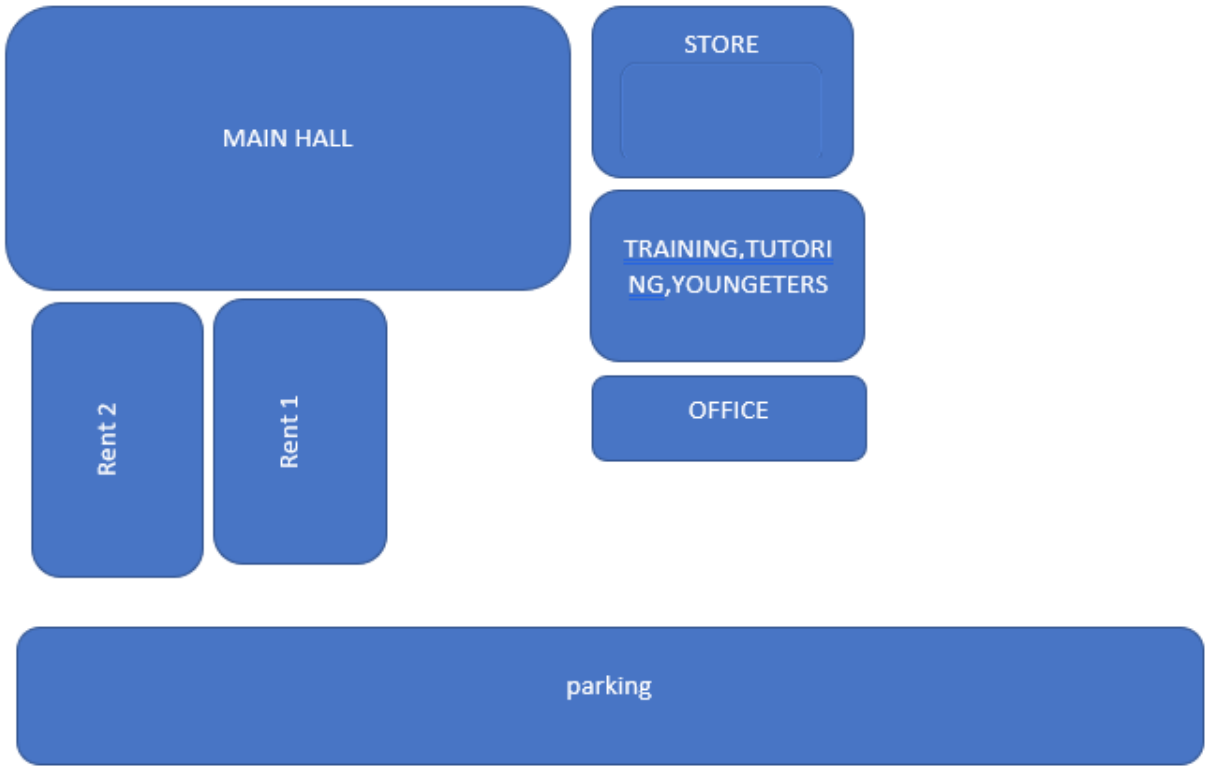
A 20% down of 110k will cover for a building that worth $550,000

If a little expensive building is found , Bank loan or Tegaru Bussiness people may be requested for a loan for the difference, not more than $250k, which means a max of 800k worth building. The loan can be interest free or with low interest to be repaid back within 5 years. The year when a possible refinancing of the home owner/seller will be effective. This is the Denver Approach.

The remaining balance after five years , will be refinanced by a bank…..good payment history will make it easy for refinancing . the owner and other lenders will be paid. Then for the remaining 25 years or within shorter period of time the balance will be paid. Most communities have paid within shorter time period-

- NB- Above mentioned can be considered as PLAN A, we will work exhaustively on this best plan. If this doen't work , Plan B can be considered- an investment approach. Members who are capable of investing in building will buy the building in collaboration with TMAA. Then each parties will have a 100% ownership of the property, They will divide the space based on their financial contribution. This is The Atlanta approach.

**Sample Building design**




## Building Project in Detail=

- many members are supporting the project
- Minimum of $1,000 contribution is required and voluntarily anyone can contribute more,
- Members have already started contributing a one time or through monthly contribution plan…
- Members must sign the contribution pledge form
- Contribution must be finalized in less than 18 months once started
- The treasurer ,building committee, and fundraising committee must keep a copy of contribution list and they should work to accomplish the financial need in collaboration with the Building task group

- Every transaction of the project is with a check and receipt and the Task force committee has to approve it. Bimonthly report of the project is crucial-Transparency and accountability.
- New membership is very important – every member has to be ambassador and invite new people to join TMAA with the prepared invitation letter(print and put the names of the invitee)
- Every TMAA member needs to be involved- Building, Fundraiser, Public relation, Young and children, Investment, and women's..
- New members have an option to start contributing for the building project within one year of registration

OTHER SOURCES OF FINANCING=

- TMAA bank savings
- Fundraising committee- music events, Ashenda, and more
- Reach out NGO who support community organizations
- Nonmembers individual donations
- Members Volunteering at community services for matching donation because TMAA is 501c registered
- Tegaru lenders
- Tegaru community Forum event
- Building Owner financing
- Bank loan
- Tegaru investment group
- Inviting other nationality communities for experience sharing
- Sale of Members' in kind charity donation
- Bi-Monthly dinner deposit and admission fees
- Request an Airline for Airticket sponsorship
- Rent a business such as restaurant to generate income

WHAT IF=

- If a new member joins TMAA , the grace period to start contributing for the building project is up to 12 months
- If a member claims not to afford the contribution, the individual has to submit application to the board attaching supporting documents. The board and building committee may apply a waiver not less than 25% of the minimum contribution to be paid in less than 24 months

- If the project is not under in implementation process/ if no agreement signed with the seller, within 36 months, total amount contributed will be refunded to the member or legal representative - unless the majority agreed to continue working in the project
- The project will be implemented according in accordance Article 6.A of the supplementary Bylaw.
- The contribution official started date is to day-__Sept, 2018.

## Contract- TMAA Dallas Building Project

Tigrians Mutual Assistance Association /TMAA , a Dallas, TX based community association would like to appreciate every donor who contributed for the purpose of Community building project.

The Building Project will be financed through different income sources, to mention some- TMAA's saving, Member's donation, Fundraisers, NGO and individual donors, Individual lenders, Bank loan, and/or Tegaru Investment Group.

Mr/Mrs _____ has contributed the money pledged and s/he has received a confirmation /receipt from TMAA. The contributor should to keep the receipt and provide upon request. The contribution will be deposited in a separate TMAA's Building Project account Number **4880 7989 9929 Routing number 111000025 at Bank of America**, and it will be utilized for the sole purpose of the Building project only.

The total contribution should be deposited within 12 months but not more than 18 months, starting Sept 22,2018. The total contributed money will be refunded to you or your legal representative only If the project is not accomplished within 36 months after the final deposit of your contribution, unless majority agreed to extend the project.

This agreement should have TMAA's seal, signature of a board member and the contributor.

TMAA's signatory Contributor's Name and Signature

_____ _____

_____ _____

Date:_____

# TMAA- ሓበራዊ ምትሕግጋዝ ማሕበር ተጋሩ (ሓምማት) ዳላስ ፎርትዎርዝ

www.tmaadallas..com tmaaboard@gmail.com

## ንመዐደጊ ገዛ ኮምዩኒቲ ትግራይ ዳላስ ናይ ገንዘብ ወፈያ መተኣኻኸቢ ቅጥዒ

ዕለት : _____

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ቁፅሪ ቴሌፎን _____

ኢመይል _____

መጠን ወፈያ _____

ሎሚ ዝኽፈል ብቼክ _____ ብክሬዲት ካርድ/ፓይፓል _____ብጥረ ገንዘብ _____

መፅበዓ _____

ዝተረፈ ኣብ ክንደይ ወርሒ ይኽፈል_____

ፊርማ ወፈያ ኣበርካቲ _____

# የቹንየልና !