PROSPECTUS

Hope Baptist Church of Las Vegas, Inc.

Also known as **Hope Church**

850 East Cactus Avenue, Las Vegas, Nevada 89183
702-896-5924

$5,450,000

First Mortgage Bonds Series V-2012
Dated September 20, 2012, Due Serially Through September 20, 2037

Interest on the bonds will accrue from the date of the bonds and will be paid or compounded semiannually on each March 20 and September 20 thereafter until maturity or prior redemption. Bonds will be issued in registered form in denominations of $250 or multiples thereof with a minimum purchase price of $500, subject to Broker's discretion. Bonds are offered at par, subject to prior sale. Trustee, Paying Agent, Registrar, and Escrow Agent is GoldStar Trust Company, 1401 4th Avenue, P.O. Box 719, Canyon, Texas 79015, telephone 800-486-6888.

Maturity	Total Principal	Interest Rate	Compound Interest Bonds	Simple Interest Bonds
03/20/2013	$71,750	5.00%	-	$71,750
09/20/2013 to 03/20/2014	$138,500	5.20%	$138,500	-
09/20/2014	$66,250	5.30%	$66,250	-
03/20/2020 to 03/20/2016	$188,750	5.40%	$188,750	-
09/20/2016 to 03/20/2017	$132,750	5.50%	$59,250	$73,500
09/20/2017 to 03/20/2019	$221,000	5.60%	$221,000	-
09/20/2019 to 03/20/2020	$100,000	5.80%	$100,000	-
09/20/2020 to 03/20/2021	$123,000	6.00%	$47,250	$75,750
09/20/2021 to 03/20/2023	$131,250	6.20%	$131,250	-
09/20/2023 to 03/20/2025	$274,250	6.50%	$115,750	$158,500
09/20/2025 to 09/20/2027	$447,750	6.75%	$364,750	$83,000
03/20/2028 to 03/20/2030	$872,250	7.00%	$287,250	$585,000
09/20/2012 to 09/20/2032	$632,500	7.25%	$324,500	$308,000
03/20/2033 to 03/20/2035	$1,136,000	7.35%	$142,750	$993,250
09/20/2035 to 09/20/2037	$914,000	7.50%	$189,250	$724,750

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION, BEING EXEMPT SECURITIES UNDER SECTION 3(a)(4) OF THE SECURITIES ACT OF 1933, AS AMENDED. THESE SECURITIES ARE ALSO EXEMPT FROM REGISTRATION OR OTHERWISE QUALIFIED FOR SALE IN ALL STATES IN WHICH THEY WILL BE OFFERED. NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAVE PASSED UPON THE VALUE OF THESE SECURITIES, MADE ANY RECOMMENDATIONS AS TO THEIR PURCHASE, APPROVED OR DISAPPROVED THE OFFERING, OR PASSED UPON THE ADEQUACY OR ACCURACY OF THE PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL. NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS IN CONNECTION WITH THIS OFFERING OTHER THAN THOSE CONTAINED IN THIS PROSPECTUS, AND IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN MADE BY THE ISSUER.

THIS OFFERING INVOLVES CERTAIN RISKS. SEE "RISK FACTORS," PAGE 3 HEREIN.

Principal Amount of Issue	Offering Price (1)	Financing Fee Fee (2)	Brokerage Fee (3)	Proceeds to Issuer (4)
$5,450,000	100%	$58,700	$190,750	$5,200,550

(1) Bonds are offered at par.

(2) Compensation to Share Financial Services, Inc. for technical assistance provided to Issuer. (See PLAN OF DISTRIBUTION herein.)

(3) Bonds are offered on a best efforts basis at a fee of 3.5% of the face amount of such sales, with a maximum fee of $190,750. (See PLAN OF DISTRIBUTION herein.)

(4) Additional expenses of the issue will be paid from bond proceeds. (See USE OF PROCEEDS herein.)

There is a minimum contingency of $1,000,000 in bond sales. Proceeds from the sale of bonds will be held by the Escrow Agent. (See ESCROW OF PROCEEDS herein.)

This Prospectus is dated September 14, 2012. This offering terminates on September 20, 2013, with no option to extend.

SHARE FINANCIAL SERVICES, INC.
15770 Dallas Parkway, Suite 860, Dallas, Texas 75548
972-450-6305; 800-331-9152

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SUMMARY OF OFFERING

The following summary is qualified in its entirety by more detailed information and the financial statements appearing elsewhere in this prospectus.

THE ISSUER

Hope Baptist Church of Las Vegas, Inc., also known as Hope Church, was organized in 2001 in Las Vegas, Nevada. The church was incorporated on February 2, 2001, as a nonprofit corporation in accordance with the laws of the state of Nevada. The church reported a membership of 1,415 as of April 30, 2012, with average worship attendance, including children, of 2,201 and average adult worship attendance 1,680. The Church is affiliated with the Southern Baptist Convention located in Nashville, Tennessee, which is not responsible in any manner for the liabilities of the church and has no obligation or responsibility for the payment of the bonds as described in this prospectus.

THE OFFERING

Type of security	First Mortgage Bonds
Amount of issue	$5,450,000
Unit offering price	$250
Minimum purchase amount	$500

The current bond issue, Series V-2012, is a supplemental issue to a prior issue of first mortgage bonds, Series II-2011, dated April 20, 2011, and issued in the aggregate amount of $3,300,000.

USE OF PROCEEDS

Shown below is a summary of the estimated uses of funds from all sources necessary to complete the purposes of this issue.

Consulting Fee	$104,800
Financing Fee	$58,700
Brokerage Fee	$190,750
Construction Accounts Payable	$1,215,575
Note Payable	$1,054,167
Bonds Payable	$2,582,300
Contingencies	$213,254
Miscellaneous and Closing Costs	$30,450

Miscellaneous and issue costs include the Trustee's acceptance fee of $5,450. The Trustee will also receive a monthly registrar/transfer agent fee of $454.17. No officer or employee of the church will receive any direct or indirect remuneration in connection with this offering.

FEASIBILITY OF THE OFFERING

Hope Baptist Church of Las Vegas, Inc. intends to pay the required sinking fund payments for the bonds of this issue with allocations from its general fund and from capital fund-raising programs as necessary. An analysis (unaudited) of debt service ability upon completion of this offering is shown below, and includes the current debt service for other long-term debt (including bonds from a previous offering) that will remain outstanding. The analysis for straight-line amortization shown below assumes straight-line amortization for both the current offering and the previous offering. Straight-line amortization is a method of scheduling sinking fund payments so that all payments are substantially equal. The actual payments for both such offerings differ from straight-line amortization.

Annual debt service (all long-term debt) - first year of current bond issue	$853,092
Annual debt service (all long-term debt) - highest thereafter	$951,120
Annual debt service (all long-term debt) - straight-line amortization	$1,011,204
Adjusted change in unrestricted net assets for year ended December 31, 2011	$910,370
Debt-service ratio - first year of bond issue	1.07 to 1.00
Debt-service ratio - highest thereafter	0.95 to 1.00
Debt-service ratio - straight-line amortization	0.90 to 1.00

The adjusted change in unrestricted net assets of $910,370 for the year ended December 31, 2011, was determined by adding to the change in unrestricted net assets for the period of $365,270 the following: depreciation expense of $134,392, interest expense of $5,202, rent expense of $320,237, and other nonrecurring expenses of $85,269. Current annual debt service for existing long-term debt that will remain outstanding is $179,760.

The debt-service ratio is determined by dividing the amount of the change in unrestricted net assets by the annualized sinking fund payments for this issue combined with the sum of the annualized payments on other long-term debt to remain outstanding. The debt-service ratio shown above is based upon the operating results for the year ended December 31, 2011, and is not necessarily indicative of future operating results. A church's ability to make the required sinking fund payments is considered to be demonstrated by a debt-service ratio of one to one (1:1) or greater. Meeting such debt-service ratio guideline, however, is no assurance a church will make the monthly sinking fund payments as required to pay the principal and interest of the bonds as such become due. Failure to meet this standard may indicate that a church is issuing more bonds than it can reasonably expect to repay, when due, in the ordinary course of its operations.

The proposed bond indebtedness of $8,748,806 (consisting of $5,450,000 for bonds of the current offering, Series V-2012, plus $3,298,806 for outstanding Series II Bonds and accrued interest thereon as of April 20, 2012) is approximately 2.45 times the church's total revenue and net assets released from restrictions for the year ended December 31, 2011, of $3,574,692. The total of such proposed bond indebtedness and the existing long-term debt to remain outstanding is $11,073,806, which is approximately 3.10 times the church's total revenue and net assets released from restrictions for the year ended December 31, 2011, of $3,574,692.

The highest combined annualized sinking fund payments for the Series II Bonds and bonds of the current offering, Series V-2012, which becomes effective on April 20, 2013, will be $771,360, which is approximately 21.58% of the total revenue and net assets released from restrictions of the church for the year ended December 31, 2011. The total of such combined annualized sinking fund payments at the highest and the current annualized payments for existing long-term debt to remain outstanding is $951,120, which is approximately 26.61% of the total revenue and net assets released from restrictions of the church for the year ended December 31, 2011.

RISK FACTORS

Certain risks are associated with investment in bonds of this type of offering. Potential investors should carefully consider the risk factors set forth herein.

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RISK FACTORS

1. **Dependence upon voluntary contributions** - The Issuer is primarily dependent upon voluntary contributions of the membership to meet expenses for operation and for payment of the principal and interest of the bonds of this issue. There is no assurance that membership or per capita contributions of the membership will increase or remain stable, and the Issuer may not, therefore, receive sufficient funds to repay the bonds of this issue and/or to meet other obligations.

2. **Loss of senior pastor's services** - The Issuer's senior pastor serves a significant role in the leadership, management, growth, and viability of the Issuer as a church. The impact, if any, upon the Issuer in the event of the senior pastor's resignation, termination, disability, or death is indeterminable.

3. **Failure to meet in full the debt-service ratio guideline** - The Issuer does not meet in full the debt-service ratio guideline of one to one (1:1) or greater based upon its adjusted change in unrestricted net assets for the year ended December 31, 2011. Failure to meet this standard may indicate that the Issuer is issuing more bonds than it can reasonably expect to repay, when due, in the ordinary course of its operations. There is no assurance, therefore, that the Issuer can pay the principal and interest of the bonds of this issue as such become due. (See SUMMARY OF OFFERING, FINANCIAL CONDITION, and APPENDIX B.)

4. **Tax consequences** - Under present law, interest on the bonds of this issue is taxable each year for both federal and state income tax purposes. Bondholders receive no charitable deduction for income tax purposes upon the purchase of bonds. Purchasers of compound interest bonds will be required to report accrued interest as income each year even though interest will not be received until the bonds mature. (See TAX ASPECTS).

5. **Early redemption of bonds** - The Issuer has the right of early redemption of any and all bonds of this issue; however, investors will have no right to require the Issuer to redeem any bond before maturity. All redeemed bonds will cease to accrue interest on the date of redemption. (See "Early Redemption at Option of Issuer" under THE BONDS).

6. **No secondary market** - There is presently no established trading market for the bonds of this issue and there can be no assurance that one will develop in the future. The purchase of these bonds, therefore, should be viewed as an investment to be held to maturity, as investors may not be able to sell any bonds purchased should they need or desire to do so. Bonds are issued in fully registered form as to ownership, and are only transferable by the registered owners by presentation and surrender thereof, at the office of the Trustee, accompanied by a written instrument of transfer in form satisfactory to Trustee, duly executed by the registered owner or by his attorney duly authorized in writing.

7. **No assurance properties could be sold for stated value** - The value of the security for the payment of the bonds of this issue is based upon the estimated value of the Issuer's land and improvements as described herein. These facilities are, for the most part, special purpose facilities for which there may be a very limited market. There is no assurance that these facilities could be sold for the values stated herein. (See "Description of Issuer's Properties" under THE ISSUER; see "Security for the Bonds" under THE BONDS.)

8. **Decrease in net assets** - The Issuer reports a decrease in net assets for the four months ended April 30, 2012, and the years ended December 31, 2011 and 2010. (See FINANCIAL CONDITION; see APPENDIX B.)

9. **Best efforts offering** - Bonds of this issue will be sold on a best efforts basis and there is no guarantee that all bonds of the issue will be sold and all purposes of the issue accomplished. The Escrow Agent will be authorized to release proceeds from bond sales when the Issuer has sold the minimum contingency in sales of $1,000,000, which is less than is necessary to complete all purposes of the issue. Bonds of this issue must compete with other investment opportunities that may be of more or less risk by comparison and similarly provide higher or lower interest yields. Should the Issuer fail to sell the entire issue, replacement funds may have to be obtained from other sources. There is no assurance that such funds will be available

10. **Additional bonds** - The Trust Indenture for this bond issue permits the Issuer to further encumber the property securing these bonds through the issuance and sale, at some future date, of additional bonds ranking equally and ratably with the bonds of this issue. The maximum debt-to-property value ratio and debt-to-receipts ratio in such event is set forth herein. (See "Additional Bond Issues" under THE BONDS.)

11. **Superior lien of Trustee** - The Trustee is granted a lien on the property serving as security for the bonds of this issue in order to secure the payment of all indebtedness which may become owing to the Trustee pursuant to the Indenture, said lien to be prior to the lien of the bonds. (See "Security for the Bonds" under THE BONDS.)

12. **Certain financial statements not audited** - The financial statements for the four months ended April 30, 2012, have not been reviewed or audited by an independent auditor. No independent party has verified the accuracy or correctness of such financial statements. (See APPENDIX B.)

13. **Forward-looking statements** - This prospectus contains forward-looking statements concerning the Issuer and this offering. These include statements concerning plans, objectives, goals, future events or performance, and other statements that are other than statements of historical fact. Consequently, these forward-looking statements are subject to numerous risks and uncertainties, many of which are beyond the control of the Issuer. Investors should use caution when evaluating information based upon such forward-looking statements.

14. **No environmental audit** - No environmental inspections or audits have been performed to determine the presence of any hazardous waste or materials on the property serving as security for the payment of the bonds of this issue. The presence of any such waste or material could adversely affect the value of such property. The cost of any remedial action involving such waste or material, if necessary, could affect the Issuer's ability to pay the bonds and interest thereon.

15. **Title exceptions** - The mortgaged property that serves as collateral for the bonds of this issue is subject to certain title exceptions and encumbrances existing when the mortgage is recorded, including the encumbrances and other matters shown as exceptions or exclusions in the title

insurance policy issued to the Trustee. There is no assurance that one or more of these encumbrances or title exceptions will not prohibit or limit the use of the property for its intended purposes, or otherwise adversely affect its value. There is no current survey of the mortgaged property, and without an accurate survey there is no assurance that the existing or proposed improvements are located on the mortgage property or do not extend onto adjoining land, onto an easement, or over a building set back line. The title policy insuring the mortgage will not insure against rights of parties in possession, deficiency of quantity of land, boundary line disputes, roadways, unrecorded servitude or easements and rights-of-way, and any matters not of record, including lack of access, which would be disclosed by an accurate survey and inspection of the property serving as collateral for the bonds, and other easements, rights-of-way, and restrictions, even though of record. In the event there are any such matters that are material in nature and the Trustee forecloses on the property, the amount realized upon the sale of the property may be adversely affected due to the existence of these matters.

16. **Corporate status of Issuer** - The Issuer operates as a nonprofit religious corporation and as such qualifies for various exemptions from state and federal taxes. The Issuer also receives contributions that, under current law, are deductible to donors for federal and some state income tax purposes. The elimination of any or all of these exemptions, through legislative action or otherwise, could adversely affect the Issuer's revenues and its ability to pay the bonds and interest thereon.

24. **Acceleration of the bonds** - In the event of default the Trustee may use its discretion in declaring the entire balance of all the bonds then outstanding due and collecting the same in any manner provided by law. Holders of a majority of the principal amount of bonds outstanding, however, shall have the right to direct the time, method, and place of conducting any proceeding for any remedy available to the Trustee, or to exercise any power conferred upon the Trustee under the trust indenture.

25. **Limitations on remedies** - The ability of the Trustee to exercise its rights on behalf of the bondholders under the Indenture may be limited by bankruptcy, insolvency, reorganization or any other similar laws or equitable principles related to, or affecting, the enforcement of creditor's rights generally. In addition, the realization of any rights upon a default will depend upon the exercise of various remedies specified in the Indenture. These remedies will require judicial action that is often subject to discretion and delay. Under existing laws, certain of these remedies specified in the Indenture may not be readily available, may be limited, or may be denied by a court. The right of the Trustee to foreclose upon and sell the assets of the Issuer which are mortgaged and pledged under the Indenture is subject, among other debtor's rights, to the debtor's right of redemption, if any, under applicable state law. A court may decide not to order the specific performance of the covenants contained in the Indenture.

26. **Modification of terms** - The terms and conditions of the bonds (such as the maturity dates and interest rates) may be changed in extraordinary situations. In the event of default, no such change shall be made unless consented to affirmatively by a bondholder's committee consisting of at least three (3) bondholders appointed by the Trustee and ratified by holders of at least eighty percent (80%) of the aggregate principal amount of the outstanding bonds. Once so formed and approved, the bondholder's committee shall have the power to bind all bondholders in any and all dealings with respect to the indebtedness or the enforcement of lien rights

hereunder, and the decisions of the bondholder's committee shall supersede, to the extent practicable as determined by Trustee, the written notice and requests of bondholders as provided for in the Indenture. (See "Modification" under THE TRUST INDENTURE.)

INTRODUCTION

This prospectus is provided by Hope Baptist Church of Las Vegas, Inc., also known as Hope Church, whose address is 850 East Cactus Avenue, Las Vegas, Nevada 89183, (the "Issuer" or "Church"), to furnish information concerning the Issuer and its captioned issue of supplemental first mortgage bonds, to be dated September 20, 2012, due serially through September 20, 2037. The bonds will be issued pursuant to a trust indenture dated March 23, 2011, and a supplemental trust indenture to be dated September 20, 2012 (collectively, the "Indenture") between Issuer and Happy State Bank, doing business as GoldStar Trust Company, as trustee (the "Trustee"). GoldStar Trust Company is located at 1401 4th Avenue, Canyon, Texas 79015. Happy State Bank is a Texas banking association formed in 1908 and authorized to exercise corporate trust powers by the Texas Department of Banking. The Trustee is not an affiliate of the Issuer or the Broker, as hereinafter defined. The bonds of this issue will be secured by certain property of the Issuer as described herein. The proceeds from this bond issue, after payment of certain issue expenses, will be used to pay certain construction accounts payable, retire certain debt, to call and prepay bonds from two prior bond issues, and provide contingency funds as further described herein.

The information contained herein has been obtained from the Issuer and other sources which are considered reliable; however, such information is qualified in its entirety by reference to the complete body of information contained in the original sources thereof. Share Financial Services, Inc. (the "Broker") makes no guarantee, warranty, or other representation respecting the accuracy or completeness of such information. No dealer, salesman, or any other person has been authorized to give any information or make any representations, other than those contained herein, in connection with the offering of the bonds, and if given or made, such information or representation must not be relied upon.

THE ISSUER

HISTORY AND OPERATIONS

The Church began with a vision of several denominational leaders to plant a new church in Las Vegas, Nevada, the fastest growing city in North America at the time. The First Baptist Church of Woodstock, Georgia, partnering with the North American Mission Board of the Southern Baptist Convention, sent three families with this vision of sharing hope in the desert. Pastor Vance Pitman and his family were the first to arrive in the Las Vegas Valley just in time for Christmas 2000. The remainder of the staff arrived soon thereafter. Several other families, who left jobs and homes, soon joined the staff team to help plant this new church.

The first meeting of the Church was in February 2001 at the Pitman home with eighteen in attendance. The Church's first official service took place on the last Sunday of September 2001 in the Carpenter's Training Center in Las Vegas. Two hundred people were in attendance and fourteen small groups were started and began meeting all over the Las Vegas Valley. The vision of a children's worship service became alive as 25 elementary age children took part in "Hope for Kids." During 2002 the Church relocated to the Boy Scout Resource Center and by year's end had sent its first international mission team to Africa. The formation of its first strategic missionary partnership in Zambia was also underway. That same year the Church purchased property on Pebble Road near Las Vegas Boulevard to serve as a future building site for its first permanent facility. The purchase price was $480,000, and by the end of November the land was debt free. Construction began at the site in the summer of 2003 and was completed in 2004. Within six months of occupying the new facility the Church doubled in size and was soon offering three weekend worship services.

In 2006 the Church's leadership began to pray and look for another option for a place to meet. In the summer of 2008 a door was opened at Silverado High School and the opportunity to move all worship services there became available in January 2009. The Church transitioned to meeting in a public high school as a short-term step with several strategic goals in mind. Those goals were to provide more space for worship, to provide more space for the congregation to connect and develop real relationships, and to offer exciting environments for families with children. In May 2009 the Church began a capital fund-raising program, called The Big Journey, to raise funds for a new permanent campus. In April 2010 the Church purchased ten acres of useable land and five additional contiguous acres that are not currently useable on East Cactus Avenue and began the design process for a new church campus. The purchase price for the property was $1,500,000 of which the Church paid $1,100,000 in cash with the balance financed by the seller of the property. The Church relocated to the new facility, its present location, in March 2012. The Church currently conducts three worship services each Sunday and offers numerous ministry opportunities for children, youth, and adults as well as ministries devoted to local and world missions. The Church currently has 15 full-time and 8 part-time employees.

In December 2009 the Church purchased from another church an existing church facility on Avenue B in Boulder City, Nevada. During 2011 the Church opened a second campus at the Boulder City property. The Boulder City campus is approximately 15 miles east of the Church's main campus in Las Vegas and has a pastoral staff consisting of a campus pastor and a campus worship leader. The Boulder City campus offers one Sunday morning worship service each week as well as various opportunities for ministry.

The Church was incorporated on February 2, 2001, as a nonprofit corporation in accordance with the laws of the state of Nevada. The Church is affiliated with the Southern Baptist Convention, Nashville, Tennessee, which is not responsible in any manner for the liabilities of the Church, including the payment of the bonds of this issue. The management of the Church as a corporate entity is under the control of the Church's directors (see "Leadership" below). Major transactions are approved by the membership.

MEMBERSHIP PROFILE

	04/30/2012 (17 Wks)	2011 (52 Wks)	2010 (52 Wks)	2009 (52 Wks)
Church Membership	1,415	1,233	1,060	964
Avg. Adult Worship Attendance	1,680	1,591	1,526	1,431
Avg. Small Group Attendance	1,176	1,023	604	491
Estimated Giving Units	876	764	657	598
Average Monthly Revenue – General Contributions Only	$224,248	$218,585	$209,621	$205,978

The data shown above has been derived by the Church from its records and has not been confirmed or audited by an independent party. The average monthly revenue, consisting of general contributions only, has been derived from the financial statements contained herein and should be viewed in conjunction with such statements (see APPENDIX B).

PASTORAL STAFF

Vance Pitman is the senior pastor of the Church, a position he has held since the founding of the Church in 2001. Pastor Pitman has been in the ministry for 22 years. He received a bachelor's degree in history in 1992 from the University of North Alabama, Florence, Alabama, and a maser's degree in divinity in 1996 from Mid-America Baptist Theological Seminary, Cordova, Tennessee. He previously served Lakeview Baptist Church, Selmer, Tennessee (1995-1997) and Kirby Woods Baptist Church, Memphis, Tennessee (1998-1999). Pastor Pitman is 40 years of age, married, and has four children.

Jay Hendrix serves as the Church's executive pastor, a position he has held since August 2007, being his first position in the ministry. Pastor Hendrix received a bachelor's degree in mechanical engineering in 1990 from Memphis State University, Memphis, Tennessee. He previously worked for two manufacturing firms prior to coming to the Church. Pastor Hendrix is 45 years of age, married, and has two children.

The Church's pastor staff also includes the positions of teaching pastor, missional communities pastor, student ministries pastor, worship arts pastor, family ministries pastor, and campus pastor.

LEADERSHIP

Name	Position in Church	Employer/Position
Vance Pitman	Senior Pastor, President, and Director (no term)	Hope Baptist Church of Las Vegas, Inc.
Jay Hendrix	Executive Pastor, Treasurer, and Director (no term)	Hope Baptist Church of Las Vegas, Inc.
Travis Ogle	Teaching Pastor, Secretary, and Director (no term)	Hope Baptist Church of Las Vegas, Inc.
Jason Jones	Director Term expires 12/31/2013.	OlympiaLand Corporation/Vice President
Doug McCombs	Director Term expires 12/31/2012.	Hard Rock Hotel/Vice President
Gary Lanzen	Director Term expires 12/31/2013.	Orizon Group/Senior Analyst
Darrell Brewster	Director Term expires 12/31/2012.	Apple, Inc./Human Resources Director (retired)
James Clark	Director Term expires 12/31/2014.	Yucca Mountain Project/Nuclear Scientist (retired)

Officers of the church corporation consist of a chief executive officer/president, treasurer, secretary, and such other officers as may be appointed by the pastor and approved by the membership. Each officer must be an active/resident member of the Church. The pastor is the designated chief executive officer/president. All officers also serve as directors of the church corporation. The directors are the legal representatives of the Church and as such are given authority to execute deeds, debentures, mortgages, liens, and other legal documents for the Church, but have no authority or privileges to buy, sell, mortgage, lease, etc., any property of the Church without approval of the membership.

Officers and members of the Church's governing board serve without compensation for their services. The total direct and indirect remuneration paid by the Church during the past fiscal year to its pastors with management responsibilities, consisting of four individuals, was $445,000.

PRIOR BORROWING EXPERIENCE

Long-term debt of the Church currently outstanding consists of bonds from prior bonds issues and various notes payable, as further described below. (See also APPENDIX B.)

On March 20, 2011, the Church issued $6,500,000 in general mortgage bonds, Series I-2011 (the "Series I Bonds"). The Series I Bonds were issued with interest rates ranging from 5.00% to 7.00%, depending upon maturity, with a final maturity of March 20, 2036, and were offered to members and friends of the Church by Commonwealth Church Finance, Inc., McDonough, Georgia, the sole broker dealer for the offering. The Series I Bonds are secured by a general mortgage on the Property and the Boulder City Property, as hereinafter defined (see "Description of Issuer's Properties" below). On October 12, 2011, the Church cancelled $4,100,000 of the Series I Bonds, leaving a balance of $2,400,000 in authorized bonds, of which $2,283,000 of bonds was sold. The Church used proceeds from the Series I Bonds to pay issue expenses and fees, to pay in full a short-term note payable to Happy State Bank as further described below, to fund a sinking fund payment reserve account, and to pay costs related to the construction of its present facility. The sinking fund payments for the Series I Bonds, as adjusted to reflect the cancelled bonds, differ every six months of the term, ranging from $628 per month to $44,668 per month. The trustee for the Series I Bonds is GoldStar Trust Company. The Church intends to call and prepay all outstanding Series I Bonds with proceeds from this issue (see USE OF PROCEEDS).

On April 20, 2011, the Church issued $3,300,000 in first mortgage bonds, Series II-2011 (the "Series II Bonds"). The Series II Bonds were issued with interest rates ranging from 5.00% to 8.00%, depending upon maturity, with a final maturity of April 20, 2026, and are secured by a first mortgage on the Property and the Boulder City Property. The Series II Bonds were offered to the general public by Commonwealth Church Finance, Inc., the sole broker dealer for the offering, and all bonds of the issue were sold. The Church used proceeds from the Series II Bonds to pay issue expenses and fees, to fund a sinking fund payment reserve account, and to pay costs related to the construction of its present facility. The current monthly sinking fund payment for the Series II Bonds is $19,602. The payment adjusts to $33,606 per month on April 20, 2013, and payments remain at that amount for the remaining term of the issue. The trustee for the Series II Bonds is GoldStar Trust Company. The current bond issue, Series V-2012, is a supplemental issue to the Series II Bonds, and bonds of the current issue will have equal standing and priority with all outstanding Series II Bonds. No Series II Bonds will be called and prepaid with proceeds from this issue.

On December 20, 2011, the Church issued $4,100,000 in first mortgage bonds, Series III-2011 (the "Series III Bonds"), being a supplemental issue to the Series II-2011 Bonds, and $1,101,250 in general mortgage bonds, Series IV-2011 (the "Series IV Bonds"), being a supplemental issue to the Series I Bonds. The Series III Bonds and the Series IV Bonds were issued with interest rates ranging from 5.00% to 8.00%, depending upon maturity, with a final maturity of December 20, 2026, to be secured by mortgages on the Property and the Boulder City Property. The Church intended to use proceeds from the Series III Bonds and the Series IV Bonds to pay issue expenses and fees, to fund a sinking fund payment reserve account, to pay costs related to the construction of its present facility, and to call and prepay $1,010,250 in principal of outstanding Series I Bonds. During the offering period of the Series III Bonds and the Series IV Bonds the sole broker dealer for the offerings, Commonwealth Church Finance, Inc., ceased operations and bond sales were stopped. At such time $594,250 of Series III Bonds had been sold, and no Series IV Bonds had been sold. All unsold Series III Bonds and Series IV Bonds were cancelled. The sinking fund payments for the Series III Bonds, as adjusted to reflect the cancelled bonds, differ every six months of the term, ranging from $177 per month to $28,895 per month. The trustee for the Series III Bonds is GoldStar Trust Company. The Church intends to call and prepay all outstanding Series III Bonds with proceeds from this issue (see USE OF PROCEEDS).

Sinking fund payments for all prior bonds issues as described above are current, and all prior payments of principal and interest to bondholders were paid as agreed. The Church has on several occasions been 30 to 60 days delinquent in the payment of monthly sinking fund payments for the prior bond issues.

On February 2, 2012, the Church obtained a loan from Clifford J. Findlay, a member of the Church, in the amount of $1,000,000 (the "Findlay Note"). The Church used proceeds from the Findlay Note for to pay costs related to the construction of its present facility. The Findlay Note had an original term of six months and an interest rate of 6.5% per annum, and is secured by a lien on the Property and the Boulder City Property. Principal and all accrued interest were payable in one installment at maturity. The Church was unable to repay such principal and accrued interest per the original terms of the Findlay Note. The Findlay Note was recently modified to extend the maturity date to December 31, 2012. The Church intends to pay the Findlay Note in full with proceeds from this issue (see USE OF PROCEEDS).

On March 7, 2012, the Church obtained a loan from the Graham Family Trust, the trustee of which is a member of the Church, in the amount of $325,000 (the "Graham Note"). The Church used proceeds from the Graham Note to pay costs related to the construction of its present facility. The Graham Note, which is unsecured, had an original term of six months and an interest rate of 4.0% per annum, with all principal and accrued interest payable in one installment at maturity. The Church was unable to repay such principal and accrued interest per the original terms of the Graham Note. The Graham Note was recently modified to extend the maturity date to February 1, 2017, to increase the interest rate to 6.0% per annum effective August 1, 2012, and to require monthly payments of principal and interest in the amount of $2,094 beginning September 1, 2012, with all unpaid principal and interest due at maturity. The modification also requires the Church to pay, on September 1, 2012, all interest accruing on the Graham Note from its inception to September 1, 2012. The Church will not pay the Graham Note in full or in part with proceeds from this bond issue, and such note will remain outstanding at the conclusion of the offering.

On March 14, 2012, the Church obtained a loan from James and Reba Cardwell, both members of the Church, in the amount of $2,000,000 (the "Cardwell Note"). The Church used proceeds from the Cardwell Note to pay costs related to the construction of its present facility. The Cardwell Note, which is unsecured, had an original term of one year and an interest rate of 6.0% per annum, with interest payable in 12 installments of $10,000 per month beginning April 14, 2012, with principal payable in one installment at maturity. Interest payments are current and all prior payments have been paid as agreed. The Cardwell Note was recently modified to extend the maturity date to September 14, 2015, and to require monthly payments of principal and interest in the amount of $12,886 beginning September 14, 2012, with all unpaid principal and interest due at maturity. The modification also requires the Church to pay on September 14, 2012, any unpaid interest accruing on the Cardwell Note from its inception to September 14, 2012. The Church will not pay the Cardwell Note in full or in part with proceeds from this bond issue, and such note will remain outstanding at the conclusion of the offering.

In June 2011 the Church financed certain construction costs payable to LMC, LLC by a note payable to LMC, LLC in the amount of $14,800 (the "LMC Note"). The LMC Note requires monthly payments of $400 and matures on July 15, 2013. Payments are current and all prior payments have been paid as agreed. The Church will not pay the LMC Note in full or in part with proceeds from this bond issue, and such note will remain outstanding at the conclusion of the offering. The LMC Note is now considered a short-term liability due to its maturity date.

Long-term debt of the Church retired during the past five years is as follows. All payment obligations for such debts were paid as agreed.

In June 2003 the Church obtained a loan from the North American Missions Board of the Southern Baptist Convention in the original amount of $1,653,000. The note had a maturity date in September 2009 and required monthly payments of $11,000. The Church used proceeds from the note for the construction of a church facility. The note was refinanced with the same lender in 2008, at which time the Church obtained an additional advance of $317,000 to finance the purchase of certain equipment. The new note was paid in full in 2010.

In June 2003 the Church financed certain assessments payable to the Clark County Treasurer's Office by a note payable to such office in the original amount of $123,483. The assessments were on a property the Church sold to another church. The Church agreed to pay such assessments as part of the sale agreement. The note had a maturity date in June 2014 and required semiannual payments of $9,119. The Church paid the note in full in 2010.

In August 2008 the Church entered into a capital lease agreement with Lease Corporation of America for the lease of a copier. The lease had an original balance of $11,000 and required monthly payments of $214. The lease was paid in full in 2011.

In October 2008 the Church obtained a loan from a member in the original amount of $100,000. The note had a maturity date in May 2009 and required monthly payments of $20,000. The Church used proceeds from the note to purchase equipment. The Church paid the note in full in 2009.

In April 2010 the Church obtained a loan in the amount of $400,000 from Capstone Christian School to finance in part the purchase of the Property, then vacant land. The note had an interest rate of 9.5% per annum with monthly payments of interest only. The Church paid the note in full in February 2011 with proceeds from the HSB Note, as further described below.

Prior short-term debt of the Church included a note payable to a bank. On February 17, 2011, the Church obtained a short-term loan from Happy State Bank, Amarillo, Texas, in the amount of $3,000,000 (the "HSB Note"). The HSB Note had a nine-month term. The Church used proceeds from the HSB Note to retire certain long-term debt and pay costs related to the construction of its present facility. The Church paid the HSB Note in full in June 2011 with proceeds from the sale of the Series I Bonds. The outstanding principal of the HSB Note at the time of payoff was $1,299,262.

DESCRIPTION OF ISSUER'S PROPERTIES

The Church owns and occupies land and improvements located at 850 East Cactus Avenue, Las Vegas, Clark County, Nevada (the "Property"). The Las Vegas-Paradise Metropolitan Statistical Area (the "Las Vegas MSA") has an estimated population of 2,024,447, with a median household income of $54,021 and median age of 35. The current population within a five-mile radius of the Property is estimated at 236,510, with a median household income of $66,643. The primary employment sector for the Las Vegas MSA is leisure and hospitality, followed by trade, transportation, and utilities, and professional and business services. The national economic downturn of 2008-2009 had a greater impact on the Las Vegas MSA than on many other areas of the country, and the recovery thus far is proceeding at a slower pace than nationally.

The Property is situated in the southern portion of Las Vegas approximately eight miles south of the downtown area and approximately two miles east of Interstate Highway 15. East Cactus Avenue is a main east/west thoroughfare for the neighborhood that runs between Las Vegas Boulevard to the west and Spencer Street to the east. A full interchange of Cactus Avenue with Interstate 15 is proposed but a construction start date has not been determined. The Property is approximately 10 acres in size, with a net usable area of approximately 9.34 acres. A sand and gravel quarry is located to the west and north of the Property, with an apartment complex and vacant land to the east. Land uses to the south are primarily medium density residential with some commercial uses.

The Property is improved with an existing religious facility containing 44,405 square feet of space of gross building area in two buildings that were completed in 2012. The interim worship building is 16,735 square feet in size. The child/administrative building is 27,670 square feet in size. The child/administrative building is a two-story structure that contains offices, classrooms, workrooms, conference rooms, kitchen/break rooms, two multipurpose/concert rooms, and restrooms. The interim worship building contains a sanctuary/meeting room that seats approximately 1,000, lobby area, offices, green rooms, audio/video room, and restrooms. Both structures are of steel frame construction with exterior walls of brick, stucco, and metal. Site improvements include drives and walks, paved parking, and landscaping.

The Church also owns and occupies land and improvements located at 850 Avenue B, Boulder City, Clark County, Nevada (the "Boulder City Property"). Boulder City is located approximately 20 miles southeast of Las Vegas, and has a current population of approximately 15,000. The Boulder City Property is situated in the central portion of the city south of the downtown area. Avenue B is a two-lane neighborhood street that intersects Adams Boulevard less than one-quarter mile south of the Boulder City Property. Adams Boulevard serves as a primary east-west, multilane thoroughfare for the city. The Boulder City Property's neighborhood includes multifamily developments, public schools, and a community recreation center. The Boulder City Property is approximately 0.76 acres in size and is improved with a two-story church facility built in 1960 with a gross building area of 10,357 square feet. It includes a sanctuary, fellowship/meeting area, kitchen, nursery, living/play area, and restrooms. Exterior walls are masonry/brick, and the facility is considered to be of average quality. Site improvements consist of drives and walks, paved parking, and landscaping. The Boulder City Property has a deed restriction that limits its use to a religious facility.

The Church also owns an additional five acres of unimproved land immediately adjacent to the Property. Such property is currently being reclaimed from the sand and gravel quarry located to the west and north of the Property, but at present is not useable. This property will not serve as collateral for the bonds of this issue (see "Security for the Bonds" under THE BONDS).

THE BONDS

TERMS OF THE BONDS

The bonds of this issue will be first mortgage bonds dated September 20, 2012, and issued in the aggregate principal amount of $5,450,000, comprised of simple interest bonds in the principal amount of $3,073,500 and compound interest bonds in the principal amount of $2,376,500 with interest computed on the basis of a 360-day year consisting of 12 months of 30 days each at the rates set forth in the Maturity Schedule (see APPENDIX A).

Interest on simple interest bonds is payable semiannually, the first of such payments being due and payable March 20, 2013, and payable each March 20 and September 20 thereafter until the respective maturity dates of such bonds. Interest on each simple interest bond will accrue from September 20, 2012. Interest on simple interest bonds will be payable by check to the bondholder who is the registered owner of said bonds at the close of business 15 days preceding each interest payment date. If, however, subscription funds are received by the Paying Agent, as hereinafter defined, less than fifteen (15) days prior to an interest payment date, that interest payment will be made to the bondholder within thirty (30) days of purchase. Interest on compound interest bonds will start accruing September 20, 2012, and be compounded semiannually, starting March 20, 2013, and on each March 20 and September 20 thereafter until the respective maturity dates of such bonds. Interest on compound interest bonds is paid only upon maturity, and the Issuer is under no obligation to pay principal or interest prior to the scheduled maturity date. The Issuer will waive the collection of interest accruing on the bonds from September 20, 2012, to the date of sale.

Principal and interest are payable through the paying agent, GoldStar Trust Company (see "Paying Agent" under THE TRUST INDENTURE). If the stated payment date for the payment of principal or of interest is a Saturday, Sunday, legal holiday, or day on which banking institutions in the State of Texas are authorized by law, regulation, or executive order to close, the date for such payment will be the next succeeding business day, and payment on such date will have the same force and effect as if made on the original date payment was due.

Bonds of this issue shall be issued in fully registered form as to ownership at par in denominations of $250 or integral multiples thereof with a minimum purchase amount of $500, subject to Broker's discretion (see "Registrar" under THE TRUST INDENTURE). The bonds shall have the principal amounts, interest rates, and scheduled maturities as set forth in the Maturity Schedule (see APPENDIX A).

SECURITY FOR THE BONDS

The bonds of this issue will be secured by a first mortgage on the Property and on the Boulder City Property (collectively, the "Properties"). Such lien against the Properties is granted pursuant to a deed of trust (the "Security Instrument") in favor of the Trustee and to be recorded in the real estate records of Clark County, Nevada. The lien of the Security Instrument is, by its terms, subject to certain title exceptions and encumbrances existing when the Security Instrument is recorded, including the encumbrances and other matters shown as exceptions or exclusions in the title insurance policy issued to the Trustee. The Indenture and the Security Instrument will equally and proportionately secure all of the bonds of this issue without preference, priority, or distinction. The current bond issue, Series V-2012, is a supplemental issue to the Series II Bonds and will have equal standing and priority with any and all outstanding Series II Bonds. The Indenture allows the Issuer to issue additional bonds in the future that will be secured by the Properties (see "Additional Bond Issues" below).

The Property was appraised by Shelli Lowe, MAI, SRA, FRICS, State Certified General Real Estate Appraiser, of Integra Realty Resources - Nevada, Las Vegas, Nevada, who estimated the market value as of June 25, 2012, to be $10,500,000. Ms. Lowe is not affiliated in any manner with the Issuer or the Broker. The appraisal is a carefully considered expert opinion of the value of the subject property as of the date of valuation, but not a guarantee or assurance of such value. The valuation of the Property is subject to the assumptions, limiting conditions, and certification stated in the appraisal report.

The Boulder City Property was appraised by Heidi Meidenbauer, MAI, State Certified General Real Estate Appraiser, and Andrew J. Johnson, State Certified General Real Estate Appraiser, of Lubawy and Associates, Inc., Las Vegas, Nevada, who estimated the market value as of September 7, 2012, to be $1,230,000. Neither Ms. Meidenbauer nor Mr. Johnson is affiliated in any manner with the Issuer or the Broker. The appraisal is a carefully considered expert opinion of the value of the subject property as of the date of valuation, but not a guarantee or assurance of such value. The valuation of the Boulder City Property is subject to the assumptions, limiting conditions, and certification stated in the appraisal report.

The proposed bond indebtedness of $8,748,806 (consisting of $5,450,000 for bonds of the current offering, Series V-2012, plus $3,298,806 for outstanding Series II Bonds and accrued interest thereon as of April 20, 2012) is approximately 74.6% of the combined estimated value of the Property and the Boulder City Property as described above of $11,730,000.

The Properties includes improvements that are, for the most part, special purpose facilities for which there may be a very limited market. There is no assurance that the value of the Properties as described above will be realized upon any foreclosure of the Security Instrument and subsequent sale of the Properties or other remedies of default taken by the Trustee. The Indenture provides a lien against the Properties in favor of the Trustee for the payment of its fees and expenses, such lien to be prior and superior to the lien of the Security Instrument. The Indenture also provides that the Issuer shall maintain appropriate insurance coverage on the Properties and maintain the Properties in good condition and repair.

Title exceptions and encumbrances against the Properties shown of public record that will be in existence when the Security Instrument is recorded and remain thereafter upon completion of this offering currently consist of various easements, dedications, and rights-of-way primarily for public utilities and road purposes.

Early Redemption at Option of Issuer

Upon thirty (30) days prior written notice from the Issuer to the Trustee, the bonds of this issue are subject to redemption by the Issuer at any time in whole or in part at the redemption price of 100% of the principal amount redeemed plus accrued interest to the redemption date. Provided the Issuer has made available moneys to effect the redemption, the Trustee shall give notice to the bondholders by first class mail at least fifteen (15) days prior to the redemption date. After the redemption date, no interest shall accrue on the bonds.

Additional Bond Issues

The Indenture provides that the Issuer may issue additional bonds or incur additional debt obligations (the "Additional Debt") in restricted amounts for any lawful purpose, including refunding any outstanding bonds. Such additional bonds or debt shall be of equal standing and priority with the bonds of this issue provided:

(a) There shall be no uncured defaults or events of default in the Indenture, the bonds, the Security Instrument, or other security documents;
(b) Any real property acquired from the proceeds of additional bonds shall be subjected to the lien of the Indenture and any mortgage or deed of trust upon said property;
(c) The ratio of the total outstanding bonds, including accrued interest, and the Additional Debt shall at no time exceed seventy-five percent (75%) of the appraised value of the property securing the payments of said bonds;
(d) The annual debt service payments required to pay the outstanding bonds and the Additional Debt, excluding debt which is to be paid from the proceeds of the sale of bonds, shall at no time exceed forty percent (40%) of the annual receipts of the Issuer, exclusive of interest income, proceeds received from the sale of assets, or any other extraordinary income; and,
(e) The total long-term indebtedness of the Issuer, including any new proposed or subsequent issues, shall not exceed four (4) times the total gross income of the Issuer during the period of one year immediately preceding the new issue. Gross income shall not include borrowed funds or funds received from the sale of any assets outside the ordinary course of business.

ESCROW OF PROCEEDS

The Issuer has entered into a proceeds escrow agreement (the "Agreement") with Happy State Bank, doing business as GoldStar Trust Company, as escrow agent ("Escrow Agent"). The Escrow Agent shall deposit all proceeds from the sale of the bonds into an escrow account to be held by the Escrow Agent under the terms of the Agreement, subject to Rule 15c-4 of the Securities Act of 1934, such funds to be used for the purpose(s) set forth herein under USE OF PROCEEDS. The Escrow Agent will invest such collected funds in short-term investments to the extent permitted by the Texas Department of Banking in accordance with the Texas Finance Code, provided however that any such funds held subject to the minimum contingency in bond sales as herein described shall be invested subject to Rule 15c2-4. All checks for payment of bond purchases should be made payable to GoldStar Trust Company. Subscribers' funds will be transmitted to the Escrow Agent by noon of the next business day following receipt. No disbursements shall be made from the escrow account until at least $1,000,000 of bond sale proceeds has been deposited into the account. If $1,000,000 has not been deposited to the escrow account within twelve (12) months of the bond issue date, the issue will terminate and escrowed proceeds, together with all interest earned thereon, will be immediately released and returned directly to subscribers by the Escrow Agent.

Bonds issued herein will be offered for exchange to the holders of Series I Bonds (the "Exchanged Bonds"). Exchanged Bonds from any purchaser, together with cash, if needed, must have an aggregate value sufficient to purchase a bond or bonds of this issue.

The Trustee is authorized to accept the Exchanged Bonds as consideration for the purchase of bonds issued herein (in multiples of $250). In the case of simple interest Exchanged Bonds, the bondholder shall receive a credit toward the purchase of bonds of this issue equal to the outstanding principal amount of the Exchanged Bond(s) being exchanged, and the unpaid accrued interest as stated thereon, if any, as of September 20, 2012. In the case of compound interest Exchanged Bonds, if any, the bondholder shall receive a purchase credit equal to the accreted value of the Exchanged Bond(s) being exchanged as of September 20, 2012, calculated in accordance with the trust indenture for the Series I Bonds. In either case, closing of the escrow and issuance of the bonds of this issue shall constitute payment in full of the Exchanged Bonds and all accrued interest thereof, as applicable. The Exchanged Bonds shall be accompanied by a written instrument or instruments of transfer, or authorization for exchange, in form satisfactory to the Trustee, duly executed by the registered holder or by his duly authorized representative. The person in whose name any Exchanged Bond is registered shall be deemed the owner thereof by Issuer and Trustee, and any notice to the contrary shall not be binding upon Issuer or Trustee.

USE OF PROCEEDS

The Issuer intends to use bond proceeds to pay the financing and miscellaneous costs of the issue, to pay certain outstanding construction accounts payable for the construction of its present facility, to pay in full the Findlay Note, to call and prepay all outstanding Series III Bonds, to call and prepay all outstanding Series I Bonds, and to provide contingency funds for such uses of proceeds, if needed.

The Issuer began construction of its present facility at the Property in March 2011. The total cost to complete the facility was at the time estimated at $11,365,972. The actual cost to complete the facility is currently $11,783,334. The Issuer anticipated funding the project with cash on hand and future contributions in combination with proceeds from the HSB Note, the Series I Bonds, the Series II Bonds, and the Series III Bonds. Failure to complete the sale of the bonds from the prior issues, primarily due to the broker dealer for those issues ceasing operations, resulted in a shortfall of funds necessary to complete the facility. The Issuer used proceeds from the Findlay Note, the Graham Note, and the Cardwell Note to provide a portion of the needed funds, but was unable to provide the balance of such funds when needed. This resulted in numerous construction accounts payable and the filing of mechanic's liens against the Property. Proceeds from this bond issue will pay all outstanding construction accounts payable in full with the release of the associated mechanic's liens. The Trustee will make no disbursements of bond proceeds until such time the Trustee has on deposit bond proceeds in an amount sufficient to satisfy all outstanding mechanic's liens against the Property. No priority is established for the expenditure of bond proceeds thereafter.

There are no affiliations between the Issuer, its officers/trustees, or senior pastor and any building contractor, supplier, or other party who may receive any of the proceeds of this issue, nor are any such affiliations anticipated during the offering period of the bonds of this issue.

The bonds of this issue will be sold on a best efforts basis and there is no assurance that all bonds will be sold and all purposes of the issue accomplished as proposed. In the event that less than the entire issue is sold, the Issuer may have to obtain replacement funds from other sources. There is no assurance that such replacement funds can be obtained. Bond proceeds remaining after payment of the items listed below, if any, will be disbursed to the Issuer to be used at the Issuer's discretion. The anticipated sources and uses of funds are as follows: *(See next page.)*

Sources of Funds	Minimum		Maximum	
From Sale of Bonds (Note 1)	$	1,000,000	$	5,450,000
Other Financing (Note 2)		4,294,250		-
Total Available Funds	$	5,294,250	$	5,450,000
Uses of Funds				
Acceptance and Registration Fee (Note 3)	$	5,450	$	5,450
Consulting Fee (Note 4)		104,800		104,800
Financing Fee (Note 5)		58,700		58,700
Brokerage Fee (Note 6)		35,000		190,750
Construction Accounts Payable (Note 7)		1,215,575		1,215,575
Debt Retirement (Note 8)		1,054,167		1,054,167
Debt Retirement (Note 9)		451,893		451,893
Debt Retirement (Note 10)		2,130,407		2,130,407
Contingencies (Note 11)		213,258		213,258
Issue and Miscellaneous Costs		25,000		25,000
Total Application of Funds	$	5,294,250	$	5,450,000

NOTE 1 - There is a minimum contingency in bond sales of $1,000,000. (See ESCROW OF PROCEEDS.)

NOTE 2 - The Issuer will have to seek replacement funds from other sources should only the minimum amount be sold and the Issuer desires to complete all purposes of the issue as herein described. There is no assurance such funds would be available. If only $1,000,000 of bonds is sold, the prioritized use of such funds would be as follows: applicable fees of Broker and Trustee and miscellaneous costs, with remaining funds applied toward construction accounts payable.

NOTE 3 - Payment to the Trustee for the acceptance and bond registration fee for the issue.

NOTE 4 - Payment to Share Holdings, Inc. for the consulting fee for the issue. (See PLAN OF DISTRIBUTION.)

NOTE 5 - Payment to the Broker for the financing fee for the issue. (See PLAN OF DISTRIBUTION.)

NOTE 6 - The Broker will offer the bonds of the issue on a best efforts basis for a fee of 3.5% of the principal amount of bonds sold, up to a maximum fee of $190,750. (See PLAN OF DISTRIBUTION.)

NOTE 7 - Payment to the appropriate contractors for outstanding construction accounts payable as herein described. This amount is subject to change.

NOTE 8 - Payment to Clifford J. Findlay to pay in full a note payable as herein described. This amount is subject to change.

NOTE 9 - Payment to GoldStar Trust Company, as paying agent, to call and prepay all outstanding Series III Bonds, assuming a call and prepayment date of November 20, 2012. Such amount and date is subject to change.

NOTE 10 - Payment to GoldStar Trust Company, as paying agent, to call and prepay all outstanding Series I Bonds, assuming a call and prepayment date of November 20, 2012. Such amount and date is subject to change. Outstanding Series I Bonds will be accepted as consideration for the purchase of the bonds of this issue, which may reduce the amount of cash proceeds required to prepay the Series I Bonds.

NOTE 11 - Contingency amount to be held by the Trustee and disbursed for the uses of funds as herein described in the following order of priority, if needed: construction accounts payable (Note 7), note payable (Note 8), and bonds payable (Note 9 and Note 10). Once such items have been paid in full as herein contemplated, the remaining contingency amount, if any, will be disbursed to the Issuer to be used at the Issuer's discretion.

FINANCIAL CONDITION

The Issuer's fiscal year is January 1 through December 31. The financial statements of the Issuer are contained herein under APPENDIX B. The financial statements for the years ended December 31, 2011, 2010, 2009, and 2008 have been audited by independent auditors (see INDEPENDENT AUDITORS). The financial statements for the four months ended April 30, 2012, were compiled and have not been audited or reviewed by an independent auditor. Jay Hendrix, Executive Pastor and Treasurer, has verified that such statements are true and correct to the best of his knowledge. The Issuer will disclose, in a supplement to this prospectus, any adverse material change in its financial condition during the offering period of the bonds.

SELECTED FINANCIAL DATA

The following information is derived from and is qualified in its entirety by reference to the Issuer's financial statements contained herein, and should be reviewed in conjunction with such financial statements (see APPENDIX B).

Total net assets	Four Months Ended 04/30/2012 (Compiled)	Year Ended 12/31/2011 (Audited)	Year Ended 12/31/2010 (Audited)	Year Ended 12/31/2009 (Audited)
Revenue				
General contributions	$ 869,993	$ 2,623,017	$ 2,515,457	$ 2,471,739
Missions/designated contributions	369,037	824,367	698,723	1,208,171
Building contributions	23,660	127,308	448,298	4,180,614
Net assets released from restrictions	-	-	-	-
Total revenue and net assets released from restrictions	1,289,690	3,574,692	3,662,478	7,860,524
Expenses				
Total expenses	1,107,031	3,737,879	3,561,764	5,266,147
Other income (expense)				
Total other income (expense)	(204,881)	(139,565)	(270,253)	(265,381)
Increase (decrease) in net assets	$ (22,222)	$ (302,752)	$ (169,539)	$ 2,328,996

During prior years the Issuer has incurred certain expenses that it considers to be nonrecurring. For the year ended December 31, 2011, those expenses included rent expense of $151,459 to lease space for worship, rent expense of $168,778 to lease space for administrative offices, and expenses of $67,000 for worship setup and related expenses. Such expenses were eliminated upon the occupancy of the Issuer's present facility in March 2012. The Issuer has also stopped paying cell phone charges for certain staff members, which was an expense of $18,269 during the 2011 fiscal year.

The following are the Issuer's top five general fund contributors for the fiscal year ended December 31, 2011, listed by total dollar amount given: $92,117; $45,801; $41,150; $30,888, and $29,751. The Issuer, to the best of its knowledge, does not receive, from one or a few members, substantial contributions that may not be received in the future. Failure to achieve an anticipated amount of contributions in the future, however, could adversely affect the Issuer's ability to repay the bonds.

The proposed bond indebtedness of $8,748,806 (consisting of $5,450,000 for bonds of the current offering, Series V-2012, plus $3,298,806 for outstanding Series II Bonds and accrued interest thereon as of April 20, 2012) is approximately 2.45 times the Issuer's total revenue and net assets released from restrictions for the year ended December 31, 2011, of $3,574,692. The total of such proposed bond indebtedness and the existing long-term debt to remain outstanding is $11,073,806, which is approximately 3.10 times the Issuer's total revenue and net assets released from restrictions for the year ended December 31, 2011, of $3,574,692.

The highest combined annualized sinking fund payments for the Series II Bonds and bonds of the current offering, Series V-2012, which becomes effective on April 20, 2013, will be $771,360, which is approximately 21.58% of the total revenue and net assets released from restrictions of the Issuer for the year ended December 31, 2011. The total of such combined annualized sinking fund payments at the highest and the current annualized payments for existing long-term debt to remain outstanding is $951,120, which is approximately 26.61% of the total revenue and net assets released from restrictions of the Issuer for the year ended December 31, 2011.

The debt service ratio for the proposed bond indebtedness (assuming the highest annualized sinking fund payments) and the existing long-term debt to remain outstanding is approximately 0.96 to 1.00 based on the adjusted increase in unrestricted net assets of $910,370 for the year ended December 31, 2011, as previously described. The Issuer believes it could increase cash flow to meet its debt service requirements if necessary by reductions in the following expense categories: personnel, missional communities, and facilities.

Historical revenues are not necessarily indicative of future operating results. The Issuer intends to pay the debt service with allocations from its general fund and from capital fund-raising programs as necessary. There is no assurance that contributions and other sources of revenue to be received by the Issuer in the future will be sufficient to pay the debt service for the bonds as well as the Issuer's normal and ordinary expenses of operation. The Issuer's revenues in the future may include contributions for which the donors have imposed restrictions. All such revenues, therefore, may not be available for debt service for the bonds. (See "Sinking Fund" under THE TRUST INDENTURE.)

CAPITALIZATION

The capitalization (unaudited) of the Issuer as of April 30, 2012, and as adjusted giving effect to this bond issue, are as follows:

		Outstanding		Proposed
Mortgage bonds	$	6,119,750	$	8,692,500
Other liabilities		4,919,204		2,743,745
Total liabilities		11,038,954		11,436,245
Net assets		3,211,072		3,211,072
Total liabilities and net assets	$	14,250,026	$	14,647,317

FUND-RAISING PROGRAM

The Issuer is not currently engaged in a formal capital fund-raising program. The Issuer recently completed a fund-raising program, known as The Big Journey, to raise funds for the construction of its present facility. The program began in May 2009, with contributions to be received over a three-year period. Pledges were received totaling approximately $4,540,000. Such pledges, for the purposes of the Issuer's financial statements as contained herein, were considered unconditional promises to give (see APPENDIX B). At the conclusion of the program the Issuer had received approximately $3,300,563 in program contributions. The Issuer intends to conduct another capital fund-raising program beginning in 2013 to raise funds for debt retirement. There is no assurance that the amount of funds pledged for any future fund-raising program will be received in full or received when needed to accomplish the designated purpose(s). Such funds, when received, will not be held by the Trustee.

PLAN OF DISTRIBUTION

Bonds of this issue will be offered both to members and friends of the Issuer and to other investors on a best efforts basis and sold at par (100% of the face amount), subject to prior sale. The Broker will initially offer bonds in an aggregate amount of up to $2,442,750 to other investors, primarily its customers and customers of other brokers dealers who may participate in this offering, if any, with the remaining $3,007,250 of bonds offered to members and friends of the Issuer. Such allocation is subject to change. The Issuer will have one (1) year after the issue date of the bonds to either complete or terminate the offering. All bond sales are subject to a minimum contingency of $1,000,000 in sales being met. The offer and sale of bonds of this issue will be made only by registered representatives of the Broker. No officer or employee of the Issuer will receive any direct or indirect remuneration in connection with this offering.

The Broker will use its best efforts to assist the Issuer during the bond sales campaign and to provide technical assistance in the preparation of the bond issue. Such services will include the preparation and printing of the prospectus, supplying necessary forms and materials for the sales effort, and the general supervision by a registered representative of the Broker. As compensation for such services, the Broker will receive a financing fee of $58,700. There will be no reimbursements by the Issuer to the Broker of additional costs or expenses of the bond issue. The financing fee to the Broker is due and payable at the time prescribed in the contract between the Issuer and the Broker and is not contingent upon the amount of bonds sold. If, however, bond sales are not sufficient to meet the minimum contingency in bond sales and the Issuer elects to rescind the bond issue, the fee due to the Broker will be limited to accountable out-of-pocket expenses only. The Broker has not undertaken the obligation to sell, guarantee, or underwrite the sale of any bonds of this issue. There are no provisions for a standby underwriting. The Broker has not undertaken the obligation to guarantee the sale of any bonds of this issue. The Broker will offer the bonds of this issue on a best efforts basis in those states where such sales are permitted for a fee of three and one-half percent (3.5%) of the face amount of bonds sold, up to a maximum fee of $190,750. Under no circumstances will the total of fees paid by the Issuer to the Broker exceed $249,450. Other broker/dealers who are members of the Financial Industry Regulatory Authority, Inc. (FINRA) may participate in this offering.

The Issuer has had no past dealings with the Broker, nor are any future dealings contemplated at the present time. There are no affiliations between the officers and/or governing board members of the Issuer or its senior pastor and the Broker or any of its officers. Except as otherwise described herein, the Broker, directly or indirectly, does not have any present or contemplated interest of any kind, nor will it receive consideration of any kind, from any party who has or may negotiate or contract with the Issuer with respect to the purposes of this offering (see TRUSTEE AND BROKER RELATIONSHIP).

The Issuer has engaged the services of Share Holdings, Inc. ("Holdings"), the parent company of the Broker, to provide certain consulting and preparatory work for this offering. As compensation for such services, Holdings will receive a consulting fee of $104,800.

THE TRUST INDENTURE

The bonds of this issue are being issued by the Issuer subject to and in accordance with the provisions of a trust indenture and a supplemental trust indenture (as previously defined, the "Indenture") between the Issuer and GoldStar Trust Company as Trustee, the execution of such supplemental trust indenture by the Issuer having been authorized by resolution of its membership duly adopted on May 16, 2012. Certain provisions of the Indenture are summarized herein and as such are qualified in their entirety by reference to such instrument, a copy of which shall be on file with the Issuer and the Trustee. The Trustee will make no charge for its services as trustee, provided the Issuer is not in default of any provisions of the Indenture. Compensation as provided in the Indenture will be paid to the Trustee in the event of default. The Trustee is not a guarantor or surety, does not in any way guarantee or act as surety for any payments required by the Indenture, and may not be held liable under any conditions, except for its own negligence.

PAYING AGENT

The Issuer has appointed GoldStar Trust Company as paying agent (the "Paying Agent") for this bond issue. The Paying Agent will receive and hold all payments by the Issuer in a sinking fund account as provided for in the Indenture and will disburse from such account all payments of principal and interest on the bonds, fees of the Paying Agent, and other such amounts pursuant to the Indenture.

REGISTRAR AND TRANSFER AGENT

Bonds of this issue will be fully registered as to ownership. GoldStar Trust Company will serve as registrar for the issue (the "Registrar"). The Registrar shall prepare and maintain the bond register and facilitate the transfer and replacement of bonds per the provisions of the Indenture. Each of the bonds, unless requested otherwise by the investor, will be issued in book entry form as an uncertified security in accordance with the provisions of Article 8 of the Uniform Commercial Code as adopted in the state of organization of the Issuer. Investors should receive, in lieu of a bond certificate, a confirmation statement acknowledging their purchase within three (3) weeks of purchase, subject to the minimum contingency in bond sales as herein described being met. If such confirmation is not received, investors should contact the Registrar.

SINKING FUND

The Issuer has agreed to pay the bonds of this issue and interest thereon as same become due and payable, the fees and expenses of the Trustee as set forth in the Indenture, and all other amounts agreed to be paid by the Issuer pursuant to the applicable provisions of the Indenture. To secure the payment of such obligations, the Issuer has pledged the first receipts of its income and revenue from all sources as may be necessary to pay such obligations. The Issuer has further agreed to deposit with the Paying Agent on a monthly basis such amounts that will be sufficient to pay, when due on each principal and interest payment date, the principal and interest on the bonds of this issue and any applicable fees. Such amounts will be deposited by the Paying Agent into a sinking fund account under the exclusive control of the Paying Agent and will be used solely to pay the bonds and interest thereon and other such payments therefrom as provided by the Indenture. Deposits into the sinking fund will be as follows:

$30,674 per month for thirteen and one-half (13.5) years beginning September 20, 2012, then
$64,279 per month for eleven and one-half (11.5) years beginning March 20, 2026.

The payments as required above will be sufficient to retire the bonds of this issue and interest thereon as such become due. The scheduled payment includes a $454.17 per month fee charged by GoldStar Trust Company for its services as Paying Agent.

The Issuer is also obligated to make monthly deposits into a sinking fund account for the Series II Bonds as previously described (see "Prior Borrowing Experience" under THE ISSUER.)

DEFAULT

If any of the following events occur, subject to the termination and waiver provisions of the Indenture, such events shall constitute an "event of default" under the Indenture: (a) failure to pay, when due, the periodic sinking fund payment as herein described;. or (b) failure to pay, when due, the principal or interest on any bond, whether at maturity, or upon redemption or otherwise; or (c) default in the performance or observance of any other of the covenants, agreements or conditions on the part of the Issuer contained in the Indenture or in the bonds or any other security document and failure to remedy the same after notice thereof pursuant to the applicable provisions of the Indenture; or, (d) the occurrence of a default under the Security Instrument.

Upon the occurrence and continuation of an event of default, Trustee may, and upon the written request of the holders of 25% or more in aggregate principal amount of the bonds then outstanding shall, by notice in writing delivered to the Issuer, declare the principal of all bonds then outstanding and the interest accrued thereon to the date of such notice immediately due and payable, and such principal and interest shall thereupon become and be immediately due and payable. Upon the occurrence and continuation of an event of default Trustee may pursue any available remedy granted in the Indenture or other security documents and/or by suit at law or in equity or take any other action to enforce the payment of the principal and interest on the bonds then outstanding.

Anything in the Indenture to the contrary notwithstanding, the holders of a majority in the aggregate principal amount of the bonds then outstanding shall have the right, at any time, by an instrument or instruments in writing executed and delivered to Trustee and accompanied by indemnity satisfactory to the Trustee, to direct the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of the Indenture, or for the appointment of a receiver or any other proceedings hereunder; provided that such direction shall not be otherwise than in accordance with the provisions of laws and of the Indenture.

No holder of any bond shall have any right to institute any suit, action or proceeding at law or in equity for the enforcement of the Indenture, the Security Instrument, or for the execution of any trust thereof or for the appointment of a receiver or any other remedy under the Indenture unless: (a) a default has occurred of which Trustee has been notified, or deemed to have been notified, as provided pursuant to the applicable provisions of the Indenture; (b) such default shall have become an event of default and the holders of a majority in aggregate principal amount of bonds then outstanding shall have made written request to Trustee and shall have offered it reasonable opportunity either to proceed to exercise the powers granted in the Indenture or to institute such action, suit or proceeding in its own name; (c) such bondholders shall have offered to Trustee indemnity satisfactory to Trustee; and (d) Trustee shall have failed or refused to exercise any of the powers granted under the Indenture to institute such action, suit or proceeding in its own name or names; and such notification, request and offer of indemnity are hereby declared in every case at the option of the Trustee to the conditions precedent to any action or cause of action for the enforcement of the Indenture or for the appointment of a receiver or for any other remedy under the Indenture; it being understood and intended that no one or more holders of the bonds shall have any right under the Indenture except in the manner provided therein, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner provided for in the Indenture and for the equal and ratable benefit of the holders of all bonds then outstanding.

The Trustee shall give bondholders notice of any default known by the Trustee and deemed by the Trustee to be a material default if said default is not cured within 30 days of Trustee's learning of such default. To the extend require by law, regulation, or request, the Trustee shall give state securities administrator in the domiciliary state of the Issuer, and the state securities administrator of any other state where the bonds of this issue were offered, timely notice of any default known by the Trustee and deemed by the Trustee to be a material default, if such default is not cured within 30 days of Trustee's learning of such default. A material default shall include, but is not limited to, a failure to make a scheduled payment of principal and interest to bondholders when due.If a Material Default occurs and continues for thirty (30) days, the Trustee shall mail written notice

Removal of Trustee

The Trustee may be removed at any time by an instrument appointing a successor trustee executed by the holders of not less than a majority in aggregate principal amount of all bonds then outstanding under the Indenture. At any time that the Trustee shall also be a creditor of the Issuer pursuant to a separate promissory note or other credit facility delivered and payable to Trustee in individual capacity rather than a fiduciary capacity, and the Trustee has notified the bondholders of the existence of a conflict of interest between the interest of the bondholders and the Trustee as a creditor, until such time as the Trustee notifies the bondholders that the conflict has been resolved the Trustee may be removed at any time by an instrument appointing a successor trustee executed by the holders of not less than one-third (1/3) in aggregate principal amounts of all bonds then outstanding.

Appointment of Successor Trustee

If the Trustee resigns or is removed or dissolved, or if any court or administrative body takes control over the property or affairs of the Trustee because of insolvency or financial difficulty or for any other reason, the Issuer shall appoint a successor trustee. If the Issuer fails to make such appointment, the holders of not less than a majority in aggregate principal amount of all bonds then outstanding under the Indenture may do so by an instrument in writing. The successor trustee shall mail a notice of its appointment to each registered owner of bonds. No other notice shall be required. In the event the appointment of a successor trustee is the result of the Issuer's default under the terms of the Indenture, or any document securing the bonds, or a conflict of interest caused by such, Issuer shall be responsible for any expenses incurred in obtaining a successor trustee.

Qualifications of Successor Trustee

Every successor trustee appointed pursuant to the applicable provisions of the Indenture shall satisfy all of the qualifications set forth in Article VI of the Statement of Policy Regarding Church Bonds as adopted on April 14, 2002, by the North American Securities Administrators Association.

Modification

By supplemental indenture, certain rights of Issuer and bondholders may be modified or amended with the consent of the holders of 66.67% in principal amount of bonds then outstanding. Any such modification or amendment may not, without the consent of 100% of the holders of bonds then outstanding: (a) extend the maturity of principal of any bond, reduce the rate of interest, or otherwise change the terms of payment of principal or interest, or impair the right of a bondholder to institute suit for the enforcement of payment of principal or interest on or after the respective due date thereof; (b) except as otherwise provided in the Indenture or as herein described, permit the creation of any lien ranking prior to or on a parity with the lien of the Security Instrument or the Indenture with respect to the Properties; or (c) reduce the percentage required by the provisions of the Indenture for taking any of the above described actions. The Indenture also permits limited changes through supplemental indentures, when authorized by resolution of the governing board of Issuer and agreed to by Trustee.

COMMUNICATIONS AMONG BONDHOLDERS

Within five (5) business days of receiving a written request from one or more bondholders, the Trustee, on behalf of the bondholders requesting such communication, shall send information or correspondence to all bondholders. The communication to the bondholders will be provided in a form that is accessible by all bondholders and clearly legible in a typeface no smaller than 10 points. The Trustee may require reasonable reimbursement, in the sole opinion of Trustee, of actual costs incurred to provide communications among bondholders prior to sending the requested communications. The Trustee shall not be required to send information or correspondence on behalf of any bondholder requesting such communication if the Trustee believes the information is untrue, misleading, or defamatory.

REPORTS BY TRUSTEE TO BONDHOLDERS

The Trustee shall transmit to bondholders, within 180 days after the end of the Issuer's fiscal year, a brief report with respect to any of the following events which may have occurred within the previous 12 months: (a) the failure of the Issuer to provide annual financial statements to the Trustee as required by the Indenture; (b) any change in the Trustee's qualifications to serve as Trustee; (c) any material release of the properties pledged under the Indenture or any other material change of the lien status of the bonds under the Indenture; (d) any additional issuance of bonds by the Issuer; and (e) any action taken by the Trustee in the performance of its duties under the Indenture, which, in the opinion of the Trustee, materially affects the bonds, including, but not limited to, any remedy sought by the Trustee to the address any material default. If none of these events has occurred during the previous 12 months, the Trustee is not required to transmit such a report to the bondholders. If a report is required for any such events, the Trustee shall simultaneously send a report to the Broker and to the securities administrators in all the state where the bonds of this issue were sold and such reporting is required.

TRUSTEE AND BROKER RELATIONSHIP

The Trustee and the Broker are separate corporations organized under the laws of the state of Texas, and have no common officers, directors or employees. The Trustee and the Broker have entered into an agreement whereby the Broker will provide certain assistance to the Trustee in the preparation of information required for acceptance and closing of bond issues and in the administration of the issue after the bonds are issued. For these services, the Broker will receive a fee from the Trustee.

LITIGATION

There are no pending or threatened material legal proceedings nor proceedings known to be contemplated by governmental authorities, administrative bodies, or other persons to which the Issuer is or may be a party or to which any of its property is or may be subject.

LEGAL OPINIONS

Anthony & Middlebrook, 4501 Merlot Avenue, Grapevine, Texas, has advised the Issuer with respect to certain legal matters related to this offering and that the bonds of this Issue, when sold, will constitute valid, legal, and binding obligations of the Issuer.

INDEPENDENT AUDITORS

The statements of financial position of the Issuer as of December 31, 2011, 2010, 2009, and 2008, and the related statements of activities and cash flows for the years then ended as contained herein have been audited by Ovist and Howard, Certified Public Accountants. The statement of financial position of the Issuer as of April 30, 2012, and the related statements of activities and cash flows for the four months then ended as contained herein have been compiled by Ovist and Howard, Certified Public Accountants. (See APPENDIX B.)

TAX ASPECTS

Bondholders receive no charitable deduction for federal income tax purposes upon the purchase of bonds. Interest earned on simple interest bonds is taxable as ordinary income to the bondholder and is subject to applicable state and federal income tax on such dates that the interest becomes due and payable. That portion of interest on a compound interest bond that is earned but deferred and unpaid during a given year is subject to applicable state and federal income tax for that year. A gain or loss on the sale or exchange of a bond is subject to applicable state and federal income tax. The Paying Agent, pursuant to current federal tax law and regulations, will forward annually to the registered owner of each bond a Form 1099 which states the interest actually paid or deferred and unpaid for that year.

INVESTOR REPORTS

The Issuer will make current financial statements available to bondholders upon written request.

INFORMATION REGARDING THE BROKER

PRIVACY POLICY

The Broker collects nonpublic personal information about investors from the following sources: (a) information the Broker receives from investors on account cards, subscription agreements, or other forms and documents; and (b) information concerning the transactions of investors through the Broker or others. The Broker does not disclose any nonpublic personal information about investors to anyone, except as permitted by law as is necessary to effect a transaction that the bond purchaser requests or authorizes. The Broker does not sell any client lists to any third parties. The Broker's privacy policies and practices as described herein apply to both current and former or inactive investors. The Broker restricts access to the personal and transaction information of investors to those employees who need to know that information to provide requested products or services. The Broker maintains physical, electronic, and procedural safeguards to guard nonpublic personal information of investors.

Customer Identification Program

To help the government fight the funding of terrorism and money laundering activities, federal law requires financial institutions to obtain, verify, and record information that identifies each person who opens an account or requests a transaction. When an investor purchases a bond through the Broker, the Broker is required to collect information from that person, such as the person's name, date of birth, address, and social security number. The investor may also need to show his or her driver's license or other identifying documents. A corporation, partnership, trust, or other legal entity may need to provide other information, such as its principal place of business, local office, employer identification number, certified articles of incorporation, government-issued business license, a partnership agreement, or a trust agreement. U.S. Department of the Treasury, Securities and Exchange Commission, FINRA, and New York Stock Exchange rules already require investors to provide most of this information, such as net worth, annual income, occupation, employment information, investment experience and objectives, and risk tolerance. The Broker may not be able to carry out transactions for the investor if such information is not provided. If the investor has previously completed transactions through the Broker, the Broker may not be able to complete future transactions.

Business Continuity Statement

The Broker conducts business with various churches and trust companies. These trust companies receive investor's monies and maintain investor's securities account(s) in their capacities of trustee, paying agent, and registrar for bond issues. Pursuant to regulatory requirements, the following information is provided by the Broker to inform investors of the Broker's position on business continuity practices. The Broker recognizes how heavily investors rely on its systems and services. The Broker also recognizes that the unexpected can and does occur, from isolated instances to major outages. The Broker wants investors to know that it has an extensive plan in place to help safeguard investor's assets, and that it continually works with the trust companies in this regard. In addition, the Broker also has plans in place to protect vital account and other information in the event of a significant business disruption. The Broker has pre-established contingency and disaster recovery plans. Components of these plans are tested on a periodic basis to ensure their adequacy and effectiveness. The Broker considers contingency planning to be an on-going process, requiring periodic assessments of various risks and the appropriate response(s). The Broker's continuity plan addresses, in detail, each of the following items: (1) data back-up and recovery of both hard copy and electronic records; (2) all mission critical systems, including its telephone, e-mail, Internet and links to the trust companies; (3) financial and operational assessments; (4) alternate communications between the Broker and its customers; (5) alternate communications between the Broker and its employees; (6) alternate physical location of employees; (7) critical business constituent, bank, and counter-party impact; (8) regulatory reporting; (9) communications with regulators; and, (10) how the Broker and the trust companies will assure prompt access to investor's funds and/or securities in the event that the Broker determines that it is unable to continue its business. The Broker has prepared contingency plans to address unforeseen events that may occur at the local, regional or national level. In the event of a localized disruption, such as a power outage to the Broker's building or the Dallas-Fort Worth area, the Broker has developed plans to re-locate its employees to an alternate location. The Broker anticipates that the disruption to its business in this event will be minimal. In the event of a regional disruption, such as a tornado or other natural disaster, the Broker has developed plans that will allow access to information regarding investors' transactions within minutes. In the event of a national occurrence, the Broker has developed plans to ensure that it will continue to meet investors' needs regarding their transactions at all times when the major stock markets are open.

Questions concerning the above information regarding the Broker or complaints regarding any transactions involving the Broker may be directed to Share Financial Services, Inc., Attn: Brokerage Department, 15770 Dallas Parkway, Suite 860, Dallas, Texas 75248, phone 972-450-6305.

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APPENDIX A

MATURITY SCHEDULE

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Maturity Date	Term in Years	Compound Interest Bonds		Simple Interest Bonds	
		Principal Maturing	Interest Rate	Principal Maturing	Interest Rate
03/20/13	0.5	$ -		$ 71,750	5.00%
09/20/13	1.0	70,250	5.20%	-	
03/20/14	1.5	68,250	5.20%	-	
09/20/14	2.0	66,250	5.30%	-	
03/20/15	2.5	64,750	5.40%	-	
09/20/15	3.0	62,750	5.40%	-	
03/20/16	3.5	61,250	5.40%	-	
09/20/16	4.0	59,250	5.50%	-	
03/20/17	4.5	-		73,500	5.50%
09/20/17	5.0	57,750	5.60%	-	
03/20/18	5.5	56,000	5.60%	-	
09/20/18	6.0	54,250	5.60%	-	
03/20/19	6.5	53,000	5.60%	-	
09/20/19	7.0	50,750	5.80%	-	
03/20/20	7.5	49,250	5.80%	-	
09/20/20	8.0	47,250	6.00%	-	
03/20/21	8.5	-		75,750	6.00%
09/20/21	9.0	45,000	6.20%	-	
03/20/22	9.5	43,750	6.20%	-	
09/20/22	10.0	42,500	6.20%	-	
03/20/23	10.5	-		78,000	6.50%
09/20/23	11.0	39,750	6.50%	-	
03/20/24	11.5	38,750	6.50%	-	
09/20/24	12.0	37,250	6.50%	-	
03/20/25	12.5	-		80,500	6.50%
09/20/25	13.0	35,250	6.75%	-	
03/20/26	13.5	-		83,000	6.75%
09/20/26	14.0	113,500	6.75%	-	
03/20/27	14.5	109,750	6.75%	-	
09/20/27	15.0	106,250	6.75%	-	
03/20/28	15.5	99,000	7.00%	-	
09/20/28	16.0	95,750	7.00%	-	
03/20/29	16.5	-		287,500	7.00%
09/20/29	17.0	92,500	7.00%	-	
03/20/30	17.5	-		297,500	7.00%
09/20/30	18.0	85,500	7.25%	-	
03/20/31	18.5	-		308,000	7.25%
09/20/31	19.0	82,500	7.25%	-	
03/20/32	19.5	79,750	7.25%	-	
09/20/32	20.0	76,750	7.25%	-	
03/20/33	20.5	-		319,250	7.35%
09/20/33	21.0	72,750	7.35%	-	
03/20/34	21.5	-		331,000	7.35%
09/20/34	22.0	70,000	7.35%	-	
03/20/35	22.5	-		343,000	7.35%
09/20/35	23.0	65,500	7.50%	-	
03/20/36	23.5	-		355,750	7.50%
09/20/36	24.0	63,000	7.50%	-	
03/20/37	24.5	-		369,000	7.50%
09/20/37	25.0	60,750	7.50%	-	

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APPENDIX B

FINANCIAL STATEMENTS

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Financial Statements

HOPE BAPTIST CHURCH OF LAS VEGAS, INC.

APRIL 30, 2012

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HOPE BAPTIST CHURCH OF LAS VEGAS, INC.

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INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

To the Congregation
Hope Baptist Church of Las Vegas, Inc.
Las Vegas, Nevada

We have compiled the accompanying statement of financial position of Hope Baptist Church of Las Vegas, Inc. (a nonprofit organization) as of April 30, 2012, and the related statements of activities and cash flows for the four months then ended. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Ovist & Howard

Certified Public Accountants

July 5, 2012
Henderson, Nevada

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HOPE BAPTIST CHURCH OF LAS VEGAS, INC.

STATEMENT OF FINANCIAL POSITION

APRIL 30, 2012

ASSETS

	Unrestricted Net Assets	Temporarily Restricted Net Assets	Total Net Assets
CURRENT ASSETS:			
Cash and cash equivalents *(Note C)*	$ 127,643	$ 117,460	$ 245,103
Cash restricted for construction use *(Note D)*	373,947	-	373,947
Unconditional promises to give, net *(Note E)*	-	176,776	176,776
Prepaid expenses	16,580	-	16,580
Other receivables	5,031	-	5,031
Due from unrestricted fund (*Note F*)	-	73,491	73,491
Total Current Assets	523,201	367,727	890,928
PROPERTY - net *(Note G)*	13,288,689	-	13,288,689
OTHER ASSETS:			
Deposits	70,409	-	70,409
Total Other Assets	70,409	-	70,409
TOTAL ASSETS	$ 13,882,299	$ 367,727	$ 14,250,026

LIABILITIES AND NET ASSETS

	Unrestricted Net Assets	Temporarily Restricted Net Assets	Total Net Assets
CURRENT LIABILITIES:			
Accounts payable	$ 193,095	$ -	$ 193,095
Construction payable	1,175,459	-	1,175,459
Due to designated fund (*Note F*)	73,491	-	73,491
Accrued expenses	139,099	-	139,099
Current portion of debt *(Note I)*	3,503,560	-	3,503,560
Total Current Liabilities	5,084,704	-	5,084,704
LONG-TERM DEBT, less current debt *(Note I)*	5,954,250	-	5,954,250
NET ASSETS:			
Unrestricted			
Undesignated - available for general activities	2,843,345	-	2,843,345
Temporarily Restricted by Donor *(Note J)*			
Designated for specific purposes	-	367,727	367,727
Total Net Assets	2,843,345	367,727	3,211,072
TOTAL LIABILITIES AND NET ASSETS	$ 13,882,299	$ 367,727	$ 14,250,026

See accompanying independent accountants' report
and notes to financial statements

HOPE BAPTIST CHURCH OF LAS VEGAS, INC.

STATEMENT OF ACTIVITIES

FOR THE FOUR MONTHS ENDED APRIL 30, 2012

	Unrestricted Net Assets	Temporarily Restricted Net Assets	Total Net Assets
REVENUE:			
General contributions *(Note A)*	$ 896,993	$ -	$ 896,993
Missions contributions	-	369,037	369,037
Building contributions	-	23,660	23,660
Total revenue before net assets released from restrictions	896,993	392,697	1,289,690
Net assets released from restriction	416,412	(416,412)	-
Total revenue and net assets released from restrictions	1,313,405	(23,715)	1,289,690
EXPENSES *(Note A)*:			
Big Journey expenses	55,533	-	55,533
Boulder City	5,742	-	5,742
Creative arts	1,346	-	1,346
Facilities and furnishings	123,012	-	123,012
Family ministry	12,964	-	12,964
Logistics	6,398	-	6,398
Media and communication	32,866	-	32,866
Missional communities	294,161	-	294,161
Operations	62,538	-	62,538
Pastoral ministry	6,180	-	6,180
Personnel	481,810	-	481,810
Technical arts	492	-	492
Technology	21,855	-	21,855
Worship arts	2,134	-	2,134
Total Expenses	1,107,031	-	1,107,031
OTHER INCOME (EXPENSE):			
Depreciation expense	(121,790)	-	(121,790)
Interest expense	(42,952)	-	(42,952)
Loss on abandonment	(40,139)	-	(40,139)
Total Other Income (Expense)	(204,881)	-	(204,881)
INCREASE (DECREASE) IN NET ASSETS	1,493	(23,715)	(22,222)
NET ASSETS - Beginning of Year	2,841,852	391,442	3,233,294
NET ASSETS - End of Period	$ 2,843,345	$ 367,727	$ 3,211,072

Financial Statements

See accompanying independent accountants' report
and notes to financial statements

HOPE BAPTIST CHURCH OF LAS VEGAS, INC.

STATEMENT OF CASH FLOWS

FOR THE FOUR MONTHS ENDED APRIL 30, 2012

	Total Net Assets
CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash Received From:	
General contributions	$ 909,421
Missions contributions	369,037
Building contributions	155,820
Cash Received from Operating Activities	1,434,278
Less Cash Paid For:	
Expenses	982,536
Interest expense	42,952
Cash Disbursed for Operating Activities	1,025,488
NET CASH FLOWS PROVIDED BY OPERATING ACTIVITIES	408,790
CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchases of property and equipment	(96,575)
(Increase)/decrease in construction in progress	(4,316,602)
NET CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES	(4,413,177)
CASH FLOWS FROM FINANCING ACTIVITIES:	
Proceeds from debt	3,814,000
Repayment of principal on debt	(60,990)
NET CASH FLOWS PROVIDED BY FINANCING ACTIVITIES	3,753,010
Net Increase (decrease) in Cash	(251,377)
CASH - Beginning of Period	496,480
CASH - End of Period	$ 245,103

Financial Statements

See accompanying independent accountants' report
and notes to financial statements

HOPE BAPTIST CHURCH OF LAS VEGAS, INC.

RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES

FOR THE FOUR MONTHS ENDED APRIL 30, 2012

	Total Net Assets
Reconciliation of change in assets to net cash provided (used) by operating activities:	
Change in net assets	$ (22,222)
Adjustments to reconcile changes in net asset to net cash provided (used) by operating activities:	
Depreciation	121,790
Loss on abandonment	40,139
(Increase) decrease in:	
Unconditional promises to give	132,160
Other receivables	14,875
Prepaid expenses	7,188
Deposits	14,109
Due from unrestricted fund	(11,616)
Increase (decrease) in:	
Accounts payable	60,831
Accrued expenses	39,920
Due to designated fund	11,616
Total adjustments	431,012
NET CASH FLOWS PROVIDED BY OPERATING ACTIVITIES	$ 408,790

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES:

During the four months ended April 30, 2012 the Church incurred indebtedness totaling $121,000 related to the costs of constructing the new buildings of the Church.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Organization - Hope Baptist Church of Las Vegas, Inc. ("the Church") is a non-profit Christian church, formed February 2, 2001, established and maintained to carry out the mission of disseminating the Gospel of Jesus Christ and to help people have a personal relationship with Jesus Christ.

Basis of Accounting - The financial statements of the Church have been prepared on the accrual basis of accounting and accordingly, reflect all significant receivables, payables, and other liabilities.

The accounts of the Church are maintained in accordance with the principles of fund accounting. Under fund accounting, resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purpose. Separate accounts are maintained for each fund; however, in the accompanying financial statements, funds have been combined and presented for the Church as a whole, in accordance with generally accepted accounting principles. Under generally accepted accounting principles, the Church is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions. This will affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. Actual results could differ from these estimates. Material estimates that are particularly susceptible to significant change in the near term relate to the determination of the allowance for promises to give.

Income Tax Status - The Church is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC). However, income from certain activities not directly related to the Church's tax-exempt purpose is subject to taxation as unrelated business income.

The Church also qualifies as a religious order in accordance with IRS Sections 501-514, 4940-4947, and 6033. This makes the Church exempt from filing Federal Form 990, Return of Organization Exempt from Income Tax.

Cash - Management has concentrated its credit risk for cash by maintaining bank accounts in financial institutions located in the Las Vegas, Nevada area. During the four months ended April 30, 2012 these accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000 on deposit in each financial institution. The FDIC is currently offering the Dodd-Frank Program through December 31, 2012. This program provides depositors with unlimited coverage for noninterest bearing transaction accounts at participating FDIC-insured institutions. At April 30, 2012 uninsured cash totaled $-0-.

Cash and Cash Equivalents - For purposes of the statements of cash flows, cash and cash equivalents are considered to be all highly liquid investments with maturities of three months or less at the time of the acquisition.

Footnotes

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd):

Property Assets and Depreciation - Property assets are those assets used in the operations of the Church. They are recorded at cost or, if donated, at the estimated fair market value at the date of donation.

Depreciation is recorded using the straight-line method over their estimated lives. The depreciation expense for the four months ended April 30, 2012 is $121,790.

Asset	Life
Furniture and fixtures	3 – 10 Years
Buildings	39 Years

Interest expense capitalized was $89,804 for the four months ended April 30, 2012.

Net Assets - Net assets of the Church consist of the following:

Unrestricted: Undesignated - available for general activities - These net assets are available for general obligations of Hope Baptist Church of Las Vegas, Inc..

Temporarily restricted: Specific purposes - These net assets are restricted by donors to be used for a designated purpose.

Promises to Give - Unconditional promises to give are recorded at the present value of their net realizable value, using risk-free interest rates applicable to the years in which the pledges are received to discount the amounts. Declines in fair value of unconditional pledges are recorded as losses.

Contributions - Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Gifts of cash and other assets are reported as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

The Church receives a substantial amount of services donated by its members in carrying out the Church's ministry. No amounts have been reflected in the financial statements for those services since they do not meet the criteria for recognition contained in generally accepted accounting principles.

Advertising - The Church uses advertising to promote its programs among the audiences it serves. Advertising costs are expensed as incurred. Advertising expense for the four months ended April 30, 2012 was $305.

Loss on Abandonment - On March 31, 2012, the Church moved into their building and abandoned leasehold improvements at their previous rented facility.

Footnotes

NOTE B - MANAGEMENT'S REVIEW:

In preparing the financial statements, the Church has evaluated events and transactions for potential recognition or disclosure through July 5, 2012, the date that the financial statements were available to be issued.

NOTE C - CASH AND CASH EQUIVALENTS:

Cash and cash equivalents are comprised of the following as of April 30, 2012:

Non-interest bearing checking account	$ 238,124
Money market account	6,525
Petty cash	454
Total Cash & Cash Equivalents	$ 245,103

NOTE D - CASH RESTRICTED FOR CONSTRUCTION USE:

During the four months ended April 30, 2012, the Church issued bonds to help fund the construction of their buildings. The funds that originated from the sale of these bonds are held by a trust company and the funds are only used for constructing their buildings. At April 30, 2012, these funds were $373,947, which is shown at restricted cash for construction use.

NOTE E - PROMISES TO GIVE:

Promises to give at April 30, 2012 are as follows:

Due by December 31, 2012	$ 1,777,498
Less discount to present value	(592)
	1,776,906
Less allowance for promises to give	(1,600,130)
Net unconditional promises to give	$ 176,776

Unconditional promises to give due in more than one year are recognized at fair value, using present value techniques and a discount rate at April 30, 2012 of 0.05% when the donor makes an unconditional promise to give to the Church. Management provided an allowance for uncollectible receivables at April 30, 2012 of $1,600,130, which is based on a collectability rate of approximately 10%.

Footnotes

NOTE F - DUE FROM/TO DESIGNATED FUNDS:

The Church paid funds for operating expenses from the designated cash accounts during the four months ended April 30, 2012. At April 30, 2012, the total owed to the designated fund from the unrestricted fund is $73,491.

NOTE G - PROPERTY ASSETS AND ACCUMULATED DEPRECIATION:

Property assets and accumulated depreciation are as follows as of April 30, 2012:

Depreciable assets:	
Furniture and equipment	$ 1,166,711
Buildings	11,262,848
	12,429,559
Less: accumulated depreciation	(683,970)
Net book value of assets	11,745,589
Non-depreciable assets:	
Land	1,543,100
Total	$ 13,288,689

NOTE H - OPERATING LEASES:

The Church has various non-cancelable leases for equipment, all of which are classified as operating leases. Rent expense under these non-cancelable leases was approximately $8,114 for the four months ended April 30, 2012.

The approximate remaining annual minimum lease payments under the non-cancelable operating leases for the premise and equipment existing as of April 30, 2012 are:

Four months ending April 30:		
2013	$	25,380
2014		22,093
2015		10,520
2016		5,112
2017 and thereafter		1,278
Total minimum lease	$	64,383

Footnotes

NOTE I - LONG-TERM DEBT:

Long-term debt at April 30, 2012 consisted of the following:

General Mortgage Bonds:	
Series I	$ 2,283,000
First Mortgage Bonds:	
Series II	3,242,500
First Mortgage Bonds:	
Series III	594,250
Note payable to LMC, LLC, due in monthly installments of principal and interest at 5.5%, unsecured, due July 15, 2013	13,060
Note payable to an individual, interest at 6.5%, unsecured, due August 1, 2012	1,000,000
Note payable to an individual, interest at 4.0%, unsecured, due August 1, 2012	325,000
Note payable to an individual, interest only payments at 6.0%, unsecured, due March 14, 2013	2,000,000
	9,457,810
Less: current portion	(3,503,560)
	$ 5,954,250

The Church has issued three separate series of bonds through Commonwealth Church Finance, Inc.

The Series I Bonds were issued to finance a portion of the costs of constructing the new buildings of the Church and to pay off an outstanding line of credit balance. The Series I Bonds are issued in an amount not to exceed $6,500,000. During the year ended December 31, 2011, on advice of the investment bankers, the Church stopped issuing the General Mortgage Bonds, which at the time, had a principal balance of $2,238,000 and rolled this remaining balance into the Series III Bonds.

The Series II and Series III Bonds were also issued to finance the costs of constructing the new buildings of the Church. The Series II Bonds are issued in an amount not to exceed $3,300,000 and the Series III Bonds are issued in an amount not to exceed $4,100,000. During the four months ended April 30, 2012, the Church stopped issuing the Series III First Mortgage Bonds of $4,100,000 due to the underwriter going out of business.

The Series I, II, and III Bonds consist of Serial Bonds, which matures in varying amounts from 2012 through 2036 and bear interest at rates that range from 5.00% to 8.00%. The average effective interest rate for the four months ended April 30, 2012 was approximately 5.00%. The bonds are collateralized by the properties under a general mortgage lien for the Series I Bonds and a first mortgage lien for the Series II and III Bonds.

Footnotes

NOTE I - LONG-TERM DEBT (Cont'd):

Minimum maturities on all debt of the Church for the next five fiscal years are as follows:

2013	$ 3,503,560
2014	424,517
2015	455,992
2016	467,133
Thereafter	4,606,608
	$ 9,457,810

NOTE J - RESTRICTIONS ON NET ASSETS:

Temporarily restricted net assets are available for the following purposes:

Honduras Team Support	$ 1,640
South Africa Team Support	2,435
Egypt Support	3,724
Thailand Support Account	5,432
Zambia Mission	10,062
Thailand Orphange	1,008
Hope for the World	12,235
Africa Nutrition Progam	4,144
Africa Nutrition Support	3,596
Launch Las Vegas	69,226
Pat Callihan Memorial Fund	6,685
Magdi Shaker Support	456
Redemption Church	18,606
Highway To Hope Street	1,935
Prison Ministry	300
Worship Arts Mission Trip	18,956
Grace City Church	30,513
Big Journey Pledge	176,774
	$ 367,727

NOTE K - INTERIM FINANCIAL STATEMENTS:

The financial statements presented reflect only results of operations for the four months ended April 30, 2012 and is not necessarily representative of operations for a full year.

Footnotes

Financial Statements

HOPE BAPTIST CHURCH OF LAS VEGAS, INC.

DECEMBER 31, 2011 AND 2010

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HOPE BAPTIST CHURCH OF LAS VEGAS, INC.

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OVIST AND HOWARD
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Congregation
Hope Baptist Church of Las Vegas, Inc.
Las Vegas, Nevada

We have audited the accompanying statements of financial position of Hope Baptist Church of Las Vegas, Inc. (a nonprofit organization) as of December 31, 2011 and 2010 and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Church's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Hope Baptist Church of Las Vegas, Inc. as of December 31, 2011 and 2010, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Ovist & Howard

Certified Public Accountants

February 7, 2012
Henderson, Nevada

Certified Public Accountants' Report

7 Commerce Center Drive • Henderson, NV 89014
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HOPE BAPTIST CHURCH OF LAS VEGAS, INC.

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2011 AND 2010

ASSETS

	Unrestricted Net Assets	Temporarily Restricted Net Assets	Total Net Assets 2011	Total Net Assets 2010
CURRENT ASSETS:				
Cash and cash equivalents *(Note C)*	$ 475,848	$ 20,632	$ 496,480	$ 311,336
Cash restricted for construction use *(Note D)*	280,517	-	280,517	-
Unconditional promises to give, net *(Note E)*	-	308,935	308,935	920,765
Prepaid expenses	23,768	-	23,768	53,516
Other receivables	19,906	-	19,906	4,465
Due from unrestricted fund (*Note F*)	-	61,875	61,875	63,573
Deposits	84,518	-	84,518	13,750
Construction in progress	8,317,038	-	8,317,038	637,789
Total Current Assets	9,201,595	391,442	9,593,037	2,005,194
PROPERTY - net *(Note G)*	2,100,802	-	2,100,802	2,071,725
TOTAL ASSETS	$ 11,302,397	$ 391,442	$ 11,693,839	$ 4,076,919

LIABILITIES AND NET ASSETS

	Unrestricted Net Assets	Temporarily Restricted Net Assets	Total Net Assets 2011	Total Net Assets 2010
CURRENT LIABILITIES:				
Accounts payable-trade	$ 132,264	$ -	$ 132,264	$ 43,310
Accounts payable-construction	2,612,677	-	2,612,677	-
Accrued expenses	99,179	-	99,179	33,567
Due to designated fund (*Note F*)	61,875	-	61,875	63,573
Current portion of debt *(Note I)*	97,700	-	97,700	400,423
Total Current Liabilities	3,003,695	-	3,003,695	540,873
LONG-TERM DEBT, less current debt *(Note I)*	5,456,850	-	5,456,850	-
NET ASSETS:				
Unrestricted				
Undesignated - available for general activities	2,841,852	-	2,841,852	2,476,582
Temporarily Restricted by Donor *(Note J)*				
Designated for specific purposes	-	391,442	391,442	1,059,464
Total Net Assets	2,841,852	391,442	3,233,294	3,536,046
TOTAL LIABILITIES AND NET ASSETS	$ 11,302,397	$ 391,442	$ 11,693,839	$ 4,076,919

See accompanying independent auditors' report
and notes to financial statements

HOPE BAPTIST CHURCH OF LAS VEGAS, INC.

STATEMENT OF ACTIVITIES

FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

	Unrestricted Net Assets	Temporarily Restricted Net Assets	Total Net Assets 2011	Total Net Assets 2010
REVENUE:				
General contributions *(Note A)*	$ 2,623,017	$ -	$ 2,623,017	$ 2,515,457
Missions contributions	-	824,367	824,367	698,723
Building contributions	-	127,308	127,308	448,298
Total revenue before net assets released from restrictions	2,623,017	951,675	3,574,692	3,662,478
Net assets released from restriction	1,493,149	(1,493,149)	-	-
Total revenue and net assets released from restrictions	4,116,166	(541,474)	3,574,692	3,662,478
EXPENSES *(Note A)*:				
Allowances for promises to give	-	126,548	126,548	163,657
Big Journey expenses	58,122	-	58,122	51,784
Pastoral Ministry	32,130	-	32,130	36,608
Spiritual Ministry	-	-	-	24,333
Boulder City	35,569	-	35,569	-
Logistics	22,714	-	22,714	27,397
Missional Communities	1,194,415	-	1,194,415	916,850
Family Ministry	125,964	-	125,964	169,423
Media and Communication	56,108	-	56,108	75,497
Veritas Ministry	-	-	-	1,094
Worship Arts	15,310	-	15,310	19,853
Technical Arts	4,967	-	4,967	4,941
Personnel	1,498,451	-	1,498,451	1,470,079
Operations	111,387	-	111,387	141,539
Facilities and Furnishings	410,443	-	410,443	418,929
Technology	45,751	-	45,751	39,780
Total Expenses	3,611,331	126,548	3,737,879	3,561,764
OTHER INCOME (EXPENSE):				
Interest income	29	-	29	3,008
Depreciation expense	(134,392)	-	(134,392)	(144,506)
Interest expense	(5,202)	-	(5,202)	(53,829)
Loss on sale of property	-	-	-	(74,926)
Total Other Income (Expense)	(139,565)	-	(139,565)	(270,253)
INCREASE (DECREASE) IN NET ASSETS	365,270	(668,022)	(302,752)	(169,539)
NET ASSETS - Beginning of Year	2,476,582	1,059,464	3,536,046	3,705,585
NET ASSETS - End of Period	$ 2,841,852	$ 391,442	$ 3,233,294	$ 3,536,046

Financial Statements

See accompanying independent auditors' report
and notes to financial statements

HOPE BAPTIST CHURCH OF LAS VEGAS, INC.

STATEMENT OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

	Total Net Assets 2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash Received From:		
General contributions	$ 2,608,476	$ 2,515,457
Interest income	29	3,008
Missions contributions	872,831	694,257
Building contributions	564,124	639,160
Cash Received from Operating Activities	4,045,460	3,851,882
Less Cash Paid For:		
Expenses	3,498,683	3,351,688
Interest expense	5,202	47,353
Cash Disbursed for Operating Activities	3,503,885	3,399,041
NET CASH FLOWS PROVIDED BY OPERATING ACTIVITIES	541,575	452,841
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	(163,467)	(1,787,362)
(Increase)/decrease in construction in progress	(5,042,893)	640,690
NET CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES	(5,206,360)	(1,146,672)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from debt	4,850,352	-
Repayment of principal on debt	(423)	(4,063)
NET CASH FLOWS PROVIDED BY FINANCING ACTIVITIES	4,849,929	(4,063)
Net Increase (decrease) in Cash	185,144	(697,894)
CASH - Beginning of Period	311,336	1,009,230
CASH - End of Period	$ 496,480	$ 311,336

Financial Statements

RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES

FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

	Total Net Assets 2011	Total Net Assets 2010
Reconciliation of change in assets to net cash provided (used) by operating activities:		
Change in net assets	$ (302,752)	$ (169,539)
Adjustments to reconcile changes in net asset to net cash provided (used) by operating activities:		
Depreciation	134,392	144,506
Loss on sale of property	-	74,926
(Increase) decrease in:		
Unconditional promises to give	611,829	354,520
Other receivables	(15,441)	(4,465)
Prepaid expenses	29,748	(6,544)
Deposits	(70,768)	61,250
Due from unrestricted fund	-	3,550
Increase (decrease) in:		
Accounts payable-trade	88,955	(11,968)
Accrued expenses	65,612	10,155
Due to designated fund	-	(3,550)
Total adjustments	844,327	622,380
NET CASH FLOWS PROVIDED BY OPERATING ACTIVITIES	$ 541,575	$ 452,841

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES:

During the year ended December 31, 2011 the Church incurred indebtedness totaling $656,836 related to the costs of constructing, acquiring and equipping certain renovations, additions and other capital expenditures during the construction of the main campus of the Church. In addition, the Church was released from indebtedness totaling $400,000 related to land acquisitions.

During the year ended December 31, 2010 the Church was released from indebtedness totaling $1,660,329 from the sale of the property.

During the year ended December 31, 2010 the Church incurred indebtedness totaling $400,000 related to land acquisitions.

Financial Statements

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Organization - Hope Baptist Church of Las Vegas, Inc. ("the Church") is a non-profit Christian church, formed February 2, 2001, established and maintained to carry out the mission of disseminating the Gospel of Jesus Christ and to help people have a personal relationship with Jesus Christ.

Basis of Accounting - The financial statements of the Church have been prepared on the accrual basis of accounting and accordingly, reflect all significant receivables, payables, and other liabilities.

The accounts of the Church are maintained in accordance with the principles of fund accounting. Under fund accounting, resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purpose. Separate accounts are maintained for each fund; however, in the accompanying financial statements, funds have been combined and presented for the Church as a whole, in accordance with generally accepted accounting principles. Under generally accepted accounting principles, the Church is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions. This will affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. Actual results could differ from these estimates. Material estimates that are particularly susceptible to significant change in the near term relate to the determination of the allowance for promises to give.

Income Tax Status - The Church is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC). However, income from certain activities not directly related to the Church's tax-exempt purpose is subject to taxation as unrelated business income.

The Church also qualifies as a religious order in accordance with IRS Sections 501-514, 4940-4947, and 6033. This makes the Church exempt from filing Federal Form 990, Return of Organization Exempt from Income Tax.

Cash - Management has concentrated its credit risk for cash by maintaining bank accounts in financial institutions located in the Las Vegas, Nevada area. During the years ended December 31, 2011 and 2010 these accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000 on deposit in each financial institution. The FDIC is currently offering the Dodd-Frank Program. This program provides depositors with unlimited coverage for noninterest bearing transaction accounts at participating FDIC-insured institutions. At December 31, 2011 and 2010 uninsured cash totaled $-0- and $-0-, respectively.

Cash and Cash Equivalents - For purposes of the statements of cash flows, cash and cash equivalents are considered to be all highly liquid investments with maturities of three months or less at the time of the acquisition.

Construction in Progress - Construction in progress consists of costs of constructing, acquiring, and equipping certain renovations, additions and other capital expenditures that have not been completed as of December 31, 2011.

Footnotes

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd):

Property Assets and Depreciation - Property assets are those assets used in the operations of the Church. They are recorded at cost or, if donated, at the estimated fair market value at the date of donation.

Depreciation is recorded using the straight-line method over their estimated lives. The depreciation expense for the years ended December 31, 2011 and 2010 is $134,392 and $144,506, respectively.

Asset	Life
Furniture and fixtures	3 – 7 Years
Building and improvements	5 – 39 Years

Interest expense capitalized was $77,292 and $-0- for the years ended December 31, 2011 and 2010, respectively.

Net Assets - Net assets of the Church consist of the following:

Unrestricted: Undesignated - available for general activities - These net assets are available for general obligations of Hope Baptist Church of Las Vegas, Inc..

Temporarily restricted: Specific purposes - These net assets are restricted by donors to be used for a designated purpose.

Promises to Give - Unconditional promises to give are recorded at the present value of their net realizable value, using risk-free interest rates applicable to the years in which the pledges are received to discount the amounts. Declines in fair value of unconditional pledges are recorded as losses.

Contributions - Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Gifts of cash and other assets are reported as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

The Church receives a substantial amount of services donated by its members in carrying out the Church's ministry. No amounts have been reflected in the financial statements for those services since they do not meet the criteria for recognition contained in generally accepted accounting principles.

Reclassifications - Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform to the presentation in the current-year financial statements.

Advertising - The Church uses advertising to promote its programs among the audiences it serves. Advertising costs are expensed as incurred. Advertising expense for the years ended December 31, 2011 and 2010 was $714 and $1,330, respectively.

Footnotes

NOTE B - MANAGEMENT'S REVIEW:

In preparing the financial statements, the Church has evaluated events and transactions for potential recognition or disclosure through February 7, 2012, the date that the financial statements were available to be issued.

NOTE C - CASH AND CASH EQUIVALENTS:

Cash and cash equivalents are comprised of the following as of December 31, 2011 and 2010:

	2011	2010
Non-interest bearing checking accounts	$ 475,348	$ 307,301
Money market account	20,632	3,535
Petty cash	500	500
Total Cash & Cash Equivalents	$ 496,480	$ 311,336

NOTE D - CASH RESTRICTED FOR CONSTRUCTION USE:

The Church issued two series of General Mortgage Bonds and First Mortgage Bonds in amounts not to exceed $6,500,000 and $3,300,000, respectively, for the purpose of funding ongoing construction of the building. At December 31, 2011, the Church has sold bonds totaling $5,538,000 from both series, and retired bonds totaling $28,250. During the year ended December 31, 2011, the Church stopped issuing the General Mortgage Bonds, which at the time, had a principal balance of $2,238,000. At December 31, 2011, the Church has $-0- of total bonds available for sale. At December 31, 2011 and 2010, the remaining funds available and held by the trust company for construction use only totaled $280,517 and $-0-, respectively.

NOTE E - PROMISES TO GIVE:

Promises to give at December 31, 2011 and 2010 are as follows:

	2011	2010
Due by December 31, 2011	$ -	$ 360,000
Due by December 31, 2012	1,909,446	2,035,894
	1,909,446	2,395,894
Less discount to present value	(381)	(648)
	1,909,065	2,395,246
Less allowance for promises to give	(1,600,130)	(1,474,481)
Net unconditional promises to give	$ 308,935	$ 920,765

Unconditional promises to give due in more than one year are recognized at fair value, using present value techniques and a discount rate at December 31, 2011 of 0.02% when the donor makes an unconditional promise to give to the Church. Management provided an allowance for uncollectible receivables at December 31, 2011 and 2010 of $1,600,130 and $1,474,481, respectively, which is based on a collectability rate of approximately 16% and 40%, respectively.

Footnotes

NOTE F - DUE FROM/TO DESIGNATED FUNDS:

The Church paid funds for operating expenses from the designated cash accounts during the years ended December 31, 2011 and 2010. At December 31, 2011 and 2010, the total owed to the designated fund from the unrestricted fund is $61,875 and $63,573, respectively.

NOTE G - PROPERTY ASSETS AND ACCUMULATED DEPRECIATION:

Property assets and accumulated depreciation are as follows as of December 31, 2011 and 2010:

Depreciable assets:	2011	2010
Furniture and equipment	$ 408,923	$ 355,638
Silverado equipment	501,896	501,896
Leasehold improvements	65,091	65,091
Buildings	168,924	73,540
	1,144,834	996,165
Less: accumulated depreciation	(587,132)	(452,740)
Net book value of assets in current use	557,702	543,425
Non-depreciable assets:		
Land	1,543,100	1,528,300
Total	$ 2,100,802	$ 2,071,725

NOTE H - OPERATING LEASES:

The Church's services are held at Silverado High School, which leases its space under a month to month lease, which requires varying payments each month ranging from $11,000 to $14,000 depending on usage. Rent expense under this month to month lease was approximately $151,459 and $142,999 for the years ended December 31, 2011 and 2010, respectively.

The Church leases office space under a non-cancelable operating lease expiring in February 2012. Rent expense under this non-cancelable lease was approximately $168,778 and $138,576 for the years ended December 31, 2011 and 2010, respectively.

The Church has various non-cancelable leases for equipment, all of which are classified as operating leases. Rent expense under these non-cancelable leases was approximately $24,803 and $45,847 for the years ended December 31, 2011 and 2010, respectively.

The approximate remaining annual minimum lease payments under the non-cancelable operating leases for the premise and equipment existing as of December 31, 2011 are:

2012	$ 50,532
2013	18,911
2014	9,782
2015	-
Thereafter	-
Total minimum lease	$ 79,225

Footnotes

NOTE I - LONG-TERM DEBT:

Long-term debt at December 31, 2011 and 2010 consisted of the following:

	2011	2010
General Mortgage Bonds:		
Series I	$ 2,238,000	$ -
First Mortgage Bonds:		
Series II	3,271,750	-
Note payable to Lake Mead Construction, LLC, due in monthly installments commencing on March 15, 2012, unsecured, due July 15, 2013	14,800	-
Note payable to Hana Korean Baptist Church, no interest, unsecured, no due date	30,000	-
Note payable to Lease Corporation of America, due in monthly installments of $214, due February 2011	-	423
Note payable to Capstone Christian School, interest only payments at 9.5%, secured by land, due October 2010	-	400,000
	5,554,550	400,423
Less: current portion	(97,700)	(400,423)
	$ 5,456,850	$ -

The Church has issued two separate series of bonds through Commonwealth Church Finance, Inc.

The Series I Bonds were issued to finance a portion of the costs of constructing, acquiring, and equipping certain renovations, additions and other capital expenditures during the construction of the main campus of the Church and to pay off an outstanding line of credit balance. The Series I Bonds are issued in an amount not to exceed $6,500,000. During the year ended December 31, 2011, the Church stopped issuing the General Mortgage Bonds, which at the time, had a principal balance of $2,238,000.

The Series II Bonds were issued to finance the rest of the costs of constructing, acquiring and equipping certain renovations, additions and other capital expenditures during the construction of the main campus of the Church. The Series II Bonds are issued in an amount not to exceed $3,300,000.

Both the Series I and Series II Bonds consist of Serial Bonds, which matures in varying amounts from 2011 through 2036 and bear interest at rates that range from 5.00% to 8.00%. The average effective interest rate for the period ended December 31, 2011 and 2010 was approximately 5.00%. The bonds are collateralized by the properties under a general mortgage lien for the Series I Bonds and a first mortgage lien for the Series II Bonds.

Minimum maturities on all debt of the Church for the next five fiscal years are as follows:

2012	$ 97,700
2013	302,359
2014	377,578
2015	382,906
2016	389,230
Thereafter	4,004,777
	$ 5,554,550

Footnotes

NOTE J - RESTRICTIONS ON NET ASSETS:

Temporarily restricted net assets are available for the following purposes:

	2011	2010
Honduras Team Support	$ 1,590	$ -
South Africa Team Support	2,517	3,613
Zimbabwe Mission	-	(1,186)
Egypt Support	1,986	11,056
Thailand Support Account	5,432	7,678
Multi Ministries International	750	3,181
Zambia Mission	3,724	3,399
Thailand Orphanage	-	168
TR Pastors Int'l - Honduras	-	25
Thailand-English (C&HB)	670	-
Hope for the World	1,849	35,695
Haiti Donation	-	537
Summer Mission Project	-	(210)
Africa Nutrition Program	3,444	44,993
Remon Shaker Memorial Fund	-	303
Africa Nutrition Support	4,005	-
Launch Las Vegas	35,174	-
Pat Callihan Memorial Fund	6,160	-
FBC Boulder City Account	100	-
Boulder City Youth Group	415	-
Magdi Shaker Support	-	(759)
Tucson Mission Church Plant	-	263
Tucson Team Support	-	25
Redemption Church	3,078	7,044
Highway To Hope Street	1,710	2,265
Thailand Fund Raiser	-	190
Prison Ministry	275	403
SBC Pastors Conference 2011	-	16,231
ProChristo	-	250
Worships Arts Mission Trip	6,177	-
Big Journey Pledge	312,386	924,300
	$ 391,442	$ 1,059,464

NOTE K - SUBSEQUENT EVENTS:

During the year ending December 31, 2012, the Church acquired short-term financing in the amount of $3,325,000. The short-term financing varies in interest rates ranging from 4.0% to 6.5% and matures on various dates from August 2012 through April 2013.

Footnotes

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Financial Statements

HOPE BAPTIST CHURCH OF LAS VEGAS, INC.

DECEMBER 31, 2009 AND 2008

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HOPE BAPTIST CHURCH OF LAS VEGAS, INC.

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OVIST AND HOWARD
CERTIFIED PUBLIC ACCOUNTANTS

Certified Public Accountants' Report

INDEPENDENT AUDITORS' REPORT

To the Congregation
Hope Baptist Church of Las Vegas, Inc.
Las Vegas, Nevada

We have audited the accompanying statements of financial position of Hope Baptist Church of Las Vegas, Inc. (a nonprofit organization) as of December 31, 2009 and 2008, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Hope Baptist Church of Las Vegas, Inc. as of December 31, 2009 and 2008, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Ovist & Howard
Certified Public Accountants

February 22, 2010
Henderson, Nevada

7 Commerce Center Drive • Henderson, NV 89014
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HOPE BAPTIST CHURCH OF LAS VEGAS, INC.

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2009 AND 2008

ASSETS

	Unrestricted	Restricted	TOTALS 2009	2008
CURRENT ASSETS:				
Cash and cash equivalents *(Note C)*	$ 4,449	$ 1,004,781	$ 1,009,230	$ 361,660
Unconditional promises to give, net (Note D & E)	-	1,275,284	1,275,284	-
Prepaid expenses	46,972	-	46,972	20,063
Deposits	75,000	-	75,000	-
Due from designated fund *(Note F)*	-	-	-	2,072
Due from unrestricted fund *(Note F)*	-	67,123	67,123	-
Total Current Assets	126,421	2,347,188	2,473,609	383,795
PROPERTY - net *(Note G)*	2,260,780	788,027	3,048,807	2,936,010
TOTAL ASSETS	$ 2,387,201	$ 3,135,215	$ 5,522,416	$ 3,319,805

LIABILITIES AND NET ASSETS

	Unrestricted	Restricted	TOTALS 2009	2008
CURRENT LIABILITIES:				
Accounts payable	$ 55,278	$ -	$ 55,278	$ 87,685
Accrued liabilities	23,412	-	23,412	28,196
Due to designated fund *(Note F)*	67,123	-	67,123	-
Current portion of debt *(Note H)*	65,497	-	65,497	162,462
Total Current Liabilities	211,310	-	211,310	278,343
LONG-TERM DEBT, less current debt *(Note H)*	1,605,521	-	1,605,521	1,664,873
NET ASSETS:				
Unrestricted				
Undesignated - available for general activities	570,370	-	570,370	1,256,540
Temporarily Restricted by Donor *(Note J)*				
Designated for specific purposes	-	3,135,215	3,135,215	120,049
Total Net Assets	570,370	3,135,215	3,705,585	1,376,589
TOTAL LIABILITIES AND NET ASSETS	$ 2,387,201	$ 3,135,215	$ 5,522,416	$ 3,319,805

Financial Statements

See accompanying accountants' audit report
and notes to financial statements

HOPE BAPTIST CHURCH OF LAS VEGAS, INC.

STATEMENT OF ACTIVITIES

FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

	Unrestricted	Restricted	TOTALS 2009	2008
REVENUE:				
Contributions *(Note A)*	$ 2,471,739	$ -	$ 2,471,739	$ 2,753,130
Interest income	7,888	-	7,888	2,023
Designated contributions	-	1,208,171	1,208,171	1,065,250
Building contributions		4,180,614	4,180,614	-
Total Revenue	2,479,627	5,388,785	7,868,412	3,820,403
EXPENSES *(Note A)*:				
Operations	71,641	4,937	76,578	128,074
Missions outreach	358,091	1,106,165	1,464,256	1,410,292
Personnel	1,525,108	-	1,525,108	1,512,068
Facilities and furnishings	208,911	-	208,911	220,718
Technology	48,774	-	48,774	41,209
Small groups	31,782	19,315	51,097	73,350
Pastoral ministry	19,383	-	19,383	45,597
College ministry	281	-	281	2,655
Creative arts ministry	22,579	-	22,579	54,941
Family ministries	99,962	4,000	103,962	108,711
Media and communication	2,032	-	2,032	-
Allowance for promises to give	-	1,311,472	1,311,472	-
Building fund raising expense	-	32,549	32,549	-
Building expense	-	399,165	399,165	-
Total Expenses	2,388,544	2,877,603	5,266,147	3,597,615
OTHER INCOME (EXPENSE):				
Depreciation expense	(104,436)	(77,353)	(181,789)	(120,673)
Interest expense	(91,480)	-	(91,480)	(78,162)
Total Other Income (Expense)	(195,916)	(77,353)	(273,269)	(198,835)
CHANGE IN NET ASSETS	(104,833)	2,433,829	2,328,996	23,953
NET ASSETS - Beginning of Year	1,256,540	120,049	1,376,589	1,352,636
Transfer between funds	(581,337)	581,337	-	-
NET ASSETS - End of Year	$ 570,370	$ 3,135,215	$ 3,705,585	$ 1,376,589

Financial Statements

See accompanying accountants' audit report
and notes to financial statements

HOPE BAPTIST CHURCH OF LAS VEGAS, INC.

STATEMENT OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

	2009	2008
Reconciliation of change in assets to net cash provided (used) by operating activities:		
Change in net assets	$ 2,328,996	$ 23,953
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	181,789	120,673
(Increase) decrease in unconditional promises to give	(1,275,284)	-
(Increase) decrease in prepaid expenses	(26,908)	20,938
(Increase) decrease in other receivables	-	2,118
(Increase) decrease in deposits	(75,000)	60,000
(Increase) decrease in due from designated fund	2,072	6,687
(Increase) decrease in due from unrestricted fund	(67,123)	-
Increase (decrease) in accounts payable	(32,407)	57,476
Increase (decrease) in accrued liabilities	(4,785)	10,405
Increase (decrease) in due to designated fund	67,123	-
Contributions restricted by donors	(2,433,829)	(70,940)
Total adjustments	(3,664,352)	207,357
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(1,335,356)	231,310
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(294,586)	(469,167)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	(294,586)	(469,167)
CASH FLOWS FROM FINANCING ACTIVITIES		
Contributions restricted by donors	2,433,829	70,940
Repayment of principal on debt	(156,317)	(85,087)
Proceeds from long-term debt	-	357,825
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	2,277,512	343,678
Net Increase in Cash	647,570	105,821
CASH - Beginning of Period	361,660	255,839
CASH - End of Period	$ 1,009,230	$ 361,660

NONCASH INVESTING AND FINANCING ACTIVITIES:

During the years ended December 31, 2009 and 2008 the Church incurred indebtedness totaling $-0- and $6,730, respectively related to equipment acquisitions.

During the years ended December 31, 2009 and 2008 the Church incurred indebtedness totaling $-0- and $130,143, respectively related to the refinance of the Church's building.

See accompanying accountants' audit report
and notes to financial statements

Footnotes

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Organization - Hope Baptist Church of Las Vegas, Inc. is a non-profit Christian church, formed February 2, 2001, established and maintained to carry out the mission of disseminating the Gospel of Jesus Christ and to help people have a personal relationship with Jesus Christ.

Basis of Accounting - The financial statements of the Church have been prepared on the accrual basis of accounting and accordingly, reflect all significant receivables, payables, and other liabilities.

The accounts of the Church are maintained in accordance with the principles of fund accounting. Under fund accounting, resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purpose. Separate accounts are maintained for each fund; however, in the accompanying financial statements, funds have been combined and presented for the Organization as a whole, in accordance with the provisions of Statement of Financial Accounting Standards No. 117, "Financial Statements for Not-for-Profit Organizations". Under SFAS 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

The organization has also elected to adopt Statement of Financial Accounting Standards (SFAS) No. 116, "Accounting for Contributions Made". In accordance with SFAS No. 116, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions. This will affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. Actual results could differ from these estimates. Material estimates that are particularly susceptible to significant change in the near term relate to the determination of the allowance for promises to give.

Income Tax Status - The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC). However, income from certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business income.

The Organization also qualifies as a religious order in accordance with IRS Sections 501-514, 4940-4947, and 6033. This makes the organization exempt from filing Federal Form 990, Return of Organization Exempt from Income Tax.

Cash - Management has concentrated its credit risk for cash by maintaining bank accounts in financial institutions located in the Las Vegas, Nevada area. During the years ended December 31, 2009 and 2008 these accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000 on deposit in each financial institution. The FDIC is currently offering the Transaction Account Guarantee Program. This program provides depositors with unlimited coverage for noninterest bearing transaction accounts at participating FDIC-insured institutions. At December 31, 2009 and 2008, uninsured cash totaled $-0- and $111,160, respectively.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd):

Cash and Cash Equivalents - For purposes of the statements of cash flows, cash and cash equivalents are considered to be all unrestricted highly liquid investments with maturities of three months or less at the time of the acquisition.

Property Assets and Depreciation - Property assets are those assets used in the operations of the Organization. They are recorded at cost or, if donated, at the estimated fair market value at the date of donation.

Depreciation is recorded using the straight-line method over their estimated lives. The depreciation expense for the period ending December 31, 2009 and 2008 is $181,789 and $120,673, respectively .

Asset	Life
Furniture and fixtures	3-10 Years
Building and improvements	39 Years

Net Assets - Net assets of the Organization consist of the following:

Unrestricted: Undesignated-available for general activities-These net assets are available for general obligations of Hope Baptist Church of Las Vegas, Inc..

Temporarily restricted: Specific purposes-These net assets are restricted by donors to be used for a designated purpose.

Promises to Give - Unconditional promises to give are recorded at the present value of their net realizable value, using risk-free interest rates applicable to the years in which the pledges are received to discount the amounts. Declines in fair value of unconditional pledges are recorded as losses.

Contributions - Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Gifts of cash and other assets are reported as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

The Church receives a substantial amount of services donated by its members in carrying out the Church's ministry. No amounts have been reflected in the financial statements for those services since they do not meet the criteria for recognition contained in generally accepted accounting principles.

Reclassifications - Certain amounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

Footnotes

Footnotes

NOTE B - MANAGEMENT'S REVIEW:

In preparing the financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through February 22, 2010, the date that the financial statements were available to be issued.

NOTE C - CASH AND CASH EQUIVALENTS:

Cash and cash equivalents are comprised of the following as of December 31, 2009 and 2008:

	2009	2008
Non-interest bearing checking account	$ 85,497	$ 76,481
Interest bearing savings account	-	211
Money market account	923,233	284,468
Petty cash	500	500
Total Cash & Cash Equivalents	$ 1,009,230	$ 361,660

NOTE D - PROMISES TO GIVE:

Promises to give at December 31, 2009 and 2008 are as follows:

	2009	2008
Due in less than one year	$ 1,124,853	$ -
Due in one to three years	1,498,092	
	2,622,945	-
Less discount to present value	(36,189)	-
	2,586,756	-
Less allowance for promises to give	(1,311,472)	-
Net unconditional promises to give	$ 1,275,284	$ -

Unconditional promises to give due in more than one year are recognized at fair value, using present value techniques and a discount rate of 0.85%, when the donor makes an unconditional promise to give to the Organization. Management provided an allowance for uncollectible receivables at December 31, 2009 and 2008 of $1,311,472 and $-0-, respectively, which is based on a collectability rate of 50%.

NOTE E - FAIR VALUE MEASUREMENTS:

Fair Value Measurements - The following table presents the Church's fair value hierarchy for the financial assets measured at fair value on a recurring basis:

		Fair Value Measurements at Reporting Date Using
	Fair Value	Significant Other Observable Inputs (Level 2)
Unconditional promises to give	$ 1,275,284	$ 1,275,284

NOTE F - DUE FROM/TO DESIGNATED FUND:

The Church advanced funds for designated expenses at year end. At December 31, 2009 and 2008, the total owed from the designated fund to the unrestricted fund is $-0- and $2,072, respectively.

The Church paid funds for operating expenses from the designated cash accounts during the year. At December 31, 2009 and 2008, the total owed to the designated fund from the unrestricted fund is $67,123 and $-0-, respectively.

NOTE G - PROPERTY ASSETS AND ACCUMULATED DEPRECIATION:

Property assets and accumulated depreciation are as follows as of December 31, 2009:

	2009	2008
Depreciable assets:		
Furniture and fixtures	$ 866,596	$ 726,915
Building and improvements	2,295,945	2,159,424
	3,162,541	2,886,339
Less accumulated depreciation	(622,777)	(440,988)
Net book value of assets in current use	2,539,764	2,445,351
Non depreciable assets:		
Land	509,043	490,659
Total	$ 3,048,807	$ 2,936,010

NOTE H - LONG-TERM DEBT AND CAPITAL LEASES:

Long-term notes payable at December 31, 2009 and 2008, consisted of the following:

	2009	2008
Mortgage payable to North American Mission Board, due in monthly installments including interest at 5.75% adjusted each three years, secured by real estate, due December, 2028	$ 1,606,443	$ 1,648,207
Notes payable to Clark County Treasurer's Office, due in semi-annual installments of $6,174 including interest at 5.3%, due June 2014	61,741	74,090
Note payable to Lease Corporation of America, due in monthly installments of $214, due February 2011	2,834	5,038
Note payable to Darrel Brewster, due in monthly Installments of $20,000 including interest at 6.5%, due May 2009	-	100,000
	1,671,018	1,827,335
Less current portion	(65,497)	(162,462)
	$ 1,605,521	$ 1,664,873

Footnotes

NOTE H - LONG-TERM DEBT AND CAPITAL LEASES (Cont'd):

Maturities of long-term debt are as follows:

2010	$	65,497
2011		66,505
2012		69,254
2013		72,614
2014		76,172
Thereafter		1,320,976
	$	1,671,018

Interest expense for the years ended December 31, 2009 and 2008, was $91,480 and $78,162, respectively.

NOTE I - OPERATING LEASES:

The Company leases its offsite storage and modular office space under a month to month lease, which requires payments of $1,099 per month.

The Company has various noncancelable leases for equipment, all of which are classified as operating leases. Rent expense under these noncancelable leases was approximately $23,685 and $26,994 for the years ended December 31, 2009 and 2008, respectively.

The approximate remaining annual minimum lease payments under the noncancelable operating leases existing as of December 31, 2009 are:

2010	$	10,226
2011		4,688
Thereafter		-
Total minimum lease payments	$	14,914

NOTE J - RESTRICTIONS ON NET ASSETS:

Temporarily restricted net assets are available for the following purposes:

	2009	2008
Honduras Team Support	$ -	$ 1,678
South Africa Team Support	13,270	-
Zimbabwe Mission	(1,186)	16
Egypt Support	11,103	-
Thailand Support Account	3,626	9,140
Multi Ministries International	7,479	-
Zambia Mission	1,275	-
Thailand Orphanage	3,130	2,632
Thailand Water	566	-
TR Pastors Int'l - Honduras	450	450
Hope for the World	96,224	32,468
Do Missions	100	100
Summer Mission Project	(210)	-
Magdi Shaker Support	(6,164)	-
Tucson Mission Church Plant	(7,908)	-
Tucson Mission Designated Ministry	21,500	21,500
Tucson Team Support	(218)	-
Katrina Disaster Relief	-	75
Housing from Hope	-	297
Youth Mission Trips	-	50
The Invisible Child	-	5
Non Profit Organization	435	435
Bobby Tyler Support	337	43,985
Highway To Hope Street	2,318	3,765
Friday Night Connection Project	77	77
Thailand Fund Raiser	10	-
Life Song – Designated Acct	465	465
Life Song not tax deductible	1,381	1,381
Prison Ministry	343	530
ProChristo	2,650	1,000
Scott Worthington Support Account	420	-
Scott Worthington Non Tx Deduct	(420)	-
Silverado Account	80	-
Big Journey Pledge	2,985,526	-
Prespective Class	(1,444)	-
	$ 3,135,215	$ 120,049

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OVIST AND HOWARD
CERTIFIED PUBLIC ACCOUNTANTS

Certified Public Accountants' Report

To the Board of Directors
Hope Baptist Church of Las Vegas, Inc.
Las Vegas, Nevada

The audited financial statements of the Church and our report thereon are presented in the preceding section of this report. The financial position presented hereinafter is presented only for supplementary analysis purposes and has not been subjected to the inquiry and analytical procedures applied to the audit of the basic financial statements, but was compiled from information that is the representation of management, without audit or review, and we do not express an opinion or any other form of assurance on such data.

Ovist & Howard
Certified Public Accountants

February 22, 2010
Henderson, Nevada

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HOPE BAPTIST CHURCH OF LAS VEGAS, INC.

STATEMENT OF DESIGNATED REVENUES AND EXPENSES

FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

	2009			2008		
DESIGNATED ACCOUNTS:	Revenue	Expense	Net Increase /(Decrease)	Revenue	Expense	Net Increase /(Decrease)
Honduras Team Support	$ 25,728	$ 27,407	$ (1,679)	$ 28,809	$ 28,492	$ 317
South Africa Team Support	69,132	55,862	13,270	32,799	28,888	3,911
Zimbabwe Mission	16,805	18,008	(1,203)	-	-	-
Egypt Support	62,290	51,187	11,103	49,118	55,895	(6,777)
Thailand Support	52,327	57,842	(5,515)	16,376	14,767	1,609
Multi Ministries International	151,989	144,509	7,480	128,551	128,551	-
Zambia Mission	27,789	26,514	1,275	15,053	15,453	(400)
Thailand Orphanage	498	-	498	12,273	9,641	2,632
Thailand Water	566	-	566	10,150	10,150	-
TR Pastors Int'l - Honduras	-	-	-	1,000	550	450
Eric and Vicki McDaniel	-	-	-	-	-	-
Mission Pledge Account	40,073	(23,888)	63,961	153,813	148,563	5,250
Summer Mission Project	13,380	13,589	(209)	-	-	-
The Great I Am	5,000	5,000	-	-	-	-
Matt Pettit Church Plant	-	-	-	134,152	129,306	4,846
Magdi Shaker Support	89,664	95,829	(6,165)	91,636	92,164	(528)
Tucson Mission Account	168,289	176,197	(7,908)	145,993	148,505	(2,512)
Tucson Mission Designated Ministry	-	-	-	23,230	1,730	21,500
Tucson Team Support	-	218	(218)	-	-	-
Katrina Disaster Relief	-	75	(75)	-	-	-
Housing from Hope	-	297	(297)	928	1,886	(958)
Youth Mission Trips	-	50	(50)	-	-	-
The Invisible Child	-	5	(5)	-	-	-
Non Profit Organization	-	-	-	4,967	4,967	-
Behan Family	-	-	-	1,188	1,188	-
Bobby Tyler Support Account	62,783	106,432	(43,649)	199,575	164,258	35,317
Highway To Hope Street Min	2,553	4,000	(1,447)	5,110	2,203	2,907
Thailand Fund Raiser	2,664	2,654	10			
Life Song - Designated Acct	-	-	-	465	-	465
Life Song not tax deductible	200	200	-	1,581	200	1,381
Prison Ministry	1,814	2,001	(187)	2,130	1,600	530
ProChristo	9,250	7,600	1,650	1,000	-	1,000
Scott Worthington Support Account	8,723	9,143	(420)	5,353	5,353	-
S Worthington Non Tx Deduct	420	-	420	-	-	-
Silverado Account	62,875	62,795	80	-	-	-
Big Journey Pledge	4,343,436	1,862,096	2,481,340	-	-	-
Mission Pledge Account	162,821	162,821	-	-	-	-
Perspective Class	6,681	8,125	(1,444)	-	-	-
CMT Scholarship	1,000	1,000	-	-	-	-
Surgance	35	35	-	-	-	-
Total Revenue	$ 5,388,785	$ 2,877,603	$ 2,511,182	$ 1,065,250	$ 994,310	$ 70,940

Supplemental Information

See accompanying accountants' report
on supplemental information