



REPORT TO THE PRESBYTERY OF RIVERSIDE
Churches in Presbytery of Riverside in CA receives Rebate Check
(Year 2009)

Respectively Submitted by Mickie Choi
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How about some good economic news! We are delighted to return to our congregations some of the interest they paid in 2009 through the Get The Point! Rebated program. Two out of every three of our borrowers earned a rebate this year and we are giving back over \$243,000—that's \$243,000 put back into local mission rather than being paid out in interest.

As many of you know, the Investment & Loan Program was created by the General Assembly in 1995 to help bring lower cost construction loans and mortgages to our churches in order to support the growth of their ministries and congregations. The Program is funded through the investable resources of Presbyterian individuals, churches and governing bodies. It consists of an interest bearing term note, which is similar to a CD or Certificate of Deposit. We offer a competitive rate of interest on the note and give investors the opportunity to use their investable resources for the mission of the Presbyterian Church.

In order to build investments for our Program and insure that funds will be available for all our PCUSA churches' needing building loans, we offer rebates or a discount as an incentive to our borrowing congregations to build additional investment. The way it works is when the total dollars invested in support of a loan reaches 35% of loan balance, the church qualifies for our first level of rebates. The rebate at 35% invested of the loan balance is $\frac{1}{4}$ of a point discount on their loan interest rate followed by additional $\frac{1}{4}$ point rebates at 50%, 75% and 100% -- that means a church can save up to one full percentage point when the supporting investments reach 100% of the outstanding loan balance.

In the Presbytery of Riverside, for the year, 2009, there are three churches with loan that have enough investment designated for the church to earn rebate check: The first church is St. Andrew Presbyterian Church in Indio. The Church is more than 100% (110.2%) invested (In the amount of \$ 582,269) and is receiving a 1 full point rebate which is in the amount of \$5,353.58. The second church is Northkirk Presbyterian Church of Rancho Cucamonga. The Church invested more than 75% (85.3%) of the loan balance, \$254,134 and earned the third level of rebate which is 0.75% which is worth of \$ 2,399.09 rebate in the year of 2009. With additional \$ 43,326 in investments, they could reach the next level of rebates, 1 full point and further reduce the cost of their mortgage and increase additional rebate of \$744 next year. The third church is Grace Presbyterian Church in Temecula, and earned \$6,234.26 (0.5% rebate) based on supporting investments of \$867,536 or 70.3% of its loan balance. With additional \$57,511 investments, the Grace could reach the next rebate level which would increase its rebate next year by approximately \$3,083.

When church members or your church or governing body invest funds with us, their money is helping other Presbyterian Churches build, expand and reshape their space for the future. Based on recent research, Presbyterian churches will need to borrow over \$300 million in the next twelve months for construction and renovation projects. As you are aware, the credit markets are extremely tight and many churches are facing higher than normal interest rates—if commercial lenders are willing to lend them.

As more and more people have learned about their chance to invest in church growth, the response has been wonderful. In 1996, the PCUSA started PILP with a capital gift of \$4 million. And that seed money has provided the capital foundation to attract over \$80 million that now help Presbyterian congregations respond to mission and ministry needs. In 2009, we experienced a ninth consecutive year where revenues exceeded expenses. Also the loan portfolio as well as investment portfolio has been growing consistently for those nine years. We expect to continue to build capital to secure the funds of our investors, to assure our ability to pay promised rates of return and to meet the expectations of state regulators.

Therefore if you have any CDs or Money Market type of resources, you can support them. We also have IRA rollover that you can utilize. So for any of you or your churches would like to help these churches reduce the cost of its loan here's your opportunity. These church's and individual's investments insure that many more PCUSA churches in the future will be able to receive building loans from the General Assembly.

If you would like a sample of the materials, just contact me at (866)841-6579 or mickie.choi@pcusa.org. Thank you again for supporting the Presbyterian Investment and Loan Program. You are making a difference.

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