

Faith Bonds—an affordable alternative to commercial borrowing

North Bramalea's congregation has said "yes" to growing our ministry as Brampton grows. Part of the cost of expanding our building will be covered by borrowing. We want to make sure that our borrowing is at the lowest possible price. Borrowing from ourselves is the most cost-effective form of borrowing for the church. Loans from the wider United Church will be the second Component. Commercial loans will be secured only as a last resort because they are extremely costly.

That's why North Bramalea is offering faith bonds to its members and friends.

The borrowing component of NBUC's expansion



1. From ourselves



2. from United Church lenders



3. from commercial lenders, if necessary

FAITH BONDS IN A NUTSHELL

Churches all over North America have issued faith bonds to raise funds to expand their ministry, especially for building projects. Faith bonds work like other kinds of bonds. They are loans made by individuals to the church. The big difference is that the interest the church pays on its loans goes to the members of the church rather than to a commercial bank.

The bonds offered by NBUC will be simple interest bonds at attractive interest rates; the rates will vary, depending on the purchase date on the bonds.

HOW DO FAITH BONDS HELP THE CHURCH?

Faith bonds reduce the costs of borrowing for the overall project by thousands of dollars. They provide the largest amount of inexpensive working funds during the time when the church is expanding its facility and increasing the number of people who participate in it.

With commercial bank loans the church would be paying interest in the area of 12%, plus a retainer of c. \$20,000. As well, the church would need to begin paying both interest and principal from the moment the loan was issued.



Faith bonds allow the church to reduce the impact of debt financing costs on our mission and ministry.

Bonds accumulate interest annually, but they defer the payout to a time when the church has grown in its membership and financial capacity. That means the church is better able to manage the cash flow of a very large project like this one.

WHY WOULD I INVEST IN FAITH BONDS?

Faith bonds put the long-term savings of individuals to work for the church at a time when we don't need them for our daily living.

Right now, most of our savings are financing the missions of countless other organizations such as banks, governments, and companies.

Our investment in faith bonds links our savings to the mission we're committed to: Building better lives, better families and a better Brampton.

A faith bond is a win-win: for the church and its mission and for us as people to whom God has entrusted financial resources. The more we borrow from ourselves, the less we have to pay in debt retirement later.

WHAT IS THE CHURCH DOING TO MAKE SURE MY INVESTMENT IS SAFE?

NBUC has a Finance Team whose membership includes people with expertise in financial planning, law, business, and church finance and development. A certified financial planner has agreed to be the administrator of NBUC's Faith Bond program. The Finance Team is responsible for overseeing the program until the final bond matures. The Finance Team is accountable to the Trustees, who are responsible for signing each Faith Bond

The health of the congregation provides the most important security for bond holders. NBUC is a growing congregation, with strong leadership. The Ministry Council is leading us in strengthening the core of the congregation as it moves to a larger scale of ministry.

HOW DO I BUY FAITH BONDS?

If you are interested in purchasing faith bonds from North Bramalea, call the church office for a packet of detailed information on the bonds. You can also talk to George Watson at 905 791 6166 or for tax information Bryan Linnard at 905 846 5353.

WHAT DOES IT COST TO MAKE MINISTRY HAPPEN AT NORTH BRAMALEA?

The most important contribution is the thousands of hours offered by people who pour themselves into God's work here. We estimate the value of those hours to be close to \$850,000 a year.

And what will it cost to expand the space in which these ministries are carried out? Here are a few examples:

...entry doors	\$12,000
...painted ceilings	\$15,000
...trees	\$22,000
...excavation for a basement to support Christian ed.	\$64,000
...carpet for the new sanctuary that will allow many more people to seek God regularly	\$66,250

It really adds up!

But what's the cost of lives transformed?

PRICELESS!

North Bramalea United Church
363 Howden Blvd.
Brampton, Ontario L6S
905 450 8003

www.nbuc.on.ca

NBUC FAITH BONDS

An investment
today
with dividends
for tomorrow &
for eternity

