

## Church Loans Update December 2023

On Nov 7<sup>th</sup> we loaned \$1M to Burnaby Alliance. They will start by making interest payments until February when the full costs of the building program are more fully known, and then they will make full principal and interest payments of \$8,400/m. They still plan on borrowing another \$1M from RBC by the end of 2023.

On Nov. 1<sup>st</sup> we increased rates to 6% based on our new LDF policy. The current balance of funds on Nov1st was \$5.6M earning interest of \$337K per annum, and cash flow in excess of \$50k/m.

We are now much closer to balancing LDF deposits and loans. Deposits are \$6M, and Loans are \$5.6M, thus along with our loans policy and practices changes, our positive monthly LDF margin is now approximately \$5,000.

We have had discussions with each of the churches that were not meeting their loan term requirements. Responses have been positive, and we continue to have a constructive dialogue with churches having financial struggles.

We recently sent out Oct. 31<sup>st</sup> mortgage statements, highlighting current balances, the impact of the new rate of 6%, and also any payment deficiencies.

