

***Imagine* and the Building Project** **Frequently Asked Questions**

Question: I see the parking lots out front are complete and construction on the major building addition has begun. Can you tell me when the project will be completed?

Answer: We expect construction of the new building addition to take 12-14 months, so it will be completed in late spring or early summer 2011. Renovation of some of our current offices and other spaces in the existing building will take another three months or so after that.

Question: We are visiting Christ Church and are just learning about the project. Can you tell us what is included in the new building addition, please?

Answer: Yes, this will include a new, large multipurpose room that can serve as a fellowship hall, as additional space for worship, and for large meetings; a large space for our youth ministries; a much larger new kitchen; an extended atrium for gathering and fellowship; additional staff offices; and more classrooms for small groups.

All of these facilities are needed to allow more persons to be a part of Christ Church and let us to continue to grow.

Question: Speaking of growing, how much did our membership grow in 2009?

Answer: Our net increase in membership was 124 persons, bringing our total membership at the end of the year to 3,770 persons!

Question: How are we doing on receiving funds from the *Imagine* Campaign?

Answer: A total amount of \$2,619,112 was pledged for three years beginning in November, 2007. Through April 25, 2010, we have received \$1,484,235.

Question: Is this level of giving in line with the total amount pledged?

Answer: If the pledged amount was received in thirty-six equal monthly payments, we would have received \$2,182,593 through April 25; and from the answer above, you can see that our receipts are running behind that level.

However, some persons give once per year to *Imagine*. A few persons have paid their three-year pledge in full! Some are paying weekly or monthly exactly as pledged, and some are not current in their giving at this time. A number of persons are giving who did not turn in a pledge card in the campaign.

Question: I understand that most of these receipts have been used to pay down the remaining debt on our existing facilities. What is the current amount of the debt?

Answer: Yes, the debt has been reduced from just under \$1.8 million in November of 2007 to \$1.2 million, the lowest level since before we built the sanctuary. Additionally, we have provided a tithe (one tenth) of the *Imagine* receipts to the Bethlehem Center and to the Volunteers in Medicine Clinic as we committed to do during the campaign.

Question: Do we have the long-term loan in place for financing the new building addition, and if so, what are the terms of the loan?

Answer: The long-term loan is in place, and we are very pleased with the terms. First Tennessee Bank was selected since it offered the best and most advantageous financial terms in our competitive selection process. We have an adjustable rate loan with an interest rate of **prime** (the rate at which banks loan money to preferred customers) **minus 1.05 percent**. With the prime rate at 3.25 percent, its lowest in decades, this gives us an extremely low effective annual interest rate of 2.20 percent at this time. When construction is complete, we can convert the adjustable rate to a fixed rate if and when interest rates rise to the point that a fixed rate is projected to be better for us. The fixed rate would be at the Ten-Year Treasury rate plus 2.25 percent.

Thus, the actual interest rate we will pay is less than the conservative rate we used in our analysis to determine whether the church could afford to build this project now. And the very low current interest rate is allowing more of our monthly payments from *Imagine* receipts to go directly to principal, reducing our current debt more rapidly than we had expected.

Question: My family and I joined Christ Church after the *Imagine* Campaign was conducted. Should we turn in a pledge card now since we want to begin contributing?

Answer: That would be great, and pledge cards are available in the church office. If you decide to make a pledge, please complete a card and return it to the office in a sealed envelope addressed “*Imagine* Campaign.” And of course, you may contribute to the Building Fund without making a pledge.

Question: We also give regularly to the operating budget. How do we designate money for *Imagine* separate from our giving to the operating budget of the church?

Answer: You may write separate checks for your contributions to the *Imagine* Campaign, putting “Building Fund” or “*Imagine*” in the memo section of the check. However, many persons write combined checks, simply designating the amount for “Building” and the amount for “Operating” in the memo section of their checks. Either way is fine.

Question: One last question, how long do we expect to take to pay off the total combined debt for the new building and the remainder of our current debt?

Answer: Our financing assumes a twenty-year amortization or pay-off, but we should be able to retire the debt in less than twenty years. We plan to conduct capital campaigns every three years as we have done in the past to service debt and to build again as needed.

The next three-year campaign will be conducted this fall, and our new pledges will be in place before the current three-year period ends in November.