

Mission Development Certificate Program

As Presbyterians we are a faith community of bounty and blessing. Keeping in touch with this reality makes us stewards of all our resources including financial and human. The Mission Development Certificate Program believes good stewardship contributes to healthy churches and congregations.

Certificate Program

What is a Mission Development Certificate?

*A Mission Development Certificate (**MDC**) is offered by the MDC Program a separate legal entity within the states of Washington, Idaho and Alaska. A MDC is a time deposit similar to certificates of deposit offered by banks.*

Who can invest in one?

Presbyterians, churches, presbyteries and related entities can invest in Mission Development Certificates.

*In addition to Mission Development Certificates, the program offers a **Mission Building Certificate** available only to churches, presbyteries and the Synod. A Mission Building Certificate operates similar to a money market account.*

How does a certificate earn interest?

Mission Development Certificates have varying maturities of 6,12,24,36 and 60 months. When a person purchases a certificate the interest rate is fixed for the term. At maturity, the MDC can be reinvested or redeemed in full. Presently 95-98% of our current investors elect to reinvest some or all of the original investment. This is exceptionally high and reflects the trust and confidence the current investors have in the program.

How is the interest paid out and to whom?

There are two types of certificates: "Growth" functions like a savings account with the interest paid at maturity and "Income" functions like a certificate of deposit. Typically the interest on income MDC's is paid every six months. For larger investments, an



investor can elect to receive earned interest monthly, quarterly, semi-annually or annually.

How do to the interest rates compare to commercial banks?

*We compare our interest rates offered by local and national banks weekly. Anyone can call our office for current interest rates or find them at our website, www.synodmdc.org. Our interest rates are consistently above the local and national average interest rates offered. For example, the 12 and 24 month interest rates offered are **3.1 and 2.8 times** greater than the national average respectfully. The Mission Building Certificate interest rate is 10 times the money market rate currently offered by Bank of America.*

How has the MDC Program fared in the recent economic downturn?

The Board of Directors and staff are committed to the original vision of offering low cost loans to churches. Our goal is to provide a simple, straightforward and transparent program to our investors and borrowers. Since 1955, the Mission Development Certificate program has been able to repay in full to our investors even in the past and recent economic downturns. Unlike mutual funds, no one has lost a penny. In fact, as investors fled the FDIC insured banks, we experienced steady new deposits.

How is the MDC Program linked to the public banking sector?

The MDC program is not a bank nor is it FDIC insured. We are a non-profit organization that offers low interest loans to churches through the sale of interest bearing certificates. The program is registered with the state securities division of Alaska, Washington and Idaho and follows the national guidelines for church extension funds.

Loan Programs

What kind of loans does the MDC Program make and to whom?

The MDC Program offers loans to churches, presbyteries and related entities to build, rebuild, expand or acquire property. Loans may be for construction, bridge, permanent or a combination depending on what fits best. We also offer emergency repair loans.

Briefly describe the process for securing a loan?

The best loan involves advance planning and leadership from the church. The first step is to contact the MDC Program staff that has over 30 years experience including 10



years experience working with Presbyterian churches designing loan programs individually tailored for a particular church.

How many loans does the MDC Program hold? 22.

Overall, we have made over 300 loans to churches of all sizes. We have also loaned money to Tall Timber and Camp Spalding, Whitworth University, presbyteries and synod.

What is the pay off rate?

Loans are amortized up to 20 years. Typically, a church is able to repay the loan in 12.5 years or sooner.

What does the MDC Board do when there are not enough funds available to make a loan?

If there are not enough funds available to lend at a particular moment, the board seeks to sell new investments (Mission Development Certificates) or participation with another similar organization or local bank.

Are there any loans that are in arrears? What is done in these cases?

No. In the past, presbyteries have helped a struggling church by making a portion of the loan payment. Our experience shows that a church finds itself in trouble when there is a change in the leadership with a minister's departure or when financial transparency ceases within the life of the church and the congregation. Churches in this situation that have the active support of its presbytery or Synod fair better than those that do not.

Expanding Participation

How can I as a Synod commissioner be an advocate for the MDC Program?

You can be an investor like the nearly 800 others that have learned that their investments can do more than just interest; it can build churches.

You can talk to your church and invite us to meet with your stewardship or building committees.

You can talk to your treasurer and ask if they know about the Mission Development Certificate Program.



Did you know?

We are encouraging churches to make energy improvements (**Green Churches**)?

We offer **free financial reviews** to churches if they make an investment in a Mission Development or Building Certificate?

We are available to assist churches with their **capital improvement plans**?

A person can now **invest through IRA accounts**?

You can help lower the interest cost if your church has a loan by investing in Mission Development or Building Certificates (ask about our VIP Program)?

MISSION DEVELOPMENT CERTIFICATE PROGRAM

Tel: 206.971.4603

Toll free: 866.211.8230

E-mail: invest@synodmdc.org

Web: www.synodmdc.org