



Seventh-day Adventist Church
FLORIDA CONFERENCE

SURF Loans

Refinance, New Construction, Repairs and Renovations

SURF :

What is SURF?

Southern Union Revolving Fund

- Adventist Lending institution
- Only Available to Churches and Schools for Lending
- Low-cost loans (no origination fee, points, etc.)
- Invested with because of their mission for growing the kingdom.
- Currently have a 6 percent variable rate
- FDIC insured
- Open to any member or organization in the Southern union. Currently giving a 4% return on your investment.

What is my Borrowing Capacity:

Hypothetical Church:

Tithe 2022 300,000

Tithe 2023 315,000

Tithe 2024 330,000

Total Tithe: 945,000

Divide by 3= 315,000

Times by 3= 945,000 Florida Conference Borrowing Capacity

What is Term:

New Construction: 18 years

Renovation and Repairs: 15 years

Refinance: 15 years

These numbers are specific to the Florida Conference. Other conferences allow for longer terms, but we want our churches to be more fiscally secure.

Cash on Hand Requirement:

Every project has a requirement for the local entity to have 35% cash on hand. The only exception to this policy is New Construction when the land is owned outright and in an emergency situation, as voted by ADCOM.

Scenario 1:

Madeupville SDA wants to replace a \$60,000 air conditioning unit. And is calling to find out what a loan for that would look like.

Cash on Hand: \$21,000

Loan would be \$39,000 at current SURF rate (6 percent) for 15 years a payment of \$329.10

Scenario 2:

Madeupville SDA Church is looking to build a new sanctuary and has a borrowing capacity of \$2,500,000 and they do not own land and are trying to figure out what amount they can spend on their total project to use all of their borrowing capacity.

Borrowing Capacity is 2,500,000

35 percent cash on hand=1,345,750

Total Project cost=3,845,000

2,499,250 loan at 6 percent for 18 years (new Construction) =Monthly payment of \$18,948.37

*this is an estimate for anyone doing the math that gives a loan of \$2,499,250

Scenario 3:

Madeupville SDA Church is looking to renovate their childrens wing but already has a SURF loan that is a few years old with a balance of \$250,000. The new project is going to cost \$330,000 and they have plenty of borrowing capacity.

Borrowing Capacity is 2,500,000

Renovation Cost=330,000

35 percent cash on hand=115,500 ($330,000 \times 0.35$)

Total Refinanced amount=215,000 plus existing 250,000

New SURF Loa=\$465,000 at 6 percent for 15 years (refinance) monthly payment of \$3923.93