## EFC-ER DEVELOPMENT FUND LOAN OVERVIEW

**Purpose**: To assist EFC-ER churches in construction and/or purchasing needs of property through short-term, low-interest loans.

| Loan Amount | Amortization | Rate Formula | Application | Example Rate |
|---|---|---|---|---|
| < $25,000 | 5-Year Term | Flourish Rate | Short-form | 3.5% (Flourish Rate) |
| $25k - $50k | 7-Year Term | Flourish Rate | Short-form | 3.5% (Flourish Rate) |
| $50k - $75k | 10-Year Term | 75/25 Weighted Average<br>75% Flourish Rate / 25% Prime Rate | Short-form | 3.5% (Flourish Rate) x 0.75 +<br>7.0% (Prime Rate) x 0.25<br>= 4.4% |
| $75k - $125k | 15-Year Term w/ 10-Yr Rate Reset | 50/50 Average<br>50% Flourish Rate / 50% Prime Rate<br><br>A lien will be placed on the church building property with the church paying costs. | Long-form | 3.5% (Flourish Rate) x 0.5 +<br>7.0% (Prime Rate) x 0.5<br>= 5.3% |

**Flourish Rate Definition:** Taken from what the Development Fund currently receives in EFC-ER's high-interest savings account at Flourish. (Example: As of 9/30/26, the Flourish interest rate is 3.5%)

**Prime Rate Definition:** The WSJ Prime Rate as published on the Wall Street Journal Money Rates table: https://www.wsj.com/market-data/bonds/moneyrates (Example: As of 9/30/26, the Prime Rate is 7.0%)

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