

CASE STUDY

FINANCING FOR RELIGIOUS ORGANIZATIONS

MARCH 28, 2023



Client Profile

Crosspoint City Church began as a church plant in 2006. The church's average weekly attendance quickly grew from 250 to 550 people. In 2009, the church moved into its first facility. The original facility was approximately 15,476 square feet with a 300-seat sanctuary and offices, located on one acre of land. By 2010, weekly attendance had grown to 750. In 2012, the church welcomed a new lead pastor, James Griffin. Under Pastor Griffin's leadership, the church continued to grow and had an average weekly worship attendance of 1,180 by 2016. As a result, the church began searching for a larger space in Cartersville.

In 2017, the church moved forward with the acquisition of a 27,386-square-foot church building, containing an 875-seat worship sanctuary, classrooms, and offices. Upon completion of renovations, the church moved all of its ministry operations to the new site and sold its old site.

By April 2019, the church's average weekly worship attendance had grown to 1,805. In July 2019, the church moved forward with the acquisition of 11 acres of adjacent property formerly occupied by an unrelated school, containing a 35,700-square-foot main facility, with a gymnasium, classrooms, and offices, and two additional 9,300-square-foot buildings. While the church had raised substantial funds for the purchase and renovation of the Cartersville site, leadership sought out financing alternatives to fund the remaining costs. To facilitate growth,



\$3,900,000 | ACQUISITION & RENOVATION FUNDING | 2017

\$2,645,000 | ADJACENT PROPERTY ACQUISITION FUNDING | 2019

\$2,625,000 | RENOVATION FUNDING | 2023

Crosspoint City Church | Cartersville, Georgia

in fall of 2019, the church opened its first satellite campus in Adairsville, Georgia, and in 2021, opened its second satellite campus in Rome, Georgia, both in leased facilities.

In 2021, the church self-funded an expansion of the parking lot at the Cartersville site and the renovation of one of the 9,300-square-foot buildings into a student ministry-specific building. By 2023, weekly in-person worship attendance was consistently over 2,600 people across the church's three campus locations, with over 474 children in the youth ministry.

In 2023, the church again sought out financing for the remodeling of its remaining 9,300-square-foot building. It will be home to a future ministry arm of the church called The Crosspoint Compassion Center, which was created by the church with a mission to serve the spiritual, physical, and mental health needs of its congregation and the surrounding community by providing low-cost or no-cost services to those in need. The renovations include the build out of shower and laundry facilities for homeless day-use services, the remodeling of classrooms for counseling services, and the remodeling of other spaces for potential additional outreach services.

Dave Schlosser's Team

Church leadership considered different financing alternatives but ultimately chose to work with Dave Schlosser and his team, recognizing the value of a long-term, fixed-rate financing structure and Dave's expertise with religious organizations. In January 2017, the church closed on a 25-year, fixed-rate financing package, which was used for the acquisition and renovation of its sanctuary building. In July 2019, the church closed on an additional financing package, which was used for the acquisition of the adjacent property. And in March 2023, the church closed on an additional financing package, which will be used for the renovation of the building that will house The Crosspoint Compassion Center.

The financing structures offered a true fixed interest rate, with no prepayment penalties and additionally avoid any large balloon payments, which simplifies budgeting for future years. As a rapidly growing church, with the potential for expansion and the possibility of future financing needs, the open-ended mortgage feature is another advantage of this financing program.

The experience referenced above related to the 2017 financing includes the previous experience of the Religion Finance Practice team who joined Stifel in March 2018.

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