

CASE STUDY

FINANCING FOR RELIGIOUS ORGANIZATIONS

MARCH 26, 2019

THE VIEW CHURCH

Client Profile

Mountain View Community Church was founded in 1995 as a church plant of Bayview Baptist Church of San Diego by 14 charter members in Murrieta, California. Originally meeting in homes, the church moved to meeting in a local school, due to rapid growth, and subsequently occupied leased properties until 2015, when the church purchased a property in Menifee, California. The church started a second operating site at this new campus, now known as the Bradley Campus, while also continuing to meet in a leased facility in Temecula. That same year the church rebranded itself, taking on the name of The View Church.

Lead Pastor Gregory Perkins began serving at the church in 2011 as Executive Pastor, and in 2016, he transitioned into his current role serving as Lead Pastor. Weekly worship attendance averaged 540 in 2016, and under Pastor Perkins' leadership, attendance had grown to 710 by the end of 2018.

In 2018, management of the church chose to discontinue the leased facility in Temecula and subsequently purchased an existing church facility on McCall Boulevard in Menifee. That facility is now known as the McCall Campus. Currently, the major operations of the church are conducted at the McCall Campus, and the Bradley Campus is leased out to an unaffiliated church.

The McCall Campus covers approximately four acres, consisting of two contiguous



\$3,945,000 | REFINANCING

Mountain View Community Church of Murrieta/Temecula Valley d/b/a The View Church | Menifee, California

parcels of land containing two buildings. The Fellowship Building, comprising 10,890 square feet, was constructed on the site in 1963 and originally utilized as the sanctuary. Later in 1969, an addition was constructed on the west side of the Fellowship Building. In 1987, an 800-square-foot Sanctuary Building was constructed to the west of the Fellowship Building, with seating for 300 worshipers and a 20-seat choir loft, plus a separate 60-seat chapel.

The Bradley Campus purchase was originally financed with a commercial loan from a finance company. The McCall Campus was purchased with a combination of a senior loan from a religious foundation and a seller-carried subordinated note that was due to mature in 2019. In late 2018, management of the church determined to seek a different and more permanent approach to financing that would better position the church for the future. Management's objective was to obtain long-term, fixed-rate financing that would create a stable cost structure for

future generations of leadership. The church also desired to make some additional minor capital improvements to its facilities.

Bill Dodson's Team

In late 2018, Bill Dodson met with church leadership to listen to their concerns and gather information. After analyzing the information, which included financial statements, attendance statistics, governance documents, and the church's strategy for growth, Bill proposed a 25-year, fixed-rate financing solution to refinance all of the church's outstanding debt and to provide funding for the desired capital improvements. Church leadership recognized the value of Bill's proposal, and in March 2019, the church issued its 2019 Series First Mortgage Bonds, a financing package that fully protects the church from future interest rate risk, eliminates balloon maturities, and includes provisions for potential additional financing to accommodate the future growth of the ministry.

CONTACT

Bill Dodson

(210) 321-3039 | bdodson@stifel.com

1878 Herbelin Road, Suite 3203 | New Braunfels, Texas 78132

Stifel, Nicolaus & Company, Incorporated | Member SIPC & NYSE | www.stifel.com

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