

St. Thomas More Catholic Student Parish

7 February 2015

Dear People of St. Tom's:

Following the special Eucharist we celebrated at Kalamazoo College last November, the Financial Advisory Committee (FAC) met to discuss our recent parish capital campaign and paydown of our mortgage. First, the FAC wanted to express its thanks to everyone who read about, prayed about, and made a contribution to the parish. Your response was beyond our wildest dreams!

We are pleased to tell you that in January we made our first 20% principal paydown (\$471,566) on our mortgage (about \$2.4 million). This paydown lowered the interest rate on our loan from 5.5% to 4.5% and reduced our required payment by over \$4,000 per month. What a great way to start 2015!!!!

Based on the scheduled payment of your pledges, we anticipate that we will be able to make an announcement about our next 20% paydown and further reduce the interest rate before the end of the year. According to our current projections, our mortgage could be paid in full in early 2018!!! This would save us over \$1.7 million dollars in interest. Hurray!

In order to keep you informed, and to avoid further confusion, we will detail contributions to the Mortgage Fund and to the Capital Campaign Fund (two different funds) with each quarterly financial statement. The money in the Mortgage Fund is used to make the ongoing monthly payments (at the new lower interest rate). The Capital Campaign Fund is money that is saved in order to make the next 20% paydown and achieve another 1% interest reduction. Thereafter, the money in the Capital Campaign Fund will be used to make payments on the principal of the mortgage (saving us even more money in interest). In the meantime, both of those funds are earning interest for the parish.

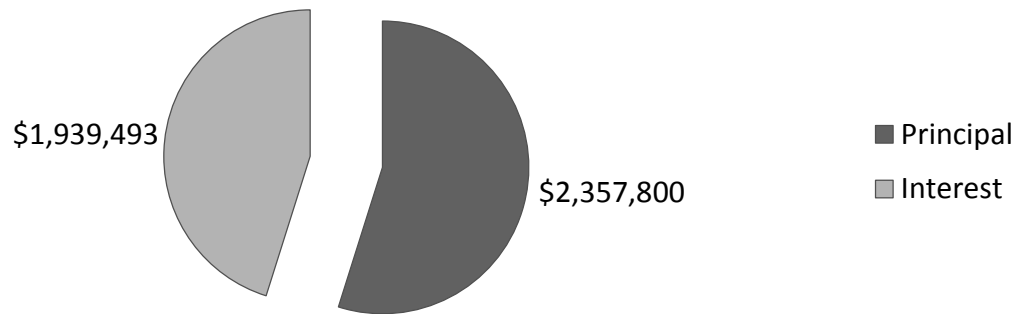
Thank you again for your generosity. We will continue to keep you updated as we progress through this exciting time in our parish. Please feel free to discuss your questions with us.

Financial Advisory Council

Mike Evans, Shawna Gallagher, Suzie Suchyta Haas, Matt Kelly, Brian Mullally, Mike Ogrin, Lowell Rinker, Jennifer Rushlau, Fr. Ken Schmidt, Norm Seiler

St. Thomas More Catholic Student Parish
Mortgage Principal and Interest Projections
December 31, 2014

**Principal and interest payment projections at
5.5% interest rate
(if we did not have the 2014 capital campaign)**



**Principal and interest payment projections
with \$2.3 million capital campaign**

