

Impacting Churches; Impacting Lives

Thrivent Church Loan and Income Fund (XCLIX)

Reaching, teaching and training more Christians at Compass Bible Church

A timely loan funded by Thrivent Church Loan and Income Fund has helped Compass Bible Church in Aliso Viejo, California, pursue its three primary missions: to reach more people by expanding its church network; to teach more people through a redesigned church campus; and to train more people through the establishment of a Bible institute.

The loan provided financing that Compass used to purchase and renovate a local office building to house the church's growing administrative staff. Compass will also use the new space to serve as the campus of its new Compass Bible Institute slated to open for classes starting in 2020.

The financing will allow Compass Bible Church to expand its ministry by establishing churches in five new locations.

"We couldn't do all the things we hope to do without the financing from Thrivent that allowed us to acquire our new building," explained Rick Talcott, Compass Business Administrator.

The Compass Bible institute will have the capacity to teach about 120 students at a time. "This will be a hybrid between a seminary and a trade school, with practical experience for future pastors and church leaders," Talcott said.

The church will also build on the success of its existing programs, such as "Navigating Motherhood," a twice-weekly program designed to help non-Christian mothers work through a variety of parenting issues and become familiar with the Gospel.

Lastly, the financing will allow Compass to expand its ministry by establishing churches in five new locations—in addition to the six affiliated churches already in operation.

"The financing we received from Thrivent will help us train the people we will need to establish the new churches—and expand our ministry as part of our 'Compass 2020' campaign," Talcott added.



Compass Bible Church has used financing from Thrivent to buy an office building to house its growing staff and a new Bible institute.

Thrivent Church Loan and Income Fund: Shared mission and faith

Thrivent Church Loan and Income Fund launched in late 2018 and provides a way for investors to reflect their faith and values through their investment choices. Thrivent made its first church loan in 1905 to Zion Lutheran Church in Rhinelander, Wisconsin, to help them rebuild after a fire. Thrivent manages nearly \$1 billion of church loans, and Thrivent Church Loan and Income Fund participates in funding Thrivent's new church loans with direct oversight from an independent board of trustees.

Risks: The Fund invests primarily in church loans and mortgage-backed securities. The value of the Fund is influenced by factors impacting the overall market, debt securities and specific issuers. The Adviser's assessment of investments may prove incorrect, resulting in losses or poor performance. The Fund is a non-diversified closed-end interval fund with a quarterly repurchase option. An investment in the Fund's shares should be considered a long-term investment with risks, including concentration risk, limited liquidity and the risk of a loss of some or all of the amount invested.

The church loans invested in by the Fund are mortgages taken out by U.S. non-profit organizations with a stated Christian mission. They are typically not listed on any national securities exchange and no active trading market exists for them. These church loans are primarily backed by real estate and are vulnerable to factors that affect the real estate market. Certain factors specific to churches may impact a borrower's finances and its ability to make payments. Churches rely on voluntary contributions from their congregations for their primary source of income, which may be used to repay church loans. The membership of a church, the attendance of its members, or the per capita contributions of its members may not remain constant or may decrease, which could have a negative impact on the ability of a church to repay a loan.

Loans are subject to a number of risks, including credit risk, default risk, refinance risk and modification risk. Credit risk is the risk that an issuer of a debt security may not pay its debt. Default risk is the risk that a borrower will not be able to make principal and interest payments, in which case the value of the Fund may be negatively affected. The value of mortgage-backed securities will be influenced by the factors affecting the housing market. A global pandemic, such as COVID-19, may result in substantial market volatility and business disruption, and may negatively impact church borrowers and the Fund's ability to process shareholder repurchases. Bond prices may decline during periods of rising interest rates. The Fund has received an exemptive order allowing co-investment with other Thrivent accounts, which may give rise to actual or perceived conflicts of interest and subject the Fund to the risk of regulatory changes and actions.

These and other risks are described in the Fund's prospectus.

The churches/entities discussed in this article are recipients of loans issued by Thrivent Church Loan and Income Fund. They have not been compensated for their participation.

This information should not be considered investment advice or a recommendation of any particular security, strategy or product. Investment decisions should always be made based on an investor's specific financial needs, objectives, goals, time horizon, and risk tolerance.

The Fund is a closed-end "interval fund." Limited liquidity is provided to shareholders only through the Fund's quarterly offers to repurchase between 5% to 25% of its outstanding shares at net asset value (subject to applicable laws and approval of the Board of Trustees). There is no secondary market for the Fund's shares and none is expected to develop. Investors should consider shares of the Fund to be an illiquid investment. If a repurchase offer is oversubscribed, your redemption request may be prorated. There is no assurance that investors will be able to redeem shares when and in the amount desired.

Investing involves risk, including the possible loss of principal. The prospectus contains more complete information on the investment objectives, risks, charges and expenses of the Fund, and other information, which investors should read and consider carefully before investing. Prospectuses are available at thriventintervalunds.com or by calling 800-847-4836.

The distributor for the Thrivent Church Loan and Income Fund is Thrivent Distributors, LLC, a registered broker-dealer, member [FINRA](#)/[SIPC](#). Thrivent Asset Management, LLC, an SEC-registered investment adviser, serves as the investment adviser for the Thrivent Church Loan and Income Fund. Both entities are subsidiaries of Thrivent, the marketing name for Thrivent Financial for Lutherans.

