



COKESBURY UNITED METHODIST CHURCH OF HOUSTON, INC.
Houston, Texas

OFFERS \$1,000,000 OF FIRST MORTGAGE BONDS

For information and a Prospectus, contact:

**COKESBURY UNITED METHODIST CHURCH
OF HOUSTON, INC.**

10030 Scarsdale Boulevard
Houston, Texas 77089-5034
Phone: (281) 484-9243

The Issuer is being assisted in this bond issue by:

SECURITY CHURCH FINANCE, INC.
14615 Benfer Road - Houston, Texas 77069
Phone: (281) 893-1390

And its representative:

BILL FAWELL
3235 Avenida La Cima, Suite 100 – Carlsbad, California 92009
Phone: (760) 942-2442

These securities are issued pursuant to a claim of exemption from registration under Section 3(a)(4) of the Federal Securities Act of 1933, as amended, and Section 6-J of the Texas Securities Act of 1957, as amended. These securities are also exempt from registration or have been registered in all states in which the bonds have been qualified for sale. Neither the United States Securities and Exchange Commission nor the State Securities Commission has passed upon the value of these securities, made any recommendation as to their purchase, approved or disapproved the offering, or passed upon the adequacy or accuracy of the Prospectus. Any representation to the contrary is unlawful.

This announcement is neither an offer to sell nor a solicitation of an offer to buy these securities. The offer is made only by the Prospectus. This information has been summarized from the Prospectus to which reference is made for the complete information authorized in the sale of the securities. All investments are subject to risks. See "RISK FACTORS" in Prospectus

PURPOSE OF BOND ISSUE

Proceeds from the sale of Series 2003-B Bonds, along with cash funds on hand and additional funds to be acquired, will be used to construct a new fellowship hall/activity center and education wing, including architect's fees, engineering fees, site work, landscaping, parking improvements, to remodel the existing facility, to purchase furnishings and equipment, and to meet financing costs of the project. The fellowship hall/activity center will be a two-story structure designed to match the existing structure. It will contain 18,203 square feet of floor space will church offices, classrooms, a fellowship hall, a buffet serving room, storage rooms, and other amenities. Approximately 6,216 of the second floor addition will not be finished. The remodeling of the existing facilities will consist of adding additional offices and converting some classrooms to conference rooms.



SECURITY

In the Opinion of Counsel for the Issuer, Series 2003-B Bonds, when issued, will be a valid and binding debt obligation of the Issuer. The bonds will be secured by a First Mortgage lien on property of the Issuer located at 10030 Scarsdale Boulevard, Houston, Texas, consisting of 6.753 acres of land, together with all improvements located thereon or to be located thereon. An "as is" appraised value of \$1,615,000 has been assigned to the land and improvements and an "as complete" appraised value of \$2,700,000. The estimated construction costs are \$1,493,261, including architect's fees, engineering fees, site work, landscaping, parking improvements, and to remodel the existing facility. Since the estimated cost of the proposed improvements plus the value of the land and existing building is greater than the appraised "As complete" value of \$2,700,000, this lower value is used to determine the value of the property securing the bonds. The \$1,000,000 Series 2003-B Bonds will be secured by property estimated in value at \$2,700,000. Bonded indebtedness will equal approximately 37% of the value of the property securing the bonds. The Issuer agrees to keep its property insured and maintained.

MEMBERSHIP AND GIVING PROFILE

(Unaudited)

	Ten Months	<u>Year Ended December 31</u>		
	<u>Ended 10-31-03</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
Resident church members	628	594	551	542
Church families	235	228	230	211
Average Sunday worship attendance	290	272	250	230
Average Sunday school attendance	120	104	119	129
Sunday school enrollment	170	164	172	235
Families giving regularly	215	228	230	211
Average monthly contributions to all church ministries	\$37,592	\$40,459	\$33,014	\$35,771



A MESSAGE FROM THE MINISTER

Dear Members and Friends:

This is an exciting time in the life of Cokesbury. We are growing rapidly and we urgently need more space. Our neighborhood is also alive with growth; new housing developments surround us, and the Pearland area is experiencing phenomenal growth as well. Scarsdale Boulevard should be open to Route 518 by this time next year, and this will give our church even more visibility. The power of the Holy Spirit is working in our midst, and we want to be ready to reach out with Christ's love in even bigger and better ways.

Our bond program gives YOU an opportunity to "lend the church" the money we need to build. You will not only be investing your money, but Jesus tells us that "where your treasure is, there will your heart be also." So it is also an investment of love and commitment. We encourage you to support this program generously. Please share this opportunity with your friends and neighbors. It is not necessary to belong to Cokesbury to buy a bond. Many people use these bonds for their grandchildren's education; they are also a good investment for your IRA account. Call the church office if you have questions, and if we don't know the answer, we'll find out who does. Pray about your participation in our bond program!

Faithfully,

Rev. Sara Owen-Gemoets

CAMPAIGN COMMITTEE

PASTOR, *Rev. Sara Owen-Gemoets*

GENERAL CHAIRPERSON, *Darrel Raines*

BOND OFFICE CHAIRPERSON, *Don Smith*

ASSIGNMENT CHAIRPERSON, *Jerry Yeane*

QUESTIONS AND ANSWERS

Q. WHAT IS A BOND?

A. A bond is a certificate of indebtedness.

Q. WHY DOES A CHURCH ISSUE BONDS?

A. To obtain financing for capital needs.

Q. HOW DOES THE CHURCH MAKE PAYMENTS ON THE BONDS?

A. By depositing the required amount regularly with the Paying Agent.

Q. WHAT IS A PAYING AGENT?

A. A bank or trust company designated to pay interest and principal on the due date.

Q. HOW IS INTEREST PAID?

A. (1) On simple interest bonds, the Paying Agent will send you a check semiannually.
(2) On compound interest bonds, interest is compounded semiannually and paid along with principal at the maturity of the bond.

Q. CAN I CASH MY BOND(S) AT ANY TIME?

A. No. The Issuer is not required to "cash" a bond until its maturity date. Subject to securities regulations, you may find a buyer for your bond(s). Contact the Registrar in such event.

Q. IS INTEREST PAID OR ACCRUED ON BONDS TAXABLE?

A. Yes. You will be provided a statement annually by the Paying Agent showing the amount of interest paid or accrued.

Q. CAN THE CHURCH "CALL" MY BOND(S) BEFORE MATURITY?

A. Yes. You must be given a 15-day notice before a semiannual maturity date.

Q. CAN I BUY BONDS THROUGH MY IRA?

A. Yes, if you have a "self-directed" IRA.

Q. WHAT TYPE OF SECURITY EXISTS FOR THE BONDS?

A. A mortgage/deed of trust is filed placing a lien on certain property of the Issuer. Study the prospectus.

Q. CAN LOST, STOLEN OR DESTROYED BONDS BE REPLACED?

A. Yes. If loss occurs, you will be required to purchase a "lost instrument" bond from an insurance company. Contact the Registrar.

Q. SUPPOSE I MOVE TO ANOTHER LOCATION?

A. Keep the Registrar informed of your address at all times.

Q. WHY WOULD I WANT TO BUY BONDS?

A. To help your church realize its project and to earn a worthy return on the investment.

INFORMATION ABOUT OUR BOND OFFERING

\$1,000,000 FIRST MORTGAGE BOND ISSUE, SERIES 2003-B

- I. Series 2003-B bond issue has in it \$623,750 of Simple Interest Bonds maturing from one (1) year to seven and one-half (7.5) years. Some bonds mature each six months. The bonds are dated December 15, 2003, and begin earning interest on that date. Interest is paid by check by the Paying Agent at each six-month maturity period until the bond(s) mature. Bonds are available in multiples of \$250 up to the amount maturing at any given semiannual maturity date. Interest rates, maturity periods and examples of the return on an investment are as follows:

<u>Interest Rate</u>	<u>Bonds Mature</u>	<u>Amount Maturing</u>	<u>Example of a Semiannual Investment Return</u>			
			<u>\$5,000</u>	<u>\$1,000</u>	<u>\$500</u>	<u>\$250</u>
3% Bonds	.5 to 1 year	\$ 34,250	\$ 75.00	\$15.00	\$ 7.50	\$ 3.75
3.5% Bonds	1.5 to 2 years	\$161,500	\$ 87.50	\$17.50	\$ 8.75	\$ 4.38
4% Bonds	2.5 to 3 years	\$ 56,750	\$100.00	\$20.00	\$10.00	\$ 5.00
4.5% Bonds	3.5 to 4.5 years	\$107,250	\$112.50	\$22.50	\$11.25	\$ 5.63
5% Bonds	5 to 6 years	\$127,000	\$125.00	\$25.00	\$12.50	\$ 6.25
5.5% Bonds	6.5 to 7.5 years	\$137,000	\$137.50	\$27.50	\$13.75	\$ 6.88

- II. Series 2003-B bond issue has in it \$376,250 of Compound Interest Bonds maturing from eight (8) years to fifteen (15) years. Some bonds mature each six months during that period. The bonds are dated December 15, 2003, and begin earning interest on that date. Interest is compounded semiannually until the bond(s) mature. Bonds are available in multiples of \$250 up to the amount maturing at any given semiannual maturity date. Maturity dates, amount maturing at each semiannual maturity date and examples of a return on an investment are as follows:

<u>Maturity Dates</u>	<u>Years</u>	<u>Amount Maturing</u>	<u>*Average Yearly Interest Earned Per \$1,000</u>	<u>Example of an Investment Return Principal Plus Accrued Interest</u>			
				<u>\$5,000</u>	<u>\$1,000</u>	<u>\$500</u>	<u>\$250</u>
<u>5.5% COMPOUND INTEREST BONDS</u>							
12-15-11	8	\$31,250	\$67.94	\$7,717.56	\$1,543.49	\$771.77	\$385.88
06-15-12	8.5	\$30,500	\$68.93	\$7,929.79	\$1,585.94	\$792.99	\$396.49
12-15-12	9	\$29,500	\$69.95	\$8,147.86	\$1,629.55	\$814.80	\$407.39
06-15-13	9.5	\$28,750	\$70.99	\$8,371.93	\$1,674.36	\$837.21	\$418.59
12-15-13	10	\$28,250	\$72.04	\$8,602.16	\$1,720.40	\$860.23	\$430.10
<u>6% COMPOUND INTEREST BONDS</u>							
06-15-14	10.5	\$25,750	\$81.93	\$9,301.52	\$1,860.31	\$930.14	\$465.08
12-15-14	11	\$25,250	\$83.28	\$9,580.57	\$1,916.12	\$958.04	\$479.03
06-15-15	11.5	\$24,500	\$84.66	\$9,867.99	\$1,973.60	\$986.78	\$493.40
12-15-15	12	\$23,750	\$86.07	\$10,164.03	\$2,032.81	\$1,016.38	\$508.20
06-15-16	12.5	\$23,000	\$87.50	\$10,468.95	\$2,093.79	\$1,046.87	\$523.45
12-15-16	13	\$22,250	\$88.97	\$10,783.02	\$2,156.60	\$1,078.28	\$539.15
06-15-17	13.5	\$21,750	\$90.47	\$11,106.51	\$2,221.30	\$1,110.63	\$555.32
12-15-17	14	\$21,250	\$92.00	\$11,439.71	\$2,287.94	\$1,143.95	\$571.98
06-15-18	14.5	\$20,500	\$93.56	\$11,782.90	\$2,356.58	\$1,178.27	\$589.14
12-15-18	15	\$20,000	\$95.15	\$12,136.39	\$2,427.28	\$1,213.62	\$606.81

*Average amount earned per year per \$1,000 invested if held to maturity.

KICK OFF PROCEDURES

1. Study this brochure to determine if the simple interest or compound interest bonds best suit your investment objectives.
2. Decide on the amount of bonds, maturity dates and exact name you want on each registered bond.
3. Complete the enclosed "Indication of Interest" form and have it ready to turn in on Kick-Off Day. Additional forms will be available at the church.
4. Directions will be given during the morning worship service for completing your "Indication of Interest".
5. Bonds are offered only by prospectus. Copies of the prospectus are available at the church.