

WHAT IS AN **Endowment?**

Endowment is a giving pathway for donors with a strategic vision for the future — donors who want their gift to not only impact this generation, but generations to come.

For churches, ministries and other nonprofits, endowed gifts build long-term financial stability while simultaneously meeting short-term needs. Endowment is designed to multiply a donor's gift far beyond its original amount. It creates a perpetual stream of income by annually distributing a portion of the growth of invested funds to the ministry of your choice while simultaneously preserving and growing the principal. This cycle of growth and annual distribution continues indefinitely because the principal is protected from being spent.

HOW IT WORKS



3 THINGS TO KNOW ABOUT

Endowments

Give Over Time

You can give to your endowment throughout your lifetime. Your friends or family can contribute as well.

Multiply Your Gift

Endowments are invested for growth. Each year, the charitable distribution increases, making an ever-larger impact on ministry.

3 Leave A Legacy

> Endowments give back in perpetuity, outlasting your earthly life. They can be named in honor of you or your family, paying homage to your selfless gift.

GIVING EXAMPLE

Imagine placing \$50,000 into an endowment for a church or ministry you care about. In its first year, your endowed gift would distribute \$2,250 to your church. While that amount may seem small compared to the size of the initial gift, time quickly multiples the impact. In 25 years, your \$50,000 endowment will grow to more than double its annual distribution from \$2,250 to \$4,570. Cumulative annual distributions over that 25-year period would total \$82,000 — more than \$30,000 above the original \$50,000 gift.

*Net of fees. Assumes 7.5% growth and 4.5% annual distribution.



GET STARTED AT:

WatersEdgeServices.org/endowment