CDF CAPITAL™

Helping Churches Grow

Since 1953

2025

Offering Circular

Table of Contents

STATE SPECIFIC INFORMATION	ii
ABOUT THIS OFFERING CIRCULAR	iv
SUMMARY	v
SUMMARY CONSOLIDATED FINANCIAL INFORMATION	1
RISK FACTORS	2
USE OF PROCEEDS	6
ABOUT US	6
OUR CERTIFICATES	7
CERTIFICATE SALES	12
OUR LOANS	14
INVESTMENT ACTIVITIES	18
OTHER FINANCING ACTIVITIES	19
OTHER ACTIVITIES	19
SELECTED CONSOLIDATED FINANCIAL INFORMATION	20
BOARD MEMBERS AND EMPLOYEES	21
TAX CONSIDERATIONS	23
LEGAL PROCEEDINGS AND OTHER MATTERS	24
CONSOLIDATED FINANCIAL STATEMENTS	24

Attachments

California Rule 260.141.11

Consolidated Financial Statements

THIS OFFERING CIRCULAR IS DATED AS OF MAY 1, 2025

17701 Cowan, Suite 100
Irvine, California 92614
Tel: (888) 540-7112
Fax: (866) 303-9360
www.CDFcapital.org

CDF CAPITAL™

We – Church Development Fund, Inc. (sometimes **"CDF Capital"** or **"CDF"**) – are offering up to $750,000,000 in unsecured debt securities (**"Certificates"**) to certain investors to raise money principally to make loans to Christian Churches, other independent churches or para-church ministries, and Christian educational institutions (collectively, **"Qualified Ministries"**).

We will offer and sell the Certificates pursuant to the terms and conditions set forth in this Offering Circular (this **"Offering Circular"**). We may supplement this Offering Circular from time to time to provide you with updates of material information concerning us or the Certificates, and when so provided to you such supplements will be made a part of this Offering Circular.

OUR CERTIFICATES

Our Certificates are separated generally into two categories:

- ***Time Certificates,*** which have terms generally from one to five years. They earn interest at a fixed rate depending on the amount and term of investment, subject to our right of adjustment (described on page 9). The minimum initial investment is $5,000, except for Custodial Time Certificates (which have minimum initial investments of $500) and Ministry Reserve Certificates (which have a minimum initial investment of $25,000).
- ***Flex Certificates,*** which are payable on demand, generally within 60 days after your request for payment. They earn interest at a variable rate determined periodically. The minimum initial investment is $250 except for Ministry Reserve Certificates (which have a minimum initial investment of $25,000).

For more information, see "Our Certificates" beginning on page 7.

INTEREST RATES

You can find the current interest rates for our Certificates in a separately provided document (the **"Investment Rate Sheet"**), which is provided with, incorporated into, and made part of this Offering Circular. The Investment Rate Sheet is also available on our website (**"CDF Website"**) at www.CDFcapital.org/rates. Rates may change before you purchase a Certificate. You should call us or visit the CDF Website for updated information on interest rates before you invest in any Certificate.

LIMITED CLASS OF INVESTORS

We sell our Certificates only to investors who certify in their Purchase Application that they are, before receiving this Offering Circular, members of, contributors to, or participants in a Qualified Ministry, CDF, or in any program, activity or organization which constitutes a part of a Qualified Ministry or CDF, or in other religious organizations that have a programmatic relationship with a Qualified Ministry or CDF (the **"Limited Class of Investors"**). We, in our sole discretion, may determine that a potential investor is not in the Limited Class of Investors. We reserve the right to refuse to offer or sell any Certificate to any person or entity. For more information, see "Certificate Sales—Limited Class of Investors" on page 12.

OFFERING EXPENSES AND USE OF PROCEEDS

We offer and sell our Certificates through our employees. We will not pay any commissions or underwriting expenses in connection with this offering. After we pay offering expenses, which we expect to be less than $200,000, we will use the remaining proceeds from the sale of the Certificates as described in the "Use of Proceeds" section on page 6.

OFFERING PERIOD

This Offering Circular is intended to be used by investors from May 1, 2025 through April 30, 2026, or such other period as may be permitted by applicable law.

THIS OFFERING AND AN INVESTMENT IN THE SECURITIES OFFERED IN THIS OFFERING ARE SUBJECT TO RISKS. A DESCRIPTION OF CERTAIN OF THOSE RISKS IS SET FORTH IN THIS OFFERING CIRCULAR BEGINNING ON PAGE 2.

THESE SECURITIES MAY EITHER BE REGISTERED OR EXEMPT FROM REGISTRATION IN THE VARIOUS STATES OR JURISDICTIONS IN WHICH THEY ARE OFFERED OR SOLD BY THE ISSUER. THIS OFFERING CIRCULAR HAS BEEN FILED WITH THE SECURITIES ADMINISTRATORS IN SUCH STATES OR JURISDICTIONS THAT REQUIRE IT FOR REGISTRATION OR EXEMPTION.

WE MAY AMEND OR SUPPLEMENT THIS OFFERING CIRCULAR FROM TIME TO TIME. ALL REFERENCES TO THE CERTIFICATES SHALL BE DEEMED TO REFER TO THE CERTIFICATES AS DESCRIBED IN SUCH AMENDED OR SUPPLEMENTED OFFERING CIRCULAR. REFERENCES TO "THIS OFFERING" OR THIS "OFFERING PERIOD" ARE TO THE PERIODS OF TIME AUTHORIZED BY REGISTRATION OR EXEMPTION IN THE VARIOUS STATES WHERE WE OFFER THE CERTIFICATES, WHICH ARE TYPICALLY 12 MONTHS FROM THE DATE OF EFFECTIVENESS OF SUCH REGISTRATION OR EXEMPTION IN THE APPLICABLE STATE.

THESE SECURITIES ARE ISSUED PURSUANT TO A CLAIM OF EXEMPTION FROM FEDERAL REGISTRATION UNDER SECTION 3(a)(4) OF THE SECURITIES ACT OF 1933, AS AMENDED. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS NOT BEEN FILED WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION ("SEC").

THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT DETERMINED THE ACCURACY, ADEQUACY, TRUTHFULNESS, OR COMPLETENESS OF THIS DOCUMENT AND HAVE NOT PASSED UPON THE MERIT OR VALUE OF THESE SECURITIES, OR APPROVED, DISAPPROVED OR ENDORSED THIS OFFERING. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THESE SECURITIES ARE NOT SAVINGS OR DEPOSIT ACCOUNTS OR OTHER OBLIGATIONS OF A BANK AND ARE NOT INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION ("FDIC"), THE SECURITIES INVESTOR PROTECTION CORPORATION ("SIPC"), ANY STATE BANK OR INSURANCE FUND OR ANY OTHER GOVERNMENTAL AGENCY. THE PAYMENT OF PRINCIPAL AND INTEREST TO AN INVESTOR MAY BE CONSIDERED RISKY AND SPECULATIVE AND IS DEPENDENT UPON OUR FINANCIAL CONDITION. ANY PROSPECTIVE INVESTOR IS ENTITLED TO REVIEW OUR AUDITED FINANCIAL STATEMENTS, WHICH SHALL BE FURNISHED AT ANY TIME DURING OUR BUSINESS HOURS UPON REQUEST.

THESE SECURITIES ARE NOT OBLIGATIONS OF, NOR GUARANTEED BY, ANY OF OUR OTHER AFFILIATES, OR BY ANY CHURCH, CONFERENCE, INSTITUTION OR AGENCY.

NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION IN CONNECTION WITH THIS OFFERING OTHER THAN THOSE CONTAINED IN THIS OFFERING CIRCULAR AND IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED ON AS HAVING BEEN MADE BY CDF. INVESTORS SHOULD READ THIS OFFERING CIRCULAR, ANY AMENDMENT OR SUPPLEMENT TO THIS OFFERING CIRCULAR AND THE RELEVANT INVESTMENT RATE SHEET CAREFULLY BEFORE INVESTING.

THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, APPLICABLE STATE SECURITIES LAWS, OR PURSUANT TO REGISTRATION OR AN EXEMPTION THEREFROM. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISK OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

INVESTORS ARE ENCOURAGED TO CONSIDER THE CONCEPT OF INVESTMENT DIVERSIFICATION WHEN DETERMINING THE AMOUNT OF CERTIFICATES THAT WOULD BE APPROPRIATE FOR THEM IN RELATION TO THEIR OVERALL INVESTMENT PORTFOLIO AND PERSONAL FINANCIAL NEEDS.

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE DISCLOSURES, MERITS AND RISKS INVOLVED.

STATE SPECIFIC INFORMATION

WHO SHOULD READ THIS SECTION?

Investors in the states listed in this section. These states:

- gives investors certain legal rights with regard to investments,
- require us to disclose certain information to investors, OR
- limit the features of Certificates we can offer in the state.

If you are not an investor in one of these states, this information will not apply to you.

ALABAMA

These securities are offered pursuant to a claim of exemption from registration under section 8-6-10(8) of the Alabama Securities Act.

CALIFORNIA

The offering of Certificates described in this Offering Circular has been authorized by a qualification by permit granted by the Commissioner of Financial Protection and Innovation. The Certificates have not been recommended or endorsed by the Commissioner of Financial Protection and Innovation.

Any reinvestment of Certificates by investors in California can only be made if there is a currently effective qualification or an exemption therefrom.

We will provide California investors with at least 30 days prior written notice of the maturity date, then-existing interest rate information, and a copy of the then-existing Offering Circular (if different than this Offering Circular). You may elect to not renew your Certificate by providing us with your written notice prior to your Certificate's maturity date. If we receive your notice, we will pay you the funds due on your Certificate upon its maturity. If we do not receive your notice, your Certificate will renew at the then-existing terms and interest rate.

IT IS UNLAWFUL TO CONSUMMATE A SALE OR TRANSFER OF THE CERTIFICATES, OR ANY INTEREST THEREIN, OR TO RECEIVE ANY CONSIDERATION THEREFOR, WITHOUT THE PRIOR WRITTEN CONSENT OF THE COMMISSIONER OF FINANCIAL PROTECTION AND INNOVATION OF THE STATE OF CALIFORNIA, EXCEPT AS PERMITTED IN THE COMMISSIONER'S RULES. (See a copy of Rule 260.141.11 attached as an exhibit to this Offering Circular.)

FLORIDA

These securities have not been registered with the Florida Division of Securities and Investor Protection.

KENTUCKY

These securities are issued pursuant to a claim of exemption from registration under section KRS 292.400(9) of the Kentucky Securities Act.

LOUISIANA

We do not sell securities that are payable on demand in the State of Louisiana. Therefore, Flex Certificates offered in Louisiana have a one-year term and are not subject to an early redemption fee.

We will provide Louisiana investors with at least 30 days prior written notice of the maturity date, then-existing interest rate information, and a copy of the then-existing Offering Circular (if different than this Offering Circular). If you do not desire to renew your Certificate, you must provide us with written notice of your intent not to renew on or prior to your Certificate's maturity date. If we do not receive such notice, your Certificate will renew at the then-existing terms and interest rate. If we receive such notice, we will pay you the funds due on your Certificate upon its maturity.

THESE SECURITIES HAVE BEEN REGISTERED WITH THE SECURITIES COMMISSIONER OF THE STATE OF LOUISIANA. THE SECURITIES COMMISSIONER, BY ACCEPTING REGISTRATION, DOES NOT IN ANY WAY ENDORSE OR RECOMMEND THE PURCHASE OF ANY OF THESE SECURITIES.

MICHIGAN

THESE SECURITIES ARE OFFERED PURSUANT TO A REGISTRATION ORDER ISSUED BY THE STATE OF MICHIGAN. THE STATE OF MICHIGAN DOES NOT RECOMMEND OR ENDORSE THE PURCHASE OF ANY SECURITIES, NOR DOES IT PASS UPON THE TRUTH, MERITS, OR COMPLETENESS OF ANY PROSPECTUS OR ANY OTHER INFORMATION FILED WITH THIS STATE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

MISSOURI

The Missouri Securities Division has not in any way passed upon the merits or qualifications of the securities hereby offered or passed upon the accuracy or adequacy of this offering circular. These securities have not been registered under the Missouri Securities Act under the exemption provided by Section 409.2-201(7)(b) of the Revised Statutes of Missouri. No approval has been given to the issuer, these securities, or the offer or sale thereof in connection to any Missouri residents.

OREGON

We will provide Oregon investors with at least 30 days prior written notice of the maturity date of maturing Certificates, then-existing interest rate information, and a copy of the then-existing Offering Circular (if different than this Offering Circular). You may elect to not renew your Certificate by providing us with your written notice prior to your Certificate's maturity date. If we receive your notice, we will pay you the funds due on your Certificate upon its maturity. If we do not receive your notice, your Certificate will be converted to a Flex Certificate, which is payable on demand (within 60 days of your request) and earns a variable interest rate determined periodically. The interest rate in effect at the time of renewal may be higher or lower than the Certificate's previous interest rate.

PENNSYLVANIA

It is the position of the Pennsylvania Department of Banking and Securities that indemnification in connection with violations of the securities law is against public policy and void.

This offering and investment in the securities offered in this offering are subject to risks. A description of certain of those risks is described in this Offering Circular beginning on page 2.

If you are a resident of the State of Pennsylvania, under section 207(m) of the Pennsylvania Securities Act of 1972, you may elect, within two (2) business days after your receipt of this Offering Circular and your initial payment for your investment, to withdraw your purchase of these securities and receive a full refund of all monies paid by you. Your withdrawal will be without further liability to any person. To accomplish this withdrawal, you need only send us a written notice (which may be by facsimile or electronic mail) indicating your intention to withdraw.

A registration statement with regard to the securities has been filed with the Pennsylvania Department of Banking and Securities in Harrisburg, Pennsylvania. The registration statement contains certain exhibits or other documents only summarized or alluded to in this Offering Circular. These additional documents are available for inspection at the Offices of the Pennsylvania Department of Banking and Securities during regular business hours. The address of the Pennsylvania Department of Banking and Securities is PA Dept. of Banking and Securities, 17 N. 2nd St., Suite 1300, Harrisburg, Pennsylvania 17101, and the phone number is 717-787-8059.

In this offering, our securities will be sold in Pennsylvania only to persons who we determine to be in the Limited Class of Investors as set forth under the heading "Limited Class of Investors" above and on page 12. For purposes of sales in the State of Pennsylvania, the term "family members" when used in connection with the Limited Class of Investors means any child, stepchild, grandchild, parent, stepparent, grandparent, spouse, aunt, uncle, sibling, mother-in-law, father-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, or as such term may be amended under applicable laws of the State of Pennsylvania.

SOUTH CAROLINA

Demand securities are not available for sale in the State of South Carolina. Therefore, Flex Certificates offered in South Carolina have a one-year term. Investors will not have the right to redeem a Flex Certificate in South Carolina before its maturity. However, we may allow early redemption on any Certificate we sell and we do not assess an early redemption fee on Flex Certificates sold to South Carolina residents. Flex Certificates owned by South Carolina residents will automatically renew for successive one-year terms upon maturity in the same manner as Time Certificates as described on page 9 under the heading "Time Certificates – Renewal and Redemption at Maturity."

The failure to pay either principal or interest when due shall constitute an event of default. The default in payment of principal or interest on any one security of an issue sold to an investor in South Carolina shall constitute a default of the entire issue sold to investors in South Carolina.

South Carolina holders of securities in default shall have the right to a list of names and addresses of all South Carolina holders of that issue of securities in default. South Carolina holders of securities in default of not less than twenty-five percent (25%) in principal amount of the outstanding issue in default shall have the right to declare such entire issue due and payable.

SOUTH DAKOTA

These securities are offered pursuant to a claim of exemption from registration under SDCL 47-31b-201(7)(b) of the South Dakota Securities Act. Neither the South Dakota Division of Insurance nor the SEC has passed upon the value of these securities, made any recommendations as to their purchase, approved or disapproved the offering, or passed upon the adequacy or accuracy of this Offering Circular. Any representation to the contrary is unlawful.

VIRGINIA

These securities are issued pursuant to a claim of exemption from registration under Section 13.1-514.1.b of the Virginia Securities Act or other available exemption under Section 13.1-514 of the Virginia Securities Act.

WASHINGTON

We will provide Washington investors with at least 30 days prior written notice of the maturity date of maturing Certificates, then-existing interest rate information, and a copy of the then-existing Offering Circular (if different than this Offering Circular). If you wish to renew your Certificate for a longer term, you must affirmatively elect to reinvest by providing us with written notice prior to the Certificate's maturity date. If we do not receive your notice, we will pay you the funds due on your Certificate upon maturity. If we do receive your notice, your Certificate will be renewed as requested. The interest rate in effect at the time of renewal may be higher or lower than the Certificate's previous interest rate.

ABOUT THIS OFFERING CIRCULAR

WHY SHOULD I READ THIS OFFERING CIRCULAR?

We want you to make an informed decision about your investment in our Certificates. This Offering Circular includes important information about us, our Certificates, and our operations to help you make that important informed decision.

Date of Information. Unless another time is specified, the information in this Offering Circular is current as of May 1, 2025. Our audited consolidated financial statements and related footnotes contain financial information for our fiscal years ended December 31, 2024, 2023, and 2022 (the **"Audited Financial Statements"**) and are included as an attachment to this Offering Circular. Please also see the accompanying Independent Auditor's Report dated March 11, 2025. Because events that occur after those dates may affect us or the circumstances surrounding this offering, you should not assume that the information in this Offering Circular or in our Audited Financial Statements is accurate as of any later date.

Fiscal Year. Our fiscal year commences on January 1st and ends on December 31st.

Right to Change Policies. At various points in this Offering Circular, we describe our policies, such as our loan policies described on page 14 and our investment policies described on page 18. These descriptions are intended to help you understand our current operations. We reserve the right to change our policies and procedures in the future, including our loan and investment policies.

Consult Your Own Advisors. The information in this Offering Circular is not intended to be legal, investment, tax, or other advice. Each investor's unique circumstances—financial and otherwise—are important factors in determining the consequences of an investment in our Certificates. For information about the legal, investment, or tax consequences of investing in our Certificates, you should consult your own attorney, accountant, investment advisor, or other advisor.

Information Not in this Offering Circular. From time to time, we may distribute advertising materials through Qualified Ministries, make audio and video presentations at Qualified Ministries, publish advertisements in national religious publications and on related websites, and mail literature to potential investors. We also provide information on or through the CDF Website about our Certificates, including interest rates. We have not, however, authorized anyone to give any information or make any representation with regard to this offering or any Certificate that is inconsistent with the information in this Offering Circular. You should not rely on any information or representation that is contrary to the information in this Offering Circular, including the Investment Rate Sheet.

Forward–Looking Statements. This Offering Circular contains forward-looking statements about our plans, strategies, objectives, goals, and expectations. These forward-looking statements are identifiable by words or phrases indicating that we "expect," "anticipate," "project," "plan," "believe," or "intend" that a particular event may or will occur in the future or similarly stated expectations. Forward-looking statements are based on our present intentions, expectations, and assumptions and are subject to many factors, including the risk factors beginning on page 2 and other information contained in this Offering Circular that could cause actual results to differ materially from the stated expectations. We undertake no obligation to update or revise any forward-looking statements to reflect developments or information obtained after the date of this Offering Circular.

SUMMARY

About Us. We are a California non-stock, nonprofit religious corporation that was incorporated in 1953. We are associated with Christian Churches and other ministries within the definition of Qualified Ministries. We are recognized as a tax-exempt nonprofit corporation organized and operated for religious purposes under Section 501(c)(3) of the Internal Revenue Code. For more information, see "About Us" on page 6.

Our Certificates. Our Certificates are categorized generally as Time Certificates or Flex Certificates (as described below). All of our Certificates have these key characteristics:

- We have the right to redeem your Certificate at any time;
- Certificates are not transferable without our permission;
- Certificates are unsecured subordinated debt obligations of CDF; and
- Certificates are not FDIC or SIPC insured, not a bank deposit, and not guaranteed by any affiliate of CDF or any other person.

Time Certificates generally have these key characteristics (see "Our Certificates" beginning on page 7):

- Terms between one and five years;
- Minimum initial investment of $5,000;
- Interest rates are set at time of purchase based on amount and length of investment;
- Interest rates are subject to our Adjustment Right (as described on page 9);
- Automatic renewal upon maturity unless redeemed by you (unless prohibited by applicable law); and
- Early redemption fee if redeemed prior to maturity (unless prohibited by applicable law).

Flex Certificates generally have these key characteristics (see "Our Certificates" beginning on page 7):

- No fixed term or maturity period (unless prohibited by applicable law);
- Minimum initial investment of $250; and
- Variable interest rates subject to periodic adjustments.

Some of our Certificates may have differing interest rates and other terms, including, but not limited to, the following:

- ***Custodial Time Certificates*** are held as Time Certificates for the benefit of minors under the California Uniform Transfers to Minors Act and have a minimum initial investment of $500).
- ***Special Certificates*** are offered periodically as Time or Flex Certificates with various terms and at a generally higher interest rate than our standard Certificates.
- ***Presidential Certificates*** are Time Certificates and Flex Certificates available to investors with total aggregate investments equal to $250,000 or more and at a generally higher interest rate than our standard Certificates.
- ***Retirement Certificates*** are Flex Certificates and certain Time Certificates that are held in Individual Retirement Accounts, with minimum initial investments of $250 for Flex Certificates and $5,000 for Time Certificates.
- ***Pension Maximizer Retirement Certificates*** are Time Certificates and Flex Certificates available for a 403(b) or other retirement plan.
- ***Ministry Reserve Certificates*** are Time Certificates and Flex Certificates available exclusively to Qualified Ministries and have a minimum initial investment of $25,000.

For more information, see "Our Certificates" beginning on page 7.

Use of Proceeds. We are offering and selling our Certificates to raise money principally to make loans to Qualified Ministries. For more information, see "Use of Proceeds" on page 6.

Our Loans. We offer a variety of loans, including mortgage loans, construction loans and lines of credit, primarily to Qualified Ministries. Our borrowers generally use these loans to buy land and to purchase, improve and/or build buildings and other facilities. For more information, see "Our Loans" beginning on page 14.

Limited Class of Investors. We sell our Certificates only to a Limited Class of Investors. This means investors who certify in their Purchase Application that they are, before receiving this Offering Circular, members of, contributors to, or participants in a Qualified Ministry, CDF, or in any program, activity or organization which constitutes a part of a Qualified Ministry or CDF, or in other religious organizations that have a programmatic relationship with a Qualified Ministry or CDF. We, in our sole discretion, may determine that a person is not in the Limited Class of Investors, and we reserve the right to refuse to offer or to issue any Certificate to any person or entity. For more information, see "Limited Class of Investors" on page 12.

How to Purchase a Certificate. After you have read this Offering Circular, if you would like to purchase a Certificate, please complete the Standard Purchase Application and Agreement (may be used for any investment) or the Simplified Purchase Application and Agreement (may be used for joint or individual investments). These applications may also be found by accessing the CDF Website (each, a "**Purchase Application**"). There may be other forms and agreements to complete if the purchase is through an Individual Retirement Account ("**IRA**") or retirement plan. Follow the procedures described under the heading "How to Purchase a Certificate" on page 13.

THIS OFFERING AND AN INVESTMENT IN THE SECURITIES OFFERED IN THIS OFFERING ARE SUBJECT TO RISKS. A DESCRIPTION OF CERTAIN OF THESE RISKS IS SET FORTH IN THIS OFFERING CIRCULAR BEGINNING ON PAGE 2.

THIS PAGE WAS INTENTIONALLY LEFT BLANK

SUMMARY CONSOLIDATED FINANCIAL INFORMATION

(All dollar figures are rounded to the nearest $1,000)

As of December 31, 2024		
ASSETS		
Cash and cash equivalents	$	37,169,000
Investments		40,112,000
Loans receivable held for investment, net [(1)]		503,508,000
Real estate		12,225,000
Real estate held for lease, net		8,899,000
Other assets		9,698,000
Total assets	$	611,611,000
LIABILITIES		
Accounts payable and accrued expenses	$	1,218,000
Debt securities		554,244,000
Other liabilities		1,172,000
Total liabilities		556,634,000
NET ASSETS		
Without donor restrictions		53,086,000
With donor restrictions		1,891,000
Total net assets		54,977,000
Total liabilities and net assets	$	611,611,000

For the year ended December 31, 2024		
Net operating income	$	1,079,000
Total nonoperating income and expenses, net		(37,000)
Change in net assets without donor restrictions		1,042,000
Change in net assets with donor restrictions		31,000
Total change in net assets	$	1,073,000
Net cash from operating activities	$	(1,545,000)
Net cash from investing activities	$	(10,120,000)
Net cash from financing activities	$	27,579,000

(1) Loans receivable balance is reported net of the allowance for credit losses on loans.

The above Summary Consolidated Financial Information is derived from and should be read in conjunction with our Audited Financial Statements.

As of December 31, 2024, our net assets were approximately 9.0% of our total assets. As of December 31, 2024, our cash, cash equivalents, readily marketable securities and available line of credit (up to 2% of our Certificates payable) represented approximately 15.9% of our Certificates payable.

As of December 31, 2024, there was one loan classified as delinquent with past due principal and/or interest payments greater than 90 days, which loan constituted approximately 0.6% of our total loans receivable held for investment.

As of December 31, 2024, we had no unsecured loans. During the fiscal year ended December 31, 2024, our investors redeemed Certificates in cash in the total principal amount of $95,649,000.

RISK FACTORS

(All dollar figures are rounded to the nearest $1,000)

FINANCIAL RISKS

Our earnings may be at risk due to the uncertainty of changing interest rates. Our earnings are directly linked to our ability to effectively manage interest rate risk. As a lender of money and an issuer of debt securities, we are subject to interest rate exposure as well as mismatches in duration between loans and debt securities. Most of our term loans are made with maturities of approximately 5 years, with an interest rate reset period(s) prior to maturity, are amortized up to 30 years, and are often refinanced by us at maturity at then-prevailing interest rates. The nature of our loan terms can result in longer durations of our loans than our debt securities which have comparatively shorter durations. The interest rates attributable to loans and debt securities may move in the same direction but will differ in magnitude. The shorter durations of our debt securities will cause them to adjust more rapidly to changing interest rates when compared to our loans. Interest rate exposure and mismatches in duration contribute to volatility in net interest income, particularly in the current inflationary environment. Net interest income is the interest earned primarily from loans less the interest paid on debt securities. Changes in the level or shape of the interest-rate yield curve, and our ability to respond to changes could have a material impact on our net interest income and overall earnings.

The market value of our investment portfolio may decrease. Funds we receive from investors in this offering may be invested by us until they are used for the purposes described in this Offering Circular. See "Use of Proceeds" on page 6. As of December 31, 2024, our investment portfolio was approximately $77,281,000, of which $40,112,000 was invested in certificates of deposits, corporate debt securities, and residential mortgage-backed securities with original maturities greater than 90 days, and $37,169,000 was held in short-term funds classified as cash and cash equivalents on our balance sheet. These investments may be subject to short-term, possibly significant, reductions in value. Downward fluctuations in our investments could have a material adverse impact upon our liquidity, which could affect our ability to pay interest and principal on the Certificates when due. In addition, changes in market conditions, changes in interest rates, and changes in the market's view of the securities in our investment portfolio could all contribute to a decrease in the market value of our investment portfolio. See "Investment Activities" on page 18.

Future requests to redeem Certificates could exceed our available funds. As of December 31, 2024, approximately $347,316,000 (approximately 63%) of the Certificates outstanding are due on demand or will mature during 2025. Approximately $24,075,000 of our loans receivable held for investment are contractually scheduled to mature during fiscal year 2025. Currently, our policy is to keep liquid funds and available unused line of credit borrowing (up to 2% of outstanding Certificates) equal to at least 8% of the outstanding principal amount of our Certificates as of the end of each fiscal year. Historically, most of our maturing Certificates have been renewed or rolled over into new Certificates with CDF, particularly Retirement Certificates which historically have low redemption rates. The percentages of our renewals and reinvestments of Certificates relative to maturing Certificates in the past three fiscal years were approximately 84%, 73%, and 69% for 2024, 2023, and 2022, respectively. Although we have been able to pay all requests to redeem Certificates in the past, this historical redemption rate may not continue and future redemption requests could exceed our available liquid funds. If this happens, we might be required to sell or liquidate assets, including our loans receivable held for investment. We cannot assure you that the proceeds from any sale or liquidation of assets would cover all requests to redeem our Certificates. See "Recent Sales and Redemptions" on page 13 for further information on our Certificate sales, renewals, redemptions and amounts payable.

We face concentration of credit risks. Financial instruments that potentially subject us to concentration of credit risks consist principally of cash and cash equivalents, investments, loans receivable and debt securities. This includes deposits in banks and other financial institutions, which may exceed FDIC insurance limits. A significant portion of our investment portfolio is invested in certificates of deposit, which are issued by many financial institutions and are substantially insured by the FDIC. For more detailed information, see "Concentration of Credit Risk" in Note 2 of our Audited Financial Statements.

We may not be able to sell all of our properties for the amount we have estimated as their carrying value. We held five properties for sale with a total carrying value of $12,225,000 as of December 31, 2024, which were donated to us or received by deed-in-lieu of foreclosure. Our determination of the carrying value of these properties is based on a number of assumptions that are subject to economic and market uncertainties including, among others, demand for special purpose properties and costs to complete. As these factors are difficult to predict and are subject to future events that may alter our assumptions, the carrying values we have estimated may not be achieved. If this occurs, we may be required to recognize future impairment losses on one or more properties.

We may not be able to obtain or maintain a line of credit. As of December 31, 2024, we had a line of credit with CrossFirst Bank (**"CFB"**) with a total credit line limit up to $20,000,000 and a maturity date of June 13, 2026. As of December 31, 2024, there was no outstanding balance on this line. A line of credit is important for cash flow and liquidity purposes. In the event that we cannot maintain a line of credit or meet the conditions for a draw on our line of credit, our liquidity could be negatively affected and this could have a material adverse effect on our ability to repay our Certificates. No assurance can be given that new investments in our Certificates, loan sales, loan participation sales, loan payoffs, or other efforts will generate sufficient funds to sustain our projected loan funding budgets. See "Other Financing Activities – Borrowed Indebtedness" on page 19.

Assets we hold as trustee are not available for payment of our creditors, including investors in our Certificates. As of December 31, 2024, we held $283,000 in investments held for the benefit of trustors under charitable remainder trusts. These investments are held by us as trustee for the benefit of the trustors and cannot be used to repay any Certificates.

Contributions and bequests vary from year to year and could decline in future years. We have experienced annual variations in contributions and bequests over the past three years. During the fiscal years ended December 31, 2024, 2023, and 2022, we received unrestricted contributions and bequests totaling $1,429,000, $112,000, and $662,000, respectively. A material reduction in the contributions and bequests we receive could impair our ability to increase net assets in future years, which could negatively impact our ability to repay our Certificates. See "Other Financing Activities – Contributions and Bequests" on page 19.

Economic conditions may not always be favorable. The overall economy, credit markets, and financial conditions experience significant disruption and volatility from time to time. These economic conditions may persist or worsen and may affect our borrowers' ability to make loan payments in accordance with the original terms of their loans and may cause material increases in loan delinquencies. In accordance with our loan policies, we may enter into forbearance agreements, modify the terms of the loans, pursue deeds-in-lieu of foreclosure, initiate foreclosure proceedings against delinquent borrowers, and take such actions we deem appropriate to protect our interest in our loans. Our experience has been favorable in carrying out these types of arrangements. If our borrowers are unable to make timely payments on their loans, however, our ability to repay our Certificates could be materially adversely affected.

CERTIFICATE RISKS

Our Certificates are unsecured general debt obligations of CDF. We have not pledged any assets as collateral to secure payment of the Certificates when due. Therefore, as a Certificate holder, you will have no greater claim to our assets than the claims of our other unsecured creditors, including other Certificate holders. You must rely solely on our financial condition and liquidity for payment of principal and interest on the Certificates.

Our Certificates could be subordinated to senior secured indebtedness. From time to time, we may pledge assets to secure loans we obtain from banks or other lenders. We have a line of credit with CFB. As of December 31, 2024, there was no outstanding balance on this line. As a condition to our line of credit, we are required to provide CFB with a first priority security interest in all of our assets as collateral. See "Other Financing Activities – Borrowed Indebtedness" on page 19. Because our Certificates are unsecured, our secured lender(s) will have the right to be paid from our assets that are pledged to them before you and other Certificate holders. It is our current policy to limit the amount of our senior secured indebtedness to no more than 10% of our total tangible assets.

We have not established a trust indenture for Certificate holders. Among other things, trust indentures provide for a trustee to monitor the affairs of securities issued on behalf of the securities holders and often give investors the right to act jointly if the issuer fails to pay investors. Because we do not plan to establish a trust indenture, you will have neither of these protections nor any other protections trust indentures provide to investors.

We have not established an escrow or created a sinking fund to help pay principal and interest on the Certificates. Offering proceeds will not be placed in escrow or otherwise segregated from our other assets. Our ability to pay principal and interest on your Certificate will depend solely upon our financial condition and liquidity at the time the payment is due. Currently, our policy is to keep liquid funds and available unused line of credit borrowing (up to 2% of outstanding Certificates) equal to at least 8% of the outstanding principal amount of our Certificates as of the end of each fiscal year. As of December 31, 2024, we had $77,281,000 in liquid assets comprising of cash, cash equivalents, and readily marketable securities and $20,000,000 in available unused line of credit.

You may not transfer our Certificates. Our Certificates are not transferable without our consent, except upon the Certificate holder's death or by operation of law. See "Our Certificates – Transfer of Certificates" on page 7 and "State Specific Information" beginning on page ii. Because they cannot be transferred, there is no public market for our Certificates, nor is it likely that one will develop. You should, therefore, consider the purchase of a Certificate as an investment for the full term of the Certificate.

We are not required to redeem a Time Certificate before it matures. As a matter of practice, we have historically allowed a redemption request of a Time Certificate prior to its maturity upon a showing of need by an investor. We anticipate that we will continue to do so, but no assurance can be given that CDF will be able to continue this practice. If we do allow an early redemption request, we may assess a redemption fee. See "Time Certificates – Early Redemption" on page 9.

None of our affiliates have guaranteed payment of our Certificates. Therefore, you must rely solely on CDF for interest and principal payments on the Certificates.

We reserve the right to decrease the fixed interest rates of our Time Certificates with 30 days prior written notice pursuant to our Adjustment Right. During that 30-day period, you may choose to redeem all or part of your investment without an early redemption fee being assessed. If we exercise this right, any decrease in fixed interest rates will be applied uniformly to all similar Time Certificates. See "Our Certificates – Interest Rates" on page 7.

We may require that you give us 60 days' notice prior to any redemption request. If we were to exercise this notice requirement, funds from your Certificate would not be immediately available to you. Therefore, you may be unable to access funds when you need them or in the event of an emergency or other event of hardship. See "Our Certificates – Redemption of Certificates by You" beginning on page 7.

We may redeem any outstanding Certificates at any time. Interest will be paid to you up to the date of redemption. See "Our Certificates – Redemption of Certificates by Us" on page 7.

Time Certificates automatically renew at maturity if not redeemed. Our Time Certificates automatically renew at maturity for an additional term if not redeemed by you prior to maturity (except in certain states where investors must affirmatively elect to renew, as provided in "State Specific Information" beginning on page ii). For example, a Time Certificate with a three-year term will automatically renew for another three-year term. To redeem a Time Certificate when it matures, you must follow our redemption procedures. See "Our Certificates – Redemption of Certificates by You" beginning on page 7 and "Renewal and Redemption at Maturity" on page 9.

Upon automatic renewal of your Time Certificate, your interest rate may decrease. If your Time Certificate automatically renews at maturity, it will renew for the same term and at the interest rate then in effect for that type of Time Certificate. Therefore, it is possible that the interest rate paid to you may decrease without further notice upon an automatic renewal of your Time Certificate. See "Renewal and Redemption at Maturity" on page 9. If your maturing certificate does not meet the minimum balance requirement for that type of Certificate it will be converted to a Flex Certificate at maturity, which may have a lower interest rate.

Certificates are not bank instruments, protected by SIPC, or FDIC insured. Our Certificates are not bank deposits. They are neither issued by, nor obligations of, a bank. Therefore, they are not FDIC insured. In addition, they are not protected by the SIPC. Accordingly, our Certificates are not afforded the protections available to bank deposits and brokerage accounts. Further, the risks of investment in our Certificates may be greater than implied by relatively low interest rates on our Certificates.

Changes in state laws, policies or practices may affect our ability to sell our Certificates. While we intend to keep all required registrations and exemptions in states where we offer our Certificates, we may not always be able to do that for a variety of reasons, including changes in state securities laws, policies or practices. If we are unable to maintain the appropriate registrations or exemptions in one or more states, we would be unable to permit residents of those states to reinvest the proceeds of their Certificates at maturity, make additional investments in Certificates, or purchase new Certificates.

There are tax consequences associated with an investment in our Certificates. Interest paid or payable on each Certificate will normally be taxable as ordinary income to the holder regardless of whether interest is paid, allowed to accumulate, or eligible to be donated unless the holder is a tax-exempt organization. You cannot claim a charitable tax deduction for the purchase of your Certificate. We may be subject to certain reporting and withholding requirements as are other interest payers. You are urged to consult your tax advisors with respect to your own tax situation and the effects of an investment in our Certificates. In general, tax laws, rules and procedures are extremely complex and subject to change, which in some cases may have a retroactive effect. See "Tax Considerations" on page 23.

We expect to sell additional Certificates in other offerings. The Certificates to be offered or sold under this offering are not a limitation on the amount of Certificates we may sell in other offerings we may conduct at any time. We have sold our Certificates in other offerings in prior years and anticipate that we will continue to make additional offerings of our Certificates.

There may be special risks if you are an employee benefit plan investing in our Certificates. Special rules apply to prospective investors which are employee benefit plans within the meaning of Title I of the Employee Retirement Income Security Act of 1974, as amended (**"ERISA"**). Neither CDF nor anyone associated with CDF is making any representation or giving any advice regarding the suitability of an investment in our Certificates by a plan under ERISA. Further, CDF does not sell Certificates to benefit plan investors that, to CDF's knowledge, are subject to ERISA. See also "Pension Maximizer Retirement Certificate" on page 11.

Your access or use of the CDF Website or the CDF Mobile Application may be impacted by downtime and service interruption. We believe we have taken reasonable steps to create and maintain the CDF Website and the CDF Mobile Application. Difficulties with hardware, software, equipment, and services, however, may result in interruption or downtime of all or a portion of the CDF Website and the CDF Mobile Application. It is also possible that some or all of the CDF Website, the CDF Mobile Application, their respective content and their respective functionalities may be corrupted and unusable due to the presence of "bugs" in software, viruses, malware, or other causes. We cannot provide you any assurance that the CDF Website or the CDF Mobile Application will be error free or will always be available for your use. For more information about the CDF Website and the CDF Mobile Application, see "CDF Digital Access" on page 12.

We do not control the outside vendors or service providers that we use to provide certain functionalities available on the CDF Website or the CDF Mobile Application. We use the services of third-party technology service providers in connection with some of the functionalities provided through the CDF Website and the CDF Mobile Application, such as the ability for you to electronically process your investment and redemptions. We may provide, or you may be asked to provide, certain personal information about you to these providers, such as information to verify your identity. We cannot make any assurance, however, that such providers will comply with our requirements, or that "hackers" or other perpetrators will not gain access to such providers' systems or your information or will not engage in improper conduct with respect to your information, such as committing identity theft or other fraudulent, illegal or improper activity.

We face cyber threats and cybersecurity risks that could have a material adverse effect on us, our operations, you and your investments. Cyber threats are rapidly evolving and we may not be able to anticipate or prevent all such threats. The CDF Website, the CDF Mobile Application, our computer systems and our network infrastructure are not immune to cyber-attacks, including denial of service attacks, hacking, terrorist activities, identity theft and other fraudulent, illegal or improper activity perpetrated by third parties. Despite our efforts, we will not be able to anticipate all security breaches of these types and we cannot make any assurance that such perpetrators will not gain such access or that such perpetrators will not engage in improper conduct with respect to our systems or your information or investments. A successful penetration or circumvention of our security could cause material negative consequences, including significant disruption of our operations, damage to hardware and software systems (including your hardware or software), misappropriation of our confidential or proprietary information, and theft of your funds, personal information or identity.

Our operations are subject to disruption from external factors that are wholly or partially beyond our control. These factors may include (without limitation): acts of God; natural causes such as earthquakes, hurricanes, tornadoes, severe weather conditions, and other natural disasters or causes; fire and floods; electrical, telecommunications, or other utility outages; computer viruses and malware; labor strikes; events or uncertainty arising from local, regional or international politics; an outbreak of a widespread epidemic or pandemic of disease (or widespread fear thereof); riot, war and terrorism; and unlawful acts of third parties, such as theft, arson and vandalism. Any of these factors could have a material adverse effect on our operations, including our ability to make loans, our ability to collect our receivables and the value of the collateral we hold, and our ability to make payments on your Certificates.

Investments by or through a retirement account or benefit plan may have unique risks and other considerations. If an investment is made by or through an IRA, SEP, 403(b) plan, or other retirement or benefit plan, you should consider, at a minimum, (a) whether the investment is in accordance with the documents and instruments governing the IRA, plan or other account, (b) whether the investment satisfies the fiduciary requirements, if any, associated with the IRA, plan or other account, (c) the tax impact or ramifications applicable to an investment made by or through an IRA, plan or other account, (d) whether there is sufficient liquidity in the applicable investment holdings of the IRA, plan or other account, (e) the potential need to value the assets of the IRA, plan or other account annually or more frequently, and (f) whether the investment would constitute a non-exempt prohibited transaction under applicable law. You should consult with a financial and tax adviser before making an investment by or through an IRA, SEP, 403(b) plan, or other retirement or benefit plan.

LENDING RISKS

The nature of our borrowers could affect our ability to pay our Certificates. We make loans primarily to Qualified Ministries in accordance with our lending guidelines. See "Our Loans – Loan Policies" beginning on page 14. To repay us, our borrowers rely primarily on donations that they receive from their members. The number of members and amount of donations each borrower receives may vary. Contributions may fluctuate for any number of reasons, including, but not limited to, the strength of the economy, attendance of members at borrowers' services, the health of local employers, and population shifts in the region in which our borrowers are located. If our borrowers are unable to make timely payments on their loans, our ability to make payments on our Certificates could be materially adversely affected.

Foreclosure may not be an adequate remedy. If a borrower defaults on a loan, CDF generally does not foreclose immediately on the loan but instead attempts to work with the borrower to try to resolve the borrower's difficulties in repaying the loan. In some circumstances, this may involve restructuring or refinancing the loan. In other circumstances, we may take a deed to the property in lieu of foreclosure. We generally maintain our legal right to foreclose at any time during the workout or restructuring process. See "Property Received in Lieu of Foreclosure or Foreclosure" on page 17. Property securing our loans is generally real estate used primarily by churches or parachurch organizations. In some cases, such property may be considered special purpose or single purpose property, which has a limited market. If we make a loan that defaults, there can be no assurance that the value of the real property that secures the loan will be adequate to fully repay the loan. If a default occurs, there may be substantial periods of time during which we will receive no payments in satisfaction of the loan. These events could materially adversely affect our ability to make payments on our Certificates.

Our borrowers typically will be subject to risks associated with construction. Many of our borrowers use our loans to construct new facilities or to improve standing facilities. If any of the following risks related to construction and improvement occur, it could have a material adverse effect on a borrower's ability to repay its loan by increasing construction costs or delaying or preventing completion of the project:

- The contractor may not post or prevent a completion bond.
- Completion may be delayed or prevented due to, among other things, shortages of materials or labor, strikes, acts of nature, delays in obtaining necessary building permits or architectural certificates, environmental regulations, increased costs due to the application of taxes or tariffs, or fuel or energy shortages
- The contractor's or the borrower's representations, on which we rely, may turn out not to be accurate.
- The borrower and its contractor may not sign a fixed-price construction contract.

The value of property securing our loans could be less than we believe. For the majority of our loans, we require an appraisal, broker's opinion, or other valuation of the property before making the loan. Occasionally, however, we do not require such appraisals, broker opinions or other valuations on collateral. Therefore, the value of a secured property could be less than we believe. Similarly, the amount outstanding on a specific loan could be more than the value of the property securing it. See "Our Loans – Loan Policies" beginning on page 14.

We cannot be compared to a commercial lender. We have underwriting standards for our loans that we generally require borrowers to meet. We do, however, make loans to borrowers that may not be able to get financing from commercial lending sources. In addition, because of our relationship with our borrowers, our loan terms and collateral requirements may be more favorable to the borrower and we may allow for partial, deferred or late payments from some of our borrowers.

Not all loans that we make are secured. As of December 31, 2024, all of our loans receivable were secured by collateral. From time to time, however, we may make loans that are not secured by collateral. If an unsecured loan defaulted, we would have no recourse against specific collateral which could materially adversely affect our ability to recover the loaned funds. See "Outstanding Loans" beginning on page 15.

We face significant competition. We may face competition from commercial and private lenders, such as other church extension funds, mortgage funds and other people engaged in real estate lending activities. Some of these lenders will have substantially greater resources than we do or offer more favorable terms than we can offer. Our success will be largely dependent on our ability to find the most favorable opportunities in a competitive market, while avoiding the marginal prospects. There can be no assurance that lending opportunities will be available to us with favorable terms.

There are significant risks associated with environmental compliance. Environmental laws often impose responsibility on the owner and operator of a site, without regard to culpability, for investigation and cleanup of hazardous substances and materials found on real property. Uncertainty as to whether properties which we have come to own are in compliance with such laws could materially adversely affect the value of such properties. Additionally, it is not possible to identify all instances of present or future compliance for properties that secure our loans. We may choose not to foreclose on property in certain circumstances because of environmental risks associated with the ownership of such property.

A significant amount of our loans receivable held for investment are concentrated in loans to borrowers with aggregate loan balances that exceed $10,000,000. As of December 31, 2024, 22% of loans receivable held for investment were made up of loans to eight borrowers with aggregate loan balances for each borrower exceeding $10,000,000. If borrowers on these loans fail to make timely payments, our ability to make payments on our Certificates could be materially adversely affected.

We may not be able to recover amounts we have loaned to international borrowers in the event of default. We made loans to two borrowers in Chile and Kosovo with a total outstanding principal balance of $3,565,000 as of December 31, 2024. All of our loans to international borrowers are secured by the underlying real estate. While we have taken reasonable steps to secure each of the loans made to international borrowers, in the event of default, we may not be able to recover the amounts we have loaned due to adverse actions that sovereign governments may take to seize property, prevent liquidation of property or prohibit the repatriation of funds back to us. We have not entered into any new international borrower relationships or made any international loans since 2010. We do not have any current plans to make additional international loans.

Our borrowers may be concentrated in particular geographic regions. As of December 31, 2024, borrowers in California, Arizona, Florida, Georgia, Ohio, Colorado, and Oregon represented approximately 25%, 9%, 7%, 7%, 6%, 5% and 5%, respectively, of the outstanding principal balance of our total loans held for investment. No other state was 5% or more of the total outstanding principal balance of our loans held for investment. Concentrations of borrowers in particular geographic regions may result in higher delinquent loans or credit losses if those regions are disproportionately impacted by significant adverse economic conditions. See "Our Loans – Outstanding Loans – Loans Held for Investment" on page 16.

USE OF PROCEEDS

We are offering up to $750,000,000 of Certificates. We will not pay any direct or indirect underwriting, sales or similar fees or commissions in connection with this offering. After we pay expenses associated with this offering, which we believe will be less than $200,000, we will receive the remaining proceeds from the sale of our Certificates.

We plan to use the proceeds that we receive from this offering to make loans primarily to Qualified Ministries for the acquisition, construction, and renovation of their facilities, and other related projects, as well as to finance existing debt incurred for these purposes. We also may use the proceeds to fund our operating costs, and, if necessary, to pay principal and interest on Certificates. The proceeds also may be used to help us achieve our policy of maintaining minimum liquid assets and, if any, available unused line of credit borrowing (up to 2% of outstanding Certificates) equal to at least 8% of our outstanding Certificates as of the end of each fiscal year. We expect to invest any remaining proceeds until needed for these purposes.

ABOUT US

CDF is a California non-stock, nonprofit religious corporation that was incorporated in 1953. We are recognized as a tax-exempt nonprofit corporation organized and operated for religious purposes under Section 501(c)(3) of the Internal Revenue Code. Our current principal place of business is located at 17701 Cowan, Suite 100, Irvine, CA 92614.

We are associated with Christian Churches or other ministries within the definition of Qualified Ministries. It is our principal purpose to encourage and aid the growth and spread of Christianity by offering financial and other assistance toward the establishment of Christian Churches or other ministries within the definition of Qualified Ministries. As of December 31, 2024, we had outstanding loans to borrowers located in 36 states.

We have offered our Certificates nationally and have sold certificates in all 50 states and the District of Columbia. We intend to offer and sell our Certificates under this Offering Circular in all 50 states and the District of Columbia to the extent permitted by applicable law.

CDF SUBSIDIARIES AND CONTROLLED ENTITIES

CDF wholly owns or controls the following companies:

- CDF Holdings, LLC. This nonprofit organization was formed by CDF to hold land and real property CDF may have purchased or obtained through various means, including foreclosure and conveyance in lieu of foreclosure. See "Property Received in Lieu of Foreclosure or Foreclosure" on page 17.
- Highway 119 Holdings, LLC. This nonprofit organization was formed by CDF for the purpose of acquiring certain real property received in lieu of foreclosure in Colorado. See "Property Received in Lieu of Foreclosure or Foreclosure" on page 17.
- CDF Benevolence Fund, LLC. This nonprofit organization was formed by CDF for the purpose of providing financial assistance to Christian Church ministers, missionaries and their families who face health or financial hardships.
- CDF Capital Foundation. This nonprofit corporation was formed by CDF to provide Christian churches, their congregations, institutions and agencies with a structure and options for charitable giving and assists these organizations in the development and management of charitable giving programs. As of December 31, 2022, CDF Capital Foundation is no longer providing these services.
- Kairos Legacy Partners. (**"Kairos"**). This nonprofit corporation was formed to work with leaders of churches that have reached a plateau, or are declining, and provide assistance in evaluating the future of such churches, providing a network of support and resources, and liquidating and reinvesting underutilized church assets.

RELATED PARTY TRANSACTIONS

(All dollar figures are rounded to the nearest $1,000)

Certain members of CDF's management and Board of Directors maintain senior positions at, or are otherwise associated with, churches or parachurch organizations that have borrowed from CDF or have purchased Certificates. CDF has extended these loans (**"Related Party Loans"**) and offered and sold Certificates (**"Related Party Certificates"**) to these related parties on substantially similar terms and conditions as comparable loans and Certificates made or sold to unaffiliated third parties. A majority of the disinterested members of CDF's Board of Directors approve material affiliated transactions including Related Party Loans, as established by our loan policy. Those transactions are conducted on terms that are no less favorable to CDF than the terms that could be obtained from unaffiliated third parties.

Related Party Loans had an aggregate principal balance of $17,613,000 and $17,913,000, and a weighted average interest rate of 4.8 and 4.8% per annum as of December 31, 2024 and 2023, respectively. Interest income on Related Party Loans for the fiscal years ended December 31, 2024, 2023, and 2022 was approximately $852,000, $867,000, and $872,000, respectively. Related Party Certificates had an aggregate outstanding balance of $6,795,000 and $7,472,000 and a weighted average interest rate of 3.9% and 2.7% per annum as of December 31, 2024 and 2023, respectively. Interest expense on Related Party Certificates for the fiscal years ended December 31, 2024, 2023, and 2022 was approximately $262,000, $201,000, and $141,000, respectively.

OUR CERTIFICATES

GENERAL TERMS

Our Certificates are categorized generally as Time Certificates or Flex Certificates, with different options and subcategories of those Certificates available as described below. Our Certificates are subject to the terms described under this section. You should review the state specific information applicable to your state, which may have terms that supersede the terms described under this section to the extent there is any inconsistency. See "State Specific Information" beginning on page ii.

Interest Rates

We set the interest rates on our Certificates periodically. The interest rates for Time Certificates are set at the time of original issuance and upon each renewal at maturity. These rates do not change during each applicable term of maturity, subject to our Adjustment Right as described under the heading "Adjustment Right" on page 9. The interest rates for Flex Certificates are variable and determined periodically.

The current interest rates for our Certificates are set forth on the Investment Rate Sheet. Interest rates may change before you purchase a Certificate. You should call us or visit the CDF Website for a current Investment Rate Sheet before you invest in any Certificate.

Interest Compounding

Interest on Certificates is accrued daily and compounds on a quarterly calendar basis.

Interest Payment Options

For all Certificates, you may choose, at the time of initial purchase or renewal at maturity, to have the interest earned on your Certificate paid monthly or quarterly by electronic funds transfer or added to the principal amount of your Certificate. We reserve the right to require that an aggregate of at least $25 of interest be earned and unpaid before we will pay out interest. If the amount of earned and unpaid interest is less than the minimum amount for pay out, then earned and unpaid interest will be added to the principal amount of your Certificate. Investors may, subject to a 60-day notice requirement reserved by CDF, request payment of any amount of interest of at least $25 previously added to the principal of their Time Certificate during the Certificate's current term, without redeeming the principal of the Certificate or being subject to any penalty. For a discussion of tax consequences regarding interest earned, see "Tax Considerations" on page 23.

Additions to Principal

Investors may make additions to the principal balance of their Flex Certificate by check, wire, or electronic funds transfer. Regular, automatic additions to the principal balance of any Flex Certificate can be made through CDFdirect. See "Special Investor Options-CDFdirect" on page 10.

Additions to the principal balance of a Time Certificate can only be made through CDFdirect. See "Special Investor Options-CDFdirect" on page 10.

Each proposed addition to the principal balance of an outstanding Certificate is subject to acceptance by CDF, evidenced by issuance of a transaction receipt. Requests for automatic additions to principal will take effect 30 days after our receipt and acceptance of the request. Your delivery of funds does not constitute our acceptance of your additional principal investment. We reserve the right to not accept additions to the principal of any Certificate and will return your funds if that occurs.

Transfer of Certificates

Generally, you may not sell, gift, pledge, encumber, or otherwise transfer your Certificate or any portion of it. We will, however, permit transfers upon a Certificate holder's death to the holder's heirs or legal representatives. In addition, our borrowers may pledge Certificates (other than Retirement Certificates) as collateral for CDF loans.

Redemption of Certificates by Us

We reserve the right to redeem some or all of any Certificate at any time and from time to time by paying you the principal balance plus interest earned up to the date of redemption (less any interest already paid to you). We are not required to give you advance notice, and we do not need your consent before redeeming your Certificates.

Redemption of Certificates by You

Subject to the notice and processing requirements described below, you may redeem a Flex Certificate by requesting redemption at any time, and you may redeem a Time Certificate upon its maturity by requesting redemption. We are not otherwise required to redeem a Certificate. As a matter of practice, we have historically allowed a redemption request of a Time Certificate prior to its maturity upon a showing of need by an investor. We anticipate that we will continue to do so, but no assurance can be given that CDF will be able to continue this practice. Any redemption of a Time Certificate prior to its maturity may be subject to an early redemption fee charged by us based on the amount of interest earned on such redeemed Time Certificate. Our current early redemption fees are set forth in our Investment Rate Sheet.

You may request redemption of your Certificate(s) as follows:

- by delivering your signed written request of redemption to our address shown on the cover page in person or by mail, other carrier service, or facsimile, subject to our receipt of your written request;
- by calling us at the telephone number shown on the cover page. In order to make a telephonic redemption request: (i) you must be an investor who is a natural person, (ii) we must have, at the time of your telephonic request, an effective written pre-authorization by you authorizing us to accept your redemption request by telephone, and (iii) your pre-authorization must indicate that we may accept a telephonic redemption request by one designated person. Certificates held by IRAs are ineligible for telephonic redemption requests; or
- by using certain functionalities provided through the CDF Website and the CDF Mobile Application. You must comply with additional terms and conditions for use of the CDF Website or the CDF Mobile Application, as applicable, which terms and conditions are posted on the CDF Website or CDF Mobile Application.

Before we process any redemption request, we may require that you verify your identity and, if applicable, your authority to act on behalf of the record holder(s) of the Certificate if it is held in a manner other than in your sole personal name. If a Certificate holder of record is deceased, has changed such holder's name, or such holder's identity is otherwise uncertain, we may require satisfactory documentary and other evidence of that holder's death, identity, or ownership rights in the Certificate before we process your redemption request.

Funds from your Certificate may not be immediately available to you when you make your redemption request. We generally process a redemption request within ten business days after we receive your redemption request. We reserve the right to take up to 60 days from the date we receive your redemption request to process your redemption request; provided, however, that where additional verification, documentation or information may be required or any unusual circumstance exists, we may take longer than 60 days to process your redemption request.

Upon our completion of processing your redemption request, we will pay the amount due on your Certificate (i.e., outstanding principal and accrued but unpaid interest thereon, less any early redemption fee) by check to the last address we have on record for you or by electronic funds transfer to a bank or other financial institution we have on record for you.

Ownership

In addition to holding a Certificate solely in your own name, you may also purchase and own a Certificate in the following ways (if permitted by your state of residency):

- ***Joint Tenants with Right of Survivorship.*** As a joint tenant, you will receive ownership of the entire Certificate if the other owner dies before you (where there are only two joint owners). Otherwise, the other owner will become the sole owner upon your death. Unless you specify otherwise in the Purchase Application, all joint owners must act to redeem the Certificate or take any other action with respect to the Certificate.
- ***Tenants in Common.*** As a tenant in common, you own a distinct, proportionate, undivided interest in the Certificate in common with the other owner(s). Upon an owner's death, the surviving owner has no right to ownership of the deceased owner's interest. Rather, the deceased owner's interest passes to his or her estate. Unless you specify otherwise in the Purchase Application, all co-owners must act to redeem the Certificate or take any other action with respect to the Certificate.
- ***Custodian for a Minor.*** We can facilitate the ownership of a Certificate by a minor under the California Uniform Transfers to Minors Act (the **"UTMA"**). Specifically, ownership will be in your name as custodian for the minor until the minor reaches from 18 to 21 years of age, as stated in the Purchase Application. The decision to purchase, transfer, or gift a Certificate for or to a minor under the UTMA is irrevocable. The UTMA requires that the custodian transfer ownership of the Certificate to the minor or the minor's estate at the earliest of (i) when the minor turns 18, unless otherwise specified in the Purchase Application, (ii) the age specified in the Purchase Application (which cannot exceed 21), or (iii) the death of the minor.
- ***Entity.*** We allow nonprofit and for-profit corporations, limited liability companies, and partnerships that are registered with the appropriate office in their jurisdiction of organization to own Certificates, subject to certain limitations. Unless otherwise authorized in the Purchase Application, the signature of any officer, member or manager (as applicable), or general partner, as the case may be, whose name(s) are required on the Purchase Application may be used to redeem the Certificate or take any other action with respect to the Certificate on behalf of the entity.
- ***Trusts.*** We allow trusts (both irrevocable and revocable) to own Certificates. Unless otherwise authorized in the Purchase Application, the signature of all trustees, as defined in the trust documents, will be required to redeem the Certificate or take any other action with respect to the Certificate.

Nothing in this Offering Circular or otherwise provided in connection with how you may own or hold Certificates, or the impact thereon, is intended to or should be treated as legal, tax, financial, or other advice. You should consult with your legal, tax, financial, or other advisors as to the impact of owning or holding a Certificate in any manner.

Your purchase of any Certificates does not entitle you to any equity or ownership interest, or any right to acquire any equity or ownership interest, in CDF or any of its affiliates.

Priority Relative to Other CDF Debt

Most of our debt is money we owe on outstanding Certificates. From time to time, we may also borrow from banks or other lenders. See "Other Financing Activities – Borrowed Indebtedness" on page 19. Our Certificate holders, together with these banks and other lenders, are generally our primary creditors. If our assets were distributed to our creditors or sold to pay them (for instance due to financial insolvency, bankruptcy or liquidation), the relative priority of debt we owe our respective creditors would determine which creditors get paid first.

Because Certificates are unsecured, your Certificate will be of lower priority than any secured debt we incur. Therefore, if our assets were distributed to our creditors or sold to pay them, our secured creditors would be paid before you and our other Certificate holders. Once our secured creditors are paid, our remaining assets without donor restrictions could then be used to pay our general or unsecured creditors, including our Certificate holders.

As of December 31, 2024, we had a secured line of credit with CFB that had an outstanding principal balance of $0. See "Other Financing Activities – Borrowed Indebtedness" on page 19.

It is our current policy to limit the amount of our total senior secured indebtedness to no more than 10% of our total tangible assets. In calculating this percentage, we do not include as "senior secured indebtedness" any obligations associated with the following types of security:

- Liens or charges for current taxes, assessments or other governmental charges that are not delinquent, that remain payable without penalty, or that are contested in good faith as invalid;
- Sureties, appeal bonds, bonds for the release of an attachment or for stay of execution, or liens made to secure statutory obligations of CDF;
- Purchase money security interests for property acquired after the date of this Offering Circular; and
- Judgment liens.

Discontinued Certificates

We may, from time to time, discontinue certain types of Certificates. When a discontinued Certificate matures, we expect to give you the option of redeeming the Certificate or reinvesting it in another Certificate. Should you do neither, we may, as a courtesy to you, continue to pay interest on your unredeemed funds at the rate in effect for our Flex Certificates.

Book Entry System and Statements

We use a book entry system to record ownership and invested balances for the Certificates and do not issue physical certificates. Under this system, we keep an electronic record of your investment in Certificates and send you an investment confirmation. We also send periodic statements showing any subsequent additions or redemptions and the principal balance of your Certificate.

TIME CERTIFICATES

Except as otherwise provided under "State Specific Information" beginning on page ii, Time Certificates are subject to the following terms:

Maturity Periods

We offer Time Certificates with maturity periods between one and five years.

Minimum and Additional Investments

The minimum initial investment for a Time Certificate is $5,000 (except for Custodial Time Certificates and Special Certificates described on page 10 and Ministry Reserve Certificates described on page 11.) Investors may increase their investment in Time Certificates only through CDFdirect. See "Special Investor Options-CDFdirect" on page 10.

Fixed Interest

Subject to our Adjustment Right described below, the interest rate on each Time Certificate is fixed at the time of issuance for its entire maturity period. The applicable interest rate for each Time Certificate will depend on the maturity period and on the level of your investment in such Time Certificate. Longer maturity periods may have higher interest rates. Time Certificates, with the minimum initial investment of $5,000, will be designated ***Bonus Time Certificates*** and will earn the entry-level interest rate. We pay incrementally higher interest rates for: ***Jumbo Time Certificates*** (investments of at least $100,000 but less than $250,000) and ***Presidential Time Certificates*** (investments of $250,000 or more). We may also pay higher interest rates for ***Special Time Certificates*** (described on page 10) for a limited period of time and ***Ministry Reserve Certificates*** (described on page 11.)

Adjustment Right

We reserve the right to decrease the fixed interest rates on our outstanding Time Certificates based on generally prevailing interest rates in the economy at any time and from time to time. We call this our "Adjustment Right." If we exercise our Adjustment Right, any decrease in fixed interest rates will be applied uniformly to all similar Time Certificates. For example, the interest rate on all Time Certificates with a three-year term would be reduced uniformly. We will provide you with not less than 30 days prior written notice of our intent to exercise our Adjustment Right and the adjusted interest rate. During that period, you may choose to redeem all or part of your investment in the affected Time Certificate without an early redemption fee being assessed. We will also update the Investment Rate Sheet to reflect the adjusted interest rate.

Renewal and Redemption at Maturity

Unless redeemed by you, your Time Certificates automatically renew at maturity for another term (except in certain states where investors must affirmatively elect to renew, as provided in "State Specific Information" beginning on page ii). For example, a Time Certificate with a three-year term will automatically renew for another three-year term. We will provide you with written notice of the maturity date of your Time Certificate and its automatic renewal at least 30 days before the Time Certificate's maturity date. If there have been changes to this Offering Circular, we will also provide you with the most recent copy of this Offering Circular or supplement, as applicable, prior to your Certificate's renewal.

If your Time Certificate is eligible for automatic renewal at maturity, it will earn interest at the rate then in effect for that type of Time Certificate, which could be higher or lower than the interest rate in effect prior to the renewal. Therefore, it is possible that the interest rate paid to you may increase or decrease without further notice upon an automatic renewal. If your maturing Time Certificate's balance does not meet the current minimum balance requirements for that type of Time Certificate, it will be converted to a Flex Certificate.

In the states in which investors must affirmatively elect to renew, as provided in "State Specific Information" beginning on page ii, CDF's acceptance of the renewal election is evidenced by delivery of a transaction receipt or an acceptance recorded in our books and records. If we do not receive and accept a request to renew, the Certificate will be redeemed at maturity or it will convert to a Flex Certificate.

If you desire to redeem your Time Certificate upon maturity (so that it will not automatically renew), we must receive your redemption request on or prior to your Time Certificate's maturity date. If you do not provide us with your redemption request on or before the maturity date, your Time Certificate will automatically be renewed. Upon completion of processing your redemption request, we will pay the amount due on your Time Certificate (i.e. outstanding principal and accrued but unpaid interest thereon) by check to the last address we have on record for you or by electronic funds transfer to a bank or other financial institution we have on record for you. For additional information on how you may make a redemption request, see also "Our Certificates – Redemption of Certificates by You" beginning on page 7.

There is no limit on the number of times your Time Certificates may automatically renew at maturity.

Early Redemption

You may redeem a Time Certificate upon its maturity by requesting redemption. We are not required to redeem a Time Certificate prior to its maturity date. As a matter of practice, however, we have historically allowed a redemption request of a Time Certificate prior to its maturity upon a showing of need by an investor. We anticipate that we will continue to do so, but no assurance can be given that CDF will be able to continue this practice. Any such redemption of a Time Certificate prior to its maturity may be subject to an early redemption fee charged by us based on the amount of interest earned on such redeemed Time Certificate. Our current early redemption fees are set forth in our Investment Rate Sheet.

Custodial Time Certificates

You may purchase Custodial Time Certificates for the benefit of a minor to be held in accordance with the UTMA. All other terms applicable to Time Certificates apply to Custodial Time Certificates, except that Custodial Time Certificates have a $500 minimum initial investment and a $25 minimum for each subsequent addition to principal.

Special Time Certificates

We may offer you the opportunity to purchase a Special Time Certificate. In some cases, Special Time Certificates may only be purchased by using the Standard Purchase Application and may not be offered for purchase through the CDF website. Special Time Certificates may be offered from time to time for various terms at a generally higher interest rate than standard Time Certificates of a similar term. The special terms are documented on the Purchase Application. Unless redeemed by you at maturity, Special Time Certificates automatically renew upon maturity and become a standard Time Certificate at then-current interest rates. The specific renewal term for a Special Time Certificate will be defined at the time each Special Time Certificate is offered to you. We will give you notice of the maturity date of your Special Time Certificate and its automatic renewal as a standard Time Certificate not less than 30 days prior to the maturity of your Special Time Certificate. In your maturity notice, you will be given the option to have funds returned to you or to have the Special Time Certificate automatically renewed to the pre-defined standard Time Certificate.

FLEX CERTIFICATES

Except as otherwise provided under "State Specific Information" beginning on page ii, Flex Certificates are subject to the following terms:

Minimum and Additional Investments

The minimum initial investment for a Flex Certificate is $250 except for Ministry Reserve Flex Certificates which have a minimum initial investment of $25,000. We generally permit investors to make additions of at least $25 increments to the principal amount of Flex Certificates. If the principal amount of a Flex Certificate falls below the initial investment minimum, we reserve the right to charge a quarterly minimum balance fee or to cancel a Flex Certificate, in which case we will pay you the outstanding balance on that Flex Certificate.

Variable Interest

The interest rate on Flex Certificates is variable and may be adjusted periodically.

Payment on Demand

You may redeem all or part of the outstanding principal and accrued but unpaid interest on a Flex Certificate at any time by providing us with your request for redemption. See also "Our Certificates – Redemption of Certificates by You" beginning on page 7.

Special Flex Certificates

We may offer you the opportunity to purchase a Special Flex Certificate. Special Flex Certificates may be offered from time to time for various terms at a generally higher interest rate than standard Flex Certificates. The special terms will be documented on the Purchase Application.

SPECIAL INVESTOR OPTIONS

CDFdirect

You may set up automatic monthly additions to the principal balance of any of your Certificate(s) using electronic funds transfer. These "CDFdirect" investments must be made from your financial institution to CDF on the dates we specify, which are currently the 5th and/or 20th calendar day of each month (or, if not a business day, the following business day). Any election to set up or terminate automatic monthly investments must be made in writing and will take effect 30 days after our receipt and acceptance.

OTHER OPTIONS

For investors who qualify, we offer the additional options described below:

Presidential Certificates

If your total investment level is $250,000 or more, the Certificates you purchase may be designated by CDF as Presidential Certificates. These certificates generally earn higher interest rates than our standard Time Certificates and may be eligible for other terms not available for standard Time Certificates.

Your "total investment level" includes the outstanding balance of all your Certificates, including Presidential Certificates. Only the funds held in Certificates designated as Presidential Certificates will be subject to the rates and terms applicable to the Presidential Certificate. For purposes of determining your total investment level, we will consider Certificates held in the following ways:

- Certificates in your name;
- Certificates in your spouse's name;
- Certificates in the name of your minor child held pursuant to UTMA;
- Certificates in the name of a business entity in which you control or have majority ownership; and
- Certificates held in 401(k) or 403(b) plans of Qualified Ministries where you are the holder or beneficial holder.

We may, in our sole discretion, consider Certificates held in ways not described above for purposes of determining your total investment level. Certificates held jointly may only be attributed to one of the owners in determining either owner's total investment level.

Your existing Certificates do not automatically convert to Presidential Certificates when your total investment level reaches $250,000. Rather, Presidential Certificate status is determined based on the aggregate balance of an investor's Certificate(s) at the time of initial purchase or renewal at maturity (including the investment/renewal being contemplated).

If your total investment level falls below $250,000, any Presidential Certificate that you hold will earn interest at the interest rate in effect for standard Time Certificates applicable to your then-existing term and investment level. For example, a Presidential Certificate with a balance of less than $250,000, but equal to or more than $100,000, will earn interest at the interest rate then in effect for a one-year Jumbo Time Certificate.

Ministry Reserve Certificates

Qualified Ministries as defined in this circular are eligible to purchase Ministry Reserve Certificates. There is a $25,000 minimum investment for each Ministry Reserve Certificate (rather than the $5,000 minimum investment for Time Certificates and $250 for Flex Certificates). Ministry Reserve Certificates may earn a higher interest rate than similar types of Time and Flex Certificates not designated as Ministry Reserve Certificates. All other terms applicable to Time Certificates apply to Ministry Reserve Time Certificates and all other terms applicable to Flex Certificates apply to Ministry Reserve Flex Certificates.

Special Time Certificates (see page 10), purchased by Qualified Ministries may automatically convert at maturity into a Ministry Reserve Certificate (except in certain states where investors must affirmatively elect to renew, as provided in "State Specific Information" beginning on page ii), if disclosed at the time the Special Time Certificate is purchased.

Retirement Certificates

You may purchase Certificates to hold in an IRA. These Certificates will be designated Retirement Certificates. There is a minimum initial investment of $5,000 for each Retirement Time Certificate and $250 for Retirement Flex Certificate. You are permitted to make additions in increments of at least $25 to Flex Certificates and $100 to Time Certificates that are Retirement Certificates, to the extent permitted by the Internal Revenue Code.

In 2015, CDF was granted non-bank custodial powers by the IRS, which enables CDF to operate as a non-bank Custodian for Retirement Certificates held in IRAs. As of December 30, 2015, CDF became the custodian of our investors' Retirement Certificates held in IRAs. We reserve the right to appoint a third-party custodian and to change the custodian from time to time; we will provide you with notice of any such appointment or change. You may open an IRA account with your own financial institution, trust company or other institutional custodian acceptable to us where such institution will act as custodian of your IRA. Once you establish this IRA, you may invest funds in your Retirement Certificate, which we will in turn notify the institutional custodian to hold for your IRA. We do not impose an early redemption fee if the amount of the redemption does not exceed the amount of interest earned on your Retirement Certificate since the date of issuance. We do not impose an early redemption fee on mandatory distributions of your Retirement Certificates from your IRA. We may, however, impose an early redemption fee for early redemptions of principal for a Retirement Certificate that is a Time Certificate. See "Time Certificates – Early Redemption" on page 9.

In addition to early redemption fees that may be imposed by us, the Internal Revenue Code may impose limitations and penalties on early redemptions. There may be severe tax penalties for early redemptions that do not meet the criteria set forth in the Internal Revenue Code and its Regulations. CDF may not accept an investment in a Retirement Certificate if it believes the investment is not permitted by the Internal Revenue Code or its Regulations. You should consult your tax advisors. Retirement Certificates are only transferable upon the death of the owner, and only to the beneficiaries of the IRA.

Pension Maximizer Retirement Certificate

A 403(b) retirement plan or other retirement plan, including the 403(b) retirement plan offered through CDF, may invest in Pension Maximizer Retirement Certificates. There is a minimum initial investment of $25 that is applicable to the retirement plan as a whole.

Investment in our Pension Maximizer Retirement Certificate is limited to 403(b) plans that qualify as "church plans" as defined in Section 3(33)(A) of ERISA. Non-church plans are prohibited from investing in our Pension Maximizer Retirement Certificates. Further, we will not sell Certificates to benefit plan investors that, to our knowledge, are subject to ERISA. CDF may not accept an investment in a Pension Maximizer Certificate if it believes the investment is not permitted by the Internal Revenue Code or its Regulations..

SPECIAL FEATURES

You may select the features described in this section for your Certificates, provided that you comply with our terms and conditions applicable to those features. Unless otherwise specified, these features are available on all Certificates. We may offer other features applicable to some or all Certificates from time to time. We reserve the right to terminate any and all features at any time, in which case we will notify you if you have elected such terminated feature.

Designated Interest Rates

You can further the mission of CDF by choosing to receive interest on your Certificate at a reduced interest rate or to receive no interest at all. You may cancel your election by giving us 30 days written notice.

Gift of Interest Earned

Except for Retirement Certificates and Custodial Time Certificates, you may elect to have the interest earned on your Certificate donated directly to CDF. You may cancel your election by giving us 30 days written notice.

Gift-Over

At the time of purchasing a Certificate (except for Retirement Certificates and Custodial Time Certificates), you may elect to "gift-over" to us, or to a Qualified Ministry, your Certificate upon your death. If you make this election, you may revoke it at any time up to the time of your death by giving us written notice.

If you do not revoke this election, we will transfer ownership of your Certificate to your named donee once we receive notice of your death.

Unless you designate a particular purpose on the Purchase Application, the funds from your Certificate will benefit the general purposes of your donee.

Unless otherwise designated by you, a Certificate held by two or more persons will be held in joint tenancy with rights of survivorship under the laws of the State of California, and any gift-over will only be effective upon, and may be revoked prior to, the death of the survivor.

CDF Digital Access

You may access the CDF Website at www.CDFcapital.org where you will find information about us, including:

- a copy of this Offering Circular and supplements thereto (if any);
- investment options;
- current Investment Rate Sheet;
- a copy of the Purchase Application and other forms and documents related thereto; and
- retirement planning information and forms.

You may sign up to receive our Offering Circular and other offering documents electronically and access your investment information through the CDF Website (the **"Online Investment Access"**) or through the CDF Mobile Application. Clarity of text in this document may be affected by the size of the screen on which it is displayed when viewed online. The Online Investment Access allows you to:

- receive electronic copies of our Offering Circular and supplements thereto (if any), the current Investment Rate Sheet, the Purchase Applications and other forms and documents related thereto, and other offering documents;
- complete, execute, and submit a Purchase Application and other forms and documents (including electronic funds transfer authorizations and beneficiary designation forms) electronically; and
- make payment of your initial investment by electronic funds transfer.

The Online Investment Access and the CDF Mobile Application also offer various functionalities with respect to your Certificates, including functionalities that allow you to:

- access your balance and detailed history;
- view and download up to two years of quarterly statements;
- submit a redemption request;
- submit a renewal request;
- submit an address change or correction;
- set up e-mail alerts for designated balances;
- download certain information; and
- submit a new e-mail address.

The CDF Website, the Online Investment Access, and the CDF Mobile Application, including the functionalities that may be provided in connection therewith, are made available by CDF for your convenience, and are strictly voluntary. It is not a condition for investing in any Certificate and there is no assurance these functionalities will continue. If you choose to use any of the functionalities provided through the Online Investment Access or the CDF Mobile Application, you must strictly comply with the terms and conditions as posted on or made available through the Online Investment Access or the CDF Mobile Application, as applicable. Certain functionalities may also have specific or additional terms and conditions applicable to such functionalities. Those conditions will be posted on or made available through the Online Investment Access or the CDF Mobile Application, as applicable, as such functionalities become available, and will require your acceptance prior to use. If there is information on or through the CDF Website, the Online Investment Center, or the CDF Mobile Application that is contrary to information in this Offering Circular, you should rely only on the information in this Offering Circular.

CERTIFICATE SALES

LIMITED CLASS OF INVESTORS

Our "Limited Class of Investors" is comprised of investors who are, before receiving this Offering Circular, members of, contributors to, or participants in a Qualified Ministry, CDF, or in any program, activity or organization which constitutes a part of a Qualified Ministry or CDF, or in other religious organizations that have a programmatic relationship with a Qualified Ministry or CDF. Our Certificates will be sold only to investors who certify in their Purchase Application that they are in the Limited Class of Investors.

The investors may also include (i) "family members" (as defined by applicable laws) of persons in the Limited Class of Investors, (ii) entities controlled by persons in the Limited Class of Investors, (iii) institutional investors who are nonprofit religious organizations, and (iv) employees of CDF or any of its affiliates.

The characteristics of a Qualified Ministry include:

- acceptance of the Bible alone as the authority for faith, practice;
- no extra-congregational governance or control of policy or property;
- baptism of believers;
- open communion for all believers;
- governance by elders selected by the congregation; and
- commitment to fulfill Christ's great commission to make disciples of all peoples.

We, in our sole discretion, may determine that an investor is not in the Limited Class of Investors. We reserve the right to refuse to offer or sell any Certificate to any investor.

DISTRIBUTION OF CERTIFICATES

Our officers and employees are responsible for the offer and sale of the Certificates. Our officers and employees are not registered as brokers or dealers with the SEC, but may be registered as agents or salespersons of CDF in certain states where required. Our officers and employees answer investors' questions and may occasionally give presentations to potential investors at conventions, meetings, and religious services.

We use this Offering Circular, together with brochures and other advertising materials, to promote the sale of Certificates. These materials will be provided to potential investors, which may include current and former investors. These materials may also be provided to Qualified Ministries as well as handed out at religious services, meetings, conventions, seminars, and retreats of Qualified Ministries. From time to time, we may run advertisements in national and regional religious publications and on related websites.

CDF is not registered with the SEC as a broker or dealer but may be registered as an issuer-dealer in certain states. We do not pay any commissions or other compensation to our officers, employees or anyone else based upon the amount of Certificates sold. Our officers and employees who are responsible for the offer and sale of Certificates will receive only their regular salary compensation.

We have not hired, and we do not have any agreement with any underwriters or outside selling agents to assist with this offering. Certificates will be offered and sold without the payment of any direct or indirect underwriting, sales or similar fees or commissions. We may work with registered investment advisers (**"RIA"**) who are retained by our investors or potential investors with respect to our Certificates. The RIAs are not our underwriters, agents, or representatives.

HOW TO PURCHASE A CERTIFICATE

If, after reading this Offering Circular, you would like to purchase one or more Certificates, please complete and sign the Purchase Application included with this Offering Circular or complete and submit your Purchase Application electronically via the investment functionality through the CDF Website.

You may send your completed and manually signed Purchase Application along with a check made out to "Church Development Fund, Inc." or "CDF" or "CDF Capital" in the amount of your initial investment to us to CDF Capital, P.O. Box 19700, Irvine, CA 92623-9700.

You may sign up at the CDF Website to access certain functionalities to allow you to receive this Offering Circular and other offering documents electronically, complete, execute and submit your Purchase Application electronically, and make payment of your initial investment by electronic funds transfer by using the investment functionality through the CDF Website. For more information, see "CDF Digital Access" on page 12.

Your purchase of our Certificate will be completed upon (i) our receipt of your Purchase Application or your electronic submission of your Purchase Application as described above, (ii) our receipt of the funds for your investment, (iii) our determination that you are in the Limited Class of Investors, and (iv) our delivery to you of our written acceptance of your investment (i.e. an investment confirmation). Your submission and our receipt of your Purchase Application and funds do not constitute acceptance of your investment. We reserve the right to not sell any Certificate to you and we will return your funds to you if we decide not to sell a Certificate to you.

RECENT SALES AND OUTSTANDING CERTIFICATES

(All dollar figures are rounded to the nearest $1,000)

Recent Sales and Redemptions

The following table shows the totals we received in cash proceeds from sales of Certificates, redemptions in cash from Certificates, amounts of Certificates renewed or reinvested in other Certificates, and outstanding payable on Certificates for the fiscal years ended December 31, 2024, 2023, and 2022:

Certificate	2024	2023	2022
Cash sales	$ 126,228,000	$ 99,742,000	$ 78,559,000
Renewed/reinvested	$ 224,655,000	$ 168,482,000	$ 119,610,000
Redeemed in cash	$ 95,649,000	$ 124,490,000	$ 122,009,000
Payable	$ 554,244,000	$ 523,665,000	$ 548,413,000

Interest on Certificates

The table below shows the weighted average interest rates and interest incurred on outstanding Certificates compared to interest income earned by CDF for the fiscal years ended December 31, 2024, 2023, and 2022:

Fiscal Year	Weighted Average Interest Rate	Interest Income	Interest Incurred on Outstanding Certificates
2024	4.2 %	$ 27,342,000	$ 20,738,000
2023	3.3 %	$ 24,412,000	$ 14,925,000
2022	2.4 %	$ 23,956,000	$ 12,995,000

The interest paid or accrued on our outstanding Certificates during the fiscal years ended December 31, 2024, 2023, and 2022 represented approximately 76%, 61%, and 54% of our interest income for those periods, respectively.

Outstanding Certificates

The following table shows the outstanding principal for Time Certificates and Flex Certificates and their respective weighted average interest rates, along with their aggregate total principal amount and combined weighted average interest rate, for the fiscal year ended December 31, 2024:

Type of Certificate	**Outstanding Amount**	**Weighted Average Interest Rate**
Time certificates	$ 477,628,000	4.5 %
Flex certificates	$ 76,616,000	2.1 %
	$ 554,244,000	4.2 %

As of December 31, 2024, residents of the states of California, Florida, Arizona, Oregon, and Ohio represented approximately 31%, 7%, 6%, 6%, and 6%, respectively, of our total Certificates outstanding. No other state was greater than or equal to 5% of our total Certificates outstanding. As of December 31, 2024, the aggregate balance of Certificates outstanding in these four states was $312,301,000 which represented approximately 56% of all Certificates outstanding. Further information on our outstanding Certificates can be found in Note 8 of our Audited Financial Statements.

Maturity Information

The following table shows the total principal balance of Certificates scheduled to mature over the next five fiscal years and after the fiscal year ending December 31, 2029, and their weighted average interest rate. For purposes of this table, we have assumed that interest owing on Certificates is not reinvested in principal.

Fiscal Year of Maturity	**Weighted Average Interest Rate**	**Amount**
Demand	2.1 %	$ 76,616,000
2025	4.6	270,700,000
2026	4.7	158,476,000
2027	2.7	19,114,000
2028	3.3	19,105,000
2029	3.7	10,225,000
Thereafter	3.4	8,000
	4.2 %	$ 554,244,000

OUR LOANS

(All dollar figures are rounded to the nearest $1,000)

We offer loans at competitive rates, but often on terms we believe to be more favorable than our borrowers could obtain from a commercial lender. Our primary borrowers are Qualified Ministries. Our borrowers generally use our financing to acquire land or buildings or construct or renovate worship facilities and other facilities necessary to carry out their ministry. This section provides a general description of some of our loan policies. This section also provides a general description of the types of loans we make, the loans we currently have outstanding, and other matters related to our lending activities.

LOAN POLICIES

We have adopted certain loan policies, which have been approved by the CDF Board of Directors. Among other things, these policies guide us in deciding which loan applicants qualify for one of our loans, the amount of the loan they qualify for, and the terms of the loan. Our loan policies are subject to revision.

As part of our “due diligence” review, we require prospective borrowers to submit a completed loan application or written request, along with supporting documentation. The loan assessment includes a thorough review of certain indicators of the prospective borrower and prospective loan, such as the following:

- Debt to Income Ratio;
- Expense Coverage Ratio;
- Loan-to-Value Ratio; and
- Debt per Attendee/per Giving Unit.

Based on these indicators, we produce a rating for the prospective loan, which is then reviewed by us at the appropriate approval level.

We have established levels of approval for prospective loans. Depending on the loan size and the rating produced as a result of the underwriting process, the loan may be approved by the unanimous vote of the Staff Loan Committee, a majority of the Executive Loan Committee, or a majority of disinterested members of the CDF Board of Directors, in each case as appropriate.

Generally, we will not disburse any loan proceeds until a prospective borrower has submitted certain documentation and satisfied certain lending criteria, including, without limitation, title insurance or an opinion from counsel indicating validity of title, a property liability insurance policy, and, if necessary, lien waivers. We may require an independent appraisal and an environmental assessment of any real property. It is our policy to require real property appraisals for all loans over $500,000 unless the committee approving the loan waives the appraisal requirement. For loans in which we do not require an appraisal, broker opinion, or other valuation on collateral, we conduct an adequate due diligence review of the prospective borrower prior to approving the loan.

We may sell loan participations in existing loans to third parties. Generally, these participations will be on a non-recourse basis, which means that we will have no obligation to repurchase that portion of the loan sold, and that the purchaser will assume the risk of loss on that portion of the loan purchased. We may, however, on occasion sell a loan participation on a recourse basis. We have not securitized any portion of our loan portfolio and we do not have the intention to do so in the future.

We generally secure mortgage loans, construction loans, and lines of credit by taking a first deed of trust or mortgage on real property or, if we are already in a first lien position, by taking a second deed of trust or mortgage.

The CDF Board of Directors has placed limits on our international loan portfolio and such loans are subject to the same or more stringent loan policies as domestic loans. All international loans require the approval of the CDF Board of Directors. While we have two international borrowers, we have not entered into any new international borrower relationships or made any international loans since 2010. We do not have any current plans to make additional international loans.

LOAN TYPES

We currently offer several types of loans as generally described below. All our loans bear interest and the applicable rate of interest will be established by us.

Mortgage Loans

Mortgage loans are generally for terms of three years to ten years and are amortized over a period of up to thirty years. We generally charge a loan origination fee on the principal amount of the loan. Loans for longer terms will often have rates that are adjustable every three to five years. A fee for early prepayment by refinance with another lender may be included in the loan terms.

Construction Loans

Construction loans are generally for terms of up to two years. During the initial twelve to twenty-four months of the loan term, repayment is on an interest-only basis. We generally charge loan fees on the principal amount of the loan. This fee includes our fund control services. We monitor loan disbursements and the progress of the construction process. Upon completion of the construction process, the majority of these loans convert to mortgage loans at no additional charge.

Lines of Credit

Lines of Credit are generally for terms of up to six years. The borrower may draw on the line of credit up to the approved credit amount. We generally charge loan fees on the approved principal amount of the line of credit. The required monthly payments are on an interest-only basis.

Participation Loans

These are indirect loans that we may make from time to time by purchasing a participation interest in a loan made by another lender to a Qualified Ministry. We generally require that these loans meet our loan policies. See “Our Loans – Loan Policies” beginning on page 14. Interest rates, maturity terms, and collateral for participation loans may differ from the other loans that we make.

Non-Mortgage Secured Loans

We make these loans without taking a security interest in real property. In making these loans, we require guaranties or other collateral that in our judgment are sufficient to protect our interests and to offset the risk involved. We typically secure these loans by requiring an investment in CDF debt securities or by taking a security interest in personal property acceptable to us. We only make these loans in very limited circumstances.

Unsecured Loans

We may make these loans to borrowers generally for a term of up to five years. We generally charge a loan origination fee for these loans based on the principal amount of the loan. The decision to lend is based solely on the financial strength of the borrower to repay. It is our policy to fund no more than $2,000,000 of total unsecured loans and no more than $500,000 to a single borrower. Accordingly, under our loan policies, at least 98% of outstanding loans will be secured by real or personal property or guaranteed by third parties unless a lower percentage is justified by management. As of December 31, 2024, all of our outstanding loans were secured.

OUTSTANDING LOANS

Our Loan Portfolio

We made loans, net of administration fees, of $40,439,000, $50,731,000, and 77,260,000 in the fiscal years ended December 31, 2024, 2023, and 2022, respectively. We also made purchases of approximately $833,000, $0, and $4,927,000 in loans receivable in the fiscal years ended December 31, 2024, 2023, and 2022, respectively.

Payments on Outstanding Loans

During the fiscal years ended December 31, 2024, 2023, and 2022, we received $31,285,000, $28,005,000, and $109,703,000, respectively, in payments of principal, and $25,638,000, $22,776,000, and $22,879,000, respectively, in payments of interest on our outstanding loans.

Loans Held for Investment

As of December 31, 2024, we had total loans held for investment as follows:

Aggregate Loan Balance [1]	Number of Borrowers		Principal Outstanding	Percent of Loan Portfolio
Less than $1,000,001	80	$	35,178,000	7 %
$1,000,001 - $5,000,000	77		182,562,000	36 %
$5,000,001 - $10,000,000	24		180,266,000	35 %
Over $10,000,000	8		112,142,000	22 %
	189	$	510,148,000	100 %

(1) Aggregate loan balances are reported net of participation interests sold.

We had no unsecured loans for the fiscal years ending December 31, 2024, 2023 and 2022.

As of December 31, 2024, we had no loans receivable held for investment in which our interests as secured lender were subordinated to third-party senior lenders.

As of December 31, 2024, the primary states in which we have made loans are California, Arizona, Florida, Georgia, Ohio, Colorado and Oregon, which represented approximately 25%, 9%, 7%, 7%, 6%, 5% and 5%, respectively, of the outstanding principal balance of our total loans held for investment as of December 31, 2024. No other state was greater than or equal to 5%. Further information on our loans receivable held for investment can be found in Note 4 of our Audited Financial Statements.

Our loans held for investment as of December 31, 2024 are contractually scheduled to mature as follows:

Fiscal Year	Amount
2025	$ 24,075,000
2026	70,868,000
2027	156,186,000
2028	57,486,000
2029	115,157,000
Thereafter	86,376,000
	$ 510,148,000

Loan Sales, Participations and Servicing

CDF has sold and may continue to sell loans and loan participation interests to financial institutions or other third parties. Generally, CDF has retained and will continue to seek to retain servicing rights in these transactions. Under limited circumstances, CDF will sell loans on a servicing released basis.

We have engaged in loan sales and loan participation transactions to increase our liquidity and reduce loan concentration which we expect will allow us to continue to address the positive demands for financing proposed by Qualified Ministries.

We perform all servicing requirements with respect to participation interests of the loan sold in exchange for the payment of servicing fees by the buyer. As of December 31, 2024 and 2023, the principal balance of these loans that we serviced for others totaled $22,193,000 and $24,032,000, respectively. We have received net service fees of $91,000, $94,000, and $187,000 for the fiscal years ended December 31, 2024, 2023, and 2022, respectively.

Delinquent Loans

If any payments of principal or interest are past due more than 90 days, we will deem such loan to be delinquent. Due to the nature of our relationship with our borrowers, we may be willing to accommodate borrowers whose payments fall behind, or refinance or restructure their loans to assist them with repayment. There was one delinquent loan as of December 31, 2024, one delinquent loan as of December 31, 2023, and two delinquent loans as of December 31, 2022. The table below sets forth the amounts of loans and approximate percentage of our loans receivable held for investment constituting delinquent loans for the fiscal years ended December 31, 2024, 2023, 2022, 2021, and 2020.

Fiscal Year	Amount	Approximate Percentage
2024	$ 2,825,000	1 %
2023	$ 2,893,000	1 %
2022	$ 3,424,000	1 %
2021	$ 15,394,000	3 %
2020	$ 9,046,000	2 %

Loan Modifications

CDF seeks to assist customers that are experiencing financial difficulty by renegotiating loans. Our portfolio may include modifications, both short and long term, of interest rates, principal or accrued interest, payment amount, length of term, or a combination thereof. We make loan modifications utilizing internal renegotiation programs, via direct customer contact, that manage our debt exposures. As of December 31, 2024, CDF had no loans that were both experiencing financial difficulty and modified by extending the term during the fiscal year ended December 31, 2024. There were no loans modified during the years December 31, 2024 and 2023 that defaulted within twelve months of their modification date.

Allowance for Credit Losses – Loans

The allowance for credit losses is a valuation account that is deducted from the loans' amortized cost basis to present the net amount expected to be collected on the loans. On January 1, 2023, CDF adopted ASU 2016-13 Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments, as amended (**"ASC 326"**), which replaces the incurred loss methodology with an expected loss methodology that is referred to as the current expected credit loss (CECL) methodology. We recorded a net decrease to net assets without donor restrictions of $2,949,000 as of January 1, 2023 for the cumulative effect of adopting ASC 326 for expected credit losses on loans. Effective January 1, 2023, CDF's allowance for credit losses is measured on a collective (pool) basis when similar risk characteristics exist. CDF measures the allowance for credit losses for its segment of church, parachurch ministries, and related educational institution loans using the Weighted Average Remaining Maturity (**"WARM"**) method. Our WARM model utilizes the most recent five years of CDF's loan losses in establishing the historical loss rate. The weighted average amortization adjusted remaining life is determined based on loan maturity dates and a ten-year weighted average of CDF's loan prepayment history. The following qualitative factors are also considered in determining CDF's expected credit losses: (1) church and ministry specific real estate valuation trends and projections, (2) historical loss volatility, (3) loan portfolio credit migration trends, and (4) economic uncertainty based on inflation and other market conditions. Expected credit losses are estimated over the contractual term of the loans, adjusted for expected prepayments, when appropriate. The contractual term excludes expected extensions, renewals, and modifications unless the extension or renewal options are included in the original or modified contract at the reporting date and are not unconditionally cancellable by CDF. For more detailed information, see "Adoption of New Accounting Standards" and "Loans Receivable Held for Investment" in Note 2 of our Audited Financial Statements.

Loans that do not share risk characteristics are evaluated on an individual basis. Loans are classified as individually evaluated if management believes it is probable that CDF will not receive all principal and interest due on the loan according to the contractual terms of the loan agreement. Loans evaluated individually are not included in the collective evaluation. When management determines that foreclosure is probable, expected credit losses are based on the fair value of the collateral at the reporting date, adjusted for selling costs as appropriate. As of the fiscal year ended December 31, 2024, we had $27,369,000 of collateral-dependent loans.

The allowance for credit losses is supported by periodic and systematic detailed reviews of the loan portfolio by management to identify credit risks and to assess the overall ability to collect on each loan. This analysis includes, but is not limited to, the borrower's management, financial condition, cash flows, repayment program, and the existence of collateral. In addition, the historical experiences of payment patterns and general economic conditions have been considered in management's evaluation of the allowance for credit losses. This process is based on estimates, and ultimate losses may vary from current estimates. As changes in estimates occur, adjustments to the level of the allowance are recorded as a provision (increase) or negative provision (decrease) for credit losses in the period in which they become known. Loan losses are charged against the allowance when management deems a loan unable to be collected and there is insufficient collateral to recover the principal and accrued interest. Recoveries, if any, are credited to the allowance.

In the fiscal years ended December 31, 2024, 2023, and 2022, we made a (negative provision) provision for credit losses on loans of ($94,000), $22,000, and ($422,000), respectively. For the fiscal years ended December 31, 2024, 2023, and 2022, we charged off a total of $150,000, $86,000, and $486,000, respectively, against our allowance for credit losses on loans. As of December 31, 2024 and 2023, the allowance for credit losses on loans was $7,484,000 and $7,728,000, respectively. This represented approximately 1.5% and 1.5%, respectively, of the outstanding principal balance of our total loans held for investment.

Loan Commitments

As of December 31, 2024, we had outstanding loan commitments totaling approximately $26,205,000 which consisted of $3,528,000 of undrawn lines of credit and $22,677,000 of unfunded commitments for existing construction loans. Since some of the commitments are expected to expire without being drawn upon, the total commitment amounts do not necessarily represent future cash requirements.

ASC 326 also applies to off-balance sheet credit exposures. CDF recorded a net decrease to net assets without donor restrictions of $504,000 as of January 1, 2023 for the cumulative effect of adopting ASC 326 for the reserve for unfunded loan commitments. CDF estimates expected credit losses over the contractual period in which CDF is exposed to credit risk via a contractual obligation to extend credit, unless that obligation is unconditionally cancellable by CDF. The reserve for unfunded commitments is adjusted through the provision for credit losses. The estimate includes consideration of the likelihood that funding will occur and an estimate of expected credit losses on commitments expected to be funded over its estimated life. CDF uses the WARM model described in "Allowance for Credit Losses – Loans" as described above, to estimate credit losses for unfunded loan commitments.

CDF recorded a negative provision for unfunded loan commitments of $79,000 and $209,000 for the fiscal years ended December 31, 2024 and 2023. CDF did not record a provision for unfunded loan commitments for the fiscal year ended December 31, 2022.

Property Received in Lieu of Foreclosure or Foreclosure

As of December 31, 2024, since our inception in 1953, five of the loans that we have made have resulted in foreclosure. Further, from time to time, we have taken a deed to property in lieu of foreclosure. It is our general policy to attempt to work with the borrower for a certain period of time to give them an opportunity to repurchase the property. If we believe, however, that the borrower will be unable to repurchase the property, we either will sell the property at the highest price we can obtain or hold the property as an investment.

Highway 119 Holdings, LLC holds unimproved land in Colorado, and CDF Holdings, LLC holds improved and unimproved land, obtained by CDF by deed in lieu of foreclosure or foreclosure.

INVESTMENT ACTIVITIES

(All dollar figures are rounded to the nearest $1,000)

INVESTMENT POLICY

The CDF Board of Directors is responsible for establishing and altering CDF's investment policies. The Board of Directors may delegate some or all of this authority to the Audit Committee of the CDF Board of Directors (the **"Audit Committee."**) As of December 31, 2024, the majority of our investments were managed by UMB Bank.

CDF's investment policy calls for a mix of short-term fixed income investments. Investments permitted under CDF's short-term fixed income investment policy include U.S. Treasury Bills, U.S. Government Agency securities, money market accounts, investment grade corporate bond funds, church extension fund debt securities, corporate debt exchange-traded funds, FDIC insured bank certificates of deposit and overnight bank sweep accounts.

LIQUIDITY POLICY

CDF has a policy of maintaining minimum liquid assets and, available unused line of credit borrowing (up to 2% of outstanding Certificates) equal to at least 8% of its outstanding Certificates. See "Use of Proceeds" on page 6. Per CDF's policy, we had the following liquid assets and available line of credit as of December 31, 2024:

Cash	$	37,169,000
Investments		40,112,000
Line of credit up to 2% of Certificates (total line available $20,000,000)		11,085,000
Total	$	88,366,000
Outstanding Certificates	$	554,244,000
Ratio		15.9 %

See "Summary Consolidated Financial Information" on page 1.

INVESTMENTS

Our cash, cash equivalents, and investments had an aggregate value of $77,281,000 and $60,222,000 as of December 31, 2024 and 2023, respectively. As of December 31, 2024, we had $37,169,000 in cash and cash equivalents and $40,112,000 in readily marketable investments. Our investments consisted of the following as of December 31, 2024:

Investment	Amount	Percent of Total Investments
Certificates of deposit	$ 39,441,000	98 %
Corporate securities	500,000	1
Mortgage-backed securities, residential	171,000	1
	$ 40,112,000	100 %

For the fiscal years ended December 31, 2024, 2023, and 2022, we had net realized and unrealized losses totaling $21,000, $71,000, and $1,927,000, respectively.

REAL ESTATE AND REAL ESTATE HELD FOR LEASE

Certain properties we have received by contribution, purchase, deed in lieu of foreclosure, foreclosure, and quitclaim or grant deed are included as either "Real estate" or "Real estate held for lease" in our Audited Financial Statements.

Real estate

As of December 31, 2024, we held four properties with a carrying value of $12,163,000 acquired through deed in lieu of foreclosure and one property with a carrying value of $62,000 that was donated to us. As of December 31, 2023, we held eight properties with a carrying value of $20,440,000 acquired through deed in lieu of foreclosure and one property with a carrying value of $62,000 that was donated to us. These properties were held for sale and recorded as "Real estate" in our Audited Financial Statements.

Real estate held for lease

As of December 31, 2024, we held three properties with a carrying value of $4,913,000 acquired through deed in lieu of foreclosure and one property with a carrying value of $3,987,000 that was donated to us. As of December 31, 2023, we held one property with a carrying value of $1,799,000 acquired through deed in lieu of foreclosure. These properties are recorded as "Real estate held for lease" in our Audited Financial Statements.

During the 2024 fiscal year, we sold two properties for net proceeds of $5,221,000. During the 2023 fiscal year, we sold one property for net proceeds of $1,560,000.

OTHER FINANCING ACTIVITIES

(All dollar figures are rounded to the nearest $1,000)

BORROWED INDEBTEDNESS

As of December 31, 2024, we had a line of credit with CFB that allowed us to borrow up to $20,000,000. As a condition of our line of credit, we provide CFB a first priority security interest in all our assets as collateral and maintain compensating cash investments of at least $5,000,000. As of December 31, 2024, there was no outstanding balance on this line of credit.

During the fiscal years ended December 31, 2024, 2023, and 2022, we incurred borrowing interest expense of $29,000, $31,000, and $13,000, respectively.

CONTRIBUTIONS AND BEQUESTS

Each year, we receive charitable contributions and bequests. The amount we receive will fluctuate from year to year. In some years, the fluctuations may be significant. These annual fluctuations typically are the result of extraordinary gifts or bequests we receive in any particular year. We received contributions and bequests of $1,429,000, $112,000, and $662,000 during the fiscal years ended December 31, 2024, 2023, and 2022, respectively.

OTHER ACTIVITIES

(All dollar figures are rounded to the nearest $1,000)

In addition to the activities described above, we also are engaged in the following other activities.

CHURCH PLANTING

We created a Church Planting Fund that is designated to be used to support church planting activities. As of December 31, 2024, the CDF Board of Directors designated $7,748,000 of our net assets without donor restrictions to the Church Planting Quasi-Endowment Fund. These funds have been donated to us without any restrictions on how they may be used. Accordingly, although we have currently designated these funds to be used to support church planting activities, we have the right to change this designation or to use the funds for other purposes at our discretion.

During the fiscal years ended December 31, 2024, 2023, and 2022, we made total grants from the Church Planting Quasi-Endowment Fund of $0, $320,000, and $572,000, respectively.

CDF received a donation for the Church Planting Fund that was designated as an endowment to assist with planting churches in Alabama (the **"Alabama Endowment"**). The donation was recorded as net assets with donor restrictions. The balance in the Alabama Endowment as of December 31, 2024 and 2023 was $625,000. The balance earns interest and the interest is classified as net assets with donor restrictions if grants are not made in the same year. During the fiscal years ended December 31, 2024, 2023, and 2022, we made total grants from the Alabama Endowment of $0, $25,000, and $48,000, respectively.

CDF received donations for the Church Planting Fund that were designated as an endowment to assist with planting churches in Georgia (the **"Georgia Endowment"**). The donations were recorded as net assets with donor restrictions. The balance in the Georgia Endowment as of December 31, 2024 and 2023 was $790,000. The balance earns interest and the interest is classified as net assets with donor restrictions if grants are not made in the same year. During the fiscal years ended December 31, 2024, 2023, and 2022, we made total grants from the Georgia Endowment of $0, $35,000, and $60,000, respectively.

DORNETTE MEMORIAL FUND

As of December 31, 2024, our Board of Directors has designated the earnings from $4,255,000 of our net assets without donor restrictions to be used to make grants to support churches (the **"Dornette Memorial Quasi-Endowment Fund"**). The grants we made from the Dornette Memorial Quasi-Endowment Fund were $0, $0, and $89,000, during the fiscal years ended December 31, 2024, 2023, and 2022, respectively.

CDF BENEVOLENCE FUND

As of December 31, 2024, our Board of Directors designated the earnings from $1,057,000 of our net assets without donor restrictions to be used to make grants to meet specific financial hardship ministerial needs (the **"CDF Benevolence Quasi-Endowment Fund"**). The grants we made from the CDF Benevolence Quasi-Endowment Fund were $40,000, $29,000, and $22,000, during the fiscal years ended December 31, 2024, 2023, and 2022, respectively.

TRUST MANAGEMENT

CDF holds title and acts as trustee for certain church properties. As trustee, we may be required to manage the property, facilitate the sale of trust assets, and then distribute the trust assets according to the terms of the trust. CDF may be named as a remainder beneficiary of these trusts, but otherwise does not receive any compensation in connection with its management of these church trusts.

CDF also serves as trustee of charitable remainder trusts. As trustee, we direct the investment of the trust assets and make distributions to the income and remainder beneficiaries according to the terms of the trust documents. CDF is sometimes named as a remainder beneficiary of these trusts, but otherwise does not receive any compensation in connection with the charitable remainder trusts. As of December 31, 2024, we were trustee for six charitable remainder trusts.

The assets of these trusts are held by us as trustee for the benefit of the income and remainder beneficiaries of the trusts. Until such time as we receive a distribution of assets from these trusts as a named remainder beneficiary, the assets of these trusts would not be available for payment of our creditors, including investors in our Certificates. As of December 31, 2024, we held $283,000 in investments held for the benefit of trustors under charitable remainder trusts.

SELECTED CONSOLIDATED FINANCIAL INFORMATION

(All dollar figures are rounded to the nearest $1,000)

The following tables provide selected historical consolidated financial information of CDF derived from our Audited Financial Statements for each of the five fiscal years ended December 31, 2024, 2023, 2022, 2021, and 2020. You should read the Audited Financial Statements and notes thereto included as an attachment to this Offering Circular.

	2024	2023	2022	2021	2020
ASSETS					
Cash and cash equivalents	$ 37,169,000	$ 21,255,000	$ 61,787,000	$ 69,918,000	$ 86,880,000
Investments	40,112,000	38,967,000	41,932,000	45,427,000	47,569,000
Loans receivable held for investment, net[1]	503,508,000	492,776,000	482,130,000	513,473,000	512,127,000
Real estate	12,225,000	20,502,000	11,535,000	8,230,000	9,497,000
Real estate held for lease, net	8,899,000	1,799,000	1,827,000	3,315,000	9,882,000
Restricted cash and investments	35,000	35,000	35,000	35,000	35,000
Other assets	9,663,000	9,482,000	9,345,000	10,127,000	9,679,000
Total assets	$ 611,611,000	$ 584,816,000	$ 608,591,000	$ 650,525,000	$ 675,669,000
LIABILITIES					
Debt securities	$ 554,244,000	$ 523,665,000	$ 548,413,000	$ 591,863,000	$ 619,111,000
Other liabilities	2,390,000	7,247,000	4,263,000	5,289,000	5,260,000
Total liabilities	556,634,000	530,912,000	552,676,000	597,152,000	624,371,000
NET ASSETS					
Without donor restrictions	53,086,000	52,044,000	54,089,000	51,540,000	49,501,000
With donor restrictions	1,891,000	1,860,000	1,826,000	1,833,000	1,797,000
Total net assets	54,977,000	53,904,000	55,915,000	53,373,000	51,298,000
Total liabilities and net assets	$ 611,611,000	$ 584,816,000	$ 608,591,000	$ 650,525,000	$ 675,669,000
Net operating income	$ 1,079,000	$ 1,584,000	$ 3,826,000	$ 3,103,000	$ 2,080,000
Total nonoperating expenses, net	(37,000)	(176,000)	(1,277,000)	(1,063,000)	(75,000)
Change in net assets without donor restrictions	1,042,000	1,408,000	2,549,000	2,040,000	2,005,000
Change in net assets with donor restrictions	31,000	34,000	(7,000)	35,000	155,000
Change in net assets	$ 1,073,000	$ 1,442,000	$ 2,542,000	$ 2,075,000	$ 2,160,000
Cumulative change in net assets for accounting standard change (see Note 2 of our Audited Financial Statements)		(3,453,000)			
OTHER SELECTED FINANCIAL DATA					
Certificates Redeemed in Cash	$ 95,649,000	$ 124,490,000	$ 122,009,000	$ 121,033,000	$ 97,886,000
Amount and percentage of loans receivable held for investment constituting unsecured loans	$ —	$ —	$ —	$ —	$ —
	0 %	0 %	0 %	0 %	0 %
Amount and percentage of loan delinquencies	$ 2,825,000	$ 2,893,000	$ 3,424,000	$ 15,394,000	$ 9,046,000
	1 %	1 %	1 %	3 %	2 %

(1) Loans receivable is reported net of the allowance for credit losses on loans.

BOARD MEMBERS AND EMPLOYEES

CDF BOARD OF DIRECTORS

The individuals serving on our Board of Directors are nominated and elected at an annual or special meeting of the Board by the existing members of the Board of Directors. The individuals serving on our Board of Directors do not receive compensation for serving as CDF directors. They are, however, reimbursed for expenses incurred in the performance of their duties as directors.

The following individuals currently serve as members of the CDF Board. The ages of the following individuals have been determined as of January 1, 2025.

J. KENNETH THOMPSON

Chairman of the Board

Age 73 – Current term ends in 2026

Mr. Thompson has served on numerous church committees since the 1980s and several terms on the Board of Trustees of Dallas Christian College in the 1990s and from 2000-2008. He served on the Board of Provision Ministry Group from 2010-2015. He has taught leadership seminars in churches, Christian schools and colleges and served as a personal coach to pastors. He received a B.S. in Petroleum Engineering and an honorary Professional degree from the Missouri University of Science & Technology. Mr. Thompson worked in various executive positions for a major oil company, ARCO, and currently is CEO of Pacific Star Energy, LLC. He currently serves on two public corporation boards of directors: Alaska Air Group and Coeur Mining where he serves as Lead Director. Previously he served on the public corporation boards of Pioneer Natural Resources (Chairman) and Tetra Tech, Inc. (Lead Director.) He began service on the CDF Board in 2017.

ARTHUR B. DANA, CPA

Board Secretary

Age 76 – Current term ends in 2026

Mr. Dana is semi-retired, providing business consulting services and actively participating on the Boards of Directors of organizations in his community. He was previously CFO of Point University; Partner with Symphona, LLP, Certified Public Accountant; Director of Corporate Development and Taxation with Savannah Foods & Industries, Inc., and Partner with PricewaterhouseCoopers. He received a B.S. from the University of North Alabama and an MBA from the University of South Alabama. Mr. Dana first served on the CDF Board from 2004 to 2009 and began his current service in 2017.

BRUCE E. ARICK

Age 60 – Current term ends in 2026

Mr. Arick has served at Butler University in Indianapolis, Indiana since 1990, working his way up in the University from Senior Accountant to Vice President of Finance & Administration. He was previously employed as Controller at Southern Bells Inc. in Indianapolis, Indiana, and Audit Senior with Ernst & Young LLP in Indianapolis, Indiana. Mr. Arick is a member of the National Association of College and University Business Officers. He received a Bachelor of Science degree in accounting from Indiana University. Mr. Arick became a Certified Public Accountant of Indiana in 1991. He began service on the CDF Board in 2017.

MICHAEL A. GERBER

Age 66 – Current term ends in 2026

Mr. Gerber currently works as a self-employed investor. Formerly, he served as the President and Chief Executive Officer with The Federal Agricultural Mortgage Corporation in Washington DC. Prior to that he served in various lending and leadership positions including Executive Vice President and Chief Operating Officer, then as President and Chief Executive Officer with Farm Credit of Western New York, ACA. He has also served in various ministry positions including leadership, teaching and missions. He has been an elder in churches in Connecticut and New York and served as an Executive Pastor at Journeys Crossing in Maryland. He began service on the CDF Board in 2017.

KEVIN L. HART

Age 66 – Current term ends in 2026

Mr. Hart served as the Executive Minister, Operations at Indian Creek Christian church in Indianapolis, IN in 2013 until he retired in 2022. Previously, Mr. Hart served as the Executive Pastor at East 91st Christian Church in Indianapolis, IN for eight years. He spent 19 years as a partner at L.M. Henderson, a CPA firm in Indianapolis, IN. He also spent three years working for Oxford Management Company and three years at Ernst & Whinney. He began service on the CDF Board in July 2021.

SHERYL CLUTTER

Age 63 – Current Term ends in 2025

Sheryl began her business journey right after high school as co-founder of a computer services company serving small CPA firms. Throughout her career she has consulted with numerous organizations, serving as a fractional COO/CFO for start-ups and small to medium size companies, specializing in family-owned businesses. Her focus was on systems integration, streamlining operational processes, developing programs to foster continuous innovation, and turning around significant cash flow issues. She currently serves as the COO/CFO for Convene Corp, an organization dedicated to equipping Christian business owners with resources for developing the businesses and people God has entrusted to their care. Previously she and her husband had an ownership interest in MIE Solutions, a software company that was on the Inc 5000 list of fastest growing companies for 5 years. Sheryl has served on several private company and non-profit boards since the 1990's. She began service on the CDF Board in 2022.

EVAN LANGE

Age 39 - Current Term ends in 2025

Evan serves as the President of the Midwest Region for The Signatry, a global Christian foundation. As President, his primary role is to assist attorneys, advisors, and business owners to develop strategies and solutions to minimize their tax liability and maximize their charitable giving. This includes charitable gifts of complex assets like real estate, closely held business interest and intellectual property. Evan is a frequent speaker at Christian conferences on the topics of Biblical generosity and stewardship. He also presents at legal and tax educational programs throughout the United States. Evan and his wife, Farah, have three children and reside in the Greater Kansas City area. He is a member of Abundant Life in Lee's Summit, Missouri. He began service on the CDF Board in 2022.

EVAN MASYR

Age 53 - Current Term ends in 2028

Evan Masyr has been Executive Vice President and Chief Financial Officer of Salem Media Group since July 1, 2007. He began his career with Salem in February 2000 as the Controller. As CFO, Mr. Masyr is responsible for the financial and accounting operations, investor relations, managing the capital structure and financial risk and controls. He also is the founder, President and Board Member of Adopt Hope, a 501(c)3 organization supporting families with adoption. Prior to joining Salem, Mr. Masyr worked as a manager in the Transaction Services department of PricewaterhouseCoopers LLP for almost seven years. He has been a Certified Public Accountant since 1995. Mr. Masyr graduated magna cum laude from California Polytechnic State University, San Luis Obispo, California in 1993 with a Bachelor of Science degree in business administration with a concentration in accounting. He began service on the CDF Board in 2025.

AUDIT COMMITTEE

The CDF Board has established the Audit Committee. This committee's primary responsibilities are to coordinate and oversee our annual audit process, work with our outside auditor, maintain a line of communication between our outside auditor and our Board of Directors, and monitor our auditor for their ability to provide services. This committee also reviews our investment policies and annual operating plan. The current members of the Audit Committee are Bruce Arick, Sheryl Clutter, Arthur Dana, and Kevin Hart.

CDF EXECUTIVE MANAGEMENT

The following individuals serve as the executive officers of CDF. The ages of the following individuals have been determined as of January 1, 2025.

ERIC R. SCHROEDER

President and CEO

Age 57

Mr. Schroeder was named President and CEO of CDF Capital on July 1, 2021. He had served as a member of the CDF Board since 2010. Prior to joining CDF Capital, Mr. Schroeder, a 33-year banker, was a Founder and Partner of CrossFirst Bank in Leawood, Kansas. He received a Bachelor of Science in Business Administration from Central Missouri State University, Warrensburg, Missouri. Eric and his wife, Julie, reside in the Kansas City, Missouri area and are active members of Journey Church International in Lee's Summit, Missouri.

PHILLIP J. PIKE

Executive Vice President of Operations, COO

Age 51

Mr. Pike joined the staff of CDF in 2002 with nearly a decade of experience in banks and credit unions. He worked as operations manager of Long Beach Schools Financial Credit Union and has held a number of positions with CDF, in both the investment and lending departments. In 2015, Mr. Pike was appointed Executive Vice President of Operations, Chief Operating Officer. He holds a bachelor's degree from California State University Long Beach.

JOHN M. BRIGGS

Executive Vice President, Lending and Investments

Age 53

Mr. Briggs joined the staff of CDF in 2001 and has over two decades of experience in serving the lending and investment needs of churches. Prior to coming to CDF, Mr. Briggs had served in various ministry roles in California and Arizona, including Compass Christian Church in Chandler, AZ. Since joining CDF, Mr. Briggs has worked in the field with churches as a Regional Vice-President, Senior Loan Officer, and as Senior Vice-President of Ministry Lending. He holds a bachelor's degree from Hope International University in Fullerton, CA.

CDF EXECUTIVE COMPENSATION

During the fiscal year ended December 31, 2024, CDF had three executive officers. In the aggregate, such executive officers earned approximately $884,000 in salary and $90,000 in benefits, including health insurance, retirement contributions, and other benefits, for their services to CDF during the fiscal year ended December 31, 2024.

The following table shows the approximate total compensation in 2024 paid to CDF's current executive officers who received compensation of $150,000 or more during the fiscal year ended December 31, 2024.

(All dollar figures are rounded to the nearest $1,000)

Officer	Salary	Benefits(1)	Total
Mr. Briggs	$244,000	$28,000	$272,000
Mr. Pike	$271,000	$9,000	$280,000
Mr. Schroeder	$369,000	$53,000	$422,000

(1) Benefits include medical, dental, group life, disability, retirement plan and legally mandated benefits.

RETIREMENT PLANS

We have established a defined-contribution retirement plan covering substantially all our employees. CDF, in its sole discretion, may make either an employer-matching contribution after one year of service, a basic contribution based on length of service, or both. The vesting in this plan is immediate. We made total contributions to the plan of $133,000 for the fiscal year ended December 31, 2024.

TAX CONSIDERATIONS

By purchasing a Certificate, you may be subject to certain income tax provisions of the Internal Revenue Code of 1986, as amended (the "Code"). Some of the significant federal income tax consequences of purchasing a Certificate include the following.

Although CDF is a Code Section 501(c)(3) organization, you will not be entitled to a charitable deduction for your investment. Any interest on your Certificate will be taxed as ordinary income in the year it accrues or is paid to you. You will not be taxed on the return of any principal amount of your Certificate or on the payment of interest that was previously taxed.

In addition, if you (or you and your spouse together) have invested or loaned more than $250,000 in the aggregate with or to CDF and other charitable organizations that CDF controls, you may be deemed to receive additional taxable interest under Title 26, Code Section 7872 if the interest paid or accrued is below the applicable federal rate. In that situation, the Internal Revenue Service may impute income up to the applicable federal rate. If you believe this applies to you, for further clarification, you should consult your tax advisor.

We will provide you with a Federal Income Tax Form 1099-INT or the comparable form by January 31 of each year indicating the interest earned on your Certificates during the previous year. Acknowledgement of any interest donated to CDF in accordance with IRS 501(c)(3) charitable contribution requirements will be provided at the time of donation.

Backup withholding of U.S. federal income tax, currently at a rate of 24%, may apply to certain payments made to you if:

- you fail to provide an accurate taxpayer identification number;
- CDF is notified by the IRS that backup withholding is required; or
- in certain circumstances, if you fail to comply with applicable certification requirements.

Backup withholding is not an additional tax. Rather, the amount of any backup withholding will be allowed as a credit against your U.S. federal income tax liability and may entitle you to a refund, provided that certain required information is timely furnished to the IRS. You should consult your own legal counsel or accountant regarding the backup withholding tax rules and all tax circumstances that may apply to you, having regard to your particular circumstances.

If the law creating the tax consequences described in this summary changes, this summary could become inaccurate. This summary is based on the Code, the Treasury regulations promulgated under the Code, and administrative interpretations and court decisions existing as of the date of this Offering Circular. These authorities could be changed either prospectively or retroactively by future legislation, regulations, administrative interpretations, or court decisions. Accordingly, this summary may not accurately reflect the tax consequences of an investment in our Certificates after the date of this Offering Circular. Furthermore, we have no obligation to notify you of any such changes.

In addition, this summary does not address every aspect of tax law that may be significant to your particular circumstances. For instance, it does not address special rules that may apply if you are a financial institution or tax-exempt organization, or if you are not a citizen or resident of the United States. It also does not address Certificates purchased through an IRA, SEP, 403(b) plan, or other retirement or benefit plan. Nor does it address any aspect of foreign, state or local tax law that may apply to you. Therefore, you should consult with your tax advisor to determine your federal, state, local, or foreign income or other tax consequences of an investment in our Certificates.

LEGAL PROCEEDINGS AND OTHER MATTERS

As of the date of this Offering Circular, there are no legal proceedings pending against us, or any individual in his or her capacity as a director or executive officer of CDF, or against our property that, individually or in the aggregate, is probable or reasonably possible to result in a material adverse effect upon CDF or our operations.

Our legal counsel has provided an opinion letter as to the legality, validity, and enforceability of the Certificates subject to this offering. The opinion has been filed with the applicable state authorities, where required, with respect to our applications for registration, qualification or exemption, as applicable, of our debt securities.

CONSOLIDATED FINANCIAL STATEMENTS

Our audited consolidated financial statements as of December 31, 2024 and 2023 and for the fiscal years ended December 31, 2024, 2023, and 2022 are included as an attachment to this Offering Circular and consist of the Consolidated Statements of Financial Position, Consolidated Statements of Activities, Consolidated Statements of Cash Flows, and Notes to Consolidated Financial Statements. The consolidated financial statements as of December 31, 2024 and 2023 and for the fiscal years ended December 31, 2024, 2023, and 2022 have been audited by Crowe LLP, independent certified public accountants, and their report thereon is dated March 11, 2025.

Our policy is to deliver our audited consolidated financial statements to current investors each year within 120 days of our fiscal year end, and upon written request. We will also post our current audited consolidated financial statements on the CDF Website.

We will provide interim consolidated financial statements, if available, to investors who request them from us. None of the interim consolidated financial statements will be reviewed or audited by our independent auditors. Our interim consolidated financial statements may be materially different from our annual audited consolidated financial statements.

EXHIBIT

FOR CALIFORNIA RESIDENTS

§ 260.141.11. Restriction on Transfer.

(a) The issuer of any security upon which a restriction on transfer has been imposed pursuant to Section 260.102.6, 260.141.10 or 260.534 shall cause a copy of this section to be delivered to each issuee or transferee of such security at the time the certificate evidencing the security is delivered to the issuee or transferee.

(b) It is unlawful for the holder of any such security to consummate a sale or transfer of such security, or any interest therein, without the prior written consent of the Commissioner (until this condition is removed pursuant to Section 260.141.12 of these rules), except:

1 to the issuer;

2 pursuant to the order or process of any court;

3 to any person described in Subdivision (i) of Section 25102 of the Code or Section 260.105.14 of these rules;

4 to the transferor's ancestors, descendants or spouse, or any custodian or trustee for the account of the transferor or the transferor's ancestors, descendants, or spouse; or to a transferee by a trustee or custodian for the account of the transferee or the transferee's ancestors, descendants or spouse;

5 to holders of securities of the same class of the same issuer;

6 by way of gift or donation inter vivos or on death;

7 by or through a brokerdealer licensed under the Code (either acting as such or as a finder) to a resident of a foreign state, territory or country who is neither domiciled in this state to the knowledge of the brokerdealer, nor actually present in this state if the sale of such securities is not in violation of any securities law of the foreign state, territory or country concerned;

8 to a brokerdealer licensed under the Code in a principal transaction, or as an underwriter or member of an underwriting syndicate or selling group;

9 if the interest sold or transferred is a pledge or other lien given by the purchaser to the seller upon a sale of the security for which the Commissioner's written consent is obtained or under this rule not required;

10 by way of a sale qualified under Sections 25111, 25112, 25113, or 25121 of the Code, of the securities to be transferred, provided that no order under Section 25140 or subdivision (a) of Section 25143 is in effect with respect to such qualification;

11 by a corporation to a wholly owned subsidiary of such corporation, or by a wholly owned subsidiary of a corporation to such corporation;

12 by way of an exchange qualified under Section 25111, 25112 or 25113 of the Code, provided that no order under Section 25140 or subdivision (a) of Section 25143 is in effect with respect to such qualification;

13 between residents of foreign states, territories or countries who are neither domiciled nor actually present in this state;

14 to the State Controller pursuant to the Unclaimed Property Law or to the administrator of the unclaimed property law of another state; or

15 by the State Controller pursuant to the Unclaimed Property Law or by the administrator of the unclaimed property law of another state if, in either such case, such person (i) discloses to potential purchasers at the sale that transfer of the securities is restricted under this rule, (ii) delivers to each purchaser a copy of this rule, and (iii) advises the Commissioner of the name of each purchaser;

16 by a trustee to a successor trustee when such transfer does not involve a change in the beneficial ownership of the securities;

17 by way of an offer and sale of outstanding securities in an issuer transaction that is subject to the qualification requirement of Section 25110 of the Code but exempt from that qualification requirement by subdivision (f) of Section 25102; provided that any such transfer is on the condition that any certificate evidencing the security issued to such transferee shall contain the legend required by this section.

(c) The certificates representing all such securities subject to such a restriction on transfer, whether upon initial issuance or upon any transfer thereof, shall bear on their face a legend, prominently stamped or printed thereon in capital letters of not less than 10-point size, reading as follows:

"IT IS UNLAWFUL TO CONSUMMATE A SALE OR TRANSFER OF THIS SECURITY, OR ANY INTEREST THEREIN, OR TO RECEIVE ANY CONSIDERATION THEREFOR, WITHOUT THE PRIOR WRITTEN CONSENT OF THE COMMISSIONER OF FINANCIAL PROTECTION AND INNOVATION OF THE STATE OF CALIFORNIA, EXCEPT AS PERMITTED IN THE COMMISSIONER'S RULES."

CHURCH DEVELOPMENT FUND, INC., IRVINE, CALIFORNIA

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2024 AND 2023

CONTENTS

INDEPENDENT AUDITOR'S REPORT A-1

CONSOLIDATED FINANCIAL STATEMENTS

- CONSOLIDATED STATEMENTS OF FINANCIAL POSITION A-2
- CONSOLIDATED STATEMENTS OF ACTIVITIES A-3
- CONSOLIDATED STATEMENTS OF CASH FLOWS A-4
- NOTES TO CONSOLIDATED FINANCIAL STATEMENTS A-6

Crowe LLP
Independent Member Crowe Global

Independent Auditor's Report

To the Board of Directors
Church Development Fund, Inc.
Irvine, California

Opinion

We have audited the consolidated financial statements of Church Development Fund, Inc., which comprise the consolidated statements of financial position as of December 31, 2024 and 2023, and the related consolidated statements of activities and cash flows for each of the three years in the period ended December 31, 2024, and the related notes to the financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Church Development Fund, Inc. as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for each of the three years in the period ended December 31, 2024 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Church Development Fund, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 2 to the consolidated financial statements, Church Development Fund, Inc. adopted Accounting Standards Update No. 2016-13, Financial Instruments – Credit Losses (ASC 326) as of January 1, 2023. Church Development Fund, Inc. adopted the new credit loss standard using the modified retrospective method for all financial assets measured at amortized cost, and off-balance-sheet credit exposures. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Church Development Fund, Inc.'s ability to continue as a going concern for one year from the date the consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Church Development Fund, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Church Development Fund, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Crowe LLP
Crowe LLP

Costa Mesa, California
March 11, 2025

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

December 31, 2024 and 2023 (In thousands)

	2024	2023
Assets		
Cash and cash equivalents	$ 37,169	$ 21,255
Investments	40,112	38,967
Accounts and other receivables, net	1,558	1,586
Prepaid expenses and other assets	726	621
Accrued interest and dividends	2,348	2,090
Loans receivable held for investment, net	503,508	492,776
Capital lease receivable	1,275	1,287
Real estate	12,225	20,502
Restricted cash and investments	35	35
Investments held for benefit of trustors	283	281
Real estate held for lease, net	8,899	1,799
Property and equipment, net	3,473	3,617
Total assets	$ 611,611	$ 584,816
Liabilities and Net Assets		
LIABILITIES:		
Accounts payable and accrued expenses	$ 1,218	$ 1,816
Short-term borrowings	-	3,000
Debt securities	554,244	523,665
Deferred income	-	115
Reserve for unfunded commitments	216	295
Liabilities held under trust agreements	956	2,021
Total liabilities	$ 556,634	$ 530,912
NET ASSETS:		
Without donor restrictions	53,086	52,044
With donor restrictions	1,891	1,860
Total net assets	54,977	53,904
Total liabilities and net assets	$ 611,611	$ 584,816

See accompanying notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF ACTIVITIES

Years ended December 31, 2024, 2023, and 2022 (In thousands)

	2024	2023	2022
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS:			
INTEREST INCOME:			
Interest and fees on loans	$ 25,320	$ 22,344	$ 22,357
Interest and dividends on cash and investments	2,022	2,068	1,599
Total interest income	27,342	24,412	23,956
INTEREST EXPENSE:			
Interest on debt securities	(20,738)	(14,925)	(12,995)
Short-term borrowing interest	(29)	(31)	(13)
Total interest expense	(20,767)	(14,956)	(13,008)
Net interest income	6,575	9,456	10,948
Negative provision (provision) for credit losses	173	187	422
Net interest income after provision for credit losses	6,748	9,643	11,370
NONINTEREST OPERATING INCOME AND EXPENSES:			
Contributions and bequests	385	112	662
Contributions of nonfinancial assets	1,044	—	—
Rental income	153	111	23
Construction services	116	50	249
Loan servicing fee income	91	94	187
Other income	526	613	1,583
Grant expense to other ministries	(106)	(452)	(1,152)
General operating expenses	(7,878)	(8,587)	(9,096)
Total noninterest operating income and expenses	(5,669)	(8,059)	(7,544)
Net operating income	1,079	1,584	3,826
NONOPERATING INCOME AND EXPENSES:			
Net realized and unrealized losses on investments	(21)	(71)	(1,927)
Net (loss) gain on sale of real estate held for sale	89	(32)	917
Impairment of real estate held for lease	(26)	—	(214)
Net gain (loss) on sale of property and equipment	(4)	6	—
Change in value of split-interest agreements	(79)	(79)	(54)
Net assets released from restrictions	4	—	1
Total nonoperating income and expenses, net	(37)	(176)	(1,277)
Change in net assets without donor restrictions	1,042	1,408	2,549
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS:			
Change in value of split-interest agreements	35	34	(6)
Net assets released from restrictions	(4)	—	(1)
Change in net assets with donor restrictions	31	34	(7)
Change in net assets	1,073	1,442	2,542
Net assets, beginning of year	53,904	55,915	53,373
Cumulative change in accounting standard (Note 2)	—	(3,453)	—
Net assets, beginning of year (as adjusted for change in accounting standard)	53,904	52,462	53,373
Net assets, end of year	$ 54,977	$ 53,904	$ 55,915

See accompanying notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years ended December 31, 2024, 2023, and 2022 (In thousands)

	2024	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES:			
Change in net assets	$ 1,073	$ 1,442	$ 2,542
Adjustments to reconcile change in net assets to net cash from operating activities:			
(Negative provision) provision for credit losses, net	(173)	(187)	(422)
Amortization of deferred loan costs, net	519	442	343
Net realized and unrealized investment losses	21	71	1,927
Net gain (loss) on sale of real estate held for sale	(89)	32	(917)
Impairment of real estate held for lease	26	—	214
Net (gain) loss on sale of property and equipment	4	(6)	—
Noncash contributions	(1,044)	—	—
Depreciation and amortization	233	219	264
Change in value of split-interest agreements	44	45	60
Changes in operating assets and liabilities:			
Accounts and other receivables, net	28	26	1,525
Accrued interest and dividends	(258)	(131)	120
Prepaid expenses and other assets	(105)	(48)	86
Accounts payable and accrued expenses	(598)	(292)	20
Deferred income	(115)	—	—
Other changes in trusts and church trust properties	(1,111)	(71)	(39)
Net cash from operating activities	(1 ,545)	1 ,542	5,723
CASH FLOWS FROM INVESTING ACTIVITIES:			
New loans made to churches, net of administration fees	(40,439)	(50,731)	(77,260)
Proceeds from loan principal repayments	31,285	28,005	109,703
Purchases of loans receivable	(833)	—	(4,927)
Purchases of investments	(8,936)	(5,293)	(16,365)
Proceeds from pay down, maturities and sale of investments	7,770	8,188	17,933
Change in capital lease receivable	12	11	(89)
Acquisitions of real estate and real estate held for lease	(2,966)	(371)	(90)
Proceeds from the sale of real estate	4,020	38	751
Purchases of property and equipment, net	(33)	(173)	(60)
Net cash from investing activities	(10,120)	(20,326)	29,596
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from debt securities	107,462	86,251	66,879
Redemption of debt securities	(95,649)	(124,490)	(122,009)
Reinvested interest on debt securities	18,766	13,491	11,680
Proceeds from short-term borrowings	(3 ,000)	3 ,000	—
Net cash from investing activities	27,579	(21,748)	(43,450)
Change in cash and cash equivalents	15,914	(40,532)	(8,131)
Cash and cash equivalents, beginning of year	21,255	61,787	69,918
Cash and cash equivalents, end of year	$ 37,169	$ 21,255	$ 61,787

(continued)

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years ended December 31, 2024, 2023, and 2022 (In thousands)

	2024	2023	2022
Supplemental disclosure of cash flow information:			
Cash paid during the year for:			
Interest on interest-bearing liabilities and line of credit	$ 20,744	$ 14,936	$ 13,011
Supplemental disclosures of noncash investing and financing activities:			
Net investment in loans receivable transferred to real estate through property transfer, foreclosure, and deed-in-leu of foreclosure	$ —	$ 10,188	$ 3,906
Real estate transferred to loans receivable held for investment	$ 1,170	$ 1,522	$ —
Net real estate transferred to capital lease receivable	$ —	$ —	$ 1,209
Net real estate transferred to real estate held for lease	$ 3,151	$ —	$ —
Deferred income transferred to net realized gain on real estate	$ —	$ —	$ 857

See accompanying notes to consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

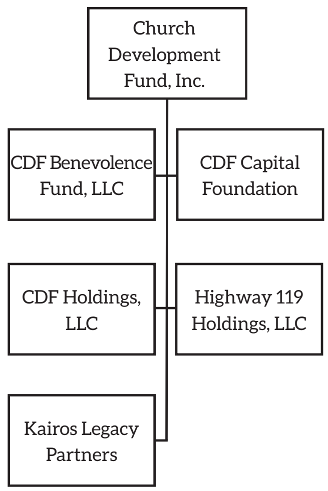
December 31, 2024, 2023, and 2022

NOTE 1 — NATURE OF ORGANIZATION

Church Development Fund, Inc. (CDF or Organization) is a California religious not-for-profit corporation that was established in 1953 and operates as a church extension fund affiliated with independent Christian Churches. CDF's purpose is to help churches and ministries grow. It carries out this purpose by generating funds to finance the purchase, construction, and improvement of church related properties, to refinance existing debt incurred for these purposes, and to provide for operational needs of churches and ministries. Funds for CDF's loan program are primarily generated through sales of debt securities, contributions, and borrowings.

Principles of Consolidation: The consolidated financial statements include the accounts and operations of CDF and its subsidiaries. All significant intercompany accounts and transactions have been eliminated.

The following chart shows the current corporate organizational structure:



NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting and Presentation

The consolidated financial statements of CDF are prepared in accordance with U.S. generally accepted accounting principles (GAAP).

Cash and Cash Equivalents

Cash and cash equivalents include checking accounts, money market accounts, and other highly liquid investments with original maturities of 90 days or less when purchased.

Investments

Investments are recorded at fair value. Valuation techniques are further discussed in Note 14. Unrealized gains and losses on investments are recorded on a net basis as nonoperating income or expense.

Property and Equipment

Property and equipment are carried at cost for expenditures over $1,000 and an expected useful life of greater than one year. Depreciation expense is allocated on a straight line basis over the estimated useful lives of the assets ranging from three to seven years for equipment and from 30 to 40 years for buildings.

Loans Receivable Held for Investment

Loans receivable held for investment are stated at their principal amount outstanding less the related allowance for credit losses and net of deferred loan fees and costs. Loans are generally collateralized by real estate. Interest is calculated using the simple interest method and interest rates on the majority of loans are subject to adjustment every three to five years when loans either mature or are reset in accordance with the terms of the loan. Loans are typically amortized over a period of 25 to 30 years.

A portfolio segment is the level at which an entity develops and documents a systematic methodology to determine the allowance for credit losses, and a class of financing receivables is the level of disaggregation of portfolio segments based on the initial measurement attribute, risk characteristics, and methods for assessing risk. The Organization has one portfolio segment consisting of church, parachurch ministries, and related educational institution loans. The classes within this segment are mortgage, construction, and other, including lines of credit, other asset secured, and unsecured loans. Risk arises primarily due to the difference between expected and actual cash flows of the borrowers, specifically related to size of the organization and level of contributions and revenue they receive; however, the ultimate recoverability of CDF's investment in these loans may also depend on other factors such as the type of collateral securing these loans and its fair value, which may fluctuate as market conditions change.

Allowance for Credit Losses – Loans

The allowance for credit losses is a valuation account that is deducted from the loans' amortized cost basis to present the net amount expected to be collected on the loans. Loans are charged off against the allowance when management believes the uncollectibility of a loan balance is confirmed. Expected recoveries do not exceed the aggregate of amounts previously charged-off and expected to be charged-off.

On and prior to December 31, 2022, CDF computed the allowance for loan losses under the probable incurred model. Effective January 1, 2023, the allowance for credit losses is measured on a collective (pool) basis when similar risk characteristics exist. CDF measures the allowance for credit losses for its segment of church, parachurch ministries, and related educational institution loans using the Weighted Average Remaining Maturity (WARM) method. Our WARM model utilizes the most recent five years of CDF's loan losses in establishing the historical loss rate. The weighted average amortization adjusted remaining life is determined based on loan maturity dates and a ten-year weighted average of CDF's loan prepayment history. The following qualitative factors are also considered in determining the Organization's expected credit losses: (1) church and ministry specific real estate valuation trends and projections, (2) historical loss volatility, (3) loan portfolio credit migration trends, and (4) economic uncertainty based on inflation and other market conditions. CDF incorporates short-term forecasts of key economic indicators, including unemployment rates, inflation, interest rates, and collateral values, representing a twelve month adjustment, with an immediate reversion to CDF's historical loss experience thereafter. The economic forecast expected credit losses are estimated over the contractual term of the loans, adjusted for expected prepayments when appropriate. The contractual term excludes expected extensions, renewals, and modifications unless the extension or renewal options are included in the original or modified contract at the reporting date and are not unconditionally cancellable by the Organization.

Loans that do not share risk characteristics are evaluated on an individual basis. Loans are classified as individually evaluated if management believes it is probable that CDF will not receive all principal and interest due on the loan according to the contractual terms of the loan agreement. Loans evaluated individually are not included in the collective evaluation. When management determines that foreclosure is probable, expected credit losses are based on the fair value of the collateral at the reporting date, adjusted for selling costs as appropriate.

The allowance for credit losses is supported by periodic and systematic detailed reviews of the loan portfolio by management to identify credit risks and to assess the overall ability to collect on each loan. This analysis includes, but is not limited to, the borrower's management, financial condition, cash flows, repayment program, and the existence of collateral. In addition, the historical experiences of payment patterns and general economic conditions have been considered in management's evaluation of the allowance for credit losses. This process is based on estimates, and ultimate losses may vary from current estimates. As changes in estimates occur, adjustments to the level of the allowance are recorded in the provision for credit losses in the period in which they become known.

If payments on a loan become over 90 days past due, the loan is classified as delinquent. If payments on a loan become over 120 days past due, interest accrual ceases, and the loan is classified as delinquent and is individually evaluated. However, in certain instances, CDF may place a particular loan on nonaccrual status earlier, depending upon the individual circumstances surrounding the loan's delinquency. When an asset is placed on nonaccrual status, previously accrued but unpaid interest is reversed against current income. Subsequent collections of cash are applied as principal reductions when received, except when the ultimate collection of principal is probable, in which case interest payments are credited to income. Nonaccrual assets may be restored to accrual status when principal and interest become current and full repayment is expected, generally after a period of at least six months of payment performance. Interest income is recognized on the cash basis for individually evaluated loans not meeting the criteria for nonaccrual.

A loan that has been placed on nonaccrual status that is subsequently modified will usually remain on nonaccrual status until the borrower is able to demonstrate repayment performance in compliance with the modified terms for a sustained period, typically for six months. A modified loan may return to accrual status sooner based on other significant events or mitigating circumstances. A loan that has not been placed on nonaccrual status may be modified and such loan may remain on accrual status after such modification. In these circumstances, the borrower has made payments before and after the modification. Generally, this modification involves a reduction in the loan interest rate and/or a change to interest only payments for a period. The modified loan is considered individually evaluated despite the accrual status and a specific allowance is calculated. Subsequent collections of cash are credited to income under the cash basis if ultimate collection of principal is probable for modified loans not meeting the criteria for nonaccrual.

Allowance for Credit Losses on Off-Balance Sheet Credit Exposures

CDF's off-balance sheet credit exposure consists of unfunded church, parachurch ministry and related educational institution loans. The Organization estimates expected credit losses over the contractual period in which CDF is exposed to credit risk via a contractual obligation to extend credit, unless that obligation is unconditionally cancellable by CDF. The reserve for unfunded commitments is adjusted through the provision for credit losses. The estimate includes consideration of the likelihood that funding will occur and an estimate of expected credit losses on commitments expected to be funded over its estimated life. CDF uses the WARM model described in Allowance for Credit Losses – Loans to estimate credit losses for unfunded loan commitments.

Concentration of Credit Risk

Financial instruments that potentially subject CDF to concentrations of credit risk consist principally of cash and cash equivalents, investments, loans receivable, and debt securities.

CDF places substantially all of its cash and cash equivalents with high quality financial institutions and limits the amount of significant credit exposure to any one financial institution. On December 31, 2024, CDF had deposits in excess of federal deposit insurance limits at one financial institution. The management of CDF does not believe that the Organization is exposed to any significant risk of loss due to this concentration.

At December 31, 2024, a significant portion of the investment portfolio was invested in certificates of deposit within federal deposit insurance limits at various banks. CDF's investment portfolio is managed primarily by UMB Bank, N.A.

Concentrations of credit risk with respect to loans receivable are limited to a certain extent by the secured position of CDF in most instruments, the number of organizations comprising CDF's loans receivable base, their dispersion across geographic area, and CDF's policy of limiting the maximum loan amount to any one borrower. CDF's loans are with churches and related organizations of the Christian Church and other independent church congregations. While CDF may be exposed to credit losses in the event of nonperformance by the above contracting parties, management has established an allowance for potential credit losses, which it believes is adequate to cover current expected credit losses as of December 31, 2024.

Deferred Loan Fees

Loan administration fees collected at the inception of loans held for investment, net of the costs of originating the loan, are deferred and amortized over the life of the loan as an adjustment of yield using a method that approximates the effective interest method. These loan administration fees are recorded as part of loans receivable held for investment, net, in the accompanying consolidated statements of financial position. Net amortization of deferred costs was $519,000, $442,000, and $343,000, for the years ended December 31, 2024, 2023, and 2022, respectively, and was included in interest income in the accompanying consolidated statements of activities.

Transfers and Servicing of Financial Assets

The transfer of financial assets in which the Organization surrenders control over the assets is accounted for as a sale to the extent that consideration other than beneficial interests is received in exchange. GAAP sets forth the criteria that must be met for control over transferred assets to be considered to have been surrendered, which includes, among others: (1) the assets must be isolated from creditors of the transferor, (2) the transferee must obtain the right (free of conditions that constrain it from taking advantage of that right) to pledge or exchange the transferred assets, and (3) the transferor cannot maintain effective control over the transferred assets through an agreement to repurchase them before their maturity. When the Organization transfers financial assets and the transfer fails any one of these criteria, the Organization is prevented from derecognizing the transferred financial assets and the transaction is accounted for as a secured borrowing.

When de-recognition criteria are met and the transfer is accounted for as a sale, the Organization removes financial assets from the consolidated statements of financial position and a net gain or loss is recognized in income at the time of sale. In the ordinary course of business, as loans are sold, CDF makes standard industry representations and warranties about the loans. CDF may have to subsequently repurchase certain loans due to defects that occurred in the origination of the loans. Such defects are categorized as documentation errors, underwriting errors, or fraud. As of December 31, 2024, CDF has not been required or requested to repurchase any sold loans due to these circumstances and no reserve for repurchase has been recorded.

Investments Held for Benefit of Trustors and Liabilities Held under Trust Agreements

CDF is the trustee for irrevocable trusts, including charitable remainder unitrusts and charitable remainder annuity trusts. These trusts provide for the payment of lifetime distributions to the grantor or other designated beneficiaries. Distributions to beneficiaries may be for a specified dollar amount or for a specified percentage of the trust's fair value as determined annually. Assets received under such agreements are typically fixed income securities or debt securities issued by CDF. The fixed income securities are recorded at fair value and are included in investments held for benefit of trustors in the accompanying consolidated statements of financial position. Debt securities accounts held with CDF are eliminated upon consolidation of the trusts.

The present value of the income interests is reported as trust liabilities using discount and mortality tables at rates that approximate the risk adjusted rate of return at the time the agreement was established. At December 31, 2024 and 2023, the risk adjusted rate of return ranged from 6% to 8%. At the death of the lifetime beneficiaries, the trusts provide for the distribution of assets to designated charitable organizations. Certain trusts contain provisions to distribute assets to charitable organizations other than CDF. The portion attributable to others is reflected as a component of the liabilities held under trust agreements. Changes in the fair value of the investments are combined with the changes in the estimated liability and are recorded in the consolidated statements of activities.

Real Estate and Real Estate Held for Lease

Generally, assets acquired through deed in lieu of foreclosure and donation are held for sale and are initially recorded at fair value, less estimated selling costs at the date of acquisition, establishing a new cost basis. After acquisition, valuations are periodically obtained from independent sources. The assets are carried at the lower of carrying amount or fair value less costs to sell and included in real estate in the consolidated statements of financial position. Changes in the valuation allowance are included in impairment of real estate and real estate held for lease in the consolidated statements of activities.

Certain assets acquired through deed in lieu of foreclosure and donation are held for lease and are initially recorded at fair value at the date of acquisition, establishing a new cost basis. After acquisition, the assets are subject to depreciation and assessments for impairment. The assets are carried at the net carrying amount and included in real estate held for lease in the consolidated statements of financial position.

Debt Securities

The major source of funds used to finance loans is received from the sale of debt securities to investors whom CDF considers to be associated with its mission of serving churches. These debt securities are not collateralized. CDF classifies reinvested interest on debt securities in cash flows from financing activities on the consolidated statements of cash flows. Reinvested interest on debt securities was $18,766,000, $13,491,000, and $11,680,000, for the years ended December 31, 2024, 2023, and 2022, respectively.

Classes of Net Assets

The consolidated financial statements report classification of net assets as follows:

Net assets without donor restrictions are those currently available for use in CDF's operations, amounts designated by the Board for specific purposes and include those resources invested in property and equipment. In addition, CDF maintains donor advised funds in which donors are given the opportunity to make recommendations for grants to approved charities to be paid from the funds. The Organization maintains control over the funds and makes grants at its sole discretion.

Net assets with donor restrictions equipment. In addition, CDF maintains donor advised funds in which donors are given the opportunity to make recommendations for grants to approved charities to be paid from the funds. The Organization maintains control over the funds and makes grants at its sole discretion.

Donor restricted endowment funds are contributed with donor stipulations to invest the principal of the gift in perpetuity, with only the income to be utilized for ministry purposes, with restrictions.

Income Taxes

CDF is an organization exempt from taxation under §501(a) of the Internal Revenue Code (IRC) and is classified as an exempt organization pursuant to §501(c)(3) and further described as a religious organization under §509(a)(1) and §170(b)(1)(A)(i). The Organization remains subject to income taxes on any net income that is derived from a trade or business, regularly carried on and not in furtherance of the purpose for which it was granted exemption. CDF's subsidiaries included in the reporting entity consist of entities wholly owned by CDF and, therefore, disregarded for income tax purposes and separate organizations exempt under §501(c)(3), and further described as supporting organizations under §509(a)(3). The income tax provision, including interest and penalties when applicable, are recorded as general operating expenses in the consolidated statements of activities. Income tax expense is not material to the consolidated financial statements taken as a whole.

The Organization is required to determine whether it is more likely than not that a tax position will be sustained upon examination based on the technical merits of the position. A tax position that meets the more likely than not recognition threshold is measured to determine the amount of expense or benefit to recognize in the consolidated financial statements. The Organization has concluded that there are no significant uncertain tax positions requiring disclosure in the consolidated financial statements as of December 31, 2024 and 2023.

Fair Value of Financial Instruments

Fair values of financial instruments are estimated using relevant market information and other assumptions, as more fully disclosed in a separate note. Fair value estimates involve uncertainties and matters of significant judgment regarding interest rates, credit risk, prepayments, and other factors, especially in the absence of broad markets for particular items. Changes in assumptions or in market conditions could significantly affect these estimates.

Reclassifications

Some items in the prior year financial statements were reclassified to conform to the current presentation. Reclassifications had no effect on prior year changes in net assets or net assets.

Use of Estimates

The preparation of the consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could materially differ from those estimates.

Adoption of New Accounting Standards

On January 1, 2023, CDF adopted ASU 2016-13 Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments, as amended, which replaces the incurred loss methodology with an expected loss methodology that is referred to as the current expected credit loss (CECL) methodology. The measurement of expected credit losses under the CECL methodology is applicable to financial assets measured at amortized cost, including loan receivables. It also applies to off-balance sheet credit exposures not accounted for as insurance (loan commitments, standby letters of credit, financial guarantees, and other similar instruments) and net investments in leases recognized by a lessor in accordance with Topic 842 on leases.

CDF adopted ASC 326 using the modified retrospective method for all financial assets measured at amortized cost and off-balance-sheet (OBS) credit exposures. Results for reporting periods beginning after January 1, 2023 are presented under ASC 326 while prior period amounts continue to be reported in accordance with previously applicable GAAP. The Organization recorded a net decrease to net assets without donor restrictions of $3,453,000 as of January 1, 2023 for the cumulative effect of adopting ASC 326. The transition adjustment resulted in a decrease in net assets of $3,453,000, which included $2,949,000 for expected credit losses and $504,000 for the reserve for unfunded loan commitments.

NOTE 3 — INVESTMENTS

The fair value of investments consists of the following at December 31 (in thousands):

	2024	2023
Certificates of deposit	$ 39,441	$ 38,081
Corporate securities	500	500
Mortgage-backed securities, residential	171	386
	$ 40,112	$ 38,967

All of the above investments are available for sale or redemption any time CDF determines liquidation is appropriate. The investments mature as of December 31 as follows (in thousands):

2025	$ 11,499
2026	11,424
2027	6,490
2028	4,018
2029	1,410
Thereafter	5,271
	$ 40,112

THIS SECTION WAS INTENTIONALLY LEFT BLANK

NOTE 4 — LOANS RECEIVABLE HELD FOR INVESTMENT

An age analysis of loans receivable held for investment, by class, at December 31, 2024, is as follows (in thousands)::

	Current or less than 31 days past due	31–60 days past due	61–90 days past due	91 days or more past due	Total
Mortgage loans	$ 449,225	$ —	$ —	$ 2,825	$ 452,050
Construction loans	42,689	—	—	—	42,689
Other loans	15,409	—	—	—	15,409
	$ 507,323	$ —	$ —	$ 2,825	$ 510,148
Percentage of loan portfolio	99.4 %	0.0 %	0.0 %	0.6 %	100.0 %

An age analysis of loans receivable held for investment, by class, at December 31, 2023, is as follows (in thousands):

	Current or less than 31 days past due	31–60 days past due	61–90 days past due	91 days or more past due	Total
Mortgage loans	$ 425,066	$ 148	$ 140	$ 2,893	$ 428,247
Construction loans	54,137	—	—	—	54,137
Other loans	17,427	—	—	—	17,427
	$ 496,630	$ 148	$ 140	$ 2,893	$ 499,811
Percentage of loan portfolio	99.4 %	0.0 %	0.0 %	0.6 %	100.0 %

The Organization evaluates its loans receivable using conforming or nonconforming as the primary credit quality indicator. Nonconforming refers to those loans that are internally classified by the Organization as substandard. These assets pose higher risk and elevated probability of default. Conforming refers to all loans not considered nonconforming. The Organization evaluates various criteria for determining whether a loan is conforming or nonconforming on an annual basis.

The table below presents credit quality indicators related to the Organization's loans by class at December 31, 2024 (in thousands)::

	Mortgage loans	Construction loans	Other loans	Total
Risk ratings:				
Conforming	$ 423,513	$ 42,689	$ 13,022	$ 479,224
Nonconforming	28,537	—	2,387	30,924
Total	$ 452,050	$ 42,689	$ 15,409	$ 510,148
			Allowance for credit losses	(7,484)
			Deferred loan fees, net	844
				$ 503,508

The table below presents credit quality indicators related to the Organization's loans by class at December 31, 2023 (in thousands):

	Mortgage loans	Construction loans	Other loans	Total
Risk ratings:				
Conforming	$ 396,576	$ 54,138	$ 14,980	$ 465,694
Nonconforming	31,671	—	2,446	34,117
Total	$ 428,247	$ 54,138	$ 17,426	$ 499,811
			Allowance for loan losses	(7,728)
			Deferred loan fees, net	693
				$ 492,776

The following table presents a summary of the activity in the allowance for credit losses by class for the years ended December 31, 2024 and 2023 (in thousands):

December 31, 2024	Mortgage loans	Construction loans	Other loans	Total
Allowance for credit losses				
Beginning balance	$ 4,651	$ 494	$ 2,583	$ 7,728
Charge-offs	(150)	—	—	(150)
Provision (negative provision)	103	(117)	(80)	(94)
Ending balance	$ 4,604	$ 377	$ 2,503	$ 7,484
December 31, 2023				
Allowance for credit losses				
Beginning balance	$ 2,199	$ 109	$ 2,535	$ 4,843
Impact of adoption ASC 326	2,395	440	114	2,949
Charge-offs	(86)	—	—	(86)
Provision (negative provision)	143	(55)	(66)	22
Ending balance	$ 4,651	$ 494	$ 2,583	$ 7,728

The following tables present the activity in the allowance for loan losses by class for the year ended December 31, 2022 (in thousands):

December 31, 2022	Mortgage loans	Construction loans	Other loans	Total
Allowance for loan losses				
Beginning balance	$ 3,057	$ 100	$ 2,594	$ 5,751
Charge-offs	(486)	—	—	(486)
Provision (negative provision)	(372)	9	(59)	(422)
Ending balance	$ 2,199	$ 109	$ 2,535	$ 4,843
Amount of the allowance applicable to loans				
Individually evaluated for impairment	$ 1,118	$ —	$ 2,504	$ 3,622
Collectively evaluated for impairment	1,081	109	31	1,221
Total allowance for loan losses	$ 2,199	$ 109	$ 2,535	$ 4,843
December 31, 2022				
Ending balance of loan portfolio composed of				
Individually evaluated for impairment	$ 32,433	$ —	$ 2,504	$ 34,937
Collectively evaluated for impairment	376,429	59,435	15,756	451,620
Total loan portfolio	$ 408,862	$ 59,435	$ 18,260	$ 486,557

The following is a summary of information pertaining to impaired loans as of December 31, 2022 (in thousands):

December 31, 2022	Impaired loans without a valuation allowance	Impaired loans with a valuation allowance	Total recorded investment	Valuation allowance related to impaired loans	Average recorded investment in impaired loans	Unpaid principal balance
Mortgage loans	$ 19,421	$ 13,153	$ 32,574	$ 1,118	$ 32,688	$ 32,433
Construction loans	—	—	—	—	—	—
Other loans	—	2,504	2,504	2,504	2,525	2,504
Total	$ 19,421	$ 15,657	$ 35,078	$ 3,622	$ 35,213	$ 34,937

The total recorded investment in loans includes uncollected loan fees not included in the principal balance of the loan. Interest income recognized on impaired loans was $937,000 for the year ended December 31, 2022.

The following tables present the amortized cost basis of loans on nonaccrual status and loans past due 91 days or more still accruing as of December 31, 2024 (in thousands):

	Nonaccrual with no allowance for credit loss	Nonaccrual with allowance for credit loss	Loans past due 91 days or more still accruing
Mortgage	$ 2,824	$ —	$ —
Construction	—	—	—
Other	—	—	—
Total	$ 2,824	$ —	$ —

The following tables present the amortized cost basis of loans on nonaccrual status and loans past due 91 days or more still accruing as of December 31, 2023 (in thousands):

	Nonaccrual with no allowance for credit loss	Nonaccrual with allowance for credit loss	Loans past due 91 days or more still accruing
Mortgage	$ 2,893	$ —	$ —
Construction	—	—	—
Other	—	—	—
Total	$ 2,893	$ —	$ —

The following tables present the amortized cost basis of collateral-dependent loans by class of loans as of December 31, 2024 (in thousands):

	Real estate
Mortgage	$ 27,369
Construction	—
Other	—
Total	$ 27,369

The following tables present the amortized cost basis of collateral-dependent loans by class of loans as of December 31, 2023 (in thousands):

	Real estate
Mortgage	$ 27,923
Construction	—
Other	—
Total	$ 27,923

The Organization seeks to assist customers that are experiencing financial difficulty by renegotiating loans. The portfolio may include modifications, both short and long term, of interest rates, principal or accrued interest, payment amount, length of term, or a combination thereof. The Organization makes loan modifications utilizing internal renegotiation programs, via direct customer contact, that manage debt exposures held by the Organization. The valuation allowance is based on the present value of projected cash flows discounted using the interest rate in effect prior to modification and prior to any risk based increase in rate. If management determines that the collection of a loan is primarily dependent on the underlying collateral, the valuation allowance is based on fair value of the collateral.

The following table presents the amortized cost basis of loans at December 31, 2024 and 2023 that were both experiencing financial difficulty and modified during the years ended December 31, 2024 and 2023, by class and by type of modification (in thousands):

2024	**Principal forgiveness**	**Payment delay**	**Term extension**	**Interest rate reduction**
Mortgage	$ —	$ 424	$ —	$ —
Construction	—	—	—	—
Other	—	—	—	—
Total	$ —	$ 424	$ —	$ —

2023	**Principal forgiveness**	**Payment delay**	**Term extension**	**Interest rate reduction**
Mortgage	$ —	$ —	$ 8,195	$ —
Construction	—	—	—	—
Other	—	—	—	—
Total	$ —	$ —	$ 8,195	$ —

The weighted average term extension was five years as of 2023 and the Organization has no commitments to lend additional amounts to the borrowers included in the previous table as of December 31, 2024 and 2023.

The Organization closely monitors the performance of modified loans to borrowers experiencing financial difficulty to understand the effectiveness of its modification efforts. There were no past due loans that have been modified in the last 12 months and there were no financial effects of these modifications.

A modified loan (or portion of a loan) that has been deemed uncollectible, is evaluated individually for credit losses and is not included in the collective evaluation. When management determines that foreclosure or principal forgiveness is probable, expected credit losses are based on the fair value of the collateral, adjusted for selling costs as appropriate. Upon the Organization's determination that a modified loan (or portion of a loan) has subsequently been deemed uncollectible, the loan (or a portion of the loan) is written off. Therefore, the amortized cost basis of the loan is reduced by the uncollectible amount and the allowance for credit losses is adjusted by the same amount.

All performing restructured loans were on accrual status prior to the loan modifications and have remained on accrual status after the loan modifications due to the borrowers' making payments before and after the restructurings. In these circumstances, generally, a borrower may have had a fixed rate loan that they continued to repay but may be having cash flow difficulties. In an effort to work with certain borrowers, CDF has agreed to interest rate reductions, interest only payments for a period of time, principal reductions and/or extensions of the loan maturity date.

As of December 31, 2024 and 2023, CDF had no loans receivable held for investment in which CDF's interests as secured lender were subordinate to third party senior lenders.

As of December 31, 2024 and 2023, CDF had no loans that were unsecured.

Loans receivable held for investment were contractually scheduled to mature as of December 31, 2024 as follows (in thousands):

2025	$ 24,075
2026	70,868
2027	156,186
2028	57,486
2029	115,157
Thereafter	86,376
	$ 510,148

As of December 31, 2024, CDF had loans receivable held for investment to borrowers with balances as follows (dollars in thousands):

Aggregate loan balance	Number of borrowers	Principal outstanding	Percentage of loan portfolio
Less than $1,000,001	80	$ 35,178	7 %
$1,000,001–$5,000,000	77	182,562	36
$5,000,001–$10,000,000	24	180,266	35
Over $10,000,000	8	112,142	22
	189	$ 510,148	100 %

As of December 31, 2023, CDF had loans receivable held for investment to borrowers with balances as follows (dollars in thousands):

Aggregate loan balance	Number of borrowers	Principal outstanding	Percentage of loan portfolio
Less than $1,000,001	73	$ 30,386	6 %
$1,000,001–$5,000,000	80	190,795	38
$5,000,001–$10,000,000	22	154,993	31
Over $10,000,000	9	123,637	25
	184	$ 499,811	100 %

CDF has no geographic lending restrictions. Aggregate loans by state greater than or equal to 5% of the total loans receivable held for investment portfolio were concentrated in the following states as of December 31, 2024 (dollars in thousands):

	Number of borrowers	Principal outstanding	Percentage of loan portfolio
California	39	$ 125,332	25 %
Arizona	14	46,660	9
Florida	8	38,064	7
Georgia	14	35,363	7
Ohio	9	28,309	6
Colorado	6	27,530	5
Oregon	14	26,396	5
	104	$ 327,654	64 %

CDF has no geographic lending restrictions. Aggregate loans by state greater than or equal to 5% of the total loans receivable held for investment portfolio were concentrated in the following states as of December 31, 2023 (dollars in thousands):

	Number of borrowers	Principal outstanding	Percentage of loan portfolio
California	41	$ 125,963	25 %
Arizona	15	48,822	10
Florida	7	39,257	8
Ohio	11	31,769	6
Oregon	13	27,276	6
Colorado	6	25,510	5
	93	$ 298,597	60 %

CDF's interests in participated loans are included in loans receivable held for investment in the accompanying consolidated statements of financial position and total $43,651,000 and $46,598,000 at December 31, 2024 and 2023, respectively. The outstanding principal balances, including both CDF and third-party interests, of all sold and participated loans serviced by CDF total $65,844,000 and $70,630,000 at December 31, 2024 and 2023, respectively.

In connection with the participation and sales agreements, CDF earned $91,000, $94,000, and $187,000 of net loan servicing fee income for the years ended December 31, 2024, 2023, and 2022, respectively.

NOTE 5 — REAL ESTATE

Real estate, excluding real estate held for lease, consists of the following as of December 31 (dollars in thousands):

	2024	Number of properties	2023	Number of properties
Land and buildings acquired by:				
Deed-in-lieu of foreclosure	$ 12,163	4	$ 20,440	8
Donation	62	1	62	1
	$ 12,225	5	$ 20,502	9

As of December 31, 2024, two properties represented undeveloped land, and three properties represented buildings and land. These properties are in three states.

As of December 31, 2023, two properties represented undeveloped land, and seven properties represented buildings and land. These properties are in five states.

The table below presents real estate activity for the years ended December 31, 2024 and 2023 (dollars in thousands):

	Lower of cost or fair value	Number of properties
Real estate, January 1, 2023	$ 11,535	3
Acquired through deed-in-lieu of foreclosure	10,495	7
Additional costs, capitalized	64	—
Properties sold	(1,592)	(1)
Real estate, December 31, 2023	$ 20,502	9
Additional costs, capitalized	30	—
Impairments	(26)	—
Properties sold	(5,130)	(2)
Properties transferred to held for lease	(3,151)	(2)
Real estate, December 31, 2024	$ 12,225	5

Activity in the real estate valuation allowance for the years ended December 31 is summarized as follows (in thousands):

	2024	2023	2022
Beginning balance, January 1	$ 6	$ 6	$ 6
Additions	26	—	—
Ending balance, December 31	$ 32	$ 6	$ 6

NOTE 6 — REAL ESTATE HELD FOR LEASE

Real estate held for lease consists of the following at December 31 (in thousands):

	2024	2023
Land	$ 3,355	$ 1,138
Buildings	5,758	824
Building improvements	9	—
	9,122	1,962
Less accumulated depreciation and amortization	(223)	(163)
	$ 8,899	$ 1,799

In October 2024, a church entered into a gift agreement with CDF, whereby the church donated its property to CDF with no restrictions. Based on an appraisal at the time of the donation, CDF estimated and recorded the value of the land and building at $4,000,000. The property was encumbered by a third-party loan with outstanding principal and interest totaling $2,701,000, which CDF paid off concurrent with the donation. In addition, CDF paid escrow closing costs of $12,000 and cash of $243,000 according to the terms of the gift agreement. The net donation amount was recorded as an increase in unrestricted net assets of $1,044,000. In connection with the property gift agreement, the parties entered into a lease agreement whereby CDF leased the property back to the church for a period of ten years. Based on the terms of the lease, CDF recorded the property as real estate held for lease in the consolidated statements of financial position.

CDF is a lessor in three non-cancelable operating leases with minimum future rentals of $165,000 during 2025 and $1,330,000 thereafter.

Depreciation and amortization expense on real estate held for lease totaled $60,000, $28,000, and $65,000 for the years ended December 31, 2024, 2023, and 2022, respectively.

NOTE 7 — PROPERTY AND EQUIPMENT

Property and equipment consist of the following at December 31 (in thousands):

	2024	2023
Land	$ 1,763	$ 1,763
Building	1,080	1,080
Building improvements	785	785
Furniture, fixtures, equipment, and software	1,348	1,478
	4,976	5,106
Less accumulated depreciation and amortization	(1,503)	(1,489)
	$ 3,473	$ 3,617

Depreciation and amortization expense on property and equipment totaled $173,000, $191,000, and $199,000 for the years ended December 31, 2024, 2023, and 2022, respectively.

NOTE 8 — DEBT SECURITIES

The major source of funds used to finance church loans during the years presented was received from the sale of debt securities to investors whom CDF considers to be associated with its mission of serving churches. These debt securities are not collateralized.

As of December 31, 2024, debt securities are contractually set to mature as follows (in thousands):

Fiscal year of maturity	Weighted average rate	Amount
Demand	2.1 %	$ 76,616
2025	4.6	270,700
2026	4.7	158,476
2027	2.7	19,114
2028	3.3	19,105
2029	3.7	10,225
Thereafter	3.4	8
	4.2 %	$ 554,244

Amounts are presented in the above schedule based on the year in which the underlying debt securities are scheduled to mature. Notwithstanding the foregoing, CDF may require 60 day written notice for any redemption request. In addition, CDF may, but is not required to, permit redemption of debt securities prior to maturity, and if CDF elects to permit such early redemption, CDF may charge an early redemption fee.

Aggregate debt securities by state greater than or equal to 5% of the total debt securities outstanding as of December 31, 2024 are concentrated in the following states (dollars in thousands):

State	Number of investors	Aggregate balance	Percentage of total debt securities outstanding
California	1,573	$ 173,926	31%
Florida	176	37,221	7
Arizona	393	35,783	6
Oregon	350	33,726	6
Ohio	452	31,645	6
	2,944	$ 312,301	56%

Aggregate debt securities by state greater than or equal to 5% of the total debt securities outstanding as of December 31, 2023 are concentrated in the following states (dollars in thousands):

State	Number of investors	Aggregate balance	Percentage of total debt securities outstanding
California	1,677	$ 171,370	33%
Arizona	438	37,470	7
Ohio	488	33,801	6
Oregon	371	29,463	6
	2,974	$ 272,104	52%

NOTE 9 — SHORT-TERM BORROWINGS

CDF has a revolving credit line totaling $20,000,000 with CrossFirst Bank (CFB) that is usable upon delivery of adequate eligible collateral, as defined in the agreement. As a condition to the line of credit, CDF is required to provide CFB with a first priority security interest in all assets as collateral and maintain compensating cash investments of at least $5,000,000. Interest is at the secured overnight financing rate (SOFR) plus 2.75%. The interest rate for this line was 7.08% as of December 31, 2024. The line of credit with CFB expires on June 13, 2026. This line replaced a line of credit with Banc of California (BOC) that was expiring in 2023. Interest on the BOC line was at the prime rate with a floor of 3.5%. As of December 31, 2024 and 2023, there was an outstanding balance of $0 and $3,000,000, respectively, on lines of credit.

NOTE 10 — LIQUIDITY

Liquid assets are held primarily to provide CDF with operational liquidity and to fund redemptions of its outstanding debt securities. CDF manages its liquidity through an Asset Liability Committee (ALCO) which meets monthly and reviews cash flow projections from its loan and debt security programs. They also review and set interest rates on loans and debt security obligations based on market conditions and CDF's liquidity needs. It is CDF's policy to maintain liquid assets and available unused line of credit borrowing (up to 2% of outstanding debt securities) equal to at least 8% of the principal amount of its outstanding debt securities. Liquid assets are generally held in certificates of deposit, marketable securities, and money market accounts. In accordance with this policy, the Organization had cash, cash equivalents and readily marketable securities and available line of credit (limited to 2% of outstanding debt securities) of $88,366,000 and $70,695,000 as of December 31, 2024 and 2023, respectively. This represented approximately 15.9% and 13.5% of outstanding debt securities as of December 31, 2024 and 2023, respectively.

The following reflects the Organization's financial assets at December 31, available within one year of the statement of financial position date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions (in thousands):

	December 31, 2024 (in thousands)		December 31, 2023 (in thousands)	
Cash	$	37,169	$	21,255
Investments		40,112		38,967
Loan principal paydowns		24,075		25,414
Investments held for benefit of trustors		283		281
Total financial assets	$	101,639	$	85,917
Less donor restricted funds	$	(1,891)	$	(1,860)
Less board-designated endowment funds		(13,060)		(11,994)
Total	$	86,688	$	72,063

To manage any unanticipated liquidity needs that may arise, CDF has a line of credit totaling $20,000,000 that it could draw upon. As of December 31, 2024, there was no outstanding balance on the line of credit. As of December 31, 2023, there was an outstanding balance of $3,000,000 on the line of credit. The table above excludes investments held within the Board-designated endowment fund (see Note 11 for further details on the Board-designated endowment fund). The Board of Directors could elect to un-designate these assets in the endowment fund if CDF had a liquidity need.

NOTE 11 — ENDOWMENTS AND NET ASSETS

The Organization's endowment consists of five individual funds established for a variety of purposes. Its endowment includes both donor restricted endowment funds, and funds designated by the Board to function as endowments. Net assets associated with endowment funds, including funds designated by the Board to function as endowments, are classified and reported based on the existence or absence of donor imposed restrictions.

Interpretation of Relevant Law

The Organization has interpreted the State of California Uniform Prudent Management of Institutional Fund Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as net assets with donor restrictions (a) the original value of gifts donated to the donor-restricted endowment, (b) the original value of subsequent gifts to the donor-restricted endowment, and (c) accumulations to the donor-restricted endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

In accordance with UPMIFA, the Organization considers the following factors in deciding to appropriate or accumulate donor restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the Organization and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Organization
- The investment policies of the Organization

Changes in endowment net assets for 2022, 2023 and 2024 are as follows (in thousands):

	Without donor restrictions	With donor restrictions	Total
Endowment net assets, January 1, 2022	$ 12,254	$ 1,415	$ 13,669
Investment income	443	—	443
Transfer to create board-designated endowment	11	—	11
Appropriation of endowment assets for expenditure	(791)	—	(791)
Endowment net assets, December 31, 2022	$ 11,917	$ 1,415	$ 13,332
Investment income	485	—	485
Transfer to create board-designated endowment	1	—	1
Appropriation of endowment assets for expenditure	(409)	—	(409)
Endowment net assets, December 31, 2023	$ 11,994	$ 1,415	$ 13,409
Investment income	569	—	569
Transfer to create board-designated endowment	537	—	537
Appropriation of endowment assets for expenditure	(40)	—	(40)
Endowment net assets, December 31, 2024	$ 13,060	$ 1,415	$ 14,475

Return Objectives and Risk Parameters

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain preservation of the endowment assets. Endowment assets include investments and other assets held by the Organization. The Organization manages its endowment funds to achieve maximum long-term total return while preserving endowment assets. Actual returns in any given year available for distribution may vary significantly.

Spending Policy

The Organization's policy for distribution of funds each year is to distribute earnings to programs based on a conservative projection of the current year's earnings of the fund. This allows for a predictable stream of funding while preserving the original value of assets of the endowment. Distributions from board designated endowment funds may exceed the yield on the underlying assets of the funds in any given year based on Board approval.

Dornette Memorial Endowment Fund (DMF)

The Board of CDF has established the DMF to provide funds to various church and parachurch ministries each year. These funds were donated to CDF without any restrictions on how they may be used. Although the Board has currently designated these funds to be used to support church and parachurch ministries, it has the right to change this designation or to use the funds for other purposes at its discretion. As of December 31, 2024 and 2023, the balance in the DMF was $4,255,000 and $3,911,000, respectively. Grants from the DMF were $0, $0, and $89,000, during fiscal years ended December 31, 2024, 2023, and 2022, respectively.

The Church Planting Endowment Fund (CPF)

In 2003, the Board of CDF created the CPF. These funds were donated to CDF without any restrictions on how they may be used. Although the Board has currently designated these funds to be used to support church planting activities, it has the right to change this designation or to use the funds for other purposes at its discretion. As of December 31, 2024 and 2023, the balance in the CPF was $7,748,000 and $7,026,000, respectively. During the years ended December 31, 2024, 2023, and 2022, grants from the CPF totaled $0, $320,000, and $572,000, respectively.

In 2009, CDF received donations to the Church Planting Fund that were donor designated as an endowment to assist with planting churches in Alabama. The donation was recorded as a net asset with donor restrictions. As of December 31, 2024 and 2023, the balance in the Church Planting Fund for Alabama was $625,000. During the years ended December 31, 2024, 2023, and 2022, grants from the Alabama Church Planting Fund totaled $0, $25,000, and $48,000, respectively.

Also in 2009, CDF received donations to the Church Planting Fund that were donor designated as an endowment to assist with planting churches in Georgia. The donation was recorded as a net asset with donor restrictions. As of December 31, 2024 and 2023, the balance in the Church Planting Fund for Georgia was $790,000. During the years ended December 31, 2024, 2023, and 2022, grants from the Georgia Church Planting Fund totaled $0, $35,000, and $60,000, respectively.

The CDF Benevolence Endowment Fund (CBF)

In 2012, the Board of CDF created the CBF to assist in meeting specific financial hardship ministerial needs. These funds were donated to CDF without any restrictions on how they may be used. Although the Board has currently designated these funds to be used to support ministerial benevolent activities, it has the right to change this designation or to use the funds for other purposes at its discretion. As of December 31, 2024 and 2023, the balance in the CBF was $1,057,000. During the years ended December 31, 2024, 2023, and 2022, grants from the CBF totaled $40,000, $29,000, and $22,000, respectively.

The Organization's net assets without donor restrictions as of December 31 consist of the following (in thousands):

	2024	2023
Undesignated	$ 39,123	$ 39,161
Board-designated endowments		
Church Planting Fund	7,748	7,026
Dornette Memorial Fund	4,255	3,911
CDF Benevolence Fund	1,057	1,057
Total board-designated endowments	13,060	11,994
Donor-advised funds	903	889
	$ 53,086	$ 52,044

The Organization's net assets with donor restrictions as of December 31 consist of the following (in thousands):

	2024	2023
Donor restricted endowments for planting Christian churches in Georgia and Alabama	$ 1,415	$ 1,415
Split interest donor agreements	476	441
Donor restricted contributions	—	4
	$ 1,891	$ 1,860

Grants from donor advised funds totaled $14,000, $1,000, and $279,000, for the years ended December 31, 2024, 2023, and 2022, respectively.

NOTE 12 — COMMITMENTS AND CONTINGENCIES

Loan Commitments

In the normal course of business, CDF makes commitments to extend loans to churches and parachurch organizations. Commitments to extend credit are agreements to lend to a customer as long as there is no violation of any condition established in the contract. Commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee. Since some of the commitments are expected to expire without being fully drawn upon, the amounts lent under such commitment will differ from the contractual obligations.

CDF evaluates each borrower's credit on a case by case basis. The amount of collateral obtained by CDF upon extension of credit is based on management's credit evaluation. Collateral held principally includes property and equipment. CDF controls the credit risk of its commitments by using credit approvals, limits, and monitoring procedures.

At December 31, 2024, CDF had outstanding loan commitments totaling approximately $26,205,000, which consisted of $3,528,000 of undrawn lines of credit and $22,677,000 of unfunded commitments for existing construction loans. At December 31, 2023, CDF had outstanding loan commitments totaling approximately $34,837,000, which consisted of $4,904,000 of undrawn lines of credit and $29,933,000 of unfunded commitments for existing construction loans.

CDF recorded a negative provision for unfunded loan commitments of $79,000 and $209,000 for the years ended December 31, 2024 and 2023, respectively. CDF did not record a provision for unfunded loan commitments for the years ended December 31, 2022.

Legal Proceedings

CDF may, from time to time, be involved in litigation proceedings arising out of its normal course of business. As of December 31, 2024, CDF had no significant lawsuits, actions, or other legal proceedings or pending claims.

NOTE 13 — RELATED PARTY TRANSACTIONS

Several members of CDF's management team and Board are either associated with or maintain senior positions at churches or affiliated organizations that have loans with or have purchased debt securities from CDF. As of December 31, 2024 and 2023, such loans had an aggregate principal balance of approximately $17,613,000 and $17,913,000, and a weighted average interest rate of 4.8% and 4.8% per annum, respectively. Interest income on related-party loans for the years ended December 31, 2024, 2023, and 2022 was approximately $852,000, $867,000, and $872,000, respectively. As of December 31, 2024 and 2023, such debt securities had an aggregate outstanding balance of approximately $6,795,000 and $7,472,000 and a weighted average interest rate of 3.9% and 2.7% per annum, respectively. Interest expense on related-party debt securities for the years ended December 31, 2024, 2023, and 2022 was approximately $262,000, $201,000, and $141,000, respectively.

NOTE 14 — FAIR VALUE DISCLOSURES

Levels 1, 2, and 3 Valuation Techniques

Financial instruments are considered Level 1 when valuation can be based on quoted prices in active markets for identical assets or liabilities. Level 2 financial instruments are valued using quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or models using inputs that are observable or can be corroborated by observable market data of substantially the full term of the assets or liabilities. Financial instruments are considered Level 3 when their values are determined using pricing models, discounted cash flow methodologies, or similar techniques and at least one significant model assumption or input is unobservable. Level 3 financial instruments also include those for which the determination of fair value requires significant management judgment or estimation.

Assets and Liabilities Measured at Fair Value on a Recurring Basis

Assets and liabilities measured at fair value on a recurring basis as of December 31, 2024 are summarized below (in thousands):

	Level 1	Level 2	Level 3	Total
Assets				
Investments:				
Certificates of deposit	$ —	$ 39,441	$ —	$ 39,441
Corporate securities	—	500	—	500
Mortgage-backed securities, residential	—	171	—	171
Total assets	$ —	$ 40,112	$ —	$ 40,112

Assets and liabilities measured at fair value on a recurring basis as of December 31, 2023 are summarized below (in thousands):

	Level 1	Level 2	Level 3	Total
Assets				
Investments:				
Certificates of deposit	$ —	$ 38,081	$ —	$ 38,081
Corporate securities	—	500	—	500
Mortgage-backed securities, residential	—	386	—	386
Total assets	$ —	$ 38,967	$ —	$ 38,967

A brief description of the valuation techniques used for assets and liabilities measured on a recurring basis is provided below:

Investments

Investments are classified as Level 2. Fair value for Level 2 investments is determined as of the measurement date using matrix pricing, a mathematical technique commonly used to price debt securities that are not actively traded by relying on the securities' relationship to other benchmark quoted securities (Level 2 inputs).

Assets Measured at Fair Value on a Nonrecurring Basis

December 31, 2024, there was real estate of $2,302,000 measured at fair value. Total impairment during 2024 was $26,000 and was included in the valuation allowance for real estate. There were no assets measured at fair value on a nonrecurring basis at December 31, 2023.

NOTE 15 — RETIREMENT PLAN

Defined Contribution Plan

CDF has established a defined contribution retirement plan (the Plan), which covers substantially all employees. CDF, in its sole discretion, may make either an employer matching contribution after one year of service, a discretionary contribution based on length of service, or both. The vesting for the Plan is immediate. CDF's contributions to the Plan were $133,000, $345,000, and $370,000, for the years ended December 31, 2024, 2023, and 2022, respectively.

NOTE 16 — FUNCTIONAL EXPENSE CLASSIFICATION

The following table presents a summary of expenses by function for the year ended December 31, 2024 (in thousands):

	Program	Management and general	Fundraising	Total
Interest and loan expenses	$ 20,594	$ —	$ —	$ 20,594
Salaries and benefits	2,549	2,180	6	4,735
Grants to other ministries	106	—	—	106
Depreciation	169	57	7	233
Technology	582	185	—	767
Marketing and promotion	297	—	—	297
Professional fees and services	203	275	—	478
Travel	164	73	—	237
Other operating expenses	860	271	—	1,131
Total operating expenses	$ 25,524	$ 3,041	$ 13	$ 28,578

The following table presents a summary of expenses by function for the year ended December 31, 2023 (in thousands):

	Program	Management and general	Fundraising	Total
Interest and loan expenses	$ 14,769	$ —	$ —	$ 14,769
Salaries and benefits	3,006	2,396	4	5,406
Grants to other ministries	452	—	—	452
Depreciation	150	61	7	218
Technology	534	180	—	714
Marketing and promotion	455	2	—	457
Professional fees and services	126	210	—	336
Travel	187	62	—	249
Other operating expenses	920	286	1	1,207
Total operating expenses	$ 20,599	$ 3,197	$ 12	$ 23,808

The following table presents a summary of expenses by function for the year ended December 31, 2022 (in thousands):

	Program	Management and general	Fundraising	Total
Interest and loan expenses	$ 12,586	$ —	$ —	$ 12,586
Salaries and benefits	3,569	2,491	16	6,076
Grants to other ministries	1,152	—	—	1,152
Depreciation	206	57	1	264
Technology	541	176	6	723
Marketing and promotion	566	—	—	566
Professional fees and services	165	182	—	347
Travel	232	86	1	319
Other operating expenses	605	154	42	801
Total operating expenses	$ 19,622	$ 3,146	$ 66	$ 22,834

Methods Used for Allocation of Expenses Between Program and Support Functions

Certain categories of expenses are attributable to both program and supporting functions of the Organization. Salaries and benefits are allocated based on estimates of time and effort; depreciation is based on estimates of resources utilized; technology and marketing expenses are allocated based on estimates of time and costs of specific technology and materials utilized; professional fees, travel and other operating expenses are based on estimates of effort and costs of specific resources utilized.

NOTE 17 — SUBSEQUENT EVENTS

Subsequent events have been evaluated for recognition and disclosure through March 11, 2025, the date the consolidated financial statements were available to be issued.

Thank you for your partnership

To learn more about CDF Capital
visit our website at ***CDFcapital.org***

Investment Rates

Effective May 1, 2025

Yields subject to change

CDF CAPITAL™
Helping Churches Grow
Since 1953

cdfcapital.org/rates **| 888.540.7112**

TIME CERTIFICATES		1 yr	2 yr	3 yr	5 yr
Bonus	$5,000 min*	3.10%	3.15%	3.25%	3.45%
Jumbo	$100,000 min	3.20%	3.25%	3.35%	3.55%

Early redemption fees—Certificates up to and including 3 years: 6 months interest; Certificates over 3 years: 12 months interest.

NO-TERM CERTIFICATES		APY
Standard Flex	$250 min	1.25%
Retirement Flex	$250 min	1.25%
Ministry Reserve	$25,000 min	3.00%

RETIREMENT CERTIFICATES		1 yr	3 yr	5 yr
Bonus	$5,000 min*	3.10%	3.25%	3.45%
Jumbo	$100,000 min	3.20%	3.35%	3.55%

Early redemption fees—Certificates up to and including 3 years: 6 months interest; Certificates over 3 years: 12 months interest.

*Custodial Certificates have a minimum balance of $500, 403(b) Certificates have a minimum balance of $100.

Annual Percentage Yield (APY) assumes that all interest is left in the investment and compounded. All investments are compounded quarterly on the basis of a 365 day year. Yields are subject to change periodically. To confirm current yields or to determine Annual Percentage Rate (APR), call 888.540.7112 or visit *CDFcapital.org/rates*.

24/7 Online Access

cdf.capital/access

Promotional rates may be offered from time-to-time through special certificates. Preferred rates and terms are available for investors whose CDF Capital portfolio balance exceeds $250,000. See Offering Circular or contact us for further details about these special rates and terms.

For promotional rates: 888.540.7112
For preferred rates: 888.540.7118

+ Time Certificates
+ Individual Retirement Accounts
+ 403(b) Plans
+ No-Term Certificates
+ Custodial Investments

These are not offers to sell our securities and we are not soliciting you to buy our securities. We will offer and sell our securities only in the states where authorized. The offering of our securities is made solely by our Offering Circular. The Certificates are unsecured debt securities subject to terms, conditions and risks described in our Offering Circular, including risk of possible loss of the amount invested. Payment is dependent on CDF Capital's financial condition at the time payment is due. CDF Capital securities are not FDIC or SIPC insured nor are they bank deposits.