CHRISTIAN FINANCIAL RESOURCES, INC.

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www.cfrministry.org

OFFERING CIRCULAR
$350,000,000

We – Christian Financial Resources, Inc. – are offering the following certificates on the terms described in "Description of Certificates" beginning on page 23:

- ***Demand Certificates (Ready Cash):*** Ready Cash investments are payable on demand at any time, subject to up to thirty (30) days' prior notice. They earn an adjustable rate of interest based in part on the amount invested. Additions to principal and partial redemptions are permitted at any time without penalty or service fee. The minimum initial investment is $2,000.
- ***Time Certificates:*** Certificates in terms of 5 months to 7 years with a minimum initial investment of $10,000. Fixed interest rate varies based on dollar amount invested and years until maturity.

For current interest rates please call 1-800-881-3863 or visit the our website at www.cfrministry.org.

Interest rates on all Certificates offered by us are established for each type and term according to a procedure set forth under "Description of Certificates" beginning on page 23. **We reserve the right to change the method by which interest is determined or the frequency with which interest is paid to you or added to the Certificates. See "Description of Certificates."**

THIS OFFER IS SUBJECT TO CERTAIN RISK FACTORS BEGINNING ON PAGE 9.

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.

THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED 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 THE OFFERING. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

IN MAKING AN INVESTMENT DECISION YOU MUST RELY ON YOUR OWN EXAMINATION OF US AND THE TERMS OF THE OFFERING, INCLUDING THE DISCLOSURES, MERITS AND RISKS INVOLVED.

NOTE: Investments offered by Christian Financial Resources, Inc. are not bank deposits or obligations and are not insured by the Federal Deposit Insurance Corporation (FDIC), the Securities Investor Protection Corporation (SIPC) or any other federal or state agency.

This Offering Circular is dated May 1, 2018, and may be used until the expiration of the periods of time authorized in the various states, which is typically 12 months.

The aggregate amount of the Certificates being offered may be sold in any one or more of the offered categories.

This offering is not underwritten and no commission or discounts will be paid or provided by us in connection with the sale of Certificates. We will receive 100% of the proceeds from the sale of the Certificates. We will bear all expenses, including securities registration fees, printing, mailing, accounting fees and attorney's fees, incurred in this offering, which are estimated to be less than 0.1% of the total offering amount.

No sinking fund or trust indenture will be used by us in conjunction with the issuance of the Certificates. You must rely solely upon our financial condition for repayment of the Certificates. The Certificates are our unsecured debts and are of equal priority with all of our other current indebtedness, except to the extent of any senior secured indebtedness (see Risk Factor 3 "Senior Secured Indebtedness"). We reserve the right to issue future obligations, or draw upon our existing lines of credit or obtain additional lines of credit, secured by a first lien on our assets. We will not create, incur, or voluntarily permit any material lien upon any of our assets or otherwise incur material indebtedness having a prior claim to our assets or otherwise senior to the Certificates. The term "material," as used in this paragraph, means an amount that exceeds ten percent (10%) of our tangible assets (total assets less intangible assets as defined by U.S. GAAP as defined below). The Certificates are non-negotiable and may be assigned only upon our prior written consent.

THE CERTIFICATES 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 OWED ON THE CERTIFICATES IS DEPENDENT UPON OUR FINANCIAL CONDITION. YOU ARE ENTITLED TO REVIEW OUR FINANCIAL STATEMENTS, WHICH WILL BE FURNISHED AT ANY TIME DURING BUSINESS HOURS UPON REQUEST. THE CERTIFICATES ARE NOT OBLIGATIONS OF, NOR GUARANTEED BY, ANY OTHER PERSON OR ENTITY.

THE OFFER AND SALE OF THE CERTIFICATES IS LIMITED TO: (i) PERSONS (INCLUDING ENTITIES OR ARRANGEMENTS CONTROLLED BY, OWNED BY, OR EXISTING FOR THE BENEFIT OF SUCH PERSONS) WHO, PRIOR TO RECEIPT OF THIS OFFERING CIRCULAR, ARE MEMBERS OF, CONTRIBUTORS TO, OR PARTICIPANTS IN CFR, INDEPENDENT CHRISTIAN CHURCHES, OR OTHER AUTONOMOUS CHURCHES OR CHURCH MINISTRIES ADHERING TO THE BELIEFS AND RELIGIOUS PRINCIPLES OF THE RESTORATION MOVEMENT CHRISTIAN CHURCHES, AND THEIR PARA-CHURCH MINISTRIES, OR IN ANY RELIGIOUS ORGANIZATION THAT HAS A PROGRAMMATIC RELATIONSHIP WITH ANY OF THE FOREGOING, (ii) INDEPENDENT CHRISTIAN CHURCHES, CHURCHES OF CHRIST, OR OTHER AUTONOMOUS CHURCHES OR CHURCH MINISTRIES ADHERING TO THE BELIEFS AND RELIGIOUS PRINCIPLES OF THE RESTORATION MOVEMENT CHRISTIAN CHURCHES, AND THEIR PARA-CHURCH MINISTRIES, OR ANY RELIGIOUS ORGANIZATION THAT HAS A PROGRAMMATIC RELATIONSHIP WITH ANY OF THE FOREGOING OR CFR, OR (III) A FAMILY MEMBER OF SUCH A PERSON. FOR THIS PURPOSE, "FAMILY MEMBER" MEANS A SPOUSE, PARENT, GRANDPARENT, CHILD, SIBLING, AUNT, UNCLE, OR FIRST COUSIN.

THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT WITH OUR WRITTEN CONSENT AND AS PERMITTED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM.

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 OR AUTHORIZED BY US.

THESE SECURITIES ARE ISSUED PURSUANT TO A CLAIM OF EXEMPTION FROM REGISTRATION UNDER SECTION 3(a)(4) OF THE FEDERAL SECURITIES ACT OF 1933. A REGISTRATION STATEMENT

RELATING TO THESE SECURITIES HAS NOT BEEN FILED WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION.

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

STATE SPECIFIC INFORMATION

California

Certificates will be redeemed at maturity unless the you notify us, in writing, prior to maturity that you elect to reinvest the Certificate proceeds. At least thirty (30) days prior to maturity of a time Certificate, we will send a written notice and, unless previously furnished, a new offering circular to you. The notice given by us will state the maturity date of the Time Certificate and that, unless written notice of intention to reinvest the amount due under the Time Certificate is received by us within twenty (20) days before or after the maturity date, the Time Certificate will cease to earn interest after the maturity date. Any redemption or payment of an amount due under a Time Certificate will be paid in full to the person the Time Certificate was issued to and will not be paid in installments or with other debt instruments, unless you expressly elect to rollover the Time Certificate into a new term for the same Certificate or a new Certificate.

Florida

These securities are offered pursuant to a claim of exemption from registration under Chapter 517.051(9), Florida statutes. We are registered with the Department of Banking and Finance as an issuer/dealer. Offers and sales of these securities will be made only through representatives registered with the Department of Banking and Finance as our associated persons.

Kentucky

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

Oregon

Automatic renewal of Time Certificates, as provided in this Offering Circular, is available to Oregon residents only under limited circumstances. If written demand for payment is not made by Oregon residents at maturity, then unless you notify us, in writing, prior to maturity that you elect to rollover or reinvest the Certificate proceeds in the same or a different Certificate for a longer term, the maturing Certificate may be automatically renewed on the date of maturity as a Demand Certificate, at the current interest rate then in effect for a Demand Certificate (which may be higher or lower than the previous rate) and under the terms described in the then current offering circular.

Pennsylvania

Notice of Right to Withdrawal: pursuant to Section 207(m)(1) of the Pennsylvania Securities Act of 1972, you may elect, within two business days after the first time you have received this Offering Circular to withdraw from your purchase agreement and receive a full refund of all monies paid by you. Your withdrawal will be without any further liability to any person. To accomplish this withdrawal, you need only send a written notice (including a notice by facsimile or electronic mail) to the issuer indicating your intention to withdraw.

A registration statement with respect to the securities offered by this Offering Circular has been filed in the offices of the department of banking and securities in Harrisburg, Pennsylvania. The registration statement includes certain exhibits only summarized or alluded to in this Offering Circular. Such additional documents are available for inspection at the Harrisburg office of the department during regular business hours (address: Pennsylvania Department of Banking and Securities, 17 North 2nd Street, Suite 1300, Attn: Corporation Finance Office, Harrisburg, PA 17101; phone: 717-787-8061).

It is the position of the Pennsylvania Department of Banking and Securities that indemnification of our officers, directors, agents and employees in connection with violations of securities laws is against public policy and void.

South Carolina

Demand Certificates are not available for sale in the State of South Carolina. Therefore, Demand Certificates offered in South Carolina have a thirty-day term. You will not have the right to redeem a Demand Certificate in South Carolina before its maturity. However, we may allow early redemption of any Certificate we issue and we do not assess an early redemption penalty on Demand Certificates. Demand Certificates owned by South Carolina residents will automatically renew for successive thirty-day terms upon maturity.

If you were a resident of the State of South Carolina when you purchased a Time Certificate, you may declare an "event of default" on your Time Certificate only if one of the following occurs:
• We do not pay overdue principal and interest on the Time Certificate within thirty days after we receive written notice from you that we failed to pay the principal or interest when due; or
• A South Carolina resident who owns a Time Certificate of the "same issue" as your Time Certificate (i.e., the same type, term and offering) has rightfully declared an event of default as to his or her Time Certificate.

To declare an event of default, you must submit a written declaration to us. The rightful declaration of an event of default as to any one Time Certificate of an issue constitutes an event of default on the entire issue in South Carolina. Upon a rightful declaration of an event of default on a Time Certificate:
• The principal and interest on your Time Certificate becomes immediately due and payable;
• If you request in writing, we will send you a list of names and addresses of all investors in the State of South Carolina who own a Time Certificate of the same issue as your Time Certificate; and
• The owners of 25% or more of the total principal amount of Time Certificates of the same issue outstanding in the State of South Carolina can declare the entire issue in the State of South Carolina 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 United States Securities and Exchange Commission has passed upon the value of these securities, made any recommendations as to their purchase, approved or disapproved the offering, or passued upon the adequacy or accuracy of this Offering Circular. Any representation to the contrary is unlawful.

Washington

Any prospective purchaser is entitled to review financial statements of the issuer which will be furnished upon request.

Receipt of notice of exemption by the Washington Administrator of Securities does not signify that the Administrator of Securities has approved or recommended these securities, nor has the Administrator passed upon the offering. Any representation to the contrary is a criminal offense.

The return of funds of the purchaser is dependent upon the financial condition of the organization.

FORWARD LOOKING STATEMENTS

An investment in the Certificates involves certain risks. You are encouraged to review all the materials contained in this Offering Circular and to consult your own attorneys and financial advisors.

This Offering Circular includes "forward-looking statements" within the meaning of the federal and state securities laws. Statements about us and our expected financial position, business and financing plans are forward-looking statements. Forward-looking statements can be identified by, among other things, the use of forward-looking terminology such as "believes," "expects," "may," "will," "should," "seeks," "pro forma," "anticipates," "intends," "projects," or other variations or comparable terminology, or by discussions of strategy or intentions. Although we believe that the expectations reflected in our forward-looking statements are reasonable, we cannot assure you that our expectations will prove to be correct. Forward-looking statements are necessarily dependent upon assumptions, estimates and data that may be incorrect or imprecise and involve known and unknown risks, uncertainties and other factors. Accordingly, you should not consider our forward-looking statements as predictions of future events or circumstances. A number of factors could cause our actual results, performance, achievements or industry results to be materially different from any future results, performance or achievements expressed or implied by our forward-looking statements. These factors include, but are not limited to: changes in economic conditions in general and in our business; changes in prevailing interest rates and the availability of and terms of financing to fund our business; changes in our capital expenditure plans; and other factors discussed in this Offering Circular. Given these uncertainties, you should not rely on our forward-looking statements in making an investment decision. We disclaim any obligation to update you about any factors that may affect the likelihood of realization of our expectations. All written and oral forward-looking statements attributable to us, including statements before and after the date of this Offering Circular, are deemed to be supplements to this Offering Circular and are incorporated into this Offering Circular by this reference, and are expressly qualified by these cautionary statements.

Although we believe that the forward-looking statements are reasonable, you should not place undue reliance on any forward-looking statements, which speak only as of the date made. You should understand that the factors discussed under "**RISK FACTORS**" could affect our future results and performance. This could cause those results to differ materially from those expressed in the forward-looking statements.

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DEFINITIONS

The terms defined below apply to all portions of this Offering Circular except the Financial Statements, which must be read in the context of the terms separately defined in them.

Certificate – Term or demand unsecured debt obligation, issued by us, offered in this Offering Circular. For a further description of the terms of the Certificates, see "Description of Certificates."

CFR (or we, our or us) – Christian Financial Resources, Inc., a Florida not for profit corporation.

Demand Certificates (or Ready Cash) - See "Description of Certificates."

Eligible Ministries - Independent Christian Churches, or other autonomous churches or church ministries adhering to the beliefs and religious principles of the Restoration Movement Christian Churches, and their para-church ministries, or any religious organization that has a programmatic relationship with any of the foregoing (each such entity is individually referred to as an "Eligible Ministry").

Financial Statements – the combined audited financial statements attached to this Offering Circular.

Invested Funds - Funds not immediately needed for operations or Loans and invested as described in the "Financing and Operational Activities" and "Investing Activities" sections.

Investor (or you or your) – (i) a person (including entities or arrangements controlled by, owned by, or existing for the benefit of that person) who purchases Certificates who, prior to the receipt of the Offering Circular, is a member of, contributor to, or participant in CFR, independent Christian Churches, or other autonomous churches or church ministries adhering to the beliefs and religious principles of the Restoration Movement Christian Churches, and their para-church ministries, or in any religious organization that has a programmatic relationship with any of the foregoing, (ii) independent Christian Churches, or other autonomous churches or church ministries adhering to the beliefs and religious principles of the Restoration Movement Christian Churches, and their para-church ministries, or any religious organization that has a programmatic relationship with any of the foregoing or CFR, or (iii) a family member of such a person. For this purpose, "family member" means a spouse, parent, grandparent, child, sibling, aunt, uncle or first cousin.

Loan – A fixed or adjustable interest rate loan originated by us to an Eligible Ministry or other non-denominational church for Ministry Activities. See "Lending Activities."

Ministry Activities – The acquisition of land and buildings, the construction of facilities (including church facilities, schools and any other facilities operated by Eligible Ministries and other non-denominational churches), renovation or expansion of existing facilities, the provision of financing for short term cash flow needs, and refinancing or consolidation of existing debt incurred for any of the preceding purposes for qualifying Eligible Ministries and other non-denominational churches.

Offering Circular – This disclosure document.

NASAA SOP – The North American Securities Administrators Association, Inc. Statement of Policy Regarding Church Extension Fund Securities adopted April 17, 1994, and amended April 18, 2004.

Ready Cash – See "Demand Certificates (Ready Cash)."

Time Certificates – See "Description of Certificates."

U.S. GAAP – Generally Accepted Accounting Principles in the United States as established by the Financial Accounting Standards Board (FASB), Accounting Principles Board (APB), Accounting Research Bulletins (ARB) and American Institute of Certified Public Accountants (AICPA).

SUMMARY OF OFFERING

The following is a summary of our offering and contains only selected information. This summary does not contain all of the information that you should consider before investing. The information provided in this summary should be read in conjunction with the detailed information contained in this Offering Circular, including our Financial Statements.

1. We may issue up to Three Hundred Fifty Million Dollars ($350,000,000) of our Certificates during the 12-month period ending April 30, 2019. This amount may be issued in any one or more of the types of Certificates and may be issued throughout the fifty (50) states and the District of Columbia to the extent qualified for offer and sale in those jurisdictions.

2. We offer and sell Certificates to Investors to make funds available for Loans for Ministry Activities.

3. Certificates offered pursuant to this Offering Circular bear a fixed or variable rate of interest and have maturities ranging from five (5) months to seven (7) years (except in the case of Demand Certificates (Ready Cash) which are demand obligations).

4. Interest payable on Certificates is taxable to you, except when the Certificates are held in an IRA, in the year in which the interest is paid or credited.

5. At maturity, unless you elect to redeem a Certificate, the Certificate will automatically renew for a term equal to the prior term at the then current interest rate for Certificates of that term, except in the case of a Certificate purchased under a promotion that specified a different initial rollover term, in which case the Certificate would automatically renew for that specified term.

6. The proceeds from the sale of our Certificates will be added to our general funds, which will be used primarily to make Loans to Eligible Ministries and other non-denominational churches, to pay interest on outstanding Certificates, to repay outstanding Certificates as they mature or are redeemed, to make grants and gifts, and to cover our overall operating expenses.

7. Below is a summary in tabular form of certain selected financial data with respect to our operations as of December 31, 2017 (including our wholly-controlled subsidiary, Florida Church Planters, Inc.). This data has been compiled by management from our Financial Statements, and it should be read in conjunction with our Financial Statements.

Description of Selected Financial Data	12/31/2017
Cash and temporary cash investments	$ 29,195,635
Investments	$ 13,492,490
Receivables:	
Loans, net	$331,261,449
Accrued interest	$ 1,384,643
Unsecured Loans receivable as a percentage of total Loans	0.00%
Loan delinquencies 90 days or more past due as a percentage of Loans, net	0.00%
Assets whose use is limited	$ 1,616,636
Land, property and equipment, net	$ 5,105,940
Investment in limited partnerships	$ 1,681,299
Total Assets	$383,743,355
Investment certificates payable	$347,630,262
Line of credit payable	$ 0
Investment certificates redemptions for the period then ended	$ 231,853,625
Total net assets	$ 34,641,498

Unrestricted net assets – CFR	$33,155,256	
Unrestricted net assets – Florida Church Planters	$216,740	
Total unrestricted net assets		$ 33,371,996
Total temporarily restricted net assets		$ 1,269,502
Change in total net assets		$ 5,857,631

RISK FACTORS

Purchasing Certificates involves a number of risks. In addition to the factors set forth elsewhere in this Offering Circular, please carefully consider the following risk factors before deciding to purchase a Certificate:

1. **Unsecured and Uninsured General Obligations.** The Certificates are our general obligations. You are dependent solely upon our financial condition for repayment of principal and interest on the Certificates. The Certificates are unsecured and are not insured.

2. **No Sinking Fund or Trust Indenture.** No sinking fund or trust indenture has been or will be established. The absence of a sinking fund and trust indenture may adversely affect our ability to repay the Certificates.

3. **Senior Secured Indebtedness.** We have a $28,000,000 secured bank line of credit with SunTrust and a $4,500,000 secured bank line of credit with Florida Bank of Commerce, though we had no balances outstanding on either of these lines of credit as of December 31, 2017. We reserve the right to issue future obligations, or draw upon our existing lines of credit or obtain additional lines of credit, secured by a first lien on our assets in an amount, together with our existing secured obligations, not to exceed ten percent (10%) of our tangible assets (total assets less intangible assets as defined by U.S. GAAP). To the extent we have any senior secured indebtedness, repayment of that indebtedness will have priority in our assets over all other unsecured creditors, including you.

4. **No Public Market for Certificates.** No public market exists for the Certificates and none will develop, so you should consider the purchase of a Certificate as an investment for the full term of the Certificate.

5. **Liquidity.** It is our practice to maintain at all times an aggregate operating and reserve liquidity of cash, cash equivalents, readily marketable securities and immediately available funds through a line of credit, equal to at least 8% of our principal balance of all outstanding Certificates (with no more than 2% from an available line of credit). As of December 31, 2017, we maintained, and plan to continue to maintain in 2018, cash and Invested Funds in an amount equal to or in excess of this amount. There can be no assurance, however, that this practice will be continued in the future.

6. **Future Offerings.** There can be no assurance that we will continue to offer and sell Certificates in the future. Conversely, the total amount of this offering is not a limitation on the amount of Certificates we may sell in this and other offerings from time to time. We have sold our Certificates in prior years and anticipate that we will continue to sell additional Certificates as part of a continuous offering process. See “Financing and Operational Activities.”

7. **Tax Consequences.** You will not receive a charitable deduction upon the purchase of a Certificate, and interest paid or payable on the Certificates will be taxable as ordinary income to you regardless of whether the interest is paid directly to you or retained and compounded. If interest paid is below the market rate of interest, the Internal Revenue Service may impute income up to the market interest rate level. See “Tax Aspects.”

8. **Loan Collection Risks.** Our loan portfolio consists of Loans made primarily to Eligible Ministries and other non-denominational churches. In the normal course, neither trustees, elders, deacons, nor any other member of a borrower will be required to personally guarantee any Loan. The ability of each borrower to repay our Loan generally depends upon the contributions received from our members. The number of members of each borrower and our revenue is likely to fluctuate. We must rely on the borrower’s continued financial viability for repayment of Loans. If a borrower experiences a decrease in contributions or revenues, payments on that Loan may be adversely affected. Contributions may decline for a variety of reasons including, but not limited to, the impact of a softening economy, increased job losses or other economic difficulties encountered by church members, and/or a decline in the business

prospects of donors. Our remedies as a creditor upon default by any of our borrowers will be subject to various laws, regulations and legal principles that provide protections to borrowers. Our legal and contractual remedies, including those specified in our loan agreements and collateral documents, typically require judicial actions, which are often subject to discretion and delay. Under existing laws (including, without limitation, the Federal Bankruptcy Code), the remedies specified by our loan agreements and collateral documents may not be readily available or may be limited. A court may refuse to order the specific performance of the covenants contained in the loan agreements and collateral documents. In addition, the laws of a particular jurisdiction may change or make it impractical or impossible to enforce specific covenants in the loan agreements and collateral documents. In addition, the various security interests established under our mortgages and deeds of trust may be subject to other claims and interests such as statutory liens; rights arising in favor of the United States or any agency thereof; constructive trusts or equitable liens imposed or conferred by any state or federal court; and bankruptcy or receivership laws affecting amounts earned by the borrower after institution of bankruptcy or receivership proceedings by or against the borrower. See “Lending Activities.”

9. **Special Purpose of Borrower Properties.** Although the Loans made by us are primarily secured by a first mortgage on the borrower’s property with loan-to-value ratios not exceeding 90%, typically that property is improved for church, charitable or educational uses and may have a lower fair market value than general purpose properties. As a result, there is no assurance that those properties can be sold for an amount that will be sufficient to repay the amounts owed by borrowers under the Loans.

10. **Loan Policies.** Our relationship to our borrowers and our Loan delinquencies cannot be compared to that of a normal commercial lender. Recognizing the relationship to our borrowers, our loan eligibility and approval criteria may be more flexible than might be applied by a normal commercial lender. In addition, in view of the relationship to our borrowers, we may be willing to renegotiate the terms of Loans and, accordingly, the timing and amount of collections on the Loans may be modified. As a result, our Loans may involve a higher risk of loss than loans made by commercial lenders. See “Lending Activities.”

11. **Future Changes in Federal or State Laws.** Changes in federal laws or the laws of the various states in which we offer our Certificates may make it more difficult or costly for us to offer and sell Certificates in the future. Further, while we strive to comply with all applicable laws, if we find that we have not done so in all cases, it is possible that we may be subject to future regulatory actions, which could include fines, orders or the institution of repurchase offers.

12. **Certificate Repayment Ability.** We use principal and interest payments on Loans and earnings from Invested Funds, and may use proceeds from the sale of new Certificates on a cash-flow basis, to pay interest and principal on Certificates (see “Use of Proceeds”). Future market conditions could affect our ability to repay Certificates. For example, if yields on Invested Funds fall below Certificate interest rates, if demand for new Certificates decreases significantly or ceases altogether, if there is a significant decrease in the renewal rate of maturing Certificates resulting in a significant increase in redemptions, or if a substantial percentage of borrowers defaults on Loan payments, our resulting financial condition could adversely affect our ability to repay Certificates.

13. **Geographic Concentration of Loans.** There are risks related to geographic concentration of Loans to borrowers within a limited region such that changes in economic conditions of that region could affect the ability of the borrowers, as a group, to repay the Loans. Although we have no geographic restrictions on where the Loans are made other than where Eligible Ministries and other non-denominational churches are located, aggregate Loans equal to or in excess of five percent (5%) of total balances of Loans outstanding as of December 31, 2017, were located in the following states:

State	Number of Loans	Principal Amount Outstanding	Percentage of Portfolio
Florida	79	$102,997,645	31%
Georgia	34	46,013,121	14%
North Carolina	20	28,634,971	9%
Virginia	21	22,997,846	7%
Maryland	6	22,363,103	7%

State	Number of Loans	Principal Amount Outstanding	Percentage of Portfolio
Tennessee	9	20,753,739	6%
Indiana	8	19,119,845	6%
Ohio	7	16,774,523	5%
Wisconsin	2	17,674,305	5%
Total	186	$297,329,098	90%

14. **Future Material Loan Losses.** Our allowances for loan losses is maintained at a level considered adequate to provide for potential losses. As of December 31, 2017, the aggregate allowance for loan losses was $3,000,000. There is a risk that loan losses could be greater than our present allowance for loan losses which, if significantly greater than anticipated, could adversely affect our financial condition.

15. **Competition from Other Lenders.** The availability and cost of loans offered by banks, other corporations, and loan programs may affect overall demand for Loans from us. Any decrease in the demand for Loans could adversely affect our financial condition.

16. **Other Investment Opportunities.** Other investment opportunities may yield a higher rate of return with less risk than the Certificates. This may adversely affect sales of the Certificates.

17. **Interest Rate Fluctuation.** Interest rates will fluctuate in the future. You should be aware that if interest rates rise or fall, we are not obligated to redeem any Certificate prior to its maturity. Interest rate fluctuations may also adversely affect our profitability if we are unable to maintain a sufficient spread between the interest rates we pay on Certificates and borrowed funds and the interest rates we receive on Loans and investments. In particular, rapid changes in interest rates could significantly and adversely affect our profitability.

18. **Minimum Balances Required.** You may be required to maintain a minimum investment amount in each Certificate. If the amount invested in a Certificate falls below the minimum amount, the Certificate may be fully redeemed without notice to you or, in lieu of a full redemption, the interest rate on the Certificate may be reduced. "Description of Certificates."

19. **Interest Rate on Automatic Rollover or Reinvestment at Maturity.** Upon maturity of a Certificate, if you do not choose to redeem the Certificate or to reinvest the amount due thereunder into a new Certificate, then it will be automatically renewed at the current interest rate in effect on the date of maturity for that type and term of Certificate, except in the case of a Certificate initially purchased under a promotion that specified a different initial rollover term, in which case the Certificate would automatically renew for that specified term at the then current interest rate for the Certificate of that term. If we are offering a separate interest rate for investments of only new funds at the time of a renewal, that separate interest rate will <u>not</u> apply to a rollover or reinvestment, and only the rate then applicable to rollovers or reinvestments not involving new funds will apply. If the then current interest rate is less than the interest rate on the Certificate as in effect prior to maturity, you will receive a lower interest rate return on the renewed Certificate.

20. **Interest Rate Policy and Payment Change.** We reserve the right to change the method by which interest is determined or the frequency with which interest is paid to you or added to the Certificates. If we exercise our right to change the method by which interest is calculated or the frequency at which interest is paid on existing Certificates, the holders of affected Certificates would receive a written notice of that fact describing the changes. If upon receiving the notice, you wish to redeem your Certificate, you may do so (without penalty) within 30 days of receiving the notice. For the last payment of interest only, you may also be paid interest at the rates in effect for your affected Certificates during the preceding month, provided you notify us within the 30 day period.

21. **We Are Solely Liable on Certificates.** Our debts and liabilities, including the Certificates, are independent of the financial structure of any other person or entity. Accordingly, you may not rely upon any subsidiary or affiliate of ours or any other person or entity other than us for payment of the Certificates when due. In particular, although the financial statements of our wholly-controlled subsidiary, Florida Church Planters, Inc., are consolidated with our financial statements in our Financial Statements, the assets of Florida Church Planters, Inc.

may not be available to be used for payment of the Certificates when due. For details regarding the amount of net assets of Florida Church Planters, Inc., see “Selected Financial Data.”

22. **Early Redemption Penalties.** We are not required to redeem any Time Certificate prior to its maturity date. In the event we agree, in our sole discretion, to redeem a Time Certificate prior to its maturity, early redemption penalties may be applied. See “Redemption and Early Redemption Penalties.”

23. **Ability to Call Certificates.** We have the right to call Certificates for redemption at any time upon thirty (30) days written notice. In that event, interest will be paid to the date of redemption. There can be no assurance that you will be able to reinvest your redemption proceeds in other securities having terms (and associated risks) as favorable as the redeemed Certificate, which may result in a decline in income or less favorable investment alternatives.

24. **Limitation on Transferability.** The Certificates are non-negotiable and may be assigned only upon our written consent.

25. **Unclaimed Property.** If in the course of a seven (7) year period, or such shorter period as may apply by applicable state law, we receive as undeliverable more than six (6) returned statements or other pieces of mail pertaining to a Certificate that we have sent to you, then the Certificate will be declared inactive, we will cease sending further mailings or interest payments to you, and we will follow applicable state law procedures for unclaimed property with respect to the Certificate. The Certificate will continue to accrue interest until it is redeemed or until it is disposed of by us pursuant to applicable state unclaimed property laws.

26. **Real Estate Holdings.** We may be required to hold certain real estate at times. See “Real Estate Holdings.”

27. **Environmental Risks on Collateral.** There is potential environmental liability associated with the collateral securing our Loans. While we do generally require a third-party Environmental Screen Report before approving a Loan, we do not typically require a Phase I Environmental Site Assessment unless the initial screen indicates a potential problem. In the event that environmental pollution or other contamination is found on or near property securing a Loan, we could, in some cases, face environmental liability or the security for the Loan could be impaired. In addition, changes to environmental regulations could require a borrower to incur significant unanticipated expenses to comply with those regulations which could adversely affect the borrower’s ability to repay the Loan.

28**. Construction Risks.** Many of the Loans made by us are used by borrowers for construction of new facilities or improvements to existing facilities. Consequently, those Loans will be subject to usual construction-related risks. Those risks include defaults or bankruptcies of contractors or subcontractors, construction delays (due to events such as weather conditions, strikes, shortage of materials, acts of nature, regulatory delays, etc.), increased and unexpected costs, adverse effects on adjacent facilities and other operations, and other factors and contingencies unknown to or beyond the control of the borrower or other parties. In the event that construction is delayed or prevented, or if costs for construction increase substantially, the borrower’s ability to repay a Loan could be adversely affected.

29. **Decrease in Certificate Renewals.** Our business plan anticipates that a significant number of Certificates will be renewed at maturity. Certificate renewals may decline for a variety of reasons including, but not limited to, the impact of a softening economy, increased job losses or other economic difficulties encountered by Certificate holders. If there is a significant decrease in the renewal rate of maturing Certificates resulting in a significant increase in redemptions, our resulting financial condition could adversely affect our ability to repay Certificates.

30**. Liquidity - Concentration of Invested Funds.** As of December 31, 2017, approximately 36% of our cash and Invested Funds is held in investments in debt securities issued by other institutions whose securities are not insured by the FDIC, SIPC or any governmental agency.

31**. Material Loans and Loan Delinquencies.** We had outstanding Loans aggregating $335,034,158, $303,713,613, and $249,310,362 as of December 31, 2017, 2016, and 2015, respectively. Of these amounts, $229,260,693 or 68% was to 40 churches as of December 31, 2017; $228,878,457 or 75% was to 49 churches as of December 31, 2016, and $202,200,154 or 81% was to 64 churches as of December 31, 2015. There were no Loans ninety (90) days or more past due as of December 31, 2017, 2016 or 2015. As of December 31, 2017, 2 of our Loans with an aggregate principal balance of $2,192,059 were considered impaired because they had been restructured. As of December 31, 2016, 6 of our Loans with an aggregate principal balance of $4,367,548 were considered impaired because they had been restructured. See Note 5 of the Financial Statements. There can be no assurance that delinquencies will not increase in the future. If we experience any significant losses on any of these Loans, our resulting financial condition could adversely affect our ability to repay Certificates.

32. **Investment Risks.** Any Invested Funds invested in readily marketable securities are subject to various market risks which may result in losses if market values of investments decline. Our investments in marketable securities are subject to various market risks that may result in losses if market values decline. Our past investment performance does not indicate how our investments will perform in the future. Different types of investments have different types of risks, such as the following:

- *Debt Securities Risk*. The issuers of debt instruments in which we may invest may default on their obligations to pay principal or interest when due. This non-payment would result in a reduction of income to us, a reduction in the value of a debt instrument experiencing non- payment and, potentially, a decrease in our profitability and our ability to pay interest and principal due on Certificates. To the extent that the credit rating assigned to a security in our investment portfolio is downgraded, the market price and liquidity of that security may be adversely affected. When market interest rates rise, the market value of debt instruments generally will fall.

- *Equity Securities Risk*. The value of equity securities held by us may fall due to general market or economic conditions, perceptions regarding the industries in which the issuers of those securities participate, changes in interest rates, and the particular circumstances and performance of particular companies whose securities we hold. An adverse event, such as an unfavorable earnings report, may depress the value of a particular equity security we hold. The price of an equity security may be particularly sensitive to general movements in the stock market, or a drop in the stock market may depress the price of most or all of the equity securities we hold. In addition, equity securities may decline in price if the issuer fails to make anticipated distributions or dividend payments. A reduction in the value of an equity security we hold or a failure to make an anticipated distribution or dividend payment could result in a decrease in our profitability and our ability to pay interest and principal due on Certificates.

- *Participation Risk*. We may purchase a participation interest in a loan and by doing so acquire some or all of the interest of a bank or other lending institution in a loan to a borrower. A participation interest typically will result in our having a contractual relationship only with the lender, not the borrower. As a result, we would assume the credit risk of the lender selling the participation in addition to the credit risk of the borrower. By purchasing a participation interest, we would typically have the right to receive payments of principal, interest and any fees owed on the loan only from the lender selling the participation and only upon receipt by the lender of the payments from the borrower. In the event of insolvency or bankruptcy of the lender selling the participation, we may be treated as a general creditor of the lender and may not have a senior claim to the lender's interest in the loan. If we only acquire a participation in the loan made by a third-party, we may not be able to control the exercise of any remedies that the lender would have under the loan. Such third-party participation arrangements are typically designed to give loan investors preferential treatment over high yield investors in the event of a deterioration in the credit quality of the borrower. Even when these arrangements exist, however, there can be no assurance that the principal and interest owed on the loan will be repaid in full.

33. **Not FDIC or SIPC insured.** The Certificates are not FDIC or SIPC insured or guaranteed by any governmental agency; are not certificates of deposit, deposit accounts or any other type of bank instrument with a bank, savings and loan association, credit union or other financial institution regulated by federal or state authorities; and are subject to investment risks, including possible loss of the entire principal amount invested.

34. **Policies and procedures may change.** At various points in this Offering Circular we describe our policies, such as our lending and investment policies. These descriptions are intended to help you understand our current operations. If we change our policies or procedures, there may be an adverse impact on our ability to repay Certificates.

35. **Third-Party Vendors**. Our operations are dependent upon technology and related services, some of which are provided by third-party vendors. The majority of our business records are stored and processed electronically, including records of our Loans receivable, Certificates payable, and most other business records. We rely to a certain extent upon third-party vendors for providing hardware, software, and services for processing, storing and delivering information. Our electronic records include confidential Investor and borrower information and proprietary information. Electronic processing, storage and delivery has inherent risks such as the potential for hardware failure, virus or malware infection, input or programming errors, inability to access data when needed, permanent loss of data, unauthorized access to data or theft of data. While we and our vendors take measures to protect against these risks, it is possible that these measures will not be 100% effective and that there may be other risks, that have not been identified because they are different or unknown, that may emerge in the future. If we were to experience large scale data inaccuracy, inability to access data for an extended time period, permanent loss of data, data breach, failure of our vendors to perform as contracted, or other significant issues regarding data, it could adversely affect all aspects of our operations. In addition, if you elect to use our website and related online services, electronic delivery services, or similar mobile services that may be offered in the future, we can offer no assurances and make no warranty as to their accuracy and availability, and that use is subject to the terms, conditions and limitations set forth in applicable usage agreements.

THE OFFERING

We may issue up to Three Hundred Fifty Million Dollars ($350,000,000) of our Certificates during the offering period covered by this Offering Circular. This amount may be issued in any one or more of the types of Certificates and may be issued throughout the fifty (50) states and the District of Columbia to the extent qualified for offer and sale in those jurisdictions.

HISTORY AND OPERATIONS

Christian Financial Resources, Inc., originally incorporated as Church Development Fund of Florida, Inc., is a not for profit religious organization incorporated in the state of Florida on July 3, 1980. The purpose of our loan ministry is to fund ministry projects that primarily assist independent Christian Churches and their associated ministries. These projects may include land acquisition, refinancing, construction and improvement of church buildings, parsonages, church schools and other facilities operated by these congregations. The physical address of our home office is: 1485 International Parkway #1001, Lake Mary, Florida 32746. Our mailing address is: PO Box 951719 Lake Mary, Florida 32795-1719.

The need for a ministry such as CFR was discussed at a meeting of interested ministers and members of the Christian Churches held at the Lakeview Christian Church (now named Journey Christian Church) in Apopka, Florida, on February 12, 1980. As a result of the affirmative decision of those present, the decision was made to proceed with the planning of such a ministry. Based on the recommendation of the ministers present, ten men were invited to serve as a steering committee. The first organizational meeting of the steering committee was held March 25, 1980 (original name was Church Development Fund of Florida, Inc. and later changed to Church Development Fund Ministries, Inc. and then to its current name of Christian Financial Resources, Inc. in 1997). At the time of incorporation on July 3, 1980, the members of the steering committee became the members of the board of directors.

In 2003, we acquired Central Florida New Church Evangelism, Inc. which solicits funds from individuals and churches for the purpose of starting new churches. We changed the name of the organization to Florida Church Planters, Inc., doing business as Florida Church Partners. It is a 501(c)(3) ministry and the financial statements of the organization have been consolidated with us since it is a wholly-controlled subsidiary.

We also offer charitable gift annuities and pooled income fund options for donors wishing to leave estate gifts and receive interest for the life of the beneficiary. See Notes 15 and 16 of the Financial Statements.

USE OF PROCEEDS

The proceeds from the sale of our Certificates will be added to our general funds, which will be used primarily to make Loans to Eligible Ministries and other non-denominational churches, to pay interest on outstanding Certificates, to repay outstanding Certificates as they mature or are redeemed, to make grants and gifts, and to cover our overall operating expenses. The amount of proceeds actually used for each of these purposes will vary depending upon a number of factors, including the amount of new Certificates sold and the amount of Certificates redeemed or renewed at any given time, the demand for new Loans, and the amount of scheduled payments and prepayments received on outstanding Loans.

FINANCING AND OPERATIONAL ACTIVITIES

Our means of generating funds for making Loans for Ministry Activities is through the sale of Certificates, earnings from Invested Funds, and principal and interest payments on Loans.

Outstanding Certificates Payable

As of December 31, 2017, we had 4,635 Certificates outstanding totaling $347,630,262. The amount of Certificate proceeds and redemptions for the fiscal year ended December 31, 2017, are as follows:

	FY 2017
Proceeds from issuance of Certificates payable	$284,828,332
Payment (redemption) of Certificates payable	$231,853,625

The Certificates payable held by us at December 31, 2017, mature as follows:

Demand	$ 93,038,491
2018	$106,618,169
2019	$ 26,212,075
2020	$ 31,596,998
2021	$ 36,681,417
2022	$ 15,134,008
2023 and thereafter	$ 38,349,104
Total	$347,630,262

Outstanding Loans Receivable

As of December 31, 2017, we had Loans with aggregate outstanding balances totaling $335,034,158. The anticipated Loan maturities in each of the next five (5) years and the aggregate thereafter are as follows:

2018	$	22,987,341
2019		26,963,003
2020		39,430,060
2021		52,840,994
2022		56,868,831
2023 and thereafter		135,943,929
Total	$	335,034,158

NOTE: Amounts shown above are estimates based upon current amortization schedules. Such amortization schedules may be adjusted throughout the life of a Loan as interest rates change and unscheduled payments are made. Figures are for Loans of record as of December 31, 2017. The above estimates are based upon historical data and average amortization schedules.

The North American Securities Administrators Association Statement of Policy Regarding Church Extension Funds requires that a church extension fund, such as us, should limit the amount of loans that are not secured by real or personal property or guaranteed by third parties to no more than ten percent (10%) of our outstanding loans. As of December 31, 2017, all Loans were secured by the borrower's property, and there were no outstanding loan commitments that would not be secured by the borrower's property or Certificates pledged by borrower.

Real Estate Holdings

In the first quarter of 2017, we purchased the building in Lake Mary that we now occupy for $3,500,000. We lease portions of the building that we are not using to other commercial tenants, and details about those leases can be found in Note 18 of our Financial Statements. We have entered into an agreement to sell our former facility for $900,000, with the closing currently scheduled to occur in August, 2018. We will incur a $202,308 loss on that sale, which was recorded in our financial statements for the year ended December 31, 2017.

We also seek and receive gifts of real estate from time to time. We also sometimes accept transfers of real property in exchange for a release of a borrower's Loan obligation to us. Pursuant to the terms of these gifts and transfers, sometimes we are required, or agree, to hold real property for use by an Eligible Ministry or other non-denominational church. As of December 31, 2017, we did not hold any real property for use by anyone other than us.

Grants

We occasionally make gifts to ministries as part of our mission of "funding ministry…changing lives." These grants are made by both CFR and its subsidiary, FCP. In addition, some of our donors have directed grants to benefit other charities through charitable gift annuities, pooled income funds, and donor advised funds that we manage.

LENDING ACTIVITIES

We make Loans primarily to qualifying Eligible Ministries and other non-denominational churches for the acquisition of land and buildings, the construction of facilities (including church facilities, schools and any other facilities operated by Eligible Ministries and other non-denominational churches), renovation or expansion of existing facilities, and refinancing or consolidation of existing debt incurred for any of the preceding purposes for qualifying Eligible Ministries and other non-denominational churches. We may also make line of credit Loans for short term cash flow needs of borrowers, and may make loans to other non-denominational churches that might not historically be identified as Eligible Ministries.

Our underwriting guidelines have been established and may be changed only by our Board of Directors. As of the date of this Offering Circular, our underwriting guidelines are as described below. Our underwriting guidelines generally require that Loans be secured by a first or second mortgage or deed of trust on the property of the borrowers and/or by a pledge of Certificates in an amount at all times equal to or exceeding the outstanding Loan principal balance. When Certificates are pledged to secure a Loan, the underwriting guidelines require that our security interest in those pledged assets be perfected pursuant to applicable state laws. At least ninety (90%) of our outstanding loans will be secured by real or personal property. Any extension, renewal or modification of a Loan will be underwritten according to policies applicable at the time of extension, renewal or modification of the Loan. Further, our underwriting guidelines generally provide for the following:

1. ***Loan to Value Ratio***: We generally will not make a Loan in excess of ninety percent (90%) of the estimated value of the property (including improvements) securing the Loan.

2. ***Debt Ratio***: We generally will not make a Loan if the loan payment would be in excess of thirty-five percent (35%) of a borrower's average annual income.

3. ***Expense Coverage Ratio***: The borrower's historical financial statements, liquid assets, and any other sources of income (including building campaign funds) will be evaluated to ensure an increased expense from debt payments can be adequately serviced. The general requirements will be a 1:1 ratio and will be stress tested during underwriting.

4. ***Ministry Expense Ratio:*** This represents the percentage of the borrower's income that is expected to be available for ministry expenses after payment of debt service, staffing, and fixed property expenses. We generally require that ratio be at least twenty percent (20%).

5. ***Historical Performance:*** Credit evaluations are also based on past performance using a review of financial statements and attendance statistics (including debt per attendee and attendance growth). A narrative of additional subjective factors such as leadership, history, relationships, and facilities will generally be performed on most loan applications.

Our underwriting guidelines also generally require borrowers to submit, at minimum, the following:

1. A completed Loan application or equivalent loan package;
2. Financial statements for the borrower's current year and two most recent completed years;
3. A copy of the borrower's operating budget for the current year;
4. Borrower's governing documents;
5. If the Loan is to be secured, in whole or in part, by a mortgage or deed of trust on real property:
    a. A set of architectural drawings, if applicable;
    b. A valuation of any property being purchased or improved;
    c. A third-party Environmental Screen Report if the proposed loan involves a purchase of vacant property;
    d. Copy of purchase and sales agreement (if any);
    e. Copies of construction contracts between the borrower and contractors (if any);
    f. Preliminary title insurance commitment from a title insurance company, along with updates to that commitment as necessary, or a current abstract of title if title insurance is unavailable; and
    g. Flood certification.

We may, on an exception basis, waive one or more of these requirements if we determine that doing so will not materially increase the risk associated with the particular Loan.

In addition, in the case of Loans secured, in whole or in part, by a mortgage or deed of trust on real property, our underwriting guidelines generally require borrowers to maintain hazard and, if applicable, builder's risk insurance in an amount at least equal to the full replacement value of the collateral building(s). We must be named as an additional insured or loss payee/mortgagee on any such policy of insurance during the term of a Loan. Also, the underwriting guidelines generally require property title insurance to be obtained where it is available.

The terms and availability of Loans to be made by us have been established and are revised periodically by our Board of Directors. Loans are written at either a fixed or adjustable interest rate, determined under our policies. Interest rates of Loans are generally based on our then current Cost of Funds (defined below) plus a margin that is generally, but can be greater or smaller than, 1% to 4% per annum. Our Cost of Funds is the weighted average annual rate of interest, determined by us on a date selected by us, based upon the interest and other costs payable on or with respect to such of our outstanding investment and other obligations as are determined by us pursuant to our lending procedures as in effect from time to time. We reserve the right to offer differing interest rates for Loans with different periods of interest rate adjustments or different maturity periods (*i.e.*, a two-year adjustable rate Loan versus a three-year adjustable rate Loan). Loans for capital construction may be at a fixed or adjustable rate. Loans will generally be written for terms between two (2) to ten (10) years with monthly payments based on an amortization period up to twenty-five (25) years. Interest-only payments will be required during the construction phase of a Loan. Line of credit Loans will generally be written for terms of up to three (3) years, with interest-only payments during the first three years.

Material Loans and Loan Delinquencies

We had outstanding Loans aggregating $335,034,158, $303,713,613, and $249,310,362 as of December 31, 2017, 2016, and 2015, respectively. Of these amounts, $229,260,693 or 68% was to 40 churches as of December 31, 2017; $228,878,457 or 75% was to 49 churches as of December 31, 2016, and $202,200,154 or 81% was to 64 churches as of December 31, 2015. There were no Loans ninety (90) days or more past due as of December 31, 2017, 2016 or 2015. As of December 31, 2017, 2 of our Loans with an aggregate principal balance of $2,192,059 were considered impaired because they had been restructured. As of December 31, 2016, 6 of our Loans with an aggregate principal balance of $4,367,548 were considered impaired because they had been restructured. See Note 5 of the Financial Statements. There can be no assurance that delinquencies will not increase in the future.

Due to the nature of the relationship with our borrowers, it is our policy to work with our borrowers in their efforts to meet Loan obligations. However, no assurance can be given that we will be willing to refinance, restructure or work out delinquent Loans in the future.

Loan Loss Reserves

Our allowances for loan losses are maintained at a level considered by management to be adequate to provide for potential losses. As of December 31, 2017, the aggregate allowance for loan losses was $3,000,000.

Participations

We may sell participation interests in our loans to third parties from time to time, including a pro-rata interest in the collateral securing the loan. When we do so, we continue to service the loans and remit a portion of each loan payment we receive from the borrowers to the buyers of the participation interest. The participations are non-recourse, which means that we will have no obligation to repurchase the portion of the loan we sold, and that the purchaser will assume the risk of loss on that portion of the loan. Accordingly, the portions of the loans we sell are not included in our outstanding loans receivable figures.

We may also purchase participation interests in individual loans from third party lenders. Under these loan participation agreements, the third party lenders maintain all records, collect all payments and remit monthly the appropriate pro rata share of both interest and principal collected on the loans. These agreements typically provide that we will share ratably with the third party lenders in the event of any extraordinary expenses required to preserve the collateral or enforce the lender's rights with respect to the loan. Similarly, we share ratably in the costs and proceeds in the event of any foreclosure, sale of collateral or other collection action. Our right to take any enforcement action with respect to the borrower or collateral of any of these loans is subject to the cooperation of the third party lender who originated the loan. These purchased participation interests are included in loans receivable in the Financial Statements.

During the year ended December 31, 2017, we sold participation interests of 6%, 18%, and 89% in three loans at par to third parties for total proceeds approximating $6,000,000. Our interest in these same loans continues to be included in our loans receivable and totaled $10,336,814, $6,356,782 and $0 at December 31, 2017, 2016 and 2015, respectively. The outstanding principal balances, including both our interest and third party interests, of all sold and participated Loans serviced by us totaled $46,453,695, $12,964,741, and $0 as of December 31, 2017, 2016, and 2015, respectively, and generated $39,016, $10,832, and $0 of net loan servicing fee income for us for the years ended December 31, 2017, 2016 and 2015, respectively. As of December 31, 2017, we held interests in 4 participated loans outstanding.

INVESTING ACTIVITIES

We maintain a portion of our assets in an investment portfolio pending utilization for Loan activities or for maintaining reasonable liquidity. Our current investment policy requires a minimum liquidity ratio of at least 8% of our principal balance of all outstanding Certificates (with no more than 2% from an available line of credit) with:

a. No more than 5% of an amount equal to the value of outstanding Certificates may be invested in market securities.

b. Market securities can consist of any of the following five asset classes of securities traded on a recognized American securities exchange, with no more than 2% of an amount equal to the value of outstanding Certificates being invested in any single asset class:

   i. U.S. Equities
   ii. Foreign equities
   iii. U.S. Bonds
   iv. Foreign bonds
   v. Alternative assets (REITs, futures, commodities, etc.)

c. Up to 2% of an amount equal to the value of outstanding Certificates may be invested in hedge funds, private equity, or limited partnerships.

d. All remaining portions of our investment portfolio must be invested in fixed income church extension fund securities, money market funds or accounts, Certificates of Deposit, U.S. Treasury securities, or bank deposit accounts.

We may from time to time change our investment policies to include intermediate and long term U.S. government and other fixed income securities or other types of investments.

The Board of Directors oversees the investment policy and reviews investment transactions on a semi-annual basis. The Chief Executive Officer and Chief Operating Officer have the responsibility of implementing the policy. See "Management." We currently utilize the services of two registered investment advisers, Ameriprise and Merrill Lynch, to assist in the investment of our assets. We may change any investment adviser(s) used from time to time.

Below is a summary of our cash and Invested Funds as of December 31, 2017, $216,740 of which represents assets of our wholly-controlled subsidiary, Florida Church Planters, Inc.:

Type of Investment	12/31/2017	% of Total
Cash	$15,416,172	33.5%
Temporary cash investments:		
Certificates of deposit	1,491,626	3.2%
Investment certificates	9,164,906	19.9%
Money market funds	6,231,193	13.6%
Mutual Funds	5,189,146	11.3%
Exchange traded funds	276,805	0.6%
Corporate bonds	3,224,751	7.0%
Treasury bonds	499,622	1.1%
Real estate investment trusts	1,726,266	3.7%
Business development companies	1,084,274	2.4%
Investment in limited partnership	1,681,299	3.7%
Total	$45,986,060	100.0%

During the fiscal year ended December 31, 2017, we had aggregate realized and unrealized gains of $1,422,493 on our Invested Funds.

SELECTED FINANCIAL DATA

Below is a summary in tabular form of certain selected financial data with respect to our operations for our five (5) most recent fiscal years (including our wholly-controlled subsidiary, Florida Church Planters, Inc. ("FCP")). This data has been compiled by management from our Financial Statements, and it should be read in conjunction with our most recent Financial Statements (including the Notes thereto).

Description of Selected Financial Data	12/31/2017	12/31/2016	12/31/2015	12/31/2014	03/31/2014
Cash and temporary cash investments.......	$29,195,635	$ 11,039,665	$ 11,793,582	$ 10,204,183	$ 6,665,392
Investments	13,492,490	12,044,261	6,584,084	5,506,471	5,392,339
Receivables:					
Loans, net............	331,261,449	300,570,858	246,903,271	204,839,262	180,937,899
Other receivables	-0-	37,896	-0-	-0-	-0-
Accrued interest	1,384,643	1,266,171	789,669	962,391	862,763
Unsecured Loans receivable (other notes)					
As a percentage of total Loans......	0.00%	0.00%	0.00%	0.00%	0.00%
Loan delinquencies 90 days or more past due					
As a percentage of Loans, net	0.00%	0.00%	0.00%	0.00%	0.00%
Assets whose use is limited	1,616,636	1,392,547	1,011,186	405,291	2,774,007
Land, property and equipment, net	5,105,940	1,153,152	1,188,892	1,193,667	1,236,819
Investment in limited partnerships	1,681,299	1,439,364	958,211	111,850	-0-
Total Assets..	383,743,355	328,946,448	269,231,429	223,225,649	197,899,869
Investment certificates payable	347,630,262	294,655,555	238,203,958	198,378,071	175,857,151
Line of credit payable...............................	-0-	4,500,000	6,000,000	4,000,000	4,000,000
Investment certificates redemptions					
for the year then ended..........................	231,853,625	148,495,858	132,029,100	68,068,897	98,796,261
Total net assets........	34,641,498	28,783,867	24,138,295	20,100,604	17,362,656
Unrestricted net assets – CFR	33,155,256	27,531,474	23,267,263	19,825,467	17,159,781
Unrestricted net assets – FCP	216,740	48,609	23,271	127,756	76,957
Total unrestricted net assets	33,371,996	27,580,083	23,290,534	19,953,223	17,236,738
Temporarily restricted net assets – CFR.	1,269,502	1,203,784	847,761	147,381	125,918
Temporarily restricted net assets – FCP .	-0-	-0-	-0-	-0-	-0-
Total temporarily restricted net assets	1,269,502	1,203,784	847,761	147,381	125,918
Change in total net assets					
for the year then ended	5,857,631	4,645,572	4,037,691	2,737,948	4,557,608
Change in unrestricted net assets	5,791,913	4,289,549	3,337,311	2,716,485	4,554,985
Change in temporarily restricted					
net assets.....	65,718	356,023	700,380	21,463	2,623

Management's Financial Summary

Our Board of Directors reviews our overall financial position monthly. Our operating philosophy is to maintain a position of liquidity sufficient to provide for operating cash requirements, a capital position sufficient to support our financial position and operations, and a margin of assets over liabilities. A significant shift in interest rates or Loan demand may adversely affect actual performance. Our Board of Directors may modify existing procedures or implement new procedures to enable us to operate under changing economic conditions. Some of the key areas regularly reviewed are the following:

Source of Funds for Payment of Certificates – Under our method of accounting, interest payments on Certificates will be made from our operating income and unrestricted net assets, and principal payments on Certificates will be made from our assets.

Capital Adequacy – Our net assets are anticipated to support our ability to maintain our operations. As of December 31, 2017, our net assets as a percentage of our total assets were 8.97% (excluding FCP) and 9.03% (including FCP) (which is, in either case, greater than the NASAA SOP minimum standard of 5%) determined as follows:

	12/31/2017
Excluding FCP -	
Net Assets (excluding FCP)	$ 34,424,758
Total Assets (excluding FCP)............	383,717,595
Net Assets Percentage of Total Assets (excluding FCP).	8.97%

Including FCP -

Net Assets (including FCP)	$ 34,641,498
Total Assets (including FCP)	383,743,355
Net Assets Percentage of Total Assets (including FCP)..	9.03%

We strive to maintain a strong capital position to support our operations and growth.

Liquidity - It is our policy to maintain at all times an aggregate operating and reserve liquidity, comprised of cash, cash equivalents, readily marketable securities and immediately available funds through a line of credit (collectively, "Available Funds"), equal to at least 8% of our principal balance of all outstanding Certificates to provide for our cash requirements as well as reserve liquidity. As of December 31, 2017, we had Available Funds equal to 13.9% of the total outstanding Certificates (which is greater than the NASAA SOP minimum standard of 8%) as follows:

	12/31/2017	
Cash and temporary cash investments	$29,195,635	
Readily marketable securities	10,681,950	
Assets whose use is limited	1,616,636	
Immediately available funds from LOC	6,952,605	(limited to 2% of outstanding investment certificates payable)
Total Available Funds	$48,446,826	
Investment certificates payable....................	347,630,262	
Available Funds Percentage of Certificates Payable..........................	13.9%	

Cash Flow – The ratio of available cash, cash equivalents and Invested Funds as compared to cash redemptions is expected to be at least one to one and, therefore, is anticipated to be sufficient to meet our cash requirements for expenses as well as payments of interest and principal due on Certificates. However, there is no guarantee that the anticipated results will occur. Our ratio of available cash to cash redemptions is at least one to one (1:1) for our three (3) most recent fiscal years ended December 31 as follows:

	2017	2016	2015
Net cash from operating activities	$ 5,264,239	$ 4,141,127	$ 4,876,417
Liquid assets, including cash and temporary cash investments, marketable securities and assets whose use is limited (at beginning of year, from Statements of Financial Position and Note 17 to the audited Financial statements)	24,476,473	19,388,852	16,115,945
Available lines of credit (at beginning of year)	28,000,000	20,500,000	18,500,000
Loan Repayments	40,509,515	33,184,642	42,077,654
Cash from sale of Certificates	284,828,332	204,947,455	171,854,987
Loan Disbursements	(75,810,094)	(93,944,674)	(84,846,836)

Total Available Cash	$307,268,465	$ 188,217,402	$ 168,578,167
Redemptions of Certificates	$231,853,625	$ 148,495,858	$ 132,029,100
Ratio	1.33:1	1.27:1	1.28:1

Loan Delinquencies – As of the fiscal year ending December 31, 2017, none of our Loans were ninety (90) days or more past due.

Operating Trends - We had a net surplus of income over expenses in each of our five most recent fiscal years. There is no guarantee that we will continue to have a net surplus of income over expenses in the future. Below is a summary of our change in net assets for our three (3) most recent fiscal years ended December 31:

	2017	2016	2015
Net operating income (expense) after provision for loan losses	$4,572,563	$ 4,142,433	$ 3,973,502
Realized and unrealized gain (loss) on investments	1,128,108	(108,948)	(749,428)
Gain (loss) on disposition of property and equipment.......................................	(835)	-0-	3,000
Gain (loss) on investment in limited partnership	294,385	256,064	110,237
Increase (decrease) in temporarily restricted net assets	65,718	356,023	700,380
Change in net assets for the year then ended............................	5,857,631	4,645,572	4,037,691
Net assets at the beginning of the period.....	28,783,867	24,138,295	20,100,604
Net assets at the end of the period..............	34,641,498	28,783,867	24,138,295
Net assets at the end of the period (excluding FCP)...	34,424,758	28,735,258	24,115,024

Senior Secured Indebtedness - As of December 31, 2017, we had no outstanding balance under either our $28,000,000 secured bank line of credit with SunTrust or our $4,500,000 secured bank line of credit with Florida Bank of Commerce. If these lines of credit are drawn upon, the repayment of this secured indebtedness will have priority in our assets over all our unsecured creditors, including you.

Interest Rate Management - Our method of determining interest rates on Certificates and Loans is based upon an effort to reduce the risks pertaining to the differential between borrowing and lending rates. Prior to closing a Loan, we limit the length of time to which we are committed to an initial Loan interest rate to twenty-one (21) day commitments. We charge a penalty for early redemption of Time Certificates unless it is occasioned by us exercising our redemption right or by a change in the way we propose to calculate interest rates. See "Redemption and Early Redemption Penalties." We have implemented these procedures to allow us to operate under fluctuating economic conditions.

DESCRIPTION OF CERTIFICATES

Investments offered by Christian Financial Resources, Inc. are not bank deposits or obligations and are not insured by the Federal Deposit Insurance Corporation (FDIC), the Securities Investor Protection Corporation (SIPC) or any other federal or state agency.

We may issue up to Three Hundred Fifty Million Dollars ($350,000,000) of our Certificates during the offering period covered by this Offering Circular. This amount may be issued in any one or more of the types of Certificates and may be issued throughout the fifty (50) states and the District of Columbia to the extent qualified for offer and sale in those jurisdictions. Certificates will be offered to eligible Investors and must be purchased in minimum face amounts of Two Thousand Dollars ($2,000) in the case of Demand Certificates and Ten Thousand Dollars ($10,000) in the case of Time Certificates. The terms of any Certificates purchased pursuant to this Offering Circular will remain as described in this Offering Circular. However, no assurance can be given that the terms of any Certificates offered in future issues will remain the same as those described in this Offering Circular, including renewals of Certificates purchased under this Offering Circular.

All Certificates offered to individual Investors are also available as investments for self-directed IRAs of individual Investors. In order to purchase Certificates for a self-directed IRA, you may direct your IRA custodian to submit to us an IRA Certificate Request along with an investment application completed by you. We do not represent that a Certificate is a permitted investment for an IRA and, therefore, you should consult with your tax advisor and IRA custodian before directing a purchase of a Certificate for your self-directed IRA and should consider (i) whether the investment is in accordance with the documents and instruments governing your IRA, (ii) whether there is sufficient liquidity in the IRA should the IRA's beneficiary need to take a mandatory distribution, and (iii) whether the investment could constitute a non-exempted prohibited transaction under applicable law. Responsibility for establishing an IRA which will qualify for tax deferral under provisions of the tax law dealing with IRAs rests with you; however, we have made arrangements with a financial institution with trust powers to act as custodian of self-directed IRAs, and upon your direction, to invest funds with us. That institution is TMI Trust Company, located in Atlanta, Georgia. Please be aware that a processing fee may be assessed by TMI Trust Company for wire transfers, termination of an IRA account, and various other services. Detailed information about this arrangement is available either through us or TMI Trust Company, in the latter case addressed to TMI Trust Company, 1100 Abernathy Road, Suite 480, Atlanta, Georgia 30328. In order to comply with the USA Patriot Act, TMI Trust Company may require additional information to verify your identity; our privacy policy is provided to all potential IRA investors. For additional information regarding IRA investment options or required forms, contact us directly.

We will accept payment for Certificates in the form of cash, personal check, cashier's check, money order or electronic funds transfer. We offer no financing terms. The investments offered and issued by us are issued as uncertificated securities (*i.e.*, in book-entry form), your right in the investment will be reflected on our books and records. The terms and conditions of Certificates will be construed under and governed by Florida law. You will receive a periodic statement indicating the balance of a particular investment including any additions, redemptions, and any interest credited, paid or accumulated.

Interest

Funds received for the purchase of Certificates earn interest from the day of receipt calculated on a 365 day basis, except in leap years in which case interest is calculated on a 366 day basis. Interest is compounded daily and credited on the last day of each calendar quarter. Interest will be added to the principal amount unless, except in the case of a Certificate held for an IRA account, you request the interest to be paid monthly or quarterly to you either upon application for the Certificate, or in any subsequent written notice received by us. Your election to receive periodic monthly or quarterly payments of interest is available only on investments of $10,000 or more. This election may be changed at any time upon receipt by us of your written notice to change it. You will receive statements indicating the activities for the prior period at the end of each calendar quarter. Statements will be sent to you either in writing or, with your consent, electronically. You may choose to make a charitable contribution to us or to your church organization of interest earned on Certificates (see "Tax Aspects").

Certificates will bear interest at a rate that is determined from time to time in accordance with our then current policies. Interest rates are currently established by us through a review of current interest rates paid by other institutions and insuring we maintain a spread to cover our operating costs. If you invest over $1,000,000 with us, the interest rate to be paid on your Certificates may be higher than the usual rates and will be specially negotiated between us. See "Flexible Certificates" below.

The interest rate on a Time Certificate does not vary over the initial term of the Certificate, or during any renewal term of the Certificate, though it may adjust upon each renewal. The interest rate on a Demand Certificate may be adjusted monthly. See "Demand Certificates" below. We will review certain factors, such as investment gap analysis, loan demand, cash flow needs and the current policy of the Federal Reserve, before establishing each month's rate of interest. We will provide you with current interest rates on Certificates along with this Offering Circular prior to a rollover of your Certificate and at any other time upon request.

We reserve the right to change the method by which interest is determined or the frequency with which interest is paid to you or added to your Certificate. If we exercise our right to change the method by which interest is calculated or the frequency at which interest is paid on your Certificate, you would receive a written notice of that fact describing the changes. If upon receiving the notice, you wish to redeem your Certificate, you may do so (without penalty) within 30 days of receiving the notice. For the last payment of interest only, you may also be paid interest at the rates in effect for your Certificate during the preceding month, provided you notify us within the 30 day period.

We will establish interest rates on a monthly basis for Demand Certificates and for Time Certificates having terms of five (5) months to seven (7) years. We may, from time to time, establish separate interest rates for investments of only new funds that are different from the interest rates applicable to rollovers or reinvestments of existing investments.

Time Certificates

Time Certificates pay interest at rates which remain fixed throughout their term and are available for terms of any period from five (5) months to seven (7) years. Interest rates may change upon a renewal of the Time Certificate. A minimum investment of Ten Thousand Dollars ($10,000) is required for a Time Certificate. Additions of principal may be made to Time Certificates at any time.

Demand Certificates (Ready Cash)

Demand Certificates (Ready Cash) pay an adjustable interest rate that may be adjusted monthly. A minimum investment of Two Thousand Dollars ($2,000) is required for a Demand Certificate. Additions of principal may be made to Demand Certificates at any time. Redemptions from Demand Certificates may be made at any time without any penalty or service fee and are payable upon your request provided, however, that we reserve the right to require you to provide up to thirty (30) days written notice of any intended redemption before it is made.

Flexible Certificates

A Flexible Certificate is a Time Certificate or Demand Certificate issued to you if you invest over $1,000,000 with us. The interest rate to be paid on Flexible Certificates will be higher than the usual rates and will be specially negotiated between you and us.

A Flexible Certificate is not a different type of Certificate, but rather, it is simply a designation used to describe a Time Certificate or Demand Certificate for which a higher fixed interest rate (for a Time Certificate) or adjustable interest rate (for a Demand Certificate) is specially negotiated with you. Other than the special negotiation of higher interest rate terms at the time of purchase, “Flexible Certificates” are <u>not</u> otherwise “flexible” or different in their terms from regular Time Certificates or Demand Certificates, as applicable.

Maturity/Automatic Rollover

At least thirty (30) days prior to maturity of a Time Certificate, we will send a written notice and a new Offering Circular to you, unless you have previously received a current Offering Circular. The notice we give will state the maturity date of the Certificate and that the Certificate will be automatically renewed under the terms described in the then current Offering Circular at the current interest rate in effect on the date of maturity for that type and term of Certificate, except in the case of a Certificate initially purchased under a promotion which specified a different initial rollover term, in which case the Certificate would automatically renew for the specified term at the then current interest rate for that term, unless you elect in writing before, or within ten (10) days after, the Certificate’s maturity date to redeem the Certificate or to reinvest the amount due thereunder into another type of Certificate. If we are offering a separate interest rate for investments of only new funds at that time, that separate interest rate will <u>not</u> apply to a rollover or reinvestment, and only the rate then applicable to rollovers or reinvestments not involving new funds will apply. In the event that you elect to redeem a Certificate, we will pay to the person named in your Certificate the full amount of principal outstanding plus any interest added to principal and not previously paid.

Early Redemption Right

We have the right to call Certificates for redemption at any time upon thirty (30) days written notice. In that event, interest will be paid to the date of redemption.

Redemption and Early Redemption Penalties

We are not required to redeem all or part of any Time Certificate prior to its maturity date. As a matter of policy, we may redeem Time Certificates prior to the maturity date at your request upon a showing of need. When we agree to redeem a Time Certificate prior to the maturity date, an early redemption penalty equal to six months' interest will apply.

Management may consider any extenuating circumstances which may force you to request an early redemption and may waive some or all of any early redemption penalty. In no event, however, will any early redemption penalty be applied in the case of a redemption of a Certificate occurring upon or as a result of the death of the Investor(s) in whose name(s) the Certificate was issued.

In addition, in the event that the balance of a Certificate would, upon a full or partial redemption, fall below $2,000 in the case of a Demand Certificate, below $10,000 in the case of a Time Certificate, or below $1,000,000 in the case of a Flexible Certificate, the balance of that Certificate may be fully redeemed without notice to you or, in lieu of a full redemption, the interest rate may be reduced during the period that the minimum amount is not maintained (i) in the case of a Time Certificate, to the then current rate applicable to Demand Certificates, and (ii) in the case of a Demand Certificate, to a rate of one percent (1%) per annum.

Unsecured General Obligation Status of Certificates

Except for certain secured indebtedness, the Certificates are of equal priority with all our other current indebtedness. As of December 31, 2017, we had no outstanding balance under our $28,000,000 secured bank line of credit with SunTrust and no outstanding balance under our $4,500,000 secured bank line of credit with Florida Bank of Commerce. The repayment of these secured lines of credit will have priority in our assets over all our unsecured creditors, including you. We reserve the right to issue future obligations, draw upon our existing secured lines of credit, or obtain additional lines of credit, secured by a first lien on our assets in an amount, together with our existing secured obligations, not to exceed ten percent (10%) of our tangible assets (total assets less intangible assets as defined by U.S. GAAP).

Additional Information

We reserve the right at any time to discontinue offering any of the Certificates described in this Offering Circular without the need to supplement this Offering Circular. We also reserve the right at any time to offer additional Certificates having terms different than the terms of the Certificates described in this Offering Circular. The Certificates are non-negotiable and may be assigned only upon our written consent.

PLAN OF DISTRIBUTION

The primary means for marketing the Certificates will be through promotional brochures and Offering Circulars distributed to Eligible Ministries and other non-denominational churches and individual members of Eligible Ministries and other non-denominational churches. Promotional materials will also be published on our homepage on the Internet (http://www.cfrministry.org). We will also make the Offering Circular and investment application form available on our Internet website and by e-mail. In addition, promotional materials will be distributed at church conferences, national and regional meetings, retreats and seminars. Our representatives may discuss the nature and purpose of our work at national or regional meetings or at church services or gatherings. You will be provided a copy of the Offering Circular prior to your purchase of a Certificate. No offers to purchase will be accepted prior to the time that you have executed an investment application form acknowledging that you received a current Offering Circular. All sales are made by our directors, officers and/or employees. No underwriting or selling agreements exist, and no direct or indirect remuneration will be paid to any person in connection with the offer and sale of Certificates. Certificates will be offered and sold only to eligible Investors.

TAX ASPECTS

You will not receive a charitable deduction upon the purchase of a Certificate. The interest payable on the Certificates will be taxable as ordinary income to you in the year it is paid or accrued, regardless of whether it is actually paid out to you. If interest is accrued over the life of the Certificate and paid at the maturity date, you must report that interest as income on your federal and state income tax returns as it accrues. Transferability of the Certificates is limited and it is unlikely that there could be a sale or exchange of a Certificate. Upon a transfer, however, the seller would generally report as either a short-term or long-term gain or loss depending upon the length of time held, the gain or loss equal to the difference between the purchase price and the amount received upon sale or exchange, less accrued interest. You will not be taxed on the return of the principal purchase price of your Certificate or on previously accrued and taxed interest. Any excess will be interest income taxable in the year of maturity.

If you are an individual and either you or you and your spouse have invested or loaned more than $250,000 in aggregate with or to us, you may be deemed to receive additional taxable interest under Section 7872 of the Internal Revenue Code. You should consult your tax advisors to be informed of the special income tax rules applicable to loans and investments, in the aggregate, greater than $250,000.

We will notify you of interest earned on Certificates by sending you IRS Form 1099 by January 31st of each year. If you do not provide us with your correct social security number or Federal tax identification number, you will be subject to backup withholding of 28% on interest earned as required by law.

If you choose to contribute interest earned to us, we will provide you with a letter indicating the amounts and dates of those contributions. Those contributions will qualify as charitable contributions for federal income tax purposes.

LITIGATION AND OTHER MATERIAL TRANSACTIONS

Our Board of Directors and management are not aware of any action, proceeding, inquiry, or investigation at law or in equity, before any court or public agency, board or body pending or, to our knowledge, threatened against us (i) affecting our existence, (ii) seeking to prohibit, restrain or enjoin the issuance and sale of Certificates, (iii) in any way contesting or affecting the validity or enforceability of the Certificates, or (iv) in which an adverse determination would have an adverse material impact on us. Furthermore, our Board of Directors and management are not aware of any actual or threatened litigation involving any of our directors or officers pertaining to their duties as our director or officer.

MATERIAL AFFILIATED/RELATED PARTY TRANSACTIONS

Except as set forth below or as otherwise disclosed in this Offering Circular or our Financial Statements, there have been no material transactions between us and any of our directors or officers, or any borrower or other entity with which one of our directors or officers is affiliated, during the three-year period immediately preceding the date of this Offering Circular. Any future transaction between us and one of our directors or officers, or any borrower or other entity with which one of our directors or officers is affiliated, will be made and entered into on terms no less favorable to us than those that we could obtain with an unaffiliated third-party. With respect to any future affiliated transaction, or any forgiveness of the Loan of a borrower with which one of our directors or officers is affiliated, a majority of our independent, disinterested directors must approve the affiliated transaction or Loan forgiveness.

As of December 31, 2017, our directors, officers and employees owned or controlled Certificates in the aggregate totaling $4,667,442, which represents 1.3% of our total outstanding Certificates payable. All of these Certificates were issued on the same terms as were available to others. As of December 31, 2017, there were 10 Loans made to Eligible Ministries of which one or more of our directors or officers was a board member or officer in the aggregate totaling $47,189,911, which represents 14.1% of our total outstanding Loans. All of the above described Loans were made on terms no less favorable to us than those that would have been required of other similarly situated borrowers.

During the year ended December 31, 2017, we purchased a new facility and one of our officers acted as a licensed real estate agent in the transaction. That officer was paid a commission of $70,000 that he endorsed back to us, and per an agreement, we paid him $20,000 in its place, which was included in his salary.

MANAGEMENT

Organizational Structure

We are a Florida not for profit corporation. Our articles of incorporation vest our management in a self-perpetuating board of directors.

Directors and Officers

Our articles of incorporation provide for as many as fifteen (15) directors or as few as three (3). Vacancies on the board of directors are filled by vote of the existing board of directors. Directors are elected for rotating 3-year terms with a limit of two consecutive terms and taking a year off before serving another term. As of the date of this Offering Circular, our directors and executive officers are:

Directors

RAY COEY is the National Sales Director of Wrangler Jeans. Mr. Coey is a member at Whitewater Crossing Christian Church in Cleves, OH. Mr. Coey graduated with a Bachelor of Arts in Political Science and Minor in Business Administration from the University of Cincinnati. He has achieved post-graduate certificates from Wake Forest University and the University of North Carolina in Leadership Training and Financial Certification, respectively. He began serving his term in 2016 and his term will expire September 30, 2018.

PAUL COLE is the executive pastor of Heritage Christian Church in Fayetteville, GA. He holds a B.S. in Engineering and an M.B.A. from Michigan Technological University. He also holds a PhD from Warren National University. He began serving his term in 2016 and his term will expire September 30, 2019.

JASON CULLUM is lead pastor at Christ's Church in Jacksonville, FL. Mr. Cullum graduated from Kentucky Christian College with a degree in Ministry and Biblical Studies. He began serving his term in 2015 and his term will expire September 30, 2018.

DONNIE WILLIAMS is the lead pastor of Lifepointe Church in Raleigh, NC. He has a B.S. and M.S. from Marshall University in Huntington, WV. Mr. Williams began serving his term in 2016 and his term will expire September 30, 2019.

KEVIN LANG is an agent for State Farm Insurance. Mr. Lang graduated with a Bachelor of Arts in Business Management from Saint Leo University in Savannah, GA. He attends Christ's Church in Camden County, GA. Mr. Lang began serving his existing term in 2017. His current term expires September 30, 2020.

JOE LETURGEZ is the administrator at Mountain Christian Church in Joppa, MD. He holds a bachelor degree in Business Administration and Economics from the University of Maryland. Mr. Leturgez began serving his existing term in 2017, but has served as a board member previously. His current term expires September 30, 2020.

Officers

DARREN R. KEY serves as our Chief Executive Officer. He holds a Bachelor of Christian Service from Manhattan Christian College, a Bachelor of Finance from Kansas State University and a MBA from the University of Louisville. Mr. Key has passed the Series 63 securities exam (Note: this does not itself confer any securities license). He is also a CERTIFIED FINANCIAL PLANNER™ practitioner. He was ordained into the ministry at Southwest Christian Church in Topeka, KS in 1995. Mr. Key began working with us in 1997 and also serves as an officer of our wholly controlled subsidiary, Florida Church Partners. He is a member at Journey Christian Church in Apopka, FL and lives in Sanford, FL.

MICHAEL D. KOCOLOWSKI serves as our Chief Operating Officer. He holds a bachelor in Business Administration from the University of South Florida and a MA in Theology from Reformed Theological Seminary and has taken course work toward a PhD in Organizational Leadership from Regent University. Mr. Kocolowski has passed the Series 63 securities exam (Note: this does not itself confer any securities license). He is also credentialed as a Certified Fund

Raising Executive (CFRE). Mr. Kocolowski was ordained into the ministry at Christian Church in the Wildwood in 2000 and began working with us in 2005. He is a member at Journey Christian Church in Apopka, FL and lives in Sorrento, FL.

JOSE M. MALDONADO serves as our Corporate Secretary and the Vice President of Lending. He holds a bachelor degree in Business Administration from the University of Central Florida. He was ordained into the ministry at Safeharbor Christian Church in Sanford, FL in 2016 and is also a member there. Mr. Maldonado has passed the Series 63 securities exam (Note: this does not itself confer any securities license). Mr. Maldonado began working with us in 2005 and lives in Sanford, FL.

TIMOTHY P. STEPHENS serves as our Chief Development Officer. He received a bachelor degree in Bible from Atlanta Christian College and a MBA from Georgia State University. Mr. Stephens also did graduate work at Cincinnati Christian University and was ordained into the ministry by East Point Christian Church in 1996. After a four year preaching ministry in Kentucky, he moved to Florida where he assisted with two church starts in West Palm Beach and Tampa. Mr. Stephens has passed the Series 63 securities exam (Note: this does not itself confer any securities license). From 2001 – 2009 he was employed by another Christian Church extension fund, named Church Development Fund. Mr. Stephens began with us in 2010. He is a member at Lakepoint Community Church in Eatonton, GA and lives in Greensboro, GA.

Remuneration

Our board members do not receive compensation for their services but are reimbursed for expenses incurred in attending board meetings. Our officers are paid salaries and benefits, which include: employer 403(b) contributions, annual bonus (if applicable), cell phone, auto usage (by CEO) and insurance benefits. The annual compensation paid to our officers during our most recent fiscal year ended December 31, 2017, is shown below, in the aggregate for all officers and also individually for any officer in excess of $150,000:

Employee	Salary and Housing Allowance	Bonus and Automobile	403(b) Plan	Insurance	Total
Darren R. Key, CEO	$200,000	$91,142	$25,769	$24,588	$341,499
Michael D. Kocolowski, COO	$147,788	$53,250	$14,779	$16,122	$231,929
Aggregate of all officers	$550,460	$157,292	$55,668	$75,570	$838,990

INVESTOR REPORTS

Our current combined audited financial statements will be mailed to you within 120 days of the end of our last fiscal year, and will also be made available to you upon written request.

INDEPENDENT ACCOUNTANTS

Our Combined Statements of Financial Position as of December 31, 2017, and December 31, 2016, and the related Combined Statements of Activities and Combined Statements of Cash Flows for the years ended December 31, 2017, 2016 and 2015, have been audited by Holland and Reilly, Certified Public Accountants, as stated in their report attached to this Offering Circular.

HOLLAND & REILLY

CERTIFIED PUBLIC ACCOUNTANTS
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DAVID S. HOLLAND, CPA
THOMAS F. REILLY, CPA

AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
FLORIDA INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
ASSOCIATION OF
CERTIFIED FRAUD EXAMINERS

Board of Directors
Christian Financial Resources, Inc.
Lake Mary, Florida

We have audited the accompanying combined financial statements which comprise the combined statement of financial position of Christian Financial Resources, Inc. (CFR) and its affiliate, Florida Church Planters, Inc. (FCP) as of December 31, 2017 and December 31, 2016 and the related combined statements of activities, and cash flows for the years ended December 31, 2017, December 31, 2016, and December 31, 2015, and the related notes to the combined financial statements.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility
Our responsibility is to express an opinion on these combined financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the combined financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of Christian Financial Resources, Inc. and affiliate as of December 31, 2017 and December 31, 2016 and the changes in their net assets and their cash flows for the years ended December 31, 2017, December 31, 2016, and December 31, 2015, in accordance with accounting principles generally accepted in the United States of America.

Holland & Reilly

March 8, 2018
Orlando, Florida

CHRISTIAN FINANCIAL RESOURCES, INC. AND AFFILIATE
COMBINED STATEMENTS OF FINANCIAL POSITION
December 31, 2017 and 2016

ASSETS

	2017	2016
Cash and temporary cash investments	$ 29,195,635	$ 11,039,665
Investments	13,492,490	12,044,261
Receivables		
Loans receivable, net	331,261,449	300,570,858
Other receivables	-	37,896
Accrued interest	1,384,643	1,266,171
Total receivables	332,646,092	301,874,925
Assets whose use is limited	1,616,636	1,392,547
Land, property and equipment, net	5,105,940	1,153,152
Investment in limited partnerships	1,681,299	1,439,364
Other assets	5,263	2,534
Total assets	$ 383,743,355	$ 328,946,448

LIABILITIES AND NET ASSETS

	2017	2016
Liabilities		
Accounts payable	200,263	30,500
Investment certificates	347,630,262	294,655,555
Accrued expenses	432,056	343,541
Line of credit	-	4,500,000
Security deposits payable	17,177	-
Charitable gift annuities	682,101	494,805
Pooled income funds	139,998	138,180
Total liabilities	349,101,857	300,162,581
Commitments and Contingencies		
Net assets		
Unrestricted		
Undesignated	30,905,726	25,358,038
Designated	2,466,270	2,222,045
Total unrestricted	33,371,996	27,580,083
Temporarily restricted	1,269,502	1,203,784
Total net assets	34,641,498	28,783,867
Total liabilities and net assets	$ 383,743,355	$ 328,946,448

See accompanying notes.

CHRISTIAN FINANCIAL RESOURCES, INC. AND AFFILIATE
COMBINED STATEMENTS OF ACTIVITIES
For the years ended December 31, 2017, 2016, and 2015

	December 31, 2017	December 31, 2016	December 31, 2015
Changes in unrestricted net assets			
Revenue and other support			
Donations and gifts	$ 330,088	$ 305,794	$ 274,007
Loan interest income	15,723,728	13,843,422	11,613,844
Investment income	1,178,981	735,068	1,100,291
Loan processing fees	415,722	446,218	448,614
Rental income	312,071	-	-
Miscellaneous income	334,317	364,528	549,472
Net assets released from restrictions	89,185	48,215	1,508
Net assets added to restrictions	-	(376,958)	-
	18,384,092	15,366,287	13,987,736
Expenses			
Program Services			
Interest expense	8,912,547	7,442,826	6,208,562
Loan loss provision	500,000	500,000	500,000
Donations	543,378	339,735	761,015
Other operating expenses	1,688,207	1,521,537	1,366,672
Supporting Services			
General and administrative	2,166,647	1,418,756	1,177,985
Fundraising	750	1,000	-
	13,811,529	11,223,854	10,014,234
Net operating income	4,572,563	4,142,433	3,973,502
Realized and unrealized (loss) gain on investments	1,128,108	(108,948)	(749,428)
Unrealized loss on property	(202,308)	-	-
Gain on investment in limited partnerships	294,385	256,064	110,237
Gain (loss) on disposition of property and equipment	(835)	-	3,000
Increase in unrestricted net assets	5,791,913	4,289,549	3,337,311
Changes in temporarily restricted net assets			
Donations and gifts	125,600	550	700,600
Interest income	29,303	26,730	1,288
Net assets released from restrictions	(89,185)	(48,215)	(1,508)
Net assets added to restrictions	-	376,958	-
Increase in temporarily restricted net assets	65,718	356,023	700,380
Increase in net assets	5,857,631	4,645,572	4,037,691
Net assets, beginning of year	28,783,867	24,138,295	20,100,604
Net assets, end of year	$ 34,641,498	$ 28,783,867	$ 24,138,295

See accompanying notes.

CHRISTIAN FINANCIAL RESOURCES, INC. AND AFFILIATE
COMBINED STATEMENTS OF CASH FLOWS
For the years ended December 31, 2017, 2016 and 2015

	December 31, 2017	December 31, 2016	December 31, 2015
Cash flows from operating activities			
Increase in net assets	$ 5,857,631	$ 4,645,572	$ 4,037,691
Adjustments to reconcile increase in net assets to net cash provided by operating activities:			
Depreciation	121,625	54,623	56,782
(Gain) loss on investments	(1,128,109)	108,948	749,428
Loss on property	202,308	-	-
(Gain) on investment in limited partnership	(294,385)	(256,064)	(110,237)
Loan loss provision	500,000	500,000	500,000
Amortization of loan fees	(174,341)	(134,043)	(85,276)
(Gain) loss on disposition of property and equipment	835	-	(3,000)
Proceeds from disposition of property and equipment	21,500	-	22,000
Other changes:			
(Increase) decrease in accrued interest receivable	(118,472)	(476,502)	172,722
(Increase) decrease in other receivables	37,896	(37,896)	-
Increase in deposits	(2,729)	-	-
Increase in assets whose use is limited	(224,089)	(381,361)	(605,895)
Increase in accounts payable	169,763	3,714	6,653
Increase in accrued expenses	88,515	94,588	61,425
Increase in security deposits payable	17,177	-	-
Increase in charitable gift annuities	187,296	24,723	71,312
Increase (decrease) in pooled income funds	1,818	(5,175)	2,812
Net cash provided by operating activities	5,264,239	4,141,127	4,876,417
Cash flows from investing activities			
Issuance of loans receivable	(75,810,094)	(93,944,674)	(84,846,836)
Payments received on loans receivable	40,509,515	33,184,642	42,077,654
Sales of participation loans	6,000,000	6,375,000	-
Payments on participation loans	(2,019,967)	(18,218)	-
Payments received for deferred loan fees	304,296	369,706	290,449
Purchase of furniture and equipment	(4,299,056)	(18,883)	(71,007)
Purchase of investments	(8,635,915)	(5,787,225)	(2,080,887)
Proceeds from sales of investments	8,315,795	218,100	253,846
Investment in limited partnership	(79,134)	(320,787)	(736,124)
Distributions from limited partnership	131,584	95,698	-
Net cash used for investing activities	(35,582,976)	(59,846,641)	(45,112,905)

Continued.

CHRISTIAN FINANCIAL RESOURCES, INC. AND AFFILIATE
COMBINED STATEMENTS OF CASH FLOWS - Continued
For the years ended December 31, 2017, 2016 and 2015

	December 31, 2017	December 31, 2016	December 31, 2015
Cash flows from financing activities			
Issuance of investment certificates	$ 284,828,332	$ 204,947,455	$ 171,854,987
Redemption of investment certificates	(231,853,625)	(148,495,858)	(132,029,100)
Proceeds from line of credit	32,500,000	67,500,000	17,500,000
Payments on line of credit	(37,000,000)	(69,000,000)	(15,500,000)
Net cash provided by financing activities	48,474,707	54,951,597	41,825,887
Net increase (decrease) in cash and temporary cash investments	18,155,970	(753,917)	1,589,399
Cash and temporary cash investments, beginning of year	11,039,665	11,793,582	10,204,183
Cash and temporary cash investments, end of year	$ 29,195,635	$ 11,039,665	$ 11,793,582
Supplemental disclosures of cash flow information			
Cash paid during the year for interest	$ 8,914,573	$ 7,442,826	$ 6,208,562

See accompanying notes.

CHRISTIAN FINANCIAL RESOURCES, INC. AND AFFILIATE
NOTES TO COMBINED FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies:

Following is a summary of significant accounting policies used in the preparation of the combined financial statements.

Entity – These combined financial statements include the accounts of Christian Financial Resources, Inc. (CFR) and its affiliate, Florida Church Planters, Inc. (FCP), d/b/a Florida Church Partners, formerly known as Central Florida New Church Evangelism, Inc. All significant intercompany accounts and transactions have been eliminated in combination. The accounts of CFR and FCP have been combined due to the economic interdependence between the two organizations; the presentation is more meaningful, and the organizations meet the criteria for combining affiliated organizations.

Organization and purpose – CFR is a nonprofit corporation formed in July 1980 for the purpose of assisting non-denominational Christian Churches and associated para-church ministries. CFR was established to make loans to such churches for the purchases of property and for construction and major improvements of churches, parsonages, church schools and other church buildings.

FCP is a nonprofit corporation formed in April 1965 for the purpose of establishing new non-denominational Christian Churches and associated para-church ministries in Florida and to assist in such establishment by supplying funds as needed.

Basis of presentation – Financial statement presentation follows the recommendations of the Financial Accounting Standards Board. CFR is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. CFR and FCP have no permanently restricted net assets at December 31, 2017, 2016, and 2015.

Basis of accounting – The combined financial statements are prepared on the accrual basis of accounting and in accordance with the accounting and reporting practices promulgated by the American Institute of Certified Public Accountants for non-profit organizations.

Contributions – Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Combined Statements of Activities as net assets released from restrictions.

Property received through donation is recorded at estimated fair value on the date of donation.

1. Summary of Significant Accounting Policies - continued:

Loans receivable – Loans receivable are carried at unpaid principal balances, less an allowance for loan losses. The allowance for loan losses is increased by charges to income and decreased by charge-offs (net of recoveries). Management's periodic evaluation of the adequacy of the allowance is based on past loan loss experience, specific impaired loans, adverse situations that may affect the borrower's ability to repay, estimated value of any underlying collateral, and current economic conditions. Loans are considered impaired if full principal or interest payments are not anticipated in accordance with the contractual terms. CFR's practice is to charge off any loan or portion of a loan when the loan is determined by management to be uncollectible due to the borrower's failure to meet repayment terms, the borrower's deteriorating or deteriorated financial condition, the depreciation of the underlying collateral, or for other reasons. CFR experienced no loan delinquencies during the years ended December 31, 2017 and 2016.

Deferred loan fees – Loan administration fees collected at the inception of the loans receivable, net of the costs of originating the loan, are deferred and amortized over the life of the loan as an adjustment of yield using the effective interest method. These loan administration fees are recorded as part of loans receivable, net in the accompanying combined statements of financial position. Net amortization of such deferred fees was $174,341, $134,043, and $85,276, for the years ended December 31, 2017, 2016 and 2015, and was included in interest income in the accompanying Combined Statements of Activities.

Income taxes – CFR and FCP are tax-exempt organizations under the provisions of Section 501(c)(3) of the Internal Revenue Code and applicable state statutes. Accordingly, no provision for federal or state income taxes is reflected in the accompanying combined financial statements. CFR and FCP are exempt from filing Form 990 - Return of Organization Exempt from Income Tax, as they are classified as a church or a convention or an association of churches. However, unrelated business income, if any, is taxable.

Property and equipment – Building, land, furniture, fixtures and equipment purchased are stated at cost. Depreciation is provided using the straight-line method over the estimated useful lives of the assets, which range from 5 to 40 years. CFR's policy is to capitalize property and equipment, the cost of which is greater than $10,000.

Investments – Investments are stated at fair value.

Functional expenses – The costs of providing program services and other activities are summarized on a functional basis in the Combined Statements of Activities. Accordingly, certain costs are allocated among the program services and supporting services benefited.

Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash equivalents – For purposes of the Combined Statements of Cash Flows, all highly liquid debt instruments purchased with a maturity of three months or less are considered to be temporary cash investments.

Reclassifications – Certain amounts in the prior year financial statements have been reclassified to conform to the current year presentation. Net assets and the change in net assets were not changed as a result of these reclassifications.

1. Summary of Significant Accounting Policies - continued:

Fair value of financial instruments – CFR's financial instruments are cash and temporary cash investments, investments, receivables, assets whose use is limited, investment in limited partnerships and accounts payable. The recorded value of cash and temporary cash investments, investments, receivables, assets whose use is limited, investment in limited partnerships and accounts payable approximate their fair values based on their short-term nature.

2. Cash and Temporary Cash Investments:

Cash and temporary cash investments consist of the following:

	December 31, 2017	December 31, 2016
Cash	$ 15,416,172	$ 7,067,706
Temporary cash investments:		
Investment certificates	9,164,906	2,533,808
Money market funds	6,231,193	2,830,698
	$ 30,812,271	$ 12,432,212

This amount is presented under the following captions in the Combined Statements of Financial Position:

Cash and temporary cash investments	$ 29,195,635	$ 11,039,665
Assets whose use is limited	1,616,636	1,392,547
	$ 30,812,271	$ 12,432,212

3. Investments:

Investments consist of the following:

	Fair value	
	December 31, 2017	December 31, 2016
Certificates of deposit	$ 1,491,626	$ -
Mutual funds	5,189,146	4,047,100
Exchange traded funds	276,805	2,829,601
Corporate bonds	3,224,751	2,465,650
Treasury bonds	499,622	-
Real estate investment trusts	1,726,266	1,610,107
Business development companies	1,084,274	1,091,803
	$ 13,492,490	$ 12,044,261

CFR sold shares in certain investments, realizing a net loss of $9,204, net gain of $23,181, and net loss of $11,538 during the years ended December 31, 2017, 2016 and 2015, respectively. At December 2017, CFR has unrealized losses of $10,385, and at December 31, 2016, CFR had unrealized losses of $212,956 in its investment portfolio.

The mutual funds invest principally in U.S. and foreign common stocks and corporate bonds, foreign fixed income securities, U.S. government-backed obligations, and commercial paper.

3. Investments - continued:

CFR's investment policy authorizes, within certain guidelines, investments in U.S. Treasury obligations, investment certificates, commercial bank C.D.s, common stocks, mutual funds, corporate and government bonds, limited partnerships, and alternative investments (i.e. real estate investment trusts and business development companies).

4. Investment in Limited Partnerships:

CFR has investments in Kian Mezzanine Partners I, L.P. and Kian Mezzanine Partners II, L.P, North Carolina limited partnerships. As of December 31, 2017 and December 31, 2016 CFR had experienced a net gain of $294,885 and $256,064 respectively on the investments. CFR made an initial capital contribution of $79,134 into Kian Mezzanine Partners II, L.P. during the year ended December 31, 2017 and made additional capital contributions of $320,787 into Kian Mezzanine Partners I, L.P. during the year ended December 31, 2016. The investments have remaining values of $1,681,299 and $1,439,364 at December 31, 2017 and 2016, respectively.

5. Loans Receivable:

Loans receivable are made available to eligible ministries and are collateralized by first and second mortgages on real property or investment certificates held at CFR.

The loans generally mature in three to twenty years and may be extended by CFR. Repayment schedules are computed based on an amortization of the principal over a period of up to twenty-five years.

At December 31, 2017 and 2016, CFR had outstanding 208 and 194 loans respectively, to member churches and ministries.

	December 31, 2017	December 31, 2016
Loans receivable	$ 335,034,158	$ 303,713,613
Allowance for loan losses	(3,000,000)	(2,500,000)
Deferred loan fees, net of cost	(772,709)	(642,755)
Loans receivable, net	$ 331,261,449	$ 300,570,858

CFR had a provision for loan loss of $500,000 for each of the years ended December 31, 2017, 2016, and 2015.

Loans receivable held for investment are contractually scheduled to mature as follows as of December 31, 2017:

Fiscal Year	
2018	$ 22,987,341
2019	26,963,003
2020	39,430,060
2021	52,840,994
2022	56,868,831
Thereafter	135,943,929
	$ 335,034,158

<u>Concentrations</u> – Loans receivable include loans to forty churches that comprise $229,260,693 or 68% of loans receivable at December 31, 2017, and forty-nine churches that comprise $228,878,457, or 75% of loans receivable at December 31, 2016.

5. Loans Receivable - continued:

Aggregate loans by states greater than or equal to 5% of the total loans receivable are concentrated in the following states as of December 31, 2017:

State	Number of Loans	Principal Amount Outstanding	Percentage of Portfolio
Florida	79	$ 102,997,645	31%
Georgia	34	46,013,121	14
North Carolina	20	28,634,971	9
Virginia	21	22,997,846	7
Maryland	6	22,363,103	7
Tennessee	9	20,753,739	6
Indiana	8	19,119,845	6
Ohio	7	16,774,523	5
Wisconsin	2	17,674,305	5
Total	186	$ 297,329,098	90%

Internal Risk Categories
Loan grades are numbered 1 through 3.

Satisfactory (1) - Loans rated satisfactory have continued expectation of timely repayment, obligations of the borrower are current, and the borrower complies with material terms and conditions of the loan agreement.

Special Mention (2) - Loans rated special mention have potential weaknesses that deserve management's attention and if left uncorrected may, at some future date, result in the weakening of the repayment prospects for the loan. These potential weaknesses may be due to circumstances experienced by the borrower. The loans are not adversely classified and do not expose CFR to sufficient risk to warrant adverse classification. They are loans management believes to be insufficiently collateralized and the borrower has been unable to make the required principal and interest payment pursuant to the terms of the loan.

Substandard (3) - Loans rated substandard are inadequately protected by the current collateral and the paying capacity of the borrower. Borrower is delinquent, collateral is likely deficient, and a distinct possibility exists that CFR will sustain some loss if noted deficiencies are not corrected.

Loan Amount in Each Category:
1) Satisfactory = $335,034,158
2) Special Mention = none
3) Substandard = none

A loan is considered impaired, in accordance with the impairment accounting guidance (ASC 310-10-35-16), when based on current information and events, it is probable CFR will be unable to collect all amounts due from the borrower in accordance with the contractual terms of the loan. Impaired loans include delinquent loans but also include loans adjusted to interest only payments in troubled debt restructurings during the term of the note. At times, management of CFR elects to allow borrowers to have a forbearance period of interest only to help with cash flow beyond the terms of the current loan note. This forbearance is granted only at the discretion of CFR management. During the years ending December 31, 2017 and 2016, CFR had 2 impaired loans totaling $2,192,059, and 6 impaired loans totaling $4,367,548, respectively, that were modified in troubled debt restructurings at some point during the term of the existing note of the loan. As of December 31, 2017, all impaired loans were situations which management allowed interest only payments. None of the impairments were due to a delinquent payment. Management believes there is no risk of loss due to the sufficient collateral for each loan.

5. Loans Receivable - continued:

As of December 31, 2017 and 2016, CFR had no loans 90 days or more delinquent.

Participation Loans
During the year ended December 31, 2017, CFR sold a participation interest of 6%, 18%, and 89% in three loans at par to third parties for total proceeds approximating $6,000,000. Based on the terms of the participation agreements, for a loan less than 100% sold, CFR maintains all records, performs all servicing requirements for a fee, and remits monthly the appropriate interest and principal amounts collected.

CFR's interests are included in loans receivable in the accompanying consolidated statements of financial position and total $10,336,814 and $6,356,782 at December 31, 2017 and 2016, respectively. The outstanding principal balances, including both CFR and third party interests, of all sold and participated loans serviced by CFR total $46,453,695 and $12,964,741 at December 31, 2017 and 2016, respectively.

In connection with the participation and sales agreements, CFR earned $39,016, $10,832, and $0 of net loan servicing fee income for the years ended December 31, 2017, 2016 and 2015, respectively.

6. Property and Equipment:

Building, land, furniture and equipment, and vehicles are summarized as follows:

	December 31, 2017	December 31, 2016
Land	$ 864,490	$ 416,500
Building and improvements	4,443,983	896,265
Furniture and equipment	357,297	381,236
Vehicle	53,000	53,688
	5,718,770	1,747,689
Less accumulated depreciation	(612,830)	(594,537)
	$ 5,105,940	$ 1,153,152

7. Investment Certificates:

Each investor in CFR receives a "statement of account" certifying that the holder has made an investment of a specified dollar amount and is entitled to participate in the assets held for the benefit of the investors. These investment certificates fall into two basic categories (Demand Certificates and Timed Certificates), each with varying requirements. Interest is compounded daily, paid or reinvested monthly and quarterly, and is subject to forfeiture under certain circumstances for early redemption.

8. Lines of Credit:

CFR has a $28,000,000 bank line of credit with SunTrust at December 31, 2017, expiring August 31, 2018, secured by loans receivable, with interest variable at 30 day Libor rate plus 2.45%. At December 31, 2016, CFR had a $28,000,000 bank line of credit with interest variable at 30 day Libor rate plus 2.45%. There was an outstanding balance of $0 and $4,500,000 at December 31, 2017 and 2016 respectively. During the years ended December 31, 2017, 2016, and 2015, CFR paid a monthly unused credit line fee of .25% to .45% per annum, and also paid a .25% closing fee. Interest expense and other costs related to this line of credit total $199,462, $269,660, and $113,044 during the years ended December 31, 2017, 2016 and 2015, respectively.

8. Lines of Credit – continued:

CFR also has a separate $4,500,000 bank line of credit with Sunshine Bank, which may be called on-demand by the financial institution. This line of credit is secured by loans receivable, with interest variable at 30 day Libor rate plus 2.75%. There was a $0 balance at both December 31, 2017 and 2016. CFR paid no closing fee for the years ended December 2017 and 2015, but did pay a .25% closing fee for the year ended December 31, 2016. Interest expense related to this line of credit total $0, $30,640, and $1,653, during the years ended December 31, 2017, 2016 and 2015, respectively.

9. Disaster Relief Funds - Temporarily Restricted:

CFR has been requested to act as agent for numerous cash contributions received from various Christian Churches in Florida for assistance in providing relief to disaster victims. These funds are temporarily restricted, and must be expended only on disaster relief.

Activity in this account is as follows:

	December 31, 2017	December 31, 2016
Disaster Relief Funds, beginning of year	$108,249	$ 108,249
Additions	-	-
Disbursements	(6,000)	-
Interest income	-	-
Disaster Relief Funds, end of year	$ 102,249	$ 108,249

10. Retirement Plans:

Deferred Compensation Plan

During the year ended March 31, 2014, CFR offered the CEO an unqualified deferred compensation plan created in accordance with Internal Revenue Code Section 83. The plan permits the CEO to defer a portion of his salary until future years. The deferred compensation is not available to the employee until June 2022. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, all income attributable to those amounts are, until paid or made available to the employee or other beneficiary, solely the property of CFR without being restricted, and are subject to the claims of CFR's general creditors. Participants' rights under the plan are equal to those of a general creditor of CFR in an amount equal to the fair value of the deferred account of each participant. The annual contribution is determined by the board of directors. The contribution for the years ended December 31, 2017, 2016 and 2015, was $100,000, $84,500, and $61,200, respectively.

Pension Plan

Vanguard functions as the pension plan administrator. Under the plan, CFR contributes 5-15% of each participant's budgeted salary, with contributions for the years ended December 31, 2017, 2016 and 2015, of $103,523, $88,162, and $74,968, respectively. The contributions are invested in various mutual funds. Participants can direct their accounts to be invested in one of various funds with varying investment objectives. There is no age or service requirement to participate in the plan.

11. Net Assets:

Net assets consist of the following:

	December 31, 2017	December, 31 2016
Unrestricted net assets		
Undesignated	$ 30,905,726	$ 25,358,038
Designated for:		
Adoption Funds	10,852	16,852
Lake Aurora Christian Camp Fund	8,403	8,403
Charitable Gift Annuity Reserve Funds	899,484	658,899
Pooled Income Funds	250,000	240,000
Church Plant Funds	46,870	89,601
Perpetual Gift Fund	1,059,681	1,159,681
Florida Church Planters Funds (Note 12)	190,980	48,609
Total designated net assets	2,466,270	2,222,045
Total unrestricted net assets	33,371,996	27,580,083
Temporarily restricted net assets		
Restricted for:		
Disaster Relief Funds (Note 9)	102,249	108,249
Pilcher Camp Scholarship Fund	20,328	19,728
Vero Beach Christian Church Fund	20,000	20,000
Donor Advised Funds	729,194	670,023
Salvation Army	54,616	52,976
Lake Wales Care Center	240,431	233,209
Lake Wales Charter School	102,684	99,599
Total temporarily restricted net assets	1,269,502	1,203,784
Total net assets, end of year	$ 34,641,498	$ 28,783,867

Some of the assets relating to the board designated and temporarily restricted net assets are recorded as "Assets whose use is limited" on the Combined Statements of Financial Position.

12. Florida Church Planters Funds:

FCP was established to assist in church plantings for non-denominational Christian Churches and associate para-church ministries. Funds are received from churches and individuals. These amounts must be spent on church plantings.

FCP has designated unrestricted net assets ($190,980 and $48,609 at December 31, 2017 and December 31, 2016, respectively) towards future church plantings.

13. Related Parties:

As further explained in Note 5, CFR makes loans to member churches and also accepts deposits from these churches and members of their congregations. Certain of these individuals are employees or serve on the board of directors of CFR, or are their immediate family members. The individuals have certificates of participation with CFR totaling $4,667,442 and $3,367,306 in the aggregate as of December 31, 2017 and December 31, 2016, respectively. At December 31, 2017, there were ten loans made to eligible ministries of which a director or officer of CFR was a board member or officer in the aggregate totaling $47,189,911. At December 31, 2016, there were nine loans totaling $39,971,477.

13. Related Parties – continued:

During the year ended December 31, 2017, CFR purchased a new facility in which one of CFR's officers acted as the licensed real estate agent. He was paid a commission of $70,000 which he endorsed back to CFR, and per an agreement, CFR paid him $20,000, which was included in his salary.

14. Concentration of Credit Risk:

CFR maintains cash balances at three financial institutions which are insured by the Federal Deposit Insurance Corporation. As of December 31, 2017 and December 31, 2016, CFR had $12,521,216 and $4,513,861 uninsured cash balances, respectively, with the financial institutions. CFR also maintains other cash balances with four other financial institutions which are not insured by the FDIC. The balances at these institutions, as of December 31, 2017 and December 31, 2016 totaled $15,259,379 and $3,546,137, respectively, all uninsured.

15. Charitable Gift Annuities:

CFR is the beneficiary of several split-interest agreements (charitable gift annuities). The agreements provide for annual payments from $640 to $12,500, or fixed rates from 5% to 6.5% over the donors' lifetimes for the year ended December 31, 2017, from $1,300 to $6,500 or fixed rates from 5.17% to 6.5% over the donors' lifetimes for the year ended December 31, 2016, and from $2,500 to $20,000, or fixed rates from 5.17% to 12% over the donors' lifetimes for the year ended December 31, 2015. Assets totaled $899,484 and $658,899 as of December 31, 2017 and December 31, 2016, respectively, and are valued at fair value when received. The liability is valued at fair value at December 31, 2017 and December 31, 2016 using present value techniques. Changes in fair value of charitable gift annuities are reflected as changes in unrestricted net assets. On an annual basis, CFR reviews the need to revalue the liability based on any changes to the donor's life expectancy. The present values of the estimated future payments ($682,101 and $494,805 at December 31, 2017 and December 31, 2016, respectively) of the different agreements are calculated using discount rates of 3.4% to 5.9%, and applicable mortality tables. Contribution revenue of $65,575, $36,448, and $58,610 is recorded in donations and gifts in the Combined Statements of Activities for the years ended December 31, 2017, 2016, and 2015, respectively. A gift of $28,840 for the year ended December 31, 2016 was also recorded in donations and gifts in the combined Statements of Activities due to recognition upon the death of a donor. There was no such revenue for the years ended December 31, 2017 and 2015.

16. Pooled Income Funds:

CFR is also the beneficiary of several split-interest agreements (pooled income funds). The funds from different donors are unitized and donors are assigned a specific number of units based on the relationship of the fair value of their contribution to the fair value of the pool as a whole at the time the donor enters the pool. During the term of the life income gifts, the donor, or beneficiaries specified by the donor, receives the actual income earned on the donor's units in the pool. The agreements provide for annual payments at the investment rate of the donor's related certificate over the beneficiary's lifetime. As of December 31, 2017 and December 31, 2016, assets totaled $250,000 and $240,000, respectively and are valued at fair value when received. The liability is valued at fair value at December 31, 2017 and December 31, 2016 using present value techniques. Changes in fair value of pooled income funds are reflected as changes in unrestricted net assets. On an annual basis, CFR reviews the need to revalue the liability based on any changes to the donor's life expectancy. The present value of the estimated future payments was $139,998 and $138,181 at December 31, 2017 and December 31, 2016 respectively. Contribution revenue of $3,008 and $2,288 for the years ended December 31, 2017 and 2015, respectively, is recorded in donations and gifts in the Combined Statements of Activities. There was no contribution revenue for the year ended December 31, 2016.

17. Fair Value of Financial Assets and Liabilities:

The following are the major categories of assets measured at December 31, 2017 and 2016 respectively, using quoted prices in active markets for identical assets (Level 1); significant other observable inputs (Level 2); and, significant unobservable inputs (Level 3).

		Fair Value Measurements at Reporting Date Using		
Description	12/31/17	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investment certificates	$ 9,164,906	9,164,906		
Money markets	6,231,193	6,231,193		
Certificates of deposit	1,491,626	1,491,626		
Mututal funds	5,189,146	5,189,146		
Exchange traded funds	276,805	276,805		
Corporate bonds	3,224,751	1,244,804	1,979,947	
Treasury bonds	499,622		499,622	
Real estate investment trusts (REITs)	1,726,266			1,726,266
Business development companies	1,084,274			1,084,274
Investment in limited partnerships	1,681,299			1,681,299
	$ 30,569,888	$ 23,598,480	$ 2,479,569	$ 4,491,839

		Fair Value Measurements at Reporting Date Using		
Description	12/31/16	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investment certificates	$ 2,533,808	2,533,808		
Money markets	2,830,698	2,830,698		
Mututal funds	4,047,100	4,047,100		
Exchange traded funds	2,829,601	2,829,601		
Corporate bonds	2,465,650	1,240,225	1,225,425	
Real estate investment trusts (REITs)	1,610,107			1,610,107
Business development companies	1,091,803			1,091,803
Investment in limited partnership	1,439,364			1,439,364
	$ 18,848,131	$ 13,481,432	$ 1,225,425	$ 4,141,274

Level 1 – Represented by quoted prices that are available in an active market.
Level 2 – Represented by other than quoted prices included in Level 1 that are observable for the investment, either directly or indirectly.
Level 3 – As there is limited activity or unobservable market prices, CFR uses reports from the company or partnership to value its investment in the entity, or third party appraisals for the investments in REITs.

17. Fair Value of Financial Assets and Liabilities - continued:

Assets measured at fair value using significant unobservable inputs (Level 3) are as follows:

Balance December 31, 2016	$ 4,141,274
Investments	81,308
Distributions	(131,584)
Investment gain	400,841
Balance December 31, 2017	$ 4,491,839
Balance December 31, 2015	$ 958,211
Investments	3,342,922
Distributions	(95,882)
Investment (loss)	(63,977)
Balance December 31, 2016	$ 4,141,274

18. Lease Commitments:

CFR leases a portion of its facilities to several tenants on leases which expire from February 2018 to November 2024. Rental income for the year ended December 31, 2017 was $312,071. Total contractual future rental income under these leases is as follows:

Year ending December 31,	Amount
2018	$ 321,116
2019	281,790
2020	225,096
2021	203,366
2022	162,731
Thereafter	311,901
	$ 1,506,000

19. Commitments and Contingencies:

Lines of credit – CFR has a policy of extending lines of credit to certain non-for-profit religious institutions. As of December 31, 2017, CFR had five lines of credit totaling $1,110,000 with three outstanding balances totaling $477,586. The lines of credit are collateralized by mortgages on each ministry's facilities, have maturity dates from February 2018 to September 2020, and bear interest at fixed rates varying from 3.9% to 6% on the outstanding balances. These lines of credit are included in loans receivable on the Combined Statements of Financial Position.

20. Subsequent Events:

In January 2018, CFR signed an agreement to sell its former facility for $900,000, with the final closing to take place August 15, 2018. CFR would incur a $202,308 loss on the sale, which was recorded in the year ended December 31, 2017.

Management has evaluated events and transactions for potential recognition or disclosure through March 8, 2018, the date on which the financial statements were available to be issued.