Staggered Payment Loans

The ADF staggered payment loan product is designed for customers with strong historical growth in attendance that appears to be sustainable well into the future. The loan has an annually adjustable interest rate and a 20½-year term (beginning at the end of construction, if applicable). The principal repayment period begins with a 30-year amortization, but with each annual review the remaining months for calculating the new payment decrease at an accelerated pace, thus, increasing the size of the payment each year if no other variables change (the remaining months for calculating a new payment on a regular amortization schedule would decrease by 12 months each year while, with this loan product, the decrease is 18 months each year with lesser decreases in the last 2½ years).

In the case of a construction loan, the customer will make interest-only payments until the final loan draw is taken. At that time the 20½-year maturity date will be reestablished and the date of the annual interest rate adjustments will be adjusted to correspond with the annual adjustments to the amortization period.

No discount will be allowed for being an extension church or for obtaining the first worship property.

This product is subject to qualification. Receipt of this product description does not infer qualification of the customer for this product.

The following table and graph show how the monthly payments will be calculated and the resulting approximate percentage increases:

Year	Remaining Months Used to Calculate Payment	Increase Over Previous Year's Payment
1	360	0.00%
2	342	0.46%
3	324	0.52%
4	306	0.60%
5	288	0.69%
6	270	0.79%
7	252	0.91%
8	234	1.06%
9	216	1.23%
10	198	1.45%
11	180	1.71%
12	162	2.04%
13	144	2.45%
14	126	3.00%
15	108	3.74%
16	90	4.80%

17	72	6.39%
18	54	9.08%
19	36	14.49%
20	20	18.47%
20.5	6	32.47%