

FUND OVERVIEW**FUND OBJECTIVE:**

The Fund's investment objective is to provide a high level of current income.

PORTFOLIO:

The Fund invests primarily in church mortgage bonds and church mortgage loans.

Church mortgage bonds and loans are corporate debt obligations issued by non-profit organizations that have a stated Christian mission, including local churches, denominations and associations, educational institutions, para-church and other Christian mission-related organizations for purposes including construction, purchase or refinancing of existing real property. The borrowers operate in a variety of geographic regions in the U.S.A. The Fund will only invest in church mortgage bonds that are secured by a first position trust deed or mortgage on the issuer's real property. Church mortgage loans are typically secured by the first trust deed on the Borrower's real property but may also include loans collateralized by church mortgage bonds.

FUND ADVISOR:

Capstone Asset Management Company, the Fund's Advisor, is a privately owned and operated investment advisor that manages approximately \$3.5 billion. Capstone, through its predecessor, was established in 1987 and is located in Houston, TX. The firm provides investment advisory services for a variety of institutional investors including many Christian organizations.

Sales of the Fund shares may only be made by prospectus. Before investing, carefully consider the Fund's investment objectives, risks, charges and expenses. This and other information is contained in the prospectus, a copy of which can be obtained by calling (800) 262-6631. Please read the prospectus carefully before you invest or send money.

WWW.CAPSTONECHURCHCAPITALFUND.COM

1.800.262.6631

PLEASE CALL

FOR MORE INFORMATION

FUND HIGHLIGHTS

The Capstone Church Capital Fund is for investors seeking the opportunity for:

- High potential current income
- Investment consisting primarily of high quality secured church mortgage bonds and church mortgage loans
- Issuer diversification
- Professionally managed portfolio

RISKS:

There is no assurance that the Fund will achieve its investment objective. You should carefully consider the risks of investing in the Fund, including the fact that the Fund may invest all or a substantial portion of its assets in publicly offered mortgage securities for which there is no active trading market. Other principal risks of the Fund include liquidity risk, market risk and credit risk. Please see the Fund's prospectus for more information about risks associated with investment in the Fund.

Because the Fund is a closed-end fund, Shares may not be redeemed daily at net asset value and may not be exchanged for shares of other funds. You should consider your investment in the Fund to be illiquid. In an effort to provide shareholders an opportunity to sell their Shares, the Fund will offer to repurchase a portion of its outstanding Shares once a year at net asset value, beginning with the second full quarter following the commencement of Fund operations. There is no guarantee that you will be able to sell your Shares at any given time.



FUND FACTS

As of 12/31/2011

Ticker Symbol	XCBFX
CUSIP Number	14068Y105
Total Net Assets	\$42.37 Million
Number of Issuers	55

MATURITY

As of 12/31/2011

< 1 Year	0.2%
1 - 5 Years	1.2%
5 - 10 Years	7.4%
10 - 20 Years	49.8%
20 + Years	41.4%

FUND CHARACTERISTICS*

As of 12/31/2011

Duration	7.47
Years to Maturity	18.22
Quality	Not Rated

* Includes cash

FUND YIELD INFORMATION

As of 12/31/2011

	NAV	POP*
SEC Yield	3.92%	3.79%
SEC Yield (unsubsidized)	3.82%	3.69%

* Public offering price

FUND PERFORMANCE HISTORY

As of 12/31/2011

	NAV	POP
Last 3 Months	-0.76%	-3.96%
Year-to-Date	-2.67%	-5.85%
One Year	-2.67%	-5.85%
3 Years*	0.08%	-1.02%
5 Years*	2.38%	1.71%
Life of Fund*	2.82%	2.28%

* Annualized

EXPENSE RATIO¹

As of 5/1/2011

Subsidized	1.15%
Unsubsidized	1.25%

Past performance is no guarantee of future results. Investment return and principal value will fluctuate so that shares, when repurchased, may be worth more or less than their original cost. The Fund's current performance may be lower or higher than quoted. For the Fund's performance as of the most recent month end, please call 800-262-6631. Returns are historical and are calculated by determining the percentage change in net asset value (NAV) assuming reinvestment of distributions and not accounting for taxes. Returns at Public offering price (POP) reflect the current maximum initial sales charge of 3.25%, while returns at Net Asset Value (NAV) do not. Inception date for the Fund is October 4, 2005.

¹ Pursuant to an expense limitation agreement that was terminated on September 30, 2010, CAMCO agreed to bear the Fund's ordinary operating expenses to the extent such expenses exceed, in any fiscal year of the Fund, 1.00% of the Fund's average daily net assets. Such ordinary operating expenses included, but were not limited to, the Fund's investment advisory and administration fees and fees to other Fund service providers, but did not include payments under the Fund's Service Plan, interest, taxes, brokerage commissions, extraordinary expenses such as litigation and other expenses not incurred in the ordinary course of the Fund's business. "Acquired Fund Fees and Expenses," as defined in instructions to the Fund's registration statement, were not considered to be ordinary operating expenses subject to the expense limitation. In the event the Fund's average daily expenses fell below 1.00% of average daily net assets on any business day, CAMCO was entitled to be reimbursed to the extent of its unreimbursed fee waivers/reductions or other payments during any of the previous thirty six months, provided such reimbursements did not cause the Fund's expenses to exceed 1.00% for that day. Effective October 1, 2010 there was no expense limitation agreement in place between the Fund and CAMCO.

The **SEC Yield** is a standardized annual yield based on the most recent month-end period. It is calculated in accordance with current Securities and Exchange Commission regulations and is subject to change. The Adviser has contractually agreed to subsidize the Fund's total annual operating expenses that exceed 1% annually, exclusive of services fees, interest, taxes, brokerage commissions and extraordinary and other expenses not incurred in the ordinary course of the Fund's operations.

Duration is the measure of the price sensitivity of a fixed-income security to an interest rate change of 100 basis points (1%). The calculation is based on the weighted average of the present value for all cash flows.

Years to Maturity is the measure of the time in which bonds will be outstanding unless subjected to earlier call or other redemption. In general, bond prices rise when interest rates fall and fall when interest rates rise. This effect is usually more pronounced for bonds with longer-term maturities.

NOT FDIC INSURED - NO BANK GUARANTEE - MAY LOSE VALUE

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