



Announcing a Better Way for Churches to Finance their Buildings: The Interest-free Church Building Fund

"My people should pool their resources and lend to each other without interest."

This was the instruction given by God to two intercessors in Whakatane in 1987 that led to the creation of Liberty Trust. Commencing in 1989 it has now loaned over \$50 million interest-free. It is a living testimony today to the accuracy and truth of the Bible's financial principles.

In the belief that each church is a part of one single body, we are inviting churches and Christian charities to "pool their resources" and assist one another to buy or build their own property, or renovate their buildings, and also build God's wider Kingdom.

1: What is the cost in comparison to borrowing from banks and other lenders?

The cost with Liberty Trust is less than a third of what a church is usually charged by other lenders! Liberty Trust lends interest-free six times what is contributed, so if your church contributes \$100,000 to Liberty Trust they could borrow \$600,000 interest-free, and repay this over 10 years at \$5,000 per month. But other lenders would typically charge 6% or 7% pa (or more) interest for a church building project. At 5.99% interest a loan of \$600,000 repaid at \$5,000 per month would take 15.2 years to be repaid and cost \$313,033 in interest – three times as much as the \$100,000 Liberty Trust contribution! So, in this case choosing to borrow through Liberty Trust rather than through other lenders would save your church \$213,033!

2. Could our church withdraw its contributions?

Yes, it could. We want to support churches as much as we can. Christian churches & charities can contribute their funds to assist their brothers and sisters' interest-free, and then request the funds be returned as required to support their own ministries. (As our current inwards cash-flow averages \$100,000 per week we may need some notice for funds to be returned.) Prior to receiving a withdrawal, a church must provide evidence to Liberty Trust that it is a registered New Zealand Charity and the funds will be used to advance the Christian faith. Once your church requests and receives an interest-free loan, the contributions can no longer be withdrawn. They are permanently sown into the Liberty Trust storehouse to help many others.

3. How much deposit will we need before borrowing?

Liberty Trust requires no deposit as we lend up to 100% of the value of your property (your land plus the increased value once a building project is completed). Other lenders generally require a deposit or equity of at least 40% for church buildings, will only lend up to 60% of the value of the church property, and require a first mortgage.

For example, to borrow \$600,000 from a bank for a \$1,000,000 church building you would need a \$400,000 deposit or equity, plus you should expect to pay over \$300,000 in interest. To borrow \$600,000 interest-free from Liberty Trust you would just contribute \$100,000, no deposit is required, and no interest is charged.



4. What happens to our contributions?

Mortgage interest paid to a bank is daily building the world's financial system but contributions to Liberty Trust are daily building God's Kingdom! Your contribution will be combined with the contributions of others and lent interest-free again and again to release churches and households from bondage. This is a powerful testimony of God's people working together in unity "so that the world will know that you sent me" (Jn.17 v 21). Already every dollar contributed has on average been loaned, repaid, loaned, repaid, and loaned a third time! Your seed will just keep multiplying!

5. How long will our church have to wait before receiving an interest-free loan?

Loans are offered in the order in which members join. When we began in 1989 with no initial capital, our longest waiting time was 12 years. Today we have a multi-million interest-free storehouse and are offering loans in 8.5 years. The wait time will continue to reduce as the storehouse grows.

Generally, people find that an 8 or 9-year wait isn't a problem as they need this time to build their contributions to 1/6th of what they will need to borrow. A reduction of 2 years to a member's wait time can be made where the contributions are received as a lump-sum at commencement, as the lump-sum speeds the wait time of everyone else. On the other hand, the receipt of a substantial lump-sum as a part of a member's contributions near the end of their wait for a loan would add to the member's wait time.

6. How safe is Liberty Trust?

Liberty Trust is a registered NZ charitable trust and has been operating for almost 30 years. We have loaned over \$50 million interest-free so far to hundreds of households and families, churches, missionaries, and charities and currently have \$17 million in secured loans being repaid to us.

Liberty Trust does not invest and has no outside debt (and never has had). We lend and do not borrow, as the head and not the tail (Deut 28). As we don't charge interest you know the full cost of your loan (Lk 14:28) and don't need to worry about being at the mercy of fluctuating world interest-rates (2 Cor 6:14). Our expenses are very low, around 7% of our income, and our \$17 million debt-free storehouse is growing at \$2 million each year.

7. The Purpose of Liberty Trust

The Trust's ultimate purpose is to teach the Bible's financial principles and demonstrate that they are just as true today as the day in which they were written, thereby advancing the Gospel of the Kingdom of God. By good stewardship of God's resources (Lk 16:11), sowing before reaping (Gal 6:9), generous giving instead of greed (Phl 2:4), and lending to each other without interest (Dt 23:19), the whole Church as one single loving community (1 Cor 12:27) will be released to provide the needs of the gospel to all peoples.

We are inviting churches to pool their resources and help each other, as a step towards bringing the above verses into being. You can set an example to the people in your church and be a light to the world, showing that His Church, His body, is 'one'. Will you join us?

Phone us on '0508 LIBERTY' or email us at info@libertytrust.nz to receive a joining form for your Christian ministry or church. You can visit our website www.libertytrust.nz and view our history, videos, financial accounts, and more than 200 testimonies from households and churches blessed through Liberty Trust. You are welcome to phone Kelvin Deal our chairman on 021 214 3890.

We look forward to hearing from you.

