

Liberty Trust

PO Box 2211, Whakatane



Newsletter No. 1 July 16, 1989

Dear friends

The trustees are pleased to advise that your application to participate in our mortgage scheme has been accepted and we enclose an acceptance certificate. Furthermore we congratulate and thank you for your participation. As you may realise you are a foundation member of the first such interest-free mortgage scheme formed in New Zealand using this concept. There are many people in New Zealand watching with interest the formation of this group. We are fully confident that this will be the forerunner of many others, resulting in a transformation in the resources of God's Kingdom here and overseas. Just how great it will be we can only guess.

Congratulations!

This is why we congratulate and thank you for your faith in us and in God's Word. When God spoke through intercessory prayer last year it came as a Rhema to us. At one time or another we have all recognised that mortgages were causing bondage and wished we could do something about it, though we expected there was nothing we could do. It took a miracle from God to show us. Christians elsewhere however were actively trying to find a solution and we salute those who had commenced trusts and begun seeking funds in order to help those in need. These Trusts were limited by the generosity of lenders however. With the concept that participants actually contribute themselves, we believe that God is wanting to release His people from all financial bondage caused by interest, whether or not they can afford to do so. God is simply saying that the resources He has given us should be used for His Kingdom - not the world's system. I say this because some thing that the scheme is only to help the poor. That's the Kiwi attitude "I don't need God's help - I can do it myself thank you". God commands us that we use our talents (resources) for His Kingdom.

How Did Our Numbers Finish Up?

As far as the scheme is concerned we closed on 30 June amidst a flood of last minute applicants which has delighted us numerically, but has left us a large backlog of paperwork as we endeavour to get the necessary four forms completed for each applicant. We will now commence automatic bank payments on the 27th of July instead of on 7th July. Already we have been given and loaned enough money to commence the first ballots. These will be held next week under supervision of a Christian police officer. (Proverbs 16:33) As for statistics: -

- We have accepted 122 applications. Four more have had to go into the next group as we could not get their forms completed in time. (They are not in the Bay of Plenty.)

- 49 applicants are from people without an existing mortgage. Some are teenagers, sponsored by their parents.

- 14 are from people outside the Eastern Bay of Plenty. We welcome your participation and support but we earnestly plead that you endeavour to encourage those in your own area to start theirs. Already we are receiving requests to visit and talk to other churches in New Zealand, and of course we are happy to do so.

- After assuming that those without mortgages will receive a \$53,000 mortgage (the present local Housing Corp maximum) the average sized application is \$45,500. This is \$10,000 greater than those in the original computer model based on our survey. It is impossible to predict with any certainty how long it will take to give everyone their mortgage. Major factors which will influence this will be the level of loans and donations received, whether people need their ballots immediately, and the size of mortgage repayments. However the \$10,000 increase in the average will probably add 2-3 years onto the time the last person receives their ballot. If we receive plenty of interest free loans it will be 12 - 13 years.

We have increased the mortgages in our computer model by \$10,000 and found that our weekly contribution would have to increase to \$30 per week to compensate for the larger average size of mortgages. Frankly it surprises us that an increase of 50% would make so little difference to the time span. We were considering offering a \$30 per week group as an option but the increase does not appear justified.

New Groups

Meanwhile we are continuing to receive applications and have decided to commence another group when we have sufficient to do so. Probably then another etc. We have a goal to eventually give people mortgages in order of joining by forming a waiting list, instead of balloting. We call this "Phase Two". The contribution will be \$10 per week while they are waiting. Phase Two mortgage advances will commence when "Phase One" ballots are drawn, using the funds given by contributors. It is really for today's children wanting homes in the next generation. Isn't this far better than a life insurance policy or superannuation investment for your child? In the meantime the \$10 contribution by parents will be used to help 'speed-up' the Phase One groups. We will commence receiving applications for Phase Two now from those who would live to be early in the queue. One Phase Two people receive their mortgage they will be expected to increase their contribution rate to the level then being paid by the last Phase One people (who are still repaying their mortgages).

In Conclusion

As you can see, you are starting without the benefit of funds from earlier members. From now on each group we start will be assisted by the trust funds from previous groups, which will mean that they will not have to wait as long as you do. It takes people like you to get it started - people who have personally counted the cost (Luke 14:28).

As for the trustees, we began inviting applicants in early May after fully satisfying ourselves that this was God's instruction to us. By then we had checked out the mathematics and legal position and had the full support of the oversights of the two supporting churches. Although our several legal advisors believed our Trust Deed would qualify us as a Charitable Trust we had not yet received a reply from the Inland Revenue Department. That remains the position today despite many reminders to them from our solicitor. This is God's problem, not ours. It could mean however that we may have to further amend the Trust Deed and Rules to gain charitable status. We feel it is also preventing other churches from starting - those who have not had a definite word from God as we have. We therefore continue to ask for your prayer support in this area - particularly in wisdom.

In Christ's service

Kelvin Deal

Chairman

PS. Do you know anyone who might be prepared to lend to the Trust without interest? Money lent to the Trust will enable us to lend sooner. Repayments from these loans increase our cashflow and enable even more to be lent. Also we need more personal sponsors for short or long periods - \$10 a week would be great. Many thanks to those who are already sponsors.

"When you help the poor, you are lending to the Lord, and He pays wonderful interest on your loan!" Proverbs 19:17 LB