



LIBERTY *Matters*

NEWSLETTER OF LIBERTY TRUST

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Dear friends

Greetings in the lovely name of Jesus.

We are pleased to welcome 19 new members since our November newsletter from Te Puke, Auckland (8), Tauranga (2), Cambridge, Palmerston North (2), Whakatane (2), Hamilton, New Plymouth and Waiheke Island.

We have had a busy Summer visiting churches and meeting with national church leaders and we were pleased to talk with many at Parachute 09.

In July it will be 20 years since Liberty Trust commenced. So far we have enabled 226 households and churches to borrow \$16 million interest free, and get out of debt in just 7 years —amazing! And without borrowing or defaults.

Next month we will send contribution summaries so you can see your progress, and also donations receipts so you can claim 33% back from the Inland Revenue. And here is our new big news ...

*He who the
Son sets
free is
free indeed!*

Gal 5:1



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Faster Memberships/ Longer Loans



We are pleased to announce some new options to suit a wider range of people.

Faster Memberships

You may now contribute relatively more to receive a loan offer sooner. Instead of contributing 20% of your loan application for 10 or more years, you may contribute 30% over 7.5 years, or 36% over 6 years or 40% over 5 years and be offered a loan after 7.5, 6 or 5 years respectively.

This is great news for those who are in a hurry to receive an interest free mortgage, particularly if it will enable them to purchase a home sooner.

There are probably not many who could afford the 5-year option but the 6 and 7.5 year options are likely to be attractive. At the banks you presently need to save 20% of your purchase before you can borrow, and then you are likely to pay more than 100% of your purchase in interest over the next 25-30 years. Through Liberty Trust you can contribute to help others and then quickly become debt free, while others still have 20-25 years to go on their bank mortgage!

Longer Loans (due to Longer Memberships)

The goal of Liberty Trust is to see people set free from debt so they can live and give with true liberty. The standard loan term is 7 years. This can be extended by one year for every extra year you elect to wait for your loan, up to a maximum loan term of 15 years after waiting 18 or more years. For example, you may wait 13 years to receive and repay the loan over 10 years. For a loan of \$100,000 this would reduce the loan repayments from \$275 per week to \$192 per week. Or you could repay over 15 years at \$128 per week, which would take more than 56 years on a 6.5% bank mortgage!

Longer Loans (due to Larger Contributions)

If you would prefer to take a longer loan without waiting longer you can do by increasing the amount you contribute. For example rather than contribute for 10 years then receive a 7-year mortgage, you may contribute for 10 years then receive a 10-year mortgage. More details to come.

Contrib Years	Contrib Total %	Contrib % pa	per week per \$100k	Loan Multiple	
> 10	20%	< 2%	< \$40	5x	Standard
10	20%	2%	\$40	5x	
7.5	30%	4%	\$80	3.3x	New
6	36%	6%	\$120	2.8x	
5	40%	8%	\$160	2.5x	

Comments from the Chairman

Faster Memberships/ Longer Loans

The news that we can lend after a wait of only 5 years to my mind is amazing. Our research has shown that we can form new groups of 5 year, 6 year, and 7.5 year members and each one can be independent of the rest. This is great news for those who are in a hurry for a loan. Certainly a 5-year wait will cost twice as much as a 10-year wait, but look at the rent or mortgage interest you could save by receiving an interest free mortgage in half the time!

We expect that only a few may be able to afford to contribute 40% of their loan over 5 years, but 36% over 6 years or 30% over 7.5 years could be very useful alternatives for many.

Other news is that the maximum loan term has now been increased to 15 years and you can now contribute more for a longer loan repayment term, without any extra waiting. You can check out these options yourself on our Excel spreadsheet model at www.libertytrust.org.nz/model.xls.



Kelvin Deal
Chartered Accountant

The World's Financial System

It seems extraordinary that the world's financial system is based upon a banking system which is self-destructing due to the willingness of its lenders to lend imprudently, while gaining huge bonuses for themselves. With the support of their Boards the world's leading banks have borrowed massively and gambled that money knowing that Governments simply cannot afford to allow their insolvent banks to fall over or there would be chaos in the market place. They must bail out and prop up the guilty.

The sobering truth is that markets will recover, but are likely to suffer a similar recession again and again in the future. Today there is colossal wealth in the west and the Arab states. Where can they invest it? The wealthy's supply of money available to lend has exceeded the ability of the borrowers to service the borrowings. The borrowers have already borrowed more than they should and cannot pay the interest and debt repayment. Result - loans fail and banks (who transacted the loans) go under.

An American doctor recently told me: "You know there is no longer a middle class in America. They have become the upper-poor, and the poor have just got poorer. At the same time there has been a huge growth in the super-rich. They have become unbelievably wealthy. But they have a problem. With the loss of the middle class, where can they invest their wealth?"

This is not just an American phenomenon. The same is occurring in Europe, Russia, the oil-rich Arab states and even in Asia - all very interesting to the Christian observer. Money is Power (Prov 22:7). Will it end in world control by the rich or by world revolution by the poor? Whichever, we are going to see the true character of the prince of this world (Jn 14:30, 2 Cor 4:4) exposed. Christ clearly anticipated this in His great prayer for us after the Last Supper (Jn 17). There He prays for our protection as we live "in the world" but not "of the world".

As Watchman Nee wrote in his classic book "Love not the World" the greatest threat to God's people today is the temptation to conform to the world. Jesus put it succinctly, "No servant can serve two masters ... You cannot serve God and mammon [the god of money]" (Luke 16:13). Surely that is a word meant for us today. The good news is, God has made a way.

We don't have to be "of the world"!

More in our next newsletter. *Blessings, Kelvin*

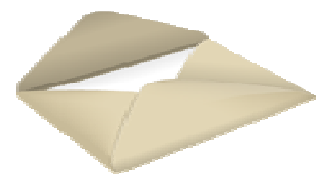
Whoever loves
money never
has enough.

Ecc1 5:10

Do not be
conformed
to the pattern
of this world.

But be
transformed!

Rom 12:2



Please Help

We currently post these newsletters to 1,005 people and email them to 917 people each quarter. It costs us around \$3,000 pa to print & post the newsletters (and a lot of volunteer time) but email is quick and free!

We hate to see God's resources wasted so please help us reduce our costs & waste by electing to receive your newsletter by email instead of post.

Just send us an email at admin@libertytrust.org.nz or call Jenny on 0800 542 878.

