

**Q: What is Grace Period's vision?**

**A:** The founders of Grace Period (GP) imagine a world in which the need for short-term predatory borrowing no longer exists.

**Q: What is Grace Period's mission?**

**A:** To promote savings, investment, thrift, and financial preparedness among people of low and moderate means. Using the class room of real life financial experiences, working in conjunction with financial institutions, local churches, and other organizations; GP offers programs, education and counseling.

**Q: How does Grace Period fulfill that mission?**

**A:** GP is a nonprofit club that originates and guarantees loans made by a credit union (CU) for the benefit of its members. These loans are coupled with a mandatory savings program designed specifically to end each members' need for future borrowing. Their borrowing becomes free as they become savers and progress in the program.

**Q: How has this mission impacted the community?**

**A:** By changing the cost associated with short-term borrowing, GP empowers its members to contribute more to their urban economies by increasing disposable income. Our program has also allowed us to develop meaningful relationships and impact lives for the Kingdom.

**Q: Why should our church/organization join this mission?**

**A:** Verses like Micah 6:8 and Proverbs 14:31, instruct God's people to take an active role in social justice issues. The Grace Period (GP) model allows a unique and cost neutral way for urban ministries to meet people at their point of need.

**Q: What kind of expertise would our ministry team need to start this outreach?**

**A:** More than anything else, this ministry requires a desire to assist people. GP's co-founders had no lending background at all. God equips the called more often than He calls the equipped.

**Q: Is our church/organization too small to engage in this opportunity?**

**A:** We do not see size as any impediment to the effectiveness of GP's program. Churches of all sizes possess resources (financial, human, and relational) which could enable them to affect change in their community.

**Q: Can the ministry be started in a church facility?**

**A: Yes.** While GP began in a store front location, it now serves borrowers from a space in church office location as well. (over)

**Q: What kinds of start-up costs are involved?**

**A:** Start-up costs will vary greatly dependent upon choice of location, number of initial employees and other factors. Start-up costs of a church based operation are surprisingly small.

**Q: Will church money be at risk doing consumer loans?**

**A: No.** The model used by GP does not put church funds at any risk. GP's sponsoring church did make an insured deposit at a credit union (CU) along with many church members. It was these deposits that helped make a relationship with GP attractive to the CU.

**Q: Does the ministry require an ongoing financial investment?**

**A: No.** From its inception Grace Period was designed to be a self-supporting non-profit.

**Q: How is it possible for a nonprofit and self-supporting ministry to offer free services?**

**A:** This is the center point of the GP program. Our members become savers and our savers then become lenders. By making their savings available to others, members can incrementally "earn back" the cost of borrowing.

**Q: Do you need credit union support to get started?**

**A: No.** Our current model actually began by making its own loans, but as a result of growth it became necessary to seek an outside lending source. A variety of other institutions could be utilized as a source of lending.

**Q: Where should I start?**

**A: Pray first.** We recommend meeting with leaders in your church and/or community to gauge interest in the ministry and possibilities for outreach. Then know that GP is prepared to assist any organization or individual in fighting the giant that is predatory lending. ([info@graceperiod.org](mailto:info@graceperiod.org))

See our loan presentation through the eyes of a borrower

by visiting

[www.graceloan.org](http://www.graceloan.org)