

October 6, 2006  
**Section:** Business  
**Edition:** Final  
**Page:** B7

## Loan program puts wheels in reach

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The News Journal

Although the car wasn't fancy, the first test drive was memorable for Carol Floyd. "I got in and the engine sounded wonderful," she recalled. "There was no problem accelerating."

The 1996 Nissan Sentra, which had 80,000 miles on it when she bought it in February, has been a welcome addition to Floyd's life. She uses the car to travel between her home in Wilmington and her job in New Castle, where she works in application processing for a financial services company.

The 53-year-old mother of four said she was able to afford the car thanks to the "Ways to Work" auto loan program offered through a partnership between the nonprofit **Nehemiah Gateway** Community Development Corp. and PNC Bank. Floyd got a \$4,000 loan, the maximum allowed under the program.

The low-interest auto loans are one of several programs sponsored by Wilmington-based **Nehemiah Gateway**, an affiliate of Shiloh Baptist Church, that benefit low- and moderate-income Delawareans.

Since the auto loan program started in 2004, 85 people have gotten loans to buy cars for use in getting to and from jobs, said Mary Dupont, executive director of **Nehemiah Gateway**.

So far, the loans have been limited to New Castle County residents, but Dupont said she hopes eventually to make the loans available statewide. She said the nonprofit has made a request for more than \$100,000 in federal funding for the expansion, but she doesn't know yet whether the money will be approved.

Although the program is still limited, Dupont said it is making a difference. She said having a car is crucial to landing, and then holding on to, a job.

"Having the car helps with the things you would expect -- getting to work on time and keeping the job," Dupont said. "You've got to have some way to get to the job." Floyd, who often works nights, said she used to have to pay for a cab ride home because the buses had stopped running by the time her shift ended.

"It was very difficult," Floyd said. "It made it a lot easier, once I had the car. It's been

reliable."

To qualify for the loan program, a person must be working, have at least one dependent child, live in New Castle County and meet income qualifications, which vary according to household size. For a two-person household, for example, the maximum annual income is \$46,400. Recipients of the loans also must participate in a personal money management workshop and take a class on car maintenance.

The interest rate on the loans is fixed at 7 percent, Dupont said. With some automakers touting zero percent financing for new cars, 7 percent interest may not sound like a great bargain. But for lower-income people, new cars and the zero-percent financing are far out of reach, Dupont said. She said the people helped by the program would have otherwise had to take loans with high double-digit interest from used-car dealers.

"It's 7 percent interest versus what can be as high as 35 percent interest," Dupont said.

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#### TO LEARN MORE

For more information about the "Ways to Work" auto loan program, call 655-0803 or visit [www.nehemiahgateway.org](http://www.nehemiahgateway.org).

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