

NOTEWORTHY



Sustainable community development for the poorest of the poor.

Winter 2021

Because you gave \$1

If you give a dollar to the NEO Fund to build our capital fund, you may never think of it again. But that dollar is going to be busy!

It will be wired to India or Nicaragua and promptly loaned to a hardworking entrepreneur, whose income-generating loan will help lift her family out of extreme poverty. As soon as she pays it back (most of our loans have a term of 4 months or so), the capital is cycled to ANOTHER borrower, who puts it to work building another small business that will help lift ANOTHER family. And so on...

So, if you donated one dollar to The NEO Fund loan capital in 2011, here's what happened:

The dollar cycled through about 30 loans, to 30 families, creating hope and opportunity wherever it went. Because each borrower paid a small fee, the dollar not only cycled, but grew. In fact, over the course of ten years of activity, it grew a lot, MULTIPLIED, so your dollar is now \$19.00.

That's the financial analysis of that busy dollar. Impact is even more impressive! If you gave \$100 in 2011, and that \$100 cycled through 30 loans in ten years, it's as though you gave \$3,000! In other words, your donation to fund 1 loan, essentially funded 30 — ***so far!***

Sound sensational? It's not! THIRTY families lifted! Better nutrition for kids, better access to health care, more likelihood they will be educated. Thirty families who have experienced increased dignity, hope and opportunity.

And a TWENTY-FOLD return on your donation, creating a sustainable revolving fund that will continue creating hope and opportunity indefinitely. And on it goes. Because you gave a dollar. ■■■



Meet Elizabeth!

Here is what a loan of \$100 can do!

Elizabeth has one child, 8 years old. She discovered NEO through our partner, **Solidarity Networks**, a nonprofit that works to empower women and prevent violence in the Ciudad Sandino area where she lives.

Last December she began working with our trainer Ivania to learn business basics and create a business plan. ***She took a \$100 loan to start her very first business, selling snacks in the neighborhood.***

Before that, her family relied on her partner's monthly salary as a mechanic of \$142.17. Now her gross sales regularly exceed \$20 per day and with her net earnings of \$5/day ***she has been able to contribute to the family by purchasing food, clothes, and school supplies for her son.***

Recently, Elizabeth took a class in handicrafts and jewelry and has started making bracelets, earrings, and necklaces. She expects this second business to provide another source of income for their family. ■■■

Year-end Giving 2021: 3-fold Focus

1 Give the gift of accessible clean water!

This year our Nicaragua program is doing very well. *So far we've extended \$102,879 in life-changing loans to 203 families in desperate need* and the result is profoundly encouraging. Borrowers and their families were lifted: kids ate better, and their parents were able to afford essentials like medical care and school uniforms and books (without which many children will simply not attend school.)

We established our unique borrower training program and started working with several new partners in Ciudad Sandino and Cristo Rey. These innovations allow us to grow our program in both size and impact. As a result, in 2021 we reached about 70% of our *sustainability goal* in Nicaragua, *where income from the program covers in-country administrative cost.*



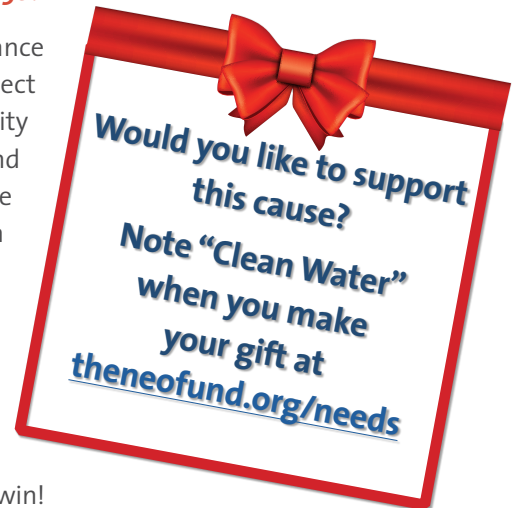
Families in our Nicaragua barrios currently dig holes near their homes to collect rain water. Here a girl collects water for drinking and washing.

Next year, with seed money from The Palmer Foundation, *we are launching clean water initiatives* in two neighborhoods where we are already established. What does that have to do with micro-lending? Let me tell you! First, clean water is a real need. Very few of our borrowers have indoor plumbing or toilets. This is partly because they are too poor to afford such luxuries and partly because hydrological infrastructure is lacking in those towns. We are going to tackle these problems with two types of loans:

A| Loans to the local water boards (called CAPs), to purchase essential equipment, such as filters, pumps, and solar power panels to build their capacity to serve the communities. The water boards will pay back the loans, just as our other borrowers do.

B| Loans to individual borrowers to purchase toilets or otherwise improve clean water availability at their homes. These will be at a lower rate than the loans extended to our entrepreneurs. *Just think, over 10 years, your donation for one toilet can provide 30!*

Using micro-finance as a tool, we expect to build community infrastructure and goodwill, improve availability to clean water and sanitary toilets, decrease water-borne disease, AND grow our program and its community reach. Talk about a win-win-win!



2 Become a Strategic Partner in India!

For two years now our India micro-finance pilot program has demonstrated awesome potential and returns. *So far this year we've extended \$48,968 in 360 loans*, improving the lives of the poorest and most vulnerable Indian families. And, thanks to our group lending model, our loan repayment is 100% to date!

The India experiment has worked even better than we expected, so now it's time to build a foundation of organizational capacity so the program can scale to meet the vast need in the region. We need to build a strong local micro-finance organization just as we did in Nicaragua.



How will we do this? We will follow the model that has worked for us in Nicaragua. First, we will establish NEO Fund legal status in India and build a skilled local team. Second, we will grow our circle of local partners so the financial services we provide work in concert with other outreach and social services. By reaching out to village churches and to other international NGOs who work in the same area, our impact is reinforced and multiplied. One of the ways we will do this is to expand our Community Contingency Fund – the benevolent fund we use to address crises and emergencies faced by our borrowers and their neighbors. This community fund can be used to increase the capacity of strategic partners to alleviate immediate suffering, even as we work to create long term hope and change.



Consider a strategic gift to develop our India program!
Note "India" when you make your gift at theneofund.org/needs



The problem is we have a loooooong waiting list of women who want into the program, and just one business trainer, Ivania, who is pulled and stretched, and serving dozens of women all over town. We have a golden opportunity to grow this program, add another trainer, and see the tangible benefits reaped in the lives of those we serve.



3 *Gift business coaching to struggling moms!*

Our pilot borrower training program has been a resounding success. Over and over, we hear stories from the field about women who were jobless or just scratching by, with barely enough food for their children, who — with insightful and relational training and coaching — created an income-generating business that doubled or tripled their financial resources. And this makes an enormous difference in these families. To those of you who suggested we try borrower training, and who funded our early attempts, you were right, it works!

The NEO Fund

"Empowering indigenous people to transform their own communities is the most effective weapon against global poverty." — Jen Hatmaker

US LEADERSHIP

BOARD OF DIRECTORS

Tim Leitner, Sr.,
Shoshon Tama-Sweet, Mark Tobin

EXECUTIVE DIRECTOR

Ron Hockley

CREATIVE DIRECTOR

Cheryl Nemazie

MICRO-FINANCE OPERATIONS

Francisco Barquero, Ph.D.

STRATEGIC ADVISOR

Bob Truitt

ACCOUNTING

Amanda Matlin

THE NEO FUND NICARAGUA

CREDIT MANAGERS

Gridian Mejia
Byron Sequiera

COMPTROLLER

Uberne Miranda

TRAINING

Ivania Vargas

INDIA KISES LEADERSHIP

FOUNDER

Shoury Babu

DIRECTOR

Rajani Suram

LOAN MANAGER

Haritha Rebba



Tax-deductible donations may be made to The NEO Fund, a 501-c3 non-profit, ONLINE at www.theneofund.org

or by MAIL to: The NEO Fund

811 SW 6th Avenue, Suite 1000 • Portland, OR 97204.

Inquiries may be directed to Ron Hockley at

Ron@theneofund.org or (503) 467-1324

Find us on Facebook at The NEO Fund.



811 SW 6th Avenue,
Suite 1000
Portland, OR 97204
www.theneofund.org

Sustainable Community Development for the Poorest of the Poor

This IS the gift that literally keeps on giving!

Your gift is not a handout — it's an investment that grows over time and continues to give to family after family after family! Honor someone you love, respect, and/or admire! Cut off this form and enclose in an envelope with your check or credit card information and mail to:

The NEO Fund • 811 SW 6th Avenue, Suite 1000 • Portland, OR 97204

Indicate whom you'd like to honor and we'll send them a card to let them know about your gift! You may also give online at theneofund.org/needs

Name _____

Address _____

Email _____

☐ Check Enclosed ☐ Charge My Credit Card: Exp. Date: _____ Sec Code: _____

Number: _____

☐ Gift in Honor of: _____

☐ Please Send a Note (Address) _____
