



Appalachian

OPPORTUNITY FUND

SEMI-ANNUAL REPORT

JANUARY-JUNE

2023

WHO IS APPALACHIAN OPPORTUNITY FUND?

MEET THE TEAM!



Victoria Hewlett
Executive Director



Adam Taylor
Co-Founder and Financial Coach



Oren Peterson
Financial Coach



Abigail Gaines
Administrative Assistant

People Centered

Solution Oriented

Results Driven

People-Centered Financial Coaching

Appalachian Opportunity Fund (AOF) is a 501c3 based in Johnson City, Tennessee that seeks to build community wealth in Central Appalachia through People-Centered financial coaching and lending.

Since 2019, we have coached more than 700 clients who have increased credit scores by 14,735 points, paid off half a million dollars in predatory debt and another \$300k in delinquent debt, and established savings and investments of over \$700k.



Financial Freedom Fund (FFF)

The Financial Freedom Fund is AOF's affordable lending program that provides low-interest (3%) loans to highly-motivated financial coaching clients who have low or non-existent credit and therefore do not qualify for a loan with a reputable financial institution.

These loans are provided to help our clients reach financial goals, pay off existing high interest debt, and/or to help relieve financial stress. Our FFF loans are reported to all three credit bureaus, helping our clients build their credit score for the future.





CLIENT SUCCESS STORY

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In 2014, I found myself facing a series of difficult circumstances. I was hospitalized and dealing with health issues during my pregnancy. To make matters worse, my husband decided to leave. As an immigrant, I was unfamiliar with certain financial topics. In 2016, I made the mistake of taking out a 401K loan to help pay off his debts. Little did I know that this loan would be considered as income by the IRS, resulting in fines that added to my already challenging situation.

Determined to turn my life around, I made a bold decision. After living in Utah for 15 years, I decided to relocate to Georgia in pursuit of better opportunities and increased income. However, the medical insurance available to me was insufficient, and my young child frequently suffered from respiratory issues and ear infections, requiring frequent visits to the emergency room. Realizing that a change was necessary for the well-being of my family, we made subsequent moves to North Carolina and then to Tennessee.

Despite the numerous challenges we faced, our perseverance paid off when our immigration petition was finally approved. I understood that this was an opportunity that I couldn't afford to miss, so I took the necessary steps to ensure its success. However, this decision once again put me in debt, leaving me without any savings to rely on.

During this challenging period, a glimpse of hope emerged in the form of Appalachian Opportunity Fund (AOF). AOF turned out to be a significant blessing in my life, as I discovered that I had the power to negotiate with my creditors. This knowledge gave me the confidence and tools I needed to navigate my financial difficulties and begin rebuilding my life.

Though progress may be slow, I now feel a tremendous weight lifted off my shoulders, as I have a clear vision of where I am heading. AOF's impactful work has not only transformed my own life, but I also believe it has the potential to empower countless others who find themselves in similar situations. Inspired by my own experiences, I passionately share the story of AOF with everyone I know, spreading the word about the incredible support and guidance they provide.

IMPACT INSIGHTS

From 2020-2022, AOF expanded our partnership network significantly through a grant from East Tennessee Foundation. Many of those partnerships are continuing in 2023. Community members we reached during that period have turned into long-term coaching clients, and we continue to meet new clients through these ongoing partnership integrations.

In 2023, AOF is participating in the launch of Strong Families, a program led by STRONG Accountable Care Communities that aims to empower families with children under the age of 18 through holistic services and support specialists.

We are continuing to develop our outreach and referral networks with new partners in 2023. As word continues to spread about our impact on the region, we are seeing more organic demand for our services than ever before.

We are always seeking additional opportunities to expand our services to more clients throughout Northeast Tennessee. Your support helps us expand our capacity to impact more households and stimulate community wealth through people-centered financial coaching in every corner of the region!

AOF SEEKS TO NURTURE INDIVIDUAL FINANCIAL HEALTH AND STIMULATE COMMUNITY WEALTH IN CENTRAL APPALACHIA.

IMPACT INSIGHTS

CLIENT IMPACT	2020	2021	2022	Jan-Jun 2023
Clients Coached	153	242	300	197
Total Credit Score Points Increased	3,240	5,012	4,514	1,391
Total Predatory Debt Paid Off	\$65,027.53	\$197,381	\$140,598	\$76,768
Total Delinquent Debt Paid Off	\$48,808.59	\$125,605	\$38,014	\$34,456
Total Debt Negotiated Down	\$29,648.47	\$66,130	\$9,577	\$9,121
“Financial Freedom Fund” Loan Guarantees	17	10	17	3
Total Amount of Financial Freedom Fund Loans	\$31,280	\$19,815	\$72,603	\$11,722
Total Dollars Clients Saved and Invested	Not tracked	\$400,448	\$188,934	\$138,280
Total Affordable Loans Clients Accessed	Not tracked	\$1,539,451	\$1,119,328	\$37,860

**HELPING NORTHEAST TENNESSEE ACHIEVE
FINANCIAL FREEDOM SINCE 2019**

Social Innovation Pitch Night

AOF had a blast participating in United Way of East Tennessee Highlands' Social Innovation Pitch Night! Our team member, Abigail Gaines, gave an outstanding pitch on our groundbreaking ideas to combat poverty in Northeast TN.

As a result of Abigail's efforts, we were awarded one of three \$10,000 grants given during this event! This funding has enabled us to acquire advanced software, enhancing our client communications and data management system. This grant supports our capacity to empower individuals and further our mission of achieving financial freedom for all!



\$500K In Predatory Debt Paid Off!

AOF clients have reached a monumental milestone: paying off over **half a million dollars** of predatory and high-interest debt!

Predatory and high-interest debt can have severe consequences on a person's financial well-being. High interest rates trap borrowers in a cycle of debt, making it extremely challenging to escape and achieve financial stability.

This significant milestone is a testament to the strength and resiliency of our clients and our unwavering commitment to their financial well-being.





CLIENT SUCCESS STORY

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When I first met with my coach, in 2017, I had a credit score in the low 500s. I had predatory loans, no savings, living paycheck to paycheck and no way to afford any type of “emergency situation” if one came up, without asking my parents for help or getting deeper in debt with more predatory loans. I did not really have any financial goals, as I felt too overwhelmed with just trying to get by to think about anything else. I, of course, didn't want to have the stress of worrying if I would be able to pay the bills, have money in a savings account, and not have to watch every penny I spent, but was very unsure how to get to that point.

After being introduced to my financial coach and we started meeting and working together, it was a total game changer for my life. I was able to pay off the predatory loans, get a credit-building credit card and get a low interest car loan to get a dependable vehicle, which also helped build my credit. I was able to get financial counseling that helped me get a grip on my spending and knowledge to know how better to spend and save. Once I had a better understanding and knew that I was in control of my spending, I was able to focus more and be intentional with how I spent my money. Over this time of working with AOF, I was also able to get a home loan that allowed me to get much-needed updates done on the family home I was able to purchase.

Fast forward to today, I am a homeowner! I have my vehicle paid for. I have a savings account that I am intentional with putting money into each payday. I am mindful about wasteful spending. I have a healthy relationship with my money that gives me a little more freedom, while still being a good steward of what I am given. I am no longer feeling the stress of living paycheck to paycheck; all of my bills are paid with ease every month, while still having money in the bank after. My children are able to see the difference in my overall attitude and the importance of saving and spending wisely, affecting the future of their lives. I honestly would not know where I would be today if it were not for AOF and all the help and discipline my coach instilled in me. AOF is a wonderful service that our community desperately needs. I feel if more people knew and worked with AOF, eliminating many of the issues facing our community, more people would have a better quality of living.



CLIENT SUCCESS STORY

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Before AOF, I was preparing to graduate college and begin life as a grad student in a new city. Completely inexperienced with the financial hardships that a grad student typically endures, I wanted to ensure that I could prepare for the future and set myself up for success. I wanted to be able to know that I could afford an apartment along with the bare necessities to get myself by. I therefore set out to establish credit for myself.

My AOF coach helped me begin building my credit score from scratch by advising practical and cost-effective steps for me to take. These steps included applying for an unsecured credit card, creating an account with a credit site to keep track of my score, establishing small monthly fees/subscriptions that I could use my credit card to pay, and establishing an auto-pay system to pay off these monthly balances on time.

I am currently still abiding by the aforementioned steps, as my credit score slowly, but surely, climbs. I feel great knowing that by using AOF's sound advice, I will obtain a credit score that will ensure approval for renting an apartment along with any other potential needs.

AOF's work is important because they remove the stress of transitioning to independence from young adults like me. Additionally, the services offered to me were free, so I never had to worry about money when it came to obtaining advice.

AOF's impactful work has not only transformed my own life, but I also believe it has the potential to empower countless others who find themselves in similar situations.

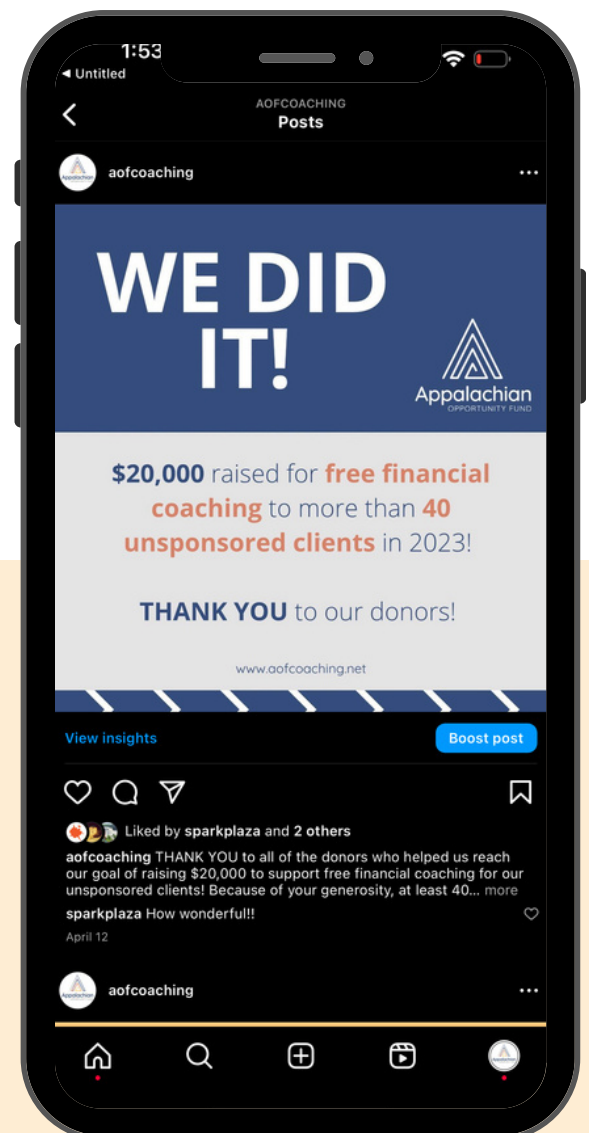


2023 SPONSOR-A-CLIENT CAMPAIGN

Appalachian Opportunity Fund raised \$20,000 to continue providing free financial coaching to Northeast Tennessee community members.

While many of our clients are already sponsored by our existing funders, we rely on community donations to keep our financial coaching services 100% free to every motivated person who needs them.

Thank you for supporting our mission to build community wealth in Central Appalachia by nurturing individual financial health!



Make an Impact

- **J O I N** our Trusted Partner Network to help us refer our clients to needed services.
- **H I R E** us as an Employee Benefit to support and care for your team.
- **G I V E** a monthly donation to increase our reach in this region.
- **S H A R E** our impact with your network of community resources.

WEBSITE



INSTAGRAM



FACEBOOK





Your support is invaluable in making
this impact a reality.

Thank you!



info@aofcoaching.net



PO Box 5526, Johnson City, TN, 37602



www.aofcoaching.net