



# HOPE Global Impact Report

Q2, 2021

# HOPE

---

What an incredible quarter of expansion and re-  
imagination it has been for Operation HOPE!

In late April, Truist Financial Corporation announced a \$20 million investment in Operation HOPE to expand financial inclusion to more communities. Truist publicized an expanded, multi-year transformational partnership, including a series of collaborative programs such as: HOPE Inside coaching, digital access that connects to education and Truist solutions, and HOPE’s 1 Million Black Business Initiative (1MBB). This support is part of the bank’s commitment to bring access and solutions to build better lives and communities.

In addition to partnership growth, HOPE has been focused on a massive digital transformation to launch its financial empowerment services into a new era of modernization, efficiency, and scalability. Working with major consulting firms including web-solution developers, growth agencies and system-change analysts, HOPE is creating a consolidated and centralized approach to its internal and external client and data management via Microsoft 365.

This new era of digitization will allow clients across the country to access portals in which they can connect and communicate with coaches more readily, access financial documents, engage in HOPE’s online learning platforms, resources and coaching, and connect with HOPE’s vast network of volunteers, mentors and partners.

Launching in August, 2021, these new systems will not only create scalability and efficiency for HOPE’s clients, but will also enhance HOPE’s internal project management, fundraising and development efforts, data and analytics. HOPE is excited to unveil these changes to its partners next quarter!

As always, HOPE thanks you for your support and commitment to financial freedom! We look forward to many more years of educating, coaching, and growing together.



## Q2 2021 Global Impact Report

1 Million Black Business Initiative.....	3
Financial Health / Access to Capital.....	3
Minority Small Business Index.....	4
HOPE Inside Production / Results.....	5
Story of HOPE.....	6



# Closing the Wealth Gap

## 1 Million Black Business Initiative



In 2020, HOPE launched its 1 Million Black Business Initiative, an audacious program to help Black entrepreneurs and existing business owners start or grow one million businesses by 2030. Operation HOPE, in partnership with Shopify and a coalition of partners, is working together to provide these entrepreneurs and business owners with the coaching, guidance, tools and resources to create dynamic, viable and resilient Black businesses that are positioned to thrive in both physical locations and through eCommerce activities. To learn more about 1MBB and to join HOPE in this effort, visit our [1MBB](#) website.

**5,102**  
Black Entrepreneurs  
and Small Businesses  
Engaged

**421**  
New Black-Owned  
Small Businesses  
Created

Since October, 2020, more than 5,100 Black entrepreneurs and small business owners have signed up to participate in HOPE services with more than 420 new businesses created and 2,099 small businesses served. HOPE's financial empowerment programs include group education, coaching, mentorship, and referrals to financial institutions and access to capital.

## Access to Capital

Studies show that financial wealth accumulates first by way of homeownership and later through business interests (Urban Institute, 2017). To help clients build wealth, HOPE's coaches assist clients in becoming loan-ready and provide entrepreneurial training. The below table outlines the lending and entrepreneurial success HOPE clients achieved in Q2, 2021.

	Q2 2021	YTD
Mortgage Loan Applications	410	810
Mortgage Loan Applications in \$	\$79,117,459	\$169,052,321
Mortgage Loans Funded	379	694
Mortgage Loan Funded in \$	\$72,481,893	\$130,698,289
Small Business Loan Applications	106	138
Small Business Loan Application in \$	\$1,804,150	\$2,631,650
Small Business Loans Funded	21	22
Small Business Loans Funded in \$	\$273,150	\$278,150

Regarding HOPE's homeownership program, in conjunction with the Closing Cost Assistance Program, in Q2, 2021, HOPE helped:

**379**  
Clients Become  
New Homeowners

Clients Obtain  
**\$72.5 Million**  
in Funded Mortgage Loans

## Improving Financial Health

Among HOPE clients, 70% see an improvement to their FICO Score after participating in HOPE's financial coaching program. Among this population that saw an improvement, the average increase was 57 points with 31% of clients reaching above prime FICO Scores of 660 or higher. Among the larger sample of 23,636 clients, of whom both at-entry and secondary financial data were obtained, the average FICO score change was +28 points. These improvements are higher compared to that of other financial empowerment firms (see Urban Institute, 2015; PERC University of Arizona Report, 2005; Experian 2016).

Furthermore, after engagement in HOPE's services, clients are more financially literate, less financially stressed, and significantly more confident in their ability to manage their finances. To date, HOPE has also successfully helped clients **reduce over \$164 million in debt** and **increase savings totaling more than \$11 million**.

**+57**  
FICO Score



70% of clients increase their FICO score. The average positive change is 57 points.

## Minority Small Business Index

Following its initial launch in February, HOPE executed its second consecutive Minority Small Business Index in partnership with Momentive (formerly SurveyMonkey) in Q2 to quantify the experiences and hopefulness of minority small-business owners and entrepreneurs. Each question of the Index touches on a different aspect of entrepreneurship – from hope for business success, to having a trusted mentor, to risk tolerance, to access to capital, and finally, future outlook on systemic issues that impede success for minority small-business owners.

HOPE leveraged its 1 Million Black Business Initiative (1MBB) to measure the current state of today's minority small businesses. With a sample size of 936 participants, HOPE and Momentive were able to dive deep into how aspiring entrepreneurs, recent small-business owners and experienced small-business owners are coping in today's climate. The results of the Index are also comparable to CNBC/Momentive Small Business National Index, allowing HOPE to compare the differences among its 1MBB clients and national firms; and the efficacy of the 1MBB program in instilling HOPE, equipping business clients with the skills needed to succeed and connecting them to needed resources.



**96%** have high hopes for **small-business success** at all stages



**67%** have **trusted advisors** for business decisions



**83%** are **comfortable taking risks** to benefit their business



**75%** are hopeful that a year from now, minority small business owners will have an **easier path to success**



	CNBC/SurveyMonkey Small Business Index (National)	Operation HOPE / SurveyMonkey Minority Small Business Index (1MBB Participants)
Small Business Index	45	66
Expect Revenue to Increase	46%	85%
Expect technological innovation to have a positive effect on their business	33%	67%
Expect to increase their full time staff	25%	50%

## Index Highlights

- Most aspiring entrepreneurs and small business owners remain optimistic about recovery from the COVID-19 pandemic. Despite their optimism in comparison to other groups, Black SBOs have lowered their expectations about many political and economic policies in Q2, and the majority (72%) of Black SBO respondents believe that the COVID-19 pandemic will have permanent effects on the way they run or start their business.
- Although Black SBOs cited financial capital as the greatest need to develop and grow their small business, more Black women are turning to education and innovation as a means to improve their business.
- Despite their optimism in comparison to other groups, Black SBOs have lowered their expectations about many political and economic policies in Q2.
- Overall, 43% of Black SBO respondents identified access to capital as the greatest need, which remains nearly unchanged since April 2021 (46%).



# Q2 2021 in Review

## HOPE Inside Overview

Number of HOPE Insides 160

President of Operations Lance Triggs

Programs Credit, Small Business, Homeownership, Disaster, Youth

## HOPE Client Profile

The average HOPE client served this reporting period was a Black, non-Hispanic, female, with an average household income of \$36,541. At entry, HOPE clients had an average FICO score of 574, median total debt of \$26,958, and an average savings of \$2,185. At the most recent assessment following program intervention(s), HOPE clients had an average FICO score of 602, median total debt of \$21,452, and an average savings of \$2,476.



Avg. Household Income  
**\$36,541**



% Clients Low-to-Moderate Income  
**83%**



Hispanic / Non Hispanic  
**12% / 88%**



Female / Male  
**66% / 34%**



Black / White / Other  
**44% / 11% / 45%**

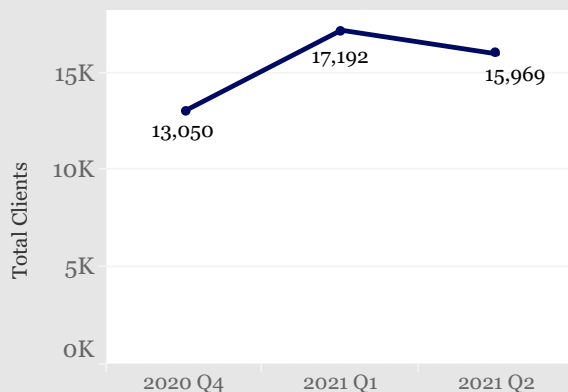
## HOPE Growth

Since its inception in 1992, HOPE has delivered nearly 4.9 million financial empowerment and disaster recovery services to 1,627,203 clients. HOPE currently has 191 HOPE Inside locations (servicing individuals from 46 states and Puerto Rico) open across the country. Successfully continuing its COVID-19 response and new initiatives including 1 Million Black Businesses (1MBB), HOPE is excited to enhance its foundational empowerment programs via new partnerships and an improved digital delivery throughout 2021.

## Global Production

Production Metrics	Q2 2021	PTD
Total Clients Served	15,696	1,627,203
Total Global Services	65,515	4,867,450
HOPE Inside Adult Services	44,536	2,325,355
HOPE Inside Disaster	18,258	1,468,402
HOPE Inside Youth Services	2,721	1,073,693

### Clients Served



## HOPE Inside Service Details

	Q2 2021	PTD
Financial Group Education Services	17,626	953,796
One-one-One Counseling Sessions	21,612	642,646
Bank Referrals	4,871	49,973
Call Center Calls	427	245,968
Cyber Café Membership & Usage	N/A	425,630
South Africa Adults	N/A	7,342
Disaster Workshops and Counseling Services	10,564	1,425,148
Disaster and COVID-19 Assistance and Referr	7,694	43,254
Banking on Our Future (USA and SA)	2,676	1,061,223
HOPE Business In A Box (USA and SA)	45	12,470
HOPE Corps Volunteers	38	28,093
No. of Start-Up Grants Awarded (USD)	0	122,176
No. of Youth Businesses Created	4	409





## A Story of HOPE

*"I heard about Operation HOPE through a friend. She informed me that the organization could help me to improve my credit. I called and was pleasantly surprised by how professional and friendly the person was that answered the phone. I filed for bankruptcy about four years ago, and I knew I needed to rebuild my credit score, but I did not know how or where to start.*

*So, I enrolled in the credit and money management program with a credit score of less than 600. Bridget Wells, my financial coach, gave me the confidence I longed for, for so many years. The work plan she prepared and tailored just for me gave me the guidance I needed to stay on track. Bridget made sure of it. I learned all about credit scores, how to save money, and how to reduce my debt. Bridget even taught me about the free credit apps and the difference between scoring models.*

*I was staying with a friend until my credit score improved enough to have my own place. I managed to save more than \$4,000 and increased my credit score in six months. I was excited and ready to find an apartment. When I told my coach I was prepared to look for an apartment, she said, 'Apartment? It's time for homeownership!' Homeownership never crossed my mind because of my bankruptcy and my income. I am a living witness that Operation HOPE programs work.*

*Recently, I closed on my home on April 15th, 2021, for \$158,083 with an interest rate of 3%. My mortgage payments are less than what I have paid in rent for the last few years. Just think, if it wasn't for Bridget Wells and Operation HOPE, I would be paying someone else's mortgage to rent their property. Instead, I am building equity for my children and grandchildren. This is what they refer to as generational wealth. I am telling everybody about Bridget at Operation HOPE."*

*-Ann Marie Payne, Homeownership and Credit and Money Management Client, HOPE Inside Truist, Orlando, FL*





# Report Definitions

**Total Global Services:** The sum of HOPE Inside adult services, HOPE Inside youth services, and HOPE Inside disaster services.

**HOPE Inside Adult Services:** The sum of financial workshop participants, one-on-one counseling sessions, bank referrals, call center calls served, cyber cafe membership & usage, and South African adults served.

**HOPE Inside Youth Services:** The sum of Banking on Our Future (USA and SA) students educated and HOPE Business In A Box (USA and SA) students educated.

**HOPE Inside Disaster:** The sum of disaster workshop and counseling services and, as of March 15, 2020, COVID-19 disaster assistance and referrals.

**Financial Group Education Services:** Count of group education services inclusive of credit, small business, homeownership, foreclosure, and disaster programs.

**One-on-One counseling sessions:** The sum of counseling enrollments and subsequent follow-up counseling sessions. Inclusive of participants who enrolled in the credit, small business, homeownership, foreclosure, and disaster counseling programs.

**Bank Referrals:** Count of outbound client referrals to banking and credit union partners for banking products such as bank accounts, credit cards, and loans.

**Call Center Calls:** The number of incoming calls received by HOPE coaches in which the coach provides counseling or general guidance and assistance.

**Cyber Cafe Membership & Usage:** Count of Cyber Cafe Members and transactional visits to the Cyber Cafe to utilize computers and attend computer literacy courses. The Cyber Cafe program is currently inactive.

**Disaster Workshop and Counseling Services:** Inclusive of services delivered to clients through disaster preparedness workshops, disaster recovery workshops, and one-on-one disaster recovery counseling.

**Banking on Our Future (USA and SA):** The count of youth educated through the Banking on Our Future financial literacy and empowerment program in both the U.S. and South Africa.

**HOPE Business In A Box (USA and SA):** The count of youth educated through the HBIABA entrepreneurial development program in both the U.S. and South Africa.

**HOPE Corps Volunteers:** The count of HOPE Corps volunteers trained for any HOPE program (youth, adult, disaster).

**No. of Start-Up Grants Awarded (USD):** The number of business start-up awards granted to youth entrepreneurs via the HBIABA program.

**No. of Youth Businesses Created:** The number of youth that graduated the HBIABA program and launched their small business.