

Summary 2009

Project: A plan to implement the first community development franchise system in the United States. The plan was developed for Veterans and tested by Service Disabled Veterans in cooperation with The Veterans Corporation, the Business Roundtable, and multiple national and local community development entities. This is an opportunity for Corporate America to help build small business capacity while helping Veterans rebuild communities.

The National Economic Opportunity Fund

Our basic premise is that entrepreneurial effort, perspective, and passion, in true partnership with Veterans and Service Disabled Veterans, can enhance and accelerate the achievement of community development goals at a fair profit. Our strategy is to provide a small business incubation platform through its branded intermediaries that will efficiently assist in the re-development of economies in low-income communities. The existing platform includes a replicable call center business, a telemedicine service business for diabetes patients, and partnerships with local community development entities to co-manage sub-funds aimed at veteran business development in our target markets. We will prioritize a medical service business which provides an efficient counseling method for victims of Post Traumatic Stress Disorder (PTSD). The sub-funds also foster economic activity by starting and supporting local women, minority, Veteran, and Service Disabled Veteran owned businesses. Taken together, our platform businesses have created the critical mass for an equity based community development franchise system with a business model that harnesses the strengths of the local communities and the skills of Veteran and Service Disabled Veteran owned Businesses.

The Mission

- To promote job creation and wealth building through the incubation and securitization of community businesses.
- To develop technology which enables its Community Investment Bankers™ and their clients to incubate regional sub-funds that foster commercial real estate assets, small business loans, and equity investments in their respective communities.
- To expand opportunities for Veteran and Service Disabled Veteran entrepreneurs, and harness their unique skills to accelerate the Company's development goals.

All of the Company's initiatives will be driven by Veterans and held accountable to conventional investment and performance standards. The Company has incorporated select entrepreneurial activities to provide opportunities for Service Disabled Veterans interested in Community Investment Banking, Mortgage Banking, Telemedicine and Internet Counseling via Telecommunications.

The Company is currently seeking support its subfunds in 5 regions including the Illinois, New York, Pennsylvania, Tennessee and Texas plus support for its 2009 New Markets Tax Credit ("NMTC") Application which will focus on providing below market loans and flexible underwriting standards for Veterans and Service Disabled Veterans seeking to establish micro and small businesses located in NMTC qualified communities.

Advisory Board

Name	Area of Expertise
Apolonio Flores	Housing Authorities
William C. Kelly, Jr.	Legal & Affordable Housing
Jack Jacobs	Financial (Medal of Honor Recipient)
Mark Pinsky	Community Financial Institutions
John Taylor	National Community Advocate

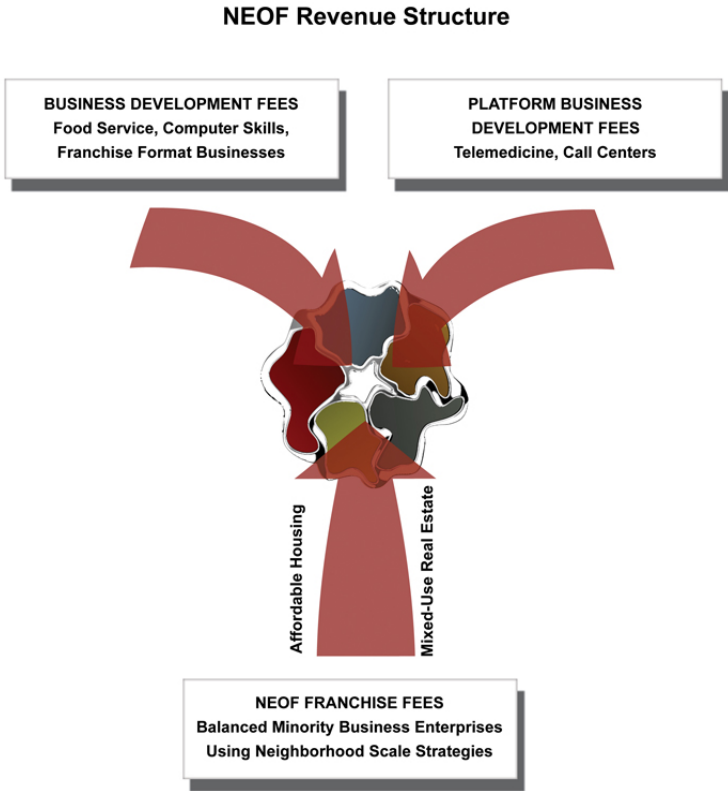
**The Community
Development
Problem/Opportunity**

Over the last fifty years, the United States has experienced exceptional growth in both its overall economy and in the standard of living for individual Americans. However, this prosperity has not been evenly distributed across the population. The U.S. has maintained a fairly consistent 12.7% rate of poverty over the last 30 years, while the income gap has steadily increased. In 2005, the devastation of Hurricane Katrina highlighted these growing disparities, and hopefully, galvanized the American public on issues related to poverty. Unfortunately, it is easier to call for change than to find lasting solutions to this complex problem.

In the effort to reverse persistent poverty, the agents of change have come from the community development world, in which government programs, national philanthropic entities, and local non-profit organizations have combined to redevelop low income neighborhoods. Unfortunately, these community development entities have not adequately addressed the problem of job creation and small business development. Over the last twenty years, there has been a strong emphasis on building affordable housing, with extensive positive effects. However, the economic development of low income communities has lagged behind the residential, which has rendered much of this progress unsustainable. Without an increase in income for the residents of affordable housing projects, the same socio-economic problems that existed in the community prior to development often return over time.

Job creation and community economic development have now become the primary priority for many communities. To address this demand, a number of established entities have created economic development programs. However, the organizational structures created to respond to affordable housing needs are not effective when applied to job creation and business development. The Company has found that the existing structure lacks the speed, flexibility, entrepreneurial experience, and incentive to efficiently create sustainable economic development. It is clear that the community development market needs to shift in a new direction, but until now, a solution has not been found.

Figure 1:



In synergy with its community development franchising activity, the Company has entered into an agreement with The Veterans Corporation to develop Veteran driven small business incubation centers and ongoing improvements to its small business financial help desk. The Company will facilitate SBA Patriot Express and 7A lending programs along with micro loans from Accion USA and other national lenders, and will operate a national help desk for The Veterans Corporation.

To accelerate its model, the Company is participating in the New Markets Tax Credit program, a federal incentive system that provides a 39% tax deduction for every dollar invested in qualified projects. In partnership with The Veterans Corporation, the Company will submit an application to the CDFI Fund in 2009 and simultaneously negotiate with other organizations for access to previously allocated credits.

To handle current capital requirements, the Company is offering its existing corporate accredited investors, philanthropic social investors, and government change agents the first opportunity to participate in its limited liability company. The Company

specifically seeks new SBA support and can customize its Veteran activity within the footprint of national and regional lending footprints. The Company is authorized to conduct a securities offering for the sale of \$5,000,000 in membership equity; borrow up to \$5,000,000 in equity equivalent debt (specifically benefiting The Veterans Corporation and/or other nonprofit partners) and to capitalize an additional \$60,000,000 in NMTC debt and/or equity securities subject to commitments for New Markets Tax Credits of in 2009.

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www.neof.com