



Fair Food Fund

Fair Food Network's
Impact Investment Initiative



The Problem

Health and wealth gaps are extreme and growing, disproportionately impacting Black, Indigenous, and other communities of color.



The Opportunity

—
The food economy
— fundamental in
every community — has
outsized power to create
greater health and
wealth equity.





Fair Food Network

Our mission is to grow community health and wealth through food.

From farms to families, our work is helping improve health, ignite local economies, and open opportunities.



Fair Food Fund

As a national fund that works locally, we build solutions with communities that catalyze not just entrepreneur success, but systems change.

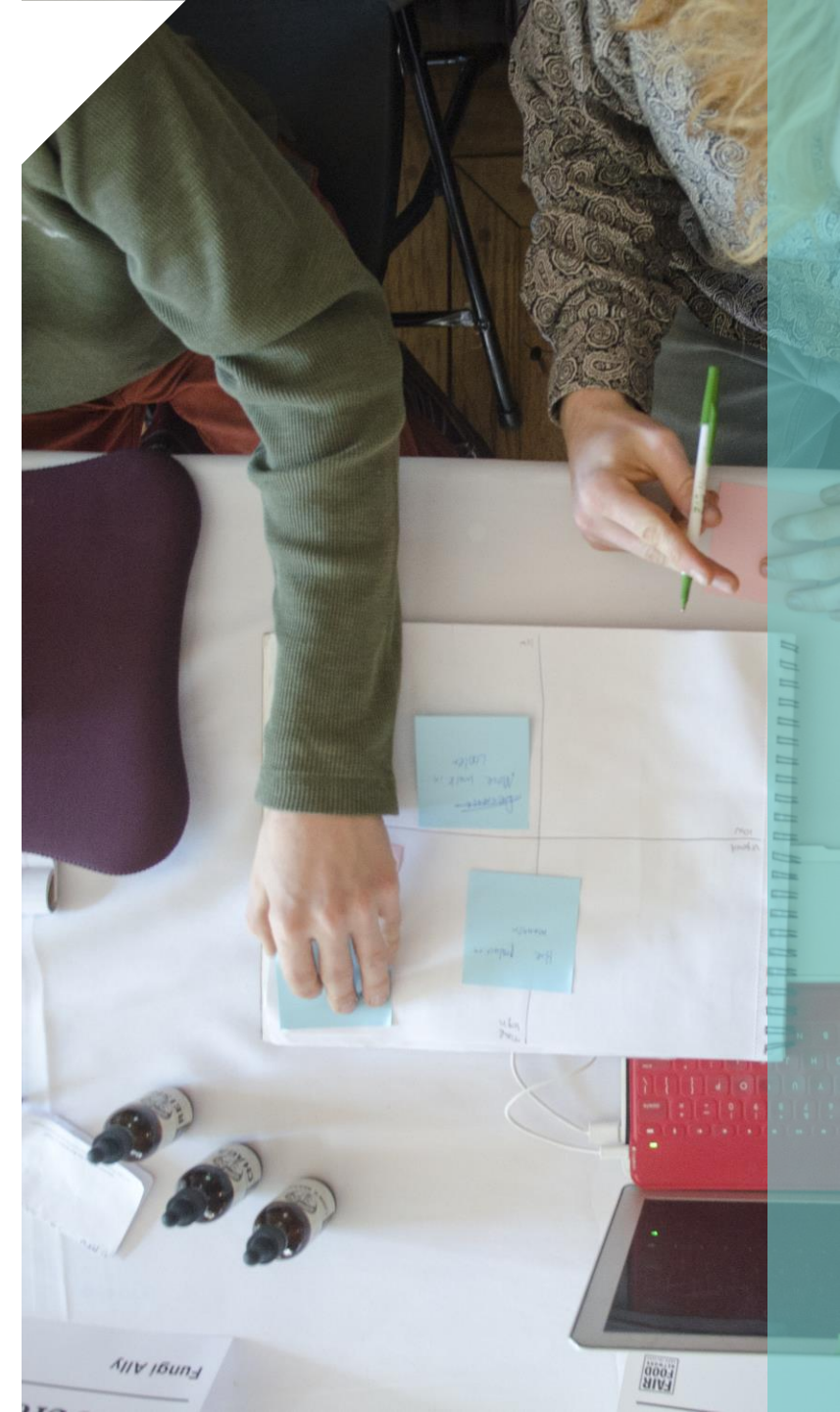
This includes weaving together community voice, entrepreneur vision, local strengths, and national assets so that **food entrepreneurs can be the engine of a more equitable future.**

A Place-Based Approach

No two places are the same. Neither are the solutions.

We complement local ecosystems with our own catalytic capital, business assistance, and industry networks with an eye toward closing investments that might not otherwise be possible.

Our focus is on supporting women and BIPOC-led businesses.



What We Add

Catalytic Financial Capital



We know entrepreneurs don't just need capital, but the *right* capital.

We blend debt, equity, and grants to deliver customized capital solutions.

- **Catalytic:** We aim to use our resources to bring lenders off the sidelines
- **Stage Agnostic:** Seed to growth stage
- **Target Deal Size:** \$50,000 to \$300,000

Wrap-Around Business Assistance



We bring more than money.

Our business assistance meets entrepreneurs where they are. Support includes:

- **Broad reach programs** by geography, business topic, or food sector
- **1:1 Support** in partnership with industry experts
- **Integrated** support accompanying investments

Food systems leadership with network of relationships
& resources built over decade plus work



Stories of Impact | Cooking with Que

Healthy food café and demonstration kitchen on a mission to help Detroiters “eat to live” through the introduction of more plant-based meals.

Our Work Together

Business Assistance: 2019 Brand Story Accelerator

Integrated Support: June 2020 \$35,000 loan to expand catering and prepared meals. Business assistance including financial analysis and business model retooling; negotiation support with existing co-lenders; and pro-bono accounting.

Impact

At the height of the pandemic, Que provided food to quarantine locations and Detroit city employees working 24/7. Her business is on the rise with new employees with sales rising since our 2020 investment.



“

With Fair Food Network’s support, I was able to pivot my company to not only stay in business but help feed my community through the pandemic. Having access to healthy food has never been more important - both to make it through this crisis and ensure we come back stronger.”

Quiana Broden
Owner, Cooking with Que

Stories of Impact | Supermercado Mexico

Grocery chain with three stores in Western Michigan's Grand Rapids metro area serving a largely Mexican clientele.

Our Work Together

Financing: As Supermercado outgrew its flagship location, store owners purchased a nearby building to expand. In July 2021, Fair Food Fund participated in a \$346,800 loan with Northern Initiatives, a fellow lending partner in the Michigan Good Food Fund. Dec. 2021 saw follow-on financing also with Northern Initiative. These investments are supporting building improvements, equipment, and working capital for inventory.

Impact

The new building will triple the store footprint allowing Supermercado to expand offerings and bring on 20 new full-time employees.



Stories of Impact | North Flint Food Market

Flint co-op grocery anchoring a broader vision of community-first economic development and cooperative economics

Our Work Together

Financing: August 2021 bridge loan that helped cover transaction costs — a common hurdle for community-based developers that lack deep balance sheets to prepay such expenses.

Business Assistance: Integrated partnership over five years supporting the financial plan, brokering connections, and coordinating a \$7MM capital stack including New Market Tax Credits.

Impact

The North Flint Food Market broke ground in August 2021, revitalizing a long-vacant and obsolete building, with plans to open its door to the community in 2022.



“

This is a place where corporations come and go at their will. We don't want to be subjected to that. We want to be the solution.”

Pastor Reginald Flynn

Founder, North Flint Reinvestment Corporation

Stories of Impact | Daily Table

Massachusetts-based nonprofit community grocer dedicated to providing fresh, tasty, convenient and nutritious food to those most in need at prices everyone can afford.

Our Work Together

Daily Table has been a Double Up Food Bucks partner since 2018. As Daily Table expands its reach and opens additional locations — its working capital needs are growing. To help fill the gap, Daily Table turned to Fair Food Network's Fair Food Fund for a \$150,000 line of credit in September 2021.

Impact

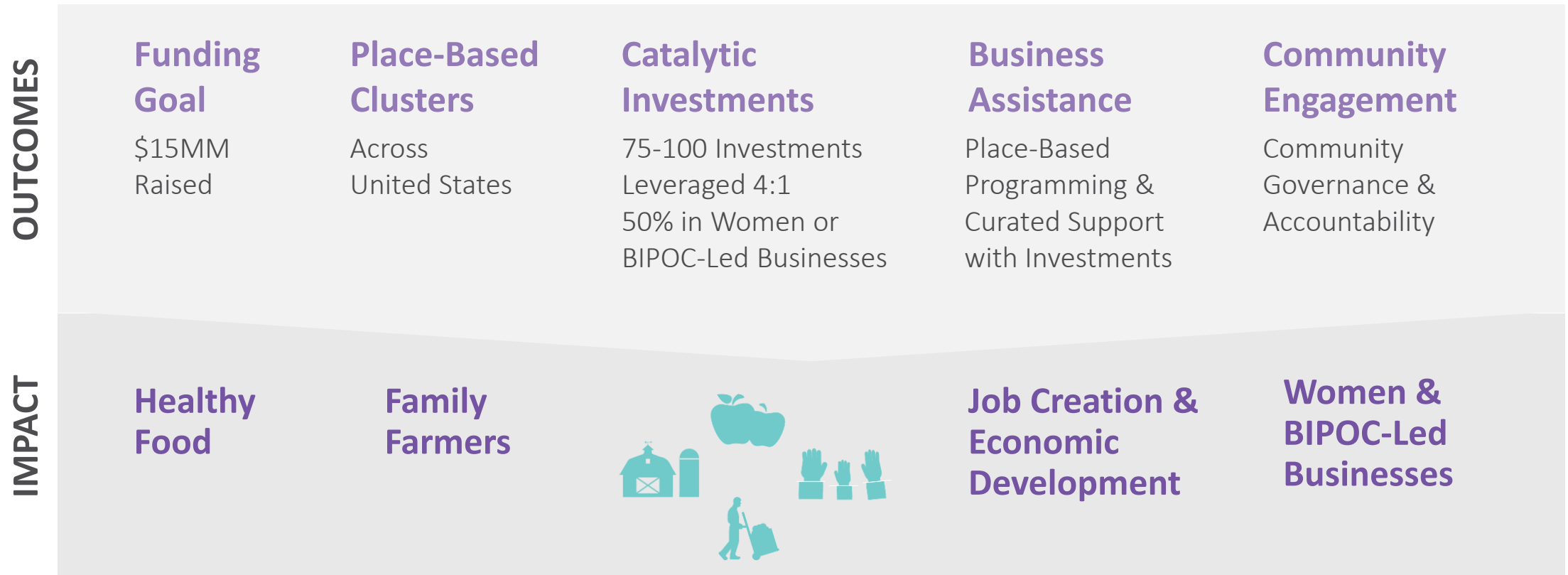
This investment will free Daily Table from having to tap its grant dollars for inventory purchases or overhead costs, prioritizing those dollars to support Double Up redemptions.



We are working hard to further develop and refine the Daily Table model in Boston with the goal to expand to new geographies. **We believe that Daily Table can be the first truly scalable solution to nutrition insecurity in America.**

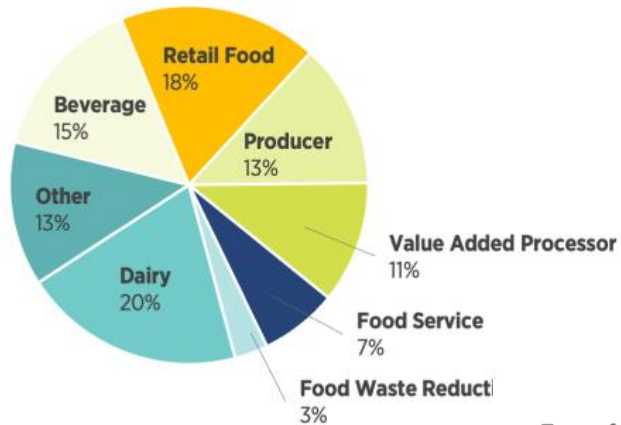
Michael Malmberg
COO, Daily Table

Looking Ahead | 5-Year Outcomes & Impact

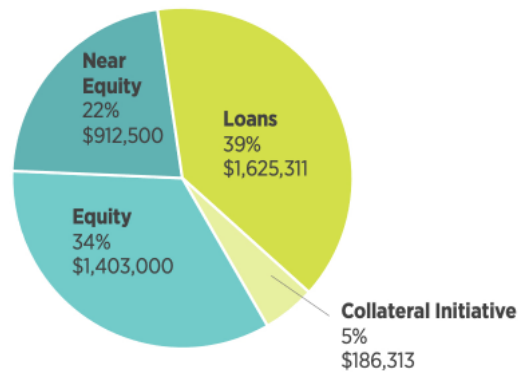


Fair Food Fund | Current Financing Portfolio & Performance

Type of Business



Type of Structure



Since 2012, we have committed more than \$4.12MM in financing to businesses in Michigan and the Northeastern US.

- To date, we have generated \$1.49MM in interest income.

As of Dec. 31, 2021, the annualized default rate since the Fund's inception (2012) is .66% or 6.1% cumulatively. This includes all realized write-offs on an investment capital pool of \$6.3 million.

Featured Investments





Our Work in Michigan

- **Michigan Good Food Fund:** Administrative manager of statewide initiative which has support 300+ entrepreneurs since 2015 with racial & social equity focus. Also business assistance, outreach, and marketing lead.
- **Financing:** Flexible, patient investor delivering customized capital solutions.
- **Business Assistance:** Original offerings by business sector or community, 1:1 assistance, curated support with investments.
- **Double Up Food Bucks:** SNAP incentives in 250+ locations across state. Business assistance supporting current and prospective retailers.
- **Policy:** State and federal policy advocacy supporting food access and security.

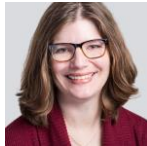
Our Team

We are a team of industry experts with decades of experience in community-based impact investing, food and agriculture, and entrepreneurship.

Core Team



Oran Hesterman, PhD
Founder & CEO
Fair Food Network



Kate Krauss
Executive Director & COO
Fair Food Network



Jean Chorazyczewski
Program Director



Kyama Kitavi
Investment Manager



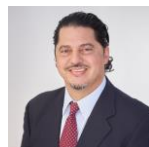
Joel Moyer
Portfolio Manager



Xana Williams
Business Assistant
Manager



Lisa Sebesta
Portfolio Advisor



Daniel Tellalian
Portfolio Advisor

Investment Committee

Aviv Aviad
Managing Director
Cornus Consulting

Chris Bentley
Fund Manager
Serious Change Investments

Daniel Tellelian
CEO
Angel City Advisors

Jeff Scheer
Director
Pathstone Federal Street

Kate Krauss
ED & COO
Fair Food Network

Kofi Callendar
Executive Director
E for All Roxbury

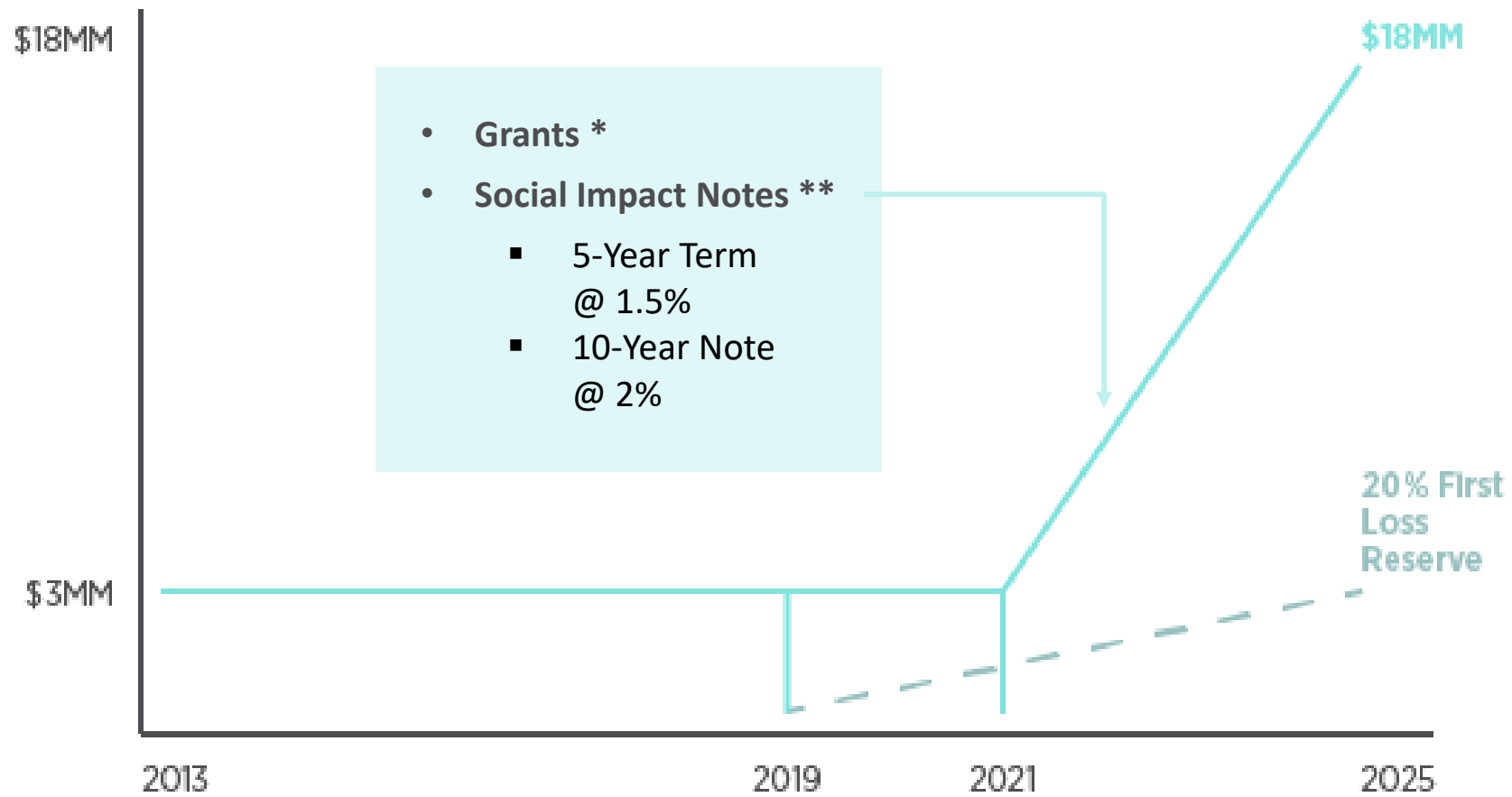
Lisa Sebesta
Founder
Sitari Capital

Mark Watson
Senior Investment Strategist
Fair Food Network

Michael Rozyne
Founder
Red Tomato

Oran Hesterman
Founder & CEO
Fair Food Network

Join Us



* \$1 Grant for every \$2 of investment

** Pay principle & interest at maturity



We're not just investing in entrepreneurs,
we're **growing healthier, wealthier, and
more equitable communities.**

Join us.

Social Impact Notes

5-Year Term at 1.5% | 10-Year Term at 2%

Grants | Co-Investments



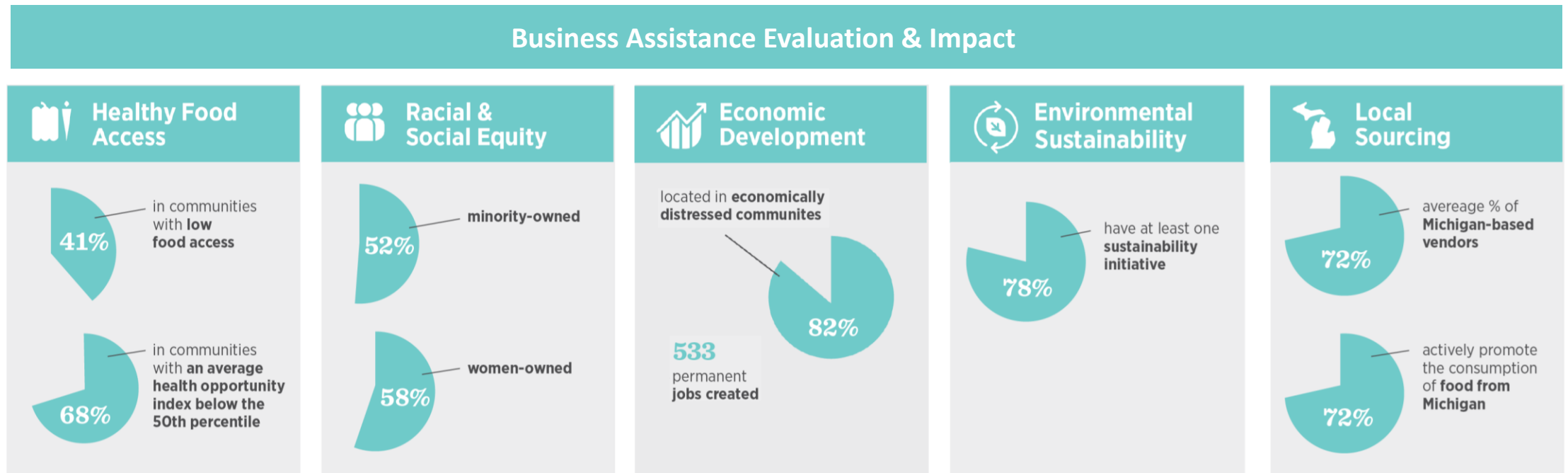
| Appendix

Michigan Good Food Fund

Fair Food Network is a founding partner and now administrative manager of the Michigan Good Food Fund.

Launched in 2015 as a statewide healthy food financing initiative, it has deployed over \$15 million in loans, grants, and technical assistance awards supporting 300+ enterprises that created or retained over 1,100 jobs.

See below for highlights of who we reached with business assistance during first 5 years of this initiative.



Fair Food Fund | Wrap-Around Business Assistance

We bring an inclusive approach to all we do, ensuring we are meeting the needs of the entrepreneurs we serve.

“This experience was priceless.”

- 2016 Boot Camp Participant



Immersive Trainings

- 3-Day Business Boot Camp
- 6-Week Intensive Brand Accelerators

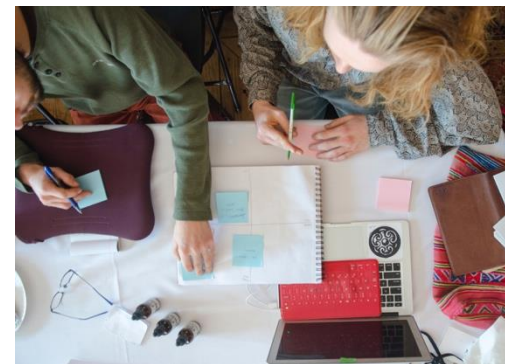
Whether going deep in one community or pulling from across a state or region, we design immersive trainings that provide entrepreneurs the business skills they need.



Industry-Specific Deep Dives

- Grocer Trainings
- Healthy Food Product Seminar

We bring together entrepreneurs for tailored learning opportunities and industry insights they need to grow.



1:1 Support

- 1:1 support from industry experts cost-shared with entrepreneurs
- Long-term, high touch support of high-potential entrepreneurs

We help entrepreneurs connect with local or national experts. We also provide long-term support for select projects led by entrepreneurs of color.

The Result?

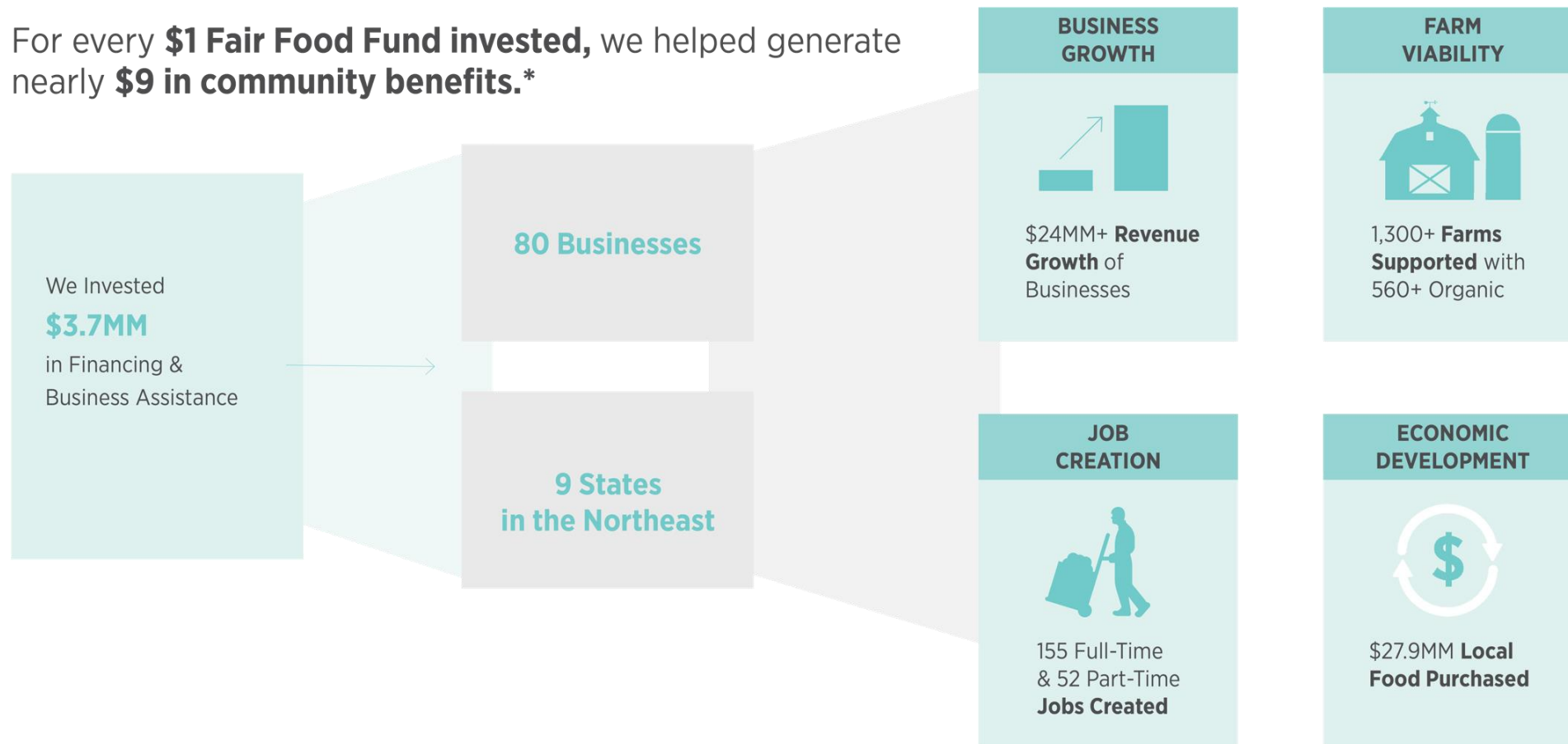
Stronger, more diverse investment pipeline

Grows entrepreneurial capacity of entire communities and sectors

De-risks investments

Fair Food Fund | Impact of Northeast Pilot Phase

For every **\$1 Fair Food Fund invested**, we helped generate nearly **\$9 in community benefits**.*



*ROI Calculated by value of jobs created plus value of local farm purchasing, divided by value of financing and business assistance deployed.
Based on Northeast portfolio

Fair Food Network | 10 Years Growing the Good



2009

Healthy food incentive pilot launches in Detroit growing demand for healthy food while supporting local farmers



2013

Fair Food Fund launches as organizational impact investing arm



2014

Farm bill includes \$100MM for incentives based on Double Up's success in Michigan



2015

Founding partner of Michigan Good Food Fund, a statewide loan fund leading pipeline development, business assistance, marketing



2018

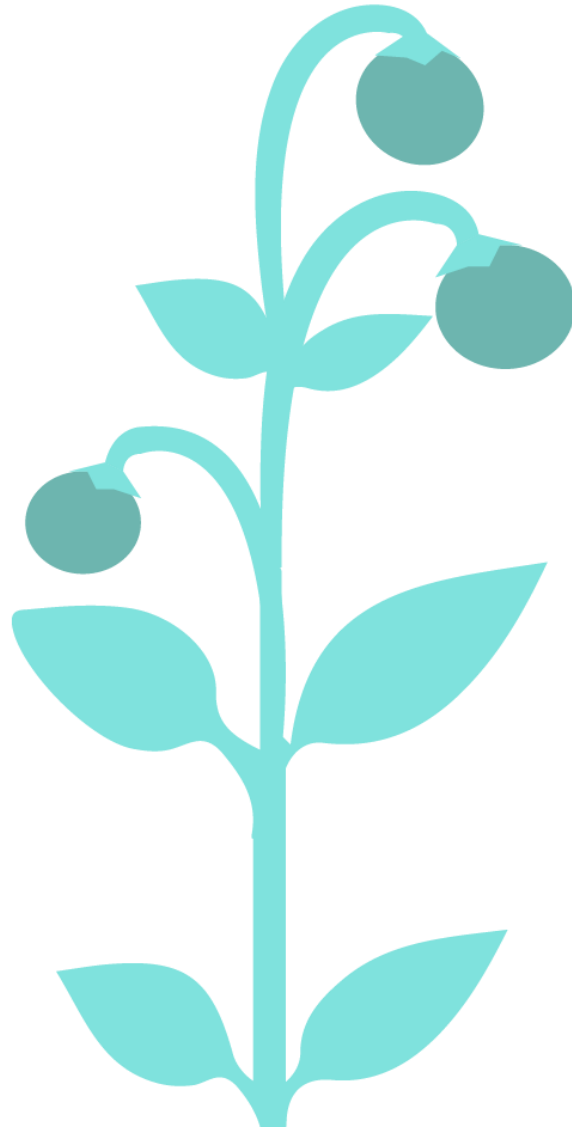
Double Up partners extend coast to coast as model takes root **inspiring public policy** in 2018 farm bill

Fair Food Network | 10 Years Growing the Good

2020

Impact Investing

Having deployed more than \$4 million supporting 180+ entrepreneurs in Michigan and nine states across the Northeastern United States, the **Fund expands its vision for next phase of impact**



2020

Nutrition Incentives

Nutrition Incentive Hub launches serving practitioners nationwide, with Double Up model in 25+ states from coast to coast

Double Up Michigan garners **state and federal support to take it to scale**