



# Fair Food Fund

Q4 2021  
Report

## Message from our Team

**Impact investing is about more than money.** That belief is core to our approach and work with entrepreneurs, and it comes to life in our recent investment in [Daily Table](#).

Daily Table is a nonprofit grocery chain dedicated to providing fresh, convenient, delicious, and nutritious food to communities most in need and at prices everyone can afford.

Our partnership with Daily Table goes back to 2018 when it launched our Double Up Food Bucks program at its Massachusetts stores. Double Up matches SNAP purchases on fresh fruits and vegetables, helping shoppers who rely on food stamps to double their food dollars for more healthy food.

Given the company's produce-first focus and methodical commitment to low prices, Double Up was an unparalleled success: Within three months, Daily Table's Double Up sales outpaced what other Double Up grocery stores had done in a year.

As COVID pushed one in eight Americans into hunger, Daily Table's Double Up sales jumped 54 percent between 2019 and 2020. To expand its reach, Daily Table opened up a third location with plans for two more in 2022. Such growth required more working capital.

**To help fill the gap, Daily Table turned to Fair Food Fund for a \$125,000 line of credit.** Our flexible financing is providing a crucial bridge during its expansion phase while supporting Daily Table in keeping Double Up going strong at its stores.

**For us it was a natural extension of a valued partnership with a strong mission fit:** Affordable, fresh food, livable wages, and a commitment to hiring directly from the neighborhoods in which it operates.

This is just one of many investments we hope to make that bring together food financing and nutrition security. For example, today Double Up programs are active in 29 states from coast to coast. This footprint and breadth of partnerships enable us to cultivate investment opportunities working at the intersection of nutrition security and community-based development. Such investments also leverage other capital – from Double Up healthy food incentive dollars to federal food assistance – all working together to support those in need, farmers, and locally-rooted businesses.

**And it's not just current Double Up grocers where we see potential: This past quarter also saw us execute a follow-on investment in [Supermercado Mexico](#),** a local grocery chain with three stores in Grand Rapids, Michigan. As with our July 2021 investment supporting this business, we once again partnered with Michigan Good Food Fund lender Northern Initiatives demonstrating the collaboration that is anchoring this statewide initiative. Read on for more about this business.

Moving ahead, we look forward to more work supporting community rooted grocery stores like Daily Table and Supermercado Mexico to be engines of healthy food access, job creation, and local economic development from farm to fork.

— Fair Food Fund Team

## Quarterly Highlights

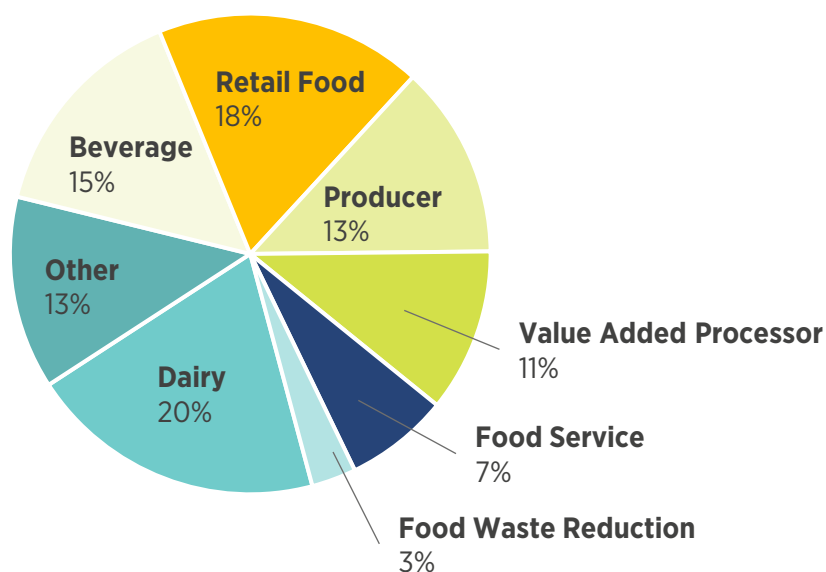
- Fair Food Fund featured in **a new list of racial-equity funds** compiled by Bridgespan Social Impact, the Global Impact Investing Network (GIIN), PolicyLink, and CapEQ.
- We've been honored to support the pilot phase of Black Farmer Fund,** a community-governed investment fund exclusively devoted to Black farmers and food businesses. **This quarter they announced their first round of investments** supporting eight businesses with grants and low-interest loans all designed around entrepreneur's specific needs. More at [www.blackfarmerfund.org/cohort](http://www.blackfarmerfund.org/cohort).
- Thanks to our partnership with CapShift, Fair Food Fund is pre-approved as a recoverable grant for donors at **Morgan Stanley GIFT and select donors at Vanguard Charitable** - two of the nation's leading donor advised fund providers.
- The **Fund is a partner of The Main Street Journal**, a hub for local investing news and events powered by Michael H. Shuman, a leader in community economics.

## Portfolio Overview

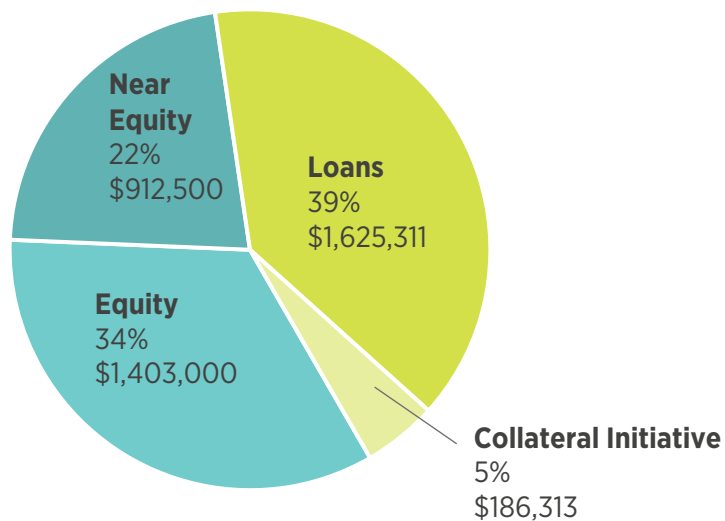
Financing Committed	\$4,127,124
Financing Outstanding	\$2,837,272
Investment Income	\$1,491,520

Default Rate: As of December 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.

## Type of Business



## Type of Structure



## Investment Spotlight: Supermercado Mexico



As **Supermercado Mexico** outgrew its Division Street location, owners purchased a nearby building to expand. With this move, it is not only tripling the size of its flagship store but also hiring 20 more employees. That meant more money needed for inventory.

Fair Food Fund, alongside Michigan Good Food Fund lending partner Northern Initiatives, provided a \$170,000 loan in December. This followed a July 2021 co-investment also with Northern Initiatives focused on building improvements, equipment, and working capital for this new location.

Supermercado specializes in Mexican and other Latin American food and services. The Supermercado stores are owned by Olvera Enterprises, led by brothers Javier and Pablo Olvera. The Olvera's are deeply connected to the community and advocates for other Hispanic-owned businesses in the city.

## Business Assistance Spotlight: Maine Grains

**Maine Grains** needed to quickly respond to the uptick in customer demand for its locally sourced grains due to pandemic-exacerbated supply-chain snarls. The company reached out Fair Food Fund for business assistance in order to continue its work freshly milling, packing, and shipping Northeast-sourced heritage and organic grains to food businesses and entrepreneurs as well as families. We connected Maine Grains with a consultant who used lean manufacturing theory to analyze its production processes, including developing a standard operating procedure.

Maine Grains is a longtime Fair Food Fund partner whom we first supported with a business assistance project in 2013.