



# Fair Food Fund

## Message from our Team

It's been more than a decade since we began our impact investing work, and Fair Food Network knows that it takes time to realize the benefits of innovative solutions: Successful impact investing initiatives are iterative, and all communities have a unique identity — there is no one-size-fits-all remedy when it comes to meeting food entrepreneurs where they're at.

We've also learned as we've grown to recognize when it's working right. When food entrepreneurs join our network, we offer them more than one-off loans in isolation; they're welcomed into a network of lenders, business assistance providers, and food entrepreneurs transforming the local food system and building a model of community health and wealth founded in collaboration.

In 2024, we're looking closely at the infrastructure of resilient food systems and the role that grocery and retail can play in connecting communities to the abundance of local food grown all around them. With investments in aggregators like New Hampshire-based food hub, **Three River Farmers Alliance**, we're helping to connect growers with consumers while supporting innovative models for distributing locally grown food. And we were happy to join longtime partner **Argus Farm Stop** of Ann Arbor, MI in Q1 as sponsors of their first-ever Farm Stop conference, bringing together farmers, investors, grocers, elected officials and entrepreneurs to spotlight Argus' farm stop model that allows farmers to set the price of the products sold in store.

Our focus on a different kind of impact investing that goes beyond the traditional top-down model continues to bear fruit, as Argus has now become a technical assistance provider, working alongside Fair Food Fund and leveraging their own experience to help other Fair Food Fund investees that exclusively feature local and regional foods, like northern-Michigan based farm stop **Lakeshore Depot**, develop best practices. This same "trans-investee connection" was echoed when **Baobab Fare** co-owner and 2024 James Beard Award semifinalist for Outstanding Restaurateur, Hamissi Mamba, shared the expertise he gained from launching his Detroit-based East African restaurant, catering service, and food truck to help fellow Detroiters and food truck owners at **More Life Foods** design improved operating procedures.

As we promote "investees investing in investees," we also strive to strengthen networks and create partnerships that connect "right fit" capital with growing food businesses that contribute to the vibrancy of their communities. This quarter, our investments in Three River and More Life Foods were loan guaranty's out of our Collateral Initiative Fund, which helps to derisk investments and pave a pathway forward for food businesses that might not otherwise qualify for traditional investment.

Of course, our work wouldn't be possible without your commitment, and so, as always, we thank you for your continued support as we foster health, wealth, and resiliency in communities through food.

— Fair Food Fund Team

## Quarterly Highlights

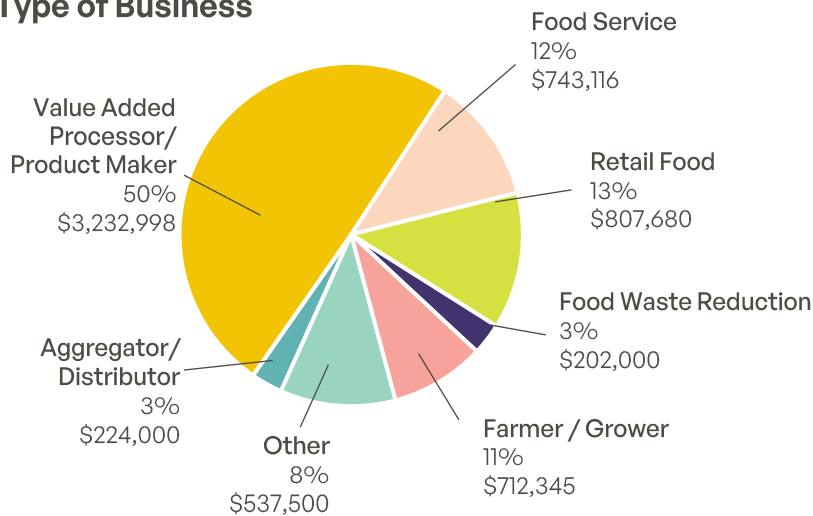
- Working on behalf of its producer partners, New England food hub **Three River Farmers Alliance** is expanding sales channels for farmers in the region to distribute locally grown food. Fair Food Fund made a loan guaranty to secure a bridge investment in Three River from Walden Mutual Bank, a regional lender that supports food entrepreneurship.
- **Soldadera Coffee** is a Latine- and woman-owned beverage company in Grand Rapids, MI that specializes in cold-brew coffee. Fair Food Fund made a microloan to Soldadera to support purchase orders from Meijer, a family-owned food retailer with nearly 250 Midwest locations.
- Detroit-based Black- and women-owned catering business, **More Life Foods**, partners with local farmers to offer 100% plant-based dishes made with whole food ingredients, minimal processing, and no additives and preservatives. Fair Food Fund provided a loan guaranty on a loan from Michigan Good Food Fund partner, ProseperUs, for equipment purchases.
- Fair Food fund provided a microloan to **Soul 2 Go** for general operating costs and the purchase of equipment for the grand opening of a fast-casual restaurant serving carry-out soul food in Flint, MI. Soul 2 Go will source its produce from the nearby Davison Farmers Market.

## Portfolio Overview (Fund Lifetime)

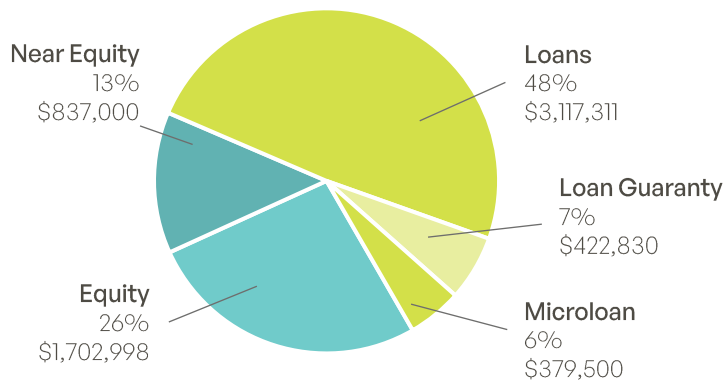
Financing Committed	\$6,459,639
Financing Outstanding	\$4,585,968
Investment Income	\$1,813,465

Default Rate: As of March 31, 2024, the annualized default rate since the Fund's inception (2012) is .63% or 7.3% cumulatively. This includes all realized write-offs on an investment capital pool of \$8.3 million.

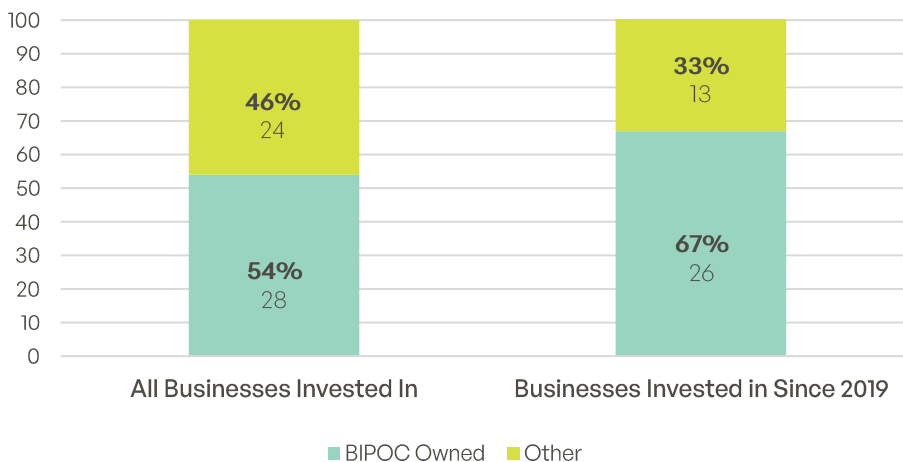
## Type of Business



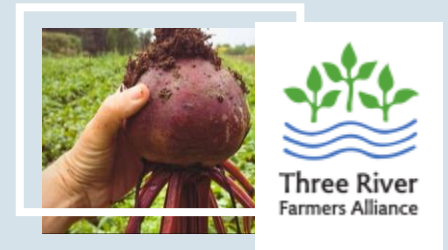
## Type of Structure



## Portfolio by Demographics (Race)



## Investment Spotlight



### Three River Farmers Alliance

We tend to think of the work that farmers do — if we think of it at all — as demanding physical labor that's nevertheless limited in scope. Plant. Grow. Harvest. Repeat. But much of the work of farm production is devoted to getting the product of the farmer's labor to market.

Andre Cantelmo and Kate Donald, co-owners of **Three River Farmers Alliance (3RFA)**, established the farmer-owned aggregate food hub in New Hampshire in 2014 to distribute locally sourced food to families, restaurants, regional institutions, and community partners. But the primary focus of 3RFA is to grow market access and build economic sustainability for New England farms by facilitating the sourcing and purchase of healthy, local food and serving as a bridge between food producers and consumers.

Originally chartered to consolidate the weekly wholesale routes of three area farmers, the alliance now represents more than 60 small and mid-sized farms and food producers across the Northeast region. In addition to distributing products sold through its platform, 3RFA consolidates the billing and ordering process, enabling producers in their network to focus on growing the highest-quality produce for the region.

Fair Food Fund provided a loan guaranty for 3RFA to secure an investment from **Walden Mutual Bank**, a regional bank that is focused on lending in the food system. Walden's bridge loan will allow 3RFA to balance its accounts, purchase inventory, and launch a marketing campaign to expand sales as it seeks to balance its wholesale and direct-to-consumer services.

Fair Food Fund is proud to partner with Andre, Kate, and their team — as well as complete our second deal with Northeast lender, Walden Mutual Bank — as they work to strengthen relationships between local farms, customers, and communities!