

Fair Food Fund

FAIR FOOD NETWORK
START WITH FOOD

Q3 2026 Report

Message from our Team

A farmer can grow nutritious food. A food entrepreneur can build a promising business. A neighborhood grocer can know exactly what their customers need. But for local food economies to thrive, these businesses need more than individual success. They need each other — and the capital, infrastructure, and relationships that make those connections possible. That's where we're sharpening our focus.

This quarter, Fair Food Network continued to strengthen connections across the food system, helping farmers, food entrepreneurs, distributors, and independent grocers overcome barriers and reach new markets. This work isn't new, but we're approaching it with greater intention — looking beyond individual investments to understand what it takes for local businesses grow together. As we look toward 2027, we're bringing flexible capital, tailored business assistance, and strategic partnerships together to make those connections stronger.

We're also looking closely at the businesses finding new ways forward. Our latest report on independent grocers takes a closer look at entrepreneurs challenging the conventional grocery model — finding creative ways to serve their communities while tackling the economic realities of running a neighborhood store. Their experiences offer valuable lessons — not just about what makes an individual store successful, but about the kinds of investment and support that can help community-rooted grocery models take hold and grow.

And we're bringing that same focus to the farm end of the supply chain. At the National Farm Viability Conference, our team joined practitioners from across the country to dig into the financing challenges facing small and mid-sized farms. Director of Investments, Joel Moyer, shared practical insights on what it takes to get financing deals across the finish line and help more farmers access much-needed capital.

Different starting points, different approaches, different businesses — but a common thread: A stronger local food economy isn't built one investment at a time; it's built by making the whole system work better.

That's the opportunity we're pursuing. And it's what will guide our work in the year ahead: connecting more businesses to the right resources, strengthening the pathways that move local food from farm to market, and helping more communities benefit from the food economy around them.

Thank you for being part of this work. Your partnership makes it possible to invest not only in promising businesses, but in the connections that help them — and their communities — thrive.

With gratitude,
The Fair Food Fund Team

Quarterly Highlights

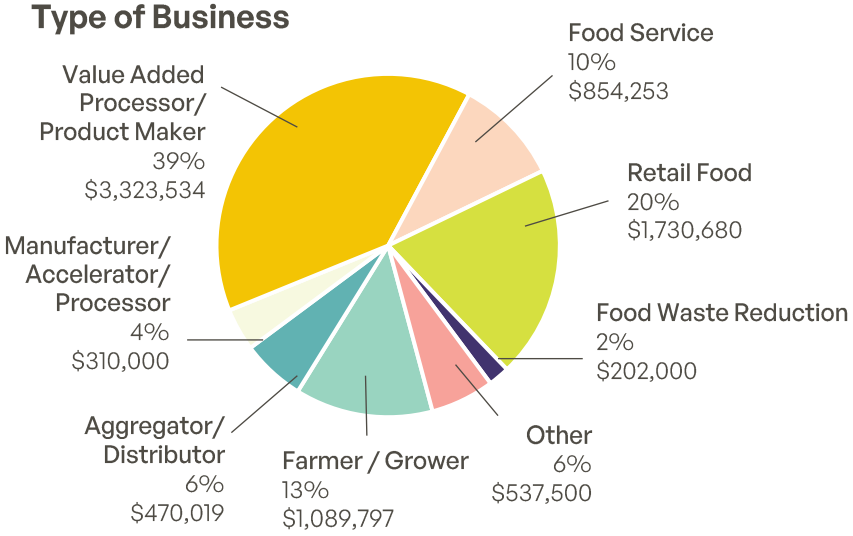
- Fair Food Fund provided a loan guarantee to Food Camp, LLC, also known as Fireside Farm, in Waterford, Virginia, to support an investment from Foodshed Capital. The financing will help the diversified vegetable farm build a 2,500-square-foot wash-and-pack facility with cold storage — increasing efficiency, production capacity, and opportunities for growth. The investment also strengthens our relationship with Foodshed Capital, a mission-aligned lender focused on regenerative farms and food businesses.
- When a major engine malfunction threatened to sideline First Catch, LLC during its busiest season, Fair Food Fund stepped in with a microloan to support boat repairs and working capital. Based in L'Anse in Michigan's Upper Peninsula, this tribally owned, veteran-owned business harvests Lake Superior whitefish and lake trout for regional restaurants and customers. The flexible financing is designed to help owner Paul Smith maintain operations during the critical summer fishing season while continuing to build a locally rooted seafood business.

Portfolio Overview (Fund Lifetime)

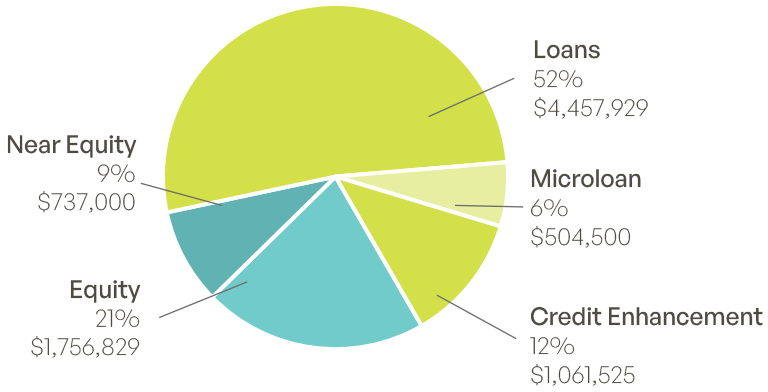
Financing Invested	$8,517,783
Financing Outstanding	$4,025,309
Investment Income	$2,057,396

Loss Rate: As of September 30, 2026, the annualized loss rate since the Fund's inception (2012) is .87% or 12.6% cumulatively. This includes all realized write-offs on an investment capital pool of $10.9 million.

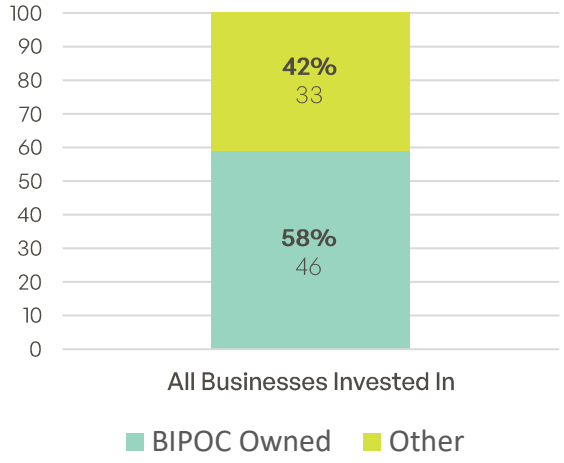
Type of Business



Type of Structure



Portfolio by Demographics (Race)



Quarterly Spotlight: Babowaba's Delivery

For small and mid-size farmers, growing good food is only part of the challenge. Getting it to customers, restaurants, and retailers can be just as unpredictable — especially when the toll for getting fresh food to market is more than independent farmers can afford to pay.

That's where Babowaba's Delivery comes in.

Founded in 2020 by Mike Babowicz, the Romulus-based business connects Southeast Michigan farmers with local markets. From delivering CSA produce boxes directly to households to transporting bulk produce between farms and food hubs, Babowaba's helps local growers reach markets beyond the farm.

In 2025, the company served 22 farms and three farm-based food hubs, transporting approximately 76,000 pounds of produce to local markets. But the business faced a significant constraint: Without refrigerated transportation, delivery routes for perishable produce were limited, restricting how far afield they could go, and to which farmers they could sell.

With support from a Michigan Department of Agriculture and Rural Development (MDARD) Last Food Mile grant, Babowaba's is expanding its refrigerated delivery capacity. Fair Food Fund's bridge loan provided the upfront financing needed to purchase a refrigerated vehicle while the business awaits grant reimbursement from MDARD.

The new vehicle will help Babowaba's extend its delivery routes, serve more farmers, and connect Michigan-grown food to additional markets. The company's partnership with The Farm at Trinity Health also supports efforts to bring fresh produce directly to households facing mobility and food access barriers.

For farmers, reliable distribution can mean the difference between fruits and vegetables sitting unsold and fresh produce reaching local markets where it can generate income and help businesses thrive. By investing in the infrastructure that connects farms to buyers, Fair Food Network is helping strengthen local supply chains, expand market opportunities, and keep more Michigan-grown food moving through Michigan communities.