

# Cooperative Fund of New England



## **BUILDING BRIDGES in a cooperative economy**



**2016  
Annual Report**

# OUR MISSION



We work for economic, social, and racial justice by advancing community-based, cooperative, and democratically owned or managed enterprises with a preference to assisting cooperatives in low-income communities by:

- providing financial products at reasonable rates
- developing business skills
- offering an investment opportunity that promotes socially conscious enterprise

The Cooperative Fund of New England (CFNE) was founded in 1975 by co-op activists and social investors to provide financial and technical assistance to food cooperatives.

Since then, the organization has expanded its focus, offering development loans and technical assistance to a wide range of cooperatives and nonprofit groups that share CFNE's vision of equality, justice, and social responsibility.

CFNE serves the New England region through an administrative office in North Carolina and six offices located across New England. Since its inception, CFNE has disbursed more than \$45 million in over 840 loans to co-ops and community organizations without loss of any investor funds.



## COOPERATIVE FUND OF NEW ENGLAND

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(910) 395-6008 or (800) 818-7833

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*GreenStar Food Co-op, Ithaca, NY; Fare Share Food Co-op, Norway, ME; Dorchester Food Co-op, Dorchester, MA; Rebecca and Roland at the bulk bins; Fertile Underground, Providence, RI; and Midcoast Fishermen's Co-op, Port Clyde, ME*

## BOARD OF TRUSTEES

**Jon Reske, President**

**Marilyn Scholl, Vice President**

**Bonnie Hudspeth, Clerk**

**Andy Danforth, Treasurer**

Duke Bouchard

Rebecca Dunn

Lydia Edwards

Susy Ellis

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Jonah Fertig

Rebekah Hanlon

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Linda Gallagher

Cory Greenberg

Glen Ohlund

Phebe Quattrucci

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Don Schramm

LJ Taylor

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# DEAR FELLOW COOPERATORS

Enjoy our 2016 annual report which speaks to another great year of work and strong performance. It stresses the Cooperative Fund's ability to build bridges. Through its many relationships, CFNE assembles resources to finance cooperatives in all stages of development and to support the cooperative economy.

Through our work, we built bridges between our borrowers and technical assistance providers, other lenders, and funders, strengthening the cooperative economy and community in New England. Cooperatives build community by convening people to meet social and economic needs. Cooperatives create and retain jobs and affordable housing and a decent means of livelihood in all communities.

We had an excellent 2016, making almost \$4 million in loans and bringing in \$2 million in new social investment loan funds and over \$2.2 million in grants, including the receipt of funds from 2015 US Treasury CDFI Fund awards. When we receive funds we put them to good use right away.

The need for our work has grown in the last year. The need for inclusion and community is great. Cooperatives provide community by bringing people together to meet economic needs. In the last year, CFNE updated its mission

and recommitted to working for economic, social, and racial justice by helping build an inclusive and equitable cooperative economy. We are reexamining how our partnerships, processes, and policies can evolve to better advance social, economic and racial equity. We are building bridges and engaging our partners in the process.

CFNE is fortunate to work with such great partners. We thank our supporters, founders, investors, professional staff, board members, and our incredible borrowers who are trying to make a difference for themselves and their communities. We could not do this work alone. We look forward to working together and building cooperative bridges together.



*Rebecca Dunn*

Rebecca Dunn  
Executive Director



*Jon Reske*

Jon Reske  
Board President

## WHAT IS A COOPERATIVE?

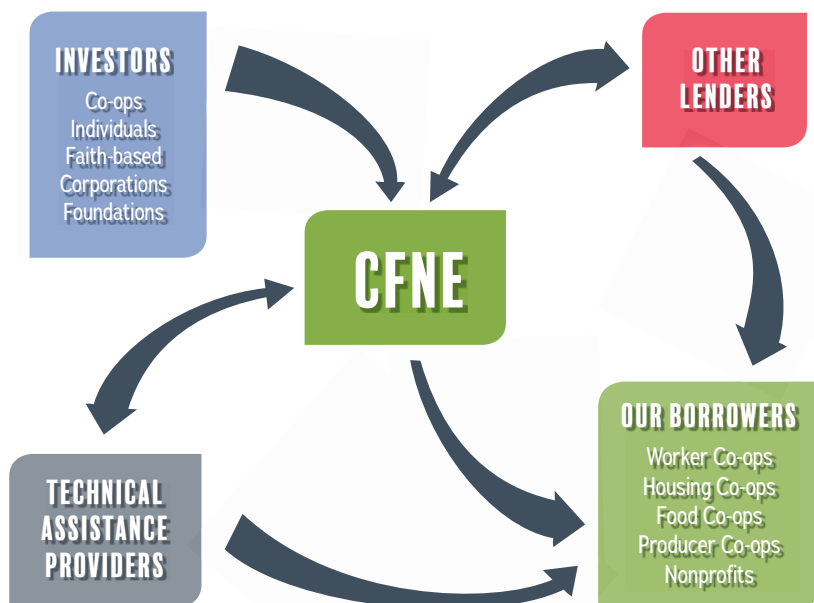
### DEFINITION

A cooperative is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly owned and democratically controlled enterprise.

### VALUES

Cooperatives are based on the values of self-help, self-responsibility, democracy, equality, equity, and solidarity. They operate with the ethical values of openness, honesty, social responsibility, and caring for others.

## BUILDING BRIDGES IN A CO-OP ECONOMY



# FOOD COOPERATIVES

In 1975, the Cooperative Fund of New England made a lasting commitment to New England's food co-ops and healthy food access which continues today. We finance cooperatives in the food sector at various stages, from new start-ups to experienced, seasoned food co-ops; distributors; farmer co-ops and nonprofits – all connecting consumers to healthy food sources. As food co-ops have strengthened local food systems, they have worked to address food insecurity and to provide cooperative solutions. To support this effort, we created the Healthy Food Access Initiative, in partnership with the Neighboring Food Co-op Association and Hunger Free Vermont, to help co-ops increase their relevancy to low-income households.

CFNE has played a leadership role in financing food co-ops in New England from start-ups to expansions. We build bridges bringing healthy, local food access to communities.



Fiddleheads Food Cooperative  
New London, CT

*“As always, CFNE’s support is much appreciated. Thank you.”*

Crown O’Maine  
North Vassalboro, ME



Urban Greens Food Co-op  
Providence, RI



Plainfield Co-op  
Plainfield, VT

*“Thank you again for all the support CFNE has shown our cooperative over the years. We would not be who we are today without the support of CFNE.”*

Concord Food Cooperative  
Concord, NH



Deep Root Organic Co-op  
Johnson, VT

# WORKER COOPERATIVES



Artisan Beverage  
Greenfield, MA

Worker cooperatives are emerging as an economic development tool in communities seeking to create stable and rewarding jobs. CFNE has been lending to worker cooperatives since 1982.

Cooperatives consistently create and retain jobs in their communities, providing a bridge to economic stability for their worker-owners. CFNE is the bridge providing financing that often involves identifying and collaborating with other funding sources. Through our relationships with other lenders, we try to make the financing work for everyone.

CFNE is a national expert and leads the way in financing worker cooperative conversions.

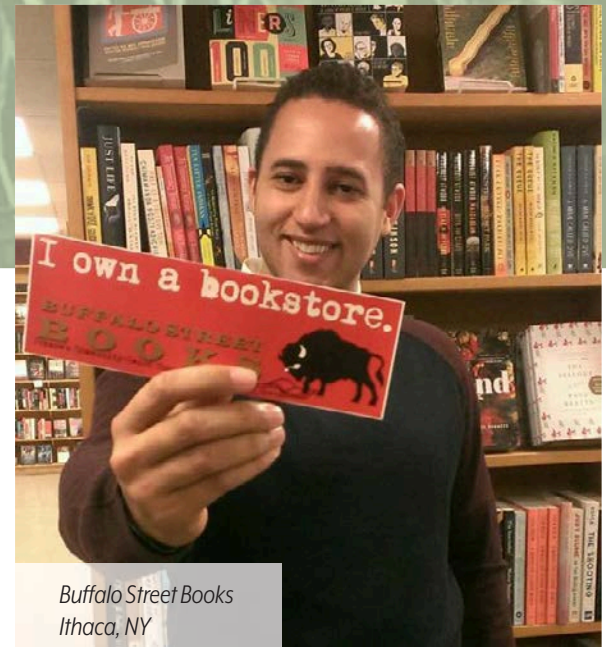
*“The smoothness of getting lending through CFNE and the guidance offered along the way took a big piece of stress and administration out of the project. Thank you so much!”*

Real Pickles  
Greenfield, MA



**11,138**  
jobs created or retained

A Yard and a Half Landscaping Co-op  
Waltham, MA



Buffalo Street Books  
Ithaca, NY

*“Thank you so much for all your assistance with helping to get BHHC off the ground.”*

Brattleboro Holistic Health Center  
Brattleboro, VT



New Frameworks  
Burlington, VT

*“Having the opportunity to meet and work with CFNE has been an enriching experience. Your willingness to collaborate and provide service is limitless. An actual person picks up the phone when I call.”*

CERO Co-op  
Boston, MA

# HOUSING COOPERATIVES

Housing cooperatives have long served to provide the bridge to permanent, affordable, resident-controlled housing. CFNE began lending to all forms of cooperative housing and land trusts in 1984. Loans made to housing cooperatives; manufactured housing cooperatives; co-housing groups; land trusts; and housing-oriented, community-based nonprofits have resulted in the creation of thousands of units of affordable housing.



Brown Association for Cooperative Housing  
Providence, RI

*“We were able to take advantage of a good offer because of our working relationship with CFNE.”*

Raise-Op Housing Cooperative  
Lewiston, ME



Cambridge Co-op Club  
Cambridge, MA



Boston Community Cooperatives  
Dorchester, MA

*“Our affordable housing has made a huge difference in all our lives, and CFNE funding has enabled us to maintain and improve our homes.”*

November Collective Cooperative  
Cambridge, MA



Homestead Manufactured Housing Cooperative  
St. Albans, VT

# COLLABORATIONS & TECHNICAL ASSISTANCE

CFNE builds bridges among co-ops, cooperative associations, and community development organizations, other lenders, and consultants, building community and sharing ideas and resources across sectors. We bring cooperative models to all those with whom we partner, connecting those with resources to those in need.

Our work has been cited by Democracy at Work Institute in two important publications:

- Successful Cooperative Ownership Transitions
- The Lending Opportunity of a Generation



Micha with Bonnie Hudspeth (Neighboring Food Coop Association) and Suzette Cobb (Franklin County Cooperative, Greenfield MA) at Mass NOFA



Maggie with Darnell Adams (Dorchester Food Coop) and Josefina Luna (CERO Cooperative)

*“We really appreciate the relationship between our co-op and our CFNE loan officer. We get to stay on the same page and get valuable feedback on how to grow and connect with other co-ops.”*

North Country Food Co-op  
Plattsburg, NY



Deborah Hawkins and Gloria LaBrecque at the Hope Festival in Orono, ME



Rebecca with Annie Donovan (Director of US Treasury CDFI Fund) at Opportunity Finance Network conference

Photo by Sam Levitan

# LOANS AS OF DECEMBER 31, 2016

## FOOD CO-OPS

Boston Food Cooperative d/b/a Harvest Food Co-op; Boston & Cambridge, MA\*

Brattleboro Food Cooperative; Brattleboro, VT\*

Chatham Real Food Market Co-op; Chatham, NY\*

Concord Food Co-op; Concord, NH\*

Dorchester Food Cooperative; Dorchester, MA\*

East Aurora Cooperative Market; East Aurora, NY\*

Fare Share Food Cooperative; Norway, ME\*

Fertile Underground; Providence, RI\*

Fiddleheads Food Cooperative; New London, CT\*

Gardiner Food Co-op and Café; Gardiner, ME\*

Good Tern Co-op; Rockland, ME\*

GreenStar Natural Food Market; Ithaca, NY\*

Honest Weight Food Co-op; Albany, NY\*

Hunger Mountain Co-op; Montpelier, VT\*

North Country Food Co-op; Plattsburg, NY\*

Onion River Co-op d/b/a City Market; Burlington, VT\*

Plainfield Food Cooperative; Plainfield, VT\*

Portland Food Co-op; Portland, ME\*

Putney Food Co-op; Putney, VT\*

Quabbin Harvest Food Cooperative; Orange, MA\*

River Valley Co-op; Northampton, MA\*

Rutland Food Co-op; Rutland, VT\*

South County Food Cooperative; Wakefield, RI\*

Springfield Food Co-op; Springfield, VT\*

Upper Valley Food Cooperative; White River Junction, VT\*

Urban Greens Food Co-op; Providence, RI\*



TESA Collective worker-owner Andrew Stachiw (3rd from left) with members of Manos Unidas Cooperative

## WORKER CO-OPS

A Yard and A Half Landscaping Cooperative; Waltham, MA

Artisan Beverage Cooperative; Greenfield, MA\*

Boston TechCollective; Somerville, MA

Brattleboro Holistic Health Center; Brattleboro, VT

Buffalo Street Books; Ithaca, NY

Collective Copies; Amherst and Florence, MA

Cooperative Energy, Recycling & Organics (CERO); Boston, MA\*

Crown O'Maine Organic Cooperative; North Vassalboro, ME\*

Earth Designs Cooperative; Rosendale, NY

Energia, LLC; Holyoke, MA

Equal Exchange; West Bridgewater, MA\*

FEDCO Seeds; Clinton, ME\*

GAIA Host Collective; Greenfield, MA

Green Mountain Spinners; Putney, VT

hOurworld; South Portland, ME

Island Employee Cooperative; Deer Isle & Stonington, ME\*

Local Sprouts Cooperative; Portland, ME\*

Midcoast Fishermen's Co-op; Port Clyde, ME\*

New Frameworks Natural Design Build, LLC; Burlington, VT

Pelham Auto Co-op; Belchertown, MA

Real Pickles; Greenfield, MA\*

Red Sun Press; Jamaica Plain, MA

Simple Diaper and Linen; Holyoke, MA

Sol Chariots Pedicab Cooperative; Providence, RI

The New School; Montpelier, VT

Toolbox for Education and Social Action (TESA); Northampton, MA

Vermont Computing; Randolph, VT

Warrenstreet Architects; Concord, NH

Wellspring Upholstery Cooperative; Springfield, MA

*"CFNE staff have been incredibly helpful and supportive – and innovative in their thinking about how to make things happen."*

Commonwealth Kitchen  
Boston, MA



## HOUSING CO-OPS

ANDCO Mobile Home Cooperative; Swanton, VT  
Aurora Pocket Neighborhood Cooperative; Ithaca, NY  
Boston Community Cooperatives: Seedpod Co-op; Dorchester, MA  
Brown Association for Cooperative Housing (BACH); Providence, RI  
Common Fire Foundation; Beacon, NY  
Evergreen Realty Cooperative; Warren, MA  
Flynn Avenue Housing Cooperative; Burlington, VT  
Forest Glen Housing Cooperative; Jamaica Plain, MA  
Homestead Manufactured Housing Cooperative; Swanton, VT  
November Collective Cooperative; Cambridge, MA  
Quabbin Sunrise Cooperative; Ware, MA  
Raise-Op (formerly Faire Bande a Part) Housing Cooperative; Lewiston, ME  
Spirit of 76 Realty Company; Medford, MA  
Triangle Cooperative; Brandon, VT  
Turnpike Park Cooperative; Westborough, MA  
Unitarian Universalists Community Cooperatives: Lucy Stone Housing Cooperative; Roxbury, MA  
Unitarian Universalists Community Cooperatives: Margaret Mosely Cooperative; Roxbury, MA  
Wamsutta Manufactured Housing Cooperative; North Attleboro, MA

## NONPROFITS; LAND TRUSTS; DISTRIBUTOR AND FARMER CO-OPS

Associated Grocers of New England; Pembroke, NH\*  
Beacon Light Alternative Services; Windsor, CT

Cold Pond Community Land Trust; Acworth, NH  
Cultivating Community; Portland, ME\*  
Deep Root Organic Cooperative; Johnson, VT\*  
Dollars and Sense; Boston, MA  
Francis Small Heritage Trust; Limerick, ME  
Hampden Hampshire Housing Partnership (HAP; Inc.); Northampton, MA  
HartBeat Ensemble; Hartford, CT  
Intervale Community Farm Cooperative; Burlington, VT\*  
New England Farmers Union Education Foundation; Turners Falls, MA\*  
Stone Soup; Worcester, MA  
Vermont Associates for Training and Development; St. Albans, VT  
Worcester Roots Project; Worcester, MA

## OTHER LOANS PENDING AND/OR RECENTLY REPAID

Berkshire Co-Op Market; Great Barrington, MA \*  
Catamount Solar; Randolph, VT  
Commonwealth Kitchen; Dorchester, MA\*  
Hanover Consumer Cooperative Society; Hanover, NH\*  
Lexington Real Food Community Cooperative; Buffalo, NY\*  
Littleton Consumer Cooperative Society; Littleton, NH\*  
North Avenue Cooperative; Burlington, VT  
Philmont Beautification, Inc.; Philmont, NY  
Rising Tide Food Co-op; Damariscotta, ME\*  
Wellspring Greenhouse Cooperative; Springfield, MA\*

\*local healthy food system related



CFNE staff

*"Great people - not just a lender but family!!!!!"*

Beacon Light  
Hartford, CT

# CFNE PROGRESS REPORT



Bonnie Hudspeth (Neighboring Food Co-op Association) with Betsy at Vermont NOFA

## INVESTMENTS

<b>Total investments outstanding 12/31/16</b>	<b>\$15,926,195</b>
New investments received in 2016	\$1,974,377
Average individual investment	\$32,957
Number of individual investors	256
Average institutional investment	\$118,585
Number of institutional investors	62
Investor dollars lost since inception	0

## LOANS

<b>Total loans outstanding 12/31/16</b>	<b>\$17,564,100</b>
	<b>2016    Since Inception</b>
Loans made	58 ..... 841
Dollars disbursed	\$3,763,118 ..... \$45,325,674
Loan loss	0% ..... 0.70%
Loans repaid	\$2,990,614 ..... 99.30%
Average loan	\$64,881 ..... \$53,895
Smallest loan	\$1,000 ..... \$400
Largest loan	\$510,000 ..... \$825,000
Jobs created/retained	488 ..... 11,138
Affordable housing units created/retained	25 ..... 5,654

## STATEMENT OF FINANCIAL POSITION

as of 12/31/16 consolidated CFNE & CCF

### Assets

Cash and Investments	\$7,611,163
Loans Receivable	\$17,564,100
Loan Loss Reserve*	\$(633,297)
Participation Loans	\$(338,238)
Other Assets	\$220,938
<b>Total Assets</b>	<b>\$24,424,666</b>

### Liabilities and Net Assets

Social Investment Loans	\$16,032,765
<b>Total Liabilities</b>	<b>\$16,032,765</b>
<b>Net Assets</b>	<b>\$8,391,901</b>
<b>Total Liabilities and Net Assets</b>	<b>\$24,424,666</b>

\*dollars set aside as a resource against possible loan losses

## STATEMENT OF ACTIVITIES

year ended 12/31/16 consolidated CFNE & CCF

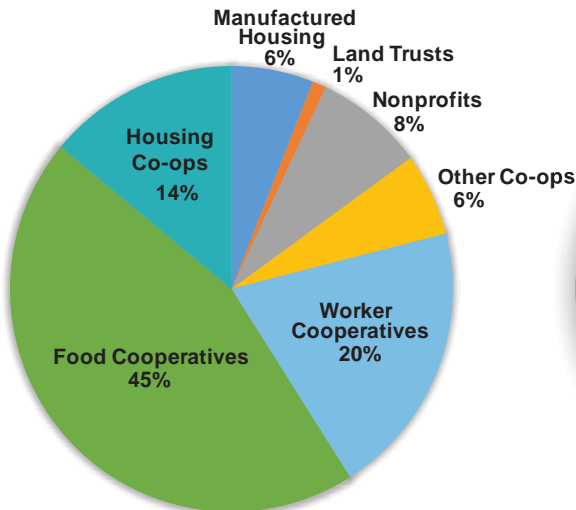
### Support and Revenue

Loan Interest	\$913,507
Contributions and Grants	\$2,511,718
Investment Income	\$68,256
Other Program Income	\$37,723
<b>Total Support and Revenue</b>	<b>\$3,531,204</b>

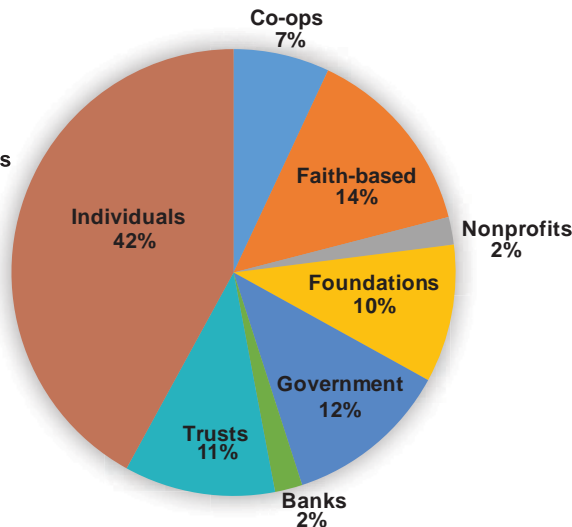
### Expenses

Personnel	\$452,570
Interest Paid to Investors	\$301,407
Loan Loss Expense	\$62,106
Other Expenses	\$415,123
<b>Total Expenses</b>	<b>\$1,231,206</b>
<b>Change in Net Assets</b>	<b>\$2,299,998</b>

## LOANS BY TYPE 2016



## INVESTORS BY TYPE 2016



## DOLLARS LOANED 2016

**Worker co-ops**  
**\$1,540,790**

**Housing co-ops**  
**\$544,000**

**Food and farm co-ops**  
**\$1,593,739**

**Nonprofits**  
**\$57,589**

# CFNE INVESTORS AND SUPPORTERS INCLUDE...

## CFNE investors and supporters include...

Adrian Dominican Sisters	Gardiner Food Cooperative	Rockett Trust
Bank of America	Handwork, Inc.	Rose Family Trust
Boston Impact Initiative	Howard Bowers Fund	Seton Enablement Fund
Brattleboro Food Co-op	Hunger Mountain Food Co-op	Seymour and Sylvia Rothchild Family Foundation
Broad Reach Foundation	Karuna Trust	Sinsinawa Dominican Sisters
Cabot Creamery Cooperative	Loring, Wolcott & Coolidge	Sisters of Charity of the Incarnate Word
Capital Impact Partners	Lydia B. Stokes Foundation	Sisters of Charity of St. Elizabeth
Catholic Health Initiative	Massachusetts Growth Capital Corporation	Sisters of St. Francis of Philadelphia
CDS Consulting Co-op	Mercy Partnership Loan Fund	Slow Money Maine
Christina Callan Charitable Trust	Middlebury Natural Foods Co-op	South Mountain Company Foundation
CERO Cooperative	Midwest Minnesota Community Development Corp.	South Royalton Food Co-op
Channel Foundation	Mission Hill Investment Club	TD Bank Charitable Foundation
Circinus Financial Corporation	Mount Holyoke College	Tech Networks of Boston
Common Good Finance	NCB (National Cooperative Bank)	The Cooperative Foundation
Community Builders Cooperative	Neighboring Food Co-op Association	Threshold Foundation
Community Foundation of Western Massachusetts	NewAlliance Foundation	Trillium Asset Management
Cooperative Development Foundation	New England War Tax Resistance	Twin Pines Cooperative Foundation
Cooperative Development Institute	New England Yearly Meeting of Friends	Unitarian Universalist Congregation of Haverhill
Cooperative Maine	New Visions Foundation	Unitarian Universalist Congregation at Shelter Rock
Dance New England	New York City People's Life Fund	Upper Valley Food Co-op
Dominican Sisters of Hope	NorthStar Asset Management	Urban Greens Food Co-op
Eastern Bank Charitable Foundation	Onion River Co-op d/b/a City Market	US Department of Treasury, CDFI Fund
Equal Exchange	Pedal People Co-op	US Small Business Administration
FEDCO Seeds, Inc.	People's United Community Foundation	Valley Alliance of Worker Cooperatives
First Congregational Church of Amherst	Portland Food Cooperative	Vermont Center for Employee Ownership
Frances Fund Foundation	Prospect Place Apartment Corporation	Vermont Community Foundation
Frances Small Heritage Trust	Putney Food Cooperative	Whaleback Partners
Fresh Pond Capital	Rhode Island Foundation	Willimantic Food Co-op
Gadfly Trust	Robert L. Feinberg Fund	Woodlands Investment Management

## ...and more than 200 individuals\*, including:

Thomas Abood	Joseph Gainza	Joshua Lipkowitz	Amelie Ratliff
Susan Bain	Lawrence H. Geller	Patrick Malone	Casey Ratliff
Julie Barnes	Ann Gibson	Mary Jo Martin	Elaine Reilly
Betsy Black	Ellen Golden	Allan Matthews	Adam Roberts
David Brandau	Johanna Halbeisen	Dorothy McCagg	Lionel Romain
Hillary Caws-Elwott	Hildegard and Hunter Hannum	Kelly McCoy	James Rooney
Annie Cheatham	Paula Harrison	Micky McKinley	Jerald Ross
Jaime Contois	Nancy Hazard	Claire McNeil	Jennifer Schubert
David Crocker	Marcia Higgins	Catherine Menard	Marilyn Scholl
Erbin Crowell	Kristin Howard	Sarah Meredith	Don Schramm
Valerie Dahl	Mary Hoyer	Ronald Miller	Jen Silverman
Josh and Brita Dempsey	Bonnie Hudspeth	Andrea Nash	John Sniegocki
Judith Diamondstone	Leo Immonen	Kyla Neilan	Marilyn Stern
Cody N. Donahue	Kimberly Jackson	Barbara Nolfi	Lee and Byron Stookey
Harrison Drinkwater	Micha Josephy	Glen Ohlund	David Strozzi
Rebecca Dunn	Antar and Andrea S. Knight	Susan Olson	David F. White
Susan Ellis	Joshua Knox	Karen Orso	Peter Zack
Steven Fondiller	Susan Labandibar	Sally Owen	
Adele Franks	Carol Langstaff	Lorraine and Harold Panciera	
Deborah Frieze	Nina L. Lev	Mari Rabinowitz	

*\*Please note that our policy is not to list the names of our individual investors unless they specifically agree to it. Please notify us if we have inadvertently omitted your name.*

COOPERATIVE FUND  
of New England



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Wilmington, NC 28409

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CFNE is a US Treasury certified Community Development Finance Institution (CDFI)

**C**FNE has grown over the years with your help and we still need your help to build the cooperative economy. Join our investors and borrowers!

When you take a loan from the Cooperative Fund of New England, you're not just growing your own co-op. You're helping to ensure that financial resources are available for the next generation of cooperators.

When you make a social investment loan or charitable contribution to the

Cooperative Fund, you're helping us grow the co-op economy.

We welcome your investment or charitable contribution!

