

FOR IMMEDIATE RELEASE

Cooperative Loan Fund Changes Its Name

NCDF is now called Shared Capital Cooperative

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Northcountry Cooperative Development Fund announced that it has changed its name to Shared Capital Cooperative. The Minneapolis-based loan fund specializes in providing loans and business assistance to small businesses and affordable housing that are owned cooperatively.

“The new name reflects the growth of our mission and our commitment. It is not at all a change of direction,” says Christina Jennings, Shared Capital Cooperative’s Executive Director. “Over the past decade, we have responded to a growing opportunity to support cooperative ownership in local communities throughout the US. Now it is time for our name to better reflect the broader geographic scope of our work and our membership.”

Shared Capital provides financing to a variety of types of cooperative businesses including worker-owned companies, community-owned grocery stores, small farmer co-ops and multi-family housing owned by residents. Shared Capital’s loans range in size from \$5,000 micro loans up to \$500,000. Shared Capital currently has over \$9.5 million in loans out to cooperatives in more than two dozen states. In 2015, Shared Capital made loans totaling over \$4.5 million to co-ops in twelve states, with two-thirds of the money going to co-ops organized in low-income communities.

The Fund was formed in 1978 by several Minneapolis-St. Paul cooperatives. Finding that they often couldn’t qualify for bank loans, the co-ops decided to create their own self-help, revolving loan fund where they could invest their extra cash and borrow when they needed a loan. Today Shared Capital, which is organized as a cooperative association, is owned by almost 200 cooperatives in 30 states. The fund’s capital comes from investments by member cooperatives, as well as from foundations, religious congregations and other groups that support their work.

The cooperative business model is based on democratic ownership by a group of people with a shared interest in the business, whether as consumers, employees or other stakeholders. Decision-making is based on a democratic structure of one member one vote, rather than exercising power based on the size of a financial investment.

Jennings explains, “The cooperative business model is an excellent tool for community development. It is a self-help model, that allows individuals to come together to address a shared need or respond to a business opportunity, and then to share in the rewards of that work.”

“The cooperatives we have financed play important roles in their communities, generating good jobs, building affordable places to live and engaging their members in democratic decision-making at a grassroots level,” says Jennings. The businesses

financed by Shared Capital Cooperative over the past two years provide almost 900 jobs in their communities – more than 30 full-time jobs per business on average.

Jennings notes that there has been renewed interest in cooperative business models in recent years as people look for alternatives to the models that lead to the great Recession. “Our role is as important as ever,” explains Jennings. “As a cooperative ourselves, we also have a shared understanding of the cooperative business model and of cooperative capital structures. And even more importantly, we are not just providing co-ops with access to capital, but access to co-op friendly financing that supports the democratic ownership structures of their cooperatives.”

About Shared Capital

Shared Capital Cooperative is a national loan fund that provides financing and technical assistance to cooperatively owned small businesses and affordable housing in order to build economic democracy. Federally certified as a Community Development Financial Institution (CDFI), loans and assistance from Shared Capital Cooperative are primarily focused in low-income communities that build economic opportunity through democratic ownership.

Based in Minneapolis, Minnesota, Shared Capital is organized as a cooperative association and is owned by nearly 200 cooperatives in over 30 states that borrow from and invest in the fund. Since its founding in 1978, Shared Capital Cooperative has provided more than 800 loans to cooperatives totaling more than \$40 million.

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