1300 On The Park Cooperative 🖬 2309 Grand Avenue Associates 🖬 2615 Park Avenue Associates 🖬 3528 Emerson Avenue 5 Cooperative 🖬 3701 Gran Associates Cooperative 🔳 ACEAC (Healthy Horizons) 🔳 Agua Gorda Cooperative 🔳 Alpine Court Cooperative 🔳 Amazing Grains Food Co-op 🔳 Arizmen Association of Cooperatives 🗉 Arrowtown Housing Co-op 🗉 Bennett Park Cooperative 🖬 Black Star Co-op 🖬 Black Walnut Cooperative 🖩 Blooming Food Market & Deli 🗉 Bloomington Cooperative Living 🗉 Blue Stem Housing Cooperative 🖬 Bluff Country Co-op 🖬 Builders Commonwealth 🖬 Canterbury Cou Cooperative 🗉 Catholic Health Initiatives 🗉 CDFI Fund 🗉 CDS Consulting Co-op 🖬 Chequamegon Food Co-op 🖬 City Center Market 🖬 Citybikes Workers Cooperative 🗉 Cityview Cooperative 🗉 Clearview Cooperative 🖬 College Houses 🖬 Colonial Square Cooperative 🖬 Common Ground Food Co-op 🖬 Commo Properties Management Cooperative 🗉 Community Food Co-op 🗉 Community Mercantile 🖬 Community Pharmacy 🖬 Cook County Whole Foods 🖬 Coop erationWorks! 🗉 Cooperativa Mercado Central 🗉 Cooperative Coffees 🗉 Cooperative Development Services 🖬 Cronin-Geller Social Justice Fund 🖬 Cron Wing Food Co-op 🗉 Deep Roots Market 🗉 Design Action Collective 🗉 Eagle Heights Food Co-op 🖬 East Dakotah Natural Foods 🖬 East Lansing Food Co-o 🗉 Eastside Food Cooperative 🖬 Electric Embers Cooperative 🖩 Emerson Co-op 🖬 Emma Goldman Cooperative 🖬 Freedom Road Co-op 🖬 Frontier Natura Products Co-op 🗉 Full Circle Growers Cooperative 🗉 Gaia Host Collective 🖬 Good Earth Food Co-op 🖬 Grain Train Natural Food Co-op 🖬 Grass Roots Co operative 🗉 Green Tree Cooperative Grocery 🖩 Hampden Park Co-op 🖬 Harmony Natural Foods Co-op 🔳 Harvest Moon Natural Foods Cooperative 🔳 Hu Bike Co-op 🗉 Inkworks Press 🖬 Irvington Court Realty Company 🖬 Isla Vista Food Co-op 🖬 Island City Food Co-op 🔳 Isthmus Engineering 🔳 Just Coffe Cooperative 🗉 Just Food Co-op 🗉 Just Local Food Cooperative 🖬 Kalamazoo People's Food 🖬 Kansas Cooperative Marketing Association 🖬 Keweena Cooperative 🗉 Kokua Country Foods Cooperative 🗉 Lakeside Printing Cooperative 🖬 Lakewinds Natural Foods 🖬 Lee Square Cooperative 🖬 Lexington Rea Foods Community Cooperative 🗉 Life Center Association 🖬 Linden Hills Co-op 🖬 Living Forest Cooperative 🖬 Logan Square Cooperative 🖬 Lost River Con munity Co-op 🗉 Lowertown Lofts Cooperative 🗉 Madison Community Co-op 🖬 Main Street Market 🖬 Maple City Market 🖬 Mariposa Food Co-op 🖬 Ma

Northcountry Cooperative Development Fund

2012 ANNUAL REPORT

The People's Food Co-op 🗉 Three Rivers Food Co-op 🗉 Three Rivers Market 🖬 Union Cab 🖬 Valley Community Foods Co-op 🖬 Village Green Townhouses Viroqua Food Cooperative 🗉 Wedge Community Co-op 🗉 Whole Builder's Co-op 🖬 Whole Earth Co-op 🖬 Whole Farm Co-op 🖬 Whole Foods Community Co op 🖩 Willy Street Co-op 🖩 Wiscoy Valley Land Co-op 🖩 Woodshanti Cooperative 🖩 Workers Diner 🖬 Zephyr Valley Community Co-op 🖬 1300 On The Par Cooperative 🔳 2309 Grand Avenue Associates 🔳 2615 Park Avenue Associates 🔳 3528 Emerson Avenue S Cooperative 🔳 3701 Grand Associates Coop erative 🗉 ACEAC (Healthy Horizons) 🗉 Agua Gorda Cooperative 🗉 Alpine Court Cooperative 🗉 Amazing Grains Food Co-op 🖬 Arizmendi Association o Cooperatives 🖩 Arrowtown Housing Co-op 🖩 Bennett Park Cooperative 🖩 Black Star Co-op 🖷 Black Walnut Cooperative 🛢 Blooming Foods Market & De 🗉 Bloomington Cooperative Living 🖬 Blue Stem Housing Cooperative 🔳 Bluff Country Co-op 🖬 Builders Commonwealth 🖬 Canterbury Court Cooperativ 🗉 Catholic Health Initiatives 🗉 CDFI Fund 🗉 CDS Consulting Co-op 🖬 Chequamegon Food Co-op 🖬 City Center Market 🖬 Citybikes Workers' Cooperativ 🗉 Cityview Cooperative 🗉 Clearview Cooperative 🖬 College Houses 🖬 Colonial Square Cooperative 🖬 Common Ground Food Co-op 🖬 Common Propertie Management Cooperative 🗉 Community Food Co-op 🖬 Community Mercantile 🖬 Community Pharmacy 🖬 Cook County Whole Foods 🖬 CooperationWorks 🗉 Cooperativa Mercado Central 🖬 Cooperative Coffees 🖬 Cooperative Development Services 🖬 Cronin-Geller Social Justice Fund 🖬 Crow Wing Food Co-o 🗉 Deep Roots Market 🖬 Design Action Collective 🖩 Eagle Heights Food Co-op 🖩 East Dakotah Natural Foods 🖬 East Lansing Food Co-op 🖩 Eastside Foo Cooperative 🗉 Electric Embers Cooperative 🖬 Emerson Co-op 🖩 Emma Goldman Cooperative 🖬 Freedom Road Co-op 🖬 Frontier Natural Products Co-op Full Circle Growers Cooperative 🖩 Gaia Host Collective 🖩 Good Earth Food Co-op 🖬 Grain Train Natural Food Co-op 🖬 Grass Roots Cooperative 🖩 Gree Tree Cooperative Grocery 🗉 Hampden Park Co-op 🖩 Harmony Natural Foods Co-op 🖬 Harvest Moon Natural Foods Cooperative 🔳 Hub Bike Co-op 🔳 Inl works Press 🗉 Irvington Court Realty Company 🗉 Isla Vista Food Co-op 🖬 Island City Food Co-op 🖬 Isthmus Engineering 🖬 Just Coffee Cooperative 🖬 Jus Food Co-op 🗉 Just Local Food Cooperative 🗉 Kalamazoo People's Food 🖬 Kansas Cooperative Marketing Association 🖬 Keweenaw Cooperative 🔳 Koku Country Foods Cooperative 🗉 Lakeside Printing Cooperative 🖬 Lakewinds Natural Foods 🖬 Lee Square Cooperative 🖩 Lexington Real Foods Communit Cooperative 🗉 Life Center Association 🗉 Linden Hills Co-op 🖬 Living Forest Cooperative 🔳 Logan Square Cooperative 🔳 Lost River Community Co-op Lowertown Lofts Cooperative 🖩 Madison Community Co-op 🖩 Main Street Market 🛢 Maple City Market 🛢 Mariposa Food Co-op 🛢 Marquette Organic Foo Co-op 🗉 Menomonie Food Co-op 🗉 Mesaba Range Cooperative Park 🗉 Michigan Alliance of Cooperatives 🗉 Mid-American Consultants 🖬 Mississipp Market 🔳 Monterey Co-Housing Community 🔳 Motley Housing Cooperative 🔳 NASCO Properties 🔳 Natural Alternative Food Co-op 🔳 Natural Harvest Foo Co-op 🗉 Nature's Bakery 🗉 New Pioneer Co-op 🖬 New Wine Commune Cooperative 🖬 North Central EMS 🖬 Northwind Natural Foods 🖬 Nottingham Hous ing Co-op 🗉 Oneota Community Co-op 🗉 Open Harvest Food Co-op 🗉 Organic Maple Cooperative 🖬 Organic Valley Family of Farms 🖩 Oryana Food Co-o 🗉 Outpost Natural Foods 🗉 Ozark Natural Food Co-op 🖬 Park Cooperative Apartments 🖬 People's Food Co-op 🖬 Philadelphia Community Farm 🔳 Plaz Apartments Association 🖩 Pomme De Terre Foods 🖩 Portland Collective Housing 🖬 Positively 3rd Street 🖬 Prairie Organic 🛢 Radical Roots Collective 🛛 Rainbow Bookstore Cooperative 🗉 Rainbow Food Co-op 🖬 Rainbow Grocery Cooperative 🖬 Red Clover Collective 🖬 Ridge Side Cooperative 🖬 Rivendell River Edge Housing Cooperative 🖩 River Hayven 🖩 River Market 🖩 Riverton Community Housing 🖬 Riverwest Co-op 🖬 Roots and Fruits Produce 🖬 Roya Apartments Cooperative 🗉 Seward Community Co-op 🗉 SF Green Cab 🖬 Sierra Vista Natural Foods Co-op 🖬 Snow Village 🖬 South Aldrich Apartments Spiral Natural Food Co-op 🗉 St. Peter Food Co-op 🗉 Sunrise Villa Cooperative 🗉 The Gramercy Club at City Bella 🗉 The Nokoma 🗉 The People's Food Co op 🗉 Three Rivers Food Co-op 🗉 Three Rivers Market 🗉 Union Cab 🗉 Valley Community Foods Co-op 🖬 Village Green Townhouses 🔳 Viroqua Food Coop erative 🗉 Wedge Community Co-op 🗉 Whole Builder's Co-op 🗉 Whole Earth Co-op 🖬 Whole Farm Co-op 🖬 Whole Foods Community Co-op 🔳 Willy Stree Co-op 🖩 Wiscoy Valley Land Co-op 🖩 Woodshanti Cooperative 🖩 Workers Diner 🖬 Zephyr Valley Community Co-op 🖬 1300 On The Park Cooperative 🖩 230 Grand Avenue Associates 🗉 2615 Park Avenue Associates 🖬 3528 Emerson Avenue S Cooperative 🖬 3701 Grand Associates Cooperative 🔳 ACEA

Board of Directors

Sharon Barber Treasurer Alex Betzenheimer Roy Berger Barbara Broen John Flory Melissa Hoover Alysen Land Elka Malkis Tom Pierson Vice President Dave Swanson Secretary Megan Teare President

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Alex Betzenheimer Barb Broen John Flory Alysen Land Tom Pierson, Chair Karen Reid Monica Romero

Staff & Consultants

Sandra Hales Loan Fund Administrator

Christina Jennings Executive Director Brenda Pfahnl

Loan Officer & Program Manager

Jim Shadko Loan Officer

Meredith Smith Finance Manager

Rhonda Weidling Office Manager Dear Members, Friends and Investors:

In the past ten years, NCDF has made more than \$22 million in loans to cooperatives across the United States. Last year, NCDF provided \$1.9 million to co-ops in eight states from Arizona to Indiana to Pennsylvania. NCDF financing leveraged more than \$8.5 million in additional financing from other lenders. NCDF loans strengthened the co-ops and their communities: 100% of NCDF's loans were to cooperatives owned by low-income residents and located in economically disadvantaged communities. NCDF's loans created community ownership, healthy food access, workplace democracy, and dignified affordable housing.

Throughout 2012, we worked to build a stable financial base. We raised \$60,000 in equity from new and current members. In addition, we raised \$500,000 in equity thanks to Northwest Area Foundation, which converted half of its program-related investment (PRI) to preferred stock. At the same time, earned revenue declined as the loan portfolio contracted during the recession, and management took steps to reduce operating expenses: relocating its offices, adjusting staffing and reducing interest expenses. However, despite these savings, we were disappointed to post an operating loss for the year. NCDF's management and board are committed to building a strong financial future and have developed a capital plan to build equity, ensure profitable operations, and continue to expand our impact.

Also, in 2012, NCDF's sister organization, Northcountry Cooperative Federal Credit Union (NCFCU), merged with South Metro Federal Credit Union. NCFCU was chartered in 2003 to provide loans to housing cooperatives and their members, but had faced financial challenges as the result of the housing crisis and increasing credit union capital requirements. The merger with South Metro retained NCFCU's field of membership—NCDF members and the members of member co-ops. NCDF is looking forward to partnering with South Metro to increase the financial resources available to cooperatives.

We deeply appreciate the support of NCDF's members, investors, and supporters, and we look forward to continuing to work together to build the cooperative economy.

In cooperation,

Christina Jennings Executive Director

an Teare

Megan Teare President of Board of Directors

Northcountry Cooperative Development Fund (NCDF) is a cooperatively owned community development loan fund committed to fostering economic democracy by investing in cooperative enterprises. NCDF was founded in 1978 and provides financing to natural foods, consumer, producer, housing, and worker-owned cooperatives throughout the United States. NCDF is certified by the U.S. Department of Treasury as a Community Development Financial Institution (CDFI) and serves more than 170 cooperative members in more than 30 states.

2012 LOANS MADE

Agua Gorda Cooperative,

Long Prairie, Minnesota \$5,400 for inputs and equipment for start-up producer cooperative.

Bloomington Cooperative

Living, Bloomington, Indiana \$400,000 from NCDF as part of a \$500,000 package that includes Religious Communities Investment Fund and KSCR Fund. \$320,000 was lent in 2012.

Colonial Square Cooperative,

Ann Arbor, Michigan \$32,000 share loan to resident of cooperatively owned townhomes.

Common Ground Food Co-op, Urbana, Illinois

\$1,040,000 for expansion of food co-op. NCDF participated with LEAF and Partners for the Common Good. NCDF retained \$398,000.

Emma Goldman Cooperative, Chicago, Illinois

\$219,000 to housing co-op to refinance their mortgage and make improvements.

Just Local Food Cooperative, Eau Claire, Wisconsin

\$28,000 to worker-owned food co-op for store redesign and reset.

Mariposa,

Philadelphia, Pennsylvania

\$62,000 as part of a \$2.24 million relocation and expansion of this cooperative grocery store in a low-income West Philly neighborhood. (\$88,000 lent in 2011)

Park Cooperative Apartments,

Minneapolis, Minnesota \$30,000 to housing co-op for rehab and improvements. (\$97,000 lent in 2011)

Sierra Vista Natural Foods Co-op, Sierra Vista, Arizona

\$15,000 to start-up financing of consumer-owned grocery in this rural community. (\$125,580 lent in 2011)

Spiral Natural Food Co-op,

Hastings, Minnesota

\$45,000 to consumer food co-op for leasehold improvements, equipment and inventory for relocation. (\$83,000 lent in 2011)

Village Green Townhouses, Omaha, Nebraska

\$34,800 share loan to family to buy a townhome in the cooperatively owned community.

AUDITED FINANCIAL STATEMENTS Years ending December 31, 2012 and 2011

Balance Sheet

Assets	2012	2011
Cash	628,438	618,539
Funds Held for KSCR Fund	43,840	70,258
Loans Receivable	6,143,359	6,868,136
Less Loan Loss Reserve	(343,082)	(284,885)
Net Loans Receivable	5,800,277	6,583,251
Other Assets	248,020	250,027
TOTAL ASSETS	6,720,575	7,522,075
Liabilities		
Notes Payable	6,401,803	7,621,899
KSCR Fund Payable	43,840	70,258
Other Liabilities	32,112	14,386
Total Liabilities	6,477,755	7,706,543
Stockholders' Equity		
Preferred Stock	975,960	478,922
Common Stock	954,434	885,242
Retained Earnings	(1,687,574)	(1,548,632)
Total Equity	242,820	(184,468)
Total Liabilities & Equity	6,720,575	7,522,075

Income Statement

2012	2011
434,012 (158,055)	480,883 (173,636)
275,957	307,247
(58,197)	21,843
217,760	329,090
49,694 1,019 941	45,005 55,980 314
51,654	101,299
269,414	430,389
233,134 55,962 100,370 29,307 (16,397)	305,028 70,250 76,299 32,247 (56,962)
402,376	426,862
(132,962)	3,527 (739,746)
(132,962)	(736,219) (100)
(132,962)	(736,319)
	434,012 (158,055) 275,957 (58,197) 217,760 49,694 1,019 941 51,654 269,414 233,134 55,962 100,370 29,307 (16,397) 402,376 (132,962) (132,962)



Agua Gorda Cooperative Long Prairie, Minnesota

NCDF made a \$5,400 micro loan to the Agua Gorda Cooperative, a start-up vegetable production cooperative in Long Prairie, Minn. Its seven members are immigrants from Mexico who work in area turkey or beef processing plants or as farm laborers on local farms. The cooperative serves as an incubator, allowing members to learn about organic farming, marketing, and distribution.

In 2012, the co-op leased six 40'x40' plots at Long Prairie Community Garden and a 0.3 acre lot nearby. The co-op members used the loan to purchased seeds, plants, irrigation material and small tools for the 2012 growing season. The cooperative has received technical assistance from Latino Economic Development Center.

In their first season, the co-op harvested Roma tomatoes, jalapeño and bell peppers, tomatillos, cucumbers, watermelons, and melons.

For 2013, their second year of operation, the co-op has obtained contracts with Twin Cities businesses and will be farming 3.5 acres with estimate crop sales of \$40,000 with financing from NCDF, Latino Economic Development Center, and AgStar.

Common Ground Food Co-op Urbana, Illinois

In 2008, financing from NCDF allowed Common Ground Food Co-op to take a giant leap, moving from the church basement to be an anchor tenant in a shopping center that was part of a redevelopment initiative of



a downtown neighborhood. After just three years, the co-op was so successful that it embarked on a new \$1.6 million expansion at its current site. The co-ops raised 40% of the project costs from its consumer-owners. NCDF originated a loan for \$1,040,000 and participated with two other CDFIs, Partners for the Common Good and Local Enterprise Assistance Fund (LEAF).

Jacqueline Hannah, the co-op's general manager, said, "The co-op's relocation and expansion have created high-quality jobs, increased access to healthy, fresh foods for the surrounding community and supported small, local farmers and producers who have an expanded market for their products."

SPECIALIZED FUNDS

Worker Ownership Fund

The Worker Ownership Fund is a specialized fund within NCDF, which provides loans to worker-owned cooperatives throughout the U.S. WOF was launched by NCDF in 2007 and works in partnership with the U.S. Federation of Worker Cooperatives to increase access to financing for worker-owned co-ops and create democratic jobs, especially in low-income communities.

	2012	2011
Loans Made	\$28,000	\$165,000
Loans Outstanding	\$138,287	\$316,503
Investments Held	\$73,004	\$371,627
Equity	\$98,980	\$98,980
Deployment Rate	80%	85%

The KSCR Fund

The KSCR Fund was created in 1989 to meet the financing needs of democratically controlled, affordably priced cooperative housing in campus communities across North America. NCDF has administered the KSCR Fund on behalf of NASCO Development Services since January 2010.

2012	2011
\$152,741	\$127,246
\$174,533	\$172,632
88%	74%
	\$174,533

Just Local Food Cooperative Eau Claire, Wisconsin

In October, Just Local Food Cooperative, a retail grocery cooperative, received a loan of \$28,000 from NCDF as part of a \$64,000 store redesign project, with the co-op putting \$36,000 into the project. Just Local



Foods is organized as a worker-owned cooperative and a majority of the co-op's staff are worker-owners. NCDF has made several loans to the co-op in the past.

Emma Goldman Cooperative Chicago, Illinois

Emma Goldman Cooperative is a small, limited-equity housing cooperative in Chicago's Logan Square neighborhood. The cooperative was created in 1992 to provide home ownership to low and



moderate-income households. The co-op borrowed \$219,000 from NCDF to refinance its mortgage on the three-unit building and make some small improvements.

Bloomington Cooperative Living Bloomington, Indiana

Bloomington Cooperative Living, a student housing cooperative near the Indiana University campus, borrowed \$400,000 from NCDF to purchase and renovate the first home



owned by the co-op. The new house adds 20 units of affordable housing for students and community members. The co-op also borrowed \$100,000 from the KSCR Fund, which is administered by NCDF, and Religious Communities Investment Fund.

2012 INVESTORS

Adrian Dominican Sisters Amazing Grains Food Co-op Arizmendi Association of Cooperatives **BMO Harris Bank Community Investments** Calvert Foundation Catholic Health Initiatives CDFI Fund Chequamegon Food Co-op College Houses Community Mercantile **Community Pharmacy** Congregation of the Humility of Mary CooperationWorks! Cooperative Development Foundation Cronin-Geller Social Justice Fund CROPP—Organic Valley East Lansing Food Co-op Emily Faulkner Trust Episcopal Diocese of Iowa Investment Fund Federated Youth Foundation Franciscan Sisters of Little Falls Gadfly Trust Grain Train Natural Food Co-op The Kentron Foundation Hampden Park Co-op Inter-Cooperative Council, University of Michigan Isthmus Engineering Kansas Midwives LDF Keweenaw Cooperative Lexington Real Foods Community Cooperative Linden Hills Co-op Madison Community Co-op Mississippi Market NASCO Properties, Inc. Natural Harvest Food Co-op NCB Capital Impact

National Cooperative Grocers Association New Pioneer Co-op New Riverside Café New Wine Commune Northwest Area Foundation **Oberlin Student Cooperative** Association Oneota Community Co-op Open Harvest Food Co-op Our Lady of Victory **Missionary Sisters** Ozark Natural Food Co-op Park Cooperative Apartments People's Food Co-op The People's Food Co-op Positively 3rd Street **Riverton Community Housing** Roots and Fruits Produce School Sisters of Notre Dame School Sisters of St. Francis Seward Community Co-op Sinsinawa Dominicans Sisters of Charity of the BVM Sisters of St. Dominic Sisters of St. Francis of Philadelphia Sisters of St. Joseph of Carondelet Sisters of the Presentation of the BVM Sisters, Servants of the Immaculate Heart of Mary **Twin Pines Cooperative** Foundation Union Cab United Natural Foods, Inc. Valley Natural Foods Co-op Wedge Community Co-op Wells Fargo Community Lending & Investment Western Wisconsin Coalition of Co-ops Whole Foods Community Co-op Willy Street Co-op Woodlands Investment Management



Northcountry Cooperative Development Fund

2600 East Franklin Minneapolis, MN 55406 612-767-2100 www.ncdf.coop

NCDF MEMBERS AND BORROWERS

