

CHICAGO MARKET A COMMUNITY CO-OP



local.
sustainable.

ours.

build a better
MARKET

invest in real food, real people.



"We are proud to invest in Chicago Market because we strongly believe in supporting a business that provides healthy food options for Chicagoans.

Better yet, it's a local business that's focused on building a strong sense of community!"

*Alderman James Cappleman, Owner #500
and Richard Thale, Owner #956*



Chicago Market is building a **better market.**

A 'better market'...? Better than *what*?

Corporate grocery stores may be the current default, but there's a better model — one that the community builds to fulfill unmet needs. Corporate grocery stores exist to earn profits for shareholders; Chicago Market, as a cooperative, prioritizes sustainability, transparency, and economic impact for our Owners and investors.

These powerful social, economic and environmental impacts ripple out into our community in exponential ways. And those impacts are what investors and donors will create by funding our Co-op grocery store and showing Chicago what 'a better market' truly looks like.

After years of solid community organizing and coalition building, Chicago Market is poised and ready to open our new Co-op within the next two years.

- Over 2,100 Owners have each invested \$250–\$500 in common stock
- A site has been secured in the iconic historic Gerber Building
- A market study has indicated that this location is not only viable, but optimal for the location of a grocery store
- A strong Board has hired an experienced General Manager with decades of specialized skills and expertise in dense urban grocery stores to lead the Co-op

The final stage in the project is securing the community investment needed to open the store. Chicago Market is now offering several investment options for Co-op Owners, accredited investors, and philanthropists.

- **Series A Preferred Shares** for Co-op Owners offer a potential annual dividend of 7%
- **Series B Preferred Shares** for Accredited Investors offer a potential annual dividend of 8%
- A **tax-deductible contribution** option is available through our fiscal agent.



An introduction to Food Co-ops

Food co-ops are thriving around the country. The pandemic has revealed the inefficiencies and structural flaws in our global supply chains and clearly demonstrates the need for more resilient local foodsheds and local food systems.

The demand for local food has been growing for over a decade and is not just a trend, but a fundamental shift in how people eat. Conscious consumers want to invest in their own health and the health of their local food ecosystem by supporting local farmers and producers working in environmentally sustainable ways. In an age of rising inequality, businesses that offer living wage jobs, reinvest locally in the community, and share their profits with local owners help to change the narrative about what is possible in how we live and work together as a society.

The food co-op movement has been part of our economic landscape for decades, but food co-ops are now experiencing a resurgence as people seek local solutions, local ownership and locally-grown and -produced food options. **Today there are over 300 food co-ops in the United States and more than 100 cities are in the process of starting new food co-ops.**

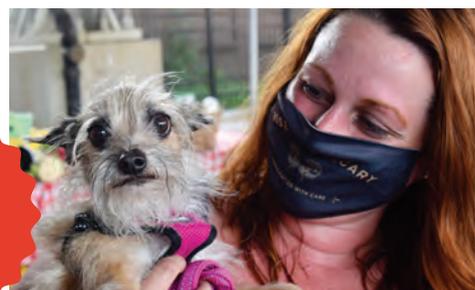
All cooperatives abide by the 7 Cooperative Principles

- ✦ Voluntary and open membership
- ✦ Democratic member control
- ✦ Member economic participation
- ✦ Autonomy and independence
- ✦ Education, training and information
- ✦ Cooperation among cooperatives
- ✦ Concern for community

38%

of a co-op's revenue
gets spent locally

this is
why we're
building





Our Co-op will create

80+

new, well-paying jobs.

this is
why we're
building

"I am proud to invest in Chicago Market because I believe that this market will provide many benefits to our community. From local jobs, to local foods, I also see Chicago Market as a local gathering place. It excites me to know that the beautiful Gerber building will be serving our community once more!"

Erik Slagter, Owner #1427



A world-class food co-op for a world-class food city

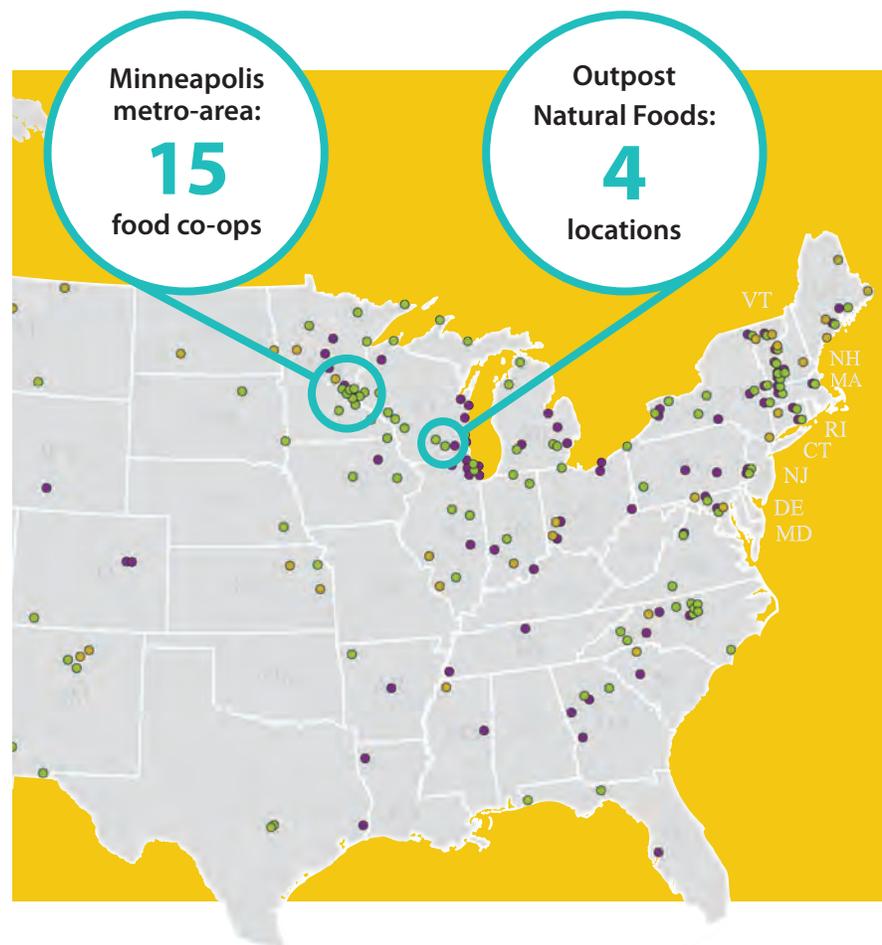
Many cities across America have robust local food co-op networks available to area residents. In Seattle, well over a dozen locations with sales of nearly half a billion dollars annually dot the map. Minneapolis-Saint Paul boasts over a dozen food co-op locations with aggregate volume that also can be measured in the hundreds of millions of dollars annually. Milwaukee has the Outpost Food Co-op with its four large locations. Modestly-sized cities like Madison, WI and Champaign-Urbana, IL also feature successful food co-ops. Chicagoland has a population nearly as large as all of those cities *combined*, yet, our city has one, small-medium scale natural foods cooperative storefront compared to the more than three dozen locations in the other cities mentioned.

With the many notable ways food co-ops benefit their communities, why wouldn't we all want to support the further development of the sector right here, in the Windy City?

We believe our current and future residents, and local farmers and producers, deserve our best efforts to build generative, community-focused institutions. We can only make progress through the direct financial investment of our community members, and that means people just like you contributing to this positive impact through your investment.

Chicago is a world-class city with a world-class food culture and we need a world-class food co-op to catalyze our local food system and put Chicago on the food co-op map.

Chicago Market is poised to change the grocery game in Chicago and the positive impacts of our cooperative effort will ripple throughout the region for decades to come. Together we will build a better market — one that will celebrate **Local**, be a leader in **Sustainability** and become a valued community asset that is truly **Ours**.





this is why we're building

a local producers' sales can grow
**25%
to 200%**
when they start selling to a co-op.

Local

Chicago Market is going to do local *better* — with authenticity and integrity. Not only will we sell great local food, but we will tell the stories of the real people who grew or produced it.

Our prioritization of local — whether that's food grown nearby, products crafted across town, or employees that live down the street — will create major impacts on lives and businesses. And every person who invests to 'build a better market' will become part of stories like these:

- How a micro business was able to hire their first employees.
- How a small producer could scale up their operations and pay their staff a living wage.
- How being hired by the Co-op meant a well-paying job which led to financial self-sufficiency.
- How a community member could access food they thought unattainable.



Chicago Market received a \$75,000 grant from Chicago Region Food System Fund in 2021 to support our work to connect local farmers with thousands of new consumers and facilitate food system resiliency by shortening food supply chains and strengthening the local food economy.

the average co-op has

157

local producers.



this is
why we're
building

Sustainable

Chicago Market will be a leader
in environmental stewardship and
sustainability.

We are stewards of an existing historic building and will:

- respect, preserve, and align with the historic features and character of our building and neighborhood
- select materials that are sustainable and that prioritize human health, from the low-VOC paint to the watershed-friendly soap available in our restrooms
- select equipment that is efficient with regard to all resources (electricity, water, gas, and more) and which performs above industry norms for pollutant generation for each and every investment including lighting, HVAC, kitchen equipment, computer systems, restroom fixtures, and all other capital investments
- use heat reclamation to heat our water for kitchen and restroom use in the warmer months, and to help heat our store in the winter
- align our project with best practices from industry leaders and certifications for sustainable building such as the Living Building and Leadership in Energy and Environmental Design (LEED) standards to the extent possible
- build a team for construction and development that is diverse and provides local, union work when reasonable



Chicago Market has already been able to make an impact on Uptown through various efforts and I'm excited to make my contribution to help get the store doors OPEN. The impact this Co-op will have on the Uptown community AND Chicago is virtually limitless. I can't wait to see it all happen."

Kate Grimm, Owner #1759

Once our store is open, our operations will work towards a net-positive environmental impact through:

- reducing food waste with careful inventory management, appropriate storage, and mindful handling
- efficiently working with community shelters and food banks to divert resources that otherwise might become waste to provide for those with food insecurity and, as a last resort, providing food for use in our growers' farm feed or compost, then composting anything that is not otherwise usable with well-aligned local service providers
- recycling as a standard practice in every area of the store
- establishing the premier community resource for bulk goods, including herbs, spices, dry food goods, household cleaners, body care products, and more
- working to support renewable resources
- actively pursuing operating Chicago Market as a zero-waste business
- ensuring reductions in waste through good maintenance, inventory management, packaging choices, reusable resource deployment, and many other practices
- selecting product offerings that optimize sustainability across our inventory to help with soil health, watershed and ocean health, air quality, climate change mitigation, species diversity, food system resilience, human health, and general ecological health — this will add up to substantial environmental benefit across many systems and regions
- prioritizing environmental impact in every area of our operations and our supply chain as well
- rigorously monitoring our impact and continuously improving on our contribution to a sustainable world



Environmental Impacts

RECYCLING RATES		
Food Co-ops		Conventional Grocery
96%	cardboard	91%
81%	plastics	29%
74%	food waste	36%
82	average Energy Star Score (out of 100)	50

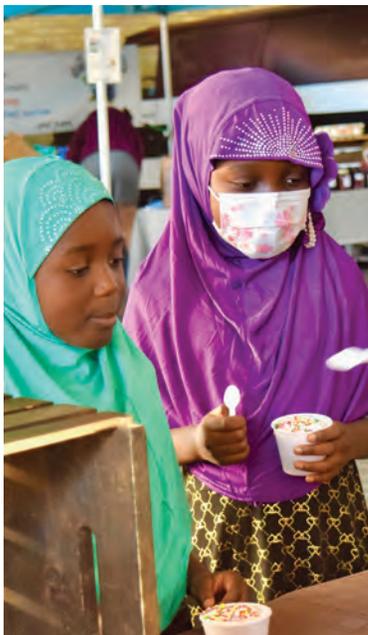
Source: National Co+operative Grocer, www.strongertogether.coop



As a co-op, Chicago Market is going to be **Ours**, allowing us to live out our shared values of cooperation, equality, equity, and social responsibility in how we hire, share our profits, and show up in our community.

The Co-op will:

- create over 80 new jobs and will hire from our local community
- administer an income-based discount program to ensure equitable access to healthy food for all, accept SNAP benefits, and offer WIC products.
- provide an accessible Ownership option for low-income individuals and families
- reinvest in the community with organizations that align with our co-op values
- advance social and racial justice through our procurement, hiring and giving
- generate an outsized economic impact by creating and prioritizing partnerships with local growers, producers, service providers, and organizations
- create a commonwealth as profits stay in our community through both reinvestment in the co-op and patronage dividends for Owners and preferred share dividends for investors



this is why we're building



the percentage of income co-ops devote to charitable donations is

3x

more than conventional stores

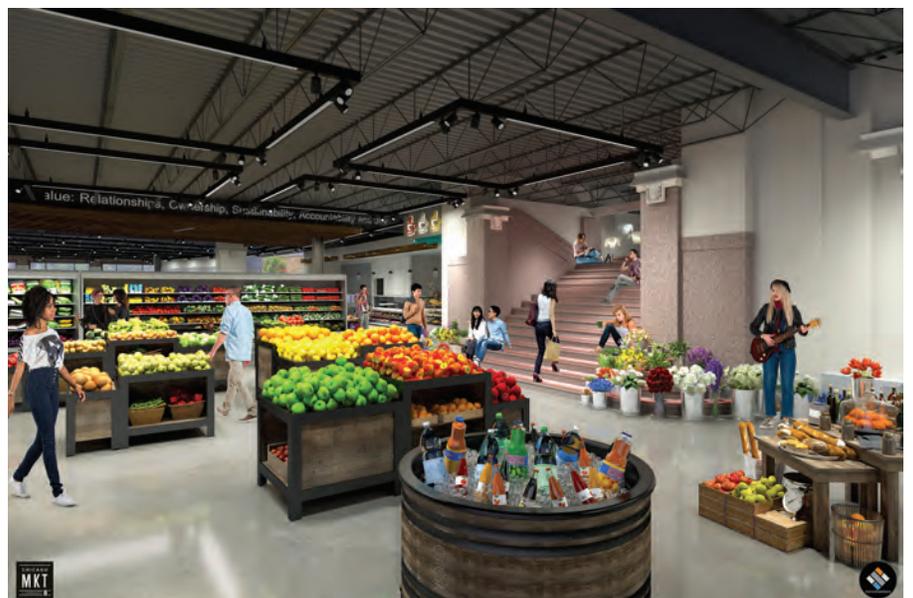


Our New Grocery Store

Chicago Market will be a big, bright, beautiful community-owned grocery store featuring local, sustainably farmed, organic produce, meat and dairy products, as well as all of the other staples you'd expect from your market — dry goods, bulk foods, frozen foods, wine, beer and liquor. We'll have delicious prepared foods and fresh-baked goods. Chicago Market will be a community asset where shoppers can enjoy the juice and coffee bar and learn through workshops and classes.

Located in the immaculately restored historic Gerber Building at the Wilson CTA Station in Uptown, Chicago Market will have approximately 13,000 square feet of retail space, a spacious parking lot and will be conveniently located for train and bus travelers.

Chicago Market will provide farm-to-table transparency about food, its origins and its processes. It will educate its community about nutrition, ingredient sourcing and methods of food production. The Market will support sustainability and integrity in all areas, including environmental stewardship, fair labor practices and cooperative principles. It will be devoted to the triple bottom line: People, Planet and Prosperity.



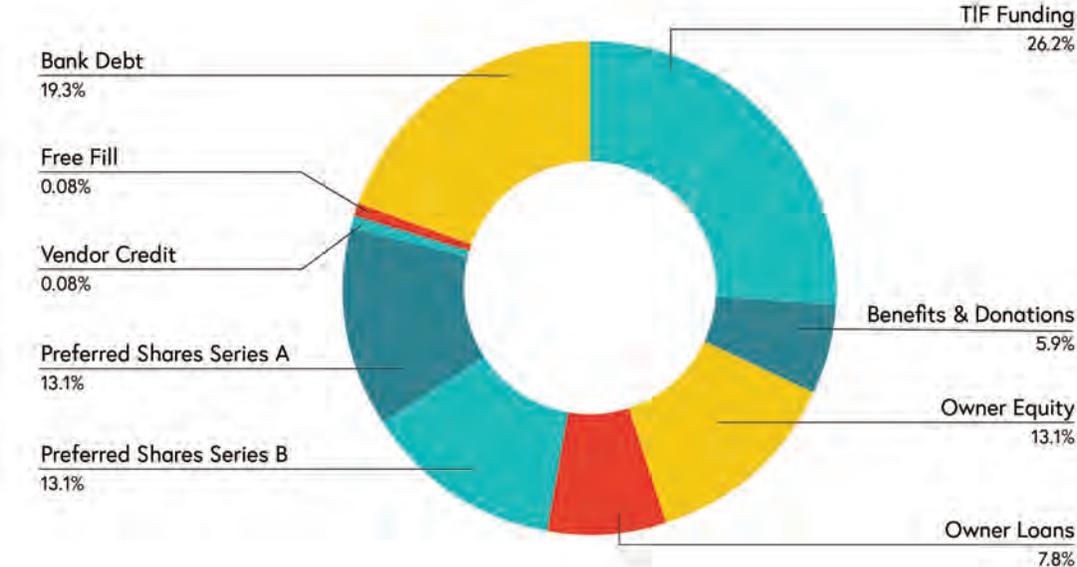


Our Path to Opening

A food co-op typically takes 7-10 years to open, as working together cooperatively to develop a common vision and building the strong base of grassroots community support needed to ensure the success of the venture requires a significant investment of time and energy. Chicago Market is no exception to this rule of food co-op development.

Chicago Market was incorporated as a Cooperative in the State of Illinois in 2013. A very successful initial campaign quickly grew our Ownership to over 600 within 100 days. With that strong vote of confidence in the idea of a community-owned grocery store, the Board of Chicago Market began the hard work of organizing our project. We continued to build a strong base of community support, to over 2,100 Owners today. Chicago Market consulted with industry experts to vet potential sites, check the market potential, and built pro forma financial projections to ensure the project would be viable.

SOURCES



In 2017 Chicago Market successfully launched a bid to lease the iconic historic Gerber Building in Uptown Chicago from the Chicago Transit Authority. Grassroots Ownership growth, initial Owner loan campaigns and business feasibility work continued.

Chicago Market has enjoyed stable and experienced leadership on our Board of Directors. The Board is elected by Co-op Owners. More information about the Board is available at chicagomarket.coop/about.

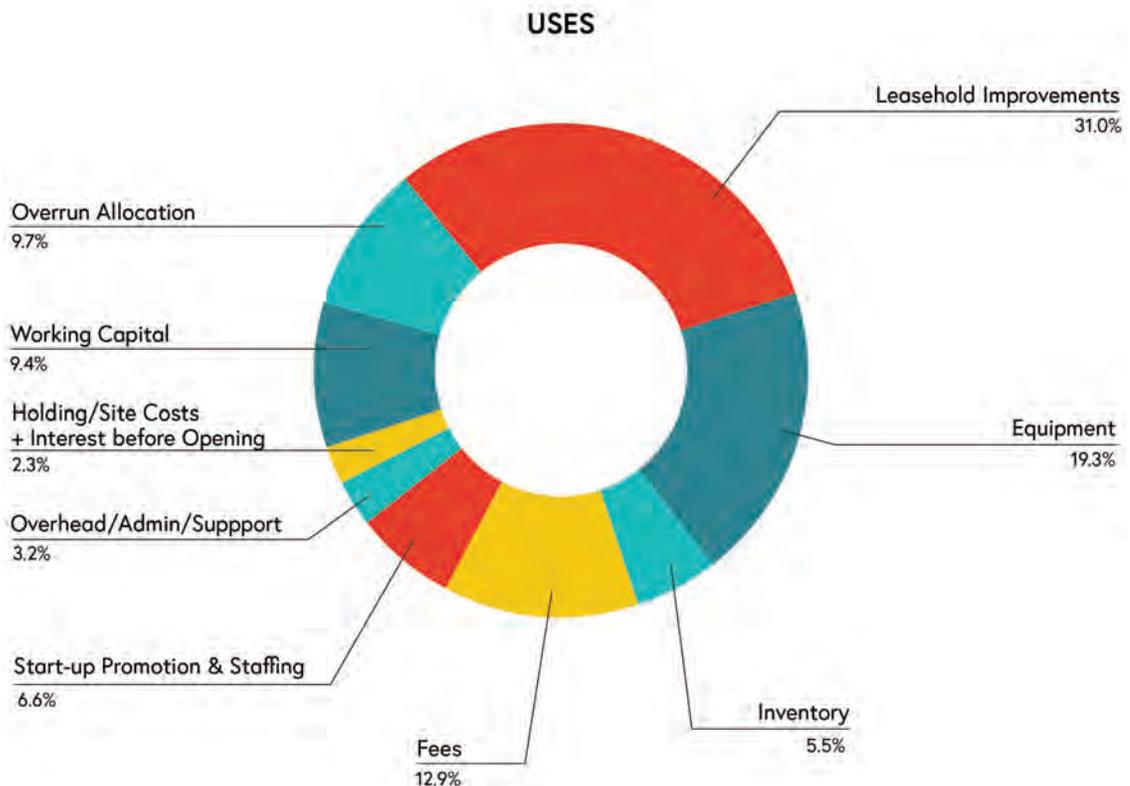
The market studies indicated a very strong sales potential in the Gerber Building and the potential for Chicago Market to be one of just a handful of highly-successful co-ops operating in a very densely populated urban environment. Chicago Market completed a store design and full feasibility assessment in 2020 and hired Dan Arnett as our General Manager in 2021. Dan's decades of experience in cooperative management and success growing grocery stores in dense urban areas such as Seattle and Sacramento made him a uniquely qualified candidate for this project.

Chicago Market will cost \$7.6 million to build, equip and operate until it reaches profitability in year three. Because Chicago Market is structured as a cooperative, we are not always eligible to access traditional new business financing opportunities. Thus, co-ops are typically funded by their owners, partners from the community, and co-op investors and lenders. Chicago Market also expects to receive a portion of our funding from a local Tax-Increment Financing (TIF) opportunity.



"Sales projections per square foot for this site outstrip 95%+ of all sales projections for startup food co-ops in the last decade."

*JQ Hannah,
Food Co-op Initiative*



Dan Arnett

Chicago Market's General Manager



22 years of Cooperative Grocery Management experience at Good Foods Co-op in Lexington, KY, Central Co-op in Seattle, WA, Sacramento Natural Foods and Placerville Food Coops in California.

Current Treasurer of the Board of Directors of Fairtrade America; multiple terms of board service for cooperatives and nonprofits in the United States and Canada, including National Co-op Grocers.

Masters Degree in Management: Cooperatives and Credit Unions from St Mary's University; Consumer Cooperative Management Intensive certification; Certificate of Co-op Director Leadership from the Co-op Director Institute; Governance Certificate from the University of Saskatchewan (Canada); and a certificate from Mondragon University (Spain).

2016 Winner of the National Cooperative Innovation Award from the National Cooperative Business Association

Adjunct Professor in Cooperative Business, Presidio Graduate School

Freelance Consultant for Cooperatives, frequent Cooperative speaker and presenter at industry events and conferences

Thoughts from our GM

For 22 years, I have been a food co-op manager. I am an owner at nine food cooperatives in multiple states. Seeing the significant differences these cooperatives, and so many like them, have made in their communities and local food systems has been life-changing for me. I have witnessed farms preserved, local businesses grow, and careers made in these cooperatives. I have heard the stories of lives changed and watched as children grew up in those co-ops. The social, cultural, and economic benefits of a genuine food cooperative are among the most powerful examples of creating common good and even catalyzing transformative change for any local organization. None of those cooperatives are or ever were perfect, but all of them have been rooted in solid principles and been a source of good which will serve multiple generations.

Chicago Market has as much potential as any start up I have seen at any point, and the Co-op has emerged at a time when we urgently need values-driven businesses and democratic institutions. The concepts and market for this project are top-notch — so much so that I have moved across America in order to be a part of it. I am fortunate enough to have this chance to put my resources to work for something in which I deeply believe and am grateful to this cooperative community for providing this chance do my part to help build a better world though cooperation here in Chicago. I'm invested and cannot wait to shop our store.

Dan Arnett, Chicago Market's General Manager, and Owner #1996

"I have witnessed farms preserved, local businesses grow, and careers made in these cooperatives. I have heard the stories of lives changed and watched as children grew up in those co-ops."

Invest in the Future of Food in Chicago

To raise the capital needed to open the store, Chicago Market has already recruited over 2,100 Co-op Owners, raised over \$800,000 in additional Owner investment, and received over \$100,000 in grants and donations. We are now looking for other leaders, investors and philanthropists to join us to bring a better market to Chicago and help open Chicago Market in early 2023.

Your investment or donation now will help us stay on track to open our Co-op on schedule. Our site is secured, our business plan is solid, and we have the right leadership in place. Your investment in the future of food in Chicago is an opportunity to have a meaningful impact in our community that will reap positive social, economic and environmental returns for decades to come.

As a partner with us at the investment level, you will be directly supporting local food, local farmers and producers, and a socially just, environmentally sustainable new local business.

Chicago Market is now inviting investors and philanthropists to purchase Preferred Shares or make a tax-deductible contribution to help open the Co-op.

Investment Options	Minimum Investment	Potential Dividend Rate or Tax Advantage	Criteria for participation
Series A Preferred Shares	\$1,000	Up to 7% Annual Dividend	Chicago Market Owners
Series B Preferred Shares	\$5,000	Up to 8% Annual Dividend	Accredited Investors
Charitable Donation	Any amount	A tax-deductible contribution option is available	Open to anyone

More information is available on our website at chicagomarket.coop. To set up a meeting to learn more, please contact us.

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Dan Arnett, General Manager
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gm@chicagomarket.coop



you



investment



our store



I'm an investor because I want to shop at a grocery store that is locally owned and democratically run and fills its shelves with locally-grown or -produced goods. Oh, and practices sustainability and engages with the local community. Right on!"

Bob Kunze, Owner #1408