



HEALTHY FOOD  
FINANCING  
INITIATIVE

---

# HEALTHY FOOD FINANCING INITIATIVE

---

## FINANCING PRODUCTS

The Healthy Food Financing Initiative Program (HFFI) provides financing at below-market pricing to support grocery development. Eligible activities include: pre-development, site assembly and improvement, construction and rehabilitation, equipment installation and upgrades, staff training, security, and start-up inventory and working capital. The total amount of HFFI funding awarded, per store, will be based upon the strength of each applicant. More funding may be supplied in the form of market-rate interest bearing loans from private lenders or New Markets Tax Credits.

### HFFI Program Highlights

- Loans for new and existing retail outlets with below-market pricing
- Flexible funding for pre-development, development and initial operations costs
- Available to for-profit and nonprofit markets

---

## DEMONSTRATED SUCCESS

---

### Circle Food Store | New Orleans, LA

Incorporated in 1938, Circle Food Store was New Orleans' first black-owned grocery. In 2005, the store was heavily damaged by Hurricane Katrina. The owner attempted to secure financing to reopen; however, he was unable to find lenders willing to invest in him or his store. In 2012, his financing problems were resolved through a partnership led by The Food Trust, the City of New Orleans and HOPE. Circle Food Store reopened in 2014 and now provides 65 local jobs and fresh food in a former food desert, while reclaiming its position as an important symbol of community resilience and revitalization.

---

# HEALTHY FOOD FINANCING INITIATIVE LENDING PROGRAM SUMMARY

---

## Background

HOPE (Hope Enterprise Corporation and Hope Credit Union) is a community development financial institution, community development intermediary that provides high-quality, affordable financial services across the Mid South to fulfill its mission of strengthening communities, building assets, and improving lives in economically distressed parts of Arkansas, Louisiana, Mississippi and greater Memphis, Tennessee.

Since 1994, HOPE has generated over \$2 billion in financing and related services for consumers, entrepreneurs, homeowners, nonprofit organizations, health care providers and other community development projects.

## Eligibility

- Applicants must plan to open a self-service supermarket or other grocery retail outlet primarily selling fresh produce, seafood, meat, dairy, and other groceries; renovate and substantially improve a store's ability to stock and sell a variety of fresh fruits and vegetables; or develop a real estate project that will lease space to a grocery retail tenant.
- Applicants must operate in HOPE's service area – Arkansas, Louisiana, Mississippi or greater Memphis, Tennessee.

*\*Special consideration given to retailers located in areas designated as "food deserts" by the U.S. Department of Agriculture*

## Financing Uses

- Development and Pre-development
- Real Estate and Facilities
  - Acquisition, Repair, Expansion
- Construction and Rehabilitation
- Renovation/Leasehold Improvements
- Permanent Financing
- Business Loans
- Equipment
- Staff training
- Security
- Inventory and Working Capital

## Loan Rates and Terms

- Varies by product and term
- Length of the loan term will depend on the financing needs of the borrower (projected cash flow and activities/items being financed), type of collateral and purpose of the financing

## Collateral

- Strong preference for real estate collateral
- Fixtures and equipment for business loans

## Fees

- Up to 1.5 % of loan amount plus legal fees

## Personal Guarantees

- Required from all significant owners (generally those with a 20% and above ownership interest in the borrower).

*All loans are subject to underwriting and approval by HOPE's Credit Committee.*



Federally insured  
by NCUA.

---

## HOW TO APPLY

---

To find out if you are eligible for HOPE's Healthy Food Financing Initiative download the application from [www.hope-ec.org/hffi](http://www.hope-ec.org/hffi). Complete the eligibility application and submit your form with attachments by email, fax or mail to:

Hope Credit Union  
ATTN: HFFI  
1726 O.C. Haley Blvd.  
New Orleans, LA 70113  
FAX: 504-527-0691  
[hffi@hope-ec.org](mailto:hffi@hope-ec.org)

For more information contact:

**Gary E. Williams**  
[gary.williams@hope-ec.org](mailto:gary.williams@hope-ec.org)  
**(504) 585-2856**

