

**Your loan will help the
Los Alamos Cooperative Market
to...**

...hire a qualified project manager to oversee the construction of our store

...complete the interior work and furnishing of the space, including the initial stocking of the store

...provide member-owners and other shoppers with an abundance of fresh, local and organically grown foods as well as other natural products

...support local growers and food producers, create jobs in a thriving local business, and support the local economy

...offer the lowest possible prices while serving all segments of the community

...provide education about cooperatives, food, health and related topics

...contribute to the community by providing a welcoming community-based environment in which to shop

The Los Alamos Cooperative Market exemplifies the seven principles of cooperatives:

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

For more information about the Los Alamos Cooperative Market, see our website:

www.lacoopmarket.com

email: *info@lacoopmarket.com*

or write:

P.O. Box 838, Los Alamos, NM 87544

**Los Alamos
Cooperative Market**



**Member Loan
Program
2008**

*A socially conscious
investment opportunity in
your community*

What is a member loan program?

Natural food cooperatives use member loan programs to provide additional member-owner funding for the costs of starting a co-op and opening a store.

Member-owner loans, in addition to memberships, provide a demonstration of community support for the Los Alamos Cooperative Market and are a major component of our fundraising effort. The Member Loan Program is not the only source of funds for LACM. However, financial institutions and granting agencies regard member loans as a true test of the support of the community for the co-op.

As a new co-op, the Los Alamos Cooperative Market needs funding for store design, equipment, inventory, working capital and other initial start-up costs.

What are the goals of the Los Alamos Cooperative Market's Member Loan Campaign?

We've set a goal of \$500,000 for our member loan campaign. This will help leverage the senior debt funding we need to open our store. We are working with Los Alamos National Bank to structure our senior debt funding of approximately 1.2 million dollars.

Member-owners supporting the Los Alamos Cooperative Market through member loans will play a vital role in the establishment and growth of our member-owned business.

What are the terms of the Member Loan Program?

1. The Member Loan Program is open to all member-owners of the Los Alamos Cooperative Market.
2. Member-owners choosing to make loans will decide upon an interest rate of 0-4% for loans below \$10,000 and 0-5% for loans over \$10,000. These interest rates reflect a basic premise of member loans as investments in the quality of life of the community rather than as financial growth investments. This is an important distinction as you consider loaning money to the co-op.
3. Maturity dates on loans will be scheduled to coincide with the 7-year term end for the cooperative's senior debt financing.
4. Interest will be paid once a year beginning within 12 months of the store opening.
5. Loans are expected to range from a minimum of \$1,000 up to \$50,000, with an average loan of \$5,000.

Are there risks associated with this program?

Yes, there are risks—these loans are unsecured and are subordinated to bank loans. There are other risks as well; these will be described in the Offering Memorandum.

What can I do now?

We hope that you, as a member-owner of the Los Alamos Cooperative Market, will consider making a loan to help make sure our co-op is as strong as possible. We are now collecting pledges from member-owners who are ready to commit to helping Los Alamos and the surrounding communities by supporting a grocery cooperative that will enhance economic sustainability in our town, work with local farmers, and contribute to community building. Please fill out the form below and return to the Los Alamos Cooperative Market at P.O. Box 838, Los Alamos NM 87544,

Yes, I will be able to make a member loan of at least

_____ **\$1,000**
_____ **\$5,000**
_____ **other \$** _____

Name _____

Phone: _____

E-mail: _____

For more information, please contact

Kathy Campbell, 662-3913,
ksmithcamp@cybermesa.com
Karen Kendall, 412-3793,
kbkendall@yahoo.com
Co-chairs, Member Loan Committee

