

What is the Notes Program?

Natural food coops throughout the country have initiated investment programs to fund start-ups and expansions. Greene Hill Food Coop is seeking funds from potential investors of up to \$40,000, to fund the opening and establishment of our new store in the community. The minimum contribution under the program is \$1,000. The opening of the new store will allow us to operate as a walk-in retailer in the community and attract new members. This program provides a critical component of our fundraising effort.

What is the fundraising goal?

Our goal is to raise up to \$40,000 to finance the opening and establishment of the new store. Money received from investors will be combined with other funds, including membership fees, donations, and our cash reserves.

What can you do now?

You can become a member of GHFC for a one-time \$150 investment (plus a nonrefundable \$25 administrative fee) for each adult in your household. Payment plans are available.

Investors wishing to participate in the Offering should obtain and read a copy of the Disclosure Statement, available on our website at www.greenehillfood.coop/loans. You must make your own independent investigation of our financial condition, and your own appraisal of our credit-worthiness.

While you do not need to be a member to participate in the Offering, you must be a New York resident.

Investors in the Notes play a vital role in our growth and support the expansion of the cooperative movement.

An investment of \$1,000 or more helps us become a stronger and more prominent part of the community.

For information and a copy of our disclosure statement, please contact:

Doug Warren
finance@greenehillfood.coop
The Greene Hill Food Cooperative, Inc.
18 Putnam Avenue, Brooklyn, New York 11238
www.greenehillfood.coop/loans
718-208-4778



NOTES INVESTMENT PROGRAM 2011

A socially conscious investment opportunity in your community



www.greenehillfood.coop

How will the new store fulfill our mission?

The funds received from the Notes will help finance the establishment of a new store, the renovation of the new location to suit our needs, and the necessary funding to begin operations.

The new store will allow us to . . .

- develop our focus on quality, consistency, and value,
- increase our commitment to the local farming community,
- deliver to members a great selection of natural and organic grocery products,
- provide a better shopping and working environment for our staff and members,
- strengthen our position with our current member base, by offering more of the products and services they request,
- service the projected growth in the natural and organic food market in our community, attract new members, and
- improve operational efficiencies.

THE NOTES PROGRAM IS ONLY AVAILABLE TO NEW YORK STATE RESIDENTS

Investments in the Notes are investments in the quality of life of our community. Investments in the Notes contribute to the growth of our community, the growth of our local economy, and the promotion of healthy, natural, delicious, local food. Though the Notes represent a possibility for financial growth, an owner should consider the fulfillment of our mission as the preliminary benefit of the investment.

What are the terms of the Notes Program?

1. The Notes Program is open only to residents of the State of New York, both members and non-members.
2. Minimum investment is \$1,000.
3. Investors will select maturity terms of 5–10 years for the Notes. Only a limited number of Notes will be offered for each term length. Early commitment improves the likelihood that term desired will be available.
4. Investors selecting a maturity of 5 to 7 years may choose an annual interest rate of 0.0% to 2.5%. Investors selecting a maturity of 8 to 10 years may choose a maximum interest rate of up to 3.5% per year. Preference is given to investors who choose lower rates.
5. Investments will be evidenced by an Unsecured Subordinated Promissory Note that will be delivered to each investor. Interest will be paid annually, and the principal balance will be paid on maturity of the Note.
6. Notes will be unsecured and may be subordinated to any future loans made to us by a bank or other third- party lender. Such bank or lender may request, as a condition to lending, the right to demand that we stop making payment under the Notes.

What are the risks?

An investment in the Notes should be considered a speculative investment that involves a high degree of risk. These risks are described in our Disclosure Statement, a copy of which can be obtained at our website (www.greenehillfood.coop/loans) or by contacting Doug Warren at finance@greenehillfood.coop. You should carefully read the Disclosure Statement before making any decisions on your investment.

Our history

- We are a newly incorporated food cooperative.
- We operated a buying club from December 2010 to September 2011. In that period, our sales grew at an average rate of 20% every four weeks, and our total revenue from the buying club was approximately \$67,700, as of September 30, 2011.
- We expect our store to open in mid-December 2011.
- We had 546 members as of November 28, 2011. Our current membership grew at an average rate of approximately 38 members per month since January 2011.
- Food currently sold by us is locally grown or processed.
- Food currently sold by us is organic and produced using environmentally and socially sustainable practices.



Potential investors are encouraged to obtain and read the Disclosure Statement prepared by us regarding the investment in the Notes. We shall not accept any money from or deliver any promissory note to any investor unless such investor has read the Disclosure Statement. Under no circumstances shall this brochure or the Disclosure Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any state in which such offer, solicitation, or sale is unlawful prior to registration or qualification under the securities laws of any such state.