

Comto at Information.

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## Preparing Child Care Borrowers for Underwriting: A Checklist for Initial Loan Request

The Low Income Investment Fund's (LIIF) Affordable Buildings for Children's Development Initiative (ABCD) is a California-wide collaborative of existing organizations dedicated to building a comprehensive and sustainable financing and support system for child care. LIIF has designed this checklist to help individuals and organizations seeking child care capital financing understand the type of documentation lenders need to determine the viability of a potential borrower. This checklist is general and intended to be a starting point for potential borrowers helping them identify, gather and construct necessary documentation in preparation for meeting with a lender. If items in this checklist can not be produced, an explanation of why should be developed. Every potential borrower and reason for borrowing is unique therefore a lender may request additional documentation. After their preliminary review of the items in this checklist, a lender will definitely need more information to conduct a thorough analysis of a loan request. Information presented to a lender should always be thorough, evidentiary, and financial projections conservative.

Contact information:	
Checklist:	
	Borrowing entity; Corporation, Limited Liability, Single Asset Company, etc.
	501(c) 3 Federal and State Tax Exempt Letters, Articles of Corporation and Bylaws
	List of Board of Directors and Bios for each- if applicable
	Three Credit/Business References
	Current Interim Financial Statements
	Previous 3 yrs audited financial statements
	Previous 3 yrs tax returns, CA and Federal
	Organizational Budget
	Development project Sources/Uses statement; A schedule that identifies each capital source and the expense or activity each source will pay for.
	Drawings
	Development Budget; detailed cost explanation of true development costs
	Development Timeline
	Business plan, including a market analysis justifying demand for new child care services
	Loan Application
	Project Description
	Proof of committed State/Federal/Local operating revenue
	Proof of committed Capital funds
	Property description; Parcel Number, Title report, Deed of Trust
	Property Appraisal Report
	Environmental Reports
	Proof of appropriate zoning for use of child care
	Waiting list/ anticipated enrollment
	List of Development team members and resumes for each
	Copies of consultant contracts for key members of the development team (e.g. architect, construction manager, capital campaign consultant, etc.)