
Contents

- Program Description
- Frequently Asked Questions
- Supporting Document Checklist
- Loan Application
- Personal Financial Statement Form
- Listing of Resources for Technical Assistance

Program Description

UCEDC offers financing to owners of child care centers, including family providers, through its 'First Steps' Child Care Loan Program. As it is often difficult for newly formed centers or home-based centers to obtain short-term financing, the 'First Steps' Child Care Loan Program is designed to meet that need as well as to help those successful operations grow and expand.

Loans range from \$ 500 to \$150,000, and are available for any of the following uses: the purchase of supplies or equipment, such as playground equipment, age-appropriate toys and educational materials; staff training or conferences, including registration fees, transportation and hotel accommodations; health and safety needs; expansions or renovations to property, such as fencing; or a portion of working capital.

Please complete the attached forms that include a business loan application, financial statements and a business plan. Other related documentation may be requested.

When the loan application is complete and submitted, it is reviewed by UCEDC's Loan Committee, a volunteer committee comprised of professionals from a wide array of businesses. Once approved, the loan will be closed usually within ten days.

If you need assistance preparing for or completing the loan application, UCEDC can provide or refer such assistance. Several organizations offering business support services are listed in the back of this packet of material.

If you have any questions regarding the 'First Steps' Child Care Loan Program, please contact Ellen McHenry, Director of Financial Programs, UCEDC, at 908.527.1166 or email at info@ucedc.com.

UCEDC is an equal opportunity employer and is committed, in policy and in practice to recruit, hire, train, and promote, in all job classifications, without regard to race, color, religion, sex sexual orientation, age, national origin, marital status, or status as a veteran.

Our commitment to diversity extends beyond each employee to include every client, business partner and the community in which we live and work.

Frequently Asked Questions About the 'FIRST STEPS' CHILD CARE LOAN PROGRAM

Frequently Asked Questions About the 'First Steps' Child Care Loan Program

1. How much can I borrow for my child care center?

First Step Microloans range from \$500 to \$35,000.

2. What can I use my loan for?

Our loans can be used to purchase supplies, children's furniture, playground equipment, office equipment, furniture and fixtures; to make façade renovations and restorations; to assist in the abatement of code violations; and for working capital.

3. How long does it take to be approved?

All loan applications, complete with all required documentation, **should be submitted by the first of the month**. Approval could be given by the end of that same month after being reviewed by the Loan Committee of UCEDC.

If you have an established center, loan approval could be as quick as two weeks.

4. Are there any fees?

Fees are determined at the time of application, and are dependent upon the size, term and type of loan.

5. Are there any loan restrictions?

Loans cannot be used to refinance existing debt. Loans are not made to investment companies or for venture capital deals. Also, funds may not be used to reimburse applicants for projects that have begun prior to the loan closing.

6. What do I have to put down?

A personal guarantee is required. In addition, some collateral may be required which will be determined at the time of loan application.

**Family Provider
Supporting Document Checklist**

Please be sure to provide all of the information requested or you may delay the processing of your application.

I. All Applicants:

- Completion of 'FIRST STEPS' CHILD CARE Loan Application
- Copy of the child care registration certificate and any applicable documentation or copy of license application, if available.
- Personal financial statement(s) of the owner(s) of the business. A separate form for each owner is required.
- Last three (3) years complete personal tax returns for the owner(s) of the business. Please include all supporting schedules.
- Last three (3) years tax returns to include Schedule C and Form 8829 Business Use of Your Home.

II. Start-Up Centers (for centers with less than 2 years of operation):

In addition to Part I., please submit the following:

- Copy of Report of Inspection, if visit has already taken place.
- Description of cash or other assets that you have invested or plan to invest in the business.

Send material to:
UCEDC
Liberty Hall Center
1085 Morris Avenue, Union, New Jersey 07083

'FIRST STEPS' CHILD CARE LOAN APPLICATION

LOAN REQUEST: *The following table lists your anticipated project costs. Please adapt and modify this table to best describe the requirements of your project and why financing is needed.*

Site Related		
	Site acquisition costs, if buying a building	\$
	Site improvements (changing the building to suit	\$
	Security deposit with landlord, if renting	\$
Equipment Related		
	Installation of utilities	\$
	Deposits with public utilities	\$
	Material and equipment purchases	\$
	Equipment installation	\$
	Vehicles	\$
	Educational supplies/toys	\$
	Office furniture and equipment	\$
	Other	\$
Professional		
	Legal fees for business set-up, leases, etc.	\$
	Accountant fees	\$
	Other, including architect, engineer, etc.	\$
Training		
	Conference fees	\$
	Hotel accommodations, transportation, etc.	\$
Organizational		
	Registrations, licenses and permits	\$
Promotional		
	Stationary, business cards, brochures, etc.	\$
	Advertising, signs	\$
	Notification to newspaper, clients, associations	\$
Operational		
	Starting inventory of goods and supplies	\$
	Other working capital needs	\$
	TOTAL	\$

- Total Project Costs: *(from above)* \$ _____
- Loan amount requested and how to be used: \$ _____
- _____
- Amount of client equity invested: \$ _____
- Source and amount of other funding: \$ _____
- _____
- Collateral Description: _____
- Source of loan repayment: _____

'FIRST STEPS' CHILD CARE LOAN APPLICATION – Page 2

BUSINESS RECORDS

- Business name: _____
- Business address: _____

- Phone: _____ Fax: _____
- Please check one: _____ Regular corporation _____ S Corporation
_____ LLC _____ Sole proprietorship _____ Non-profit corp.
_____ Other (please describe): _____
- Year established: _____ Tax ID No. _____
- Name of current bank: _____
- Address of bank: _____
- Phone: _____ Account No. _____
- Accountant name: _____
- Phone: _____ Fax: _____
- Landlord/Mortgage Co. name: _____
- Phone: _____ Fax: _____
- Annual rent \$: _____ Lease expiration date: _____

OUTSTANDING BUSINESS/FINANCIAL OBLIGATIONS: *Please list all bank, finance company, chattel mortgage, conditional sales and lease financing obligations that remain outstanding.*

Creditor #1:

Name: _____
Address: _____
Phone: _____ Account No. _____
Balance due \$: _____ Monthly payment \$: _____

Creditor #2:

Name: _____
Address: _____
Phone: _____ Account No. _____
Balance due \$: _____ Monthly payment \$: _____

'FIRST STEPS' CHILD CARE LOAN APPLICATION – Page 3

OTHER INFORMATION

Are there any outstanding judgments, garnishments or other legal proceedings against you or your business? If so, please explain:

_____ Have you or your business ever declared bankruptcy?

_____ YES _____ NO

Have you or your business ever had a judgment against you? _____ YES _____ NO

Are any assets pledged or debts secured except as shown? _____ YES _____ NO

Have you had property foreclosed upon or made a settlement with creditors? _____ YES _____ NO

AUTHORIZATION:

I/we authorize and instruct any person or consumer-reporting agency to compile and furnish to the UCEDC any information it may have or obtain in response to such credit inquiries and agree that same shall remain your property whether or not credit is extended.

All information set forth in this application is declared to be a true representation of facts made for the purpose of obtaining the credit requested and any willful misrepresentation on this application could result in criminal action.

UCEDC may request a consumer (TRW, TransUnion, Equifax, etc.) or business (Dun & Bradstreet) report in connection with this application and subsequent consumer and/or business reports in connection with updating, renewing, or extending the existing or future extensions of credit. Upon written request, UCEDC will provide the name and address of the consumer agency furnishing such reports to us, if any.

Signature: _____ Date: _____

Please print name: _____

Listing of Resources for Technical Assistance

UCEDC

Liberty Hall Corporate Center
1085 Morris Avenue
Union, NJ 07083

Phone: 908-527-1166
Fax: 908-527-1207
Email: info@ucedc.com

UCEDC, a non-profit economic development corporation, is dedicated to fostering economic growth. This is accomplished through the provision of financing and technical assistance programs, training, business assistance, business information and government contract procurement assistance.

US Small Business Administration

Two Gateway Center, 15th floor
Newark, NJ 07102

Phone: 973-645-3680
Fax: 973-645-6265

The US Small Business Administration, established in 1953, provides financial, technical and management assistance to help Americans start, run, and grow their businesses. The SBA provides loan guarantees to area lenders for loans to small business. The SBA is the nation's largest financial backer of small business.

NJ Commerce & Econ. Growth Commission

20 W. State Street
Trenton, NJ 08625

Phone : 609.292.9934

The Commission's programs are tailored to the individual needs of the business community, helping with creative financing packages, technical assistance, site selection and acquisition. In addition, the Commission offers a business advocacy service providing assistance in dealing with state government.

NJ Economic Development Authority

P.O. Box 990
36 West State Street
Trenton, NJ 08625

Phone: 609-292-0181
Fax: 609-633-7751
Email: njeda@njeda.com

NJEDA is a self-supporting, independent state financing and development agency serving New Jersey's business community. Since 1974, the NJEDA has provided nearly \$14 billion to eligible businesses and not-for-profit groups. The NJEDA provides financing, real estate development and technical support for new entrepreneurs.

Listing of Resources for Technical Assistance – Page 2

S.C.O.R.E.

Phone: 973-645-3982
www.nj-score.org

New Jersey Small Business Development Ctrs.

Phone: 800-432-1565
www.njsbdc.com

NJ Association of Women Business Owners,
Women's Business Center (WBC)

127 U.S. Highway 206, Suite 28
Hamilton, NJ 08610

Phone: 609-581-2120
Fax: 609-581-6749
Email: WBCdirector@njawbo.org

NJAWBO is a statewide organization with its objective being to support and encourage business ownership by women. NJAWBO enables women business owners to network while it also provides a legislative voice for them at local, state and federal levels. NJAWBO operates a Women's Business Center (WBC) which provides a wide range of services to women entrepreneurs at all levels of business development.

County-based child care resources:

Bergen County:	Office for Children	Phone:	201-336-7176
Essex County:	Programs for Parents, Inc.	Phone:	973-297-1114
Hudson County:	Urban League	Phone:	201-451-8888
Middlesex County:	Catholic Charities	Phone:	732-324-4357
Monmouth County:	Child Care Services	Phone:	732-294-1894
Morris County:	Child & Family Resources	Phone:	973-598-2101
Ocean County:	Children's Home Society	Phone:	732-905-6363
Passaic County:	North Jersey 4C's	Phone:	973-684-1904
Somerset County:	Catholic Charities	Phone:	908-927-0869
Union County:	4C's	Phone:	973-923-1433
Warren County:	NORWESCAP	Phone:	908-454-1078

Listing of Resources for Technical Assistance – Page 3

Other:

NJ Business Resource Center

www.njbrc.com

The Urban Institute

Phone: 202-261-5709

www.urban.org

National Center for Children in Poverty

Phone: 212.304.7100

<http://cpmcnet.columbia.edu/dept/nccp>

Leviticus Alternative Fund

Phone: 914.237.3306

Literacy Volunteers of America

Phone: 908.518.0600