



Phila ECE Loan Fund - Application Process for Fall 2024 PHLpreK Bridge Loans

	Steps	Deadline
1	Loan Inquiry	September 6, 2024
2	Application	September 10, 2024
3	Notification of initial eligibility and draft terms	September 13, 2024
4	Closing Checklist	September 25, 2024 (target)
5	Loan Closing	Early October (target) *Exact date to be scheduled

The general maximum loan size for the Phila ECE Loan Fund is \$50,000*

**Providers with PHLpreK awards of 20+ seats may apply for a larger loan but owners(s) must additionally complete a credit check, share personal tax returns, serve as a personal guarantor, and share a signed PHLpreK Contract for loan closing. Closing cannot be scheduled for loan requests over \$50,000 until PHLPreK contracts are signed.*

1. Loan Inquiry Form – due September 6

Submit an inquiry form to express interest and start the process.

2. Loan Application – due September 10

After reviewing the inquiry form for initial eligibility, program staff will share a link to upload the following documents for a PHLpreK Bridge Loan Application:

- Financials:
 1. 2023 Tax Return
 - OR if not already filed:
 1. Extension letter
 2. Internal 2023 financial statements
 3. 2021 Tax Return
 2. 2022 Tax Return
 3. 2024 organization budget
 4. Current profit and loss



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5. Current balance sheet
- Program Documents:
 6. Childcare License (Certificate of Compliance)
 7. PHLpreK Award Letter
 8. PHLpreK Budget
 9. Enrollment information
 10. Staffing information
- Organization Documents:
 11. EIN letter
 12. Certificate of Formation
 13. Operating Agreement or ByLaws
 14. Deed or Lease
 15. Owner demographics (optional)

ONLY For bridge loan requests for more than 20 seats and more than \$50,000:

14. Credit authorization form

15. Personal financial statement – form 413

16. Personal Tax Returns for past 3 years showing Adjust Gross Income

3. Notification of initial eligibility and draft terms – September 13, 2024

Applicants will receive a notification from program staff whether they meet initial eligibility, while their loan request goes through internal Lending review. Staff will share initial loan terms which will be reviewed during underwriting.

Applicants may be invited to start working on Loan Closing Checklist items while waiting on loan approval.

4. Borrower Closing Checklist Documents – target completion by September 24 for early October closing

- Child Care Insurance – with Reinvestment Fund as Certificate Holder:
 1. Commercial General Liability
 2. Child Abuse/Molestation
 3. Property Insurance (if rent)
 4. Worker’s Compensation
- Financial Transaction Documents
 5. W9



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6. ACH Agreement
7. Borrower Billing Information Sheet
8. Borrowing Resolution
9. Wire Instructions
- Search Authorization Approvals & Compliance Form Signatures
10. Packet of forms to be shared by Reinvestment Fund

*ONLY For bridge loan requests for more than 20 seats and more than \$50,000:
10. Signed PHLpreK Contract*

Following Loan Approval, loan terms and documents will be drafted at this stage. Borrowers are strongly encouraged to find legal counsel to help review loan documents.

Loan Documents for closing:

1. Promissory Note
2. Loan Agreement
3. Pledge & Security Agreement
4. Confession of Judgment
5. UCC-1 Financing Statement
6. Settlement Statement

*ONLY For bridge loan requests for more than 20 seats and more than \$50,000:
7. Personal Guaranty
8. Assignment of PHLpreK Contract
9. Consent to Assign Contract*

5. Loan Closing

Loan Closing will be scheduled after formal loan approval, and after completion of all Closing Checklist documents. Applicants should plan for ~one week between submitting all Closing Checklist documents and scheduling a closing date.