



Dear Child Care Applicant:

Thank you for visiting our website and downloading this child care loan application. We look forward to working with you to find financing that best meets your needs. To make this process easier, please take a moment to read the following information about the application process.

How does Self-Help decide if I qualify for a loan?

We review the following items to decide if you qualify for a loan. If we spot weakness in one area of the application, we are willing to look for strength in another area. If we spot a weakness in more than one area, though, we may not be able to offer a loan at this time.

- Management – do you have a successful financial track record and do you run a quality program?
 - Cash flow – does your income cover your expenses? If not, you must have enough equity or net assets to cover foreseeable losses.
 - Collateral – what collateral is available to secure the loan? Collateral is especially important if your organization is not strong financially, is a start-up, or if the owner does not have a positive credit history.
 - Equity – does your organization have a positive net worth through owner investment, retained earnings or net assets?
- Credit history – do you and your organization meet your credit obligations responsibly?

What forms do I submit to apply for a loan?

A checklist of items you need to submit to us is on page 2 of this package. Most of the forms you need to submit are in the attached pages. A few items we will need, such as your tax returns, are not forms in this package. Just follow the checklist and you'll stay organized.

What do I do when I have my application package completed?

Please mail or deliver your completed application package to the nearest Self-Help branch. Self-Help's offices and their addresses are listed below.

What should I make sure not to forget?

Sign all forms where indicated. The items requiring your signature include the personal financial statement, the commercial loan application form, and your tax returns. Also, before you mail your completed loan application package to us, make a copy of the application package to keep for yourself. We keep all application materials sent to us and cannot return submitted forms.

If you have any questions about this package, the forms, or the application process, please feel free to contact the nearest Self-Help branch.

Our locations

| | | | |
|-------------|--|----------------|----------------|
| Asheville: | 34 Wall St., Suite 704, Asheville, NC 28801 | (828) 253-5251 | (800) 229-7428 |
| Charlotte: | 926 Elizabeth Ave., Suite 302, Charlotte, NC 28204 | (704) 409-590 | (800) 394-7428 |
| Durham: | 301 W. Main St., PO Box 3619, Durham, NC 27702 | (919) 956-4400 | (800) 476-7428 |
| Greenville: | 301 S. Evans St., Suite 306, Greenville, NC 27858 | (252) 752-8866 | (800) 893-9669 |
| Cape Fear: | 1109 New Pointe Blvd., Suite 4, Leland, NC 28451 | (910) 371-2034 | (910) 371-2024 |

CHILD CARE LOAN APPLICATION CHECKLIST

To provide you with the most efficient service, we ask that you please submit a complete application package. If you have questions concerning application forms or materials, feel free to call the nearest Self-Help office. Please send your completed package to the Self-Help office closest to you, as listed on the cover letter of this package.

Make a check in the appropriate box after you have included the item in your loan package. Please be aware that your loan officer may request additional items after receiving your loan application package.

| Check off when completed | Include these items with your loan application package |
|--------------------------|--|
| <input type="checkbox"/> | Signed Child Care Loan Application (enclosed) |
| <input type="checkbox"/> | Signed Personal Financial Statement (enclosed) |
| <input type="checkbox"/> | If married, submit a joint statement with your spouse. |
| <input type="checkbox"/> | Copy of Personal Federal Tax Returns for Most Recent 2 Years* |
| <input type="checkbox"/> | Copy of Business Federal Tax Returns for Most Recent 2 Years |
| <input type="checkbox"/> | Internal or Audited Financial Statements for Most Recent 2 Years (for existing businesses only) <i>Not required for loans under \$35,000.</i> |
| <input type="checkbox"/> | Current Year Internal Financial Statements Within the Last 60 Days (for existing businesses only) |
| <input type="checkbox"/> | Projected Monthly Cash Flow for 12 Months <i>A form is enclosed as a guide. You do not need to use it as long as you provide us with similar information.</i> |
| <input type="checkbox"/> | Business Notes Payable Schedule (enclosed) |
| <input type="checkbox"/> | Resume(s) of Key Management and a list of your Board of Directors with their affiliations, if you are a nonprofit organization |
| <input type="checkbox"/> | Signed Disclosure Statement (enclosed) |
| <input type="checkbox"/> | Project Budget, Plans, and Bids/Estimates from contractors for renovation/construction projects (if applicable) |

*Nonprofit organizations may not need to provide personal guarantees for a loan depending on certain credit underwriting criteria. To determine if this is applicable to your organization, please call Self-Help.

CHILD CARE LOAN APPLICATION



Business or Organization Name _____ Who referred you to us? _____
 Street Address _____ City _____
 State _____ Zip Code _____ County _____ Federal Tax ID # (if incorporated) _____
 Date Started _____ Today's Date _____

Legal Structure (check one)

C Corporation
 S Corporation
 Nonprofit Corporation
 Are you thinking about changing your legal structure?
 Legal Partnership
 Sole Proprietorship
 Limited Liability Corporation
 Yes No

Contact Person _____ Business Phone (_____) _____
 Home Phone (_____) _____ E-mail _____
 Number of employees now _____ How many jobs will this loan create? _____
 Briefly describe your business or organization and what you plan to do with this loan _____

PROJECT INFORMATION:

| | |
|--|--|
| <p>Uses of Funds: Total uses should equal total sources.</p> <p>Land and/or Building Purchases \$ _____</p> <p>New Building Construction \$ _____</p> <p>Building Improvements \$ _____</p> <p>Indoor Equipment \$ _____</p> <p>Playground Equipment \$ _____</p> <p>Working Capital \$ _____</p> <p>Other _____ \$ _____</p> <p>Other _____ \$ _____</p> <p>Total Project Uses \$ _____</p> | <p>Sources of Funds: Total sources should equal total uses.</p> <p>Loan Requested \$ _____</p> <p>Owner's Investment \$ _____</p> <p>Other Funding Sources \$ _____</p> <p>Specify Source: _____</p> <p>_____</p> <p>Total Project Uses \$ _____</p> |
|--|--|

COLLATERAL INFORMATION:

| Assets available to secure this loan | Value of Asset | Loans on Asset | Address of Asset |
|--------------------------------------|----------------|----------------|------------------|
| Property 1 | \$ _____ | \$ _____ | |
| Property 2 | \$ _____ | \$ _____ | |
| Vehicle | \$ _____ | \$ _____ | |
| Equipment | \$ _____ | \$ _____ | |
| Other (specify): | \$ _____ | \$ _____ | |
| Other (specify): | \$ _____ | \$ _____ | |

Names of Possible Co-Signers for Loan Request: _____

CHILD CARE PROGRAM INFORMATION:

EXISTING CHILD CARE PROGRAMS ONLY: Please indicate which of the following describes your child care (check all that apply):

- | | |
|--|--|
| <input type="checkbox"/> Small child care home | <input type="checkbox"/> For-profit |
| <input type="checkbox"/> Center-in-residence | <input type="checkbox"/> Nonprofit |
| <input type="checkbox"/> Center | <input type="checkbox"/> Accredited by the NAEYC |
| <input type="checkbox"/> Number of stars | <input type="checkbox"/> Accredited by NAFCC |

Do you operate more than one center? Yes No If yes, how many? _____

Have any disciplinary actions been taken toward you or your child care program within the last two years?
 Yes No If yes, when and why? _____

EXISTING AND START-UP CHILD CARE PROGRAMS:

Describe the program you plan to operate after receiving this loan (check all that apply):

- | | |
|--|--|
| <input type="checkbox"/> Small child care home | <input type="checkbox"/> For-profit |
| <input type="checkbox"/> Center-in-residence | <input type="checkbox"/> Nonprofit |
| <input type="checkbox"/> Center | <input type="checkbox"/> Accredited by the NAEYC |
| <input type="checkbox"/> Number of stars | <input type="checkbox"/> Accredited by NAFCC |

Name of your consultant: _____ Consultant's phone number: (_____) _____

Your child care license/registration number: _____

| | Rates you charge (per week and per month) | # of children for which you are licensed | # of children on a typical day | # of children receiving subsidies | Hours you are open | # of staff (full time equivalent) |
|--------------------|---|---|--------------------------------|-----------------------------------|--------------------|-----------------------------------|
| Before Loan | | | | | | |
| Infant | | <div style="border: 1px solid black; width: 100%; height: 100%; position: relative;"> </div> | | | | |
| Toddler | | | | | | |
| 3-5 Year Olds | | | | | | |
| After-School | | | | | | |
| Total | | | | | | |
| After Loan | | | | | | |
| Infant | | <div style="border: 1px solid black; width: 100%; height: 100%; position: relative;"> </div> | | | | |
| Toddler | | | | | | |
| 3-5 Year Olds | | | | | | |
| After-School | | | | | | |
| Total | | | | | | |

Describe your competition by listing other child care providers in your area, their rates and their waiting list size:

| Child care name | Infant rate | Toddler rate | 3-5 year old rate | After-school rate | # of children on waiting list |
|-----------------|-------------|--------------|-------------------|-------------------|-------------------------------|
| | | | | | |
| | | | | | |
| | | | | | |

Have you ever been convicted of a crime? Yes No (Self-Help reserves the right to check your criminal record)

If yes, when and why? _____

ELIGIBILITY FOR NC DIVISION OF CHILD DEVELOPMENT LOAN PROGRAM:

The following two questions may help you qualify for a special loan program that has a fixed interest rate lower than Self-Help's standard loan rate.

This loan would (check all that apply):

- Solve a compliance problem identified by the state consultant, building inspector, health inspector or fire inspector (please attach copy of written report)
- Allow this child care to become registered or to expand
- Pay for improvements to make the child care accessible to persons with disabilities
- Allow this day care to increase its star rating or to meet NAEYC or NAFCC standards (please explain how) _____
- Add square footage to a building

To be considered for this loan program, sponsored by the NC Division of Child Development, you must maintain your compliance with the requirements of North Carolina's subsidized care program and make services available to subsidized children until the loan is fully repaid. Do you agree to these requirements? (Regardless of your answer, you may still be eligible for a standard Self-Help child care loan.)

Yes No

START-UP LOAN INFORMATION:

If you are applying for a start-up loan, please answer the following questions:

Describe the qualifications and experience of your management and other employees, and any outside professional services (accountants, attorneys, etc.):

| Name | Company (if applicable) | Relationship to you (i.e. employee, lawyer) | Experience and Qualifications |
|------|-------------------------|---|-------------------------------|
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

Describe the market area, market trends, and customers you will service. Describe your advertising, promotions, and customer service. _____

What are your plans for growth or expansion? How does this relate to working capital, equipment and /or your building (location, size, age, zoning, condition)? _____

MANAGEMENT INFORMATION AND ACKNOWLEDGMENTS:

Please read the following and complete the information below. Each individual owner of 20% or more of this business must sign below and fill in the information requested. For nonprofit organizations, please provide this information for the Executive Director, Treasurer and/or Board Chairperson.

The undersigned hereby certifies that the information contained in this application and related materials is true and correct. The undersigned hereby further certifies that the proceeds of any loan made as a result of this application will be used for business or organizational purposes only, and will not be used for personal or consumer purposes. The undersigned hereby affirms that he or she does not discriminate on the basis of race, color, religion, national origin, gender, marital status or age. The undersigned hereby acknowledges that (1) no loan officer has authority to commit Self-Help to any loan without prior approval by Self-Help’s credit committee and (2) any loan commitment must be in writing and signed by an authorized representative of Self-Help. Self-Help is authorized to make all inquiries Self-Help deems necessary to verify the accuracy of this statement and to determine the creditworthiness of the business or organization. The undersigned also authorizes Self-Help to answer questions and inquiries from others seeking credit experience information about the business or organization.

The undersigned certifies that s/he has the authority to enter into a contract for the child care center or home listed on this application, and gives permission for the NC Division of Child Development staff to discuss this application with the staff of Self-Help.

| | | |
|----------------------|----------------------|----------------------|
| Name (print) _____ | Name (print) _____ | Name (print) _____ |
| Address _____ | Address _____ | Address _____ |
| SSN or TIN _____ | SSN or TIN _____ | SSN or TIN _____ |
| Date of Birth _____ | Date of Birth _____ | Date of Birth _____ |
| % Ownership _____ | % Ownership _____ | % Ownership _____ |
| Title/Function _____ | Title/Function _____ | Title/Function _____ |
| Signature _____ | Signature _____ | Signature _____ |
| Date _____ | Date _____ | Date _____ |

Please send this application form and the other items listed on the application checklist to the Self-Help branch nearest you. Your application cannot be processed until we receive all required materials. Remember to make a copy of the materials for yourself since we will not be able to return them to you. Questions? Call us at the locations listed below.

Self-Help Office Locations

| | | | |
|-------------|--|----------------|----------------|
| Asheville: | 34 Wall St., Suite 704, Asheville, NC 28801 | (828) 253-5251 | (800) 229-7428 |
| Charlotte: | 926 Elizabeth Ave., Suite 302, Charlotte, NC 28204 | (704) 409-590 | (800) 394-7428 |
| Durham: | 301 W. Main St., PO Box 3619, Durham, NC 27702 | (919) 956-4400 | (800) 476-7428 |
| Greenville: | 301 S. Evans St., Suite 306, Greenville, NC 27858 | (252) 752-8866 | (800) 893-9669 |
| Cape Fear: | 1109 New Pointe Blvd., Suite 4, Leland, NC 28451 | (910) 371-2034 | (910) 371-2024 |



PERSONAL FINANCIAL STATEMENT



Indicate which this is: **Individual Financial Statement** OR **Joint Financial Statement** As of Date _____

If married, you must submit a joint statement with your spouse.

Complete this form for: (1) each proprietor OR (2) each limited partner who owns 20% or more interest and each general partner OR (3) each stockholder owning 20% or more of voting stock OR (4) any other person or entity providing a guaranty on the loan.

| | | | |
|--|-------------------------|--|-------------------------|
| Name of First Individual | | Name of Second Individual | |
| Social Security Number or Taxpayer Identification Number (TIN) | | Social Security Number or Taxpayer Identification Number (TIN) | |
| Address | Yrs. at Address | Address | Yrs. at Address |
| City, State, Zip | Birth Date | City, State, Zip | Birth Date |
| Employer | Yrs. at Employer | Employer | Yrs. at Employer |
| Home Phone: (____) _____ | Work Phone:(____) _____ | Home Phone: (____) _____ | Work Phone:(____) _____ |

| ASSETS (Omit cents.) | | LIABILITIES (Show total balances due. Omit cents.) | |
|--|----------|---|----------|
| Cash (Complete Section 1) | \$ _____ | Accounts Payable | \$ _____ |
| Savings Accounts (also include in Section 1) | \$ _____ | Installment and Revolving Credit Accounts (Describe in Section 3) | \$ _____ |
| IRA or Other Retirement Account | \$ _____ | Loan on Life Insurance | \$ _____ |
| Accounts and Notes Receivables | \$ _____ | Mortgages on Real Estate | \$ _____ |
| Life Insurance—Cash Surrender Value Only (Complete in Section 7) | \$ _____ | Unpaid Taxes (Describe in Section 6) | \$ _____ |
| Stocks and Bonds (Describe in Section 4) | \$ _____ | Other Liabilities (Describe in Section 6) | \$ _____ |
| Real Estate (Describe in Section 5) | \$ _____ | TOTAL LIABILITIES | \$ _____ |
| Automobile(s)—Present Value | \$ _____ | NET WORTH (Assets minus Liabilities) | \$ _____ |
| Other Assets | \$ _____ | | |
| TOTAL ASSETS | \$ _____ | | |

| Section 1. Deposit Accounts | | | |
|------------------------------------|--------------|------------|---------|
| Financial Institution | Acct. Number | Acct. Type | Balance |
| | | | |
| | | | |
| | | | |
| | | | |

| Section 2. Sources of Annual Income | |
|--|----------|
| Salary/Wages | \$ _____ |
| Net Investment Income | \$ _____ |
| Real Estate Income | \$ _____ |
| Other Income* (describe below) | \$ _____ |
| TOTAL ANNUAL INCOME | \$ _____ |

*Other Income (alimony, child support or separate maintenance income do not need to be listed if you do not want to have them considered as a basis for repaying this obligation): _____

Section 3. Installment Loans, Credit Accounts and Auto Payments (Please label and sign any attachments to this section.)

| Noteholder(s) Name and Address | Original Balance | Current Balance | Monthly Payment | How Secured /Endorsed? Type of Collateral? |
|--------------------------------|------------------|-----------------|-----------------|--|
| | | | | |
| | | | | |
| | | | | |
| | | | | |

Section 4. Stocks and Bonds (Please label and sign any attachments to this section.)

| Number of Shares | Name of Securities | Cost | Market Value Quotation/ Exchange | Date of Quotation/ Exchange | Total Value |
|------------------|--------------------|------|----------------------------------|-----------------------------|-------------|
| | | | | | |
| | | | | | |

Section 5. Real Estate Owned (List each parcel separately. Please label and sign any attachments to this section.)

| | Property A | Property B | Property C |
|---|------------|------------|------------|
| Type of Property (residential / commercial) | | | |
| Title in Name of: | | | |
| Address | | | |
| | | | |
| Date Purchased | | | |
| Original Cost | | | |
| Present Market Value | | | |
| Name and Address of Mortgage Holder | | | |
| Mortgage Balance | | | |
| Amount of Payment per Month | | | |

| Section 6. Other Liabilities | Yes | No | If yes, describe below or on a separate attachment. |
|--|--------------------------|--------------------------|---|
| Are you a guarantor, co-maker or endorser for any debt of another? | <input type="checkbox"/> | <input type="checkbox"/> | |
| Are you currently liable on any lease or contract? | <input type="checkbox"/> | <input type="checkbox"/> | |
| Are there any suits or legal actions pending against you? | <input type="checkbox"/> | <input type="checkbox"/> | |
| Are any tax obligations past due? | <input type="checkbox"/> | <input type="checkbox"/> | |
| Are you obligated to pay alimony, child support or separate maintenance payment? | <input type="checkbox"/> | <input type="checkbox"/> | |
| Have you ever had a judgment recorded against you? | <input type="checkbox"/> | <input type="checkbox"/> | |
| Have you ever filed bankruptcy? If yes, list date of discharge. | <input type="checkbox"/> | <input type="checkbox"/> | |

| Section 6. Other Liabilities | | | | |
|--|-----------------------|----------------------|-----------------|--------------------------|
| Name of Person Insured / Insurance Company | Face Amount of Policy | Cash Surrender Value | Loans on Policy | Is Policy Assigned? |
| | | | | <input type="checkbox"/> |
| | | | | <input type="checkbox"/> |

I am providing this financial statement for the purpose of obtaining or maintaining credit with SELF-HELP on my behalf or on behalf of others whose credit I may endorse, cosign or guarantee. I understand that SELF-HELP is relying on the information provided within this statement (including the designations made as to ownership of property) in deciding to grant or continue credit. I certify that THE INFORMATION PROVIDED IS TRUE AND COMPLETE and that SELF-HELP may consider this statement to be true and correct until a written notice of a change is given to SELF-HELP. SELF-HELP is authorized to make all inquiries SELF-HELP deems necessary to verify the accuracy of this statement and to determine my creditworthiness. I also authorize SELF-HELP to answer questions and inquiries from others seeking credit experience information about me. If this is a joint financial statement, these representations and warranties are from each of us. I HAVE READ, UNDERSTAND, AND HEREBY MAKE THESE REPRESENTATIONS AND WARRANTIES.

Signature _____ Date _____ Signature _____ Date _____

Download and fill out the **Child Care Cash Flow Worksheet** available at <https://www.self-help.org/child-care>. This page will help you fill in the "Revenues" and "Expenses" sections of the Cash Flow Worksheet. Enclose this page with your application.

| # | | Average Tuition for Private Pay Children | Average Tuition for All Subsidized Children |
|------------------------------------|--|--|---|
| Children (Ages 0-5) | | | |
| 1. | Infants | | |
| 2. | Toddlers | | |
| 3. | 3-5 Years | | |
| 4. | Average Tuition for Children Ages 0-5* | | |
| After School, Summer and Part-Time | | | |
| 5. | After School | | |
| 6. | Summer | | |
| 7. | Part-Time (Ages 0-5) | | |

Information from this chart is used in lines 8-11 on the Cashflow Spreadsheet.

*Add lines 1, 2 and 3, then divide the sum by 3. Copy that number onto line 4 of this chart.

If you provide 2nd or 3rd shift care, please check here:

Information from this chart is used in lines 19-20 on the Cashflow Spreadsheet.

| Average teacher pay rate/hour: | Average assistant pay rate/hour: |
|--------------------------------|----------------------------------|
| Rate/Hour: | Rate/Hour: |
| # of teachers: | # of assistants: |

Information from this chart is used in lines 19-20 on the Cashflow Spreadsheet.

| # | Expense Description | Expense Total Per month |
|-------|---|-------------------------|
| 1 | | |
| 2 | | |
| 3 | | |
| 4 | | |
| 5 | | |
| Total | Total Expenses (Enter total on line 41 of previous page) | |

BUSINESS NOTES PAYABLE SCHEDULE

Applicant Name

Date

Please include on this schedule all existing notes and long-term leases of your business, including mortgages, revolving credit arrangements, factoring agreements, equipment leases and any other type of debt, secured or unsecured.

| Creditor | Original Amount | Original Date | Balance Due | Interest Rate | Maturity Date | Monthly Payment | Collateral |
|----------|-----------------|---------------|-------------|---------------|---------------|-----------------|------------|
| | | | | | | | |
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DISCLOSURE OF RIGHT TO REQUEST SPECIFIC REASONS FOR CREDIT DENIAL

The undersigned Applicant hereby acknowledges that he/she is aware that under the provisions of the Equal Credit Opportunity Act, he/she has the right to receive a written statement of the specific reason(s) for the denial if this application for credit is denied. To obtain the statement, please contact Self-Help, Attention: Commercial Loan Department, 301 West Main Street, Durham, North Carolina 27701 within sixty (60) days from the date of notification of the credit denial. Self-Help will send the Applicant a written statement of the reason(s) for the denial within thirty (30) days of receiving the request for the statement.

Applicant _____

Date _____

Please sign above and return this form to us with your application materials.

Retain a copy for your files.

**301 West Main Street
P.O. Box 3619
Durham, NC 27702-3619
(919) 956-4400
FAX (919) 956-4600
www.self-help.org**

HELPFUL HINTS FOR CHILD CARE PROVIDERS

We believe these hints will be useful whether you are planning to start a child care program or are an experienced child care professional. The first section offers some tips for starting-up or expanding – whether at home or in a center – and for saving money and enhancing program quality. The second section provides a list of resources, usually free, that are available to assist child care providers with curriculum and business planning concerns. We are grateful to many child care providers and members of the broader child care community for these ideas.

BUSINESS TIPS

Call Self-Help or check our web site at www.self-help.org: Our web site provides information for free download. Topics include: pros and cons of nonprofit versus for-profit, historic tax credits, and cash flow spreadsheets designed specifically for nonprofits, child care, and charter schools.

Market area conditions: Key market factors that you should be aware of include the number of existing child care programs in the area, the capacity of these programs, the rates they charge, and the vacancy rates and/or waiting lists at the programs. Your local child care resource and referral agency may be able to help you obtain this information. The accessibility of your location for commuting parents is also key, as are local employment and residential growth trends. Check your library or Chamber of Commerce for information on growth trends.

Income targeting and subsidy programs: You also need to understand the market well enough to decide whether you will be targeting low-income, middle-income and/or affluent families. This decision will affect how much you can charge and whether or not you participate in the various child care subsidy and food programs. Under the star-rated license system, the more stars you have, the higher your reimbursement rate. If you plan to serve low-income families be sure to contact your local county DSS to gauge the availability of subsidy dollars in your area.

Caring for infants: Providing infant care can be a good business move. Frequently, market area demand is highest for infant care and you can charge a premium for such care. In addition, parents may keep their children with the same provider as they advance through the preschool years. On the downside, however, infant care is labor intensive.

Start-up timing

BUSINESS TIPS

Call Self-Help or check our web site at www.self-help.org: Our web site provides information for free download. Topics include: pros and cons of nonprofit versus for-profit, historic tax credits, and cash flow spreadsheets designed specifically for nonprofits, child care, and charter schools.

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