



## Maryland's Child Care Facility Loan Programs

Maryland's Department of Business and Economic Development provides Day Care financing as part of its Small Business Unit within the Division of Financing Programs. The goal of the program is to promote the development and/or expansion of quality day care facilities for children, adults, and disabled people of all ages. There are three different types of child care programs:

The **Child Care Special Loan Fund** provides direct loans up to \$10,000 to eligible providers at fixed or below market rates. The loans are for furniture, inventory, supplies, training and repairs, equipment for infants and children with special needs, access or services for persons with disabilities, and renovations and upgrades to meet state and local licensing requirements.

The **Day Care Facilities Direct Loan Fund** is designed to finance up to 50 percent of the cost of the expansion or development of a child care facility. Loans may be used for construction, renovation or acquisition of real property, or to finance lease-hold improvements. The minimum amount that may be borrowed is \$15,000.

The **Day Care Facilities Loan Guarantee Fund** provides loan guarantees for construction, renovation, purchase of land and building, equipment, supplies, and working capital. This is not a direct loan or grant, but a guarantee of up to 80 percent of a loan provided to the applicant by a commercial bank, thrift institution, or private lender. This guarantee is available for loans made for the expansion or development of day care centers for children, the elderly, and disabled people of all ages.

For further information, please contact:

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