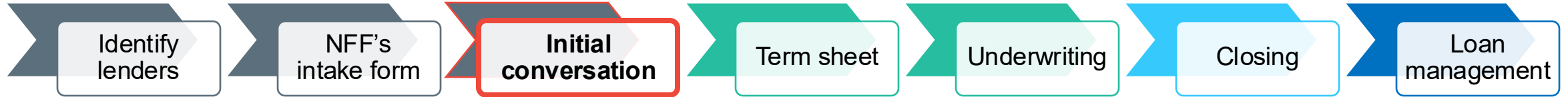


Initial Conversation



Initial Conversation: What to Expect



Borrower

- Goal: Determine if this lender is right for you
- Ask questions: Interest rates & fees? Terms? Timing? Will the lender work with you?
- Provide info: organizational, financial (audits), project budgets & timeline

NFF

Point of Contact: Loan Originator

- Goal: Understand the financing need and determine if a loan is a good fit
- Answer the borrower's questions and learn more about their financing need
- Provide **Due Diligence Checklist** to the borrower and collect their documents

Timeline

2+ weeks to gather due diligence documents

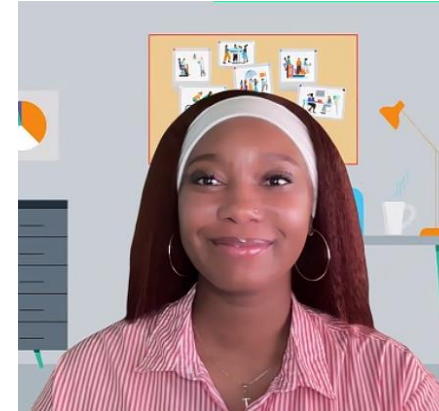
Example Intake Call

Borrower: Sal



- Director of Finance for ABC Nonprofit
- Increased government contracts mean increased cash needs, since the contracts have ~60 day payment delays

Lender: Brittany



- Loan Origination for NFF
- Assessing ABC's interest in a \$1,500,000 line of credit

Please: Ask as many questions as you need to!
There is no such thing as a 'stupid' or 'silly' question

We know it can be hard to admit not knowing something, but please believe that all your questions are valuable and it is important you have clear answers to throughout the lending process.

Your organization and your lender would much rather you ask questions now than get tripped up by something that was missed later.



More Questions? Check out other videos on NFF's website

A Beginner's Guide to Debt for Nonprofits

1. What Is Debt?
2. When Is Debt Right For My Nonprofit?
3. What Lenders Look For
4. Types of Lenders
5. The Lending Process

Important Steps in NFF's Lending Process

1. Initial Conversation
2. Understanding the Term Sheet
3. Underwriting
4. Closing
5. Post-closing

You just
watched this