JAKEN FINANCE GROUP

Commercial Real Estate & Business Lending

Assisted Living Facility Loan — Borrower Document & Information Checklist

The items below cover what most banks, HUD/agency lenders, and healthcare-focused CRE lenders will request when underwriting an assisted living facility acquisition, refinance, or change-of-ownership loan.

1. Entity & Legal Documents

☐ Formation documents for the borrowing/operating entity (Articles of Organization/Incorporation, Operating Agreement or Bylaws)

☐ If real estate and operations are held in separate entities (PropCo/OpCo), the master lease or operating agreement between them

Lenders will want to see the PropCo/OpCo structure clearly, including lease rent coverage from the operating entity.

☐ Certificate of Good Standing for each entity involved

☐ EIN confirmation letter(s)

☐ Organizational chart / ownership breakdown showing all members with 20%+ ownership

☐ Resolution authorizing the loan and identifying the signer(s)

2. Licensing & Regulatory Status

☐ Current state assisted living / residential care license

☐ Certificate of Need (CON), if required by the state

☐ Medicaid and/or Medicare certification status and provider agreement, if applicable

☐ Copies of the last 2–3 state licensing survey/inspection reports, including any deficiencies and plans of correction

☐ Any pending or historical complaints, sanctions, or litigation with the licensing authority

☐ Administrator's license/certification and staff credentialing summary

3. Property & Physical Plant

☐ Total unit/bed count by care level (independent living, assisted living, memory care)

☐ Floor plans and unit mix

☐ Fire/life safety compliance — sprinkler system status, fire marshal inspection history, and any citations

☐ Elevator inspection certificates, if applicable

☐ Commercial kitchen/dietary licensing and health department inspection history

☐ ADA compliance status and any identified deficiencies

☐ Recent property condition assessment (PCA) or capital needs assessment

4. Financial Performance

☐ Trailing 3 years of financial statements (P&L / income statement) plus current year-to-date

☐ Tax returns for the operating entity, last 3 years

☐ Monthly census/occupancy history for the trailing 2–3 years, by care level

☐ Payor mix breakdown — private pay vs. Medicaid, Medicare, or insurance

☐ Average daily/monthly rate by care level and any recent or planned rate increases

☐ Accounts receivable aging, particularly for Medicaid/Medicare reimbursement

☐ Bank statements, most recent 3–6 months, for the operating account

5. Staffing & Operations

☐ Current staffing schedule and staff-to-resident ratios by shift

☐ Employee background check / screening compliance documentation

☐ Resident agreement / admission contract template

☐ Current resident roster with level of care and length of stay

☐ Summary of any incident reports, elopements, or reportable events in the last 2–3 years

6. Environmental & Flood

☐ Phase I Environmental Site Assessment (if one exists, or note if one will need to be ordered)

☐ FEMA flood zone determination for the property

☐ Flood insurance policy, if the property is in a flood zone

7. Sponsor / Guarantor & Operator Financials

☐ Personal Financial Statement (PFS) for each guarantor (20%+ owners)

☐ Schedule of Real Estate Owned (SREO) for each guarantor

☐ Personal tax returns, last 2–3 years, for each guarantor

☐ Credit authorization / consent to pull credit for each guarantor

☐ Detailed healthcare/senior living operating experience for the sponsor or third-party management company

Operator experience is one of the most heavily weighted factors in ALF underwriting — have this documented in detail, including a track record across other facilities if applicable.

☐ Management company agreement and management company's own financial statements, if third-party operated

☐ Verification of post-closing liquidity (bank/brokerage statements)

8. Insurance & Risk

☐ Current general liability and professional/malpractice liability insurance declarations

☐ Insurance loss run history (prior 3–5 years)

☐ Summary of any current or historical litigation involving the facility

9. Purchase & Appraisal-Related (Acquisitions Only)

☐ Fully executed purchase and sale agreement

☐ Earnest money deposit confirmation

- ☐ Seller's/current operator's trailing financials (if different from borrower-prepared financials above)
- ☐ Access authorization for lender's appraiser and property condition inspector

10. Additional Items Commonly Requested

- ☐ Existing debt schedule and payoff statements for current loans on the property
- ☐ Any transition/management plan if there will be a change of operator at closing
- ☐ State change-of-ownership (CHOW) licensing application status, if applicable

Prepared by Jaken Finance Group. Please return completed items along with any supporting documents so we can proceed to lender submission.