

Construction Loan One, L.L.C.
constructionloanone.com

24 Frank Lloyd Wright Drive, Suite H-2200, P.O. Box 502, Ann Arbor, MI 48106
Phone: (734) 332-8000 Fax: (734) 332-8003 Email: info@constructionloanone.com

Insurance Guidelines

The risk of loss from fire, casualty and/or other events has to be carefully protected against by proper insurance coverage in any construction project. Construction Loan One, L.L.C. requires its borrower(s) to provide the company with documentation supporting that there is proper insurance coverage on each building site. This must be provided by the borrower(s) on their insurance agent prior to the borrower(s) making their first draw on their construction loan. Borrower(s) may provide the company with either of the following insurance: Builders Risk Insurance Policy or a Homeowners Insurance Policy. The insurance agent should be instructed to provide the following information on this insurance policy:

- ✓ Borrower(s) name
- ✓ The address of the property being insured. If the property address has not yet been issued, the policy must indicate the lot number or the tax id number, street name, city, state and zip code.
- ✓ The insurance coverage amount. This amount must be equal or in excess of the construction loan mortgage amount.
- ✓ A paid receipt for one (1) year.
- ✓ Mortgage designation shown as follows:

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Its successors and/or assigns
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- ✓ The expiration date of the insurance policy.
- ✓ An authorizing signature on the insurance policy.
- ✓ The agent identification including name, address, telephone and facsimile number.

Insurance binders are acceptable for thirty (30) days prior to the issuance of the actual insurance policy by the insurance company. The insurance policy will be obtained by the borrower(s) and not their builder. The company does not accept commercial insurance policies.