

▶ SECTION 5 ◀

5. DEVELOPER ACQUISITION ESCROW CLOSING

- Escrow Contact, Name, Number and E-mail
- Preliminary Title Report
- Wire Instructions
- Estimated Settlement Statement
- Prepare Loan Documents
 - Loan Agreement
 - Promissory Note
 - Deed of Trust
 - Escrow Instructions
- Insurance

Attachment 5-1: Insurance Requirements

Developers need to confirm that they are current; insurance companies are to send in updates to CCC.
- County Demand Form

Attachment 5-2: Contra Costa County DEMAND Form D-15
Website: www.ccreach.org/ccp_publications/index.cfm
[Go to the Forms section]

CCC requires original ink signatures.
- Funds shall be sufficient to cover:
 - Acquisition cost
 - Reasonable escrow fees
 - Reimbursement for approved studies and reports
 - First \$10,000 developer fee

Insurance Requirements

The Borrower shall maintain the following insurance coverage throughout the Term of the Loan:

(a) Worker's Compensation insurance to the extent required by law, including Employer's Liability coverage, with limits not less than One Million Dollars (\$1,000,000) each accident.

(b) Comprehensive General Liability insurance with limits not less than Two Million Dollars (\$2,000,000) each occurrence combined single limit for Bodily Injury and Property Damage, including coverages for Contractual Liability, Personal Injury, Broadform Property Damage, Products and Completed Operations.

(c) Comprehensive Automobile Liability insurance with limits not less than One Million Dollars (\$1,000,000) each occurrence combined single limit for Bodily Injury and Property Damage, including coverages for owned, non-owned and hired vehicles, as applicable; provided, however, that if the Borrower does not own or lease vehicles for purposes of this Agreement, then no automobile insurance shall be required.

(d) Property insurance covering the Development, in form appropriate for the nature of such property, covering all risks of loss, excluding earthquake, for one hundred percent (100%) of the replacement value, with deductible, if any, acceptable to the County, naming the County as a Loss Payee, as its interests may appear. Flood insurance shall be obtained if required by applicable federal regulations. Blanket Fidelity Bond covering all officers and employees, for loss of Loan proceeds caused by dishonesty, in an amount not less [rehabilitation budget] Dollars (\$___) naming the County a Loss Payee, as its interests may appear.

The Borrower shall cause any general contractor, subcontractor, or agent working on the Development under direct contract with the Borrower or subcontract to maintain insurance of the types and in at least the minimum amounts described in subsections (a), (b), and (c) above, except that the limit of liability for comprehensive general liability insurance for subcontractors shall be One Million Dollars (\$1,000,000), and shall require that such insurance shall meet all of the general requirements of subsections (f), (g), and (h) below, including, without limitation, the requirement of subsection (g). Liability and Comprehensive Automobile Liability insurance to be maintained by such contractors and agents pursuant to this subsection shall name as additional insureds the County, its officers, agents, employees and members of the County Board of Supervisors.

(e) The required insurance shall be provided under an occurrence form, and Borrower shall maintain the coverage described in subsections (a) through (d) continuously so long as the Note is outstanding. Should any of the required insurance be provided under a form of coverage that includes an annual aggregate limit or provides that claims investigation or legal defense costs be included in such annual aggregate limit, Borrower shall cause such annual aggregate limit to be three times the occurrence limits specified above.

(f) Comprehensive General Liability, Comprehensive Automobile Liability and Property insurance policies are to be endorsed to name as an additional insured the County and its officers, agents, employees and members of the County Board of Supervisors.

(g) All policies and bonds are to be endorsed to provide thirty (30) days prior written notice of cancellation, reduction in coverage, or intent not to renew to the address established for notices to the County.

