

NEW CONSTRUCTION INSURANCE REQUIREMENTS

As a condition of your loan, you must provide proof of insurance a **minimum of 48 hours prior to closing**. Failure to do so will delay your loan closing. Your insurance policy must meet the following requirements:

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- › Policy term must be a minimum of 6 months
 - › The named insured must match the borrower entity name
 - › The property must be insured for 100% of the completed value
 - › Policy type must be a Builders Risk or other Dwelling Under Construction coverage form
 - › Liability coverage must be a minimum of \$100,000. Higher liability limits and excess liability coverage may be required at Lender's discretion
 - › The maximum acceptable deductible is \$2,500. Higher deductibles may be approved at Lender's discretion
 - › The policy must be paid in full
 - › The following must be listed as mortgagee:
 - › DLP Lending Fund, LLC
ISAOA ATIMA
95 Highland Ave Suite 300
Bethlehem, PA 18017
 - › Once construction is complete the policy can be rewritten to a Vacant Dwelling policy form
 - › If the Borrower and General Contractor enter into an agreement for the General Contractor to provide insurance the above conditions must still be met. The General Contractor must list both the Borrower and Lender as additional insureds on both the Builders Risk and Liability policies and provide proof per the above. The Borrower must obtain their own insurance policy once construction is complete.

Failure to maintain insurance that meets these requirements for the life of your loan will result in delinquency proceedings as well as the cost of a Lender Placed insurance policy and associated fees.

Please do not hesitate to contact

Kate Bianchini, Director of Insurance Management & Asset Protection

if you have any questions relating to our insurance requirements.

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