



Home Builders Advantage

FIA Surety* (a bonding company), based in Morris Plains, NJ has announced a new program in support of the burgeoning housing industry.

“FIA has been a strong supporter of the housing industry since 1979. We’ve been quite successful and are comfortable in this niche,” said Pat Lynch Jr., the company’s Underwriting Manager.

The new program provides for ***\$100,000,000 in capacity*** to support home builders and land developers by expediting the issuance of Site and Subdivision Bonds. By using these bonds, builders can avoid tying up their bank lines of credit. The companies can have room to grow and take advantage of the unique opportunities in the current housing boom.

Mr. Lynch continued, “***Home Builders Advantage*** not only enables our clients to open up more new projects, they can more effectively protect company assets. It is an Advantage over using bank issued Irrevocable Letters of Credit.”

Builders and their insurance agents can gain more info and access the program by contacting Mr. Lynch directly: (973) 541-3403.

*FIA Surety / First Indemnity of America Insurance Company is a surety only, “A” rated carrier that specializes in Site and Subdivision Bonds.

First Indemnity of America Insurance Company
2740 Rt. 10 West, Suite 205
Morris Plains, NJ 07950
Office: 973-541-3417
Visit us: www.fiagroup.com

WHY DEVELOPERS LOVE SUBDIVISION BONDS

When developers and home builders start a new project, they must give security to the local township. This guarantees construction of the “public improvements.”

The security can be in cash, an irrevocable letter of credit (ILOC), or a subdivision bond (surety bond).



Why is a bond the best method?

- Developers retain the use of their cash. Keep it available to acquire and finance new projects. Use it to solve problems. Remember, cash is king!
- More control if there is a claim: They are processed through the bonding company. There is a discovery process. The developer has input and more control than with an ILOC. With an ILOC they can simply grab the developer’s money!
- Better long-term protection. These guarantees are hard to close, may drag on for years. The township is in no hurry to give up their security. It’s easy to renew the bond and you’re good for another year.

Developers and home builders love subdivision bonds – especially if they obtain them from one of the industry’s strongest players: FIA Surety. We have supported developers and home builders with subdivision bonds since 1979!



FIRST INDEMNITY OF AMERICA INSURANCE COMPANY



NAIC: 38326

NAIC Group: N/A

2740 STATE ROUTE 10 WEST

MORRIS PLAINS, NJ 07950

<http://www.fiagroup.com>



Status: FSR affirmed 9/3/2020

Financial Summary

Reporting Period	<u>Net Admitted Assets</u>	<u>Policyholders Surplus</u>	<u>Gross Premiums Written</u>	<u>Net Premiums Written</u>
6/30/2020	\$12,612,753	\$7,859,387	\$3,303,527	\$3,036,245
12/31/2019	\$13,056,284	\$8,200,697	\$6,794,760	\$6,209,698
12/31/2018	\$10,900,982	\$7,157,073	\$6,416,885	\$5,853,455

Jurisdictions

[AL](#) [DE](#) [FL](#) [GA](#) [MD](#) [NC](#) [NJ](#) [OK](#) [PA](#) [SC](#) [TN](#) [TX](#) [VA](#) [WV](#)

Additional Company Information

[FSR Notification](#)

[Cumulative SPEQUELLAE \(Unadjusted\) Realization 2014-2018 as of 12/31/2019: 100+](#)

[Frequency of SPEQUELLAE \(unadjusted\) Realization: 5 out of 5 years](#)



FIRST INDEMNITY OF AMERICA INSURANCE COMPANY

2740 Rt. 10 West, Suite 205
Morris Plains, NJ 07950
(973) 402-1200

WORK SHEET FOR SUBDIVISION BOND

1. Applicant: Name Address

2. Officers & Stockholders: Name Address

3. Name of Development: Located at:

4. Cost of Land \$ Cash Paid \$ Mortgages \$

5. How will the mortgage be paid off?

6. Amount of Bond \$

7. Estimated Cost of Improvement \$

Do you have a development improvement loan? () Yes () No
Amount \$ Please furnish us with a copy.

8. Does bond include cost of water and/or public utilities? () Yes () No

Cash deposit for water, if any \$

Cash deposit for utilities, if any \$

How will this be repaid to you?

9. Oblige (To whom does bond run?)

10. Number of Houses Selling Price of Each \$

11. Number of Deposits Received

Number of Contracts Signed

Amount of Deposit on Contracts

12. What are the Costs of: Sidewalks \$ Paving \$
Curbs \$ Water \$
Catch Basins \$ Sewer \$

13. Building Loans By:

Address:

Please Furnish Us with a Copy

Percentage of Completed Value: () 60% () 90% () 100%

14. Amount of Building Loan \$

15. How Paid to You

16. Are progress payments based on percentages of sidewalks and curbs as well as on progress of house?

17. Have you permanent mortgage commitment?

WORK SHEET FOR SUBDIVISION BOND

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18. Is any part of permanent mortgage withheld at closing for uncompleted improvements required by Planning Board?

19. What is the Work Contractor's Name and Price? _____

20. Previous Experience of Applicant:

Principal	Name of Company	No. Of Homes	No. Sold	Status of Bond Work
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
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- 21. () ATTACH A COPY OF SITE PLAN
- 22. () ATTACH SIGNED AND COMPLETED MISCELLANEOUS APPLICATION
- 23. () ATTACH SIGNED AND COMPLETED GENERAL INDEMNITY AGREEMENT
- 24. () ATTACH A COPY OF RESOLUTION AND ENGINEER'S ESTIMATE OF IMPROVEMENTS FROM MUNICIPALITY
- 25. () ATTACH LATEST FINANCIAL STATEMENT OF THE CORPORATION AND PROPOSED INDEMNITORS

Notary Acknowledgment:

Sworn to and Subscribed before me

This _____ day of _____ 20 _____
