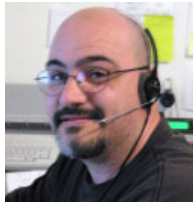


JRO Surety Insider

Contract News from George Jimenez
Today's Topic is Subdivision

Subdivision is the act of dividing land into pieces that are easier to sell or otherwise develop, usually via a plat. The former single piece as a whole is then known as a subdivision; if it is used for housing it is typically known as a housing subdivision or housing development, although some developers tend to call these areas communities. Subdivisions may also be for the purpose of commercial



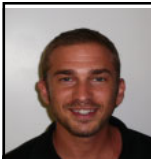
Typical Subdivision Plan

or industrial development, and the results vary from retail malls with independently owned *out parcels* to industrial parks. A bond for the above is requested by many of the local governments and in some cases state governments as well. These bonds can not be cancel by the principal, agent or even the Insurance Company, this makes it very important for the principal to have the wherewithal or the loan in place to complete the project, many of these projects require a Set Aside Letter, this is a written promise from the bank that a certain part of the construction loan has been set aside for the improvements and will not be use in any other business or personal manner. Substandard markets are really collateral markets which will require an ILOC (Irrevocable Letter Of Credit from a standard bank) this is very unusual for subdivision bonds but it does happen. Presentation of the application is vital, here are some vital points to help your client on presenting an adequate application.

1. Subdivision application
2. Paperwork from the obligee (city, municipality, county or state)
3. Bank documents (Loan paperwork)
4. Resumes on key personal (along with a list of previous project)

Many times we are unsuccessful because we lack the preparation and not the knowledge. Someone once said, "*Success occurs when opportunity meets preparation*". The Contract department here at JR Olsen Bonds is prepared and committed in helping you to be prepared when the opportunity comes along, your success is our success!

Any questions, please contact me at (800) 452-7121 ext. 120, or by email at gjimenez@jrolsenbonds.com.

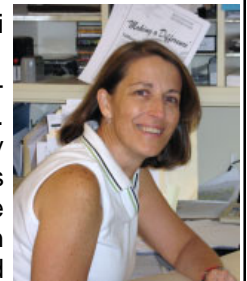


Bryant's Blog

"A legible, properly signed application will always help expedite the processing of your bond."

For a complete listing of Bryant's blogs, click on the "link" at the top of our webpage - www.jrolsenbonds.com

Argentine-born Rosita Ciccolini moved to the United States at age 21 and brought her accounting background to J.R. Olsen a few years later. After working all aspects of the surety business for more years than she cares to divulge, Rosita became the Office Manager / Senior Surety Underwriter in 1995, overseeing all bonds issued and has attained the authority for in-office issuance of Surety Bonds up to \$100,000 and up to \$500,000 for Lost Note / Trust Deed Bonds.



Like many at JR Olsen Surety Bonds & Insurance Brokers, Rosita *se habla espanol*.

Now at JRO!

We are proud to offer **Liability Insurance for Contractors and other professions**

Also

We want to be your source for **Fidelity Bonds, Error & Omissions, Insurance Directors & Officers coverage**

For details:

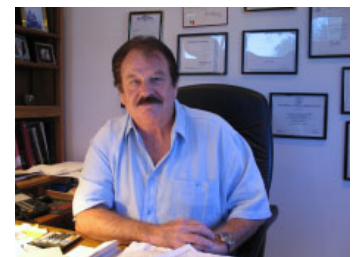
call Ester, ext 118, esadusky@jrolsenbonds.com, or Jenn, ext 141, jncente@jrolsenbonds.com

Owner's Corner

by James R. Olsen

J.R.Olsen Bonds & Insurance Brokers, Inc. takes great pride in providing the best possible service to our clients. Over the past 24 years we have been asked to do the impossible and we have had great success in getting our clients the bond they need.

Our staff is highly efficient, knowledgeable and most of all experienced, and we use all our resources to accomplish our #1 goal, customer satisfaction!



J. R. Olsen Bonds & Insurance Brokers, Inc

Broker / Agent License No. 0680914

7407 Topanga Canyon Blvd., Canoga Park, CA 91303

Tel:(800)452-7121 * (818)227-2620 * Fax: (818)227-2628

Email: info@jrolsenbonds.com