NEW JERSEY HOUSING & MORTGAGE FINANCE AGENCY

INSURANCE SPECIFICATIONS
&
MINIMUM REQUIREMENTS

CONSTRUCTION LOAN
MULTIFAMILY RESIDENTIAL PROPERTIES

Date of Issue – June 12, 2025

These Insurance Specifications and Minimum Requirements may be amended from time to time and such amendments may occur without notice and are applicable to all pending and future insurance documentation submissions. Accordingly, it is suggested that contact be made with the Insurance Division of the New Jersey Housing and Mortgage Finance Agency to ascertain whether or not there have been any changes since the date of these Insurance Specifications and Minimum Requirements and for complying with same.

NEW JERSEY HOUSING & MORTGAGE FINANCE AGENCY
INSURANCE SPECIFICATIONS
MINIMUM REQUIREMENTS

CONSTRUCTION LOAN
MULTIFAMILY RESIDENTIAL PROPERTIES

GENERAL CONTRACTOR INSURANCE REQUIREMENTS

1. Comprehensive Commercial General Liability

This insurance provides coverage against certain risks such as personal injury, bodily injury, death, property damage, medical expenses and liability assumed by the contract.

POLICY REQUIREMENTS:

a. Minimum Coverage Limits:

- $1,000,000 Each Occurrence
- $2,000,000 General Aggregate
- $100,000 Damage to Rented Premises
- $10,000 Medical Expenses
- $1,000,000 Each- Personal and Advertising
- $2,000,000 Products/Completed Operations Aggregate

b. Additional Insured:

- New Jersey Housing and Mortgage Finance Agency (NJHMFA)
  637 South Clinton Avenue
  Trenton, NJ 08611

c. Evidence of Coverages:

- ACORD 25 forms "Certificate of Liability Insurance" may be utilized to provide evidence of General Liability, Automobile Liability, Excess/Umbrella Liability, Crime, Workers Compensation and Employers' Liability coverages as are applicable. All applicable info1mation on the ACORD 25 must be completed and information noted must reflect actual terms and conditions as contained in the underlying policies and be in conformity with the New Jersey Certificates of Insurance Act (NJSA 17:29A-54 et seq.

- Project name and address must be noted in the Description of Operations/Locations section of ACORD 25.

- All applicable coverage limits Policy Numbers, Policy Effective Dates and coverage limits must be completed.

- NJHMFA must be indicated on the-ACORD 25 as "Additional Insured".

- NJHMFA must be indicated as the Certificate Holder on the ACORD 25 as follows:

  New Jersey Housing and Mortgage Finance Agency
  ATTN: Insurance Division
  PO Box 18550
  Trenton, NJ 08650-2085

2. Umbrella/Excess Liability

This coverage is in addition to Comprehensive General Liability

POLICY REQUIREMENTS:

a. Minimum Coverage Limits:
   - $10,000,000

b. Additional Insured/Mortgagee:
   - New Jersey Housing and Mortgage Finance Agency (NJHMFA)
     637 South Clinton Avenue
     Trenton, NJ 08611

   - ACORD 25 forms "Certificate of Liability Insurance" may be utilized to provide evidence of General Liability, Automobile Liability, Excess/Umbrella Liability, Crime, Workers Compensation and Employers' Liability coverages as are applicable. All applicable information on the ACORD 25 must be completed and information noted must reflect actual terms and conditions as contained in the underlying policies and be in conformity with the New Jersey Certificates of Insurance Act
     (NJSA 17:29A-54 et seq.)

   - Project name and address must be noted in the Description of Operations/Locations section of ACORD 25.

- All applicable coverage limits Policy Numbers, Policy Effective Dates and coverage limits must be completed.

- NJHMFA must be indicated on the ACORD 25 as "Additional Insured".

- NJHMFA must be indicated as the Certificate Holder on the ACORD 25 as follows:

  New Jersey Housing and Mortgage Finance Agency
  ATTN: Insurance Division
  PO Box 18550
  Trenton, NJ 08650-2085

3. Commercial Automobile Liability

This insurance provides coverage for owned, hired, borrowed and non-owned Employee vehicles operated in relation to the project.

POLICY REQUIREMENTS:

a. Minimum Coverage Limits:
   - $1,000,000 Combined Single Limit (Each Accident)
   - Must include coverages for hired and non-owned vehicles
   - Coverage for bodily injury and property damage

b. Evidence of Coverages:

   - ACORD 25 forms "Certificate of Liability Insurance" may be utilized to provide evidence of General Liability, Automobile Liability, Excess/Umbrella Liability, Crime, Workers Compensation and Employers' Liability coverages as are applicable. All applicable info1mation on the ACORD 25 must be completed and information noted must reflect actual terms and conditions as contained in the underlying policies and be in conformity with the New Jersey Certificates of Insurance Act (NJSA 17:29A-54 et seq.)

   - Project name and address must be noted in the Description of Operations/Locations section of ACORD 25.

   - All applicable coverage limits Policy Numbers, Policy Effective Dates and coverage limits must be completed.

- NJHMFA must be indicated as the Certificate Holder on the ACORD 25 as follows:

  New Jersey Housing and Mortgage Finance
  Agency ATTN: Insurance Division
  PO Box 18550
  Trenton, NJ 08650-2085

4. Worker's Compensation/Employer's Liability

This insurance provides coverage for workers injured on the job.

POLICY REQUIREMENTS:

a. Minimum Coverage Limits:

• Worker's Comprehensive	Statutory
• Employer's Liability	$500,000 Each Accident/ $500,000 Disease Each Employee and $500,000 Disease Policy Limit

b. Evidence of Coverages:

- ACORD 25 forms "Certificate of Liability Insurance" may be utilized to provide evidence of General Liability, Automobile Liability, Excess/Umbrella Liability, Crime, Workers Compensation and Employers' Liability coverages as are applicable. All applicable information on the ACORD 25 must be completed and information noted must reflect actual terms and conditions as contained in the underlying policies and be in conformity with the New Jersey Certificates of Insurance Act (NJSA 17:29A-54 et seq.)

- Project name and address must be noted in the Description of Operations/Locations section of ACORD 25.

- All applicable coverage limits Policy Numbers, Policy Effective Dates and coverage limits must be completed.

- NJHMFA must be indicated as the Certificate Holder on the ACORD 25 as follows:

  New Jersey Housing and Mortgage Finance Agency ATTN: Insurance Division
  PO Box 18550
  Trenton, NJ 08650-2085

ARCHITECTS, ENGINEERS, SURVEYORS AND OTHER PROFESSIONALS INSURANCE REQUIREMENTS ***(As appropriate)***

1. Errors and Omissions (E & 0) Professional Liability

This is insurance that protects professionals against negligence and other claims initiated by their clients. It is required by professionals who have expertise in a specific area because general liability insurance policies do not offer protection against claims arising out of business or professional practices such as negligence, malpractice or misrepresentation.

. **POLICY REQUIREMENTS:**

a. Minimum Coverage Limits:

- 10% of the Construction Costs or $1,000,000, whichever is greater.

b. Evidence of Coverages:

- ACORD 25 forms "Certificate of Liability Insurance" may be utilized to provide evidence of General Liability, Automobile Liability, Excess/Umbrella Liability, Crime, Workers Compensation and Employers' Liability coverages as are applicable. All applicable information on the ACORD 25 must be completed and information noted must reflect actual terms and conditions as contained in the underlying policies and be in conformity with the New Jersey Certificates of Insurance Act (NJSA 17:29A-54 et seq.)

- Project name and address must be noted in the Description of Operations/Locations section of ACORD 25.

- All applicable coverage limits Policy Numbers, Policy Effective Dates and coverage limits must be completed.

- NJHMFA must be indicated as the Certificate Holder on the ACORD 25 as follows:

New Jersey Housing and Mortgage Finance Agency
ATTN: Insurance Division
PO Box 18550
Trenton, NJ 08650-2085

. ***OWNER/DEVELOPER INSURANCE REQUIREMENTS***

1. Comprehensive Commercial General Liability

This insurance provides coverage against certain risks such as personal injury, bodily injury, death, property damage, medical expenses and liability assumed by the contract.

POLICY REQUIREMENTS:

a. Minimum Coverage Limits:

- $2,000,000 General Aggregate Limit – other than Products/Complete Operations
- $1,000,000 Products/Completed Operations Aggregate
- $1,000,000 Personal & Advertising Injury Limit
- $1,000,000 Each Occurrence
- $ 10,000 Medical Expense Limit – Any One Person/Accident/Aggregate
- $1,000,000 Automobile Non-Ownership & Hired Car Liability if no separate auto policy is in place.
- $1,000,000 Employee Benefits Liability (Each Claim Made with $1,000 Maximum deductible)
- $1,000,000 Employee Benefits Liability, Annual Aggregate

Directors & Officers Liability (Where Applicable)

Volunteers as Insureds

Medical Payments $10,000

Knowledge & Notice of Occurrences

Unintentional Errors & Omissions

Exception to the Pollution Exclusion for hostile fires and building heating equipment

Fidelity

• $500,000	Employee Dishonesty per loss (Maximum Deductible $5,000)
• $3,000	Money and Securities – Inside Premises
• $3,000	Money and Securities – Outside Premises
• $100,000	Forgery or Alteration
	Including part time & temporary employees, Directors and/or Trustees, whether compensated or not, unemployed spouses, and Managing Agents

b. Additional Insured or Joint Loss Payee:

New Jersey Housing and Mortgage Finance Agency (NJHMFA)
637 South Clinton Avenue
Trenton, NJ 08611

c. Evidence of Coverage:

- ACORD 25 forms "Certificate of Liability Insurance" may be utilized to provide evidence of General Liability, Automobile Liability, Excess/Umbrella Liability, Crime, Workers Compensation and Employers' Liability coverages as are applicable. All applicable information on the ACORD 25 must be completed and information noted must reflect actual terms and conditions as contained in the underlying policies and be in conformity with the New Jersey Certificates of Insurance Act (NJSA 17:29A-54 et seq.)

- Project name and address must be noted in the Description of Operations/Locations section of ACORD 25.

- All applicable coverage limits Policy Numbers, Policy Effective Dates, and coverage limits must be completed.

- NJHMFA must be indicated on the ACORD 25 as “Additional Insured”.

- NJHMFA must be indicated as the Certificate Holder on the ACORD 25 as follows:

  New Jersey Housing and Mortgage Finance Agency
  ATTN: Insurance Division
  PO Box 18550
  Trenton, NJ 08650-2085

2. Umbrella/Excess Liability

This coverage is in addition to Comprehensive General Liability

POLICY REQUIREMENTS:

a. Minimum Coverage Limits:
   - $10,000,000

b. Additional Insured/Mortgagee:
   - New Jersey Housing and Mortgage Finance Agency (NJHMFA)
     637 South Clinton Avenue
     Trenton, NJ 08611

c. Evidence of Coverages:

   - ACORD 25 forms "Certificate of Liability Insurance" may be utilized to provide evidence of General Liability, Automobile Liability, Excess/Umbrella Liability, Crime, Workers Compensation and Employers' Liability coverages as are applicable. All applicable information on the ACORD 25 must be completed and information noted must reflect actual terms and conditions as contained in the underlying policies and be in conformity with the New Jersey Certificates of Insurance Act (NJSA 17:29A-54 et seq.)

   - Project name and address must be noted in the Description of Operations/Locations section of ACORD 25.

   - All applicable coverage limits Policy Numbers, Policy Effective Dates and coverage limits must be completed.

   - NJHMFA must be indicated on the ACORD 25 as "Additional Insured".

- NJHMFA must be indicated as the Certificate Holder on the ACORD 25 as follows:

  New Jersey Housing and Mortgage Finance Agency
  ATTN: Insurance Division
  PO Box 18550
  Trenton, NJ 08650-2085·

3. Commercial Automobile Liability

This insurance provides coverage for owned, hired, borrowed and non-owned Employee vehicles operated in relation to the project.

POLICY REQUIREMENTS:

a. Minimum Coverage Limits:
   - $1,000,000 Combined Single Limit (Each Accident)
   - Must include coverages for hired and non-owned vehicles
   - Coverage for bodily injury and property damage

b. Evidence of Coverages:

   - ACORD 25 forms "Certificate of Liability Insurance" may be utilized to provide evidence of General Liability, Automobile Liability, Excess/Umbrella Liability, Crime, Workers Compensation and Employers' Liability coverages as are applicable. All applicable information on the ACORD 25 must be completed and information noted must reflect actual terms and conditions as contained in the underlying policies and be in conformity with the New Jersey Certificates of Insurance Act (NJSA 17:29A-54 et seq.)

   - Project name and address must be noted in the Description of Operations/Locations section of ACORD 25.

   - All applicable coverage limits Policy Numbers, Policy Effective Dates, and coverage limits must be completed.

   - NJHMFA must be indicated as the Certificate Holder on the ACORD 25 as follows:

     New Jersey Housing and Mortgage Finance Agency
     ATTN: Insurance Division
     PO Box 18550
     Trenton, NJ 08650-2085

4. Worker's Compensation/Employer's Liability

This insurance provides coverage for workers injured on the job.

POLICY REQUIREMENTS:

a. Minimum Coverage Limits:

• Worker's Comprehensive	Statutory
• Employer's Liability	$500,000 Each Accident/ $500,000 Disease Each Employee and $500,000 Disease Policy Limit

b. Evidence of Coverages:

- ACORD 25 forms "Certificate of Liability Insurance" may be utilized to provide evidence of General Liability, Automobile Liability, Excess/Umbrella Liability, Crime, Workers Compensation and Employers' Liability coverages as are applicable. All applicable information on the ACORD 25 must be completed and information noted must reflect actual terms and conditions as contained in the underlying policies and be in conformity with the New Jersey Certificates of Insurance Act (NJSA 17:29A-54 et seq.)

- Project name and address must be noted in the Description of Operations/Locations section of ACORD 25.

- All applicable coverage limits Policy Numbers, Policy Effective Dates, and coverage limits must be completed.

- NJHMFA must be indicated as the Certificate Holder on the ACORD 25 as follows:

  New Jersey Housing and Mortgage Finance
  Agency ATTN: Insurance Division
  PO Box 18550
  Trenton, NJ 08650-2085

5. Builder's Risk:

This insurance protects the insured's insurable interest in materials, fixtures and/or equipment being used in the construction or renovation of a building or structure should those items sustain physical loss or damage from a covered cause. This type of coverage is designed to provide coverage for buildings while under construction.

POLICY REQUIREMENTS:

- Coverage must apply to property of every kind and description intended to become a permanent part of the construction, installation or erection of the project, including but not limited to materials, supplies, fixtures, machinery, temporary structures, scaffolding, construction forms, cribbing, foundations, underground work, sidewalks and paving.

- Policy must include coverage for all work incorporated in the contract documents with no exclusions.

- Completed Value (Non-Reporting form)

- Coverage must equal the expected completed value of the project, including soft costs.

- Valuation Method: 100% Full Replacement Cost.

- All claims are to be made on a replacement cost basis without any deduction for depreciation.

- Deductibles: $25,000 Maximum Policy Deductible
  $25,000 Maximum Wind/Hail Deductible

- Covered Causes of Loss/Endorsements

  (a) "Special Causes of Loss" form including coverage for Vandalism, malicious mischief, and theft.
  (b) Wind/Hail ($25,000 Maximum Deductible)
  (c) Fungus

(d) Ordinance and Law (Coverage A, B, C) (B & C may be a combined limit
Coverage A – Should equal 100% of the anticipated replacement cost of all buildings
Coverage B & C – Should equal 20% of Coverage A
(e) Soft Costs
(f) Permission to Occupy
(g) Flood, Earthquake, and Equipment Breakdown (if applicable)
(h) Property in transit and stored off-site (if applicable)
(i) Terrorism (Optional)

Evidence of Coverage:

- ACORD 28 form "Evidence of Commercial Property Insurance" may be utilized to provide evidence of property coverages. All applicable information on the ACORD 28 must be completed and information noted must reflect actual terms and conditions as contained in the underlying policies and be in conformity with the New Jersey Certificates of insurance Act (NJSA 17:29A-54 et seq.)

- Named Insured- The owner must be the first named insured. The General Contractor should also be listed as a named insured to protect their insurable interest in the project.

- Policy Type – Builder's Risk

- Perils Covered – Special

- In Location/Description – Reference the project's name and address

- NJHMFA must be indicated as Mortgagee, Additional Insured, and Lender's Loss Payable

- All applicable coverage limits, deductibles, endorsements, extensions of coverages and policy terms must be indicated.

- The following language must be included when listing coverage details:

  Coverage applies to property of every kind and description intended to become a permanent part of the construction, installation, or erection of the project. Including but not limited to materials, supplies, fixtures, machinery, temporary structures, scaffolding, construction forms, cribbing, foundations, underground work, sidewalks, and paving.

ADDITIONAL NOTICE:

The contract between the Owner and the General Contractor must include the following language (Article 10, AIA Construction, Insurance and Bonds)

Owner and Contractor acknowledge, accept and agree that the Builder's Risk policy the Owner has purchased and placed on the development is adequate and covers all construction and rehab work to be completed under this Contract. Owner and Contractor acknowledge and agree that this policy has no more than a $5,000 deductible and this policy, along with any and all liability policies carried by the Contractor, covers all costs for claims and/or damages during the construction/rehab process. Under no circumstances shall any claims or uninsured costs (except to the extent that the NJHMFA cost certification guidelines allow certain non-covered costs to be charged to the general conditions of the construction contract, if any) be paid out of the proceeds of any of the project funding sources and are the sole responsibility of the Owner and Contractor.

GENERAL INSURANCE REQUIREMENTS

Insurance Company

Issuing Insurer must be currently eligible to write business in the State of New Jersey and have a current A.M. Best Rating of **A-** and with a Financial Size Category of VIII or a Demotech, Inc. Financial rating of A (Exceptional).

Note – Any issuing Insurer with Ratings under Review by A.M. Best with Negative Implications and/or Long Term Negative Implications may be subject to further requirements and review by the NJHMFA

Coverage Requirements

All insurance coverages required pursuant to these Insurance Specifications Minimum Requirements must be provided on a Per Occurrence/Per Location basis with coverage limits as noted herein.

Insurance Professional/Agent

- Insurance Professional/Agent must provide a written statement on letterhead to the NJHMFA that the insurance coverages being provided meets or exceeds the NJHMFA minimum insurance requirements. This written statement is not to be construed as a Certificate of Insurance as defined under the New Jersey Certificates of Insurance Act (NJSA 17:29A-54 et seq.)

- Insurance Professional/Agent must provide a Certificate of Insurance (ACORD 25 – Certificate of Liability Insurance) showing the Insurance Professional/Agent's Errors and Omissions Coverages (E & O). All applicable information on the ACORD 25 must be completed and information noted must reflect actual terms and conditions as contained in the underlying policies and be in conformity with the New Jersey Certificates of Insurance Act (NJSA 17:29A-54 et seq.). ACORD 25 to indicate NJHMFA as the Certificate Holder as follows:

  New Jersey Housing and Mortgage Finance Agency
  ATTN: Insurance Division
  PO Box 18550
  Trenton, NJ 08650-2085

- NJHMFA requires that the Insurance Professional/Agent have unimpaired E & O coverage limits of at least $5,000,000 on the underlying policy and a deductible not exceeding $50,000. If the Producer (Insurance Professional/Agent) and the Insured (Insurance Professional/Agent) are the same or related party as disclosed on the respective Certificate of Insurance, further evidence of E & O Coverage is to be provided through submission of a copy of the respective Policy Declaration Pages.

- *Note – In instances where an Insurance Professional/Agent has an E & O Deductible* in *excess of $50,000, NJHMFA may, upon request, consider acceptance of same subject to the review by NJHMFA of the most recent Certified Financial Statements of the respective Insurance Professional//Agent to determine the financial wherewithal of the Insurance Professional/Agent to fund a Deductible in excess of $50,000.*

Cancellation/Non-Renewal

Notice is to be provided to the NJHMFA via Certified Mail as follows:

New Jersey Housing and Mortgage Finance Agency
ATTN: Insurance Division
PO Box 18550
Trenton, NJ 08650-2085

Evidence of Insurance

- ACORD 28 forms "Evidence of Commercial Property Insurance" may be utilized to provide evidence of property coverages. All applicable information on the ACORD 28 must be completed and information noted must reflect actual terms and conditions as contained in the underlying policies and be in conformity with the New Jersey Certificates of Insurance Act (NJSA 17:29A-54 et seq.)

- ACORD 25 forms "Certificate of Liability Insurance" may be utilized to provide evidence of General Liability, Automobile Liability, Excess/Umbrella Liability, Crime, Workers Compensation and Employers' Liability coverages as are applicable. All applicable information on the ACORD 25 must be completed and information noted must reflect actual terms and conditions as contained in the underlying policies and be in conformity with the New Jersey Certificates of Insurance Act (NJSA 17:29A-54 et seq.).

- ACORD 28 "Evidence of Commercial Property Insurance" and/or ACORD 25 "Certificate of Liability Insurance" are to indicate NJHMFA as the Certificate Holder as follows:

  New Jersey Housing and Mortgage Finance Agency
  ATTN: Insurance Division
  PO Box 18550
  Trenton, NJ 08650-2085

Samples of the ACORD 28 and ACORD 25 can be found at the end of this Booklet. *A word of caution – please be sure to use the most current edition of same.*

A note about required NAIC numbers for use on the ACORD 28 and ACORD 25 forms – The National Association of Insurance Commissioners assigns an "NAIC" number to each domestic insurer domiciled in the United States. This NAIC Number is to be indicated on the appropriate
ACORD form{s) for each insurer providing coverages. If a foreign carrier is providing the insurance coverages, the specific name of the carrier must be provided as well as the specific A.M. Best Number assigned to same. In the instances where a foreign carrier operates through and provides coverages utilizing a syndicate system, the specific name of <u>each</u> of the syndicates must be provided as well as the specific syndicate number and A.M. Best Number assigned to same. In all instances, any and all foreign carriers must meet all NJHMFA Insurance Requirements.

Complete copies of <u>all</u> Insurance Policies with all required Endorsements must be submitted for the review of the NJHMFA.

Note – In the event that complete copies of Insurance Policies are not available, NJHMFA may, upon request, permit the submission of sample policies with policy Declaration Pages/Binders detailing full coverages to be followed by submission to the NJHMFA of complete copies of all Insurance Policies with all required Endorsements immediately upon receipt from insurer(s).

State Guaranty Funds

NJHMFA highly recommends that insurers providing insurance coverage be members of the respective State Guaranty Fund, A State Guaranty Fund is a fund administered by a US State to protect policy holders in the event that an insurance company defaults on benefit payments or becomes insolvent. The Fund only protects beneficiaries of insurance companies that are licensed to sell insurance products in that State.

Risk Purchasing Groups

If insurance coverages are provided through a purchasing group, a copy of the Registration Letter issued by the New Jersey Department of Banking and Insurance must be submitted, as well as a Designated Location(s) General Aggregate Limit Endorsement for each respective policy specifically noting the insured property.

Flood Insurance

National Flood Insurance (NFIP) is required for all Properties located in **flood zones A, V, and shaded X with the maximum available policy limits of coverage available under the NFIP Program for each building. The Property Policy must provide flood limits immediately in excess of NFIP policy limits up to the insurable value at each Location up to a maximum $10,000,000 if available.**

Sample ACORD 25
"Certificate of Liability Insurance"

And

Sample ACORD 28
"Evidence of Commercial Property Insurance"

Follow

A word of caution –
Please be sure to use the most current edition of same.

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER	CONTACT NAME:	
	PHONE (A/C, No, Ext):	FAX (A/C, No):
	E-MAIL ADDRESS:	

INSURED	INSURER(S) AFFORDING COVERAGE	NAIC #
	INSURER A :	
	INSURER B :	
	INSURER C :	
	INSURER D :	
	INSURER E :	
	INSURER F :	

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
	COMMERCIAL GENERAL LIABILITY						EACH OCCURRENCE	$
	CLAIMS-MADE OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$
							MED EXP (Any one person)	$
							PERSONAL & ADV INJURY	$
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$
	POLICY PRO-JECT LOC						PRODUCTS - COMP/OP AGG	$
	OTHER:							$
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	$
	ANY AUTO						BODILY INJURY (Per person)	$
	OWNED AUTOS ONLY / SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	HIRED AUTOS ONLY / NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	$
								$
	UMBRELLA LIAB OCCUR						EACH OCCURRENCE	$
	EXCESS LIAB CLAIMS-MADE						AGGREGATE	$
	DED RETENTION							$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY						PER STATUTE OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y / N (Mandatory in NH)	N / A					E.L. EACH ACCIDENT	$
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$
							E.L. DISEASE - POLICY LIMIT	$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

SAMPLE

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EVIDENCE OF COMMERCIAL PROPERTY INSURANCE

DATE (MM/DD/YYYY)

THIS EVIDENCE OF COMMERCIAL PROPERTY INSURANCE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE ADDITIONAL INTEREST NAMED BELOW. THIS EVIDENCE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS EVIDENCE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE ADDITIONAL INTEREST.

PRODUCER NAME, CONTACT PERSON AND ADDRESS	PHONE (A/C, No, Ext):	COMPANY NAME AND ADDRESS	NAIC NO:
FAX (A/C, No):	E-MAIL ADDRESS:	IF MULTIPLE COMPANIES, COMPLETE SEPARATE FORM FOR EACH	
CODE:	SUB CODE:	POLICY TYPE	
AGENCY CUSTOMER ID #:			
NAMED INSURED AND ADDRESS		LOAN NUMBER	POLICY NUMBER
		EFFECTIVE DATE / EXPIRATION DATE	☐ CONTINUED UNTIL TERMINATED IF CHECKED
ADDITIONAL NAMED INSURED(S)		THIS REPLACES PRIOR EVIDENCE DATED:	

PROPERTY INFORMATION (ACORD 101 may be attached if more space is required) ☐ BUILDING OR ☐ BUSINESS PERSONAL PROPERTY

LOCATION / DESCRIPTION

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS EVIDENCE OF PROPERTY INSURANCE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

COVERAGE INFORMATION PERILS INSURED ☐ BASIC ☐ BROAD ☐ SPECIAL

	YES	NO	N/A	
COMMERCIAL PROPERTY COVERAGE AMOUNT OF INSURANCE: $				DED:
☐ BUSINESS INCOME ☐ RENTAL VALUE				If YES, LIMIT: / Actual Loss Sustained; # of months:
BLANKET COVERAGE				If YES, indicate value(s) reported on property identified above: $
TERRORISM COVERAGE				Attach Disclosure Notice / DEC
IS THERE A TERRORISM-SPECIFIC EXCLUSION?				
IS DOMESTIC TERRORISM EXCLUDED?				
LIMITED FUNGUS COVERAGE				If YES, LIMIT: DED:
FUNGUS EXCLUSION (If "YES", specify organization's form used)				
REPLACEMENT COST				
AGREED VALUE				
COINSURANCE				If YES, %
EQUIPMENT BREAKDOWN (If Applicable)				If YES, LIMIT: DED:
ORDINANCE OR LAW - Coverage for loss to undamaged portion of bldg				If YES, LIMIT: DED:
- Demolition Costs				If YES, LIMIT: DED:
- Incr. Cost of Construction				If YES, LIMIT: DED:
EARTH MOVEMENT (If Applicable)				If YES, LIMIT: DED:
FLOOD (If Applicable)				If YES, LIMIT: DED:
WIND / HAIL INCL ☐ YES ☐ NO Subject to Different Provisions:				If YES, LIMIT: DED:
NAMED STORM INCL ☐ YES ☐ NO Subject to Different Provisions:				If YES, LIMIT: DED:
PERMISSION TO WAIVE SUBROGATION IN FAVOR OF MORTGAGE HOLDER PRIOR TO LOSS				

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

ADDITIONAL INTEREST

☐ CONTRACT OF SALE ☐ MORTGAGEE	☐ LENDER'S LOSS PAYABLE	☐ LOSS PAYEE	LENDER SERVICING AGENT NAME AND ADDRESS
NAME AND ADDRESS			AUTHORIZED REPRESENTATIVE

SAMPLE

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INSURANCE REQUIREMENTS UPON COMPLETION OF CONSTRUCTION/REHAB

IMPORTANT NOTICE

IT IS THE OWNER'S RESPONSIBILITY TO NOTIFY THEIR INSURANCE COMPANY AT THE TIME CONSTRUCTION OF A BUILDING IS COMPLETE AND A CERTIFICATE OF OCCUPANY HAS BEEN ISSUED. THE OWNER MUST THEN PROVIDE NJHMFA WITH INSURANCE COVERAGES IN COMPLIANCE WITH THE FOLLOWING REQUIREMENTS AND SPECIFICATIONS:

GENERAL INFORMATION

Additional Insured

All policies providing Property/Crime/Liability and Equipment coverage must indicate the New Jersey Housing and Mortgage Finance Agency (hereinafter "NJHMFA") as Additional Insured and Mortgagee, Property policies must also indicate NJHMFA as Lender's Loss Payable.

Mortgage Clause (Standard Form)

All Property Insurance Policies must indicate the Mortgagee as:

New Jersey Housing and Mortgage Finance Agency
637 South Clinton Avenue
PO Box 18550
Trenton, New Jersey 08650-2085

Note – In instances where the mortgage financing provided by NJHMFA has been paid in full, NJHMFA need only be indicated as Additional Insured on all Property/Crime/Liability and Equipment coverages when the respective property continues in the portfolio of the NJHMFA pursuant to the terms of an executed Regulatory Agreement or Deed Restriction.

Insurance Company

Issuing Insurer must be currently eligible to write business in the State of New Jersey and have a current A.M. Best Rating of A- and with a Financial Size Category of VIII or a Demotech, Inc. Financial rating of A (Exceptional).

Note – Any issuing Insurer with Ratings under Review by A.M. Best with Negative Implications and/or Long Term Negative Implications may be subject to further requirements and review by the NJHMFA.

Coverage Requirements

All insurance coverages required pursuant to these Insurance Specifications Minimum Requirements must be provided on a Per Occurrence/Per Location basis with coverage limits as noted herein.

Insurance Professional/Agent

- Insurance Professional/Agent must provide a written statement on letterhead to the NJHMFA that the insurance coverages being provided meets or exceeds the NJHMFA minimum insurance requirements. This written statement is not to be construed as a Certificate of Insurance as defined under the New Jersey Certificates of Insurance Act (NJSA 17:29A-54 et seq.)

- Insurance Professional/ Agent must provide a Certificate of Insurance (ACORD 25 – Certificate of Liability Insurance) showing the Insurance Professional/Agent's Errors and Omissions Coverages (E & O). All applicable information on the ACORD 25 must be completed and information noted must reflect actual terms and conditions as contained in the underlying policies and be in conformity with the New Jersey Certificates of Insurance Act (NJSA 17:29A-54 et seq.) ACORD 25 to indicate NJHMFA as the Certificate Holder as follows:

  New Jersey Housing and Mortgage Finance Agency
  ATTN: Insurance Division
  PO Box 18550
  Trenton, NJ 08650-2085

- NJHMFA requires that the Insurance Professional/Agent have unimpaired E & O coverage limits of at least $5,000,000 on the underlying policy and a deductible not exceeding $50,000. If the Producer (Insurance Professional/Agent) and the Insured (Insurance Professional/Agent) are the same or related party as disclosed on the respective Certificate of Insurance, further evidence of E & O Coverage is to be provided through submission of a copy of the respective Policy Declaration Pages.

- *Note – In instances where an Insurance Professional/Agent has a11 E & O Deductible in excess of $50,000, NJHMFA may, upon request, consider acceptance of same subject to the review by NJHMFA of the most recent Certified Financial Statements of the respective Insurance Professional/Agent to determine the financial wherewithal of the Insurance Professional/Agent to fund a Deductible* in *excess of $50,000.*

Cancellation/Non-Renewal

Notice is to be provided to the NJHMFA via Certified Mail as follows:

New Jersey Housing and Mortgage Finance Agency
ATTN: Insurance Division
PO Box 18550
Trenton, NJ 08650-2085

Evidence of Insurance

- ACORD 28 forms "Evidence of Commercial Property Insurance" may be utilized to provide evidence of property coverages. All applicable information on the ACORD 28 must be completed and information noted must reflect actual terms and conditions as contained in the underlying policies and be in conformity with the New Jersey Certificates of Insurance Act (NJSA 17:29A-54 et seq.)

- ACORD 25 forms "Certificate of Liability Insurance" may be utilized to provide evidence of General Liability, Automobile Liability, Excess/Umbrella Liability, Crime, Workers Compensation and Employers' Liability coverages as are applicable. All applicable information on the ACORD 25 must be completed and information noted must reflect actual terms and conditions as contained in the underlying policies and be in conformity with the New Jersey Certificates of Insurance Act (NJSA 17:29A-54 et seq.)

- ACORD 28 "Evidence of Commercial Property Insurance" and/or ACORD 25 "Certificate of Liability Insurance" are to indicate NJHMFA as the Certificate Holder as follows:

  New Jersey Housing and Mortgage Finance Agency
  ATTN: Insurance Division
  PO Box 18550
  Trenton, NJ 08650-2085

Samples of the ACORD 28 and ACORD 25 can be found at the end of this Booklet. ***A word of caution – please be sure to use the most current edition of same.***

A note about required NAIC numbers for use on the ACORD 28 and ACORD 25 forms – The National Association of Insurance Commissioners assigns an "NAIC" number to each domestic insurer domiciled in the United States. This NAIC Number is to be indicated on the appropriate ACORD form(s) for each insurer providing coverages. If a foreign carrier is providing the insurance coverages, the specific name of the carrier must be provided as well as the specific A.M. Best Number assigned to same. In the instances where a foreign carrier operates through and provides coverages utilizing a syndicate system, the specific name of each of the syndicates must be provided as well as the specific syndicate number and A.M. Best Number assigned to same. In all instances, any and all foreign carriers must meet all NJHMFA Insurance Requirements.

Complete copies of all Insurance Policies with all required Endorsements must be submitted for the review of the NJHMFA.

Note – In the event that complete copies of Insurance Policies are not available, NJHMFA may, upon request, permit the submission of sample policies with policy Declaration Pages/Binders detailing full coverages to be followed by submission to the NJHMFA of complete copies of all Insurance Policies with all required Endorsements immediately upon receipt from insurer(s).

. **State Guaranty Funds**

NJHMFA highly recommends that insurers providing insurance coverage be members of the respective State Guaranty Fund. A State Guaranty Fund is a fund administered by a US State to protect policy holders in the event that an insurance company defaults on benefit payments or becomes insolvent. The Fund only protects beneficiaries of insurance companies that are licensed to sell insurance products in that State.

Risk Purchasing Groups

If insurance coverages are provided through a purchasing group, a copy of the Registration Letter issued by the New Jersey Department of Banking and Insurance must be submitted, as well as a Designated Location(s) General Aggregate Limit Endorsement for each respective policy specifically noting the insured property.

Property Insurance

MINIMUM INSURANCE REQUIREMENTS:

Property

Real/Personal/Rental Values including but not limited to:

Walls, outdoor light poles, smokestacks, swimming pools, playground equipment, water towers, exterior poles, car ports, signs, fuel oil, tennis courts, basketball courts, radio and television antennas (including their lead-in wiring, masts or towers), and satellite dishes.

Limits

Real and Personal Property: Blanket Replacement Cost – Agreed Value.

Rental Value: An amount equal to 100% of anticipated rental income for one (1) year full occupancy – with no Coinsurance Penalty.

Coverage

Comprehensive "All Risk" or "Special" + Flood & Earthquake Building Ordinance Joint Loss Agreement. It is recommended that coverage be on an Insurance Services Office (ISO) Building and Personal Property Coverage form with Cause of Loss, Special Coverage to establish a standard of coverage,

Flood Insurance

National Flood Insurance (NFIP) is **required for all Properties located in flood zones A, V and shaded X with the maximum available policy limits of coverage available under the NFIP Program for each building. The Property Policy must provide flood limits immediately in excess of NFIP policy limits up to the insurable value at each Location up to a maximum $10,000,000 if available.**

Joint Loss Agreement

A Joint Loss Agreement is necessary if Property and Boiler and Machinery insurers are different.

Ordinance & Law Endorsement

Ordinance & Law Endorsements are required. The Property insurance is to include loss as a result of enforcement of any Building Law or Ordinance that affects the reconstruction of the building(s), cost to demolish the undamaged section(s), cost to rebuild including improvements resulting from a change in Building Codes and the additional loss of business income as a result of the above.

Deductible

Deductible amount is not to exceed $25,000 combined per loss. Rent deductible should not exceed 72 hours.

Commercial Liability – Per Occurrence Coverage:

General Liability

$2,000,000	General Aggregate Limit – other than Products/Complete Operations
$1,000,000	Products/Completed Operations Aggregate
$1,000,000	Personal & Advertising Injury Limit
$1,000,000	Each Occurrence
$10,000	Medical Expense Limit – Any One Person/Accident/Aggregate

Coverages – To Include:

$1,000,000	Automobile Non-Ownership & Hired Car Liability if no separate auto policy is in place.
$1,000,000	Employee Benefits Liability (Each Claim Made with $1,000 Maximum deductible)
$1,000,000	Employee Benefits Liability, Annual Aggregate Directors & Officers Liability (Where Applicable)

General Liability Coverage Requirements Continued

Volunteers as Insureds Medical Payments $10,000

Knowledge & Notice of Occurrences

Unintentional Errors & Omissions

Exception to the Pollution Exclusion for hostile fires and building heating equipment

Fidelity

Limits (Maximum deductible $5,000)

$ 500,000	Employee Dishonesty per loss
$3,000	Money and Securities - Inside Premises
$3,000	Money and Securities - Outside Premises
$100,000	Forgery or Alteration

Including part time & temporary employees, Directors and/or Trustees, whether compensated or not, unemployed spouses, and Managing Agents

Umbrella Liability

Excess of Primary:

$10,000,000

$1,000,000/$2,000,000
Schedule of Underlying Coverage to list
General Liability
Hired and Non-Owned Automobile Liability
Employers Liability

Boiler and Machinery Limits

Full Replacement Cost – Direct Damage
Actual Loss Sustained – Combined Business Interruption/Extra Expense – 100% of anticipated Rental Income for one year full occupancy

Coverage

Comprehensive – Boilers/Fired & Unfired Pressure Vessels/Air Conditioning/ Electrical Apparatus

Valuation

Repair or Replace (New for Old)

Boiler and Machinery Requirements Continued -

Minimum Sub-limits:

$100,000	Ammonia Contamination
$100,000	Water Damage
$100,000	Hazardous Substances
$100,000	Expediting Expenses

Deductibles

Maximum of:

$25,000	Direct Damage
72Hours	Indirect Loss

Workers' Compensation

Coverage requirements shall be pursuant to NJSA 34:15-12(a) and NJAC 12:235.16.

Coverage A	Statutory Limit
Coverage B	$500,000 per employee disease Limit
	$500,000 policy Limit for disease

Optional Coverages

Tenant Discrimination
Mold
Terrorism

The New Jersey Housing and Mortgage Finance Agency (NJHMFA) reserves the right to specify alternative insurance requirements on a case by case basis so long as such alternative insurance requirements are substantively consistent with the intent of NJHMFA's insurance requirements hereinabove, as NJHMFA shall determine in its sole discretion, and shall not, in any instance, be in conflict with or in violation of any and all applicable State Statutes and/or Administrative Code Regulations.