



Subdivision Bonds

for projects of every size

Our many years of experience writing subdivision bonds can help meet the needs of your real estate developer and home builder customers.

Subdivision bonds, also known as subdivision, completion, performance, site-improvement, or plat bonds, are frequently required by municipalities from residential and commercial developers. These bonds guarantee that a developer will complete and pay for the improvements required to subdivide a parcel of property into smaller units. Typically, these improvements are deeded to the municipality at completion and include items such as streets, sanitary sewer, water, storm damage, sidewalks, and landscaping, etc.

Four enticing benefits for developers

Some municipalities will allow alternatives to guarantee completion of required improvements, such as irrevocable letters of credit, assignments of savings accounts, or cash deposits. Surety bonds offer important advantages over these alternatives, such as:

- Bonds avoid tying up the developer's cash, line of credit, or borrowing capacity.
- Bonds aren't subject to automatic forfeiture in the event of a claim, as a letter of credit or cash would be.
- Often in a claim situation, the surety can add value to all parties by helping to resolve disputes and minimize losses.
- When a performance bond is provided to guarantee required subdivision improvements, a warranty/maintenance bond is provided for a year at no additional cost.

Benefit from our knowledge and scope

Our subdivision bond program stands out with:

- Industry-leading capacity to handle the largest regional and national developers.
- Bonds for land developers and home builders of all sizes, from the largest publicly owned home builders to local, privately owned firms.
- Dedicated field and home office underwriters with decades of experience provide consistent, responsive service.



1st largest
surety in the U.S.¹



Serving 38
contractors on the
ENR Top 100



Treasury listing,
\$1.9 billion



Can issue bonds in
60+ countries



77th on the
Fortune 500



"A" from A.M.
Best Company;
"A2" from Moody's;
"A" from Standard
& Poor's

¹ Based on 2019 NEP



Learn more

Contact your local field underwriter or visit us online at libertymutualsurety.com.

libertymutualsurety.com

This document provides a general description of this program and/or service. See your policy, bond, service contract, or program documentation for actual terms and conditions. Insurance and surety are underwritten by Liberty Mutual Insurance Company or its affiliates or subsidiaries.

