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Commercial Real Estate Financing 2017

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2

Legal Closing Checklist

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	<u>Party Responsible*</u>	<u>Status</u>
A. <u>LOAN DOCUMENTS.</u>		
1. Promissory Note	LC	Open
2. [Construction] Loan Agreement	LC	Open
3. [Construction] Mortgage/Deed of Trust	LC	Open
4. Assignment of Leases and Rents	LC	Open
5. Assignment of Management Agreement and Subordination of Management Fees	LC	Open
6. Environmental Indemnity Agreement	LC	Open
7. Guaranty of Payment [and Completion]	LC	Open
8. Construction Loan Escrow Agreement	LC	Open (If Applicable)
9. Assignment of Contracts, Permits and Licenses a. Certification and Consent from the general contractor, architect, and subcontractor	LC/B	Open
10. Certificate Regarding Plans and Permits	LC/B	Open
11. Deposit Account Control Agreement	LC	Open (If Applicable)
12. Cash Management Agreement	LC	Open (If Applicable)
13. Borrower's Closing Certificate	LC	Open
14. Certificate of Independent Director	LC	Open (If Applicable)
15. Post-Closing Agreement	LC	Open (If Applicable)

*

L - Lender
LC - Lender's Counsel
TC - Title Insurance Company
B - Borrower
BC - Borrower's Counsel

	<u>Party Responsible*</u>	<u>Status</u>
16. UCC-1 Fixture Filings (Secretary of State and County)	LC	Open
B. <u>TITLE INSURANCE AND SURVEY.</u>		
1. Title Insurance Commitment/Proforma, along with copies of all Title Exception Documents and Legal Description in Word	L/TC	Open
2. ALTA Survey	B/BC	Open
3. Property Tax Information	B/TC	Open
4. Insured Closing Protection Letter	TC/LC	Open (If Applicable)
5. Wiring Instructions (On Title Company Letterhead)	B/TC	Open
6. Payoff Letter(s)	B	Open (If Applicable)
7. Settlement Statement	L/TC	Open
8. Closing Escrow Instruction Letter	LC	Open
C. <u>CONSTRUCTION DOCUMENTS</u>		
1. Plans and Specifications	B	Open (If Applicable)
2. Construction Budget	B	Open (If Applicable)
3. Architect's Agreement	B	Open (If Applicable)
4. Engineer Agreement	B	Open (If Applicable)
5. Construction Contract	B	Open (If Applicable)
6. Schedule listing all contracts relating to the construction work and, if required by L, copies of specified contracts	B	Open (If Applicable)
7. Construction Schedule	B	Open (If Applicable)

	<u>Party Responsible*</u>	<u>Status</u>
8. Schedule listing all necessary licenses and permits needed to commence construction work	B	Open (If Applicable)
9. Lien Waivers/Releases	B	Open (If Applicable)
10. Performance and Completion Bond with dual obligee rider	B	Open (If Applicable)
11. Utility Will Serve Letters	B	Open
12. Building Permits	B	Open
D. <u>OTHER DUE DILIGENCE.</u>		
1. Phase I Environmental Report	L	Open
2. Engineer/Structural Report	L	Open
3. Appraisal	L	Open
4. Zoning Compliance Report	L	Open
5. Construction Consultant's Report	L	Open (If Applicable)
6. Certificate(s) of Occupancy	B/BC	Open (If Applicable)
7. Purchase and Sale Agreement	B/BC	Open (If Applicable)
8. Acquisition closing documents (conveyance deed, assignment of leases, settlement statement)	B/BC	Open (If Applicable)
9. Rent Roll	B/BC	Open (If Applicable)
10. Form Lease	B/BC	Open (If Applicable)
11. Copies of all Commercial Leases	B/BC	Open (If Applicable)
12. Tenant Estoppel Certificates and SNDA Agreements	B/BC	Open (If Applicable)

	<u>Party Responsible*</u>	<u>Status</u>
13. Tenant Direction Letters	B/BC	Open (LC to provide form) (If Applicable)
14. Management Agreement	B/BC	Open
15. Copies of all Service Contracts	B/BC	Open
16. List of Personal Property	B/BC	Open
17. Evidence of Property/Liability Insurance	B/BC	Open
18. Annual Budget	B/BC	Open
19. Certified Operating Statements	B/BC	Open
20. Ground Lease	B/BC	Open (If Applicable)
21. Ground Lessor Estoppel and Agreement	B/BC	Open (If Applicable)
22. Master Lease	B/BC	Open (If Applicable)
23. Master Lessor Estoppel and Agreement	B/BC	Open (If Applicable)
24. Franchise Agreement	B/BC	Open (Hotel Only)
25. Comfort Letter	B/BC	Open (Hotel Only)
26. Credit Card Direction Letters	B/BC	Open (Hotel Only)
27. Credit Card Agreement	B/BC	Open (Hotel Only)
28. Liquor License (if applicable)	B/BC	Open (Hotel Only)
29. Condominium Documents	B/BC	Open (Condos Only)
30. Condominium Estoppel	B/BC	Open (Condos Only)

	<u>Party Responsible*</u>	<u>Status</u>
E. <u>ORGANIZATIONAL DOCUMENTATION.</u>		
1. Organizational Chart	B/BC	Open
2. Public Record Searches	L	Open
3. Government Issued Picture ID of ALL SIGNATORIES (clearly legible)	B	Open
4. Evidence of Minimum Equity Investment	B	Open (If Applicable)
5. _____ (Borrower)		
a. Filed Articles or Formation Certificate, certified as filed by the Secretary of State where organized	B	Open
b. Operating Agreement/Partnership Operating Agreement/Bylaws	B	Open
c. Good Standing Certificate ()	B	Open
d. Foreign Qualification Certificate ()	B	Open
e. Secretary's Certificate certifying a-d above attaching Resolutions/ Incumbency	B	Open
6. _____ ()		
a. Filed Articles or Formation Certificate, certified as filed by the Secretary of State where organized	B	Open
b. Operating Agreement/Partnership Operating Agreement/Bylaws	B	Open
c. Good Standing Certificate ()	B	Open
d. Foreign Qualification Certificate ()	B	Open
e. Secretary's Certificate certifying a-d above attaching Resolutions/ Incumbency	B	Open
f. Taxpayer ID Number	B	Open

	<u>Party Responsible*</u>	<u>Status</u>
7. _____ (_____)		
a. Filed Articles or Formation Certificate, certified as filed by the Secretary of State where organized	B	Open
b. Operating Agreement/Partnership Operating Agreement/Bylaws	B	Open
c. Good Standing Certificate (___)	B	Open
d. Foreign Qualification Certificate (___)	B	Open
e. Secretary's Certificate certifying a-d above attaching Resolutions/ Incumbency	B	Open
f. Taxpayer ID Number	B	Open
F. <u>OPINION LETTERS.</u>		
1. [Formation State] Opinion - Due Formation/Execution/Authority	BC	Open
2. [Property State] Opinion - Enforceability	BC	Open
3. [Other] Opinion	BC	Open
4. Special Delaware LLC Opinions: (a) State Law, and/or (b) Authority to File	BC	Open (If Applicable)
5. Non-Consolidation Opinion	BC	Open (If Applicable)

TENANT STATUS (IF APPLICABLE)

Tenant Name	Lease Received	Estoppel Received	SNDA Received

CONTACT INFORMATION

<u>LENDER</u>	<u>BORROWER</u>
<u>LENDER'S COUNSEL</u>	<u>BORROWER'S COUNSEL</u>
<u>ZONING CONSULTANT</u>	<u>TITLE COMPANY</u>

NOTES