

# Construction Lending

October 2024

**G**iven the current state of the economy and softening demand for certain types of commercial real estate (such as office and retail), there is some uncertainty as to what lies ahead for construction and development. As a result, construction lenders must carefully underwrite and structure construction loans in ways that meet their clients' needs while at the same time minimize the potential for losses. Now more than ever, a construction lender must understand and appreciate the importance of due diligence, appropriate structuring of construction loans, sound credit administration practices, and resolving disputes with the key players in construction projects as quickly and as smoothly as possible.

With this in mind, Aldrich & Bonnefin is pleased to invite you, your lending professionals, your note department personnel and your audit and loan review staff to our Seminar on Construction Lending. This Seminar will focus on due diligence issues, structuring and administering construction loans, financing owner-occupied single-family residential construction, and managing risks associated with construction loans (such as mechanic liens).

## WHO SHOULD ATTEND?

Please invite your commercial lending staff, audit and loan review staff, note department staff, loan processors, compliance managers, and in-house counsel.

We have scheduled only  
Recording Playbacks with Live Q&As  
for this Seminar.

No In-person Seminar locations will be held.



**Joel N. Cook, Esq.**, a principal of Aldrich & Bonnefin, PLC\*, joined the firm in October 2011. As manager of the firm's Corporate Practice Group, Mr. Cook's practice focuses on corporate law, commercial lending matters (including commercial and real estate loans, loan participations and loan workouts) as well as regulatory compliance. Mr. Cook obtained his law degree from Loyola Law School of Los Angeles. Prior to becoming an attorney, Mr. Cook worked as a banker for nine years in various roles with a large national bank and had extensive dealings with the Office of the Comptroller of the Currency.



**John M. Davis, Esq.** joined Aldrich & Bonnefin, PLC\* in May 2017 as a Summer Associate and remained with the firm as a law clerk until he became an Associate Attorney in June 2019. Mr. Davis is part of the firm's Banking Operations & Fintech and Corporate Practice Group, specializing in corporate and commercial lending matters. Mr. Davis also regularly advises clients on matters related to data privacy and information security laws, including with regard to the Gramm-Leach-Bliley Act, the California Consumer Privacy Act, and the California Consumer Privacy Rights Act.

## SEMINAR HIGHLIGHTS

- **Due Diligence Issues**
  - ◇ Evaluating the project
  - ◇ Collateral and appraisals
  - ◇ Flood insurance
- **Title Insurance**
  - ◇ Policy coverage and ALTA vs. CLTA
  - ◇ Exclusions and exceptions
  - ◇ Construction loan issues
- **Loan Administration & Financing Owner-occupied Single-family Residential Construction**
  - ◇ Loan administration and fund control issues
  - ◇ Financing owner-occupied single-family residential construction
  - ◇ Handling contractor disputes
- **Mechanics Liens and Stop Notices**
  - ◇ Avoiding mechanics lien claims and stop notices
  - ◇ Responding to mechanics lien claims and stop notices



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\* Janet Bonnefin is retired from the practice of law with the firm.

**SEMINAR RECORDING PLAYBACK - BCG MEMBERS ONLY**  
**(Continuing education credit will be provided only to the registrant)**

	<b>PLAYBACK DATE AND TIME</b>	<b>REGISTRATION CLOSE DATE</b>
<b>RECORDING PLAYBACK #1</b>	Wednesday, October 16, 2024, 8:30 a.m. - 3:00 p.m.	Thursday, October 10, 2024, 12:00 p.m.
<b>RECORDING PLAYBACK #2</b>	Thursday, October 17, 2024, 8:30 a.m. - 3:00 p.m.	Friday, October 11, 2024, 12:00 p.m.
<b>RECORDING PLAYBACK #3</b>	Wednesday, October 23, 2024, 8:30 a.m. - 3:00 p.m.	Friday, October 18, 2024, 12:00 p.m.
<b>RECORDING PLAYBACK #4</b>	Tuesday, October 29, 2024, 8:30 a.m. - 3:00 p.m.	Thursday, October 24, 2024, 12:00 p.m.

**LOGIN INFORMATION:** Registrants will receive an email two business days prior to the Recording Playback Date with the login information. Registrants also will receive a second email when the pin is activated and the Seminar materials are available to download. There will be live question and answer sessions both during and at the end of the presentation.

**REGISTRATION**

**MEMBERS:** To register for this Seminar, please contact your institution's BCG Main Contact, or if you are authorized, log in at <http://register.bankerscompliancegroup.com/subadmin> and select "Register for Events." We recommend that you register as soon as possible as registrations are accepted on a first-come, first-serve basis.

**MATERIALS**

For this Seminar, we are updating BCG Standard Procedures Manual #11, Construction Lending. BCG Members will receive the updated SPM through their membership subscription to Compliance Companion® by the first week of October 2024. As noted above, registered attendees will be able to download the Agenda and Discussion Outline prior to the Recording Playback.

**ACCREDITATION**  
**(Continuing education credit will be provided only to the registrant)**

**MCLE:** Aldrich & Bonnefin, PLC certifies that this activity conforms to the standards for approved education activities prescribed by the rules and regulations of the State Bar of California governing MCLE. This activity has been approved in the amount of **4.75** hours.

**CRCM:** Construction Lending has been submitted to ABA Professional Certifications for CE credit review and is pending approval. Once we receive notification of the credit approval, we will notify attendees.

**CPE:** Aldrich & Bonnefin, PLC follows Continuing Education (CE) regulations as outlined in the California Accountancy Act. CE credit may be obtained for Certified Public Accountants and Public Accountants. This activity is eligible for **5.5** hours of CPE Continuing Education credit.