

DEVELOPER QUESTIONNAIRE

1)

Do you or the landowner have full title to the property in question?

Is title insurance available?

Have you obtained it?

If you have, what are the policy exclusions?

Does a buyer receive title insurance for the particular piece of the project he or she is buying, or is the policy written for the entire property only?

2)

If title insurance isn't available, how long has the developer owned the property?

Who did he buy it from and how long did they own it?

Do you guarantee title in the contract?

3)

Has the property been properly subdivided and have the plans for development been approved by all relevant authorities?

Have the appropriate environmental impact reports been submitted and approved?

Has the lot plan been submitted and approved?

Will there be a home owner's association?

Has it been registered?

Are the terms of homeownership in the development available?

Are there any remaining government departments that need to approve the project?

4)

What is the source of potable water?

Is it being supplied by the developer, or is it up to buyers to provide their own?

Is there enough water for the entire project?

If there's a well involved? How high is the water table?

How quickly does the water table replenish itself?

If buyers have to source their own water supply, i.e. drill a well or install a rain collection system, is a feasibility study available?

Has the water been tested?

Is it free of contaminants?

5)

How will waste disposal be handled?

Septic or sewage?

Is it up to buyers to install a septic system?

Is the piece of property large enough to allow buyers to build what you're intending to build and be in compliance with local sewage disposal requirements?

6)

Where is the nearest electricity?

Is there electricity already run to the project?

If not, when will the power lines be installed?

Will they be overground or underground?

Who will run the lines, the developer or the government?

7)

For how long have you been a real estate developer?

For how long has he been a residential real estate developer?

How many projects has your company worked with in the past?

Does your company have the capital to keep the project moving forward on its own, or are you relying on sales revenue to be able to make progress on the infrastructure?

8)

What happens if the project fails?

What if sales never come in the numbers the developer expected?

What if you're forced to abandon his project?

Will buyers still have the beneficial use of the property?

9)

What are the details of financing and installment payments?

If the developer is financing, will the buyer receive property title with a mortgage or does the property not transfer until the final payment has been made?

And for both projects will a deposit be held in escrow?

Are deposits and other monies held separately or together?

What is the first installment you require and when must the property be fully paid in the case of these two specific projects?

10)

Will we be allowed to handle the closing?

What is the developer's law firm?

What is its reputation?

Is it recommended by the relevant embassy (U.S., Canada, European, etc.)?

Who else will be involved in the transfer of legal documents?

11)

Does the developer have satisfied customer letters that can be reviewed?

Can you put us in touch with past buyers -- ideally at least five English-speaking buyers -- especially foreigners, especially any from the US, Canada, UK, Ireland or Australia?

12)

What is the infrastructure plan?

What infrastructure is already in place?

For additional infrastructure and services needed or promised, are those promises available in writing, by contract, to prospective buyers?