

On-Demand Surety Bonds for Real Estate Development

PLATFORM DISRUPTS INDUSTRY AS STEPHANIE KUNTZ LEADS THE CHARGE

At Platform, a key focus has been expanding the Canadian marketplace by onboarding new surety providers. This disruption of the oligopoly that once dominated the Canadian surety industry has fostered innovative solutions to both traditional and new challenges, creating a more competitive and independent insurance marketplace across all segments. Supported by our diverse team of experts across multiple specialty verticals, Platform continues to introduce new tools that benefit our clients, particularly in the development industry. Among these innovations, the pay-on-demand bond stands out as a game-changing solution, allowing developers to bond a variety of risks and obligations through off-balance sheet instruments, effectively replacing capital-intensive letters of credit.

Today, we spotlight **Stephanie Kuntz, Senior Vice President of Platform's Construction Industry Group**, who has been a key driver in democratizing this tool and transforming developers' financial strategies. Stephanie has long been a respected surety authority in the development and construction sector. With a robust background in surety underwriting and broking, Stephanie approaches every risk challenge with creativity, providing tailored solutions that enhance credit capacity and optimize capital project financing structures. Her expertise has been pivotal in helping developers navigate the many costs inherent in development. "Stephanie has played a crucial role in advocating for and educating industry stakeholders, including municipalities and industry associations, about the benefits of subdivision bonds."

Land development, in particular, is a capital-intensive industry, with developers often needing to provide municipalities with liquid financial guarantees—typically in the form of letters of credit—before obtaining approvals for development works. Depending on the

municipality, the security required can range from 10% to 150% of hard costs. Letters of credit are almost always secured by cash on a dollar-for-dollar basis, which can be a costly and inefficient use of funds, especially in today's high-interest-rate environment. Recognizing this inefficiency, the pay-on-demand subdivision bond was developed to offer a more effective alternative. This bond provides the financial assurance municipalities require, while freeing up developers' liquidity and reducing opportunity costs.

Stephanie has played a crucial role in advocating for and educating industry stakeholders, including municipalities and industry associations, about the benefits of subdivision bonds. She has successfully helped numerous municipalities across Canada, from Mission and Edmonton to Winnipeg and Halifax, adopt subdivision bonds as an alternative to traditional letters of credit. Once a municipality approves bonding as a financial security instrument, Stephanie leverages her deep technical expertise and extensive market relationships to build customized bonding facilities that meet each developer's unique requirements. Her team ensures seamless execution at every stage—from bond issuance and amendments to continuous management of the overall bonding facility.

If municipal security requirements are impeding your development plans, reach out to Stephanie Kuntz. Alongside the Platform team, Stephanie will work as your surety partner, advocating and educating stakeholders throughout the process, and ensuring seamless execution of bond issuance and management.

Questions? Contact:



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About Platform

Platform is a national employee-owned risk advisor helping Canada's physical economy turn risk into resilience. Our differentiated value comes from our deep industry expertise, risk intelligence and disciplined execution.

We are a business built on our people and culture. It's at the heart of everything we do.

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