Property Managers Professional Package Product

PROPERTY MANAGERS PROFESSIONAL PACKAGE PRODUCT APPLICATION

All questions must be answered and application must be signed by applicant.

SECTION I. BACKGROUND INFORMATION

1. Name of Applicant: _____

   Address: _____

   List complete addresses of all additional offices on a separate sheet; if none check here: ❑

   Web Site: _____ E-mail Address: _____

   Contact Name: _____ Phone #: _____ Fax #: _____

2. Date Business was established: _____ Years of Property Management Experience of Principal / Partner: _____

3. Is Applicant applying for coverage as a: ❑ Corporation ❑ Partnership ❑ LLC ❑ Sole Proprietorship ❑ Individual

4. Please list all Applicant's Professional Designations: _____

5. Total number for each category (list each person only once, identifying their primary area of responsibility).

	FULL TIME	PART TIME
Property Managers	_____	_____
Real Estate Agents	_____	_____
Appraisers	_____	_____
Clerical	_____	_____
Reserve Study Personnel	_____	_____
Other(_____)	_____	_____

6.a. Income from Property management services or leasing in the last 12 months:

	Amount of Commission Income	Number of Units/Square Footage	Projected Commission Income
(A) Condo/Homeowner Association Management	_____	_____units	_____
(B) Apartment/Cooperatives	_____	_____units	_____
(C) Vacation Properties/Individual Home Management	_____	_____units	_____
(D) Office Buildings	_____	_____sq. feet	_____
(E) Shopping Centers/Malls	_____	_____sq. feet	_____
(F) Industrial/Manufacturing/Warehouses	_____	_____sq. feet	_____
(G) Other: _____	_____	_____	_____
TOTALS	_____	_____	_____

Only answer 6b and 6c if the Applicant derives more than 50% of the their income from residential management (A, B and C above)

6.b. What percentage of units managed is Applicant involved in placement of tenants? _____

6.c. What is the average individual unit value of the property at the managed location(s)? _____

(Note: For apartment managers, please provide the average value of the apartments in lieu of the rental fee.)

7. Has Applicant, Predecessor Firm or any affiliated company at any time in the past or present engaged in any business venture outside the scope of a Property Management or Real Estate Organization, including but not limited to construction, property development or asset management? ❑ Yes ❑ No

   If Yes, please provide full details including the amount of income from these activities: _____

   _____

8. Does the applicant organize Real Estate Investment Trusts for purpose of investing in real estate? ❑ Yes ❑ No
   If Yes, please provide full details on separate sheet.
9. Do you have an ownership interest in any of the properties you manage? ❑ Yes ❑ No
   If Yes, please provide a list, on a separate sheet, of all the properties that applicant has an ownership interest in and the percentage of ownership they have in each.
10. Are any changes in the size of the applicant's operations, in excess of 25%, anticipated over the next 12 months? ❑ Yes ❑ No
    If Yes, please provide details on a separate sheet.

SECTION II. ACTIVITY OTHER THAN PROPERTY MANAGEMENT

11. Other Income. Applicant's Gross Revenue for the past 12 months (all fees and commissions before expenses, including any fees, commissions, or bonuses payable to employees and independent contractors). Indicate gross revenue derived from the sale of property, NOT the value of properties sold.

Description	Commission Income Last 12 Months	Number of Transactions	Commission Income Next 12 Months
Residential Sales*	$ _____	_____	$ _____
Commercial Sales	$ _____	_____	$ _____
Real Estate Appraisal Fees (complete Appraisers Addendum if over 35%)	$ _____	_____	$ _____
Other (Describe _____)	$ _____	_____	$ _____
TOTALS	$ _____	_____	$ _____

**** Residential Real Estate means any property containing a single-family dwelling or multiple-family dwellings of up to 4 units. Any properties with more than 4 units are considered commercial.***

SECTION III. CURRENT E&O INSURANCE

12.

	Insurance Co.	Policy Period	Limit of Liability	Premium	Retroactive Date	Deductible
a.	_____	_____	_____	_____	_____	_____

   b. How many years has an E&O policy been in place without any lapses in coverage? _____
   c. Has the applicant ever purchased an extended reporting period endorsement? ❑ Yes ❑ No
      If Yes, please explain on a separate sheet.
   d. During the past 5 years has any insurance carrier declined, canceled or refused renewal of similar insurance on behalf of this applicant, predecessor firm or anyone for whom this insurance will apply? ❑ Yes ❑ No
      (Missouri applicants need not answer this question).
      If Yes, please explain: _____
13. Has the applicant or any past or present staff member had their license revoked, or been subject to disciplinary action or investigation by any State Licensing Board or other regulatory body? ❑ Yes ❑ No
    If Yes, please advise details, date of occurrence and copy of findings by Regulatory body. _____
    _____
14. Is the applicant or anyone for whom this insurance will apply aware of any:
    a. Professional Liability claim made against them in the past 5 years? ❑ Yes ❑ No
    b. Fact, circumstance, situation, act or omission which might reasonably be expected to be the basis of a claim or suit against them? ❑ Yes ❑ No
    If "Yes", to any of 14a or 14b please complete the Supplemental Claims Form.

SECTION IV. WRONGFUL EVICTION/PERSONAL INJURY

15. Is the applicant or anyone for whom this insurance will apply aware of any:
    a. Wrongful eviction/personal injury claim made against them in the past 5 years? ❑ Yes ❑ No
    b. Fact, circumstance, act or omission, which might reasonably be expected to be the basis of of a wrongful eviction/personal injury claim or suit against them? ❑ Yes ❑ No
    If "Yes", to any of 15a or 15b please complete the Supplemental Claims Form.

16. Does the owner(s) of all the managed properties maintain General Liability Coverage? ❑ Yes ❑ No

PLEASE NOTE: It is a condition of this insurance that General Liability Coverage (including Personal and Advertising Injury) with at least $500,000 Limit of Liability is carried by the Property Owner for each property managed by the Insured.

SECTION V. TENANT DISCRIMINATION COVERAGE DETAILS

17. Are all properties in full compliance with statutory and regulatory requirements for persons with physical handicap? ❑ Yes ❑ No
18. Is more than 25% of the applicant's income from properties financed by Housing and Urban Development (HUD)? ❑ Yes ❑ No
19. Does the organization currently carry Tenant Discrimination Coverage? ❑ Yes ❑ No

    If Yes, please advise Insurance Co., Limit of Liability, expiring premium and date from which this coverage has been continuously carried: _____
20. Is the applicant or anyone for whom this insurance will apply aware of any:
    a. Claim alleging Discrimination or violation of any Fair Housing Act made against them in the past 5 years? ❑ Yes ❑ No
    b. Fact, circumstance, act or omission which might reasonably be expected to be the basis of a claim or suit against them? ❑ Yes ❑ No

    If "Yes", to any of 20a or 20b please complete the Supplemental Claims Form.

SECTION VI. EMPLOYMENT PRACTICES COVERAGE DETAILS

21. Total number of Employees of the Applicants Firm: Full time: _____ Part time: _____

    Total number of superintendents and maintenance staff who are employed by the owner of the property being managed. Do not include independent contractors. Full time: _____ Part time: _____
22. Has there been any reduction of employees in the past 12 months or is a reduction anticipated in the next 12 months? ❑ Yes ❑ No

    If Yes, attach details including percentage.
23. Does the Organization currently carry Employment Practices Liability Insurance? ❑ Yes ❑ No

    If Yes, please advise Insurance Co., Limit of Liability, expiring premium and date from which this coverage has been continuously carried: _____
24. Within the last 5 years has any employment related, or third party discrimination, or third party sexual harassment: inquiry, complaint, notice of hearing, claim or suit been made against the Organization or any person proposed for Insurance in the capacity of either Director, Officer or Employee of the Organization? ❑ Yes ❑ No

    If "Yes," please complete the Supplemental Claims Form.
25. Is any person proposed for this Insurance aware of any fact, circumstance or situation which may result in an employment claim or third party discrimination or third party sexual harassment claim against the Organization or any of its Directors, Officers or Employees? ❑ Yes ❑ No

    If "Yes," please complete the Supplemental Claims Form.
26. Please complete only if applying for Tenant Discrimination Coverage.
    a. Mandatory Written Policies - please identify if Applicant has in place:

    Third Party Discrimination Policy: ❑ Yes ❑ No

    Please forward a copy of the policy identified above along with this signed and dated Application. If you do not have these written policies in place, the Company will provide you with sample policies at the time of binding this insurance.
27. Please complete only if applying for Employment Practices Coverage.
    a. **Mandatory Written Policies - please identify if Applicant has in place:**

    Sexual Harassment Policy (applies to employees and third parties): ❑ Yes ❑ No

    Anti-Discrimination Policy (applies to employees and third parties): ❑ Yes ❑ No

    Please forward copies of the policies identified above along with this signed and dated Application. If you do not have these written policies in place, the Company will provide you with sample policies at the time of binding this insurance.

    b. **Recommended Written Policies - please identify policies Applicant has in place:**

    Employment Application ❑ Yes ❑ No

    Employee Handbook ❑ Yes ❑ No

    Company Email/Internet Policy ❑ Yes ❑ No

SECTION VII. PREMISES PREFERRED

28. Need applicant's complete location address. Please be sure to indicate the zip code.

_____

29. Is the office located at the site of a managed location? ❑ Yes ❑ No

    If yes, please provide the exact address (including unit number) of the applicant's office: _____

_____

30. Do you own the building where the office is located? ❑ Yes ❑ No

    If yes, please answer the following questions:

    a. Is building coverage desired? ❑ Yes ❑ No

    b. What is the total square footage of the building? _____

    c. What are the other occupancies? _____

_____

_____

31. Any General Liability claims paid or pending in the past 3 years? ❑ Yes ❑ No

    If yes, please list (by year): _____

32. Any Property claims paid or pending in the past 3 years? ❑ Yes ❑ No

    If yes, please list (by years): _____

33. Business Personal Property Limit (contents): _____

34. Building Construction (please check one):

    ❑ Frame - Building is made from wood frame (2x4's/veneers).

    ❑ Joisted Masonry - Outside walls are constructed with bricks/cinder blocks. Roof is made of wood.

    ❑ Masonry Non-Combustible - Same as Joisted Masonry, except roof is steel.

    ❑ Fire Resistive - Structural steel framing, reinforced concrete outside/load bearing walls.

35. Property Protection Class (1-10): _____

36. Gross square footage your business occupies: _____

37. a. Aluminum Wiring: ❑ Yes ❑ No

    b. Functioning Fire/Smoke Alarms: ❑ Yes ❑ No

    c. Burglar Alarms: ❑ Yes ❑ No

38. Is the electrical system connected to circuit breakers? ❑ Yes ❑ No

39. Does the owner(s) of all the managed properties maintain General Liability Coverage? ❑ Yes ❑ No

    PLEASE NOTE: It is a condition of this insurance that General Liability Coverage (including Personal and Advertising Injury) with at least $500,000 Limit of Liability is carried by the Property Owner for each property managed by the Insured.

New York Disclosure Notice: This policy is written on a claims made basis and shall provide no coverage for claims arising out of incidents, occurrences or alleged wrongful acts that took place prior to retroactive date, if any, stated on the declarations. This policy shall cover only those claims made against an insured while the policy remains in effect and all coverage under the policy ceases upon termination of the policy except for the automatic extended reporting period coverage unless the insured purchases additional extend reporting period coverage. The policy includes an automatic 60 day extended claims reporting period following the termination of this policy. The Insured may purchase for an additional premium an additional extended reporting period of 12 months, 24 months or 36 months following the termination of this policy. Potential coverage gaps may arise upon the expiration for this extended reporting period. During the first several years of a claims-made relationship, claims-made rates are comparatively lower than occurrence rates. The insured can expect substantial annual premium increases independent overall rate increases until the claims-made relationship has matured.

Virginia Notice: You have an option to purchase a separate limit of liability for the extension period Policy common conditions I. If you do not elect this option, the limit of liability for the extension period shall be part of the and not in addition to limit specified in the declarations. Statements in the application shall be deemed the insured's representations. A statement made in the Application or in any affidavit made before or after a loss under the policy will l be deemed material or invalidate coverage unless it is clearly proven that such statement was material to the risk when assumed and was untrue.

Minnesota Notice: The clause "and/or authorization or agreement to bind the insurance" is replaced with "authorization or agreement to bind the insurance may be withdrawn or modified based on changes to the information contained in this application prior to the effective date of the insurance applied for may render inaccurate, untrue or incomplete any statement made with the minimum of 10 days notice given to the insured prior to the effective date of cancellation when the contract has been in effect for less than 90 days or is being canceled for non payment of premium."

Missouri and Arkansas Disclosure Notices: I understand and acknowledge that this policy contains a defense within the limits provision which means that "defense costs" will reduce my limits of insurance and exhaust them completely. Should that occur, I shall be liable for any further legal "defense costs" and damages. This provision applies to the directors and officers liability coverage part and also applies to the employment practices liability coverage part if I have more than 200 employees or if my limits of liability are less than $500,000.

Signed and accepted by the insured: _____

Signature of president or Chairman

Colorado Fraud Statement: It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado division of insurance within the department of regulatory agencies.

District of Columbia Fraud Statement: WARNING: It is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the applicant.

Florida Fraud Statement: Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony of the third degree.

Kentucky Fraud Statement: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any materially false information or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime.

Maine Fraud Statement: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines or a denial of insurance benefits.

New Jersey Fraud Statement: Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

New York Fraud Statement: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation.

Ohio Fraud Statement: Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

Oklahoma Fraud Statement: WARNING: Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

Pennsylvania Fraud Statement: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

Tennessee and Virginia Fraud Statement: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.

Fraud Statement (All Other States): Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

The undersigned represents that to the best of his/her knowledge and belief the particulars and statements set forth herein are true and agrees that those particulars and statements are material to acceptance of the risk assumed by the Company. The undersigned further declares that any changes to the information contained in this application prior to the effective date of the insurance applied for which may render inaccurate, untrue or incomplete any statement made will immediately be reported in writing to the Company and the Company may withdraw or modify any outstanding quotations and/or authorization or agreement to bind the insurance. The Company is hereby authorized, but not required to make any investigation and inquiry in connection with the information, statements and disclosures provided in this application. The decision of the Company not to make or limit any investigation or inquiry shall be deemed a waiver of any rights by the Company and shall not estop the Company from relying on any statement in this application. The signing of this application does not bind the undersigned to purchase the insurance, nor does the review of this application bind the Company to issue a policy. It is understood the Company is relying on this application in the event the Policy is issued. It is agreed that this Application, including any material submitted therewith. shall be the basis of the contract should a policy be issued and it will be attached and become a part of the policy.

Signature: _____

Must be signed by a Principal, Partner or Officer of the Firm

Date: _____

If the primary address of the location listed in item #1 is in the state of New York, Iowa or Florida, the state of New York, Iowa and Florida require that we have the names and addresses of your (insured's) authorized Agent or Broker.

Name of authorized Agent or Broker: _____

Address: _____

Agent or Broker license number: _____