

## Real Estate Professional Liability Insurance Application

### THIS IS AN APPLICATION FOR A CLAIMS MADE AND REPORTED POLICY

This Application for Real Estate Professional Liability Insurance is intended to be used for the preliminary evaluation of a submission. When completed in its entirety, this Application will enable the Underwriter to decide whether or not to authorize the binding of insurance.

### THIS APPLICATION IS NOT A BINDER

As respects to Sections F through L of this Application, only answer those Sections applicable to the services which you are seeking coverage for.

A. GENERAL INFORMATION			
Name of Applicant		Date established	
List all DBAs under which you operate		Phone	
Street address		Contact e-mail	
City, State, Zip		Website	
List ALL States in which the firm operates			

B. REQUIRED ADDITIONAL INFORMATION	
List the Limit of Liability and Deductible options that the applicant would like quoted.	
Limits	Deductibles*

\*For deductible requests of \$25,000 or more, enclose a copy of your most recent annual financial statements.

C. PERSONNEL ENGAGED IN PROVIDING PROFESSIONAL SERVICES TO CLIENTS				
1. Number of Individuals(include only once):				
Principals, Partners, Officers & Directors _____				
Full-Time Real Estate Professionals _____				
Part-Time Real Estate Professionals _____				
Non-Professional Employees _____				
Other Professionals _____				
Please describe: _____				
<b>TOTAL STAFF:</b> _____				
2. Please provide information on the firm's Key Personnel:				
Name	Title	Professional Qualifications/Licenses	Year Licensed	License Ever Revoked or Suspended?


D. PROFESSIONAL SERVICES AND REVENUE INFORMATION:				
	Gross Commissions/Fees for the last Fiscal Year	Number of Transactions	Gross Commissions/Fees for the Current Fiscal Year	Number of Transactions
<b>Residential Real Estate Sales</b>	\$		\$	
<b>Commercial Real Estate Sales</b>	\$		\$	
<b>Residential Property Management</b>	\$		\$	
<b>Commercial Property Management</b>	\$		\$	
<b>Real Estate Appraisals</b>	\$		\$	
<b>Mortgage Broker</b>	\$		\$	
<b>Mortgage Banking</b> <i>(If Yes, please complete Mortgage Bankers Supplement SA-25)</i>	\$		\$	
<b>Real Estate Leasing</b>	\$		\$	
<b>Real Estate Consulting</b>	\$		\$	
<b>Auctioneering</b>	\$		\$	
<b>Title Agent</b>	\$		\$	
<b>Title Abstractor/Searcher</b>	\$		\$	
<b>Escrow Agent</b>	\$		\$	
<b>Syndication/Partnerships/REITs</b> <i>(Attach descriptions of activities)</i>	\$		\$	
<b>Asset/Investment Management</b> <i>(If Yes, please provide full details below)</i>	\$		\$	
<b>Property Development and/or Construction</b> <i>(Attach details)</i>	\$		\$	
<b>Construction Management</b>	\$		\$	
<b>Other</b> (please describe)	\$		\$	
<b>Total Commissions/Fees:</b>	\$		\$	

<p><b>*If revenue total is over \$10,000,000, please attach a copy of your most recent financial statements.</b></p>
<p><b>Please provide additional information/details here, if needed:</b></p>

Is the applicant engaged in any other business or profession other than as described above? <b>If Yes, please provide an explanation and estimated revenues:</b>	Yes    No
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<b>E. ADDITIONAL INFORMATION REQUIRED</b>	
1. In the past 12 months has the applicant had a positive net income?	Yes    No
2. In the past 12 months has the applicant had positive net equity? <b>If No to questions #1 or #2 above, please provide details including remedial actions taken:</b>	Yes    No
3. Does the applicant firm provide professional services to business entities in which it retains ownership? <b>If Yes, please explain and provide the percentage of ownership:</b>	Yes    No
4. Is the applicant firm controlled, owned or associated with any other firm, corporation or company? <b>If Yes, please explain:</b>	Yes    No

<b>F. Real Estate Sales-</b> Please complete this section if your firm DOES provide Real Estate Agent/Broker services. Check this box if your firm DOES NOT provide any Real Estate Agent/Broker services.			
<b>Please answer the following questions as respects to the most recent 12month period:</b>			
1. Indicate the percentage of total income derived from the following property sales:			
Residential (1 – 4 units)	%	Farm/Ranch	%
Foreclosure/Short Sales	%	Land	%
Apartments (4 or more units)	%	Hotel/Motel	%
Industrial/Manufacturing	%	Offices	%
Retail	%	Other (describe)	%
2. Please indicate the following:			
a)	Average sales price of residential property sold by the firm:	\$	_____
b)	Highest sales price of residential property sold by the firm:	\$	_____
c)	Average sales price of commercial property sold by the firm:	\$	_____
d)	Highest sales price of commercial property sold by the firm:	\$	_____

3.	What percentage of residential properties sold:		%
	a) Included a home protection or warranty?	_____	%
	b) Included a signed property disclosure form?	_____	%
	c) Included a property inspection?	_____	%
4.	What percentage of sales transactions did the firm or any member of the firm act as a dual agent representing both the buyer and seller?	_____	%
	Is dual agency always disclosed in writing to the buyer and seller?	Yes	No
5.	Does the firm always use state or local board approved sales contracts? If No, please explain.	Yes	No
6.	Does the firm or any member of the firm have any ownership or equity interests in any property sold by the firm?	Yes	No
	<i>If Yes, please explain:</i>		
7.	Does the firm or any member of the firm have any ownership or equity interests in a property development or construction company?	Yes	No
	<i>If Yes, please explain:</i>		

<b>G. Property Management</b> - Please complete this section if your firm DOES provide Property Management services. Check this box if your firm DOES NOT provide any Property Management services.			
<b>Please answer the following questions as respects to the most recent 12month period:</b>			
1. Indicate the percentage of total income derived from the following properties managed:			
Residential (1 – 4 units)		Office	
Apartments (4 or more units)		Shopping Center/Retail	
Condo/Co-op/Homeowners Associations		Mobile Home Parks	
Vacation Property		Hospital, Nursing Home or Assisted Living	
Industrial/Warehouse		Hotel/Motel	
Land		Other (please describe):	
2. Does the firm or any member of the firm have any ownership or equity interests in any property managed? <div style="text-align: right;">Yes      No</div> <i>If Yes, please explain:</i>			
3. Does the Applicant prepare a budget for each property managed?			Yes      No
4. Does the Applicant obtain a credit report for each prospective tenant?			Yes      No
5. Does the Applicant confirm that the owner of the property managed carries general liability coverage with liability limits of at least \$1,000,000?			Yes      No
6. Does the Applicant obtain certificates of insurance on all sub-contractors working on properties managed by the Applicant?			Yes      No
7. Is the Applicant responsible for negotiating, effecting or maintaining insurance coverage on properties managed?			Yes      No
8. What is the dollar amount of the Applicant's authority for capital improvements and repairs?      \$ _____			

<p>9. Does the Applicant manage any properties on behalf of any trustee for properties in receivership or other forms of bankruptcy protection?</p> <p><i>If Yes, please explain:</i></p>	<p>Yes      No</p>
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<p><b>H. Real Estate Consulting</b> - Please complete this section if your firm DOES provide Real Estate Consulting services. Check this box if your firm DOES NOT provide any Real Estate Consulting services</p>	
<p>1. Please provide details about the consulting services provided:</p>	
<p>2. Does the Applicant provide any investment advice? <i>If Yes, please explain:</i></p>	<p>Yes      No</p>

<p><b>I. Auctioneer</b> - Please complete this section if your firm DOES provide services as an Auctioneer. Check this box if your firm DOES NOT provide any services as an Auctioneer.</p>			
<p><b>Please answer the following questions as respects to the most recent 12month period:</b></p>			
<p>1. Identify the types of Auctions performed by percentage:</p>			
General Merchandise	%	Catalog	%
Real Estate	%	Other (specify)	%
<p>2. Does the Applicant provide any online Auction services? <i>If Yes, please explain:</i></p>			<p>Yes      No</p>
<p>3. Does the Applicant always put properties to be auctioned on display for an inspection prior to auction?</p>			<p>Yes      No</p>
<p>4. Does the Applicant provide any written guarantee as to the authenticity or condition of properties auctioned?</p>			<p>Yes      No</p>
<p>5. Does the Applicant ever allow decoys in the audience to influence or stimulate bidding?</p>			<p>Yes      No</p>
<p>6. Does the Applicant auction properties owned by the Applicant or by any principal, or any entity in which the Applicant or principal has controlling financial interests?</p>			<p>Yes      No</p>
<p>7. Does the Applicant perform any Appraisal services of items to be auctioned? <i>If Yes, please complete Section J below.</i></p>			<p>Yes      No</p>

<p><b>J. Appraiser</b> - Please complete this section if your firm DOES provide services as an Appraiser. Check this box if your firm DOES NOT provide any services as an Appraiser.</p>			
<p><b>Please answer the following questions as respects to the most recent 12month period:</b></p>			
<p>1. Estimate the number of appraisals performed on an annual basis:</p>			
<p>2. Indicate the approximate percentage of appraisals performed that were :</p>			
Residential (single family)	%	Residential (multi family)	%
Commercial Property	%	Equipment/Machinery	%
Art	%	Antiques/Collectibles	%
Jewelry	%	Businesses	%

Land (Vacant or Undeveloped)	%	Farm/Ranch	%
Vehicles	%	Other (please describe)	%
3. What percentage of your appraisals were performed for:			
Lender/Financial Institution	%	Investor/Syndicator	%
Other (please describe)	%		
4. Does the firm or any member of the firm have any ownership or equity interests in any property being appraised? <i>If Yes, please explain:</i> <div style="text-align: right;">Yes      No</div>			
5. Does or has any bank, savings and loan, mortgage broker or mortgage company or similar financial institution have an ownership interest in the Applicant or any firm of the Applicant? <i>If Yes, please explain:</i>			<div style="text-align: right;">Yes      No</div>
6. Average value of properties appraised?			\$
7. Highest value of property appraised?			\$
8. What are the Applicant's risk management/quality control procedures for handling complex or high value appraisals?			
9. Do the Applicant's appraisals always include the following: <div style="display: flex; justify-content: space-between;"> <div style="width: 80%;"> a. Name of the client?  b. A statement explaining the purpose of the appraisal?  c. A definition of the value estimated?  d. A description of the property and interest being appraised?  e. A summary of the facts upon which the appraisal is based?  f. A statement of conclusions reached or limitations?  g. A statement of any assumptions and/or conditions?  h. A statement that the appraiser does not (or does) have at present an interest in the property, and if so, a description of interest?  i. Photographs of the subject property? </div> <div style="width: 15%; text-align: right;"> <div>Yes      No</div> <div>Yes      No</div> <div>Yes      No</div> <div>Yes      No</div> <div>Yes      No</div> <div>Yes      No</div> <div>Yes      No</div> <div>Yes      No</div> <div>Yes      No</div> </div> </div>			
10. Does the Applicant follow standard guidelines set forth by the Appraisal Standards Board?			<div style="text-align: right;">Yes      No</div>
11. Are there any clients or former clients that have been taken over by the FDIC?			<div style="text-align: right;">Yes      No</div>
12. Provide the following for all individuals involved in performing appraisals:			
<b>Name of Appraiser</b>	<b>Years of Experience</b>	<b>Professional Associations</b>	<b>Type of License</b>

<b>K. Title Agent, Title Abstractor/Searcher, Escrow/Closing Agent</b> - Please complete this section if your firm DOES provide services as a Title Agent, Title Abstractor/Searcher, or Escrow/Closing Agent Check this box if your firm DOES NOT provide any of these services..			
<b>Please answer the following questions as respects to the most recent 12month period:</b>			
1. Please provide an approximate percentage breakdown of services rendered:			
Title Agent	%	Title Abstractor	%

Title Searcher	%	Escrow/Closing Agent	%
2. Does the Applicant provide U.C.C. reports?			Yes No
If Yes, do you certify these reports?			Yes No
3. Estimate the percentage of the Applicant's total gross income generated from?			
Oil & Gas	%	Metal & Minerals	%
Developers & Builders	%	Other	%
4. Does any Title Insurance Company have ownership interest in the Applicant? <i>If Yes, please provide details?</i>			Yes No
5. Please provide a listing of the Title Insurance Companies you represent and the percentage of revenues generated from each:			
			%
			%
			%
6. Please indicate the following as respects to your escrow activities:			
	Prior Year	Current Year	Projected Next Year
Volume of funds Handled:			
Number of accounts:			
7. Does the Applicant have cross-checking systems to guard against:			
a. Incorrectly maintained records of closing transactions?			Yes No
b. Failure to make proper filings of documents for public record?			Yes No
c. Improper calculation of tax, insurance or other finance figures?			Yes No
8. Do you hire subcontractors to perform any Title Abstractor/Searcher or Escrow services? If Yes, please answer the following:			Yes No
a. Percentage of subcontracted Title Abstractor/Searcher services:			%
b. Percentage of subcontracted Escrow Agent services:			%
c. Do you require these subcontractors to maintain their own E&O insurance?			Yes No
d. Do you regularly review the work performed by these subcontractors?			Yes No
e. Do you verify their qualifications and confirm all proper licensing requirements are met?			Yes No

<b>L. Mortgage Broker</b> - Please complete this section if your firm DOES provide services as a Mortgage Broker. Check this box if your firm DOES NOT provide any services as a Mortgage Broker..			
<b>Please answer the following questions as respects to the most recent 12month period:</b>			
1. Please provide the following information:			
Dollar amount of Residential Mortgages		Dollar amount of Commercial Mortgages	
Number of Residential Mortgages:		Number of Commercial Mortgages:	
Maximum Value of any one Residential Mortgage:		Maximum Value of any one Commercial Mortgage:	
2. Does the Applicant have any discretionary authority to make a loan?			Yes No
3. Does the Applicant lend their own funds?			Yes No
4. Does the Applicant have a Warehouse Line of Credit?			Yes No
5. Provide the percentage of loans applicable to the following categories:			

Primary/First Mortgage:		Refinance:	
Second Mortgage:		Adjustable Rate:	
Reverse:		Subprime:	
Home Equity Line of Credit:		Business Line of Credit:	
Other (please explain)			
6. Does the Applicant have a Loan Repurchase Agreement in place with any Financial Institution? <i>If Yes, please explain:</i>			Yes    No
7. Does the Applicant provide any loan modification services? <i>If Yes, please explain:</i>			Yes    No
8. Please list the three(3) largest Financial Institutions loans are generated for:			
9. What is the default rate of loans made? Prior Year_____ Current Year_____			

<b>M. Risk Management</b>	
1. Does the applicant firm use a written contract with all clients? <b>If No, please explain:</b>	Yes    No
2. Have your contracts been reviewed by a law firm? <b>If No, please explain:</b>	Yes    No
3. Does your firm assume liability for others under contracts utilized? <b>If Yes, please explain:</b>	Yes    No
4. Does your firm document each client file with your client's instructions and your recommendations?	Yes    No
5. Does your firm have a written internal policy and procedures manual?	Yes    No
6. Does your firm have written procedures in place to notify management of complaints and problem transactions?	Yes    No
7. Does the Applicant have policies in place to help prevent Discrimination and Fair Housing claims? <i>If No, please explain:</i>	Yes    No



N. INSURANCE HISTORY	
1. Has any similar insurance ever been declined or cancelled? <b>If Yes, please explain:</b>	Yes No
2. Is similar insurance currently in force? <b>If Yes, please provide a description of services being covered:</b>	Yes No
Name of Insurer	
Expiration Date	
Limit of Liability	
Deductible	
Premium	
Retroactive Date	
Please give the following information for General Liability coverage in force:	
Carrier	
Limit of Liability	
Expiration Date	

O. CLAIM INFORMATION	
1. Have any claims been made or legal action been brought against your firm, its predecessor(s) or any current or former principal, partner, director, officer or employee in the past five years? <b>If Yes, please explain and provide insurance company loss summary for the past 5 years:</b>	Yes No
2. After complete investigation and inquiry, do any of the principals, partners, directors, officers, employees, or insurance managers have knowledge of any act, error, omission, fact, incident, situation, unresolved job dispute, accident, or any other circumstance that is or could be the basis for a claim under this proposed insurance policy?  <b>Report knowledge of all such incidents to your current carrier prior to your current policy expiration.</b> The proposed insurance being applied for will not respond to incidents about which you had knowledge prior to the effective date of the policy nor will coverage apply to any claim or circumstance identified or that should have been identified in Questions O.1. and O.2. of this application.	Yes No
3. Does your firm, its predecessor(s) or any subsidiary have any current outstanding deductible obligations on any insurance policies? <b>If Yes, give the exact amount owed to the insurance company and, if a payment schedule is in place, the amount and dates of repayment.</b>	Yes No
4. Have any individuals listed in question 2 ever been the subject of disciplinary action by authorities as a result of their professional activities? <b>If Yes, please explain.</b>	Yes No

**P. NOTICE TO APPLICANT**

IT IS UNDERSTOOD AND AGREED THAT WITH RESPECT TO QUESTIONS 1, 2, 3, & 4 in SECTION O (CLAIM INFORMATION) ABOVE, THAT IF SUCH KNOWLEDGE OR INFORMATION EXISTS ANY CLAIM OR ACTION ARISING THEREFROM IS EXCLUDED FROM THIS PROPOSED COVERAGE.

NOTICE TO NEW YORK APPLICANTS: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE CONTAINING ANY FALSE INFORMATION, OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME.

The Applicant hereby acknowledges that he/she/it is aware that the limit of liability shall be reduced, and may be completely exhausted, by the claim expenses and, in such event, the Insurer shall not be liable for the claim expenses or for the amount of any judgment or settlement to the extent that such exceeds the limit of liability.

I HEREBY DECLARE that, after inquiry, the above statements and particulars are true and I have not suppressed or misstated any material fact and that I agree that this application shall be the basis of the contract with the Underwriters.

**CERTIFICATION AND SIGNATURE**

It is understood and agreed that this application shall become part of the Policy for Real Estate Professional Liability Insurance.

**Must be signed by a Principal, Partner, Officer or Director**

Print or Type Applicant's Name	Title of Applicant
Signature of Applicant	Date Signed by Applicant

REO 3.2017