

SOFT COSTS SUPPLEMENT

Project:

Only the following items are insured by a Soft Cost Endorsement. Soft Cost coverage applies only to those additional costs and expenses listed below actually sustained by the Insured Project Owner as a result of direct physical loss or damage insured by the policy.

Financial Costs:	
Commitment Fees:	
Standby Fees:	
Land Rent:	
Construction Loan Fees:	
Additional Interest Expenses:	
Leasing and Marketing Expenses:	
Legal and Accounting Expenses:	
Miscellaneous Expenses:	
Total:	

Definitions

Commitment Fees are defined as fees charged by financial institutions to review project information in order to assess its viability.

Standby Fees are the amount charged by financial institutions in order to hold a loan offer open so that funds are available for the project and not committed to others.

Land Rent is the rent neighbouring land owners may charge for use of their land or for the right to cross it.

Construction Loan Fees are defined as the additional costs incurred to rearrange loans necessary for completion of construction.

Additional Interest Expenses are monies charged by lenders for the extension or renewal of loans necessary for completion of the Insured Project, including financing of repairs or reconstruction following an insured loss.

Leasing and Marketing Expenses are the cost of releasing and remarketing of the Insured Project due to loss of tenants and purchasers because of delay in completion of the Insured Project beyond the contracted completion date.

Legal and Accounting Expenses are costs to arrange refinancing, accounting work necessary to restructure financing and legal work necessary to prepare new documents.

Miscellaneous Expenses are property taxes, building permits and insurance premiums.

Insured Project Owner within the context of this document means solely the persons or entities who are both the owner of the Insured Project and are listed as Named Insured or Additional Insured in the Declarations of the policy.

** Note: Architectural and engineering fees are considered a hard cost for the purpose of the Soft Cost Endorsement.*

Signature: _____

Date: _____

Please send the completed, signed and dated application to underwriting@revau.com