



REAL ESTATE SERVICES  
PROFESSIONAL LIABILITY APPLICATION

NOTE: COMPLETION AND SUBMISSION OF THIS APPLICATION IS FOR THE PURPOSE OF SECURING A PREMIUM QUOTATION ONLY. NO COVERAGE WILL BE EFFECTED UNTIL RECEIPT OF WRITTEN INSTRUCTION AND PREMIUM PAYMENT. ANY SUBSEQUENT CONTRACT ISSUED WILL BE IN FULL RELIANCE UPON THE STATEMENTS AND REPRESENTATIONS MADE IN THIS APPLICATION (AND ATTACHMENTS HERETO) AND THIS APPLICATION WILL BE MADE A PART OF THE POLICY.

IF A POLICY IS ISSUED, IT WILL BE ON A CLAIMS-MADE BASIS. THE LIMITS OF LIABILITY AVAILABLE TO PAY JUDGMENTS OR SETTLEMENTS SHALL BE REDUCED BY AMOUNTS INCURRED FOR DEFENSE EXPENSES. AMOUNTS INCURRED FOR LEGAL DEFENSE SHALL BE APPLIED AGAINST THE APPLICABLE DEDUCTIBLE AMOUNT.

All Questions must be fully-completed. If there is insufficient space to complete an answer, continue on a separate sheet of the Applicant's letterhead. If a Question is not applicable, state "N.A." This form must be completed, signed and dated by a Principal of the Applicant.

SECTION I – GENERAL INFORMATION

1. Full Name of Applicant (include ALL Firm names, trade names or dba's under which the Applicant operates, including subsidiaries): \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
2. Address of Principal Office: \_\_\_\_\_  
(street city/state zip)
3. List all states in which Applicant operates: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
4. Does the Applicant have any other office locations? [ ] YES [ ] NO  
If YES, list complete addresses on a separate sheet.
5. Year Established: \_\_\_\_\_ Website Address: \_\_\_\_\_
6. Applicant is a: \_\_\_\_\_ Sole Proprietor \_\_\_\_\_ Corporation  
\_\_\_\_\_ Partnership \_\_\_\_\_ Independent Contractor \_\_\_\_\_ Joint Venture  
\_\_\_\_\_ Other (specify): \_\_\_\_\_
7. Effective Date Desired: \_\_\_\_\_
8. Limits of Liability Desired (inclusive of defense expenses): \_\_\_\_\_ Per Claim \_\_\_\_\_ Aggregate  
Deductible Desired (inclusive of defense expenses): \_\_\_\_\_ Per Claim \_\_\_\_\_ Aggregate
9. Has the name of the Applicant ever changed or has there been any acquisition, consolidation, dissolution, merger or any other change in business organization during the past five (5) years? [ ] YES [ ] NO  
**If YES, provide full particulars on a separate sheet, including all Firm names, in chronological order. Additionally, provide claims information (as per SECTION XII) for all prior Firms.**

10. During the coming twelve (12) months, does the Applicant contemplate offering any services not currently offered, or any mergers or acquisitions?  YES  NO **If YES, please explain on separate attachment to this application.**

11. Indicate Staffing:

	<u>Employees</u>	<u>Independent Contractors</u>	<u>Number Licensed</u>
A. Principals, Partners, Officers, Directors:	_____	_____	_____
B. Real Estate Sales Agents/Brokers:	_____	_____	_____
C. Property Managers:	_____	_____	_____
D. Real Estate Leasing Agents/Brokers:	_____	_____	_____
E. Notaries:	_____	_____	_____
F. Mortgage Brokers:	_____	_____	_____
G. Construction Managers (Owner's Representatives):	_____	_____	_____
H. Title Agents:	_____	_____	_____
I. Escrow Agents:	_____	_____	_____
J. Real Estate Developers:	_____	_____	_____
K. Real Estate Asset Managers/Investment Advisors:	_____	_____	_____
L. Clerical:	_____	_____	_____
M. Other (specify): _____	_____	_____	_____
TOTAL STAFF:	_____	_____	_____

12. Complete the following for each partner, principal, officer and director of the Applicant (DESIGNATION CODES: P=Partner, PR= Principal, O=Officer, D=Director):

<u>Name</u>	<u>Designation</u>	<u>Date of Affiliation With Applicant</u>	<u>Professional Designations Received</u>	<u>Association Memberships</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

13. Specify gross income derived from the following services:

	<u>Estimate this Year</u>	<u>Actual for Previous Year</u>
A. Residential Real Estate Sale Commissions:	\$ _____	\$ _____
B. Non-Residential Real Estate Sales Commissions:	\$ _____	\$ _____
C. Property Management Fees:	\$ _____	\$ _____
D. Real Estate Leasing Commissions/Fees:	\$ _____	\$ _____
E. Mortgage Brokerage Fees	\$ _____	\$ _____
F. Real Estate Appraisal Fees:	\$ _____	\$ _____
G. Real Estate Asset Management/Investment Advisory Commissions/Fees:*	\$ _____	\$ _____
H. Title & Escrow Commissions/Fees:	\$ _____	\$ _____
I. Insurance Brokerage Commissions/Fees (excluding title insurance):	\$ _____	\$ _____
J. Property Development Fees:	\$ _____	\$ _____
TOTALS:	\$ _____	\$ _____

\* Inclusive of formation, promotion, syndication, offer or sale of general or limited partnership interests, Real Estate Investment Trusts, or any investments regulated by the SEC or NASD.

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**SECTION II – REAL ESTATE ASSET MANAGEMENT / INVESTMENT ADVISORY SERVICES**

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If you do not provide these services please check here [ ]

14. Does the Applicant manage or act as general partner of any limited partnership(s)? [ ] YES [ ] NO  
If YES, attach a schedule showing:
- A. Name(s) of limited partnership(s);
  - B. Function and services performed by Applicant/subsidiary/affiliate;
  - C. Number and type of properties comprising assets of each partnership;
  - D. Market values of assets for two most recent fiscal years;
  - E. Number of limited partners of each partnership;
  - F. Applicant's ownership percentage of each limited partnership.
15. Does the Applicant recommend investments in mortgage loans or pools of such loans? [ ] YES [ ] NO  
If YES, advise percentage which are:
- A. Short-term (1-3 years) \_\_\_\_\_
  - B. Intermediate-term (3-10 years) \_\_\_\_\_
  - C. Long-term (10 years or more) \_\_\_\_\_
  - D. Commercial/Industrial \_\_\_\_\_
  - E. Residential \_\_\_\_\_
  - F. Other: \_\_\_\_\_
16. Does the Applicant recommend investments in new developments or in short-term construction & development loans? [ ] YES [ ] NO
17. How often do clients receive portfolio statements? \_\_\_\_\_  
How often are meetings held with clients? \_\_\_\_\_  
Describe the procedure for timely notification to discretionary clients of transactions and changes in their portfolios:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
18. Describe fee structure (e.g., flat fee, percentage of assets under management, commissions, other): \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
19. Submit the following materials:
- A. Sample investment advisory contract;
  - B. Exhibit of information demonstrating changes in vacancy rates of client properties, by region, over the past five (5) years;
  - C. Procedures used to identify and evaluate new investment and lending opportunities.

**SECTION III – PROPERTY MANAGEMENT SERVICES**

If you do not provide these services please check here [ ]

20. List top five properties managed, type of property (e.g., residential, office, commercial, retail, industrial, farm, vacant land), most recently appraised value, amount of Applicant’s ownership/equity interest therein:

<i>Location/ Address</i>	<i>Type of Property</i>	<i>Appraised Value</i>	<i>Ownership/ Equity Interest %</i>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

21. Is a credit report obtained on all respective tenants? [ ] YES [ ] NO

22. Is a budget prepared for each property managed? [ ] YES [ ] NO

23. Does the Applicant handle collections? [ ] YES [ ] NO

24. Does the Applicant maintain responsibility for maintaining insurance coverage on each property managed? [ ] YES [ ] NO  
 Are all managed properties insured to value? [ ] YES [ ] NO  
 Specify the minimum Commercial General Liability (“CGL”) coverage limit required on managed properties:

\_\_\_\_\_

25. Briefly describe procedures for handling tenant complaints: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

26. **Attach a copy of the Applicant’s standard property management contract.**

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**SECTION IV – REAL ESTATE APPRAISAL SERVICES**

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**If you do not provide these services please check here [ ]**

27. Provide the following information for the most recent 12 months:

	<i><u>Number of Appraisals</u></i>	<i><u>Fee Income</u></i>	<i><u>Highest Value Past 12 Months</u></i>
Residential:	_____	_____	\$ _____
Commercial:	_____	_____	\$ _____
Other:	_____	_____	\$ _____

28. Describe top appraisal clients (e.g., banks, individuals, investors, other): \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

29. **Attach a copy of the Applicant's standard property appraisal contract.**



38. What is the total amount of all mortgages originated/serviced in the past 12 months?

	<u>Residential</u>	<u>Commercial</u>	<u>Other</u>
Dollar Amount	_____	_____	_____
No. of Mortgages	_____	_____	_____
Max. \$ Value (of any one mortgage)	_____	_____	_____

39. Specify percentage of gross mortgage services revenue derived from:

\_\_\_\_\_ Conventional mortgages                      \_\_\_\_\_ VA/FHA guaranteed mortgages

40. Does the Applicant have any discretionary authority to make a loan?                       YES  NO

If YES, how often is such authority used and under what circumstances? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

41. Does the Applicant ever solicit lenders for construction loans, land acquisition loans and/or development loans?                       YES  NO

If YES, describe the Applicant's experience in handling these types of loans: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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**SECTION VI – TITLE & ESCROW SERVICES**

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**If you do not provide these services please check here [ ]**

42. List states where the Applicant provides title and/or escrow services: \_\_\_\_\_  
\_\_\_\_\_

Is the Applicant required by such states to be licensed as a title insurance agent, title abstractor/searcher or escrow/ closing agent? [ ] YES [ ] NO

43. Does the Applicant provide U.C.C. reports? [ ] YES [ ] NO  
Are such reports certified by the Applicant for accuracy? [ ] YES [ ] NO

44. List title insurance companies represented by the applicant: \_\_\_\_\_  
\_\_\_\_\_

Attach complete copies of Agency Agreements/Contracts between the Applicant and the companies listed above.

45. Who performs title searches for title insurance policies issued by the Applicant? \_\_\_\_\_  
\_\_\_\_\_

46. List percentages of data compiled from the following sources (must equal 100%):  
\_\_\_\_\_ Courthouse Records \_\_\_\_\_ Computers/Database (using in-house programs)  
\_\_\_\_\_ Independent Abstractors/Searchers \_\_\_\_\_ Non-Owned or Shared Computers/Databases  
\_\_\_\_\_ Title Insurance Company Plant (specify): \_\_\_\_\_

47. Does the Applicant render title opinions? [ ] YES [ ] NO

48. Provide a percentage breakdown of title commissions/fees attributable to the following categories of real estate:

\_\_\_\_\_ Residential \_\_\_\_\_ Commercial \_\_\_\_\_ Agricultural  
\_\_\_\_\_ Industrial \_\_\_\_\_ Oil & Gas \_\_\_\_\_ Minerals  
\_\_\_\_\_ Other (specify): \_\_\_\_\_

49. Describe procedures for ensuring that commingling of escrow funds does not occur: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

50. Does the applicant maintain a fidelity bond? [ ] YES [ ] NO  
If YES, specify name of carrier, limits and effective/expiration dates: \_\_\_\_\_  
\_\_\_\_\_

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**SECTION VII – REAL ESTATE LEASING SERVICES**

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**If you do not provide these services please check here [ ]**

51. Indicate total amount of financing handled by the Applicant during the past twelve (12) months? \$ \_\_\_\_\_

	Residential	Commercial	Other
A. Amount of Principal:	\$ _____	\$ _____	\$ _____
B. Number of Leases:	_____	_____	_____
C. Maximum Value of Any Single Lease	\$ _____	\$ _____	\$ _____

52. Does applicant handle assets other than real estate (e.g., heavy machinery, high-tech equipment, office equipment, automobiles)? [ ] YES [ ] NO

If YES, briefly describe: \_\_\_\_\_  
\_\_\_\_\_

53. Indicate percentage of: \_\_\_\_\_ Operating Leases \_\_\_\_\_ Capital Leases

54. Have any leasing structures arranged by the Applicant ever been dismissed by the IRS? [ ] YES [ ] NO

If YES, provide details: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

55. Does the Applicant have discretionary authority to commit others' funds? [ ] YES [ ] NO

If YES, provide details: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**SECTION VIII – REAL ESTATE SALES & BROKERAGE SERVICES**

**If you do not provide these services please check here [ ]**

56. List Board of Realtors memberships: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

57. Does the Applicant participate in Multiple Listing Services? [ ] YES [ ] NO

58. Is the Applicant a member or affiliate of any national franchise, referral or relocation organization? [ ] YES [ ] NO

IF YES, list memberships/affiliations: \_\_\_\_\_  
 \_\_\_\_\_

59. With respect to residential sales, does the Applicant use standard contract forms approved by a local Board of Realtors or State Association of Realtors? [ ] YES [ ] NO

60. Does the Applicant participate in any home protection or warranty program? [ ] YES [ ] NO  
 IF YES, indicate percentage of properties sold during past twelve (12) months which were covered under such program(s) and briefly describe the program(s): \_\_\_\_\_  
 \_\_\_\_\_

61. Specify number of transactions by category for the past twelve (12) months:

_____ Residential (1-4 Family)	_____ Commercial	_____ Industrial/Warehouse
_____ Multi-Family	_____ Office Buildings	_____ Hotel/Motel
_____ Condos/Co-ops	_____ Retail/Shopping	_____ Vacant Land/Agricultural
_____ Other (specify): _____		

62. List top three (3) transactions, by property value, past twelve months:

	<u>Description of Property/Location</u>	<u>Value</u>	<u>Commission/Fee Income</u>
A.	_____	_____	\$ _____
B.	_____	_____	\$ _____
C.	_____	_____	\$ _____

63. During the past twenty-four (24) months, has the Applicant purchased or sold any properties in which the Applicant has held a direct or indirect beneficial ownership interest? [ ] YES [ ] NO  
 If YES, submit complete details, including description and location of property, market value, and percentage of equity interest.

