

Date: 8/22/2016

Thank you for your interest in the CB Properties insurance program. Below is a summary of the program. If you have any questions, please feel free to reach out to us. Jake Kirk is the program administrator and can be reached at +1 901-202-8667 or jkirk@irmlc.com. Alternatively, Van Menard at vmenard@irmlc.com may be able to assist.

- This program was specifically designed for the rental houses that CB Properties manages and has been tailored to fit their profile. Thus, in order to qualify for the program, your house must presently be managed by them. If at any time this is not the case, we will have to arrange for an alternative insurance arrangement for you.
- Perils: Special. This is the broadest coverage available, though it excludes earthquake and flood.
- Valuation basis: Replacement cost. The policies replace any damaged building, without subtracting any amounts for depreciation, provided you rebuild. The alternative valuation basis is called Actual Cash Value, but this should be avoided if possible because it can leave an owner without sufficient coverage to cover losses.
- Limit: We use the Shelby County Assessor to estimate the square footage of the building. If this is incorrect, then please let us know. Buildings are insured for \$90 a square foot.
- Contents: No contents coverage is typically provided as most owners have no contents in the building.
- Business income: \$12,000 loss of rents is included to protect against loss income due to an insurable event.
- Deductible: \$1,000 per occurrence.
- Liability: each house has a dedicated \$1mm limit per occurrence / \$2mm in aggregate limit. Thus, any liability losses that occur to other members of the program have no effect on the limits that you will have dedicated to your home.
- **Vacancy: As is typical with all insurance policies, there is a limitation of coverage should the house be vacant for longer than 60 days.**
- Additional insureds: the management company as well as any lenders is automatically included as additional insureds on the policy at no extra charge.
- Coverage is contingent on Insight Risk Management receiving the premium, and no coverage is in force until such premium has been received. Coverage will be effective the first day of the month and runs for 12 months. You will be contacted at renewal to see if you would like to renew coverage.

Based on the information that we have been provided, below is a quote for your investment property:

Property Address: 3234 Canyon Rd, Memphis, TN 38134

Annual Premium: \$774

- Building limit: \$165,240
- Business income limit: \$12,000
- Deductible: \$1,000 for all perils.
- General Liability limit: \$1mm per occurrence / \$2mm in aggregate.

To place coverage, we require the following:

- ***Payment (provided at closing if this is a new purchase). This program only accepts checks, Electronic Fund Transfers, or Bank Wires. Credit/debit card payments are not an option.***
- ***Full name, address, phone number and e-mail of the entity or person that owns, or will own, the property***
- ***Mortgage company or lender, if any, with complete address and account number if available***
- ***Confirmation that CB Properties is the property manager for the foreseeable future***

If this property is a new purchase, we will send the certificate of coverage to the closing attorney who will include the insurance premium as part of the closing costs, just let us know who will be doing the closing. Otherwise, we will invoice you directly via e-mail.

PLEASE NOTE THIS QUOTE IS ONLY VALID FOR 30 DAYS FROM DATE OF QUOTE.

Thank you for the opportunity to provide you a quote.