

Soft Costs

It is hereby agreed and understood, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that this Policy covers the actual loss sustained incurred by the Insured of Soft Costs during the Indemnity Period arising out of the delay of completion of buildings and additions under construction directly resulting from physical loss or damage of the type insured to insured property under construction at an insured location.

References and Application. The following term(s) wherever used in this Policy means:

Soft Costs: Expenses over and above normal expenses at locations undergoing renovation or in the course of construction limited to the following:

- Construction loan fees - the additional cost incurred to rearrange loans necessary for the completion of construction, repairs or reconstruction including; the cost to arrange refinancing, accounting work necessary to restructure financing, legal work necessary to prepare new documents, charges by the lenders for the extension or renewal of loans necessary.
- Commitment fees, leasing and marketing expenses - The cost of returning any commitment fees received from prospective tenant(s) or purchaser(s), the cost of re-leasing and marketing due to loss of tenant(s) or purchaser(s).
- Additional fees - for architects, engineers, consultants, attorneys and accountants needed for the completion of construction, repairs or reconstruction.
- Carrying costs - property taxes, building permits, additional interest on loans, realty taxes and insurance premiums.

The indemnity provided herein shall be subject to the limit of indemnity as specified in the Schedule.