

## R12

### Rental Income Coverage Endorsement

#### INDEMNITY AGREEMENT

If the **Declaration Page** shows that Rental Income Coverage (R12) applies, **we** agree to provide coverage up to the limit on the **Declaration Page** for the Loss of Rents and **Rental Value** for the rented **dwelling(s)** described on the **Declaration Page**.

#### DEFINITIONS

**"Gross Rent and Rental Value"** is defined as the sum of:

- a) the actual total gross rent or **rental value** of the occupied portion(s) of the **dwelling(s)**;
- b) the estimated annual **rental value** of the unoccupied portion(s) of the rented **dwelling(s)**; and
- c) a fair **rental value** of the proportion(s), if any, of the **dwelling(s)** occupied by **you**.

#### MEASURE OF RECOVERY

**We** will pay for the reduction in the **Gross Rent and Rental Value** as a direct result of the described rented **dwelling(s)** becoming untenable due to loss or damage caused by an Insured Peril, less charges and expenses which would not continue during the period the rented **dwelling(s)** is untenable. Such amount will not exceed that which would be required to rebuild, repair or replace the damaged or destroyed property within a reasonable time after the date of loss. Recovery commences on the date of loss and continues until the rented **dwelling(s)** is restored to its tenable condition prior to the loss or twelve (12) consecutive months, whichever occurs first.

#### CO-INSURANCE

The limit of insurance must be equal to 100% of the annual **Gross Rent and Rental Value** of the described rented **dwelling** and that failing to do so, **we** will only pay for that portion of any loss that the limit of insurance bears to the annual **Gross Rent and Rental Value**.

#### INTERRUPTION BY CIVIL AUTHORITY

If a civil authority prohibits access to the described **premises** as a result of damage by an Insured Peril to neighbouring **premises**, this coverage is extended for a period not exceeding thirty (30) days.

#### LOSS OR DAMAGE NOT INSURED

We will not pay for:

- a) any increase of loss caused by delays or loss of time due to the presence of strikers or other persons or to labour disturbances on or about the **premises** interfering with the rebuilding, repairing or replacing the property damaged or destroyed or the resumption or continuation of business or free access to or control of the **premises** or due to the action of sympathetic strikers elsewhere;
- b) loss due to the suspension, lapse or cancellation of any lease or license, contract or order, which may affect **your Gross Rent and Rental Value** after the period following any loss during which indemnity is payable;
- c) any increase of loss directly or indirectly, proximately or remotely, resulting from, or contributed by, the operation of any by-law, ordinance or law regulating zoning, or the demolition, repair or construction of buildings or structures unless the coverage is otherwise specifically assumed by endorsement hereon.

**ALL DEFINITIONS, ALL STATUTORY AND OTHER CONDITIONS OF THE POLICY ALSO APPLY TO THIS COVERAGE**