

CURRENT CONSTRUCTION COST

Attached to and forming part of this Policy

PROPERTY COVERAGES

BASIS OF CLAIM PAYMENT

Dwelling Building and Detached Private Structures

This section of the form insuring the building to which this endorsement applies is deleted and replaced by the following:

If "You" repair or replace the damaged or destroyed building on the same location, with a building of the same occupancy within a reasonable time after the damage, "You" may choose as the basis of settlement either **(1)** or **(2)** below; otherwise settlement will be as in **(2)**.

- (1)** The cost of repairs or replacement, whichever is less, without deduction for depreciation on a "Current Construction Cost" basis in which case "We" will pay in the proportion that the limit of liability which applies to the building bears to 100% of the "Current Construction Cost" of the building at the date of damage but not exceeding the actual cost incurred.
- (2)** The Actual Cash Value of the damage at the date of the occurrence.

Replacement Cost

The "Replacement Cost" provision of the form insuring the building to which this endorsement applies as it relates to Dwelling Building and Detached Private Structures is subject to the "**Current Construction Cost**" definition shown below.

CURRENT CONSTRUCTION COST DEFINITION

"**Current Construction Cost**" means the amount which it would cost to repair or replace the damaged building using less costly current and common construction materials and methods which are functionally equivalent to obsolete, antique or custom construction materials and methods used in the original construction of the building.

Combined Limit

If this clause is shown on the form which insures the building to which this endorsement applies, the Combined Limit clause is deleted.

Except as specifically modified by this Endorsement, the terms, conditions and exclusions of the Policy are unchanged.