



Insurable Value / Replacement Cost Appraisal

LOCATED AT:

801 S Ocean Drive
Hollywood, FL 33019

FOR:

Condominium Association of Valiant House, Inc.
801 S Ocean Dr, # Office
Hollywood, FL 33019

AS OF:

June 1, 2022*

BY:

Paul R. Cassidy, Cert Gen # RZ3176
All Florida Appraisal Group, Inc.
500 S Cypress Rd, # 3
Pompano Beach, FL 33060
954/240-8911 (phone); 954/653-0637 (fax)
pcassidy02@aol.com

A

**RESTRICTED USE
Insurable Value / Replacement Cost
APPRAISAL REPORT OF:**

**801 South Ocean Drive
Hollywood, Florida 33019**

Date of Inspection:

June 1st, 2022*

File Number – 0622-P16662

FOR:

***Condominium Association of
Valiant House, Inc.***

BY:

Paul R. Cassidy
State Certified General REA # RZ3176
Certified Marshall & Swift Estimator # 1055763

**ALL FLORIDA APPRAISAL GROUP
500 S Cypress Rd, # 3
Pompano Beach, Florida 33060
954/240-8911 (phone); 954/653-0637 (fax)
pcassidy02@aol.com**

Paul R. Cassidy
State Certified General R.E. Appraiser # RZ3176
All Florida Appraisal Group
500 S Cypress Rd, # 3
Pompano Beach, FL 33060
Email-pcassidy02@aol.com

(954) 240-8911
Fax (954) 653-0637

Condominium Association of Valiant House, Inc.
c/o George Bailey, President
801 S Ocean Dr, # Office
Hollywood, FL 33019

June 6, 2022

Reference/Address: Valiant House Condominium
801 South Ocean Drive
Hollywood, Florida 33019

Board of Directors,

In accordance with your request, we have appraised the above referenced residential condominium building and common area improvements. The report of that appraisal is attached. The sole objective and purpose of this report is to establish an estimate of insurable value (replacement cost) for insurance purposes as of June 1st, 2022. This appraisal report is intended for sole use by the Client / Named Insured in obtaining adequate hazard insurance.

This is an "Updated" insurable value appraisal report and this report is based on a physical analysis of the site and improvements which was originally conducted on April 2015*. According to the association, no physical improvements or alternations have been made to the property since the original date of inspection and all information / data contained in said original report is true and accurate. This report is being done with the extraordinary assumption that no changes have been made to the building since the last site visit. The report was developed and the report was prepared in accordance with the Uniform Standards of Professional Appraisal Practice. This report is a real estate consulting service and is not a market value appraisal. The following report was prepared in conformity with Standards 4 and 5 of the Uniform Standards of Professional Appraisal Practice (USPAP). Standard 4 addresses the performance of consulting services by an appraiser. Standard 5 addresses the reporting requirements of consulting services by an appraiser. This report is appropriate for the needs of our client and should not be used for any other purpose or submitted to any other person/party. It is also important that the reader does not confuse the value conclusion reported herein with an estimate of market value.

Valiant House
June 6, 2022
Page Two

Based upon our analysis, it was concluded that the Estimated Insurable Value / Construction Cost for the building as of June 1st, 2022 (building and site improvements only - not including land value) to be:

Hazard Value: \$15,913,330.00

Flood Value: \$18,338,111.00

[Including Site Improvements - See next page for detail]

Respectfully submitted,



Paul R. Cassidy
State Certified General Real Estate Appraiser # RZ3176
Certified Marshall & Swift Estimator # 1055763

SUMMARY OF VALUES

Association Name Building Street Address / Identification	# Units	Flood Value (including foundations)	Other FL Statute 718 Unit Exclusions	Below Ground Exclusions	Hazard Value (including HVAC) (excluding interiors St. 718)
Condominium Assoc. of Valiant House, Inc.					
801 S Ocean Drive - Tower	63	\$18,135,227.00	\$2,094,750.00	\$322,127.00	\$15,718,350.00
Poolhouse Bldg	0	\$75,074.00	\$0.00	\$7,904.00	\$67,170.00
Building Totals	63	\$18,210,301.00	\$2,094,750.00	\$330,031.00	\$15,785,520.00
Additional Improvements		Cost New			Cost New
Swimming Pool		\$65,000.00			\$65,000.00
Pool Patio / Deck		\$13,100.00			\$13,100.00
Spa		\$22,000.00			\$22,000.00
Pool/Spa Equipment & Heaters		\$15,800.00			\$15,800.00
Shade Structure @ Patio		\$3,675.00			\$3,675.00
Flag Pole (1)		\$1,200.00			\$1,200.00
Identification Sign (1)		\$2,390.00			\$2,390.00
Perimeter Chain Link Fencing		\$4,645.00			\$4,645.00
Total Additional Improvements		\$127,810.00			\$127,810.00
Grand Totals	63	\$18,338,111.00	\$2,094,750.00	\$330,031.00	\$15,913,330.00
Effective Date: 06/01/2022*					

SUMMARY OF SALIENT FACTS

<u>Valuation Date:</u>	June 1 st , 2022
<u>Appraisal Type:</u>	Insurable Value / Replacement Cost Estimate
<u>Property Rights Appraised:</u>	Fee Simple for Improvements only – Insurable / Replacement (construction cost) value
<u>Location/Address:</u>	801 South Ocean Drive, Hollywood, Florida 33019
<u>County:</u>	Broward
<u>Property Owner(s):</u>	Sixty Three (63) residential condominium units.
<u>Named Insured:</u>	Condominium Association of Valiant House, Inc.
<u>Zoning:</u>	BRT-25 (Beach Resort Tourist District)
<u>Year Built:</u>	1972
<u>Site Information:</u>	A slightly irregular shaped corner parcel totaling approximately 23,525 square feet and/or 0.54 acres.

Flood Data:

The building is located within a flood zone area per the National Flood Insurance Program; Map Number 12011C0317G dated 07/21/1995. The building is located in Flood Zone “AE”. See Flood Certificate or Survey for confirmation and which, if different, will supersede the information presented in this section.

Census Tract:

The building is located in Census Tract 0901.00. Source US Census Bureau.

Folio No’s.:

Condominium ownership beginning with 51-42-13-AC-0010 through 51-42-13-AC-0630. [63 residential units]

Distance to Fire Hydrant: Less than 1,000 feet.

Distant to Tidal Water: 0.27 miles east.

Building Improvements:

The Valiant House is a detached twelve story including first level parking garage high-rise residential condominium owned building. The Ground Floors consists of an approximate 63 lined space open-sided parking garage, formal lobby and various un-finished mechanical, electrical, pump and maintenance areas. The Second Floors includes 7 residential units, office and common area rooms. The Third – Eleventh Floors have six (6) units each and the Twelfth Floors has two (2) units. The building as a whole has sixty three privately owned condominium units. The units are accessed via an interior corridor and each unit includes a rear balcony / terrace area.

See attached sketch, floor plans and photograph addendums.

Buildings Frame Structure & Mechanical Components:

The buildings frame structure is composed of both steel structural trusses & reinforced concrete block (CBS) wall construction with poured concrete columns, posts, beams and shear walls. The elevated floors are reinforced concrete nominal post tension decks. The buildings foundation is primarily auger and pressure grouted concrete pilings under a cast in place concrete foundation. Finished interior construction includes drywall partitions with steel & wood stud framing. The building has a flat concrete roof deck built up and finished with tar & gravel. The plumbing includes connections for a single kitchen and bathroom(s) per each unit. The mechanical systems for the building include a FireLite MS9200 master fire alarm with pull stations, sirens/strobes, fire hose connectors & extinguishers on each floor. The building is protected with a Peerless 50hp water booster pump, domestic water pumps, standpipes and a limited coverage area fire sprinkler system. The building is also equipped with an Onan 100kw backup auxiliary generator. The tower is serviced by two, 2,500lb twelve stop overhead traction passenger elevators. There are two interiors stairwells which provide egress from the upper floors.

Overall Condition: The building has received adequate routine continual maintenance and is considered to be in overall average to good condition.

ISO Construction Class 6 (Fire Resistive): The building was visited and on-site measurements performed and compared to those of layout plans provided, if any, as well as the Broward County tax rolls for accuracy.

Building Address / Identification, # of Units / Floors; Gross Building Area:

Building Street Address / Identification	# Units	# Flrs	Finished Floor Area (sqft)	Terr/Balc/W'way Area (sqft)	Garage/Core Area (sqft)	Total Gross Area (sqft)
801 S Ocean Drive - Tower	63	12	101,011	15,241	15,468	131,720
Poolhouse Bldg	0	1	360	0	0	360
Totals		13	101,371	15,241	15,468	132,080

Additional Structures & Improvements (as requested by the client):

- 1) Swimming Pool, Spa and Patio Area: Reinforced concrete & gunite swimming pool, separate spa and an extended patio / deck finished with brick pavers. Chain link fencing surrounds the pool patio and south site boundary. One shade structure with metal frame and canvas cover.
- 2) Cabana / Bathroom Building: Concrete block wall construction, flat, wood frame roof built up. Concrete slab. 360 square feet. ISO Construction Class 2 (Joisted Masonry).
- 3) Flag Pole: Approximate 20' standard metal flag pole with concrete base.
- 4) Identification Sign: PVC post with composite deck; carved & painted.

VALUATION ANALYSIS

DIRECT SALES COMPARISON APPROACH TO VALUE

Not requested and not considered.

INCOME APPROACH TO VALUE

Not requested and not considered.

COST APPROACH TO VALUE

In the case of valuation for INSURANCE PURPOSES, there is NO IMPUTED DEPRECIATION, as the Improvements IF DESTROYED must be replaced in whole.

DEFINITION OF INSURABLE VALUE:

The following definition is used by the Appraisal Institute and others in the valuation industry.

1. The portion of the value of an asset or asset group that is acknowledged or recognized under the provisions of an applicable loss insurance policy.
2. Value used by insurance companies as the basis for insurance. Often considered to be replacement or reproduction cost less depreciation of non-insurable items. Sometimes cash value or market value, but often entirely a cost concept.

Cost estimates derived from Core/Logic Express [formerly Marshall & Swift / Boeckh BVS] software with the most recent costs updates as of December 2021. Administrative and entrepreneurial profit included in price per square foot estimate. The building is condominium ownership and subject to the exclusions provided under Florida Statute 718.111. These exclusions are inputted in the building valuations shown in this report.

Terrace/Balcony/Walkway areas, along with other auxiliary items, for the building were included under "Building Additions" and therefore not included in the gross floor area of the BVS reports.

See attached 12/2021 Worksheet(s) report below.



Valuation Detailed Report

Hazard Value

6/6/2022

VALUATION

Valuation Number:	Valiant House	Effective Date:	06/01/2022
Value Basis:	Reconstruction	Expiration Date:	06/01/2023
		Cost as of:	12/2021

BUSINESS

Condominium Association of Valiant House, Inc.
 801 S Ocean Dr, # Office
 Hollywood, FL 33019 USA

LOCATION 1 - Valiant House

Valiant House
 801 South Ocean Drive
 Hollywood, FL 33019 USA

BUILDING 1 - Valiant House

High-Rise Condo w/ Garage

SUPERSTRUCTURE

Occupancy:	86% Condominium, w/o Interior Finishes	Story Height:	9 ft.
	3% Utility, Mechanical / Core Areas		9 ft.
	11% Parking on First Level		9 ft.
Construction Type:	100% Reinforced Concrete Frame (ISO 6)	Number of Stories:	12
Gross Floor Area:	116,479 sq.ft.	Irregular Adjustment:	None
Construction Quality:	2.0 - 2.0 - Average		
Year Built:	1972		

Adjustments

Hillside Construction:	Degree of Slope: Level	Site Accessibility:	Excellent
	Site Position: Unknown	Soil Condition:	Excellent

Fees

Architect Fees:	7% is included
Overhead and Profit:	20% is included

SUMMARY OF COSTS	User Provided	Reconstruction	Exclusion
------------------	---------------	----------------	-----------

SUPERSTRUCTURE

CoreLogic costs include labor and material, normal profit and overhead as of date of report. Costs represent general estimates which are not to be considered a detailed quantity survey. These costs include generalities and assumptions that are common to the types of structures represented in the software.

The commercial contents values CoreLogic publishes in this report are estimates only and should not be considered the actual value of commercial contents insurance coverage that should be underwritten for the insured.

©CoreLogic. All rights reserved. CORELOGIC, the CoreLogic Logo, Commercial Express, and Commercial ExpressLync are the property of CoreLogic, Inc.



Valuation Detailed Report

Hazard Value

Policy Number: Valiant House

6/6/2022

SUMMARY OF COSTS	User Provided	Reconstruction	Exclusion
Site Preparation			\$5,753
Foundations		\$62,386	\$46,179
Exterior		\$6,234,837	
Exterior Wall	27% Wall Openings		
Exterior Wall	100% Stucco on Masonry		
Roof		\$399,818	
Material	100% Built-Up/Tar and Gravel		
Pitch	100% Flat		
Interior		\$2,874,162	
Mechanicals		\$4,201,669	\$270,195
Heating	86% Forced Warm Air		
Cooling	86% Forced Cool Air		
Fire Protection	3% Sprinkler System		
	0% Manual Fire Alarm System		
	100% Automatic Fire Alarm System		
Elevators	2 Passenger		
	0 Freight		
Built-ins		\$1,161,646	
SUBTOTAL RC		\$14,934,518	\$322,127
ADDITIONS			
Custom Items			
Terrace/Balcony/Walkway		\$685,082	
Generator, 100kw & Equipment		\$98,750	
Total Additions		\$783,832	
TOTAL RC High-Rise Condo w/ Garage		\$15,718,350	\$322,127

TOTAL RC BUILDING 1 Valiant House	\$15,718,350	\$322,127
--	---------------------	------------------

BUILDING 2 - Poolhouse

Poolhouse

SUPERSTRUCTURE

Occupancy: 81% Restroom Building Story Height: 9 ft.

CoreLogic costs include labor and material, normal profit and overhead as of date of report. Costs represent general estimates which are not to be considered a detailed quantity survey. These costs include generalities and assumptions that are common to the types of structures represented in the software.

The commercial contents values CoreLogic publishes in this report are estimates only and should not be considered the actual value of commercial contents insurance coverage that should be underwritten for the insured.

©CoreLogic. All rights reserved. CORELOGIC, the CoreLogic Logo, Commercial Express, and Commercial ExpressLync are the property of CoreLogic, Inc.



Valuation Detailed Report

Hazard Value

Policy Number: Valiant House

6/6/2022

	19% Utility Building, Equipment		9 ft.
Construction Type:	100% Masonry (ISO 2)	Number of Stories:	1
Gross Floor Area:	360 sq.ft.	Irregular Adjustment:	None
Construction Quality:	2.0 - 2.0 - Average		
Year Built:			

Adjustments

Hillside Construction:	Degree of Slope: Level	Site Accessibility:	Excellent
	Site Position: Unknown	Soil Condition:	Excellent

Fees

Architect Fees:	7% is included
Overhead and Profit:	20% is included

SUMMARY OF COSTS	User Provided	Reconstruction	Exclusion
------------------	---------------	----------------	-----------

SUPERSTRUCTURE

Site Preparation			\$93
Foundations		\$2,381	\$4,646
Exterior		\$18,893	
Exterior Wall	8% Wall Openings		
Exterior Wall	100% Stucco on Masonry		
Roof		\$10,974	
Material	100% Built-Up, Smooth		
Pitch	100% Flat		
Interior		\$7,989	
Floor Finish	19% Concrete Sealer or Topping		
	81% Tile, Vinyl Composite		
Mechanicals		\$26,774	\$3,165
Heating	100% Ventilation Only		
Cooling	100% None		
Fire Protection	0% Sprinkler System		
	0% Manual Fire Alarm System		

CoreLogic costs include labor and material, normal profit and overhead as of date of report. Costs represent general estimates which are not to be considered a detailed quantity survey. These costs include generalities and assumptions that are common to the types of structures represented in the software.

The commercial contents values CoreLogic publishes in this report are estimates only and should not be considered the actual value of commercial contents insurance coverage that should be underwritten for the insured.

©CoreLogic. All rights reserved. CORELOGIC, the CoreLogic Logo, Commercial Express, and Commercial ExpressLync are the property of CoreLogic, Inc.



Valuation Detailed Report

Hazard Value

Policy Number: Valiant House

6/6/2022

SUMMARY OF COSTS	User Provided	Reconstruction	Exclusion
	0% Automatic Fire Alarm System		
Plumbing	6 Total Fixtures		
Elevators	0 Passenger		
	0 Freight		
Built-ins		\$159	
TOTAL RC Poolhouse		\$67,170	\$7,904
TOTAL RC BUILDING 2 Poolhouse		\$67,170	\$7,904
	Reconstruction	Sq.Ft.	\$/Sq.Ft.
LOCATION SUBTOTAL (All Buildings)	\$15,785,520	116,839	\$135

CoreLogic costs include labor and material, normal profit and overhead as of date of report. Costs represent general estimates which are not to be considered a detailed quantity survey. These costs include generalities and assumptions that are common to the types of structures represented in the software.

The commercial contents values CoreLogic publishes in this report are estimates only and should not be considered the actual value of commercial contents insurance coverage that should be underwritten for the insured.

©CoreLogic. All rights reserved. CORELOGIC, the CoreLogic Logo, Commercial Express, and Commercial ExpressLync are the property of CoreLogic, Inc.



Valuation Detailed Report

Hazard Value

Policy Number: Valiant House

6/6/2022

VALUATION

Valuation Number:	Valiant House	Effective Date:	06/01/2022
Value Basis:	Reconstruction	Expiration Date:	06/01/2023
		Cost as of:	12/2021

BUSINESS

Condominium Association of Valiant House, Inc.
 801 S Ocean Dr, # Office
 Hollywood, FL 33019 USA

LOCATION 1 - Valiant House

Valiant House
 801 South Ocean Drive
 Hollywood, FL 33019 USA

Equipment: Building items and site improvements

	Replacement	Depreciated
Building 1, High-Rise Condo w/ Garage		
Custom Items		
(1) Terrace/Balcony/Walkway	\$685,082	\$685,082
(1) Generator, 100kw & Equipment	\$98,750	\$98,750
LOCATION 1 Additions		
Custom Items		
(1) Swimming Pool	\$65,000	\$65,000
(1) Spa	\$22,000	\$22,000
LOCATION 1 - Valiant House TOTAL	\$870,832	\$870,832
TOTAL	\$870,832	\$870,832

CoreLogic costs include labor and material, normal profit and overhead as of date of report. Costs represent general estimates which are not to be considered a detailed quantity survey. These costs include generalities and assumptions that are common to the types of structures represented in the software.

The commercial contents values CoreLogic publishes in this report are estimates only and should not be considered the actual value of commercial contents insurance coverage that should be underwritten for the insured.

©CoreLogic. All rights reserved. CORELOGIC, the CoreLogic Logo, Commercial Express, and Commercial ExpressLync are the property of CoreLogic, Inc.

Photograph Addendum

Borrower	N/A						
Property Address	801 S Ocean Drive						
City	Hollywood	County	Broward	State	FL	Zip Code	33019
Lender/Client	Condominium Association of Valiant House, Inc.						



north side



south side



east side



southwest corner



south side facing west



northwest corner

Photograph Addendum

Borrower	N/A				
Property Address	801 S Ocean Drive				
City	Hollywood	County	Broward	State	FL Zip Code 33019
Lender/Client	Condominium Association of Valiant House, Inc.				



ground level open side parking



ground level open side parking



poolside bathhouse building



pool



whirlpool spa



pool heaters

Photograph Addendum

Borrower	N/A				
Property Address	801 S Ocean Drive				
City	Hollywood	County	Broward	State	FL Zip Code 33019
Lender/Client	Condominium Association of Valiant House, Inc.				



master fire alarm panel



pull station, strobe, siren, lit emergency exit



fire hose / extinguisher



elevator lobby



12 stop elevator panel



pool equipment / heaters

Photograph Addendum

Borrower	N/A						
Property Address	801 S Ocean Drive						
City	Hollywood	County	Broward	State	FL	Zip Code	33019
Lender/Client	Condominium Association of Valiant House, Inc.						



CBS wall construction



poured concrete floor & roof decks



roof



HVAC



flag pole



stairwell

Photograph Addendum

Borrower	N/A				
Property Address	801 S Ocean Drive				
City	Hollywood	County	Broward	State	FL Zip Code 33019
Lender/Client	Condominium Association of Valiant House, Inc.				



standpipe



auxiliary generator



transformer vault (un-finished)



domestic water pumps (un-finished)



water booster / fire pump (un-finished)



chain link fencing

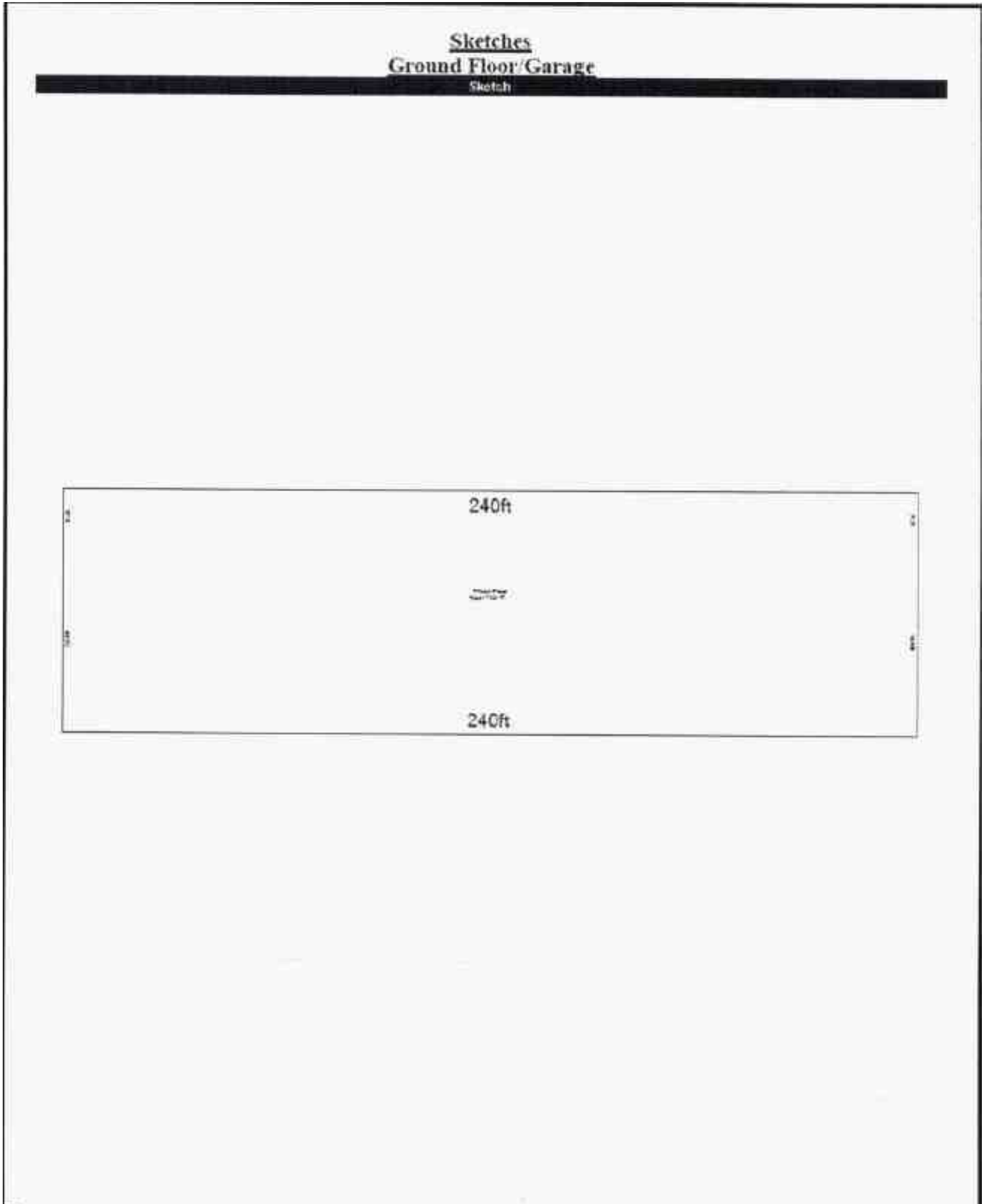
Aerial Map

Borrower	N/A				
Property Address	801 S Ocean Drive				
City	Hollywood	County	Broward	State	FL Zip Code 33019
Lender/Client	Condominium Association of Valiant House, Inc.				



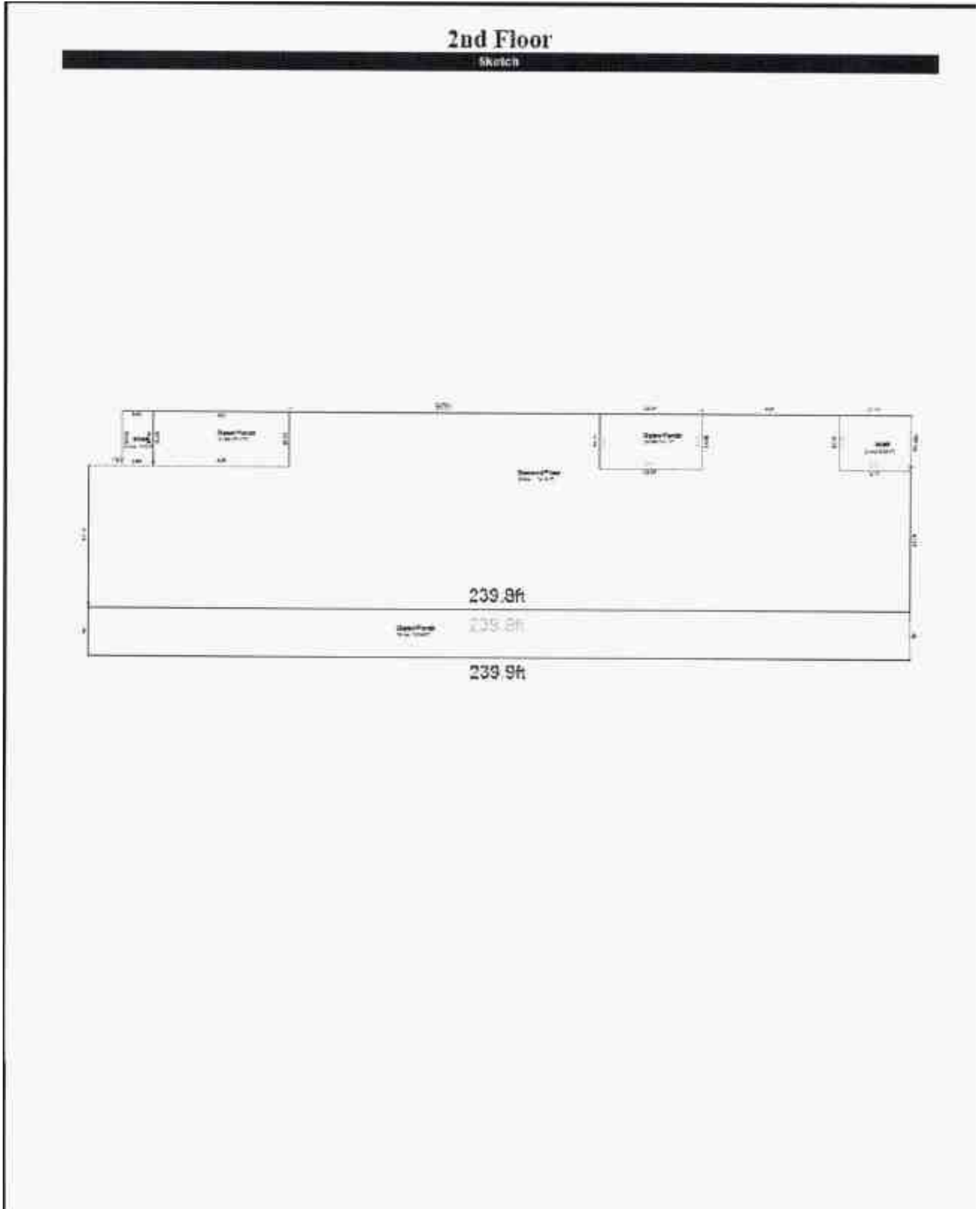
Ground Floor Building Sketch Diagram

Borrower	N/A				
Property Address	801 S Ocean Drive				
City	Hollywood	County	Broward	State	FL Zip Code 33019
Lender/Client	Condominium Association of Valiant House, Inc.				



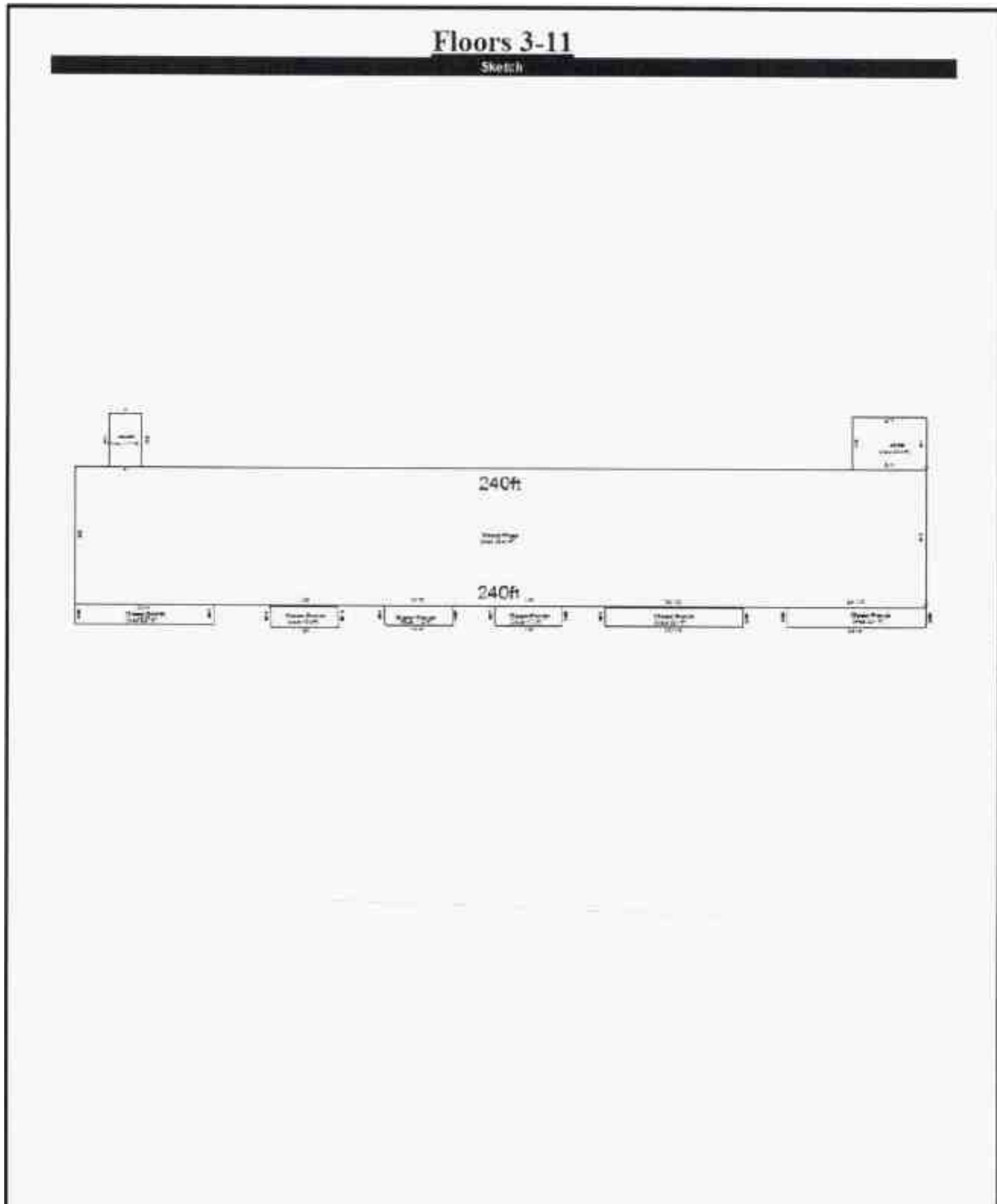
Second Floor Building Sketch Diagram

Borrower	N/A						
Property Address	801 S Ocean Drive						
City	Hollywood	County	Broward	State	FL	Zip Code	33019
Lender/Client	Condominium Association of Valiant House, Inc.						



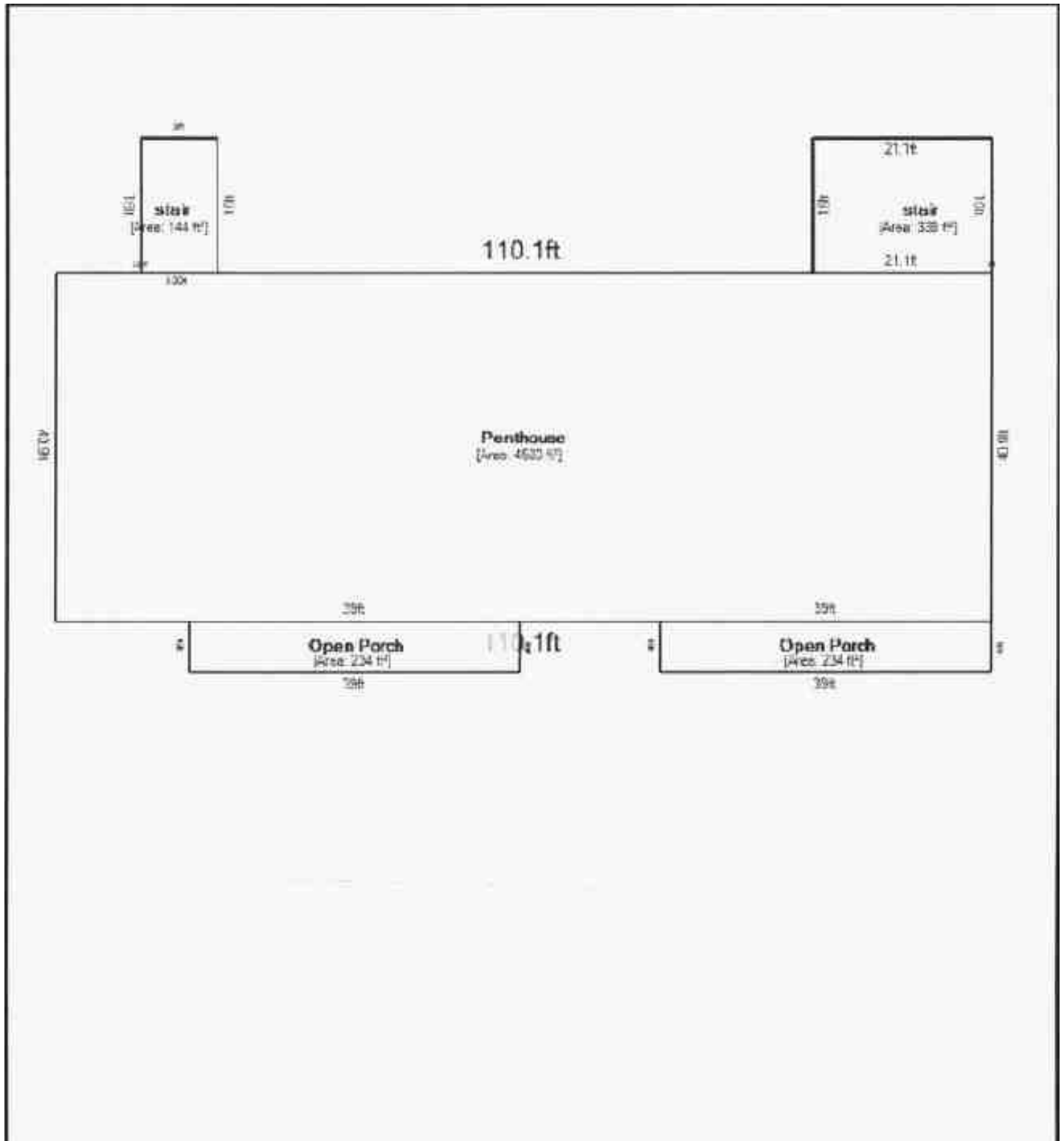
3rd - 11th Floors Building Sketch Diagram

Borrower	N/A				
Property Address	801 S Ocean Drive				
City	Hollywood	County	Broward	State	FL
Lender/Client	Condominium Association of Valiant House, Inc.				



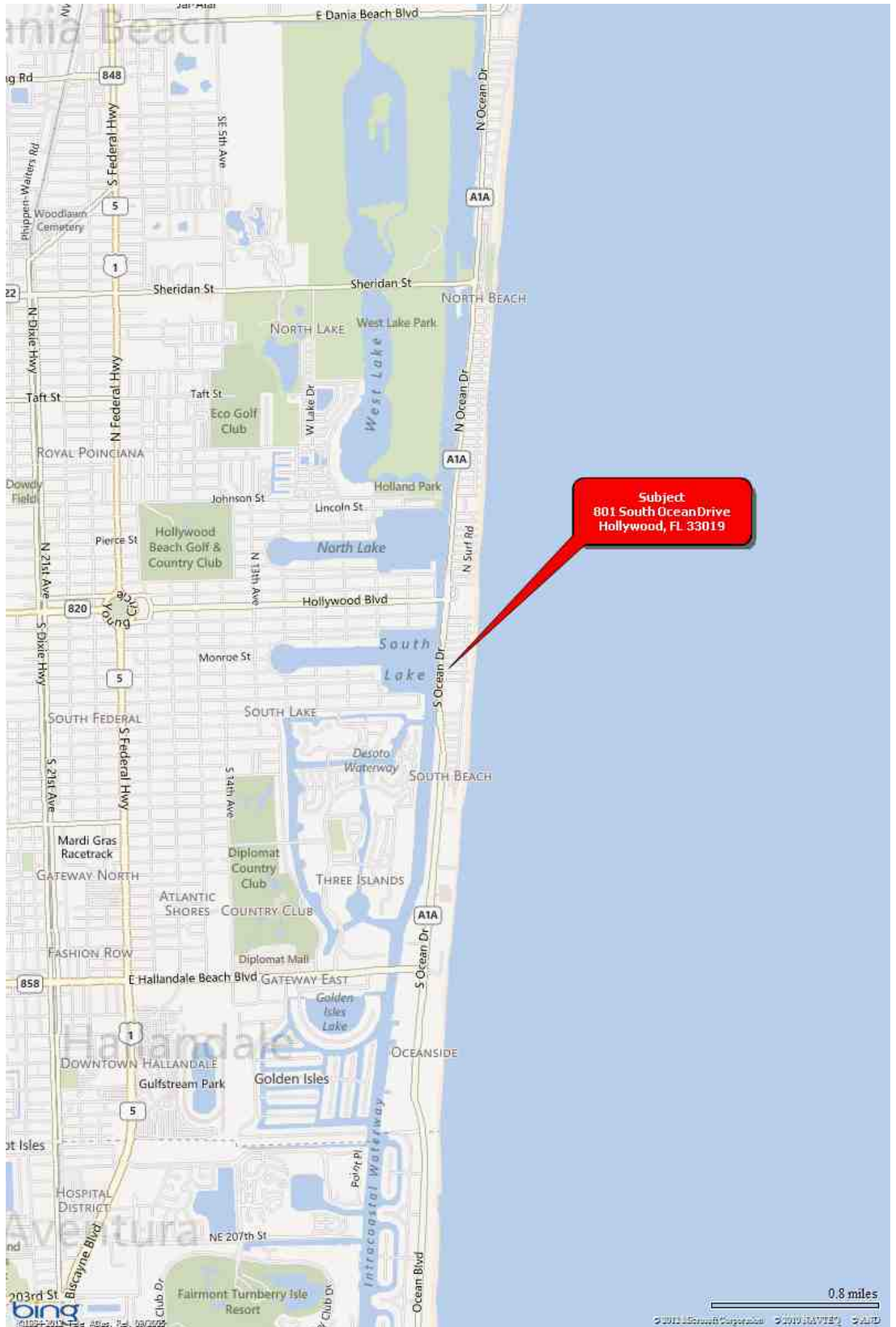
12th Floor Building Sketch Diagram

Borrower	N/A				
Property Address	801 S Ocean Drive				
City	Hollywood	County	Broward	State	FL
Lender/Client	Condominium Association of Valiant House, Inc.				
				Zip Code	33019



Location Map

Borrower	N/A				
Property Address	801 S Ocean Drive				
City	Hollywood	County	Broward	State	FL
Zip Code	33019				
Lender/Client	Condominium Association of Valiant House, Inc.				



ASSUMPTIONS AND LIMITING CONDITIONS

The value conclusions and the certification within this report are made expressly subject to the following assumptions and limiting conditions in this report, which are incorporated herein by reference.

1. No responsibility is accepted for matters legal in nature; titles is presumed to be good and assumed to be held in fee simple. All existing liens and encumbrances, if any, have been disregarded (unless otherwise stipulated within the report) and the property is appraised as though free and clear, under competent ownership and management.
2. The legal description and site drawings furnished (if provided) are assumed to be correct.
3. The maps and sketches are included to assist the reader (if provided). Unless a survey of the property has been provided, no responsibility, whatsoever, in connection with such matters will be recognized. Accordingly, the appraiser makes the extraordinary assumption that the square footage indicated herein is correct and is utilizing the departure provision in stating the indicated square footage is found to be different from that as indicted in the property tax rolls, the appraiser accepts no responsibility for same.
4. It is assumed that the project herein set forth is an allowable use under the zoning, and is further considered its highest and best use.
5. The land and soil of the area under the appraisalment appears firm and solid. The analyst was not supplied with an engineering survey and under this condition this appraisal does not warrant this condition.
6. Existing buildings involved in this appraisal report have been inspected and damage, if any, by termites, dry rot, wet rot, or other infestations have been reported if discovered as a matter of information but no guarantee of the amount or degree of damage is intended.
7. In this appraisal of existing improvements, the physical condition of the improvements was based on a cursory visual inspection. No liability is assumed for the soundness of structural members since no engineering tests were made.
8. All furnishings and equipment, except those specifically indicated and typically considered as part or real estate, have been disregarded. Only the real estate has been considered.
9. Information furnished by others including comparable sales data is believed to be reliable, but the appraiser assumes no responsibility for its accuracy.
10. The fees received for preparation of this report were not contingent upon the final value estimate.

ASSUMPTIONS AND LIMITING CONDITIONS (Continued)

11. The appraiser is not required to give testimony or attendance in court by reason of this appraisal with reference to the property in question, unless arrangements have been made previously thereto.

12. No consideration has been given to labor bonuses, material premiums, and additional costs to conform property replaced to future building codes, ordinances or other legal restrictions.

13. Possession of the reports or copies thereof, does not carry with it the right to publications nor may be used for any purpose by any but the applicant, without the written consent of the appraiser and then with the proper qualifications.

14. The valuations may not be used in conjunction with any other appraisal. The conclusions are based upon the program of utilization described herein and have not been separated into parts.

15. This appraisal has been made in accordance with the rules of professional ethics of the Appraisal Institute Inc.

16. Neither all nor any part of the contents of this report shall be conveyed to the public through advertising, public relations, news, sales, or other media, without the written consent and approval of the author, particularly as to the valuation conclusions, the identity of the appraiser or firms with which they are connected or any reference to the Appraisal Institute Inc., and /or the M.A.I. or S.R.A. designations.

17. The estimate of Replacement Cost applies only to the date specified in the report. Replacement Cost of Real Estate is affected by many related and unrelated economic conditions, local and national, which might necessarily affect the future market of the subject property. We, therefore, assume no liability for an unforeseen precipitous change in the economy, the project, region, or property.

18. Unless otherwise stated in this report, the existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyls, petroleum leakage, agricultural chemicals, urea formaldehyde foam insulation, toxic waste, other contents of environmental conditions, which may or may not be present on the property has not been considered, they were not called to the attention of the Appraiser, not did the appraiser become aware of such during the Appraiser's inspection. The Appraiser has no knowledge of the existence of such materials on or in the property unless otherwise stated. The appraiser, however, is not qualified to test such substances or conditions. The value estimated is predicated on the assumption that there is no such condition on or in the property or in such proximity thereto that it would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. An expert in this field should be retained by the property owner if deemed appropriate.

ASSUMPTIONS AND LIMITING CONDITIONS (Continued)

19. No environmental impact study has been ordered or made. The appraised property is assumed to be in compliance with all applicable regulations unless otherwise noted in the report.

20. The date of inspection represents the effective date of the Replacement Cost New opinion and is only considered valid for one year from the effective date. Given the recent price fluctuations for building materials & labor, the client is strongly advised to annually update the replacement cost new estimate to prevent a situation of either “over/under insuring” the structure. It should be noted that the Replacement Cost New opinion does not consider the following: the cost of replacing pilings or foundation; the loss of use during any reconstruction; real estate taxes during construction; financing costs and/or interest on a construction loan.

21. The appraiser is valuing the property for a Replacement Cost Estimate for insurance purposes only. This is to replace the existing improvements in the event of total destruction including removal of existing improvements.

22. **Natural Disaster Disclaimer:**

Recover and reconstruction from widespread natural disasters such as hurricane or flood will create abnormal shortages of labor and materials, which, in turn will cause above average price increases as much as 50-75% above normal costs prior to the event. These increases, while temporary, may last for a year or more before returning to normal market conditions.

The values as reported herein are estimated based on current (normal) market conditions and are considered appropriate for various purposes including insurance coverage. Some or all of the estimated values as reported herein may be inadequate for reconstruction or repair in periods after a widespread natural disaster.

23. In the event of a partial loss, the amount of loss may be based upon the individual repair cost, which is usually proportionately higher than the replacement cost new for the entire property as defined and included in this report.

24. The component costs utilized in this report are derived solely from the cost data developed by the CoreLogic (formally Marshall & Swift / Boeckh) BVS software. As of July 2011 this is the preferred method, and in certain instances (i.e. Citizen Insurance Company), the only acceptable method of valuation. Information, data and opinions presented in this report are believed to be accurate, however, the author of this report accepts no responsibility for the accuracy of data that was developed by third parties. If Citizens Property Insurance Corporation of Florida (Citizens) is the end user of this report, the appraiser has restrictions on the options allowed via the Marshall & Swift BVS program and may not be fully USPAP compliant. The appraiser cites the Jurisdictional Exception Rule as reasoning to conform with said directives. The rule states: “If any part of USPAP is contrary to the law or public policy of any jurisdiction, only that part shall be void and of no force or effect in that jurisdiction”.

25. It is agreed that the liability of consultants to the client is limited to the amount of fee paid therefore as liquidated damages.

26. Acceptance of, and/or use of, this appraisal report constitutes acceptance of the above conditions.