

**INSURABLE PROPERTY REPLACEMENT COST  
VALUATION  
OF A CONDOMINIUM ASSOCIATION**

PROPERTY ADDRESS: S. Ocean Boulevard  
Beach, Florida

FOR: Condominium Association, Inc.  
S. Ocean Boulevard  
Beach, Florida

LEGAL DESCRIPTION: Palm Beach County

ESTIMATED REPLACEMENT COST ..... **\$ 52,337,000**

**PURPOSE OF THE VALUATION UPDATE:**

To update the estimated insurable value of the above described property as of December 29, 2009 with an inspection. The replacement cost insurable value is used conventionally to designate the amount of insurance which may be or should be carried on destructible portions of a property to indemnify the owner in the event of a loss.

To report on fire protection and any precautions taken to secure and protect the premises.

**CERTIFICATION:**

I, John R. Frazer, of J R Frazer, hereby certify that I have over 30 years of experience in the field of residential and commercial property inspection, risk assessment, and property replacement cost valuations. Furthermore I have no interest, present or contemplated, in the property, and that neither the assignment to make the valuation nor the fee derived therefrom is contingent upon the value estimate. I have personally inspected the property, unless otherwise noted in the valuation, and to the best of my knowledge and belief, all statements and data in this report are true, subject to any contingent and limiting conditions as noted herein. The valuation's use is limited to the owner, insurance agent, insurance carrier, and no other persons

The method used to determine the cost of rebuilding the structures and improvements is the current version of Marshall and Swift Valuation Service, a nationally recognized valuation service.



John R. Frazer, J R Frazer - Insurance Valuation Services

## PROPERTY REPLACEMENT COST SUMMARY

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Condominium Association, Inc.  
S. Ocean Boulevard  
Beach, Florida

Loc. #	Description	Construction	Units	Estimated Replacement cost
1	S. Ocean Boulevard, condo	AAA	120	\$ 52,154,000
2	Pool	concrete	1	90,000
3	Tiki Hut	open/frame	1	10,000
4	Shuffleboard Courts	concrete	2	11,000
5	Tennis Court ( court 28,000, fencing 13,000 )			41,000
6	Perimeter Fencing	metal	1323 lf	59,000
7	Pool Awning	metal & canvas	480 sf	12,000

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Total Estimated Replacement Cost : **\$52,377,000**

## **INTRODUCTION**

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This association was built in 1976. The association property consists of one condominium building with a total of 120 condominium units plus pool, pool awning, tiki hut, shuffleboard courts, and perimeter fencing.

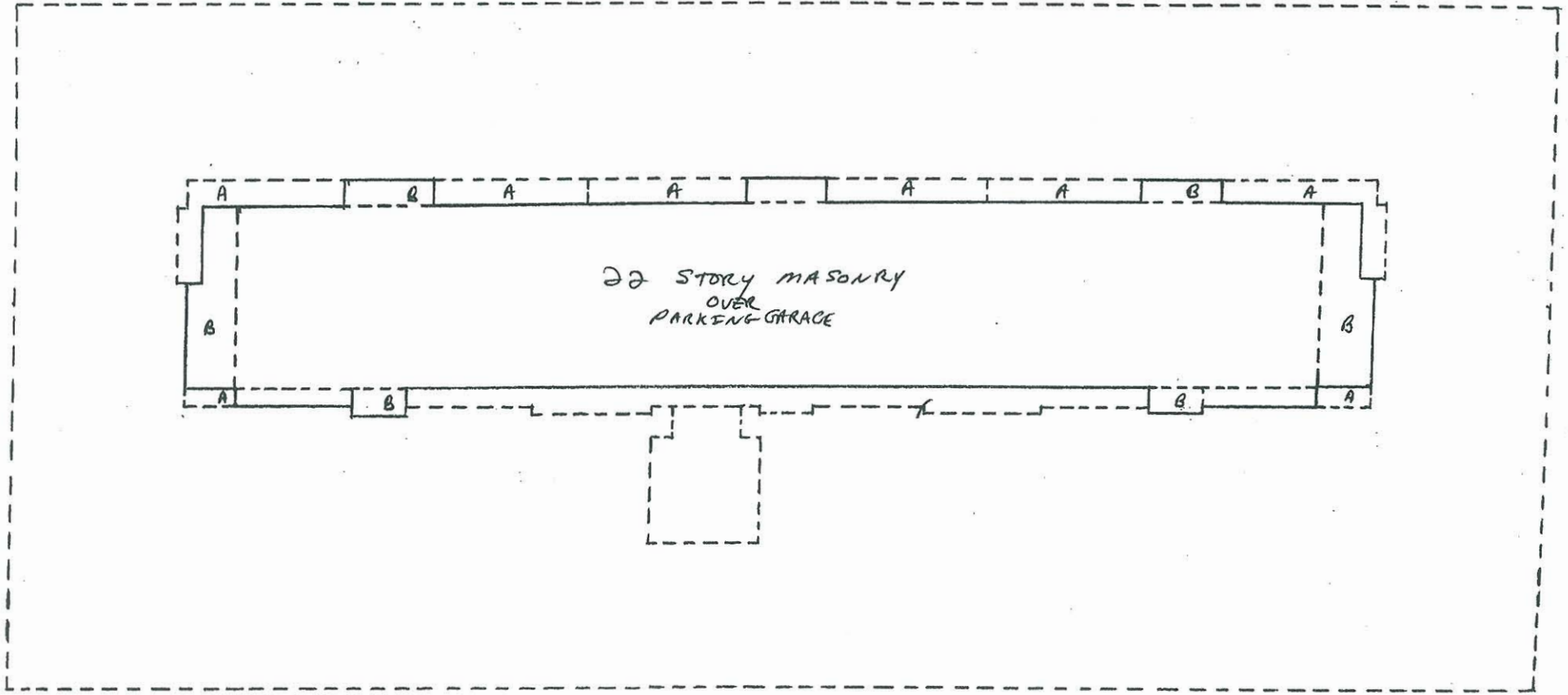
The twenty-two story building has attached catwalks, balconies, a portico, parking garage, decking above the garage, planters above the garage, and garage level utility areas.

The building has three stacks serviced by three elevators. The common areas include two social lounge areas, a kitchen, built-in bar, library, mailroom lounge, fitness center, four restroom facilities, hallways, and lobby.

All improvements are in good condition.

SCALE: 1"=40'

↑  
300'  
OCEAN



S. OCEAN BOULEVARD

## CONDOMINIUM BUILDING DESCRIPTION

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Foundation - The foundation is concrete pilings. No below ground foundation components are included in this valuation.

Frame - The bearing walls are masonry and steel.

Floor Structure - All floor structures are poured concrete decks. This is a fire resistive AAA rated building.

Floor Cover - The floor covers within the condominium units are not included in this estimated replacement cost valuation.

Typical floor covers include marble tile and carpeting.

The floor cover in the common area rooms has been included in this valuation. They include marble, carpeting and ceramic tile.

Ceiling - Ceilings structures are unfinished drywall with tape and spackle in the unit. No unit interior ceiling covers are included in this valuation.

The typical unit ceilings are painted and some rooms have crown mouldings.

Ceiling (continued) All common area finished ceilings are included in this valuation. This includes suspended acoustical panels and painted drywall.

Interior Construction - These are condominium residences with interior drywall partitions and steel stud interior walls.

There are a total of 120 condominium units in each building each with three bedrooms. None of their interior wall finishes are included in this replacement cost valuation. None of the interior cabinetry is included in this valuation. None of the kitchens are included in this valuation. Only the unfinished walls are included in the valuation.

Typically the unit interior walls are painted and include upgrade kitchen cabinetry and appliances.

All common area room finishes are included in this estimated replacement cost valuation.

Plumbing - None of the unit owners 2.5 bathroom fixtures or cabinetry have been included in this valuation.

Typically each unit has upgraded bathroom fixtures and cabinetry.

All the plumbing supply and drain lines leading to the residential units in the condominium buildings have been included in this report.

The common area has four restroom and two extended locker rooms. All common area plumbing features have been included in the estimated replacement cost.

- Sprinkler System - There is a full fire sprinkler system covering all areas of the structure.
- Heating & Cooling - All individual units have air handlers which receive chilled and heated water from the association cooling tower and boilers plus unit air ducts, and thermostats. All of the unit owners equipment has been included in this valuation for insurance purposes. The owners are still responsible for normal wear and tear replacements.
- All heating & cooling lines to the units are included along with the cooling tower systems and boiler systems.
- Electrical - The individual residential condominium units' electrical systems have an average number of outlets and consist of flexible conduit wiring. Each unit contains its own circuit breaker panel box.
- Typically each unit has sconces, recessed lighting, ceiling lights and fans.
- None of the residential unit interior fixtures are included in the replacement cost.
- All wiring within the walls to the panel boxes and the panel boxes are included in this valuation.
- All wiring, common area lighting fixtures, and exterior lighting fixtures are included in the replacement cost valuation.
- Exterior Walls - The exterior walls are constructed of eight inch concrete block, poured concrete, and steel re-

Exterior Walls (continued)

enforcement's plus insulation.

The exterior wall finish is textured stucco.

Roof Structure

- The roof structure consists of a poured concrete deck. The roof style is flat.

Roof Cover

- The roof cover is in good condition. The foam roofing system was installed in 2008 and has a 20 year warranty.

## SUPPLEMENTARY INFORMATION

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### **Description of Site:**

This property consists of one condominium building. Attached to the condominium building are catwalks, balconies, a portico, parking garage, decking above the garage, planters above the garage, and garage level utility areas.

Pride of ownership was noted throughout the community. The property is located in Palm Beach County along the Atlantic Ocean.

### **Physical Condition of Building:**

The building was built in 1976. It is in good physical condition with normal wear.

The association has maintained the building in good condition.

### **Security:**

There is garage and lobby security guards on duty 24 hours a day. They provide acceptable security to the building.

### **Fire Protection:**

The building is located within 1,000 feet of a fire hydrant. This association is within five miles of the fire department. There are no obstacles to delay or prevent the fire department access to this location.

This is a protected fire risk.

### **Natural Exposures:**

There is a hurricane exposure throughout all of Florida. This association is located 300 feet from the Atlantic Ocean. The structure's windstorm resistive characteristics are good.

**Natural Exposures:**

The condominium building has a flat style roof with minimal roof overhangs. These roof overhangs will not cause any unusual uplift during a hurricane.

All of the units and common areas have hurricane shutters. The protection devices include impact glass on 26 units and accordion shutters.

This location is in a federal flood hazard zone.

There are no other known natural exposures at this location.

**Common Hazards:**

The swimming pool area is fully fenced. The gates leading into the pool area require a key for access.

**Exclusions:**

All standard property exclusions related to a condominium property insurance policy were not considered in this valuation. Excluded are all underground utility lines, paving, curbing, unit owner interiors, foundation components, sea walls, underground tanks and pumps, personal property owned by the association, and signage.

Note \* This valuation was prepared for the purpose of estimating the insurable replacement cost of the association real property. Personal property of the association was not valued.

This replacement cost valuation does

**NOT**

represent a replacement value

for the purpose of flood insurance.

## PROPERTY REPLACEMENT COST

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Condominium Association, Inc.  
S. Ocean Boulevard  
Beach, Florida

	square feet	X	\$ per s.f.	=	est. replacement cost
Common Areas	12,240		\$369 *		\$4,516,329
Condo Unit Areas	294,336		\$144 *		\$42,333,364
Additions:					
Portico	970		\$68		\$65,960
Catwalks	22,638		\$38		\$860,244
Balconies	37,968		\$36		\$1,366,848
Decking Over Garage	52,031		\$4.85		\$252,350
Planters Over Garage	3,274		\$38		\$124,412
Utility/Garage Areas	67,545		\$39		\$2,634,255
			Additions Total		<u>\$5,304,069</u>
Total Estimated Replacement Cost :					\$52,153,762
Total Estimated Replacement Cost Rounded To :					<b>\$52,154,000</b>

*\* Living Area - \$ per s.f. is a rounded number for reference only.*

## SEGREGATED COST FORM

**Condominium Association, Inc.**

	Common Areas	Condo Unit Areas	
<b>FLOOR AREA COST:</b>			
floor square footage	12,240	294,336	
foundation	\$ 0.00	0.00	
frame	3.70	3.70	
floor structure	9.19	9.19	
floor cover	11.20	0.00	
ceiling	3.70	1.64	
interior construction	31.30	17.90	
plumbing	9.90	2.55	
sprinklers	2.51	2.51	
heating & cooling	11.00	3.88	
electrical	6.95	3.02	
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floor subtotal	\$ 89.45	44.39	\$35,872,650

<b>WALL AREA COST:</b>			
wall square footage	8,280	138,204	
exterior walls	\$ 21.80	21.80	
wall ornamentation	2.90	2.90	
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wall subtotal	\$ 24.70	24.70	\$9,165,872

<b>ROOF AREA COST:</b>			
roof square footage	0	14,016	
roof structure	\$ 0.00	9.19	
roof cover	0.00	7.33	
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roof subtotal	\$ 0.00	16.52	\$586,571

**MULTIPLIERS:**

arch. fees	1.10
current	0.98
local	2.35
final	2.53

**SEGREGATED COST SUMMARY:**

Floor Cost Subtotal:	\$35,872,650
Wall Cost Subtotal:	\$9,165,872
Roof Cost Subtotal:	\$586,571
Lump Sum Total:	\$1,224,600
Living Area Total:	\$46,849,693
Additions Total:	\$5,304,069

**Total Estimated Replacement Cost: \$52,153,762**

cost per square foot	\$368.98	\$143.83
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## INTERIOR LUMP SUM COST

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**Condominium Association, Inc.**

three 22 stop elevators @ \$280,000 each	\$	840,000
fire alarm system		200,000
lounge kitchen		13,000
lounge bar		8,800
security desk		8,800
security camera systems		24,000
back-up generator		80,000
decorating		50,000

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Lump Sum Total	\$	1,224,600
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Photographs

Photographs

## CONDITIONS OF VALUATION

Unless otherwise stated, this valuation is subject to the following conditions:

I have not formed a legal opinion as to what building items may be exclusionary and not the responsibility of the owner. We therefore assume no responsibility in the determination of which exclusionary components and their related cost may be excluded from the estimated replacement cost or any reserve study application.

Information as to the owners responsibilities has been obtained from the client in discussions and possible review of documents. We make no guarantee nor assume liability for the accuracy of any data, opinions, or estimates as furnished by others, that we used in formulating this evaluation. Any changes to our reports resulting from missing information or misinformation will be added to the report at an expense equal to our hourly fee rate.

The dimensions were gathered either by actual physical measurements, review of construction plans, or supplied by the owner.

Neither all nor any part of the contents of the report shall be conveyed to another person, estimator, valuation person, or the public through any method, advertising, public relations, news, sales, or other media without the written consent and approval of J R Frazer. A fee will be charged for misuse.

The valuation includes a description of the premises. Our assessment of the physical condition of the improvements described within has been based upon visual inspection. No warranty is made and no liability is assumed for the soundness of the structure or its components. The value derived and expressed within is not applicable to any other property regardless of similarity. The valuation is as of the date specified.

The values provided in this analysis are derived and based upon cost during common and normal economic conditions. These values do not reflect the significant impact on cost which may occur as a result of supply shortages and demand increases which are typically created as a result of disasters such as hurricanes, windstorms, etc.

This valuation represents my opinion based on accepted replacement cost valuation systems and methodology as to the values of the described property. As stated in the report, it has in no way been contingent upon the report of predetermined or specified value, nor has compensation for this valuation report been contingent upon the value of the property considered.

Report completed by:  
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