



Insurable Value / Replacement Cost Appraisal

LOCATED AT:

2000 South Ocean Boulevard
Lauderdale by the Sea, FL 33062

FOR:

Royal Coast Condominium Assoc., Inc.
2000 S Ocean Blvd, # Office
Lauderdale by the Sea, FL 33062

AS OF:

April 20th, 2019*

BY:

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

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

**2000 South Ocean Boulevard
Lauderdale by the Sea, Florida 33062**

Date of Inspection:

April 20th, 2019*

File Number – 0419-P13170

FOR:

***Royal Coast
Condominium Association, Inc.***

BY:

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

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Royal Coast Condominium Association, Inc.
c/o Bill Webster, Property Manager
2000 S Ocean Blvd, # Office
Lauderdale by the Sea, FL 33062

April 26th, 2019

Reference/Address: Royal Coast Condominium
2000 South Ocean Boulevard
Lauderdale by the Sea, Florida 33062

Board of Directors,

In accordance with your request, we have appraised the above referenced residential condominium building and 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 April 20th, 2019*. 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. 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.

Royal Coast
April 26th, 2019
Page Two

Based upon our analysis, it was concluded that the Estimated Insurable Value / Construction Cost for the building as of April 20th, 2019* (building and site improvements only - not including land value) to be:

Hazard Value: \$32,337,713.00

Flood Value: \$40,582,346.00

[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	# Units	Flood Value (including foundations)	Other FL Statute 718 Unit Exclusions	Below Ground Exclusions	Hazard Value (including HVAC) (excluding interiors St. 718)
Royal Coast Condominium					
2000 S Ocean Boulevard	203	\$40,244,026.00	\$7,257,250.00	\$987,383.00	\$31,999,393.00
Additional Improvements		Cost New			Cost New
Located on Ground Level					
Identification Signs		\$2,300.00			\$2,300.00
Site Lighting		\$15,000.00			\$15,000.00
Masonry Walls		\$44,500.00			\$44,500.00
Located on Recreation Deck					
Swimming Pool		\$95,000.00			\$95,000.00
Pool Patio / Deck		\$80,000.00			\$80,000.00
Patio Shade Structures (5)		\$17,750.00			\$17,750.00
Masonry Landscape Planters		\$31,000.00			\$31,000.00
Patio Metal Fencing / Gates		\$19,650.00			\$19,650.00
Patio Lighting		\$8,300.00			\$8,300.00
Shuffleboard Courts (2)		\$2,420.00			\$2,420.00
Exhaust Structure		\$4,500.00			\$4,500.00
Masonry Walls		\$17,900.00			\$17,900.00
Total Additional Improvements		\$338,320.00			\$338,320.00
Grand Totals	203	\$40,582,346.00	\$7,257,250.00	\$987,383.00	\$32,337,713.00
Effective Date: 04/20/2019					

SUMMARY OF SALIENT FACTS

<u>Valuation Date:</u>	April 20 th , 2019*
<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>	2000 S Ocean Boulevard, Lauderdale by the Sea, FL 33062
<u>County:</u>	Broward
<u>Property Owner(s):</u>	Two Hundred Three (203) condominium units.
<u>Named Insured:</u>	Royal Coast Condominium Association, Inc.
<u>Zoning:</u>	RM-25 (Residence, Apartments, Hotels, Etc)
<u>Year Built:</u>	1969
<u>Site Information:</u>	A slightly irregular oceanfront parcel totaling approximately 88,841 square feet and/or 2.04 acres.

Flood Data:

The building is located within a flood zone area per the National Flood Insurance Program; Map Number 12011C0207G dated 08/18/2014. The subject is located in Flood Zone “VE”. See Flood Certificate and survey for confirmation and which, if different, will supersede the information contained within this section.

Census Tract:

The building is located in Census Tract 0312.02. Source US Census Bureau.

Folio No's.:

Condominium ownership beginning with 49-43-07-AH-0010 through 49-43-07-AH-2030. [203 condominium units]

Distance to Fire Hydrant: Less than 800 feet.

Distant to Tidal Water: 38 yards east.

Building Improvements:

Royal Coast consists of one (1) detached, sixteen story including mechanical penthouse high-rise condominium owned building. The Basement Level consists of an approximate 142 lined space below grade parking garage and numerous un-finished mechanical, electric rooms. This area extends outside of the tower buildings footprint and serves as a pedestal base. The Lobby Level contains the formal lobby, management office, seven units and various common area rooms. The Second – Sixteenth (no 13th) Floors have 14 individual units each and the building as a whole has 203 privately owned condominium units. The units are accessed via interior corridors and each unit includes a rear balcony / terrace area.

See attached surveys, floor plans and photograph addendums.

Buildings Frame Structure & Mechanical Components:

The buildings frame structure is composed of both steel structural trusses with reinforced concrete columns, posts, beams, shear walls and concrete block interior/exterior wall construction. Exterior and interior demising walls are also reinforced concrete masonry with concrete plaster applied on all sides. The elevated floors are steel reinforced concrete decks. The buildings foundation is primarily auger and pressure grouted concrete pilings with spread footings, steel pipe and concrete filled caissons under a cast in place concrete foundation. Finished interior construction includes drywall partitions with steel stud framing. The primary roof is a flat concrete 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 master fire alarm (updated 2015) with pull stations, strobes/sirens, fire hose connectors & extinguishers on each floor. The building is protected with a 75hp Marathon water booster / fire pump with control jockey, two 7.5hp Baldor domestic water pumps, standpipes and a limited coverage area fire sprinkler system. The tower is serviced by two 16 stop 2,500lb overhead traction passenger elevators and one service elevator. The HVAC is provided via a central water source system with roof top cooling towers and only the heat pumps and thermostats located within each residence. The building is also equipped with a 125kw auxiliary generator. There are three full rise interior 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 architectural plans provided as well as the Broward County tax rolls for accuracy.

Building Address, # of Units / Floors, Gross Building Area is as follows:

Building Street Address	# Units	# Flrs	Finished Floor Area (sqft)	Balcony/Terrace Area (sqft)	Garage/Mechanical Area (sqft)	Total Gross Area (sqft)
2000 S Ocean Boulevard	203	16	281,537	16,712	57,413	355,662

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

Located on the roof of the Parking Garage:

1) Reinforced concrete and gunite raised swimming pool and an extended brick paver patio / deck. Masonry landscape planters & walls finished with stucco & paint. Approximate 3.5' bollard style lights. Two shuffleboard courts with raised playing surface; painted. 4' metal fencing along the east perimeter. Rectangular shade structures with metal frame and canvas cover.

Located on Ground Level:

2) Identification and direction signs with metal frame and etched plastic cover. Illuminated. Single fixture globe lights on metal poles. Varying height masonry walls finished with stucco & paint.

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 deterioration of non-insurable items. Sometimes cash value or market value, but often entirely a cost concept.

Cost estimates derived from Marshall & Swift / Boeckh BVS [now CoreLogic parent company] software with the most recent costs updates as of September 2018. 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 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 09/2018 Marshall & Swift / Boeckh BVS report below.

Commercial Building Valuation Report

Hazard Value

Policy : Royal Coast

4/26/2019

INSURED	Royal Coast Condominium Assoc. 2000 S Ocean Blvd, # Office Lauderdale by the Sea, FL 33062	Effective Date: Expiration Date: Cost as of:	4/20/2019 09/2018
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BUILDING	Royal Coast Condominium see report Lauderdale by the Sea, FL 33062
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SECTION 1

SUPERSTRUCTURE

Occupancy:	83% Condominium, w/o Interior Finishes	Story Height:	9 ft.
	14% Basement, Underground Parking		10 ft.
	3% Utility, Un-Finished Areas		10 ft.
Construction Type:	100% Fire Resistive (ISO 6)	Number of Stories:	16
Gross Floor Area:	338,950 sq. ft.	Irregular Adjustment:	Irregular
Construction Quality:	2 - Average		

SUMMARY OF COSTS

Replacement

Exclusion

SUPERSTRUCTURE

Site Preparation		313,465
Foundations	91,690	56,176
Foundation Walls, Interior Foundations, Slab On Ground		
Exterior	12,723,766	
Framing, Exterior Wall, Structural Floor, Roof		
Interior	5,880,134	
Floor Finish, Ceiling Finish, Partitions		
Mechanicals	10,316,462	617,742
Heating, Cooling, Fire Protection, Plumbing, Electrical, Elevators		
Built-ins	2,245,322	

SUBSTRUCTURE

SUBTOTAL RC	\$31,257,373	\$987,383
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ADDITIONS

Misc. Additional Features:

Generator & Equip.	75,000
Lobby Fountain	11,900
Pool Equipment, Std	19,980
Terrace/Balcony	635,140

Total Additions	\$742,020
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MS/B 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.

Commercial Building Valuation Report

Hazard Value

Policy : Royal Coast

4/26/2019

TOTAL RC SECTION 1		\$31,999,393	\$987,383
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TOTAL RC BUILDING	Royal Coast Condominium	\$31,999,393	\$987,383
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MS/B 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.

Commercial Building Valuation Report

Hazard Value

Policy : Royal Coast 4/26/2019

INSURED	Royal Coast Condominium Assoc.	Effective Date:	4/20/2019
	2000 S Ocean Blvd, # Office	Expiration Date:	
	Lauderdale by the Sea, FL 33062	Cost as of:	09/2018

Equipment: BUILDING ITEM, AND SITE IMPROVEMENT BREAKDOWN

BUILDING 1SECTION 1

Misc. Additional Features

Generator & Equip.	75,000
Lobby Fountain	11,900
Pool Equipment, Std	19,980
Terrace/Balcony	635,140

Valuation

Misc. Additional Features

Swimming Pool	95,000
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TOTAL:	\$837,020
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MS/B 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.

Photograph Addendum

Client	Royal Coast Condominium Assoc., Inc.						
Property Address	2000 South Ocean Boulevard						
City	Lauderdale by the Sea	County	Broward	State	FL	Zip Code	33062
Owner	Royal Coast COA						



community signs



site lighting / wall



masonry wall



representative building view



representative building view



parking garage entrance

Photograph Addendum

Client	Royal Coast Condominium Assoc., Inc.			
Property Address	2000 South Ocean Boulevard			
City	Lauderdale by the Sea	County	Broward	State FL Zip Code 33062
Owner	Royal Coast COA			



portico



representative building view



fountain



master fire alarm panel (updated 2015)



lobby fountain



16 stop elevator panel

Photograph Addendum

Client	Royal Coast Condominium Assoc., Inc.						
Property Address	2000 South Ocean Boulevard						
City	Lauderdale by the Sea	County	Broward	State	FL	Zip Code	33062
Owner	Royal Coast COA						



tenant storage area



elevator lobby



fire extinguisher



fire alarm siren/strobe, lit emergency exit sign



interior corridor



stairwell

Photograph Addendum

Client	Royal Coast Condominium Assoc., Inc.				
Property Address	2000 South Ocean Boulevard				
City	Lauderdale by the Sea	County	Broward	State	FL Zip Code 33062
Owner	Royal Coast COA				



un-finished mechanical room



generator



roof



HVAC equipment



water booster / fire pump



domestic water pumps

Photograph Addendum

Client	Royal Coast Condominium Assoc., Inc.						
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City	Lauderdale by the Sea	County	Broward	State	FL	Zip Code	33062
Owner	Royal Coast COA						



representative building view



CBS wall construction, poured concrete floor & roof decks



laundry room



parking garage



pool equipment (in garage)



patio fencing

Photograph Addendum

Client	Royal Coast Condominium Assoc., Inc.						
Property Address	2000 South Ocean Boulevard						
City	Lauderdale by the Sea	County	Broward	State	FL	Zip Code	33062
Owner	Royal Coast COA						



patio shade structure



patio / deck, lighting



shuffleboard courts



masonry landscape planters / walls



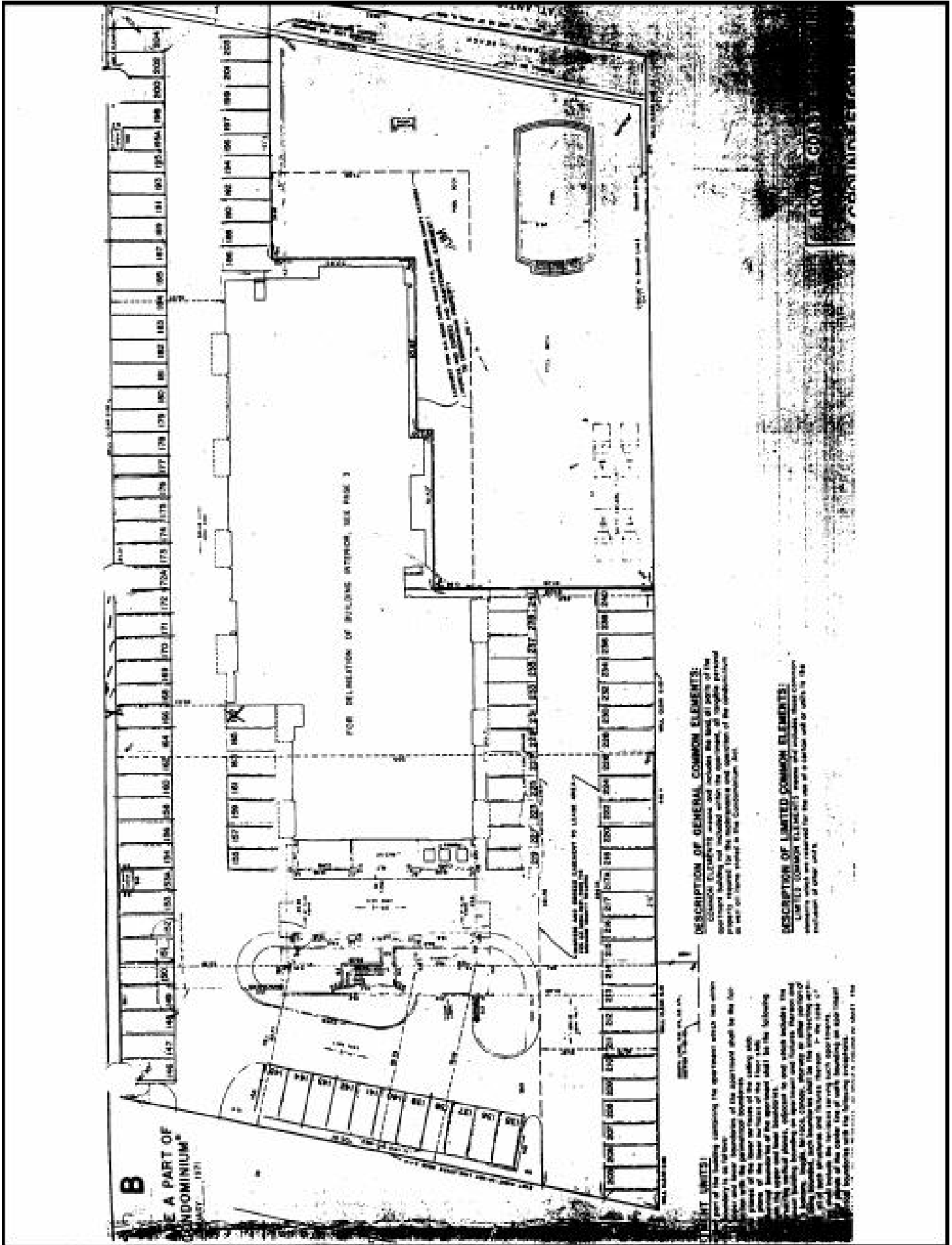
swimming pool



exhaust structure

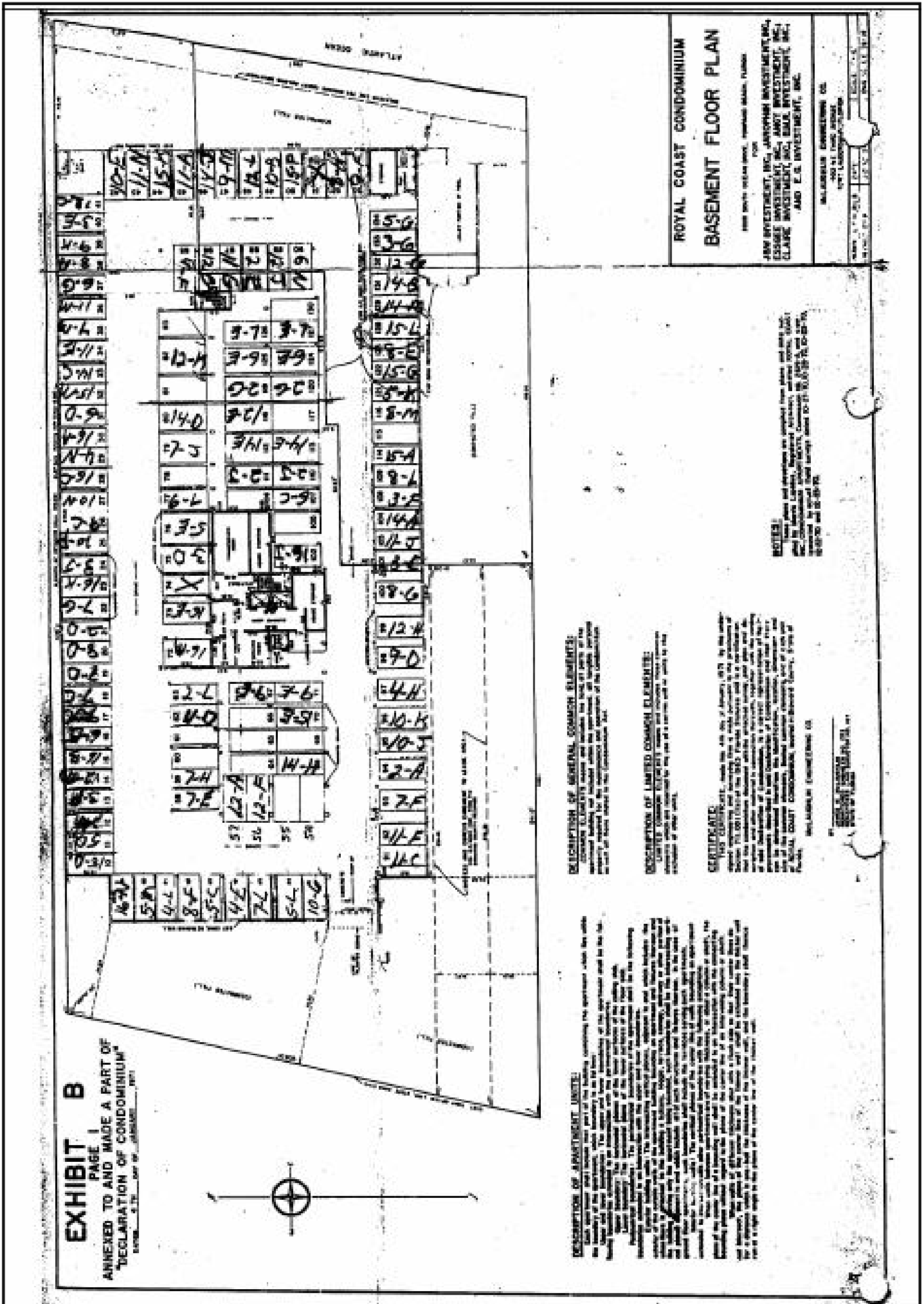
Site Map & Building Survey

Client	Royal Coast Condominium Assoc., Inc.						
Property Address	2000 South Ocean Boulevard						
City	Lauderdale by the Sea	County	Broward	State	FL	Zip Code	33062
Owner	Royal Coast COA						



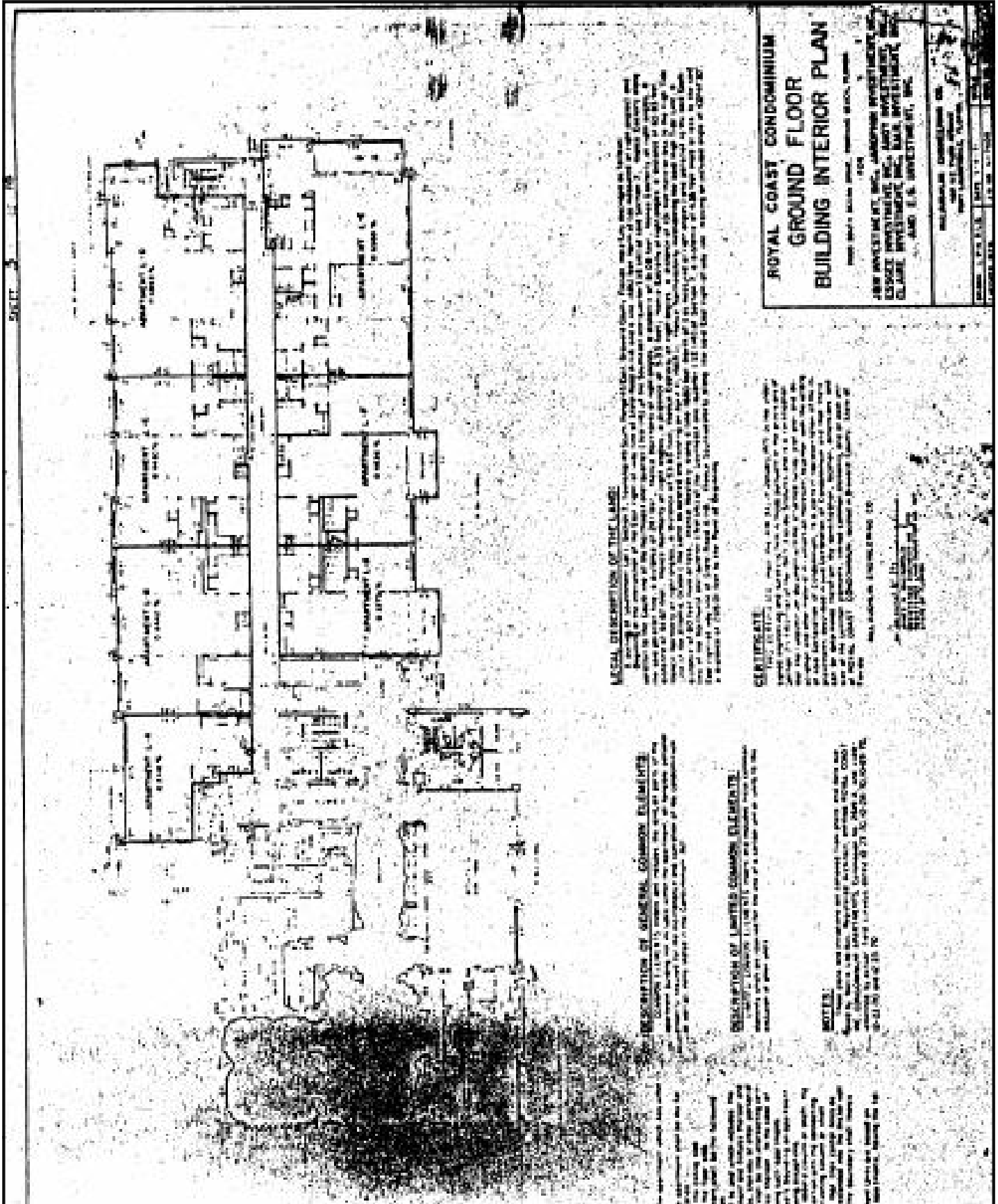
Parking Garage Layout / Survey

Client	Royal Coast Condominium Assoc., Inc.			
Property Address	2000 South Ocean Boulevard			
City	Lauderdale by the Sea	County	Broward	State FL Zip Code 33062
Owner	Royal Coast COA			



Ground Floor & Portico Layout / Survey

Client	Royal Coast Condominium Assoc., Inc.		
Property Address	2000 South Ocean Boulevard		
City	Lauderdale by the Sea	County	Broward
State	FL	Zip Code	33062
Owner	Royal Coast COA		



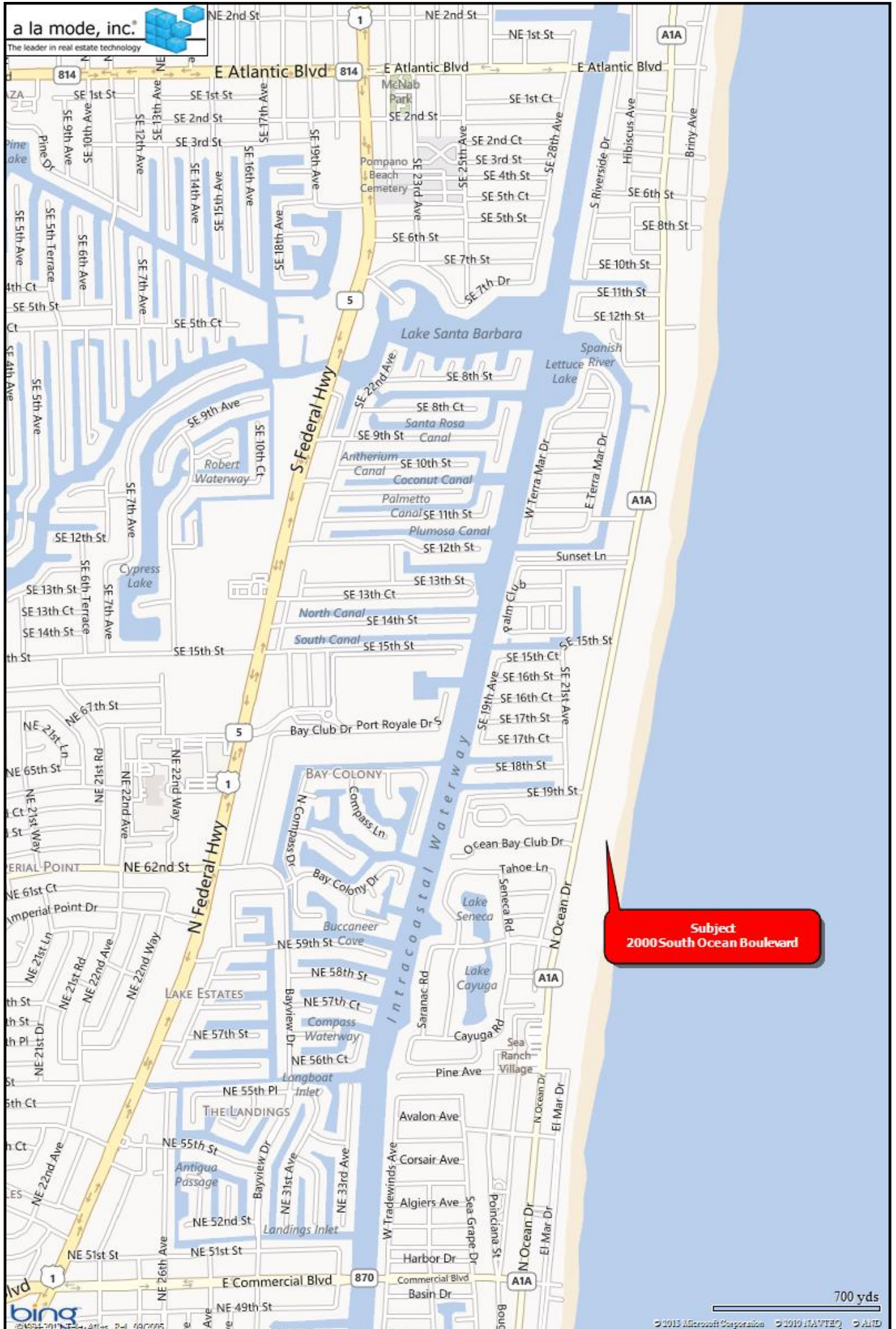
Aerial Map

Client	Royal Coast Condominium Assoc., Inc.				
Property Address	2000 South Ocean Boulevard				
City	Lauderdale by the Sea	County	Broward	State	FL Zip Code 33062
Owner	Royal Coast COA				



Location Map

Client	Royal Coast Condominium Assoc., Inc.			
Property Address	2000 South Ocean Boulevard			
City	Lauderdale by the Sea	County	Broward	State FL Zip Code 33062
Owner	Royal Coast COA			



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 appraisal 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 (there is currently an over-supply and limited demand for building labor and materials), 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 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.