

**AN INSURANCE APPRAISAL FOR**

**ANY HOTEL  
ANY CITY, ANY STATE  
File 22920-00000**



**AS OF**

**OCTOBER 15, 2018**

**PREPARED BY**

**SEDGWICK VALUATION SERVICES DIVISION**

**3300 WEST LAKE MARY BOULEVARD, SUITE 350**

**LAKE MARY, FLORIDA 32746**

**(407) 805-0086 ext. 257**

**[www.gabvalue.com](http://www.gabvalue.com)**

# AN INSURANCE APPRAISAL FOR THE

## *ANY HOTEL*

*Any Address, Any Street  
Any City, Any State, 00000  
File No. 22920-00000*

October 15, 2018

John Doe  
Any Hotel  
Any Address, Any Street  
Any City, Any State 00000

Dear Mr. Doe:

At your request, Sedgwick Valuation Services Division performed an update appraisal based on a previous full Insurance Appraisal performed on Any Hotel property. The estimated hazard values set forth in this appraisal are effective as of October 15, 2018. This appraisal update is based on the actual percentage change in building construction costs for materials, labor, manufactured equipment, contractor's overhead and profit, but without provision for overtime, bonuses for labor, and premiums for materials, upon the basis of replacing the entire appraisal property new as a complete unit at one time from the date of the last appraisal.

The following narrative report describes the property and our method of approach to the valuation. All factors that are considered relevant to the value estimate have been thoroughly analyzed and investigated. The values set forth in the report are subject to the assumptions, limiting conditions and certifications contained in this report. It must be noted that estimated values in this report do not include demolition cost. Additionally, no contents, personal property, land value or other site improvements or permits have been included in this report. **This appraisal is to be used as a guide to assist the client in their determination of the proper amount of insurance coverage.**

**The appraiser has re-inspected the subject premises and has made the following assumptions in arriving at the updated insurable values:**

1. That no structural or decorative alterations or additions have been affected to the subject premises since our last appraisal.
2. That the rate of deterioration and depreciation has remained at the same rate as originally noted.
3. That the maintenance and protection of the appraised property is being conducted in the same manner as noted during our original inspection.

Any deviation from the above-mentioned assumptions would invalidate the updated values given. While we believe these values to be accurate within reasonable limits, acceptance by any insurance company, corporation, branch of any federal, state or municipal government, by any individual now or in the future, cannot be guaranteed. The value of land is not included in the appraisal above. The appraiser has

Mr. Doe  
Page 2

made no investigation of, and assumes no responsibility for title to, or liability against the property appraised. As a result of our thorough appraisal investigation, we have estimated the insurable values for coverage of Any Hotel, Any Address, Any Street, Any City, Any State as of October 15, 2018 as follows:

**“AS IS” TOTAL ESTIMATED INSURABLE VALUES**

REPLACEMENT COST	LESS EXCLUSIONS	INSURABLE REPLACEMENT COST	LESS DEPRECIATION	DEPRECIATED REPLACEMENT COST
\$24,104,281	\$480,113	\$23,624,168	\$8,101,184	\$15,522,984

Respectfully submitted,

Sedgwick Valuation Services Division,



Bruce D. Riemann  
US Operations Manager/Senior Appraiser  
Certified Construction Inspector #6206  
Certified Construction Consultant #6206  
Association of Construction Inspectors

## TABLE OF CONTENTS

---

<b>I.</b>	<b>COVER PAGE</b>	<b>1</b>
<b>II.</b>	<b>LETTER OF TRANSMITTAL</b>	<b>2-3</b>
<b>III.</b>	<b>TABLE OF CONTENTS</b>	<b>4</b>
<b>IV.</b>	<b>COMPANY OVERVIEW</b>	<b>5</b>
<b>V.</b>	<b>METHODOLOGY</b>	<b>6</b>
<b>VI.</b>	<b>PURPOSE AND DEFINITIONS</b>	<b>7</b>
<b>VII.</b>	<b>ISO CONSTRUCTION CLASSIFICATIONS</b>	<b>8-9</b>
<b>VIII.</b>	<b>RECAPITULATION OF VALUES</b>	<b>10</b>
<b>IX.</b>	<b>PROPERTY DATA</b>	<b>11-13</b>
<b>X.</b>	<b>SUMMARY AND DETAIL APPRAISAL REPORTS</b>	<b>14-20</b>
<b>XI.</b>	<b>PHOTOGRAPHS</b>	<b>21-31</b>
<b>XII.</b>	<b>CERTIFICATION</b>	<b>32</b>
<b>XIII.</b>	<b>STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS</b>	<b>33-35</b>
<b>XIV.</b>	<b>CITIZEN CERTIFICATION FORM FOR MINIMUM REQUIREMENTS FOR NON-LICENSED COMMERCIAL RESIDENTIAL INSPECTION/VALUATIONS</b>	<b>36-37</b>

## COMPANY OVERVIEW

Sedgwick Valuation Services Division has been successfully providing property insurance expertise since it was founded more than a century ago. Sedgwick Valuation Services Division' approach to servicing our clients is to understand and address the needs of each individual client. This approach has allowed us to win acceptance with our clients and ensures they receive consistent and quality service that meets or exceeds their expectations.

Our company has a proven history of stability, financial strength and respect in the marketplace. We will be there when you need us. Generally, insurance appraisal or reserve study firms usually perform their services in a localized market with fewer appraisers, thus potentially having limitations. With Sedgwick Valuation Services Division being a national company with tenure in the marketplace and resources, we are able to perform appraisals and/or reserve studies on properties of any size throughout the US, Canada, Mexico or Caribbean.

Sedgwick Valuation Services Division has appraisers based strategically throughout the United States. Our personnel have extensive experience in providing our services for virtually every type of property. Our appraisal division consists only of tenured people with no less than 10 years' experience in the construction and content valuation business. ACI (Association of Construction Inspectors) have designated our appraisers as Certified Construction Inspectors. Our Reserve Studies are produced by our Reserve Specialist personnel. These reserve specialists have a designation received from the CAI (Community Association Institute) and have proven their expertise through both formal education programs and substantial reserve study field experience.

The sole function of this division is to provide accurate insurance appraisals, content appraisals and reserve studies for our clients. The estimated replacement cost values reported in our valuations are derived through a number of methods. The primary method utilized for estimating the replacement cost in our Insurance Appraisals is provided through a software system called Sage 300 Construction Estimating 9.7. This estimating software is used by a large number of construction, engineering and architectural companies in the United States. The database within Sage Estimating for estimating the replacement costs is RS Means. RS Means is an established and reputable construction data collection company which has been a prominent provider since 1940. The labor wage rates and material costs used are localized to the property's location and pricing is based by zip codes which assures greater accuracy. Additionally, the database allows custom cost inputs from the market place furthering its accuracy. All of the replacement costs contained in our analysis include the contractor's overhead and profit, all labor, taxes and insurance costs as well as general building conditions. In addition to this cost data, our appraisers have formed relationships in the marketplace with general contractors and architectural and engineering firms, which are utilized in support of the cost data found in the Sage Estimating software as needed.

Our central office maintains a complete database of every insurance appraisal and reserve study performed on behalf of our clients. This ensures that should you have questions or need a copy of a report at a later date, it will be provided for you.

## METHODOLOGY

In estimating the replacement cost of any improvement requires a diligent effort on the part of Sedgwick Valuation Services Division' valuation specialists. If the appraisal is being performed for the first time or if changes have taken place to the property since the last valuation; a complete site inspection of all improvements included in the valuation occurs with a property representative.

The first action is a consultation meeting in which the improvements observed and photographed during the on-site inspection are discussed and their relevance to the valuation and their current insurance policy. The next action is a thorough examination of all of the construction plans for the improvements, if plans are not available, physical measurements and information are gathered on the improvements. After all the property data information is obtained, the valuation and report process commences.

The estimated replacement cost values reported in the valuation are derived through a number of methods. The primary method utilized for estimating the replacement cost in our insurance appraisals is provided through a software system called Sage 300 Construction Estimating 9.7, CRE Division of Sage North America. This estimating software is used by a large number of construction, engineering and architectural companies in the United States. The database within Sage Estimating for estimating the replacement costs is RS Means. RS Means is an established and reputable construction data collection company which has been a prominent provider since 1940. The labor wage rates and material costs used are localized to the property's location and pricing is based by zip codes which assures greater accuracy. Additionally, the database allows custom cost inputs from the market place furthering its accuracy. Additional sources used in deriving the estimated replacement cost for improvements include Marshall & Swift/Boeckh (MSB) 2018 and R.S. Means Building Construction Cost Data 2018.

All of the replacement costs contained in our analysis include the following:

- Architect's Fees
- Contractor's Overhead and Profit
- Material Costs
- Labor, Taxes and Insurance Costs
- General Building Conditions Costs

In addition to this cost data, our appraisers have formed relationships in the marketplace with general contractors and architectural and engineering firms, which are utilized as a check of reasonableness.

## PURPOSE

The purpose of this insurance appraisal is to provide an estimate of the Replacement Cost, Insurable Replacement Cost, and Depreciated Insurable Replacement Cost of the building to assist the client in determining the proper amount of insurance coverage only. The term “insurance appraisal” used throughout this report is an insurance industry terminology and is not to be confused with a market value appraisal nor should it be used in determining market value or in providing property valuation for loans, or any other purposes. Therefore, the term appraiser, as used throughout this report, is understood to be considered construction valuation consultants only, and provide the estimated insurable value of the improvements of a property and not market value of the property.

## DEFINITIONS

➤ **Replacement Cost:**

This is the estimated total cost to construct, at current prices as of the effective date of the appraisal, a duplicate or replica of the building, structure or site improvement being valued, using the materials, construction standards, design, layout and quality of workmanship specified in the existing building construction plans and specifications. The replacement cost, as provided in this report, does not consider labor bonuses; material premiums; additional costs to conform property replaced to building codes, ordinances, or other legal restrictions; or to the cost of demolition in connection with reconstruction or removal of destroyed property.

➤ **Insurance Exclusions:**

This include basement excavation, foundation below ground, and piping below ground.

➤ **Insurable Replacement Cost:**

This is the Replacement Cost of the building less Insurance Exclusions.

➤ **Depreciation:**

This is the loss in value due to deterioration caused by usage, wear and tear, and the elements.

➤ **Depreciated Replacement Cost:**

This is the remaining value after the deduction of Insurance Exclusions and Depreciation from the Replacement Cost.

# ISO CONSTRUCTION CLASSIFICATIONS

## GROUP I

Determination of Group I rates shall be based upon the CSP Code, Protection Class/Location and Construction Class. Auxiliary or subsidiary occupancies (club house, storage, maintenance, service, boiler houses, etc.): apply CSP code of primary occupancy with which associated.

### **F = Frame (Code 1)**

Buildings where the exterior walls are wood or other combustible materials, including construction where combustible materials are combined with other materials such as brick veneer, stone veneer, wood ironclad, and stucco on wood.

### **JM = Joisted Masonry (Code 2)**

Buildings where the exterior walls are constructed of masonry materials such as adobe, brick, concrete, gypsum block, hollow concrete block, stone, tile or similar materials, and where the floors and roof are combustible. (Other than construction defined by the description for Code 7.)

### **N-C = Noncombustible (Code 3)**

Buildings where the exterior walls, floors, and the roof are constructed of, and supported by, metal, asbestos, gypsum or other noncombustible materials. (Other than construction defined by the defined by the description for Code 8.)

### **M N-C = Masonry Noncombustible (Code 4)**

Buildings where the exterior walls are constructed of masonry materials as described in Code 2 with the floors and roof of metal or other noncombustible materials. (Other than construction defined by the description for Code 9.)

### **FR = Modified Fire Resistive (Code 5)**

Buildings where the exterior walls and the floors and roof are constructed of masonry or fire resistive materials with a fire resistance rating of one hour or more but less than two hours.

### **FR = Fire Resistive (Code 6)**

Building where the exterior walls and the floors and roof are constructed of masonry or fire resistive materials having a fire resistance rating of not less than two hours.

### **Superior Masonry/Heavy Timber (Code 7)**

Joisted masonry buildings where the entire roof is a minimum of 2 inches in thickness and is supported by timbers having a minimum dimension of 6 inches; or, where the entire roof assembly is documented to have a wind uplift classification of 90 or equivalent.

### **Superior Noncombustible (Code 8)**

Noncombustible buildings where the entire roof is constructed of 22 gauge metal (or heavier) on steel supports; or, where the entire roof is constructed of 2 inches of masonry on steel supports; or, where the entire roof assembly is documented to have a wind uplift classification of 90 or equivalent.

### **Superior Masonry Noncombustible (Code 9)**

Masonry noncombustible buildings where the entire roof is constructed of 2 inches of masonry on steel supports; or, when the entire roof is constructed of 22 gauge metal (or heavier) on steel supports; or, where the entire roof assembly is documented to have a wind uplift classification of 90 or equivalent.



## ISO CONSTRUCTION CLASSIFICATIONS

### GROUP II

Wind Resistive (WR), Semi-Wind Resistive (SWR), Masonry (MAS), and Frame (FRM).

#### **AA = SUPERIOR**

Applies to buildings which are classified for Group I rating as Fire Resistive (Code 6) or modified Fire Resistive (Code 5).

#### **A = WIND RESISTIVE**

Applies to buildings which are classified for Group I rating as Fire Resistive (Code 6) or Modified Fire Resistive (Code 5) or Masonry Non-Combustible (Code 4).

#### **AB = SEMI-WIND RESISTIVE**

Applies to buildings which are classified for Group I rating as Modified Fire Resistive (Code 5) or Masonry Non-Combustible (Code 4).

#### **B = ORDINARY**

Applies to buildings which are classified for Group I rating as Non-Combustible (Code 3, Joisted Masonry (Code 2) or Frame (Code 1).

**Note:** For Group II Rating, all buildings having wood roofs are classified as Class B – Ordinary Construction.

#### **Mixed Construction:**

**Fire Resistive or Modified Fire Resistive** – 2/3 or more total floor and roof is masonry or fire resistive.

**Masonry Non-Combustible** – 2/3 or more total floor and roof is non-combustible materials.

**Joisted Masonry** – 2/3 or more total floor and roof is combustible materials.

**Non-Combustible** – 2/3 or more of total wall, floor and roof is of non-combustible materials.

**Frame** – 1/3 of the total wall area is of combustible materials.

#### **Building Types**

Type I	Buildings that are 3 stories or less.
Type II	Buildings that are 4 to 6 stories
Type III	Buildings that are 7 stories or more

**RECAPITULATION OF VALUES**  
**ANY HOTEL**  
**ANY ADDRESS, ANY CITY, ANY STATE 00000**

**INSURABLE VALUATION**

**AS OF OCTOBER 15, 2018**

**File: 22920-02599**

<b>BUILDING</b>	<b>REPRODUCTION COST</b>	<b>INSURANCE EXCLUSIONS</b>	<b>INSURABLE REPRODUCTION COST</b>	<b>DEPRECIATION</b>	<b>DEPRECIATED REPRODUCTION COST</b>
ANY HOTEL BUILDING	18,104,739	365,305	17,739,434	6,879,801	10,859,633
NORTH CABANA	1,664,488	38,281	1,626,207	227,669	1,398,538
CENTRAL CABANA	979,616	22,425	957,191	134,007	823,184
SOUTH CABANA	979,616	22,425	957,191	134,007	823,184
GARAGE	1,760,027	31,677	1,728,350	639,490	1,088,861
SWIMMING POOL, DECK AND EQUIPMENT	615,795	0	615,795	86,211	529,584
<b>TOTALS</b>	<b>\$24,104,281</b>	<b>\$480,113</b>	<b>\$23,624,168</b>	<b>\$8,101,184</b>	<b>\$15,522,984</b>

1/ The estimated replacement cost stated above includes soft and hard costs which are identified on Page 6 of this report.

## PROPERTY DATA

The subject property is defined as the Any Hotel, which is located at Any Address, Any City, Any State 00000. The subject property is defined as a 14-story hotel and one swimming pool with pool decking. The legal ownership within the Any Hotel is a cooperative. The cooperative to consists of 217 rooms, of which 107 are privately owned and the remaining 110 are defined as part of the hotel. Based on discussions, with Mr. John Doe, Manager and Mr. James Smith, Insurance Agent, the Any Hotel documents require that the cooperative insure the structure in its entirety including the interior finishes with the exception of the interior finishes within the residential units that are privately owned. The finishes that are excluded in the privately held units include all floor, wall and ceiling coverings, all cabinetry and fixtures. It must be noted that this update appraisal was based on the original appraisal which, at that time, the appraiser was provided only a partial set of construction plans for the improvements; therefore, please see Special Limiting Conditions #3 located in the Addendum section of this report. The following is a brief description of each component valued in the appraisal:

### HOTEL STRUCTURE

Total of 1

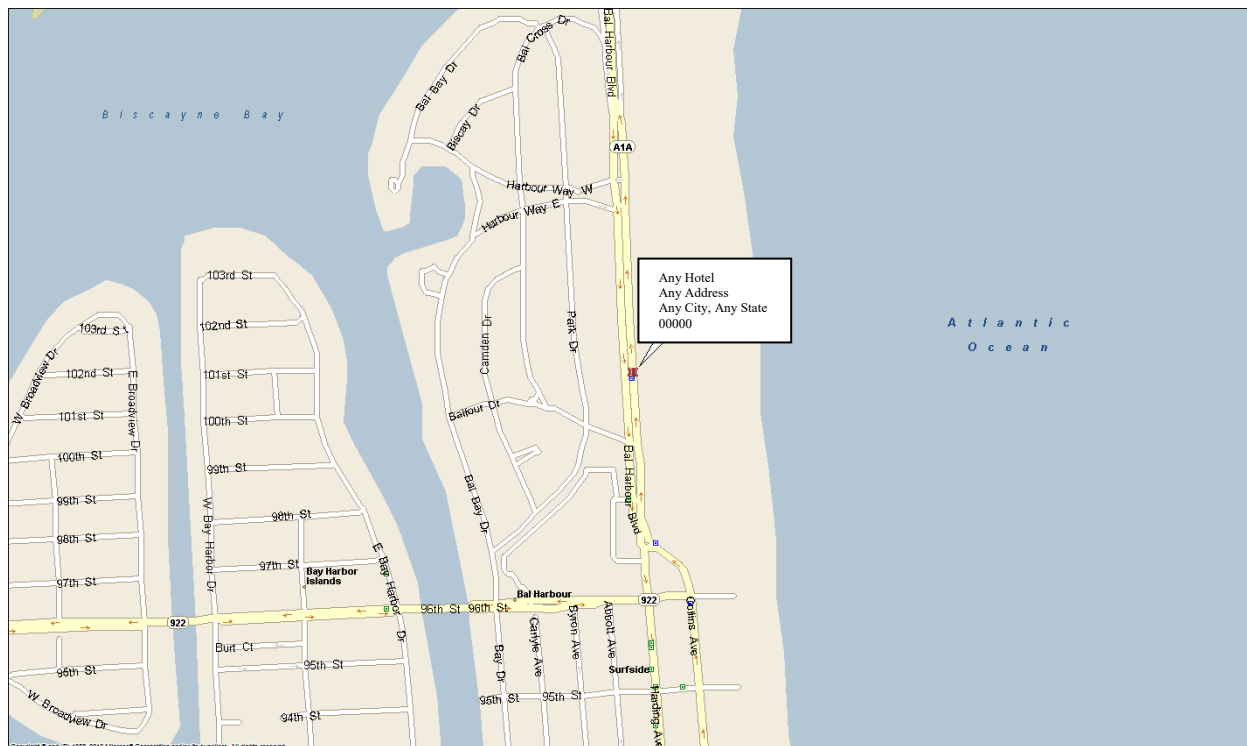
The ISO construction code for this structure is FR-Fire Resistive. The hotel structure is a 14-story concrete frame design. The estimated replacement cost is based on a total building square footage, which includes all living areas, common areas, finished and unfinished, balconies, enclosed parking areas, walkways and breezeways if applicable. The structure is built with concrete pilings with a concrete reinforced foundation. The first floor of the structure has a 6-inch reinforced concrete slab the remaining sub-floors of the structure also consist of 6-inch reinforced concrete. The exterior walls of the structure are a combination of concrete block and poured reinforced concrete. The roof is a concrete frame with poured reinforced concrete and a torch to a rolled cover with sealer. The interior walls of the structure are a combination of concrete block and frame finished with drywall and is certain areas and plaster. The basement of the structure is primarily dedicated to a combination of storage, housekeeping, social and mechanical rooms. The first floor or lobby floor contains a full commercial restaurant, dining rooms, social ballroom and administrative offices. The remaining floors of the structure are dedicated to residential units. The windows within the structure are a combination of single pane and plate glass secured in aluminum frames. Either central individual units, a water chiller unit or individual wall units supply HVAC. The structure is completely protected against fire by an automatic sprinkler system. The HVAC, electrical and plumbing services appeared to be adequate for intended use of the structure.

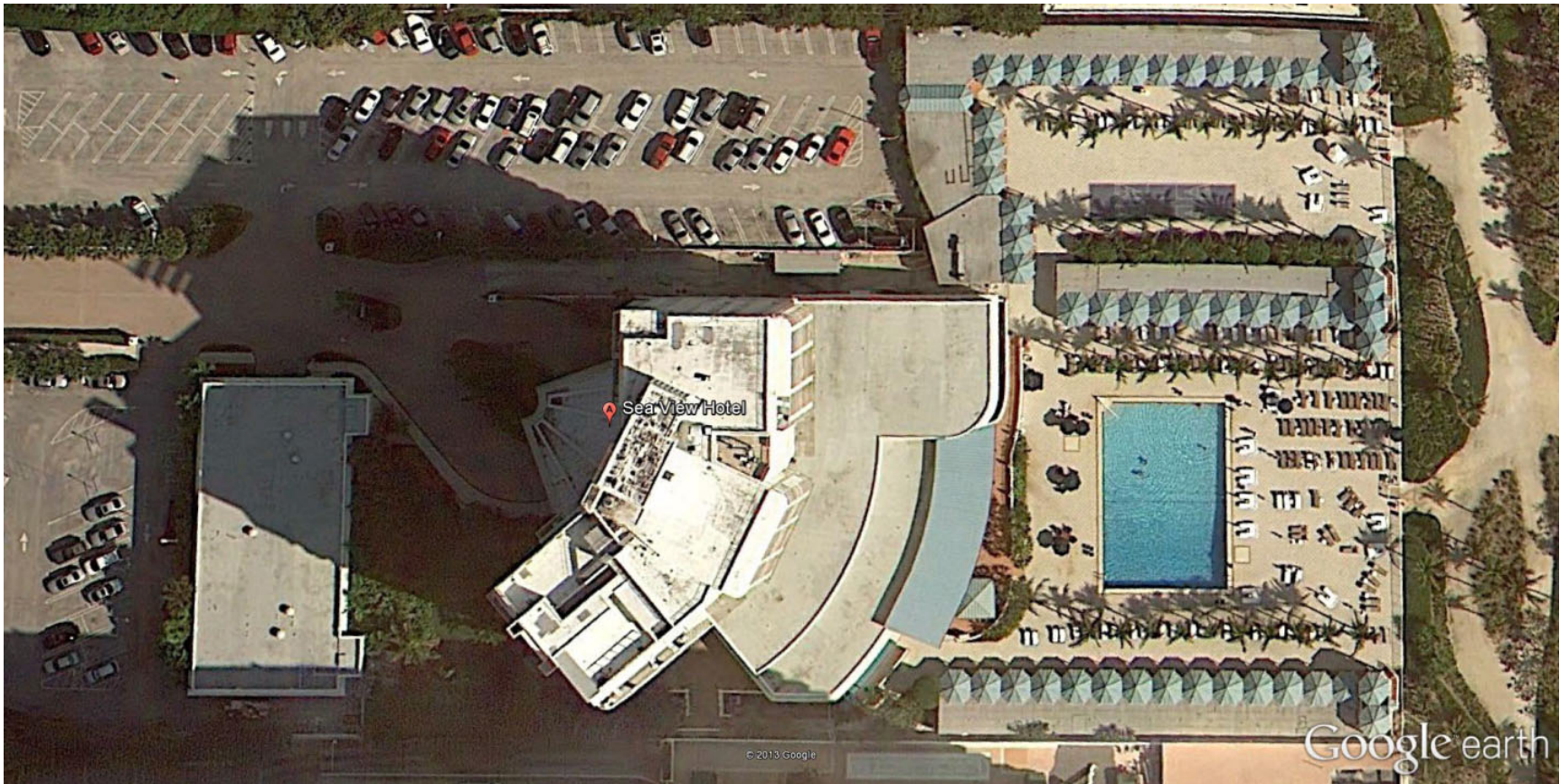
Total Approximate Building Area	146,984S.F.
---------------------------------	-------------

### OTHER IMPROVEMENTS

This property also has North, Central and South Cabanas, Garage and Swimming Pool, Deck and associated equipment.

## PROPERTY LOCATION





Any Hotel  
Any Address, Any Street  
Any City, Any State 00000



ANY HOTEL  
ANY ADDRESS,  
ANY CITY, ANY STATE 00000  
OCCUPANCY: HOTEL WITH INTERIORS

HOTEL BUILDING  
(1 OF 1)

10/15/2018

Analysis No. U00000

INSURABLE VALUATION

Replacement Cost Summary

Description	Labor Amount	Material Amount	Sub, Equip & Other Amount	Total Amount
FOUNDATIONS	153,428	193,612	18,265	365,305
SUPERSTRUCTURE	41,090	50,727	1,643	93,461
EXTERIOR WALL CLOSURE	1,262,862	1,997,982	24,593	3,285,437
ROOFING & WATERPROOFING	43,924	97,026	1,623	142,573
INTERIOR CONSTRUCTION	3,479,566	6,339,998	132,828	9,952,392
ELEVATORS	481,171	1,382,834	19,209	1,883,214
MECHANICAL	519,844	1,212,015	-	1,731,858
ELECTRICAL	199,789	450,709	-	650,498
<b>Replacement Cost Total</b>	<b>6,181,674</b>	<b>11,724,904</b>	<b>198,161</b>	<b>18,104,739</b>
Less Exclusions				365,305
<b>Insurable Replacement Cost</b>				<b>17,739,434</b>
Less Depreciation				-6,879,801
<b>Depreciated Replacement Cost</b>				<b>10,859,633</b>

All of the replacement costs contained in our analysis include the following:

- Architect's Fees
- Contractor's Overhead and Profit
- Material Costs
- Labor, Taxes and Insurance Costs
- General Building Conditions Costs

ANY HOTEL  
ANY ADDRESS,  
ANY CITY, ANY STATE 00000  
OCCUPANCY: HOTEL WITH INTERIORS

HOTEL BUILDING  
(1 OF 1)

10/15/2018

Analysis No. U00000

INSURABLE VALUATION

Comprehensive Replacement Cost Summary

Description	Quantity Unit	Labor Amount	Material Amount	Sub, Equip & Other Amount	Total Amount
<b>FOUNDATIONS</b>					
Concrete Excavation	1.00 ls	153,428	193,612	18,265	365,305
<b>FOUNDATIONS TOTALS</b>		<b>153,428</b>	<b>193,612</b>	<b>18,265</b>	<b>365,305</b>
<b>SUPERSTRUCTURE</b>					
Concrete Curing	1.00 ls	1,402	3,394	-	4,795
Concrete Ready Mix Normal Weight	181.48 cy	-	41,565	-	41,565
Finishing Floors	19,600.00 sf	29,165	-	-	29,165
Placing Concrete	181.48 cy	4,422	-	1,595	6,017
Reinforcing In Place	1.00 ls	146	-	48	194
Welded Wire Fabric	196.00 csf	5,956	5,769	-	11,724
<b>SUPERSTRUCTURE TOTALS</b>		<b>41,090</b>	<b>50,727</b>	<b>1,643</b>	<b>93,461</b>
<b>EXTERIOR WALL CLOSURE</b>					
Accessories, Plaster	28.35 clf	3,848	2,745	-	6,593
Accessories, Sleeves And Chases	14.68 ea	95	670	-	764
Accessories, Wall & Foundation	1.00 ls	-	1,700	-	1,700
Aluminum Windows	1.00 ls	58,607	596,094	-	654,702
Anchor Bolts	132.00 ea	406	676	-	1,082

**ANY HOTEL  
ANY ADDRESS,  
ANY CITY, ANY STATE 00000  
OCCUPANCY: HOTEL WITH INTERIORS**

**HOTEL BUILDING  
(1 OF 1)**

**10/15/2018**

**Analysis No. U00000**

**INSURABLE VALUATION**

**Comprehensive Replacement Cost Summary**

<b>Description</b>	<b>Quantity Unit</b>	<b>Labor Amount</b>	<b>Material Amount</b>	<b>Sub, Equip &amp; Other Amount</b>	<b>Total Amount</b>
Caulking And Sealants	1.00 ls	10,977	3,918	-	14,895
Commercial Steel Doors	220.00 ea	11,147	150,118	-	161,266
Concrete Block Column	210.00 vlf	6,668	6,516	-	13,185
Concrete Block, High Strength	60,243.75 sf	297,983	249,009	-	546,992
Concrete Curing	1.00 ls	700	1,694	-	2,395
Concrete In Place	1.00 ls	84	81	8	173
Concrete Ready Mix Normal Weight	566.01 cy	-	86,417	-	86,417
Control Joint	3,012.00 lf	4,205	3,926	-	8,131
Door Hardware	1.00 ls	10,081	126,097	-	136,178
Door, Glass, Sliding, Vinyl	1.00 ls	54,688	275,284	-	329,972
Doors And Windows, Exterior	1.00 ls	7,162	1,510	-	8,672
Drywall	60,243.75 sf	46,867	30,904	-	77,771
Expansion Joints	718.00 lf	326	443	295	1,065
Finishing Floors	19,574.00 sf	9,686	9,073	385	19,144
Forms Beams And Girders	2,067.19 sfca	14,099	7,889	-	21,987
Forms In Place, Elevated Slabs	1.00 ls	15,771	6,741	-	22,511
Forms In Place, Walls	1.00 ls	101,540	20,688	-	122,227
Furring	60,243.75 sf	83,313	27,041	-	110,354



ANY HOTEL  
ANY ADDRESS,  
ANY CITY, ANY STATE 00000  
OCCUPANCY: HOTEL WITH INTERIORS

HOTEL BUILDING  
(1 OF 1)

10/15/2018

Analysis No. U00000

INSURABLE VALUATION

Comprehensive Replacement Cost Summary

Description	Quantity Unit	Labor Amount	Material Amount	Sub, Equip & Other Amount	Total Amount
Masonry Grout Fill	1.00 ls	67,651	97,119	8,411	173,180
Masonry Reinforcing	1.00 ls	134,521	93,291	-	227,812
Placing Concrete	661.16 cy	14,949	-	5,394	20,343
Prestressing Steel	391.48 lb	472	311	11	793
Reinforcing In Place	1.00 ls	25,672	45,356	957	71,985
Shoring for Concrete	1.00 ls	3,037	2,095	-	5,132
Siding Exterior	70,875.00 sf	14,749	23,018	-	37,767
Steel Frames, Knock Down	660.00 ea	17,023	76,024	880	93,928
Stucco	8,350.00 sy	215,285	34,802	8,252	258,340
Walls And Ceilings, Interior	70,875.00 sf	28,840	14,648	-	43,488
Waterstop	1.00 ls	33	220	-	253
Wood Framing, Miscellaneous	1.00 ls	2,375	1,866	-	4,242
<b>EXTERIOR WALL CLOSURE TOTALS</b>		<b>1,262,862</b>	<b>1,997,982</b>	<b>24,593</b>	<b>3,285,437</b>

**ROOFING & WATERPROOFING**

Blocking	3.00 mbf	4,523	2,608	-	7,131
Cant Strips	525.00 lf	615	238	-	853
Flashing	1.00 ls	6,232	4,333	-	10,564
Modified Bitumen Roofing	1.00 ls	9,545	14,525	1,623	25,693

ANY HOTEL  
ANY ADDRESS,  
ANY CITY, ANY STATE 00000  
OCCUPANCY: HOTEL WITH INTERIORS

HOTEL BUILDING  
(1 OF 1)

10/15/2018

Analysis No. U00000

INSURABLE VALUATION

Comprehensive Replacement Cost Summary

Description	Quantity Unit	Labor Amount	Material Amount	Sub, Equip & Other Amount	Total Amount
Roof Accessories	0 lf	478	5,852	-	6,330
Roof Deck Insulation	1.00 ls	2,866	10,728	-	13,594
Wall & Ceiling Insulation	70,875.00 sf	19,666	58,743	-	78,409
<b>ROOFING &amp; WATERPROOFING TOTALS</b>		<b>43,924</b>	<b>97,026</b>	<b>1,623</b>	<b>142,573</b>
<b>INTERIOR CONSTRUCTION</b>					
Accessories, Sleeves And Chases	296.02 ea	1,908	13,505	-	15,413
Anchor Bolts	4.00 ea	12	17	-	29
Balcony/Walkway/Subfloor	164,455.20 sf	118,408	581,882	10,778	711,067
Bracing	2.79 clf	175	318	-	494
Caulking And Sealants	1.00 ls	58	26	-	84
Concrete Block Column	22,342.00 vlf	709,448	693,261	-	1,402,709
Concrete Block, High Strength	111,707.20 sf	552,536	461,727	-	1,014,263
Concrete Curing	1.00 ls	11,763	28,473	-	40,236
Concrete Ready Mix Normal Weight	2,131.83 cy	-	488,258	-	488,258
Control Joint	40.00 lf	56	52	-	108
Door Hardware	1.00 ls	12,258	102,215	-	114,473
Doors & Windows, Interior Latex	535.00 ea	21,770	11,925	-	33,696
Drywall	55,853.60 sf	53,692	27,219	-	80,911

Sage 300 Construction Estimating 9.7, CRE Division of Sage North America

**ANY HOTEL  
ANY ADDRESS,  
ANY CITY, ANY STATE 00000  
OCCUPANCY: HOTEL WITH INTERIORS**

**HOTEL BUILDING  
(1 OF 1)**

**10/15/2018**

**Analysis No. U00000**

**INSURABLE VALUATION**

**Comprehensive Replacement Cost Summary**

<b>Description</b>	<b>Quantity Unit</b>	<b>Labor Amount</b>	<b>Material Amount</b>	<b>Sub, Equip &amp; Other Amount</b>	<b>Total Amount</b>
Expansion Joints	14,225.39 lf	10,114	10,239	4,836	25,190
Finishing Floors	164,455.20 sf	111,028	-	6,466	117,494
Fireproofing	1.00 ls	25,049	55,142	8,052	88,242
Forms In Place, Elevated Slabs	1.00 ls	1,543	866	-	2,409
Framing, Walls	8.17 mbf	5,961	7,852	-	13,813
Gypsum Board Ceilings and Framing	1.00 ls	349,952	125,834	-	475,787
Interior Finishes	146,984.00 sf	760,949	1,850,180	-	2,611,129
Masonry Grout Fill	1.00 ls	115,721	173,835	14,387	303,943
Masonry Reinforcing	1.00 ls	90,334	77,336	-	167,670
Metal Studs And Track	20,945.10 sf	38,493	30,640	-	69,134
Nails	1.00 ls	-	900	-	900
Open Web Steel Joists	1.00 ls	158,590	1,268,724	70,162	1,497,475
Placing Concrete	2,131.83 cy	44,520	-	16,063	60,583
Reinforcing In Place	1.00 ls	44,484	70,341	2,085	116,909
Steel Frames, Knock Down	535.00 ea	30,394	115,478	-	145,872
Timber Connectors	1.00 ls	-	55	-	55
Wall & Ceiling Insulation	27,926.80 sf	7,749	12,320	-	20,069
Walls And Ceilings, Interior	223,414.41 sf	171,095	39,577	-	210,672
Wood Door, Architectural	535.00 ea	31,279	91,638	-	122,917

Sage 300 Construction Estimating 9.7, CRE Division of Sage North America

ANY HOTEL  
ANY ADDRESS,  
ANY CITY, ANY STATE 00000  
**OCCUPANCY: HOTEL WITH INTERIORS**

**HOTEL BUILDING  
(1 OF 1)**

10/15/2018

Analysis No. U00000

**INSURABLE VALUATION**

**Comprehensive Replacement Cost Summary**

<b>Description</b>	<b>Quantity Unit</b>	<b>Labor Amount</b>	<b>Material Amount</b>	<b>Sub, Equip &amp; Other Amount</b>	<b>Total Amount</b>
Wood Framing, Miscellaneous	1.00 ls	226	163	-	389
<b>INTERIOR CONSTRUCTION TOTALS</b>		<b>3,479,566</b>	<b>6,339,998</b>	<b>132,828</b>	<b>9,952,392</b>
<b>ELEVATORS</b>					
Electric Traction Elevators	1.00 ls	481,171	1,382,834	19,209	1,883,214
<b>ELEVATORS TOTALS</b>		<b>481,171</b>	<b>1,382,834</b>	<b>19,209</b>	<b>1,883,214</b>
<b>MECHANICAL</b>					
Automatic Fire Suppr Systems	146,835.00 sf	111,255	259,630	-	370,885
HVAC	146,835.00 sf	148,471	346,322	-	494,792
Plumbing - General	146,835.00 sf	260,118	606,063	-	866,180
<b>MECHANICAL TOTALS</b>		<b>519,844</b>	<b>1,212,015</b>	<b>-</b>	<b>1,731,858</b>
<b>ELECTRICAL</b>					
Electrical	1.00 ls	199,789	450,709	-	650,498
<b>ELECTRICAL TOTALS</b>		<b>199,789</b>	<b>450,709</b>	<b>-</b>	<b>650,498</b>

## PHOTOGRAPHS OF IMPROVEMENTS

The following photographs were taken at the time of inspection and are representative of the property at that time.



**EXTERIOR VIEW OF HOTEL**





**EXTERIOR VIEW OF HOTEL**



**EXTERIOR VIEW OF HOTEL**





**INTERIOR VIEW OF TYPICAL COMMON AREAS**



**INTERIOR VIEW OF TYPICAL COMMON AREAS**





**INTERIOR VIEW OF TYPICAL COMMON AREAS**



**INTERIOR VIEW OF TYPICAL COMMON AREAS**





**INTERIOR VIEW OF TYPICAL COMMON AREAS**



**INTERIOR VIEW OF TYPICAL COMMON AREAS**





**INTERIOR VIEW OF TYPICAL COMMON AREAS**



**INTERIOR VIEW OF TYPICAL COMMON AREAS**





**INTERIOR VIEW OF TYPICAL COMMON AREAS**



**INTERIOR VIEW OF TYPICAL COMMON AREAS**





**INTERIOR VIEW OF TYPICAL COMMON AREAS**



**INTERIOR VIEW OF TYPICAL UNITS**





**INTERIOR VIEW OF TYPICAL UNITS**



**INTERIOR VIEW OF TYPICAL UNITS**



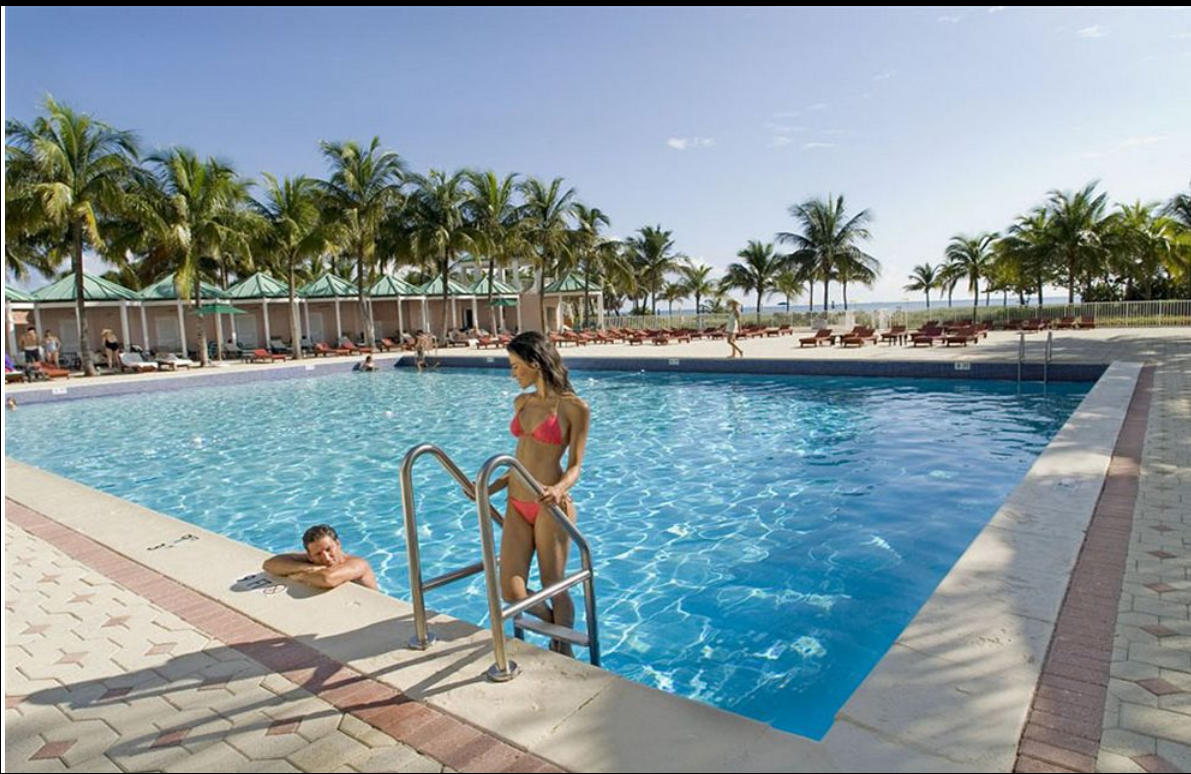


**VIEW OF SWIMMING POOL AND CABANAS**



**VIEW OF HOTEL AND CABANAS**





**VIEW OF SWIMMING POOL**

## CERTIFICATION

I certify that, to the best of my knowledge and belief:

- According to our knowledge and belief, the statements contained in this report, which were used as the basis of the analysis, opinions and conclusions herein, are true and correct.
- We have no known present or contemplated future interest in the property that is the subject of this report.
- We have no personal interest or bias with respect to the subject matter of this report or of the parties involved in this assignment.
- Neither the employment for this assignment, nor our compensation, was contingent upon the estimates of value contained herein.
- The signature or signatures below indicate the individual(s), who contributed significant professional assistance in the determination of the insurable values set forth in this report.
- This appraisal is to be used as a guide to assist the client in their determination of the proper amount of insurance coverage.

Based on the data contained herein, and other valuation data, it is our considered opinion that the hazard insurable values of the subject property, as of October 15, 2018, are as follows:

### “AS IS” TOTAL ESTIMATED INSURABLE VALUES

REPLACEMENT COST	LESS EXCLUSIONS	INSURABLE REPLACEMENT COST	LESS DEPRECIATION	DEPRECIATED REPLACEMENT COST
\$24,104,281	\$480,113	\$23,624,168	\$8,101,184	\$15,522,984

Respectfully submitted,  
Sedgwick Valuation Services Division,



Bruce D. Riemann  
US Operations Manager/Senior Appraiser  
Certified Construction Inspector #6206  
Certified Construction Consultant #6206  
Association of Construction Inspectors



## STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS

1. This insurable value appraisal is based on information obtained from an inspection of the building(s) and reflects current replacement costs based on prevailing local construction wage rates, local building materials prices, manufactured equipment, and contractors overhead and profit. It is based on replacing each building as a complete unit at one time. No contents, personal property, land value or other site improvements or permits have been included in this report.
2. In the event that appraiser was not provided complete construction plans/blueprints for use in the completion of this appraisal, assumptions were made regarding unseen construction components, based on our experience in the valuation of properties similar to the subject. In the event that these assumptions are in error, we reserve the right to modify this appraisal, including value conclusions.
3. No consideration has been given to labor bonuses; material premiums; additional costs to conform property replaced to building codes, ordinances, or other legal restrictions; or to the cost of demolition in connection with reconstruction or removal of destroyed property.
4. No responsibility is assumed for legal matters, questions of survey, opinions of title, soil or sub-soil conditions, engineering or other technical matters. Therefore, Sedgwick Valuation Services Division assumes that there are no hidden or unapparent conditions of the appraised property, which would render it more or less valuable. Further, Sedgwick Valuation Services Division assumes that there are no potentially harmful asbestos or other materials and/or site contaminants in, on, or near the soil, subsoil or structure of the appraised property and that there has been no disposal, discharge, leakage, or spillage of pollutants or contaminants, which would render it more or less valuable, whether or not these materials or contaminants are apparent or hidden and unapparent. No responsibility is assumed by Sedgwick Valuation Services Division for such conditions. In addition, no responsibility is assumed by Sedgwick Valuation Services Division for the cost of engineering and/or laboratory studies that might be required to discover such materials or contaminants.
5. Possession of this report, or a copy thereof, does not carry with it the right of reproduction or publication, in whole nor in part, nor may it be used for any purpose by any other than the recipient, without the written consent and approval of Sedgwick Valuation Services Division. No report is valid unless it bears an original signature. Copies of the report will be furnished at cost by the appraiser if needed. This appraisal shall be considered in its entirety. No part thereof shall be utilized separately, or out of context.
6. Information, estimates, and opinions furnished to the appraiser, and contained in the report, were obtained from sources considered reliable and are believed to be true and correct. However, for accuracy of such items furnished the appraiser can assume no responsibility.
7. Neither all, nor any part of the contents of this report, especially any conclusions as to value, the identity of the appraiser or the firm with which he is connected, or any reference to professional designation, shall be disseminated to the public through advertising media, public relations media, news media, sales media or by any other means of communication without prior written consent and approval of the author.
8. The conclusions presented in this report are estimates based on the data available or assembled by the appraiser. These conclusions must be considered opinions and not facts.

## STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS

9. The appraisal report only covers the Appraised Property; neither the figures, unit values, nor any analysis is to be construed as applicable to any other property, however similar such may be. The separate allocations for improvements must not be used in conjunction with any other appraisal report and are invalid if so used.
10. If there are inquiries concerning the inclusion or exclusion of items not covered by the appraisal, or the valuation set forth in the appraisal, such inquiries must be transmitted in writing to Sedgwick Valuation Services Division within 120 days of receipt of the appraisal report. If no such inquiries are transmitted within the stipulated period, the complete appraisal and valuation set forth herein shall be deemed to have been acceptable to the client.
11. This appraisal report is limited as to the matters set forth herein and no opinion of value or any other type of opinion is to be inferred or may be implied beyond the matters expressly so stated.
12. Sedgwick Valuation Services Division has had to rely on various sources to accumulate data on construction material and labors cost in the area in order to arrive at its opinion of the replacement cost of the Appraised Property. The information obtained from these sources is considered correct and reasonable, but is not guaranteed. No liability is assumed because of inaccuracies or errors in such information or estimates, although reasonable efforts have been made to confirm them. No important factors have been intentionally withheld or overlooked.
13. The employment of the appraiser to complete this report for the purpose stated herein shall be terminated upon the delivery of the report to the employer or his designated representative unless the employer and the appraiser have agreed in writing that the appraiser's services as a consultant or expert witness have been retained beyond the time of completion of the report.
14. The authors of this report shall not be required to give testimony or appear in court or at any administrative proceeding relating to this appraisal, unless this appraisal is, by agreement, made in anticipation of litigation.
15. The liability of Sedgwick Valuation Services Division, the author(s) of this report and any other employees of Sedgwick Valuation Services Division is limited in total to the fee collected for preparation of this appraisal report.
16. Acceptance of, and/or use of, this appraisal report constitutes acceptance of the above conditions.
17. It must be noted that reconstruction from widespread natural disasters such as a hurricane or a flood event may create abnormal shortages of labor and materials, which could result in significant price increases for labor and materials above normal costs prior to the event. These increases, while temporary, may last for a year or more before returning to normal market conditions. Therefore, the insurable values stated in this appraisal are estimated based on normal market conditions. Thus, some or all of the estimated values as reported herein may be inadequate for reconstruction or repair in periods after a widespread natural disaster.

## ANNUAL UPDATE PROGRAM

Sedgwick Valuation Services Division is pleased to offer our clients a program to provide annual updates on their Insurance Appraisals for the next three years for a guaranteed fee.

The Update Program is valid only if there are no changes to the property, i.e. new construction, major upgrades, etc. Changes to the property within the three-year update program period would require a re-inspection of the property at a higher fee.

## ANNUAL UPDATE PROGRAM BENEFITS

- Annual Insurance Appraisal updates on the properties provide a written validation of updated insurance values, thus support premium increases.
- Demonstrates due diligence and impartiality on the part of the property manager and board members by the involvement of a third party professional.
- The cost of your update insurance appraisal is lower if enrolled in the update program.

If you have not already chosen to accept the three-year annual update program, and would like to do so at this time, please contact our Customer Service Representative at (407) 805-0086 x 257, or fax your request to (407) 805-9921. We will be pleased to provide you with a bid for the three-year annual program

# **CITIZEN PROPERTY INSURANCE CORPORATION**

## **Minimum Requirements for Non-licensed Commercial Residential Inspections/Valuation**

In accordance with Citizens Property Insurance Corporation Agent Technical Bulletin 006-20 dated July 14, 2010, the following information is required:

### **CERTIFICATION**

Name of the firm or key personnel completing the inspection/valuation:  
Sedgwick Valuation Services Division, and Bruce D. Riemann

I, Bruce D. Riemann, certify that I, or the entity listed above, have/has at least three (3) years' experience in the field of commercial property inspections, commercial risk assessment, and commercial property replacement cost evaluation.

Date: October 15, 2018



Bruce D. Riemann  
US Operations Manager/Senior Appraiser  
Certified Construction Inspector #6206  
Certified Construction Consultant #6206  
Association of Construction Inspectors

### **PROPERTY**

ANY HOTEL  
Any Address, Any Street  
Any City, Any State, 00000

## **VALUATION REQUIREMENTS**

- This valuation includes an estimate of the replacement cost for every structure to be covered.
- The method used to determine the cost of rebuilding the structures is the current version of the calculation systems:
  - Marshall & Swift/Boeckh (MSB) 2018
  - Sage 300 Construction Estimating 9.7
  - R.S. Means Building Construction Cost Data 2018
- Inspections also include clear photographs of any buildings and ancillary structures the applicant/policyholder wishes to insure.
- Where multiple buildings are identical, or nearly so, representative photographs have been used.
- Photographs of any existing damage are also included.

## **VALUATION AND BUILDING INFORMATION**

Please see attached report under the Property Data section for the following information:

- Identity of building being inspected
- Year of construction
- Total square footage
- Number of stories
- Number of units
- Construction details
- Detailed description of unit use
- Overall condition of structure
- Common area interior finishes
- Type and condition of all ancillary structures on the property, including non-residential buildings and amenity package
- Distance to tidal water
- Detailed description and condition of exposures such as fireplaces, porches, decks, balconies, cooking exposures
- Detailed descriptions of other property or liability hazards