

**CASA DEL SOL CONDOMINIUM**  
**C/O: MANN PROPERTIES**  
**220 16<sup>TH</sup> STREET**  
**OCEAN CITY, MD 21842**

PHONE (410) 289-6156 - FAX (410) 289-5443 – e-mail: [info@ocmannproperties.com](mailto:info@ocmannproperties.com)  
Web: [www.ocmannproperties.com](http://www.ocmannproperties.com)

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August 25, 2007

TO: All Owners

FROM: Buck Mann  
Managing Agent

RE: Insurance Information Update

Dear Owner, as many of you have been notified by your Homeowners Insurance Agent, this letter is to clarify what the Casa Del Sol's Property Insurance Policy covers and what it does not cover. This is all as a result of the recent Appellate Court's Ruling/Interpretation of the Maryland Condominium Act's insurance section vs. the maintenance, repairs & replacement section.

According to Casa Del Sol's By-Laws we, always have and still, are insuring the Common Elements and Units on a "Single Entity Base" a.k.a Original Specifications. In other words, in case of covered loss Casa Del Sol's Property Insurance Policy will cover the cost of or like original flooring; cabinets; appliances etc.

The unit owners need to purchase at their expense coverage for: Additions; Alterations & Improvements (such as for units with Central HVAC); Personal Property. Unit owners need Liability Coverage as well.

**COPY**

**Insurable Value Appraisal:  
Casa Del Sol Condominium  
614-680, 700-736 & 770A-D 94th Street  
Ocean City, Maryland  
Survey Date: 10/23/2007**



Clay Mikolasy  
712 Glenside Road  
Millville, New Jersey 08332

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Clay Mikolasy,  
Insurance Appraiser  
712 Glenside Road, Millville NJ 08332  
(856) 327-2982

# *Certificate of Insurable Value and Replacement Cost*

ON THE FOLLOWING DESCRIBED BUILDING, LOCATED:

**Casa Del Sol Condominium  
614-680, 700-736 & 770A-D 94th Street  
Ocean City, Maryland  
Survey Date: 10/23/2007**

**TOTAL INSURABLE VALUE, ALL BUILDINGS:**

<b>Original Specifications Coverage. . . . .</b>	<b>\$8,446,000</b>
<b>Bare Walls Coverage. . . . .</b>	<b>\$4,383,000</b>

I, the undersigned, do hereby certify that I have personally inspected this property.

I certify that, to the best of my knowledge and belief the statements of fact contained in this report and upon which the opinions herein are based are true and correct, subject to the assumptions and limiting conditions explained in the report.

I certify that employment in and compensation for making this Replacement Cost report are in no way contingent upon the value reported, and that I have no interest, either present or contemplated, in the subject property.

I certify that I have no personal interest or bias with respect to the subject matter of the report or the parties involved.

I certify that no one other than myself prepared the analysis, opinions or conclusions concerning this property that are set forth in this report.

DATE 11.1.07 SIGNATURE 

**Clay Mikolasy**  
Insurance Appraisal  
712 Glenside Road, Millville, NJ 08332

Fax (856) 327-7684

Telephone (856) 327-2982

**INSURABLE VALUE APPRAISAL REPORT**

Survey Date:  
10/23/2007

TO: Igor Conev  
Mann Properties  
220 16th St  
Ocean City MD 21842

RE: Casa Del Sol Condominium  
614-680, 700-736 & 770A-D 94th Street  
Ocean City, Maryland

SUMMARY:

**Original Specifications Coverage:**

BUILDING:	SQ. FT.			
	AREA	COST	NEW	DEPR
614-680 94th Street	49,147	101.33	4,980,000	3,984,000
700-736 94th Street	27,471	102.31	2,810,000	2,248,000
770A-D 94th Street	5,783	113.35	656,000	524,000
GRAND TOTAL:	82,401	102.50	8,446,000	6,756,000

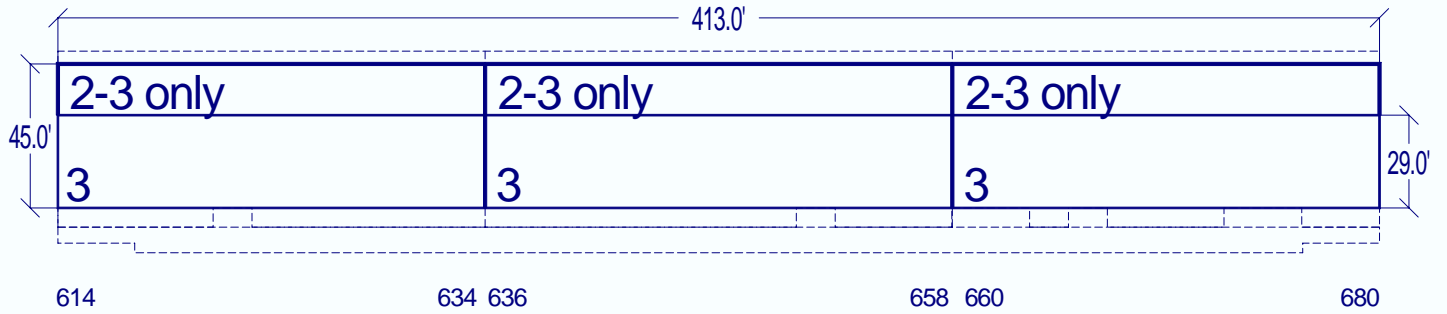
**Bare Walls Coverage:**

BUILDING:	SQ. FT.			
	AREA	COST	NEW	DEPR
614-680 94th Street	49,147	47.15	2,317,000	1,854,000
700-736 94th Street	27,471	59.28	1,628,000	1,303,000
770A-D 94th Street	5,783	75.75	438,000	350,000
GRAND TOTAL:	82,401	53.19	4,383,000	3,507,000

--Clay Mikolasy

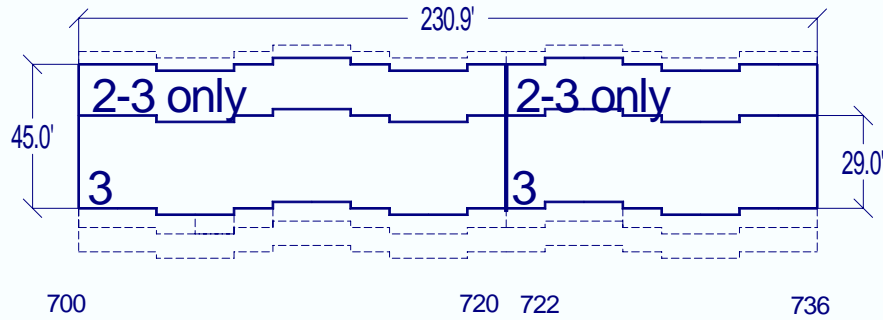
11977.0 sq ft 18585.0 sq ft 5638.0 sq ft  
 884.000' 916.000' 854.000'  
 4 4 8  
 1 2,3 d

614-680



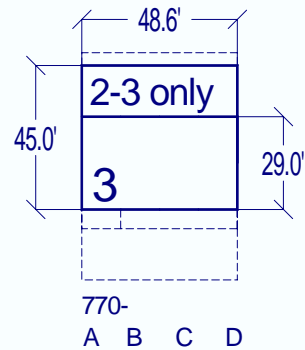
6694.7 sq ft 10388.2 sq ft  
 559.700' 591.700'  
 44 44  
 1 2,3

700-736



1409.4 sq ft 2187.0 sq ft  
 155.200' 187.200'  
 4 4  
 1 2

770



CLAY MIKOLASY Insurance Appraisal 712 Glenside Rd Millville NJ 08332 (856) 327-2982	DESCRIPTION	
	CASA DEL SOL 94TH STREET OCEAN CITY MD	
	DATE: Oct 23 2007	SCALE: 1"=60' 
DRAWN BY: Clay Mikolasy		



Casa Del Sol Condominium  
614-680 94th Street  
Ocean City, Maryland  
Survey Date: 10/23/2007



Casa Del Sol Condominium  
700-736 94th Street  
Ocean City, Maryland  
Survey Date: 10/23/2007





Casa Del Sol Condominium  
**770A-D 94th Street**  
Ocean City, Maryland  
Survey Date: 10/23/2007

Definitions:

"EFFECTIVE AGE" means actual age minus the age that has been taken off by face-lifting, structural reconstruction, removal of functional inadequacies, etc.

"REPRODUCTION COST": the estimated cost to construct, at current prices, an exact duplicate, or replica, of the building being appraised, using the same materials (where available), construction standards, design, layout and quality of workmanship. This cost includes labor, materials, supervision, profit and overhead, and architectural fees. It does not include land, developer's costs, landscaping, utility tap fees, excavation, foundation, piping below ground, and contents. In this report, the term "REPLACEMENT COST" is treated as "REPRODUCTION COST".

"DEPRECIATED COST (REPRODUCTION COST minus DEPRECIATION, also known as SOUND VALUE)" is the REPRODUCTION COST minus observed DEPRECIATION due to age, wear and obsolescence of the structure and its component parts.

"COMMON ELEMENTS" include: structural frame; floor structure, but not floor coverings (except in limited common elements); gypsum board ceilings, but not paint or other interior finish; partition walls between units; plumbing piping common to more than one unit, excluding individual unit piping or fixtures; electrical wiring common to more than one unit, excluding individual unit wiring, outlets or fixtures; exterior walls, but without windows, exterior doors or finish on interior face of gypsum board; roof structure and roof cover.

"LIMITED COMMON ELEMENTS": balconies, decks.

"INDIVIDUAL ELEMENTS" include: windows, exterior doors, paint or other surface finish over gypsum board wall and ceiling interiors, unit floor coverings, interior partitions within units, countertops, cabinets, finish, appliances, etc., plumbing, piping and electrical fixtures within the unit, and individual owners' heating and cooling units.

**"BARE WALLS COVERAGE"** (also known as "COMMON and LIMITED COMMON ELEMENTS COVERAGE"): covers only the Common and Limited Common Elements as defined above.

**"ORIGINAL SPECIFICATIONS COVERAGE"** usually includes all exterior and interior components, including appliances, fixtures, installations and additions within the individual owner's perimeter that are original installations or have been replaced according to the original plans of the covered buildings. Individual owner upgrades surpassing the kind and quality of finish, appliances and equipment originally installed are not taken into account for this report.

Limiting Conditions:

This Insurable Value survey is based on construction and formulae derived from the analysis of actual construction costs and using local labor rates, material prices, manufactured equipment, and contractor's overhead and profit, as gathered by Marshall & Swift. It is based on replacing each building as a complete unit at one time.

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 the cost of demolitions in connection with reconstruction or the removal of destroyed property. The value of the land and site improvements has not been included.

This report does not include furniture, fixtures or machinery, or any other items that would be covered under the "Contents" portion of the insurance policy.

The sketch contained in this report is included solely to aid the reader in visualizing the property.

The surveyor herein by reason of this survey shall not be required to give testimony or appear in court or at any administrative proceeding or give any further consultation relating to this report, unless prior arrangements have been made.

**Clay Mikolasy**  
Insurance Appraisal  
712 Glenside Road, Millville, NJ 08332

Fax (856) 327-7684

Telephone (856) 327-2982

**INSURABLE VALUE APPRAISAL REPORT**

Survey Date:  
10/23/2007

TO: Igor Conev  
Mann Properties  
220 16th St  
Ocean City MD 21842

RE: Casa Del Sol Condominium  
614-680, 700-736 & 770A-D 94th Street  
Ocean City, Maryland

**Site consists of three buildings, separated from each other by properties owned by others; subject buildings are similarly configured as described below, except that 700-736 was constructed conventionally while the other two buildings were modular-built, all using similar materials and layouts.**

**Predominant ISO Construction Class:** 1, Frame.

**Number of Stories:** three, no basement; first floor is smaller than the upper floors.

**Occupancy:** 614-680: 34 condominium dwelling units; 700-736: 19 units; 770A-D: 4 units.

**Floor Structure:** wood on wood joists, crawlspace beneath first floor.

**Floor Covering:** originally supplied with carpet and linoleum.

**Ceiling:** gypsum board.

**Interior Construction:** framed and masonry partitions. Units originally equipped with laminated countertops and average-grade cabinets; 4-element electric range-ovens with hoods vented outside; sink garbage disposers and dishwashers; refrigerator-freezers; and stacked washer-dryers.

**Plumbing:** 2 fiberglass tub-showers per unit; standard-quality fixtures.

**Fire Protection:** fire detectors, hard-wired.

**Heating, Cooling:** individual central air conditioning; originally equipped with electric wall heaters with backup heat strips in air conditioners, all original air conditioning equipment was removed about 2 years ago when flat roofs (which contained the original air conditioner compressors) were topped with new peaked roofs, and existing HVAC was replaced with either heat pumps (roughly 50% chose this option), or either 2.5 ton or 2 ton air conditioning units with included electric heat strips (about 25% chose each).

Casa Del Sol Condominium  
614-680, 700-736 & 770A-D 94th Street  
Ocean City, Maryland

Survey Date: 10/23/2007

Insurance Appraisal Report, continued:

**Electrical:** no special features noted.  
**Roof Structure:** originally had flat roofs, covered about 2 years ago  
with peaked wood decks, supported by wood trusses.  
**Roof Cover:** composition shingles.  
**Exterior Walls:** wood frame covered by vinyl siding.  
**Quality of Upkeep and Maintenance:** good.

**614-680 94th Street:**

**Floor Area, Square Feet:**

First Floor.....	11,977
Second Floor.....	18,585
Third Floor.....	18,585
<hr/>	
TOTAL....	49,147

**INSURABLE VALUE, Original Specifications Coverage:**

Reproduction Cost.....	\$4,980,000
Reproduction Cost minus Depreciation.	\$3,984,000

**INSURABLE VALUE, Bare Walls Coverage:**

Reproduction Cost.....	\$2,317,000
Reproduction Cost minus Depreciation.	\$1,854,000

(continued...)

Casa Del Sol Condominium  
614-680, 700-736 & 770A-D 94th Street  
Ocean City, Maryland

Survey Date: 10/23/2007

Insurance Appraisal Report, continued:

**700-736 94th Street:**

**Floor Area, Square Feet:**

First Floor.....	6,695
Second Floor.....	10,388
Third Floor.....	10,388
<hr/>	
TOTAL....	27,471

**INSURABLE VALUE, Original Specifications Coverage:**

Reproduction Cost.....	\$2,810,000
Reproduction Cost minus Depreciation.	\$2,248,000

**INSURABLE VALUE, Bare Walls Coverage:**

Reproduction Cost.....	\$1,628,000
Reproduction Cost minus Depreciation.	\$1,303,000

**770A-D 94th Street:**

**Floor Area, Square Feet:**

First Floor.....	1,409
Second Floor.....	2,187
Third Floor.....	2,187
<hr/>	
TOTAL....	5,783

**INSURABLE VALUE, Original Specifications Coverage:**

Reproduction Cost.....	\$656,000
Reproduction Cost minus Depreciation.	\$524,000

**INSURABLE VALUE, Bare Walls Coverage:**

Reproduction Cost.....	\$438,000
Reproduction Cost minus Depreciation.	\$350,000

--Clay Mikolasy

COST ESTIMATE FOR: Insurable Value - **Original Specifications Coverage**

PROPERTY OWNER: CASA DEL SOL CONDOMINIUM

ADDRESS: 614-680 94TH ST, OCEAN CITY MD

SURVEYED BY: Clay Mikolasy

DATE OF SURVEY: 10/23/2007

OCCUPANCY: MULTIPLE RESIDENCE

CLASS: 1, WOOD FRAME		COST RANK: 2.0 AVERAGE
EFFECTIVE AGE: 20		CONDITION: 4.0 GOOD
NUMBER OF STORIES: 3		AVG. STORY HGT: 8
FLOOR AREA, SQ FT: 49,147		COST AS OF: Oct, 2007

COMPONENT	UNITS	COST	NEW	DEPR
<b>FRAME</b>				
Bearing walls, floor supports.....	49,147	1.76	86,497	69,197
Wood, post and beam construction.....	6,608	4.57	30,207	24,166
<b>FLOOR STRUCTURE</b>				
Wood, joists and sheathing.....	49,147	8.04	395,356	316,284
<b>FLOOR COVER</b>				
Carpet and pad.....	40,749	4.16	169,343	135,474
Linoleum.....	8,398	4.97	41,755	33,404
<b>CEILING</b>				
Gypsum board.....	49,147	2.51	123,275	98,620
<b>INTERIOR CONSTRUCTION</b>				
Interior Construction.....	49,147	29.61	1,455,229	1,164,184
<b>PLUMBING</b>				
Plumbing.....	49,147	8.50	417,968	334,375
<b>FIRE PROTECTION</b>				
Fire detectors, hard-wired.....	102	193	19,680	15,744
<b>ELECTRICAL AND LIGHTING</b>				
Electrical.....	6,608	3.65	24,127	19,301
Electrical.....	49,147	6.65	326,788	261,431
<b>HEATING, COOLING, VENTILATING</b>				
Package heating and cooling.....	12,287	6.40	78,597	62,878
Package heating and cooling.....	12,287	4.72	57,990	46,392
Heat-pump system.....	24,574	7.05	173,242	138,593
<b>EXTERIOR WALL</b>				
Vinyl siding.....	25,518	20.79	530,611	424,489
Add for sheathing.....	25,518	1.35	34,465	27,572
Add for insulation.....	25,518	.96	24,618	19,694
Add for insulated glazing.....	25,518	1.93	49,236	39,389
<b>BASE WALLS</b>				
Concrete block, reinforced.....	2,652	14.32	37,983	30,387
<b>EXTERIOR STAIRS</b>				
Stairs.....	170	116.51	19,807	15,845
<b>ROOF STRUCTURE</b>				
Wood joists, wood deck.....	23,502	6.71	157,662	126,130

ROOF COVER				
Composition shingles.....	23,502	3.12	73,250	58,600
Add for roof insulation.....	21,476	1.62	34,743	27,795
EXTERIOR DECKS & BALCONIES				
Wood.....	11,615	28.20	327,534	262,027
BUILT-IN CONSTRUCTION				
Garbage disposer.....	34	319.10	10,849	8,680
Range and oven combination...	34	824	28,007	22,405
Exhaust fan and hood.....	34	371.05	12,616	10,093
Dishwasher.....	34	912.78	31,035	24,828
Refrigerator or freezer.....	34	1,291	43,903	35,122
Washer-dryer comb. unit.....	34	1,380	46,930	37,544
-----				
TOTAL.....			4,863,304	3,890,643
ARCHITECT'S FEES.....	2.4%		116,719	93,375
-----				
REPLACEMENT COST NEW.....	49,147	101.33	4,980,023	
DEPRECIATION.....	20.0%		996,005	
-----				
DEPRECIATED COST.....				3,984,018
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ROUNDED TO NEAREST	\$1,000		4,980,000	3,984,000
Cost Data by MARSHALL and SWIFT				



COST ESTIMATE FOR: Insurable Value - **Bare Walls Coverage**

PROPERTY OWNER: CASA DEL SOL CONDOMINIUM

ADDRESS: 614-680 94TH ST, OCEAN CITY MD

SURVEYED BY: Clay Mikolasy

DATE OF SURVEY: 10/23/2007

OCCUPANCY: MULTIPLE RESIDENCE

CLASS: 1, WOOD FRAME		COST RANK: 2.0 AVERAGE
EFFECTIVE AGE: 20		CONDITION: 4.0 GOOD
NUMBER OF STORIES: 3		AVG. STORY HGT: 8
FLOOR AREA, SQ FT: 49,147		COST AS OF: Oct, 2007

COMPONENT	UNITS	COST	NEW	DEPR
<b>FRAME</b>				
Bearing walls, floor supports.....	49,147	1.76	86,497	69,197
Wood, post and beam construction.....	6,608	4.57	30,207	24,166
<b>FLOOR STRUCTURE</b>				
Wood, joists and sheathing.....	49,147	8.04	395,356	316,284
<b>CEILING</b>				
Gypsum board.....	49,147	2.51	123,275	98,620
<b>INTERIOR CONSTRUCTION</b>				
Party walls, masonry.....	2,880	18.26	52,576	42,061
Party walls, framed.....	12,981	6.38	82,845	66,276
<b>PLUMBING</b>				
Plumbing.....	49,147	8.50	417,968	334,375
Hot water heater.....	34	(1,069)	(36,333)	(29,067)
fiberglass tub-shower.....	68	(2,115)	(143,819)	(115,055)
Lavatory sink.....	68	(801)	(54,500)	(43,600)
Sink, kitchen, single.....	34	(824)	(28,007)	(22,405)
Water closet.....	68	(1,276)	(86,796)	(69,437)
Vent, dryer or appliance.....	34	(215)	(7,317)	(5,854)
<b>FIRE PROTECTION</b>				
Fire detectors, hard-wired.....	102	193	19,680	15,744
<b>ELECTRICAL AND LIGHTING</b>				
Electrical.....	6,608	3.65	24,127	19,301
Electrical.....	49,147	4.70	231,232	184,986
<b>EXTERIOR WALL</b>				
Vinyl siding.....	25,518	17.47	445,774	356,619
Add for sheathing.....	25,518	1.35	34,465	27,572
Add for insulation.....	25,518	.96	24,618	19,694
<b>BASE WALLS</b>				
Concrete block, reinforced.....	2,652	14.32	37,983	30,387
<b>EXTERIOR STAIRS</b>				
Stairs.....	170	116.51	19,807	15,845
<b>ROOF STRUCTURE</b>				
Wood joists, wood deck.....	23,502	6.71	157,662	126,130

ROOF COVER				
Composition shingles.....	23,502	3.12	73,250	58,600
Add for roof insulation.....	21,476	1.62	34,743	27,795
EXTERIOR BALCONIES				
Wood.....	11,615	28.20	327,534	262,027
-----				
TOTAL.....			2,262,829	1,810,263
ARCHITECT'S FEES.....	2.4%		54,308	43,446
-----				
REPLACEMENT COST NEW.....	49,147	47.15	2,317,136	
DEPRECIATION.....	20.0%		463,427	
DEPRECIATED COST.....				1,853,709
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ROUNDED TO NEAREST	\$1,000		2,317,000	1,854,000
Cost Data by MARSHALL and SWIFT				

COST ESTIMATE FOR: Insurable Value - **Original Specifications Coverage**

PROPERTY OWNER: CASA DEL SOL CONDOMINIUM

ADDRESS: 700-736 94TH ST, OCEAN CITY MD

SURVEYED BY: Clay Mikolasy

DATE OF SURVEY: 10/23/2007

OCCUPANCY: MULTIPLE RESIDENCE

CLASS: 1, WOOD FRAME		COST RANK: 2.0 AVERAGE
EFFECTIVE AGE: 20		CONDITION: 4.0 GOOD
NUMBER OF STORIES: 3		AVG. STORY HGT: 8
FLOOR AREA, SQ FT: 27,471		COST AS OF: Oct, 2007

COMPONENT	UNITS	COST	NEW	DEPR
<b>FRAME</b>				
Bearing walls, floor supports.....	27,471	1.76	48,348	38,678
Wood, post and beam construction.....	3,693	4.57	16,882	13,506
<b>FLOOR STRUCTURE</b>				
Wood, joists and sheathing.....	27,471	8.04	220,986	176,789
<b>FLOOR COVER</b>				
Carpet and pad.....	22,778	4.16	94,660	75,728
Linoleum.....	4,693	4.97	23,334	18,667
<b>CEILING</b>				
Gypsum board.....	27,471	2.51	68,905	55,124
<b>INTERIOR CONSTRUCTION</b>				
Interior Construction.....	27,471	29.61	813,409	650,727
<b>PLUMBING</b>				
Plumbing.....	27,471	8.50	233,626	186,901
<b>FIRE PROTECTION</b>				
Fire detectors, hard-wired.....	57	193	10,998	8,798
<b>ELECTRICAL AND LIGHTING</b>				
Electrical.....	3,693	3.65	13,484	10,787
Electrical.....	27,471	6.65	182,660	146,128
<b>HEATING, COOLING, VENTILATING</b>				
Package heating and cooling.....	6,868	6.40	43,932	35,146
Package heating and cooling.....	6,868	4.72	32,414	25,931
Heat-pump system.....	13,736	7.05	96,834	77,468
<b>EXTERIOR WALL</b>				
Vinyl siding.....	16,146	20.79	335,733	268,587
Add for sheathing.....	16,146	1.35	21,807	17,446
Add for insulation.....	16,146	.96	15,576	12,461
Add for insulated glazing.....	16,146	1.93	31,153	24,922
<b>BASE WALLS</b>				
Concrete block, reinforced.....	1,680	14.32	24,062	19,249
<b>EXTERIOR STAIRS</b>				
Stairs.....	95	116.51	11,068	8,855
<b>ROOF STRUCTURE</b>				
Wood joists, wood deck.....	13,137	6.71	88,127	70,502

ROOF COVER				
Composition shingles.....	13,137	3.12	40,944	32,755
Add for roof insulation.....	12,004	1.62	19,420	15,536
EXTERIOR DECKS & BALCONIES				
Wood.....	5,651	28.20	159,352	127,482
BUILT-IN CONSTRUCTION				
Garbage disposer.....	19	319.10	6,063	4,850
Range and oven combination...	19	824	15,651	12,521
Exhaust fan and hood.....	19	371.05	7,050	5,640
Dishwasher.....	19	912.78	17,343	13,874
Refrigerator or freezer.....	19	1,291	24,534	19,627
Washer-dryer comb. unit.....	19	1,380	26,226	20,981
TOTAL.....			2,744,582	2,195,666
ARCHITECT'S FEES.....	2.4%		65,870	52,696
REPLACEMENT COST NEW.....	27,471	102.31	2,810,452	
DEPRECIATION.....	20.0%		562,090	
DEPRECIATED COST.....				2,248,362
ROUNDED TO NEAREST	\$1,000		2,810,000	2,248,000
Cost Data by MARSHALL and SWIFT				

COST ESTIMATE FOR: Insurable Value - **Bare Walls Coverage**

PROPERTY OWNER: CASA DEL SOL CONDOMINIUM

ADDRESS: 700-736 94TH ST, OCEAN CITY MD

SURVEYED BY: Clay Mikolasy

DATE OF SURVEY: 10/23/2007

OCCUPANCY: MULTIPLE RESIDENCE

CLASS: 1, WOOD FRAME		COST RANK: 2.0 AVERAGE
EFFECTIVE AGE: 20		CONDITION: 4.0 GOOD
NUMBER OF STORIES: 3		AVG. STORY HGT: 8
FLOOR AREA, SQ FT: 27,471		COST AS OF: Oct, 2007

COMPONENT	UNITS	COST	NEW	DEPR
<b>FRAME</b>				
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<b>FLOOR STRUCTURE</b>				
Wood, joists and sheathing.....	27,471	8.04	220,986	176,789
<b>CEILING</b>				
Gypsum board.....	27,471	2.51	68,905	55,124
<b>INTERIOR CONSTRUCTION</b>				
Party walls, masonry.....	1,440	18.26	26,288	21,030
Party walls, framed.....	9,082	6.38	57,962	46,369
<b>PLUMBING</b>				
Plumbing.....	27,471	8.50	233,626	186,901
Hot water heater.....	19	(1,069)	(20,304)	(16,243)
fiberglass tub-shower.....	38	(2,115)	(80,369)	(64,295)
Lavatory sink.....	38	(801)	(30,456)	(24,365)
Sink, kitchen, single.....	19	(824)	(15,651)	(12,521)
Water closet.....	38	(1,276)	(48,504)	(38,803)
Vent, dryer or appliance.....	19	(215)	(4,089)	(3,271)
<b>FIRE PROTECTION</b>				
Fire detectors, hard-wired.....	57	193	10,998	8,798
<b>ELECTRICAL AND LIGHTING</b>				
Electrical.....	3,693	3.65	13,484	10,787
Electrical.....	27,471	4.70	129,248	103,399
<b>EXTERIOR WALL</b>				
Vinyl siding.....	16,146	17.47	282,054	225,644
Add for sheathing.....	16,146	1.35	21,807	17,446
Add for insulation.....	16,146	.96	15,576	12,461
<b>BASE WALLS</b>				
Concrete block, reinforced.....	1,680	14.32	24,062	19,249
<b>EXTERIOR STAIRS</b>				
Stairs.....	95	116.51	11,068	8,855
<b>ROOF STRUCTURE</b>				
Wood joists, wood deck.....	13,137	6.71	88,127	70,502

ROOF COVER

Composition shingles.....	13,137	3.12	40,944	32,755
Add for roof insulation.....	12,004	1.62	19,420	15,536

EXTERIOR BALCONIES

Wood.....	5,651	28.20	159,352	127,482
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TOTAL.....			1,590,273	1,272,219
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ARCHITECT'S FEES.....	2.4%		38,167	30,533
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REPLACEMENT COST NEW.....	27,471	59.28	1,628,440	
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DEPRECIATION.....	20.0%		325,688	
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DEPRECIATED COST.....				1,302,752
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ROUNDED TO NEAREST \$1,000			1,628,000	1,303,000
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Cost Data by MARSHALL and SWIFT

COST ESTIMATE FOR: Insurable Value - **Original Specifications Coverage**

PROPERTY OWNER: CASA DEL SOL CONDOMINIUM  
 ADDRESS: 770 A-B-C-D 94TH ST, OCEAN CITY MD  
 SURVEYED BY: Clay Mikolasy  
 DATE OF SURVEY: 10/23/2007

OCCUPANCY: MULTIPLE RESIDENCE

CLASS: 1, WOOD FRAME COST RANK: 2.0 AVERAGE  
 EFFECTIVE AGE: 20 CONDITION: 4.0 GOOD  
 NUMBER OF STORIES: 3 AVG. STORY HGT: 8  
 FLOOR AREA, SQ FT: 5,783 COST AS OF: Oct, 2007

COMPONENT	UNITS	COST	NEW	DEPR
<b>FRAME</b>				
Bearing walls, floor supports.....	5,783	1.76	10,178	8,142
Wood, post and beam construction.....	778	4.57	3,556	2,845
<b>FLOOR STRUCTURE</b>				
Wood, joists and sheathing.....	5,783	8.04	46,520	37,216
<b>FLOOR COVER</b>				
Carpet and pad.....	4,795	4.16	19,927	15,941
Linoleum.....	988	4.97	4,912	3,930
<b>CEILING</b>				
Gypsum board.....	5,783	2.51	14,505	11,604
<b>INTERIOR CONSTRUCTION</b>				
Interior Construction.....	5,783	29.61	171,233	136,986
<b>PLUMBING</b>				
Plumbing.....	5,783	8.50	49,181	39,345
<b>FIRE PROTECTION</b>				
Fire detectors, hard-wired.....	12	193	2,315	1,852
<b>ELECTRICAL AND LIGHTING</b>				
Electrical.....	778	3.65	2,841	2,272
Electrical.....	5,783	6.65	38,452	30,762
<b>HEATING, COOLING, VENTILATING</b>				
Package heating and cooling.....	1,446	6.40	9,248	7,399
Package heating and cooling.....	1,446	4.72	6,824	5,459
Heat-pump system.....	2,892	7.05	20,385	16,308
<b>EXTERIOR WALL</b>				
Vinyl siding.....	5,331	20.79	110,851	88,681
Add for sheathing.....	5,331	1.35	7,200	5,760
Add for insulation.....	5,331	.96	5,143	4,114
Add for insulated glazing.....	5,331	1.93	10,286	8,229
<b>BASE WALLS</b>				
Concrete block, reinforced.....	465	14.32	6,660	5,328
<b>EXTERIOR STAIRS</b>				
Stairs.....	20	116.51	2,330	1,864
<b>ROOF STRUCTURE</b>				
Wood joists, wood deck.....	2,766	6.71	18,553	14,842

ROOF COVER				
Composition shingles.....	2,766	3.12	8,620	6,896
Add for roof insulation.....	2,527	1.62	4,088	3,271
EXTERIOR DECKS & BALCONIES				
Wood.....	1,629	28.20	45,937	36,750
BUILT-IN CONSTRUCTION				
Garbage disposer.....	4	319.10	1,276	1,021
Range and oven combination...	4	824	3,295	2,636
Exhaust fan and hood.....	4	371.05	1,484	1,187
Dishwasher.....	4	912.78	3,651	2,921
Refrigerator or freezer.....	4	1,291	5,165	4,132
Washer-dryer comb. unit.....	4	1,380	5,521	4,417
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TOTAL.....			640,140	512,112
ARCHITECT'S FEES.....	2.4%		15,363	12,291
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REPLACEMENT COST NEW.....	5,783	113.35	655,503	
DEPRECIATION.....	20.0%		131,101	
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DEPRECIATED COST.....				524,403
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ROUNDED TO NEAREST	\$1,000		656,000	524,000
Cost Data by MARSHALL and SWIFT				



COST ESTIMATE FOR: Insurable Value - **Bare Walls Coverage**

PROPERTY OWNER: CASA DEL SOL CONDOMINIUM  
 ADDRESS: 770 A-B-C-D 94TH ST, OCEAN CITY MD  
 SURVEYED BY: Clay Mikolasy  
 DATE OF SURVEY: 10/23/2007

OCCUPANCY: MULTIPLE RESIDENCE

CLASS: 1, WOOD FRAME COST RANK: 2.0 AVERAGE  
 EFFECTIVE AGE: 20 CONDITION: 4.0 GOOD  
 NUMBER OF STORIES: 3 AVG. STORY HGT: 8  
 FLOOR AREA, SQ FT: 5,783 COST AS OF: Oct, 2007

COMPONENT	UNITS	COST	NEW	DEPR
<b>FRAME</b>				
Bearing walls, floor supports.....	5,783	1.76	10,178	8,142
Wood, post and beam construction.....	778	4.57	3,556	2,845
<b>FLOOR STRUCTURE</b>				
Wood, joists and sheathing.....	5,783	8.04	46,520	37,216
<b>CEILING</b>				
Gypsum board.....	5,783	2.51	14,505	11,604
<b>INTERIOR CONSTRUCTION</b>				
Party walls, framed.....	3,888	6.38	24,813	19,851
<b>PLUMBING</b>				
Plumbing.....	5,783	8.50	49,181	39,345
Hot water heater.....	4	(1,069)	(4,274)	(3,420)
fiberglass tub-shower.....	8	(2,115)	(16,920)	(13,536)
Lavatory sink.....	8	(801)	(6,412)	(5,129)
Sink, kitchen, single.....	4	(824)	(3,295)	(2,636)
Water closet.....	8	(1,276)	(10,211)	(8,169)
Vent, dryer or appliance.....	4	(215)	(861)	(689)
<b>FIRE PROTECTION</b>				
Fire detectors, hard-wired.....	12	193	2,315	1,852
<b>ELECTRICAL AND LIGHTING</b>				
Electrical.....	778	3.65	2,841	2,272
Electrical.....	5,783	4.70	27,208	21,767
<b>EXTERIOR WALL</b>				
Plywood, textured (T-111).....	5,211	18.61	96,986	77,589
Vinyl siding.....	5,331	17.47	93,127	74,502
Add for sheathing.....	5,331	1.35	7,200	5,760
Add for insulation.....	5,331	.96	5,143	4,114
<b>BASE WALLS</b>				
Concrete block, reinforced.....	465	14.32	6,660	5,328
<b>EXTERIOR STAIRS</b>				
Stairs.....	20	116.51	2,330	1,864
<b>ROOF STRUCTURE</b>				
Wood joists, wood deck.....	2,766	6.71	18,553	14,842

ROOF COVER				
Composition shingles.....	2,766	3.12	8,620	6,896
Add for roof insulation.....	2,527	1.62	4,088	3,271
EXTERIOR BALCONIES				
Wood.....	1,629	28.20	45,937	36,750
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TOTAL.....			427,791	342,233
ARCHITECT'S FEES.....	2.4%		10,267	8,214
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REPLACEMENT COST NEW.....	5,783	75.75	438,058	
DEPRECIATION.....	20.0%		87,612	
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DEPRECIATED COST.....				350,447
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ROUNDED TO NEAREST	\$1,000		438,000	350,000
Cost Data by MARSHALL and SWIFT				

Clay Mikolasy

Statement of Qualifications.

Business

Address: 712 Glenside Road  
Millville, NJ 08332

Experience: Active in building inspection, architectural design of structures for fire rate, fixed asset valuation and Insurable Value property surveys since 1967.

Education:

New Jersey Chapter of the Appraisal Institute Courses:  
"Principles of Real Estate Appraisal"  
"Basic Valuation Techniques"  
"General State Certification Review Seminar"

Marshall & Swift's Segregated Cost Seminar

I have surveyed the following types of properties for Building Insurable Value, Fixed Asset Valuation and Cost Approach:

Industrial and residential subdivisions, 1-4 family residences, multifamily complexes, light and heavy industrial manufacturing plants, office suites and towers, auto dealerships, municipal and governmental properties, marinas, Individual and Common Condominium Interests, hospitals, food terminal markets, public and private schools, banks, clubs, restaurants, churches, synagogues, theaters, and many others. I have also been retained by Real Estate Appraisers as a specialist in Building Cost Approach and Insurable Value.

Partial Client listing:

Windward Harbour Condominium Association, Avalon, New Jersey  
425 Park Avenue Building, New York City  
Unity Health Care, Washington, DC  
Girard College buildings, Philadelphia, Pennsylvania  
1492 Hospitality Group of Restaurants, Wilmington, Delaware  
Chestertown Foods, Chestertown, Maryland  
Congregation B'nai Jeshurun, Short Hills, New Jersey  
The Quay Condominium, Ocean City, Maryland  
City of Lewes, Delaware - municipal buildings  
Princeton University Eating Clubs: Princeton Charter, Elm,  
Colonial Club, Dial, Cloister, Terrace, and Tiger Inn.  
Shortline Bus Company, New Jersey and New York locations  
Ocean City Home Savings & Loan, Ocean City, New Jersey  
Empire Blue Cross & Blue Shield, New York, New York  
Public Housing Authorities: NJ: Brick, Dover, Edgewater, Guttenberg,  
Lakewood, Red Bank, Salem, Secaucus, Union City, Wildwood; PA: Hazleton, Scranton  
Perth Amboy Drydock, Perth Amboy, New Jersey  
International Association of Chiefs of Police, Alexandria VA  
Wanamaker House Condominium, Philadelphia, PA  
Winter Yacht Basin, Inc. Mantoloking NJ  
The Beard House (James Beard Foundation), New York, New York  
Henson Associates (The Muppets), New York, NY  
Phoenix House, Manhtn, Bronx, Bklyn, Queens, Westchstr, New York  
Philadelphia Fresh Food Terminal, Philadelphia, PA

Clay Mikolasy, Qualifications, continued:

Clients Served, continued:

St. John the Baptist Russian Orthodox Church, Little Falls, NJ  
Lahn Real Estate Holdings, South Jersey  
Cliffhouse Condominium Assn., Cliffside Park, New Jersey  
Seapointe Village, Wildwood Crest, New Jersey  
Cooper Hospital Complex, Camden, New Jersey  
Palisades General Hospital, North Bergen, New Jersey  
Atlantic City Medical Center Hospitals  
Betty Bacharach Rehabilitation Hospital, Pomona, New Jersey  
Media-Upper Providence Free Library, Media, Pennsylvania  
Periwinkle Inn, Cape May, New Jersey  
Alexander Park Office Condominium Assn., W. Windsor Twp, NJ  
Filtr Corporation, Riverdale, New Jersey  
Kay Elemetrics Corporation, Lincoln Park, New Jersey  
Woodland Township Board of Education, Chatsworth, New Jersey  
Bensalem Shopping Plaza, Bensalem, Pennsylvania  
Casel's Supermarket, Margate, New Jersey  
Monmouth Museum, Lincroft, New Jersey  
East Brunswick Jewish Center, East Brunswick, New Jersey  
Daughters of Charity, Paterson, New Jersey  
Nycoil Inc., Guilford County, North Carolina  
Cornell Harbor Condominium, Avalon, New Jersey  
Eastport United Methodist Church, Annapolis, Maryland  
Mantoloking Yacht Club, Mantoloking, New Jersey  
Manasquan River Yacht Club, Brielle, New Jersey  
Orange Lawn Tennis Club, South Orange, New Jersey  
The Granary Restaurant, Fredricktown, Maryland  
North American Valve, Folcroft, Pennsylvania  
Weisleder Auto dealerships, Bricktown, Pt Pleasant, Lakewood  
Ranch Hope, Alloway, New Jersey  
The Chapin School, Princeton, New Jersey  
Lakewood Preparatory School, Howell Township, New Jersey  
Sea Isle Ice, Inc. Sea Isle City Woodbine New Jersey  
Fairfield Twp. Board of Education, Bridgeton, New Jersey  
Fairfield Twp. Board of Education, Fairfield, Essex County, NJ  
Star Corrugated Box, Maspeth, Queens, New York  
Parking Authority of the City of Newark, Newark, New Jersey  
City of Paterson Parking Authority, Paterson, New Jersey  
Fanwood-Scotch Plains YMCA Scotch Plains, Fanwood, New Jersey  
Metuchen Golf & Country Club, Edison, New Jersey  
Monmouth Cablevision: Monmouth, Ocean, Hudson County locations  
Lakeland Bus Lines, Dover, New Jersey  
DeCamp Bus Lines, Montclair, New Jersey  
Patsems Fuel, Inc., Nassau/Suffolk/Westchester, New York  
St. Mark's Lutheran Church, Philadelphia, Pennsylvania

...provided Replacement Costs on the following for real estate appraisers:

Westminster Choir College, Princeton, New Jersey  
Schering Plough laboratories, Bloomfield, New Jersey  
Upsala College, East Orange, New Jersey  
Atlantic City International Airport  
Essex County (NJ) Geriatric Hospital

...and many others.