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ASSESSMENT OF REINSTATEMENT COSTS  
FOR INSURANCE PURPOSES

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**Properties**  
**The Palms Resort**

**Providenciales**  
**Turks & Caicos Islands**

**March 2006**

Construction Advisory Services Ltd  
PO Box 143, Providenciales,  
Turks & Caicos Islands

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- Appendix B - Resort Map
- Appendix C - Assessment Summaries

## **1.0 Instructions and basis of assessment**

- 1.1 In accordance with your instruction, we have assessed the reinstatement cost for insurance purposes of your premises based on a full reinstatement cost with no depreciation allowance to reflect the current condition of the properties and these costs have been apportioned to the building structure and internal fit-out.
- 1.2 This report has been prepared solely for your use and we do not accept liability for its use by any third party.
- 1.3 The matter has not been discussed with your Brokers or Insurers. We have not examined the policy and trust that the contents of this report and the basis of assessment meet with your specific requirements. If modification of the basis of assessment is required, we will be pleased to assist.
- 1.4 The assessment has been prepared following our visual inspection of the properties which was undertaken on 3 February 2006.

## **2.0 Assessment**

- 2.1 The total "Day One" assessment amounts to the sum of **US\$ 73,880,000** (Seventy Three Million and Eight Hundred and Eighty Thousand US Dollars). This is our estimated cost of reinstating the properties detailed herein related to building costs on Providenciales as at February 2006 and excludes any allowance for inflation during the insurance year and the time it would take to clear debris, plan and reconstruct the building. The above "Day One" reinstatement cost is exclusive of tenant's loose fixtures, fittings and equipment, inflation and professional fees. Please confirm with your Broker/Insurer whether Import Duty & Brokerage should be deducted to the total "Day One" reinstatement cost
- 2.2 We would consider that the periods indicated in the summary sheets would be sufficient to clear debris, plan and reconstruct the buildings, the period commencing at the end of the insurance year, on the assumption that damage may occur at the end of the insured period.
- 2.3 The periods stated assume that planning and reconstruction proceed expeditiously to completion following destruction.
- 2.4 Our assessments exclude Contents/FFE and Inventory.

### **3.0 Assumptions and principles adopted for the assessment**

- 3.1 Our assessment is based on the assumption that the buildings have been totally destroyed or damaged to such an extent that total reconstruction is required. The assessment is our opinion of the cost of rebuilding the property to its original size, design and quality, using modern construction techniques and comparable materials and reconstruction in accordance with current building regulations. The assessment excludes any allowance for upgrading or improvements that may be incorporated in the design of the building.
- 3.2 We have excluded professional fees of Surveyors, Architects and Engineers. We are advised that these will be provided by the client. These figures were not available at the time of compilation of this report.
- 3.3 We have excluded any allowance for the cost of professional advice in negotiating a claim for loss with the Insurance Company or it's appointed Loss Adjusters. Most policies exclude recovery of such costs and you should check with your Brokers if additional cover is required.
- 3.4 We have included an allowance in our figures for demolition and the removal of debris, which would result from damage to the buildings, but not for any value in salvaged materials.
- 3.5 Our assessment of demolition and removal of debris excludes the cost of specialist removal of any hazardous materials used in the construction of the existing buildings and the extra over cost of demolishing pre-stressed or post-tensioned concrete structures.

### **3.0 Assumptions and principles adopted for the assessment (continued)**

- 3.7 We have included an allowance for all foundations, boundary walls and fences, hard landscaping, external decks, access paths and parking areas. Soft landscaping is excluded.
- 3.8 We have allowed in our assessment for the property to be re-built in a manner to comply with current statutory building codes.
- 3.9 The assessment reported is our opinion of the reinstatement cost of the buildings for insurance purposes using current re-building costs and assumes tenders are sought in competition, or realistically negotiated, and is not related to the current market value of the site or the buildings.
- 3.10 Standard import duty on building materials is included for the reinstatement cost.
- 3.11 The assessment excludes general loose contents, furnishings, kitchen equipment and retail equipment.
- 3.12 The assessment is based on the assumption that re-building of the premises to its present size, form and position will be permitted by Planning in relation to current building regulations, but we recommend you clarify the position with them.
- 3.13 The assessment is also based on the assumption that re-building of the premises in their present size, form and position will be permitted by the local Planning Authority in relation to current Planning policy. Such policy, which determines the extent to which sites may be developed, varies from time to time and we, therefore, recommend that you clarify the position with the Authority. We understand that additional insurance may be taken to cover loss in the event that re-building needs to be to a reduced size and we recommend that you consult your insurers if your premises are likely to be affected.

#### **4.0 Reservations**

- 4.1 Our inspection has been carried out for insurance purposes only. This report, therefore, should not be construed as giving advice on the condition of the structure, fabric and services of the property. It is important that the property is maintained in accordance with the requirements of the Insurance Company as some insurance policies contain conditions that in the event of a claim for total or partial destruction the amount of settlement may be reduced, or certain perils may not be covered, if the property is in a state of disrepair.

#### **5.0 Consequential matters**

- 5.1 When considering the implications of loss of rental income or the cost of renting similar, alternative accommodation, we recommend that you quantify that cost on the basis of the rebuilding period given within this report.

#### **6.0 Provision of reassessment**

- 6.1 We recommend that the premises are re-assessed annually to take account of changes in re-building costs, construction techniques and market conditions. For example, shortages of labour or materials would have a great effect on the reinstatement value. After the initial valuation, it should be possible to provide an annual update for the next three years without further site inspections providing no major alterations have been carried out that are likely to affect the reinstatement cost. If you require this service, we would be pleased to discuss the matter with you further.

**Appendix A**  
**Photographs of the Property**  
**The Palms**





**Appendix B**  
**Resort Map**

# THE PALMS

GRAND RESIDENCE

SALE PRICE \$1,000,000

2000



**Appendix C**  
**Assessment Summaries**

General Summary- The Palms

**FIRE INSURANCE REINSTATEMENT VALUATIONS**

Thursday, March 09, 2006

Registered Owners	Properties	Exterior Buildings	Interior Buildings	Total Reinstatement Figure	Floor Areas (SF)	Rebuild Period Months
<b>The Palms Resort Ltd</b>	<b>Strata Assets</b>					
The Palms Turks and Caicos Co.	Building A	9,350,000	5,490,000	14,840,000	47,316	18
Millennium Estates Ltd	Building B	4,280,000	2,510,000	6,790,000	21,649	18
The Palms condominiums Ltd	Building C	9,180,000	5,390,000	14,570,000	46,460	18
The Proprietors of Palms Strata Plan #50	Building D	4,280,000	2,510,000	6,790,000	21,649	18
Village Lot #24Ltd	Building E	9,350,000	5,490,000	14,840,000	47,316	18
Owners of Individual Condominium Apartments	Garages and Storage	1,210,000	710,000	1,920,000	14,650	6
		<b>US\$ 37,650,000</b>	<b>22,100,000</b>	<b>59,750,000</b>	<b>199,040</b>	<b>24</b>
	Pool Hot Tub		-	900,000	N/A	6
	Tennis Court			150,000	7,200	2
	Restrooms			40,000	750	3
	Hard Landscaping /MEP			2,070,000	210,000	6
				<b>US\$ 3,160,000</b>	<b>217,950</b>	<b>9</b>
	<b>Developer Assets</b>					
	Pool Bar			410,000	1,796	6
	Office Areas, Locker room Hospitality			450,000	3,438	6
	Restaurant Building			3,290,000	12,566	18
	Manor House /Lobby			760,000	3,318	12
	Spa			2,970,000	12,339	12
	Boutiques			560,000	3,082	6
	Service Building			110,000	1,053	6
	Corporate Service Centre/Laundry at the Village			1,760,000	12,461	6
	Externals			660,000	N/A	6
				<b>US\$ 10,970,000</b>	<b>50,053</b>	<b>12</b>
	<b>Total</b>			<b>US\$ 73,880,000</b>		<b>36</b>

## The Palms

### FIRE INSURANCE REINSTATEMENT VALUATION

#### Exterior Residential Building A

Property Address : The Palms  
Grace Bay  
Leeward Going Through  
Providenciales, Turks & Caicos Islands

Brief Property Description: Five storey condominium building. Comprising a gross floor area of approximately 47,316 square feet including private balconies, walkways and stairs. Reinforced concrete and block construction with composite upper floors. Aluminium clad timber windows and sliding doors with screens, timber entrance doors, coral render and stone features, concrete balustrades, aluminium handrails, hydraulic elevators, timber frame roof with concrete tiles, dryvit/coral render wall finish, travertine floor tiles to common areas. Costs include a proportion of the underground tunnels linking with this building. Existing condition is very good.

	Unit #	Sq. Ft	US\$
Building A	A101	2,884	545,076
	A102	1,618	305,802
	A103	2,273	429,597
	A104	2,415	456,435
	A201	2,913	550,557
	A202	2,175	411,075
	A203	2,175	411,075
	A204	2,913	550,557
	A301	2,913	550,557
	A302	2,175	411,075
	A303	2,175	411,075
	A304	2,913	550,557
	A401	2,913	550,557
	A402	2,175	411,075
	A403	2,175	411,075
	A404	2,913	550,557
	A501	3,799	718,011
	A502	3,799	718,011

Building A Total Floor Area	47,316	ft <sup>2</sup>
	47,316	ft <sup>2</sup>

Total Gross Floor Area:

Day One Assessment:	Reinstatement Cost	=	8,942,724
	Contents/FFE	=	Excluded
	Demolition & Debris removal	=	357,709
	Support & Protection	=	N/A
	Planning & Building Regulation Fees	=	53,656
	Professional Fees	=	Excluded
	Sub Total		9,354,089

External Works & Drainage:

Excluded
Excluded
US\$ 0

a) Total "Day One" reinstatement cost 9,354,089

Total Reinstatement figure 9,350,000

Rebuild Period: 18 Months

Date of Valuation: Mar-06

The above "Day One" reinstatement cost is exclusive of tenant's loose fixtures, fittings and equipment, inflation and professional fees. Please confirm with your Broker/Insurere whether Duty & Brokerage should be deducted to the total "Day One" reinstatement cost.

## The Palms

### FIRE INSURANCE REINSTATEMENT VALUATION

#### Interior Residential Building A

Property Address : The Palms  
Grace Bay  
Leeward Going Through  
Providenciales, Turks & Caicos Islands

Brief Property Description: Five storey condominium building completed circa 2005, comprising a gross floor area of approximately 47,316 square feet including private balconies, walkways and stairs. Concrete floors with travertine tiles and glass inserts, walls rendered with paint, sheetrock partition walls with paint, tile in bathrooms, timber panelling to walls, beadboard ceilings, timber internal doors with extensive mouldings and paint finish, timber cabinets with granite counters, good quality fixtures/fittings and appliances, central ducted air conditioning from central chiller plant.

	Unit #	Sq. Ft	US\$
Building A	A101	2,884	320,124
	A102	1,618	179,598
	A103	2,273	252,303
	A104	2,415	268,065
	A201	2,913	323,343
	A202	2,175	241,425
	A203	2,175	241,425
	A204	2,913	323,343
	A301	2,913	323,343
	A302	2,175	241,425
	A303	2,175	241,425
	A304	2,913	323,343
	A401	2,913	323,343
	A402	2,175	241,425
	A403	2,175	241,425
	A404	2,913	323,343
	A501	3,799	421,689
	A502	3,799	421,689

Building A Total Floor Area	47,316	ft <sup>2</sup>
	47,316	ft <sup>2</sup>

Total Gross Floor Area:		
Day One Assessment:	Reinstatement Cost	= 5,252,076
	Contents/FFE	Excluded
	Demolition & Debris removal	= 210,084
	Support & Protection	= N/A
	Planning & Building Regulation Fees	= 31,510
	Professional Fees	= Excluded
	Sub Total	5,494,000

External Works & Drainage:	Excluded
	Excluded
	US\$ 0

a) Total "Day One" reinstatement cost	5,494,000
Total Reinstatement figure	5,490,000
Rebuild Period:	18 Months
Date of Valuation:	Mar-06

The above "Day One" reinstatement cost is exclusive of tenant's loose fixtures, fittings and equipment, inflation and professional fees. Please confirm with your Broker/Insurer whether Duty & Brokerage should be deducted to the total "Day One" reinstatement cost.

## The Palms

### FIRE INSURANCE REINSTATEMENT VALUATION

#### Exterior Residential Building B

Property Address : The Palms  
Grace Bay  
Leeward Going Through  
Providenciales, Turks & Caicos Islands

Brief Property Description: Five storey condominium building. Comprising a gross floor area of approximately 21,649 square feet including private balconies, walkways and stairs. Reinforced concrete and block construction with composite upper floors. Aluminium clad timber windows and sliding doors with screens, timber entrance doors, coral render and stone features, concrete balustrades, aluminium handrails, hydraulic elevators, timber frame roof with concrete tiles, dryvit/coral render wall finish, travertine floor tiles to common areas. Costs include a proportion of the underground tunnels linking with this building. Existing condition is very good.

	Unit #	Sq. Ft	US\$
Building B	B101	2,152	406,728
	B102	2,206	416,934
	B201	2,656	501,984
	B202	2,160	408,240
	B301	2,537	479,493
	B302	2,160	408,240
	B401	2,160	408,240
	B402	2,160	408,240
	B501	3,458	653,562

	Building B Total Floor Area	21,649	ft <sup>2</sup>	
		21,649	ft <sup>2</sup>	
Total Gross Floor Area:				
Day One Assessment:	Reinstatement Cost	=	4,091,661	
	Contents/FFE	=	Excluded	
	Demolition & Debris removal	=	163,666	
	Support & Protection	=	N/A	
	Planning & Building Regulation Fees	=	24,550	
	Professional Fees	=	Excluded	
	Sub Total		4,279,877	

External Works & Drainage: Excluded  
US\$ Excluded  
0

a) Total "Day One" reinstatement cost 4,279,877

Total Reinstatement figure 4,280,000

Rebuild Period: 18 Months

Date of Valuation: Mar-06

The above "Day One" reinstatement cost is exclusive of tenant's loose fixtures, fittings and equipment, inflation and professional fees. Please confirm with your Broker/Insurere whether Duty & Brokerage should be deducted to the total "Day One" reinstatement cost.



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**The Palms**

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**FIRE INSURANCE REINSTATEMENT VALUATION****Interior Residential Building B**

Property Address : The Palms  
Grace Bay  
Leeward Going Through  
Providenciales, Turks & Caicos Islands

Brief Property Description: Five storey condominium building completed circa 2005, comprising a gross floor area of approximately 21,649 square feet including private balconies, walkways and stairs. Concrete floors with travertine tiles and glass inserts, walls rendered with paint, sheetrock partition walls with paint, tile in bathrooms, timber panelling to walls, beadboard ceilings, timber internal doors with extensive mouldings and paint finish, timber cabinets with granite counters, good quality fixtures/fittings and appliances, central ducted air conditioning from central chiller plant.

	Unit #	Sq. Ft	US\$
Building B	B101	2,152	238,872
	B102	2,206	244,866
	B201	2,656	294,816
	B202	2,160	239,760
	B301	2,537	281,607
	B302	2,160	239,760
	B401	2,160	239,760
	B402	2,160	239,760
	B501	3,458	383,838

	Building B Total Floor Area	21,649	ft <sup>2</sup>	
		21,649	ft <sup>2</sup>	
Total Gross Floor Area:				
Day One Assessment:	Reinstatement Cost	=	2,403,039	
	Contents/FFE		Excluded	
	Demolition & Debris removal	=	96,122	
	Support & Protection	=	N/A	
	Planning & Building Regulation Fees	=	14,418	
	Professional Fees	=	Excluded	
	Sub Total		2,513,579	

External Works & Drainage:	Excluded
	Excluded
	US\$ 0

a) Total "Day One" reinstatement cost	2,513,579
Total Reinstatement figure	2,510,000
Rebuild Period:	18 Months
Date of Valuation:	Mar-06

The above "Day One" reinstatement cost is exclusive of tenant's loose fixtures, fittings and equipment, inflation and professional fees. Please confirm with your Broker/Insurere whether Duty & Brokerage should be deducted to the total "Day One" reinstatement cost.

## The Palms

### FIRE INSURANCE REINSTATEMENT VALUATION

#### Exterior Residential Building C

Property Address : The Palms  
Grace Bay  
Leeward Going Through  
Providenciales, Turks & Caicos Islands

Brief Property Description: Five storey condominium building. Comprising a gross floor area of approximately 46,460 square feet including private balconies, walkways and stairs. Reinforced concrete and block construction with composite upper floors. Aluminium clad timber windows and sliding doors with screens, timber entrance doors, coral render and stone features, concrete balustrades, aluminium handrails, hydraulic elevators, timber frame roof with concrete tiles, dryvit/coral render wall finish, travertine floor tiles to common areas. Costs include a proportion of the underground tunnels linking with this building. Existing condition is very good.

	Unit #	Sq. Ft	US\$
Building C	C101	2,317	437,913
	C102	2,276	430,164
	C103	2,276	430,164
	C104	2,317	437,913
	C201	2,891	546,399
	C202	2,175	411,075
	C203	2,175	411,075
	C204	2,891	546,399
	C301	2,891	546,399
	C302	2,175	411,075
	C303	2,175	411,075
	C304	2,891	546,399
	C401	2,809	530,901
	C402	2,175	411,075
	C403	2,175	411,075
	C404	2,809	530,901
	C501	3,521	665,469
	C502	3,521	665,469

Building C Total Floor Area	46,460	ft <sup>2</sup>
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46,460 ft<sup>2</sup>

Total Gross Floor Area:

Day One Assessment:	Reinstatement Cost	=	8,780,940
	Contents/FFE		Excluded
	Demolition & Debris removal	=	351,238
	Support & Protection	=	N/A
	Planning & Building Regulation Fees	=	52,686
	Professional Fees	=	Excluded
	Sub Total		9,184,863

External Works & Drainage:

	Excluded
	Excluded
US\$	0

a) Total "Day One" reinstatement cost 9,184,863

Total Reinstatement figure 9,180,000

Rebuild Period: 18 Months

Date of Valuation: Mar-06

The above "Day One" reinstatement cost is exclusive of tenant's loose fixtures, fittings and equipment, inflation and professional fees. Please confirm with your Broker/Insurer whether Duty & Brokerage should be deducted to the total "Day One" reinstatement cost.

**The Palms**

**FIRE INSURANCE REINSTATEMENT VALUATION**

**Interior Residential Building C**

Property Address : The Palms  
Grace Bay  
Leeward Going Through  
Providenciales, Turks & Caicos Islands

Brief Property Description: Five storey condominium building completed circa 2005, comprising a gross floor area of approximately 46,460 square feet including private balconies, walkways and stairs. Concrete floors with travertine tiles and glass inserts, walls rendered with paint, sheetrock partition walls with paint, tile in bathrooms, timber panelling to walls, beadboard ceilings, timber internal doors with extensive mouldings and paint finish, timber cabinets with granite counters, good quality fixtures/fittings and appliances, central ducted air conditioning from central chiller plant.

	Unit #	Sq. Ft	US\$
Building C	C101	2,317	257,187
	C102	2,276	252,636
	C103	2,276	252,636
	C104	2,317	257,187
	C201	2,891	320,901
	C202	2,175	241,425
	C203	2,175	241,425
	C204	2,891	320,901
	C301	2,891	320,901
	C302	2,175	241,425
	C303	2,175	241,425
	C304	2,891	320,901
	C401	2,809	311,799
	C402	2,175	241,425
	C403	2,175	241,425
	C404	2,809	311,799
	C501	3,521	390,831
	C502	3,521	390,831

Building C Total Floor Area	46,460	ft <sup>2</sup>
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46,460 ft<sup>2</sup>

Total Gross Floor Area:

Day One Assessment:	Reinstatement Cost	=	5,157,060
	Contents/FFE	=	Excluded
	Demolition & Debris removal	=	206,282
	Support & Protection	=	N/A
	Planning & Building Regulation Fees	=	30,942
	Professional Fees	=	Excluded
	Sub Total		5,394,285

External Works & Drainage:

Excluded
Excluded
US\$ 0

a) Total "Day One" reinstatement cost 5,394,285

Total Reinstatement figure 5,390,000

Rebuild Period: 18 Months

Date of Valuation: Mar-06

The above "Day One" reinstatement cost is exclusive of tenant's loose fixtures, fittings and equipment, inflation and professional fees. Please confirm with your Broker/Insurer whether Duty & Brokerage should be deducted to the total "Day One" reinstatement cost.

## The Palms

### FIRE INSURANCE REINSTATEMENT VALUATION

#### Exterior Residential Building D

Property Address : The Palms  
Grace Bay  
Leeward Going Through  
Providenciales, Turks & Caicos Islands

Brief Property Description: Five storey condominium building. Comprising a gross floor area of approximately 21,649 square feet including private balconies, walkways and stairs. Reinforced concrete and block construction with composite upper floors. Aluminium clad timber windows and sliding doors with screens, timber entrance doors, coral render and stone features, concrete balustrades, aluminium handrails, hydraulic elevators, timber frame roof with concrete tiles, dryvit/coral render wall finish, travertine floor tiles to common areas. Costs include a proportion of the underground tunnels linking with this building. Existing condition is very good.

	Unit #	Sq. Ft	US\$
Building D	D101	2,206	416,934
	D102	2,152	406,728
	D201	2,160	408,240
	D202	2,656	501,984
	D301	2,160	408,240
	D302	2,537	479,493
	D401	2,160	408,240
	D402	2,160	408,240
	D501	3,458	653,562

	Building D Total Floor Area	21,649	ft²	
		21,649	ft²	
Total Gross Floor Area:				
Day One Assessment:	Reinstatement Cost	=	4,091,661	
	Contents/FFE		Excluded	
	Demolition & Debris removal	=	163,666	
	Support & Protection	=	N/A	
	Planning & Building Regulation Fees	=	24,550	
	Professional Fees	=	Excluded	
	Sub Total		4,279,877	
External Works & Drainage:			Excluded	
			Excluded	
		US\$	0	
a) Total "Day One" reinstatement cost			4,279,877	
Total Reinstatement figure			4,280,000	
Rebuild Period:		18	Months	
Date of Valuation:			Mar-06	

The above "Day One" reinstatement cost is exclusive of tenant's loose fixtures, fittings and equipment, inflation and professional fees. Please confirm with your Broker/Insurer whether Duty & Brokerage should be deducted to the total "Day One" reinstatement cost.

**FIRE INSURANCE REINSTATEMENT VALUATION**

**Interior Residential Building D**

Property Address : The Palms  
Grace Bay  
Leeward Going Through  
Providenciales, Turks & Caicos Islands

Brief Property Description: Five storey condominium building completed circa 2005, comprising a gross floor area of approximately 46,460 square feet including private balconies, walkways and stairs. Concrete floors with travertine tiles and glass inserts, walls rendered with paint, sheetrock partition walls with paint, tile in bathrooms, timber panelling to walls, beadboard ceilings, timber internal doors with extensive mouldings and paint finish, timber cabinets with granite counters, good quality fixtures/fittings and appliances, central ducted air conditioning from central chiller plant.

	Unit #	Sq. Ft	US\$
Building D	D101	2,206	244,866
	D102	2,152	238,872
	D201	2,160	239,760
	D202	2,656	294,816
	D301	2,160	239,760
	D302	2,537	281,607
	D401	2,160	239,760
	D402	2,160	239,760
	D501	3,458	383,838

	Building D Total Floor Area	21,649	ft²	
		21,649	ft²	
Total Gross Floor Area:				
Day One Assessment:	Reinstatement Cost	=	2,403,039	
	Contents/FFE		Excluded	
	Demolition & Debris removal	=	96,122	
	Support & Protection	=	N/A	
	Planning & Building Regulation Fees	=	14,418	
	Professional Fees	=	Excluded	
	Sub Total		2,513,579	

External Works & Drainage: Excluded  
US\$ Excluded  
0

a) Total "Day One" reinstatement cost 2,513,579

Total Reinstatement figure 2,510,000

Rebuild Period: 18 Months

Date of Valuation: Mar-06

The above "Day One" reinstatement cost is exclusive of tenant's loose fixtures, fittings and equipment, inflation and professional fees. Please confirm with your Broker/Insurer whether Duty & Brokerage should be deducted to the total "Day One" reinstatement cost.

## The Palms

### FIRE INSURANCE REINSTATEMENT VALUATION

#### Exterior Residential Building E

Property Address : The Palms  
Grace Bay  
Leeward Going Through  
Providenciales, Turks & Caicos Islands

Brief Property Description: Five storey condominium building. Comprising a gross floor area of approximately 21,649 square feet including private balconies, walkways and stairs. Reinforced concrete and block construction with composite upper floors. Aluminium clad timber windows and sliding doors with screens, timber entrance doors, coral render and stone features, concrete balustrades, aluminium handrails, hydraulic elevators, timber frame roof with concrete tiles, dryvit/coral render wall finish, travertine floor tiles to common areas. Costs include a proportion of the underground tunnels linking with this building. Existing condition is very good.

	Unit #	Sq. Ft	US\$
Building E	E101	2,415	456,435
	E102	2,273	429,597
	E103	1,618	305,802
	E104	2,884	545,076
	E201	2,913	550,557
	E202	2,175	411,075
	E203	2,175	411,075
	E204	2,913	550,557
	E301	2,913	550,557
	E302	2,175	411,075
	E303	2,175	411,075
	E304	2,913	550,557
	E401	2,913	550,557
	E402	2,175	411,075
	E403	2,175	411,075
	E404	2,913	550,557
	E501	3,799	718,011
	E502	3,799	718,011

Building E Total Floor Area	47,316	ft²
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47,316 ft²

Total Gross Floor Area:

Day One Assessment:	Reinstatement Cost	=	8,942,724
	Contents/FFE	=	Excluded
	Demolition & Debris removal	=	357,709
	Support & Protection	=	N/A
	Planning & Building Regulation Fees	=	53,656
	Professional Fees	=	Excluded
	Sub Total		9,354,089

External Works & Drainage:

Excluded
Excluded
US\$ 0

a) Total "Day One" reinstatement cost 9,354,089

Total Reinstatement figure 9,350,000

Rebuild Period: 18 Months

Date of Valuation: Mar-06

The above "Day One" reinstatement cost is exclusive of tenant's loose fixtures, fittings and equipment, inflation and professional fees. Please confirm with your Broker/Insurer whether Duty & Brokerage should be deducted to the total "Day One" reinstatement cost.

## The Palms

### FIRE INSURANCE REINSTATEMENT VALUATION

#### Interior Residential Building E

Property Address : The Palms  
Grace Bay  
Leeward Going Through  
Providenciales, Turks & Caicos Islands

Brief Property Description: Five storey condominium building completed circa 2005, comprising a gross floor area of approximately 46,460 square feet including private balconies, walkways and stairs.  
Concrete floors with travertine tiles and glass inserts, walls rendered with paint, sheetrock partition walls with paint, tile in bathrooms, timber panelling to walls, beadboard ceilings, timber internal doors with extensive mouldings and paint finish, timber cabinets with granite counters, good quality fixtures/fittings and appliances, central ducted air conditioning from central chiller plant.

	Unit #	Sq. Ft	US\$
Building E	E101	2,415	268,065
	E102	2,273	252,303
	E103	1,618	179,598
	E104	2,884	320,124
	E201	2,913	323,343
	E202	2,175	241,425
	E203	2,175	241,425
	E204	2,913	323,343
	E301	2,913	323,343
	E302	2,175	241,425
	E303	2,175	241,425
	E304	2,913	323,343
	E401	2,913	323,343
	E402	2,175	241,425
	E403	2,175	241,425
	E404	2,913	323,343
	E501	3,799	421,689
	E502	3,799	421,689
Building E Total Floor Area		47,316	ft <sup>2</sup>

47316 ft<sup>2</sup>

Total Gross Floor Area:

Day One Assessment:	Reinstatement Cost	=	5,252,076
	Contents/FFE	=	Excluded
	Demolition & Debris removal	=	210,083
	Support & Protection	=	N/A
	Planning & Building Regulation Fees	=	31,512
	Professional Fees	=	Excluded
	Sub Total		5,493,671

External Works & Drainage:

Excluded  
Excluded  
US\$ 0

a) Total "Day One" reinstatement cost 5,493,671

Total Reinstatement figure 5,490,000

Rebuild Period: 18 Months

Date of Valuation: Mar-06

The above "Day One" reinstatement cost is exclusive of tenant's loose fixtures, fittings and equipment, inflation and professional fees. Please confirm with your Broker/Insurer whether Duty & Brokerage should be deducted to the total "Day One" reinstatement cost.

**The Palms**

**FIRE INSURANCE REINSTATEMENT VALUATION**

**Exterior Garages and Storage Areas**

Property Address : The Palms  
Grace Bay  
Leeward Going Through  
Providenciales, Turks & Caicos Islands

Brief Property Description: Storage units and single storey garages located East and West of Manor House. Reinforced concrete and block construction. Good standard finishes, fixtures and fittings generally. Existing condition is very good.

	Unit #	Sq. Ft	US\$
Storage and Garages	3E	283	22,286
	4E	283	22,286
	5E	301	23,704
	6E	301	23,704
	7E	283	22,286
	8E	283	22,286
	Storage	531	41,816
	9E	283	22,286
	10E	283	22,286
	11E	283	22,286
	12E	283	22,286
	Suite 1 & 2	531	41,816
	13E	283	22,286
	14E	283	22,286
	15E	301	23,704
	16E	301	23,704
	17E	283	22,286
	18E	283	22,286
	Storage	531	41,816
	19E	283	22,286
	20E	283	22,286
	1E	283	22,286
	2E	283	22,286
	Storage	531	41,816
	18W	283	22,286
	17W	283	22,286
	16W	301	23,704
	15W	301	23,704
	14W	283	22,286
	13W	283	22,286
	Storage	531	41,816
	12W	283	22,286
	11W	283	22,286
	10W	283	22,286
	9W	283	22,286
	General Storage	531	41,816
	8W	283	22,286
	7W	283	22,286
	6W	301	23,704
	5W	301	23,704
	4W	283	22,286
	3W	283	22,286
	2W	283	22,286
	1W	283	22,286
	20W	283	22,286
	19W	283	22,286
Garages and Storage Total Floor Area		14,650	ft <sup>2</sup>
Total Gross Floor Area:		14,650	ft <sup>2</sup>
Day One Assessment:	Reinstatement Cost	14,650	= 1,153,688
	Contents/FFE		= Excluded
	Demolition & Debris removal	0.04	= 46,148
	Support & Protection		= N/A
	Planning & Building Regulation Fees	0.6%	= 9,230
	Professional Fees	6.0%	= Excluded
Sub Total			1,209,065



External Works & Drainage:

	Excluded
	<u>Excluded</u>
US\$	0

a) Total "Day One" reinstatement cost

1,209,065

Total Reinstatement figure

1,210,000

Rebuild Period:

6 Months

Date of Valuation:

Mar-06

The above "Day One" reinstatement cost is exclusive of tenant's loose fixtures, fittings and equipment, inflation and professional fees. Please confirm with your Broker/Insurere whether Duty & Brokerage should be deducted to the total "Day One" reinstatement cost.

Construction Advisory Services Ltd  
Chartered Surveyors

**The Palms**

**FIRE INSURANCE REINSTATEMENT VALUATION**

**Interior Garages and Storage Areas**

Property Address : The Palms  
Grace Bay  
Leeward Going Through  
Providenciales, Turks & Caicos Islands

Brief Property Description: Storage units and single storey garages located East and West of Manor House. Reinforced concrete and block construction. Timber framed roof with shingles. Good standard finishes, fixtures and fittings generally. Existing condition is very good.

	Unit #	Sq. Ft	US\$
Storage and Garages	3E	283	13,089
	4E	283	13,089
	5E	301	13,921
	6E	301	13,921
	7E	283	13,089
	8E	283	13,089
	Storage	531	24,559
	9E	283	13,089
	10E	283	13,089
	11E	283	13,089
	12E	283	13,089
	Suite 1 & 2	531	24,559
	13E	283	13,089
	14E	283	13,089
	15E	301	13,921
	16E	301	13,921
	17E	283	13,089
	18E	283	13,089
	Storage	531	24,559
	19E	283	13,089
	20E	283	13,089
	1E	283	13,089
	2E	283	13,089
	Storage	531	24,559
	18W	283	13,089
	17W	283	13,089
	16W	301	13,921
	15W	301	13,921
	14W	283	13,089
	13W	283	13,089
	Storage	531	24,559
	12W	283	13,089
	11W	283	13,089
	10W	283	13,089
	9W	283	13,089
	General Storage	531	24,559
	8W	283	13,089
	7W	283	13,089
	6W	301	13,921
	5W	301	13,921
	4W	283	13,089
	3W	283	13,089
	2W	283	13,089
	1W	283	13,089
	20W	283	13,089
	19W	283	13,089
Garages and Storage Total Floor Area		14,650	ft²
Total Gross Floor Area:		14,650	ft²
Day One Assessment:	Reinstatement Cost	=	677,563
	Contents/FFE		Excluded
	Demolition & Debris removal	=	27,103
	Support & Protection	=	N/A
	Planning & Building Regulation Fees	=	4,065
	Professional Fees	=	Excluded
	Sub Total		708,730

External Works & Drainage:

	Excluded
	<u>Excluded</u>
US\$	0

a) Total "Day One" reinstatement cost

708,730

Total Reinstatement figure

710,000

Rebuild Period:

6 Months

Date of Valuation:

Mar-06

The above "Day One" reinstatement cost is exclusive of tenant's loose fixtures, fittings and equipment, inflation and professional fees. Please confirm with your Broker/Insurere whether Duty & Brokerage should be deducted to the total "Day One" reinstatement cost.

Construction Advisory Services Ltd  
Chartered Surveyors

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**The Palms**

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**FIRE INSURANCE REINSTATEMENT VALUATION**

**Pool and Hot Tub**

Property Address :       The Palms  
                                  Grace Bay  
                                  Leeward Going Through  
                                  Providenciales, Turks & Caicos Islands

Brief Property Description:   Mosaic covered concreet pool with pavers to deck areas

Day One Assessment:	Reinstatement Cost	=	862,000
	Demolition & Debris removal	=	34,500
	Support & Protection	=	N/A
	Planning & Building Regulation Fees	=	5,200
	Professional Fees	=	<u>Excluded</u>
	Sub Total		901,700

External Works & Drainage:	<u>Excluded</u>
	<u>Excluded</u>
	US\$           0

a) Total "Day One" reinstatement cost	901,700
Total Reinstatement figure	900,000
Rebuild Period:	6   Months
Date of Valuation:	Mar-06

The above "Day One" reinstatement cost is exclusive of tenant's loose fixtures, fittings and equipment, inflation and professional fees. Please confirm with your Broker/Insurere whether Duty & Brokerage should be deducted to the total "Day One" reinstatement cost.



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**The Palms**

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**FIRE INSURANCE REINSTATEMENT VALUATION**

**Restrooms**

Property Address :       The Palms  
                                  Grace Bay  
                                  Leeward Going Through  
                                  Providenciales, Turks & Caicos Islands

Brief Property Description:   Mosaic covered concreet pool with pavers to deck areas

Day One Assessment:	Reinstatement Cost	=	35,000
	Demolition & Debris removal	=	1,400
	Support & Protection	=	N/A
	Planning & Building Regulation Fees	=	200
	Professional Fees	=	<u>Excluded</u>
	Sub Total		36,600

External Works & Drainage:	Excluded
	<u>Excluded</u>
	US\$           0

a) Total "Day One" reinstatement cost	36,600
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Total Reinstatement figure	40,000
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Rebuild Period:	2   Months
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Date of Valuation:	Mar-06
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The above "Day One" reinstatement cost is exclusive of tenant's loose fixtures, fittings and equipment, inflation and professional fees. Please confirm with your Broker/Insurere whether Duty & Brokerage should be deducted to the total "Day One" reinstatement cost.

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**The Palms**

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**FIRE INSURANCE REINSTATEMENT VALUATION**

**Hard Landscaping MEP**

Property Address :      The Palms  
                                 Grace Bay  
                                 Leeward Going Through  
                                 Providenciales, Turks & Caicos Islands

Brief Property Description:      Mosaic covered concrete pool with pavers to deck areas

Day One Assessment:	Reinstatement Cost	=	1,980,000
	Demolition & Debris removal	=	79,200
	Support & Protection	=	N/A
	Planning & Building Regulation Fees	=	11,900
	Professional Fees	=	<u>Excluded</u>
	Sub Total		2,071,100

External Works & Drainage:	<u>Excluded</u>
	<u>Excluded</u>
	US\$                      0

a) Total "Day One" reinstatement cost	2,071,100
Total Reinstatement figure	2,070,000
Rebuild Period:	6      Months
Date of Valuation:	Mar-06

The above "Day One" reinstatement cost is exclusive of tenant's loose fixtures, fittings and equipment, inflation and professional fees. Please confirm with your Broker/Insurere whether Duty & Brokerage should be deducted to the total "Day One" reinstatement cost.

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**The Palms****FIRE INSURANCE REINSTATEMENT VALUATION****Pool Bar**

Property Address :      The Palms  
                                 Grace Bay  
                                 Leeward Going Through  
                                 Providenciales, Turks & Caicos Islands

Brief Property Description:    Open air cabana style bar with storage areas

Day One Assessment:	Reinstatement Cost	=	395,100
	Demolition & Debris removal	=	15,800
	Support & Protection	=	N/A
	Planning & Building Regulation Fees	=	2,400
	Professional Fees	=	<u>Excluded</u>
	Sub Total		413,300

External Works & Drainage:	<u>Excluded</u>
	<u>Excluded</u>
	US\$            0

a) Total "Day One" reinstatement cost	413,300
Total Reinstatement figure	410,000
Rebuild Period:	6 Months
Date of Valuation:	Mar-06

The above "Day One" reinstatement cost is exclusive of tenant's loose fixtures, fittings and equipment, inflation and professional fees. Please confirm with your Broker/Insurere whether Duty & Brokerage should be deducted to the total "Day One" reinstatement cost.



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**The Palms**

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**FIRE INSURANCE REINSTATEMENT VALUATION**

**Office Areas, Locker Room, Hospitality**

Property Address :       The Palms  
                                  Grace Bay  
                                  Leeward Going Through  
                                  Providenciales, Turks & Caicos Islands

Brief Property Description:   General Service Areas

Day One Assessment:	Reinstatement Cost	=	429,800
	Demolition & Debris removal	=	17,200
	Support & Protection	=	N/A
	Planning & Building Regulation Fees	=	2,600
	Professional Fees	=	<u>Excluded</u>
	Sub Total		449,600

External Works & Drainage:	<u>Excluded</u>
	<u>Excluded</u>
	US\$           0

a) Total "Day One" reinstatement cost	449,600
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Total Reinstatement figure	450,000
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Rebuild Period:	6 Months
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Date of Valuation:	Mar-06
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The above "Day One" reinstatement cost is exclusive of tenant's loose fixtures, fittings and equipment, inflation and professional fees. Please confirm with your Broker/Insurere whether Duty & Brokerage should be deducted to the total "Day One" reinstatement cost.

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**The Palms**

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**FIRE INSURANCE REINSTATEMENT VALUATION****Restaurant Building**

Property Address :      The Palms  
                                 Grace Bay  
                                 Leeward Going Through  
                                 Providenciales, Turks & Caicos Islands

Brief Property Description:    Two storey building comprising restaurant and kitchen facilities with seating available on ground and first floors. Costs include a proportion of the underground tunnels linking with this building

Day One Assessment:	Reinstatement Cost	=	3,141,500
	Demolition & Debris removal	=	125,700
	Support & Protection	=	N/A
	Planning & Building Regulation Fees	=	18,800
	Professional Fees	=	<u>Excluded</u>
	Sub Total		3,286,000

External Works & Drainage:		<u>Excluded</u>
		<u>Excluded</u>
	US\$	0

a) Total "Day One" reinstatement cost	3,286,000
Total Reinstatement figure	3,290,000
Rebuild Period:	18 Months
Date of Valuation:	Mar-06

The above "Day One" reinstatement cost is exclusive of tenant's loose fixtures, fittings and equipment, inflation and professional fees. Please confirm with your Broker/Insurere whether Duty & Brokerage should be deducted to the total "Day One" reinstatement cost.



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**The Palms**

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**FIRE INSURANCE REINSTATEMENT VALUATION****Spa**

Property Address :       The Palms  
                                  Grace Bay  
                                  Leeward Going Through  
                                  Providenciales, Turks & Caicos Islands

Brief Property Description:   Single storey treatment units around an open pool area

Day One Assessment:	Reinstatement Cost	=	2,838,000
	Demolition & Debris removal	=	113,500
	Support & Protection	=	N/A
	Planning & Building Regulation Fees	=	17,000
	Professional Fees	=	<u>Excluded</u>
	Sub Total		2,968,500

External Works & Drainage:	Excluded
	<u>Excluded</u>
	US\$                   0

a) Total "Day One" reinstatement cost	2,968,500
Total Reinstatement figure	2,970,000
Rebuild Period:	12 Months
Date of Valuation:	Mar-06

The above "Day One" reinstatement cost is exclusive of tenant's loose fixtures, fittings and equipment, inflation and professional fees. Please confirm with your Broker/Insurere whether Duty & Brokerage should be deducted to the total "Day One" reinstatement cost.

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**The Palms****FIRE INSURANCE REINSTATEMENT VALUATION****Boutiques**

Property Address :       The Palms  
                                  Grace Bay  
                                  Leeward Going Through  
                                  Providenciales, Turks & Caicos Islands

Brief Property Description:   Single storey retail units around the central courtyard

Day One Assessment:	Reinstatement Cost	=	539,400
	Demolition & Debris removal	=	21,600
	Support & Protection	=	N/A
	Planning & Building Regulation Fees	=	3,200
	Professional Fees	=	<u>Excluded</u>
	Sub Total		564,200

External Works & Drainage:	Excluded
	<u>Excluded</u>
	US\$                   0

a) Total "Day One" reinstatement cost	564,200
Total Reinstatement figure	560,000
Rebuild Period:	6 Months
Date of Valuation:	Mar-06

The above "Day One" reinstatement cost is exclusive of tenant's loose fixtures, fittings and equipment, inflation and professional fees. Please confirm with your Broker/Insurere whether Duty & Brokerage should be deducted to the total "Day One" reinstatement cost.

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**The Palms**

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**FIRE INSURANCE REINSTATEMENT VALUATION**

**Service Building**

Property Address :	The Palms Grace Bay Leeward Going Through Providenciales, Turks & Caicos Islands		
Brief Property Description:	Single storey building housing water treatment equipment in the village aea of Grace Bay		
Day One Assessment:	Reinstatement Cost	=	105,300
	Demolition & Debris removal	=	4,200
	Support & Protection	=	N/A
	Planning & Building Regulation Fees	=	600
	Professional Fees	=	<u>Excluded</u>
	Sub Total		110,100
External Works & Drainage:			<u>Excluded</u> <u>Excluded</u>
		US\$	0
a) Total "Day One" reinstatement cost			110,100
Total Reinstatement figure			110,000
Rebuild Period:			6 Months
Date of Valuation:			Mar-06

The above "Day One" reinstatement cost is exclusive of tenant's loose fixtures, fittings and equipment, inflation and professional fees. Please confirm with your Broker/Insurere whether Duty & Brokerage should be deducted to the total "Day One" reinstatement cost.

## The Palms

### FIRE INSURANCE REINSTATEMENT VALUATION

#### Office and Laundry Area

Property Address :	The Palms Grace Bay Leeward Going Through Providenciales, Turks & Caicos Islands		
Brief Property Description:	Single storey building housing laundry treatment areas to the rear and office accomodtaion at the front.		
Day One Assessment:	Reinstatement Cost	=	1,682,200
	Demolition & Debris removal	=	67,300
	Support & Protection	=	N/A
	Planning & Building Regulation Fees	=	10,100
	Professional Fees	=	<u>Excluded</u>
	Sub Total		1,759,600
External Works & Drainage:			<u>Excluded</u> <u>Excluded</u>
		US\$	0
a) Total "Day One" reinstatement cost			1,759,600
Total Reinstatement figure			1,760,000
Rebuild Period:		6	Months
Date of Valuation:			Mar-06

The above "Day One" reinstatement cost is exclusive of tenant's loose fixtures, fittings and equipment, inflation and professional fees. Please confirm with your Broker/Insurere whether Duty & Brokerage should be deducted to the total "Day One" reinstatement cost.

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**The Palms**

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**FIRE INSURANCE REINSTATEMENT VALUATION**

**Developer Assets - Externals**

Property Address :	The Palms Grace Bay Leeward Going Through Providenciales, Turks & Caicos Islands		
Brief Property Description:	Site works, services, sewage treatment plant and landscaping as described in the policy and golf cart charge		
Day One Assessment:	Reinstatement Cost	=	630,000
	Demolition & Debris removal	=	25,200
	Support & Protection	=	N/A
	Planning & Building Regulation Fees	=	3,800
	Professional Fees	=	<u>Excluded</u>
	Sub Total		659,000
External Works & Drainage:			Excluded
			<u>Excluded</u>
		US\$	0
a) Total "Day One" reinstatement cost			659,000
	Total Reinstatement figure		660,000
	Rebuild Period:		6 Months
	Date of Valuation:		Mar-06

The above "Day One" reinstatement cost is exclusive of tenant's loose fixtures, fittings and equipment, inflation and professional fees. Please confirm with your Broker/Insurere whether Duty & Brokerage should be deducted to the total "Day One" reinstatement cost.