Buchanan Marine Appraisal Services Limited

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REPORT OF MARINE SURVEY

Insurance Underwriting Condition & Value

of the vessel

Water Wagon

Chris Craft 27' Custom Runabout, model 936

PREPARED EXCLUSIVELY FOR:
Mr. Carlo Ferreira
6985 S Pecos
Las Vegas NV 89120

CONDUCTED BY:

R.F. David Buchanan, SAMS - AMS #505
Accredited Marine Surveyor, Yacht & Small Craft
Accredited By – The Society of Accredited Marine Surveyors (SAMS)®

SCOPE OF SURVEY

The purpose of a marine survey inspection is to determine, insofar as possible within the limitations of visual and physical accessibility, through non-invasive and non-destructive means, the condition of the subject boats' structure, systems and levels of compliance with currently applicable federal law and commonly accepted industry standards and practices.

Certain parts of the boats' structure, systems and equipment can only be inspected after removing flats, bulkheads, joinery, headliners, tanks, etc. This would be prohibitively time consuming, potentially destructive, and costly to restore. Components requiring access with tools or by disassembly have not been inspected. Where dirt, marine growth, coatings build-up or corrosion obscured the surveyor's ability to inspect, this limitation has been noted in the report. Conditions suspected or discovered using non-destructive methods may be further subject to invasive testing for confirmation. No invasive or destructive methods were utilized during the inspection without the expressed permission of the boats' owner or owner's representative.

Complete inspection of machinery, plumbing, electrical systems and available equipment can only be made by disassembly or by continuous operation. This has not been done, but may be recommended. No mechanical tests were performed on propulsion or auxiliary generating equipment. No fluid samples were drawn. Only the installation and external condition of machinery and accessory equipment were inspected. This should not be considered a complete mechanical inspection. Qualified marine mechanics experienced with the specific machinery installed should be employed to survey propulsion engines and auxiliary generators. Propulsion and rudder shafts were not drawn for inspection, however, this may be recommended. The inspection of flexible piping was limited to the condition of its external casing and only where readily accessible for visual inspection.

In the case of sailboats, the boats' standing rigging was inspected from deck level only. Absent documentation to the contrary, standing rigging and spars are presumed to be original equipment. Masts and rigging should be struck periodically for inspection and routine preventive maintenance. If open water voyaging or extended cruising is planned, a qualified marine rigger should be employed to go aloft to inspect the rigging.

Where possible, and unless noted otherwise, electronic and electrical equipment was tested by powering up and observing function. Except as indicated, no measurements were taken. No calibrations or adjustments were made. Batteries were not load tested. Only the external condition of electrical wiring, connections and system installations was inspected. No attempt was made to perform a complete analysis of the boats' electrical systems as to do so would require disassembly with tools, removals, etc. to gain access to components.

Generally it is our experience that few boats surveyed today meet all of the applicable standards for marine electrical system fabrication and installation. This situation may be further aggravated by the wet and corrosive marine environment, and often by the owner's tolerance for poor installations, "do it yourself" add-ons, and a general lack of preventive maintenance. Therefore, when the surveyor's limited visual inspection of an electrical system raises significant concern regarding standards compliance, the recommendation will be made to employ a qualified marine electrician for an in-depth inspection. Attention to compliance with electrical standards is critical to avoiding conditions that may lead to fires, explosions and personal injury or death.

A test run is not included as part of the survey inspection. Machinery is not operated. The propulsion and auxiliary machinery as well as the steering system is observed in static mode. Boats in a state of winter lay-up preclude operation of winterized systems.

Sails, bimini tops, dodgers, awnings, winter covers, etc. are not laid out for inspection. Used sails are accepted to have conditions of wear and tear normal for their age. Meaningful evaluation of sails is best made by a qualified Sailmaker laying out sails in a loft.

A boats' systems and component parts have a limited useful life and must be considered perishable. Conditions affecting useful life include original material specifications, fabrication and manufacturing techniques, atmospheric exposures, history of use, etc. These systems and their component parts often give no readily detectable external indication of deterioration or impending failure.

Where relevant, the surveyor's recommendations are based on standards as set forth by Transport Canada "Construction Standards for Small Vessels, TP1332", as well as voluntary Standards and Practices for Small Craft, published by the ABYC. TP1332 standards are mandatory to the date of manufacture and states "existing pleasure craft shall comply with the standard insofar as it is reasonable and practical to do so".

The foregoing commentary is provided to give readers of this report an understanding of the survey process and its limitations. Since records of the boats' history of use and past maintenance are typically not made available to the surveyor, reported observations are necessarily limited to the boats' condition at the time of the inspection was performed.

Further qualifying remarks regarding a specific part of the boat or its equipment may be found in the text of the report.

SURVEY DETAIL

This report may contain detailed findings that may appear to be of little consequence or "nit picky". This information is provided so the reader has a more comprehensive ability to understand the vessel in Toto. The reader should NOT regard the quantity of minor findings to be the sole determinant suggesting the vessel is in lesser condition or has not been maintained as well as other like vessels. All vessels, including new vessels, have numerous small issues that are not often apparent until surveyed. Therefore it is usually not customary or appropriate to use minor maintenance issues to renegotiate price.

SURVEY REPORT TABLE OF CONTENTS

VITAL STATISTICS

GENERAL INFORMATION

Inspection date(s):	June 14, 2023.
Date of written report:	July 06, 2023.
Report file no:	ChrisCraft27Ferreira 0623-1365.
Purpose of survey:	Insurance Underwriting Condition & Value.
Conducted by:	R.F. David Buchanan, SAMS - AMS #505.
Requested by:	This survey was performed at the request of the purchaser, Mr. Carlo Ferreira, who was not present at the time of the survey.

CLIENT INFORMATION

Client name:	Mr. Carlo Ferreira.
Street address:	6985 S Pecos.
City/Prov/Postal Code:	Las Vegas NV 89120.
Business phone:	702-685-7164.
Email	mark@antiqueboatamerica.com.

VESSEL INFORMATION

Vessel Make/Model:	Chris Craft 27' custom runabout, model 936.
Vessel name:	Water Wagon.

Hull ID number verification:	27050. Hull #50 of 62 built between 1932 - 1941.

Vessel License no.:	CF 2540 AL.
Manufacturer/Builder:	Chris Craft Corp.
Model Year:	1939.
Engine(s) Manufacturer	Mercruiser.

Engine Serial #	Not sighted.
Transmission Manufacturer	Velvet Drive.
Transmission Serial #	#3660.

Engine Hours	No meter sighted.

BOAT LOCATION & GENERAL INFORMATION

Vessel surveyed at:	1150 Ferndale Rd, Port Carling, ON.
How survey conducted:	The vessel was surveyed out of the water only, hauled out (on trailer)
Weather conditions:	Inspected inside a climate controlled building.
Sea trail:	A sea trial was not conducted as a part of this survey.
General Area Boat To Be Used	Canadian / US Inland Waterways.

VESSEL SPECIFICATIONS

Type:	Modified Vee planing hull configuration.
Length overall (L.O.A.):	27' 0" (per Chris Craft - The Essential Guide)
Beam:	7' 2" (per Chris Craft - The Essential Guide)
Draft:	28" (per Chris Craft - The Essential Guide)

TANKAGE

Fuel	66 US gallons (per Chris Craft - The Essential Guide)
NOTE:	Measurements and capacities were taken from visible manufacturer's plates or available published information. No actual measurements or calculations were made by the surveyor.

VALUATION

Condition rating:	**ABOVE AVERAGE CONDITION when compared to sisterships of similar age**.
Market Valuation	In the range of $300,000 to $325,000 US funds based on the overall condition, subject to any required structural and/or safety related repair costs. **(see also VALUATION TERMS DEFINED)**
Replacement Value	In the range of $300,000 to $400,000 USD for a new replica vessel of wood construction, like style and quality, having similar equipment and installed power.
NOTE:	The overall vessel condition and value was established after a complete inspection of stated vessel, the results of which are included in this report of survey. The estimated market value and replacement cost includes all listed auxiliary equipment. The cost of repairing any significant SAFETY and / or STRUCTURAL deficiencies (PRIORITY I) **are not** accounted for within the stated valuation. A qualified repairer should be contracted to obtain an opinion as to the best method of repair for

any such listed deficiencies, as well as an estimate of associated costs involved to resolve such deficiencies. Refer to "Condition & Value Summary" section for additional details.

HULL INSPECTION

DETAILS OF CONSTRUCTION

Construction Type and Material: The vessel is a standard wood production series built by Chris Craft in the 27' Custom Runabout model line, designed primarily as a recreational runabout. It has a modified vee hull configuration with a raked stem, transomed stern and hard chines. Power is provided by a single late model gasoline inboard engine mounted aft of midships, coupled to a shaft driven prop.

Details of construction appear as standard for the production series 27 Custom Runabout. Hull and decks are wood construction. The hull is reinforced with a system of timber stringers, transverse frames, intermediate ribs and floors, all secured with use of mechanical fasteners and sealant. Unless otherwise noted, fasteners have not been pulled for inspection. The hull was subjected to a close visual inspection and random percussion soundings as allowed with the inspection carried out with the vessel hauled on a trailer.

The Water Wagon appeared to have been built to generally accepted recreational marine industry production standards and practices prevailing at the time of its construction, using commonly accepted materials. The vessel has been professionally refurbished over the years.

HULL - EXTERIOR

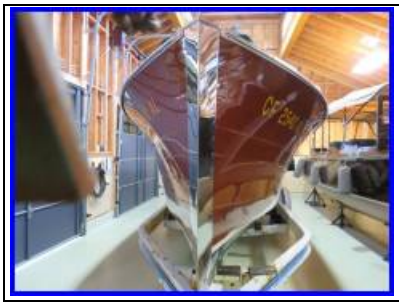
Hullside Finish: The exterior hullsides have a professional quality varnish finish applied, starting to sink into the grain, with seams standing proud. RECOMMENDATION: Prep and refinish at the owner's discretion.

Hullside Moisture/Percussion Soundings: The hullsides are carvel planked in sawn mahogany timber, batten fastened. Percussion sounding of the hull was undertaken over the exterior hullside planking. No indication of soft areas or deteriorated planking was evident at the time of the inspection. The hullside planking was found to be in sound condition at the time of the inspection, drawn tight with surfaces smooth and fair.

Thru Hull Fittings Above Waterline Above waterline through hull fittings were found to be in serviceable condition at the time of the inspection.
NOTE: Inspect all above waterline through hull fittings on an annual basis as a minimum and replace as warranted by degradation and/or cracking.

Stem: The timber stem was found to be in sound condition with no indication of deterioration evident at the time of the inspection. A bronze plated cutwater is

installed, well secured.



Hull / Deck Joint Timber sheer clamp utilized, sound and secure where sighted.

Rub rail: Bronze plated, in good condition.

Transom: The transom is carvel planked in sawn timber. The exterior transom planking checked sound, drawn tight with surfaces smooth and fare.

HULL - BOTTOM

Bottom paint: The bottom paint had minor areas of flaking and peeling present at the time of the inspection. RECOMMENDATION: Remove loose flaking paint, spot sand areas and touch up peeling / flaking areas as required prior to next launch or during the next haul-out period.

Hammer Soundings: The bottom is double planked, having the inner planking laid diagonally over the timber frames, with the exterior timber planking laid longitudinally, having a layer of bedding between the layers of planking. The exterior planking was subjected to percussion soundings and visual inspection. The bottom planking was found to be in sound condition, drawn tight with surfaces smooth and fair.

Grounding damage: No indication of grounding damage was visible through the bottom coatings at the time of the inspection.

Cracking / prior repair sighted: No indication of fracturing or prior damage was visible through the bottom coatings at the time of the inspection.

General Observations / Comments: The bottom checked sound at the time of the inspection, having no significant deficiencies present.

HULL - INTERIOR STRUCTURES

Bilge(s): The bilge areas were found to have a build-up of grime and debris developing. RECOMMENDATION: Clean bilge areas as part of routine maintenance.

Stringer System Timber stringers are installed, acting as beds for the engine mounting and providing integrity to the hull. Inspection of the stringers revealed them to be sound and secure within their mountings.

Hullside Frames & Battens The hullside frames are sawn timber positioned on varying centres along the length of the hull, checking sound in areas normal access allowed inspection. The hullside frames are secured to the bottom frames along the chine area. Battens are in good condition, checking sound where sighted.

Bottom Frames The bottom frames are sawn timber positioned on varying centres along the length of the hull, checking sound in areas normal access allowed inspection.


FWD bilge

Ribs Intermediate ribs are positioned between the sets of bottom frames, drawn tight and checking sound where sighted at the time of the inspection.

Keelson	Inspection of the inner keel revealed no indication of deterioration or significant cracking, considered sound at the time of the inspection.
Bulkheads:	Sound at inspection.
Cabin Floor(s)	Wood floors, sound and secure.
Inner Transom Planking and Frames	Not accessed for close inspection.
Condition summary:	The interior hull structures are considered sound at this time, based on an inspection of areas as allowed by normal access.
NOTE:	***It is recommended practice to keep bilge areas as dry and well ventilated as practical to prolong the life of wood structures installed within the areas, as part of routine preventative maintenance.***

TOP DECK & SUPERSTRUCTURE

MAIN DECK & FITTINGS

Construction material: Strip planked in mahogany timber, laid over sawn timber frames, secured with mechanical fasteners. All frames checked sound where accessible. Planking is well secured with surfaces smooth and fare. Deck grouting is cracking along the outboard port side of the engine compartment deck, running over the length of the deck at various areas. RECOMMENDATION: Remove loose seam compound and apply new compound as required, protecting with varnish.

Deck Finish: A varnish finish is applied, showing well with isolated areas standing proud along seams, noted solely for information purposes. RECOMMENDATION: Prep and refinish at the owner's discretion as preventative maintenance.

Cleats & fairleads: Horn cleats are all well secured to deck and functional.

Windshield: Two piece skiff windshield at both the forward and aft cockpits, frame chrome plated.

COCKPIT

Cockpit & Helm station: The helm station is located at the forward port corner of the forward cockpit area.

Seating: Triple cockpit layout, having a bench seat installed in each cockpit. The engine compartment with flush deck over is positioned between the aft two cockpit areas. Upholstery is in good condition.

Aft cockpit

Forward cockpits

Engine space hatch(es): Manual lift hatches with support arms over the engine compartment.

HELM & NAVIGATION ELECTRONICS

NAVIGATION ELECTRONICS

Helm station: Helm is located in the forward port corner of the forward cockpit.

SAFETY EQUIPMENT & ELECTRONICS

TRANSPORT CANADA REQUIRED SAFETY EQUIPMENT

Visual Distress Signals: Flares were not inspected or inventoried. Owner is to ensure appropriate type and number of flares are onboard as required by Transport Canada regulations.

Navigation lights: Navigation lights were not function tested as battery power was not available. RECOMMENDATION: Owner is advised to ensure all Navigation lights are operational as required by Transport Canada Collision Regulations established for a vessel of this size and type, prior to operation between dusk and dawn or in limited light conditions.

Sound devices: 12 volt dual horns, operation not verified.

Engine ventilation: Natural and powered ventilation for engine compartment is provided as per the requirements of Transport Canada TP1332, Section 6.3.8, having a single 12 volt marine bilge blower installed, its operation not verified. ***The owner is to verify the operation of the bilge blower at the time of launch and start-up.***

Ignition protection: Yes - all electrical equipment sighted in the engine space appears to be OEM / Ignition protected equipment.

Life Jackets Life jackets were not inventoried or inspected. RECOMMENDATION: The owner is to ensure that there is an approved PFD / Life Jacket on board of suitable size for each passenger, as per Transport Canada safety equipment requirements.

NOTE: ***The owner is to ensure that all safety related equipment required by Transport Canada for a vessel of this size and type is onboard and in good operating condition at all times. A copy of the equipment requirements can be obtained from your local marina or yacht club, or by visiting the Transport Canada website - Marine Safety section.***

AUXILIARY SAFETY EQUIPMENT

Gas fume detector: Not sighted. Recommend installation of a fuel vapour detector at the owner's discretion as a safety precaution, as well as to comply with current voluntary ABYC standards.

FIRE FIGHTING EQUIPMENT

Dry Chemical Extinguishers: 2.5 lb BC, located in the forward cockpit, gauge indicates that the unit is operational, no recent tag attached,
NOTE: Periodically shake dry chemical extinguishers to ensure the dry chemical powder is loose and is not compacted. If in doubt, replace the extinguisher.

Automatic FE241 Clean Agent Extinguisher(s): Located in the engine compartment area. The gauge reads full, having no recent service tag attached. Extinguisher has outdated or no certification tag(s). A monitor is not installed at the helm. NOTE: ABYC A-4 recommends that fixed fire protection systems be checked and re-weighed at one year intervals and tagged accordingly. This is especially important when no gauge is installed. Recommend compliance.

FIRE EQUIPMENT OBSERVATION: ***It is recommended practice to have all extinguishers tested on an annual basis. Owner is to ensure that the appropriate number and size of extinguisher(s) are onboard the vessel, as per current Transport Canada Safety Equipment Requirements for a vessel of this size and type.***

DEWATERING SYSTEMS

FORWARD BILGE : Lovette 900 GPH automatic pump at the bow, upgraded.

AFT BILGE : Lovette 900 GPH automatic pump at the transom, upgraded.

PROPULSION SYSTEM

PROPELLER(S)

Number and type of blades: Three blade, LH rotation.

Prop / Hub Identification Federal Equipoise.

Pitch and diameter: 18 x 23.

Prop condition: Minimal damage to tip of one blade, not expected to result in vibration. RECOMMENDATION: Send prop for repair and balance as preventative maintenance.

PROP SHAFT(S)

Size / Material: Stainless steel, spins freely.

STRUT(S) AND CUTLASS BEARINGS

Strut(s): A single bronze dagger style strut is installed. The strut is well secured with no movement, separation or cracking sighted. The strut appears in line with the shaft.

Cutlass (shaft) bearing(s): In serviceable condition with no shaft movement evident within the strut cutlass bearing.

SHAFT LOGS

Stuffing box(es): A bronze port is installed in the bottom, hose connected to a dripless shaft seal, with the hose in serviceable condition, properly secured.
Inspect shaft seal upon launch and start-up and periodically thereafter for any leakage and replace as warranted.

RUDDER(S)

Rudder type: Bronze, suspended spade style, well secured with no abnormal horizontal or fore/aft movement in the rudder.

RUDDER PORT

Material Bronze rudder port, secure in its mounting.

Rudder packing gland(s): No leakage or water tracks sighted at the time of the inspection. Monitor rudder packing gland frequently for leaks. Rudder packing gland should always be totally dry.

TRANSMISSION(S)

Manufacturer/Model: Velvet Drive, Hydraulic.

Serial no(s): 13560.

Gear ratio: 1.91:1.

Fluid level and condition: The oil level was not checked as part of this inspection. RECOMMENDATION: Have the gear oil checked by a qualified technician at the owner's discretion.

Condition summary: The transmission was not subject to inspection and as such we offer no comment as to the condition. Inspection by a qualified technician is recommended at the owner's discretion.

MAIN ENGINE(S)

Make / Model: 5.7 GM custom built.

H.P. Rating Estimated at 250 to 300 h.p.

Serial no(s): Not sighted.

Engine(s) hours: No meter sighted.

Hoses and clamps: Serviceable condition, no significant cracks sighted.

Belts and pulleys: Belts are in serviceable condition. No cracks or splits sighted. Pulleys/belts appear to be in line.

Cooling system(s): Raw water cooled.

Flame arrestor(s): Yes, marine style installed, recommend cleaning on an annual basis as a minimum as part of routine maintenance.

Ignition protection: Yes -Distributor, Alternator and Starter appear as OEM and ignition protected.

Fuel pump(s): Engine is equipped with a electronic fuel injection system (EFI / MPI), having a 12V electric fuel pump installed, mounted on the inner hullside, to port of the engine. RECOMMENDATION: Ensure fuel pump is ignition protected and rated for marine use. Standards call for the fuel pump to be mounted within 12" of the engine with a maximum delivery hose length of 48". RECOMMENDATION: Ensure compliance with standards.

Fuel pump to carb hose: A1-15, SAEJ1527, NOT run over the engine.

Fuel filter(s): Remote mounted spin-on marine canister type is installed.

Engine mounts and beds: Engine mounts appear to be well secured to the support stringers.

Engine(s) operated: Engine not operated for purposes of this survey. A qualified marine mechanic should be contracted to inspect the engine, transmission / outdrive and generator as applicable to the vessel, at the owner's discretion to verify their condition.

NOTE:

- **It is good practice when buying a used vessel that all fluids (Engine, Transmission, sterndrive, generator as applicable) be changed and the raw water cooling impeller(s) also be changed.**

As stated in the Scope of Inspection, It is understood that the attending surveyor is not an engine/transmission/drive surveyor. As such, it is recommended that all machinery be inspected by a qualified engine surveyor/practicing marine mechanic to determine their internal condition.

FUEL SUPPLY SYSTEM

Fuel supply lines: Type 30R7 flex hose is run for the fuel supply system, along with runs of Type A1-15. The Type 30R7 is sub-standard, not appropriate for the application. RECOMMENDATION: Replace all runs of sub-standard hose at this time.

NOTE: Most fuel hose manufacturers now recommend fuel hoses be replaced every five years. This is more important with the introduction of ethanol into gasoline as hoses can and do deteriorate from the inside. Standards now call for use of ethanol resistant hose rated and labelled as as TYPE A1-15, SAE J1527. The date of manufacture is imprinted on all USCG approved fuel hoses ..... Consider replacing all fuel hoses every 5 years, or upgrading to A1-15 hose as a part of routine preventative maintenance.

EXHAUST SYSTEM

Discharge location(s): Through the transom, with the flanges well bedded.

Piping/Clamps: Cast metal and appropriately rated "wet marine exhaust" flex hose is run for the exhaust system. Exhaust system is not double clamped. RECOMMENDATION: All Exhaust Hose connections should be secured with two non-overlapping clamps at each end to produce a secure, liquid and vapour tight joint in order to comply with TC TP1332 and ABYC recommendations.

Connections single clamped

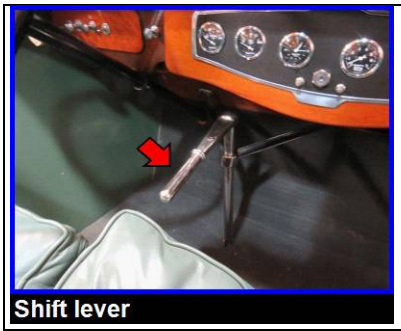
Exhaust manifold: Siera brand cast manifolds with risers are installed on the engine, with the riser / manifold connection showing no indication of leakage.

Condition summary: The system was found to be in serviceable condition.

NOTE: ***It is recommended practice to inspect the exhaust system on an annual basis as a minimum.***

ENGINE INSTRUMENTS AND CONTROLS

Throttle and shift control(s): Floor lever for shift; Lever on steering wheel for throttle.



Shift lever

Instrumentation: Upgraded instruments, including Tach, Temp, oil pressure, Volt and Fuel gauges; Matching clock.

STEERING SYSTEM

STEERING SYSTEM

Location Forward cockpit.

Type: A mechanical drag link system having a quadrant mounted at the helm, rod connected to the pitman arm on the rudder stock. Connections are secure with the system operating smoothly.

Mounting(s): Secure where sighted.

Condition summary: The system is considered to be serviceable condition at the time of the inspection.

Below Water Line Thru-Hulls:

BELOW WATERLINE THRU-HULL FITTINGS

Sea Connections: Bronze seacock ball valve installed.

Sea valves used for: Engine raw water intake.

Sea valve condition: Sea valve is functional.

Sea valves piping: Marine rated, reinforced water hose, double clamped at the respective valve connection.

Recommendations: ***Inspect all thru-hull fittings and valves periodically to ensure their efficient operation and ongoing condition as part of routine preventative maintenance and service on an annual basis. Where allowed by adequate space on the hose spigot, all connections to sea connection valves are to be double clamped for safety.***

TANKAGE

FUEL TANK(S)

No & Location: One tank located below the aft deck, not accessed for close inspection.

Tank Material: Steel with paint finish.

Tank Capacity Capacity of 66 US gallons (per Chris Craft - The Essential Guide)

Manufacturer' s label(s): Tank manufacturer label was not sighted on fuel tank(s). Recommend owner verify that the fuel tank meets all ABYC & TP1332 requirements.

Shut off valve(s): Shut off valve(s) not sighted. RECOMMENDATION: Ensure existence and operational status.

Vent line/location: Not accessible for close inspection.

Fill pipe & condition - Gasoline system: Two deck fuel fills, one on either side of the aft deck.

Fuel fill grounded: Not sighted or confirmed due to access.

Tank(s) secured: Not sighted / confirmed due to limited access.

Inspection/cleaning access: Limited without removal of secured panels, Since the fuel tank and system was not readily visible, owner is advised to remove any access panels to inspect fuel tank(s), fill and fuel lines and ensure they are serviceable and in compliance with existing ABYC and TP1332 Standards.

Tank(s) condition: Visually good (where accessible)

Other notes: Except as noted above and within the Recommendation section of this report, the installation was found to be in serviceable condition based on a visual inspection only of areas as allowed by normal access. No indication of seepage or other problems existing was noted during the course of the inspection. The system was not pressure tested as part of this inspection. **The fuel system and its components are to be accessed and inspected by the owner on an annual basis as part of routine preventative maintenance.**

ELECTRICAL SYSTEMS

D.C. ELECTRICAL SYSTEMS

D.C. Voltage system: 12 Volt system - upgraded from the original.

Number and type of batteries: One 12 volt lead acid at aft starboard corner of the engine compartment.

Storage: Acid proof battery box with cover is provided, secured with nylon strap.

Battery cables: The battery cables are in serviceable condition, disconnected for storage.

Positive terminal covers: Positive terminal(s) are covered as per Transport Canada TP1332 which mandates that positive terminals be protected against accidental shorting by the use of insulation barriers or sleeves.

Battery selector switch: None installed or required.

Charging system: Engine alternator.

Distribution panel: Fuse block under the dash, upgraded.

Conductors Plastic Covered, copper strand wire has been run, considered appropriate for the application, upgraded from the original.

D.C. wiring secured: All wiring runs are properly routed and secured per ABYC E-11 recommendations.

Connectors: Wire connections have been made with use of appropriate insulated crimp type connectors, as per ABYC E11.

Circuit Over-Current Protection: DC circuits have over-current protection provided.

Condition Summary System is in serviceable condition, upgraded from the original, with work carried out in a professional and workmanlike manner, in keeping with accepted boatyard practices. No damage or significant deficiencies were noted during the course of the inspection.

AUXILIARY EQUIPMENT

MISCELLANEOUS EQUIPMENT & ACCESSORIES

Docking lines:	Yes, assorted size and length.
Fenders:	Yes, inflatable fenders with lines.
Other equipment/accessories:	Ivalite manual remote spotlight mounted on foredeck.

INSPECTION RECOMMENDATIONS SUMMARY

Unless noted otherwise, the boats' systems and equipment generally appeared to have been fabricated of materials suited to use in the marine environment, installed in compliance with commonly accepted recreational marine industry practice, and appropriate to the boats' usual expected service.

Some of the recommended repairs and corrections may be required to ensure compliance with federal law. Others may, in the Surveyor's opinion, be required for the safety of the boat or its crew, or to conform to voluntary standards published by the American Boat and Yacht Council and/or Transport Canada TP1332 Construction Standards. Certain of these regulations and voluntary standards may not have been in effect, or may not have been adhered to by the builder, when the boat was constructed. Most recommendations involve routine or preventative maintenance; others address prudent upgrades to existing systems and equipment to enhance safety or crew comfort.

SURVEY DETAIL

This report may contain detailed findings that may appear to be of little consequence or "nit picky". This information is provided so the reader has a more comprehensive ability to understand the vessel in Toto. The reader should NOT regard the quantity of minor findings to be the sole determinant suggesting the vessel is in lesser condition or has not been maintained as well as other like vessels. All vessels, including new vessels, have numerous small issues that are not often apparent until surveyed. Therefore it is usually not customary or appropriate to use minor maintenance issues to renegotiate price.

Repairs and corrections should be accomplished in a workmanlike manner to meet or exceed applicable federal law or published recreational marine industry standards. Where a specific regulation or standard is referenced, it should be consulted to ensure full compliance.

Additional cautions and recommendations can be found in **Scope of Survey** and **Conditions of Report Acceptance.** *No section of this report should be used out of the context of the entire report.*

Recommendations have been prioritized as **PRIORITY I - SAFETY & REGULATORY RECOMMENDATIONS, PRIORITY II - MAINTENANCE & STANDARDS RELATED RECOMMENDATIONS, and PRIORITY III - OTHER OBSERVATIONS / OPTIONAL UPGRADES, as follows:**

PRIORITY I - SAFETY & REGULATORY RECOMMENDATIONS:

(MAY BE MANDATORY)

The items listed are required by Federal law and/or Transport Canada regulations or are considered by the attending surveyor to represent unsafe operating conditions, requiring **immediate mitigation and/or corrective actions**. If ignored, these deficiencies could produce serious damage or injury to the vessel, it's equipment, machinery, systems and / or personnel. Depending on the deficiency, items listed should not be operated, energized, stressed and/or inhabited until the hazard has been secured or neutralized.

SAFETY EQUIPMENT & ELECTRONICS

TRANSPORT CANADA REQUIRED SAFETY EQUIPMENT

Navigation lights:

Navigation lights were not function tested as battery power was not available. RECOMMENDATION: Owner is advised to ensure all Navigation lights are operational as required by Transport Canada Collision Regulations established for a vessel of this size and type, prior to operation between dusk and dawn or in limited light conditions.

NOTE:

The owner is to ensure that all safety related equipment required by Transport Canada for a vessel of this size and type is onboard and in good operating condition at all times. A copy of the equipment requirements can be obtained from your local marina or yacht club, or by visiting the Transport Canada website - Marine Safety section.

PROPULSION SYSTEM

MAIN ENGINE(S)

Fuel pump(s):

Engine is equipped with a electronic fuel injection system (EFI / MPI), having a 12V electric fuel pump installed, mounted on the inner hullside, to port of the engine. RECOMMENDATION: Ensure fuel pump is ignition protected and rated for marine use. Standards call for the fuel pump to be mounted within 12" of the engine with a maximum delivery hose length of 48". Ensure compliance with standards.

FUEL SUPPLY SYSTEM

Fuel supply lines:

Type 30R7 flex hose is run for the fuel supply system, along with runs of Type A1-15. The Type 30R7 hose is sub-standard, not appropriate for the application. RECOMMENDATION: Replace all runs of sub-standard hose at this time.

EXHAUST SYSTEM

Piping/Clamps:

Cast metal and appropriately rated "wet marine exhaust" flex hose is run for the exhaust system. Exhaust system is not double clamped. RECOMMENDATION: All Exhaust Hose connections should be secured with two non-overlapping clamps at each end to produce a secure, liquid and vapour tight joint in order to comply with TC TP1332 and ABYC recommendations.


Connections single clamped

TANKAGE

FUEL TANK(S)

Shut off valve(s):

Shut off valve(s) not sighted. RECOMMENDATION: Ensure existence and operational status.

Inspection/cleaning access:
Limited without removal of secured panels, Since the fuel tank and system was not readily visible, owner is advised to remove any access panels to inspect fuel tank(s), fill and fuel lines and ensure they are serviceable and in compliance with existing ABYC and TP1332 Standards.

PRIORITY II - MAINTENANCE & STANDARDS RELATED RECOMMENDATIONS:

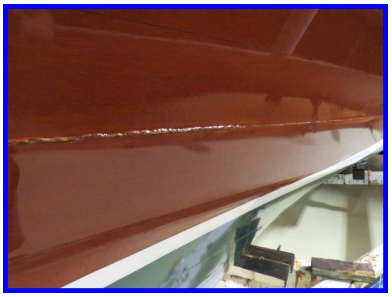
(NOT NORMALLY MANDATORY)

The items listed usually do not require immediate attention, however it is the Surveyor's opinion that due to their nature and time being of the essence, corrections should be attended to **in the very near future.** If not corrected or managed in a timely manner, these issues may lead to more significant damage, costly repairs, vessel devaluation, potential unsafe operation and / or escalate to a "PRIORITY I" level finding with little or no physical awareness. They may also include recommendations to conform to current Transport Canada TP1332 and ABYC voluntary standards which may not have been in effect or may not have been adhered to by the builder when the vessel was constructed.

HULL INSPECTION

HULL - EXTERIOR

Hullside Finish:
The exterior hullsides have a professional quality varnish finish applied, starting to sink into the grain, with seams standing proud. RECOMMENDATION: Prep and refinish at the owner's discretion.



TOP DECK & SUPERSTRUCTURE

MAIN DECK & FITTINGS

Deck Finish:
A varnish finish is applied, showing well with isolated areas standing proud along seams, noted solely for information purposes. RECOMMENDATION: Prep and refinish at the owner's discretion as preventative maintenance.

PROPULSION SYSTEM

PROPELLER(S)

Prop condition:

Minimal damage to tip of one blade, not expected to result in vibration. RECOMMENDATION: Send prop for repair and balance as preventative maintenance.

FUEL SUPPLY SYSTEM

NOTE:

Most fuel hose manufacturers now recommend fuel hoses be replaced every five years. This is more important with the introduction of ethanol into gasoline as hoses can and do deteriorate from the inside. Standards now call for use of ethanol resistant hose rated and labelled as as TYPE A1-15, SAE J1527. The date of manufacture is imprinted on all USCG approved fuel hoses ..... Consider replacing all fuel hoses every 5 years, or upgrading to A1-15 hose as a part of routine preventative maintenance.

PRIORITY III - OTHER OBSERVATIONS / OPTIONAL UPGRADES:

These are other less significant maintenance items or observations that if not addressed, could lead to more important priority issues and/or could lead to a reduced vessel market value. The cost of addressing these recommendations is generally minimal.

HULL INSPECTION

HULL - BOTTOM

Bottom paint:

The bottom paint had minor areas of flaking and peeling present at the time of the inspection. RECOMMENDATION: Remove loose flaking paint, spot sand areas and touch up peeling / flaking areas as required prior to next launch or during the next haul-out period.

HULL - INTERIOR STRUCTURES

Bilge(s):

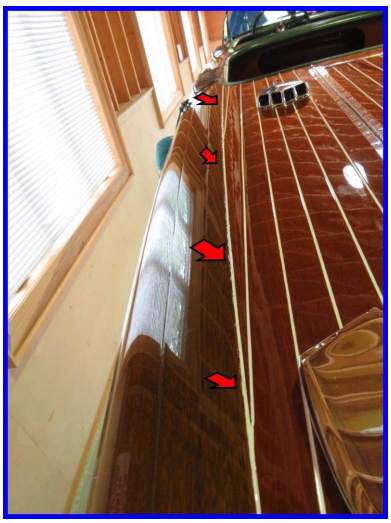
The bilge areas were found to have a build-up of grime and debris developing. RECOMMENDATION: Clean bilge areas as part of routine maintenance.

TOP DECK & SUPERSTRUCTURE

MAIN DECK & FITTINGS

Construction material:

Strip planked in mahogany timber, laid over sawn timber frames, secured with mechanical fasteners. All frames checked sound where accessible. Planking is well secured with surfaces smooth and fare. Deck grouting is cracking along the outboard port side of the engine compartment deck, running over the length of the deck at various areas. RECOMMENDATION: Remove loose seam compound and apply new compound as required, protecting with varnish.



SAFETY EQUIPMENT & ELECTRONICS

AUXILIARY SAFETY EQUIPMENT

Gas fume detector:

Not sighted. Recommend installation of a fuel vapour detector at the owner's discretion as a safety precaution, as well as to comply with current voluntary ABYC standards.

FIRE FIGHTING EQUIPMENT

FIRE EQUIPMENT OBSERVATION:

It is recommended practice to have all extinguishers tested on an annual basis. Owner is to ensure that the appropriate number and size of extinguisher(s) are onboard the vessel, as per current Transport Canada Safety Equipment Requirements for a vessel of this size and type.

PROPULSION SYSTEM

MAIN ENGINE(S)

NOTE:

- **It is good practice when buying a used vessel that all fluids (Engine, Transmission, sterndrive, generator as applicable) be changed and the raw water cooling impeller(s) also be changed.**

As stated in the Scope of Inspection, It is understood that the attending surveyor is not an engine/transmission/drive surveyor. As such, it is recommended that all machinery be inspected by a qualified engine surveyor/practicing marine mechanic to determine their internal condition.

CONDITION & VALUE REPORT SUMMARY

DECLARATION:

Rating of vessel condition was determined upon completion and review of all reported survey information including recommendations and comparing vessel to the same or similar age models. Possible vessel condition ratings are as follows:

- **EXCELLENT** - Essentially as new or bristol in appearance.
- **ABOVE AVERAGE** - Has had above average care with no obvious defects or limitations.
- **AVERAGE** - Ready for sale but needs some maintenance or repairs, updates or cleaning.
- **BELOW AVERAGE** - Needs significant maintenance, repair or service.

VALUATION TERMS DEFINED

Current Market Value: The "current market value" is the price, in terms of currency or its equivalent, that a willing seller will accept for property from a willing buyer, neither part being under undue pressure to act in the matter, and both parties being reasonably informed of the facts pertinent to the transaction, with the property offered for sale in a competitive market for a reasonable period of time. In the case of a pre-purchase survey, the contract price may or may not be made known to the surveyor making the valuation. The assigned valuation assumes that the components, systems or equipment not accessible or proven during the survey inspection were serviceable and/or operational. Discoveries made as a consequence of recommended additional testing or inspecting procedures may significantly lower this valuation.

Current Replacement Cost: The "current replacement value" is the cost of replacing the subject boat, as equipped, with an identical or equivalent new boat. This figure does not necessarily reflect available discounts or other sales practices, fluctuations in international currency exchange rates, sales taxes, etc..

Valuation Methodology And Limitations: The valuations contained in this report represent the opinion of the undersigned surveyor only. Methods employed in developing these valuations are those recognized by accepted practices, leading to an educated, unbiased, and defensible opinion. Valuations are developed using some or all of the following resources: commercially published used boat price guides (BUC VALUPRO, Computer Boat Values, NADA etc.), current listings of similar boats, recent sales of similar boats (SOLDBOATS.COM), commonly accepted marine depreciation schedules, and consultations with knowledgeable yacht brokers.

Valuations are provided for use by underwriters and lenders only and do not constitute any guarantee that these figures are attainable in actual current or future markets. Valuation opinions are subject to prevailing economic conditions, both general and those specifically relating to local patterns of competition, consumer intensity, payment terms, etc. Parties having a secured interest in the valuation of the boat should periodically review the currency of the valuation basis in order to protect their financial interests.

Comparative Sales Information:

Current market listings:

1934 25' Chris Craft Custom Runabout / Scripps 210 h.p. - Restored -	**Listed @ $175,000.00 US Funds (NY)**
1927 27' Ditchburn / "new" Chrysler Crown	**Listed @ $190,000.00 US funds (ON)**
1927 26' Minett Shields / Chrsler 6 cylinder	**Listed @ $345,000.00 US funds (ON)**
1929 26' Minett Shields / 2000 Mercury 370 (original Scripps included)	**Listed @ $225,000.00 US funds (ON)**
1921 32' Ditchburn / Chrysler 8 cylinder	**Listed @ $410,600.00 US funds (ON)**

Average of Book and Market listings / Sold Values: $269,120.00 US funds

- **RATING OF VESSEL CONDITION..... ABOVE AVERAGE CONDITION when compared to sisterships of similar age**

- **ESTIMATED MARKET VALUE..... In the range of $300,000 to $325,000 US funds based on the overall condition, design and rarity of the vessel, subject to any required structural and/or safety related repair costs.**

- **ESTIMATED REPLACEMENT COST..... In the range of $300,000 to $400,000 US funds for a new replica vessel of wood construction, like style and quality, having similar equipment and installed power.**

- **INTENDED USE OF VESSEL..... Pleasure**

- **CONDITION SUMMARY:** The vessel was found to be in above average overall condition when compared to sisterships of similar age, well kept and cared for over the years, showing pride of ownership throughout. All upgrades have been carried out in a professional and workmanlike manner, in keeping with accepted boatyard practices. The deficiencies are generally of a systems and general maintenance nature and should be attended to as detailed above and within the body of this report. Most of the listed recommendations involve straightforward action and address conditions commonly found in boats of similar origin, age, and service experience. Subject to the foregoing comments and recommendations and upon completion of Priority 1 recommendations, the vessel is considered to be in sound condition at this time, based on an inspection of areas as allowed by normal access.

NOTE: All "Priority II" and "Priority III" recommendations should be thoroughly reviewed to bring vessel up to current standards and/or improve the value of the vessel.

CONDITIONS OF REPORT ACCEPTANCE

This report is a description of the condition of ***Water Wagon*** at the time the survey inspection was performed and it is the unbiased opinion of the undersigned surveyor. The report provides no guarantee and no prediction of the vessel's condition on any later date. The surveyor's observations and valuation opinions are subject to the specific limitations noted in this report.

The undersigned Surveyor attested that he has used his best efforts, based on formal training, field experience and continuing technical and professional studies, in making a thorough examination, employing only non-invasive and non-destructive testing methods as described in **Scope of Survey.** No guarantees or warranties are made against hidden or obscured defects and/or damage arising at some future time due to those defects. It is understood that the prospective purchaser has reviewed the design and construction of the boat, has determined its suitability for his/her intended purposes, and is familiar with the boats' cosmetic condition.

Although the inspection was carried out in a thorough manner and the surveyor exercised due care and diligence in making a complete inspection, no assurance can be made that every deficiency was discovered within the time allotted for the survey. The facts as discovered and presented in this report are in no way to be deemed a guarantee and/or warranty, either expressed or implied, for the boat.

All observations are strictly in the nature of opinion and may be subject to further qualification. Supplements and/or amendments may be offered pending the outcomes of recommended additional testing procedures. Use of this report constitutes acceptance of these terms and any other limitations, advisories and conditions noted.

This report was prepared and submitted in confidence to the person or entity for whom the survey inspection was performed, whose name and address appears on page 1. This report is not transferable to any other person or entity. The intended users of this report and appraisal are the client and those lenders and underwriters financing or insuring the vessel for this client only. Other buyers are specifically excluded as third party users of this report. No changes or supplements are permitted unless provided by the surveyor of record whose signature appears below. The original report is issued solely to the person or persons on whose behalf it was prepared. Users of this report are advised that only the original and certified copies should be used. These are identified by the blue ink signature under the SAMS seal. The accuracy and authenticity of all other copies is not warranted; such copies are accepted at the sole risk of the user.

"*Acceptance and use of this report by the client acknowledges the client's understanding that the report has been composed of information that is believed to be true after reasonable investigation and inquiry but is not warranted to be so. The information was obtained without drilling, diving, ultrasonics, cleaning or opening up to expose parts or conditions ordinarily concealed. There were no tests for tightness or soundness conducted other than the conditions noted visually.*

Acceptance and use of this report acknowledges the client's understanding that no determination of stability or structural strength has been made and no opinion is expressed.

Acceptance and use of this report acknowledges the client's understanding that Buchanan Marine Appraisal Services does not accept any responsibility for damage or deterioration not found or discovered during the course of survey, nor for consequential damage, deterioration or loss due to any error or omission.

The Client hereby undertakes to keep the Surveyor/Consultant and its employees, agents and subcontractors indemnified and to hold them harmless against all actions, proceedings, claims, demands or liabilities whatsoever or howsoever arising which may be brought against them or incurred or suffered by them, and against and in respect of all costs, loss, damages and expenses (including legal costs and expenses on a full indemnity basis) which the Surveyor/Consultant may suffer or incur (either directly or indirectly) in the course of the services under these Conditions.

Notwithstanding the above clause, in the event that the Client proves that the loss, damage, delay or expense was caused by the negligence, gross negligence or willful default of the Surveyor/Consultant aforesaid, then, save where loss, damage, delay or expense has resulted from the Surveyor's/Consultant's personal act or omission committed with the intent to cause same or recklessly and with knowledge that such loss, damage, delay or expense would probably result, the Surveyor's/Consultant's liability for each incident or series of incidents giving rise to a claim or claims shall never exceed a sum calculated on the basis of ten times the Surveyor's/Consultant's charges."

It is understood that Buchanan Marine Appraisal Services Limited will retain personal information on file for the sole purpose of future contact, ***unless a written request is provided to the contrary***. Survey reports remain the property of Buchanan Marine Appraisal Services Limited and are retained indefinitely for the purpose of carrying on normal day-to-day business operations. Buchanan Marine Appraisal Services Limited agrees that reports and/or personal information will not be forwarded to any third party ***without the express written consent of the client for whom the original inspection was performed***. The cost of such copies and transmittal expenses will be invoiced to the party named on the report. In the event that you - as the client - require this personal information destroyed/removed from file, please advise Buchanan Marine Appraisal Services Limited accordingly.

SURVEYOR'S CERTIFICATE:

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

The statements of fact contained in this report are true and correct.

The report analysis, opinions, and conclusions are limited only by the reported assumption and limited conditions, and are my personal unbiased professional analysis, opinions and conclusions.

I have no present or prospective interest in the vessel that is the subject of this report and have no personal interest or bias with respect to the parties involved.

My compensation is not contingent upon the reporting of a predetermined value or direction in value or direction in value that favours the cause of the client, the amount of the value of the estimate, the attainment of a stipulate result, or the occurrence of a subsequent event.

I have made a personal inspection of the vessel that is the subject of this report.

This report is submitted without prejudice and for the benefit for whom it may concern.

Buchanan Marine Appraisal Services Limited

ATTENDING SURVEYOR: *R. F. David Buchanan, AMS® #505*
Accredited Marine Surveyor, Y & SC
Member of the Society of Accredited Marine Surveyors (SAMS®)

Original: Mr. Carlo Ferreira.