ATTACHMENT B

So Cal Surveys, LLC

Survey Report

Michael Dickinson, Accredited Marine Surveyor, SAMS Member
Independent Marine Survey Services

Crystaliner 29
Sea Watch III

Introduction

SCOPE OF SURVEY

Acting at the request of Southcoast Shipyard the attending surveyor did attend onboard the Crystaliner 29 *Sea Watch III* beginning 23 Oct 2024 where an in-water survey was conducted at Newport Beach, CA. The Hull Identification Number (HIN) not was verified from the transom. A sea trial was not performed with the surveyor. An out-of-water inspection of underwater machinery and the exterior of the hull's wetted-surface were performed. The reason for the survey was to ascertain the physical condition and value of the vessel. AC and DC power were used to check operation of the electrical systems were specified in this report only. No reference or information should be construed to indicate evaluation of the internal condition of the engines or the propulsion system's operating capacity. Electronic equipment was checked for "power up" only.

This vessel was surveyed without removal of any parts including fittings, tacked carpet, fastened boards or panels, anchors and chain, fixed partitions, instruments, clothing, spare parts, loose gear, miscellaneous material in the bilges and lockers, or other fixed or semi-fixed items. Locked compartments or otherwise inaccessible areas would also preclude inspection. The owner is advised to open all such areas for further inspection. Further, no determination of stability characteristics or inherent structural integrity has been made and no opinion is expressed with respect thereto. This survey report represents the condition of the vessel on the above date and time and is the unbiased opinion of the undersigned. It is not to be considered an inventory or a warranty either specified or implied.

The survey was conducted in a practical amount of time that will limit the depth and detail of the survey. Additional survey services for more in-depth inspections and evaluations are available at an hourly rate.

OF REPORT:

Under no circumstance will this report be photocopied, transcribed, paraphrased, nor quoted in whole or in part, without the specific written permission of so cal surveys, llc.

Each report is an original and is signed at the last page of the body of the report. Any use or reliance upon other than a verified original is prohibited and no duty on the part of So Cal Surveys, LLC or the attending surveyor accrues neither to the user nor to the third parties. This report of survey is submitted for marine insurance underwriting purposes only. Any use or reliance by any party whatsoever, other than a bona fide insurance underwriting concern for the purpose of insuring the subject vessel is prohibited and beyond the scope of the survey and the report and no duty on the part of So Cal Surveys, LLC nor the attending surveyor accrues to the user nor to the third parties.

All findings, recommendations and opinions within this report are based upon the presumption that the subject vessel will be operated, use, and maintained in a manner consistent with those of a prudent mariner and those contained in, but not limited to Chapman Seamanship and Small Boat Handling. The prudent mariner closes all seacocks when leaving the boat unattended. The prudent mariner thoroughly checks the engine, and machinery spaces, and related gear for fluid leaks and fumes before each start-up. The foregoing is included as examples only.

Unless a sea trial was conducted under the supervision of the attending surveyor, the survey was conducted with the vessel in a static state. Observations underway could reveal circumstances not detectable while at rest. The report of survey is a description of what was available to observation on the date of survey only. No predictions as to future durability are made or implied. Use, abuse, neglect and deterioration due to the marine environment can alter the vessels condition substantially in short order. Consequently, the attending surveyor and So Cal Surveys cannot be held responsible or liable for any condition aboard after the date of survey.

It is recommended and understood that all diesel and gas engines be surveyed by a qualified engine surveyor to determine the condition of the engines, gears, pumps, heat exchanger's, coolers, structures, shafts, etc. a sea trial is strongly recommended to determine the functioning of the vessel and systems.

OF SURVEY:

The mandatory standards promulgated by the united states coast guard (USCG) under the authority of title 46 united states code (USC); title 33 and title 46, code of federal regulations (CFR), and the voluntary standards and recommended practices developed by the American Boat and Yacht Council (ABYC) and the national fire protection association (NFPA) have been used as guidelines in the conduct of this survey.

The use of the word "appears" or "seems" is intended to indicate that a close or complete inspection was not possible or it was not deemed appropriate at the time of the survey. The deficiencies reported herein reflect the condition observed at the time the survey was conducted.

VESSEL DESCRIPTION

The vessel is a commercial powerboat constructed of fiber-reinforced plastic with a modified V hull and twin inboard gasoline engines. The vessel has an open deck, open cockpit, and cuddy cabin. The vessel is in good operational condition. The vessel shows signs of regular maintenance and has above average equipment and electronics. The vessel is designed for near coastal commercial use.

APPRAISAL METHOD

The BUC guide values this vessel between $36,000 and $40,300 when adjusted for location and above average condition. There are no similar vessels currently on the market. The model year of the vessel could not be determined. The valuation is based on a year 2000 model. I have estimated the market value at $40,000. The replacement value is estimated at 200,000 based on the new price of similarly equipped vessels.

This surveyor made no actual measurements or calculations during the inspection of the vessel. All reported measurements and capacities were taken from published sources or affixed labeling.
The terms and words used in this report have the following meanings as used in this Report of Survey:
APPEARS:
Indicates that a very close inspection of the particular system, component or item was not possible due to constraints imposed upon the surveyor (e.g. no power available, inability to remove panels, or requirements not to conduct destructive tests).
FIT FOR INTENDED USE:
Use, which is intended by Survey Purchaser (present or prospective owner).
SERVICEABLE: ADEQUATE:
A particular system, component or item is sufficient for a specific requirement.
POWER UP:
Power was applied only. This does not refer to the operation of any system or component unless specifically indicated.
EXCELLENT CONDITION:
A particular system, component or item is new or like new.
GOOD CONDITION:
A particular system, component or item is nearly new, with only minor cosmetic or structural discrepancies noted.
FAIR CONDITION:
A particular system, component or item is functional “as is” with minor repair.
POOR CONDITION:
A particular system, component or item is unusable “as is”, requires repair or replacement of system, components or item to be considered functional.

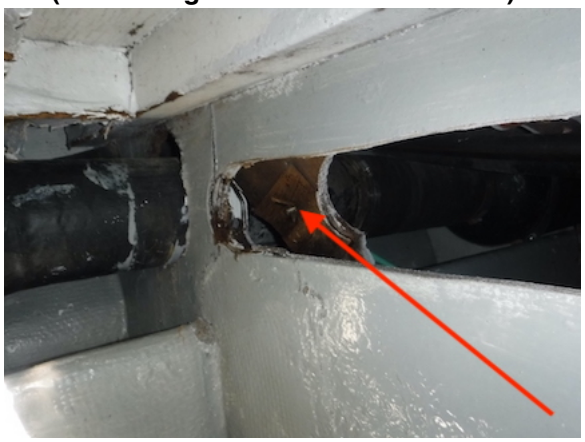
General Information

FILE NUMBER……	24-1023
DATE AND TIME OF SURVEY……	23 Oct 2024
PLACE OF SURVEY……..	Newport Beach, CA
SURVEY PREPARED FOR……..	Southcoast Shipyard
TYPE OF SURVEY……..	Condition and Value
NAME OF VESSEL……..	Sea Watch III
OVERALL VESSEL RATING……	Above Average
ESTIMATED MARKET VALUE……	$40,000
ESTIMATED REPLACEMENT COST……	200,000
HULL IDENTIFICATION NUMBER (HIN)...	Not Readable
CALIFORNIA REGISTRATION NO……..	CF 2303 XC
MAKE OF VESSEL……	Crystaliner
MODEL OF VESSEL……..	29
BUILDER……..	Crystaliner Corp, Costa Mesa, CA
YEAR BUILT……...	Information not Available
HULL MATERIAL……..	Fiber Reinforced Plastic
HULL TYPE……	Modified V
LENGTH OVER ALL (LOA)……	29’ 5” (per BUC Guide)
BEAM……	11’ 0” (per BUC Guide)
DRAFT……..	2’ 6” (per BUC Guide)
DISPLACEMENT……..	11,000 Lbs (per BUC Guide)
PROPULSION SYSTEM……	Twin Inboard
FUEL TYPE……..	Gasoline
FUEL CAPACITY……	150 Gallons (estimated)
AC POWER……..	120 VAC 30-amp
DC POWER……..	12 VDC

HULL DECK AND SUPERSTRUCTURE

HULL CONSTRUCTION:
The hull is constructed of fiber-reinforced plastic in a V configuration with hard chines and strakes. The hull is stiffened by stringers and partial and full bulkheads. The hull is in good condition above the waterline. The interior of the hull is in good condition where accessible. The hull below the waterline is in good condition. Percussion soundings to the hull found no delamination. The bottom paint is in fair condition. There are no blisters or cracks sighted.

BULKHEADS:
The bulkheads are constructed of plywood covered with fiber-reinforced plastic and tabbed to the hull. The bulkheads and tabbing are in good condition. Percussion soundings to the bulkheads found no core damage or delamination. There is some damaged plywood in the bulkhead aft of the engine compartment at the starboard exhaust hose.
B.1 (see findings and recommendations)



STRINGERS:
The stringers and transverse members are constructed of fiber-reinforced plastic and tabbed into the hull and are in good condition. The wood strings supporting the engines are in good condition and secure.

THE TRANSOM:
The transom is in good condition.

DECK CONSTRUCTION:
The deck is constructed of cored fiber-reinforced plastic and is in good condition. Percussion soundings to the deck found no delamination or core damage to the deck. No cracks were sighted.

HULL-TO-DECK JOINT:
The hull-to-deck joint is an external overlap type covered by a rubrail on the outside and secured with fasteners and glue. There is no indication of impact damage to the hull-to-deck joint or the rubrail.

DECK FITTINGS:
The cleats are metal and are in good condition and secure.

VENTILATION:
Ventilation to the engine compartment is natural and mechanical and appears adequate. The blower is operational. There is only on bilge blower. The bilge blower does not extend to below the engines.
B.2, B.3 (see findings and recommendations)

GRAB RAIL:
The stainless-steel grab rails are in good condition and secure.

ANCHOR PLATFORM:
The anchor platform is integrated into the bow and is in good condition.

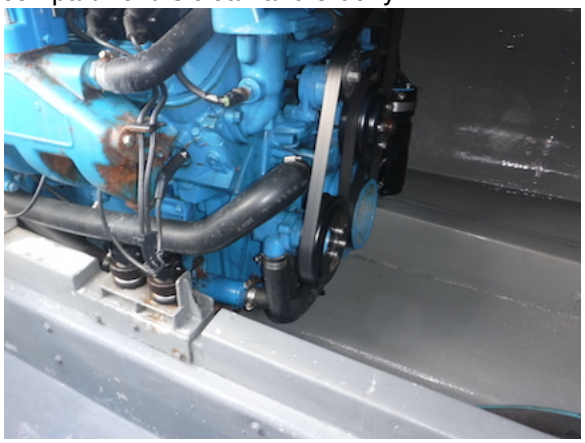
BRIDGE DECK

DESCRIPTION AND OBSERVATIONS:
The vessel is operated from the cockpit offering good visibility with a full set of controls and gages. The cockpit is protected by a canvas bimini that is in good condition.

PROPULSION

Engine:	Type	Serial Number	Model Number	HP Rating	Indicated Hours
Port	Crusader	Not Sighted	454	315	2250.3
Starboard	Crusader	670393	454	315	6197.1

OBSERVATIONS:
The engines are in good operational condition with signs of regular maintenance. The engine compartment is clean and orderly.



THROTTLE CONTROLS:
The throttle controls operated easily and are in good condition.

ENGINE MOUNTS:
The engine mounts are in good condition and secure.

LUBRICATION:
The engine oil appeared caramel in color with no indications of water and no grit.

EXHAUST SYSTEM:
The exhaust system is wet and appears in good condition. The hoses are in good condition and double clamped. There is corrosion and evidence of a leak at the starboard engine outboard exhaust.
B.4 (see findings and recommendations)

PROPELLERS AND SHAFTS:
The stainless-steel propeller shafts are in good condition. The shaft seals are in good condition and double clamped. The 3-blade bronze propellers are in good condition 18X20. The cutless bearings are in good condition. The struts are secure and in good condition. There is evidence of a leak at the port shaft seal.
B.5 (see findings and recommendations)

COOLING SYSTEM:
The engines are fresh-water cooled. The heat exchangers appear in good condition. The engine raw water pumps appear operational and appear in good condition. The port engine oil heat exchanger is not secure.
B.6 (see findings and recommendations)

RAW WATER STRAINERS:
The raw water strainers are in good condition and clear of debris.

HOSES AND CLAMPS:
The hoses and clamps are in good condition.

BELTS AND PULLEYS:
The belts and pulleys are in good condition.

TRANSMISSIONS

Trans	Drive Type	Serial Number	Model Number	Gear Ratio
Port	ZF Marine	20206785	ZF 63 A	1.58
Starboard	ZF Marine	20344699	ZF 63 A	1.58

OBSERVATIONS:
The transmissions appear in good operational condition.

FLUID LEVEL AND CONDITION:
The fluid shows no signs of water or grit.

CONTROLS:
The controls operate easily and are in good condition.

COOLERS:
The transmission coolers appear in good condition.

FUEL SYSTEM

FUEL TYPE:
Gasoline

TANKS:
The aluminum fuel tank appears secure and are in good condition.

FILL PIPE:
The fill pipe is secure.

FUEL LINES AND FITTINGS:
The fuel hoses are in good condition and are USCG rated A1 and A2. The fill hoses are double clamped.

VENTS:
The fuel tank vents appear serviceable.

ELECTRICAL SYSTEMS

D.C. ELECTRICAL SYSTEM

DESCRIPTION AND OBSERVATIONS:
There are four 12-volt Optima batteries that appear in good condition and secure with spill containment for engine starting and house use. The wiring appears in good condition and properly secured. The house conductor appears to be properly over-current protected. The battery switches are operational.

PANEL:
The main panel is located in the cabin and is operational and properly labeled.

CHARGING SYSTEM:
The Lewco battery charger appears operational. The engine alternators appear operational.

A.C. ELECTRICAL SYSTEM

SHORE POWER:
The 30-amp receptacle and shore power cord are in good condition.

MAIN AND BRANCH CIRCUIT BREAKERS:
The main breaker panel is in the salon and are operational and properly labeled.

OUTLETS:
The outlets are operational and properly polarized and GFCI protected.

STEERING SYSTEM

TYPE:
The hydraulic steering operates smoothly with no notable play. There is no access to the rudderposts and seals.

THRU-HULLS

THRU-HULL:
The thru-hulls below the waterline are bronze and are in good condition and secure. The thru-hulls above the waterline are stainless steel and are in good condition and secure.

SEACOCKS:
There is a bronze ball-type seacock on each of the thru-hulls below the waterline that are in good condition and operational.

Purpose	Type	Seacock Condition	Thru-hull Condition
Engine Supply	Bronze, Ball	Good, Operational	Good, Secure
Engine Supply	Bronze, Ball	Good, Operational	Good, Secure

SAFETY EQUIPMENT

SAFETY EQUIPMENT (US Coast Guard)

PFD'S NUMBER AND TYPE:
There are four type-II Personal Floatation Devices onboard that appear serviceable.

THROWABLE PFD'S:
There is one throwable Personal Floatation Device onboard that appears serviceable.

FIRE EXTINGUISHER'S:
There are two B1 fire extinguishers onboard that appear serviceable.

VISUAL DISTRESS SIGNALS:
The visual distress signals (flares) are current.

SOUND DEVICES:
The vessel's horn is operational.

NAVIGATION LIGHTS:
The navigation lights are operational.

NO OIL DISCHARGE PLACARD:
The No Oil Discharge placard is posted in the engine compartment.

TRASH DISPOSAL PLACARD:
The Trash Disposal placard is posted in the galley.

AUXILIARY SAFETY EQUIPMENT

E.P.I.R.B.:
There is no EPIRB sighted onboard.

FIRE ALARMS:
There is no fire alarm sighted onboard.
A.2 (see findings and recommendations)

CARBON MONOXIDE DETECTOR/ALARM:
There is no carbon monoxide detector sighted onboard.
A.3 (see findings and recommendations)

HIGH WATER ALARM:
The high-water alarm is not operational.
A.4 (see findings and recommendations)

BILGE PUMPS

DESCRIPTION:
The Rule 2000 bilge pump is operational with a float switch and from the helm.

BONDING SYSTEM

MAIN BONDING CONDUCTOR:
The bonding system is in good condition utilizing 8-gage wire. There is good continuity between the underwater metals. There is no bonding to the starboard strut.
B.7 (see findings and recommendations)

CABIN APPOINTMENTS

INTERIOR DESCRIPTION:
The interior is in good condition with typical wear. The cabin lights are operational. The skylight is operational with good seals. The cabinets are in good condition. The upholstery in the cockpit is in good condition.

ELECTRONICS AND NAVIGATION EQUIPMENT

VHF:
The Icom IC-M605 VHF radio is operational.

RADAR:
The Simrad radar is operational.

GPS/CHARTS:
The Simrad GPS chartplotter is operational.

COMPASS:
The 3” Ritchie compass appears operational.

ANTENNAS:
The Shakespeare antenna is in good condition.

DEPTH SOUNDER:
The Simrad depth sounder is operational.

INSTRUMENTATION:
The engine instruments appear operational.

FINDINGS AND RECOMMENDATIONS

Deficiencies noted under A. SAFETY DEFICIENCIES should be addressed before vessel is next underway. These findings represent an endangerment to personnel and/or the vessel's safety and proper operating condition. Findings may also be a violation of USCG regulations.
Deficiencies noted under B. OTHER DEFICIENCIES should be corrected in the near future so as to maintain standards and to help the vessel to retain value.

The ABYC Standards and Technical Information Reports for Small Craft are the product of a consensus of representatives of government, industry and public sectors. It is intended solely as a guide to aid manufacturers and the marine community in the design, construction, equipage and maintenance of small craft.

SAFETY DEFICIENCIES

FINDINGS	RECOMMENDATIONS
A.1 The vessels hull id number is not readable at the transom.	**Make the hull id number readable.**
A.2 There is no fire alarm sighted onboard.	**Install a smoke detector or fire detection system.**
A.3 There is no carbon monoxide detector sighted onboard.	**Install carbon monoxide detection system in each cabin in accordance with ABYC A-24**
A.4 The high-water alarm is not operational.	**Make the high-water alarm operational.**

OTHER DEFICIENCIES

FINDINGS	RECOMMENDATIONS
B.1 There is some damaged plywood in the bulkhead aft of the engine compartment at the starboard exhaust hose.	**Repair the plywood at the bulkhead.**
B.2 There is only on bilge blower.	**There shall be at least one powered blower for each gasoline engine used for propulsion. ABYC H-2.5.4.1**
B.3 The bilge blower does not extend to below the engines.	**Extend the bilge blower inlet hose to the lower part of the bilge but above the bilge water level and secure in place. ABYC H-2.6.3**
B.4 There is corrosion and evidence of a leak at the starboard engine outboard exhaust.	**Repair the leak at the exhaust.**
B.5 There is evidence of a leak at the port shaft seal.	**Inspect the shaft seal for leaks.**

B.6 The port engine oil heat exchanger is not secure.	**Secure the heat exchanger.**
B.7 There is no bonding to the starboard strut.	**Inspect the bonding connections from the zinc plate to the struts.**

SURVEYORS NOTES AND OBSERVATIONS

FINDINGS	RECOMMENDATIONS
C.1 None	

STATEMENT OF OVERALL VESSEL RATING OF CONDITION

It is the surveyor's experience that develops an opinion of the overall vessel rating of condition after a survey has been completed and the findings have been organized in a logical manner.
The grading condition developed by BUC Research and accepted in the marine industry for a vessel at the time of survey determines the adjustment to the range of base value in the BUC Used Boat Pricing Guide for a similar vessel sold within a given time period as a consideration to determine the market value.
The following is the accepted marine grading system of consideration:
"EXCELLENT (BRISTOL) CONDITION", is a vessel that is maintained in mint or Bristol fashion- usually better than factory new- loaded with extras- a rarity.
"ABOVE AVERAGE CONDITION", has above average care and is equipped with extra electrical and electronic gear.
"AVERAGE CONDITION", is ready for sale requiring no additional work and normally equipped for her size.
"FAIR CONDITION", requires usual maintenance to prepare for sale.
"POOR CONDITION", has substantial yard work required and devoid of extras.
"RESTORABLE CONDITION", is where enough of the hull and engine exists to restore the boat to usable.
As a result of my investigation as shown in the Systems and Findings and recommendations sections of this Report of Survey, and by virtue of my experience my opinion is an Overall Vessel Rating of:

Above Average

STATEMENT OF VALUATION

The "FAIR MARKET VALUE" is the most probable price in terms of money that a vessel should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus.
Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:
Buyer and seller are typically motivated.
Both parties are well informed or well advised, and each acting in what they consider their own best interest.
A reasonable time is allowed for exposure in the open market.
Payment is made in terms of cash in US dollars or in terms of financial arrangements comparable thereto; and
The price represents a normal consideration for the vessel sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.
Therefore, after consideration of the reliability of the data the extent of the necessary adjustments and condition of the vessel, it is this surveyor's opinion that the "FAIR MARKET VALUE" of the subject vessel is:

$40,000

The "ESTIMATED REPLACEMENT COST" indicates the retail cost of a new vessel of the same make/model with similar equipment offered by the same manufacturer. "ESTIMATED REPLACEMENT COST" of the subject vessel is:

200,000

SUMMARY

In accordance with the request for a marine survey of the Crystaliner 29 for the purpose of evaluating its present condition and estimating its Fair Market Value and Replacement Cost, I herewith submit my conclusion based on the preceding report. The subject vessel was personally inspected by the undersigned on 23 Oct 2024 and was found to be in good operational condition with above average amount of equipment. The vessel showed signs of good maintenance practices and regular care. The condition of the engines could not be determined and it is recommended that a certified engine mechanic be hired to inspect the engines to determine their condition. With the understanding that a sea trial was not performed and subject to the correction of deficiencies listed under A. SAFETY DEFICIENCIES in section FINDINGS AND RECOMMENDATIONS, the vessel is considered to be suitable for its intended use. All deficiencies listed in section FINDINGS AND RECOMMENDATIONS should be attended to in a timely fashion especially A and B findings. The findings and deficiencies are not unusual for a vessel this size and age and are not extensive enough to affect the estimated fair market value.

SURVEYOR'S CERTIFICATION

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

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

The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, are my personal, unbiased professional analyses, opinion, and conclusions.

I have no present or prospective interest in the vessel that is the subject of this report, and I 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 favors the cause of the client, the amount of the value 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 of whom it may concern.

ATTENDING SURVEYOR
Michael R. Dickinson
Accredited Marine Surveyor, SAMS Member