800 OCEAN DRIVE

Issue: Vertical accessibility to all levels in a restaurant.

Analysis: The project is a mixed use building with apartments on the second and third floors which are undergoing conversion to a hotel. The first floor is a café/restaurant that has multiple levels inside. The project will cost $1,100,000 and its major obstacle is the existing elevator which does not meet present day interior size requirements, preventing some persons with disabilities from using the device. According to the applicant, the building is considered contributing to the historic character of the Art Deco historical district and if modification to the café area is required, it will adversely affect the historic character of the structure. At present, no alteration is planned for the café. In addition to the interior seating, outside tables are fully accessible to all patrons.

Project Progress:

The project is under design.

Items to be Waived:

Vertical accessibility to all levels, as required by Section 553.509, Florida Statutes.

553.509 Vertical accessibility. Nothing in Sections 553.501-553.513 or the guidelines shall be construed to relieve the owner of any building, structure or facility governed by those sections from the duty to provide vertical accessibility to all levels above and below the occupiable grade level regardless of whether the guidelines require an elevator to be installed in such building, structure or facility, except for:

(1) Elevator pits, elevator penthouses, mechanical rooms, piping or equipment catwalks and automobile lubrication and maintenance pits and platforms;
(2) Unoccupiable spaces, such as rooms, enclosed spaces and storage spaces that are not designed for human occupancy, for public accommodations or for work areas; and
(3) Occupiable spaces and rooms that are not open to the public and that house no more than five persons, including, but not limited to equipment control rooms and projection booths.

Waiver Criteria: There is no specific guidance for a waiver of this requirement in the code. The Commission’s current rule, authorized in Section 553.512, Florida Statutes, provides criteria for granting waivers and allows consideration of unnecessary or extreme hardship to the applicant if the specific requirements were imposed.
REQUEST FOR WAIVER FROM ACCESSIBILITY REQUIREMENTS
OF CHAPTER 553, PART V, FLORIDA STATUTES

Your application will be reviewed by the Accessibility Advisory Council and its recommendations will be presented to the Florida Building Commission. You will have the opportunity to answer questions and/or make a short presentation, not to exceed 15 minutes, at each meeting. The Commission will consider all information presented and the Council's recommendation before voting on the waiver request.

1. Name and address of project for which the waiver is requested.

   Name: __800 Ocean Drive
   Address: __800 Ocean Drive, Miami Beach

2. Name of Applicant. If other than the owner, please indicate relationship of applicant to owner and written authorization by owner in space provided:

   Applicant's Name: __Robert S. Fine, Esq., AIA
   Applicant's Address: __Greenberg Traurig, 1221 Brickell Avenue, Miami, FL 33131
   Applicant's Telephone: 305-579-0826_ FAX: __305-961-5826________________
   Applicant's E-mail Address: __finer@gtlaw.com
   Relationship to Owner: __Legal Counsel
   Owner's Name: __Tiffany 3/8 Associates, Ltd.
   Owner's Address: __804 Ocean Drive, Miami Beach, FL 33139
   Owner's Telephone: __c/o Applicant__ FAX__ c/o Applicant
   Owner's E-mail Address: __c/o Applicant
   Signature of Owner: __________________________
   Contact Person: __Robert S. Fine, Esq.____________
   Contact Person's Telephone: 305-579-0826__ E-mail Address: __finer@gtlaw.com__

This application is available in alternate formats upon request.
Form No. 2001-01
3. Please check one of the following:

[ ] New construction.

[ ] Addition to a building or facility.

[X ] Alteration to an existing building or facility.

[ ] Historical preservation (addition).

[X ] Historical preservation (alteration).

4. **Type of facility.** Please describe the building (square footage, number of floors). Define the use of the building (i.e., restaurant, office, retail, recreation, hotel/motel, etc.)

**Current:** Apartments upper level, restaurant lower level; Proposed: Hotel rooms (20) upper level, restaurant lower level

5. **Project Construction Cost (Provide cost for new construction, the addition or the alteration):** $1,100,000.

6. **Project Status:** Please check the phase of construction that best describes your project at the time of this application. Describe status.

[X] Under Design [ ] Under Construction*

[ ] In Plan Review [ ] Completed*

* Briefly explain why the request has now been referred to the Commission.

7. **Requirements requested to be waived.** Please reference the applicable section of Florida law. Only Florida-specific accessibility requirements may be waived.

**Issue**

1: Fla. Stat. 553.509; 11-4.1.6(1)(I): Vertical accessibility: existing elevator to upper floors provides less than 48” x 48” interior clear floor space or equivalent.

**Issue**

2: Fla. Stat. 553.509; 11-4.1.6(1)(I): Vertical accessibility: There are several levels in the restaurant in the existing historic building that do not have vertical accessibility. If, for the sake of argument, the alteration to the units on the second and third floor trigger an obligation to provide vertical accessibility to these unrelated levels (a position which is not conceded by the
Applicant), then a waiver may be required so as to not provide vertical accessibility to these levels.

8. **Reason(s) for Waiver Request**: The Florida Building Commission may grant waivers of Florida-specific accessibility requirements upon a determination of unnecessary, unreasonable or extreme hardship. Please describe how this project meets the following hardship criteria. Explain all that would apply for consideration of granting the waiver.

[X ] The hardship is caused by a condition or set of conditions affecting the owner which does not affect owners in general.

(1) Architectural characteristics of this historic building provide for an existing elevator that does not provide for accessibility for some portion of the mobility-impaired population due to size constraints; and, (2) the lower level café is comprised of multiple levels whereby providing vertical accessibility to each level will significantly impair the usability of the lower level spaces.

[X ] Substantial financial costs will be incurred by the owner if the waiver is denied.

Providing vertical accessibility to each level of the lower level café will cause a significant loss of selling/serving space and create significant operational difficulties as well as adversely affecting the historic character of the café. Providing for an elevator that will provide a minimum 48” x 48” or equivalent interior clear floor space would require the demolition of the existing elevator and shaft, and construction of a new, larger, elevator shaft within the interior of this historic structure, along with the reconfiguration of spaces adjacent to the elevator shaft and the creation of a larger elevator machinery room.

[X ] The owner has made a **diligent investigation** into the costs of compliance with the code, but cannot find an efficient mode of compliance. Provide detailed cost estimates and, where appropriate, photographs. Cost estimates must include bids and quotes.

Provided under separate cover.

9. **Provide documented cost estimates for each portion of the waiver request and identify any additional supporting data which may affect the cost estimates.** For example, for vertical accessibility, the lowest documented cost of an elevator, ramp, lift or other method of providing vertical accessibility should be provided, documented by quotations or bids from at least two vendors or contractors.

a. Under Separate cover

b. 
10. **Licensed Design Professional**: Where a licensed design professional has designed the project, his or her comments **MUST** be included and certified by signature and affixing of his or her professional seal. The comments must include the reason(s) why the waiver is necessary.

The 800 Ocean Drive building is a contributing building in the south Miami Beach Historic Art Deco District. It’s current configuration is comprised of a multi-level ground floor with two floors of apartments above. The essence of the project is to convert the apartments into hotel rooms. Doing so, however, invokes the requirement to provide vertical accessibility in the building as the existing elevator provides less than a 48” x 48” clear interior floor space.

Enlarging the elevator is likely not impossible, but the work is so extensive, it is arguably technically infeasible and certainly disproportionate. Making the elevator larger would require temporary support of the upper floor structure that frames into the elevator shaft (along with a temporary foundation, demolition of the elevator shaft, provide new foundation for the new shaft, construct the new shaft, reconnect the upper floor systems and remove the temporary support. And that does not even take into account needed to find space to create a larger machine room than is now present and other reconfiguration of spaces adjacent to the existing shaft.

If the alteration to the upstairs requires vertical accessibility to be provided throughout the building, even off of the path of travel to the altered areas, then the lifts and ramps needed to traverse the levels in the café would destroy the architectural character and serviceability of the café.

---

**Signature**  
**Printed Name**

**Phone number**: 305.572.5658

(SEAL)
CERTIFICATION OF APPLICANT:

I hereby swear or affirm that the applicable documents in support of this Request for Waiver are attached for review by the Florida Building Commission and that all statements made in this application are to the best of my knowledge true and correct.

Dated this 14 day of July, 2008

Signature

Robert S. Fine

Printed Name

By signing this application, the applicant represents that the information in it is true, accurate and complete. If the applicant misrepresents or omits any material information, the Commission may revoke any order and will notify the building official of the permitting jurisdiction. Providing false information to the Commission is punishable as a misdemeanor under Section 775.083, Florida Statutes.
REVIEW AND RECOMMENDATION BY LOCAL BUILDING DEPARTMENT.

Please state why the issue is being referred to the Florida Building Commission as well as a recommendation for disposition. The Building Official or his or her designee should review the application and indicate that to the best of his or her knowledge, all information stipulated herein is true and accurate. Further, if this project is complete, explain why it is being referred to the Commission. The Building Official or his or her designee should sign a copy of the plans accompanying this application as certification that such plans are the same as those submitted for building department review. Please reference the applicable section of the Accessibility Code.

a. 

b. 

c. 

Has there been any permitted construction activity on this building during the past three years? If so, what was the cost of construction?

[ ] Yes [ ] No Cost of Construction

Comments/Recommendation


Jurisdiction

Building Official or Designee

Signature

Printed Name

Certification Number

TelephoneNumber/FAX

Address:
Built By Owner, Inc.

Date: July 15, 2008

To: Marlo Courtney
Managing Director
Tyffany 3/8 Associates, LTD
804 Ocean Drive
Miami Beach, FL 33139

Re: Renovations to hotel 2nd and 3rd floor hotel rooms and related service areas located at 800 Ocean Drive.

PROPOSED ESTIMATED CONSTRUCTION BUDGET

Built By Owner, Inc. has prepared this preliminary estimated construction budget to provide construction management services for a flat management fee plus reimbursement of all construction related materials, services, subcontractors, and suppliers, providing service to property located at 800 Ocean Drive for the purpose of renovations of the 2nd and 3rd floors hotel rooms and service hallways.

Outlined are estimated expenses and related construction cost as a guideline and to establish proposed scope of work and construction budget.

1) Architectural fees

Final and complete original architectural plans for project are to be provided by property owner as full working drawings prior to commencement of project and is not included within this construction budget outline.

2) Engineering and progress reports

Estimated allowance budget to provide in-progress engineering inspections, detail drawings, and reports as required for duration of project.

3) Survey's

Estimated allowance budget, for certified surveyor to provide spot survey of existing structure, certify finish floor elevations, pile locations, and related final survey's and reports as required for duration of project.

4) Permit fee and related processing fees

Estimated allowance budget, for building and related subcontractor permit fees, that will be required by City of Miami Beach Building Dept. Authority for construction, electrical, mechanical, plumbing and for in independent processor fees.

Main Office
5230 West Saxon Circle, Fort Lauderdale, Florida 33331
Phone: (954) 252-1601 Facsimile: (954) 252-8797

1
5) **Bonds and Insurances** $7,800.00

Estimated allowance budget, to provide additional insurance coverage, and additionally
insurance coverage for project over and above standard Built By Owner, Inc. policy of
$1,000,000.00 limits and general workman's compensation insurance for its employees
of $500,000.00 limits. In addition: all subcontractors will be required to provide workman's
compensation and liability insurance as required by state of Florida and all policies shall
include the property and its owners as insured.

6) **Equipment rentals and saw cutting** $14,250.00

Estimated allowance budget, for rental equipment for portable toilets, subcontracted
concrete cutting, and required rent able hand tools. Note (all heavy equipment for
demolition, grading, fill, cranes, etc. will be provided and included in subcontractor
agreements for their own scope of work).

7) **Job site superintendent** $77,500.00

Estimated allowance budget, to provide one job site working superintendent capable of
daily job site safety monitoring, security, communications with subcontractors and project
management, and subcontractor assistance.

8) **General miscellaneous labor** $67,500.00

Estimated allowance budget, to provide three job site working labor assistant to
superintendent for constant daily job site clean up and safety monitoring, and assistance
to subcontractors and suppliers.

9) **Job site clearing, demolition and hauling of debris** $30,500.00

Estimated allowance budget, to subcontract the demolition and removal (including
hauling away of debris) for the proposed work area of existing 2nd and 3rd floor hotel
rooms, related bearing and non bearing interior partition walls and floors, to prepare
areas for new interior finishing.

10) **Pre-cast products** $7,700.00

Estimated allowance budget, to provide all miscellaneous decorative pre-cast stone and
concrete architectural applications and load supporting lintel beams.

11) **Subcontracted shell construction** $115,750.00

Estimated construction budget for subcontracted shell reconstruction of all temporary and
permanent structural beams, columns, interior load bearing partition and reconstruction of
existing floor joists.

12) **Steel structural** $7,500.00

Estimated allowance budget, to supply and install temporary and permanent steel
columns, I-beams, brackets, plates and job site welding and related items (not provided
by shell construction subcontractor).

13) **Lumber miscellaneous** $15,000.00

Estimated allowance budget, for miscellaneous lumber materials unrelated to the shell
construction, door sub-framing, interior wall framing, furring, and temporary barricades.

14) **Hardware rough** $7,500.00

Estimated allowance budget, for miscellaneous rough hardware unrelated to the shell
construction. Includes nails, screws, straps, clips, etc. for interior framing, furring, and
stripping.

15) **Hardware finish** $17,500.00

Estimated allowance budget, for interior commercial grade finish hardware, for hotel
rooms and service area doors (knobs, closers, hinges, signage, etc.)
<table>
<thead>
<tr>
<th></th>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>16</td>
<td>Millwork, doors and trim</td>
<td>$30,000.00</td>
</tr>
<tr>
<td></td>
<td>Estimated allowance budget, to supply and install new fire rated metal jambs and wood doors, and required paint grade decorative wood baseboards and moldings on each floor for complete renovated area of 2nd and 3rd floor hotel rooms.</td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>Mirrors and shower doors</td>
<td>$14,000.00</td>
</tr>
<tr>
<td></td>
<td>Estimated allowance budget, to provide clear mirrors and frameless shower enclosures for new hotel baths.</td>
<td></td>
</tr>
<tr>
<td>18</td>
<td>Bathroom vanities and counter tops</td>
<td>$17,000.00</td>
</tr>
<tr>
<td></td>
<td>Estimated allowance budget, to purchased and install new bathroom vanities and counter tops for new hotel bathrooms.</td>
<td></td>
</tr>
<tr>
<td>19</td>
<td>Interior framing and furring</td>
<td>$32,500.00</td>
</tr>
<tr>
<td></td>
<td>Estimated allowance budget to provide labor and materials to frame interior walls, and ceilings with wood and metal stripping and furring of 2nd and 3rd floor hotel rooms and related service areas.</td>
<td></td>
</tr>
<tr>
<td>20</td>
<td>Wall and partition insulation</td>
<td>$14,600.00</td>
</tr>
<tr>
<td></td>
<td>Estimated allowance budget, to provide labor and materials to provide R-5 foil insulation for exterior walls, R-30 insulation for roof area, and R-11 batt insulation for interior metal framed walls for sound control.</td>
<td></td>
</tr>
<tr>
<td>21</td>
<td>Drywall/finishing</td>
<td>$37,850.00</td>
</tr>
<tr>
<td></td>
<td>Estimated allowance budget, to provide materials and labor to supply, hang, stock, and finish interior drywall for all interior partitions and ceilings of 2nd and 3rd floor hotel rooms and service areas.</td>
<td></td>
</tr>
<tr>
<td>22</td>
<td>Roofing</td>
<td>$11,850.00</td>
</tr>
<tr>
<td></td>
<td>Estimated allowance budget, to subcontract roofing tie-in and patchwork due to new construction of 2nd and 3rd floor hotel rooms for air conditioning and plumbing penetrations.</td>
<td></td>
</tr>
<tr>
<td>23</td>
<td>Plumbing</td>
<td>$67,000.00</td>
</tr>
<tr>
<td></td>
<td>Estimated allowance budget, to subcontract new installation and relocations of existing domestic water piping hot and cold, reconections and relocations of sewer waste lines of cast iron as required due to renovation of 2nd and 3rd floors for new hotel room baths (Including all new plumbing fixtures).</td>
<td></td>
</tr>
<tr>
<td>24</td>
<td>Electrical wiring</td>
<td>$101,000.00</td>
</tr>
<tr>
<td></td>
<td>Estimated allowance budget, to subcontract through a licensed and insured electrical contractor: the relocation and new installations of switches, outlets, lighting fixtures, and related service equipment for complete renovated areas of 2nd and 3rd floor new hotel rooms.</td>
<td></td>
</tr>
<tr>
<td>25</td>
<td>Electrical lighting fixtures</td>
<td>$14,000.00</td>
</tr>
<tr>
<td></td>
<td>Estimated allowance budget, to purchase of lighting fixtures, equipment room lighting, recess lighting fixtures, housing, trims, and bulbs.</td>
<td></td>
</tr>
<tr>
<td>26</td>
<td>HVAC</td>
<td>$75,300.00</td>
</tr>
<tr>
<td></td>
<td>Estimated allowance budget, to subcontract the modifications and new installation of new mechanical ductwork, new air conditioning equipment and ventilation for new hotel rooms.</td>
<td></td>
</tr>
<tr>
<td>27</td>
<td>Tile and marble work</td>
<td>$20,000.00</td>
</tr>
<tr>
<td></td>
<td>Estimated allowance budget, to provide for the purchase and installation of new ceramic tile and marble, for all common areas and hotel room baths.</td>
<td></td>
</tr>
</tbody>
</table>
28) Painting
   Estimated allowance budget, to subcontract the materials and labor for complete interior and minimal exterior painting of new partition walls, hotel rooms and common areas.
   $ 57,000.00

29) Alarm and security systems
   Estimated allowance budget, to provide for the installation of new fire alarm system or modifications and new installations as needed for new hotel rooms and common areas.
   $ 20,000.00

30) Misc expenses and clean up
   Estimated allowance budget, for general job site clean up, hauling of construction debris, trash dumpsters, parking, etc.
   $ 17,000.00

31) Carpet Flooring
   Estimated allowance budget, for carpet and paths installations.
   $ 23,000.00

Sub Total of All Suppliers, Subcontractors, Materials and Labor
   $954,000.00

Built By Owner, Inc. Management Fee and Operating Overhead Expenses
   $171,720.00

TOTAL PROJECT AMOUNT
   $1,125,720.00
Built By Owner, Inc.
~Property Services Group~
LC#CGC-041580

Date: July 14, 2008
To: Mario Courtney
Managing Director
Tiffany 3/8 Associates, LTD
804 Ocean Drive
Miami Beach, FL 33139
Re: Renovations to hotel elevator, shaft, and related structure located at 800 Ocean Drive.

PROPOSED ESTIMATED CONSTRUCTION BUDGET

Built By Owner, Inc. has prepared this preliminary estimated construction budget to provide construction management services for a flat management fee plus reimbursement of all construction related materials, services, subcontractors, and suppliers, providing service to property located at 800 Ocean Drive for the purpose of and limited to the reconstruction and new installation of elevator, elevator shaft and related structural work.

Outlined are estimated expenses and related construction cost as a guideline and to establish proposed scope of work and construction budget.

1) **Architectural fees**
   
   Final and complete original architectural plans for project are to be provided by property owner as full working drawings prior to commencement of project and is not included within this construction budget outline.

2) **Engineering and progress reports**
   $ 3,500.00
   Estimated allowance budget to provide in-progress engineering inspections, detail drawings, and reports as required for duration of project.

3) **Survey's**
   $ 2,000.00
   Estimated allowance budget, for certified surveyor to provide spot survey of existing structure, certify finish floor elevations, pit depths, pile locations, and related final survey's and reports as required for duration of project.

4) **Permit fee and related processing fees**
   $ 12,500.00
   Estimated allowance budget, for building and related subcontractor permit fees, that will be required by City of Miami Beach Building Dept. Authority for construction, electrical, mechanical and for in independent processor fees.

Main Office
5230 West Saxon Circle, Fort Lauderdale, Florida 33331
Phone: (954) 252-1601 Facsimile: (954) 252-6787
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5) **Bonds and insurances** $3,800.00
Estimated allowance budget, to provide additional insurance coverage, and additionally insurance coverage for project over and above standard Built By Owner, Inc. policy of $1,000,000.00 limits and general workman’s compensation insurance for its employees of $500,000.00 limits. In addition: all subcontractors will be required to provide workman’s compensation and liability insurance as required by state of Florida and all policies shall include the property and its owners as insured.

6) **Equipment rentals and saw cutting** $6,750.00
Estimated allowance budget, for rental equipment for portable toilets, subcontracted concrete cutting, and required rent able hand tools. Note (all heavy equipment for demolition, grading, fill, cranes, etc. will be provided and included in subcontractor agreements for their own scope of work).

7) **Job site superintendent** $25,000.00
Estimated allowance budget, to provide one job site working superintendent capable of daily job site safety monitoring, security, communications with subcontractors and project management, and subcontractor assistance.

8) **General miscellaneous labor** $17,000.00
Estimated allowance budget, to provide one job site working labor assistant to superintendent for constant daily job site clean up and safety monitoring, and assistance to subcontractors and suppliers.

9) **Job site clearing, demolition and hauling of debris** $10,295.00
Estimated allowance budget, to subcontract the demolition and removal (including hauling away of debris) for the proposed work area of existing elevator, elevator shaft, related bearing and non bearing perimeter structures and floors, foundations and perimeter kitchen equipment, to prepare area for construction of new expended elevator system.

10) **Filling, grading, and site clean up** $1,800.00
Estimated allowance budget, for subcontracted equipment and provisions for clean fill supplier to provide fill, compaction and soil testing for related new foundation work and temporary structural support.

11) **Pile pile foundation support systems** $9,800.00
Estimated allowance budget, to provide temporary and new pin piles installations to capacity as required for temporary support of existing structure and new installations of piles as required for new elevator pit structure and related perimeter structures. Subcontracted pile contractor to provide all pile logs and related engineering reports.

12) **Pre-cast products** $1,700.00
Estimated allowance budget, to provide all miscellaneous pre-cast stone and concrete replacement architectural applications and load supporting lintel beams.

13) **Masonry block product and installation** See Shell
Included within subcontracted shell construction materials and labor.

14) **Concrete materials** See Shell
Included within subcontracted shell construction materials and labor.

15) **Concrete form work** See Shell
Included within subcontracted shell construction labor.

16) **Steel reinforcing** See Shell
Included within subcontracted shell construction materials.
17) **Subcontracted shell construction**  $98,250.00
    Estimated construction budget for subcontracted shell construction of all temporary and permanent structural beams, columns, foundations for elevator shaft, elevator pit, and connections to existing elevated floor slabs, as required per elevator specifications.

18) **Steel structural**  $3,500.00
    Estimated allowance budget, to supply and install temporary and permanent steel columns, I-beams, brackets, plates and job site welding and related items (not provided by shell construction subcontractor).

19) **Lumber miscellaneous**  $3,000.00
    Estimated allowance budget, for miscellaneous lumber materials unrelated to the shell construction, door sub-framing, interior wall framing of perimeter of elevator shaft, furring, and temporary barricades.

20) **Pre-engineered roof trusses**  $2,500.00
    Estimated allowance budget, to provide pre-engineered roof trusses and engineering reports for top of elevator shaft (trusses purchase not included in subcontracted shell construction estimate).

21) **Hardware rough**  $2,500.00
    Estimated allowance budget, for miscellaneous rough hardware unrelated to the shell construction. Includes nails, screws, straps, clips, etc. for interior framing, furring, and stripping.

22) **Hardware finish**  $1,000.00
    Estimated allowance budget, for interior commercial finish hardware, for elevator machine room and service areas (knobs, closers, hinges, signage, etc.)

23) **Millwork, doors and trim**  $4,950.00
    Estimated allowance budget, to supply and install new fire rated metal doors and jambs, and required paint grade decorative wood baseboards and moldings on each floor to match existing and tie design back in.

24) **Interior framing and furring**  $16,500.00
    Estimated allowance budget to provide labor and materials to frame interior walls, wood and metal stripping and furring of elevator shaft and adjoining walls and ceilings.

25) **Wall and partition insulation**  $3,500.00
    Estimated allowance budget, to provide labor and materials to provide R-5 foil insulation for elevator structure, block walls, and R-11 batt insulation for interior metal framed walls for sound control.

26) **Drywall/finishing**  $12,000.00
    Estimated allowance budget, to provide materials and labor to supply, hang, stock, and finish interior drywall for elevator shaft perimeter walls, interior partitions and furring and tie in of ceilings on each floor.

27) **Roofing**  $11,850.00
    Estimated allowance budget, to subcontract roofing tie-in and patchwork due to new construction.

28) **Plumbing**  $9,800.00
    Estimated allowance budget, to subcontract new installation and relocations of existing domestic water piping hot and cold, reconnections and relocations of sewer waste lines of cast iron as required due to elevator shaft redesign and relocation of kitchen equipment and main risers.
29) Electrical wiring $ 35,000.00
   Estimated allowance budget, to subcontract through a licensed and insured electrical
   contractor:
   A) The relocation of existing main feeds and branch circuits from the existing elevator
      and existing kitchen equipment as needed to allow for new expanded elevator shaft
      construction.
   B) The new rough and final connections of the new elevator main panel and related
      service gear.
30) Electrical lighting fixtures $ 3,000.00
    Estimated allowance budget, to provide for purchase of lighting fixtures, equipment room
    lighting, recess lighting fixtures, housing, trims, and bulbs.
31) HVAC $ 17,600.00
    Estimated allowance budget, to subcontract the modifications and new installation of new
    mechanical ductwork and ventilation for new elevator shaft and modifications to the
    existing structure, kitchen, and baths.
32) Tile and marble work $ 4,795.00
    Estimated allowance budget, to provide for the purchase and installation of matching
    marble, and ceramic tile at entrance to elevator at each floor and floor interior of elevator
    cab.
33) Painting $ 6,500.00
    Estimated allowance budget, to subcontract the materials and labor for complete interior
    and minimal exterior painting of new partition walls, shaft areas walls, doors and trim.
34) Elevator $ 66,316.00
    Estimated allowance budget, provided by Thyssen Krupp Elevators to provide and install
    one new Marquis 25 pre-engineered hole-less oil draining passenger elevator.
35) Elevator interior finish $ 6,000.00
    Estimated allowance budget, to provide for interior of elevator finishing by Thyssen
    Krupp.
36) Alarm and security systems $ 3,500.00
    Estimated allowance budget, to provide for the installation of new fire alarm system or
    modifications and new installations as needed for new elevator application.
37) Misc expenses and clean up $ 7,500.00
    Estimated allowance budget, for general job site clean up, hauling of construction debris,
    trash dumpsters, parking, etc.

Sub Total of All Suppliers, Subcontractors, Materials and Labor $413,706.00

Built By Owner, Inc. Management Fee and Operating Overhead Expenses $ 75,000.00
(Limited to new elevator installation and related reconstruction to accommodate)

TOTAL PROJECT AMOUNT $488,706.00
Built By Owner, Inc.
~Property Services Group~
LC#CGC-041580

Date: July 15, 2008
To: Mario Courtney
Managing Director
Tyffany 3/8 Associates, LTD
804 Ocean Drive
Miami Beach, FL 33139

Re: Renovations to hotel 2nd and 3rd floor hotel rooms and related service areas located at 800 Ocean Drive.

PROPOSED ESTIMATED CONSTRUCTION BUDGET

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Outlined are estimated expenses and related construction cost as a guideline and to establish proposed scope of work and construction budget.

1) Architectural fees
   Final and complete original architectural plans for project are to be provided by property owner as full working drawings prior to commencement of project and is not included within this construction budget outline.

2) Engineering and progress reports
   Estimated allowance budget to provide in-progress engineering inspections, detail drawings, and reports as required for duration of project. $8,500.00

3) Survey's
   Estimated allowance budget, for certified surveyor to provide spot survey of existing structure, certify finish floor elevations, pile locations, and related final survey's and reports as required for duration of project. $5,500.00

4) Permit fee and related processing fees
   Estimated allowance budget, for building and related subcontractor permit fees, that will be required by City of Miami Beach Building Dept. Authority for construction, electrical, mechanical, plumbing and for in independent processor fees. $19,500.00

Main Office
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5) **Bonds and Insurances** $7,600.00
   Estimated allowance budget, to provide additional insurance coverage, and additionally
   insurance coverage for project over and above standard Built By Owner, Inc. policy of
   $1,000,000.00 limits and general workman's compensation insurance for its employees
   of $500,000.00 limits. In addition: all subcontractors will be required to provide workman's
   compensation and liability insurance as required by state of Florida and all policies shall
   include the property and its owners as insured.

6) **Equipment rentals and saw cutting** $14,250.00
   Estimated allowance budget, for rental equipment for portable toilets, subcontracted
   concrete cutting, and required rent able hand tools. Note (all heavy equipment for
   demolition, grading, fill, cranes, etc. will be provided and included in subcontractor
   agreements for their own scope of work).

7) **Job site superintendent** $77,500.00
   Estimated allowance budget, to provide one job site working superintendent capable of
   daily job site safety monitoring, security, communications with subcontractors and project
   management, and subcontractor assistance.

8) **General miscellaneous labor** $67,500.00
   Estimated allowance budget, to provide three job site working labor assistant to
   superintendent for constant daily job site clean up and safety monitoring, and assistance
   to subcontractors and suppliers.

9) **Job site clearing, demolition and hauling of debris** $30,500.00
   Estimated allowance budget, to subcontract the demolition and removal (including
   hauling away of debris) for the proposed work area of existing 2nd and 3rd floor hotel
   rooms, related bearing and non bearing interior partition walls and floors, to prepare
   areas for new interior finishing.

10) **Pre-cast products** $7,700.00
   Estimated allowance budget, to provide all miscellaneous decorative pre-cast stone and
   concrete architectural applications and load supporting lintel beams.

11) **Subcontracted shell construction** $115,750.00
    Estimated construction budget for subcontracted shell reconstruction of all temporary and
    permanent structural beams, columns, interior load bearing partition and reconstruction of
    existing floor joists.

12) **Steel structural** $7,500.00
    Estimated allowance budget, to supply and install temporary and permanent steel
    columns, I-beams, brackets, plates and job site welding and related items (not provided
    by shell construction subcontractor).

13) **Lumber miscellaneous** $16,000.00
    Estimated allowance budget, for miscellaneous lumber materials unrelated to the shell
    construction, door sub-framing, interior wall framing, furring, and temporary barricades.

14) **Hardware rough** $7,500.00
    Estimated allowance budget, for miscellaneous rough hardware unrelated to the shell
    construction. Includes nails, screws, straps, clips, etc. for interior framing, furring, and
    stripping.

15) **Hardware finish** $17,500.00
    Estimated allowance budget, for interior commercial grade finish hardware, for hotel
    rooms and service area doors (knobs, closers, hinges, signage, etc.)
16) **Millwork, doors and trim**  $30,000.00
   Estimated allowance budget, to supply and install new fire rated metal jambs and wood doors, and required paint grade decorative wood baseboards and moldings on each floor for complete renovated area of 2nd and 3rd floor hotel rooms.

17) **Mirrors and shower doors**  $14,000.00
   Estimated allowance budget, to provide clear mirrors and frameless shower enclosures for new hotel baths.

18) **Bathroom vanities and counter tops**  $17,000.00
   Estimated allowance budget, to purchase and install new bathroom vanities and counter tops for new hotel bathrooms.

19) **Interior framing and furring**  $32,600.00
   Estimated allowance budget to provide labor and materials to frame interior walls, and ceilings with wood and metal stripping and furring of 2nd and 3rd floor hotel rooms and related service areas.

20) **Wall and partition insulation**  $14,600.00
   Estimated allowance budget, to provide labor and materials to provide R-5 foil insulation for exterior walls, R-30 insulation for roof area, and R-11 batt insulation for interior metal framed walls for sound control.

21) **Drywall/finishing**  $37,850.00
   Estimated allowance budget, to provide materials and labor to supply, hang, stock, and finish interior drywall for all interior partitions and ceilings of 2nd and 3rd floor hotel rooms and service areas.

22) **Roofing**  $11,850.00
   Estimated allowance budget, to subcontract roofing tie-in and patchwork due to new construction of 2nd and 3rd floor hotel rooms for air conditioning and plumbing penetrations.

23) **Plumbing**  $67,000.00
   Estimated allowance budget, to subcontract new installation and relocations of existing domestic water piping hot and cold, reconnections and relocations of sewer waste lines of cast iron as required due to renovation of 2nd and 3rd floors for new hotel room baths (including all new plumbing fixtures).

24) **Electrical wiring**  $101,000.00
   Estimated allowance budget, to subcontract through a licensed and insured electrical contractor: the relocation and new installations of switches, outlets, lighting fixtures, and related service equipment for complete renovated areas of 2nd and 3rd floor new hotel rooms.

25) **Electrical lighting fixtures**  $14,000.00
   Estimated allowance budget, to provide for purchase of lighting fixtures, equipment room lighting, recess lighting fixtures, housing, trims, and bulbs.

26) **HVAC**  $75,300.00
   Estimated allowance budget, to subcontract the modifications and new installation of new mechanical ductwork, new air conditioning equipment and ventilation for new hotel rooms.

27) **Tile and marble work**  $20,000.00
   Estimated allowance budget, to provide for the purchase and installation of new ceramic tile and marble, for all common areas and hotel room baths.
28) Painting $57,000.00
Estimated allowance budget, to subcontract the materials and labor for complete interior and minimal exterior painting of new partition walls, hotel rooms and common areas.

29) Alarm and security systems $20,000.00
Estimated allowance budget, to provide for the installation of new fire alarm system or modifications and new installations as needed for new hotel rooms and common areas.

30) Misc expenses and clean up $17,000.00
Estimated allowance budget, for general job site clean up, hauling of construction debris, trash dumpsters, parking, etc.

31) Carpet Flooring $23,000.00
Estimated allowance budget, for carpet and paths installations.

Sub Total of All Suppliers, Subcontractors, Materials and Labor $954,000.00

Built By Owner, Inc. Management Fee and Operating Overhead Expenses $171,720.00

TOTAL PROJECT AMOUNT $1,125,720.00