



State of Delaware
Department of Natural Resources and Environmental Control
Division of Watershed Stewardship
285 Beiser Blvd., Suite 102, Dover, DE 19904 302-739-9921 FAX 302-739-6724

**PERMIT APPLICATION FOR CONSTRUCTION SEAWARD
OF THE DNREC BUILDING LINE**

This application form is provided for construction activities within the defined beach area and seaward of the DNREC Building Line as shown on maps prepared by the Shoreline & Waterway Management Section, and for construction activities requiring a Permit, as outlined in Part 4.0 of the Regulations Governing Beach Protection and the Use of Beaches. Copies of individual Building Line Maps are available for planning by request to the Shoreline & Waterway Management Section.

Please answer all questions thoroughly and provide the applicable drawings and plans. An application fee of \$150.00 in check form payable to the State of Delaware must accompany the application. Incomplete applications will be returned.

All Permit applications will be advertised in two papers of State wide circulation. Twenty (20) calendar days from the date of advertisement must pass, in order to receive comments, before a decision will be rendered. A thirty (30) day appeal period follows issuance of the permit.

Name of Property Owner: Atlantic View Realty, LLC

Mailing Address: 11 Venetian Dr

City/State/Zip Code: Rehoboth Beach, DE 19971

E-mail Address Alex@seahosp.com

Telephone Numbers: _____ Residence 302-212-4000 Office _____

Name of Authorized Agent: William Helms

Mailing Address: 3719 Rehoboth Ave

City/State/ Zip Code: Rehoboth Beach, DE 19971

E-mail Address william@seaboardhospitality.com

Telephone Numbers: _____ Residence 814-321-1149 Office _____

Location of proposed work:

Lot(s) Number: 3,4,24,and PO23 Block Number: 41

Street: 105 Clayton St

Subdivision/Community: Rehoboth by the Sea

Tax Map #: 3-34-20.14-213

Type of work proposed:

(Construction of a dwelling, commercial building, subdivision, addition, shore protection structure, pedestrian dune crossover, septic system, storage facility, placement of utilities, placement of fill etc.).

Renovation of existing hotel

Site Work:

Removal of sand from the site is prohibited without prior approval

Will there be any lot clearing or excavation at the site? No

If so, will any sand be removed from the site? _____

Where will the sand be taken? _____

Will sand or fill be added to the site? No How much? _____

What will be the source of the material? _____

Indicate on the plans where the fill will be placed.

Will there be any landscaping? Yes If so, will you be bringing in top soil? Yes

Are there any structures included in your landscape design? Yes

Please indicate their location on the plans.

Activities Seaward of the Building Line and on the dune:

Construction Seaward of the Building Line must be located above Base Flood Elevation.

What NFIP Flood Zone is the property located in (e.g. V, A, B, etc.)? A0, VE11, VE12, VE15, VE17

What is the Base Flood Elevation? AO (2) for all portions of the existing building

What is the effective/revised date of the FIRM panel used for flood zone determination? March 16, 2015

(This information can be obtained from the applicable Town or County

Will any enclosures, such as entrances, storage areas, elevators, showers, skirting, utilities etc., be constructed below the first living floor? No **If so, indicate their location on the plans.**

These structures must be located landward of the Building Line or elevated above Base Flood Elevation.

Will any concrete, brick or asphalt be used for flooring, driveways, side walks, etc.? Yes

If so, indicate their location on the plans. These structures must be located landward of the Building Line.

Placement of construction equipment or materials seaward of the DNREC Building Line is prohibited.

Erection of sand fencing will be required to mark the Building Line.

Proposed construction should be designed and undertaken to minimize impacts to dunes and beaches.

What mitigating measures will be taken in order to prevent disturbance and damage to the dune during construction?

No renovation shall take place east of the existing retaining wall and existing structures

Following construction, what steps will be taken to replant vegetation disturbed during construction or to vegetation bare areas in the dune and on the lot?

No disturbance of the dune area is expected beyond existing facilities

Please supply the following information:

All surveys must be originals, signed and sealed by a professional surveyor licensed in the State of Delaware. All plans must be approved by a registered professional engineer or architect licensed in the State of Delaware. Cantilevered decks must be designed and certified by an Architect or Engineer licensed in the State of Delaware.

1. Copy of deed, lease, sales contract or other instrument showing legal interest of the property upon which work is to take place.
2. Four copies of a **8 1/2" X 11"** plan (drawn to scale)(see attached examples), indicating:
 - a. A Topographic survey of the lot (at one foot intervals), both plan and profile views, which indicates the location of the DNREC Building Line with regard to the proposed structure on the lot. If a cantilevered deck is proposed as part of the construction, please complete and submit the **Cantilevered Deck Worksheet**. The survey must also indicate the average distance seaward of the Building Line that the proposed Cantilevered Deck may or may not extend out to.
 - b. Foundation pile layout plan and detail of pile to beam attachment approved by a registered professional engineer or architect licensed in the State of Delaware, certifying compliance with local flood hazard zoning and construction ordinances.
 - c. The location and dimensions of the proposed structure, modification, or additions, on the lot or parcel clearly showing setback distances from front, back and side boundary lines
 - d. A profile view of the proposed construction (include area below first living floor) showing existing grade, proposed fill, proposed foundation, base flood elevation, first floor elevation, stairs, heat pumps, etc.
3. For all construction activities utilizing the 4 Step Process please complete and submit the **Dune Encroachment Reduction Worksheet**, demonstrating that the proposed construction is in accordance with the Regulations Governing Beach Protection and the Use of Beaches subsections 3.1.1.2 through 3.1.1.2.4.
4. For work other than construction of buildings, alternative or additional information may be required. Please refer to the **Shore Protection Structure Worksheet** or contact the Division of Watershed Stewardship at (302) 739-9921 for additional information.
5. List names, Lot numbers and mailing addresses of all owners of property immediately adjacent to the project site.

SIGNATURE PAGE

All signatures must be in original ink

As legal property owner, I (we) accept the legally binding nature of the Construction Permit application and enclosed plans for construction and acknowledge the ultimate responsibility of the owner in executing the conditions of the approval. I (we) also understand that any unauthorized additions or modifications of the final approved construction plans will be considered a violation of the Construction Permit and the Regulations and are therefore subject to penalties found in the Beach Preservation Act and the Regulations.

Jennett R. Sample 1-23-23
Signature of Property Owner(s) Date

Signature of Property Owner(s) Date

Statement of Agent Authorization

I hereby designate and authorize William Helms
VP Development & Facilities
to act in my behalf as my agent in the processing of this Construction Permit application and to furnish, as requested, supplemental information in support of this application.

As legal property owner, I (we) accept the legally binding nature of this Construction Permit application and enclosed plans for construction and acknowledge the ultimate responsibility of the owner in executing the conditions of the approval. I also understand that this authorization does not transfer ultimate responsibility for this approval to the agent.

Major modifications or subsequent additions involving horizontal or vertical expansion of the initial construction must be entered as a new application subject to conditions for construction outlined in the Regulations. Copies of the Regulations are available upon request from the Shoreline & Waterway Management Section.

Jennett R. Sample 1-23-23
Signature of Property Owner(s) Date

Signature of Property Owner(s) Date

Application is hereby made for a beach Construction Permit in the State of Delaware. I certify that I am familiar with the information contained in this application, and that to the best of my knowledge; such information is correct and complete. I further certify that I am authorized to undertake the proposed activities or I am acting as the duly authorized agent for the applicant.

Jennett R. Sample 1-23-23
Signature of Authorized Agent Date

CHECKLIST

1. Name and address of applicant/property owner and/or authorized agent.
2. Copy of document showing legal interest of owner.
3. Pile layout plan and attachment detail approved by Registered Engineer or Architect.
4. Profile and plan view survey prepared by licensed surveyor, locating the DNREC Established Beach Preservation Building Line with regard to proposed structure on lot.
5. Plan view of proposed structure clearly indicating placement on lot, proposed distances from property lines, and parking areas.
6. Profile view of proposed structure including all proposed construction below first living floor and grading plan, if any.
7. Dune Encroachment Reduction Worksheet prepared by a licensed surveyor (if applicable). *NA*
8. Cantilevered Deck Worksheet prepared by a licensed surveyor (if applicable). *NA*
9. Shore Protection Structure Worksheet prepared by engineer (if applicable) *NA*
10. Names and addresses of adjacent property owners.
11. Signatures of applicant/property owner and/or authorized agent.
12. Authorization statement for agent.
13. Application fee enclosed.

Legal Interest of Owner

TAX MAP AND PARCEL #:
3-34 20.14 213.00
PREPARED BY & RETURN TO:
Morris James LLP
107 W. Market Street
Georgetown, DE 19947

**NO TITLE EXAMINATION
PERFORMED OR REQUESTED**

THIS DEED, made this 6th day of June, 2019,

- BETWEEN -

**KENNETH A. SIMPLER, TRUSTEE OF THE KENNETH A. SIMPLER
REVOCABLE TRUST DATED MAY 19, 1999**, of 11 Venetian Drive, Rehoboth Beach, DE
19971, party of the first part,

- AND -

ATLANTIC VIEW REALTY, LLC, a Delaware Limited Liability Company, of 11
Venetian Drive, Rehoboth Beach, DE 19971, party of the second part;

WITNESSETH: That the said party of the first part, for and in consideration of the sum
of **ONE DOLLAR (\$1.00)**, lawful money of the United States of America, the receipt whereof
is hereby acknowledged, hereby grants and conveys unto the party of the second part, and its
heirs and assigns, in fee simple, the following described lands, situate, lying and being in Sussex
County, State of Delaware:

ALL those certain lots, pieces or parcels of land known as **LOT NOS. 3, 4, 24 AND A
PORTION OF LOT NO. 23, BLOCK 41**, of that certain plot of property known as Rehoboth
By The Sea Realty Company, which said plot is of record in the Office of the Recorder of Deeds,
in and for Sussex County, in Deed Record DHD, Volume 260, Page 600, situate in the **TOWN
OF DEWEY BEACH**, Lewes and Rehoboth Hundred, Sussex County, Delaware and more
particularly bounded and described as follows, to wit:

BEGINNING at a point on the Southwesterly side of Clayton Street (at 50 feet wide),
said point of beginning being the two following described courses and distances measured from
the point of intersection of the center line of Clayton Street with the center line of King Charles
Avenue (at 80 feet wide); (1) Southeasterly along the said center line of Clayton Street 451.78
feet to a point; and (2) crossing said Clayton Street and perpendicular to the center line thereof,
Southwesterly 25.00 feet to the point of beginning; thence from said point of beginning and
along the said Southwesterly side of Clayton Street Southeasterly 188.00 feet to a point; thence
Southwesterly and perpendicular to the said Southwesterly side of Clayton Street 100.00 feet to a

point, a corner for Lot No. 2; thence along the Northeasterly line of said Lot No. 2, Lot No. 5 and a part of Lot No. 6, Northwesterly 188.00 feet to a point; thence through Lot No. 23, parallel to the division line between Lot Nos. 22 and 23, Southeasterly 12 feet therefrom measured at right angles thereto and perpendicular to the said Southwesterly side of Clayton Street Northeasterly 100.00 feet to the point and place of beginning, containing within said described metes and bounds 18,800 square feet of land, be the same more or less and being more particularly described in accordance with survey of Mann Associates, dated February 14, 1978, as follows, to wit:

BEGINNING at an iron pipe settled on the Southern right of way of Clayton Street (at 50.00 feet wide), said pipe being further located from the Eastern side of King Charles Avenue (at 80.00 feet wide), South 88 degrees 47 minutes 30 seconds East 188.00 feet to an iron pipe at the Northeastern corner of Lot No. 4; thence along the Eastern line of Lot Nos. 4 and 3 South 01 degrees 12 minutes 30 seconds West 100.00 feet to an iron pipe at a common corner for Lot Nos. 3 and 2; thence by and with the division line of Lot Nos. 2, 3, 5, 24 and part of Lot Nos. 6 and 23 North 88 degrees 47 minutes 30 seconds West 188.00 feet to an iron pipe; thence by a division line through Lot No. 23 North 01 degree 12 minutes 30 seconds East 100.00 feet to the point an place of beginning and containing therein 18,800 square feet more or less. The above being known as all of Lot Nos. 3, 4, 24 and the Eastern 38 feet of Lot No. 23, in Block 41 of Rehoboth By The Sea.

BEING the same land conveyed unto Kenneth A. Simpler, Trustee of the Kenneth A. Simpler Revocable Trust dated May 19, 1999, by a Deed of Kenneth A. Simpler, dated January 26, 2000 and filed for record in the Office of the Recorder of Deeds, in and for Sussex County, at Georgetown, Delaware, in Deed Book 2459, Page 155.

SUBJECT to any and all restrictions, reservations, conditions, easements and agreements of record in the Office of the Recorder of Deeds, in and for Sussex County, Delaware.

IN WITNESS WHEREOF, the party of the first part has hereunto set his hand and seal the day and year first above written.

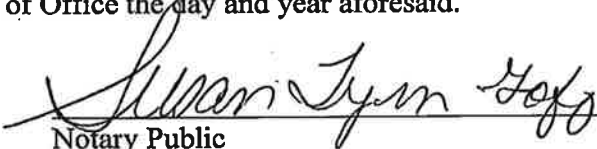
Witness

 (SEAL)
Kenneth A. Simpler, Trustee

STATE OF DELAWARE, COUNTY OF SUSSEX: to-wit

BE IT REMEMBERED, that on June 6, 2019, personally came before me, the subscriber, Kenneth A. Simpler, Trustee, party of the first part to this Indenture, known to me personally to be such, and acknowledged this Indenture to be his act and deed.

GIVEN under my Hand and Seal of Office the day and year aforesaid.


Notary Public
My Commission Expires: _____

SUSAN LYNN GOFF
Notary Public
STATE OF DELAWARE
My Commission Expires 03-15-2020

THE TOWN OF DEWEY
REALTY TRANSFER TAX
SERIAL NO. 22375
AMOUNT OF TOWN TAX 2.00
DATE RECORDED 6/12/19
RECEIVED BY [Signature]

Survey of Property



VICINITY MAP
NOT TO SCALE

SITE DATA

- TAX MAP NO. 3-34-20,14-213
- STATE: DELAWARE
- COUNTY: SUSSEX
- HUNDRED: LEWES & REHOBOTH
- MUNICIPALITY: TOWN OF DEWEY BEACH
- AREA: 18,800 SQ. FT.
- SCALE: 1"=20'
- CLASS: "A" SURVEY
- VERTICAL DATUM- NAVD83 (1988 NORTH AMERICAN VERTICAL DATUM)
- HORIZONTAL DATUM- NAD83 (1983 NORTH AMERICAN DATUM)

SURVEYOR NOTES

- This plot area was not verified by the surveyor or monuments in accordance with the provisions of the Delaware Statutes relating to land surveying. This information is provided for informational purposes only and should not be relied upon for legal or financial purposes.
- No site search was conducted or reported.
- Deed Book Reference: 201-4584, Pg. 322
- Plot Book Reference: 10, Pg. 104

STANDARD LEGEND

These standard symbols will be found in the drawing:

- 3/4" PIPE (FD)
- 5/8" RE-BAR w/ CAP (SET)
- LIGHT-POST
- SPOT ELEVATION (NAVD 88)

FLOOD DATA
This property is in Zone VE-2 (200A) as shown on the Flood Insurance Rate Map, Community Flood Hazard Data, effective date of March 11, 2013, and is in a Special Flood Hazard Area.

Lands of ATLANTIC VIEW REALTY, LLC, Being known as LOTS NO. 3, 4, 24, & P/O 23, BLOCK NO. 41, REHOBOTH-BY-THE-SEA REALTY COMPANY. Ref: Deed Book 2459, Page 155.

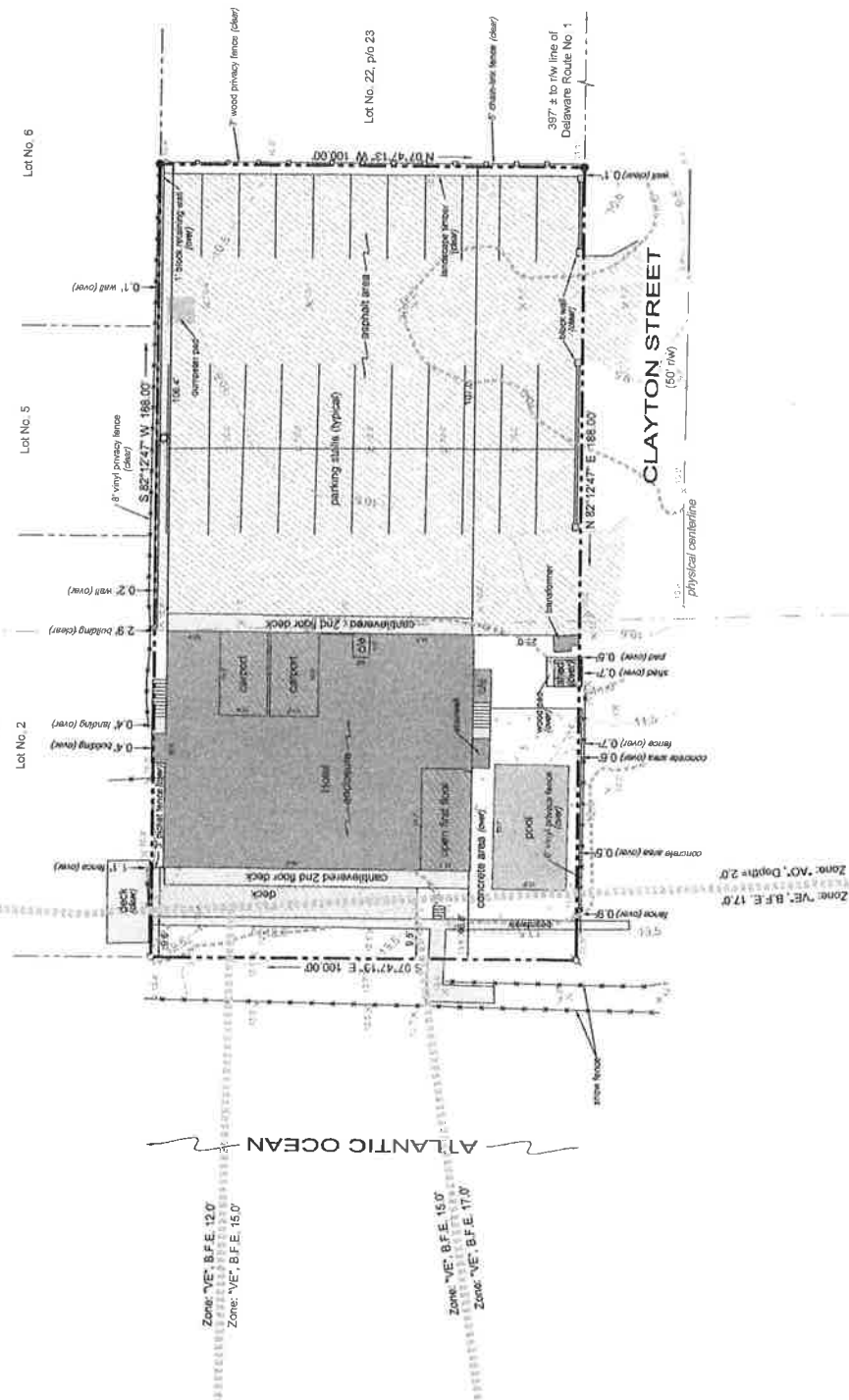
SIMPLER SURVEYING & ASSOCIATE, INC.
32496 POWELL FARM ROAD, FRANKFORD, DE 19945
PHONE: (302) 539-7873 FAX: (302) 539-4336
www.delaawesurveyor.com

DATE OF ORIGINAL: 2018
DATE: MARCH 31, 2023
REVISION: DATE: 2023
REVISION: DATE: 2023
REVISION: DATE: 2023
REVISION: DATE: 2023
REVISION: DATE: 2023
REVISION: DATE: 2023
REVISION: DATE: 2023
Checked by: GREGORY M. HOOK

SURVEYOR CERTIFICATION

I, GREGORY M. HOOK, registered as a Professional Land Surveyor in the State of Delaware, who certifies that the information shown on this plan was prepared by me or under my direct supervision and that I am a duly licensed and qualified professional in the State of Delaware. I hereby certify that the information shown on this plan is true and correct to the best of my knowledge and belief.

Gregory M. Hook
3/31/2023



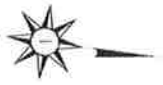
DNR, E.C. Building Restriction Line
Per State of Delaware #18479-18554-B
Dated: August 1978, Sheet 28 of 35

Zone: "VE", B.F.E. 11.0'
Zone: "VE", B.F.E. 12.0'

Zone: "VE", B.F.E. 12.0'
Zone: "VE", B.F.E. 15.0'

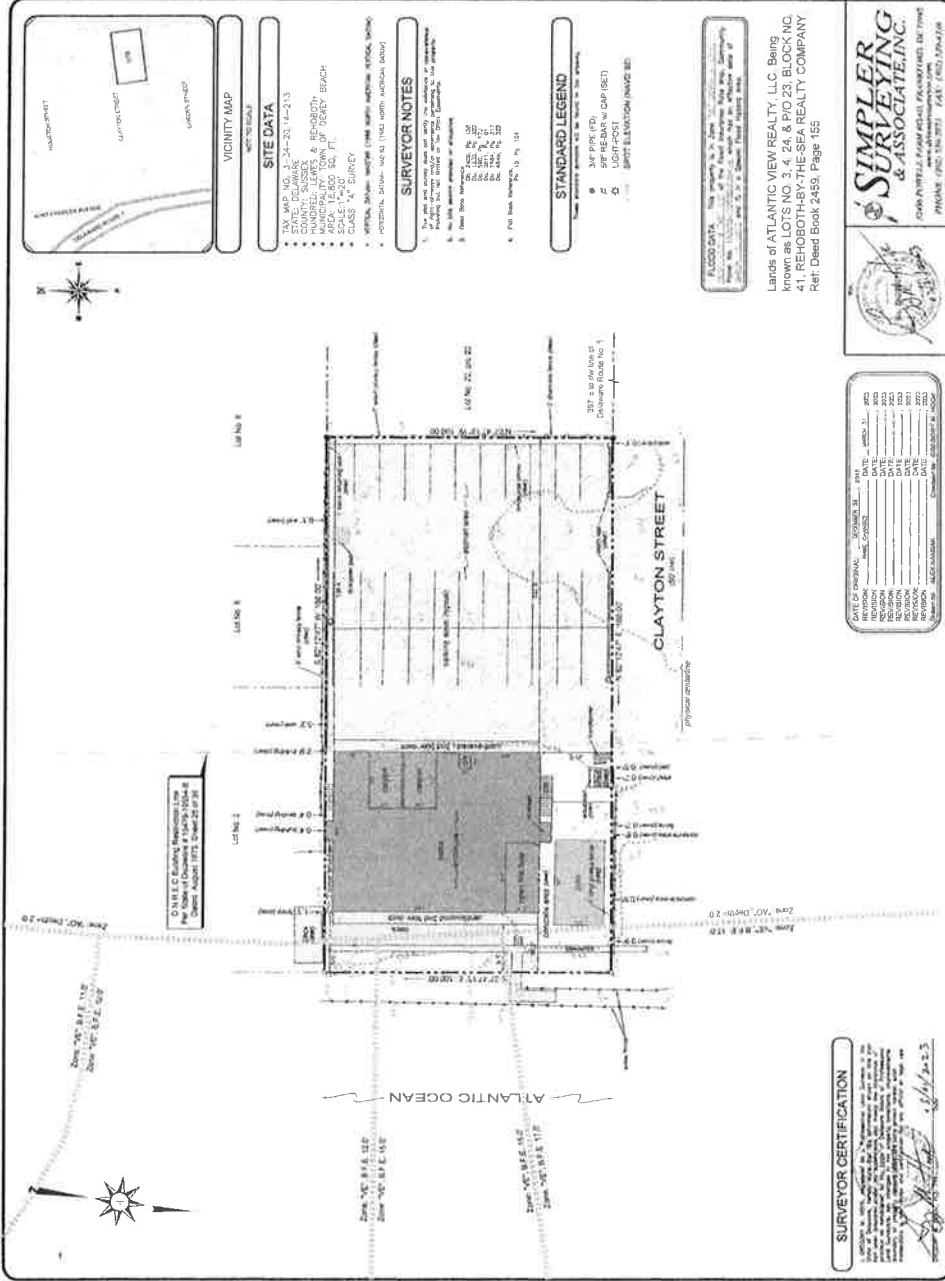
Zone: "VE", B.F.E. 15.0'
Zone: "VE", B.F.E. 17.0'

Zone: "VE", B.F.E. 17.0'
Zone: "VO", Depth 2.0'



Plans

- GENERAL NOTES:**
- These plans are schematic design for renovations of the existing Atlantic View Hotel, originally built in 1974. The purpose of this set is for DNREC review to confirm proposed site renovations are allowed.
 - The measurements are to the centerline of the structure.
 - Removal of the existing pool deck extension and replacement with pool equipment based enclosure, as employment can be raised above floor level.
 - Addition of required pool safety fence.
 - Addition of required pool safety fence.
 - Addition of required pool safety fence.
 - Access ramps proposed to wheelchair users, to be done in accordance with the ADA standards on the first level.
 - Small conditioned spaces added to first level, contained within existing building footprint.
 - Replace existing on existing ground floor deck.
 - Addition of primary access to create more private deck areas, at the ground level.
 - Original location of parking for garage structure with ramp through parking and landscape improvements.



SURVEYOR CERTIFICATION

I, the undersigned, being duly sworn and qualified as a Professional Surveyor in the State of Delaware, do hereby certify that I am the author of the above and foregoing Survey and that the same are true and correct to the best of my knowledge and belief.

 Date: 11-12-2009

DATE OF ORIGINAL SURVEY	DATE OF REVISION	BY	REVISION
11-12-2009			

Simpler Surveying & Associates, Inc.

CHRISTOPHER M. SIMPSON, P.E., P.S., P.L.S., P.C.S., P.A.S., P.E.S., P.L.S., P.C.S., P.A.S., P.E.S.

1100 N. MARKET STREET, SUITE 200
 WILMINGTON, DE 19801

PH: 302.441.7222 FAX: 302.441.7223

Lands of ATLANTIC VIEW REALTY, LLC, Being
 Lots 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13,
 41, REHOBOTH-BY-SEA REALTY COMPANY
 Ref: Deed Book 2489, Page 155

FLOOD DATA

Map Symbols: 1. No Flood 2. Flood Hazard 3. Flood Hazard

Map Symbols: 1. No Flood 2. Flood Hazard 3. Flood Hazard

- STANDARD LEGEND**
- 1/2" PIP (DN)
 - 3/4" PIP (UP)
 - 4" PIP (UP)
 - 6" PIP (UP)
 - 8" PIP (UP)
 - 10" PIP (UP)
 - 12" PIP (UP)
 - 14" PIP (UP)
 - 16" PIP (UP)
 - 18" PIP (UP)
 - 20" PIP (UP)
 - 24" PIP (UP)
 - 28" PIP (UP)
 - 32" PIP (UP)
 - 36" PIP (UP)
 - 40" PIP (UP)
 - 44" PIP (UP)
 - 48" PIP (UP)
 - 52" PIP (UP)
 - 56" PIP (UP)
 - 60" PIP (UP)
 - 64" PIP (UP)
 - 68" PIP (UP)
 - 72" PIP (UP)
 - 76" PIP (UP)
 - 80" PIP (UP)
 - 84" PIP (UP)
 - 88" PIP (UP)
 - 92" PIP (UP)
 - 96" PIP (UP)
 - 100" PIP (UP)

- SURVEYOR NOTES**
1. The site was surveyed using the following methods:
 - a. Total Station
 - b. GPS
 - c. Leveling
 - d. Utility
 2. The site was surveyed on 11/12/09.
 3. The site was surveyed by Christopher M. Simpson, P.E., P.S., P.L.S., P.C.S., P.A.S., P.E.S., P.L.S., P.C.S., P.A.S., P.E.S.
 4. The site was surveyed by Christopher M. Simpson, P.E., P.S., P.L.S., P.C.S., P.A.S., P.E.S., P.L.S., P.C.S., P.A.S., P.E.S.

VICINITY MAP

NOT TO SCALE

SITE DATA

- TAX MAP NO. 3-24-2014-213
- STATE OF DELAWARE
- HANDHELD SURVEYING & REHOBOTH
- AREA 15-803 SQ. FT.
- CLASS "A" SURVEY
- POTENTIAL DRAINAGE (NOT NORTH-NORTHWEST)
- POTENTIAL DRAINAGE (NOT NORTH-NORTHWEST)

- KEY TO DRAWINGS:**
- CS Cover Sheet
 - AS1.1e Architectural Site Plan - Existing Conditions
 - RD3 Site Renovation Diagrams
 - AS1.1 Architectural Site Plan
 - AS1.2 Site Details
 - AS1.3 Site Details
 - AZ.1 Ground Level Plan
 - AZ.2 Second Level Plan
 - AZ.3 Third Level Plan
 - AZ.4 Fourth Level Plan
 - AZ.5 Roof Plan
 - A3.1 Exterior Elevations
 - A4.1 Building Section
 - SI.1e Foundation Plan - Existing Conditions
 - SI.1 Foundation Plan

The Design Group

Architecture, Planning & Landscape Design

Architect:
 Jeff Schoellkopf, AIA
 PO Box 237
 Warren, VT 05674
 tel 802-496-2166
 www.tdgrvc.com



DNREC Submittal

Drawn By: JRL/PF
 Checked By: JRL/PF
 Date: 11-12-2009

Proposed Renovations

Atlantic View Hotel

2 Clayton Street, Rehoboth Beach, Delaware 19971

REVISIONS

NO.	DESCRIPTION	DATE

DATE: 4.5.23

Cover Sheet

CS

APPLICABLE CODES

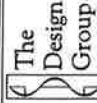
For altered areas:
 Sussex County Building Code
 2021 International Building Code
 2018 International Energy Conservation Code
 Delaware State Fire Prevention Regulations
 2010 ADA Standards for Accessible Design
 State of Delaware Architectural Accessibility Standards

For existing conditions unaltered that remain:
 1973 NFPA 501 Life Safety Code

Existing Conditions Survey

Scale: 1" = 20'-0"

1



The Design Group
 Architecture, Planning & Interior Design
 Architect:
 Jeff Schoellkopf, AIA
 PO Box 237
 Warren VT 05674
 tel 802-4962166
 www.tdgv.com



DNR/EC Submittal
 Drawing No. 134, 135
 Checked By: JS
 © Copyright

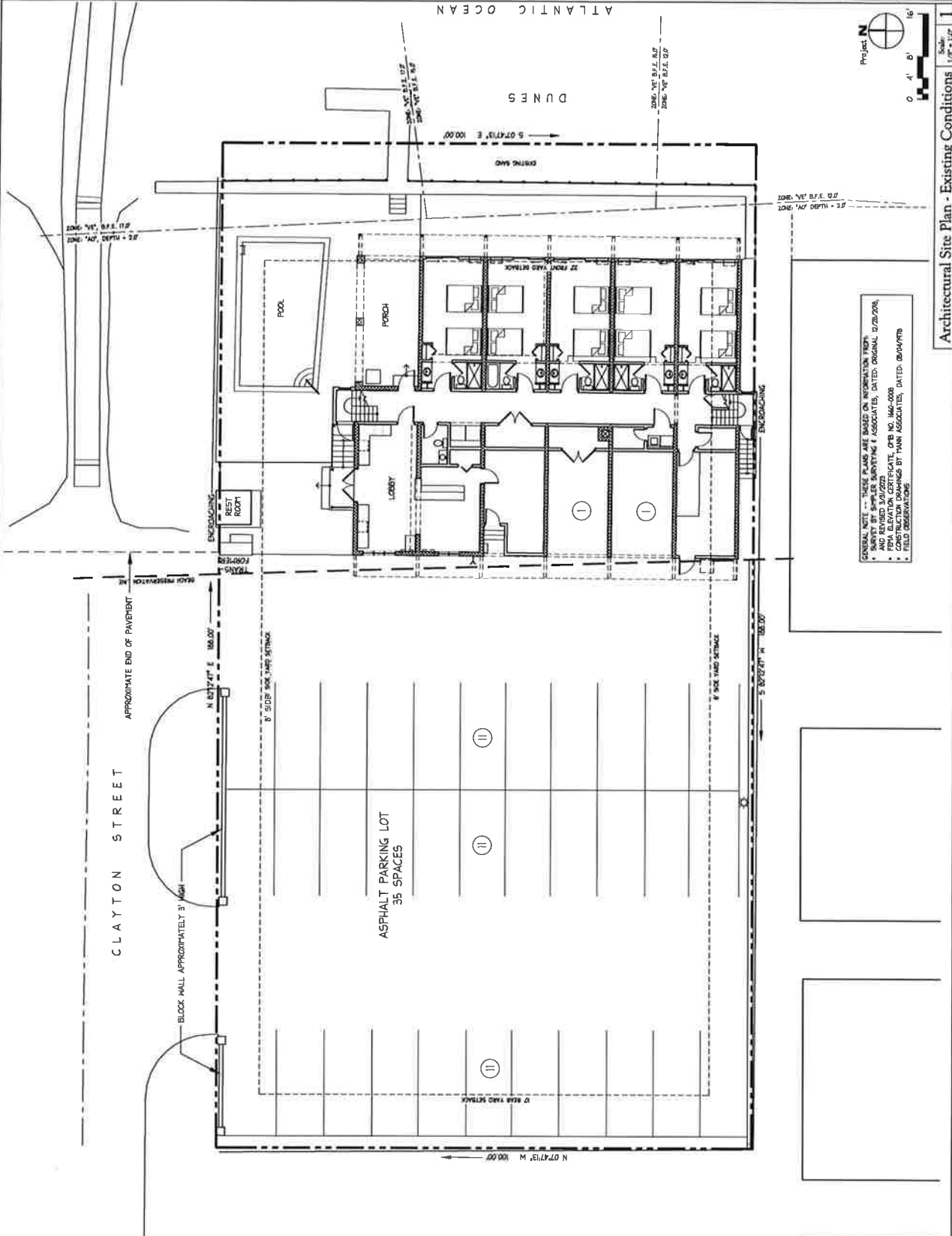
Proposed Renovations Atlantic View Hotel

2 Clayton Street
 Derry Beach, Delaware 19971

REVISIONS

DATE: 4.5.23
 Architectural Site Plan
 Existing Conditions

AS1.1e



GENERAL NOTE -- THESE PLANS ARE BASED ON INFORMATION FROM:
 • SURVEY BY [redacted] ASSOCIATES, DATED: ORIGINAL 12/20/2008;
 • FEMA ELEVATION CERTIFICATE, OFB NO. 1464-008
 • CONSTRUCTION DRAWINGS BY THANN ASSOCIATES, DATED: 08/04/07B
 • FIELD OBSERVATIONS

Architectural Site Plan - Existing Conditions



DNREC Submittal
 Drawn By: H, FF
 Checked By: J
 © Copyright

Proposed Renovations
 Atlantic View Hotel
 2 Chatham Street
 Dwyer Beach, Delaware 19971

REVISIONS

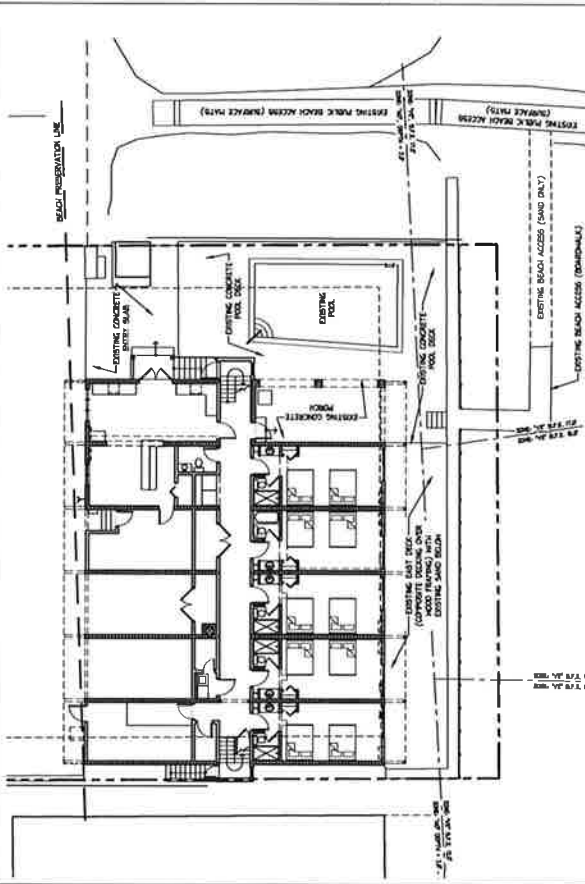
DATE: 4.5.23

Site
 Renovation
 Diagrams

RD3

Description	Area Calculations	SF
Existing entry and pool deck, impervious area		101
Proposed pool deck converted to accessible area		122
Proposed pool deck remaining (pervious area)		28
Percentage of impervious area reduced		8%
From 101 sq ft to 119 sq ft (18% reduction)		
Proposed ramp access (new deck)		114
Proposed ramp access (new deck)		113
Percentage of ramp access area reduced		0%
From 114 sq ft to 113 sq ft (1% reduction)		
From 114 sq ft to 113 sq ft (1% reduction)		
Percentage of ramp access area reduced		0%
From 114 sq ft to 113 sq ft (1% reduction)		
Area removed to be accessible entry stairs, ramp and landing		87
Existing ramp and ramp and landing		87
Building area added (new ramp and landing)		195

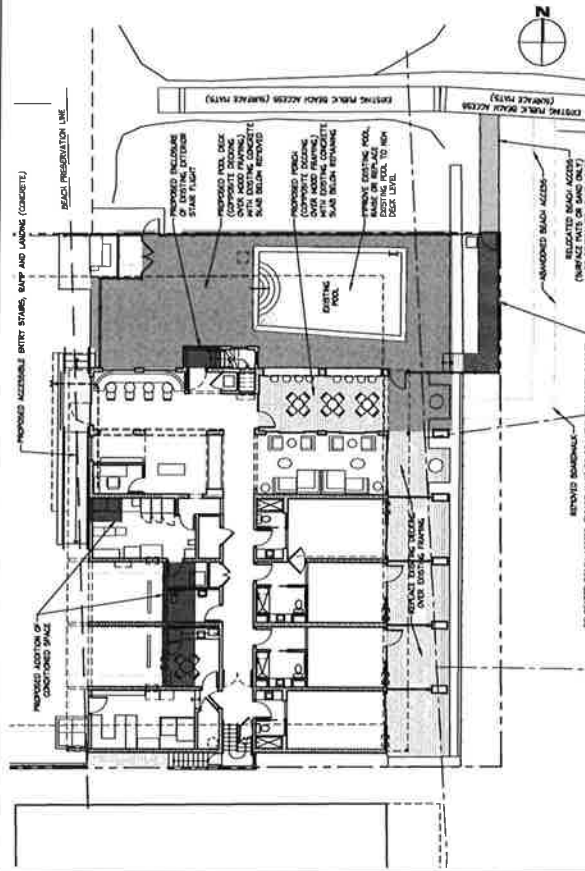
NOTE:
 REFER TO SITE RENOVATION DIAGRAMS FOR THE LOCATION AND AREA OF RENOVATION AND THE EXISTING AREA DEFLECTIONS



Existing Site Plan

Scale: 1/32" = 1'-0"

2



Proposed Site Plan

Scale: 1/32" = 1'-0"

1



DNREC Submittal
 Drawn By: JH/JP
 Checked By: JS
 Date: 10/1/11

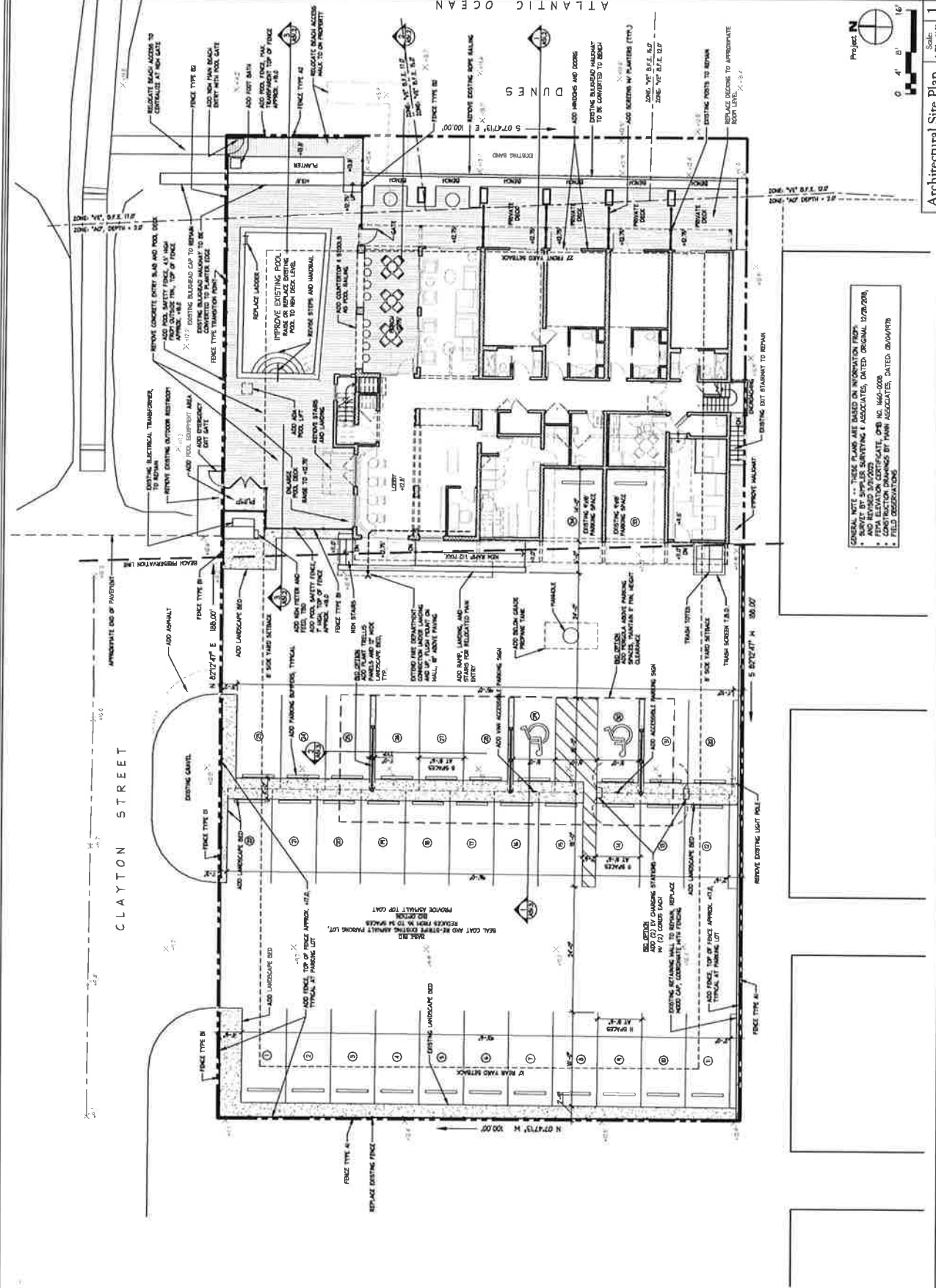
**Proposed Renovations
 Atlantic View Hotel**
 2 Clayton Street
 Denny Fresh, Denny Street 19971

NO.	DATE	DESCRIPTION

DATE: 4.5.23

Architectural
 Site Plan

AS1.1



GENERAL NOTE -- THESE PLANS ARE BASED ON INFORMATION PROVIDED BY SUPPLIER SURVIVING & ASSOCIATES, DATED ORIGINAL 12/28/2008. THE DESIGN GROUP HAS CONDUCTED VISUAL VERIFICATION OF THE INFORMATION PROVIDED BY SURVIVING & ASSOCIATES, DATED 08/15/2008. CONSTRUCTION DRAWINGS BY HAIN ASSOCIATES, DATED 08/15/2008. FIELD OBSERVATIONS.

Project: **Atlantic View Hotel**
 Scale: **1/8" = 1'-0"**
 Architectural Site Plan



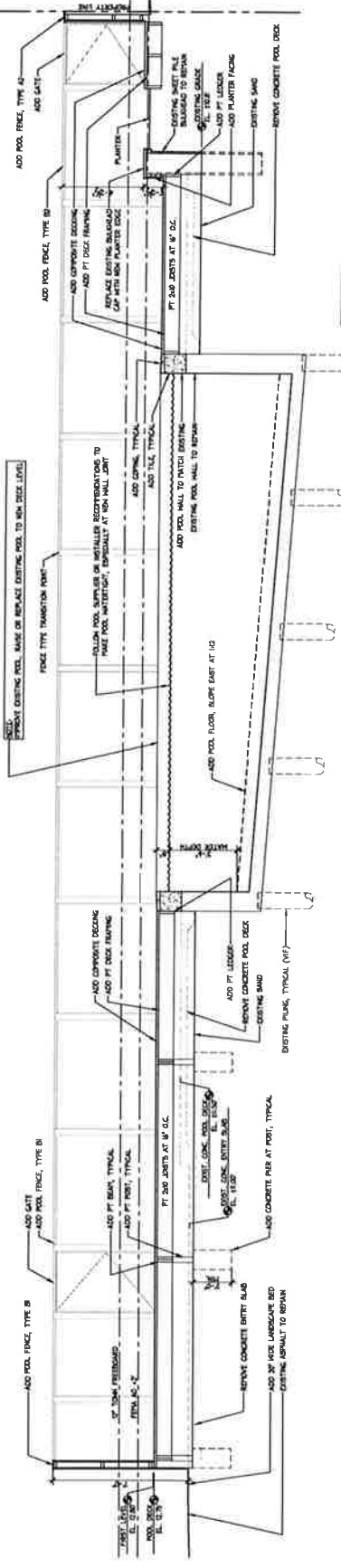
DNREC Submittal
 Drawn By: JH, LF
 Checked By: JB
 © Copyright

Proposed Renovations
Atlantic View Hotel
 2 Clayton Street
 Dewey Beach, Delaware 19971

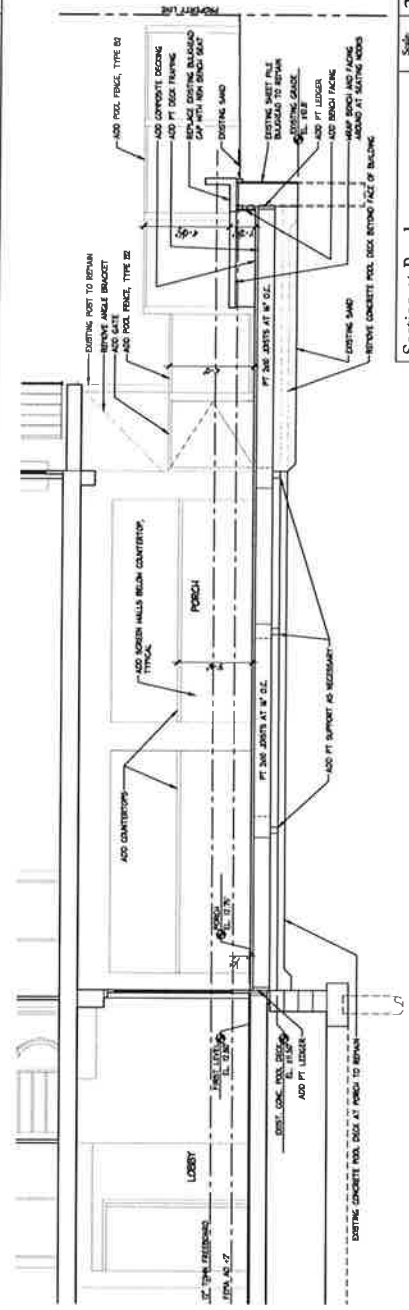
REVISIONS

DATE: 4.5.23
 Site Details

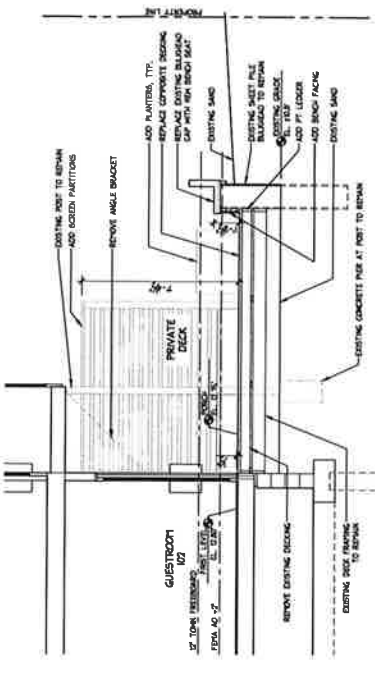
AS1.2



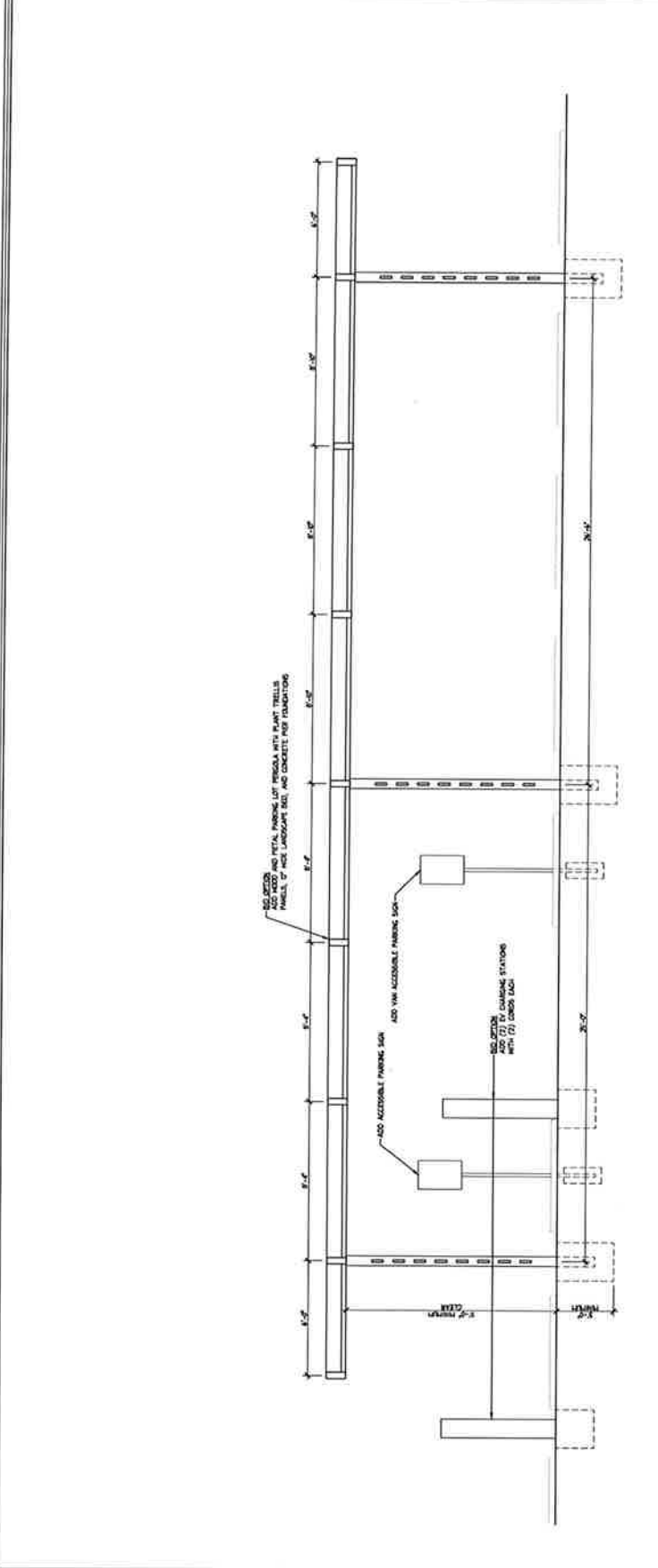
Section at Pool Deck
 Scale: 1/8" = 1'-0"



Section at Porch
 Scale: 1/8" = 1'-0"



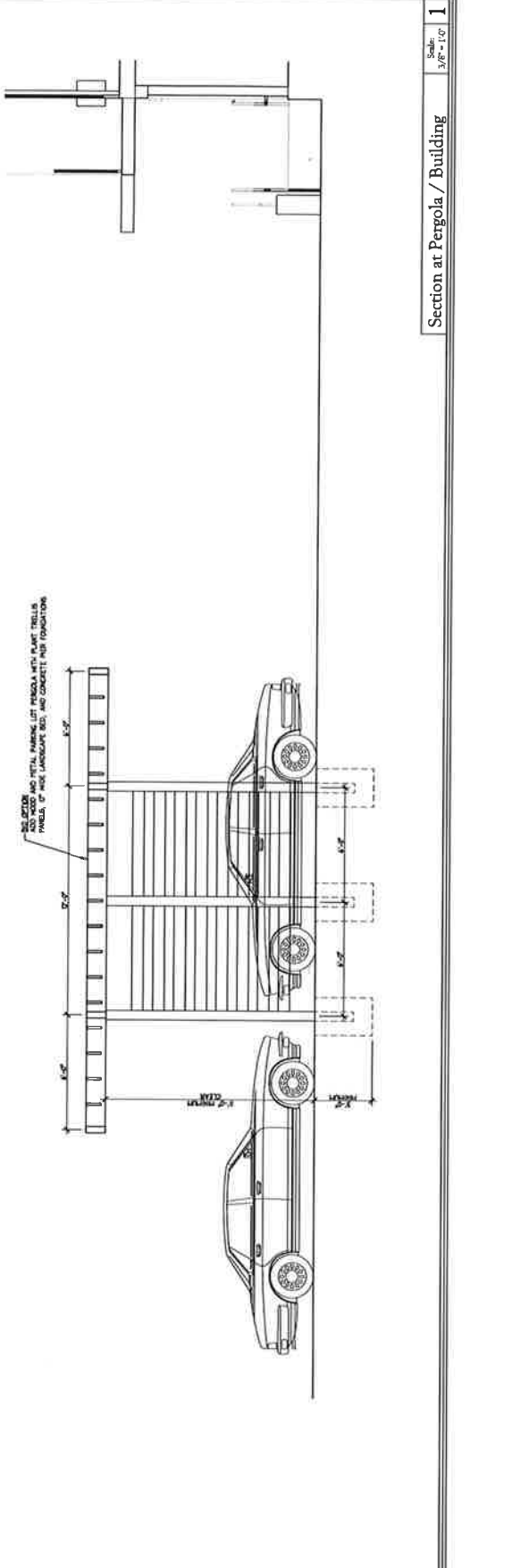
Section at Private Deck
 Scale: 3/8" = 1'-0"



Section at Pergola

Scale: 3/8" = 1'-0"

2



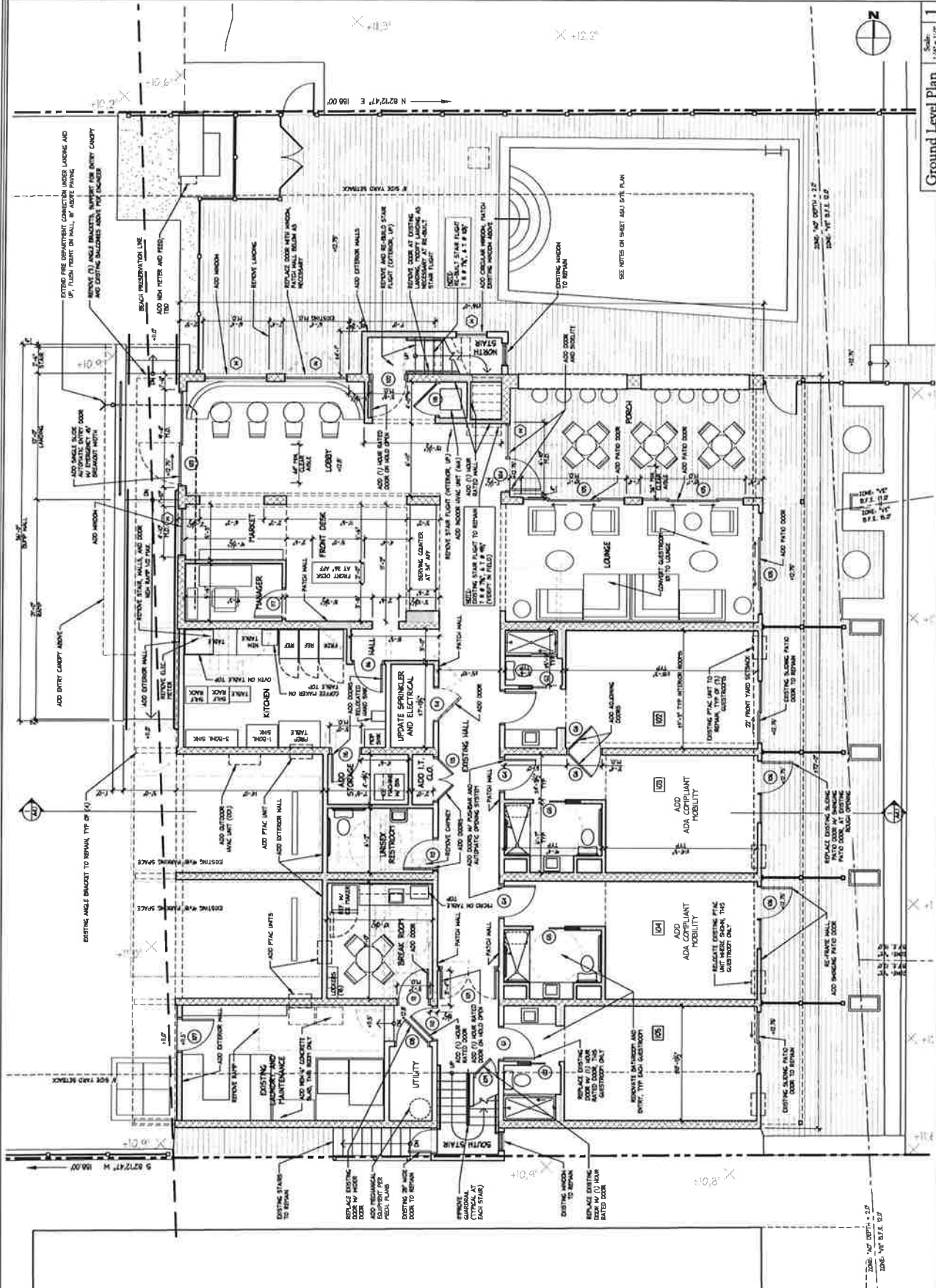
Section at Pergola / Building

Scale: 3/8" = 1'-0"

1



REVISIONS

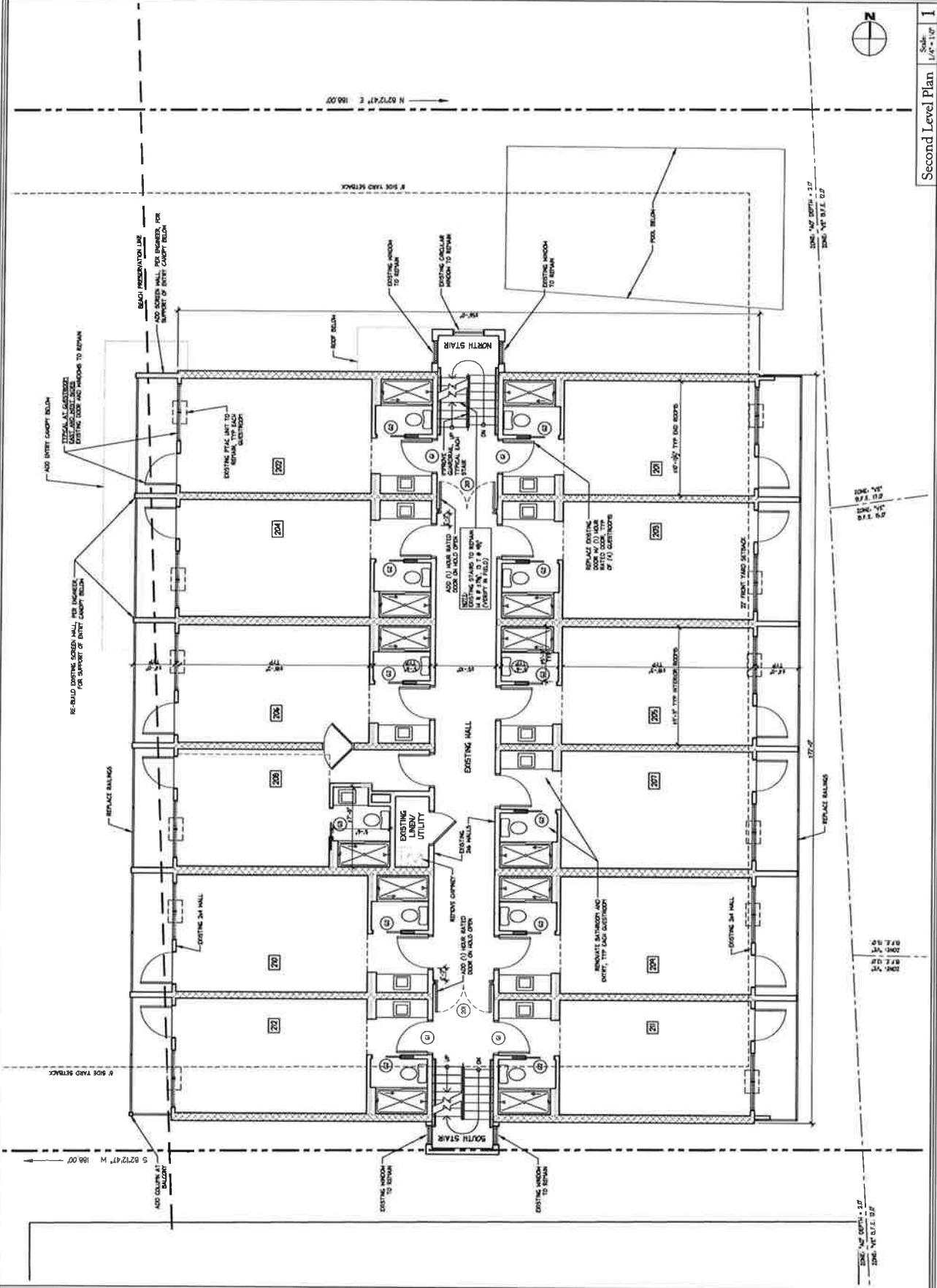


Ground Level Plan Scale: 1/8" = 1'-0"



REVISIONS

NO.	DESCRIPTION



Second Level Plan Scale: 1/4" = 1'-0" 1



DNREC Submitted
Drawn by: JH, JF
Checked by: JH, JF
© Copyright

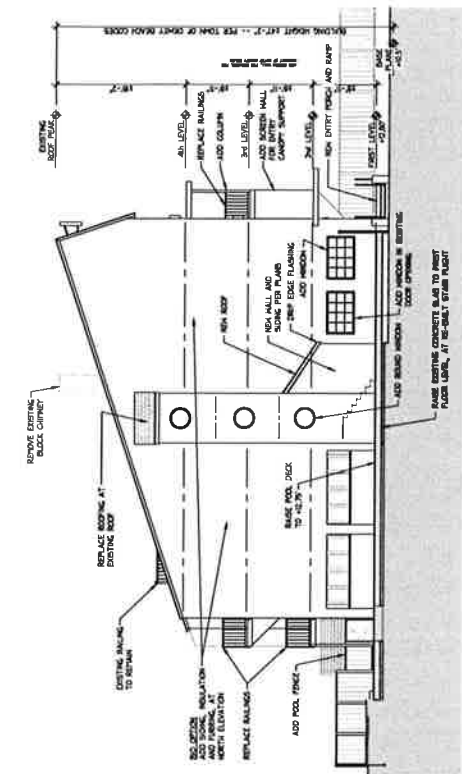
Atlantic View Hotel Proposed Renovations

2 Champlain Street
Dover Beach, Delaware 19971

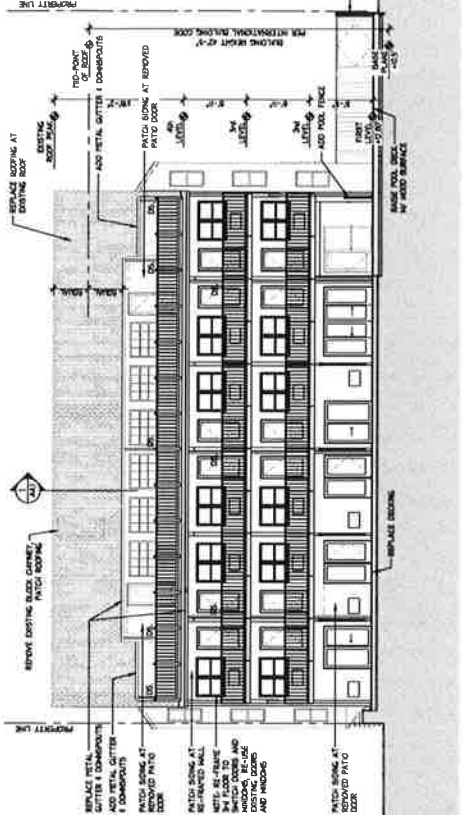
DATE: 4.5.23

Exterior Elevations

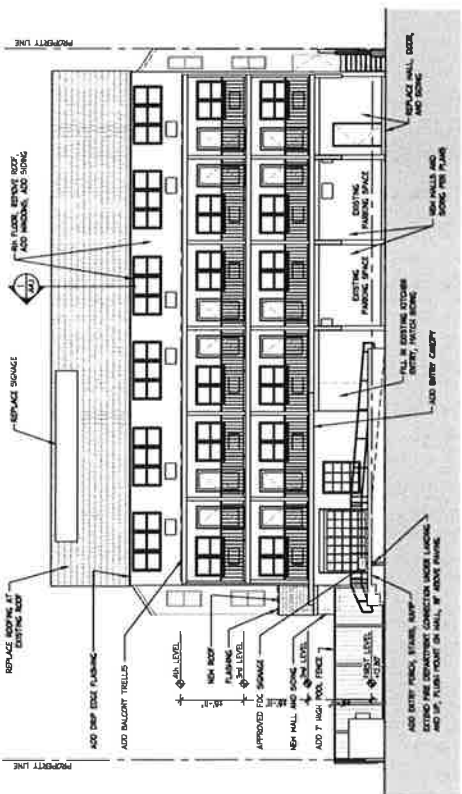
A3.1



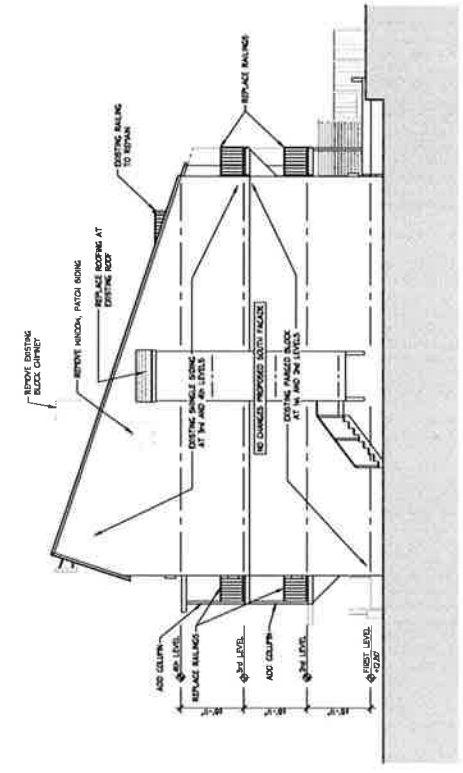
North Elevation Scale: 1/8" = 1'-0" 3



East Elevation Scale: 1/8" = 1'-0" 1



West Elevation Scale: 1/8" = 1'-0" 4



South Elevation Scale: 1/8" = 1'-0" 2

REVISIONS



Proposed Renovations Atlantic View Hotel

2 Chatham Street
 Deyers Beach, Delaware 19971

REVISIONS

DATE: 4.5.23

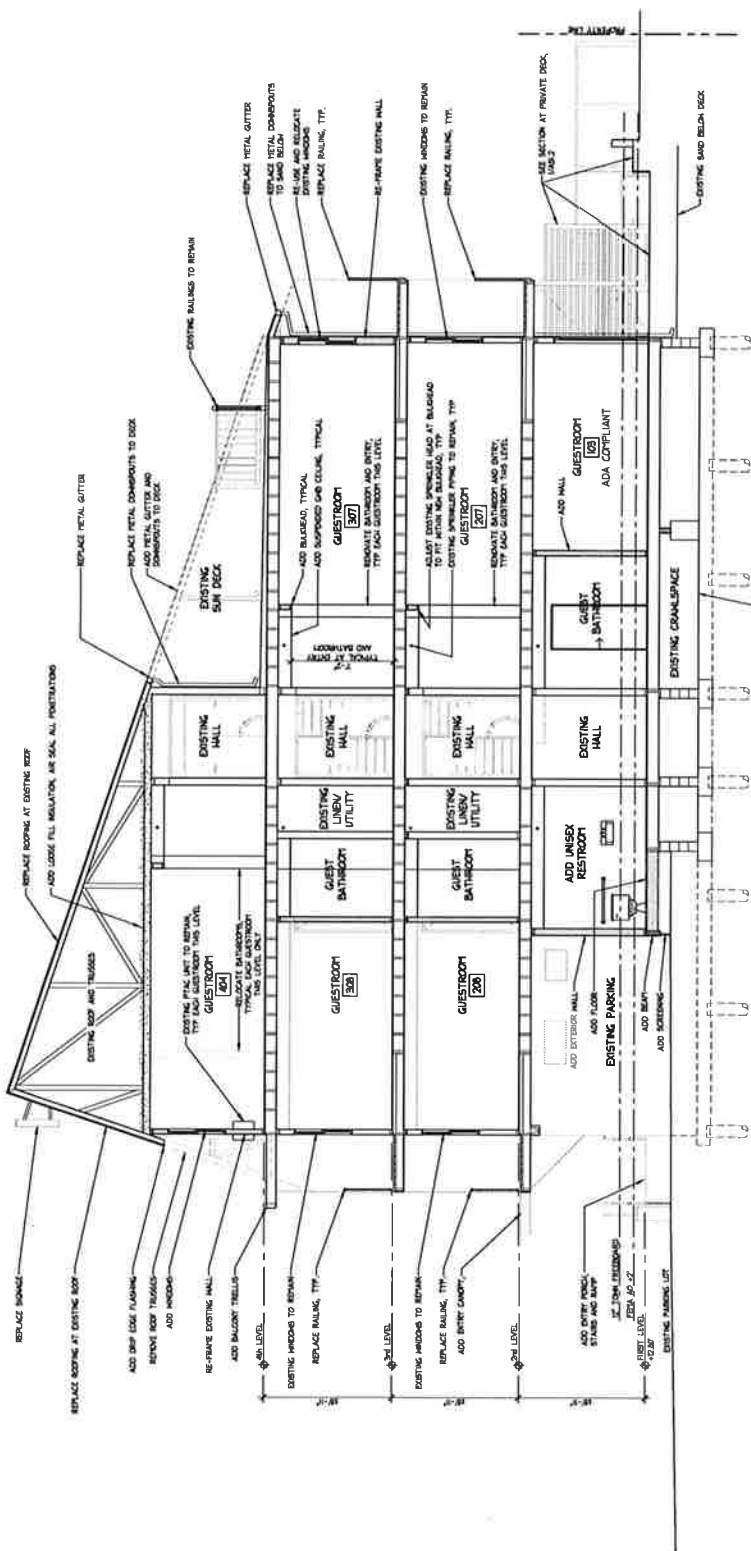
Building Section

A4.1

Building Section

Scale
 1/4" = 1'-0"

I



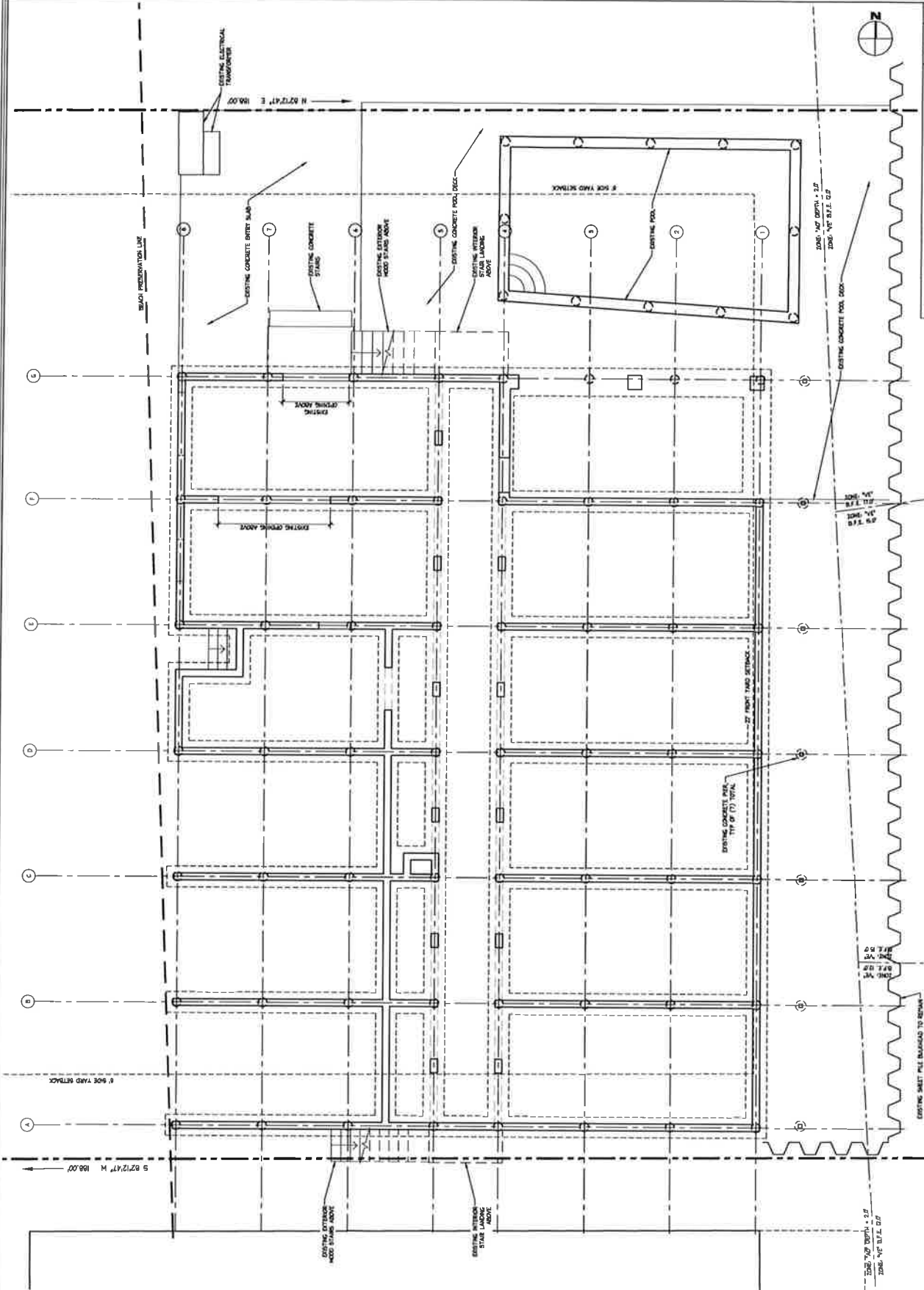
Building Section

Scale
 1/4" = 1'-0"

I



REVISIONS



Foundation Plan - Existing Conditions

Scale: 1/4" = 1'-0"

Market Value Appraisal

CAG CARMEAN APPRAISAL GROUP

Real Estate Appraiser and Consultant

532 S. Bedford Street • P.O. Box 441 • Georgetown, Delaware 19947
Phone: 302-856-2460 • Fax: 302-856-2255 • E-Mail: hlcarmean@gmail.com

December 3, 2023

Seaboard Hospitality
Mr. Kenneth A. Simpler, Sr.
37139 Rehoboth Avenue
Rehoboth Beach, Delaware 19971

***APPRAISAL - LIMITED SERVICE RESORT MOTEL
CURRENT BUILDING MARKET VALUE
PER UNIT 8 OF FEMA GUIDELINES
DEWEY BEACH
SUSSEX COUNTY, DELAWARE***

In accordance with your request, Mr. Simpler, I inspected the above referenced property for the purpose of estimating its ***Current Building Market Value per unit 8 of the FEMA guidelines***, as of ***December 1, 2023***, the effective date of the appraisal. The date of the report is ***December 3, 2023***.

The report and its conclusions have been prepared solely and exclusively for ***Atlantic View Realty, LLC***, and to provide DNREC for the sole purpose of permit application the current building market value per unit 8 of FEMA guidelines. Neither the report nor the conclusions may be disseminated to, or used by anyone else for any other function, unless prior written consent is given by ***Carmean Appraisal Group***. The intended users of this report are ***Atlantic View Realty, LLC and DNREC***.

Market value may be defined as "the price which a well-informed buyer acting intelligently, voluntarily and without necessity would be warranted in paying, and a well-informed seller acting intelligently, voluntarily and without necessity would be warranted in accepting for the property as of a certain date."

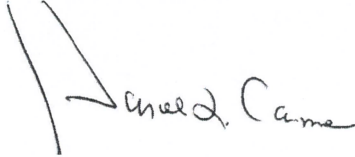
After considering all of the available data in connection with the subject property, it is my opinion the ***Current Building Market Value*** as of ***December 1, 2023***, was ***\$4,949,087***.

This valuation has been made in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP) adopted by the Appraisal Standards Board of the Appraisal Foundation, and with the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute.

Thank you for the opportunity to provide professional appraisal services. If you have any questions, or if we may assist you in other valuation or counseling assignments in the Central Atlantic region, please feel free to call.

Respectfully submitted,

CARMEAN APPRAISAL GROUP

A handwritten signature in black ink that reads "Harold L. Carmean". The signature is written in a cursive style with a large initial "H" and "C".

Harold L. Carmean, M.B.A.

President

DE. Cert. Gen. Real Property Appraiser #X1-0000037

SUMMARY OF SALIENT FACTS AND CONCLUSIONS

<u>PROPERTY APPRAISED:</u>	<i>ATLANTIC VIEW MOTEL LIMITED SERVICE RESORT MOTEL</i> Clayton Street & Ocean View Boulevard Dewey Beach Sussex County, Delaware
<u>PROPERTY TYPE:</u>	35 room limited service resort ocean front motel (Atlantic View Motel) situated on 18,800 SF of commercially zoned land, located in the summer resort of Dewey Beach, in eastern Sussex County, Delaware.
<u>PROPERTY RIGHTS:</u>	Fee Simple of the Real Estate
<u>LEGAL DESCRIPTION:</u>	Sussex County tax reference 334-20.14-213.00, and per deed in the <i>Addendum</i> .
<u>LAND:</u>	<i>18,800 SF</i> , ocean front lot, rectangular in shape, with 100' ocean frontage and 188' frontage on Clayton Street. The site is served with public sewer and water. The site is located in a 100-year Flood Zone. Overall utility is average/good.
<u>IMPROVEMENTS:</u>	<i>35 unit, (14,366 SF)</i> , limited service three and one-half story, walk up, ocean front motel, masonry/frame, 40 years old, in average/good condition, and of average quality construction. Room mix includes 28 double queen beds and 7 king beds. Functional utility is typical of a resort limited service motel.
<u>ENVIRONMENTAL HAZARDS STATUS:</u>	Phase I Site Assessment not provided to appraiser. Assumed to be environmentally unimpaired.
<u>OWNERSHIP:</u>	Atlantic View Realty, LLC
<u>PRIOR SALES:</u>	The property last transferred June 6, 2019, by Sussex County deed reference 5074/38 from Kenneth A. Simpler to Atlantic View Realty, LLC. The transfer was family related and had no consideration.
<u>LISTING & PENDING CONTRACT:</u>	The property is not listed for sale, nor under contract, to the best of my knowledge.
<u>OCCUPANCY:</u>	The property is improved with 35 motel rooms, operated on a seasonal basis.

SUMMARY OF SALIENT FACTS AND CONCLUSIONS

<u>ZONING:</u>	RR-Resort Residential
<u>HIGHEST AND BEST USE:</u>	Continued present use as a limited service resort ocean front motel.
<u>DATE OF VALUATION:</u>	<i>December 1, 2023</i>
<u>DATE OF REPORT:</u>	<i>December 3, 2023</i>
<u>VALUATION CONCLUSION</u>	
<u>CURRENT BUILDING</u>	
<u>MARKET VALUE:</u>	<i>\$4,949,087</i>

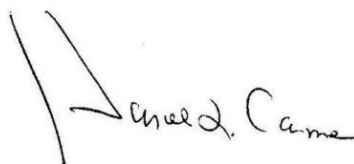
CERTIFICATION

I certify that, to the best of my knowledge and belief, except as otherwise noted in this appraisal report:

1. The statements of facts contained herein are true and correct.
2. The terms of the assignment and reported analyses, opinions, and conclusions are limited only by the reported assumptions, limiting conditions, and contingencies herein, and are my personal, unbiased professional analysis, opinions and conclusions.
3. I have no present or prospective interest in the subject property, and have no personal interest or bias with respect to the subject matter of this appraisal report or the parties involved.
4. My engagement in this assignment was not contingent upon developing or reporting predetermined results
5. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
6. The analyses, opinions and conclusions were developed, and this appraisal report has been prepared, in conformity with the requirements of the Uniform Standards of Professional Appraisal Practice (USPAP) adopted by the Appraisal Standards Board of the Appraisal Foundation, and the requirements of the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute.
7. I have made a personal inspection of the property that is the subject of this report.
8. I previously appraised this property with an effective date of December 31, 2021, with an addendum issued on December 5, 2022.
9. Mr. William Helms, Vice President of Development and Facilities for Seaboard Hospitality and Mr. Brendon T. Warfield of Warfield Construction provided significant professional assistance to the person signing this report.
10. The appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
11. The use of this report is subject to the requirements of the Appraisal Institute regarding review by its duly authorized representatives.
12. I have previously completed appraisal assignments on property such as the subject.

13. State Certified/Licensed appraisers who are signatories to this report have completed all continuing education requirements.
14. As of the date of this report, I have completed the Standards and Ethics Education Requirement of the Appraisal Institute for Associate Members.

DATE: December 3, 2023

A handwritten signature in black ink that reads "Harold L. Carmean". The signature is written in a cursive style with a large initial "H".

Harold L. Carmean, MBA
President
Carmean Appraisal Group
DE Cert. Gen. #X1-0000037

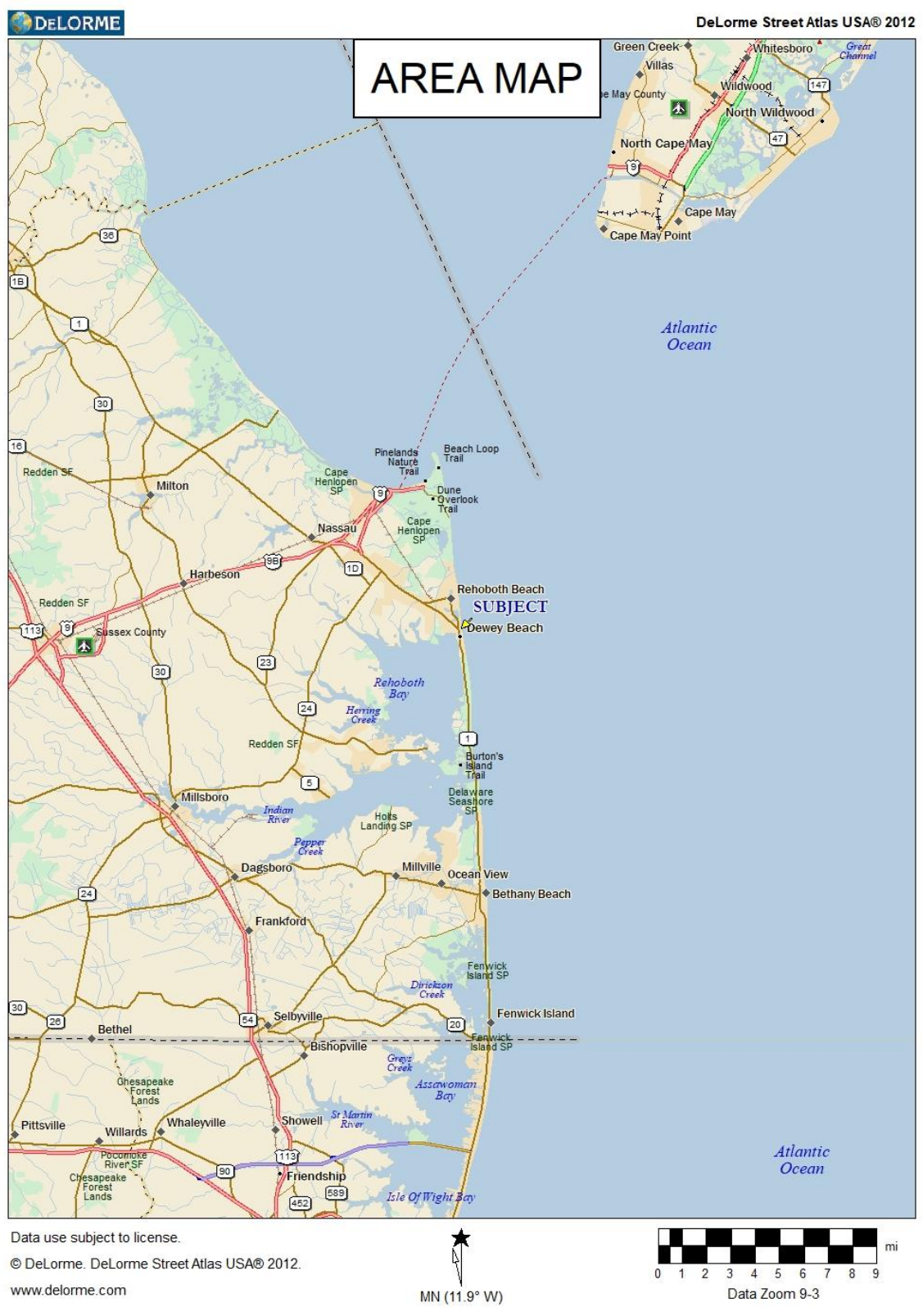
ASSUMPTIONS, LIMITING CONDITIONS, AND CONTINGENCIES

The following assumptions, limiting conditions and contingencies apply, unless otherwise specified herein:

1. Information provided by parties not employed by Carmean Appraisal Group is assumed to be true and correct, and no liability resulting from misinformation is assumed by the appraiser.
2. All mortgages, liens, encumbrances, leases and servitudes have been disregarded, unless noted herein.
3. The appraiser takes no responsibility for events, actions, conditions, or circumstances affecting the property or its market value that take place subsequent to either the date of value contained in this report, or the date of field inspection, whichever occurs first.
4. No responsibility is assumed by the appraiser for hidden or unapparent conditions of the property, subsoil or structures which would render it more or less valuable, or for engineering which may be required to discover such conditions.
5. There are no existing judgments or pending or threatened litigation which could affect the value of the property.
6. The property is in compliance with all applicable building, environmental, zoning, and other federal, state and local laws, regulations and codes.
7. No changes in any federal, state, or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated.
8. A survey of the property was not made and no responsibility is assumed in connection with such matters. Any sketch or survey of the property included in this report is for illustrative purposes only. The appraisal covers the property as described in this report, and the areas and dimensions set forth are assumed to be correct.
9. No opinion is expressed as to the value of subsurface oil, gas or mineral rights, if any, and it is assumed that the property is not subject to surface entry for the exploration or removal of such materials.
10. No responsibility is accepted by the appraiser for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal descriptions and other legal matters; geologic considerations, such as soils and seismic stability; and civil, mechanical, electrical, structural and other engineering and environmental matters.
11. This valuation does not include the allocation of furniture, fixtures, and equipment and intangible assets for the motel.
12. The analyses necessarily incorporates numerous estimates and assumptions regarding the building value.

13. The property is valued as though environmentally unimpaired. The existence of potentially hazardous material used in the construction or maintenance of the improvements, such as the presence of urea formaldehyde foam insulation, asbestos, and/or existence of toxic waste or radon, which may or may not be present on or in the property, was not observed by the appraiser, nor does he have any knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The existence of these potentially hazardous materials may have an effect on value. The client is urged to retain an expert in this field, if needed and/or desired.
14. The assignment is not predicated upon, and the report will not be used in connection with, a Real Estate Syndication or Syndicates. The report and any liability or obligation on the part of the appraiser is invalid if used in connection with a syndication.
15. The appraisal is made for valuation purposes only. It is not intended nor to be construed to be an engineering report. The appraiser is not a qualified structural engineer, and therefore is not qualified to judge the structural integrity of the improvements. Consequently, no warranty, representations or liability are assumed for the structural soundness, quality, adequacy or capacities of said improvements and utility services, including the construction materials, particularly the roof, foundations and equipment, including the HVAC systems. Should there be any question concerning same, it is strongly recommended that an Engineering/Construction inspection be obtained. The value estimate(s) is predicated on the assumption that all improvements, equipment and building services are structurally sound and suffer no concealed or latent defects or inadequacies.
16. The appraiser found no obvious evidence of insect infestation or damage, dry or wet rot. Since a thorough inspection by a competent inspector was not performed for the appraiser, the subject is assumed to be free of existing insect infestation, wet rot, dry rot, and any structural damage which may have been caused by pre-existing infestation or rot which was subsequently treated.
17. The American with Disabilities Act (referred to hereafter as the "ADA") became effective on January 26, 1992. The appraiser did not make a specific compliance survey and analysis of the building and/or other improvements erected on the subject property to determine whether or not the appraised property is in conformity with the various detailed requirements of the ADA, or with requirements imposed by state law and local building codes and regulations. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA and state and local regulations, could reveal that the subject property is not in compliance with one or more requirements of the ADA and/or state and local regulations. If the property does not comply with the ADA or with state and local regulations, this fact could have a negative effect upon the value of the property. Since the appraiser has no direct evidence relating to this issue, possible non-compliance with the requirements of the ADA and state and local regulations have not been considered in estimating the value of the property. No responsibility is assumed for any possible non-compliance with the requirements of the ADA or with state and local regulations, nor for any expertise of engineering knowledge required to discover such non-compliance.

18. This appraisal is to be used in whole and not in part. No part of it shall be used in conjunction with any other appraisal.
19. No responsibility is assumed by the appraiser for matters which are of legal nature, nor is any opinion on the title rendered herewith. Good title is assumed. Management is assumed to be competent and the ownership to be in responsible hands.
20. The appraiser herein, by reason of this report, is not required to give testimony in court with reference to the property appraised, unless arrangements have been made therefore. However, the appraiser is prepared to give testimony in support of this appraisal provided that arrangements are made prior to testimony.
21. Disclosure of this appraisal report is governed by the By-Laws and Regulations of The Appraisal Institute. Therefore, except as hereinafter provided, the client, may distribute copies of this appraisal report, in its entirety, to such third parties as may be selected by the client, however selected portions of this appraisal report shall not be given to third parties without the prior written consent of the signatory of this appraisal report. Further, neither all nor any part of this appraisal report shall be disseminated to the general public by the use of advertising media, public relations media, sales media, or other media for public communication (including without limitation prospectuses, private offering memoranda, and other offering material provided to prospective investors) without the prior written consent of the signatory of this appraisal report, to ensure the accuracy and adequacy of such references to the appraisal report.



IDENTITY OF THE PROPERTY

The subject of this appraisal is a 35 unit limited service resort motel, known as Atlantic View Motel situated on 18,800 SF of land. The property is located at the southeast corner of Clayton Street and Ocean Boulevard, is rectangular in shape and exhibits 100' frontage on the oceanfront and 188' on Clayton Street.. The site is served with public sewer and water. The site is located in a 100-year Flood Zone.

Improvements include a 35 unit, (14,366 SF), limited service three and one-half story, walk up, ocean front motel, masonry/frame, 40 years old, in average/good condition, and of average quality construction. Room mix includes 28 double queen beds and 7 king beds. Functional utility is typical of a resort limited service motel.

The property is located at 2 Clayton Street, Dewey Beach, in eastern Sussex County, Delaware. The property is referenced by Sussex County Tax Map 334-20.14-213.00.

PURPOSE, DATE AND FUNCTION OF APPRAISAL

The purpose of this appraisal is to estimate the *current building market value (excluding land value) per unit 8 of the FEMA guidelines*, as of *December 1, 2023*, the effective date of the appraisal. The date of the report is *December 3, 2023*.

As used herein, **Market Value** is defined as “the price which a well-informed byer acting intelligently, voluntarily and without necessity would be warranted in paying, and a well-informed seller acting intelligently, voluntarily and without necessity would be warranted in accepting for the property as of a certain date.

- (1) Buyer and seller are typically motivated.*
- (2) Both parties are well informed or well advised, and each acting in what they consider their own best interest.*
- (3) A reasonable time is allowed for exposure in the open market.*
- (4) Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto.*
- (5) The price represents a normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.*

SCOPE OF APPRAISAL SERVICES

The scope of appraisal services rendered in this appraisal assignment consists of: 1) definition of valuation question, 2) determination of necessary data, 3) subject property inspection, and collection of available building information, 4) reviewing secondary and primary data resources for relevant sales, and return criteria, from brokers, appraisers, assessors, lenders, private parties, and deed records where appropriate, 5) comparable sales, 6) consideration of relevant economic and demographic data, 7) verification with a knowledgeable party of the property and transaction facts involving the comparable data, 8) consideration of zoning and/or other restrictions, 9) application of the appropriate valuation methods, 10) reconciliation of value estimates, and value conclusion for the subject building, and 11) provide a written report of my findings.

The SCOPE is limited to the current building market value (excluding land) per unit 8 of the FEMA guidelines.

THE SUBJECT PROPERTY

LAND

Total site area is 18,800 SF. A tax map, *exhibited on the following page*, illustrates the property boundaries.

The site exhibits the following physical characteristics:

Topography/Shape: The parcel is rectangular in shape, and exhibits level topography.

Frontage: The site exhibits 100' frontage on the ocean front, and 188' frontage on Clayton Street.

Accessibility/Visibility: The site is assessed from two entrances off of Clayton Street. Signage on the motel roof provides average visibility from Route One.

Adequacy of Utilities: The site is served by public sewer and water. Telephone and electric are public and CATV is provided.

Drainage: The site appears adequately drained.

Environmental Hazards: I am not aware of any environmental hazards or nuisances that negatively impact the subject. No potential hazards or nuisances were observed or reported. However, I am not a certified engineer to detect such hazards.

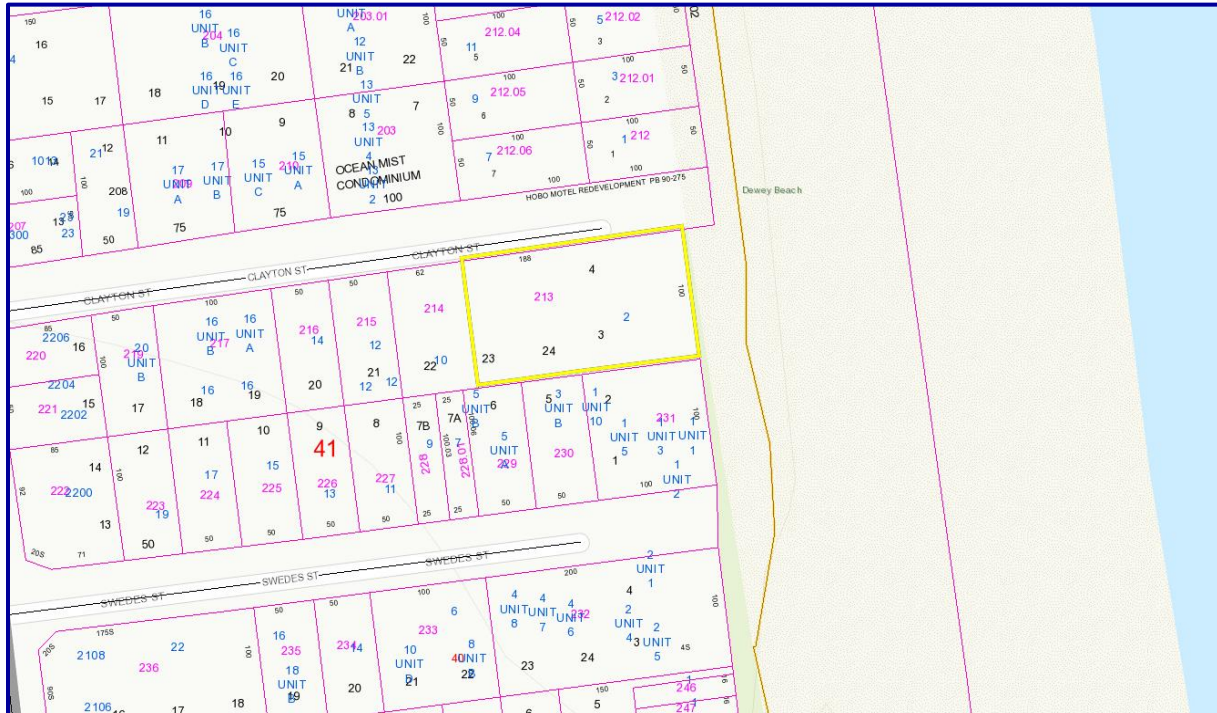
Easements/Encroachments: There are no adverse easements or encroachments reported nor observed.

Flood Zone: The site is located in a Flood Hazard Zone VE EL 15.

Land-to-Building Ratio: The property is improved with building area of 14,366 SF. This equates to a land-to-building ratio of 1.31:1 for the subject's 18,800 SF. This land-to-building ratio is typical of the market.

Relationship to Adjoining Properties: The subject is in conformance with neighboring ocean front residential uses.

In summary, the site exhibits several positive features including ocean frontage, good access, and public utilities. The site's physical characteristics lend it to development.



IMPROVEMENTS

The site is improved with a three-and one half story masonry/frame 35 unit limited service, interior corridor, resort ocean front motel totaling 14,366 SF. The following is a basic building description of the improvements.

<u>Footing/Foundation:</u>	Piling-Poured footers, and concrete slab
<u>Frame:</u>	Masonry/Wood
<u>Floors:</u>	Concrete Plank
<u>Floor Cover:</u>	Rooms - Commercial grade carpet Bathroom - Vinyl
<u>Interior Wall Finish:</u>	Painted drywall
<u>Interior Ceilings:</u>	Drywall over floor joists
<u>Windows:</u>	Sliding plate glass doors

<u>Interior Doors:</u>	Exterior to rooms: 6 panel wood Interior rooms: Wood Luan
<u>Plumbing:</u>	Standard bathroom fixtures. Full bath per room
<u>Lighting:</u>	LED
<u>Heating/Cooling:</u>	Individual through wall heat & A/C units per room. Each unit is individually controlled.
<u>Electric Service</u>	400-amp service
<u>Fire Protection:</u>	Smoke detectors per room, sprinkler system
<u>Handicapped Accessibility:</u>	Handicapped parking
<u>Elevators:</u>	None
<u>Roof:</u>	Asphalt shingle
<u>Extras:</u>	Illuminated exit signs at each hallway, emergency lighting, concrete balcony, pool
<u>Stories:</u>	Three and one half

FLOOR PLAN

<u>1st Floor</u>	Main office including lobby, sales desk, and 5 motel units, maid's room.
<u>2nd Floor</u>	12 motel rooms and maid's room.
<u>3rd Floor</u>	12 motel rooms, and maid's room.
<u>4th Floor</u>	6 motel rooms, and maid's room.

There are a total of 35 motel units, including 28 rooms with standard beds, and 7 rooms with king beds. Total building area allocated to the motel units is 14,366 SF and equates to 410 SF/unit. The unit size is in conformance with limited service resort motels in the Dewey Beach market.

Recent Improvements: The following is a list of recent improvements.

1. Exterior windows and doors have been replaced. (3-5 years)
2. EFIS was removed and Hardy plank cement siding installed. (5 years)
3. Building exterior has been sealed and painted. (7-10 years)
4. Railings have been replaced. (5-7 years)
5. Balcony decks have been replaced. (5-7 years)
6. 50% of the tubs and fixtures have been replaced. (5-7 years)
7. 50% of the vanities and fixtures have been replaced. (5-7 years)
8. Interior guestroom doors have been replaced. (5-7 years)
9. Interior guestroom door hardware and electronic locks have been replaced. (2 years)
10. Carpeting in guestrooms, corridors and public spaces has been replaced. (3 years)
11. Wallcoverings/paint have been replaced/recoated. (3 years)
12. Hot water heater has been replaced. (5 years)
13. Shingled roof has been replaced. (10 years)
14. Flat roof has been replaced with Duradeck. (7 years)
15. Front desk and breakfast serving cabinetry has been replaced. (7 years)
16. Kitchen equipment has been replaced. (7 years)

Age, Condition and Utility:

The building is 40 years old. The improvements are of average quality construction and in average physical condition. In consideration of the recent improvements, the effective age is estimated at 18 years. The economic life of the building type ranges from 50-55 years.

The rooms are easily accessible by stairwells at each end of the motel. Functional utility is typical for a limited service motel. The subject is well positioned in the market, and there is good demand for limited motel facilities such as the subject. Thus, there are no external inadequacies attributable to the subject property.

OWNERSHIP/PRIOR SALES

The property is owned by Atlantic View Realty, LLC. The property last transferred June 6, 2019 by Sussex County deed reference 5074/38 from Kenneth A. Simpler to Atlantic View Realty, LLC.

The transfer was family related and had no consideration.

LISTING & PENDING CONTRACTS

The property is not listed for sale, nor under contract of sale, to the best of my knowledge.

OCCUPANCY

The property is owner operated as a limited service motel.

The facility is well managed by an experienced motel operator. The ocean front location in a resort town is favorable to long term revenue projections. The subject's future revenue per room is projected to increase moderately over the long term as Dewey Beach continues to be a premier resort destination.

ZONING

The subject is zoned RR-Resort Residential under the Town of Dewey Beach zoning ordinance. This zoning is limited to development of single family dwellings. The subject, as a motel, is a grandfathered use under the zoning ordinance.

Improvements located in a RR-Resort Residential District are subject to the following bulk and area requirements:

<i>Minimum Lot Size</i>	<i>5,000 SF</i>
<i>Minimum Lot Width</i>	<i>50 Feet</i>
<i>Minimum Bldg. Setback</i>	<i>22 Feet</i>
<i>Minimum Rear Yard</i>	<i>10 Feet</i>
<i>Minimum Side Yard</i>	<i>7 Feet</i>
<i>Maximum Bldg. Height</i>	<i>35 Feet or 3 Stories</i>
<i>Minimum Parking</i>	<i>1 Space/motel room + 2 spaces for the office</i>

The subject appears to conform to the requirements of this zoning classification. The subject is an approved non-conforming use under the zoning ordinance of the Town of Dewey Beach. The zoning inspector, Mr. Jim Dedes, indicated the Town of Dewey Beach has eliminated the approval of any further motels in Dewey Beach.

However, he stated that if the subject were destroyed by natural causes, it is permitted to be rebuilt with the same number of units, in accordance with FEMA regulations.

VALUATION SECTION

The valuation is limited to the current building market value (excluding land) per unit 8 of the FEMA guidelines.

COMMENTS ON VALUATION

The three approaches to value - namely the Cost, Sales Comparison, and Income Capitalization Approaches - have each been considered for their relative significance as indicators of market value.

The **Cost Approach**, which involves estimates of replacement/reproduction costs and all forms of accrued depreciation, is pertinent to the valuation of new, or almost new, construction where the improvements represent the highest and best use of the site, and depreciation is minimal and construction costs are current, or when special purpose properties are concerned. The improvements represent the highest and best use of the property.

The following pages detail the valuation of the current market building value via the Cost Approach.

IMPROVEMENT VALUATION

Reproduction Cost New

The appraiser has relied upon the expertise of builders in the resort motel industry to ascertain an estimate of replacement cost for the subject motel.

Mr. William Helms, Vice President of Development and Facilities for Seaboard Hospitality previously (December of 2022), provided a cost estimate from Whiting Turner Construction in the range of \$425-\$475/SF to replace the existing motel new. I applied a unit cost of \$450/SF in the previous cost analysis.

Cumming Cost Consulting (Construction Escalation Trends 2023) states escalation was 8%-11% over the past 12 months. CBRE forecast escalation of 14.1% year over year in August 2022.

Based on the above inflation factors, a current cost would be in the \$500-\$510/SF range.

In addition to the aforementioned data, the client reviewed a current cost estimate provided by Brendon T. Warfield of Warfield Construction, dated November 17, 2023, for replacement cost of the building. This estimate is a detailed unit in place estimate and is included in the appraiser's work file. It is noted that the estimated replacement cost provided by Warfield Construction is prepared in accordance with the FEMA Unit 8 Guidelines.

The cost estimate totaled \$7,619,100 and equates to a unit rate of \$530/SF.

The appraiser has relied upon the expertise of local builders experienced in resort motel construction. Based on the construction data, a unit cost of \$530/SF is applied to the gross motel building area and derives a cost new for the building of \$7,613,980.

Depreciation is a loss in value from all causes affecting the subject improvements.

Physical deterioration is a loss in value due to wear and tear, age, and use of the building. Functional obsolescence is due to a super-adequacy or inadequacy resulting from design and construction such as abnormally high or low ceilings, poor floor and layout, and the like. External obsolescence is attributable to negative factors outside of the subject property such as nearby negative or inharmonious land uses, oversupply of space in a market with minimal or moderate demand for such space, and the like.

The appraiser was provided with a list of upgrades that have occurred over the past 10 years, as was previously detailed in the "Improvement Section" of the report. Based on the upgrades, an effective age of 18 years is considered for the building. The building has a range in economic life of 50-55 years, say 52.5 years. Applying the age/life method of depreciation (18/52.5) equates to physical depreciation of 34.28%, say 35%, or \$2,664,893. The building exhibits average functional utility as a limited-service motel. There is good demand for the property type, as evidenced by the income stream. Thus, there is no functional or external obsolescence.

Deducting total depreciation of \$2,664,893 from cost new of \$7,613,980 indicates a depreciated building value of \$4,949,087.

The value estimate by the Cost Approach is detailed below.

<i>TYPE</i>	<i>SF/UNIT</i>	<i>\$/SF</i>	<i>TOTAL</i>
Motel	14,366	\$530.00	\$7,613,980
<i>Total Replacement Cost New</i>			<i>\$7,613,980</i>
<i>Depreciation</i>			
Physical			\$2,664,893
Functional			\$0
External			\$0
<i>Total Depreciation</i>			<i>\$2,664,893</i>
<i>Indicated Building Value</i>			<i>\$4,949,087</i>

The *Cost Approach* indicates a *Current Building Market Value* as of *December 1, 2023*, of *\$4,949,087*.

ADDENDUM

NOT TRANSFERABLE

STATE OF DELAWARE
DIVISION OF PROFESSIONAL REGULATION

CANNON BUILDING
861 SILVER LAKE BLVD., SUITE 203
DOVER, DELAWARE 19904-2467

PROFESSIONAL LICENSE

PROFESSION:	Real Estate Appraisers
LICENSE TYPE:	Certified General Real Property Appraise
LICENSE NUMBER:	X1-0000037
LICENSE STATUS:	Active
ISSUE DATE:	01/07/1992
EXPIRATION DATE:	10/31/2025
ISSUED TO:	HAROLD L. CARMEN
SIGNATURE:	_____

THIS CERTIFIES THAT THE PERSON NAMED IS HEREBY LICENSED TO
CONDUCT OR ENGAGE IN THE PROFESSION INDICATED ABOVE.
THIS DOCUMENT IS DULY ISSUED UNDER THE LAWS OF THE STATE OF DELAWARE



Department of State
Division of Professional Regulation
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PROFESSIONAL QUALIFICATIONS OF

HAROLD L. CARMEAN, M.B.A.

BUSINESS EXPERIENCE

Carmean Appraisal Group – 2000 - Present

President, Carmean Appraisal Group providing real estate appraisal and counseling services for commercial, investment, industrial, residential, and agricultural properties, and business evaluations, primarily in the Central Atlantic Region.

The Carmean Group - 2000 - Present

President, The Carmean Group, a real estate development firm, specializing in residential and commercial development.

Advisory & Appraisal Company - 1991 - 2000

Principal in Advisory and Appraisal Company -REALTOR firm providing real estate appraisal and counseling services.

Director of Assessments - 1978-1991

Director of Assessments for Sussex County, Delaware responsible for the taxation and assessment of over 100,000 parcels. Supervised a staff of thirty. Involved in commercial, industrial and residential valuation for ad valorem taxation.

PROFESSIONAL AFFILIATIONS

Appraisal Institute
Director – Delaware Chapter of the Appraisal Institute

SPECIAL RECOGNITION

Received outstanding commercial project award for excellence in construction from the Eastern Shore Chapter of Associated Building Contractors for special use office constructed in 1997.

EDUCATIONAL BACKGROUND

COLLEGE EXPERIENCE

Shepherd College - Shepherdstown, W. VA - 1974 B.A.
Wilmington College - Georgetown, DE - 1982 M.B.A.

APPRAISAL COURSES

Fundamentals of Real Property Appraisal - IAAO Course I
Income Approach To Value - IAAO Course II
Mass Appraisal - IAAO Course III
Narrative Appraisal Writing - New York Institute of Real Estate
Residential Condominium Seminar
R-41-C Seminar
Real Estate Sales Course
Computer Assisted Mass Appraiser - Multiple Regression
Analysis - IAAO Course 305
Capitalization Theory and Techniques - Part A
Capitalization Theory and Techniques - Part B
Standards of Professional Practice
Advanced Applications

EXPERT WITNESS

Superior Court, State of Delaware
Sussex County Planning and Zoning Commission
Sussex County Council
Chancery Court, State of Delaware
Family Court, State of Delaware

SIGNIFICANT APPRAISAL ASSIGNMENTS

The Salt Pond - Residential planned community consisting of 386 single family lots, 161 multi-family units, 18-hole golf courses, and commercial acreage, located in Bethany Beach, Delaware.
Mason Dixon Shopping Center - 60,000 SF strip shopping center located in Selbyville, Delaware. Sea and Pines Consolidation Corporation - Three development tracts on the west side of Route 1 totaling 205 available residential lots, located in North Bethany Beach, Delaware.

Experience

Residential Dwellings	Farmlands
Vacant Tracts	Estates
Retail Stores	Service Stations
Restaurants	Feasibility Studies
Condominium Projects	Subdivision Developments
Shopping Centers	

Certification

State Certified General Real Estate Appraiser
I. R. #X1 - 0000037
State of Delaware

Partial List of Clients

Law Firm of Moore & Rutt
Local Developers & Builders
County Bank
M & T Bank
WSFS Bank
Artisans Bank
Sussex County Council
The Nature Conservancy
M&T Bank
WSFS
City of Seaford
DNREC

- Appraisals and counseling for attorneys and various other individuals -

Estimated Cost of Construction

Brendon T. Warfel Construction Inc.					
Project:	Atlantic View Hotel Remodel-Building- No site improvements				
Date: 9/29/2023	Architect: The Design Group				
Confidential Information Proprietary in Nature, Distribution or Copying of This Material is Prohibited					
01. GENERAL CONDITIONS	CONTRACTOR	NON-SPECIFIC	BUILDING	SITE	BUDGET
SURVEYING	Owner				
ARCHITECTURAL	Owner				
Civil Engineering	Owner				
Structural	Owner				
MEP	Owner				
BUILDING PERMIT FEE	Owner				
BUILDING PERMIT REVIEW FEE	Owner				
FIRE MARSHALL BUILDING REVIEW FEE	Owner				
FIRE MARSHALL SITE REVIEW FEE	Owner				
SOIL CONSERVATION INSPECTION	Owner				
SOIL CONSERVATIONINSPECTION FEE	Owner				
SOIL CONSERVATION REVIEW FEE	Owner				
DOT REVIEW FEE	Owner				
GEOTECH/CONCRETE. TESTING	Owner				
ON SITE SUPERINTENDENT					\$38,000.00
ON SITE REIMBURSABLES	Rental equip. storage etc.				\$20,000.00
SITE OFFICE TRAILER					\$7,500.00
CLEANING					\$8,000.00
PORTABLE TOILET					\$500.00
TRASH REMOVAL					\$9,000.00
TOTAL		\$	\$	\$	\$83,000.00
02. SITEWORK					
CLEARING					\$0.00
Crawl Space fill and conditioning					\$0.00
DEMOLITION					\$6,000.00
EROSION CONTROL					\$0.00
MISC EXCAVATION					\$0.00
BUILDING PAD PREP	N.I.C				
PAVING/Sealcoat/stripping					\$0.00
Maintenance of traffic					\$0.00
SW POND	N.I.C				
WATER SEWER-UTILITIES	ALLOWANCE				\$0.00
LANDSCAPING	OWNER				
FENCING-all site-Pool Area	ALLOWANCE				\$0.00
SIGNAGE	ALLOWANCE				\$0.00
TOTAL		\$	\$	\$	\$6,000.00
03. CONCRETE					
CONCRETE FOOTERS & FOUNDATION					\$15,000.00
CONCRETE SLAB ON GRADE					\$0.00
CONCRETE RAMP					\$0.00
STONE BASE FOR BUILDING PAD					
CONCRETE CONTENGINCY					\$0.00
POOL DECK REPAIR/DECK FOOTERS					\$0.00
TOTAL		\$	\$	\$	\$15,000.00
04. MASONRY					
MISC MASONRY					\$12,000.00
TOTAL		\$	\$	\$	\$12,000.00
05. METALS					
Anchor Bolts					
Structural steel					\$45,000.00
Welding/ MISC					\$5,000.00
TOTAL		\$	\$	\$	\$50,000.00

PHASE	CONTRACTOR	NON-SPECIFIC	BUILDING	SITE	BUDGET
06. FRAMING					
DEMO					\$30,000.00
FRAMING EXT. INT. WALLS					\$100,000.00
SPECIAL					\$5,000.00
HARDWARE					\$7,500.00
TOTAL		\$	\$	\$	\$142,500.00
07. ROOFING					
Roof covering/Shingles					\$10,000.00
					\$0.00
TOTAL		\$	\$	\$	\$10,000.00
08. SIDING					
Misc. Siding-Ex Trims-Repairs					\$140,000.00
Deck-1st floor and pool					\$0.00
Stucco/Efis					\$15,000.00
Ex. Painting					\$25,000.00
4th floor trellis					\$30,000.00
Specialties/Trim					\$35,000.00
TOTAL		\$	\$	\$	\$245,000.00
09. WOODS & PLASTIC					
Cabinets & Casework					\$50,000.00
Counter tops					\$9,500.00
TOTAL		\$	\$	\$	\$59,500.00
10. THERMAL & MOISTURE					
Insulation/Fire stop	N.I.C				\$5,000.00
TOTAL		\$	\$	\$	\$5,000.00
11. DOORS & WINDOWS					
STOREFRONTS					\$10,000.00
WINDOWS/PATIO DOORS					\$40,000.00
Steel Frames & Wood Doors (Exterior)					\$7,500.00
Misc. Doors/access					\$2,500.00
TOTAL		\$	\$	\$	\$60,000.00
12. FINISHES					
CARPENTRY/ TRIM					\$140,000.00
DRY WALL/Texture					\$65,000.00
Ceiling Grids & Tiles					\$20,000.00
Carpet/LVT/Cove					\$50,000.00
Tile/Floors/showers					\$55,000.00
Installation Labor					\$70,000.00
Painting					\$65,000.00
TOTAL		\$	\$	\$	\$465,000.00
13. SPECIALITES					
Toilet Accessories					\$15,000.00
Shower doors					\$23,000.00
Misc Trims and hardware	ALLOWANCE				\$20,000.00
TOTAL		\$	\$	\$	\$58,000.00

PHASE	CONTRACTOR	NON-SPECIFIC	BUILDING	SITE	BUDGET
14. EQUIPMENT					
FIRE EXTINGUISHERS					\$2,500.00
TOTAL		\$	\$	\$	\$2,500.00
15. SPECIAL CONSTRUCTION					
INTERIOR STAIR WELLS-RAILING					\$5,000.00
TOTAL		\$	\$	\$	\$5,000.00
16. MECHANICAL					
PLUMBING					\$61,000.00
Plumbing fixtures acc.					\$75,000.00
HVAC					\$112,000.00
Water Heater					\$25,000.00
FIRE PROTECTION					\$0.00
TOTAL		\$	\$	\$	\$273,000.00
17. ELECTRICAL					
ELECTRICAL					\$267,000.00
LIGHTING					\$50,000.00
TOTAL		\$	\$	\$	\$317,000.00
					\$1,810,000.00
18. PROJECT MANAGEMENT					
O/H PROFIT	7%				\$126,700.00
TOTAL		\$	\$	\$	\$126,700.00
TOTAL		\$	\$	\$	\$1,936,700.00

Adjacent Property Owners

The Atlantic View Hotel

2 Clayton Street

Dewey Beach, DE 19971

RE: DNREC #5 List names, Lot numbers and mailing addresses of all owners of property immediately adjacent to the project site.

Names	Lot Numbers	Mailing Address
ABRAMOWITZ DANIEL H	LOT 1 BLK 42	10213 HOLLY HILL PL, Potomac, MD
LEVICOFF ERIC TTEE	LOT 7 BLK 42	10 WOODBROOK LN Swarthmore, PA
KAUNERT ROBERT J	LOT 22 BLK41	165 FAWN DR, HARLEYSVILLE, PA
PARASKEWIC H ANGELA C TTEE	LOT 6 BLK 41	3102 STONEY BATTER RD, Wilmington, DE
CONNER RICHARD M & DONNA L	LOT 5	25415 ADAMS LANDING RD, Denton, MD
Unknown Owner (Apartment Building)	<i>PINWASSEMENTUNIT 334-20.14-231.00</i>	
CHRIST DAVID J	<i>a_account</i> 01-07-231-1 UNIT 1, BEACHCOMBER	11021 STEEPLECHAS E CT, ELLICOTT CITY, MD
SOMERVILLE MARCIA C TRUSTEE	<i>a_account</i> 01-07-231-10 UNIT 10, BEACHCOMBER	726 LOVEVILLE RD APT 103, HOCKESSIN, DE
HUNT JAMES W	<i>a_account</i> 01-07-231-2 UNIT 2, BEACHCOMBER	8507 GAVIN MANOR CT #14, CHEVY CHASE, MD
PIERSON GEORGIA BOINES TTEE	<i>a_account</i> 01-07-231-3 UNIT 3, BEACHCOMBER	21 STABLER CIR, WILMINGTON, DE

the target (i.e., the target's location) and the target's movement (i.e., the target's speed). The results of the present study indicate that the target's location is the most important information for target selection.

The present study also investigated the effect of the target's speed on target selection. The results showed that target speed did not have an effect on target selection. This is not surprising, because target speed is not directly related to the target's location. However, it is possible that target speed has an effect on target selection when the target's speed is very high or very low. For example, a target that moves very fast might be difficult to track, and a target that moves very slowly might be difficult to detect.

In conclusion, the present study shows that target location is the most important information for target selection. Target speed does not have an effect on target selection. These findings have implications for the design of target selection tasks.

Conclusion

The present study investigated the effect of target location and target speed on target selection. The results showed that target location is the most important information for target selection. Target speed does not have an effect on target selection. These findings have implications for the design of target selection tasks.

References

- Alm, G. J., & Hancock, P. A. (1997). The effects of target location and target speed on target selection. *Journal of Experimental Psychology: Applied*, 3, 207-218.
- Alm, G. J., Hancock, P. A., & Sauer, J. B. (1998). The effects of target location and target speed on target selection. *Journal of Experimental Psychology: Applied*, 4, 104-115.
- Alm, G. J., Hancock, P. A., & Sauer, J. B. (1999). The effects of target location and target speed on target selection. *Journal of Experimental Psychology: Applied*, 5, 124-135.
- Alm, G. J., Hancock, P. A., & Sauer, J. B. (2000). The effects of target location and target speed on target selection. *Journal of Experimental Psychology: Applied*, 6, 144-155.
- Alm, G. J., Hancock, P. A., & Sauer, J. B. (2001). The effects of target location and target speed on target selection. *Journal of Experimental Psychology: Applied*, 7, 164-175.
- Alm, G. J., Hancock, P. A., & Sauer, J. B. (2002). The effects of target location and target speed on target selection. *Journal of Experimental Psychology: Applied*, 8, 184-195.
- Alm, G. J., Hancock, P. A., & Sauer, J. B. (2003). The effects of target location and target speed on target selection. *Journal of Experimental Psychology: Applied*, 9, 204-215.
- Alm, G. J., Hancock, P. A., & Sauer, J. B. (2004). The effects of target location and target speed on target selection. *Journal of Experimental Psychology: Applied*, 10, 224-235.
- Alm, G. J., Hancock, P. A., & Sauer, J. B. (2005). The effects of target location and target speed on target selection. *Journal of Experimental Psychology: Applied*, 11, 244-255.
- Alm, G. J., Hancock, P. A., & Sauer, J. B. (2006). The effects of target location and target speed on target selection. *Journal of Experimental Psychology: Applied*, 12, 264-275.

Correspondence

Dr. G. J. Alm, Department of Psychology, University of Michigan, 735 Tappan Street, Ann Arbor, MI 48106-1101, USA.

E-mail: alm@umich.edu

Manuscript received

2006-08-15

Manuscript accepted

2006-11-15

Pongratz, Jennifer L. (DNREC)

From: William Helms <william@seaboardhospitality.com>
Sent: Thursday, December 21, 2023 2:34 PM
To: Pongratz, Jennifer L. (DNREC); Alex Moore
Cc: Daune Hinks
Subject: RE: Market Value Appraisal for Atlantic View Hotel project

Categories: Application

Jennifer thank you for responding so quickly. I think I have addressed both of your questions below, but please reach out to me and we can schedule a call if that is not the case.

Divergence of Appraiser's Square Footage Cost from ICC Tables

First, you questioned the square footage replacement cost used by our appraiser at \$530/sq ft when ICC tables use about half that amount. Please note that we acknowledge this difference but believe the ICC tables are to be used for a much different purpose and not intended to determine the Market Value as described by FEMA Unit 8. ICC states ["ICC has developed this data to aid jurisdictions in determining permit fees. It is important to note that while this BVD table does determine an estimated value of a building \(i.e., Gross Area x Square Foot Construction Cost\), this data is only intended to assist jurisdictions in determining their permit fees. This data table is not intended to be used as an estimating guide because the data only reflects average costs and is not representative of specific construction."](#) In addition, the ICC states ["The data is a national average and does not take into account any regional cost differences."](#) This is very important in our case because, building in a coastal environment such as ours (i.e., limited labor supply and not proximate to large suppliers) is more difficult and costly. In addition, our building is smaller than most hotels and thus we do not gain the economies of scale that a normal sized hotel gets. The ICC costs are to be used to determine if a builder's cost is underestimated and not over estimated. ["In conjunction with IBC Section 109.3, this data is offered as an aid for the building official to determine if the permit valuation is underestimated."](#)

In our case, actual data was used by our appraiser from two builders with local experience — both Whiting Turner and Brendan Warfel have recent actual field experience building hotels in our market. They have consistently quoted \$475 (last year) to \$550 (this year). To be clear, however, the most recent replacement cost estimate provided by Brendan Warfel to the appraiser was a detailed, bottoms up cost estimate (i.e., it did not rely on a pre-conceived cost per square foot). We believe that this data is far more relevant and responsive to the guidance of FEMA Unit 8 in establishing the market value of the building when beginning with the replacement cost.

Does Our Actual Project Cost Estimate Use the Appraiser's Per Square Foot Allowance

Your second question asks whether the replacement cost used by our appraiser of \$530/sq ft is being used in the current project cost estimate provided by Warfel Construction. The answer is "no" but that is because we are not doing anything close to a full replacement of the building. Our proposed project is almost exclusively about refinishing the hotel and addressing a modest number of code compliance issues, including ADA. It is a fraction of the scope of what the full replacement of the building would entail. Also, recall that the \$530/sq ft is a figure arrived at by the appraiser using a variety of market data, not just the replacement estimate from Warfel Construction. In this case, however, Warfel did supply bottoms up cost estimates for both the full replacement and the proposed project. Where the construction elements of both estimates are the same, the same cost can be seen in both estimates. In this way, the comparisons are apples-to-apples.

Again, I hope this adequately addresses your concerns and I would be happy to go over this with you in more detail over the phone.

If I do not hear from you before the weekend, enjoy your holidays and Merry Christmas.

William



William Helms

VP of Development

william@seaboardhospitality.com

o: 302 212 4000

c: 814 321 1149

37139 Rehoboth Ave.

Rehoboth Beach, DE 19971

SEABOARDHOSPITALITY.COM

From: Pongratz, Jennifer L. (DNREC) <Jennifer.Pongratz@delaware.gov>

Sent: Wednesday, December 20, 2023 3:10 PM

To: William Helms <william@seaboardhospitality.com>; Alex Moore <alex@seaboardhospitality.com>

Cc: Daune Hinks <dhinks@townofdeweybeach.com>

Subject: RE: Market Value Appraisal for Atlantic View Hotel project

William,

The appraisal still seems high based on the International Code Council's (ICC's) Building Valuation Tables (attached) that puts cost per sq feet as of 2/2023 at \$267.42 per sq foot for a hotel vs the over \$530 suggested in this report. Are they applying the same \$530 per sq foot to the renovation costs in Warfel's estimate? I just want to see if we are comparing apples to apples.

Thanks!

Jennifer Luoma Pongratz

Environmental Scientist, CFM

DNREC, Division of Watershed Stewardship

Shoreline and Waterway Management Section

285 Beiser Blvd., Suite 102

Dover, DE 19904

302-608-5502 office

302-242-9939 mobile

Jennifer.Pongratz@delaware.gov

From: William Helms <william@seaboardhospitality.com>

Sent: Wednesday, December 6, 2023 12:43 PM

To: Pongratz, Jennifer L. (DNREC) <Jennifer.Pongratz@delaware.gov>; Alex Moore <alex@seaboardhospitality.com>

Cc: Daune Hinks <dhinks@townofdeweybeach.com>

Subject: RE: Market Value Appraisal for Atlantic View Hotel project

Jennifer, I hope your holidays are going well. I am following up on the Atlantic View Project previously submitted. We have changed builders from a regional builder to a more local builder named Brendon Warfel Construction. I am

attaching their detailed renovation estimate for your review. I have carefully read your email below and offer the following responses and providing a Market Value Appraisal attached. Per your request this Market Value Appraisal specifically is intended to be used for permitting purposes and DNREC is specifically listed as one of the intended users.

1. **DNREC Comment:** *“The appraisal cover sheet states that “the report and its conclusions have been prepared solely and exclusively for Atlantic View Realty, LLC and to provide guidance in estate planning (intended use). Neither the report nor the conclusions may be disseminated to or used by anyone else for any function unless prior written consent is given by Carmean Appraisal Group.” Not only is the report is not intended for permitting purposes, it is also not a current (2023) market value appraisal for the structure alone, which is what is required in this case. We also do not see where DNREC has been given permission by the appraiser to use the appraisal.”*
 - a. **Response:** See attached updated market value appraisal dated December 5, 2023, that specifically address’s all your concerns.
2. **DNREC Comment:** *“As stated above, we require a market value appraisal of only the structure to be renovated. The appraisal that was submitted gives a separate line item for land value. This may not be included.”*
 - a. **Response:** The revised appraisal has removed any associated land value.
3. **DNREC Comment:** *“For our purposes, developer’s profit should not be included in the appraisal.”*
 - a. **Response:** Developers profit has been removed from the updated appraisal.

See attached detailed renovation estimate from Brendon Warfel Construction dated September 29, 2023.

1. **DNREC Question:** *“Does this include demolition and debris disposal?”*
 - a. **Response:** Yes, the estimate includes demolition and debris disposal.
2. **DNREC Question:** *“Does this include contractors overhead and profit?”*
 - a. **Response:** Yes, the estimate includes contractors overhead and profit.
3. **DNREC Question:** *“Does it include market rate labor?”*
 - a. **Response:** Yes, the estimate is based off market rate labor.
4. **DNREC Question:** *“Does it include all interior finishes?”*
 - a. **Response:** Yes, the estimate includes all interior finishes. It does not include any furniture.

Please confirm receipt and let me know if this addresses all your comments and answers all your questions. Also, would it be possible to set up a call with you prior to the holidays to review your findings and ensure that we have submitted all information you require to process our application?

Thank you,



William Helms
VP of Development
william@seaboardhospitality.com
o: 302 212 4000
c: 814 321 1149
[37139 Rehoboth Ave.
Rehoboth Beach, DE 19971](https://www.seaboardhospitality.com)
[SEABOARDHOSPITALITY.COM](https://www.seaboardhospitality.com)

From: Pongratz, Jennifer L. (DNREC) <Jennifer.Pongratz@delaware.gov>
Sent: Monday, June 5, 2023 11:52 AM
To: Alex Moore <alex@seaboardhospitality.com>; William Helms <william@seaboardhospitality.com>
Cc: Daune Hinks <dhinks@townofdeweybeach.com>
Subject: Market Value Appraisal for Atlantic View Hotel project

Gentlemen,

We are in the process of reviewing the Coastal Construction Permit application for renovation of the existing hotel on Lots 3, 4, 24 and part of 23, Block 41, Dewey Beach, DE (334-20.14-213.00). As per Section 3.4.1 of the Regulations Governing Beach Protection and the Use of Beaches, if a structure is to be substantially approved, it must be relocated landward of the DNREC Building Line or as far landward as possible. Substantially improved means any reconstruction, rehabilitation, addition or other improvement to a structure, the total cost of which equals or exceeds 50% of the market value or the structure before the start of construction of the improvement. We have concerns that the appraisal does not qualify for a Substantial Improvement Determination. Please address the following concerns:

1. The appraisal cover sheet states that “the report and its conclusions have been prepared solely and exclusively for Atlantic View Realty, LLC and to provide guidance in estate planning (intended use). Neither the report nor the conclusions may be disseminated to or used by anyone else for any function unless prior written consent is given by Carmean Appraisal Group.” Not only is the report is not intended for permitting purposes, it is also not a current (2023) market value appraisal for the structure alone, which is what is required in this case. We also do not see where DNREC has been given permission by the appraiser to use the appraisal.
2. As stated above, we require a market value appraisal of only the structure to be renovated. The appraisal that was submitted gives a separate line item for land value. This may not be included.
3. For our purposes, developer’s profit should not be included in the appraisal.

We also have the following questions regarding the estimate:

1. Does this include demolition and debris disposal?
2. Does this include contractors overhead and profit?
3. Does it include market rate labor?
4. Does it include all interior finishes?

Please submit a new market value appraisal and detailed cost estimate for us to continue processing the application.

Thank you!

Jennifer Luoma Pongratz

Environmental Scientist, CFM

DNREC, Division of Watershed Stewardship

Shoreline and Waterway Management Section

285 Beiser Blvd., Suite 102

Dover, DE 19904

302-608-5502 office

302-242-9939 mobile

Jennifer.Pongratz@delaware.gov

PAID TO ORDER
 OF
 THE
 ORDER OF
 THE
 ORDER OF
 THE
 ORDER OF
 THE

WELLS FARGO BANK
 NATIONAL ASSOCIATION
 100 NORTH 1ST STREET
 MINNEAPOLIS, MN 55402

NO. 12345678
 DATE 05/15/2008
 PAY TO THE ORDER OF
 \$ 150.00
 FIFTEEN AND 00/100 DOLLARS

\$ * 15 00

2008

1 2 3 4 5 6 7 8 9 0 10 11 12

ACCOUNT INFORMATION

DATE	10/02	BY	BIBI	REASON	DEPOSIT	AMOUNT	50.00	MEMO			
DATE	10/02	BY	BIBI	REASON	DEPOSIT	AMOUNT	15.00	MEMO	HEK M JN		
										15.00	

V3F - check g 15 00

ACCOUNT INFORMATION

DATE	10/02	BY	BIBI	REASON	DEPOSIT	AMOUNT	50.00	MEMO			
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										15.00	

V3F - check g 15 00