

I. INTRODUCTION

SCOPE OF SURVEY

Acting at the request of Wayne Duffiney, the attending surveyor did attend onboard the 1960 *Blount Marine 64' Ferry Boat*, "JOELLE ANNMARIE" beginning on, April 9, 2004 where an "in-the-water-survey" WAS conducted at Kelleys Island Ferry Boat Line dock., Sandusky, OH.. The ship's papers were on board and appeared to be in order. A sea trial WAS NOT performed. An out-of-the-water inspection of underwater machinery and the exterior of the hulls wetted surface area WAS NOT performed. The reason for the survey, was to ascertain the physical condition and value of the vessel. AC and DC power WAS used to check operation of the electrical systems specified in this report only. No reference or information should be construed to indicate evaluation of the internal condition of the engines or the propulsion system's operating capacity. Electronic equipment was checked for "power up" only.

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

CONDUCT OF SURVEY:

THE MANDATORY STANDARDS PROMULGATED BY THE UNITED STATES COAST GUARD (USCG), UNDER THE AUTHORITY OF TITLE 46 UNITED STATES CODE (USC); TITLE 33 AND TITLE 46, CODE OF FEDERAL REGULATIONS (CFR), AND THE VOLUNTARY STANDARDS AND RECOMMENDED PRACTICES DEVELOPED BY THE AMERICAN BOAT AND YACHT COUNCIL (ABYC) AND THE NATIONAL FIRE PROTECTION ASSOCIATION (NFPA) HAVE BEEN USED AS GUIDELINES IN THE CONDUCT OF THIS SURVEY.

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

Use of asterisks * in the body of the report will indicate that a finding will be listed in the *Findings and Recommendations* section pertaining to the asterisked item, following the body of the report.

II. GENERAL INFORMATION

GENERAL INFORMATION

SURVEY PREPARED FOR: **Wayne Duffiney**

NAME OF VESSEL: **"JOELLE ANNMARIE"**
TYPE OF SURVEY: **Condition and Value**
OVERALL VESSEL RATING: **** **ABOVE AVERAGE**
ESTIMATED MARKET VALUE: **\$180,000.00**
ESTIMATED REPLACEMENT COST: **\$650,000.00**
BUILDER: **Blount Marine Corporation**
YEAR BUILT: **1960**
HULL NUMBER: **65**
HAILING PORT: **Kelleys Island**
USCG DOCUMENTATION NUMBER: **281744**
USCG DOCUMENTED FOR: **Passenger (More Than 6)**
OWNER: **NBL Acquisition Company, LLC**
OWNER'S ADDRESS: **3203 Harvard Ave., Newburgh Heights, OH. 44105**
PLACE OF SURVEY: **Sandusky, OH.**
PLACE OF SURVEY: **Kelleys Island Ferry Boat Line dock.**
DATE/TIME OF SURVEY: **April 9, 2004 at 9:00 A.M.**
HULL MATERIAL: **Steel**
LENGTH OVER ALL (L.O.A.): *** **64'**
BEAM: *** **33.1'**
DEPTH: *** **8'**
GROSS TONS: *** **81**
NET TONS: *** **66**
PROPULSION SYSTEM: **K19 Cummins Diesel**
FUEL TYPE: **Diesel.**
AC POWER: **Yes 120 volt.**
DC POWER: **Yes, 24 volt.**
HOLDING TANK: **Yes**
INTENDED USE/BUYER: **PASSENGER**
BUYER'S EXPERIENCE: **Reportedly very experienced in this type of vessel.**
INTENDED CRUISING AREA: **Great Lakes**

DEFINITION OF TERMS

The terms and words used in this report have the following meanings as used in this *Report of survey*:

APPEARS:

Indicates that a very close inspection of the particular system, component or item was not possible due to

II. GENERAL INFORMATION

DEFINITION OF TERMS: *(Continued)*

constraints imposed upon the surveyor(e.g. no power available, inability to remove panels, or requirements not to conduct destructive tests).

FIT FOR INTENDED USE:

Use which is intended by Survey Purchaser(present or prospective owner).

SERVICEABLE: ADEQUATE:

Sufficient for a specific requirement.

POWERS UP:

Power was applied only. This does not refer to the operation of any system or component unless specifically indicated.

EXCELLENT CONDITION:

New or like new.

GOOD CONDITION:

Nearly new, with only minor cosmetic or structural discrepancies noted.

FAIR CONDITION:

Denotes that system, component or item is functional as is with minor repairs. (MONITOR OFTEN)

POOR CONDITION:

Unusable as is. Requires repairs or replacement of system, component or item to be considered functional.

USE OF *:

Use of * in the body of this report will indicate that a finding will be listed in the "*Findings and Recommendations*" section pertaining to the * item.

Asterisks * in this General Information section refers to the source of such information as follows:

* **Per Manufacturer's Specifications**

****Refer to Summary and Valuation Section**

*** **Per USCG Documentation**

**** **Per Buc Book / Sold Boats.com**

III. SYSTEMS

HULL DECK AND SUPERSTRUCTURE

HULL CONSTRUCTION

MATERIAL: Steel

BULKHEADS: Athwartships reinforcement enhanced by steel bulkheads. The vessel has five (5) major hull compartments. A major compartment is the total space between any two adjacent Main Transverse Watertight Bulkheads (MTWB). These MTWB's are located at frames 4, 11, 19, 26.

The spacing of the MTWB's is as follows;

#1 MTWB; 10' from bow

#2 MTWB; 14' aft of #1

#3 MTWB; 16' aft of #2 (Engine room)

#4 MTWB; 14' aft of #3 (Holding tank/propeller shaft room)

Appear serviceable.

STRINGERS: Hull stiffness provided by steel 5"H x 3"W x 1/4"T cross beams spaced every two (2) feet and two (2) 10"H x 4"W x 1/4"T longitudinal beams. In compartments one and two from the bow there are three longitudinales. Appear serviceable.

BILGE: Deep (below decks) bilge area provides the area for most boat systems and tankage. Very clean.

BALLAST: ***The vessel is fitted with 2.25 short tons of permanent steel ballast in the starboard side of the engine room amidships at a vertical center of gravity of 8.1 feet above the lines plan baseline.

DECK CONSTRUCTION

TYPE: Welded steel plate with steel deck beams and carlings. Four (4) 3" diameter deck support posts per compartment with the exception of the stern compartment which has two (2) support posts. Appear serviceable.

DECK FITTINGS

STANCHIONS: Welded steel solid side panels, 42' H run from bow to stern both port and starboard. Boarding gate to port amidships. Appears serviceable.

SCUPPERS: Cockpit and decks drain overboard. No scuppers sighted.

CHOCKS AND CLEATS: Cleats were welded steel posts. Appear serviceable.

HATCHES: Three (3) 19" deck hatches. One each for compartments 1(bow), 2 and 5(stern).

SUPERSTRUCTURE

MATERIAL: Cabin house is steel.

WINDOWS/PORTS/DOORS: Large opening windows on the sides, large forward windshield, Entrance to the cabin is gained by steel steps with safety rails. Door material is tinted lexan. An emergency exit is provided from the cabin.

CABIN APPOINTMENTS

INTERIOR DESCRIPTION:

JOINERY AND FINISH: The joinery and finish of the wood interior was average.

DOORWAYS: Wood cabin and head doors throughout vessel. Appeared serviceable.

HEADS: Two heads. One each for MEN and WOMEN.

CONDITION AND DEFICIENCIES: The overall house keeping for this vessel was above average. It reflects the care of a conscientious crew, with good sea keeping skills.

PROPULSION

MAIN ENGINES

MANUFACTURER: Cummins K-19 diesel.

SERIAL NUMBERS: Cast block number 8201378.

INDICATED HOURS: 10,409 hours on meter.

THROTTLE CONTROLS: Mechanical lever/cable type, at helm station.

ENGINE MOUNTS AND BED: Main engine beds are heavy steel beams.

LUBRICATION: Oil system 3 filter. Wix S11970. No leaks sighted.

PROP SHAFTS: Stainless steel 3 1/2 " diameter. Appeared serviceable.

STUFFING BOX: Stuffing box was completely tightened down. Will require repacking.

CONDITION AND DEFICIENCIES: Engine was run and appears to run very strong. All gauges are in working condition with the proper pressures and temperatures. Very little smoke at cold start-up which is normal but dissipated within five (5) minutes. Overall condition of engine room and engine compartment was in very good condition. Also, extra filters and impellers in compartment which would indicate proper maintenance schedule.

III. SYSTEMS

PROPULSION

COOLING SYSTEM

TYPE: Keel cooled system. No visible leaks. Johnson seawater pump with good impeller. One (1) coolant filter (Fleetguard NF2052).

SEACOCKS AND STRAINERS: Raw water seacocks were gate valve type and were operable.

TRANSMISSIONS

MANUFACTURER: Twin Disk model MG514C. Serial # 3L279.

FLUID LEVEL AND CONDITION: Fluid was not burnt. Good pressure on gauges. No leaks noted.

NOTE: Tested at dock the transmission showed good response time.

FUEL SYSTEM

MAIN ENGINE(S) FUEL SYSTEM

FUEL TYPE: Diesel.

MATERIAL: The main tank appears to be steel.

NUMBER OF TANKS: One (1)

LOCATION: Fuel tank is forward of engine in the main engine room.

SHUT-OFF VALVE: Yes at deck cabin side.

FUEL FILTERS: One (1) 1000 series Racor. Two (2) secondary filters (Wix 33109).

FILTER/FUEL CONDITION: Appears serviceable.

ELECTRICAL SYSTEMS

ELECTRICAL SYSTEM (D.C. SYSTEM)

VOLTAGE: Lead acid battery powered 24 volt system.

BATTERIES: Eight batteries, total of four each in two banks, wired in series. Appear serviceable.

MAIN BATTERY SWITCHES: Main battery switches at the DC panel starboard side engine room.

TYPE CONNECTORS: Round Lugs: Captive type, where sighted. Condition: Appears serviceable.

ROUTING/SUPPORT: Well supported and secured where sighted.

NOTE: No corrosion on posts. Appear serviceable.

ELECTRICAL SYSTEM (A.C. SYSTEM)

SHORE POWER INLET: Number: One (1) Location: Midship port topsides. Weather Protected: Yes. Rating: 125 volt.

MAIN BREAKER: Yes in the main electrical panel aft upper port side of engine compartment.

CIRCUIT LOAD MONITORS: Yes voltage, amperage and Hertz gauges in the main electric panel. For both the AC and DC systems.

ROUTING: Well routed and supported where sighted.

GENERATORS AND INVERTERS

TYPE: Generator driven by diesel powered internal combustion engine.

MANUFACTURER: Onan. Model 7.5MDJE-3CR/2268AD.

FUEL TYPE: Diesel.

KILOWATT RATING: 7.5 kw.

VOLTAGE RATING: 120 /240 AC.

NUMBER OF CYLINDERS: Two (2)

LOCATION: Engine room, port side.

FUEL SUPPLY: Fuel System: Engine mounted mechanical pump.

FUEL FILTER: Engine mounted type.

ACCESSIBILITY: Good.

WARNING LABELS: Yes, the required labels appeared to be in place and readable.

STEERING SYSTEM

STEERING SYSTEM

TYPE: Cable with hydraulic assist.

PULLEYS, CABLE AND CHAIN CONDITION: Appeared serviceable where sighted.

III. SYSTEMS

STEERING SYSTEM

STEERING SYSTEM (Continued)

NOTE: The knuckle on the steering quadrant had two welds from a previous repair that appeared to be cracked. The owner had the welds redone and they now appear serviceable.

GROUND TACKLE

GROUND TACKLE

ANCHORS: A Danforth 85S.

ELECTRONICS AND NAVIGATION EQUIPMENT

ELECTRONICS AND NAVIGATION EQUIPMENT

VHF: XRSTINGER VHF. Serial # 8034852. Powers up.

Icom M100 VHF. Serial # 04086. Powers up.

RADAR: Furuno Radar. Powers up.

COMPASSES: Yes

ANTENNAS: All antennas sighted appear to be well mounted and serviceable.

SAFETY EQUIPMENT

SAFETY EQUIPMENT (UNITED STATES COAST GUARD)

NUMBER AND TYPE OF PFD'S: One hundred fifty one (151) Type I U.S.C.G. approved (Adult)

Sixteen (16) Type I U.S.C.G. approved (Child)

NUMBER OF THROWABLE PFD'S: Two (2) Type IV-U.S.C.G. approved throwable device with lights and line.

FIRE EXTINGUISHERS: One (1) Class B-I

Four (4) Class B-II

NOTE: Inspection tags are current on all fire extinguishers.

VISUAL DISTRESS SIGNALS: Day/night visual distress signals are hand held flares. Expiration date: 7/2007.

SOUND DEVICES: Bell: Yes, operable.

Yes, air horn. Operable.

NAVIGATION LIGHTS: All required lights were present and operable.

INLAND NAVIGATION RULE BOOK< (12M-39'4"): Yes

"NO OIL DISCHARGE" PLAQUE: Yes, found properly displayed in engine space.

TRASH DISPOSAL PLACARD: Yes, found properly displayed in main salon area.

FCC STATION LICENSE (VHF EQUIPPED ONLY): Yes, in main salon ships papers.

WASTE MANAGEMENT PLAN (OVER 40'): Yes, found properly displayed in main salon area. Note: Vessels over 40' are required to have a written waste management plan onboard as well.

FCC STATION LICENSE: Yes, in main salon ships papers.

AUXILIARY SAFETY EQUIPMENT

LIFE RAFT: Three (3) Jim Buoy 20 person Life Floats

E.P.I.R.B.: Yes, Cospas-Sarsat. Serial # 29620. Battery Expiration Date: 07/31/04.

BILGE WATER ALARM AND SAFETY SWITCHES: Yes, tested bilge high water alarm in engine room, microphor compartment and rudder compartment.

SEARCH LIGHT: Yes

FIRST AID KIT: Yes, starboard main salon locker.

OTHER: One (1) Fire Pump. 1 1/2" Fire hose.

IV. FINDINGS AND RECOMMENDATIONS

Deficiencies noted under "**SAFETY**" should be addressed before vessel is next underway. These findings represent an endangerment to personnel and/or the vessel's safe and proper operating condition. ***Findings may also be in violation of U.S.C.G. regulations.***

Deficiencies noted under "**OTHER DEFICIENCIES**" should be corrected in the near future so as to maintain standards and to help the vessel to retain it's value.

Deficiencies will be listed under the appropriate heading:

- A. SAFETY DEFICIENCIES
- B. OTHER DEFICIENCIES NEEDING ATTENTION
- C. SURVEYORS NOTES AND OBSERVATIONS

NOTE: It is recommended that all below the water line thru-hulls have a proper sized wooden plug attached to function as emergency plugging device.

V. SUMMARY AND VALUATION

STATEMENT OF OVERALL VESSEL RATING OF CONDITION:

It is the surveyor's experience that develops an opinion of the **OVERALL VESSEL RATING OF CONDITION** After a the survey has been completed and the findings have been organized in a logical manner.

The grading of condition, developed by **BUC RESEARCH**, and accepted in the marine industry, for a vessel at the time of survey, determines the adjustment to the range of base values in the **BUC USED BOAT PRICE GUIDE**, for a similar vessel sold within a given time period, as a consideration to determine the Market Value.

The following is the accepted marine grading system of condition:

"EXCELLENT (BRISTOL) CONDITION", is a vessel that is maintained in mint or bristol fashion - usually better than factory new - loaded with extras - a rarity.

"ABOVE AVERAGE CONDITION", has had above average care and is equipped with extra electrical and electronic gear.

"AVERAGE CONDITION", ready for sale requiring no additional work and normally equipped for her size.

"FAIR CONDITION", requires usual maintenance to prepare for sale.

"POOR CONDITION", substantial yard work required and devoid of extras.

"RESTORABLE CONDITION", enough of hull and engine exists to restore the boat to usable condition.

As a result of my investigation, as shown in the **SYSTEMS AND FINDINGS AND RECOMMENDATIONS** section of this **REPORT OF SURVEY**, and by virtue of my experience, my opinion is
OVERALL VESSEL RATING: **ABOVE AVERAGE**

STATEMENT OF VALUATION:

1. The **"FAIR MARKET VALUE"** is the most probable price in terms of money which a vessel should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus.

Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

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

Therefore, after consideration of the reliability of the data, the extent of the necessary adjustments and condition of the vessel, it is your surveyor's opinion that the **"FAIR MARKET VALUE"** of the subject vessel is (subject to the satisfactory results of a sea trial):

\$180,000.00

One Hundred Eighty Thousand Dollars and Zero cents

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

\$650,000.00

Six Hundred Fifty Thousand Dollars and Zero cents

V. SUMMARY AND VALUATION

SUMMARY:

In accordance with the request for a marine survey of the "JOELLE ANNMARIE" , for the purpose of evaluating its present condition and estimating its Fair Market Value and Replacement Cost, I herewith submit my conclusion based on the preceding report. The subject vessel was personally inspected by the undersigned on April 9, 2004 and was found to be a well constructed, appointed and comfortable vessel. The vessel is very capably captained and well-kept. Subject to correction of deficiencies listed in section IV A. (Safety), the vessel is considered to be suitable for its intended use of PASSENGER SERVICE on the GREAT LAKES. Other deficiencies list should be attended to in a timely fashion.

SURVEYOR'S CERTIFICATION:

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

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

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

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

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

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

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

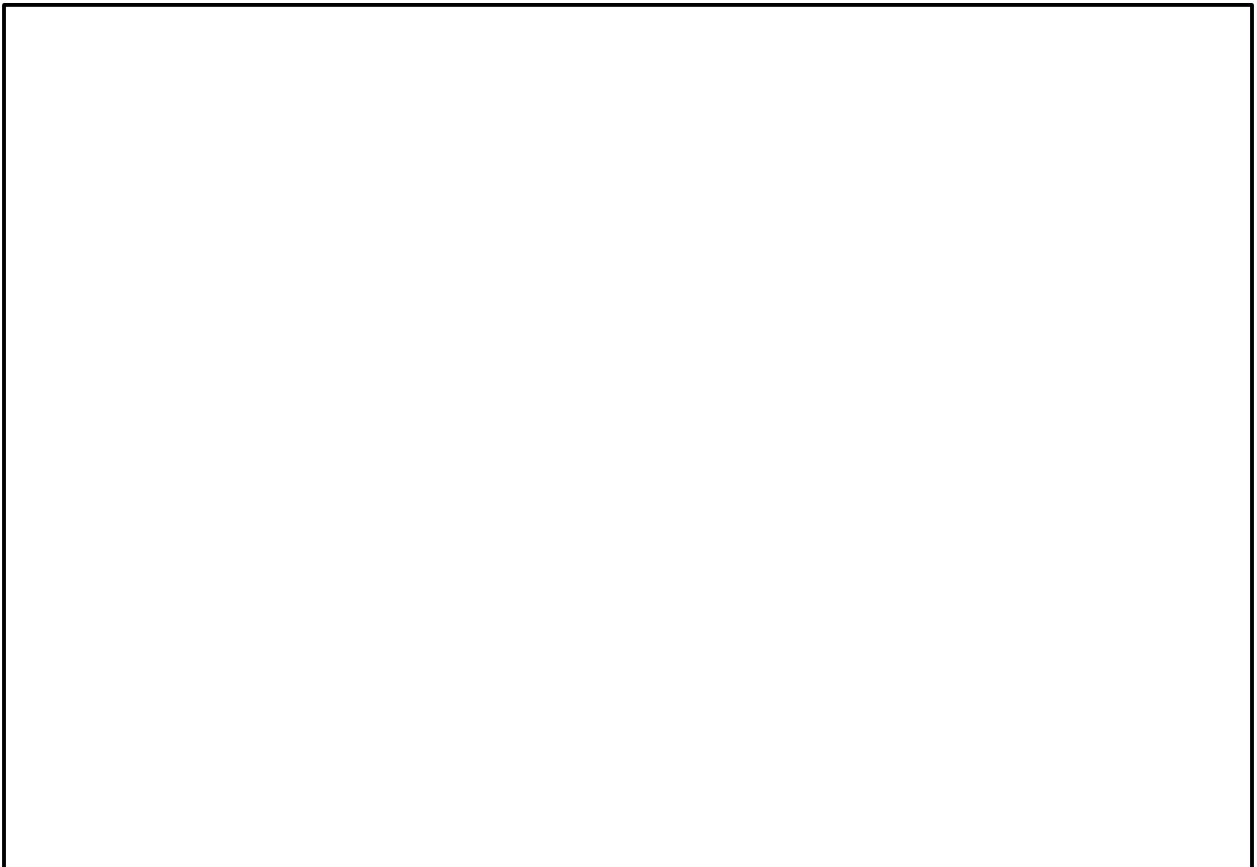
ATTENDING SURVEYOR: _____

John C. Roesch, SA SAMS

WATERS EDGE MARINE SURVEY
MARINE SURVEYOR AND CONSULTANT

1960 Blount Marine 64' Ferry Boat

JOELLE ANNMARIE



MEMBER OF SOCIETY OF ACCREDITED MARINE SURVEYORS

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REPORT OF MARINE SURVEY

OF THE VESSEL

"JOELLE ANNMARIE"

1960 Blount Marine 64' Ferry Boat

CONDUCTED BY
John C. Roesch

PREPARED FOR:

Wayne Duffiney

April 10, 2004

MEMBER OF SOCIETY OF ACCREDITED MARINE SURVEYORS

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