

BROKER INSTRUCTIONS

The REPLACE program utilizes the modeling concept to its fullest. In general terms a model is an emulation or imitation of a collection of statistical data. Similarly a REPLACE model is a compilation of researched based assumptions that represent the physical and architectural characteristics of a particular building. The set of building components that comprise a REPLACE model are representative in kind, quality and quantity of those items commonly found in existing building construction today.

To determine a building replacement cost using the REPLACE program we need to know the following information;

- Occupancy: Base costs have been developed according to common characteristics. Each model contains a short description of the design and materials used for the occupancy.
- Construction Types: Base replacement costs have been developed according to typical building construction systems.
- Building Configuration: Not all buildings are alike, basements, or other sections that form separate occupancies should be identified and details provided separately.
- Floor Area: Replacement costs are calculated on a per-square foot basis and are calculated from outside wall to outside wall.
- Location Adjustments: Base replacement costs have been developed for a central location and can be adjusted to any local across Canada.

Before you begin the data collection process you will need a few tools to assist you.

- A. A measuring device, you will need to measure the outside dimensions of each building (outside wall to outside wall) or if it is just the tenant's space you are dealing with then an overall length from adjoining wall to adjoining wall in order to determine the gross square feet of floor area. A 50' or 100' tape measure works best, but a retractable tape measure can be used however, we recommend that if you are going to surveying your risks on a regular basis then it may be wise to invest in a roller tape as shown on the next page.
- B. A floor plan of each building to mark the measurements on. This can be a simple line drawing of the perimeter of the building or a photo of the fire exit plan, or a detailed footprint of each room and area per floor. We leave this totally up to you, as what you are comfortable with drawing. The more information the better we can assess the value.
- C. A camera, overall exterior and interior photos help us in visualizing your building. If you don't know what it is – photograph it.

Step 1 - Complete the Application Survey Form for each building that is applicable to the risk including the "Signature" section of the form. *(Please print clearly in block form)* This gives us locational and contact information necessary to complete your report.

When completing the application survey form

1. Select a model that best describes your property.
2. Enter the total floor area of your building. *(Total floor area means total of all floors except basements or balconies).*
3. If your building has a basement, select the appropriate model. *(If your basement is partially finished indicated percentage of finished to unfinished).*
4. Complete the remainder of the building form with appropriate information.

Step 2 - Building Sketch *(provide a simple line sketch of the building with dimensions)*

- Use one building input form for each building.

Step 3 – Send all data to our office electronically or by mail for processing.



GLOSSARY

BUILDING TERMINOLOGY

One of the most abused areas in a report is the description of sections of a building. Unless you have been at the site, the terminology used to describe the area or section of the building in a report is one of the most confusing parts to the report. There is universal language to use to describe these areas or sections. So let's start from the beginning.

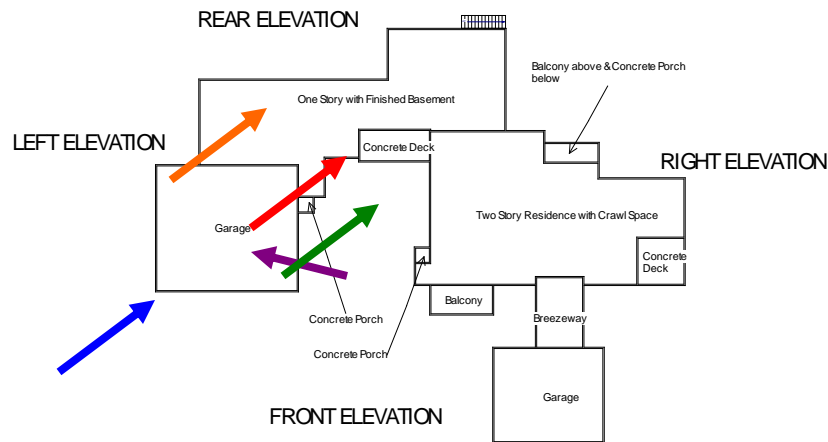


Figure 1

When drawing diagrams (see figure 1), always stand facing the front entrance to the building and your FRONT ELEVATION will be at the bottom of the page. The REAR ELEVATION will be at the top of the page, and the two side elevations will be named LEFT ELEVATION, and RIGHT ELEVATION, which corresponds to the direction of each side of the paper.

North, south, east, or west is never mentioned, other than stating which elevation faces north. That is all that needs to be addressed for direction.

Now if you take the FRONT ELEVATION, there are several faces to this elevation. If there is a need to describe each of these different faces, use a common point of reference such as FRONT ELEVATION – Side Garage (see blue arrow) or FRONT ELEVATION – Courtyard (see red arrow). Another example would be LEFT ELEVATION – Courtyard (see green arrow). The RIGHT ELEVATION – Courtyard would be the purple arrow.

Figure 1 is a diagram for a LAYOUT of the building, which describes each individual design segment of the building, such as ONE STOREY WITH FINISHED BASEMENT (see orange arrow).

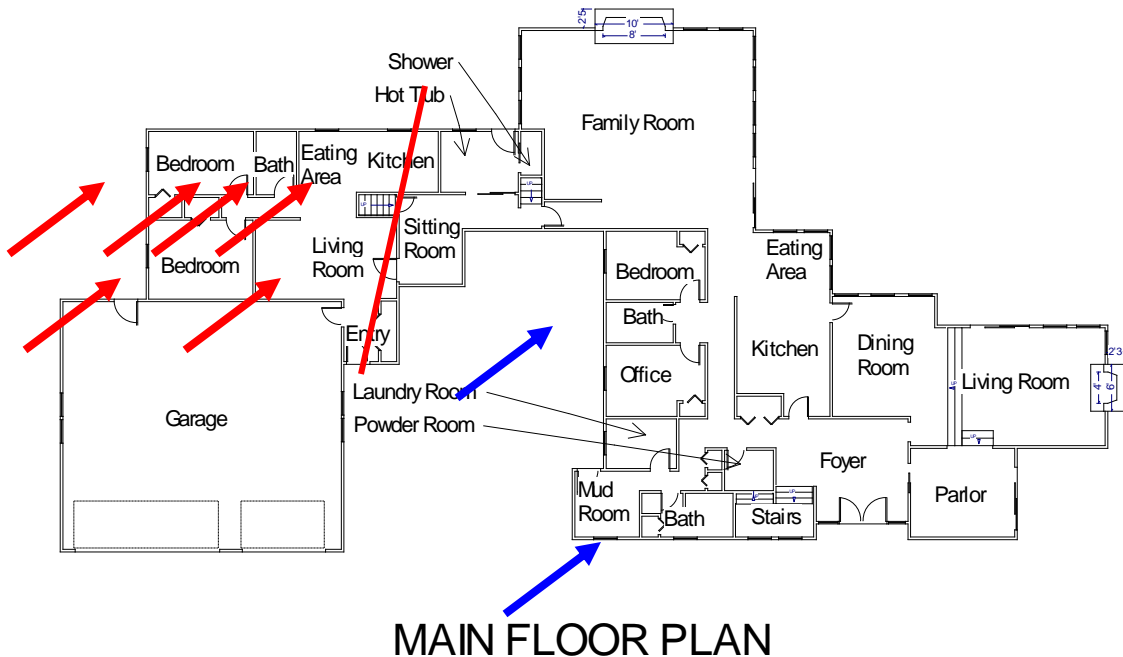


Figure 2

As you can see there are duplicate descriptions of rooms and areas in figure 2, which means that these rooms and areas should be identified in a more specific fashion.

But first, let's study the floor plan itself. A number of the uses of the key rooms are duplicated, and, looking at this floor plan, you can visually see an actual living unit to the rear left corner and another to the front right corner, with the front right corner being more predominate. Our conclusion would be that this floor plan is a residence with a suite on the main floor. So the floor plan is really divided into two sections (see red line), the right front area is the main residence (there is a second floor to this plan with more bedrooms and bathrooms), and the left rear area is a suite.

Taking this into consideration, the living room, kitchen, and eating area in the main residence can remain with their current names. However, we would have to identify these same rooms in the suite separately, so we would show a notation on the plan such as "S = Suite", and put an "S" in front of the descriptions of living room, kitchen, and eating area, plus the bathroom and the two bedrooms shown (see red insert & red arrows). The two bedrooms would have to be further identified simply as "S Front Bedroom" and "S Rear Bedroom" in this suite.

The main residence still has two bathrooms with identical identification. The simple solution would be to rename them "Front Bathroom" & "Rear Bathroom" (see blue arrows).

Although this example is a residence, the same principle applies to agriculture, commercial, industrial, and institutional risks as well.

BUILDING PHOTOGRAPHY

The building photos are the skeleton for the storyboard for Reproduction Appraisal Reports. They are one of the most important segments to a report. The old adage “a picture is worth a thousand words” really hits home here, and we cannot emphasize this enough.

The first two photos identify the property by showing the actual building numbers, and an overview of the building itself. This is the only common area where the approach to recording the property is the same. From here on out the addenda is quite different.

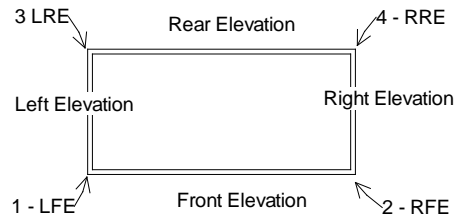


Overview of the Building



Number is 32150

After the initial identification of the property by showing the actual building numbers, and an overview of the building, the next set of photo's would be to photo the exterior of the building by taking photos at all four corners of the building.



1 – LFE is Left Front Elevation



2 – RFE is Right Front Elevation



3 – LRE is Left Rear Elevation



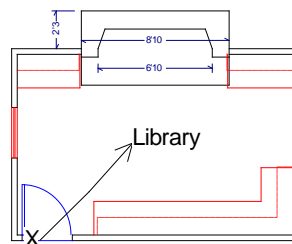
4 – RRE is Right Rear Elevation

The next set of photos would be to take individual photos of features found on the exterior either attached or detached from the building



Hot Tub Feature

The next set of photos would be to take overview of key rooms. If there are a number of identical rooms with the same use and quality, sometimes just a couple of rooms need to be photographed in order to show the quality and features of each room. When photographing a room, always show the features in each room and there is no such thing as taking too many photos because if you have to prove a loss afterwards then you have the evidence that these features and contents were evident.



Shoot photo from "X" in the direction of the arrow in order to pick up fireplace feature and overview of finishes to room.



Living Room Overview



Kitchen Overview



Office Overview



Fireplace Overview in Master Bedroom

In Summary the order of photos would be as follows:

- Overview of Building
- Numerical Identification
- 4 Exterior Corner
- Exterior Features
- Overview of Interior Areas