STANDARD SURVEY

Client: Removed for privacy

Date of report: March 26th 2006
Our file #: 06 - 25168

This inspection was performed upon the request of the client listed above on June 22nd 2006 while the vessel was hauled at Sunset Aquatic Ship Yard, 2901A Edinger Avenue, Huntington Beach, California and Mr. (removed for privacy) and the listing broker attended.

VESSEL DESCRIPTION

Builder: S2 Yachts Inc.
Model/type: Pursuit
Year: 2000 (model year)
Length: 34' *
Draft: 2' 2" *
Beam: 12' 9" *
* listing specifications

Doc. #: removed for privacy
HIN: removed for privacy
Engine # & MFG.: (2) Cummins
Name: *removed for privacy*
Hailing Port: removed for privacy
Weight: 22,000 lbs. (travel lift's scale)
Displacement: 14,000 lbs. *

HULL & STRUCTURE

Keel & bottom: Molded fiberglass construction, unknown core, modified V-shape, shallow keel, hard chine, lifting strakes forward, propeller pockets, black anti-fouling paint

Topsides & transom: Molded fiberglass construction, unknown core, white gelcoat with black and gold boot stripe

Decks & superstructure: Molded fiberglass construction, unknown core, molded diamond tread cockpit deck surface, white gelcoat with black and gold pin stripes, painted nonskid on cabin top forward

Deck hardware: Stainless steel bow rail, cleats, three foredeck hatches, blue dash

Longitudinals/stringers: Fiberglass encased, unknown core

Athwartships/bulkheads/frames: Plywood bulkheads

Layout/interior components: Express cruiser style with cockpit aft, bench seats in cockpit, helm to starboard forward with bench to port. Sliding companionway to cabin, head to port aft, galley area forward of head, dinette starboard and berth forward.

Bilge: Holding minimal

Comments: The vessel was inspected while hauled and afloat. The hull bottom was visually inspected and randomly sounded. The hull bottom is in good structural

condition. The age of the anti-fouling paint is unknown, it exhibited good coverage. The hull sides and transom were visually inspected and randomly sounded as possible while vessel was hauled. The hull sides and transom are in good structural and cosmetic condition. Prior to the sea trial there were scrapes visible on the port hull side, forward of amidships, approximately 1' above the waterline. While docking the vessel the same area of the vessel contacted the dock, rubber transfer was visible and circular stress cracks emanate from the area of rubber transfer. This area is not accessible internally. There are minor anchor dings at the bow. There is no visible documentation number. A vent cover is broken off of a port hull side fitting, aft of amidships. There is a visible "paint run" on the bottom of the boot stripe to port on the transom. There is paint "splatter" on the bottom of the portside of the swim platform. There is a crack on the starboard aft corner of the swim platform, visible from below. The deck and superstructure were visible inspected, randomly sounded and randomly tested with a moisture meter. The deck and superstructure are in good structural and cosmetic condition. The deck hardware including safety rails, mooring devices and hatches was visually inspected and the hatches were opened and closed. Overall the deck hardware appears good. There is a filler cushion missing, it is designed to go between the portside helm area bench seat and the superstructure. The structural reinforcements including the longitudinal stringers and bulkheads were visually inspected, randomly sounded and randomly tested with a moisture meter. The structural reinforcements are in "as-built" condition. The condition of coring material, in the stringers, deck, and elsewhere as applicable, is beyond the scope of this survey. The fiberglass tabbing has detached at the forward dinette bench seat's aft hull side connection. There is black soot visible to starboard aft in the engine room. There is unusual odor in the engine room; the source is beyond the scope this survey.

Summary: Good

MACHINE SYSTEMS

Main engines: Two (2) Cummins, model 6BTA5.9 – M3, 370 hp @ 3000 rpms, 114 & 143 hours on meters

Engine application: Diesel, inboard, 6 cylinders, freshwater cooled, turbo charged, after cooled

Serial Numbers: Starboard – 45888095, Port - 45888036

Transmissions: ZF model IRM 220A-1, ratio 1,75/1, starboard serial number – 19129H, port serial number – 15843H

External/peripherals: Suitable application, satisfactory installation, plastic remote coolant reservoir

Engine controls: Push/pull cables, double lever controls

Exhaust systems: Wet system, dry wrapped risers at engines, flexible hoses, metal tubes, aft discharges

Propulsion gear/shaft logs: Dripless shaft seals, 23 X 27 3-blade counter rotating bronze propellers, one (1) bronze strut per shaft, 1 ¾" diameter stainless steel propeller shafts

Steering system/rudder ports: Hydraulic system, bronze packing glands, bronze rudders

Ventilation: Engine room blowers

Generators: 5 KW Westerbeke, model 5.0/4.0 BCBD, serial number 41734-D906

External/peripherals: Suitable application, satisfactory installation, 24 hours on meter

Through hulls & components: Bronze through hulls, bronze ball valves, bonded

Location of through hulls as visible in travel lift slings: Port – three (3) aft, three (3) aft of amidships, transducer amidships Starboard – two (2) aft of amidships

Seawater systems: Reinforced hoses, mostly double clamped connections

Bilge pumps: One (1) electric/automatic (forward engine room), one (1) electric/automatic (aft), one (1) Rule 500 fully automatic forward

Comments: The engines, transmissions and generator were visually inspected and tested during a sea trial. This survey is not a mechanical survey, the client's representative is a mechanic and is familiar with the benefits of a mechanical survey. The generator is installed between the engines; accessibility to the engines is limited. The external surfaces and peripheral components of the engines and transmissions appear satisfactory – good. There is corrosion aft on the port engine and on the port transmission. There is a leak from the bait tank's plumbing to port aft, overhead in the engine room. The engines were warm upon arrival; the broker stated that he had not run the engines that morning. No cold start was observed. During the sea trial the engines appeared to run normally, except for an apparent turbo-boost delay. The rpms would increase, moments after the throttles were increased. The exhaust smoke opacity is higher than normal; the cause of this condition is beyond the scope of this survey. Wide open throttle was approximately 2810 per engine and the top speed was approximately 31.5 knots. There is a low speed rattle; it is likely from the transmissions, though its source is beyond the scope of this survey. The engine controls were test operated and functioned normally. The exhaust system was visually inspected and appears satisfactory. Rust stains below the port engine's exhaust hose are indicative of a leak. The odor and soot visible to starboard in the engine room are also indicative of leaks. The propulsion components including the propellers, propeller shafts, struts and shaft seals were visually inspected. The propellers were percussion tested and spun with a fixed object adjacent to the blades and the propeller shafts were observed underway. Overall the propulsion components appear satisfactory – good. There was a small ding on one of the port propeller blades; Mr. (removed for privacy) hammered it somewhat smooth while the vessel was hauled. The transmission oil pressure gauges were pegged during the sea trial. There is an unknown noise at the helm. The engine temp is higher to port; the cause of this condition is beyond this survey. The steering system was visually inspected and tested, it functioned normally. The blowers were energized. The generator was visually inspected as possible, test operated and loaded. The generator functioned normally. There appears to be a water leak at the generator's heat exchanger. Mr. (removed for privacy) noticed that the generator was not equipped with an air box, for the air intake. The through hulls and related components were visually inspected, scratched and tapped externally and most of the valves were

manipulated. Initially all of the valves were stiff, most were freed up. The seawater systems were visually inspected and most components were tested. Overall the seawater systems appear satisfactory. Many seawater hoses exhibit external cracks, including the raw water cooling supply hoses to the engines. The aft bilge pump was energized with its float switch, the mid bilge pump was energized with its manual switch; the forward bilge pump was not energized. There is minor pitting on the trim tabs.

Summary: Satisfactory – Good

TANKAGE

Tanks: Two (2) aluminum tanks, in cockpit bilge, 172 gallons each

Fill & vent: Flexible hoses

Feed & return: Racor fuel/water separator filters, flexible fuel grade hoses, manifold aft in engine room

Water: Plastic tank in center engine room bilge, 60 gallon capacity *

Holding: Plastic tank to port in engine room

Comments: The fuel system including the tanks, fill, vent, feed and return lines was visually inspected as installed. Overall the fuel system appears good. Both fuel fill hoses are lying on top of plywood bulkheads, cut out for their penetration. No chafe protection is used. The condition and age of the fuel (water) and the integrity of the tanks (fuel, water and holding) is beyond the scope of this survey. Please consider filling all of the tanks for a simple, practical test of their integrity. A single tank was in use upon our arrival, the reason for this valve position is beyond the scope of this survey. The water pressure system functioned normally.

Summary: Good

ELECTRICAL SYSTEMS

AC system: 2 – 30A/125V inlets to starboard in cockpit, 110 volt system, shore power cord

DC system: 3 – 12V batteries outboard of starboard engine, 2 – 12V batteries outboard of port engine, 3 battery switches under steps to cabin, 12 volt system

Wiring: Multi stranded wires

Circuit protection: GFCI outlets, AC main circuit breakers to starboard forward in cockpit, DC circuit breakers by helm, master DC panel below steps to cabin

Comments: The electrical system including the shore power cord, shore power inlets, batteries, wiring, circuitry components and circuit protection equipment was visually inspected and most components were test operated. Overall the electrical system appears good. The condition of the batteries is beyond the scope of this survey. The fresh water “II” pump is inoperative. A courtesy light to port of the helm is missing a

lens. The center windshield washer is weak. The waste discharge pump is inoperative. The shower sump pump is inoperative. There is no power to the television. The raw water pump is inoperative and activating it trips its circuit breaker. The autopilot display has damage. The following components were not tested: oil change pump, automatic function of the bilge pump forward in the engine room, function of the forward bilge pump, engine air pre-heaters, and CD changer.

Summary: Good

SAFETY AND LIFE SAVING

Portable fire extinguishers: Two (2) Dry chemical (1999)

Fixed fire system: Fireboy FE-241 for up to 265 cubic feet, installed 1999

Flotation devices: Six (6) type II, life ring, more PFDs in a bag

Horn/distress flares: Electric horn, flares aboard (expired)

Navigational/anchor lights: Separate side lights, stern light, combination steaming/all around anchor light

Anchor & ground tackle: Delta anchor, chain rode

Other equipment: “CO alarms”, smoke alarms, first aid kit, hand held spotlight

Comments: Safety equipment for firefighting protection appears satisfactory, however none of the extinguishers have been inspected and tagged in the past year, per NFPA recommendations. Flotation devices appear satisfactory for near coastal use. The horn is functional. Distress signal flares are aboard but the expiration dates have passed. The navigational and anchor lights are properly arranged and installed; the aft bulb of the combination steaming/anchor light is inoperative. The ground tackle including the anchor and rode was visually inspected as installed. The entire length of the rode was not inspected and should be so inspected prior to use. The carbon monoxide and smoke alarms were tested with their test buttons. The handheld spotlight was not tested.

Summary: Satisfactory – Good

ACCESSORIES

Navigational & operational electronics: Furuno GP-1850 DFC-MAP NT, Furuno 48 mile radar, Simrad Robertson APll autopilot, ICOM IC-M59 VHF

General equipment: Fiberglass swim platform, transom door, electric engine hatch lift with 2 actuators, oil change pump, generator instruments include: water temp., oil pressure, volts and hour meter, two (2) DC water pressure pumps with accumulator tank, waste-“Y” valve, internal sea strainers, C-charger next step series battery charger, engine room light, folding cockpit bench seat, engine air pre-heater, electric waste discharge pump, two (2) fish boxes, fish box macerator drain, two (2) seawater pressure pumps, trim tabs, canvas cockpit cover, hard top, windshield, isinglass helm enclosure,

raw and fresh water spigots, single spreader outriggers, fiberglass bow plank with anchor roller, cockpit flood lights, bait tank, cockpit sink, courtesy lights, three (3) windshield wipers, windshield washer, hard top rod storage, Raritan icerette ice maker, Ritchie compass, engine instruments include: two (2) tachometers with hour meters, two (2) temp., two (2) engine oil pressure, two (2) engine battery, and two (2) transmission oil, two (2) fuel level gauges, rudder angle indicator, center windshield vent, AC & DC volt meters, AC & DC ammeters, Atwood EHM6-SM water heater with heat exchanger, water and waste level gauge, vacuum type head, shower sump pump with collector, Marine Air air conditioner, Howard Miller ship's clock and barometer, Samsung microwave oven, Norcold DE0041 refrigerator, galley sink, Kenyon one (1) burner electric stove, Phillips TV/VCR, Clarion M5470 cd/stereo, Clarion M635 CD changer, Maxwell 800 electric windlass two (2) direction with foredeck and helm switches

SUMMARY

The vessel is a production fiberglass express cruiser/fishing vessel equipped with two (2) diesel engines and a diesel generator. The listing broker reports that the current owner is the original owner. The broker reports no knowledge of any problems with the vessel or any significant events in the vessel's history. The machinery and exterior coatings are all reportedly original. The vessel appears structurally and mechanically sound and upon completion of the recommendations should be well suited for its intended purposes as a near coastal cruising and fishing vessel.

Overall Summary: GOOD

VALUES

ACTUAL CASH VALUE	NEW REPLACEMENT VALUE	INVESTMENT
$219,000	$330,000	N/A

The actual cash value is the value that our research approximates the selling price of this vessel should be, at the time and place of our inspection. Consideration is given to vessel's condition, geographic location, published listings and guides, comparable sales and listings, and market conditions. The new replacement value is the cost of this or a similar, **new vessel**, comparably equipped. The investment is the reported investment including purchase price and significant upgrades. No values include maintenance costs, storage or tax.

Standard Form Key: All systems are rated based upon their appearance, ratings include: Not examined, Not applicable, Faulty, Marginal, Satisfactory, Good, Excellent.

RECOMMENDATIONS

1. Service to eliminate the cause of the rust stains under the port engine's exhaust hose, remove stains to allow for detection of future leaks.
2. Service to eliminate the leak at the bait tank's plumbing, above the port transmission. Clean and paint the surfaces which were affected to allow detection of any future leaks.
3. Determine the significance of the high exhaust smoke opacity and address appropriately.
4. Modify to eliminate the turbo boost delay in the engines.
5. Service to eliminate the water leak at the generator, apparently at the heat exchanger.
6. Clean spilled water to allow detection of any future leaks.
7. Determine the source of the fumes in the engine room and address appropriately.
8. Determine why the port temp gauge registered higher temperatures than starboard, address appropriately.
9. Service and prove the waste discharge pump properly functional.
10. Service and prove the shower sump pump properly functional.
11. Service and prove the raw water pressure pump properly functional and eliminate the condition which caused its circuit breaker to trip.
12. Service and prove the aft bulb of the combination steaming/anchor light properly functional.
13. Certify the fixed and portable fire extinguishers per NFPA recommendations.
14. Provide USCG required, approved and current distress signal flares.
15. Provide a secondary anchor with sufficient rode for use in a two anchor situation or an emergency.

NOTES

1. Repair the scrapes and stress cracks on the port hull side forward as desired.
2. Provide the missing seat cushion (for the bench seat to port of the helm).
3. Repair the tabbing dis-bonded below the forward dinette bench seat, at the aft connection.
4. Clean the soot from the bilge to starboard in the engine room, eliminate the source of the soot.
5. Provide and install the vent cover where missing on the port hull side.
6. Either replace the seawater hoses which exhibit external cracks or monitor and replace as necessary. Numerous hoses exhibit external cracks including the engines' seawater supply hoses.
7. Upon the next haul out consider having the port propeller balanced and trued, it exhibited a ding during the haul out.
8. Monitor the pitting on the trim tabs, address appropriately.
9. Service or replace the transmission oil pressure gauges which were "pegged" during the sea trial.
10. Provide and install intake airbox for the generator.
11. Service and prove the fresh water (II) pump properly functional.
12. Provide and install a lens for the courtesy light to port of the helm.
13. Service and prove the center windshield washer properly functional.
14. Assure that the television is properly functional.

15. Address the autopilot display as desired, it exhibited damage.

This survey sets forth the condition of the vessel and components, as specifically stated only, at the time of inspection and represents the surveyor's honest and unbiased opinion. The submitting of this report should not be construed as a warranty or guaranty of the condition of the vessel, nor does it create any liability on the part of Christian & Company or the individual surveyor. No part of the vessel was disassembled or removed and no assumptions should be made as to the condition of concealed components. Specifics were obtained from sources available at the time of inspection and are believed correct, but are not guaranteed to be accurate.

Christian & Company, Marine Surveyors, Inc.

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By: Mr. Kells Christian, Surveyor Date