

APPRAISAL RULES

Florida SKP Co-op, Inc.

Appraisal Committee Rules

As Revised February 20, 2017

1. Basis for Appraisal.

The value of a membership shall be appraised at an amount equal to, but not exceeding the member's original cost, plus the cost of allowable site improvements, plus any subsequent re-evaluation and assessments which the member has paid.

1. When a selling member accepts the appraisal of the Appraisal Committee, all the existing receipts for that lot will be discarded. The previous appraisal and county Permits (i.e.: Electrical, Shed, etc.) Shall not be discarded.
2. When a shed has to be treated for termites, the co-op will pay the charge and will collect the charge from the seller. That way the warranty will be in the office.

2. Allowable Improvements.

Reimbursements are allowed for concrete, asphalt, shell covering, a shed, utility services installed to the shed (electric, water, and sewer) specifically for a washer and dryer (to be grandfathered in), landscaping additions, sod, and plantings in an amount defined below. Site improvements other than those defined in these rules or other expenses incurred by a member such as member dues are not reimbursable expenses. Site improvement value is defined as the cost of any improvements minus any fair and reasonable depreciation factor, taking into consideration the present condition of those improvements. Exchange labor between Co-op members is not reimbursable. (see Building and Grounds Rules, 1989,1990).

3. Member Responsibility.

The Co-op maintains site appraisal records in the back office of the clubhouse. Each member has the responsibility to insure that all original or copies of original dated receipts are enclosed in the site appraisal records. Members should retain a copy of all receipts. When a site improvement is completed, the member shall present to the Treasurer copies of all receipts for material used, labor (if the work was contracted), and permits, for entry into the site appraisal record. When the Treasurer is absent, a member of the appraisal committee with a member of the Board may make the entries. ALL RECEIPTS MUST BE LEGIBLE AND PROPERLY IDENTIFIED AS TO WHERE USED (SHED, SEWER, ELECTRIC, ETC.). SITE VALUATION WILL BE DETERMINED BY THESE RECEIPTS.

4. Appraisal.

Lot appraisals will NOT be conducted between April 15 and October 31.

When a membership is terminated, the appraisal committee appraises the value of the site improvements. Appraisals are only conducted by at least one member of the Appraisal Committee and another Florida SKP Co-op member.

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Shed

The shed shall be significantly empty so as to allow the Appraisal Committee to view the inside of the shed structure. The seller shall have the site and shed free of refuse; clean inside and out, otherwise, cleanup costs will be deducted from the sale price. The workmanship of the shed is not considered for depreciation as long as the shed is structurally sound and receipts for the materials are in the site appraisal records.

An appraisal shall include a termite inspection by a Pest Control Company. Any inspection and/or treatment or repair costs will be the responsibility of the current membership holder.

Tie Downs.

Tie downs that protrude from the ground shall not be included in the value of the site and shall be removed by seller unless they are purchased directly from the terminating member by the new member.

Concrete

Construction related cracks in concrete shall not be depreciated. Any other damage not repaired shall be depreciated.

Sod and Plants

The original cost of the sod shall be reimbursed. The seller must re-seed under the rig area prior to turnover, so that the grass may grow, in the event that the new member does not occupy the site immediately. The area that accommodates a rig must be firm enough so that a new member can use it without making any modifications.

Anyone surrendering a site with citrus plantings shall leave canker registration in the site record. The cost of any individual plantings in good condition with an original cost of \$50.00 or more shall also be included. After an appraisal has been made, no fixtures or plantings shall be removed from the site.

5. Disallowed Reimbursements.

Screen or glassed rooms, and patio covers are not considered in the site appraisal and shall be removed by the member unless the new member agrees to purchase them directly from the member. (See Standing Rules)

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6. Appeal

If a member turning in a site disagrees with an appraisal, they may appeal to the Board of Directors.

Lot appraisals will NOT be conducted between April 15 and October 31.

7. The appraisal committee shall, after no less than two meetings providing for member comment, but no later than April 1, 2017, develop and propose to the Board of Directors for its review, a fair and reasonable set of depreciation schedules covering all types of site improvements that are presently allowed to be considered in site valuation. The above depreciation schedules shall be incorporated in all appraisals performed after May 1, 2017 unless a modified or alternative set of depreciation schedules, meeting the standards of this paragraph to be implemented on the same date, is adopted by vote of the Board of Directors no later than April 31, 2017.

(number 7 revised 2/20/17)