



Miller Ranch Permitted Capital Improvement Summary

As with the October 26, 2010 approved Miller Ranch Housing Guidelines, the process for submitting Permitted Capital Improvements (PCI) includes the information below:

B. Permitted Capital Improvements shall be approved by the Program Administrator and calculated in accordance with the Eagle County Affordable Housing Guidelines, except as expressly provided herein and in the Miller Ranch Deed Restriction.

1. The Owner may also add as a Permitted Capital Improvement, the cost of permanent improvements constructed or installed as a result of a capital improvement as applied to individual units required or imposed by any governmental agency, or required by special assessment by a Condominium or Townhome Association for such permanent improvements for the proportionate amount of the expense, provided that written certification and documentation from such agency or association is provided to the Program Administrator. Association assessments for regular maintenance items or replacement of existing items will not be included.

In reference to the Eagle County Affordable Housing Guidelines: Administrative Procedures amended October 6, 2020:

4.2.6 Increases to Base Price and Permitted Capital Improvements

Certain improvements to a unit may be included in a unit's Maximum Resale Price. The following list outlines the costs that may be included in an owner's Base Price and a depreciation schedule for Permitted Capital Improvement items. Base Price items are not counted against the Permitted Capital Improvement allowance.

Items included in Base Price	NOT permitted capital improvements
<ul style="list-style-type: none"> ● Purchase price, including garage, lot premium or other developer inclusions. <p>The following items may be included in base price with the written verification that the proposed improvement is a base price item from the Program Administrator, prior to the commencement of the work:</p> <ul style="list-style-type: none"> ● Structural addition or addition of livable space including bathrooms, bedrooms, exterior door, interior doors, baseboard, window casing, insulation and plumbing (excluding fixtures) ● Modifications or improvements to accommodate a person with a disability as defined in the Americans with Disabilities Act of 1990 ● Roof replacement 	<ul style="list-style-type: none"> ● All work performed without the issuance of a building permit. ● Jacuzzis, saunas, steam showers, hot tubs, etc. ● Maintenance of existing fixtures, appliances, plumbing, mechanical systems, painting, cleaning, etc. and improvements to existing fixtures. ● Decorative items including window coverings, lamps and lighting not affixed to walls or ceilings, bath towel bars and hooks, etc. ● Interior paint ● Cost of tools ● Equipment Rental ● Removable items not attached to the unit.



5 Year Depreciation Items	20 Year Depreciation Items
<ul style="list-style-type: none"> • Replaced appliances • Washer and dryer (including stackable) • Carpet upgrades including pad • Permanent fitted window blinds • Garage door openers • Gutters and downspouts • Security system • Electric fireplace • Exterior paint • Ceiling fans • Storm doors • Laminate flooring • Building permit fees • Improvements for health and safety protection 	<ul style="list-style-type: none"> • Flooring and countertop upgrades including hardwood, stone, slate, granite, marble, tile, etc. • Trees and permanent landscaping including sod, concrete pads, concrete pavers, etc. • Light fixtures (electrical fixtures & wiring) • Plumbing fixtures including sinks and toilets • Cabinets including vanities • Closet organization systems • Outdoor decks • Irrigation system • Fencing • Gas fireplace • Windows • Solar Panels • Asphalt roof shingles (single family & duplex only)

Unless otherwise identified in the recorded deed restriction, the actual costs of Permitted Capital Improvements made to a unit shall not exceed 10% of the Initial Sales Price for a five-year term, regardless of changes in ownership. For every subsequent five-year period, an additional 10% of the value of the unit at the beginning of that five-year period may be added into the value as Permitted Capital Improvements. The five-year period for Permitted Capital Improvements shall not reset merely upon resale. No costs incurred in one five year term may be rolled into a different five year term.

For an owner to request that Base Price Improvements and/or Permitted Capital Improvements be added to the Maximum Resale Price, he or she must comply with the following:

1. Upon completion of the work, Program Administrator requests the following:
 - a. Legible copies of receipts and invoices
 - b. Proof of payment by a third party
 - c. Owners must retain original receipts and invoices
2. In calculating the costs allowed as Permitted Capital Improvements, only the owner's actual out of pocket costs and expenses shall be eligible for inclusion. Such amount shall not include an amount attributable to owner's labor, or that of their employees or business, or to any appreciation in the value of these improvements.
3. If an owner pays cash for improvements, the owner must provide third party documentation of payment. An owner must have an invoice for improvements, but if no such documentation of proof of cash payment can be produced, the Program Administrator can inspect the improvement completed in the unit. Up to 75% of documented invoice value may be included after an inspection, subject to depreciation, at the Program Administrator's sole discretion.



4. Work that requires and is performed without the issuance of all required building permits or property owners' association approval will not be included as a Base Price or Permitted Capital Improvement.
5. The value of the Permitted Capital Improvements will be added to the appreciated value of the unit at the time of sale. No appreciation is allowed on Permitted Capital Improvements.
6. Other improvements to the Affordable Housing unit are allowed, but adjustments to the Maximum Resale Price will only be given for Base Price and Permitted Capital Improvements.

If a Base Price improvement and/or Permitted Capital Improvements or an improvement included in the Base Price of the unit is removed or is no longer operational, the actual cost of the improvement shall be deducted from the Base Price or Permitted Capital Improvement schedule. No other categories or types of expenditures may qualify as Permitted Capital Improvements unless pre-approved in writing by the Program Administrator.

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If a Permitted Capital Improvements or an improvement included in the base price of the unit is removed or is no longer operational, the actual cost of the improvement shall be deducted from the base price or Permitted Capital Improvement schedule. No other categories or types of expenditures may qualify as Permitted Capital Improvements unless pre-approved in writing by the Program Administrator.



5 Year Depreciation Schedule

20 Year Depreciation Schedule

% of Cost	Months	Years		% of Cost	Months	Years
75%	Up to 12 months	Up to 1 year		100%	Up to 24 months	Up to 2 years
50%	12-36	2-3		90%	24-48	2-4
25%	36-60	3-5		80%	48-72	4-6
0%	60+	5+		70%	72-96	6-8
				60%	96-120	8-10
				50%	120-144	10-12
				40%	144-168	12-14
				30%	168-192	14-16
				20%	192-216	16-18
				10%	216-240	18-20
				0%	240+	20+

****Program Administrator may accelerate depreciation or exclude items if damaged beyond ordinary depreciation.****

Estimated value for Developer-installed appliances in Miller Ranch properties:

Top-Freezer Refrigerator	\$769	GE 18.1 Cu. Ft.
Top-Freezer Refrigerator	\$829	GE 21 Cu. Ft.
Built-in Dishwasher	\$309	GE
Free-Standing Electric Range	\$449	GE 30"
Range Hood	\$109	GE Standard
Washer	\$499	GE 3.7 Cu. Ft. stainless steel capacity
Electric Dryer	\$399	GE 6.0 Cu. Ft. capacity DuraDrum
Stackable Washer and Electric Dryer	\$1,349	GE Unitized Spacemaker
Microwave	\$335	GE Space Saving

