TOWN OF ACTON

CAPITAL IMPROVEMENTS POLICIES AND PROCEDURES

The Town of Acton is the Monitoring Agent for some affordable deed restricted units, as noted in the Affordable Housing Deed Restriction. As Monitoring Agent, the Town of Acton must approve capital improvements in order to be considered for addition to the resale price of your home.

The uniform Affordable Housing Restriction defines Approved Capital Improvements as “the documented commercially reasonable cost of extraordinary capital improvements made to the Property by the Owner; provided that the Monitoring Agent shall have given written authorization for incurring such cost prior to the cost being incurred and that the original cost of such improvements shall be discounted over the course of their useful life.”

Capital improvements are defined as “necessary maintenance improvements, not covered by a condominium or homeowner’s association that if not done would compromise the structural integrity of the property.

<table>
<thead>
<tr>
<th>New roof</th>
<th>Septic tank replacement</th>
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<tr>
<td>Exterior painting due to deterioration</td>
<td>Heating or plumbing replacement</td>
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<td>Structural deficiencies such as termite or other pest damage, water damage, or other maintenance as required</td>
<td>The replacement of siding, shingles or clapboard due to damage or long-term wear</td>
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<td>Replacement of windows due to damage or long-term wear and tear</td>
<td>Accessibility Accommodations</td>
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<tr>
<td>Appliance replacement (stove, dishwasher, refrigerator)</td>
<td>Other improvements identified by the owner and approved by the Town of Acton</td>
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NOTE: Some of the items above may be covered by your condominium fee.

The cost of improvements such as the installation of outdoor decks, flooring (except in the case of replacement due to damage or long-terms wear), additions, garages, landscaping, and other items that could be defined as upgrades or luxury improvements cannot be added to the resale price when a property is sold.
If a condominium or homeowner’s association imposes a special assessment, we will take the cost to the homeowner into consideration on a case by case basis, and additional documentation may be required. If the homeowner is purchasing materials and completing the project on their own, only the cost of the materials will be taken into consideration.

Please be advised that at the time of resale we will take into consideration the current value of the improvement based on a standard straight-line depreciation schedule of 15 to 30 years, depending on the useful life of the improvement. For example, if a new heating system is installed for $5,000, and the owner sells the property ten years later, the heating system will have depreciated and now is valued at a lower amount. This lower amount will be added to the resale price.

At the time that the unit is sold, the Town can add the cost of Approved Capital Improvements to the value of the home, taking into account normal depreciation, as long as the resale price would be affordable to an Eligible Buyer earning the amount specified in the Affordable Housing Restriction.

To begin the review process, please mail a letter requesting approval for the cost of a capital improvement, including:

- a description of the work to be done
- an estimate of the cost
- an explanation of why the work is a capital improvement necessary for the maintenance of the building.

If the request is approved, a copy of the paid invoice after the completion of the work will be required. At that time, the Town will consider the useful life of the improvement and prepare a depreciation schedule for the cost of the improvement.

Requests for capital improvements or questions can be directed to:

**Director, Acton Planning Office**
472 Main Street, Acton, Massachusetts 01720
Attention: Roland Bartl, Director
Telephone: 978-929-6631
Email: rbartl@acton-ma.gov

**Regional Housing Services Office**
141 Keyes Road, Concord, Massachusetts 01742
Attention: Elizabeth Rust
Telephone: 978-287-1090
Email: liz@RHSOhousing.org