

## **CARDIFF TERRACE ARCHITECTURAL REVIEW BOARD CAPITAL IMPROVEMENT DEFINITION**

The Architectural Review Board (ARB) reviews each request on a case by case basis. At the time a completed "Concept Application for Home Modification" is filed by a homeowner, the ARB will determine if the modification qualifies as a "Capital Improvement." Capital Improvements typically add new square footage to a unit, or provide long-term upgrade or improvement of the structure or the unit, such as built-in custom cabinetry or hardwood floors. Certain "luxury" items may or may not be established by the ARB as capital improvements, such as ceramic tile floors, which may be more a personal preference than added value to a home.

For those improvements that the ARB has determined would qualify as a Capital Improvement, the request for Capital Improvement credit will be based on the following criteria:

### 1) ADDITIONAL SQUARE FOOTAGE

For improvements that add new square footage to a structure:

The ARB will allow the addition of the cost of the actual design and construction of the remodel/improvement as long as the homeowner has submitted documentation of costs to the ARB for certification within three months of completion of work and that it is in keeping with the goal of resale affordability and compatibility with other campus homes.

### 2) OTHER IMPROVEMENTS

For those improvements that do not add new square footage to a structure, the homeowner will be granted an amount up to the actual cost of the improvement. In the case of upgrades such as hardwood floors, in lieu of carpet, credit will be granted based on the cost of installed new hardwood floors minus the cost of replacement of carpet. That amount is added to the value of the home, less deferred maintenance.

*Approved by the Cardiff Terrace Architectural Review Board March 21, 2002*