

**Reimbursable Home Improvements  
Affordable Dwelling Unit (ADU) Program**

Pursuant to Chapter 1450.08 3A-D of the Loudoun County Codified Ordinance, "Units offered for resale during the ADU fifteen-year control period shall not be offered for a price that exceeds the ADU sale control price determined by the ADUAB plus the following: A. A percentage of the ADU sale control price determined by the ADUAB equal to the increase in the Consumer Price Index-For All Urban Consumers calculated as of the date of the resale; B. The current fair market value of those home improvements, as determined to be eligible to be added to the selling price of ADUs by the ADUAB, made to the ADU between the date of the initial sale and the date of resale; C. An allowance for payment of closing costs, on behalf of the purchaser, which shall be paid by the seller; and D. An allowance for the payment of a 1.5 percent sales commission/finder's fee to be paid to a real estate agent, if any, who secures a purchaser for the ADU. ADUAB may, when necessary due to change in the market conditions in the County, revise the 1.5 percent sales commission/finder's fee to another reasonable percentage."

Tables 1 and 2 address the reimbursable home improvements, the length of time/age of the home improvement and the percentage of the original cost that will be reimbursed to the homeowner upon the sale of the unit.

**Interior Home Improvements  
Table 1**

<b>Home Improvement</b>	<b>Age Of Home Improvement (Completion Date)</b>	<b>Percentage Of Original Cost Allowed To Be Added To Re-Sale Price</b>
*Add 1/2 or Full Bath	1-5 years	90%
	6-15 years	60%
*Finishing basement or section thereof	1-3 years	90%
	4-10 years	70%
	11-15 years	50%
*Adding any other finished living area	1-3 years	90%
	4-10 years	70%
	11-15 years	50%

**Exterior Home Improvements  
Table 2**

<b>Home Improvement</b>	<b>Age Of Original Home Improvement (Completion Date)</b>	<b>Percentage Of Original Cost Allowed To Be Added To Re-Sale Price</b>
*Deck	1-3 years 4-10 years	90% 60%
**Fencing	1-3 years 4-10 years	90% 60%
**Patios	1-3 years 4-10 years	90% 60%

Note: The cost of perennial landscaping (i.e. flowers that bloom every year), shrubs (defined as woody plants) such as azaleas and trees such as oak, maple, pine and dogwoods would be reimbursed at 95% of original cost with no time restriction. The landscaping must exist at the time of re-sale.

\*In order to receive reimbursement for the home improvement, the homeowner would be required to provide the Department of Housing and Community Development with a copy of the County building permit, final inspection report, photographs of the completed improvement, and an original receipt covering the work performed.

\*In order for a homeowner to be reimbursed for a home improvement where the labor was provided by the homeowner, a written appraisal by a licensed appraiser covering the home improvement would be required, along with a copy of the County building permit, final inspection report, original receipt covering the materials used and photographs of the completed improvement(s). The aforementioned documentation (except for the appraisal) would still be required if the homeowner is only requesting reimbursement for the cost of materials used.

\*\*In order to receive reimbursement for the home improvement, the homeowner would be required to provide the Department of Housing and Community Development with a copy of a Homeowners Association approval letter, photographs of the completed improvement(s) and an original receipt covering the work performed.

\*\* In order for a homeowner to be reimbursed for a home improvement where the labor was performed by the homeowner, a written appraisal by a licensed appraiser covering the home improvement(s) would be required, along with a copy of a Homeowners Association approval letter, photographs of the completed home improvement(s) and an original receipt covering the cost of materials used. The aforementioned documentation (except for the appraisal) would still be required if the homeowner is only requesting reimbursement for the cost of materials used.

**The list of non reimbursable home improvements include, but are not limited to:**

- Replacement of Caulking
- Painting/Wallpaper
- Window Treatments or Replacement Windows
- Replacement of Carpeting or Other Flooring unless it is an **upgrade situation** (carpet to hardwood, linoleum to ceramic tile)
- Interior Moldings or Other Wall Treatments (i.e. shelving)
- Jacuzzi/Hot Tub or Fireplace
- Additional Interior/Exterior Lighting Systems
- Non Perennial Landscaping
- Routine Maintenance on or Replacement of Heating and Air Conditioning Systems
- Repair or Replacement of Roof or Gutter System
- Replacement of Kitchen Cabinets or Built in Microwaves
- Replacement of countertops unless it is an **upgrade situation** (composite material to granite)
- Other Improvements as Determined by Housing Specialist

Revised April 1, 2022