

SCHEDULE - Reserve for Replacement Eligible & Ineligible Expenditures

Category	Item	Eligible Expenses - Description/Explanation	Ineligible Expenses - Description/Explanation
Unit	Unit Equipment and Appliances	Replacement of refrigerators, ranges, and other major appliances in the dwelling units.	Repair of washers and dryers, refrigerators, dishwashers, garbage disposals, range burners, bibs, oven elements, controls, valves, wiring, etc.
Unit	Unit Bathroom Fixtures and Furnishings	Replacement of kitchen and bathroom sinks and countertops, bathroom tubs, water closets.	Repairs, refinishing of cabinets, drawers, countertops and other kitchen furnishings.
Unit	Unit Flooring	Complete unit flooring/carpet replacements.	Cleaning or replacement of carpet in less than entire unit.
Unit	Unit Windows & Window Treatments	Complete unit-wide replacement of windows, including glass, jambs, casing, sash, aprons and sills.	Replacement of drapes, shades, blinds or other window treatments; window repairs.
Unit	Unit Doors	Replacement of exterior unit doors; interior door replacements as part of buildingwide (75% or more of units) renovations.	Door repair, hardware replacement, keys or locksmith; replacements of damaged interior doors at turnover.
Unit	Unit Painting	Major buildingwide painting project (75% or more of units).	All Painting/Repainting in units as part of unit turns.
Unit	System components	Replacement or major overhaul of HVAC systems.	Repair of dwelling unit air conditioning and water heating components such as fan motors and window unit compressors.
Building	Fixtures/Lighting	Extensive, building-wide replacement of fixtures and lighting	Replacement of individual fixtures, repairs, parts replacement, light bulbs, switch plates, etc.
Building	Building Bathroom Fixtures and Furnishings	Replacement of kitchen and bathroom sinks and countertops, bathroom tubs, water closets.	Repairs, refinishing of cabinets, drawers, countertops and other kitchen furnishings.
Building	Building Flooring	Extensive, building-wide (75% or more) repairs or replacements of flooring in projects containing finished floors, floor tile and floor coverings, and which are not "routine maintenance" in nature	Cleaning or replacement of carpet (e.g. not major building wide/multi-unit flooring replacements or upgrades)
Building	Building Windows & Window Treatments	Extensive, building-wide replacement of windows, including glass, jambs, casing, sash, aprons and sills.	Routine window and screen repairs; caulking and sealing repair.
Building	Building Doors	Extensive, building-wide (75% or more) door replacements; exterior ingress/egress door replacement.	Door repair, hardware replacement, keys or locksmith.
Building	Building/Property Painting & Upkeep	Extensive, building-wide (more than 75%) repainting of the entire building exteriors and interior common areas.	Minor painting of exterior of all buildings.
Building	Roofing	Major (75% or more) roof repairs or replacements, including replacements of gutters, downspouts and related eaves or soffits.	Minor roof repairs, including minor repairs to gutters and downspouts.
Building	Plumbing/Sanitary Systems	Replacement or major repairs/overhaul of plumbing and sanitary systems.	Repairs, parts replacement
Building	Building Systems (HVAC, Boilers, Furnaces, Fuel Tanks, etc.)	Replacement or major overhaul of central air conditioning and heating systems, including cooling towers, furnaces, temperature controls, boilers, and fuel storage tanks.	Minor repairs to central air conditioning and heating systems such as valve replacements and the cleaning of boiler interiors; repair or replacement of non-critical components and parts.
Building	Elevator Systems	Replacement of critical components or major renovation/modernization/overhaul of elevator systems.	Routine maintenance and inspections; replacement of non-critical parts and components
Building	Exterior/Siding	Extensive (more than 75%) replacement of siding or building coating materials on all buildings	Minor replacement or repair of siding or building coating materials on all buildings.
Building	Major Security & Safety Replacements	Significant upgrading or replacement of security systems, cameras, fire alarm systems, components and fire suppression systems.	System replacement, recharging of fire extinguishers; inspections and repairs.
Building	Wiring and Electrical Panels	Extensive, building-wide electrical work or rewiring	General electrical work, repairs, parts replacement
Building	Commercial Space	N/A - Ineligible	All costs associated with Commercial Space maintenance, including commercial space upgrades and build-out costs. Typically, these costs should be paid for by the tenant of the space

Property	Paving - Asphalt or Concrete Sidewalks, Parking Lots and Driveways	Extensive repaving/resurfacing/seal coating of sidewalks, parking lots and driveways.	Minor repaving/resurfacing/seal coating of sidewalks, parking lots and driveways.
Property	Exterior walls	Major, non-routine replacement to address safety issues.	Patching and Repairing
Property	Landscaping and Lawn Systems	Extensive replacement of exterior (lawn) sprinkler or irrigation systems; major, non-routine landscaping projects.	Tree removal, sprinkler system repairs, routine grounds maintenance.
Property	Fencing	Extensive fencing replacement projects.	Patching, repair and board replacement
Property	Pool & Rec Areas	Replacement of or major repairs to a swimming pool and recreation areas.	Routine maintenance and minor repairs.
Property	Signs	Replacement of primary project sign.	Minor repairs, repainting, lighting and sign replacements.
Equipment	Tools & Equipment	N/A - Ineligible	Purchase of maintenance tools and equipment.
Equipment	Office Equipment	N/A - Ineligible	Purchase of minor office equipment such as calculators, postage meters and date stamp machines.
Equipment	Fire Extinguishers	N/A - Ineligible	Inspection/recharging/replacement of fire extinguishers.
Equipment	Maintenance Vehicles	N/A - Ineligible	Purchase, replacement or repairs to maintenance vehicles (trucks, plows, heavy-duty lawn mowing equipment).
Administrative Costs & Fees	Capital Needs and BEPS Studies/Reports	Capital Needs Studies or BEPS studies required to be conducted in order to comply with DHCD loan documents or policies, or other applicable legal requirements.	Additional project needs studies/assessments beyond DHCD or legal requirements.
Administrative Costs & Fees	Consulting & Professional Fees - Major Capital Projects	Consultations with Engineering, Architectural and other professional firms for design services, bid preparation and third-party construction monitoring of capital projects approved by the Department in advance.	Any fees/expenses unrelated to approved projects and/or not approved in writing by Department in advance.
Administrative Expenses	Supplies and Routine Maintenance	N/A - Ineligible	Items generally considered to be routine maintenance and supplies.
Administrative Expenses	Rental/Management Office	N/A - Ineligible	Computer and business software (including industry interface), copier, fax, office equipment and furniture.
Administrative Expenses	Model Unit	N/A - Ineligible	Model unit furnishings.
Administrative Expenses	Financing Charges	N/A - Ineligible	Loan and financing payments, fees and charges.
Last Updated 5.31.2026			