

**ENHANCED NOTICE TO TENANTS FOR CAPITAL IMPROVEMENTS\***

***This enhanced notice must be served with a notice of rent increase and RAP Notice and filed with the Rent Adjustment Program within 10 days of service of these notices on the tenant.***

Date: \_\_\_\_\_

To Tenant(s): \_\_\_\_\_

Property Address: \_\_\_\_\_ Unit Number \_\_\_\_\_

Current Rent: \$ \_\_\_\_\_ # of Units \_\_\_\_\_

Date of Rent Increase: \_\_\_\_\_

**Step 1: Enter the building-wide capital improvements (See instructions for examples)**

<b>Building-wide Capital Improvements CATEGORY(Attach separate sheet if needed)</b>	<b>TOTAL COSTS</b>	<b>DATE COMPLETED</b>	<b>DATE PAID FOR</b>
<b>SUBTOTAL:</b>			

**Step 2: Multiply Subtotal in Step 1 by 70% (Increase Limited to 70%)**

$$\frac{\$ \text{Subtotal}}{\text{Subtotal}} \times 70\% = \text{Step 2}$$

**Step 3: Divide results of Step 2 by the number of units affected**

$$\frac{\$ \text{Step 2}}{\text{Step 2}} \div \text{\# of units} = \$ \text{Step 3}$$

**Step 4: Enter capital improvements for specific unit**

Unit-Specific Capital Improvement CATEGORY (Attach separate sheet if needed)	TOTAL COSTS	DATE COMPLETED	DATE PAID FOR
<b>SUBTOTAL:</b>			

Step 5: Multiply Subtotal in Step 4 by 70% (Increase Limited to 70%)

$$\text{\$ } \frac{\text{Subtotal}}{\text{Step 5}} \times 70\% = \text{Step 5}$$

Step 6: Add:

6a: TOTAL for building wide capital improvement for this unit (Step 3)

\$ \_\_\_\_\_

6b: TOTAL for unit specific capital improvement (Step 5)

\$ \_\_\_\_\_

6c: Total allowable cost for unit (pre-amortization)

\$ \_\_\_\_\_

(6c)

**Step 7: INSTRUCTIONS TO CALCULATE THE AMORTIZATION PERIOD**

To calculate the amortization period (length of time for the pass-through), first calculate 10% of the current monthly rent.

Step 7a: (10% limit) Current Rent \$ \_\_\_\_\_ x 10% = \$ \_\_\_\_\_ (7a)

Step 7b: (# of months)  
Divide the total allowable pass-through (6c) by 7a \$ \_\_\_\_\_ ÷ \$ \_\_\_\_\_ = \_\_\_\_\_ (6c) (7a) (7b)

Step 7c: (60 months?) If the number determined in 7b is less than or equal to 60, the amortization period is 60 months or 5 years.

Step 7d: (Length of time?) If the number determined in 7b is greater than 60, divide 7b by 12.  
\_\_\_\_\_ ÷ 12 = \_\_\_\_\_ (7b) (7d)

Step 7e: (# of years) If 7d is not a whole number, round up to the next highest number. \_\_\_\_\_ (7e)

7e= the # of years you are allowed to pass through the rent increase.

Step 7f: (Allowable # of months) The allowable # of months is 7e x 12 \_\_\_\_\_. The rent increase ends on the last month.

