

In order to live in an affordable Artspace unit, an applicant must income-qualify under the requirements of the Section 42 Low Income Housing Tax Credit program. This process will require you to report your anticipated income for the coming 12-month period, and substantiate it with written documentation. Additionally, third-party verification is required for most information, including the confirmation of rent paid, employment income, student status, etc. To help you understand what will be asked of you, we created the attached forms to highlight all of the areas you will need to consider.

The forms included in this package are **SAMPLE FORMS ONLY**. Forms very similar to this will be used in application processing as a way of identifying and collecting information required to certify you as an applicant for the Section 42 Low Income Housing Tax Credit program. We encourage you to complete a set of these forms as practice for preparing for the formal application process. Do not submit these forms with your application.

ARTSPACE APPLICATION CHECKLIST

All forms MUST be filled out in their ENTIRETY. Every question must be answered, even if the answer is "no" or "n/a". If you leave areas or questions blank, we will need to contact you to get the answers before we can start processing and this will delay the process.

Your information must be complete and correct.

All Households must complete:

- Complete Rental application
- Income/Asset checklist
- Student Certification
- Child Support Affidavit
- Marital Support Affidavit

Also include, if applicable:

- If Employed, copies of most recent, 4-6 consecutive paystubs including military pay
- If Self Employed, copies of last three years income tax returns; include schedules C, E, F
Or a Profit/Loss statement for anticipated income
- Copies of Unemployment benefits/checks
- Social Security Benefits annual statement and/or most recent letter; including SSI benefits
- Copies of annual statements for Pensions, VA benefits, Railroad, etc.
- Court orders/judgments for divorce for alimony and/or child support.
- Copies of 6 most current, consecutive bank statements for any checking account.
- Copies of most current bank statement for any other type of bank accounts
- Copies of most recent statements for any investments held (stocks, bonds, mutual funds)
if self-held, copies of bond or stock certificates
- Information regarding retirement accounts; 401K, IRA, etc.
- Copies of life insurance policy or premium payment stub showing account #
- If you own real estate:
 - copy of most recent mortgage statement
 - copy of any real estate broker/sales contract if selling
- If you own any personal collections held as investments, copy of latest appraisal
Items like coin collections, antiques, etc.
- Copy of Power of Attorney documents if someone else is signing for you.
- Any other documentation that verifies other sources of income/assets
- Copies of Trust fund documents

FOR OFFICE USE ONLY

- ORIGINAL
- RECERT
- MARKET



CERTIFICATION QUESTIONNAIRE

APPLICANT(S)

Full Name	M/ F	Relationship to Head of Household	Birthdate	Social Security Number

MARITAL STATUS

- SINGLE MARRIED WIDOWED DIVORCED SEPARATED

EMERGENCY CONTACT

Name: _____ Relationship: _____
Address: _____ Home Phone: _____
Work Phone: _____

RESIDENCE HISTORY (Three (3) years of housing history is required)

Current Address: RENT OWN LIVING WITH RELATIVE OTHER

Street: _____ Landlord: _____
City: _____ Address: _____
State/Zip: _____ City: _____
Dates Lived There: _____ State/Zip: _____
Current Phone Numbers: Home: _____ Work: _____
email: _____

Previous Address

RENT OWN LIVING WITH RELATIVE OTHER

Street: _____ Landlord: _____
City: _____ Address: _____
State/Zip: _____ City: _____
Dates Lived There: _____ State/Zip: _____

Previous Address

RENT OWN LIVING WITH RELATIVE OTHER

Street: _____ Landlord: _____
City: _____ Address: _____
State/Zip: _____ City: _____
Dates Lived There: _____ State/Zip: _____

HOUSEHOLD INFORMATION

YES NO Have you ever been evicted from an apartment for any reason?
Explain: _____

YES NO Have you ever filed for bankruptcy?
Explain: _____

YES NO Have you ever been convicted of a felony?
Explain: _____

YES NO Do you expect any additions to the household within the next 12 months?
Explain: _____

YES NO Will you or anyone in your household require a live-in care attendant?

YES NO Are you currently receiving Rental Assistance (Section 8)?
Source: _____
 Certificate Voucher

YES NO Will your household be eligible or are you applying to receive Section 8 rental assistance in the next 12 months?

Driver's License Number: _____ State _____

Vehicles:

License Plate #: _____ and State _____

Make: _____ Model: _____ Year: _____

License Plate #: _____ and State _____

Make: _____ Model: _____ Year: _____

STUDENT INFORMATION:

YES NO Have you been a full-time student in the last 12 months?

YES NO Are you currently or planning to be a full time student within the next 12 months? ****Please note--this could affect your eligibility****

POWER OF ATTORNEY:

YES NO Does someone have Financial Power of Attorney (POA) for you?

Name of person holding POA: _____

Relationship: _____

PERSONAL REFERENCE:

Name: _____

Address: _____

Phone #: _____ Relationship: _____ Years Known: _____

INCOME INFORMATION:

(Include ALL Income anticipated for the next 12 months)

Please mark Yes or No for **EVERY** item. Fill in other information as completely as possible.
If you need additional space, please add another page or use the back of this form.

ZERO INCOME VERIFICATION:

YES NO Are you or anyone else in your household claiming ZERO INCOME?
If yes, please complete the Zero Income Affidavit.

YES NO Self-Employed Household Member: _____
Please provide copy of your most current Federal Income Tax Form

YES NO Employment Household Member: _____
 Wages/Salary Tips Bonuses
Employer: _____ Amount: _____
Address: _____
Employer Phone #: _____

Employment Household Member: _____
 Wages/Salary Tips Bonuses
Employer: _____ Amount: _____
Address: _____
Employer Phone #: _____

YES NO Cash contributions or gifts on an ongoing basis from persons not living with you
Name of gift-giver: _____ Amount: _____
Address: _____
Phone #: _____

YES NO Workers' Compensation/Unemployment Benefits Household Member: _____
Source: _____ Amount: _____
Address: _____ Account # _____
Phone #: _____

YES NO Public Assistance/General Relief Household Member: _____
Source: _____ Amount: _____
Address: _____ Account # _____
Phone #: _____

<input type="checkbox"/> YES <input type="checkbox"/> NO Military active duty allotments/GI Bill Benefits Source: _____ Address: _____ _____	Household Member: _____ Amount: _____ Account # _____ Phone #: _____
<input type="checkbox"/> YES <input type="checkbox"/> NO Veteran's Administration Benefits Source: _____ Address: _____ _____	Household Member: _____ Amount: _____ Account # _____ Phone #: _____
<input type="checkbox"/> YES <input type="checkbox"/> NO Alimony <input type="checkbox"/> YES <input type="checkbox"/> NO I have been awarded alimony, but do not receive payments	Household Member: _____ Amount: _____ Account # _____ Phone #: _____
<input type="checkbox"/> YES <input type="checkbox"/> NO Social Security or SSI Payments Source: _____ Address: _____ _____ Social Security or SSI Payments Source: _____ Address: _____ _____	Household Member: _____ Amount: _____ Account # _____ Phone #: _____ Household Member: _____ Amount: _____ Account # _____ Phone #: _____
<input type="checkbox"/> YES <input type="checkbox"/> NO Pensions, Retirement benefits Source: _____ Address: _____ _____	Household Member: _____ Amount: _____ Phone #: _____
<input type="checkbox"/> YES <input type="checkbox"/> NO Disability or death Benefits other than Social Security Source: _____ Address: _____ _____	Household Member: _____ Amount: _____ Phone #: _____
<input type="checkbox"/> YES <input type="checkbox"/> NO Long-Term Care Insurance Payments Source: _____ Address: _____ _____	Household Member: _____ Amount: _____ Account # _____ Phone #: _____

<input type="checkbox"/> YES <input type="checkbox"/> NO	Periodic Payments from an Annuity, Inheritance, Insurance, Trust funds Source: _____ Address: _____ _____ Source: _____ Address: _____ _____ Source: _____ Address: _____ _____	Household Member: _____ Amount: _____ Account # _____ Phone #: _____ Household Member: _____ Amount: _____ Account # _____ Phone #: _____ Household Member: _____ Amount: _____ Account # _____ Phone #: _____
<input type="checkbox"/> YES <input type="checkbox"/> NO	Periodic Payments from Lottery Winnings/Settlements/Severance Source: _____ Address: _____ _____	Household Member: _____ Amount: _____ Account # _____ Phone #: _____
<input type="checkbox"/> YES <input type="checkbox"/> NO	Income from rental of Real Estate/Real Property Source: _____ Address: _____ _____	Household Member: _____ Amount: _____ Account # _____ Phone #: _____
<input type="checkbox"/> YES <input type="checkbox"/> NO	Income from Land Contracts Source: _____ Address: _____ _____	Household Member: _____ Amount: _____ Account # _____ Phone #: _____
<input type="checkbox"/> YES <input type="checkbox"/> NO	Gaming Payments as a Member of a Native American Tribe (Household Member _____) Source: _____ Address: _____ _____	Amount: _____ Account # _____ Phone #: _____
<input type="checkbox"/> YES <input type="checkbox"/> NO	Payments from a Trust Account <input type="checkbox"/> Revocable <input type="checkbox"/> Irrevocable Income Received: _____	Household Member: _____ Value: _____ Account # _____
<input type="checkbox"/> YES <input type="checkbox"/> NO	Income from Sources Not Listed Above Source: _____ Address: _____ _____	Household Member: _____ Amount: _____ Account # _____ Phone #: _____

ASSET INFORMATION: (An asset is defined as any lump sum amount that you currently hold)

Please mark Yes or No for **EVERY** item. Fill in other information as completely as possible.

If you need additional space, please add another page or use the back of this form.

YES NO Checking/Savings/CD Accounts Household Member: _____

Bank: _____ Balance: _____

Address: _____ Checking Savings CD

Account #: _____

Bank: _____ Balance: _____

Address: _____ Checking Savings CD

Account #: _____

Bank: _____ Balance: _____

Address: _____ Checking Savings CD

Account #: _____

Bank: _____ Balance: _____

Address: _____ Checking Savings CD

Account #: _____

YES NO Express Debit Card for Social Security Benefit payments

Card # _____ Balance: _____

YES NO IRAs/Keoghs/Other Retirement Accounts Household Member: _____

Institution: _____ Balance: _____

Address: _____

Account #: _____

Bank: _____ Balance: _____

Address: _____

Account #: _____

YES NO SECURITIES(STOCKS/BONDS/MUTUAL FUNDS/MONEY MKT)

Company: _____ Household Member: _____

Address: _____

Total Value: _____

Phone: _____ Account #: _____

Please provide copies of most recent statements

YES NO SAVINGS BONDS/Treasury Bills Household Member: _____

Type of Bond: I EE H How many? _____

Please provide copies

<input type="checkbox"/> YES	<input type="checkbox"/> NO	Do you have a life insurance policy?	
		<input type="checkbox"/> Whole/Universal Life <input type="checkbox"/> Term FACE VALUE: _____	
		Insurance Company: _____	
		Address: _____ Phone: _____	
		Policy # _____	
<input type="checkbox"/> YES	<input type="checkbox"/> NO	Personal Property Held as an Investment	Household Member: _____
		Includes collections, artwork, show cars, antiques	
		Type of Collection: _____ Value: _____	
		Type of Collection: _____ Value: _____	
<input type="checkbox"/> YES	<input type="checkbox"/> NO	Real Estate or Mobile Home	Household Member: _____
		This Includes your residence, vacation home, commercial property, vacant land, farms, etc.)	
		Address: _____ Value: _____	
		_____ Mortgage Amt: _____	
		<input type="checkbox"/> Selling <input type="checkbox"/> Not Selling <input type="checkbox"/> Going to Rent	
		You will need to provide third party verification of value (a recent appraisal or CMA)	
<input type="checkbox"/> YES	<input type="checkbox"/> NO	Lump Sum Receipts (Inheritance, Capital Gains, lottery, settlements)	Household Member: _____
		Source: _____ Amount: _____	
		Address: _____ Account # _____	
		_____ Phone #: _____	
<input type="checkbox"/> YES	<input type="checkbox"/> NO	Do you have a Safe Deposit Box?	
		Monetary Value of Contents: _____	
<input type="checkbox"/> YES	<input type="checkbox"/> NO	Do you have Cash on Hand?	Household Member: _____
		Amount: _____	
<input type="checkbox"/> YES	<input type="checkbox"/> NO	Do you have other Assets Not Listed Above?	Household Member: _____
		Type: _____ Value: _____	
		Type: _____ Value: _____	
<input type="checkbox"/> YES	<input type="checkbox"/> NO	I (we) have joint ownership of one or more of the above assets with a person who does not reside with me(us).	
		Please designate which ones have joint ownership.	
<input type="checkbox"/> YES	<input type="checkbox"/> NO	I have sold, given away or otherwise transferred ownership of assets within the last two (2) years for LESS THAN FAIR MARKET VALUE.	
		If yes, please list items and date sold.	
		Item: _____	Date Sold: _____
		Item: _____	Date Sold: _____
		Item: _____	Date Sold: _____

All items that are marked "YES" will be verified through the appropriate third-party source.

SIGNATURE :

This application is not a rental agreement, contract or lease. All applications are subject to the approval of the owner or managing agent.

I(we) certify under penalty of perjury that the information and statements provided above are true and complete to the best of my(our) knowledge. I(we) consent to release this information in order to qualify for Section 42 Housing. I(we) understand that providing false information may be grounds for denial of my(our) application and may subject me(us) to criminal penalties.

I(we) give consent and authorization to have management verify the information contained in this application for the purpose of approving my(our) eligibility for occupancy. I(we) will provide all necessary information to expedite this process. I(we) understand that my(our) occupancy is contingent on meeting management's resident selection criteria and the Low Income Housing Tax Credit Program guidelines. I(we) understand and agree that inquiries may include information related to credit, employment, rental and criminal records. I(we) further agree that verification of all information and references regarding sources of income and assets may be conducted and I(we) release all parties for any liability for disclosing factual information obtained by management. I(we) understand and agree that a photocopy or FAX of this authorization can be used in lieu of an original.

Applicant

Date

Applicant

Date

Applicant

Date

Sample

INCOME/ASSET CHECKLIST

Name: _____

Date: _____

Complete a separate form for each household member who is 18 or older.

YES	NO	ANSWER YES/NO FOR EVERY ITEM
		I am a Citizen of the United States or a permanent legal resident.
		I am currently a student. CHECK ONE: <input type="checkbox"/> Full-time <input type="checkbox"/> Part-time <input type="checkbox"/> Other Describe: _____
		I have been a student sometime during the last twelve months or anticipate becoming a student during the next twelve months.

INCOME			
YES	NO	ANSWER YES/NO FOR EVERY ITEM	AMOUNT
		I am employed and receive money/wages, tips and/or bonuses. List name of company: _____	
		I am self-employed. List type of work: _____	
		I receive Social Security Benefits (SSA, SSI, SSDI, etc.)	
		I receive quarterly payments from FIA for the state-paid portion of the SSI grant.	
		I receive Railroad Retirement Benefits.	
		I receive unearned income for a family member(s) age 17 or under (i.e.: Social Security)	
		I receive periodic payments from a pension fund. Name of Pension provider: _____	
		I receive disability or death benefits other than Social Security.	
		I receive Veteran's Administration Benefits.	
		I receive periodic payments from a retirement account. Name of bank or investment co.: _____	
		I receive alimony. Please complete the Marital Status Affidavit.	
		I receive Child Support. Please complete the Child Support Affidavit.	
		I receive Public Assistance.	
		I receive cash contributions or gifts including rent or utility payments.	
		I receive unemployment Benefits.	
		I receive periodic payments from Workers' Compensation.	
		I receive periodic payments from a trust, annuity or inheritance.	
		I receive income from rental of real estate or personal property.	
		I receive periodic payments from lottery winnings.	
		I receive adoption assistance payments.	
		I receive GI Bill Benefits.	
		I receive military active duty allotments.	
		I am a member of an Indian Tribe receiving gaming payments.	
		I receive periodic payments from insurance policies.	
		I receive long-term care insurance payments that exceed \$180/day.	
		I receive other periodic or recurring income not listed above. Describe: _____	

ASSETS

YES	NO	ANSWER YES/NO FOR EVERY ITEM	AMOUNT
		I have a checking account. Bank: _____ Acct.# _____	
		I have a savings account. Bank: _____ Acct.# _____	
		I have a Certificate of Deposit (CD). Bank: _____ Acct.# _____	
		I have a Debit Express Card for receiving Social Security or SSI Benefits.	
		I have savings bonds. How many?: _____ Will need to provide copies.	
		I have mutual funds. List bank/investment company: _____	
		I have IRAs or Keogh account. List bank/investment company: _____	
		I have Treasury Bills. How many? _____ Will need to provide copies.	
		I have stocks. List names: _____	
		I have bonds. How many? _____ Will need to provide copies.	
		I own real estate. Address of property: _____	
		I own a mobile home.	
		I have land contracts. Address of property: _____	
		I hold a mortgage or deed of trust. Address of property: _____	
		I have a trust account.	
		I have a life insurance policy. Insurance company: _____ Policy # _____	
		I have personal property held for investment (gems, jewelry, cars, etc.) List: _____	
		I expect a lump sum receipt in the next twelve months. From? _____	
		I have cash held in my home, safety deposit box, other.	
		I have another person listed on one or more of the above assets for beneficiary or other purposes. This person does not own the asset and receives no income from the asset.	
		I have assets not listed above. Describe: _____	
		A member of my household is under the age of 18 and has assets. Describe: _____	
		I have sold, given away or otherwise transferred ownership of assets within the last two (2) years. Please complete a Disposed of Asset Affidavit.	

Under penalties of perjury, I certify that the information presented in this certification is true and accurate to the best of my knowledge. I understand that providing false representation herein constitutes an act of fraud. False, misleading or incomplete information may result in the termination of the lease agreement and/or benefits.

Applicant Signature

Date

EMPLOYMENT VERIFICATION

THIS SECTION TO BE COMPLETED BY MANAGEMENT AND EXECUTED BY TENANT

TO: (Name & address of employer) _____ Date: _____

RE: _____ Applicant/Tenant Name _____ Social Security Number _____ Unit # (if assigned) _____

I hereby authorize release of my employment information.

Signature of Applicant/Tenant _____ Date _____

The individual named directly above is an applicant/tenant of a housing program that requires verification of income. The information provided will remain confidential to satisfaction of that stated purpose only. Your prompt response is crucial and greatly appreciated.

Project Owner/Management Agent

Return Form To: _____

Return Form To:

THIS SECTION TO BE COMPLETED BY EMPLOYER

Employee Name: _____ Job Title: _____

Presently Employed: Yes _____ Date First Employed _____ No _____ Last Day of Employment _____

Current Wages/Salary: \$ _____ (check one)
 hourly weekly bi-weekly semi-monthly monthly yearly other _____

Average # of regular hours per week: _____ Year-to-date earnings: \$ _____ from: ____/____/____ through: ____/____/____

Overtime Rate: \$ _____ per hour Average # of overtime hours per week: _____

Shift Differential Rate: \$ _____ per hour Average # of shift differential hours per week: _____

Commissions, bonuses, tips, other: \$ _____ (check one)
 hourly weekly bi-weekly semi-monthly monthly yearly other _____

List any anticipated change in the employee's rate of pay within the next 12 months: _____; Effective date: _____

If the employee's work is seasonal or sporadic, please indicate the layoff period(s): _____

Additional remarks: _____

Employer's Signature _____ Employer's Printed Name _____ Date _____

Employer [Company] Name and Address

Phone # _____ Fax # _____ E-mail _____

NOTE: Section 1001 of Title 18 of the U.S. Code makes it a criminal offense to make willful false statements or misrepresentations to any Department or Agency of the United States as to any matter within its jurisdiction.

WAGE CALCULATIONS

1. FROM THIRD PARTY VERIFICATION:

HOURLY RATE-NO RAISE

HOURLY RATE \$ _____ X # HOURS/WEEK _____ X 52 WEEKS \$ _____
 OVERTIME RATE \$ _____ X # HOURS/WEEK _____ X 52 WEEKS \$ _____
 ANNUAL TIPS, BONUSES, COMMISSIONS \$ _____

TOTAL ANNUAL WAGES \$

HOURLY RATE WITH RAISE

RATE BEFORE RAISE \$ _____ X # HOURS/WEEK _____ X _____ # OF WEEKS \$ _____
 OT RATE BEFORE \$ _____ X # HOURS/WEEK _____ X _____ # OF WEEKS \$ _____

 RATE WITH RAISE \$ _____ X # HOURS/WEEK _____ X _____ # OF WEEKS \$ _____
 OT RATE WITH RAISE \$ _____ X # HOURS/WEEK _____ X _____ # OF WEEKS \$ _____
 ANNUAL TIPS, BONUSES, COMMISSIONS \$ _____

TOTAL ANNUAL WAGES \$

2. FROM PAYSTUBS (6-8)-AVERAGE

GROSS AMT FROM PAYSTUBS

#1 \$ _____
 #2 \$ _____
 #3 \$ _____
 #4 \$ _____
 #5 \$ _____
 #6 \$ _____

DIVIDE TOTAL GROSS PAY BY # OF PAYSTUBS = AVG/WEEK

AVG/WEEK _____ X 52 WEEKS \$

TOTAL ANNUAL WAGES

TOTAL GROSS PAY: \$ _____

PAYSTUB AMOUNT PLUS RAISE--(USE AS PERCENTAGE)

AVG/WEEK \$ _____ X _____ # OF WEEKS BEFORE RAISE \$ _____
 AVG/WEEK \$ _____ + %RAISE = _____ X _____ # OF WEEKS AFTER RAISE \$ _____

TOTAL ANNUAL WAGES \$

3. YEAR-TO-DATE (YTD) from VOE and/or Paystubs

YTD AMOUNT: \$ _____ (A)
 # OF WEEKS _____
 COVERED: (B)
 DIVIDE: \$ _____ A/B

***Need to know beginning and ending date of period included in YTD figure. Use Date and Time Calculator to determine number of weeks to use.*

\$ AMOUNT/WEEK _____ X 52 WEEKS \$

TOTAL ANNUAL WAGES

YTD AMOUNT: \$ _____ (A)
 # OF WEEKS _____
 COVERED: (B)
 DIVIDE: \$ _____ A/B

***Need to know beginning and ending date of period included in YTD figure. Use Date and Time Calculator to determine number of weeks to use.*

\$ AMOUNT/WEEK _____ X 52 WEEKS \$

TOTAL ANNUAL WAGES

SELF-EMPLOYMENT AFFIDAVIT

Self-Employment income is taxable income received by an individual who operates a business or profession as a sole proprietor, partner in a partnership, independent contractor, or consultant.

Applicant: _____ Date: _____

Name of Business: _____

Mailing Address of Business: _____

Type or Nature of Self-Employment: _____

Position Held or Service Provided: _____

Date Self-Employment Began: _____

Income for last 12 months: \$ _____

Anticipated Income for the next 12 months: _____
Should include profit and any wages you pay yourself from your business

Three (3) years of tax returns are required, including schedules C, E and/or F. If this is a new business or you do not file income tax returns, you will need to provide a Profit/Loss Statement for anticipated income.

I have enclosed the last 3 years' Income tax returns

I do not have 3 years Income tax returns showing self-employment income
Explain: _____

I have attached a Profit/Loss statement

I do not anticipate any income from Self Employment for the next 12 months.
Explain: _____

Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the United States Government. Under penalty of perjury, I certify that the information presented in this affidavit is true and accurate to the best of my knowledge. False, misleading or incomplete information may result in the termination of a lease agreement.

Signature

Date

Name: _____

Date: _____

Name Of Business: _____

PROFIT/LOSS STATEMENT

For the period Beginning ___/___/___ and Ending ___/___/___
Include the next 12 calendar months

A. Gross receipts or sales anticipated

B. Cost of Goods Sold

Purchases to be made _____

Cost of Labor (other than yourself) _____

Materials and Supplies _____

Other costs _____

Total Cost of Goods Sold

C. Gross Profit(Subtract "B" from "A")

D. Expenses

Advertising _____ Legal Fees _____

Building Rental _____ Maintenance/Repairs _____

Car/truck expenses _____ Office expenses _____

Comissions/fees _____ Vehicle rental _____

Contract labor _____ Supplies not included in COGS _____

Depletion _____ Taxes/Licenses _____

Depreciation _____ Telephone _____

Employee Benefits _____ Travel _____

Insurance _____ Utilities _____

Loan interest _____ Other _____

Total Business Expenses:

NET PROFIT/LOSS ANTICIPATED(Subtract "D" from "C:")

Reference IRS Schedules C, E and F and their instructions for further information.

Under penalty of perjury, I certify that the information presented in this statement is true and accurate to the best of my knowledge. I further understand that providing false representations herein constitutes an act of fraud. False, misleading or incomplete information may result in the termination of my lease agreement.

Signature _____

Date _____

Date: _____
 From: _____
 FAX #: _____

To: _____
 Address: _____
 Phone: _____ FAX: _____

Applicant: _____ SSA# _____

Please see the attached authorization: The above-named applicant has stated that they have one or more accounts with your institution. They have supplied the following account numbers:

BANK ACCOUNT VERIFICATION REQUEST

The above named person has applied for residency/is a resident at a property governed by the Low Income Housing Tax Credit Program under Section 42 of the Internal Revenue Code. In order to comply with Federal Regulations requesting verification of all income, assets and allowances for residents of Affordable Housing, please complete this form and return it as soon as possible. This application is pending and a prompt response will be greatly appreciated. **Please fax your response to the number above.**

PLEASE SUPPLY THE FOLLOWING INFORMATION FOR ALL ACCOUNTS OWNED BY THIS APPLICANT, EVEN IF NOT LISTED ABOVE. Please use a second sheet if necessary.

CHECKING ACCOUNTS

DATE OPENED	ACCOUNT NUMBER	CURRENT BALANCE IN EXACT FIGURES	6-MONTH AVG BAL (EXACT FIG.)	INTEREST RATE %	IS THIS A JOINT ACCOUNT?
					<input type="checkbox"/> yes <input type="checkbox"/> no
					<input type="checkbox"/> yes <input type="checkbox"/> no
					<input type="checkbox"/> yes <input type="checkbox"/> no

SAVINGS ACCOUNTS/IRA/MONEY MARKET/CERTIFICATE OF DEPOSIT

DATE OPENED	ACCOUNT NUMBER	CURRENT BALANCE IN EXACT FIGURES	WITHDRAWAL PENALTY	INTEREST RATE %	IS THIS A JOINT ACCOUNT?
					<input type="checkbox"/> yes <input type="checkbox"/> no
					<input type="checkbox"/> yes <input type="checkbox"/> no
					<input type="checkbox"/> yes <input type="checkbox"/> no

IF ACCOUNT HAS BEEN CLOSED-PLEASE PROVIDE THE FOLLOWING INFORMATION:

TYPE OF ACCT.	DATE OPENED	DATE CLOSED	BALANCE OF ACCOUNT ON CLOSING DATE	TRANSFERRED TO ANOTHER ACCOUNT? New Account #:
				<input type="checkbox"/> yes
				<input type="checkbox"/> yes
				<input type="checkbox"/> yes

 Signature of Person Verifying Information

 Date

 Print Name and Title

 Phone Number

Warning: Section 1001 of Title 18 of the U.S. Code makes it a criminal offense to willfully falsify a material fact or make a false statement in any matter within the jurisdiction of a federal agency.

CLARIFICATION RECORD

DATE: _____

NAME OF APPLICANT: _____ UNIT #: _____

ITEM TO BE CLARIFIED: _____

COMPANY CONTACTED: _____ PHONE #: _____

PERSON CONTACTED/TITLE: _____

COMMENTS: _____

STAFF MEMBER NAME/TITLE

STAFF MEMBER SIGNATURE

DATE

Date: _____
From: _____
My Fax#: _____

REAL ESTATE VERIFICATION REQUEST

TO: _____ APPLICANT: _____
AT: _____ ADDRESS: _____
ADDRESS: _____
PHONE/FAX: _____

The above named person has applied for residency/is a resident at a property governed by the Low Income Housing Tax Credit Program under Section 42 of the Internal Revenue Code. In order to comply with Federal Regulations requesting verification of all income, assets and allowances for residents of Affordable Housing, please complete this form and return it as soon as possible. This application is pending and a prompt response will be greatly appreciated. Please fax your response to the number above.

Description of Property: (address, acreage, type of structure, etc.) _____

Is Property owned jointly? YES NO
Has Property been listed for sale? YES NO
Has a Sale Date been set? YES NO Sale Date: _____

If this property were sold, please estimate the Net Cash Value below:

Estimated Market Value: _____
Broker Fee: _____
Legal Fees: _____
Loan Balance(s): _____
Settlement Costs: _____
Other fees/costs: _____
Total Fees: _____
Net Cash Value: _____

Name/Title of Person Verifying Information (please print)

Date

Signature of Person Verifying Information

Phone Number

Date Sent: _____

From: _____

To: _____

Phone: _____

Phone: _____

Fax: _____

Fax: _____

Applicant: _____

Address: _____

SSA #: _____

Account # _____

PENSION VERIFICATION REQUEST

The above named person has applied for residency/is a resident at a property governed by the Low Income Housing Tax Credit Program under Section 42 of the Internal Revenue Code. In order to comply with Federal Regulations requesting verification of all income, assets and allowances for residents of Affordable Housing, please complete this form and return it as soon as possible. This application is pending and a prompt response will be greatly appreciated. Please fax your response to the number above.

If applicant receives benefits under another person's social security number or name, please list the other number/name: _____

Name of Plan: _____

Date Benefits Began: _____

Gross Payment Per Month: \$ _____

Any items/fees deducted: \$ _____

Net Payment per Month: \$ _____

Will the amount of the payments change in the future? Yes No

If "yes", by how much will the payment change? \$ _____ per month

When will the increase take place? _____

Signature of Person Verifying Information

Date

Print Name and Title

Phone Number

Warning: Section 1001 of Title 18 of the U.S. Code makes it a criminal offense to willfully falsify a material fact or make a false statement in any matter within the jurisdiction of a federal agency.

Date Sent: _____

From: _____

To: _____

Phone: _____

Phone: _____

FAX: _____

FAX: _____

Applicant: _____

Address: _____

SSA #: _____

Account # _____

ANNUITY VERIFICATION REQUEST

The above named person has applied for residency/is a resident at a property governed by the Low Income Housing Tax Credit Program under Section 42 of the Internal Revenue Code. In order to comply with Federal Regulations requesting verification of all income, assets and allowances for residents of Affordable Housing, please complete this form and return it as soon as possible. This application is pending and a prompt response will be greatly appreciated. Please fax your response to the number above.

Type of Annuity held: FIXED VARIABLE HYBRID IMMEDIATE LIFE

Date Annuity was Issued: _____

Is this the original owner? _____

Current Value \$ _____ Current Cash Value: \$ _____

Is there a surrender or withdrawal fee to convert to cash? YES NO

If yes, what is the amount? \$ _____

Annual earnings or interest rate \$ _____ or _____%

Does the holder have access to the funds? YES NO

Are regular payments being made? YES NO

Amount: _____

Frequency: _____

Signature of Person Verifying Information _____

Date _____

Print Name and Title _____

Phone Number _____

Warning: Section 1001 of Title 18 of the U.S. Code makes it a criminal offense to willfully falsify a material fact or make a false statement in any matter within the jurisdiction of a federal agency.

Date: _____
 From: _____
 FAX #: _____

Applicant: _____
 Address: _____
 Phone: _____

ACCOUNT OWNERSHIP CERTIFICATION

Warning: Section 1001 of Title 18 of the U.S. Code makes it a criminal offense to willfully falsify a material fact or make a false statement in any matter within the jurisdiction of a federal agency.

LIST THE PERCENTAGE OF OWNERSHIP FOR EACH ACCOUNT LISTED:

ACCOUNT NUMBER:	NAMES ON ACCOUNT:	% OWNERSHIP OF ACCOUNT:	
			%
			%
WITH:			%
			%
			100%

ACCOUNT NUMBER:	NAMES ON ACCOUNT:	% OWNERSHIP OF ACCOUNT:	
			%
			%
WITH:			%
			%
			100%

ACCOUNT NUMBER:	NAMES ON ACCOUNT:	% OWNERSHIP OF ACCOUNT:	
			%
			%
WITH:			%
			%
			100%

 Printed Name of Person Certifying information

 Relationship to Applicant

 Signature of Person Certifying information

 Date

**CERTIFICATION OF ZERO INCOME
TC-100 F**

To be completed by adult household members only, if appropriate.

Household Name: _____ Unit No. _____

Development Name: _____ City: _____

1. I hereby certify that I do not individually receive income from any of the following sources:
 - a. Wages from employment (including commissions, tips, bonuses, fees, etc.);
 - b. Income from operation of a business;
 - c. Rental income from real or personal property;
 - d. Interest or dividends from assets;
 - e. Social Security payments, annuities, insurance policies, retirement funds, pensions, or death benefits;
 - f. Unemployment or disability payments;
 - g. Public assistance payments;
 - h. Periodic allowances such as alimony, child support, or gifts received from persons not living in my household;
 - i. Sales from self-employed resources (Avon, Mary Kay, Shaklee, etc.);
 - j. Any other source not named above.

2. I currently have no income of any kind and there is no imminent change expected in my financial status or employment status during the next 12 months.

3. I will be using the following sources of funds to pay for rent and other necessities: _____

Under penalty of perjury, I certify that the information presented in this certification is true and accurate to the best of my knowledge. The undersigned further understand(s) that providing false representations herein constitutes an act of fraud. False, misleading or incomplete information may result in the termination of a lease agreement.

Signature of Applicant/Tenant

Printed Name of Applicant/Tenant

Date

UNDER \$5,000 ASSET CERTIFICATION

For households whose combined net assets do not exceed \$5,000.
Complete only one form per household; include assets of children.

Household Name: _____ Unit No. _____

Development Name: _____ City: _____

Complete all that apply for 1 through 4:

1. My/our assets include:

(A) Cash Value*	(B) Int. Rate	(A*B) Annual Income	Source	(A) Cash Value*	(B) Int. Rate	(A*B) Annual Income	Source
\$ _____	_____	\$ _____	Savings Account	\$ _____	_____	\$ _____	Checking Account
\$ _____	_____	\$ _____	Cash on Hand	\$ _____	_____	\$ _____	Safety Deposit Box
\$ _____	_____	\$ _____	Certificates of Deposit	\$ _____	_____	\$ _____	Money market funds
\$ _____	_____	\$ _____	Stocks	\$ _____	_____	\$ _____	Bonds
\$ _____	_____	\$ _____	IRA Accounts	\$ _____	_____	\$ _____	401K Accounts
\$ _____	_____	\$ _____	Keogh Accounts	\$ _____	_____	\$ _____	Trust Funds
\$ _____	_____	\$ _____	Equity in real estate	\$ _____	_____	\$ _____	Land Contracts
\$ _____	_____	\$ _____	Lump Sum Receipts	\$ _____	_____	\$ _____	Capital investments
\$ _____	_____	_____	Pre-Paid Debit Cards	_____	_____	_____	_____
\$ _____	_____	\$ _____	Life Insurance Policies (excluding Term)	_____	_____	_____	_____
\$ _____	_____	\$ _____	Other Retirement/Pension Funds not named above:	_____	_____	_____	_____
\$ _____	_____	\$ _____	Personal property held as an investment** :	_____	_____	_____	_____
\$ _____	_____	\$ _____	Other (list):	_____	_____	_____	_____

PLEASE NOTE: Certain funds (e.g., Retirement, Pension, Trust) may or may not be (fully) accessible to you. Include only those amounts which are.

*Cash value is defined as market value minus the cost of converting the asset to cash, such as broker's fees, settlement costs, outstanding loans, early withdrawal penalties, etc.

**Personal property held as an investment may include, but is not limited to, gem or coin collections, art, antique cars, etc. Do not include necessary personal property such as, but not necessarily limited to, household furniture, daily-use autos, clothing, assets of an active business, or special equipment for use by the disabled.

2. Within the past two (2) years, I/we have sold or given away assets (including cash, real estate, etc.) for more than \$1,000 below their fair market value (FMV). Those amounts* are included above and are equal to a total of: \$ _____ (*the difference between FMV and the amount received, for each asset on which this occurred).
3. I/we have not sold or given away assets (including cash, real estate, etc.) for less than fair market value during the past two (2) years.
4. I/we do not have any assets at this time.

The net family assets (as defined in 24 CFR 813.102) above do not exceed \$5,000 and the annual income from the net family assets is \$ _____. This amount is included in total gross annual income.

Under penalty of perjury, I/we certify that the information presented in this certification is true and accurate to the best of my/our knowledge. The undersigned further understand(s) that providing false representations herein constitutes an act of fraud. False, misleading or incomplete information may result in the termination of a lease agreement.

Applicant/Tenant _____ Date _____ Applicant/Tenant _____ Date _____

CERTIFICATION OF ASSETS DISPOSED OF FOR LESS THAN FAIR MARKET VALUE

To meet eligibility and rent determination, it is required by Federal Regulations that the household declare in writing as to whether they have disposed of any assets for less than fair market value during the two years proceeding the effective date of certification .

Assets include cash, savings and/or checking accounts, trust funds, equity in real estate and other capital investments, stocks, bonds, treasury bills, certificates of deposit , money market funds, IRA accounts, retirement and pension funds, lump sum receipts (i.e., lottery winning, insurance settlements, etc.), and personal property held as an investment (i.e., gem or coin collections, paintings, antiques cars, etc.). Do no include necessary personal property such as furniture, automobiles and clothing.

I or any household member...

DID
 DID NOT

dispose of 1 or more assets for less than fair market value in the previous 24 months.

If any assets were disposed of for less than fair market value in the previous 24 months, list here:

Asset Disposed Of	Date Disposed	Fair Market Value	Amount Actually Received

Warning: Title 18, Section 1001 of the U.S. code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the United States Government. HUD, the PHA and any owner (or any employee of HUD, the PHA or the owner) may be subject to penalties for unauthorized disclosures or improper use of information collected based on the consent form. Use of the information collected based on this certification form is restricted to the purposes cited above. Any person who knowingly or willfully requests, obtains and discloses ay information under false pretenses concerning an applicant or participant affected by negligent disclosure of information may bring civil action for damages, and seek other relief, as may be appropriate, against the office or employee of HUD, the PHA or the owner responsible for the unauthorized disclosure or improper use.

Signature of Applicant/Tenant

Date

Signature of Applicant/Tenant

Date



CHILD SUPPORT AFFIDAVIT

Applicant: _____

Date: _____

Child support is considered income when there is a court order establishing support (whether or not you have ever received it) and when support is being paid on a voluntary basis.

PLEASE COMPLETE ALL OF THE FOLLOWING STATEMENTS

ANSWER YES OR NO AS APPLICABLE

YES NO Have you been awarded child support through the Courts?
answer "yes" if awarded, even if you don't receive payments

If "YES", what amount has been awarded?

_____ (child's name) (circle one)
\$ _____ for _____ per month week bi-weekly
\$ _____ for _____ per month week bi-weekly
\$ _____ for _____ per month week bi-weekly

PLEASE PROVIDE A COPY OF THE COURT ORDER

If "NO", have you taken legal steps to collect these payments?

If yes, explain, in an attached statement what legal steps are being taken

YES NO Are you receiving child support payments on a voluntary basis?
(This includes any non-cash payments such as diapers/medicine/etc.)

If yes, what amount is being received?

_____ (child's name) (circle one)
\$ _____ for _____ per month week day
\$ _____ for _____ per month week day
\$ _____ for _____ per month week day

Payment is made by cash check contributions like gas, clothes, cell phone, etc.

YES NO If you answered "no" to #1 and #2 above, do you anticipate receiving child support or contributions within the next twelve months? Explain:

If you anticipate receiving child support(contributions) in the future, what is your best estimate of the amount?

\$ _____ for _____ per month week bi-weekly
\$ _____ for _____ per month week bi-weekly
\$ _____ for _____ per month week bi-weekly

If you know of any proceeding involving the collection of child support by an Agency, you must attach the details in a statement in your own words and your case worker's name, agency and address and phone number.

I understand that the apartment community for which application is being made is financed through a program governed by the Internal Revenue Service wherein qualifications for occupancy require that certain income, including child support, be included and verified. The information within this affidavit is true and correct to the best of my knowledge. I further understand that providing false or misleading information on this form may jeopardize my residency and may be punishable under federal and/or state fraud statutes.

Signature: _____

Date: ____/____/20____

Printed Name: _____

AFFIDAVIT OF MARITAL SEPARATION STATUS

Household Name: _____ Unit #: _____
Applicant/ Resident Name: _____ Spouse Name: _____

If you are currently separated from your spouse, this form must be completed.

Choose and complete the appropriate statement below:

Part I: Marital Status

1. I am currently legally separated from my spouse.
2. I am currently, but not legally, separated from my spouse. I began the legal process on _____ (date) and I anticipate this separation to be permanent.
3. I am currently, but not legally, separated from my spouse effective _____ (date) and I have not begun the legal process for the following reason (s):
- | | |
|--|--|
| <input type="checkbox"/> Financial reasons | <input type="checkbox"/> Responsible party is deceased |
| <input type="checkbox"/> Incarceration/ Protective Custody | <input type="checkbox"/> Responsible party's location is unknown |
| <input type="checkbox"/> Other (explain): _____ | |

Documentation regarding the estrangement **must** be attached. May utilize one of items #1-3 or two documents from items #4-8:

1. Certified filed copy of divorce petition or legal separation documents;
2. Documentation from an attorney or legal aid office indicating that the individual is pursuing a divorce or legal separation *and* the legal contract between the attorney or legal office and the individual must be obtained;
3. Copy of legal restraining order or documentation that individual has experienced domestic violence;
4. Letter on business letterhead from a reputable third party who can confirm in their professional capacity (ex. marriage counselor, attorney, employer, landlord, etc.) that the marital separation is permanent;
5. Legal or official documents indicating separate residency which have the individual's name only and the spouse's name only (i.e. current lease/rental/mortgage documents or separate utility bills);
6. Copy of the tax return and evidence of filing for the previous year's tax return indicating a filing status other than married filing jointly;
7. A letter from a social agency, such as the Department of Human Services, stating that they are aware of the separation, and according to their files, the individual is considered as such for their programs.
8. A personalized letter from the individual describing the situation and the reasons why he/she is unable to provide any of the required supporting documentation (This option is only available to those separated less than a year).

Part II: Financial Support

- I am currently receiving or anticipate receiving \$ _____ per _____ (frequency) from my spouse during the next 12 months.
- I am not currently and do not seek or anticipate receiving any compensation from my spouse during the next 12 months.

I hereby certify that the information provided above is accurate and complete to the best of my knowledge. I consent to release such information in order to comply with government regulations regarding allocation of Section 42 or Section 515 housing. I understand that providing false or misleading information under oath may subject me to criminal penalties. I fully understand the information requested and the ramifications of my breach of this agreement.

SIGNATURE OF APPLICANT/TENANT

DATE

WARNING: Section 1001 of Title 18 U.S. Code makes it a criminal offense to willfully falsify a material fact or make a false statement in any matter within the jurisdiction of a federal agency.

STUDENT SELF-CERTIFICATION

Property _____

Date: ____/____/20____

Applicant: _____

Unit: _____

Students include those attending public or private elementary schools, middle schools, junior/senior high schools, colleges, universities, technical, trade or mechanical schools, on-line schools
It does not include those attending on-the-job training courses.

Check A, B or C as it applies:

A. **Household contains at least one occupant who is not currently a student, has not been a student, and will not be a student for at least 5 months during the current and/or upcoming calendar year. (months do not need to be consecutive)

**** If this item is checked, no further information is needed. Sign & date at bottom.**

B. Household contains ALL students, but is qualified because the following occupant(s): _____ is/are part-time student(s).

** Documentation of part-time status must be provided for each.

C. Household contains all full-time students for 5 or more months during the current and/or upcoming calendar year. (months do not need to be consecutive)

If "C" is checked, please complete the following questions. Circle Yes or No:

1 Yes No Is at least 1 student receiving assistance under Title IV of the Social Security Act? (TANF)

2 Yes No Was at least 1 student previously in placement and under the care of a state agency for foster care? Documentation must be provided by the participant.

3 Yes No Are the students married and entitled to file a joint tax return? Provide documentation

4 Yes No Is at least 1 student a single parent with at least 1 child AND this parent is NOT a dependent of another person AND the child(ren) are not dependents of someone other than this parent? Provide documentation

5 Yes No Does at least 1 student participate in a program receiving assistance under Job Training Partnership or Workforce Investment Acts, or under other similar federal, state or local laws? Documentation must be provided by the participant.

Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the United States Government. HUD and any owner (or any employee of HUD or the owner) may be subject to penalties for unauthorized disclosures or improper use of information collected based on the consent form. Use of the information collected based on this verification form is restricted to the purposes cited above. Any person who knowingly or willingly requests, obtains or discloses any information under false pretenses concerning an applicant or participant may be subject to a misdemeanor and fined not more than \$5,000. Any applicant or participant affected by negligent disclosure of information may bring civil action for damages, and seek other relief, as may be appropriate, against the officer or employee of HUD or the owner responsible for the unauthorized disclosure or improper use. Penalty provisions for misusing the social security number are contained in the **Social Security Act at 208 (a) (6), (7) and (8). Violation of these provisions are cited as violation 18 U.S.C. 408 (a) (6), (7) and (8).**

I certify the above is true and correct. Providing false information is punishable under Title 1001.

Signature: _____

Date: ____/____/20____

Witness/Mgr: _____

Date: ____/____/20____

Households composed entirely of full-time students that are income eligible and satisfy 1 or more of the above conditions in # 1 thru 5 with a "YES" are considered eligible as a student household.
If questions 1 thru 5 are marked "NO" or verification doesn't support the exception indicated **PRIOR TO MOVE-IN** and/or annual recertification, the household is considered an ineligible household.

Exhibit 5-1: Income Inclusions and Exclusions**24 CFR 5.609(b) and (c)**

Examples included in parentheses have been added to the regulatory language for clarification.

INCOME INCLUSIONS

- (1) The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services;
- (2) The net income from operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family;
- (3) Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation is permitted only as authorized in paragraph (2) above. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has net family assets in excess of \$5,000, annual income shall include the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD;
- (4) The full amount of periodic amounts received from social security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum amount or prospective monthly amounts for the delayed start of a **periodic amount (e.g., Black Lung Sick benefits, Veterans Disability, Dependent Indemnity Compensation, payments to the widow of a serviceman killed in action). See paragraph (13) under Income Exclusions for an exception to this paragraph;**
- (5) Payments in lieu of earnings, such as unemployment, disability compensation, worker's compensation, and severance pay, except as provided in paragraph (3) under Income Exclusions;
- (6) Welfare Assistance.
 - (a) Welfare assistance received by the family.
 - (b) If the welfare assistance payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance income to be included as

income shall consist of:

- (c) The amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities; plus
- (d) The maximum amount that the welfare assistance agency could in fact allow the family for shelter and utilities. If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this paragraph shall be the amount resulting from one application of the percentage.
- (7) Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing in the dwelling; and
- (8) All regular pay, special pay, and allowances of a member of the Armed Forces, except as provided in paragraph (7) under Income Exclusions.
- (9) For Section 8 programs only and as provided in 24 CFR 5.612, any financial assistance, in excess of amounts received for tuition, that an individual receives under the Higher Education Act of 1965 (20 U.S.C. 1001 *et seq.*), from private sources, or from an institution of higher education (as defined under the Higher Education Act of 1965 (20 U.S.C. 1002)), shall be considered income to that individual, except that financial assistance described in this paragraph is not considered annual income for persons over the age of 23 with dependent children. For purposes of this paragraph "financial assistance" does not include loan proceeds for the purpose of determining income.
(Note: This paragraph also does not apply to a student who is living with his/her parents who are applying for or receiving Section 8 assistance.)

INCOME EXCLUSIONS:

- (1) Income from employment of children (including foster children) under the age of 18 years;
- (2) Payments received for the care of foster children or foster adults (usually persons with disabilities unrelated to the tenant family, who are unable to live alone);
- (3) Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains, and settlement for personal or property losses, except as provided in paragraph (5) under Income Inclusions;
- (4) Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;
- (5) Income of a live-in aide, as defined in 24 CFR 5.403;
- (6) The full amount of student financial assistance paid directly to the student or to the educational institution (see Income Inclusions (9), above, for students receiving Section 8 assistance);
- (7) The special pay to a family member serving in the Armed Forces who is exposed to hostile fire (e.g., in the past, special pay included Operation Desert Storm);
- (8) (a) Amounts received under training programs funded by HUD (e.g., training received under Section 3);

- (b) Amounts received by a person with a disability that are disregarded for a limited time for purposes of supplemental security income eligibility and benefits because they are set-aside for use under a Plan to Attain Self-Sufficiency (PASS);
 - (c) Amounts received by a participant in other publicly assisted programs that are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program;
 - (d) Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a resident for performing a service for the owner, on a part-time basis, that enhances the quality of life in the project. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, and resident-initiative coordination. No resident may receive more than one such stipend during the same period of time; or
 - (e) Incremental earnings and benefits resulting to any family member from participation in qualifying state or local employment training programs (including training programs not affiliated with a local government) and training of a family member as a resident management staff person. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for the period during which the family member participates in the employment training program.
- (9) Temporary, nonrecurring, or sporadic income (including gifts);
 - (10) Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era. (Examples include payments by the German and Japanese governments for atrocities committed during the Nazi era);
 - (11) Earnings in excess of \$480 for each full-time student 18 years or older (excluding the head of household and spouse);
 - (12) Adoption assistance payments in excess of \$480 per adopted child;
 - (13) Deferred periodic amounts from supplemental security income and social security benefits that are received in a lump-sum amount or in prospective monthly amounts;
 - (14) Amounts received by the family in the form of refunds or rebates under state or local law for property taxes paid on the dwelling unit;
 - (15) Amounts paid by a state agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home; or
 - (16) Amounts specifically excluded by any other federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions set forth in 24 CFR 5.609(c) apply. A notice will be published in the *Federal Register* and distributed to housing owners identifying the benefits that qualify for this exclusion. Updates will be published and distributed when necessary.

The following is a list of income sources that qualify for that exclusion:

- (a) The value of the allotment provided to an eligible household under the Food Stamp Act of 1977 (7 U.S.C. 2017 [b]);
- (b) Payments to Volunteers under the Domestic Volunteer Services Act of 1973 (42 U.S.C. 5044(g), 5058) (employment through AmeriCorps, Volunteers in Service to America [VISTA], Retired Senior Volunteer Program, Foster Grandparents Program, youthful offender incarceration alternatives, senior companions);
- (c) Payments received under the Alaska Native Claims Settlement Act (43 U.S.C. 1626[c]);
- (d) Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes (25 U.S.C. 459e);
- (e) Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program (42 U.S.C. 8624[f]);
- (f) Payments received under programs funded in whole or in part under the Job Training Partnership Act (29 U.S.C. 1552[b]); (effective July 1, 2000, references to Job Training Partnership Act shall be deemed to refer to the corresponding provision of the Workforce Investment Act of 1998 [29 U.S.C. 2931], e.g., employment and training programs for Native Americans and migrant and seasonal farm workers, Job Corps, veterans employment programs, state job training programs, career intern programs, Americorps);
- (g) Income derived from the disposition of funds to the Grand River Band of Ottawa Indians (Pub. L. 94-540, 90 Stat. 2503-04);
- (h) The first \$2,000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the U. S. Claims Court and the interests of individual Indians in trust or restricted lands, including the first \$2,000 per year of income received by individual Indians from funds derived from interests held in such trust or restricted lands (25 U.S.C. 1407-1408);
- (i) Amounts of scholarships funded under title IV of the Higher Education Act of 1965, including awards under federal work-study programs or under the Bureau of Indian Affairs student assistance programs (20 U.S.C. 1087uu);
- (j) Payments received from programs funded under Title V of the Older Americans Act of 1985 (42 U.S.C. 3056[f]), e.g., Green Thumb, Senior Aides, Older American Community Service Employment Program;
- (k) Payments received on or after January 1, 1989, from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in *In Re Agent-product liability litigation*, M.D.L. No. 381 (E.D.N.Y.);
- (l) Payments received under the Maine Indian Claims Settlement Act of 1980 (25 U.S.C. 1721);
- (m) The value of any child care provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858q);
- (n) Earned income tax credit (EITC) refund payments received on or after January 1, 1991, including advanced earned income credit payments (26 U.S.C. 32[j]);
- (o) Payments by the Indian Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation (Pub. L. 95-433);
- (p) Allowances, earnings, and payments to AmeriCorps participants under the National and Community Service Act of 1990 (42 U.S.C. 12637[d]);

- (q) Any allowance paid under the provisions of 38 U.S.C. 1805 to a child suffering from spina bifida who is the child of a Vietnam veteran (38 U.S.C. 1805);
- (r) Any amount of crime victim compensation (under the Victims of Crime Act) received through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims of Crime Act because of the commission of a crime against the applicant under the Victims of Crime Act (42 U.S.C. 10602); and
- (s) Allowances, earnings and payments to individuals participating in programs under the Workforce Investment Act of 1998 (29 U.S.C. 2931).

Sample

Exhibit 5-2: Assets

NOTE: There is no asset limitation for participation in HUD assisted-housing programs. However, the definition of annual income includes net income from family assets.

A. Net Family Assets include the following:

1. Cash held in savings and checking accounts, safe deposit boxes, homes, etc. For savings accounts, use the current balance. For checking accounts, use the average balance for the last six months. Assets held in foreign countries are considered assets.
2. Revocable trusts. Include the cash value of any revocable trust available to the family. See discussion of trusts in paragraph 5-7 G.1.
3. Equity in rental property or other capital investments. Include the current fair market value less (a) any unpaid balance on any loans secured by the property and (b) reasonable costs that would be incurred in selling the asset (e.g., penalties, broker fees, etc.).

NOTE: If the person's main business is real estate, then count any income as business income under paragraph 5-6 G of the chapter. Do not count it both as an asset and business income.

4. Stocks, bonds, Treasury bills, certificates of deposit, mutual funds, and money market accounts. Interest or dividends earned are counted as income from assets even when the earnings are reinvested. The value of stocks and other assets vary from one day to another. The value of the asset may go up or down the day before or after rent is calculated and multiple times during the year thereafter. The owner may assess the value of these assets at any time after the authorization for the release of information has been received. The tenant may request an interim recertification at any time thereafter that a decrease in stock value may result in a decrease in rent.
5. Individual retirement, 401K, and Keogh accounts. These are included when the holder has access to the funds, even though a penalty may be assessed. If the individual is making occasional withdrawals from the account, determine the amount of the asset by using the average balance for the previous six months. (Do not count withdrawals as income.)

Example – Withdrawals from a Keogh Account

Ly Pham has a Keogh account valued at \$30,000. When she turns 70 years old, she begins drawing \$2,000 a year. Continue to count the account as an asset. Use the guidance in paragraph 5-7 to determine the cash value and imputed income from the asset. Do not count the \$2,000 she withdraws as income.

6. Retirement and pension funds.

- a. While the person is employed. Include only amounts the family can withdraw without retiring or terminating employment. Count the whole amount less any penalties or transaction costs. Follow paragraph 5-7 G.4 of the chapter on determining the value of assets.
- b. At retirement, termination of employment, or withdrawal. Periodic receipts from pension and retirement funds are counted as income. Lump-sum receipts from pension and retirement funds are counted as assets. Count the amount as an asset or as income, as provided below.
- (1) If benefits will be received in a lump sum, include the lump-sum receipt in net family assets.
 - (2) If benefits will be received through periodic payments, include the benefits in annual income. Do not count any remaining amounts in the account as an asset.
 - (3) If the individual initially receives a lump-sum benefit followed by periodic payments, count the lump-sum benefit as an asset as provided in the example below and treat the periodic payment as income. In subsequent years, count only the periodic payment as income. Do not count the remaining amount as an asset.

NOTE: This paragraph and the example below assume that the lump-sum receipt is a one-time receipt and that it does not represent delayed periodic payments. However, in situations in which a lump-sum payment does represent delayed periodic payments, then the amount would be considered as income and not an asset.

Example – Retirement Benefits as Lump-Sum and Periodic Payments

Upon retirement, Eleanor Reilly received a lump-sum payment of \$15,000. She will also receive periodic pension payments of \$350 a month.

The lump-sum amount of \$15,000 is generally treated as an asset. In this instance, however, Eleanor spent \$5,000 of the lump sum on a trip following her retirement. The remaining \$10,000 she placed in her mutual fund with other savings. The entire mutual fund will be counted as an asset.

The owner has verified that Eleanor is now not able to withdraw the balance from her pension. Therefore, the owner will count the \$350 monthly pension payment as annual income and will not list the pension account as an asset.

7. Cash value of life insurance policies available to the individual before death (e.g., the surrender value of a whole life policy or a universal life policy). It would not include a value for term insurance, which has no cash value to the individual before death.
8. Personal property held as an investment. Include gems, jewelry, coin collections, or antique cars held as an investment. Personal jewelry is NOT considered an asset.
9. Lump-sum receipts or one-time receipts. (See paragraph 5-6 ****P**** for additional information on what is counted as a lump-sum receipt and how to treat lump-sum receipts.) These include inheritances, capital gains, one-time lottery winnings, victim's restitution, settlements on insurance claims (including health and accident insurance, worker's compensation, and personal or property losses), and any other amounts that are not intended as periodic payments.
10. A mortgage or deed of trust held by an applicant.
 - a. Payments on this type of asset are often received as one combined payment of principal and interest with the interest portion counted as income from the asset.
 - b. This combined figure needs to be separated into the principal and interest portions of the payment. (This can be done by referring to an amortization schedule that relates to the specific term and interest rate of the mortgage.)
 - c. To count the actual income for this asset, use the interest portion due, based on the amortization schedule, for the 12-month period following the certification.
 - d. To count the imputed income for this asset, determine the asset value ****as of the effective date of the certification****. Since this amount will continually be reduced by the principal portion paid during the previous year, the owner will have to determine this amount at each annual recertification. See the following example:

Example – Deed of Trust and Imputed Income

Computation of imputed income:

An elderly tenant sells her home and holds the mortgage for the buyer. The cash value of the mortgage is \$60,000. The combined payment of principal and interest expected to be received for the upcoming year is \$5,000. The amortization schedule breaks that payment into \$2,000 in principal and \$3,000 in interest. In completing the asset income calculation, the cash value of the asset is \$60,000, and the projected annual income from that asset is \$3,000. ****The imputed income would be calculated by multiplying the cash value of \$60,000 by the 2% imputed passbook rate.**** Each subsequent year, the cash value of the asset should be reduced by the principal portion paid. In this example, it would be reduced to \$58,000 in the following year (\$60,000 – \$2,000 principal payment = \$58,000). ****When calculating the imputed income for the following year, the owner would multiply the cash value of \$58,000 by the 2% passbook savings rate.****

Regulatory References

(These references are current as of the date of publication. Readers should refer to the latest edition of the Code of Federal Regulations.)

24 CFR part 5.603 defines net family assets as follows:

Net cash value after deducting reasonable costs that would be incurred in disposing of real property, savings, stocks, bonds, and other forms of capital investment, excluding interests in Indian trust land and the equity accounts in HUD homeownership programs. The value of necessary items of personal property such as furniture and automobiles shall be excluded. . . . In determining net family assets, owners shall include the value of any business or family assets disposed of by an applicant or tenant for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or recertification, as applicable, in excess of the consideration received therefor. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or tenant receives important consideration not measurable in dollar terms.

B. Net family assets **DO NOT** include the following:

IMPORTANT: The owner does not compute income from any assets in this paragraph.

1. Personal property (clothing, furniture, cars, wedding ring, other jewelry that is not held as an investment, vehicles specially equipped for persons with disabilities).
2. Interests in Indian trust land.
3. Term life insurance policies (i.e., where there is no cash value).
4. Equity in the cooperative unit in which the family lives.
5. Assets that are part of an active business. "Business" does NOT include rental of properties that are held as investments unless such properties are the applicant's or tenant's main occupation.

Example – Assets that are Part of an Active Business

- Laura and Lester Hines own a copier and courier service. None of the equipment that they use in their business is counted as an asset (e.g., the copiers, the FAX machines, the bicycles).
- Alice Washington rents out the home that she and her husband lived in for 42 years. This home is not an active business asset. Therefore, it is considered an asset and the owner must determine the annual income that Alice receives from it.

6. Assets that are NOT effectively owned by the applicant. Assets are not effectively owned when they are held in an individual's name, but (a) the assets and any income they earn accrue to the benefit of someone else who is not a member of the family, and (b) that other person is responsible for income taxes incurred on income generated by the assets.

NOTE: Nonrevocable trusts (i.e., irrevocable trusts) are not covered by this paragraph. See information on nonrevocable trusts in paragraph 5-7 G.1.

Example – Assets not Effectively Owned by the Applicant

Net family assets do not include assets held pursuant to a power of attorney because one party is not competent to manage the assets, or assets held in a joint account solely to facilitate access to assets in the event of an emergency.

Example: Alexander Cumbow and his daughter, Emily Bornscheuer, have a bank account with both names on the account. Emily's name is on that account for the convenience of her father in case an emergency arises that would result in Emily handling payments for her father. Emily has not contributed to this asset, does not receive interest income from it, nor does she pay taxes on the interest earned. Therefore, Emily does not own this account. If Emily applies for assisted housing, the owner should not count this account as her asset. This asset belongs to Alexander and would be counted entirely as the father's asset should he apply for assisted housing.

7. Assets that are not accessible to the applicant and provide no income to the applicant. Nonrevocable trusts are not covered under this paragraph. See information on nonrevocable trusts in paragraph 5-7 G.1.

Example

A battered spouse owns a house with her husband. Because of the domestic situation, she receives no income from the asset and cannot convert the asset to cash.

COMMON FINDINGS AND BEST PRACTICES

CORRECTIONS MADE ON DOCUMENTS WITHOUT BEING INITIALED

Both the tenant and management should acknowledge that a change or correction has been made on a document. They should both initial and date their initials for each change.

INCORRECT RENT/INCOME LIMITS USED

Management must keep informed about any income/rent updates. Sign up for email alerts from RHIP so that you know when the new limits are posted.

<http://www.hud.gov/subscribe/maillinglist.cfm>

OUTDATED/INVALID VERIFICATIONS AND CERTIFICATIONS

Verifications are only good for 120 days. If the verification is more than 120 days old, a new one must be obtained.

A log sheet stapled to the outside or inside flap of the folder can help keep track of incoming documents.

LATE RECERTIFICATIONS

Management should set up a reminder program (email pop up, calendar, etc) to keep track of recerts.

UNDATED SIGNATURES

A signature/initials are a way of documenting that the tenant or management certifies a document contains correct information. Since many documents are time-sensitive, all signatures and initials should be dated to signify when the tenant/manger certified the document. Management should establish a protocol of checking every signature as documents are received/signed.

COMBINING SOURCES OF INCOME AND/OR ASSETS ON THE TIC

Listing the source of each income and asset source separately and for each household member makes it easier for anyone looking at the file to distinguish between different types and the different amounts. It makes it easier to compare the amounts from year to year.

NO CALCULATION WORKSHEET OR CALCULATOR TAPES IN THE FILE

Having a calculation worksheet helps anyone reviewing the file to follow the calculations that were used to determine the income and asset values. Whether is an internal audit, investor audit, third party audit, or even a brand new manager ready to process a recertification, seeing the calculations used originally is helpful.

ROUNDING

The industry standard is NOT to round. Since being even 1 penny over the limit makes a household ineligible, it is best to use the exact amount for income calculations. If you must round calculations always round up.

MISSING OR INCORRECT INFORMATION ON TIC, LEASE VERIFICATION REQUESTS, CERTIFICATIONS, ETC

Management should establish a protocol of checking every document for completeness. Make sure names, unit#, dates addresses, project # and all other important information is properly identified on each and every document.

STUDENT STATUS NOT CLEAR

The regulations prohibit households that contain all full-time students from renting a tax credit unit. It is very important that Management *and* Household understand the meaning of FT student. There should be a separate document that the household signs certifying their student status. This brings this question into the limelight and emphasizes its importance.

UTILITY ALLOWANCES INCORRECT OR NOT UPDATED

Per regulations, Utility Allowances must be reviewed at least annual. However, Regs also state you need to implement a new U/A within 90 days of publication. Management should schedule a review of these rates every 90 days to be to make any changes necessary.

COST OF LIVING ADJUSTMENT NOT USED TO CALCULATE INCOME

For Tax Credit purposes you need to calculate anticipated income for the next 12 months past the effective date. If there is a known COLA, it needs to be factored in. You need to ask if there is, has been or could be a COLA within the next 12 months.

LACK OF CONSISTENCY

Files should be uniform. They should contain the same information, presented in the same way. Calculation methods should be the same for each type of income/asset. Examples:

- * Use each member's full, legal, correct name on each document. Include initials, suffices if given.
- * Make sure each form has been completed in its entirety-including management information.
- * Lease terms should be consistent for the entire property. Whether you use exactly 365 days or end the last day of the 12 month, it should be same for each household.

FAILURE TO ACHIEVE/MAINTAIN SET-ASIDES

Management should set up a grid to show the number of units required for each set-aside goal. This grid needs to be maintained diligently in order to maintain the proper AF and set-aside requirements.

VIOLATION OF THE AVAILABLE UNIT RULE
VIOLATION OF VACANT UNIT RULE

Again, Management should set up a grid to show the movement between unit: move-ins, move-outs, transfers. The grid should include information on income levels and set-asides. This type of grid helps to create reports, as well.

ADMITTING NON-ELIGIBLE HOUSEHOLDS

1. Make sure you "ask the right questions" to obtain the information you need to document their eligibility. A good, comprehensive application is a must. Verification forms need to ask about all the information needed to calculate income. If the answers are not provided or incomplete-Clarify!
2. Check, double check, triple check before move-in. A second set of eyes within the company is a good idea. Another set of eyes from a third party is better.

CHILD SUPPORT

Many families, nowadays, are blended. There may be a married couple with children, but the children could be from one or more prior relationships. Child support make be a factor in any household with children. In fact, due to having to pay back-support, there are even some households without children who received child support payments. Management needs to be consistent in its treatment of all households. A protocol of having every household with children complete a comprehensive child support affidavit. Also, a request should be made to the agency that provides child support services to determine if there is an open case and how much has acutually been received. Copies of Court documents are always suggested.

PUBLIC ASSISTANCE

While Food Stamps are the most common form of Public Assistance we see, some households do receive cash payments as well. When someone states they are receiving Public Assistance, Management should establish a protocol of always requesting verification from the state agency of any/all types of assistance the household receives.

WAGE CALCULATIONS

Wages should be reviewed with any information available. By obtaining both a third party verification from the employer and 4-6 recent, consecutive paystubs, Management can compare figures 3 ways.

Calculate \$\$/hour X hours worked X # of weeks*
incorporate any raises, tips, bonuses, etc.

Calculate YTD figure from verification and paystubs

Calculate average of 4-6 paystubs

Use the highest calculation as annual income

* To determine the # of weeks to use, NHC adds the number of days included, divides by 7 to 2 decimal points.