

Welcome to the MULTIFAMILY HOUSING RENTAL HOUSING INTEGRITY IMPROVEMENT PROJECT (RHIIP) LISTSERV that brings you up-to-date RHIIP related publications, news, information and occupancy tips in an effort to help reduce errors in rent determinations and subsidy calculations.

RHIIP TIP ON ASSETS

Did you know that there is no asset limitation for participation in HUD assisted-housing programs? However, when determining annual income, income for eligibility and rent calculation purposes, annual income includes interest, dividends and other net income from family assets.

Net Family Assets include:

- Cash held in savings and checking accounts, safe deposit boxes, homes, etc.
- Revocable trusts.
- Equity in rental property or other capital investments.
- Stocks, bonds, Treasury bills, certificates of deposit, mutual funds and money market accounts.
- Individual retirement, 401K, and Keogh accounts.
- Retirement and Pension Funds.
- Cash value of life insurance policies available to the individual before death.
- Personal property held as an investment.
- Lump-sum receipts or one-time receipts, such as, inheritances, capital gains, one-time lottery winnings, victim's restitution, settlements of insurance claims, and any other amounts that are not intended as periodic payments.
- Mortgage or deed of trust held by an applicant or tenant.

Net Family Assets DO NOT include the following and the owner does not compute income from any of these assets:

- Personal property, such as, clothing, furniture, cars, jewelry not held as an investment, vehicles specially equipped for persons with disabilities.
- Interests in Indian trust land.
- Term life insurance policies.
- Equity in the cooperative unit in which the family lives.
- Assets that are part of an active business.
- Assets not effectively owned by the applicant, i.e., assets held in an individual's name, but (a) the asset 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.

For additional information regarding each asset type, please reference Chapter 5, Exhibit 5-2, of *HUD Handbook 4350.3 REV-1 Occupancy Requirements of Subsidized Multifamily Housing Programs*.

ITEMS OF INTEREST

Many of the topics for the RHIIP Listserv "Items of Interest" come from HUD field office staff and industry partners. If you have information that you would like to share on a national level with other Listserv subscribers, please e:mail

[Linda Kornegay@hud.gov](mailto:Linda_Kornegay@hud.gov), as indicated in our "Introductory RHIIP Listserv" letter currently posted on the RHIIP website at <http://www.hud.gov/utilities/intercept.cfm?/offices/hsg/mfh/rhiip/rhiiplistseravailable.pdf>.

Last week, one of HUD's Operations Officers from the Philadelphia Hub shared with us an excellent internet website that he found which contains resourceful information for all of the relevant HUD notices, handbooks, Code of Federal Regulations (CFRs), and so forth, pertaining to the refinancing of affordable housing, such as Section 202 refinancing, Section 236 "decouplings", Mark-to-Market (M2M), etc.).

The website address is http://www.recapadvisors.com/learn/ln_learn.asp#sec202.

Please encourage others to sign-up for the Listserv, so they too can receive current RHIIP related information from HUD <http://www.hud.gov/subscribe/maillinglist.cfm>

If you should have any occupancy related questions, please contact your assigned contract administrator, or your RHIIP Help Desk Representative <http://wwwhud.gov/offices/hsg/mfh/rhiip/helpdesk.pdf>

You can view the RHIIP Tips Archives: issues 11-20, under "Listserv-Multifamily RHIIP Tips" at <http://wwwhud.gov/offices/hsg/mfh/rhiip/mfhrhiip.cfm>.