

Subrecipient Monitoring Training Series

Asset & Income Calculations

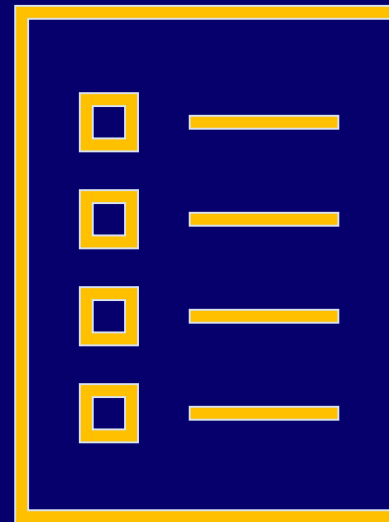
Presented by
Sacramento Steps Forward

August 2025

Income & Asset Calculation



How to determine and
calculate assets



What deductions to include
when calculating a
household's annual income



When to reexamine
income and
documentation
requirements

Asset Calculation

Assets

Housing Opportunities Through Modernization Act (HOTMA): federal act guiding these rules

- Introduced a new asset limitation. Families cannot receive benefits if they have over \$100,000 in total assets or ownership in real property where the family could live.
- Self-certification of assets under \$50,000 is allowed
- New rules govern how income is calculated
- The HUD-9886 form (ROI) will only need to be signed one time
- Restrictions on when an interim reexamination may be completed

Definition of Assets

Definition of “assets” has changed and is now defined as the cash value of **all** family assets, except those specifically excluded, also referred to as the net family assets.

- HOTMA has added new asset exclusions.
- Reasonable costs in disposing some assets may be deducted.

Net Family Asset Exclusions

- The value of necessary items of personal property:
 - Medical devices, cars used for commuting
 - Clothing, furniture, cars and vehicles specially equipped for persons with disabilities

Note: Determining what is a “necessary item” for personal property is a highly fact-specific determination, and therefore creating a list in the regulation would be inappropriate

- The value of non-necessary items of personal property are excluded when they have a combined total value that does not exceed \$50,000 (as adjusted).
 - 5.618 (b)(1) allows families to self-certify net family assets below \$50,000.

Net Family Assets Inclusions

- Value of any business or family assets disposed of by the applicant or tenant for less than fair market value during the two years preceding the date of application or reexamination.
 - Including a disposition in trust, but not in a foreclosure or bankruptcy sale
- For 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 family member receives consideration not measurable in dollar terms.
- Negative equity in real property or other investments does not prohibit the owner from selling the property or other investments, so negative equity alone would not justify an exclusion from family assets.

Income from Assets

In general, income from assets is considered income. If it is possible to calculate actual returns from an asset, include that amount to the household income.

If it is not possible to calculate an actual return on an asset, and:

The net family assets are \$50,000* or less, the imputed income from that asset is excluded.

The net family assets are over \$50,000* the income for the asset must be imputed based on the current passbook savings rate, as determined by HUD.

**amount for 2024; after 2024 HUD will adjust based on CPI-W*

Determining Actual Returns/ Income

Determine household assets

- Exclude value of necessary items of personal property

Determine total value of assets

- If under \$50,000, add the actual income from assets (if possible to calculate) to the household's annual income, and obtain self-certification
- If over \$50,000, go to the next step

Determine if income from assets can be calculated on all assets

- If no, calculate income using the passbook rate to apply to any assets without a determined income amount, and obtain third party verification
- If yes, add the income from assets to the household's annual income, and obtain third party verification

IMPUTING ASSET INCOME CHART

	ACTUAL INCOME	IMPUTED INCOME	INCOME TO INCLUDE IN ANNUAL INCOME
Total Assets Less Than or Equal to \$50,000	Include	N/A	Actual Income
Total Assets Greater Than \$50,000 and Actual Income can be calculated for ALL assets	Include	N/A	Actual Income
Total Assets Greater than \$50,000 and Actual Income can be calculated on SOME assets	Calculate the Actual Income for the assets which actual income can be calculated	Calculate the Imputed Income for remaining assets	Actual Income + Imputed Income
Total Assets Greater Than \$50,000 and Actual Income cannot be calculated on ANY assets	N/A	Calculate asset income using: Total Cash Value of ALL assets x HUD passbook Rate	Imputed Income

Calculating Asset Income

Judy and her niece, Allie, apply for a unit.

- Judy has a savings account with a current balance of \$3000 and an interest rate of .05% which produces \$1.50 in annual income.
- Allie has a checking account with a current balance of \$5,500, \$0% interest which produces \$0 in income.

Is calculating income required? NO

- Asset value is under \$50,000 so imputing is not necessary.
- BUT you count the \$1.50 in annual income.

Calculating Asset Income

Harvey and his brother, Ted, apply for a unit.

- Harvey has a savings account with a current balance of \$33,000 and an interest rate of .05% which produces \$16.50 in income.
- Ted has the following assets:
 - Checking account with a current balance of \$2500; 0% interest which produces no actual income.
 - CD with a current value of \$22,000 and interest rate of .10% which produces \$22 in interest.

Is calculating income required? NO

- Total combined asset total is \$57,500 and actual income can be determined for all assets.
- **BUT** you will still include the annual income from the asset which is \$38.50 (\$16.50 + \$22).

Imputing Asset Income

Ellen and Roger apply for a unit.

- Ellen has a savings account with a value of \$14,500, an interest rate of .05% which generates \$7.25 in annual interest income.
- Roger has the following assets:
 - CD with a cash value of \$26,000 an interest rate of 0.1% generating \$30 in annual interest income.
 - An annuity with a cash value of \$10,000 (distributions are not being taken).

Is calculating income required? YES

- Since the Cash value exceeds \$50,000 and actual income from **all** assets cannot be determined, imputing is necessary for the asset where the actual income cannot be determined (i.e., actual income cannot be determined for the annuity).
- **Cash Value** of all assets is \$50,500 (\$14,500 + \$26,000 + \$10,000)
- **Calculated Income**: \$40 ($\$10,000 \times .40\% = \40) {cash value of annuity x passbook rate}
- **Actual Income**: \$37.25 ($\$7.25 + \$30 = \37.25)
- **Total Income from Assets**: \$77.50 ($\$40 + \37.25)

Imputing Asset Income

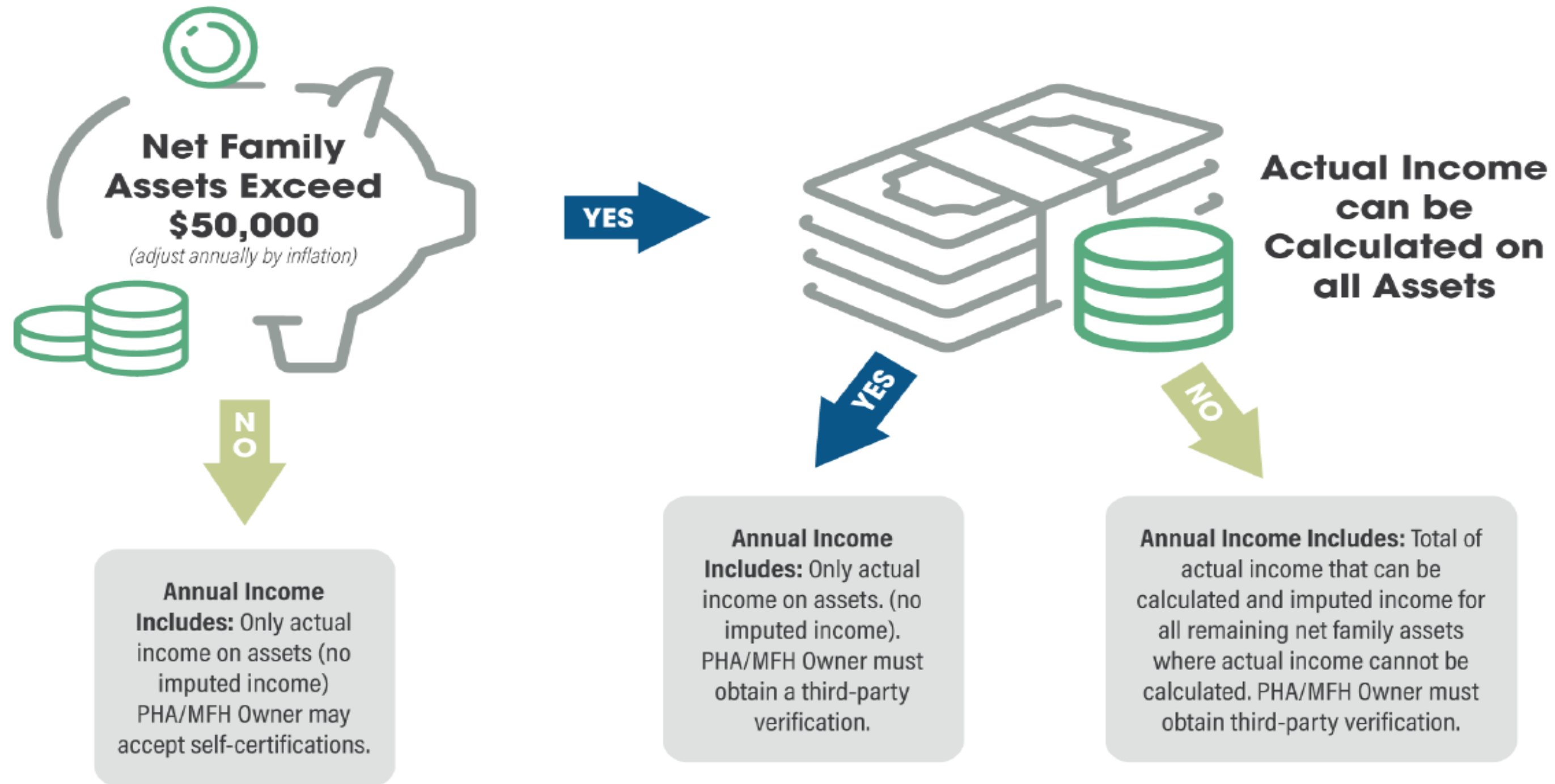
Tony and Jen apply for a unit.

- Tony has a savings account with a cash value of \$37,000, an interest rate of .05% which generates \$18.50 in annual interest income.
- Savings Bond with a cash value of \$15,000, an interest rate of 2.3%, which generates \$345 in annual interest income.
- Jen has the following assets:
 - Savings account with a cash value of \$4,000, an interest rate of .05%, which generates \$2.00 in annual interest income.
 - A CD with a current value of \$10,000, cash value of \$8,000. The CD has an interest rate of .5%, which generated \$50.00 in annual interest income.

Is calculating income required? NO

- Even though the Cash value exceeds \$50,000, since the actual income from all assets can be determined, imputing asset income is not required.

CALCULATING ASSET INCOME-DECISION CHART



Net Family Asset Exclusions: Personal Property

Necessary Personal Property	Non-Necessary Personal Property
<ul style="list-style-type: none">• Car(s)/vehicle(s) that a family relies on for transportation for personal or business use (e.g., bike, motorcycle, skateboard, scooter) Furniture, carpets, linens, kitchenware• Common appliances• Common electronics (e.g., radio, television, DVD player, gaming system)• Clothing• Personal effects that are not luxury items (e.g., toys, books)• Wedding and engagement rings• Jewelry used in religious/cultural celebrations and ceremonies• Religious and cultural items• Medical equipment and supplies• Health care-related supplies• Musical instruments used by the family• Personal computers, phones, tablets, and related equipment• Professional tools of trade of the family, for example professional books• Educational materials and equipment used by the family, including equipment to accommodate persons with disabilities• Equipment used for exercising (e.g., treadmill, stationary bike, kayak, paddleboard, ski equipment)	<ul style="list-style-type: none">• Recreational car/vehicle not needed for day- to-day transportation (campers, motorhomes, travel trailers, all- terrain vehicles (ATVs))• Bank accounts or other financial investments (e.g., checking account, savings account, stocks/bonds)• Recreational boat/watercraft• Expensive jewelry without religious or cultural value, or which does not hold family significance• Collectibles (e.g., coins/stamps)• Equipment/machinery that is not used to generate income for a business• Items such as gems/precious metals, antique cars, artwork, etc. <p>*Exclude non-necessary personal property only if value is less than \$50,000</p>

Personal Property

The Adams household has 3 items of personal property:

- A current checking account amount of \$5000 that earns 0% interest annually
 - A \$15,000 recreational boat
 - A \$3,000 engagement ring
-
- The checking account and boat are considered non-necessary personal property. The combined value is \$20,000
 - The engagement ring is considered necessary personal property, because it is jewelry used in a religious/cultural celebration or ceremony and is excluded
 - Since the total value of non-necessary personal property is less than \$50,000, the household's non-necessary personal property will not be considered when calculating the household's net family assets.
 - Net family assets are \$0

The Adams household has 3 items of personal property:

- A current checking account amount of \$5000 that earns .07% interest annually
 - A \$15,000 recreational boat
 - A \$3,000 engagement ring
-
- The Adams net family assets are still \$0
 - **BUT** in this example the checking account has an annual interest rate that is actual income of \$3.50 ($\$5000 \times .07\% = \3.50)

Net Family Asset Exclusions

Federal tax refunds or refundable tax credits for a period of 12 months after receipt by the family.

A trust fund that is not revocable by, or under the control of, any member of the family or household, is not a family asset.

Any amounts recovered in any civil action or settlement based on a claim of malpractice, negligence, or other breach of duty owed to a family member, for an incident resulting in a disability.

- Negative equity alone would not justify excluding the property or other investments from family assets.

** Negative equity in real property or other investments does not prohibit the owner from selling the property or other investments.

Net Family Asset Exclusions

Annual Income/Net Family Assets Scenarios based on Trust Type				
Trust Type	Is the trust considered a net family asset?	Is the actual interest earned by the trust considered family income?	Are distributions of trust principal considered family income?	Are distributions of interest earned on the trust principal considered family income?
Revocable - Grantor is not part of the assisted family or household (and the family or household is not otherwise in control of the trust)	No	No	No	Yes, unless the distributions are used to pay for the health and medical expenses for a minor
Irrevocable (Typically, Special Needs Trusts are irrevocable.)	No	No	No	Yes, unless the distributions are used to pay for the health and medical expenses for a minor
Revocable - Grantor is part of the assisted family or household (or the trust is otherwise under the control of the family or household)	Yes	Yes	No	No

Net Family Asset Exclusions - Example

- Cody, age 22, receives periodic income distributions from a non-revocable trust established by his mom. Last year, they received \$15,000 from the trust.
- Documentation verified that \$5,000 of the funds distributed was interest income and \$10,000 was principal

In this example, only include the \$5000 in interest income when determining annual income. The principal amount of \$10,000 is excluded

Net Family Asset Exclusions

- Federal tax refunds or refundable tax credits for a period of 12 months after receipt by the family
- Any amounts recovered in any civil action or settlement based on a claim of malpractice, negligence, or other breach of duty owed to a family member, for an incident resulting in a disability
- A trust fund that is not revocable by, or under the control of, any member of the family or household, is not a family asset.

Net Family Asset Exclusions

- The value of real property that the family does not have the effective legal authority to sell
- Interest in Indian trust lands
- Any account under an IRS-recognized retirement plan
 - including IRAs, employer retirement plans, and retirement plans for self-employed individuals
- Certain education savings accounts
 - Coverdell, 529, ABLE, or “baby bond” accounts
- Family Self-Sufficiency Accounts
- When assets are held in an individual's name, but the assets and any income they earn accrue to the benefit of someone else who is not a member of the household, and that other person is responsible for income taxes incurred on income generated by the asset

Net Family Assets: Self Certification (24 CFR 5.618(b))

For net family assets under \$50,000 (as adjusted), self-certification from the family must be accepted.

- Certification must include any expected income from the assets (actual returns).
- This amount must be included in the family's income.
- No further documentation is required by the PHA for the net family asset restriction.

For property ownership, self-certification that the “family does not have any present ownership interest in any real property.”

- The statutory self-certification only asks about ownership and does not address the other elements of the restriction (legal right to reside in, effective legal authority to sell).
- Use a form with the statutory self-certification question and follow-up questions related to other elements.

Asset Limitation

- Families cannot receive benefits if they have:
 - Over \$100,000 in total net family assets, or
 - Ownership in real property where the family could live.
- Both limitations have many exceptions.
 - Age, disability, income, the ability of the family to find suitable alternative housing, and whether supportive services are being provided.
 - *asset limitation will be adjusted by CPI-W starting in 2025
- PHA can delay starting eviction/ termination of assistance proceedings for up to 6 months and may allow the family to come into compliance with asset requirements:
 - Only for families going through reexamination (no flexibility for new applicants).

Exceptions of Ownership of Real Property

The following exceptions apply:

- A family that receives assistance for the property from the Housing Choice Voucher Program.
- Manufactured home
- Homeownership Option

- A victim of domestic violence, dating violence, sexual assault, or stalking.
 - PHA must accept self-certification

Property jointly owned with someone else and occupied by the other owner who is not a member of the household receiving benefits.

A family that is offering the property for sale.

Exceptions of Ownership of Real Property

- A family that owns a property may show it is not “suitable for occupancy” if it:
 - Does not meet the disability-related needs for all members of the family.
 - **Examples:** Physical needs, proximity to transit, need for additional bedrooms or space, etc.
- Is not sufficient for the size of the family.
- Is located so as to be a hardship for the family.
 - **Example:** The location would be a hardship for the family’s commute to work or school
- Is unsafe because of physical condition.
 - Unless issues can be “easily remedied”
- Is not a property that a family may reside in per local or state laws.
 - **Example:** A storefront zoned for commercial use only
 - family that receives assistance for the property from the Housing Choice Voucher Program.
 - Manufactured home
 - Homeownership Option



Drop it in the chat!

A family is going through a reexamination and reveals that one family member recently inherited a house.

Which of the following, if true, could allow the family to continue to receive assistance? (multiple answers possible)

- a. The inheritance is shared with a cousin, who is not in the assisted family, and currently lives in the house.
- b. The house is valued under \$100,000.
- c. The house is in another state, and moving would cause the family to lose their jobs.
- d. The house is ugly and requires some minor repairs.



Drop it in the chat!

Leila, age 60, has a traditional IRA. It was verified that:

Current Balance: \$100,000

Penalty for Early Withdraw: \$0

Interest Rate: 3%

It was also verified that the Leila has access to the full balance and that payments are not being taken

Is the IRA account treated as a household asset?



Drop it in the chat!

Bob, age 60, has a traditional IRA. The brokerage firm verified:

Current Balance: \$150,000

Penalty for early withdraw: \$0

Interest Rate: 1.7%

The brokerage firm also verified Bob is taking monthly payments in the amount of \$825

Is the IRA account treated as a household asset?

Deductions

Deductions - Adjusted Income (24 CFR 5.611)

A family’s adjusted income is the family income after any deductions as follows:

Mandatory Deductions	Permissive Deduction
<ul style="list-style-type: none">• Dependents —\$480* per dependent• Elderly (62) and Disabled Families —\$525* per family• Health and Medical Expenses• Child Care Expenses for children 12 and under (reasonable expenses, no threshold)<ul style="list-style-type: none">• May not exceed the amount of income received by the person enabled to work• May not be deducted if expenses are reimbursed	<ul style="list-style-type: none">• Any permissive deductions implemented by PHA policy

*2024 figures adjusted annually for inflation and rounded to the next lowest multiple of \$25.

Deductions - Dependents (24 CFR 5.611 (a)(1))



- Deduct \$480* for each household member
 - Under 18 years of age, or
 - Attending school or vocational training on a full-time basis, or
 - 18 years of age or older and is a person with disabilities
- Do not include the head of the household or his or her spouse.
- **Adjusted by HUD annually for inflation (CPI-W) and rounded to the next lowest multiple of \$25*

Deductions - Health and Medical Expenses

- Deduction is the sum of the following, to the extent it exceeds 10% of annual income:
 - Unreimbursed health and medical care expenses for elderly or disabled families.
 - Unreimbursed reasonable attendant care and auxiliary apparatus expenses for each member of the family who is a person with a disability, to the extent necessary to enable any member of the family, including the person with a disability, to be employed.
 - This deduction may not exceed the combined earned income of the adult family members who were able to work.

- HOTMA increases the health and medical expense threshold from 3% to 10%.
 - This deduction is now limited to the amount by which those expenses exceed 10% of the family's annual income.
 - This increase in non-deductible health and medical expenses, which could result in a significant increase in adjusted income and rent, will be phased in over 2 years (5% in year 1, 7.5% in year 2).
 - Further, the increase may be partially offset by the increased deduction for elderly and disabled families from \$400 to \$525.
 - There are two types of hardship exemptions.

Types of Health and Medical Expenses

- Participants with any elderly family (least 62) or disabled family members are eligible for a medical expense deduction. The medical expenses of all family members are counted.
- Medical expenses include all expenses anticipated to be incurred during the 12 months following certification /re-certification, which are not covered by an outside source, such as insurance. They may include:

- ☐ Services or doctors and health care professional
- ☐ Services of healthcare facilities
- ☐ Medical insurance premiums or cost of an HMO
- ☐ Prescription or non-prescription medicines
- ☐ Transportation to treatment
- ☐ Dental expenses

- ☐ Eyeglasses, contact lenses, hearing aids and batteries
- ☐ Live-in or periodic medical assistance such as nursing services, assisted animal and its upkeep
- ☐ Monthly payment on accumulated medical bills
- ☐ Medical care or a permanently institutionalized family member only if his or her income is included in the annual income
- ☐ Long-term care insurance premiums



Unreimbursed Reasonable Attendant Care and Auxiliary Apparatus Expenses Details

- Participants with costs related to enabling any member of the family to be employed are eligible for a deduction if such expenses:
 - Enables one or more family members to work;
 - Are not reimbursed by an agency or individual outside the household;
 - Are not paid to a family member living in the unit; and/ or
 - Does not exceed the earned income of the household member enabled to work.
- Attendant care may include: homecare, housekeeping and errand services, interpreter service, etc.
- Auxiliary apparatus includes: wheelchairs, ramps, adaptation to vehicles, special equipment, etc. if directly related to allowing the disabled person or other family member to work.



Hardship Exemptions for Additional Deductions

- HOTMA specifies 3 types of hardship exemptions which may allow further income deductions for:
 - Unreimbursed health and medical care expenses
 - Phase-in (Families already receiving an exemption (24 CFR 5.611(c)(1)(i))) – use the 2-year phase-in
 - Financial hardship (Families who can demonstrate a financial hardship (24 CFR 5.611(c)(2)))
 - Deduction for total expenses exceeding 5% of annual income
 - Relief ends when the circumstances that made the family eligible for the relief are no longer applicable or after 90 days, whichever comes earlier.
 - PHA may, at their discretion, extend the relief for one or more additional 90-day periods while the family's hardship condition continues.
 - Continued childcare expenses
 - Extension – 90 days, with extensions



Hardship Exemption Category 1 - Example

Family has been receiving a health and medical expense deduction.

- Income: \$20,000
- Unreimbursed expenses: \$2,500
- 3% of income: \$600
- Previous Deduction: \$1,900 (amount over \$600)
- Under the 10% threshold, they would receive a deduction of \$500.

With the Category 1 hardship exemption:

- Year 1 (deduction of eligible expenses that exceed 5% of income): \$1,500 deduction
- Year 2 (deduction of eligible expenses that exceed 7.5% of income): \$1,000
- Year 3 onward (deduction of eligible expenses that exceed 10% of income): \$500

Hardship Exemption Category 2 - Example

Example: A family may have had qualifying medical expenses that did not exceed 3% when the rule went into effect, but whose health and medical care expenses then increased but did not exceed the new 10% threshold. This family will receive temporary hardship relief if their related expenses exceed 5% of the family's income

Example: The family's related medical expenses have not increased, but the family has had a decrease in income or increase in other expenses resulting in the financial hardship. The family will receive temporary hardship relief if their related expenses exceed 5% of the family's income.

Category 2 may also include families that either:

- Qualified under Category 1 but exhausted that relief, or
- Chose to apply for relief under this category in the 2nd year of receiving a Category 1 deduction (expenses over 7.5%).

Eligibility / Process:

- Demonstrate that their applicable expenses increased or they had a financial hardship due to a change in circumstances beyond the transition to the higher threshold.
- PHA deducts expenses exceeding 5% of their income.
- Family will no longer be eligible for relief under the first category.

Period:

- Up to 90 days (unless extended). Family would then be subject to the 10% deduction threshold.

[HOTMA Hardship Exemptions Resource Sheet](#)

Hardship Exemption - Example

Example

The family has two children; a nine-year old daughter and a 16-year old son who has a disability. The care provider cares for both children and charges \$200 per week. The care provider verifies that the cost for caring for the nine-year old daughter is \$125 per week and the cost for caring for the 16-year old son is \$75 per week. The childcare expenses and disability assistance expenses enables both the HOH and spouse to work.

HOH's earned income	\$15,000+
Spouse's earned income	\$ 6,200
Total income	\$21,200
Childcare expense $\$125 \times 52 =$	\$6,500
Total disability assistance expense $\$75 \times 52 =$	\$3,900
Total disability assistance expense (\$3,900) less 10% of annual income(\$2,120) =	
\$1,780	
Childcare deduction (capped by earned income):	\$6,200 +
Disability assistance deduction:	\$1,780
Total deductions	\$7,980

Permissive Deductions (24 CFR 5.611(b))

A PHA may adopt additional permissive deductions from annual income.

- PHAs must have a written policy that includes any deductions made available to families.
- PHAs will not be eligible for additional HUD funding based on application of these deductions.

[HOTMA Income and Assets Fact Sheet](#)



Form 9886 – ROI (24 CFR 5.230)

Once an applicant or participant has signed and submitted the updated form, they will not need to sign and submit subsequent consent forms except when:

- Anyone 18 years or older becomes a member of the family,
- When a member of the family turns 18 years old, **or**
- As required by HUD or the PHA in administrative instructions.
- Required form if the person is assisted by a PHA program.

Income Reexamination

(24 CFR 960.257 (b) and 982.516 (c))

- A family may request an interim reexamination because of family income or composition changed since the last examination.
- The interim reexamination must be conducted within a reasonable time after the family request or when you becomes aware of a change.
- **Reasonable Processing** time may vary based on the amount of time it takes to verify information, but generally no more than 30 days after the family reports changes in income.
- You must conduct a full interim reexamination if the family's adjusted income is estimated to have decreased by 10% or more (standard threshold).
- HUD or PHAs may establish a lower threshold for interim reexaminations that is more generous to the family (e.g., estimated 5% decrease).



Income Reexamination – Decrease in Adjusted Income

(24 CFR 960.257 (b) and 982.516 (c))

Step 1: Family requests

Step 2: Estimate if family's adjusted income has decreased by 10% or more in annual adjusted income due to a change in income or family composition.

Step 3: If yes, conduct the reexamination.

- If the estimates is that the adjusted income would decrease by less than 10%, decline the request, or
- process the reexamination if the PHA has established a lower standard for interim reexaminations.



Income Reexamination – Increases in Adjusted Income

- CoC or PHAs must conduct a full interim reexamination of family income any time the family's adjusted income is estimated to have **increased by 10% or more**.

Except:

- CoC or PHAs may not consider **earned income** in estimating whether the adjusted income has increased.
- Unless, based on the CoC or PHA's written policy, the family received an interim reduction during the same certification period.
- The CoC or PHA may choose not to conduct an interim reexamination for an increase in the last three months of a certification period.

- If Family reports income/composition change in a timely manner, the rent decrease will be effective:
 - 1st day of the month after the event.
 - **Example:** Family member loses their job October 12th and reports the income loss immediately. Their rent decrease will be effective on November 1st.
- If Family does not make a timely report, the rent decrease will be effective:
 - 1st rent period following the completion of the reexamination.



Income Reexamination

Effective date of rent increase due to an interim reexamination

Complies	Does not comply
<p>If the family complies with the reporting requirements:</p> <ul style="list-style-type: none">❑ Must provide 30 days' notice of any rent increase, and the increase will be effective the first of the month following this period.	<p>If the family does not comply with the interim reporting requirements:</p> <ul style="list-style-type: none">❑ Must initiate an interim reexamination and implement any rent increase retroactive to the first of the month following the date of the action.

- [HOTMA Income Estimation Tool](#)
- [HOTMA Income Estimation Tool Directions](#)
- [HOTMA Interim Income Reexaminations Resource Sheet](#)
- [HOTMA Resident Worksheet: Interim Reviews](#)





Drop it in the chat!

A family member reports that they received a raise at work. The PHA estimates that their income has increased by over 10%. The PHA learns that there have not been any changes to family composition or possible deductions. The resident has not had any interim reexaminations that year.

The PHA should:

- a. Conduct a full interim reexamination
- b. Explain to the resident that an interim reexamination is not required
- c. Begin the process of notifying the resident that their rent will increase
- d. None of the above

Putting it All Together

Documentation Requirements

Tenant File Content

- ☐ Income worksheet and initial income verification documents
- ☐ Subsequent income worksheets and income verification documents
- ☐ Rent calculation forms - initial and subsequent
- ☐ Utility allowance sheet (if applicable)
 - ☐ Utility Allowance letter to tenant
- ☐ Unit information and payment information documents
- ☐ Notice rental assistance and subsequent changes
- ☐ Unit information
 - ☐ Rent Reasonableness Documentation
 - ☐ Lease
- ☐ Inspection Forms

Billing Expectations to SSF

Before Billing

- ☐ Completed rent calculation process (also before move-in)
- ☐ Internal review for accuracy
- ☐ Lease with landlord

Billing Submission Documents Upon Request

- ☐ Rent payment to landlord (cancelled check)
- ☐ Lease, Rent Reasonableness form
- ☐ Initial rent calculation form, unit information (unit size, unit rent, tenant portion)
- ☐ Recertification rent calculation form, unit information (unit size, unit rent, tenant portion)
- ☐ Utility payment to company (cancelled check), calculation of utility allowance, if applicable

Income Documentation Standards – 3rd Party Verification

Third party such as an employer, Social Security Administration, or public assistance agency is contacted to provide information to verify income.

Provide independent verification of information and permit the program to determine if any changes to current circumstances are anticipated.

Program must obtain a written release from the household that authorizes the third party to release required information.

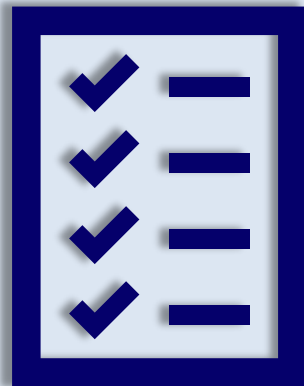
Some third-party providers may, however, be unwilling or unable to provide the needed information in a timely manner.

Income Documentation Standards – Source Verification

Verification documents are provided by the applicant e.g., pay stubs, tax returns, etc.

May not provide all necessary information. For instance, an employed applicant’s pay stubs may not provide sufficient information about the average number of hours worked, overtime, tips, and bonuses.

Easier to obtain than third-party verifications

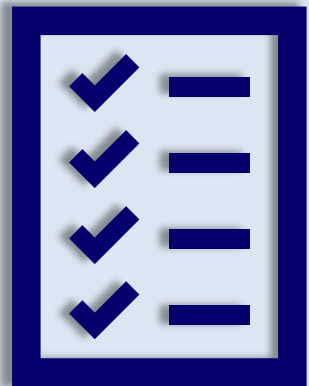


Income Documentation Standards – Self Certification

When no other method of documentation is possible, self/family certification of the facts may be used in some cases.

The file must document attempts to get 3rd party information.

Easier Documenting that an individual has no source of income, for example, may require that that individual sign an affidavit attesting to this. to obtain than third-party verifications.



Resources

[Calculating Rent & Occupancy Charges – CoC At A Glance – Virtual Binders](#)

[Leasing – CoC At A Glance – Virtual Binders](#)

[Operating Costs – CoC At A Glance – Virtual Binders](#)

[Rent Reasonableness and Fair Market Rent Under the Continuum of Care Program](#)

[Notice CPD-17-11: Determining a Program Participant's Rent Contribution, Occupancy Charge or Utility Reimbursement in the Continuum of Care \(CoC\) Program when the Program Participant is Responsible for the Utilities - HUD Exchange](#)

Q&A

Do you have any unanswered
questions about rent calculation?

Thank You

Please complete the brief exit survey.

SACRAMENTO CONTINUUM OF CARE

August 2025



SACRAMENTO
STEPS FORWARD