

# Neighborhood Stabilization Program (CFDA 14.228)



## *Ongoing Compliance Monitoring Manual*



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## **SECTION 1:**

# **NSP PROGRAM INFORMATION AND REGULATIONS**

### ***Introduction***

The Neighborhood Stabilization Program (Catalog of Federal Domestic Assistance number 14.228) provides financial assistance for the redevelopment of abandoned, foreclosed, and vacant properties for the benefit of low income people. Initially authorized and funded by Congress in The Housing and Economic Recovery Act of 2008, the program was continued through the Wall Street Reform and Consumer Protection Act of 2010.

This manual is a training and reference guide for the ongoing compliance monitoring of projects funded by the North Dakota Housing Finance Agency (NDHFA) through the first and third rounds of the Neighborhood Stabilization Program (referred to collectively as NSP). It is intended to answer questions regarding the procedures, rules, and regulations that govern NDHFA's compliance monitoring of NSP-funded projects. The manual should be used in conjunction with, and as a supplement to, Section 2301(b) of the Housing and Economic Recovery Act of 2008, as amended, and Section 1497 of the Wall Street Reform and Consumer Protection Act of 2010.

The NDHFA Planning and Housing Development Division is responsible for monitoring compliance through annual desk reviews and on-site reviews, including tenant file reviews and on-site health/safety/building code inspections, sending compliance notifications to owners/managers, monitoring follow up compliance, and updating the Compliance Manual and compliance forms. Questions regarding compliance monitoring should be directed to the Planning and Housing Development Division by calling (701) 328-8080. NDHFA's toll-free number is (800) 292-8621 or (800) 366-6888 (TTY).

### **COMPLIANCE PERIOD**

NDHFA will ensure long term affordability for NSP-assisted housing units by following program rules as prescribed by the US Department of Housing and Urban Development's (HUD) HOME program, and requiring that a land use restriction agreement or deed restriction be placed on NSP-assisted properties dictating affordability in the following manner, unless NSP loan terms dictate a longer term of affordability:

<b>NSP Assistance Per Unit</b>	<b>Minimum Period of Affordability in Years</b>
Under \$15,000	5
\$15,000-\$40,000	10
Over \$40,000	15
New Construction	20

The development owner and NDHFA must enter into an agreement pursuant to which the owner and any successors agree to meet the tenant income requirements for the applicable compliance period.

### **RESPONSIBILITIES**

#### ***Project Owner***

**The project owner is responsible for compliance.** Each owner has chosen to utilize the Neighborhood Stabilization Program to take advantage of grant and/or low-interest debt financing. In exchange for this benefit, certain requirements must be met. Any violation of the requirements of NSP could result in corrective action, including the repayment of funds to NDHFA. Any and all financial consequences to the owner, as a result of noncompliance, will be the responsibility of the owner.

The owner is responsible for insuring that the development is properly administered. The owner must make certain that the on-site management team is familiar with, and complies with all appropriate NSP rules, regulations and policies that govern the development.

The project owner agrees to maintain sufficient records in support of their ongoing compliance with NSP regulations. The project owner will make such records available for review by NDHFA upon request. The project owner must allow full access of all files to NDHFA and must retain all documents and records for a period of five (5) years or until any related review findings have been resolved, whichever is later.

### ***The North Dakota Housing Finance Agency***

**NDHFA is responsible for monitoring compliance.** Once NSP funds are awarded to a development, NDHFA shall monitor compliance by reviewing certain records kept by the owners of the development.

NDHFA will accomplish this monitoring requirement by conducting desk and on-site reviews of the development annually during the compliance period. The on-site inspection may include a review of records for all or a sample of the units including, but not limited to, tenant files, rent rolls, approved and declined tenant applications, documentation supporting tenant income verification, marketing materials and advertisements, the project's Affirmative Fair Housing Marketing Plan (HUD-935.2A), and documentation of requests for reasonable accommodations. It may also include a review of any local health, safety, or building code violation reports or notices and an inspection of the property to determine if the buildings are suitable for occupancy, taking into account local health, safety, and building codes, and housing quality standards as prescribed by HUD. In addition, any reports made by state or local government units of violations, with documentation of correction, will be reviewed.

## **REGULATIONS AND PROGRAM REQUIREMENTS**

NSP funds are federal financial assistance and are therefore subject to the federal requirements to be complied with by NDHFA and project owners. This section explains those program requirements which extend beyond the completion of construction/rehabilitation of the project, and are therefore subject to ongoing compliance monitoring by NDHFA. Project owners agree to comply with all of these federal requirements when signing the NSP Award Agreement and/or Loan Agreement, as well as through submission of the Annual Rental Compliance Report (see Section 4 of this manual).

### ***Federal Regulations***

- Office of Management and Budget Circular A-133 The project owner agrees to obtain an annual audit in accordance with OMB Circular A-133 within 9 months of the end of the Project audit period. A copy of the report of such audit shall be supplied to NDHFA on an annual basis, within 90-days of the audit completion, in order to ensure that the project owner and NDHFA are in compliance with the responsibilities identified in OMB Circular A-133. NDHFA will issue a management decision on audit findings within 6 months after receipt of the audit report, and will ensure that the project owner takes timely and appropriate corrective action on any audit findings. NDHFA reserves the right to take appropriate corrective action, including sanctions, in instances of continued inability or unwillingness of a project owner to obtain the required audits.
- Fair Housing Act (42 U.S.C. 3601-19) and implementing regulations at 24 CFR Part 100 and the regulations at 24 CFR Part 107 (Equal Opportunity in Housing). "Prohibits discrimination in housing on the basis of race, color, religion, sex, handicap, familial status, or national origin."
- Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000(d)) (Nondiscrimination in Federally Assisted Programs) and implementing regulations at 24 CFR Part 1. "Nondiscrimination on the grounds of race, color, or national origin in HUD programs or activities receiving federal financial assistance."
  - Tenant Income Certification will be utilized to record and maintain information on the race and ethnicity of persons who are applicants for, participants in, or beneficiaries of the NSP program.
- Title VIII of the Civil Rights Act of 1968 (FHA). "Nondiscrimination in housing on grounds of race, color, national origin, religion, sex, familial status, and handicap."

- The Age Discrimination Act of 1975 (42 U.S.C. 6101-07) and implementing regulations at 24 CFR Part 146. “Nondiscrimination on the basis of age in programs or activities receiving federal financial assistance.”
- Affirmatively Furthering Fair Housing Project owners must establish and follow an affirmative fair housing marketing plan when marketing units, utilizing the Affirmative Fair Housing Marketing Plan (HUD-935.2). Affirmative marketing steps consist of actions to provide information and otherwise attract eligible persons in the housing market to the available housing without regard to race, color, national origin, sex, religion, familial status or disability.
- Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) (“Section 504”) and implementing regulations at 24 CFR Part 8 “Nondiscrimination Based on Handicap in Federally Assisted Programs and Activities of the Department of Housing and Urban Development.”
- Section 109 of Title I of the Housing and Community Development Act of 1974; Architectural Barriers Act of 1968; and 24 CFR Part 100, Subpart D Accessibility design and construction requirements of the Fair Housing Act.

These federal laws apply to NDHFA in program administration and implementation and to all NSP housing projects, obligating them to make their programs accessible.

- Applies to public facilities and buildings;
- Providing a policy, practice, or rule modification, or an accessible feature in a unit or common area, if needed as an accommodation by an applicant or tenant with a disability, unless doing so would result in a fundamental alteration in the nature of its program or an undue financial and administrative burden;
- Providing auxiliary aids and services necessary for communication with persons with disabilities;
- Operating housing that is not segregated based upon disability or type of disability unless authorized by federal statute or executive order or unless necessary to provide effective housing aid.

### ***Maximum Tenant Income***

All NSP-funded rental projects must meet a national objective of providing housing to households with low/moderate/middle income, defined as 120% or less of area median income (AMI), at initial occupancy. In addition, 25% of NSP assisted units funded by NDHFA must be reserved for households at or below 50% AMI at initial occupancy. The agreement between NDHFA and the sub-recipient/developer will specify the number of units required to be set aside for households at 120% and at 50% AMI. NDHFA will conduct annual monitoring to ensure ongoing compliance with these tenant income restrictions. The method recognized by NDHFA for calculating eligible income under the NSP program is known as the “Part 5” annual income method, which is also used in HUD’s Section 8 and HOME programs. Detailed guidance regarding this method of income calculation is provided in Section 2 of this manual.

### ***Maximum Rent***

NDHFA will require all sub-recipients/developers to use HUD published Fair Market Rents (FMRs) for their area. Rents for all NSP assisted units must be at or below FMRs. In addition, units targeted for households at or below 50% AMI will be subject to rent restrictions based on the lesser of FMRs or 30% of 50% of AMI.

### ***Utility Allowances***

An allowance for the cost of any utilities paid by the tenant must be included in the FMR calculation. The source of utility allowance data shall be obtained from the local public housing authority or through an energy study.

**Maximum rent amounts (including utilities) for NSP-assisted units with households at 50% or 120% AMI can be found on the NDHFA website at [http://www.ndhfa.org/Web\\_Images/nsp\\_max\\_limits.pdf](http://www.ndhfa.org/Web_Images/nsp_max_limits.pdf).**

## **SECTION 2:**

# **INCOME ELIGIBILITY COMPLIANCE PROCEDURES**

### ***Overview***

NSP establishes annual income limits for households occupying NSP-assisted rental units. Each year, HUD determines the annual median incomes for all states, counties, and metropolitan statistical areas. Those income determinations are used to assess a household's eligibility to rent an NSP-assisted unit. In order to determine whether a household is eligible, the project owner needs to compare the verified anticipated annual household income against the published standard. Current Income Limits for NSP are posted on the NDHFA website at [http://www.ndhfa.org/Web\\_Images/nsp\\_max\\_limits.pdf](http://www.ndhfa.org/Web_Images/nsp_max_limits.pdf).

The method recognized by NDHFA for calculating eligible income under the NSP program is known as the "Part 5" annual income method, which is also used in HUD's Section 8 program. The term "Part 5" refers to annual income as defined at 24 CFR 5.609. Income is calculated for all adult household members and is projected for the upcoming 12-month period, factoring in historical data and any other information obtained in the income review process.

### **General Requirements for Determining Income Eligibility**

Certain requirement areas apply to the "Part 5" method, including how to determine whose income to count, anticipating and verifying income, and comparing calculated annual income to HUD income limits.

### ***Determining Whose Income to Count***

The "Part 5" definition of annual income provides specific guidance pertaining to whose income in a household must be included in that calculation. This will be discussed in depth later in this Section 2.

### ***Anticipating Income***

NSP regulations require that, for purposes of determining eligibility for an NSP-assisted unit, a property manager must project a household's income in the future. To do so, a "snapshot" of the household's current circumstances is used to project future income. In general, it should be assumed that today's circumstances will continue for the next 12 months, unless there is verifiable evidence to the contrary. For example, if a head of household is currently working for \$7.00 per hour, 40 hours per week, the property manager should assume that the family member will continue to do so for the next year. Thus, estimated earnings will be \$7.00 per hour multiplied by 2,080 hours, or \$14,560 per year.

This method should be used even when it is not clear that the type of income received currently will continue in the coming year. For example, assume a family member has been receiving unemployment benefits of \$100 per month for 16 weeks at the time of income certification. It is unlikely that the family member will continue on unemployment for another 52 weeks. However, because it is not known whether or when the family member will find employment, the property manager should use the current circumstances to anticipate annual income. Income would therefore be calculated as follows: \$100 per week x 52 weeks, or \$5,200.

The exception to this rule is when documentation is provided which indicates that current circumstances are about to change. For example, an employer might report that an employee currently makes \$7.50 an hour, but a negotiated union contract will increase this amount to \$8.25 an hour eight weeks from the date of initial occupancy. In such cases, income can be calculated based on the information provided. In this example, the calculation would be as follows:

- \$7.50/hour x 40 hours/week x 8 weeks = \$2,400
- \$8.25/hour x 40 hours/week x 44 weeks = \$14,520
- \$2,400 + \$14,520 = \$16,920 projected annual income

## ***Verifying Income***

NSP regulations require that property managers determine income eligibility for applicants of NSP-assisted units by examining source documents (such as wage statements or interest statements) as evidence of annual income.

Property managers may develop their own verification procedures provided that they collect source documentation and that this documentation is sufficient for HUD and NDHFA to monitor program compliance. (Sample verification forms are provided in Section 4.)

Property managers may use two verification procedures provided to public housing agencies (PHAs) for the Section 8 Program as a basis for developing their procedures; third-party verification and review of documents.

### ***Third-Party Verification***

Under this form of verification, a third party (e.g., employer, Social Security Administration, or public assistance agency) is contacted to provide information to verify income. Although written requests and responses are generally preferred, conversations with a third party are acceptable if documented through a memorandum to the file that notes the contact person, information conveyed, and date of call. In addition, a property manager may obtain third party written verification by facsimile, email, or Internet. The property manager must make adequate effort to ensure the sender is a valid third-party source.

To allow property managers to conduct third-party verifications, most recommended forms in Section 4 of this manual include a written release from the household that authorizes the third party to release required information.

Third-party verifications are helpful because they provide independent verification of information and permit the property manager to determine if any changes to current circumstances are anticipated. Some third-party providers may, however, be unwilling or unable to provide the needed information in a timely manner.

Some third-party providers (such as banks) may charge a fee to provide the information. In such cases, the property manager should attempt to find suitable documentation without the third-party verification – for example, bank statements or a savings passbook.

### ***Review of Documents***

Documents provided by the applicant (e.g., pay stubs, tax returns, etc.) may be most appropriate for certain types of income and can be used as an alternative to third party verifications. (Note, however, that if a copy of a tax return is needed, IRS Form 4506 “Request for Copy of Tax Form” must be completed and signed.) Copies of documents should be retained in tenant files.

Although easier to obtain than third-party verifications, a review of documents provided by the applicant often does 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. In this case, the property manager may also need to contact the employer to accurately project annual income.

## ***Assessing Information***

Property managers must assess all the facts underlying the income information collected. Below are some of the considerations property managers must take into account.

### ***Pay Period***

The property manager should determine the basis on which employees are paid (hourly, weekly or monthly, and with or without overtime). An employee who gets paid “twice a month” may actually be paid either twice a month (24 times a year) or every two weeks (26 times a year).

An annual salary is counted as annual income regardless of the payment schedule. For example, if a teacher's annual salary is \$30,000, this is the annual income regardless of whether the teacher is paid over a nine- or 12-month period.

### Variations in Pay

For applicants whose jobs provide steady employment (e.g., 40 hours a week, 52 weeks a year), it can be assumed that there will only be slight variations in the amount of earnings reflected in monthly or bi-weekly pay stubs. In such cases, three consecutive month's worth of income documentation is an appropriate amount upon which to base a projection of income over the following 12-month period.

For those whose annual employment is less stable or does not conform to a twelve-month schedule (e.g., seasonal laborers, construction workers, teachers), property managers should examine income documentation that covers the entire previous twelve-month period. Such workers can experience substantial variations in earned income over the course of a year. As such, an examination of three month's worth of income documentation may not provide an accurate basis upon which to project the applicant's income over the following 12 months.

### Sources of Earned Income

In addition to hourly earnings, property managers must account for all earned income. In addition to the base salary, this will include annual cost of living adjustments (COLAs), bonuses, raises, and overtime pay. In the case of overtime, it is important to clarify whether overtime is sporadic or a predictable component of an employee's income. If it is determined that an applicant has earned and will continue to earn overtime pay on a regular basis, property managers should calculate the average amount of overtime pay earned by the applicant over the pay period the property manager is using to calculate income eligibility. This average amount is then to be added to the total amount of projected earned income over the following 12-month period. Exhibit 2.1 provides a step-by-step explanation of the standard methodology for projecting annual income.

### ***Comparing Annual Income to Published Income Limits***

Once household and income information has been established and verified, a property manager must compare the information to the appropriate HUD income limits to determine if the household is eligible for an NSP-assisted unit.

To determine eligibility, property managers must use a copy of the most recent HUD income limits, adjusted for family size and by geographic area (county or metropolitan area). The income limits are updated annually and are available through HUD's offices or website. Current annual income limits for the NSP program are also posted on NDHFA's website at [www.ndhfa.org/Web/Images/nsp\\_max\\_limits.pdf](http://www.ndhfa.org/Web/Images/nsp_max_limits.pdf). Exhibit 2.2 provides a sample NSP income limits table.

### Determining Household Size

The income limits are adjusted by household size. Therefore, one of the first steps in determining eligibility is to determine the size of the applicant household. Some households may include persons who are not considered as family members for the purposes of determining household size and income eligibility, including:

- Foster children;
- Foster adults;
- Live-in aides; and
- Children of live-in aides.

These persons should not be counted as household members when determining household size, and their income, if any, is not included when calculating annual income. A child who is subject to a

shared-custody agreement in which the child resides with the household at least 50 percent of the time can be counted in the household.

Comparing Household Income to the NSP Income Limits

To compare a household’s annual income information to the NSP income limits, follow these steps:

1. Find the geographic area in which the project is located on the NSP Income Limits chart.
2. Find the column that corresponds to the number of persons in the household (i.e., family size).
3. Compare the verified income of the household with the applicable income limit (50% or 120% of AMI) for that household size.

Using the sample income limits chart in Exhibit 2.2, consider the following example:

*Mr. and Mrs. Larson of Adams County have three children that permanently reside with them. It has been determined by the property manager that the Larsons have an annual household income of \$30,500. Based on the income limits, the Larson family must have an income of less than \$31,650 in order to be eligible for a 50% AMI NSP-assisted unit. Since the Larson’s income of \$30,500 is less than the Very Low-Income Limit (50% AMI) of \$31,650, they are eligible for the 50% AMI NSP-assisted unit.*

Timing of Income Certification

All households residing in NSP-assisted rental units must be determined to be income-eligible at the time of initial occupancy. Generally, annual recertification of tenants in NSP-assisted units is not required. However, more prohibitive rules required by other funding programs must be followed when applicable. **A tenant household need only be income-eligible at the time of initial occupancy. Furthermore, a household residing in an NSP-assisted unit, and which was determined income-eligible at the time of initial occupancy, does not lose their eligibility for that unit if household income increases above applicable NSP limits.**

**Exhibit 2.1 – Step-by-Step Methodology for Projecting Annual Income**

Steps	Instructions
Step 1: Collect appropriate income documentation.	Appropriate documentation includes pay stubs, third-party verification, bank statements (checking and/or savings), or certified copies of tax returns. (These can be acquired by submitting an IRS Form 4506, “Request for Copy of Tax Form.”)
Step 2: Calculate the applicant household’s projected income based upon documentation.	This calculation must include hourly wage figures, overtime figures, bonuses, anticipated raises, COLAs, or other anticipated changes in income. Other specific inclusions must also be reflected in the calculations, such as other eligible sources of non-wage income.
Step 3: Compare the amount of projected income against current HUD-published area median income (AMI) data.	Once the property manager has calculated the household’s income, it must compare the household’s final projected figure to HUD-published annual AMI data. Households whose projected annual income is less than the current NSP income limits (50% or 120% AMI, as applicable) are eligible for NSP-assisted units.

**Exhibit 2.2 – Sample NSP Income Limit Schedule**

<b>North Dakota Neighborhood Stabilization Program Maximum Income Limits at 50% of Median Income Limits as of: 05/31/2011</b>								
Maximum Income Limits								
	1	2	3	4	5	6	7	8
	Person							
Adams	20,550	23,450	26,400	29,300	31,650	34,000	36,350	38,700
Barnes	21,850	24,950	28,050	31,150	33,650	36,150	38,650	41,150
Benson	20,550	23,450	26,400	29,300	31,650	34,000	36,350	38,700

**Calculating Annual Income**

In addition to NSP, the annual income definition found at 24 CFR Part 5 is used by a variety of Federal programs including Section 8, public housing and the Low-Income Housing Tax Credit Program. Annual income is used to determine program eligibility and, in some programs, the level of assistance the household will receive. This definition was formerly commonly referred to as the Section 8 definition.

The “Part 5” definition of annual income is the *gross amount of income of all adult household members* that is *anticipated to be received* during the coming 12-month period. Each of the italicized phrases in this definition is key to understanding the requirements for calculating annual income:

- **Gross amount.** For those types of income counted, gross amounts (before any deductions have been taken) are used;
- **Income of all adult household members.** The “Part 5” definition of annual income contains income “inclusions” – types of income to be considered – and “exclusions” – types of income that are not considered (for example, income of minors); and
- **Anticipated to be received.** The “Part 5” annual income is used to determine eligibility for the amount of Federal assistance a family can receive. A property manager must, therefore, use a household’s expected ability to pay, rather than past earnings, when estimating housing assistance needs – in this case, an NSP-assisted rental unit.

**Whose Income to Count**

Knowing whose income to count is as important as knowing which income to count. Under the “Part 5” definition of annual income, special consideration is given to income earned by the following groups of people.

Minors

Earned income of minors, including foster children (age 18 and under) is not counted. However, unearned income attributable to a minor (e.g., child support, TANF payments and other benefits paid on behalf of a minor) is included.

### Live-in Aides

If a household includes a paid live-in aide (whether paid by the family or a social service program), the income of the live-in aide, regardless of the source, is not counted. Except under unusual circumstances, a related person does not qualify as a live-in aide.

### Temporarily Absent Family Members

The income of temporarily absent family members is counted in the “Part 5” definition of annual income – regardless of the amount the absent member contributes to the household. For example, a construction worker employed at a temporary job on the other side of the state earns \$600 per week. He keeps \$200 per week for expenses and sends \$400 per week home to his family. The entire amount (\$600 per week) is counted in the family’s income.

### Adult Students Living Away from Home

If the adult student is counted as a member of the household in determining the household size (to compare against the HUD income limits), the first \$480 of the student’s income must be counted in the family’s income. Note, however, that the \$480 limit does not apply to a student who is the head of household or spouse (their full income must be counted).

### Permanently Absent Family Members

If a family member is permanently absent from the household (e.g., a spouse who is in a nursing home), the head of household has the choice of either counting that person as a member of the household, and including income attributable to that person as household income, or specifying that the person is no longer a member of the household.

## **Types of Income to Count**

Exhibits 2.3 and 2.4 provide a comprehensive list of income that is included and excluded from calculations of annual income under Part 5. This list comes directly from the Federal regulations at 24 CFR 5.609. HUD updates this list when changes are made by Congress.

In general, income exclusions fall into the following categories:

- Benefits that should not be counted as income;
- Income of certain household members that should not be counted, including earned income of minors and income attributable to foster children and live-in aides; and
- Amounts that are counted as assets rather than income, such as lump-sum lottery winnings.

## **Treatment of Assets**

Some assistance programs require that families “spend down” assets before they can participate. There is no asset limitation for participation in the NSP program. Income from assets is, however, recognized as part of annual income under the “Part 5” definition. To comply with the “Part 5” rules regarding assets, property managers must know: (1) what to include as assets, (2) how to compute the market and cash value of those assets, and (3) how to determine the income from the asset to be included in annual income.

### **What to Include as an Asset**

In general terms, an asset is a cash or non-cash item that can be converted to cash. Exhibit 2.5 summarizes items that are and are not to be considered assets. (Note: it is the income earned – e.g., interest on a savings account – not the value of the asset – that is counted in annual income.) Examples and exercises are included in Appendix A which demonstrates how income from assets is calculated.

### ***Market Value and Cash Value***

Assets have both a market value and a cash value. The market value of an asset is simply its dollar value on the open market. For example, the market value of a share of stock is the price quoted on the stock exchange on a particular day. A property's market value is the amount it would sell for on the open market. This may be determined by comparing the property with similar, recently sold properties. An asset's cash value is the market value less reasonable expenses required to convert the asset to cash, including:

- **Penalties or fees for converting financial holdings.** Any penalties, fees, or transaction charges levied when an asset is converted to cash are deducted from the market value to determine its cash value (e.g., penalties charged for premature withdrawal of a certificate of deposit, the transaction fee for converting mutual funds to cash or broker fees for converting stocks to cash); and/or
- **Costs for selling real property.** Settlement costs, real estate transaction fees, payment of mortgages/liens against the property and any legal fees associated with the sale of real property are deducted from the market value to determine equity in real estate.

Under the rules of "Part 5", only the cash value (rather than the market value) of an item is counted as an asset. If more than one person owns an asset, property managers must prorate the asset according to the applicant's percentage of ownership. If no percentage is specified or provided by state or local law, property managers must prorate the asset evenly among all owners. If an asset is not effectively owned by an individual, it is not counted as an asset.

### ***Actual Income from Assets***

Assets can generate income, and for the purpose of determining an applicant's income, the actual income generated by the asset (e.g., interest on a savings or checking account) is what counts, not the value of the asset. The income is counted, even if the household elects not to receive it. For example, if an applicant elects to reinvest the interest or dividends from an asset, it is still counted as income.

As with other types of income, the income included in annual income calculation is the income that is anticipated to be received from the asset during the coming 12 months. Several methods may be used to approximate the anticipated income from the asset. For example, to obtain the anticipated interest on a savings account, the current account balance can be multiplied by the current interest rate applicable to the account. Alternatively, if the value of the account is not anticipated to change in the near future and the interest rate has been stable, a copy of the IRS 1099 form showing past interest earned can be used.

Checking account balances are considered assets. This rule is not intended to count monthly income as an asset, but rather is recognition that some households keep assets in their checking accounts. To avoid counting monthly income as an asset, property managers should use the average monthly balance over a six-month period as the cash value of a checking account.

### ***Two Unique Rules***

For most assets, calculating cash value and the income from the assets is straightforward. Special rules have, however, been established to address two circumstances – situations in which the assets produce little or no income, and assets that are disposed of for less than fair market value.

#### ***When an Asset Produces Little or No Income***

This rule assumes that a household with assets has an increased payment ability, even if its assets do not currently produce income. (For example, a household that owns land that is not rented or otherwise used to produce income.) Rather than require the household to dispose of the property, the rule requires that an "imputed" income be calculated based on a Passbook Rate that is applied to the cash value of all assets. This rule only applies if the total cash value of all assets is more than \$5,000. The following examples illustrate how imputed income from assets calculation is applied.

Example 1: The Cayhill family has \$6,000 (average balance over six months) in a non-interest-bearing checking account. The property manager would include in annual income an amount based on the current Passbook Rate. The calculation would be:  $\$6,000 \times .02 = \$120$ .

Example 2: The Shaw family has \$3,000 (average balance over six months) in a non-interest-bearing checking account and \$5,500 in an interest-bearing savings account. The family reports and the property manager verifies \$150 interest on the savings account. The property manager would count the greater of the actual income from assets or the imputed income based on the Passbook Rate, as shown below:

Imputed income ( $\$8,500 \times .02$ ) =	\$170
Actual income	\$150
Included in annual income	\$170

Example 3: The Smiths have \$600 (average balance over six months) in a non-interest-bearing checking account. No income from assets would be counted because the family has no actual income from assets and the total amount of all assets is less than \$5,000.

**Note:** Currently, each HUD Field Office establishes the Passbook Savings Rate to be used for this calculation within its jurisdiction. HUD Field Offices determine the rates based on the average interest rate received on passbook savings accounts at several banks in their local area (24 CFR 5.609 and Form HUD-50058 Family Report Instruction Booklet, p. 22). Although the new Public Housing Occupancy Guidebook, page 122, footnote 35, states that "Consistent with the Multi-family Housing Program, PHAs will use a standard 2% passbook rate," the current method described above will remain in effect until superseded by Public and Indian Housing Notice. Check with the state or regional HUD Field Office for the applicable Passbook Rate for your community.

*When Assets are Disposed of at Less than Fair Market Value*

Applicants who dispose of assets for less than fair market value (i.e., value on the open market in an "arm's length transaction") have, in essence, voluntarily reduced their ability to afford housing. The "Part 5" rules require, therefore, that any asset disposed of for less than fair market value during the two years preceding the income determination be counted as if the household still owned the asset.

The amount to be included as an asset is the difference between the cash value of the asset and the amount that was actually received (if any) in the disposition of the asset. Consider the following examples.

Example 1: Mr. Jones cashed in stock to give a granddaughter funds for college in August 2010. The stock had a market value of \$4,500 and a broker fee of \$500 was charged for the transaction.

Market value	\$4,500
Less broker's fee	<u>500</u>
Cash value to be considered	\$4,000

The \$4,000 in assets would be counted for any income determination conducted until August 2012 (looking forward two years from the time of disposal).

If Mr. Jones has no other assets, no income from assets would be included in annual income because the cash value of the asset is less than \$5,000. If other assets brought total assets to more than \$5,000, however, the imputed income calculation described previously would be required.

Example 2: Mrs. Smith “sold” a piece of property to a family member for \$30,000 on July 1, 2011. The home was valued at \$75,000 and had no loans against it.

Market value	\$75,000
Less settlement costs	3,000
Less sales price	<u>30,000</u>

Cash value to be considered \$42,000

The \$42,000 would be counted as an asset for any income determination conducted until July 1, 2013. The \$42,000 would be combined with the cash value of other assets (if any), and an imputed income calculation would be required.

Each applicant must certify whether an asset has been disposed of for less than fair market value. Assets disposed of for less than fair market value as a result of foreclosure or bankruptcy are not included in this calculation. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be less than fair market value if the applicant receives (or received) important consideration not measurable in dollar terms.

***Sample Format for Computing Part 5 Annual Income***

Appendix A shows a sample format for computing annual income using the “Part 5” annual income definition. Appendix A also provides examples that illustrate how the “Part 5” annual income and asset definitions are applied to individual family circumstances.

*[Remainder of page intentionally left blank.]*

### Exhibit 2.3 – Annual Income Inclusions Per 24 CFR Part 5

1. The full amount, before any payroll deductions, of wages and salaries, overtime pay, commission, fees, tips and bonuses, and other compensation for personal services.
2. The net income from the 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 number 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 (except for certain exclusions, listed in Exhibit 2.4, number 13).
5. Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation, and severance pay (except for certain exclusions, as listed in Exhibit 2.4, number 3).
6. Welfare assistance payments made under the Temporary Assistance for Needy Families (TANF) program are included in annual income.
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.
8. All regular pay, special pay, and allowances of a member of the Armed Forces (Except as provided in number 7 of Exhibit 2.4 – Income Exclusions.)

## Exhibit 2.4 – Annual Income Exclusions Per 24 CFR Part 5

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 Exhibit 2.3, number 5 of 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. Per 24 CFR 5.403, a live-in aide is defined as a person who resides with one or more elderly persons, or near elderly persons, or persons with disabilities, and who (a) is determined to be essential to the care and well-being of the persons; (b) is not obligated for the support of the persons; and (c) would not be living in the unit except to provide the necessary supporting services.
6. The full amount of student financial assistance paid directly to the student or to the educational institution.
7. The special pay to a family member serving in the Armed Forces who is exposed to hostile fire.
8. (a) Amounts received under training programs funded by HUD; (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, childcare, 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 PHA or owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn care, and serving as a member of the PHA's governing board. No resident may receive more than one such stipend during the same period of time; (e) Incremental earnings and benefits resulting to any family member from participation in qualifying state or local employment training programs (including training not affiliated with a local government) and training of a family member as resident management staff. 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.
11. Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household or 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.
16. Amounts specifically excluded by other Federal statute from consideration as income for purposes of determining eligibility for 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:
  - The value of the allotment provided to an eligible household under the Food Stamp Act of 1977;
  - Payments to volunteers under the Domestic Volunteer Service Act of 1973 (employment through AmeriCorps, VISTA, Retired Senior Volunteer Program, Foster Grandparents Program, youthful offender incarceration alternatives, senior companions);
  - Payments received under the Alaskan Native Claims Settlement Act;
  - Income derived from the disposition of funds to the Grand River Band of Ottawa Indians;
  - Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes;
  - Payments made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program;
  - Payments received under the Maine Indian Claims Settlement Act of 1980 (25 U.S.C. 1721);
  - 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;
  - Amounts of scholarships funded under Title IV of the Higher Education Act of 1965, including awards under the Federal work-study program or under the Bureau of Indian Affairs student assistance programs;
  - Payments received from programs funded under Title V of the Older Americans Act of 1985 (Green Thumb, Senior Aid4es, Older American Community Service Employment Program);
  - Payments received on or after January 1, 1989, from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in the In Re Agent Orange product liability litigation, M.D.L. No. 381 (E.D.N.Y.);
  - Earned income tax credit refund payments, including advanced earned income credit payments;
  - 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;

- Payments received from programs funded in whole or in part under the Job Training Partnership Act (employment and training programs for Native Americans and migrant and seasonal farm workers, Job Corps, veterans employment programs, state job training programs and career intern programs, AmeriCorps);
- Payments by the Indian Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation;
- Allowances, earnings, and payments to AmeriCorps participants under the National and Community Service Act of 1990;
- 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;
- 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; and
- Allowances, earnings, and payments to individuals participating in programs under the Workforce Investment Act of 1998.

**Exhibit 2.5 – Part 5 Annual Income Net Family Asset Inclusions and Exclusions**

Inclusions	Exclusions
<ol style="list-style-type: none"> <li>1. Cash held in savings accounts, checking accounts, safe deposit boxes, homes, etc. For savings accounts, use the current balance. For checking accounts, use the average 6-month balance. Assets held in foreign countries are considered assets.</li> <li>2. Cash value of revocable trusts available to the applicant.</li> <li>3. Equity in rental property or other capital investments. Equity is the estimated current market value of the asset less the unpaid balance on all loans secured by the asset and all reasonable costs (e.g. broker fees) that would be incurred in selling the asset.</li> <li>4. Cash value of stocks, bonds, Treasury bills, certificates of deposit, mutual funds, and money market accounts.</li> <li>5. Individual retirement, 401(k), and Keogh accounts (even though withdrawal would result in a penalty).</li> <li>6. Retirement and pension funds.</li> <li>7. Cash value of life insurance policies available to the individual before death (e.g., surrender value of a whole life or universal life policy).</li> <li>8. Personal property held as an investment such as gems, jewelry, coin collections, antique cars, etc.</li> <li>9. Lump sum or one-time receipts, such as inheritances, capital gains, lottery winnings, victim’s restitution, insurance settlements and other amounts not intended as periodic payments.</li> <li>10. Mortgages or deeds of trust held by an applicant.</li> </ol>	<ol style="list-style-type: none"> <li>1. Necessary personal property, except as noted in number 8 of Inclusions, such as clothing, furniture, cars, and vehicles specially equipped for persons with disabilities.</li> <li>2. Interest in Indian trust lands.</li> <li>3. Assets not effectively owned by the applicant. That is, 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.</li> <li>4. Assets not accessible to and that provide no income for the applicant.</li> <li>5. Term life insurance policies.</li> <li>6. Assets that are part of an active business. “Business” does not include rental of properties that are held as an investment and not a main occupation.</li> </ol>

## **SECTION 3:** **MONITORING REVIEW PROCESS**

NDHFA shall perform annual monitoring reviews for all projects funded by NDHFA with NSP funds. The monitoring review shall consist of both a desk review of information provided by the project owner as well as a site visit and review of documentation at the project location. The following steps will be followed in the annual compliance monitoring process.

### **Receipt and Review of Project Information by NDHFA**

Each year of the compliance period, the project owner shall submit to NDHFA a completed “NSP Annual Rental Compliance Report” (see Section 4: Forms). The report shall contain information about each unit in the project as well as tenant information for all 50% and 120% AMI NSP-assisted units. NDHFA will perform a desk review of the information provided on this report in order to determine areas for further examination during the site visit. NDHFA will also review other written data in preparation for the site visit, such as the NSP application and agreement and documentation from previous monitoring.

Also required to be submitted to NDHFA within 120 days of the end of the project’s fiscal year are the following, certified to be true and correct by the project owner:

- Full audited financial statements, including statement of income and expenses, statement of changes in financial position, and balance sheet;
- Calculation and certification of surplus cash;
- An accounting of all security deposits held pursuant to leases, including the name of the financial institution and the names and identification numbers of the accounts in which such security deposits are held and contact information at such financial institution.

### **Scheduling the Site Visit**

A visit is scheduled in advance. A notification letter will be mailed to the project owner, as well as the property manager if different than the owner, detailing the date, time, location and scope of the monitoring visit. Other information in the notification letter includes the anticipated duration of the monitoring visit, and required preparation on the part of the project owner, such as staff members needing to be present and files and documents which must be available during the visit.

### **Entrance Conference**

Upon arriving on-site, NDHFA monitoring staff will hold an entrance conference with the property manager and any other project personnel deemed appropriate by the owner. The purpose of the entrance conference is to provide a clear understanding of the purpose, scope, and schedule of the monitoring visit.

### **Monitoring Review Documentation**

Utilizing appropriate monitoring checklists, NDHFA staff will review the files to determine if all requirements have been met. The primary areas being examined are consistency with the specific terms of the grant agreement and compliance with state and Federal requirements. A written record will be created detailing the steps followed and information reviewed during the compliance monitoring visit.

If there are areas that are discovered during the review that indicate noncompliance with the laws, regulations or other requirements, this may result in a finding. A finding of noncompliance must be remedied. A finding can result in a sanction if corrective action is not taken in a specified manner and/or timeframe. For each finding, NDHFA will indicate a corrective action, either to correct a past problem or to avoid a future problem, which must be taken by the project owner. A response from the project owner is required on all findings. The project owner may concur with the finding and explain the corrective action which will be undertaken, or provide additional information in order to address the finding.

A deficiency in program performance not based on a statutory or regulatory or other program requirement is referred to as a concern. Corrective actions are not required for concerns, but NDHFA may recommend actions and provide or obtain technical assistance for the project owner in order to address concerns. Concerns do not require responses from the project owner, although they are welcome.

### **Exit Conference**

At the conclusion of the review, NDHFA staff will conduct an exit conference with the project owner and management, providing a summary of the preliminary results of the review. Any findings and concerns discovered will be discussed. The NDHFA reviewer should also indicate the timeframe in which a monitoring letter will be sent, the process for requiring the project to address any findings, and the consequences for not addressing compliance issues in a timely manner. Finally, the NDHFA reviewer should provide any further technical assistance that is requested or needed or, if there is not sufficient time, make arrangements for such technical assistance to be provided at a later date.

### **Monitoring Letter**

Within 30 days after the completion of monitoring, a monitoring letter will be sent to the project owner describing the results of the review, as well as the basis for the conclusions. The monitoring letter will also list corrective actions which must be taken to resolve any findings, as well as recommendations for improvement for any areas of concern. The timeframe for carrying out any corrective actions will also be stated in the monitoring letter.

### **Monitoring Follow-up**

The project owner must respond in writing to any findings within the timeframe identified in the monitoring letter. The project owner response will:

- Describe all corrective actions taken or provide new information not reviewed during the visit. The corrective actions must be consistent with those required in the monitoring letter and be performed within the required timeframe.
- Certify that all regulations will be observed in the future and provide written assurance that no adverse effects occurred to the project for failure to observe said regulations.

NDHFA will perform follow-up monitoring in order to confirm the implementation of corrective measures. Findings will be closed upon satisfactory review of the corrective measures and notification of the closing of findings will be communicated to the project owner.

### **Remedial Action**

If issues are not resolved, NDHFA may, as provided in 24 CFR 570 Subpart O, impose a progressive level of sanctions that include:

- Additional reporting requirements,
- Suspension of further NSP funding,
- Additional special conditions,
- Return of funding,
- Termination of the NSP funding, and/or
- Legal action.

## **SECTION 4: FORMS**

Included in this manual are the following sample forms which are used to help gather, verify, and calculate applicant income and asset information. Only the *NSP Annual Rental Compliance Report* is required to be completed and submitted to NDHFA annually. The rest of the forms provided in this manual are samples which may be used by project owners/property managers. Any form used by project owners/property managers which provide the same information as identified on the included sample forms are acceptable to NDHFA.

### **Required Form**

NSP Annual Rental Compliance Report: a reduced size copy follows. See [www.ndhfa.org](http://www.ndhfa.org) for a full size, fillable form.

### **Index of Sample Forms**

Affirmative Fair Housing Marketing Plan (HUD 935.2A)  
Asset Verification  
Certification of Zero Income  
Document Viewed or Telephone Information Received  
Employment Verification  
Former Spouse Child Support and/or Alimony Verification  
Foster Care Verification  
Investment Annuity or Pension Verification  
Live-In Aide Attendant Verification  
Live-In Aide Housing Agreement  
Military Pay Verification  
Public Assistance Verification  
Railroad Retirement Verification  
Real Estate Verification  
Section 8 Eligibility Verification  
Self Certification of Unborn Child  
Self Employment Certification  
Social Security Check Verification  
Social Security Verification  
State Disbursement Unit Child Support and/or Alimony Verification  
Stocks/Bonds Verification  
Student Certification  
Student Status and Financial Aid Verification  
Student Verification  
Tenant Application Form  
Tenant Income Certification  
Under \$5,000 in Assets Certification  
Unemployment Benefits Verification  
Verification of Regular Contributions  
Verification of Tribal Per Capita and/or Gaming Income  
Verification of Tribal Trust Land Ownership  
Veterans Benefits Verification  
Wage Calculation Worksheet  
Workers Compensation Verification



1. This project meets the minimum requirements of  
\_\_\_\_\_ Units at or below 50%AMI  
\_\_\_\_\_ Units at or below 120%AMI

2. Each NSP unit in the project has been rent-restricted as defined within the NSP Award Agreement  
 Yes  No

If no, explain:

3. No finding of discrimination under the Fair Housing Act, 42, U.S. C 3601-3619, has occurred for this project. A finding of discrimination includes an adverse final decision by the Secretary of Housing and Urban Development (HUD), 24 CFR 180.680, an adverse final decision by substantially equivalent state or local fair housing agency, 42 U.S.C 3616a(a)(1), or an adverse judgement from a federal court.  
 Yes  No

If no, explain:

4. I am not aware of any Fair Housing issues that have occurred in the project this past year.  
 Yes  No

If no, explain:

5. No requests for reasonable accommodation were received in the past year.  
 Yes  No

If no, explain:

6. Each building in the project is and has been suitable for occupancy, taking into account local health, safety, and building codes (or other habitability standards), and the state or local government unit responsible for making building code inspections did not issue a report of a violation for any building or low-income unit in the project.  
 Yes  No

If no, explain:

7. I am not aware of any non-compliance issues that have occurred in the past year..  
 Yes  No

If no, explain:

8. Tenants are not required to pay any additional fees such as cable, parking, usage, etc.  
 Yes  No

If no, explain:

9. There has been no change in ownership or management of the project.  
 Yes  No

**CHANGES IN OWNERSHIP OR MANAGEMENT**

**TRANSFER OF OWNERSHIP**

Date of Change	Taxpayer ID
Legal Entity Name	Status (LP, LLC, etc)
Contact Name, Email, Telephone Number	

**CHANGE IN MANAGEMENT**

Date of Change	Management Company Name
Address	Phone
Email Address	Contact Name

Note: Failure to complete this form in its entirety will result in noncompliance with program requirements. In addition, any individual other than an owner or general partner of the project is not permitted to sign this form, unless permitted by the state agency.

This project is otherwise in compliance with the authorizing legislation of the Neighborhood Stabilization Program, the applicable State Allocation Plan, and all other applicable laws, rules and regulations. This certification and any attachments are made UNDER PENALTY OF PERJURY.

Ownership Entity	Date
Preparer's Name	Title



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**3a. Demographics of Project and Housing Market Area**

Complete and submit Worksheet 1.

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**3b. Targeted Marketing Activity**

Based on your completed Worksheet 1, indicate which demographic group(s) in the housing market area is/are *least* likely to apply for the housing without special outreach efforts. (check all that apply)

White	American Indian or Alaska Native	Asian	Black or African American
Native Hawaiian or Other Pacific Islander		Hispanic or Latino	Persons with Disabilities
Families with Children	Other ethnic group, religion, etc. (specify)		

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**4a. Residency Preference**

Is the owner requesting a residency preference? If yes, complete questions 1 through 5.

If no, proceed to Block 4b.

(1) Type

(2) Is the residency preference area:

The same as the AFHMP housing/expanded housing market area as identified in Block 1e?

The same as the residency preference area of the local PHA in whose jurisdiction the project is located?

(3) What is the geographic area for the residency preference?

(4) What is the reason for having a residency preference?

(5) How do you plan to periodically evaluate your residency preference to ensure that it is in accordance with the non-discrimination and equal opportunity requirements in 24 CFR 5.105(a)?

Complete and submit Worksheet 2 when requesting a residency preference (see also 24 CFR 5.655(c)(1)) for residency preference requirements. The requirements in 24 CFR 5.655(c)(1) will be used by HUD as guidelines for evaluating residency preferences consistent with the applicable HUD program requirements. See also HUD Occupancy Handbook (4350.3) Chapter 4, Section 4.6 for additional guidance on preferences.

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**4b. Proposed Marketing Activities: Community Contacts**

Complete and submit Worksheet 3 to describe your use of community contacts to market the project to those least likely to apply.

**4c. Proposed Marketing Activities: Methods of Advertising**

Complete and submit Worksheet 4 to describe your proposed methods of advertising that will be used to market to those least likely to apply. Attach copies of advertisements, radio and television scripts, Internet advertisements, websites, and brochures, etc.

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**5a. Fair Housing Poster**

The Fair Housing Poster must be prominently displayed in all offices in which sale or rental activity takes place (24 CFR 200.620(e)). Check below all locations where the Poster will be displayed.

Rental Office      Real Estate Office      Model Unit      Other (specify)

---

**5b. Affirmative Fair Housing Marketing Plan**

The AFHMP must be available for public inspection at the sales or rental office (24 CFR 200.625). Check below all locations where the AFHMP will be made available.

Rental Office      Real Estate Office      Model Unit      Other (specify)

---

**5c. Project Site Sign**

Project Site Signs, if any, must display in a conspicuous position the HUD approved Equal Housing Opportunity logo, slogan, or statement (24 CFR 200.620(f)). Check below all locations where the Project Site Sign will be displayed. Please submit photos of Project signs.

Rental Office      Real Estate Office      Model Unit      Entrance to Project      Other (specify)

The size of the Project Site Sign will be                      x  
The Equal Housing Opportunity logo or slogan or statement will be                      x

---

**6. Evaluation of Marketing Activities**

Explain the evaluation process you will use to determine whether your marketing activities have been successful in attracting individuals least likely to apply, how often you will make this determination, and how you will make decisions about future marketing based on the evaluation process.

**7a. Marketing Staff**

What staff positions are/will be responsible for affirmative marketing?

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**7b. Staff Training and Assessment: AFHMP**

- (1) Has staff been trained on the AFHMP?
  - (2) Has staff been instructed in writing and orally on non-discrimination and fair housing policies as required by 24 CFR 200.620(c)?
  - (3) If yes, who provides instruction on the AFHMP and Fair Housing Act, and how frequently?
  
  - (4) Do you periodically assess staff skills on the use of the AFHMP and the application of the Fair Housing Act?
  - (5) If yes, how and how often?
- 

**7c. Tenant Selection Training/Staff**

- (1) Has staff been trained on tenant selection in accordance with the project's occupancy policy, including any residency preferences?
  
  - (2) What staff positions are/will be responsible for tenant selection?
- 

**7d. Staff Instruction/Training:**

Describe AFHM/Fair Housing Act staff training, already provided or to be provided, to whom it was/will be provided, content of training, and the dates of past and anticipated training. Please include copies of any AFHM/Fair Housing staff training materials.

**8. Additional Considerations** Is there anything else you would like to tell us about your AFHMP to help ensure that your program is marketed to those least likely to apply for housing in your project? Please attach additional sheets, as needed.

**9. Review and Update**

By signing this form, the applicant/respondent agrees to implement its AFHMP, and to review and update its AFHMP in accordance with the instructions to item 9 of this form in order to ensure continued compliance with HUD's Affirmative Fair Housing Marketing Regulations (see 24 CFR Part 200, Subpart M). I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (See 18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802).

Signature of person submitting this Plan & Date of Submission (mm/dd/yyyy)

Name (type or print)

Title & Name of Company

For HUD-Office of Housing Use Only	For HUD-Office of Fair Housing and Equal Opportunity Use Only	
Reviewing Official:	Approval	Disapproval
Signature & Date (mm/dd/yyyy)	Signature & Date (mm/dd/yyyy)	
Name (type or print)	Name (type or print)	
Title	Title	

Public reporting burden for this collection of information is estimated to average six (6) hours per initial response, and four (4) hours for updated plans, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid Office of Management and Budget (OMB) control number.

**Purpose of Form:** All applicants for participation in FHA subsidized and unsubsidized multifamily housing programs with five or more units (see 24 CFR 200.615) must complete this Affirmative Fair Housing Marketing Plan (AFHMP) form as specified in 24 CFR 200.625, and in accordance with the requirements in 24 CFR 200.620. The purpose of this AFHMP is to help applicants offer equal housing opportunities regardless of race, color, national origin, religion, sex, familial status, or disability. The AFHMP helps owners/agents (respondents) effectively market the availability of housing opportunities to individuals of both minority and non-minority groups that are least likely to apply for occupancy. Affirmative fair housing marketing and planning should be part of all new construction, substantial rehabilitation, and existing project marketing and advertising activities.

An AFHM program, as specified in this Plan, shall be in effect for each multifamily project throughout the life of the mortgage (24 CFR 200.620(a)). The AFHMP, once approved by HUD, must be made available for public inspection at the sales or rental offices of the respondent (24 CFR 200.625) and may not be revised without HUD approval. This form contains no questions of a confidential nature.

**Applicability:** The form and worksheets must be completed and submitted by all FHA subsidized and unsubsidized multifamily housing program applicants.

#### **INSTRUCTIONS:**

**Send completed form and worksheets to your local HUD Office, Attention: Director, Office of Housing**

#### **Part 1: Applicant/Respondent and Project**

**Identification.** Blocks 1a, 1b, 1c, 1g, 1h, and 1i are self-explanatory.

Block 1d- Respondents may obtain the Census tract number from the U.S. Census Bureau ([www.census.gov](http://www.census.gov)) when completing Worksheet One.

Block 1e- Respondents should identify both the housing market area and the expanded housing market area for their multifamily housing projects. Use abbreviations if necessary. A **housing market area** is the area from which a multifamily housing project owner/agent may reasonably expect to draw a substantial number of its tenants. This could be a county or Metropolitan Division. The U.S. Census Bureau provides a range of levels to draw from.

An **expanded housing market area** is a larger geographic area, such as a Metropolitan Division or a Metropolitan Statistical Area, which may provide additional demographic diversity in terms of race, color, national origin, religion, sex, familial status, or disability.

Block 1f- The applicant should complete this block only if a Managing Agent (the agent cannot be the applicant) is implementing the AFHMP.

#### **Part 2: Type of AFHMP**

Block 2a- Respondents should indicate the status of the AFHMP, i.e., initial or updated, as well as the date of the first approved AFHMP. Respondents should also provide the reason (s) for the current update, whether the update is based on the five-year review or due to significant changes in project or local demographics (See instructions for Part 9).

Block 2b- Respondents should identify all groups HUD has approved for occupancy in the subject project, in accordance with the contract, grant, etc.

Block 2c- Respondents should specify the date the project was/will be first occupied.

Block 2d- For new construction and substantial rehabilitation projects, advertising must begin at least 90 days prior to initial occupancy. In the case of existing projects, respondents should indicate whether the advertising will be used to fill existing vacancies, to place individuals on the project's waiting list, or to re-open a closed waiting list. Please indicate how many people are on the waiting list when advertising begins.

### **Part 3 Demographics and Marketing Area.**

"Least likely to apply" means that there is an identifiable presence of a specific demographic group in the housing market area, but members of that group are not likely to apply for the housing without targeted outreach, including marketing materials in other languages for limited English proficient individuals, and alternative formats for persons with disabilities. Reasons for not applying may include, but are not limited to, insufficient information about housing opportunities, language barriers, or transportation impediments.

Block 3a - Using Worksheet 1, the respondent should indicate the demographic composition of the project's residents, current project applicant data, census tract, housing market area, and expanded housing market area. The applicable housing market area and expanded housing market area should be indicated in Block 1e. Compare groups within rows/across columns on Worksheet 1 to identify any under-represented group(s) relative to the surrounding housing market area and expanded housing market area, i.e., those group(s) "least likely to apply" for the housing without targeted outreach and marketing. If there is a particular group or subgroup with members of a protected class that has an identifiable presence in the housing market area, but is not included in Worksheet 1, please specify under "Other."

Respondents should use the most current demographic data from the U.S. Census or another official source such as a local government planning office. Please indicate the source of your data in Part 8 of this form.

Block 3b - Using the information from the completed Worksheet 1, respondents should identify the demographic group(s) least likely to apply for the housing without special outreach efforts by checking all that apply.

### **Part 4 - Marketing Program and Residency Preference (if any).**

Block 4a - A residency preference is a preference for admission of persons who reside or work in a specified geographic area (see 24 CFR 5.655(c)(1)(ii)). Respondents should indicate whether a residency preference is being utilized, and if so, respondents should specify if it is new, revised, or continuing. If a respondent wishes to utilize a residency preference, it must state the preference area (and provide a map delineating the precise area) and state the reason for having such a preference. The respondent must ensure that the preference is in accordance with the non-discrimination and equal opportunity requirements in 24 CFR 5.105(a) (see 24 CFR 5.655(c)(1)).

Respondents should use Worksheet 2 to show how the percentage of the eligible population living or working in the residency preference area compares to that of residents of the project, project applicant data, census tract, housing market area, and expanded housing market area. The percentages would be the same as shown on completed Worksheet 1.

Block 4b - Using Worksheet 3, respondents should describe their use of community contacts to help market the project to those least likely to apply. This table should include the name of a contact person, his/her address, telephone number, previous experience working with the target population(s), the approximate date contact was/will be initiated, and the specific role the community contact will play in assisting with affirmative fair housing marketing or outreach.

Block 4c - Using Worksheet 4, respondents should describe their proposed method(s) of advertising to market to those least likely to apply. This table should identify each media option, the reason for choosing this media, and the language of the advertisement. Alternative format(s) that will be used to reach persons with disabilities, and logo(s) that will appear on the various materials (as well as their size) should be described.

**Please attach a copy of the advertising or marketing material.**

### **Part 5 – Availability of the Fair Housing Poster, AFHMP, and Project Site Sign.**

Block 5a - The Fair Housing Poster must be prominently displayed in all offices in which sale or rental activity takes place (24 CFR 200.620(e)). Respondents should indicate all locations where the Fair Housing Poster will be displayed.

Block 5b -The AFHMP must be available for public inspection at the sales or rental office (24 CFR 200.625). Check all of the locations where the AFHMP will be available.

Block 5c -The Project Site Sign must display in a conspicuous position the HUD-approved Equal Housing Opportunity logo, slogan, or statement (24 CFR 200.620(f)). Respondents should indicate where the Project Site Sign will be displayed, as well as the size of the Sign and the size of the logo, slogan, or statement. **Please submit photographs of project site signs.**

## **Part 6 - Evaluation of Marketing Activities.**

Respondents should explain the evaluation process to be used to determine if they have been successful in attracting those individuals identified as least likely to apply. Respondents should also explain how they will make decisions about future marketing activities based on the evaluations.

## **Part 7- Marketing Staff and Training.**

Block 7a - Respondents should identify staff positions that are/will be responsible for affirmative marketing.

Block 7b - Respondents should indicate whether staff has been trained on the AFHMP and Fair Housing Act.

Please indicate who provides the training and how frequently. In addition, respondents should specify whether they periodically assess staff members' skills in using the AFHMP and in applying the Fair Housing Act. They should state how often they assess employee skills and how they conduct the assessment.

Block 7c - Respondents should indicate whether staff has been trained on tenant selection in accordance with the project's occupancy policy, including residency preferences (if any). Respondents should also identify those staff positions that are/will be responsible for tenant selection.

Block 7d - Respondents should include copies of any written materials related to staff training, and identify the dates of past and anticipated training.

## **Part 8 - Additional Considerations.**

Respondents should describe their efforts not previously mentioned that were/are planned to attract those individuals least likely to apply for the subject housing.

## **Part 9 - Review and Update.**

By signing the respondent assumes responsibility for implementing the AFHMP. Respondents must review their AFHMP every five years or when the local Community Development jurisdiction's Consolidated Plan is updated, or when there are significant changes in the demographics of the project or the local housing market area. When reviewing the plan, the respondent should consider the current demographics of the housing market area to determine if there have been demographic changes in the population in terms of race, color, national origin, religion, sex, familial status, or disability. The respondent will then determine if the population least likely to apply for the housing is still the population identified in the AFHMP, whether the advertising and publicity cited in the current AFHMP are still appropriate, or whether advertising sources should be modified or expanded. Even if the demographics of the housing market area have not changed, the respondent should determine if the outreach currently being performed is reaching those it is intended to reach as measured by project occupancy and applicant data. If not, the AFHMP should be updated. The revised AFHMP must be submitted to HUD for approval. HUD may review whether the affirmative marketing is actually being performed in accordance with the AFHMP. If based on their review, respondents determine the AFHMP does not need to be revised, they should maintain a file documenting what was reviewed, what was found as a result of the review, and why no changes were required. HUD may review this documentation.

## **Notification of Intent to Begin Marketing.**

No later than 90 days prior to the initiation of rental marketing activities, the respondent must submit notification of intent to begin marketing. The notification is required by the AFHMP Compliance Regulations (24 CFR 108.15). The Notification is submitted to the Office of Housing in the HUD Office servicing the locality in which the proposed housing will be located. Upon receipt of the Notification of Intent to Begin Marketing from the applicant, the monitoring office will review any previously approved plan and may schedule a pre-occupancy conference. Such conference will be held prior to initiation of sales/rental marketing activities. At this conference, the previously approved AFHMP will be reviewed with the applicant to determine if the plan, and/or its proposed implementation, requires modification prior to initiation of marketing in order to achieve the objectives of the AFHM regulation and the plan.

OMB approval of the AFHMP includes approval of this notification procedure as part of the AFHMP. The burden hours for such notification are included in the total designated for this AFHMP form.

**Worksheet 1: Determining Demographic Groups Least Likely to Apply for Housing Opportunities  
(See AFHMP, Block 3b)**

In the respective columns below, indicate the percentage of demographic groups among the project’s residents, current project applicant data, census tract, housing market area, and expanded housing market area (See instructions to Block 1e). If you are a new construction or substantial rehabilitation project and do not have residents or project applicant data, only report information for census tract, housing market area, and expanded market area. The purpose of this information is to identify any under-representation of certain demographic groups in terms of race, color, national origin, religion, sex, familial status, or disability. If there is significant under-representation of any demographic group among project residents or current applicants in relation to the housing/expanded housing market area, then targeted outreach and marketing should be directed towards these individuals least likely to apply. Please indicate under-represented groups in Block 3b of the AFHMP. **Please attach maps showing both the housing market area and the expanded housing market area.**

**Instructions:** For demographic data from the 2010 Census, please see <http://factfinder2.census.gov/main.html>. To find data by Census Tract, County, Metropolitan Statistical Area (MSA), or other level:

1. Click “Geographies” on the left.
2. Click the “Address” Tab and enter the address of the project and then click “GO”.  
(\*To create a map of the area click the “Maps” tab\*)
3. Select the level of interest (Census Tract, County, MSA, or other) and then close the “Select Geographies” box.  
**(Do NOT select more than one level at a time)**
4. Click the first “Profile of General Population and Housing Characteristics: 2010” also known as DP-1.  
(Refer to the “Race” section “Total Population” subsection for breakdown of demographic characteristics)
5. Record the information in Worksheet 1 for that level, click “Back to Search” in the top left corner, then click “Clear all Selections” in the “Selections” Box in the top left corner.
6. Start process again to retrieve the next level of data (County, MSA, or other).

To collect information about the percentage of persons with disabilities repeat above steps 1 through 3 to select your level of interest (Census Tract, County, MSA, etc.) then:

1. Click “Topics” on the left.
2. Click “People”.
3. Click “Disability” and then click the “Disability” link directly beneath it.
4. **For Census Tract-** Select the first “Disability Status by Sex: 2000” or QT-P21. Please note that the most recent information for census tract is from 2000. In this section report percent with a disability for both sexes for population 5 years and over.  
**For County or MSA-** Select the first “Selected Social Characteristics in the United States” or DP02 and report the percent of the total civilian noninstitutionalized population with a disability.
5. Record the information in Worksheet 1 and then click “Back to Search” in the top left corner, then click the “X” next to the level in the “Your Selections” box, but **KEEP** “DISABILITY” as a selection.
6. Repeat for next level of data (County, MSA, or other).

Demographic Characteristics	Project’s Residents	Project’s Applicant Data	Census Tract	Housing Market Area	Expanded Housing Market Area
% White					
% Black or African American					
% Hispanic or Latino					
% Asian					
% American Indian or Alaskan Native					
% Native Hawaiian or Pacific Islander					
% Persons with Disabilities					
% Families with Children under the age of 18					
Other (specify)					

Worksheet 2: Establishing a Residency Preference Area (See AFHMP, Block 4a)

Complete this Worksheet if you wish to continue, revise, or add a residency preference, which is a preference for admission of persons who reside or work in a specified geographic area (see 24 CFR 5.655(c)(1)(ii)). If a residency preference is utilized, the preference must be in accordance with the non-discrimination and equal opportunity requirements contained in 24 CFR 5.105(a). This Worksheet will help show how the percentage of the population in the residency preference area compares to the demographics of the project's residents, applicant data, census tract, housing market area, and expanded housing market area. **Please attach a map clearly delineating the residency preference geographical area.**

Demographic Characteristics	Project's Residents (as determined in Worksheet 1)	Project's Applicant Data (as determined in Worksheet 1)	Census Tract (as determined in Worksheet 1)	Housing Market Area (as determined in Worksheet 1)	Expanded Housing Market Area (as determined in Worksheet 1)	Residency Preference Area (if applicable)
% White						
% Black or African American						
% Hispanic or Latino						
% Asian						
% American Indian or Alaskan Native						
% Native Hawaiian or Pacific Islander						
% Persons with Disabilities						
% Families with Children under the age of 18						
Other (specify)						

Worksheet 3: Proposed Marketing Activities –Community Contacts (See AFHMP, Block 4b)

For each targeted marketing population designated as least likely to apply in Block 3b, identify at least one community contact organization you will use to facilitate outreach to the particular population group. This could be a social service agency, religious body, advocacy group, community center, etc. State the names of contact persons, their addresses, their telephone numbers, their previous experience working with the target population, the approximate date contact was/will be initiated, and the specific role they will play in assisting with the affirmative fair housing marketing. Please attach additional pages if necessary.

Targeted Population(s)	Community Contact(s), including required information noted above.

Worksheet 4: Proposed Marketing Activities – Methods of Advertising (See AFHMP, Block 4c)

Complete the following table by identifying your targeted marketing population(s), as indicated in Block 3b, as well as the methods of advertising that will be used to market to that population. For each targeted population, state the means of advertising that you will use as applicable to that group and the reason for choosing this media. In each block, in addition to specifying the media that will be used (e.g., name of newspaper, television station, website, location of bulletin board, etc.) state any language(s) in which the material will be provided, identify any alternative format(s) to be used (e.g. Braille, large print, etc.), and specify the logo(s) (as well as size) that will appear on the various materials. Attach additional pages, if necessary, for further explanation. Please attach a copy of the advertising or marketing material.

Targeted Population(s)→ Methods of Advertising ↓	Targeted Population:	Targeted Population:	Targeted Population:
Newspaper(s)			
Radio Station(s)			
TV Station(s)			
Electronic Media			
Bulletin Boards			
Brochures, Notices, Flyers			
Other (specify)			

**ASSET VERIFICATION**

Neighborhood Stabilization Program (NSP)

7/11

Name & Address of Bank:

\_\_\_\_\_ Date \_\_\_\_\_  
 \_\_\_\_\_ Applicant \_\_\_\_\_  
 \_\_\_\_\_ Social Security # \_\_\_\_\_

**TO BE COMPLETED BY PROJECT MANAGER**

The person listed above has indicated that he or she has assets in your institution. Information provided will remain confidential and will be used solely for the purpose of determining eligibility for occupancy in a housing development receiving funding under the Neighborhood Stabilization Program.

\_\_\_\_\_ Project Management Agent

**TO BE COMPLETED BY APPLICANT**

I hereby authorize the above named management agent to make inquiries regarding my financial circumstances for the purpose of determining my eligibility for occupancy.

Signed \_\_\_\_\_ Date \_\_\_\_\_

**TO BE COMPLETED BY THE FINANCIAL INSTITUTION:**

Checking Account Balance \_\_\_\_\_ Interest Rate \_\_\_\_\_

Average Balance for Previous Six months \_\_\_\_\_

Current Savings Account Balance \_\_\_\_\_ Interest Rate \_\_\_\_\_

Certificates of Deposit # \_\_\_\_\_ Value \_\_\_\_\_ Interest Rate \_\_\_\_\_

Certificates of Deposit # \_\_\_\_\_ Value \_\_\_\_\_ Interest Rate \_\_\_\_\_

Certificates of Deposit # \_\_\_\_\_ Value \_\_\_\_\_ Interest Rate \_\_\_\_\_

Certificates of Deposit # \_\_\_\_\_ Value \_\_\_\_\_ Interest Rate \_\_\_\_\_

Money Market Certificate \_\_\_\_\_ Value \_\_\_\_\_ Interest Rate \_\_\_\_\_

Other Accounts \_\_\_\_\_

Signature and Title of Authorized Representative: \_\_\_\_\_

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

**TO BE COMPLETED BY PROJECT MANAGER**

PLEASE RETURN TO:

Phone Number: \_\_\_\_\_ Fax Number: \_\_\_\_\_

**CERTIFICATION OF ZERO INCOME**

Neighborhood Stabilization Program (NSP)

7/11

(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

**DOCUMENT VIEWED OR TELEPHONE INFORMATION RECEIVED**

Neighborhood Stabilization Program (NSP)

7/11

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(VERIFICATION RECEIVED BY TELEPHONE OR PERSONAL CONTACT OR FROM DOCUMENT RETAINED BY APPLICANT/TENANT)

Applicant \_\_\_\_\_ Date \_\_\_\_\_

Social Security \_\_\_\_\_

Documents Viewed: \_\_\_\_\_

\_\_\_\_\_

Or Person Contacted: \_\_\_\_\_

Representing: \_\_\_\_\_

Item Verified \_\_\_\_\_

Information Supplied: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Comments: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Project Name \_\_\_\_\_

Signature \_\_\_\_\_

**EMPLOYMENT VERIFICATION**  
Neighborhood Stabilization Program (NSP)

7/11

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:**

**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: \$ \_\_\_\_\_ (circle one) hourly weekly bi-weekly semi-monthly monthly yearly other \_\_\_\_\_

Average # of regular hours per week: \_\_\_\_\_ Year-to-date earnings: \$ \_\_\_\_\_ 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: \$ \_\_\_\_\_ (circle 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.

**FORMER SPOUSE CHILD SUPPORT and/or ALIMONY VERIFICATION**

Neighborhood Stabilization Program (NSP)

7/11

Name & address of former spouse:

\_\_\_\_\_ Date \_\_\_\_\_  
 \_\_\_\_\_ Applicant \_\_\_\_\_  
 \_\_\_\_\_ Social Security # \_\_\_\_\_

***TO BE COMPLETED BY PROJECT MANAGER***

The person listed above has indicated that he or she is receiving child support and/or alimony/spousal support from you. Information provided will remain confidential and will be used solely for the purpose of determining eligibility for occupancy in a housing development receiving funding under the Neighborhood Stabilization Program.

\_\_\_\_\_ Project Management Agent

***TO BE COMPLETED BY APPLICANT***

I hereby authorize the above named management agent to make inquiries regarding my child support and/or alimony/spousal support for the purpose of determining my eligibility for occupancy.

Signed \_\_\_\_\_ Date \_\_\_\_\_

***TO BE COMPLETED BY FORMER SPOUSE***

This will certify that I pay \$ \_\_\_\_\_ per \_\_\_\_\_ in child support and \$ \_\_\_\_\_ per \_\_\_\_\_ in alimony/spousal support.

Signature and Former Spouse: \_\_\_\_\_

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

***TO BE COMPLETED BY PROJECT MANAGER***

PLEASE RETURN TO:

Phone Number: \_\_\_\_\_ Fax Number: \_\_\_\_\_

# FOSTER CARE VERIFICATION

Neighborhood Stabilization Program (NSP)

This form is to be used in verifying full time student eligibility

7/11

To:	From:
Tenant Name:	Thank you for your prompt response. All information is confidential. If you have questions, please contact _____ at phone number _____.
Social Security Number:	

## PERMISSION FOR RELEASE OF INFORMATION

Release: I hereby authorize the release of the requested information. Information obtained under this consent is limited to information that is not older than 12 months.

\_\_\_\_\_  
Tenant Signature

\_\_\_\_\_  
Date

## THIS SECTION TO BE COMPLETED BY PUBLIC AUTHORITY

For purposes of determining the eligibility of full time students formerly in out-of-home placement in a foster care system governed by Title IV, part B or E of the Social Security Act Foster Care Eligibility Program, the above referenced individual:

- Has previously been in foster care from \_\_\_\_\_ to \_\_\_\_\_.
- Has not previously been in foster care.

## Department of Social Services:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

Print your name:	Title
Telephone Number and Address:	

**Penalties for misusing this content:** 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 uses 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). Violations of these provisions are cited as violations of 42 USC 408 (a), (6), (7) and (8).

# INVESTMENT, PENSION OR ANNUITY VERIFICATION

Neighborhood Stabilization Program (NSP)

7/11

To:	From:
Tenant Name:	Thank you for your prompt response. All information is confidential. If you have any questions, please contact at phone number _____.
Social Security Number:	

Please confirm assets of the tenant listed above:     Investment     Pension     Annuity Verification

**Permission for release of information:**

Release: I hereby authorize the release of the requested information. Information obtained under this consent is limited to information that is not older than 12 months.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

**INSURANCE AGENT/ADMINISTRATOR – PLEASE COMPLETE APPLICABLE SECTIONS**

Type of account: <input type="checkbox"/> Fixed <input type="checkbox"/> Deferred <input type="checkbox"/> Variable <input type="checkbox"/> Life <input type="checkbox"/> Other	
Market Value:	Surrender or Withdrawal fee:
Is this person receiving regular payments? <input type="checkbox"/> Yes <input type="checkbox"/> No	If yes, what is the gross amount? \$ Per (check one) <input type="checkbox"/> Month <input type="checkbox"/> Quarter <input type="checkbox"/> Other
Date benefits began:	Effective date of current amount:
Deductions from gross amount for medical insurance premiums:	
If no, does the holder receive dividends/interest income? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Reinvested into account	
If yes or reinvested into account, what is the interest rate: (If variable, provide current rate)	
Is the holder able to withdraw the balance of the annuity/account? <input type="checkbox"/> Yes <input type="checkbox"/> No	
If yes, what is the amount?	What is the tax rate?
What is the tax penalty, if any	Is the individual reimbursed for medical costs? <input type="checkbox"/> Yes <input type="checkbox"/> No

\_\_\_\_\_  
Signature of Agent/Administrator

\_\_\_\_\_  
Date

Printed Name:	Telephone Number:
Address:	

**Penalties for misusing this content:** 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 uses 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). Violations of these provisions are cited as violations of 42 USC 408 (a), (6), (7) and (8).

# LIVE-IN AIDE HOUSING AGREEMENT

Neighborhood Stabilization Program (NSP)

7/11

A Live-in Aide is a person or persons who:

- ◆ **Resides with an elderly, handicapped or disabled person or persons;**
- ◆ **Is determined to be essential to the care and well being of the tenant;**
- ◆ **Is not obligated for the support of the Tenant; and,**
- ◆ **Would not be living in the unit except to provide the necessary supportive services.**

Name of tenant:	Unit #
Name of household member requiring assistance:	
Name of Live-in Aide:	
Name of Company Aide works for:	Phone number:

## The Tenant and Live-in Aide acknowledge and agree as follows:

- ◆ The Live-in Aide is not a tenant of the Landlord. The Live-in Aide shall not become a tenant of the Landlord regardless of the length of his/her stay in the unit or his/her relationship to the Tenant. Relatives who meet the definition and qualify as a Live-in Aide relinquish all rights to the unit as a "remaining member" of the Tenant's household.
- ◆ The Live-in Aide shall be living in the unit solely to provide support services to the household member requiring assistance. If the household member requiring assistance no longer resides in the unit, the Live-in Aide shall have no rights or privileges to remain on the premises.
- ◆ If the household member requiring assistance dies, the Live-in Aide shall vacate the unit within 10 days of said household member's death. If the household member requiring assistance moves out, the Live-in Aide shall vacate the unit no later than said household members vacate date. Upon the termination of the Live-in Aide's services for any other reason, the Live-in Aide shall vacate the unit within 24 hours.
- ◆ The Live-in Aide shall not violate any of the House Rules. The Landlord may evict the Live-in Aide if she/he violates any of the House Rules. A copy of the House Rules has been provided to the Live-in Aide.

\_\_\_\_\_  
Tenant's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Live-in Aide's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Owner/Management Agent's Signature

\_\_\_\_\_  
Date

# LIVE-IN AIDE HOUSING AGREEMENT

Neighborhood Stabilization Program (NSP)

7/11

To:	From:
Tenant Name:	Thank you for your prompt response. All information is confidential. If you have questions, please contact _____ at phone number _____.
Social Security Number:	

**PERMISSION FOR RELEASE OF INFORMATION:**

Release: I hereby authorize the release of the requested information. Information obtained under this consent is limited to information that is no older than 12 months.

\_\_\_\_\_  
Tenant Signature

\_\_\_\_\_  
Date

**THIS SECTION TO BE COMPLETED BY MEDICAL PROFESSIONAL**

Does the above person have a disability related need for a Live-in Aide/Attendant? <input type="checkbox"/> Yes <input type="checkbox"/> No
Is the Live-in Aide/Attendant essential to the care and well being of the person? <input type="checkbox"/> Yes <input type="checkbox"/> No Comments:
Does the applicant/tenant require a separate bedroom for medical apparatus or other medically related purpose? <input type="checkbox"/> Yes <input type="checkbox"/> No Comments:

**This is not an inquiry as to the nature or severity of the person's handicapped/disability. Simply indicate whether the applicant/resident needs the above.**

Signature \_\_\_\_\_ Date \_\_\_\_\_

Printed Name:	Date:
Title:	Date:
Address:	

**Penalties for misusing this content:** 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 uses 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). Violations of these provisions are cited as violations of 42 USC 408 (a), (6), (7) and (8).

**MILITARY PAY VERIFICATION**

Neighborhood Stabilization Program (NSP)

7/11

Name & address of employer:

\_\_\_\_\_ Date \_\_\_\_\_  
 \_\_\_\_\_ Applicant \_\_\_\_\_  
 \_\_\_\_\_ Social Security # \_\_\_\_\_

**TO BE COMPLETED BY PROJECT MANAGER**

The person listed above has indicated that he or she is employed by the military. Information provided will remain confidential and will be used solely for the purpose of determining eligibility for occupancy in a housing development receiving funding under the Neighborhood Stabilization Program.

\_\_\_\_\_ Project Management Agent

**TO BE COMPLETED BY APPLICANT**

I hereby authorize the above named management agent to make inquiries regarding my employment for the purpose of determining my eligibility for occupancy.

Signed \_\_\_\_\_ Date \_\_\_\_\_

**TO BE COMPLETED BY MILITARY EMPLOYER**

Years \_\_\_\_\_ and months \_\_\_\_\_ of service for pay Purposes.

Number of Dependents Claimed: \_\_\_\_\_

**Gross Earnings anticipated over next 12 months:**

Monthly Base Pay and Longevity Pay \_\_\_\_\_ Proficiency Pay \_\_\_\_\_  
 Sea and Foreign Duty Pay \_\_\_\_\_ Hazardous Duty Pay \_\_\_\_\_  
 Imminent Danger Pay \_\_\_\_\_ Subsistence Allowance \_\_\_\_\_  
 Quarters Allowance (government contribution) \_\_\_\_\_  
 Total Annual Entitlement \_\_\_\_\_ Total Monthly Entitlement \_\_\_\_\_  
 Probability of Continued Enlistment \_\_\_\_\_  
 Authorized Official Signature and Title: \_\_\_\_\_ Date \_\_\_\_\_  
 Military Agency \_\_\_\_\_  
 Address \_\_\_\_\_ Phone \_\_\_\_\_  
 City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

**TO BE COMPLETED BY PROJECT MANAGER**

PLEASE RETURN TO:

Phone Number: \_\_\_\_\_ Fax Number: \_\_\_\_\_

**PUBLIC ASSISTANCE VERIFICATION**

Neighborhood Stabilization Program (NSP)

7/11

Name & address:

\_\_\_\_\_ Date \_\_\_\_\_  
 \_\_\_\_\_ Applicant \_\_\_\_\_  
 \_\_\_\_\_ Social Security # \_\_\_\_\_

**TO BE COMPLETED BY PROJECT MANAGER**

The person listed above has indicated that he or she is receiving income from your agency. Information provided will remain confidential and will be used solely for the purpose of determining eligibility for occupancy in a housing development receiving funding under the Neighborhood Stabilization Program.

\_\_\_\_\_ Project Management Agent

**TO BE COMPLETED BY APPLICANT**

I hereby authorize the above named management agent to make inquiries regarding my income for the purpose of determining my eligibility for occupancy.

Signed \_\_\_\_\_ Date \_\_\_\_\_

**TO BE COMPLETED BY SOCIAL SERVICES**

Detailed Budget Statement Provided \_\_\_\_\_

Monthly payment from this Agency:

TANF \_\_\_\_\_ GA \_\_\_\_\_

Child Support Pass Through \_\_\_\_\_

Other \_\_\_\_\_

Other Known Income \_\_\_\_\_

Payments over the last six months \_\_\_\_\_

Remarks - Please indicate any anticipated changes in:

1. The monthly payment \_\_\_\_\_
2. The family status of the Applicant \_\_\_\_\_

Signature and Title of Social Service Worker: \_\_\_\_\_

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

**TO BE COMPLETED BY PROJECT MANAGER**

PLEASE RETURN TO:

Phone Number: \_\_\_\_\_ Fax Number: \_\_\_\_\_

**RAILROAD RETIREMENT VERIFICATION**

Neighborhood Stabilization Program (NSP)

7/11

Railroad Retirement Board

\_\_\_\_\_ Date \_\_\_\_\_  
 \_\_\_\_\_ Applicant \_\_\_\_\_  
 \_\_\_\_\_ Social Security \_\_\_\_\_  
 \_\_\_\_\_ Railroad Retirement Claim # \_\_\_\_\_

***TO BE COMPLETED BY PROJECT MANAGER***

The person listed above has indicated that he or she is receiving Railroad Retirement benefits. Information provided will remain confidential and will be used solely for the purpose of determining eligibility for occupancy in a housing development receiving funding under the Neighborhood Stabilization Program

\_\_\_\_\_ Project Management Agent

***TO BE COMPLETED BY APPLICANT***

I hereby authorize the above named management agent to make inquiries regarding my Railroad Retirement benefits for the purpose of determining my eligibility for occupancy.

Signed \_\_\_\_\_ Date \_\_\_\_\_

***TO BE COMPLETED BY RAILROAD RETIREMENT ADMINISTRATION***

Gross Monthly Benefit: \_\_\_\_\_ Effective Date: \_\_\_\_\_

Deductions if any: \_\_\_\_\_ Net Monthly Benefit: \_\_\_\_\_

Comments

\_\_\_\_\_  
 \_\_\_\_\_

Signature and Title of Railroad Retirement Official: \_\_\_\_\_

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

***TO BE COMPLETED BY PROJECT MANAGER***

PLEASE RETURN TO:

Phone Number: \_\_\_\_\_ Fax Number: \_\_\_\_\_

**REAL ESTATE VERIFICATION**

Neighborhood Stabilization Program (NSP)

7/11

TO: (Name & address)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

RE: \_\_\_\_\_  
Applicant/Tenant Name                      Social Security #                      Unit # (if assigned)

I hereby authorize release of the requested 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

**MAIL OR FAX THIS FORM TO:**



Description of Property: (acreage, type of structures, etc.)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Address or location (street address or legal description):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**THIS SECTION TO BE COMPLETED BY REALTOR, MORTGAGEE OR CLOSING COMPANY**

Market Value \$ \_\_\_\_\_ Total Assessed Value \$ \_\_\_\_\_

If this property were sold, please estimate expenses below:

Broker Fee \$ \_\_\_\_\_ Settlement Costs \$ \_\_\_\_\_  
Legal Fees \$ \_\_\_\_\_ Other (Specify) \$ \_\_\_\_\_  
Balance on Loan \$ \_\_\_\_\_ Cash Value \$ \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
Print your name and title: \_\_\_\_\_ Tel. #: \_\_\_\_\_  
Company name and address: \_\_\_\_\_

**Warning: 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.**

**SECTION 8 ELIGIBILITY VERIFICATION**

Neighborhood Stabilization Program (NSP)

7/11

Name & Address of Housing Authority:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ Date \_\_\_\_\_  
Applicant \_\_\_\_\_  
Social Security \_\_\_\_\_

**TO BE COMPLETED BY PROJECT MANAGER**

The person listed above has indicated that he or she is receiving Section 8 housing assistance from your agency. Information provided will remain confidential and will be used solely for the purpose of determining eligibility for occupancy in a housing development receiving funding under the Neighborhood Stabilization Program.

\_\_\_\_\_ Project Management Agent

**TO BE COMPLETED BY APPLICANT**

I hereby authorize the above named management agent to make inquiries regarding my income for the purpose of determining my eligibility for occupancy.

Signed \_\_\_\_\_ Date \_\_\_\_\_

**TO BE COMPLETED BY PHA STAFF:**

The total annual **gross** income for the above named household **without any deductions or allowances**, as verified by this PHA, is: \_\_\_\_\_

According to this PHA's records, the total number of members in the above named household is: \_\_\_\_\_

\_\_\_\_\_  
Signature of PHA Worker Name of PHA

Date: \_\_\_\_\_ Phone # \_\_\_\_\_

**TO BE COMPLETED BY PROJECT MANAGER**

PLEASE RETURN TO:

Phone Number: \_\_\_\_\_ Fax Number: \_\_\_\_\_

# SELF-CERTIFICATION OF UNBORN CHILD/ADOPTION/CUSTODY

Neighborhood Stabilization Program (NSP)

7/11

Applicant's Name:	Unit #:
Address:	

For purposes of determining the income limit and/or number of bedrooms applicable for my household size, I hereby certify that I am:

- Expecting a child (or children). The due date is: \_\_\_\_\_
- In the process of adopting a child (or children).
- In the process of obtaining custody of a child (or children).

Explanation:

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

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Your Name

\_\_\_\_\_  
Telephone Number

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**SELF-EMPLOYMENT CERTIFICATION FOR NEW BUSINESS**  
 Neighborhood Stabilization Program (NSP)

**APPLICANT INFORMATION**

Name:	Social Security Number:
Mailing Address:	Phone:
	Email:

**BUSINESS INFORMATION**

Name of Business:	Type of Business/Work:
Business Address:	
Date Business Opened (If date is in a previous tax year, submit most recent tax return filed with this form.):	

**BUSINESS INCOME**

Income figures are based on an upcoming 12-month time period. Begin Date: \_\_\_\_\_ End Date: \_\_\_\_\_

<b>1) Expected Gross Annual Income</b>	\$
<b>2) Anticipated Annual Expenses</b>	
a) Interest on Loan(s)	\$
b) Cost of Goods/Materials	\$
c) Business Rent	\$
d) Utilities	\$
e) Wages and Salaries	\$
f) Employee Withholding Tax	\$
g) Federal Withholding Tax	\$
h) State Withholding Tax	\$
i) FICA	\$
j) Sales Tax	\$
k) Other (itemize on the reverse)	\$
l) Straight Line Depreciation	\$
<b>Total Expense (Sum of items a through l)</b>	\$
<b>3) Expected Net Annual Income (Expected Gross Annual Income minus Total Expenses)</b>	\$

Under penalties of perjury, I certify that the information presented in this Self-Employment Certification for New Business is true and accurate to the best of my knowledge and belief. The undersigned further understands that providing false representations herein constitutes an act of fraud. False, misleading or incomplete information may result in termination of the lease agreement.

\_\_\_\_\_  
 Applicant Signature

\_\_\_\_\_  
 Date

**Penalties for misusing this content:** 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 uses of information collected based on the consent form. Use of the information collected based on this verification form is restricted to the purpose 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). Violations of these provisions are cited as violations of 42 USC 408 (a), (6), (7) and (8).

**SOCIAL SECURITY CHECK VERIFICATION**

Neighborhood Stabilization Program (NSP)

7/11

Date \_\_\_\_\_

Applicant \_\_\_\_\_

Social Security \_\_\_\_\_

**TO BE COMPLETED BY PROPERTY MANAGER**

I, \_\_\_\_\_, certify that I viewed Social Security Check No. \_\_\_\_\_ issued in the name of \_\_\_\_\_ on the date of \_\_\_\_\_ in the amount of \$ \_\_\_\_\_. The amount of the check represents the regular monthly income from (*circle one*) Social Security or SSI. The amount of \$ \_\_\_\_\_ has been deducted for the Medicare premium.

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

**TO BE COMPLETED BY APPLICANT**

I hereby certify that the information reported above concerning my Social Security and/or SSI income is correct. I understand that the amount of the Medicare premium, if any, must be included in my income for the purpose of determining my eligibility for occupancy in a housing development receiving funding under the Neighborhood Stabilization Program.

Signed \_\_\_\_\_ Date \_\_\_\_\_

# SOCIAL SECURITY VERIFICATION

Neighborhood Stabilization Program (NSP)

7/11

Name & address of Social Security Administration:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Date \_\_\_\_\_  
Applicant \_\_\_\_\_  
Social Security \_\_\_\_\_  
Social Security Claim # \_\_\_\_\_

### TO BE COMPLETED BY PROJECT MANAGER

The person listed above has indicated that he or she is receiving benefits from the Social Security Administration. Information provided will remain confidential and will be used solely for the purpose of determining eligibility for occupancy in a housing development receiving funding under the Neighborhood Stabilization Program.

\_\_\_\_\_ Project Management Agent

### TO BE COMPLETED BY APPLICANT

I hereby authorize the above named management agent to make inquiries regarding my Social Security benefits for the purpose of determining my eligibility for occupancy.

Signed \_\_\_\_\_ Date \_\_\_\_\_

### TO BE COMPLETE BY SOCIAL SECURITY ADMINISTRATION

Gross Monthly Social Security Benefit: \_\_\_\_\_ Effective Date: \_\_\_\_\_

Medicare Premium Deduction: \_\_\_\_\_ Net Monthly Benefit: \_\_\_\_\_

Monthly Supplemental Security Income payment, if applicable: \_\_\_\_\_

**COMPLETE ONLY IF YOU ARE UNABLE TO VERIFY INFORMATION REQUESTED:**

\_\_\_\_\_ *Claim still pending*

\_\_\_\_\_ *No record based on identifying information*

\_\_\_\_\_ *Other*

Signature and Title of Social Security Official: \_\_\_\_\_

Date: \_\_\_\_\_ Phone # \_\_\_\_\_

### TO BE COMPLETED BY PROJECT MANAGER

PLEASE RETURN TO:

Phone Number: \_\_\_\_\_ Fax Number: \_\_\_\_\_

**CHILD SUPPORT AND/OR ALIMONY/SPOUSAL SUPPORT VERIFICATION**

(Completed by State Disbursement Unit)

Neighborhood Stabilization Program (NSP)

7/11

**FAX TO: 701-328-5425**

**State Disbursement Unit**

**PO Box 7280**

**Bismarck, ND 58507-7280**

Date \_\_\_\_\_

Applicant \_\_\_\_\_

Social Security # \_\_\_\_\_  
**(Mandatory)**

***TO BE COMPLETED BY PROJECT MANAGER***

The person listed above has indicated that he or she is court ordered child support and/or alimony/spousal support. Information provided will remain confidential and will be used solely for the purpose of determining eligibility for occupancy in a housing development receiving funding under the Neighborhood Stabilization Program.

\_\_\_\_\_ Project Management Agent

***TO BE COMPLETED BY APPLICANT***

I hereby authorize the above named management agent to make inquiries regarding my court ordered child support and/or alimony/spousal support for the purpose of determining my eligibility for occupancy.

Signed \_\_\_\_\_ Date \_\_\_\_\_

***TO BE COMPLETED BY STATE DISBURSEMENT UNIT***

This will certify that the above named person receives \$ \_\_\_\_\_ per \_\_\_\_\_ in child support and \$ \_\_\_\_\_ per \_\_\_\_\_ in alimony/spousal support. (A copy of the account ledger may be substituted.)

Signature and Title of Official: \_\_\_\_\_

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

***TO BE COMPLETED BY PROJECT MANAGER***

PLEASE RETURN TO:

Phone Number: \_\_\_\_\_ Fax Number: \_\_\_\_\_



**FULL TIME STUDENT ELIGIBILITY SELF-AFFIDAVIT**

Neighborhood Stabilization Program (NSP)

7/11

Applicant/Resident Name: \_\_\_\_\_ Date: \_\_\_\_\_

Initial Certification Date of Expected Move-In: \_\_\_\_\_

Recertification (Annual or Interim) Effective Date: \_\_\_\_\_

You have applied to live in an apartment that is governed by the Neighborhood Stabilization Program. This Program has restrictions on full-time students and requires us to determine student status. We must determine this prior to granting your eligibility and, if such eligibility is granted, each subsequent year you remain in the unit.

*The Neighborhood Stabilization Program defines a full-time student as an individual who attends school for 5 months – consecutive or not – out of the 12 month current January to December taxpayer year; meets the definition of full-time as described by the school in which s/he is attending; AND is in elementary school or higher.*

**STEP #1** List each household member (INCLUDING MINORS) and their CURRENT student status.

Head of Household: \_\_\_\_\_  Non-Student  Part Time  Full-Time

Household Member #2: \_\_\_\_\_  Non-Student  Part Time  Full-Time

Household Member #3: \_\_\_\_\_  Non-Student  Part Time  Full-Time

**IF YOUR HOUSEHOLD CONTAINS NO STUDENTS, complete the attestation below:**

I, \_\_\_\_\_ hereby attest that my household contains **NO** students at this time nor do I expect any one to become a student in the next 12 months **BUT WILL NOTIFY MANAGEMENT IF THIS FACT CHANGES.**

**IF YOUR HOUSEHOLD CONTAINS PART-TIME STUDENT(S), list all such students below and the school attending.**

Part-time Student #1: \_\_\_\_\_ School attending: \_\_\_\_\_

Part-time Student #2: \_\_\_\_\_ School attending: \_\_\_\_\_

*The student(s) part-time status will be verified with the school indicated above. If it can be verified that the household contains at least ONE part-time student, the household will not be subject to Neighborhood Stabilization Program full-time student rule.*

**IF YOUR HOUSEHOLD IS ENTIRELY COMPRISED OF FULL-TIME STUDENT(S), please go to the next step.**

**STEP #2** Is anyone living in the household ELIGIBLE to file a joint tax return? Yes No

**IF YES, indicate the name of the individual below and attach proof of joint filing status entitlement.**

**ATTACH:** Proof of eligibility such as a copy of the marriage license or certificate or most recent tax return indicating joint filing status. If such proof can be provided the household will not be subject to the Neighborhood Stabilization Program full-time student rule.

Name of Individual: \_\_\_\_\_  Eligible to file tax return jointly  Currently filing tax return jointly

**IF NO, go to the next page.**

**STEP #3**

Answer the following questions.

- Yes No 1. Our household is currently receiving AFDC (*Aid to Families with Dependent Children*) or TANF (*Temporary Assistance for Needy Families*).

**ATTACH:** A third-party verification of AFDC or TANF award. If such proof can be provided your household will be Neighborhood Stabilization Program student eligible.

- Yes No 2. The household contains a full-time student that is was **PREVIOUSLY** under the care and placement responsibility of Child Welfare Services or a state foster care or state transitional independent living program.

Name: \_\_\_\_\_

**ATTACH:** A verification of such past placement in either Child Welfare Services or a state foster care or state transitional independent living program.

- Yes No 3. The household contains a full-time student that is enrolled in a job training program with a mission to help individuals with serious barriers to entry into the workforce obtain job skills in order to gainful employment.

Name: \_\_\_\_\_

**ATTACH:** A verification of enrollment & mission statement or other indication that the program meets the above stated mission to help individuals with of the program if not JTPA. If such proof can be provided your household will be Neighborhood Stabilization Program student eligible.

- Yes No 4. I am a full-time student that is a single parent with child(ren) and I am not claimed as a dependent on anyone else's tax return and my child(ren) are either claimed on my tax return or their other parent's tax return.

Tax Return Claimed		Name of Child	Name of absent parent (if claiming)
<input type="radio"/> My Return	<input type="radio"/> Other Parent's	_____	_____
<input type="radio"/> My Return	<input type="radio"/> Other Parent's	_____	_____
<input type="radio"/> My Return	<input type="radio"/> Other Parent's	_____	_____

**ATTACH:** Provide a copy of your most recent tax return and each return reflecting a parent claimed each child in your household. If such proof can be provided your household will be Neighborhood Stabilization Program student eligible.

I certify that the information given above is true and complete to the best of my knowledge. I understand that providing false or misleading information is a breach of my lease and may be subject to criminal penalties.

Signature of Head of Household: \_\_\_\_\_

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

**Office Use Only:**

Date

Calculations:

Received: \_\_\_\_\_



**STUDENT VERIFICATION**

Neighborhood Stabilization Program (NSP)

7/11

**THIS SECTION TO BE COMPLETED BY MANAGEMENT AND EXECUTED BY STUDENT**

This Student Verification is being delivered in connection with the undersigned's eligibility for residency in the following apartment:

Project Name: \_\_\_\_\_

Building Address: \_\_\_\_\_

Unit Number if assigned: \_\_\_\_\_

I hereby grant disclosure of the information requested below from \_\_\_\_\_  
Name of Educational Institution

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Student ID#

**Return Form to:**

**THIS SECTION TO BE COMPLETED BY EDUCATIONAL INSTITUTION**

The above-named individual has applied for residency or is currently residing in housing that requires verification of student status. Please provide the information requested below:

**Is the above-named individual a student at this educational institution?**    **YES**    **NO**

**If so, part-time or full-time?**    **PART-TIME**    **FULL-TIME**

**If full-time, the date the student enrolled as such:** \_\_\_\_\_

**Expected date of graduation:** \_\_\_\_\_

I hereby certify that the information supplied in this section is true and complete to the best of my knowledge.

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

Print Your Name & Title: \_\_\_\_\_ Phone Number: \_\_\_\_\_

Education Institution \_\_\_\_\_

**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.



# Sample Rental Housing Tenant Application Form

## About this Tool

### Description:

This resource provides an example of a tenant application form. Rental applications provide important information about prospective tenants such as their income, household members, tenant histories, and any criminal records. While property owners have the right to collect information from applicants, local, state, and Federal laws govern what questions may be asked or how they are asked.

### How to Adapt this Document:

It is recommended that you revise/create your own rental application with the assistance of legal counsel to fit the specific needs of your project and organization, as well as to assure compliance with any laws governing the management of real estate in your geographic location. The property management company you select will undoubtedly have a rental application it uses for its other clients, but it is advisable to compare it to other sample forms such as this one and use qualified legal counsel to select a form for use in leasing your rental property. Within this sample documents are notes and instructions in brackets with italic type. These should be removed from the final form.

### Source of Document:

This document was adapted from a document provided by POAH, a nonprofit housing developer based in Boston, Massachusetts, which owns more than 6,400 affordable rental units in nine states.

### Disclaimer:

This document is not an official HUD document and has not been reviewed by HUD counsel. It is provided for informational purposes only. Any binding agreement should be reviewed by attorneys for the parties to the agreement and must conform to state and local laws.

This resource is part of the NSP Toolkits. Additional toolkit resources may be found at [www.hud.gov/nspta](http://www.hud.gov/nspta)



LOGO



**SAMPLE NSP RENTAL HOUSING  
Tenant Application Form**

**Property/Address:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Household Information:** Complete the following information for each household member that will occupy the unit at time of move-in:

Name (Last, First, MI)	Relationship to the Head of Household	Sex (M/F)	Birth Date (mm, dd, yyyy)	Student (Y/N)	Social Security Number

**Current Address:** \_\_\_\_\_

**Primary Phone:** (\_\_\_\_) \_\_\_\_\_ **Alternate Phone:** (\_\_\_\_) \_\_\_\_\_

**Are you claiming a "Preference"?** *Certain preferences are assigned to applicants in order to provide housing opportunities for households with special needs. See Tenant Selection Plan for greater detail.*

Displaced by Government Action or Presidentially Declared Disaster.

Victim of Domestic Violence.

Working, Elderly, or Disabled.

Other or Local Preference: \_\_\_\_\_

**Type:**

1st Choice:    2 BR       3 BR       4 BR       5 BR       Other \_\_\_\_\_

2nd Choice:    2 BR       3 BR       4 BR       5 BR       Other \_\_\_\_\_

Would you or anyone in your household benefit from a special needs unit?  
(Mobility, vision, or hearing impairment)       Yes       No

Will you or anyone in your household require a live-in care attendant?  Yes  No

Name of Live-In Care Attendant: \_\_\_\_\_

Relationship (If any): \_\_\_\_\_

**Housing References:**

List the **past 3 years** of housing references. (If additional space is required, use the back of this page.)

	<u>Landlord's Name/Address</u>	<u>Your Address</u>	<u>Own/Rent</u>	<u>Dates</u>
1.	_____ _____ _____ <b>Phone:</b> ( ) _____	_____ _____ _____	<b>Own</b> <input type="checkbox"/> <b>Rent</b> <input type="checkbox"/>	From: _____ To: _____
2.	_____ _____ _____ <b>Phone:</b> ( ) _____	_____ _____ _____	<b>Own</b> <input type="checkbox"/> <b>Rent</b> <input type="checkbox"/>	From: _____ To: _____
3.	_____ _____ _____ <b>Phone:</b> ( ) _____	_____ _____ _____	<b>Own</b> <input type="checkbox"/> <b>Rent</b> <input type="checkbox"/>	From: _____ To: _____

**Household Information (continued)**

1. Will anyone else live in the unit on either a full-time or part-time basis, such as children temporarily absent, children in a joint custody arrangement, children away at school, unborn children, children in the process of being adopted, or temporarily absent family members?  Yes  No

If YES, explain \_\_\_\_\_

2. Do you expect the number of household members to change in the future?  Yes  No

If YES, explain how many members will be added or reduced, and when that change will take place.

\_\_\_\_\_

3. Have any of the household members used names or a social security number other than the names and numbers used above?  Yes  No

If YES, explain \_\_\_\_\_

4. Are any or ALL members of the household full-time students?  Yes  No

If YES, explain

\_\_\_\_\_

5. Have you or any member of your household ever been convicted of, plead guilty to or been placed on probation for any crime?  Yes  No

If YES, provide the nature of the crime(s): \_\_\_\_\_

Date: \_\_\_\_\_ State: \_\_\_\_\_ City: \_\_\_\_\_

County: \_\_\_\_\_

Are any of the above convictions a felony?  Yes  No

If YES, Please explain \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Are you or any members of your household subject to a lifetime registration requirement under a state sex offender registration program?  Yes  No If YES, Please explain \_\_\_\_\_

Are there any criminal charges pending now?  Yes  No If YES, please explain \_\_\_\_\_

6. Do you live in subsidized housing now or have you in the past?  Yes  No  
If YES, where? \_\_\_\_\_ From \_\_\_\_\_ To \_\_\_\_\_  
Were you evicted? \_\_\_\_\_ If YES, why? \_\_\_\_\_

7. Have you or your spouse/co-applicant ever been evicted or otherwise involuntarily removed from rental housing due to fraud, non-payment of rent, failure to cooperate with recertification procedures, or for any other reason?

Yes  No

If YES, explain \_\_\_\_\_

8. Have you ever filed or are you currently filing for bankruptcy?  Yes  No  
If YES, give reason \_\_\_\_\_  
Date of filing: \_\_\_\_\_

9. Have you ever lived at any other property managed by \_\_\_\_\_ *[insert management company name]?*

Yes  No

If YES, where? \_\_\_\_\_

10. Why do you want to move from your current residence? \_\_\_\_\_

11. How did you hear about us? \_\_\_\_\_

12. Do you know or are you related to any of our residents or staff? \_\_\_\_\_

---

**Income Information:**

Earned income is counted only for household members 18 or older and members who are legally emancipated. Unearned income such as a grant or benefit is counted for all household members, including minors.

Include all GROSS income (before taxes) each household member expects to earn in the next 12 months. (Check either YES or NO to each question.)

Do YOU or ANYONE in your household receive OR expect to receive income from:

I. Employment wages or salaries? Self-employment? Regular pay as a member of the Armed Forces?

Yes  No

*(Include overtime, tips, bonuses, commission and payments received in cash.)*

<u>Household Member</u>	<u>Name of Company</u> <u>(or note if self-employed)</u>	<u>Amount</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

2. Unemployment benefits or worker's compensation?

Yes  No

<u>Household Member</u>	<u>Name of Company</u>	<u>Amount</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

3. Public Assistance, General Relief or Temporary Aid to Needy Families (TANF)?

Yes  No

<u>Household Member</u>	<u>Name of Company</u>	<u>Amount</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

4. (a) Child Support or Spousal Support (alimony)?

Yes  No

*(We must count court ordered support whether or not it is received unless legal action has been taken to remedy. We must also count support that is not court-ordered, rather, received directly from the payer.)*

<u>Household Member</u>	<u>Name of Company</u>	<u>Amount</u>
_____	_____	_____
_____	_____	_____

(b) How is the support received? (Check all that apply)

- Child Support Enforcement Agency
- Court of Law
- Directly from Individual
- Other

Name of Agency: \_\_\_\_\_  
 Name of Court: \_\_\_\_\_  
 Name of Person: \_\_\_\_\_  
 Explain: \_\_\_\_\_

(c) If money is not actually received, are you taking legal action to remedy?

Yes  No

Explanation: \_\_\_\_\_

5. Social Security, SSI or any other payments from the Social Security Administration?

Yes  No

<u>Household Member</u>	<u>SSA Office</u>	<u>Amount</u>
_____	_____	_____
_____	_____	_____

6. Regular payments from a pension, retirement benefit, annuities, or Veteran's benefits?

Yes  No

<u>Household Member</u>	<u>Source of Benefit</u>	<u>Amount</u>
_____	_____	_____
_____	_____	_____

7. Regular payments from a severance package?

Yes  No

<u>Household Member</u>	<u>Source of Benefit</u>	<u>Amount</u>
_____	_____	_____
_____	_____	_____

8. Regular payments from any type of settlement? (For example, insurance settlements)

Yes  No

<u>Household Member</u>	<u>Source of Benefit</u>	<u>Amount</u>
_____	_____	_____
_____	_____	_____

9. Disability, death benefits or life insurance dividends?

Yes  No

<u>Household Member</u>	<u>Source of Benefit</u>	<u>Amount</u>
_____	_____	_____
_____	_____	_____

10. Regular gifts or payments from anyone outside of the household?

Yes  No

(This includes anyone supplementing your income or paying any of your bills.)

<u>Household Member</u>	<u>Source of Benefit</u>	<u>Amount</u>
_____	_____	_____
_____	_____	_____

11. Educational grants, scholarships, or other student benefits?

Yes  No

<u>Household Member</u>	<u>Source of Benefit</u>	<u>Amount</u>
_____	_____	_____
_____	_____	_____

12. Regular payments from lottery winnings or inheritances?

Yes  No

<u>Household Member</u>	<u>Source of Benefit</u>	<u>Amount</u>
_____	_____	_____
_____	_____	_____

13. Regular payments from rental property or other types of real estate transactions?

Yes  No

<u>Household Member</u>	<u>Source of Benefit</u>	<u>Amount</u>
_____	_____	_____
_____	_____	_____

14. Any other income sources or types not listed above?

Yes  No

<u>Household Member</u>	<u>Source of Benefit</u>	<u>Amount</u>
_____	_____	_____
_____	_____	_____

15. Do you or any other household member expect any change in income in the next 12 months?  Yes  No

If YES, explain: \_\_\_\_\_

**Zero Income Verification:**

Are YOU or is ANY OTHER <u>ADULT</u> member of your household claiming zero income?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If _____, YES, _____	who?

**Asset Information:**

Include all assets and the corresponding annual interest rate, dividends or any other income derived from the asset. An asset is defined as any lump sum amount that you hold in your name and currently have access to. Include the value of the asset and corresponding income from the asset in the space provided.

INCLUDE ALL ASSETS HELD BY ALL HOUSEHOLD MEMBERS INCLUDING MINORS.

Do YOU or ANYONE in your household hold:

1. Checking or savings account?	<input type="checkbox"/> Yes <input type="checkbox"/> No
<u>Household Member</u>	<u>Bank or Financial Institution</u>
_____	_____
_____	_____
_____	_____

2. CDs, money market accounts or treasury bills?	<input type="checkbox"/> Yes <input type="checkbox"/> No
<u>Household Member</u>	<u>Bank or Financial Institution</u>
_____	_____
_____	_____
_____	_____

3. Stocks, bonds or securities?	<input type="checkbox"/> Yes <input type="checkbox"/> No
<u>Household Member</u>	<u>Source (Broker's Name)</u>
_____	_____
_____	_____
_____	_____

4. Trust funds?	<input type="checkbox"/> Yes <input type="checkbox"/> No
<u>Household Member</u>	<u>Bank or Financial Institution</u>
_____	_____
_____	_____
_____	_____

Are any of the above listed trusts irrevocable?  Yes  No

5. Pensions, IRAs, 401Ks, 403Bs, KEOGH or other retirement accounts?	<input type="checkbox"/> Yes <input type="checkbox"/> No
<u>Household Member</u>	<u>Location of Account</u>
_____	_____
_____	_____
_____	_____

6. Cash on hand?

Yes  No

<u>Household Member</u>	<u>Source of Benefit</u>	<u>Amount</u>
_____	_____	_____
_____	_____	_____

7. Surrender value of a whole life, universal life, or endowment insurance policy which is available to the policy holder before death?

Yes  No

<u>Household Member</u>	<u>Life Insurance Company</u>	<u>Amount</u>
_____	_____	_____
_____	_____	_____

8. Real estate, rental property, land contract/contract for deeds or other real estates holdings? *(This includes your personal residence, mobile homes, vacant land, farms, vacation homes or commercial property)*

Yes  No

<u>Household Member</u>	<u>Source of Benefit</u>	<u>Amount</u>
_____	_____	_____
_____	_____	_____

9. Personal property as an investment? *(This includes paintings, coin or stamp collections, artwork collections or show cars and antiques. This does not include your personal belongings such as your car, furniture or clothing.)*

Yes  No

<u>Household Member</u>	<u>Source of Benefit</u>	<u>Amount</u>
_____	_____	_____
_____	_____	_____

10. Do you have a safe deposit box containing contents with a monetary value?

Yes  No

<u>Household Member</u>	<u>Source of Benefit</u>	<u>Amount</u>
_____	_____	_____
_____	_____	_____

11. Have you or any household member disposed of or given away any asset(s) for LESS than fair market value within the past 2 years?

Yes  No

<u>Household Member</u>	<u>Description of Asset Disposed</u>	<u>Amount Received</u>
_____	_____	_____
Explanation: _____		

**Do you or anyone listed above own a vehicle?**

Vehicle Identification:

1. License #: \_\_\_\_\_ State Issued: \_\_\_\_\_ Make/Model/Year: \_\_\_\_\_

2. License #: \_\_\_\_\_ State Issued: \_\_\_\_\_ Make/Model/Year: \_\_\_\_\_

All questions that were answered YES on this application will be verified through the appropriate third-party source. It will be your responsibility to provide management with all necessary information to properly process your application and verify your eligibility. This will include names, addresses, phone and fax numbers, account numbers (where applicable), and any other information required to expedite this process.

**Signature Clause:**

I understand that management is relying on this information to prove my household's eligibility for housing assisted under a program of the U.S. Department of Housing and Urban Development (HUD). I certify that all information and answers to the questions are true and complete to the best of my knowledge. I consent to release the necessary information to determine my eligibility. I understand that providing false information or making false statements may be grounds for denial of my application. I also understand that such action may result in criminal penalties.

I consent to have management verify the information contained in this application for purposes of proving my eligibility for occupancy. I will provide all necessary information and expedite this process in anyway possible. I understand that my occupancy is contingent on meeting management's resident selection criteria and the HUD Neighborhood Stabilization Program.

I understand that in compliance with the FAIR CREDIT REPORTING ACT the processing of this application includes but is not limited to making any inquiries deemed necessary to verify the accuracy of the information I provided, including procuring consumer reports from consumer credit reporting agencies and obtaining credit information from other credit institutions.

I hereby grant this property owner and \_\_\_\_\_ *[Insert Management Company Name]* the right to process this application for the purpose of obtaining a Rental/Lease Agreement with this property. Additionally, I authorize all corporations, companies, law enforcement agencies, academic institutions, and current and former employers to release information they may have about me and release them from any liability and responsibility from doing so. A photographic or faxed copy of this authorization shall be as valid as the original.

**All household members 18 and over must sign below:**

Signature	Date

<b>For Office Use Only</b>	
Check here if Pre-Application is on file. <input type="checkbox"/>	<b>Application Date:</b> _____ <b>Time:</b> _____ <b>Desired Move-In Date:</b> _____ <b>Application Received By:</b> _____ <b>As Agent for Owner</b>

**TENANT INCOME CERTIFICATION**  
 Neighborhood Stabilization Program (NSP)

Effective Date:  
 Move in Date:

**PART I – DEVELOPMENT DATA**

Property Name:	County:	Project #:
Address:	Unit Number:	# of Bedrooms:

**PART II HOUSEHOLD COMPOSITION**

Household Member #	Last Name	First Name and Middle Initial	Relationship to HoH	Race	Ethnicity	Disabled	Date of Birth	Full Time Student	Last 4 digits of SSN
1									
2									
3									
4									
5									
6									
7									

**PART III GROSS ANNUAL INCOME (USE ANNUAL AMOUNTS)**

Household Member #	(A) Employment or Wages	(B) Soc. Security Pensions	(C) Public Assistance	(D) Other Income
<b>Totals</b>				
	<b>(E) Total Income (A+B+C+D=E):</b>			

**PART IV INCOME FROM ASSETS**

Household Member #	(F) Type of Asset	(G) Current/Imputed	(H) Cash Value of Asset	(I) Annual Income From Asset
			<b>Total</b>	<b>Total</b>

(J): Imputed Income, Column (H) if total is over \$5000 \_\_\_\_\_ x 2.00%\* = \_\_\_\_\_  
 (K): Total Income From Assets. Enter the greater of (I) or (J) \_\_\_\_\_  
 (L): Total Annual Household Income from all sources. Add (E) and (K) \_\_\_\_\_

\*Rate subject to change.

**HOUSEHOLD CERTIFICATION AND SIGNATURES**

The information on this form will be used to determine maximum income eligibility. I/we have provided for each person(s) set forth in Part II acceptable verification of current anticipated annual income. I/we agree to notify the landlord immediately upon any member becoming a full time student.

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

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Signature Date

**PART V – DETERMINATION OF INCOME ELIGIBILITY**

Total annual household income from all sources Item (L) on page 1:		Household meets income restrictions at: <input type="checkbox"/> 120% <input type="checkbox"/> 50%	
Household income at move-in:	Household size at move in:		
Current maximum income limit per family size:			

**PART VI – RENT**

Tenant paid rent:
Rent Assistance:
Utility allowance:
Other non-optional charges:
Gross rent for unit:
Maximum rent limit for this unit::
Unit meets rent restrictions at <input type="checkbox"/> 120% <input type="checkbox"/> 50% <input type="checkbox"/> FMR

**PART VII – STUDENT STATUS**

Are all occupants full time students If yes, choose a student explanation and attach documentation <input type="checkbox"/> Yes <input type="checkbox"/> No	
Student explanation <input type="checkbox"/> TANF assistance <input type="checkbox"/> Job training program	<input type="checkbox"/> Single parent/dependent child <input type="checkbox"/> Married/Joint return <input type="checkbox"/> Foster child/previous foster child

**SIGNATURE OF OWNER/REPRESENTATIVE**

Based on the representations herein and upon the proofs and documentation required to be submitted, the individual(s) names in Part II of this Tenant Income Certification is/are eligible under the provisions of Section 42 of the Internal Revenue Code, as amended, and the Land Use Restriction Agreement (if applicable) to live in a unit in this Project.

\_\_\_\_\_  
Signature Date

## UNDER \$5,000 ASSET CERTIFICATION

Neighborhood Stabilization Program (NSP)

7/11

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

Household Name:	Unit Number:
Development Name:	City:

**ASSETS INCLUDE** (Certain funds (e.g., Retirement, Pension, Trust) may or may not be (fully) accessible. Include only those amounts which are accessible.)

<b>Source of Income</b>	<b>Cash Value* (A)</b>	<b>Interest Rate (B)</b>	<b>Annual Income (A x B)</b>
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 Investment	\$		\$
Life Insurance Policies (excluding term)	\$		\$
Other Retirement/Pension Funds not named above:	\$		\$
Personal Property held as an investment**:	\$		\$
Other (list):	\$		\$
<b>Total Gross Annual Income</b>			\$

\*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.

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 (the difference between FMV and the amount received, for each asset on which this occurred) are included above and are equal to a total of \$\_\_\_\_\_.

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.

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

**UNEMPLOYMENT BENEFITS VERIFICATION**

Neighborhood Stabilization Program (NSP)

7/11

Name & address of Unemployment Compensation provider:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Date \_\_\_\_\_

Applicant \_\_\_\_\_

Social Security \_\_\_\_\_

**TO BE COMPLETED BY PROJECT MANAGER**

The person listed above has indicated that he or she is receiving Unemployment Compensation benefits. Information provided will remain confidential and will be used solely for the purpose of determining eligibility for occupancy in a housing development receiving funding under the Neighborhood Stabilization Program.

\_\_\_\_\_ Project Management Agent

**TO BE COMPLETED BY APPLICANT**

I hereby authorize the above named management agent to make inquiries regarding my Unemployment Compensation benefits for the purpose of determining my eligibility for occupancy.

Signed \_\_\_\_\_ Date \_\_\_\_\_

**TO BE COMPLETED BY UNEMPLOYMENT COMPENSATION BUREAU**

Gross Weekly Benefit: \_\_\_\_\_ Date of Initial Payment: \_\_\_\_\_

Duration of Benefits: \_\_\_\_\_ Weeks

Is the claimant entitled to an extension of benefits: \_\_\_\_\_ If Yes, for how many weeks: \_\_\_\_\_

If No what is the date the benefits are terminated: \_\_\_\_\_

Comments  
\_\_\_\_\_  
\_\_\_\_\_

Signature and Title of Unemployment Compensation Official: \_\_\_\_\_

Date: \_\_\_\_\_ Phone Number: \_\_\_\_\_

**TO BE COMPLETED BY PROJECT MANAGER**

PLEASE RETURN TO:

Phone Number: \_\_\_\_\_ Fax Number: \_\_\_\_\_

# VERIFICATION OF REGULAR CONTRIBUTIONS

Neighborhood Stabilization Program (NSP)

7/11

To:	From:
Tenant Name:	Thank you for your prompt response. All information is confidential. If you have questions, please contact _____ at phone number _____,
Social Security Number:	

## PERMISSION FOR RELEASE OF INFORMATION

Release: I hereby authorize the release of the requested information. Information obtained under this consent is limited to information that is not older than 12 months.

\_\_\_\_\_  
Tenant Signature

\_\_\_\_\_  
Date

## THIS SECTION TO BE COMPLETED BY PERSON PROVIDING REGULAR CONTRIBUTIONS

I hereby certify that I contribute \$ \_\_\_\_\_ per  Week  Month  Year to the support of \_\_\_\_\_

\_\_\_\_\_  
Name:

\_\_\_\_\_  
Address:

Include amounts paid directly to the person for whom you are providing support as well as bills and other living expenses regularly paid on the person's behalf such as utilities phone, car payment, insurance, cable TV, etc.

Notes/Additional information:
-------------------------------

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

Printed Name:	Telephone Number:
Title/Relationship:	
Address:	

**Penalties for misusing this content:** 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 uses 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). Violations of these provisions are cited as violations of 42 USC 408 (a), (6), (7) and (8).

**VERIFICATION OF TRIBAL ENROLLMENT AND DISPURSEMENT PER CAPITA AND/ OR GAMING INCOME**  
 Neighborhood Stabilization Program (NSP) 7/11

TO: \_\_\_\_\_ DATE: \_\_\_\_\_

APPLICANT/RESIDENT: \_\_\_\_\_  
Applicant/Tenant Name Date of Birth

**TO BE COMPLETED BY PROJECT MANAGER**

The person listed above has indicated that he or she is receiving disbursements of per capita or gaming income. Information provided will remain confidential and will be used solely for the purpose of determining eligibility for occupancy in a housing development receiving funding under the Neighborhood Stabilization Program.

\_\_\_\_\_  
Project Management Agent

**TO BE COMPLETED BY APPLICANT**

I hereby authorize the above named management agent to make inquiries regarding my income for the purpose of determining my eligibility for occupancy.

Signed \_\_\_\_\_ Date \_\_\_\_\_

**VERIFICATION OF PER CAPITA DISPURSEMENTS/GAMING REVENUE**

This form is to be completed by an official representative of the tribal enrollment office or other tribal designated official.

Name of Tribe/Nation: _____			
Is the Applicant/Resident named above an enrolled Tribal Member? <input type="checkbox"/> Yes <input type="checkbox"/> No	Are Per Capita Disbursements/ Gaming Revenue presently being disbursed to the Tribal member? <input type="checkbox"/> Yes <input type="checkbox"/> No	Frequency of Disbursements (# times per year)	Amount of Disbursement \$
Source of the Income? <input type="checkbox"/> Per Capita Income <input type="checkbox"/> Gaming revenue Disbursements	The Per Capita or Gaming Revenue Disbursements for a minor child is paid to: <input type="checkbox"/> Mother of the Child <input type="checkbox"/> Father of the Child <input type="checkbox"/> Guardian _____		
If money is being held by the BIA in the Individual Trust Account; is there any restriction to the withdrawal of funds? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, what are the restrictions?			

By signing below, I certify that the information above, to the best of my knowledge, is correct.

_____ Signature of Tribal Official	_____ Date
_____ Name of Tribal Official (please print)	_____ Title
_____ Mailing Address	_____ Phone/Fax
_____ City/State/Zip	_____ Email Address

**TO BE COMPLETED BY PROJECT MANAGER**

PLEASE RETURN TO:

Phone Number: \_\_\_\_\_ Fax Number: \_\_\_\_\_

**VERIFICATION OF TRIBAL TRUST LAND OWNERSHIP/INCOME**

Neighborhood Stabilization Program (NSP)

7/11

**TO:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**APPLICANT/RESIDENT:** \_\_\_\_\_  
Applicant/Tenant Name Date of Birth

**TO BE COMPLETED BY PROJECT MANAGER**

The person listed above indicated that he or she has ownership of individual trust land and income derived from that land. Information provided will remain confidential and will be used solely for the purpose of determining eligibility for occupancy in a housing development receiving funding under the Neighborhood Stabilization Program.

\_\_\_\_\_ Project Management Agent

**TO BE COMPLETED BY APPLICANT**

I hereby authorize the above named management agent to make inquiries regarding my income for the purpose of determining my eligibility for occupancy.

Signed \_\_\_\_\_ Date \_\_\_\_\_

**VERIFICATION OF TRIBAL TRUST LAND OWNERSHIP/INCOME**

This form is to be completed by an official representative of the BIA, Tribal Lands Office, or other Tribal Designated Official.

Name of Tribe/Nation:	
Is property held in an Individual Trust by the United States Government for the Applicant/Tenant named above? <input type="checkbox"/> Yes <input type="checkbox"/> No	How many Acres of Land are held in the Trust?
Does the Applicant/Tenant named above receive income from the leasing of this land? <input type="checkbox"/> Yes <input type="checkbox"/> No	How much income does the Applicant/Tenant received per year?

By signing below, I certify that the information above, to the best of my knowledge, is correct.

\_\_\_\_\_  
Signature of Tribal Official

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name of Tribal Official (please print)

\_\_\_\_\_  
Title

\_\_\_\_\_  
Mailing Address

\_\_\_\_\_  
Phone/Fax

\_\_\_\_\_  
City/State/Zip

\_\_\_\_\_  
Email Address

**TO BE COMPLETED BY PROJECT MANAGER**

**PLEASE RETURN TO:**

Phone Number: \_\_\_\_\_

Fax Number: \_\_\_\_\_

**VETERAN'S BENEFITS VERIFICATION**

Neighborhood Stabilization Program (NSP)

7/11

Veterans Administration address

\_\_\_\_\_ Date \_\_\_\_\_  
 \_\_\_\_\_ Applicant \_\_\_\_\_  
 \_\_\_\_\_ Social Security # \_\_\_\_\_  
 Military Serial # \_\_\_\_\_ Claim # \_\_\_\_\_

**TO BE COMPLETED BY PROJECT MANAGER**

The person listed above has indicated that he or she is receiving Veterans benefits. Information provided will remain confidential and will be used solely for the purpose of determining eligibility for occupancy in a housing development receiving funding under the Neighborhood Stabilization Program.

\_\_\_\_\_ Project Management Agent

**TO BE COMPLETED BY APPLICANT**

I hereby authorize the above named management agent to make inquiries regarding my Veterans benefits for the purpose of determining my eligibility for occupancy.

Signed \_\_\_\_\_ Date \_\_\_\_\_

**TO BE COMPLETED BY VETERANS ADMINISTRATION**

Period of Active Duty: \_\_\_\_\_  
 Service Connected Compensation: ( ) Disability ( ) Death ( ) Dependency and Indemnity  
 Non-service Connected Pension: ( ) Disability ( ) Death  
 Gross Monthly Award Amount: \_\_\_\_\_ Effective Date of Current Award: \_\_\_\_\_  
 Are Benefits Expected to Continue in the Same Amount during the next Twelve Months: \_\_\_\_\_  
 Comments  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 Signature and Title of Veterans Officer: \_\_\_\_\_  
 Date: \_\_\_\_\_ Phone Number: \_\_\_\_\_

**TO BE COMPLETED BY PROJECT MANAGER**

PLEASE RETURN TO:

Phone Number: \_\_\_\_\_ Fax Number: \_\_\_\_\_

# WAGE CALCULATION WORKSHEET

Neighborhood Stabilization Program (NSP)

7/11

If the employment verification states both an hourly wage and a year-to-date wage; use this worksheet to calculate the higher of the two. Use the highest calculation of income to determine the applicant's eligibility.

Property Name:	Unit #:
Applicant Name:	Employer:

## HOURLY WAGE CALCULATION

	Rate of Pay	Hours Worked	Weekly Wage	Weeks Worked	Annual Wage
<b>Wage</b>	\$ _____	x _____	= _____	x _____ =	\$ _____
<b>Shift Differential Rate</b>	\$ _____	x _____	= _____	x _____ =	\$ _____
<b>Overtime Rate</b>	\$ _____	x _____	= _____	x _____ =	\$ _____
<b>Wage Increase<sup>1</sup> (regular hours)</b>	\$ _____	x _____	= _____	x _____ =	\$ _____
<b>Wage Increase<sup>1</sup> (overtime hours)</b>	\$ _____	x _____	= _____	x _____ =	\$ _____
			Rate of Pay	Frequency	
<b>Commissions/Bonuses/Tips/Other</b>			\$ _____	x _____ =	\$ _____
<b>Total Hourly Annual Wages</b>					\$ _____

**Wage Increase Calculation Area**  
 Calculate increase only for the months within the 12 months lease period pertaining to each tenant. (1 month = 4.33 weeks)  
 Starting Date of Increase \_\_\_\_\_ = \_\_\_\_\_ Months x 4.33 = \_\_\_\_\_ Weeks Worked.

<sup>1</sup> Calculate Wage Increase using Rate of Increase only. \_\_\_\_\_ % (increase) x \$ \_\_\_\_\_ (hourly wage) = \_\_\_\_\_ Rate of Pay  
 \_\_\_\_\_ % (increase) x \$ \_\_\_\_\_ (overtime wage) = \_\_\_\_\_ Rate of Pay

## YEAR-TO-DAY WAGE CALCULATION

	Salary on Verification	Total Employment Days <sup>3</sup>	Daily Rates	Days	Annual Salary
<b>Year-To-Date Salary<sup>2</sup></b>	\$ _____	÷ _____	= _____	x 365 =	\$ _____
<sup>2</sup> The above YTD Salary <input type="checkbox"/> includes or <input type="checkbox"/> does not include commissions/bonuses/tips/other payment listed on the corresponding employment verification.					
			Rate of Pay	Frequency	
<b>Commissions/Bonuses/Tips/Other</b>			\$ _____	x _____ =	\$ _____
<b>Pay Increase</b> (see wage increase calculation)				=	\$ _____
<b>Other</b> _____				=	\$ _____
<b>Total Annualized YTD Salary</b>					\$ _____

Total Employment Days Calculation	Additional Calculations/Explanations																												
<table style="width:100%; border-collapse: collapse;"> <tr> <th style="width:60%;">Calendar</th> <th style="width:40%;">Days Worked</th> </tr> <tr><td>January (31/31)</td><td>_____</td></tr> <tr><td>February (28/59)</td><td>_____</td></tr> <tr><td>March (31/90)</td><td>_____</td></tr> <tr><td>April (30/120)</td><td>_____</td></tr> <tr><td>May (31/151)</td><td>_____</td></tr> <tr><td>June (30/181)</td><td>_____</td></tr> <tr><td>July (31/212)</td><td>_____</td></tr> <tr><td>August (31/243)</td><td>_____</td></tr> <tr><td>September (30/273)</td><td>_____</td></tr> <tr><td>October (31/304)</td><td>_____</td></tr> <tr><td>November (30/334)</td><td>_____</td></tr> <tr><td>December (31/365)</td><td>_____</td></tr> <tr> <td><b><sup>3</sup> Total Employment Days</b></td> <td>_____</td> </tr> </table>	Calendar	Days Worked	January (31/31)	_____	February (28/59)	_____	March (31/90)	_____	April (30/120)	_____	May (31/151)	_____	June (30/181)	_____	July (31/212)	_____	August (31/243)	_____	September (30/273)	_____	October (31/304)	_____	November (30/334)	_____	December (31/365)	_____	<b><sup>3</sup> Total Employment Days</b>	_____	
Calendar	Days Worked																												
January (31/31)	_____																												
February (28/59)	_____																												
March (31/90)	_____																												
April (30/120)	_____																												
May (31/151)	_____																												
June (30/181)	_____																												
July (31/212)	_____																												
August (31/243)	_____																												
September (30/273)	_____																												
October (31/304)	_____																												
November (30/334)	_____																												
December (31/365)	_____																												
<b><sup>3</sup> Total Employment Days</b>	_____																												

# WORKERS COMPENSATION VERIFICATION

Neighborhood Stabilization Program (NSP)

7/11

Name & address of Workers Compensation provider:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ Date \_\_\_\_\_  
Applicant \_\_\_\_\_  
Social Security \_\_\_\_\_

### TO BE COMPLETED BY PROJECT MANAGER

The person listed above has indicated that he or she is receiving Workers Compensation benefits. Information provided will remain confidential and will be used solely for the purpose of determining eligibility for occupancy in a housing development receiving funding under the Neighborhood Stabilization Program.

\_\_\_\_\_  
Project Management Agent

### TO BE COMPLETED BY APPLICANT

I hereby authorize the above named management agent to make inquiries regarding my Workers Compensation benefits for the purpose of determining my eligibility for occupancy.

Signed \_\_\_\_\_ Date \_\_\_\_\_

### TO BE COMPLETED BY WORKERS COMPENSATION BUREAU

Gross Periodic Benefit: \_\_\_\_\_ per (*circle one*) week month other (*please explain*) \_\_\_\_\_

Date of Initial Payment: \_\_\_\_\_ Ending Date, if known: \_\_\_\_\_

Comments \_\_\_\_\_  
\_\_\_\_\_

Signature and Title of Workers Compensation Official: \_\_\_\_\_

Date: \_\_\_\_\_ Phone Number: \_\_\_\_\_

### TO BE COMPLETED BY PROJECT MANAGER

PLEASE RETURN TO:

Phone Number: \_\_\_\_\_ Fax Number: \_\_\_\_\_

## **APPENDIX**

### **INCOME CALCULATION EXAMPLES**

This appendix contains examples and exercises in order to illustrate and assist property management staff in understanding the tenant income calculation methods followed under the NSP program. NDHFA will follow these same methods when verifying tenant income calculations during annual monitoring reviews.

Included first in this appendix is a sample format for computing projected annual tenant income under the “Part 5” method. This is only a suggested format for making calculations, and its completion as a form is not being mandated by NDHFA. Any format which follows the same mathematical process (and therefore would arrive at the same annual income calculation) is acceptable. Next in this appendix are examples of calculations under different tenant income scenarios, as well as examples of identifying and calculating income from assets held by an applicant. Finally, there is a comprehensive practice exercise including standard income calculations as well as asset income calculations.

#### **Sample Format for Computing “Part 5” Annual Income**

1. Name:		2. Date:			
<b>ASSETS</b>					
Household Member	Asset Description	Current Cash Value of Assets	Actual Income from Assets		
3. Net Cash Value of Assets.....		3.			
4. Total Actual Income from Assets.....			4.		
5. If line 3 is greater than \$5,000, multiply line 3 by the applicable Passbook Rate of _____% and enter results here; otherwise, leave blank.			5.		
<b>ANTICIPATED ANNUAL INCOME</b>					
Household Members	a. Wages/Salaries	b. Benefits/Pensions	c. Public Assistance	d. Other Income	e. Asset Income
					Enter the greater of lines 4 or 5 from above in e.
6. Totals	a.	b.	c.	d.	e.
7. Enter total of items 6a through 6e. This is <i>Annual Income</i> .....					7.

## Examples of Annual Income Calculation

### Income Example #1 – The Greens

Household Members	Position in Household	Age	Income Sources
John Green	Head	53	Works full-time at \$7.25/hour; also receives \$400/month from the government as a result of a settlement in the Agent Orange product liability litigation.
Jennifer Green	Spouse	48	Works 18 hours/week at a bank at \$7.50/hour; also receives \$50/month from her mother to help with expenses.
Jason Green	Son	19	Full-time student at local college where he has a part-time, 15-hour/week job in the student bookstore at \$6.00/hour for the 46 weeks when classes are in session.

Assume that the applicable NSP income limit for a family of three in this county is **\$23,900**. Assume also for this example that the Greens have no assets. Are the Greens eligible for the NSP-assisted unit?

1. Name: <b>Green</b>		2. Date: <b>7/29/11</b>			
ASSETS					
Household Member	Asset Description	Current Cash Value of Assets	Actual Income from Assets		
3. Net Cash Value of Assets.....		3. <b>0.00</b>			
4. Total Actual Income from Assets.....			4. <b>0.00</b>		
5. If line 3 is greater than \$5,000, multiply line 3 by the applicable Passbook Rate of _____% and enter results here; otherwise, leave blank.			5.		
ANTICIPATED ANNUAL INCOME					
Household Members	a. Wages/ Salaries	b. Benefits/ Pensions	c. Public Assistance	d. Other Income	e. Asset Income
John	\$15,080				Enter the greater of lines 4 or 5 from above in e.
Jennifer	7,020			\$600	
Jason	480				
6. Totals	a. <b>\$22,580</b>	b.	c.	d. <b>\$600</b>	e. <b>0.00</b>
7. Enter total of items 6a through 6e. This is <i>Annual Income</i> .....					7. <b>\$23,180</b>

The Green household is eligible for the NSP-assisted unit because its total income of \$23,180 is below the applicable NSP income limit for the county (\$23,900).

#### Explanation:

**John** John's earnings from work count as income, but his income from the Agent Orange Settlement Fund (\$4,800/year) does not. Thus, John's income is \$7.25/hour x 40 hours/week x 52 weeks/year, or \$15,080.

**Jennifer** Jennifer's income from wages is \$7.50/hour x 18 hours/week x 52 weeks, or \$7,020. In addition, her regular gift income of \$50/month or \$600/year counts as income.

**Jason** Because Jason is a full-time student and is not the head of household or the spouse, only the first \$480 of his earnings count toward the household income.

**Income Example #2 – Rolle/Tyde**

Household Members	Position in Household	Age	Income Sources
Tina Rolle	Head	55	Works 6 hours/night, 4 nights/week at \$5.00/hour as a waitress; also earns an average of \$55/night in tips.
Julie Rolle	Cousin	58	Earns \$6.50/hour as a full-time aide in a hospital; employer reports that her wages will increase to \$6.75/hour, 7 weeks from the effective date of this calculation.
Karen Tyde	Friend	61	Earns \$60/day as a substitute teacher, and works an average of 3 days/week for the 40 weeks school is in session (she made \$7,200 last year); also receives \$40/month in SNAP (food stamps).

Assume that the applicable NSP income limit for a household of three in this county is **\$38,500**. Assume also for this example that the applicants have no assets. Are the applicants eligible for the NSP-assisted unit?

1. Name: <b>Rolle / Tyde</b>		2. Date: <b>7/29/11</b>			
ASSETS					
Household Member	Asset Description	Current Cash Value of Assets	Actual Income from Assets		
3. Net Cash Value of Assets.....		3. <b>0.00</b>			
4. Total Actual Income from Assets.....			4. <b>0.00</b>		
5. If line 3 is greater than \$5,000, multiply line 3 by the applicable Passbook Rate of _____% and enter results here; otherwise, leave blank.			5.		
ANTICIPATED ANNUAL INCOME					
Household Members	a. Wages/Salaries	b. Benefits/Pensions	c. Public Assistance	d. Other Income	e. Asset Income
Tina	\$17,680				Enter the greater of lines 4 or 5 from above in e.
Julie	13,980				
Karen	7,200				
6. Totals	a. <b>\$38,860</b>	b.	c.	d.	e. <b>0.00</b>
7. Enter total of items 6a through 6e. This is <i>Annual Income</i> .....					7. <b>\$38,860</b>

The applicant household is not eligible for the NSP-assisted unit because its total income of \$38,860 exceeds the applicable NSP income limit for the county (\$38,500).

**Explanation:**

**Tina** Tina’s income must include both wages and tips. Her wage income is \$6,240 annually (\$5.00 x 6 hours/night x 4 nights/week x 52 weeks/year) and her tip income is \$11,400 annually (\$55/night x 4 nights/week x 52 weeks/year).

**Julie** Julie’s wage income must be calculated in two steps. For the first 6 weeks of the year, she earns \$6.50/hour. Her income at this wage is \$6.50 x 40 hours/week x 6 weeks = \$1,560. For the next 46 weeks, her wage will be \$6.75/hour. Her income at this wage will be \$6.75/hour x 40 hours/week x 46 weeks = \$12,420.

**Karen** Karen made \$7,200 last year, and there is no reason to expect that she will work more or less often in the coming year. Her income is, therefore, estimated at \$7,200. Per the Income Exclusions (see Exhibit 2.4), the food stamp assistance is excluded from this calculation.

**Income Example #3 – Geaux/Sue**

Household Members	Position in Household	Age	Income Sources
Brenda Geaux	Head	38	Earns \$550 semi-monthly as a manager in the housewares department at a local store, and receives \$100/month in child support.
Michael Sue	Boyfriend	36	Earns \$250/week as a part-time painting instructor at a local school for the 40 weeks/year when school is in session; attends evening classes at the local college, which he pays for with a scholarship grant of \$3,500; and also pays \$50/month in child support for his twins.
Carter Geaux	Son	3	No income.

Assume that the applicable NSP income limit for a household of three in this county is **\$25,700**. Assume also for this example that the applicants have no assets. Are they eligible for the NSP-assisted unit?

1. Name: <b>Geaux/Sue</b>		2. Date: <b>7/29/11</b>			
ASSETS					
Household Member	Asset Description	Current Cash Value of Assets	Actual Income from Assets		
3. Net Cash Value of Assets.....		3. <b>0.00</b>			
4. Total Actual Income from Assets.....			4. <b>0.00</b>		
5. If line 3 is greater than \$5,000, multiply line 3 by the applicable Passbook Rate of _____% and enter results here; otherwise, leave blank.			5. <b> </b>		
ANTICIPATED ANNUAL INCOME					
Household Members	a. Wages/Salaries	b. Benefits/Pensions	c. Public Assistance	d. Other Income	e. Asset Income
Brenda	\$13,200			\$1,200	Enter the greater of lines 4 or 5 from above in e.
Michael	10,000				
Carter	0				
6. Totals	a. <b>\$23,200</b>	b. <b> </b>	c. <b> </b>	d. <b>\$1,200</b>	e. <b>0.00</b>
7. Enter total of items 6a through 6e. This is <i>Annual Income</i> .....					7. <b>\$24,400</b>

The applicant household is eligible for the NSP-assisted unit because its total income of \$24,400 is below the applicable NSP income limit for the county (\$25,700).

**Explanation:**

**Brenda** Brenda’s annual wage income is \$550 semi-monthly x 24 periods/year, or \$13,200. In addition, she receives \$100/month x 12 months = \$1,200/year in child support for Carter.

**Michael** Michael’s wage income is based on 40 weeks of work: \$250/week x 40 weeks/year, or \$10,000 annually. His scholarship does not count as income. The child support Michael pays cannot be deducted from his income.

**Income Example #4 – The Simmonses**

Household Members	Position in Household	Age	Income Sources
Eugene Simmons	Head	80	Receives gross Social Security in the amount of \$625/month; receives a pension from the local musicians' union in the amount of \$25 every quarter.
Shannon Simmons	Spouse	79	Receives gross Social Security in the amount of \$120/month; grossed \$4,200 for giving voice lessons last year, but paid business expenses of \$1,250 from this income for equipment and sound proofing.
Nicholas Simmons	Son	45	Earns \$330/week as an interpreter for a local nonprofit organization.

Assume that the applicable NSP income limit for a family of three in this county is **\$30,000**. Assume also for this example that the Simmonses have no assets. Are they eligible for the NSP-assisted unit?

1. Name: <b>Simmons</b>		2. Date: <b>7/29/11</b>			
ASSETS					
Household Member	Asset Description	Current Cash Value of Assets	Actual Income from Assets		
3. Net Cash Value of Assets.....		3. <b>0.00</b>			
4. Total Actual Income from Assets.....			4. <b>0.00</b>		
5. If line 3 is greater than \$5,000, multiply line 3 by the applicable Passbook Rate of ____% and enter results here; otherwise, leave blank.			5.		
ANTICIPATED ANNUAL INCOME					
Household Members	a. Wages/Salaries	b. Benefits/Pensions	c. Public Assistance	d. Other Income	e. Asset Income
Eugene		<b>\$7,600</b>			Enter the greater of lines 4 or 5 from above in e.
Shannon		<b>1,440</b>		<b>\$2,950</b>	
Nicholas	<b>\$17,160</b>				
6. Totals	a. <b>\$17,160</b>	b. <b>\$9,040</b>	c.	d. <b>\$2,950</b>	e. <b>0.00</b>
7. Enter total of items 6a through 6e. This is <i>Annual Income</i> .....					7. <b>\$29,150</b>

The Simmons household is eligible for the NSP-assisted unit because its total income of \$29,150 is below the applicable NSP income limit for the county (\$30,000).

**Explanation:**

Eugene Eugene's entire income is comprised of pensions and benefits. It equals \$625/month x 12 months/year (\$7,500) plus \$25/quarter x 4 quarters/year (\$100), or \$7,600.

Shannon Shannon's benefits income is \$120/month x 12 months/year, or \$1,440. Her net income from her business was \$4,200 - \$1,250, or \$2,950. (Her equipment and soundproofing expense is an allowable deduction because the business funds were invested in the business and did not represent expansion. Refer to #2 of Exhibit 2.3.)

Nicholas Nicholas' wage income calculation is \$330/week x 52 weeks/year = \$17,160.

## Examples of Asset Income Calculation Under “Part 5”

### Asset Income Example #1 – Al Czervik

Household Members	Assets	Asset Value
Al Czervik	Checking Account	\$870 average 6-month balance with an interest rate of 2.7%.
	Inheritance	Received an inheritance of \$30,000 that he used to buy a new car for \$12,000, payoff his \$3,000 credit card bill, and open a mutual fund account (which has no associated account costs) to invest the remaining \$15,000 at an annual interest rate of 5.3%.

For purposes of this example, the applicable HUD Passbook Rate is 2%. What amount of income from assets should be inserted in Czervik’s total annual income calculation?

1. Name: <b>Czervik</b>		2. Date: <b>7/29/11</b>			
ASSETS					
Household Member	Asset Description	Current Cash Value of Assets	Actual Income from Assets		
Al Czervik	Checking account	\$870	\$23		
	Mutual fund	\$15,000	\$795		
3. Net Cash Value of Assets.....		3. \$15,870			
4. Total Actual Income from Assets.....			4. \$818		
5. If line 3 is greater than \$5,000, multiply line 3 by the applicable Passbook Rate of <u>2.0%</u> and enter results here; otherwise, leave blank.			5. \$317		
ANTICIPATED ANNUAL INCOME					
Household Members	a. Wages/Salaries	b. Benefits/Pensions	c. Public Assistance	d. Other Income	e. Asset Income
					Enter the greater of lines 4 or 5 from above in e.
6. Totals	a.	b.	c.	d.	
7. Enter total of items 6a through 6e. This is <i>Annual Income</i> .....					7.

The asset income to be used in the annual income calculation is \$818 since the actual income generated by the assets is greater than the imputed income.

#### Explanation:

Checking account      The income from the checking account is calculated based on the 6-month balance and the interest rate ( $\$870 \times .027 = \$23$ ).

Inheritance      A car owned for personal use is not considered an asset. However, the mutual fund is an asset.  $\$15,000 \times .053 = \$795$ .

Because the total cash value of the assets exceeds \$5,000, the HUD Passbook Rate must be used to calculate the imputed income from all assets combined. In this case,  $\$15,870 \times .02 = \$317$ . The actual income earned (\$818) is greater, however, so that amount must be used in the calculation of annual income for this family.

**Asset Income Example #2 – The Smails**

Household Members	Assets	Asset Value
Elihu Smails	Checking Account	\$595 average 6-month balance in a non-interest bearing checking account.
Penelope Smails	Savings Account	\$2,695 present balance at 3.1% annual yield.

For purposes of this example, the applicable HUD Passbook Rate is 2%. What amount of income from assets should be inserted in the Smails' total annual income calculation?

1. Name: <b>Smails</b>		2. Date: <b>7/29/11</b>			
ASSETS					
Household Member	Asset Description	Current Cash Value of Assets	Actual Income from Assets		
Elihu	Checking account	\$595	\$0		
Penelope	Mutual fund	\$2,695	\$84		
3. Net Cash Value of Assets.....		3. <b>\$3,290</b>			
4. Total Actual Income from Assets.....			4. <b>\$84</b>		
5. If line 3 is greater than \$5,000, multiply line 3 by the applicable Passbook Rate of <u>2.0%</u> and enter results here; otherwise, leave blank.			5. <b>N/A</b>		
ANTICIPATED ANNUAL INCOME					
Household Members	a. Wages/Salaries	b. Benefits/Pensions	c. Public Assistance	d. Other Income	e. Asset Income
					Enter the greater of lines 4 or 5 from above in e.
6. Totals	a.	b.	c.	d.	
7. Enter total of items 6a through 6e. This is <i>Annual Income</i> .....					7.

The asset income to be used in the annual income calculation is \$84.

**Explanation:**

Use the actual income from assets in this case because the cash value of the Smails' total assets is less than \$5,000. The imputed income is only calculated for assets when the total cash value of all assets exceeds \$5,000.

**Asset Income Example #3 – The Ropers**

Household Members	Assets	Asset Value
Stanley Roper	Rental Property	Small rental property that grosses \$6,500/year (expenses to keep up the property are \$3,400/year). The property has a fair market value of \$69,000, but they have a mortgage on the property in the amount of \$35,000. The average closing costs in a real estate transaction is 8% in the area.
Helen Roper	Savings Account	Savings of \$5,000 that earned \$179 in interest during the past year.
	Stock	100 shares of stock with a face value of \$4.25 per share that have not shown a dividend in years. The cost to sell the stock would be about \$76.
For purposes of this example, the applicable HUD Passbook Rate is 2%. What amount of income from assets should be inserted in the Ropers' total annual income calculation?		

1. Name: <b>Roper</b>		2. Date: <b>7/29/11</b>			
ASSETS					
Household Member	Asset Description	Current Cash Value of Assets	Actual Income from Assets		
Stanley	Rental Property	\$28,480	\$3,100		
Helen	Savings Account	\$5,000	\$179		
	Stock	\$349	\$0		
3. Net Cash Value of Assets.....		3. <b>\$33,829</b>			
4. Total Actual Income from Assets.....			4. <b>\$3,279</b>		
5. If line 3 is greater than \$5,000, multiply line 3 by the applicable Passbook Rate of <u>2.0%</u> and enter results here; otherwise, leave blank.			5. <b>\$677</b>		
ANTICIPATED ANNUAL INCOME					
Household Members	a. Wages/ Salaries	b. Benefits/ Pensions	c. Public Assistance	d. Other Income	e. Asset Income
					Enter the greater of lines 4 or 5 from above in e.
6. Totals	a.	b.	c.	d.	e. <b>\$3,279</b>
7. Enter total of items 6a through 6e. This is <i>Annual Income</i> .....					7.

The asset income to be used in the annual income calculation is \$3,279 since the actual income generated by the assets is greater than the imputed income.

*Explanation:*

Rental Property            The cash value of the property is:

Market Value	\$69,000
Less Mortgage	35,000
Less sales cost (\$69,000 x .08)	<u>5,520</u>
Cash Value	\$28,480

Savings Account            The information is provided.

Stock                            The cash value of the stock is the sales proceeds (100 shares x \$4.25/share = \$425) less the cost to sell (\$76), or \$349. It generates no dividend income

Because the total cash value of the assets exceeds \$5,000, calculate the imputed income by multiplying the cash value by the HUD Passbook Rate (\$33,829 x .02 = \$677). This is less than the actual income earned of \$3,279.

## **“Part 5” Income Calculation Exercise – The Johnsons**

Assume that the applicable NSP income limit for a household of four in this county is **\$45,000**. Using the information provided and the blank chart below, determine if the Johnsons are eligible for the NSP-assisted unit. Answers are provided on the following page.

### ***Income Information***

Household Members	Position in Household	Age	Income Sources
Samantha Johnson	Head	36	Samantha earns a salary of \$30,000 per year as an administrative assistant. Samantha receives \$500 per month child support.
Barbara Johnson	Mother	66	Barbara receives a pension check of \$200 per month and Social Security of \$600 per month.
Eric Johnson	Son	12	None
Andrew Johnson	Son	14	None

### ***Asset Information***

Household Members	Assets	Asset Value
Samantha Johnson	Savings Account	\$2,500 balance and a 3.5% interest rate.
Barbara Johnson	House	Barbara’s recently inherited a house from her sister Marie. The home is valued at \$50,000 and has a mortgage balance of \$8,000. The average cost of settlement and real estate transfers equals 8% of the value of the property. Barbara does not plan to sell the house because she wants to allow her other sister Martha and her husband to live there rent free.

For purposes of this example, the applicable HUD Passbook Rate is 2%.

1. Name:		2. Date:			
ASSETS					
Household Member	Asset Description	Current Cash Value of Assets	Actual Income from Assets		
3. Net Cash Value of Assets.....		3.			
4. Total Actual Income from Assets.....		4.			
5. If line 3 is greater than \$5,000, multiply line 3 by the applicable Passbook Rate of ____% and enter results here; otherwise, leave blank.		5.			
ANTICIPATED ANNUAL INCOME					
Household Members	a. Wages/ Salaries	b. Benefits/ Pensions	c. Public Assistance	d. Other Income	e. Asset Income
					Enter the greater of lines 4 or 5 from above in e.
6. Totals	a.	b.	c.	d.	e.
7. Enter total of items 6a through 6e. This is <i>Annual Income</i> .....					7.

**Answer to “Part 5” Income Calculation Exercise – The Johnsons**

1. Name: <b>Johnson</b>		2. Date: <b>7/29/11</b>			
ASSETS					
Household Member	Asset Description	Current Cash Value of Assets	Actual Income from Assets		
<b>Samantha</b>	<b>Savings Account</b>	<b>\$2,500</b>	<b>\$88</b>		
<b>Barbara</b>	<b>House</b>	<b>\$38,000</b>	<b>\$0</b>		
3. Net Cash Value of Assets.....		3. <b>\$40,500</b>			
4. Total Actual Income from Assets.....			4. <b>\$88</b>		
5. If line 3 is greater than \$5,000, multiply line 3 by the applicable Passbook Rate of <u>2.0%</u> and enter results here; otherwise, leave blank.			5. <b>\$810</b>		
ANTICIPATED ANNUAL INCOME					
Household Members	a. Wages/ Salaries	b. Benefits/ Pensions	c. Public Assistance	d. Other Income	e. Asset Income
<b>Samantha</b>	<b>\$30,000</b>			<b>\$6,000</b>	Enter the greater of lines 4 or 5 from above in e.
<b>Barbara</b>		<b>\$9,600</b>			
6. Totals	a. <b>\$30,000</b>	b. <b>\$9,600</b>	c.	d. <b>\$6,000</b>	e. <b>\$810</b>
7. Enter total of items 6a through 6e. This is <i>Annual Income</i> .....					7. <b>\$46,410</b>

The Johnsons are not eligible for the NSP-assisted unit because the total household income of \$46,410 exceeds the applicable NSP income limit for a household of four in the county (\$45,000).

*Explanation:*

**Assets**

Savings Account            Balance of \$2,500 x 3.5% interest = \$88

House                            The cash value of the property is:

Market Value	\$50,000
Less Mortgage	8,000
Less sales cost (\$50,000 x .08)	<u>4,000</u>
Cash Value	\$38,000

Because the total cash value of the assets exceeds \$5,000, calculate the imputed income by multiplying the cash value by the HUD Passbook Rate (\$40,500 x .02 = \$810). This is more than the actual income earned of \$88 and therefore must be used in the calculation of annual income for this household.

**Income**

Samantha            Samantha’s salary is \$30,000, and there is no reason to expect that she will earn more or less in the coming year. Her income is, therefore, estimated at \$30,000. She also has additional income from child support of \$500 x 12 months = \$6,000.

Barbara                Barbara receives \$800 per month between pension and Social Security. \$800 x 12 months = \$9,600 per year.