



## **I own a home which is on the market for sale; will I qualify for an apartment home in your community?**

The net proceeds (**cash value**) from the sale of a home are considered an 'asset'.  
'Assets' such as real estate are items of value that may be turned into cash.

While assets are not considered income, **the income you can earn from the asset** will be taken into consideration when qualifying your household for eligibility. To take a closer look here is an example:

To determine the income from the asset, we first have to figure out the cash value (asset) of the home (real estate):

Market Value (current market value of the home)  
- Mortgage amount owed (if applicable)

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= Equity in the property

Second step would be to determine the 'cash value' of your home by subtracting the expense of selling the property:

Equity  
- Expense of selling (realtor fees)

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= Cash Value (asset)

If the 'Cash Value' is greater than \$5,000.00: A percentage of the cash value based upon the current passbook savings rate as established by HUD, would be considered the **income from the asset**. The passbook rate is currently set at .06%.

Here is an example if the 'cash value' of the home is \$5,000.00

Cash value = \$5,000.00

Current passbook savings rate .06%

**Calculation to determine the income from the asset:**  $\$5,000.00 \times .06\% = \$3.00$

In this scenario \$3.00 would be added to the household's total anticipated income!