Virginia Housing HOTMA Summary

Eligibility Areas	LIHTC	Loan Only	HOTMA Reference & Agency Guidance	Description
Implementation & Program Eligibility Criteria	Yes	Yes	Agency Guidance HOTMA Notice 7.1	**Effective July 1, 2025, all properties must implement HOTMA in the Virginia Housing Rental portfolio and may rely on the written guidance contained herein.** HOTMA Implementation Notice 2023-10 rev 02/02/2024 supersedes the guidance in the HUD Handbook 4350.3, Occupancy Requirements of Subsidized Multifamily Housing Programs, Chapter 5, upon which the Tax Credit program relies to determine tenant eligibility.
Occupancy Household Composition	Yes	Yes	HOTMA Notice Attachment E E.2	All occupants are counted for unit size and rental assistance (if applicable) and must be listed on the Tenant Income Certification (TIC) form.
Occupancy - Family Definition	Yes	**N/A**	HOTMA Notice Attachment E E.1 & E.2	The definition of "family members" under HOTMA has new statutory language, including "single persons" in the "family" definition across all programs. The definition of "dependent" was revised and **excludes** foster children and foster adults.
Annual Income Definition	Yes	Yes	HOTMA Notice Attachment F F.1	Annual income includes “all amounts received,” not the amount that the “family” ***may be*** legally entitled to receive by court or agency orders but which they do not receive. (e.g., child support, alimony, etc.). Also include income from all assets, even if the asset is excluded from the net family assets. Annual income includes all amounts received from all sources by each adult family member who is 18 years of age or older, unearned income received by or on behalf of each dependent who is under 18 years of age, and all income from assets, supported by documented verification. HOTMA Income and Assets Fact Sheet (hudexchange.info)

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Anticipated Income Calculation	Yes	Yes	Agency Guidance HOTMA Notice Attachment F F.1	All properties may continue using the anticipated annual income calculation for move-in and for recertifications, as applicable, considering verified current and estimated income in determining eligibility under the applicable income limits.
Income Exclusions	Yes	Yes	HOTMA Notice Attachment G	Exclude unsecured and unverifiable income that is not known. Annual income only includes anticipated annual and current amounts received, not the amount the family ***may be entitled*** to receive through a court or agency order or other written payment agreement, but which they do not receive. Income and Income Exclusions Resource Sheet (hudexchange.info)
Definition of Assets	Yes	Yes	HOTMA Notice Attachment F F.4.c	All Assets are categorized as either “Real Property” (e.g., land, home) or personal property. The tenant certification must, • **Include** all real property the tenant has a legal authority to sell • **Include** all non-necessary personal property with a total value above the threshold, adjusted annually for inflation • **Exclude** all necessary personal property • **Exclude** all non-necessary personal property with a total value of the annual threshold or less, adjusted annually for inflation Federal Register 2023-01617/p-27 Annual Inflationary Adjustments and Passbook Rate
Assets Exclusions	Yes	Yes	HOTMA Notice Attachment F F.4.b	Asset Exclusions and Limitation on Assets Resource Sheet.pdf (hudexchange.info)

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Imputed Assets (applies if over the threshold, adjusted annually for inflation) ***Annual Inflation-Adjusted Value**	Yes	**N/A**	HOTMA Notice Attachment F F.6.b	Asset income is calculated only for those assets where the actual income cannot be computed, **and** the total assets exceed the imputed asset threshold, adjusted annually for inflation. Only count actual asset income in the certification. Verified assets with 0% actual interest should not be imputed, even if the asset is over the imputed asset threshold. HOTMA Income and Assets Fact Sheet (hudexchange.info) All properties must use the HUD-published passbook rate. Imputed income must be calculated for specific assets when the net family assets **(1)** exceeds the annual threshold (as adjusted for inflation), the specific asset is **(2)** included in net family assets, **and** **(3)** the actual income cannot be calculated for the specific asset.
Asset Self-Certification (applies if under the asset threshold, adjusted annually for inflation) ***Annual Inflation-Adjusted Value**	Yes	**N/A**	HOTMA Notice Attachment F F.7	The HOTMA Final Rule supersedes Rev. Proc. 94-65, which permits a tenant's sworn statement of assets instead of requiring verification for all assets. When the combined value of all net family assets has a total value equal to or less than the annual threshold, adjusted for inflation, the family must include, on the Asset Self-Certification form that the net family assets do not exceed the threshold amount and list the amount of actual income the family expects to receive from such assets. HOTMA Income and Assets Fact Sheet (hudexchange.info)

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Dependent Student Earned Income Exclusion ***Annual Inflation-Adjusted Value**	Yes	**N/A**	HOTMA Notice Attachment G G.8	Full-time students counted in the "family" are considered dependents, and their income is partially excluded. Only a portion of earned income is counted on the TIC form as determined by the Annual Inflationary Adjustments and Passbook Rate . The dependent earned income exclusion is adjusted annually according to the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W)
Student Financial Assistance Income Exclusion	Yes	**N/A**	HOTMA Notice Attachment G G.16	HOTMA Student Financial Assistance Resource Sheet (hudexchange.info)
Documenting Tenant Eligibility and Maintaining Compliance	Yes	Yes	Agency Guidance HOTMA Notice Attachment J J.5	All properties must demonstrate efforts to verify tenant eligibility using acceptable verification methods before using a self-certification alone for the tenant certification**.** The PHA Income Certification may be used to verify eligibility for all properties. **Properties with HUD or federal programs** should rely on all income verification methods included in the HOTMA Final Rule and Implementation Notice. **LIHTC and Loan properties without HUD programs**, may rely on all income verification described in the HOTMA Implementation Notice.

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Income Verification Source and Documentation	Yes	Yes	Agency Guidance HOTMA Notice Attachment J J2 Verification Hierarchy	All verification methods and hierarchy included in the HOTMA Implementation Notice are acceptable for LIHTC and Loan programs, including The Work Number, pay stubs showing a minimum of two full consecutive weeks of pay, and current asset statements. Information should not be ignored, and properties must use due diligence in confirming anticipated annual income in the tenant certification and document the tenant file. LIHTC properties with HUD programs must maintain separate files when the Upfront Income Verification uses the Enterprise Income Verification (EIV) system. The LIHTC program is not permitted to access or review EIV generated reports.
Anticipated Annual Income Calculation	Yes	Yes	Agency Guidance	Properties without HUD programs may continue to calculate anticipated annual income for all certifications completed in properties. LIHTC properties with HUD programs must follow the HOTMA guidance for income calculation at move-in, interim recertifications, and annual recertifications.
“Safe Harbor” Income Verification for Tenants Receiving Fixed Income or Rental Assistance	Yes	Yes	Agency Guidance HOTMA Notice Attachment J J.5.a	A Safe Harbor verification is a third-party verification that includes the family size and the amount of the family’s annual income. All properties may request an income certification from a Public Housing Authority (PHA) to document tenant eligibility. The PHA income certification must state the household size and annual gross income and be signed by the PHA.

Virginia Housing HOTMA Summary

Federal Programs Required Authorization for the Release of Information HUD-9886/HUD-9887 Forms	Yes, if applicable	Yes, if applicable	HOTMA Notice Attachment J J.1	Virginia Housing properties should use the HUD Authorization for the Release of Information forms HUD-9886/HUD9887 to request income verification for households eligible for the “Safe Harbor” public assistance program income verification method. All adult applicants 18 or older in properties with HUD programs must sign the consent form at move-in and when a family member turns 18.
Streamlined Income Determination	Yes	Yes	HOTMA Notice Attachment I I.8	Streamlined income certifications may be used when 90 percent or more of the family’s income is from a “fixed source.” Annually, the family must certify that there has been no change in the fixed source(s) from the previous year.
Tenant Income Certification (TIC)	Yes	Yes	Agency Guidance	The TIC form may be generated from the online Tenant Portal, property management software, a manual form, or provided by a PHA using form 50058 or 50059 to document the tenant file. The online Tenant Portal must be updated with all tenant certification activity as it occurs, and no later than 30 days after the tenant event. **LIHTC Properties:** All completed certifications (initial, move-in, recertification, etc.) must include a signed TIC summarizing the household occupancy, family income, assets, rent, utility allowance, student status, and assigned unit set-aside. Interim recertifications are not required for Virginia Housing-managed and administered programs. **Loan-Only:** All completed certifications must include a signed TIC summarizing the household occupancy, income, tenant rent, and assigned unit set-aside.
Public Housing Tenant Income Certification Forms	Yes	Yes	Agency Guidance	LIHTC properties with HUD programs may rely on the complete and signed HUD Tenant Income Certification form 50058 or 50059 (HUD TIC) as the official TIC for the LIHTC program.

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Self-Certification TIC for LIHTC Properties with 100% Low-Income Units	Yes	**N/A**	Agency Guidance	The tenant(s) may self-certify their annual income beginning one year after the move-in date using the TIC with the occupancy, rent, utility allowance, and student status. Income and asset verification is not required for self-certifications. The tenant's self-reported income and assets should be included on the TIC and entered into the online Tenant Portal. Third-party income verification is not required.
Recertification TIC - LIHTC Properties with Market Units	Yes	**N/A**	Agency Guidance	Annually document the file with a signed TIC form supported by third-party income and asset verification, occupancy, rent, utility allowances, and student status.
Self-Certification TIC for Loan Only Properties at each Tri-Annual Certification (3-years)	**Loan Only Rule**	Yes	Agency Guidance	The TIC form must be signed at the initial move-in and supported by third-party income verification for all low and moderate income eligible tenants. **Tri-Annual Certification:** The Virginia Housing Regulatory Agreement requires each household to self-certify every three years on the anniversary of the move-in date. The tenant's self-reported occupancy and income should be included on the TIC and entered into the online Tenant Portal. Third-party income verification is not required.
Electronic Records and Signatures	Yes	Yes	Agency Guidance HOTMA Notice Reference 6.2	Per H2020-10, electronic signatures and records storage are acceptable for all properties in the Virginia Housing portfolio, except where not permitted by separate property program requirements or state or local laws.