Practical Points

Celebrating over 27 Years of Services and Solutions

June 2016

BREAKING NEWS

New HUD Form 92006 – Supplement to the Application

HUD has released a revised version of <u>HUD Form 92006</u>, <u>Supplement to Application for Federally Assisted Housing</u>. The form was updated to show a **new expiration date**—it is now valid through **February 28, 2019**.

This form allows applicants and current residents an opportunity to provide contact information for individuals or organizations that could be of assistance in resolving any issues that might arise during their tenancy.

Any *unused* versions of the old form with an expiration date of 11/30/2015 *must* be discarded.

Forms that have already been completed by applicants and residents after November 30, 2015 – present do *not* have to be replaced. However, you should make note by the 11/30/2015 expiration date (on the old form) that the new, updated form was not released by HUD yet. (Don't forget to put your initials and the date on the note!)

You *must* start using the new form with the 2/28/2019 expiration date immediately.

- When prospective households request an application, a copy of HUD Form 92006 must also be provided at that time as an attachment to the application.
- HUD has clarified that owner/agents are required to obtain one completed version of the 92006 for each family. If more than one member wishes to provide alternative contact information, that is allowed.
- Applicants/residents are not required to provide an alternative contact
 and may check the box stating that the applicant/resident chooses not to
 provide the contact information.
- Owner/agents should (but are not required to) ask applicants if they wish to update the information before MI. Owner/agents should (but are not required to) ask residents if they wish to update the information at each annual certification. This can be done by including a question on the questionnaire or by providing a new copy of the form. Owner/agents are not required to provide a new HUD Form 92006 at each AR.
- Forms completed by residents are retained for the term of tenancy and for three years after tenancy ends for any reason.
- Forms completed by applicants remain in their file for the entire time they are on a waiting list and for three years after removal/rejection.



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INDUSTRY NEWS

New HUD Form 9834 With Updated Expiration Date Has Been Published

HUD has published an updated version of the HUD Form 9834- Management Review for Multifamily Housing Projects. The updated version can be found here. This new version displays, on the top right corner of each section and addendum, the new OMB expiration date of April 30, 2018. All Management and Occupancy reviews conducted May 17, 2016 or later must be recorded using the new version of the form.

Corrections to minor typographical errors appear to be the only content modifications made to the remainder of the form.

QUESTION AND ANSWER

PMCS answers questions based solely on the details provided within the scenario. Readers are advised to consider any impact omitted information may have on quidance provided.

Ouestion:

I am a Regional Manager for a large management company. I discovered, during a quality control review, that one of my managers incorrectly processed an interim for a household that reported a monthly increase in income that was less than \$200/month. Should I correct this issue or let the certification stand?

~Shelby –Louisiana

Answer:

HUD Handbook 4350.3, Rev-1, Change 4, 7-11 A says owners **must** process an interim if a tenant reports an increase in a family's cumulative income of \$200 or more a month. **Section 7-11B** goes on to say that if a tenant reports a change in income that does *not* increase the household's cumulative income by \$200 or more a month, the owner **should** *not* process an interim recertification to increase a tenant's rent.

Our recommendation is to interpret **Section 7-11 B** as HUD's intention for owners to *not* process the interim. In the spirit of that interpretation, PMCS recommends retroactively correcting the IR to reduce the household's income back to its prior amount and documenting the file accordingly to indicate the reported change did not meet the \$200/month threshold.

Lastly, PMCS recommends using this scenario as a training example for the recertification staff to ensure the same interpretation is consistently and appropriately applied in future situations.

Ouestion:

I have a tenant that moved here 3 years ago from another state that has yet to get her car registered locally. I have told her that is a violation of our parking rules. She is asking me to provide evidence that a local registration is a HUD requirement and says she has always maintained the car registration in the other state because she has two addresses – one here and another at her daughter's address.

How should I respond?

~Betty – New Jersey

Answer:

HUD does *not* provide specific guidance regarding car registration. However, your House Rules can reference state requirements, related to car registration, that **must** be followed at the property, per **HUD Handbook 4350.3**, **Rev-1**, **Change 4, 6-9 B.1.f.** Failure to follow the House Rules would be a lease violation and you can proceed with termination of tenancy, as appropriate.

A second concern is the fact that she says she maintains two addresses. **HUD Handbook 4350.3**, **Rev-1**, **Change 4**, 3-10 states that a family is eligible for assistance only if the unit will be the family's only residence. If she is indicating she has dual residences, she is violating a program eligibility requirement.