

## 2329 - REAL PROPERTY: NON-HOMEPLACE

<b>POLICY STATEMENT</b>	The equity value of the applicant/recipient's (A/R's) interest in non-homeplace real property is a countable resource for all ABD and Family Medicaid Classes of Assistance (COAs).
<b>BASIC CONSIDERATIONS</b>	<p>Non-homeplace real property includes the following:</p> <ul style="list-style-type: none"> <li>• land</li> <li>• lots</li> <li>• trees on land</li> <li>• buildings on non-homeplace property which would transfer to a buyer if/when the land or lot were sold</li> <li>• houses and mobile homes, whether occupied or unoccupied</li> </ul> <p>Equity value (fair market value less any indebtedness) is the countable value of non-homeplace property.</p> <p>Indebtedness is the total amount of debt that remains to be paid, including principal, interest and any liens and/or encumbrances.</p> <p>Non homeplace real property may be totally or partially excluded if it meets one of the following conditions:</p> <ul style="list-style-type: none"> <li>• the property is jointly owned and the sale of the property would cause undue hardship to a co-owner(s). Refer to Section 2345, Undue Hardship Provision for ABD Medicaid.</li> <li>• the A/R is making a bona-fide or good faith effort to sell the property. Refer to Section 2304, Treatment of Resources</li> <li>• the property is restricted allotted Indian land. Refer to Section 2304, Treatment of Resources</li> <li>• the property meets undue hardship provisions. Refer to Section 2345, Undue Hardship Provision for ABD Medicaid</li> <li>• the property is essential to self-support (this applies only to ABD COAs). Refer to Section 2327, Property Essential to Self-Support</li> <li>• the property is declared unmarketable by a competent authority</li> <li>• the A/R owns a life estate interest in the property (ABD Non-FBR COAs only). Refer to 2322, Life Estate and Reminder Interests.</li> </ul>

**BASIC  
CONSIDERATIONS  
(cont.)**
**Sale of Non-  
Homeplace  
Real Property**

The proceeds from the sale of excluded non-homeplace real property are excluded during the month of sale. Any proceeds remaining the month following the sale are a countable resource.

**Bona-fide or  
Good Faith  
Effort to Sell**

A bona-fide or good faith effort to sell is defined as follows:

- actual sale attempt at a price not more than current market value
  - listing with a realtor
- OR
- appropriate advertising such as in newspapers, radio, etc.
  - acceptance of any reasonable offer.

**Income Producing  
Property:  
ABD Medicaid**

Refer to Section 2327, Property Essential to Self-Support.

**Income Producing  
Property:  
Family Medicaid**

Income producing property is considered a countable resource when determining eligibility for Family Medicaid COAs.

Income producing property is defined as follows:

- property which produces income, even if used only on a seasonal basis
- property essential to the employment or self-employment of a household member (rental homes, farm land, etc.)
- rental property which is used for vacation purposes at some time during the year and which produces income
- installment contracts for the sale of land or buildings if the contract or agreement produces income.

**PROCEDURES**

Verify ownership interest and Current Market Value (CMV) of non-homeplace real property using one of the following documents:

- property search (Form 991)
- legal documents indicating value of the property.

Determine the equity value of the property.

If the A/R rebuts the CMV indicated in the Tax Digest, the A/R may obtain written appraisals or estimates from two reliable sources, such as realtors or appraisers, as to the accurate CMV. Average the two appraisals or estimates to determine CMV.