

2329 - REAL PROPERTY: NON-HOMEPLACE

POLICY STATEMENT	<p>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).</p>
BASIC CONSIDERATIONS	<p>Non-homeplace real property includes the following:</p> <ul style="list-style-type: none">• land• lots• trees on land• buildings on non-homeplace property which would transfer to a buyer if/when the land or lot were sold• houses and mobile homes, whether occupied or unoccupied <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">• 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.• the A/R is making a bona-fide or good faith effort to sell the property. Refer to Section 2304, Treatment of Resources• the property is restricted allotted Indian land. Refer to Section 2304, Treatment of Resources• the property meets undue hardship provisions. Refer to Section 2345, Undue Hardship Provision for ABD Medicaid• the property is essential to self-support (this applies only to ABD COAs). Refer to Section 2327, Property Essential to Self-Support• the property is declared unmarketable by a competent authority• the A/R owns a life estate interest in the property (ABD Non-FBR COAs only). Refer to 2322, Life Estate and Reminder Interests.

**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.

Refer to [Section 2410, Rental Property](#).

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.