

ANNUAL RECERTIFICATION DATES (SECTION 235)

1. Annual Recertifications.

a. If the anniversary date is September 1, the recertification is required between July 1 and October 1. If it has not been received before October 1, the contract must be suspended as of that date. Receipt of Form HUD-93101, signed by at least one mortgagor, constitutes receipt of the recertification. The last assistance payment to which the mortgagor is entitled is the one due September 1. If the mortgagee has already billed for the October 1 assistance payment, that payment represents an overpaid assistance payment which must be refunded to HUD by adjustment to the mortgagee's billing for assistance payments due November 1.

b. If the mortgagor's recertification is received on or after October 1, the contract may be reinstated, and should be made effective the first day of the month following the date the mortgagee received the completed Form HUD-93101.

2. Other Required Recertifications.

a. Example. The anniversary date is September 1, but the mortgagee learns on April 4 that an adult member of the family has changed employment and the result is an increase in the family's total adult income or that the gross family income (excluding income of minors) has increased \$50 or more per month. If the mortgage was insured on or after January 5, 1976), the mortgagee must immediately request that the mortgagor recertify his income. Regardless of the date of the mortgagee's request, if the recertification is not received before June 1, the contract must be suspended effective June 1. Thirty days from April 4 would be May 4, but the mortgagor is entitled to assistance for the month of May and, if the recertification were received before the end of May, would be entitled to assistance at the new rate for the month of June. If the assistance payment due June 1 has already been billed, it will represent an overpaid

assistance payment which must be refunded by adjustment to the regular billing for assistance payments due July 1. When the recertification is received, the contract can be reinstated as described above. The mortgagee must request recertification as quickly as possible after learning of a situation which requires

recertification, since any delay results in shortening the time provided the mortgagor to respond to the request, and the time limit on security the recertification is based on the date on which the mortgagee first learned that the recertification might be required.

b.Exception and Caution. Not all information received from sources other than the mortgagor will be accurate, even though the mortgagee is required to secure a recertification whenever it learns that one may be required. If there has been no actual change requiring recertification, the mortgagee should proceed as though the recertification had not been requested. There should be no adjustment of assistance, and any contract which had been suspended because of delay in providing the recertification should be reinstated, with the Form HUD-93114 showing "suspended in error" as the reason for reinstatement. Where there has not been an actual change requiring recertification, it is not necessary to use Form HUD-93101 to establish the true circumstances. The mortgagee may accept the mortgagor's statement that there has been no change in the source of income to any adult member of the family or, in the case of a mortgage insured on or after January 5, 1976, that there has not been an increase of \$50 or more per month in the gross family income since the date of the last recertification. Verification is needed only to the extent that any employers named in the last recertification reconfirm that the adult members of the family are still employed by them or that the salary has not increased \$50 or more per month. Both the mortgagor's statement and the verifications may be either in writing or by telephone, but the mortgagee's files must be documented.

On mortgages insured prior to January 5, 1976, as long as sources of income remain the same, any other changes

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which might result in changes in amounts of assistance may be disregarded, and the amounts of income need not be verified. On mortgages insured on or after January 5, 1976, if the gross family income (excluding income of minors) has not increased \$50 or more per month regardless of whether or not the income source has changed, a change in the amount of assistance may be disregarded.

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