

**Computation of Surplus Cash,
Distributions and Residual
Receipts ~~(Annual)~~**
Section 232

U.S. Department of Housing
and Urban Development
Office of Healthcare Programs

OMB Approval No. 9999-9999
(exp. mm/dd/yyyy)

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Public reporting burden for this collection of information is estimated to average 1 hour. This includes the time for collecting, reviewing, and reporting the data. The information is being collected to obtain the supportive documentation which must be submitted to HUD for approval, and is necessary to ensure that viable projects are developed and maintained. The Department will use this information to determine if properties meet HUD requirements with respect to development, operation and/or asset management, as well as ensuring the continued marketability of the properties. Response to this request for information is required in order to receive the benefits to be derived. This agency may not collect this information, and you are not required to complete this form unless it displays a currently valid OMB control number. No confidentiality is assured.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Project Name:	Fiscal Period Ended: ____/____/____	Project Number:
PART A – Compute Surplus Cash		
CASH		
1. Cash (Accounts 1110 , 1120, 1170 , 1191, 1192)	\$	
2. Tenant Subsidy due for period covered by financial statement Medicare/Medicaid Receivables (to be received within 60 days) (optional for non-profit projects)	\$	
3. Other (describe)	\$	
(a) Total Cash (Add Lines 1, 2 and 3)	\$	
Current Obligations		
CURRENT OBLIGATIONS		
4. Accrued Mortgage Interest Payable	\$	
5. Delinquent Mortgage Principal Payments	\$	
6. Delinquent Deposits to Reserve for Replacements	\$	
7. Accounts Payable –(due within 30 days)	\$	
8. Loans and Notes Payable (due within 30 days)	\$	
9. Deficient Tax Insurance or MIP Escrow Deposits	\$	
10. Accrued Expenses (not escrowed)	\$	
11. Prepaid Revenue (Account 2210)	\$	
12. Tenant Security Deposits Liability (Account 2191)	\$	
13. Other (describe)	\$	
(b) Total Current Obligations (Add Lines 4 through 13)	\$	
(c) Surplus Cash (Deficiency) (Line 3(a) minus Line 13(b))	\$	
PART B – Compute Distribution to Owners and Required Deposit to Residual Receipts		
1. Surplus Cash (Deficiency) (For profit projects)	\$	
LIMITED DIVIDEND PROJECTS		
2a. Amount Available for distribution during next fiscal period	\$	
2b. Distribution Accrued and Unpaid as of the End of the Prior Fiscal Period	\$	
2c. Distributions Paid During Fiscal Period Covered by Statement	\$	
3. Amount to be Carried on Balance Sheet as Distribution	\$	

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Earned by Unpaid (Line 2a plus 2b minus 2c)				
4. Amount Available for Distribution During Next Fiscal Period			\$	
2. 5. Deposit Due Residual Receipts (Must must be deposited with Mortgagee within 60 days after Fiscal Period ends) (Non-profit projects)			\$	
Prepared By		Reviewed By		
Loan Technician	Date	Loan Servicer	Date	

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~~Instructions for Preparation of Form HUD-93486, Computation of Surplus Cash, Distributions and Residual Receipts~~

Instructions for Preparation of Form HUD-93486, Computation of Surplus Cash, Distributions and Residual Receipts

Part A

Line 1. Do not include escrow deposits or HUD required reserves. ~~Do not include funds in Project Improvement Accounts required on Flexible Subsidy or other projects~~

~~**Line 2.** Include amounts receivable on tenant subsidy vouchers only if the amounts were earned during the period covered by the financial statement. Do not include Section 8 vouchers submitted for the first month of the next fiscal year. Keep in mind that rent supplement and RAP vouchers are submitted on the 20th of the month they are earned while Section 8 vouchers are submitted on the 20th of the month before they are earned.~~

~~**Line 2.** Medicare/Medicaid Receivables (to be received within 60 days) (optional for non-profit projects)~~

Line 3. Include amounts related to replacement reserve draws for items which have:

- Been paid from project funds, and
- Approved by HUD prior to the end of the fiscal year, but
- For which reimbursement has not been received from the mortgagee.

~~Also include: any government receivable, i.e., Medicare/Medicaid a project expects to receive within 60 days of fiscal year end as an addition to cash.~~

Line 4. For projects current under the mortgage, include the interest payment due the first of the next month (Account 2130). Remember interest is paid in arrears: interest for the month of December is payable January 1. For projects in default under the mortgage, include delinquent interest payments shown on the Form HUD-92426, Notice of Default; use the Form HUD-92426 for the month following the last month covered by the financial statement. For

HUD-held projects, include delinquent interest shown on the Form HUD-92771, Notice of Mortgage Payment Due; use the HUD-92771 for the month following the last month covered by financial statements.

Line 5. Include principal delinquent under the mortgage. This should be the difference between the unpaid balance shown on the amortization schedule and the amount shown in Account 2320 as the Balance Sheet ~~Dated~~date.

Line 6. Include any delinquent deposits to the reserve for replacement account (Account 1320). Be sure to include any lump-sum deposits required by special workout agreements or subsidy contracts.

Line 7. Exclude accounts payable related to replacement reserve draws which were:

- Approved by HUD prior to the end of the fiscal year, but
- Which have not yet been released by the mortgagee and deposited in the project account.

~~Include any excess income payments on Section 236 projects which should have been sent to HUD and were not as of the end of the fiscal year; excess income is calculated monthly on Form HUD-93104.~~

Line 9. Include any deficiency reported in the mortgage escrow deposits schedule of the Supplemental Data to the financial statement. Note that replacement reserve deposits are not included; delinquent replacement reserve deposits are included in Line 6.

Part B

Line 1. If the amount on Line 13(c) of Part A was zero or negative, enter zero. If the amount on Line 13(c) of Part A was positive, enter that amount here.

~~(For lines 2a, 2b, 2c and 3 use only on limited dividend projects.)~~

~~**Line 2a.** Enter zero if mortgagor agreed not to accrue distributions. This amount is available for distribution during the next fiscal period covered by the financial statement. On limited dividend projects, the annual distribution earned is calculated by multiplying the distribution rate cited in the regulatory agreement by the initial owner's equity account. The owner equity figure is determined at the time of cost~~

certification and should not be confused with the Owner's Equity Account reported annually on the project Balance Sheet. The annual distribution permitted is computed by multiplying the distribution rate cited in the regulatory agreement by the difference between the HUD-approved mortgage amount (Line 10) and the replacement cost (Line 6) of Form HUD-2580, Maximum Insurable Mortgage. (for-profit projects only).

Note: Line 2. If distribution is paid for a semi-annual period, divide annual distribution by 2.

Line 2b. Enter zero if mortgagor agreed to waive distributions that have accrued prior to period covered by the statement. On other limited-dividend projects, enter the amounts shown on previous year's balance sheet or Line 3 of last year's computation of surplus cash.

Line 2c. Enter the amount shown as distributions paid in the Statement of Changes in Owner's Equity or the Statement of Receipts and Disbursements. Distributions are defined in paragraph 2-10 of Handbook 4370.1 Rev-1.

Line 3. Enter Line 2(a) plus Line 2(b) less Line 2 on Line 13(c).

Line 4. For non-profit projects enter zero. For limited-dividend projects, enter lesser of Line 1 or Line 3. For profit-motivated projects, enter of Part A was zero or negative, enter zero. If the amount on Line 1-

Line 5. For non-profit projects 13(c) of Part A was positive, enter that amount on Line 1. For profit-motivated projects, enter zero. For limited-dividend projects, enter Line 1 less Line 4, here. This amount must be deposited with Mortgagee within 60 days after Fiscal Period ends (non-profit projects only).