

EXCERPTS FROM THE CODE OF FEDERAL REGULATIONS

§ 235.350 Mortgagor's required recertification.

(a) The mortgagee shall obtain from the homeowner (or from the cooperative association on behalf of the cooperative member), on a form prescribed by the Secretary a recertification as to occupancy, employment, family composition and income whenever one of the following events takes place:

(1) Annually, no earlier than 60 days before and no later than 30 days after the anniversary date of the mortgage or at such other anniversary date as set by the Secretary;

(2) No more than 30 days after the mortgagee is notified by the mortgagor or learns from any identifiable source:

(i) That the mortgagor or any adult (21 years or older) member of the family residing in the household changes or begins employment which results in an increase in the family income reported in the original application for assistance or the most recent recertification.

(ii) That the family income (excluding earnings of minors) has increased at least \$50 per month (except in the case of a mortgagor under a mortgage insured before January 5, 1976).

(iii) A new member is added to the family who is not born in the United States (except for a mortgagor described in 235.13(a) (1) or (2)).

(3) At such other times as the Secretary may require.

(b) With respect to mortgages insured under this part after January 5, 1976, the mortgagee shall obtain from the applicant-homeowner at the time application is made for assistance and at the time of annual recertification required under paragraph (a)(1) of this section, on a form provided by the Secretary, a statement of the aggregate amounts of total income prior to adjustments reported for all family members (other than minors) by the applicant-homeowner in his most recent federal income tax return, if he is required to file such a return. If separate returns are filed by separate members of the family, the total income prior to adjustments included in all such returns (except returns of minors) shall be reported. If the income so reported is more than 25 percent above the income reported on the recertification the mortgagee shall obtain from the homeowner a new recertification or a written explanation of the difference in income reported on the two forms.

(c) Mortgagors who fail to disclose their actual income in accordance with the requirements of this part will be required to reimburse the Secretary for all overpayments made on their behalf.

(d) The homeowner must meet the disclosure and verification requirements for Social Security Numbers in connection with any recertification under this section, as provided by part 200, subpart T, of this chapter. For requirements regarding the signing and submitting of consent forms by homeowners for the obtaining of wage and claim information from State Wage Information Collection Agencies, see part 200, subpart V, of this chapter.

(Approved by the Office of Management and Budget under control numbers 2502-0204, 2502-0267, 2502-0268, and 2577-0083)

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