**Policy Clarification**

**Cash Assistance – All – PCA-21865-140**

**Medical Assistance – All – PMA-21865-340**

**Long-Term Care – All – PMN-21865-440**

**Supplemental Nutrition Assistance Program – All**

**PFS-21865-540**

**Children’s Health Insurance Program – All**

**PCH-21865-1106**

**Submitted: July 1, 2024 Agency: CAOs**

**Subject: Determining Fair Market Value (FMV) for Residential and Nonresidential Properties**

**Question: Can the County Assistance Office (CAO) use on-line real estate listing services to determine FMV?**

**How does the CAO determine and verify FMV for residential and nonresidential properties?**

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| **Response By: Policy Clarification Unit** |  **Date:**  |  |  |
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Using Zillow or any other on-line real estate listing is not an approved method for determining FMV.  Additionally, the CAO may not require the individual to obtain an appraisal or use any other method to verify FMV of residential or nonresidential property which may require out-of-pocket expense to the individual.

When determining eligibility for Cash Assistance, resident property of a budget group is an exempt resource.  FMV of nonresidential property can be verified by the following:

* property tax assessment records,
* statement from a licensed real estate broker,
* statement from a real estate appraiser,
* statement from a financial institution, or
* court records.

When determining eligibility for Medical Assistance (MA) and Long-Term Care, residential and nonresidential properties are considered available resources unless excluded under other Department of Human Services rules.  It is important to note that resident property of an applicant or recipient is excluded when determining eligibility for Modified Adjusted Gross Income-related, General Assistance-related, and Supplemental Security Income-related categories of MA.

The following can be used to verify FMV:

* A written and signed appraisal from a knowledgeable source such as a real estate broker or bank, savings and loan association, mortgage company, or similar lending institution, or
* Property tax assessment records.

**NOTE:**  Not all taxing districts use 100 percent of a property's FMV when figuring the property tax. The CAO will multiply the assessed value by the common level ration factor to determine the FMV of the property.

When determining eligibility for the Supplemental Nutrition Assistance Program, residential property and nonresidential income-producing property are exempt as resources.  Nonresidential property that does not generate income is included as a resource at FMV.  Types of written verification of FMV include, but are not limited to:

* a signed statement from a third party such as a real estate appraiser,
* a statement from a bank or mortgage lender, or
* a request for Financial Information (PA 76).

See the appropriate handbook chapter to review when residential and nonresidential property may be excluded: CAH 140.62, MAEH 312.18, 340.1, 340.8, SNAPH 540.5, and LTCH 440.42.