I. APPENDIX – QUESTION 10

Income Screening Examples

In 3:1 ratio screening, subsidies must be subtracted from monthly rent.

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Required income is calculated as 3x the tenant's portion of rent.

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All verifiable sources of income MUST be included in the calculation.

1. Applicant meets screening criteria.

   - State assistance: $332/MONTH
   - Employment: $600/MONTH
   - Total income: $992/MONTH

   Required income = tenant portion X 3

   - Monthly rent: $1200/MONTH
   - Subsidy: $949/MONTH
   - Tenant portion: $251/MONTH

   Total income = $992/MONTH

   Required income = $753/MONTH

   Balance = $239/MONTH

   Qualifies

2. Applicant does not meet screening criteria.

   - Child support: $200/MONTH
   - Total income: $200/MONTH

   Required income = tenant portion X 3

   - Monthly rent: $1200/MONTH
   - Subsidy: $949/MONTH
   - Tenant portion: $251/MONTH

   Total income = $200/MONTH

   Required income = $753/MONTH

   Balance = -$553/MONTH

   Does not qualify

This FAQ should not be used as a substitute for codes and regulations.
The reader is responsible for compliance with all code and rule requirements.