

Wait, What Is Section 42?

Thank you for taking us [Diamond Property Management](#) into consideration for providing you your next Home. You have viewed one of our [wonderful communities](#) and have filled out the credit/background check and have been accepted to join us , but we must complete a Section 42 application too?

Here at DPM some [Properties Participate](#) in Affordable Housing under Section 42 with WHEDA AND HUD, that's a lot in one breath, but what does that mean? Well this is the long and short version here!

Income and assets verification for residency:

This required due to how the building was built with IRS Tax Code .

Whether or not your income qualifies under a Section 42 community this determined by HUD (Department of Housing and Urban Development Agency) the county of the community and these fall under laws mandated by our federal government.

We cannot send a lease out with Tax Credit Application to be Submitted to Compliance who sends us approval for lease to be executed and allow anyone to move in.

How do I find out if I am eligible for a Section 42 tax credit unit?

Prior to the application we will do a short intake evaluation. You will be asked to complete forms which will request information regarding your income, family size and financial assets. This information will aid in determining your eligibility for the program.

What are assets?

Assets are your valuables other than personal items that must be considered when determining your family income. Examples include savings accounts, certificates of deposit, stocks and bonds. Personal items such as your car, furniture, etc. **are not included.**

What is Compliance? Compliance Company?

Compliance means that you fit all the guidelines necessary to live in a Section 42 apartment.

How is my maximum income level determined?

Your maximum income level is based on the number of people in your household and the combined gross (before taxes/deductions) income. See your county restrictions.

Can someone else live with me?

The apartment is being rented to you and the people who were identified on the rental application. The Section 42 guidelines require that you immediately notify the Owner/Manager in writing if there are any changes in your household arrangement. You may be required to complete the certification process again based on this new information.

Why are some of the units in my building not income restricted?

Apartment Owners have the right to choose whether to offer "mixed-income" housing or what guidelines were set up with all agencies when the building was activated under the parameters. Therefore, all units in a community may not be available for Section 42 guidelines and could be priced at the market rent rates (rates that are determined by comparable apartment communities in that area)

Section 8 the same thing as Section 42?

No. Section 8 housing: Section 8 apartments are apartment homes managed by HUD. There is a voucher tied to each unit which states that the resident in that unit only pays 30% of their income toward their rent. The remainder of the rent is subsidized by tax dollars. There is a lengthy process to apply for Section 8 as well. You must do this through HUD. Like Section 42, applicants must submit all assets and income in order to apply.

Please read this to apply to one of our communities efficiently and correctly.

Verification

In addition to standard wages, income includes monies received from all source.

- Alimony
- Child Support
- Pensions
- Social security
- Asset income
- Bank Verifications

So, the process for our wonderful communities is as follows from our Tax Credit Application. This application has a \$50.00 compliance fee paid by Money Order. Pay the Order to: Property Name and Unit Number. Please give this to the Property Manager.

[Please review Section 42 to Application:](#)

[Tax Credit Application You can print this page.](#) Or you can pick up the [application](#) up from the local community of your interest.

If Items Marked Yes + Tax Credit Application

Only gather Direct Contact information from Assets portion of Tax Credit application:

- Name of Provider/Company/Holder
- Phone Number
- Fax Number
- Email if applicable

ALL items from the Asset portion of Application MUST be verified through Provider/Company/Holder

Gather above Contact Information so we may send them the correlating verification document for Provider/Company/Holder fill out and return the verification to Property Manager. After the Property Manager reviews the documents and ensures they are filled out correctly this Tax Credit Application is sent into Compliance Company approval.

Those items need a verification sent and filled out by applicable provider directly, collected and sent in.

Your income must be verified prior to being accepted for residency at a Section 42 community and is reviewed annually for accuracy.

Please Visit Our Application FAQ Page:

<https://www.rentwithdiamond.com/diamond-property-management-wi-apartments-for-rent/diamond-property-management-wi-rental-application-faq/>

Again, thank you for Choosing [Diamond Property Management LLC](#) and we look forward to scheduling your move in soon!

Helpful Links:

Copies of SSI award letter:

Federal:

<https://faq.ssa.gov/en-us/Topic/article/KA-01717>

Call 1-800-772-1213

WI State:

WI SSI Locator:

<https://www.dhs.wisconsin.gov/ssi/index.htm>

<https://secure.ssa.gov/ICON/main.jsp>

Call: (800) 772-1213

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