

RESOURCES

REAL PROPERTY

Description: Real property is land and generally whatever is erected upon, growing upon, or affixed to the land. Real property also includes rights arising out of or in connection with land, such as air, mineral, water, or access rights. Real property may be owned in whole or in part. When determining eligibility, all real property owned by an A/R is evaluated.

Policy: When determining Medicaid eligibility for an SSI-related individual, ownership of real property is reviewed in order to determine if it is a countable resource.

The equity value of real property is a countable resource and is applied toward the appropriate resource level, with the following exceptions:

- a homestead is exempt; its value is not applied toward the resource level. (See **INCOME HOMESTEAD** for a definition of homestead);
- a portion of the value of real property used to produce income may be exempt (See **INCOME RENTAL INCOME**); and
- the first \$12,000 equity value of real property used to produce personal goods/services is exempt (See **INCOME RENTAL INCOME**).

The equity value of any second home (See **OTHER ELIGIBILITY REQUIREMENTS OWNERSHIP AND AVAILABILITY**) is determined and is applied toward the appropriate resources level. (See **RESOURCES LEVELS**)

The equity value is derived by subtracting any encumbrances, for example liens and mortgages, from the fair market value.

References:

SSL Sect.	366 366.1 366.2 366-ee
Dept. Reg.	352.23(b) 360-1.4(f) 360-4.4(e) 360-4.7(a)(1)

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ADMs	10 OHIP/ADM-01 97 ADM-23 OMM/ADM 97-2 91 ADM-30
GIS	09 MA/027

Interpretation: The sections that follow discuss these forms of real property:

- Homesteads;
- Contiguous property and non-contiguous property;
- Income-producing property; and
- Property used to produce personal goods/services.