



U.S. Department of Housing and Urban Development

Office of Housing

OMB Approval No. 2502-0086

Regional Directors  
Field Office Directors  
Multifamily Hub Directors  
Project Managers  
Section 236 Owners, Management Agents  
Contract Administrators and Housing  
Finance Agencies

**NOTICE: H 02-09**

Issued: 5-10-02

Expires: 5-31-03

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Cross References:

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Subject: **TECHNICAL CORRECTIONS TO NOTICE H 01-07 - GUIDELINES  
FOR CALCULATING AND RETAINING SECTION 236 EXCESS  
INCOME**

This Technical Correction provides clarification to Notice H 01-07 dated 7-27-01. It makes no changes to the policies or procedures promulgated in the Notice.

- A. There has been some confusion among readers pertaining to Excess Income in Section 236 properties where there is Section 8 assistance. The following clarifies when Excess Income is generated.

The Note on page 3 is revised as follows:

**"Note: There is no Excess Income generated with units receiving Section 8 assistance."**

- B. The requirement for owners to continue to prepare and submit Form 93104, Monthly Report of Excess Income, to HUD when an owner has been approved to retain Excess Income was not included in the original Notice and therefore, the following has been added.

Page 9 paragraph J. of Section V. is added as follows:

"J. Mortgagors approved to retain Excess Income must continue to prepare and submit to HUD a revised Form HUD-93104, Monthly Report of Excess Income, or successor form."

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John C. Weicher  
Assistant Secretary for Housing -  
Federal Housing Commissioner