

# CALCULATING ASSETS

**Step 1:** Gather Asset Balances and Statements for each household (HH) member



### Liquid Assets / Non-Retirement

- Checking accounts
- Savings accounts
- Investment accounts
- Real estate owned
- Other assets....

### Retirement Assets

- 401k
- IRAs
- PERA accounts

**Step 2:** Organize your assets by (a) Retirement Assets and (b) Non-Retirement Assets, per household member



HH Member 1 Retirement Assets = X1; HH Member 1 Non-Retirement Assets = Y1  
 HH Member 2 Retirement Assets = X2; HH Member 2 Non-Retirement Assets = Y2  
 HH Member 3 Retirement Assets = X3; HH Member 3 Non-Retirement Assets = Y3, etc

**Step 3:** Add up the **Total Household Assets**, adding the total of Retirement and Non-Retirement Assets for all household members



$$X1 + Y1 + X2 + Y2 + X3 + Y3, \text{ etc} = \text{Total Household Assets}$$

**Step 4:** Consider the ages of all household members, and using the chart below, determine the amount of retirement assets that can be exempted from Total Household Assets.

Exempt Retirement* Asset Limit		
Per Person	Under 40	\$30,000
Per Person	40-55	\$55,000
Per Person	Over 55	\$110,000

\*Funds must be in a designated retirement account

*For example, if HH Member 1 is 42 years old and has \$60,000 in designated retirement assets, \$55,000 of their retirement assets are exempt from the Asset Limit, and the remaining \$5,000 applies to the Household Asset Limit*

**Step 5:** Subtract the exempt retirement assets from the Total Household Assets. From this new amount, the household can still put up to 20% of the price of an ECLT home down as downpayment, and have that further subtracted from assets that contribute to the asset limit.

Once these calculations are complete, compare your HH size to the Asset Limit based on the chart below to determine if your **adjusted** Total Household Assets are within the limits.

Asset Limit	Household Size						
	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	Each Additional Person
Standard Limit	\$ 140,000	\$ 155,000	\$ 170,000	\$ 185,000	\$ 200,000	\$ 215,000	PLUS \$15,000
Recently Divorced (within last three yrs)	\$ 170,000	\$ 185,000	\$ 200,000	\$ 215,000	\$ 230,000	\$ 245,000	PLUS \$15,000
Person with permanent disability	\$ 225,000	\$ 240,000	\$ 255,000	\$ 270,000	\$ 285,000	\$ 300,000	PLUS \$15,000
Retired	\$ 170,000	\$ 185,000	\$ 200,000	\$ 215,000	\$ 230,000	\$ 245,000	PLUS \$15,000

Please contact ECLT at (720) 822-0052 or [info@elevationclt.org](mailto:info@elevationclt.org) for additional questions.

## ASSET CALCULATION EXAMPLE:

In the example below, we have outlined a scenario for a 3 person household. You will see that while initially their combined assets were above \$200,000, well above the asset limit, once we accounted for the exemptions for their retirement savings based on household member ages and circumstances and they put the limit of 20% down payment on their ECLT home, they are actually below the Asset Limit for their household size. Every situation varies, this is one example only.

### 3 PERSON HOUSEHOLD

#### Jorge = 42 years old, working

- Checking = \$4,235
- Savings = \$23,786
- Roth IRA = \$15,154
- IRA = \$12,025
- Charles Schwab Brokerage = \$2,209

#### Maria = 38 years old, working

- Checking = \$1,507
- Savings = \$4,825
- IRA = \$4,250
- Venmo = \$469

#### Alma = 68 years old, retired

- Checking = \$16,340
- Savings = \$15,000
- CO PERA = \$32,501
- IRA = \$150,005

**Jorge's Assets:** Jorge has a large portion of his savings in dedicated retirement funds, which are eligible to be exempt from the asset limit.

**Maria's Assets:** Maria has more of her savings in cash (checking/savings) which can go towards a down payment (of up to 20% of the purchase price of the ECLT home) and be exempt from the asset limit if needed.

**Alma's Assets:** Alma is retired and thus has a higher amount of retirement funds that can be exempt from the household asset limit. She also has significant cash savings to contribute to the down payment.

Example Asset Calculation			
ECLT Home Price	\$297,000		
Maximum Down Payment % Allowed under Exemption	20%		
		<b>Non-retirement Liquid Assets</b>	<b>Retirement Assets</b>
Jorge	Checking	\$4,235	
Jorge	Savings	\$23,786	
Jorge	Roth IRA		\$15,154
Jorge	IRA		\$12,025
Jorge	Charles Schwab	\$2,209	
Maria	Checking	\$1,507	
Maria	Savings	\$4,825	
Maria	IRA		\$4,250
Maria	Venmo	\$469	
Alma	Checking	\$16,340	
Alma	Savings	\$15,000	
Alma	CO PERA		\$32,501
Alma	IRA		\$150,005
	<b>Subtotals</b>	<b>\$68,371</b>	<b>\$213,935</b>
			<b>Retirement Funds Eligible for Exclusions from Assets</b>
			Retirement Assets
			Exemption Limit Based on Age
			Amt. Exempted (100% Exempted if under age-based limit)
			Jorge Total Retirement (42 years old)
			Maria Total Retirement (37 years old)
			Alma Total Retirement (68 years old)
			Jorge Retirement Exemption
			Maria Retirement Exemption
			Alma Retirement Exemption
			<b>Total Retirement Exemptions</b>
			<b>Total Retirement Assets Less Exemptions</b>
			Total Liquid Assets
			Downpayment Exemption (up to 20% of home price)
			<b>Total Liquid Assets Less Downpayment Exemption</b>
			<b>Total Combined Household Assets - Adjusted for Retirement Exemptions and Downpayment Exemption</b>
			Compare this number to the Household Asset Limit (HH3 = \$85,000)
			<b>\$81,477</b>
			Based on the 3-person households asset limit of \$85,000, this household still qualifies under the ECLT Program Asset Limit, even though the total of their retirement and non-retirement assets was over \$200,000.