

# HOTMA 2027

## Implementation Brief

Vendor scorecard, 90-day implementation checklist, 50058 changes, asset test guidance, and Appendix B fallback details for PHA Directors, Compliance Officers, and HCV Directors preparing for the January 1, 2027 deadline.

### Executive Summary

HUD's **Housing Opportunity Through Modernization Act (HOTMA)** reaches its hardest compliance deadline on **January 1, 2027**. By that date every Public Housing Agency (PHA) and HUD-assisted owner must have updated income and asset rules, revised HUD-50058 / 50059 forms, and operational evidence packets in production. This brief tells you what is changing, which vendors are demonstrably ready (and which are not), the 90-day playbook to land cleanly, and the audit-ready 50058 changes you must implement before the cutover window closes.

**Bottom line:** Operators that wait until Q4 2026 to begin implementation will miss the deadline. The vendors that have shipped working software (not roadmap slides) are a short list. ExactEstate is one of them; the others are documented in the scorecard on page 3.

Five things to take away from this brief:

- **The Jan 1 2027 deadline is binding** — HUD Notice PIH-2026-15 does not allow a vendor-readiness extension.
- **50058 line-level changes** require code changes in your PMS, not configuration toggles.
- **The asset test moves from \$5,000 to \$50,000** — three new sub-fields and a fair-market valuation rule.
- **Appendix B fallback** is the legal safety net if your vendor misses the cutover; it must be pre-staged.
- **A 90-day window is the minimum** for a 1,000–5,000-unit portfolio to land HOTMA cleanly.

# 1. HOTMA Timeline (Q3 2025 → Jan 1, 2027)

| Date        | Milestone                        | What it means for PHA operators  |
|-------------|----------------------------------|--|
| Q3 2025     | PIH-2024 final rule effective    | Income and asset rules technically in force; enforcement deferred to 2027. |
| Q4 2025     | HUD PIH-2025-22 published        | Operational guidance; 50058 / 50059 draft revisions released.              |
| H1 2026     | Vendor 50058 patch cycle         | PMS vendors begin shipping HOTMA 50058 builds; PHAs select and test.       |
| Q3 2026     | HUD PIH-2026-15 hardens deadline | Final compliance deadline confirmed; no vendor-readiness extension.        |
| Q4 2026     | PHA implementation window        | Final 90-day window — training, dry runs, mock TRACS submissions.          |
| Jan 1, 2027 | Enforcement begins               | All 50058 / 50059 submissions must conform. Non-conforming files fatal.    |
| Q1 2027     | First MOR cycle under HOTMA      | Owners audited against new asset / income evidence packet.                 |

**Read this:** If you have not selected your HOTMA-ready PMS path by **October 1, 2026**, you are very likely on Appendix B fallback for the first 60-90 days of 2027. That is survivable, but it is manual and audit-intensive. The vendor scorecard on the next page identifies who is demonstrably ready and who is selling roadmap.

## 2. Vendor Scorecard — Who Is Actually Ready

Scoring criteria: (a) 50058 / 50059 line-level HOTMA build shipped to production, (b) asset-test fields with \$50K threshold and FMV valuation in the form, (c) per-discrepancy audit trail for the new evidence packet, (d) public-facing implementation guide for PHA customers, and (e) Jan 1, 2027 hard-date written commitment in the MSA.

| Vendor                      | 50058 Build | Asset Test | Audit Trail | Public Guide  | MSA Commit      |
|-----------------------------|-------------|------------|-------------|---------------|-----------------|
| ExactEstate                 | Shipped     | Shipped    | Shipped     | Yes           | Yes             |
| Yardi Voyager Affordable    | In QA       | In QA      | Partial     | Blog only     | No              |
| RealPage OneSite Affordable | Shipped     | Shipped    | Yes         | Yes           | Customer portal |
| MRI Affordable              | Roadmap     | Roadmap    | Unclear     | No            | No              |
| Entrata Affordable          | In QA       | In QA      | Partial     | Resource gate | No              |
| AppFolio Plus (Affordable)  | Roadmap     | Roadmap    | No          | No            | No              |
| ResMan Affordable           | In QA       | Partial    | Partial     | Blog only     | No              |

**How to read this:** 'Shipped' means a customer can run a HOTMA 50058 in production today. 'In QA' means the vendor has a build but it is not yet GA-released. 'Roadmap' means slides, no code. RealPage and ExactEstate are the two operators with production HOTMA builds today; RealPage's funnel routes prospects to a customer portal rather than a public demo (a documented funnel leak — see *HOTMA Vendor Scorecard* blog post for the full assessment). ExactEstate publishes a per-feature implementation guide at [exactestate.com/affordable-housing-compliance](https://exactestate.com/affordable-housing-compliance).

## 3. 90-Day Implementation Checklist for PHA Directors

### Days 1–10 — Foundation

- Lock the deadline. Confirm Jan 1, 2027 hard date with your PMS vendor in writing (MSA or signed addendum).
- Pull your unit-level inventory: total HCV vouchers, project-based HAP units, RAD conversions, LIHTC layered.
- Identify your highest-risk households — multiple income sources, asset >\$10K, dependent care deduction.
- Designate a HOTMA Implementation Lead with calendar authority through Q1 2027.
- Stand up the Appendix B fallback documentation kit (even if you do not plan to use it).

### Days 11–45 — Build

- Migrate income source codes to the HOTMA-expanded set (review every household with earned + benefit income).
- Configure the new asset test: \$50K threshold, FMV valuation rule, three new sub-fields on the 50058 asset section.
- Update calculation flow for the revised dependent-care deduction and medical expense thresholds.
- Re-test every TIC type — initial certification, annual re-cert, interim, move-out — under HOTMA rules.
- Run a mock TRACS submission set against a vendor-supplied sandbox endpoint before scheduling go-live.

### Days 46–90 — Cutover

- Schedule the live cutover on the first business day after a recertification cycle close (not mid-month).
- Pre-stage Appendix B paper forms for the first 30 days as a safety net.
- Mock-submit 30 households in production sandbox; reconcile every fatal before live submission.
- Train front-line staff on the new asset declaration interview (4-hour curriculum, role-played).
- Confirm the evidence packet generator produces the SEMAP-ready audit trail for new HOTMA fields.

## 4. HUD-50058 Changes Summary

HOTMA introduces line-level edits to the HUD-50058 form (and its mirror, HUD-50059 on the project-based side). These are not cosmetic. Every change below requires a corresponding code update in the calculation engine and the TRACS XML export. If your PMS treats these as configuration toggles, your vendor is not ready.

| Section    | Field                | HOTMA change  |
|------------|----------------------|---|
| Section 7  | Income sources       | Expanded earned-income category set; new codes for gig income, app-mediated work. |
| Section 8  | Imputed asset income | Asset threshold raised from \$5,000 to \$50,000; FMV valuation required.          |
| Section 8  | Asset disposal       | Two-year lookback; disposed-asset valuation rule changed.                         |
| Section 9  | Deductions           | Dependent-care deduction calculation updated; medical-expense floor changed.      |
| Section 12 | Calculation          | Rent calculation recomputed using new deduction baseline.                         |
| Section 14 | Action codes         | Two new action codes for interim re-cert triggered by HOTMA asset event.          |
| Section 15 | Effective dates      | Reaffirmed sequencing; no functional change but error catalog updated.            |

**Action item:** Pull a recent 50058 from each of your top 5 highest-risk households (multi-source income, asset >\$10K, dependent care). Run them through your vendor's HOTMA build in sandbox. If the rent calc on any household changes by more than 2% without an explainable HOTMA-attributed reason, the vendor build is wrong.

## 5. Asset Test Changes — Deep Dive

The asset test is the single biggest operational change in HOTMA, and the area where most vendor builds are still incomplete. Here is what changes and what to verify in your software:

### Threshold

Pre-HOTMA, every household with assets above **\$5,000** required imputed income calculation. HOTMA raises that to **\$50,000**. Households below the new threshold are exempt from imputed-asset-income computation entirely. This is not a configuration switch — it is a code path change in the rent calc.

### Fair Market Value Valuation

Real property assets must be valued at fair market value, with documentation. Vehicles continue to be excluded with the exception clause unchanged. Bank accounts, retirement, and stocks use the same standards but the evidence packet must include a screenshot or printed statement dated within 120 days of the certification.

### Disposal Lookback

Assets disposed of for less than fair market value remain in the calculation for **two years** after the disposal date. The 50058 has new sub-fields for: disposal date, original FMV, disposal value, two-year clock end date.

### Self-Certification Cap

Households with **combined assets under \$50,000** may self-certify on a HUD-approved form. The household signature replaces the third-party verification packet that previously consumed 40–60 minutes per certification. Operational savings here are real — but only if your PMS supports the self-certification path natively.

## 6. Appendix B Fallback — Your Legal Safety Net

Appendix B is HUD's documented fallback procedure for when an operator cannot submit electronic 50058 / 50059 files in the required HOTMA format because of vendor or operational delay. It is not a free pass — it is a paper-trail procedure that buys time without putting your HAP at risk. Pre-stage it even if you intend to land on the electronic path.

### What Appendix B Allows

- Submission of a paper 50058 / 50059 with HUD-approved fallback header for up to 90 days post-deadline.
- Continued HAP payment based on the prior-period certification while the paper submission is processed.
- Manual asset declaration on an interim form approved by the Field Office.
- Extension by Field Office discretion if vendor failure is documented.

### What Appendix B Does NOT Allow

- Skipping the new asset test calculation — the paper form still requires HOTMA-compliant math.
- Indefinite use — the 90-day clock starts Jan 1 2027 regardless of when you begin filing.
- Bulk fallback for portfolios over 500 units without specific Field Office approval.
- Replacement of evidence packet requirements — those still apply to every household.

### Pre-Stage Now

Print 60 days of paper fallback forms, store them with your Compliance Officer, and document the trigger conditions for switching to Appendix B in your business continuity plan. Cost: \$0. Insurance value: the difference between continued HAP and a 90-day funding gap if your PMS misses cutover.

## 7. ExactEstate's HOTMA Module

What ExactEstate has shipped to production for HOTMA, summarized for the procurement evaluator:

| Capability   | Status  |
|--|---------|
| HOTMA 50058 calculation engine with revised rent calc    | Shipped |
| Asset test at \$50,000 threshold with FMV valuation      | Shipped |
| Two-year asset-disposal lookback                         | Shipped |
| Self-certification flow for under-\$50K asset households | Shipped |
| Updated income source codes (gig, app-mediated)          | Shipped |
| Evidence packet generator for SEMAP-ready audit trail    | Shipped |
| Live TRACS error-catalog pre-flight (every household)    | Shipped |
| Appendix B paper-fallback packet generator               | Shipped |
| Public implementation guide + onboarding training        | Shipped |
| MSA Jan 1 2027 commitment in writing                     | Shipped |

### Pricing

**\$3 per unit per month — flat, no module fees, no setup fee, no per-account minimum.** HOTMA is included at every plan, not gated behind a higher tier.

### Next Step

Book a 30-minute working session with our HOTMA implementation team. We bring a sample 50058 from your portfolio, run it through our HOTMA build in production, and show you the side-by-side rent calc with full audit trail. No slides. Book at [exactestate.com/book-a-demo](https://exactestate.com/book-a-demo) or email [compliance@exactestate.com](mailto:compliance@exactestate.com).

*This brief reflects ExactEstate's reading of HUD Notices PIH-2024 final rule, PIH-2025-22, and PIH-2026-15. It is informational and is not legal advice. Confirm specific certification questions with your Field Office or counsel.*