



General / Miscellaneous		
Email Date	Email Question	CCB Response
5/24/2023	“My first question is what all will be considered as liquid assets ? Would proof of equity in a home be sufficient for proof of \$200,000 in liquid assets to satisfy the requirement ?”	<p>Generally Accepted Accounting Principles (or “GAAP”) defines “liquid assets” as “an asset that can easily be converted into cash in a short amount of time. Liquid assets include things like cash, money market instruments, and marketable securities.”</p> <p>GAAP also explains that “Land and real estate investments are considered non-liquid assets because it can take months for a person or company to receive cash from the sale.”</p> <p>and</p> <p>“Home equity is an asset and is considered a portion of an individual's net worth. However, it is not a liquid asset.”</p> <p>The CCB relies on GAAP definitions for determining the make up of liquid assets. However, if the applicant believes that their specific circumstances can meet the requirements for liquid assets, they are requested to provide an explanation for the CCB Board to consider when determining if the applicant has met the “liquid asset requirement of \$200,000. Included in NCCR 5.040(3)(d).</p>