§ 3.275 Criteria for evaluating net worth.

(a) General. The following rules are for application in determining the corpus of estate or net worth of a veteran, surviving spouse or child under §3.274.

(b) Definition. The terms corpus of estate and net worth mean the market value, less mortgages or other encumbrances, of all real and personal property owned by the claimant, except the claimant’s dwelling (single family unit), including a reasonable lot area, and personal effects suitable to and consistent with the claimant’s reasonable mode of life.

(c) Ownership. See §3.271(d).

(d) Evaluation. In determining whether some part of the claimant’s estate (or combined estates under §3.274(a) and (e)) should be consumed for the claimant’s maintenance, consideration will be given to the amount of the claimant’s income together with the following: Whether the property can be readily converted into cash at no substantial sacrifice; life expectancy; number of dependents who meet the definition of member of the family (the definition contained in §3.250(b)(2) is applicable to the improved pension program); potential rate of depletion, including unusual medical expenses under the principles outlined in §3.272(g) for the claimant and the claimant’s dependents.