

## Corporate & Financial Weekly Digest

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### **Dodd-Frank Excludes Primary Residence from Accredited Investor Net Worth Calculation**

See "Dodd-Frank Reform Bill May Put a Damper On Private Placements" in SEC/Corporate. For purposes of the "accredited investor" test under Regulation D, effective immediately, the value of an individual's primary residence is no longer included as a component of net worth. All issuers, including hedge and private equity funds, currently engaged in private placements in the U.S. relying on Rule 506 of Regulation D must update their subscription documents immediately and take this new standard into account for pending and future subscriptions that were not consummated prior to July 21.

Click [here](#) to read the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010.

Katten Muchin Rosenman LLP  
Charlotte Chicago Irving London Los Angeles New York Washington, DC