




# Section 8 Housing: The Process, Pros, and Cons

A webinar by  *turbotenant*

This webinar will be recorded and emailed to you after our session ends.

# **Everything You Need to Know About Section 8 Housing**

**Program Basics**

**History**

**Eligibility and  
Demographics**

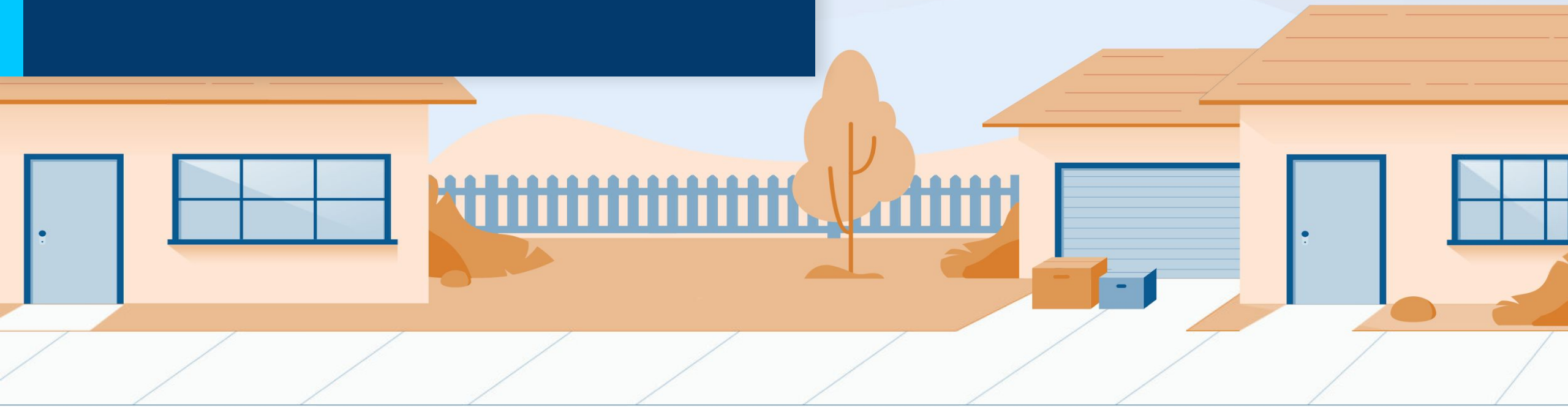
**Benefits and Drawbacks**

**FAQs**

**How many tenants  
participate in the Section 8  
housing program  
nationally?**



# Section 8 Program Basics



# What is the Section 8 Housing Program?

- Also known as the Housing Choice Voucher program
  - Sponsored by the government
  - Administered by local public housing agencies (PHAs)
  - Provides subsidized rental units to low-income individuals, families, seniors, and disabled people



## BASICS

# The History of Section 8 Housing

- First established in 1974 by the Housing and Community Development Act
- Section 8 vouchers were added in 1983



## How Does Section 8 Housing Work?

1. Prospective voucher holders apply for the program through PHA
  - Background check
  - Employment verification
2. If unable to assist immediately, PHA puts approved tenant on waiting list



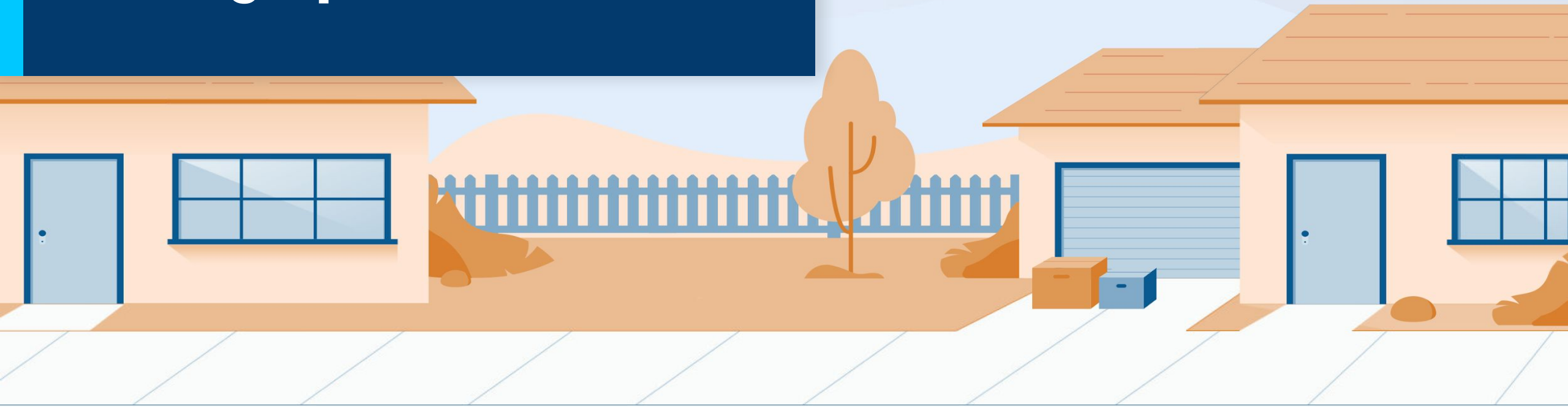
## How Does Section 8 Housing Work?

3. Once a tenant's name hits top of the waiting list, they're given a housing voucher
4. Tenant can then apply for properties that accept housing vouchers
5. Tenant pays 30% of their household income toward housing, including utilities; 70% comes from PHA





# Section 8 Housing Eligibility and Demographics



## RENTERS

# Section 8 Housing Eligibility

- Vary based on location, but four common factors include:
  - Income level
  - Family size/composition
  - Citizenship status
  - Previous evictions

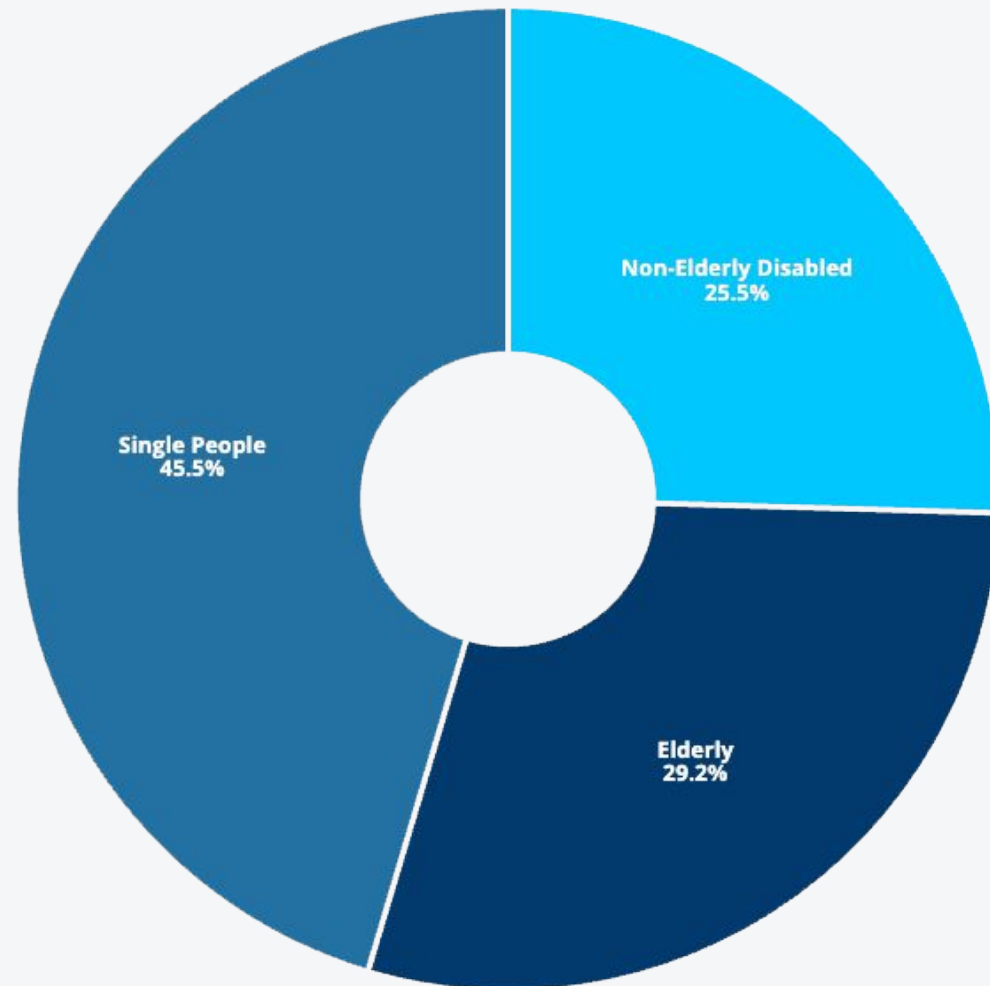


## Section 8 Housing Disqualifications

- Also vary based on location, but commonly:
  - Evictions from subsidized housing for a serious lease violation
  - Using or producing illicit drugs
  - Having a history of alcohol/illegal drug abuse that could threaten others



# Who Are Section 8 Tenants?



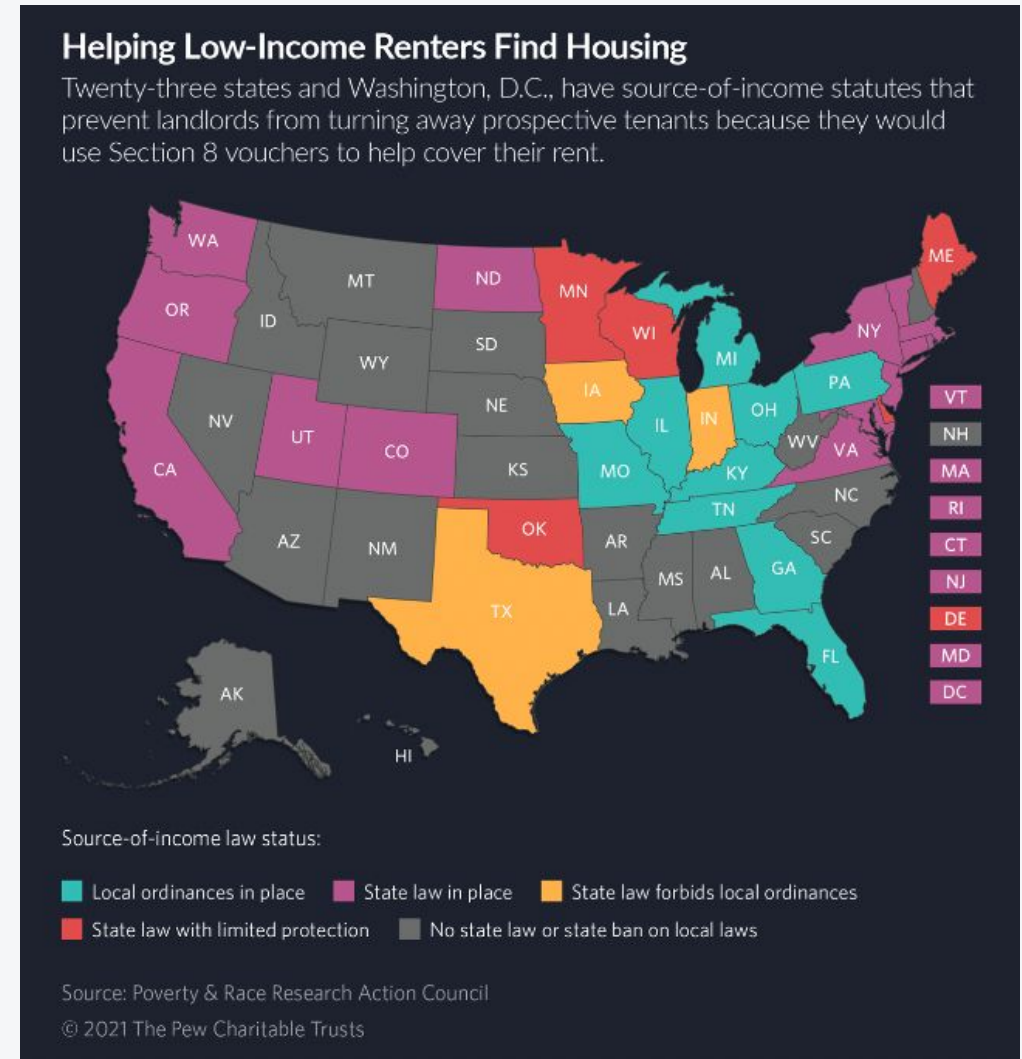
25.5% are non-elderly disabled

29.2% are elderly

45.5% are single people

# How to Reject Section 8 Applicants

- If your state prohibits discrimination based on source of income or public assistance, you can't reject Section 8 participants outright
  - That doesn't mean you must accept all applicants



## How to Reject Section 8 Applicants

- If your state doesn't have these rules:
  - Avoid submitting your property for program approval
  - Maintain specific tenant criteria that you apply to ALL applicants

## Section 8 Housing Program Eligibility

- Provide decent, safe, and sanitary housing
  - Must agree to abide by the program's rules
  - Must pass initial inspection and annual inspections thereafter

# Property Types and Section 8 Housing

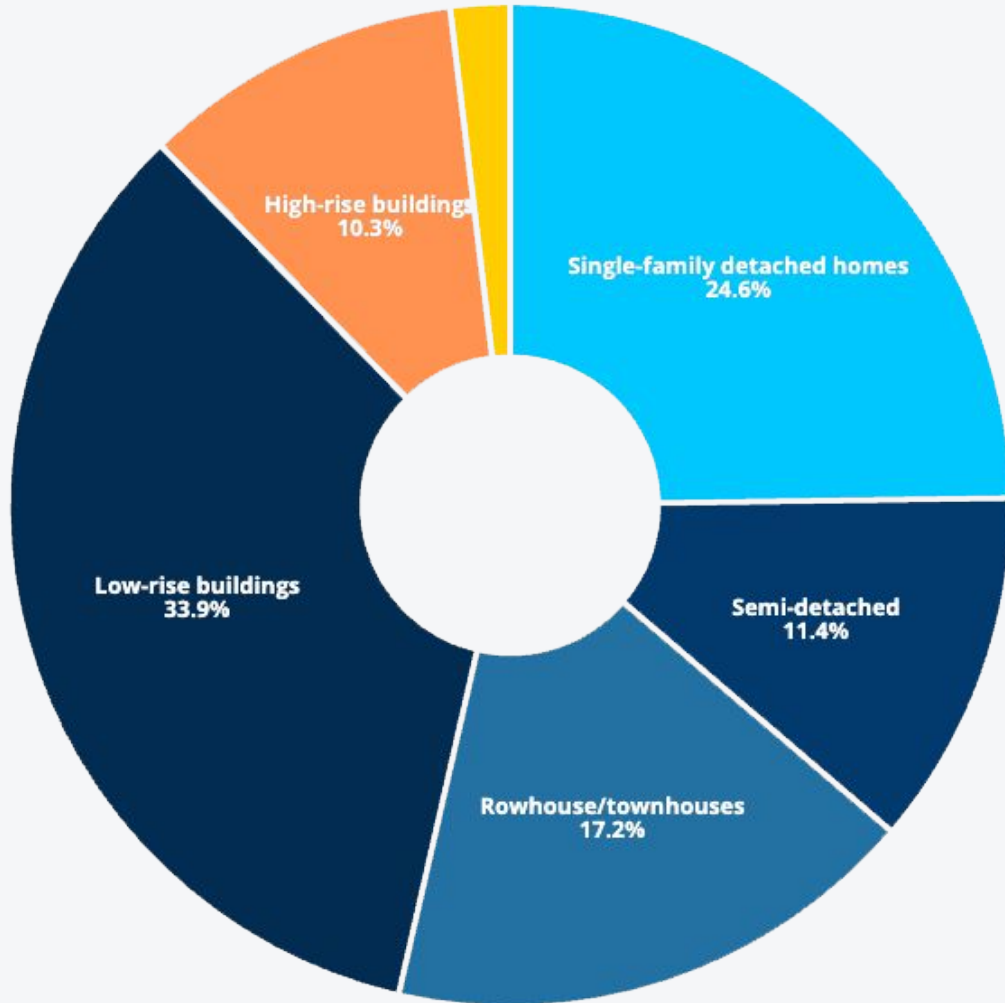
- According to [Bankrate](#), common options for Section 8 housing include:
  - Single-family homes
  - Condos
  - Multi-family apartment buildings
  - Group homes
  - Mobile homes
  - Single rooms in a house or apartment building



**What type of property is most commonly rented in Section 8 programs?**



# Section 8 Property Breakdown



24.6% are single-family detached homes

11.4% are semi-detached

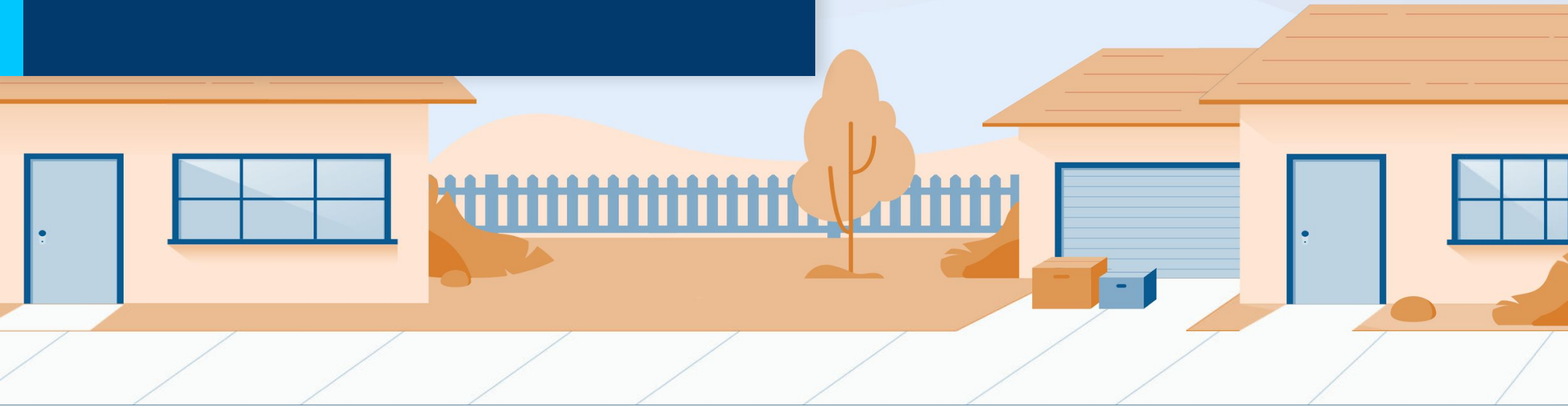
17.2% are rowhouse/townhouses

33.9% are low-rise buildings

10.3% are high-rise buildings

1.9% are manufactured homes

# Joining Your Local Housing Choice Voucher Program



# How to Become a Section 8 Landlord

1. Contact your local PHA
2. Select a tenant based on your own rental criteria, then fill out their Request for Tenancy Approval Form



# How to Become a Section 8 Landlord

3. An inspector will make sure your property meets 13 housing quality standards:

- Sanitary facilities
- Food preparation and refuse disposal
- Space and security
- Thermal environment
- Illumination and electricity
- Structure and materials
- Interior air quality
- Water supply
- Lead-based paint
- Access
- Site and neighborhood
- Sanitary condition
- Smoke detectors



**Note:** Your inspector will note if there are non-life-threatening (NLT) vs. life-threatening deficiencies barring the unit from passing inspection. NLT deficiencies can be repaired within 30 days whereas life-threatening deficiencies must be repaired within 24 hours. Both scenarios require re-inspection. Check out HUD's [top 20 deficiencies](#) and [inspection flowchart](#) for more information..

# How to Become a Section 8 Landlord

4. Sign lease and housing assistance payment (HAP) contract, and start receiving payments!\*



\*We'll discuss this shortly, but your first payment is likely to be delayed.

# The Benefits of Participating in Section 8 Housing

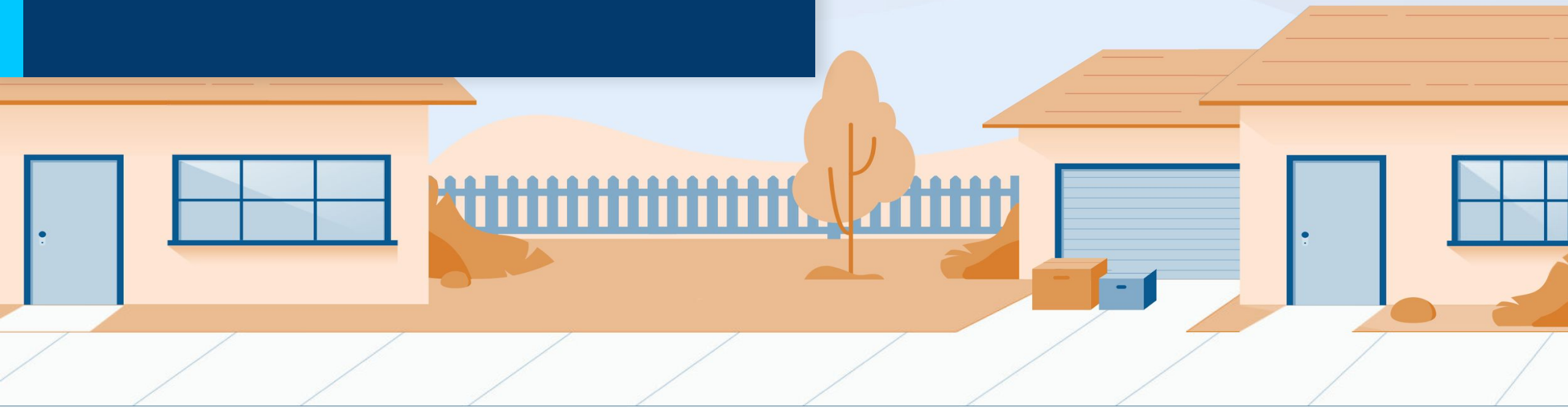
- Earning a steady income stream
- Reduced vacancy rates
- Renting to voucher holders who have undergone screening to qualify for the program
- Helping people in need

# The Drawbacks of Participating in Section 8 Housing

- Being required to meet standards set by HUD's Real Estate Assessment (REAC)
- Delayed first payment up to two months on average
- Limits to regular rent increases



# Section 8 Housing FAQs



## FREQUENTLY ASKED QUESTIONS

# 1. Can landlords charge HCV the same amount as non-HCV tenants?

- If the proposed rent is reasonable and isn't higher than units in the area with similar amenities, YES!
- Landlords can charge full rent **no matter who the tenant is.**
- If you make substantial upgrades or the fair market rent for your area increases, you can increase the monthly rent charged (with PHA approval).

## 2. How does a security deposit work within the Section 8 program?

- You can charge a Section 8 tenant the maximum deposit that your state allows, just as you would with any other tenant - **and you should!**
  - Find your state's maximum security deposit amount [here](#).
- The security deposit will be paid by the tenant or through housing assistance outside of Section 8.

## FREQUENTLY ASKED QUESTIONS

### 3. What recourse do I have if there's damage to my property?

- You can withhold the security deposit, which could lead to the PHA asking the renter to pay for repairs. If they refuse, their voucher may be terminated.
- Section 8 includes a provision that if a tenant causes more than \$500 in damage to the property, the landlord can file a claim in small claims court against the tenant, and you may be able to access a mitigation fund for monetary assistance.

**Note:** The claim amount for damages caused by a Section 8 tenant *cannot* exceed the monthly rent amount less the security deposit, plus amounts collected from a tenant to pay for damages.

## FREQUENTLY ASKED QUESTIONS

### 4. Aren't HCV tenants problem tenants?

- HCV tenants are typically long-term renters, living in units for 7-8 years on average.
- There are no documented statistics proving that HCV renters are any more likely to damage units or not pay rent than their non-HCV peers.

## FREQUENTLY ASKED QUESTIONS

### **5. Isn't it impossible to evict a Section 8 tenant for lease violations?**

- No. Tenants with a Section 8 voucher don't have any additional protections against evictions, and they're held to the lease just as any other tenant would be.
- To evict a Section 8 tenant, you must notify your PHA and tenant anywhere from 60-90 days prior to the actual eviction.
  - If your tenant is disabled, you must provide this notice in a form that's accessible to them.

## FREQUENTLY ASKED QUESTIONS

### **6. If I accept one HCV tenant, do I have to dedicate all my units to HCV tenants?**

- No, you aren't obligated to rent to other HCV tenants.
- If you do decide to rent to multiple HCV tenants, be sure not to steer them toward a specific location (or floor in a multifamily property).



# Discussion

## Let us know:

- Your personal experiences, either as a Section 8 renter or landlord
- If your thoughts about the program have changed since participating in this webinar