



# **Rental Assistance Housing Counseling Toolkit**

OFFICE OF  
HOUSING COUNSELING

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*The information and guidance provided in this toolkit is intended to assist program participants with rental housing counseling. This toolkit does not supplant or supersede OHC Housing Counseling Program (HCP) requirements including but not limited to Section 106 of the HUD Act of 1968, 24 CFR Part 214, 2 CFR Part 200, HCP NOFAs, HCP Notices, or NOFA Grant Agreements.*



# **SECTION 1**

## **PROVIDING RENTAL HOUSING COUNSELING**

## PROVIDING RENTAL HOUSING COUNSELING

Rental housing is essential to many households. Housing counselors have an important role to play in helping clients navigate the rental process and secure a unit that fits their budget. Housing counselors may help clients find rental assistance, understand Fair Housing laws, become familiar with tenant-landlord relationships and responsibilities of each, and provide appropriate information on general housing issues.

### What Housing Counselors Can Do for Renters

- **Help clients identify an affordable unit.** Counselors can work with their clients to develop household budgets, determine what they can afford to pay for rent, establish if they are eligible for assistance, apply for rental assistance, and identify an appropriate unit.
- **Teach renters their rights and responsibilities.** Counselors can support their clients as they navigate the rental process, from paying deposits to signing and ending a lease. They can teach them their rights and responsibilities as renters, help them build and keep a good relationship and communication with their landlord, and help resolve landlord-tenant disputes.
- **Educate clients about financial planning and good rental practices.** Counselors can help renters develop and maintain financial literacy through counseling on budgeting, credit, and financial literacy for a future homeownership. They can also teach good rental practices such as obtaining rental insurance and maintaining a healthy home.

Housing counseling is a continuum, and counselors may work with households to address their unique housing goals. For instance, counselors may provide guidance to renters who ultimately wish to become homebuyers. While this issue is not discussed in this toolkit, there are several lease-purchase programs available to qualified households that allow them to pay rent for their unit and an additional amount that is accrued and may later be used as a down payment on the dwelling. Other programs offer the possibility of a household having a lease on a unit and after a set time, the owner must offer the right of first refusal to that household. An example of the latter form of lease-purchase program is through [HUD's HOME Investment Partnerships Program \(HOME\)](#). Households wishing to enter lease-purchase arrangements face similar issues to renter households, in that they often need assistance with credit issues, finding an affordable unit, and budgeting.

### Teaching About Tenant Rights and Responsibilities

Housing counselors can continue to provide significant support to renters once they have rented a unit. In some cases, affordable housing residents may need help understanding their rights and responsibilities under the terms of a lease, or they may need counseling services pertaining to landlord-tenant disputes. Federal and state laws protect tenants from discrimination and define rights such as the right to a habitable home and the right to privacy in the home. These laws also protect tenants from abuses such as withholding of security deposits and unlawful evictions. Tenants also have responsibilities under the terms of their leases.

Tenants' responsibilities may include meeting security deposit obligations, providing the landlord access to the premises, paying rent in a timely manner, and following payment procedures.

When tenants and landlords are in conflict, housing counselors can help tenants by making referrals to legal aid organizations. If a tenant falls behind on rent, housing counselors may help residents to stay in their units by working with the resident and the landlord to develop a repayment plan and helping the resident to apply for funds to assist with unpaid and overdue rents. Rental housing counseling can include working with residents' landlords when problems occur. Such counseling might prevent evictions, as landlords may be willing to working with existing residents to avoid paying for legal fees associated with evictions and unit turnover costs associated with repairs and improvements.

HUD provides information on its webpage about [tenant rights and responsibilities](#) and [Fair Housing requirements](#). See the checklist provided in [Section 3](#) for a list of items to discuss with clients about their rights and responsibilities. See [Section 4](#) of this guide for additional resources related to tenant rights and responsibilities.

## Supporting Client Action Plans and Good Rental Practices

Relationships established through the rental counseling process puts the housing counselor in an excellent position to support renters in the pursuit of their larger financial goals and long-term healthy rental practices as provided in their client action plan. Counselors help clients build and protect assets through counseling on credit, renters' insurance, and emergency preparedness. In addition, they can help their clients stay healthy through education on healthy homes. See [Section 3](#) for a list of items to discuss with clients about sound rental and financial practices and [Section 4](#) of this guide for additional counseling resources.

## Counseling Renters: A Checklist

This checklist walks through the basic topics that a housing counselor can cover with a client who seeks or rents an affordable unit. Through this discussion, you can ensure that the client has a sustainable household budget, improves household financial capacity, has access to the housing and non-housing resources they need, has solid knowledge of their Fair Housing and accessibility rights, avoids eviction, and is prepared for safe and sustainable housing.

Consider providing the renter with a copy of pages 7 and 8 of the [How to be a Successful Renter](#) guide developed by the Virginia Housing Development Agency or with HUD's [Renter's Guide](#) developed by the Denver Field Office. Both provide 10 useful tips for renting a unit.

Finding a Unit	✓
<p>1. <b>Determine an affordable rent.</b> Work with the client to confirm they are ready to rent and determine the portion of their <a href="#">household budget</a> that should go toward housing:</p> <ul style="list-style-type: none"> <li>• Determine if the client is eligible for rental assistance.</li> <li>• Know the income thresholds by family size for your local area.</li> </ul>	

<p>2. <b>Find an affordable unit.</b> Help the client identify units in the area that fit their needs and budgets. Consider how many bedrooms they need and the type of housing that is best for them (single family, single room occupancy, supportive housing):</p> <ul style="list-style-type: none"> <li>• Develop a list of local subsidized units.</li> <li>• Have contacts with local nonprofits, affordable housing agencies, and the public housing authority (PHA).</li> <li>• Develop contacts with landlords.</li> </ul>	
<p>3. <b>Find rental assistance for market rate units.</b> For clients with eligible incomes, help them apply for housing vouchers:</p> <ul style="list-style-type: none"> <li>• Know the tenant-based rental assistance programs in your community.</li> <li>• Help clients complete the application.</li> </ul>	
<p>4. <b>Be alert for violations of fair housing laws.</b> As a housing counselor, be aware of potential discrimination against your clients:</p> <ul style="list-style-type: none"> <li>• Become familiar with <a href="#">Fair Housing</a> laws.</li> <li>• If you suspect that your client is the victim of discrimination, <a href="#">alert appropriate authorities</a>.</li> </ul>	
<p>5. <b>Be alert for scams.</b> Discuss common rental practices with your client so they do not fall prey to scams:</p> <ul style="list-style-type: none"> <li>• If you hear of suspicious activity, such as requests for money before viewing the property, or requests for cash only, alert the authorities.</li> </ul>	
<b>Signing a Lease</b>	
<p>1. <b>Understand the lease.</b> Review the lease with the client and confirm they understand its provisions:</p> <ul style="list-style-type: none"> <li>• Review basics such as the length of the lease, if it renews automatically, and if it has month-to-month provisions.</li> <li>• Make sure they know who manages the property and how to reach them.</li> <li>• Discuss monthly financial obligations such as monthly rent and utilities, as well as the security deposit, penalties for late payments, and any fees.</li> <li>• Highlight the rights and responsibilities codified in the lease such as who is responsible for repairs and when the landlord/property owner may enter the unit (see more on rights and responsibilities below under “Being a Renter”).</li> </ul>	
<p>2. <b>Understand lead-based paint disclosure (if applicable).</b> If the client is renting a home that was constructed before 1978, make sure they are aware of their rights under the Disclosure Act. Use the <a href="#">Protect Your Family</a> pamphlet to review the requirements.</p>	
<p>3. <b>Pay deposits.</b> Make sure the client understands the rules for security deposits:</p> <ul style="list-style-type: none"> <li>• Review <a href="#">security deposit rules in your state</a>.</li> <li>• Know of local agencies that provide assistance with security deposits.</li> <li>• Recommend that they document in writing and/or pictures any damage in the unit at the time they sign the lease, <a href="#">using a move-in/move-out inspection form</a>, so that they are not held responsible for those items and can receive their full security deposit when they leave the unit.</li> </ul>	

<b>Being a Renter</b>	
1. <b>Know your responsibilities as a tenant.</b> Emphasize that compliance with lease provisions will help avoid landlord-tenant disputes and eviction proceedings and will ensure repayment of the security deposit at the end of the lease.	
2. <b>Know your rights as a tenant.</b> Discuss tenant rights and what to do if they find themselves in conflict with their landlord: <ul style="list-style-type: none"> <li>• Discuss tenant rights and protections. HUD provides a <a href="#">helpful list</a>.</li> <li>• Know your state and local laws on tenant rights.</li> <li>• If the tenant is in subsidized housing, share this list of <a href="#">resident rights and responsibilities</a>.</li> <li>• Address potential landlord-tenant disputes. Let the client know that the counseling agency can help them navigate disputes with their landlords.</li> </ul>	
3. <b>Obtain rental insurance.</b> Discuss the types and benefits of renter's insurance: <ul style="list-style-type: none"> <li>• Share information about where to obtain rental insurance.</li> <li>• Provide basic information about the cost of rental insurance.</li> <li>• Explain what is covered by rental insurance.</li> </ul>	
4. <b>Maintain your rental unit.</b> Discuss tenant responsibilities for maintaining a safe unit and healthy unit: <ul style="list-style-type: none"> <li>• Discuss the <a href="#">tenant's responsibility</a> for keeping the unit clean and contacting the landlord for repairs.</li> <li>• Emphasize the landlord's responsibility for providing a safe and habitable unit.</li> <li>• Note that the landlord can hold the tenant financially responsible for repairs that resulted from negligence on the tenant's part.</li> <li>• Discuss the benefits of maintaining a healthy unit. Use the <a href="#">Healthy Homes Toolkit</a> and its checklists to review healthy homes issues for renters.</li> </ul>	
<b>Planning for a Stable Future</b>	
1. <b>Develop a long-term financial plan.</b> Encourage your client to continue to work with the housing counseling agency in one-on-one counseling or through group education: <ul style="list-style-type: none"> <li>• Encourage them to maintain a sustainable budget.</li> <li>• Discuss a plan for improving their financial capacity. This could include counseling on budgeting, credit, insurance, plans to purchase a home, and other topics critical to financial well-being.</li> </ul>	
2. <b>Access available resources.</b> Help your client access other housing and non-housing resources that may be available to them, including but not limited to the Family Self Sufficiency Program.	



# **SECTION 2**

## **ASSISTANCE PROGRAMS FOR RENTERS**



## ASSISTANCE PROGRAMS FOR RENTERS

Low- to moderate-income households have access to various resources to help address budget shortfalls. This section focuses on rental assistance and the HUD Family Self-Sufficiency (FSS) Program. Housing counselors should also be familiar with the social services in their community that could help a client meet needs such as food, healthcare, and employment, as these impact a client's ability to pay housing costs.

### Identifying Housing Needs and Finding an Affordable Unit

Counselors routinely help clients develop realistic budgets, discuss ways to save money, and learn about their housing needs to determine what they can afford to spend on housing. Low-income households will often encounter a gap between what they can afford to pay for housing and the local housing market prices. In those cases, the counselor should help the client find rental assistance to fill that gap. This may mean helping the client identify a subsidized rental unit (i.e., affordable housing unit), or it could mean helping the tenant obtain a housing voucher that pays at least a portion of the difference between the market rent and what the tenant can afford to pay. For information on how much assistance a tenant may be eligible to receive, refer to HUD's [Housing Choice Vouchers Fact Sheet](#).

HUD provides two key resources for [finding affordable rental housing](#) and [finding local assistance](#). Rental assistance programs are discussed in more detail later in this section, and additional guidance on counseling renters about a suitable affordable unit is available in the counseling checklist in Section 1.

When working with senior citizens, counselors should note that many communities offer non-subsidized housing for seniors 55 years or older. When living in non-subsidized rental housing, residents have more flexibility with the amount of assets they maintain, as their assets do not affect their eligibility to live in the community. However, rents may increase over time, possibly on an annual basis. Seniors must plan for potential increases when considering long-term non-subsidized rental housing. Therefore, housing counselors may want to advise senior citizens of affordable rental housing that are subsidized, as described below.

### Rental Assistance

Rental assistance is a form of subsidy that lowers the cost of rental housing for low-income households. There are two types of rental assistance—tenant-based and project-based rental assistance:

- Tenant-based rental assistance is tied to the tenant. It generally comes in the form a voucher, which the tenant can use to help pay the rent for an acceptable rental unit.
- Project-based rental assistance is tied to the unit. The unit receives a subsidy that allows for a lower rent amount. A qualified tenant can rent that unit at the subsidized rent.

Both types of assistance require the administering agency to evaluate the household's characteristics to determine income eligibility. The administering agency reviews the household's characteristics, including family size, composition, and presence of an elderly

and/or disabled family member. The administering agency also reviews the family's income and determines whether the family is eligible to receive rental assistance. Usually, the family must be either low income (with a total household income of less than 50 percent of the median income for a family of that size in the geographic area in which the housing is located) or very low income (with a total household income of less than 30 percent of the area median income).

### **Tenant-Based Rental Assistance**

Tenant-based rental assistance is usually administered by a local government agency, such as a PHA. The agency determines if an applicant is eligible for assistance as well as the amount of rent that the household can afford to pay toward rent and utilities, known as the *tenant portion*. The agency grants a voucher that the resident may use for any market rate unit. The voucher covers the difference between the tenant portion of the rent and the fair market rent<sup>1</sup> or a *reasonable* rent for the unit, plus an allowance for utilities.

Key things to know about tenant-based rental assistance include the following:

- The most common type of tenant-based rental assistance is generally known as Section 8 or Housing Choice Vouchers and is administered by a local housing authority.
- Because tenant-based rental assistance is tied to the tenant, it is portable. This means that if the tenant decides to move from an existing unit, the tenant may use the voucher for any subsequent rental housing.
- The demand for tenant-based rental assistance typically exceeds the supply. Often, there are long waiting lists for these vouchers.

To learn about tenant-based rental assistance available in their community, housing counselors can contact the local housing authority or nonprofits involved in affordable housing. HUD provides various types of rental assistance through PHAs, the HOME Program, and the Continuum of Care Program for homeless individuals and families. The Supportive Services for Veteran Families Program, a joint program administered by HUD and the U.S. Department of Veterans Affairs, funds rapid re-housing and homelessness prevention for very low-income veterans. The following chart summarizes the most common forms of tenant-based rental assistance and provides links to the agencies that administer them.

<b>Tenant-Based Rental Assistance Types and Sources</b>	
<b>To find out about:</b>	<b>Contact this agency in your community:</b>
Housing Choice Vouchers (Section 8)	<a href="#">Public Housing Authorities</a>
Tenant-Based Rental Assistance (HOME Program)	<a href="#">HOME Program Participating Jurisdiction</a>
Tenant-Based Rental Assistance (homelessness assistance programs)	<a href="#">HUD-funded Continuums of Care</a>
Tenant-Based Rental Assistance (HOPWA Program)	<a href="#">Housing Opportunities for Persons With AIDS (HOPWA) grantees</a>

<sup>1</sup> Fair market rent (FMR) is a term that HUD uses as gross rent estimates. They include the shelter rent plus the cost of all utilities, except telephones. HUD sets FMRs to ensure that a sufficient supply of rental housing is available to program participants. The level at which FMRs are set is expressed as a percentile point within the rent distribution of standard-quality rental housing units. The current definition used is the 40th percentile rent, the dollar amount below which 40 percent of the standard-quality rental housing units are rented.

Tenant-Based Rental Assistance Types and Sources	
<b>To find out about:</b>	<b>Contact this agency in your community:</b>
Multi-Family Housing Rental Assistance (rural)	<a href="#">U.S. Department of Agriculture (USDA) Rural Development</a>
Supportive Services for Veteran Families (supportive services and rapid re-housing assistance)	<a href="#">U.S. Department of Veterans Affairs</a>

### ***Project-Based Rental Assistance (or Subsidized Units)***

Project-based rental assistance is administered by the owner or manager of the subsidized rental property. The owner/manager will collect documentation on the applicant's household income and characteristics. As with tenant-based rental assistance, they review the household income and size to determine eligibility and the tenant portion of the rent and utilities.

Key things to know about project-based rental assistance include the following:

- If the resident moves out, then the assistance, or subsidy, stays with the unit.
- HUD, USDA, state, and local agencies have subsidized properties funded through numerous sources. Common ones include Low-Income Housing Tax Credit (LIHTC), Public Housing, and Project-Based Section 8 (see the table below for a more complete listing).
- Some properties are specifically designated for certain populations. For instance, HUD Section 202 properties are dedicated to elderly persons age 62 and over, while Section 811 properties are dedicated to persons with disabilities.
- A property may be subsidized from multiple sources. For example, a property may have received tax credits and HOME funds.
- The demand for subsidized units is generally high and there is not necessarily a centralized waiting list for them. These properties have income restrictions that any prospective resident must meet. For instance, to be eligible to reside in a Section 202 property, the resident's household income may not exceed 50% of the area median income for that family size, as defined by HUD.

To learn more about project-based rental assistance available in the community, housing counselors should connect with the local housing authority and nonprofits to get a list of subsidized units. The following chart indicates some of the common sources of project-based rental assistance and links to the agencies that administer them.

Project-Based Rental Assistance Types and Sources	
<b>To find out about:</b>	<b>Use these sources to find local programs and properties:</b>
HUD-insured or HUD-subsidized housing— Section 202, 811, 221(d)3, 236	<a href="#">HUD's Office of Multifamily Housing</a>
Project-Based Section 8	<a href="#">HUD's Office of Multifamily Housing Section 8 Expiring Contracts</a>
Project-Based Rental Assistance	<a href="#">Rental Assistance Demonstration Quick Reference Guide to Multifamily Housing Requirements</a>
Project-Based Rental Assistance (homelessness assistance programs)	<a href="#">HUD-funded Continuums of Care</a>

Project-Based Rental Assistance Types and Sources	
To find out about:	Use these sources to find local programs and properties:
Project-Based Rental Assistance (HOPWA)	<a href="#">HOPWA grantees</a>
Rural affordable rental housing—Section 515, Section 514/516, and Section 538	<a href="#">U.S. Department of Agriculture (USDA) Rural Development Multi-Family Housing Rentals</a>

In addition, there may be other affordable rental housing projects available in your area that include some form of public financing and may have affordable rents. These projects might offer project-based rental assistance. For more information on these programs, contact [HOME Program Participating Jurisdictions](#), contact [Community Development Block Grant grantees](#), or visit HUD's [LIHTC rental housing project database](#).


## Family Self-Sufficiency Program

The FSS program is a HUD program that helps low-income families to increase their earned income and reduce their dependency on welfare assistance and rental subsidies through planning, training, and support. The FSS program is administered locally by PHAs. The PHA collaborates with a Program Coordinating Committee (PCC) to secure commitments of public and private resources for the operation of the FSS program. A PCC includes representatives from the PHA and public housing resident representatives and, in some cases, tenants receiving Housing Choice Vouchers. The PCC is made up of various organizations and its composition may vary by PHA. Some of the most common PCC partners include Workforce Investment Boards, financial literacy and credit counseling providers, city or county government agencies, city or county human services/Temporary Assistance for Needy Families agencies, city or county departments of health and mental health, community colleges, and universities.

Key things to know about the FSS program include the following:

- The FSS program is available to public housing residents, Housing Choice Voucher program participants, residents of assisted housing served by tribally designated housing entities, and residents of project-based rental assistance projects.
- To apply, a family should contact the PHA directly.
- An interest-bearing escrow account is established by the PHA for each participating family. The PHA makes deposits to the account throughout the duration of the family's participation in the FSS program if and when a family's rent increases as a result of an increase in their earned income.

Housing counselors can help clients access the FSS program by contacting a PHA in their area that administers an FSS program. Not all PHAs administer the FSS program. Contact [your local PHA](#) to find out if they have an FSS program.



# **SECTION 3**

## **RESOURCES FOR COUNSELING RENTERS**

## RESOURCES FOR COUNSELING RENTERS

To find additional information for renters, consult the following resources.

### Resources for Counselors Providing Rental Housing Counseling

#### ***Finding an Affordable Unit***

- [Finding federally subsidized units](#)
- [Using state and local program resources to locate affordable units](#)
- [Finding affordable housing and related resources near you](#)
- [Affordable units in properties supported by tax credits](#)
- [Finding subsidized units in rural areas](#)
- [State Housing Finance Agencies](#) with affordable rental properties
- Housing Action Illinois [Resources for Rental Housing](#)

#### ***Tenant Rights and Responsibilities***

- [General information about tenant rights and responsibilities](#)
- [Rights and Responsibilities of residents of federally assisted housing](#)
- [Tenant rights by state](#)
- [Fair Housing](#)
- [State laws regarding security deposits](#)
- [How to Be a Successful Renter](#), from the Virginia Housing Development Authority
- [Ten Tips for Tenants](#)
- [Resident's Rights and Responsibilities](#)

#### ***Supporting Good Rental Practices***

- Credit, finance, and budgeting skills: [Your Money, Your Goals](#)
- [Emergency Preparedness Toolkit](#)
- [Healthy Housing Toolkit](#)
- [Housing Counseling Capacity Building Toolkit](#)
- [HUD Handbook 4350.3: Occupancy Requirements of Subsidized Multifamily Housing Programs, Rev-1, Appendix 5](#), Move-In/Move-Out Inspection Form

### Assistance Programs for Renters

#### ***Rental Assistance Resources***

- [Local rental assistance resources](#)
- [Housing Choice Vouchers](#)
- [Public housing](#)
- [Rental assistance in rural housing](#)
- [Rental assistance for veteran families](#)
- [Map-based search for affordable rental housing](#)
- [Local community development and affordable housing contacts](#)

#### ***Family Self-Sufficiency Program***

- [FSS Fact Sheet](#)
- [Public Housing Agencies and Tribes that have received FSS Funding \(2011–2015\)](#)