

Housing Scam Prevention Guide for Affordable Housing and Section 8 Renters

The internet is the first place an individual goes to search for something, and that's especially true when looking for a place to live. While the internet offers fast search results, it can also lead to websites that are waiting to take advantage of you. This guide is designed to make you aware of housing scams, so you don't become a victim when searching online for rental apartments.

Let's say you search online for an apartment and you find one with a ridiculously low rent in a great area, advertising no credit or background check, and no lease to sign. All you have to do is give them a deposit now to reserve it. Does this sound too good to be true?

If you said yes, you're right. If something seems too good to be true, then chances are that it probably is. Phony rental housing sites try to lure you in with false promises. Properties that advertise that applicants can skip all paperwork and still get a super deal are a red flag. Most reputable property owners or managers will require credit and background checks, and require you to sign a lease.



Protect yourself. Learn how to identify online rental housing scams.

Data Collection Scam

Protect your personal information

What happens? A website will usually say it is affiliated with a housing authority or another housing organization. You complete an 'application,' but instead of being placed on a waiting list they take your information and sell it to outside marketing companies that will spam you with irrelevant offers. Though not necessarily illegal, this scam is damaging to people who think they applied for rental assistance, when they didn't and they start receiving all kinds of spam.

Watch out for this: Many of these scam websites pay for ads that appear at the top of the page when people are searching for phrases like "Section 8". When you click on the link for the application, the site sends you somewhere else. The organization named is either not a real entity, or it is not affiliated with any legitimate government program. You can verify if an online application is real by making sure the online application is on the housing agency website, or is linked directly from the housing agency website. You may also contact the agency named in the application to confirm you are using the appropriate website to apply. Fake applications ask personal questions that would never be found on a real housing application. Questions that may appear on scam websites include "Do you have diabetes?" or "Would you like to get your free credit score?" Avoid these sites.

Voucher Scam

Don't pay for a voucher

What happens? You are promised you can skip ahead on the Section 8 Housing Choice Voucher (HCV) waiting list, or that you can immediately receive a voucher without having to wait months or years if you pay a fee. Once a payment is made, the person offering you a voucher disappears, and so does your money - you won't get a voucher or even be added to the waiting list because it is unlawful to buy or sell housing vouchers.

Watch out for this: This scam could appear anywhere, even in an email or social media message. You can't buy a voucher, and the US Department of Housing and Urban Development (HUD) does not allow, except in very rare situations, vouchers to be transferred from one person to another. The only way to legitimately receive a Section 8 voucher is to apply to an open waiting list and go through the approval process.

Deposit Scam

Don't pay for more info or to view a unit

What happens? A unit is advertised for rent, but requires a deposit before visiting the property, or a payment to get more information about the unit. In reality, the "landlord" does not really have a unit available for rent, and they will stop contacting you once they receive the "deposit". Those tricked into making a deposit find that the rental never really existed.

Watch out for this: These false rental advertisements are often found on classified ad websites. Usually, the address of the supposed unit either doesn't exist, or is not the address of a home or apartment community. Legitimate landlords allow interested tenants to view available properties or get more information without payment. If you are asked for a deposit before even seeing the rental unit, or for a payment via credit card, PayPal or Bitcoin to reserve a unit you have never seen, this should be an immediate red flag. These "landlords" are likely to be criminals.

Application Fee Scam

Don't pay to apply for Public Housing or Section 8

What happens? Interested Section 8 voucher applicants are asked to pay a fee to get the application. HUD policy prohibits application fees for the HCV and public housing program. These are dubious websites that make you think you're accessing a housing application, but the web page provides nothing more than incomplete information about open waiting lists and how to apply. These sites may try to deceive users by displaying an "Apply Now" link, but the link directs you to a payment screen, not to an application.

Watch out for this: If any website claims to be a source of affordable housing information, or an application for a federal rental assistance program and requires payment to access its content, it is likely a scam. **Note: Privately owned affordable housing properties are legally allowed to (and often do) charge an application fee.**

Websites that charge users for information are damaging because the fees are being charged to those least able to afford them, when the information they want is available free on many legitimate websites. Visit your local housing authority website for public housing or Section 8 applications, or begin your search at trusted sites like AffordableHousingOnline.com or www.preservationdatabase.org.

