Housing Opportunity, Community Development, and Civil Rights:
Toward a Shared Vision

November 28, 2012
More than 3,200 project-based Section 8 contracts representing nearly 200,000 affordable apartments have been terminated since the mid 1990s.

2,810 Opt Outs + 455 Foreclosure/Enforcement = 3,255 Terminated Contracts
Section 8 losses have occurred in every state.

Terminated Units as a Percentage of All Active Section 8 Units
(Family Properties Only)
The objectives of this analysis were to understand where Section 8 contracts are being lost and who is most affected.

- **Approach:**
  - Comparative analysis between properties with terminated Section 8 contracts and properties with active contracts
  - Review **resident demographics and neighborhood characteristics**

- **Data used:**
  - Dataset of terminated Section 8 contracts provided by HUD
  - HUD’s Picture of Subsidized Households
  - HUD’s Multifamily Assistance and Section 8 Contracts database (active contracts as of 11/2012)
  - 2010 decennial Census and American Community Survey
Minority households make up a slightly higher proportion of families impacted by terminations as compared to the proportion of minority households residing in properties with active contracts.

% of households that are minorities, terminated vs. active contracts

- 69.0% of households that are minorities, terminated contracts
- 66% of households that are minorities, active contracts

Sources: Terminated contract data provided by HUD; HUD’s Picture of Subsidized Households; HUD’s Multifamily Assistance and Section 8 Contracts database (active contracts as of 11/2012)
Minority households are impacted at a higher rate when contracts are terminated because of foreclosure/enforcement as compared to owner opt out.

% of households impacted by terminated contracts that are minorities, opt out vs. foreclosure/termination

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<thead>
<tr>
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<th>Foreclosure/HUD Enforcement</th>
<th>Owner Opt Out</th>
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<tbody>
<tr>
<td>% of households</td>
<td>74%</td>
<td>68%</td>
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Sources: Terminated contract data provided by HUD; HUD’s Picture of Subsidized Households
The neighborhood poverty rate is more than a third higher in neighborhoods where foreclosures have occurred.

Sources: Terminated contract data provided by HUD; Longitudinal Tract Data Base; HUD’s Multifamily Assistance and Section 8 Contracts database (active contracts as of 11/2012)
Likewise, neighborhoods where opts outs occur have a slightly higher median household income level than neighborhoods where active contracts are located.

Sources: Terminated contract data provided by HUD; Longitudinal Tract Data Base; HUD’s Multifamily Assistance and Section 8 Contracts database (active contracts as of 11/2012)
The median rent in neighborhoods where opt outs occurred is nearly 20% greater than the median rent in neighborhoods where active contracts are located.

Sources: Terminated contract data provided by HUD; Longitudinal Tract Data Base; HUD's Multifamily Assistance and Section 8 Contracts database (active contracts as of 11/2012)
The median home value in neighborhoods where opt outs occur is approximately 15% higher than the median home value in neighborhoods where active contracts are located.

Sources: Terminated contract data provided by HUD; Longitudinal Tract Data Base; HUD’s Multifamily Assistance and Section 8 Contracts database (active contracts as of 11/2012)
For more information:

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