

# What is affordable housing?

An individual or family paying no more than 30% of their household income on rent or mortgage

## **What is a cost-burdened household?**

A household paying half or more of its income on housing—often leaving people unable to pay for other necessary items, like food and medical expenses

## **Who needs access to affordable housing?**

Everyone—from workers making minimum wage to seniors on a fixed income to high-income earners, recent college graduates, teachers and more

## **What is AMI, and how does it play a role in affordable housing?**

Leaders need a way to determine what is affordable for a given region. They do that by using area median income (AMI), which is set annually by the government using census numbers and other data. It defines the midpoint of a region's income distribution, and it's used to set income and rent limits for affordable housing developments.

## **Where is the greatest housing need?**

Households earning less than 30 percent AMI have the greatest need, but there are still many families and individuals making 80 to 100 percent AMI who are cost burdened. Consider that fair-market rent for a two-bedroom apartment in Columbus is \$1,031. That would require an annual income of \$41,240—or 90 hours a week at minimum wage. So a single mother working as a teacher or an individual getting paid minimum wage may not be able to rent an apartment without becoming cost-burdened.

## **Is this just a rent problem, or is it also a homeownership problem?**

It's both. We know we're not building enough starter homes for recent graduates and young parents. Owning a home is one of the keys to building individual wealth. If access to homeownership is cut off, people can't create wealth for themselves or their families. This also contributes to the racial wealth gap, as the homeownership rate for Black families is 46.4%, compared to 75.8% for white families.

## **What happens when communities don't have enough affordable housing?**

Without affordable housing, economic development suffers. New businesses who want to bring jobs to the area know their workers need affordable places nearby to live.

## **What's the biggest misconception about affordable housing?**

That it's somebody else's problem. Affordable housing isn't only an issue for the working poor or homeless. It's also a social justice issue, a feminist issue and an economic development issue. Access to affordable housing benefits everyone.

For more information on the Affordable Housing Trust loans, contact [matt@hztrust.org](mailto:matt@hztrust.org).