



# DEFINITIONS

(as of 2023)

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What is “affordable” housing?



# MARKET-RATE vs COMMITTED AFFORDABLE

Distinction between:

- Market-rate affordable (small “a”) or naturally occurring
  - No public subsidy or requirements
  - Private market supply and demand
- Committed or subsidized affordable (capital “A”)
  - Generally involves public subsidies or requirements
  - Limitations on rents or prices that can be charged
  - Development subsidies to developer and/or rental subsidies paid to owner
  - May be set term or “in perpetuity”; may be function of ownership or deed restrictions or financing



# CATEGORIES OF COMMITTED AFFORDABLE HOUSING

- Categories of affordability set in relation to Area Median Income (AMI)
- Area is Barnstable County
- Set annually by US Dept of Housing & Urban Development
- $\leq 80\%$  AMI limit for subsidies for affordable housing = “low income”
- $\leq 60\%$  AMI limit for tax credit projects (credits on taxes paid by investors)
- $\leq 50\%$  AMI = “very low income”
- $\leq 30\%$  AMI = “extremely low income”
- 80%-100% AMI is “community” housing – may use Community Preservation Act funding
- 100%-120% sometimes used for family or “workforce” housing – limited subsidies

## 2023 BARNSTABLE COUNTY HUD INCOME LIMITS (as of May 15, 2023)

HH SIZE	30% AMI	50% AMI	60% AMI	80% AMI	100% AMI*	120% AMI*
1	\$ 24,200	\$ 40,300	\$ 48,360	\$ 64,450	\$ 80,600	\$ 96,720
2	\$ 27,650	\$ 46,050	\$ 55,260	\$ 73,650	\$ 92,100	\$ 110,520
3	\$ 31,100	\$ 51,800	\$ 62,160	\$ 82,850	\$ 103,600	\$ 124,320
4	\$ 34,550	\$ 57,550	\$ 69,060	\$ 92,050	\$ 115,100	\$ 138,120
5	\$ 37,350	\$ 62,200	\$ 74,640	\$ 99,450	\$ 124,400	\$ 149,280
6	\$ 40,280	\$ 66,800	\$ 80,160	\$ 106,800	\$ 133,600	\$ 160,320
AMI = Area Median Income for Barnstable County (adjusted per HUD for MTSP/Assisted Housing; eligibility limits may vary for other programs) HH = household					*100% extrapolated from 50% limits	*120% extrapolated from 50% limits