

WHAT IS AFFORDABLE HOUSING?

Housing affordability is simply how much of a person’s income goes towards housing costs each month, relative to family size.

- For renters, this includes rent and utility expenses
- For homeowners, this includes mortgage loan principle, interest, taxes, and insurance payment (PITI)

According to the Department of Housing and Urban Development (HUD) a household spending more than 30 percent of their annual gross income on housing is **cost burdened**.

HOW MUCH CAN A TYPICAL NEW ORLEANS FAMILY AFFORD IN HOUSING COSTS?

Area Median Income (AMI) is the annual income earned by the median, or majority, of households in a region. Government agencies use these thresholds to determine which households qualify for housing assistance. Most housing, affordable or otherwise, is provided by the private market.

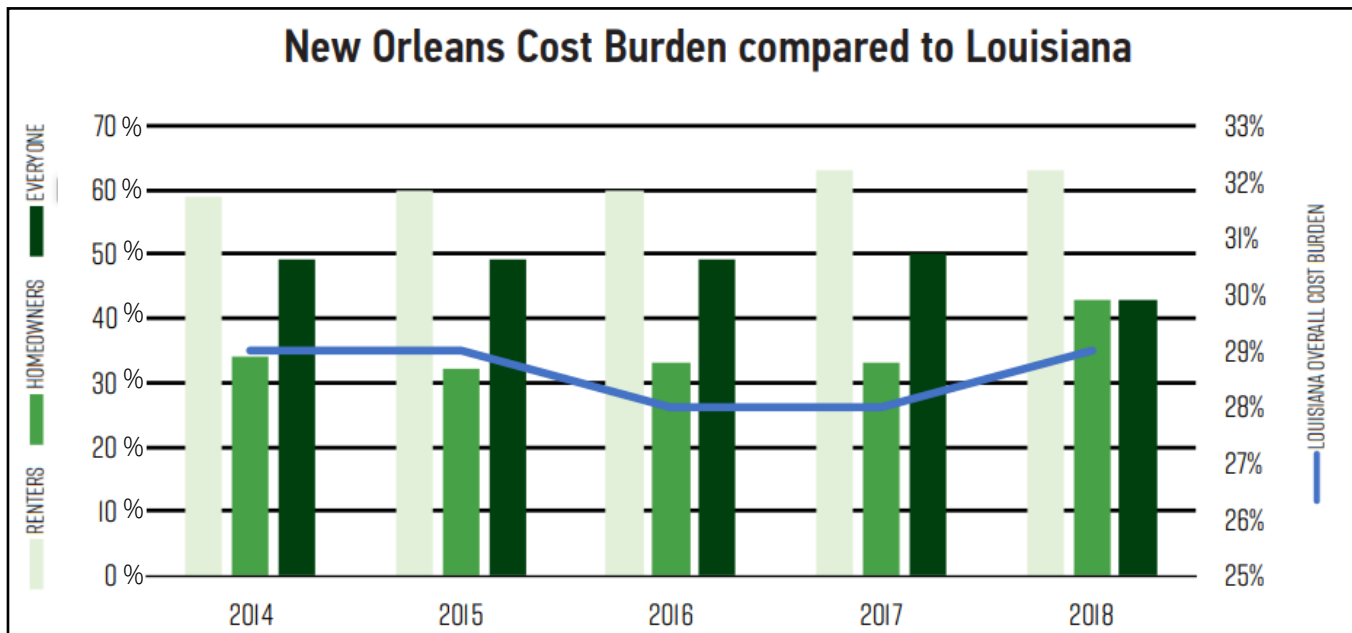
- There are very few subsidies available to provide affordable housing
- Government subsidies are generally granted to households at or below 80% AMI
- Median household income in Orleans Parish is \$38,423.

2019 Area Median Income for the New Orleans-Metairie Metro Area and Thresholds for Cost Burden								
	1 Person Household		2 Person Household		3 Person Household		4 Person Household	
	Annual Income	Cost Burden Threshold*	Annual Income	Cost Burden Threshold*	Annual Income	Cost Burden Threshold*	Annual Income	Cost Burden Threshold*
30% AMI	\$14,150	\$327	\$16,910	\$390	\$21,330	\$492	\$25,750	\$594
50% AMI	\$23,600	\$545	\$27,000	\$623	\$30,350	\$700	\$33,700	\$778
80% AMI	\$37,750	\$871	\$43,150	\$996	\$48,550	\$1,120	\$53,900	\$1,244
100% AMI	\$47,200	\$1,089	\$54,000	\$1,246	\$60,700	\$1,401	\$67,400	\$1,555
120% AMI	\$56,600	\$1,292	\$64,700	\$1,493	\$72,800	\$1,680	\$80,900	\$1,867

***The maximum amount a household can afford in total housing costs**

Source: Department of Housing and Urban Development 2019 Income Limits

NEW ORLEANS IS FACING AN AFFORDABLE HOUSING CRISIS

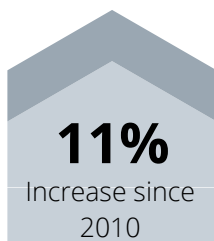


Source: HousingNOLA 2019 Report Card

Housing costs in Orleans Parish have increased significantly in recent years.

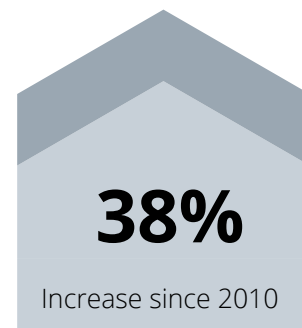
Median Monthly Rent:

\$993



Median Home Value:

\$242,900



Source: 2018 US Census Bureau

Experts believe we need approximately 33,593 additional affordable housing units to eliminate cost burden in New Orleans. Here are the types of housing opportunity we need the most:

- 2 and 3 br units for owners earning between 80% and 120% AMI and over 120% AMI
- 1 and 2 br units for renters earning under 30% AMI and over 100% AMI