



4 Myths & Facts

about affordable housing



1

Myth: Homeownership is the best housing option for everyone, all the time, everywhere.

Fact: While homeownership has benefited tens of millions of families, the wisdom of buying a home for each potential purchaser depends on many factors, including timing, location, current income, and job security.

In addition, recent years have seen tight standards for mortgage loans and high home prices that have made it impossible for many people to buy homes. Others may simply enjoy the greater flexibility that comes with renting.

Whatever the case, Alabamians who live and work in our communities need access to safe, decent, and affordable housing.

3

Myth: People who live in affordable housing won't fit into my neighborhood.

Fact: Everyone wants a safe, decent place to live. But according to a 2017 study by the National Low Income Housing Coalition, minimum wage workers in Alabama need to work at least 67 hours a week to afford a one-bedroom rental home at market wage.

Based on the latest HUD state income limits, a 1-person household making less than \$31,100 qualifies as a low-income household. A 4-person household earning less than \$44,400 qualifies as a low-income household.

The fact is that teachers, firefighters, librarians, retail associates, and many other vital members of our communities who need affordable housing are already living and working in our communities.

2

Myth: Affordable housing efforts are unnecessary. Left on its own, the market will provide safe, decent, and affordable housing for everyone.

Fact: Quality rental homes are scarce and expensive, yet wages are stuck in place. Large numbers of renters and a scarce supply of rental housing have driven up rents.

While rent has increased, wages for low- and middle-income households have not.

This forces more families to spend large portions of their income on housing and leaves less money for other needs like nutritious food, good health care, and quality child care.

4

Myth: Affordable housing is "bad" for my community.

Fact: Affordable housing drives local economies and transforms communities. A recently opened 56-unit development for families in Enterprise, Alabama, brought a \$5.4 million investment into the local economy. The development will be responsible for more than \$800,000 in mortgage payments for 181 months and contribute ongoing property tax revenue that will be paid annually to the local community.

In addition, research proves housing affordability also drives favorable health and education outcomes. Housing often determines who has access to transit, grocery stores that sell fresh produce, jobs that pay living wages, safe parks, and good schools. A wide range of present and future positive outcomes are all inextricably tied to housing.