

# “Affordable” Defined

## State Definitions\*

- **Affordable housing** = housing that, on an annual basis, costs 30% or less than the estimated median household income for households earning  $\leq 60\%$  of the Area Median Income (AMI), adjusted for family size.
- **Workforce housing** = housing that, on an annual basis, costs 30% or less than the estimated median household income for households earning more than 60% but not exceeding 120% of the AMI, adjusted for family size.

## HUD Definitions

- **Affordable housing** = housing where the occupant is paying no more than 30% of gross income for housing costs, including utilities.
- **Cost burden** = spending more than 30% of income on housing costs, including rent, mortgage payments, utilities, and other fees.

## Housing Division Application

- **Affordable housing** = housing restricted to households earning  $\leq 80\%$  of the Area Median Income (AMI)

\*T.C.A. 5-9-113. Applies whenever Metro appropriates funds for affordable or workforce housing.

# Metro Nashville's 2025 Area Median Income (AMI)

Average Monthly Housing Costs  
Renters = \$1,413  
Owners = \$2,844

	1-person household	2-person household	3-person household	4-person household
30% AMI	\$24,150	\$27,600	\$31,050	\$34,450
50% AMI	\$40,200	\$45,950	\$51,700	\$57,400
60% AMI	\$48,240	\$55,140	\$62,040	\$68,880
75% AMI*	\$60,300	\$68,900	\$77,500	\$86,100
80% AMI	\$64,300	\$73,500	\$82,700	\$91,850
100% AMI*	\$80,400	\$91,850	\$103,350	\$114,800

1 Person Example		
Hourly Rate	Associated Jobs (Based on Bureau of Labor Statistics Wage Data for Nashville)	Affordable Monthly Housing Costs @ 30% of gross monthly income
\$11.61	Includes anyone working full time (40 hours) earning minimum wage	\$603.75
\$19.32	Housekeeping cleaner; Hotel clerk; Library assistant; Receptionist; Home Health Aide	\$1,005
\$23.19	Translator; Construction Laborer; Preschool Teachers; EMT; Hairstylist; Veterinarian Tech; School Crossing Guard	\$1,206
\$28.99	Substance Abuse, Behavioral Disorder & Mental Health Counselors; Coaches; Religious Workers;	\$1,507.50
\$30.91	Fire Fighter 1; Plumbers; Guidance Counselors; Social Workers; Surgical Tech	\$1,607.50
\$38.65	Radiation Therapist; Police Officer 3; Journalist; Power Plant Operators	\$2,010

\*HUD does not publish a calculation for this AMI target. The calculations for 75% and 100% of the AMI were prepared by the Tennessee Housing Development Agency.

\$114,800 - 2025 AMI for all households