

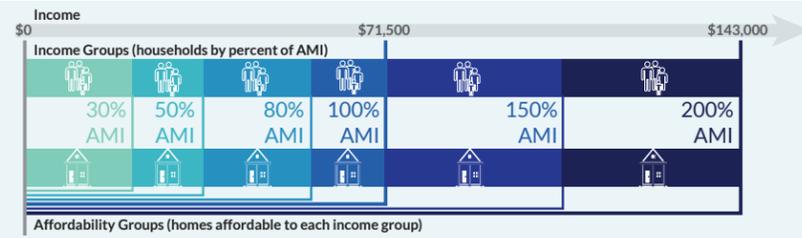
Affordability Gaps

About the Affordability Gap Analysis

Louisville's Area Median Income (AMI) in 2018 was \$71,500 for a family of four. Families with income below this amount have less housing choice because there are fewer housing units that they can afford.

The chart to the right shows six income groups in relation to Louisville's AMI. Homes are *affordable* to an income group if they cost no more than 30% of the group's income. For example, homes in the **50% AMI** affordability group cost 30% of a **50% AMI** household's income.

But a higher income gives families more choice to spend less of that income on housing, so each income group can also afford homes in lower affordability groups: for example, households in the **50% AMI** income group can also afford homes in the **30% AMI** affordability group. A home may be *affordable* but not *available* to an income group if it is occupied by a family who could afford a more expensive home.



The Affordability Gaps for each market area show where there is a shortage of *affordable* and *available* homes for each income group. Citywide, there is a shortage of houses *affordable* and *available* to families in income groups below **100% AMI**.

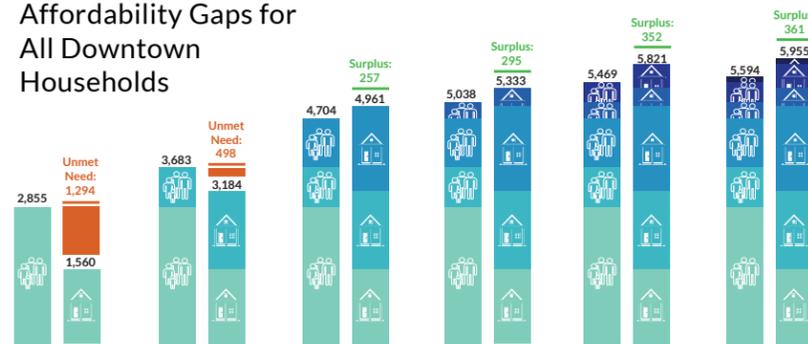
In the Affordability Gap figures below, the **Unmet Need** numbers estimate the total number of additional units that would be needed to close the affordability gap for each income group. Because these numbers are estimates based on sample data, the unmet need for renters and for owners together may not add up to the total unmet need.

Over half of all families in Downtown earn **30% AMI** or less, but the market area only has enough affordable homes for 55 percent of these low-income families.

Downtown does not have enough affordable and available homes for an estimated 1,294 of its 30% AMI families.

This shortage of affordable and available units for the lowest income families creates an affordability gap for all households earning below **50% AMI**.

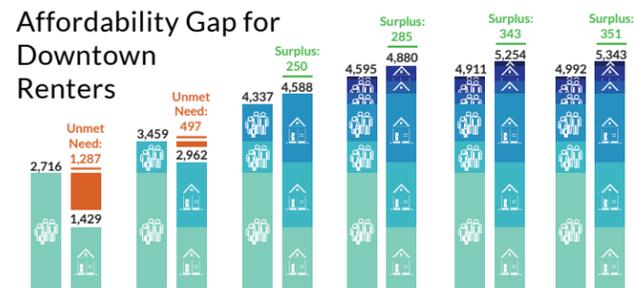
Affordability Gaps for All Downtown Households



There are enough *affordable* and *available* homes for:



Affordability Gap for Downtown Renters

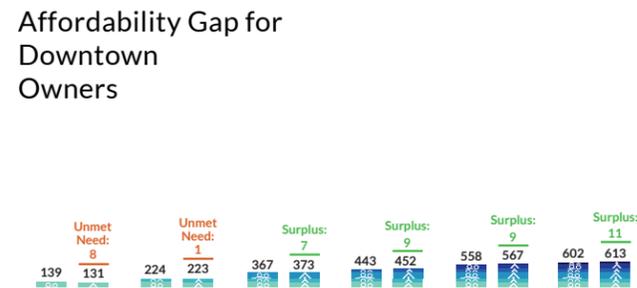


There are enough *affordable* and *available* rental homes for:



More than half of renters in Downtown earn **30% AMI** or less. Despite a high concentration of affordable assisted units in the area, these families face a significant shortage of affordable homes.

Affordability Gap for Downtown Owners



There are enough *affordable* and *available* owner homes for:



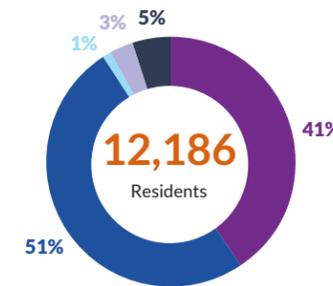
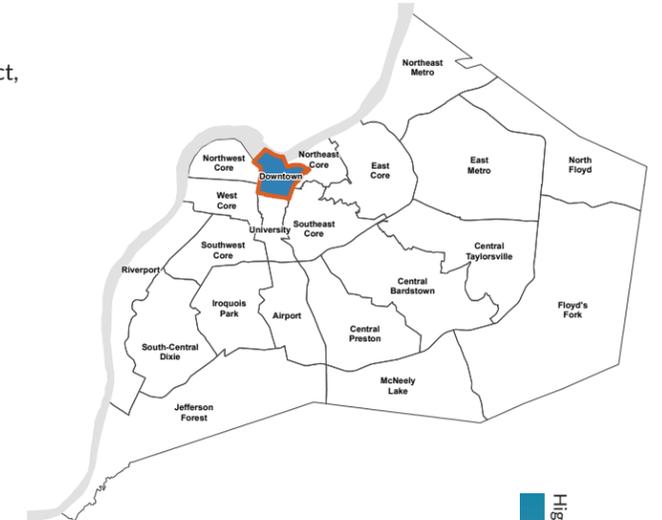
There are few owners in Downtown, but the market area's supply of homes approximately meets the needs of owners in all income groups.

Louisville Housing Needs Assessment - Housing Market Area Profiles

DOWNTOWN

Urban Neighborhoods: Butchertown, Central Business District, Phoenix Hill, Smoketown

Census tracts: 49, 50, 59, 62



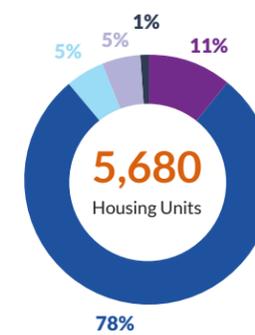
Race & Ethnicity

- White
- Black/African American
- Asian
- Latinx
- Other

Median Household Income

\$18,386

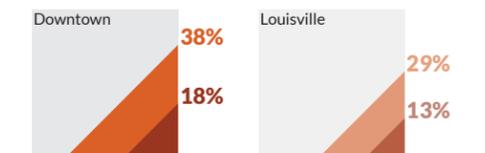
Louisville Median
\$50,099



Housing Type

- Single Family Detached (606)
- Multifamily (4,449)
- Single Family Attached (299)
- Duplex (275)
- Manufactured (51)

Cost Burden



Households who spend **more than 30%** and **more than 50%** of income on housing

Tenure



Median Gross Rent

\$515

Louisville Median
\$770



Median Home Value

\$173,784

Louisville Median
\$174,400



11% Owners

