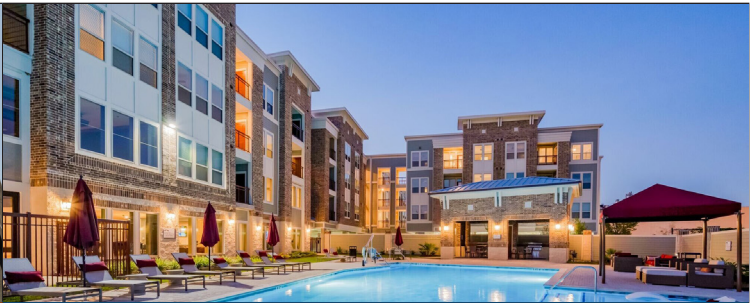


# Affordable Housing vs. Low-Cost Housing: There is a Difference

Some private market landlords claim they provide “affordable housing” in Texas, but affordable and low-cost homes aren’t the same thing. Here’s why:



Low-Cost Housing



Public/Private Affordable Housing

## APPROACH & MISSION

### Maximized Profits Shift Costs to Tenants/Public.

Low rents can come with deferred maintenance, limited services, and locations with fewer resources and opportunities.

### Provides Safe, Quality, Stable, Affordable Housing.

Affordable housing is intentionally financed, regulated, and monitored to pair affordability with quality, stability, and measurable public benefit.

## AFFORDABILITY

### Low Rent Does Not Always Mean Affordable.

Rents are not tied to income or need, while poor conditions, inefficient utilities, fees, instability, and health impacts can increase residents’ true housing costs.

### Affordability Is Structured and Protected.

Public programs tie rents to income limits and long-term affordability requirements, with regulations that can also limit rent increases.

## QUALITY

### Lower Costs Can Come at the Expense of Quality.

Deferred maintenance, code issues, overcrowding, and minimal reinvestment can contribute to health risks, instability, and neighborhood decline.

### Quality Is Built Into the Investment.

Construction and rehabilitation standards, inspections, reserves, ongoing management, and oversight help protect housing quality over time.

## Low-Cost Housing

## Public/Private Affordable Housing

### SUPPORT SERVICES

#### A Lease, With Little or No Additional Support.

Private low-cost housing generally does not include resident services or program requirements that support them.

#### Resident Support Services are a Common Feature.

Many developments connect residents with healthcare, childcare, workforce support, case management, senior services, or other resources.

### COMMUNITY PARTNERSHIPS

#### Community Engagement Is Often Reactive.

Interaction with public agencies and communities may center on complaints, repair orders, code violations, fines, or other enforcement.

#### Partnerships Are Part of the Model.

Affordable housing brings together developers, public agencies, lenders, investors, and often community-based nonprofit partners.

### COMPLIANCE & OVERSIGHT

#### Oversight Typically Begins When Problems Arise.

Compliance is largely reactive through building codes, enforcement actions, lawsuits, or emergency intervention.

#### Accountability Is Built In From the Start.

Affordable housing programs require ongoing compliance with income, rent, recordkeeping, monitoring, and other program standards.

### RETURN ON INVESTMENT

#### Low Rent Can Carry Higher Public Costs.

Poor-quality housing can shift costs to health systems, schools, code enforcement, courts, shelters, and surrounding neighborhoods.

#### Public Investment Produces Public Benefits.

Affordable housing supports lower rents, long-term affordability, better housing stock, jobs, tax revenue, neighborhood stability, and reduced pressure on public systems.

### KNOW THE DIFFERENCE

**Low-cost housing**, also known as naturally occurring affordable housing (NOAH), does not receive public funding or support and is not required to meet related program standards. As a result, these homes are often poorly maintained, violate local housing codes, and are subject to unregulated rent increases driven by the market.

**Public/Private Affordable housing** is generated in partnership with public programs and entities including the Federal Housing Credit, Housing Finance Corporations (HFCs), Public Facility Corporations (PFCs) and municipal and regional Public Housing Authorities (PHAs) — resulting in safe, high-quality affordable rental housing.

Proven tax incentives and public programs have made Texas a national leader in efficient affordable housing development and a destination for working families. These tools are under attack. We must act now to protect what keeps Texas' economy strong and its communities places where families can live, work and thrive.

#### SOURCES:

- <https://www.huduser.gov/lihtc>
- <https://www.urban.org/urban-wire/lihtc-provides-much-needed-affordable-housing-not-enough-address-todays-market-demands>
- <https://www.gao.gov/products/gao-24-107064>
- <https://www.gao.gov/products/gao-24-107064>
- <https://nlihc.org/resource/urban-institute-evaluates-low-income-housing-tax-credit>
- <https://bipartisanpolicy.org/explainer/what-is-affordable-housing/>

Get the facts behind affordable housing in Texas.  
Explore the research, data, and policy solutions at:  
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