



GEORGIA DEPARTMENT
of COMMUNITY AFFAIRS

CHIP & RWHI



Meet the Speaker

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Homeownership is a key piece of the American Dream. However, affordability concerns have pushed this dream out of reach for many.

- NAHB



What is Affordable Housing?





What does affordable mean?

In housing, "affordable" means you're spending no more than 30% of your income on rent or mortgage.

If you're spending more than that, you're considered cost-burdened — meaning less money for food, healthcare, transportation, and everything else.

**Affordable
vs.
affordable**



Capital A – Affordable Housing

Housing that's subsidized or regulated to stay below market rates.

Think projects built with LIHTC, public housing, deed-restricted units, or homes rented with vouchers.

Typically, these homes are targeted to people earning between 30% and 80% of the Area Median Income (AMI).

It's affordable by law — not just by accident.

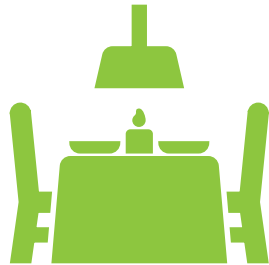






Examples of jobs in Georgia who qualify for housing

A waitress in Athens making \$10.93/hr qualifies for 30% AMI



An auto mechanic in Rome making \$18.75/hr qualifies for 60% AMI housing



A truck driver in Cordele making \$22.50/hr qualifies for 80% AMI housing



FY 2025 Income Limits Summary

FY 2025 Income Limit Area	Median Family Income Click for More Detail	FY 2025 Income Limit Category	Persons in Family							
			1	2	3	4	5	6	7	8
Atlanta-Sandy Springs-Roswell, GA HUD Metro FMR Area	\$114,200	Very Low (50%) Income Limits (\$) Click for More Detail	40,000	45,700	51,400	57,100	61,700	66,250	70,850	75,400
		Extremely Low Income Limits (\$)* Click for More Detail	24,000	27,400	30,850	34,250	37,650	43,150	48,650	54,150
		Low (80%) Income Limits (\$) Click for More Detail	63,950	73,100	82,250	91,350	98,700	106,000	113,300	120,600

Of the 9 full-time positions that were listed on the City of Carrollton's website, ALL of them would be considered low-income. (A single individual, earning less than \$63,950)

5 out of the 9 jobs would be considered very low income. Meaning they make less than \$40k annually.



Lowercase - a affordable housing:

Housing that's inexpensive enough that people can afford it without formal subsidies.

Older apartments, smaller homes, neighborhoods that haven't gentrified yet.

It's "naturally affordable" for now — but without protections, it can disappear fast.



Why this matters

- Affordable housing isn't one thing — and being specific matters.

When a developer says a project will have "affordable units," or when a neighbor says they don't want "affordable housing" nearby, it's worth asking:

- Affordable to whom?
- Affordable at what income level — and how much of a real discount are we talking?
- For how long?
- How many units?
- Affordable by promise or by law?

Housing Trends



USA



\$80,944

Median family income

Georgia



\$74,833

Median family income in
Georgia



Housing Trends

USA

- Median house price: \$459,826
- 30-year mortgage rate of 6.5%
- 20% down payment: \$91,965
- Monthly payment \$2,767

Salary required to not be house burdened...

Let's calculate it:

To find the minimum gross monthly income:

$$\begin{aligned}\text{Monthly Income Needed} &= \frac{\text{Monthly Payment}}{0.30} \\ &= \frac{2,767}{0.30} \\ &= 9,223.33\end{aligned}$$

Thus, you would need **at least \$9,223.33 per month** in gross income.

To annualize it:

$$9,223.33 \times 12 = 110,680$$

✅ You would need to make about **\$110,680 per year** to not be considered housing cost burdened based on those home purchase statistics.

Housing Trends

Georgia

- Median house price: \$360,000
- 30-year mortgage rate of 6.5%
- 20% down payment: \$72,000
- Monthly payment \$2,233

Salary required to not be house burdened...



$$\begin{aligned}\text{Monthly Income Needed} &= \frac{2,233}{0.30} \\ &= 7,443.33\end{aligned}$$

Thus, you would need at least **\$7,443.33 per month** in gross income.

Annualized:

$$7,443.33 \times 12 = 89,320$$

✅ You would need to make about **\$89,320 per year** to not be housing cost burdened buying a \$360,000 home under these assumptions.

Housing Trends



USA

Median house price: \$459,826

30-year mortgage rate of 6.5%

20% down payment: \$91,965

Monthly payment \$2,767

Salary required to not be house burdened:
\$110,680

Georgia

Median house price: \$360,000

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20% down payment: \$72,000

Monthly payment \$2,233

Salary required to not be house burdened:
\$89,320

Housing Trends in Georgia



USA

Median house price: \$459,826

30-year mortgage rate of 6.5%

20% down payment: \$91,965

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\$80,944

Median family income

Georgia

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30-year mortgage rate of 6.5%

20% down payment: \$72,000

Monthly payment \$2,233

Salary required to not be
house burdened: \$89,320



\$74,833


Median family income in
Georgia

Median vs Average

- **Median** = Middle value when prices are sorted.
- **Average** = Sum of all prices divided by the number of homes.

Why Use Median?

- ✓ Median gives a more accurate picture of a *typical* home cost.
- ✓ Median is not distorted by a few extremely high-priced homes.
- ✓ In affordable housing, median price better reflects what most families can realistically afford.

 → Median = "Typical Home"

     → Average = "Skewed by Mansions"



Cost Burden in Georgia

Overall: About **30%** of all households in Georgia are housing cost burdened (spend more than 30% of income on housing).

Renters:

- **Roughly 47%** of renter households are housing cost burdened.
- About **24%** of renter households are *severely* burdened (spending more than 50% of income on rent).

Homeowners:

- **About 21%** of homeowners with a mortgage are housing cost burdened.

What does DCA do?

Local Government Assistance

Provide resources, tools, and technical assistance to cities, counties, and local authorities to help strengthen communities

Community & Economic Development

Connect communities to funding sources to help build capacity and encourage economic development while honoring the community's past through historic preservation

Safe & Affordable Housing

Help communities meet housing needs and connect people with housing assistance

HOUSING CONTINUUM



Key Takeaways

- DCA's regular funding sources support four core housing investments: homeless intervention, rental subsidy, Housing Credit financing, and homeownership.
- Also key are investments to encourage and move families along this continuum and investments to prevent them from backsliding.



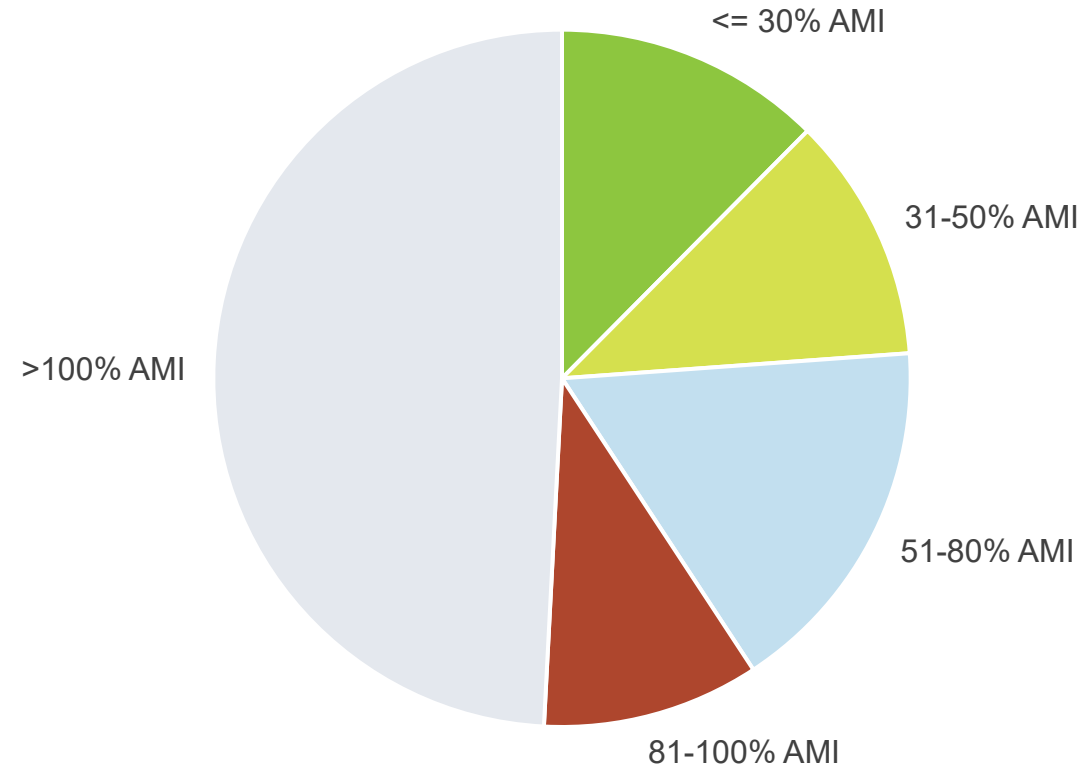
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DCA Resources Across the Housing Continuum

		EMERGENCY SHELTER & SERVICES	STABLE HOUSING & SUPPORTIVE SERVICES	RENTAL UNITS & HOUSING STABILITY SERVICES	HOMEOWNERSHIP
	LOCAL GOVERNMENTS	Emergency Solutions Grants			Community HOME Improvement Program Rural Workforce Housing Initiative
	COMMUNITY ORGANIZATIONS	Continuum of Care Emergency Solutions Grants	Permanent Supportive Housing Reentry Partner Housing Youth Homelessness Prevention Demonstration		
	DEVELOPERS		HOME-ARP Housing Opportunities for Persons with AIDS HUD 811 Permanent Supportive Housing Reentry Partner Housing	Housing Tax Credits	Rural Workforce Housing Initiative
	INDIVIDUALS		HUD 811 Permanent Supportive Housing Housing Choice Vouchers	Georgia Housing Search Legal Aid for Evictions	Georgia Dream Home Access Homeowners Assistance Fund

Our primary market is households below 100% AMI, which constitutes half of the state



Data source: HUD CHAS data

Housing Needs Assessment



Step 2: Collect Demographic & Economic Data

Consider using data from <https://datausa.io/> or <https://data.census.gov/>

Population trends (growth, age, household size)

Median age: Poverty rate:

Income levels & employment data

Median household income:

Median property value:

Average commute time:

Key employer industries (to assess housing-workforce alignment)

Step 3: Analyze Housing Supply

Inventory Housing Units by Type

- Single-family:
- Duplex/triplex/fourplex:
- Multifamily (5+ units):
- Mobile/manufactured homes:

Assess Condition and Age of Housing Stock

- % of homes older than 40 years:
- % in substandard condition:
Substandard housing" references units lacking complete kitchens, plumbing, or showing code violations.

DCA Resources



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Create your own Needs
Assessment
Download Here!



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Needs Assessment
Checklist
Download Here!

Community HOME Investment Program (CHIP)



- A grant program funded with HUD **HOME** dollars.
- These grants are awarded to city and county governments, PHAs, and nonprofits to rehabilitate owner-occupied homes and build affordable single-family homes to sell to income-eligible homebuyers.

Community HOME Investment Program (CHIP)



- Beneficiary households must have incomes below 80% of the county AMI.
- Priority given to communities with solid housing experience, adequate housing need, and an affordable housing plan.
- Federal regulations including environmental reviews and Davis Bacon do apply.

Community HOME Investment Program

Funded with Federal HOME dollars from HUD



Not a direct beneficiary program



Average 10-15 grants awards per year



Awards an annual allocation statewide



Two Programs

Owner-Occupied Housing Rehabilitation

- Up to \$500,000 for owner-occupied housing rehabilitation/ reconstruction
- Single-family units are defined as structures with 1-4 units.

New Construction

- Up to \$1.5 million for New Construction/Reconstruction
- Used to acquire, rehabilitate, or newly construct single-family units to be sold to very low to low-income home buyers.
- Single-family units are defined as structures with 1-4 units.

Environmental Requirements

Environmental reviews are required for all projects prior to rehabilitation or new construction.

Until the environmental review process (and until receipt of HUD approval, when necessary) is completed, the applicant cannot commit non-HUD funds or undertake an activity if that action would have an adverse environmental impact or limit the choice of reasonable alternatives.

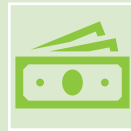


CHIP Application



Two Project Types:

Owner-Occupied
Rehabilitation
New Construction



Applicants may submit one application.
Application fee: \$1,000



Submit the application form and
attachments through the Emphasys portal.

CHIP Application Scoring



BUDGET

NEED

CAPACITY/RESOURCES

MASTER PLAN



New Construction

Applicants are eligible for up to \$1.5 million to help them build new and affordable housing in their community

We have four areas we need to account for:

- Budget
- Need
- Capacity/Resources
- Planning

Developing your Budget

Its about more than just building houses... you need to work this problem backwards.

Think about who your target demographic is...

You need to serve 80% and below AMI in your area

- What does that look like salary wise?
- What are your occupations paying?
- What are your average home sale prices and rents?
- Who is being priced out of your market?

Let's do the math together and see where it takes us





Affordable Housing Reality Check

We are going to use HUD's 80% AMI limits to determine how much we can afford to build and sell a house for in Tift County, if we want to use CHIP funds to make that happen.

Here's what we know:

- 80% AMI (4-person): \$60,950
- Defines our target homebuyer
- Serves as a foundation for all calculations

Where to find YOUR AMI Limits?

FY 2025 INCOME LIMITS DOCUMENTATION SYSTEM

First select a state:

- American Samoa - AS
- Arizona - AZ
- Arkansas - AR
- California - CA
- Colorado - CO
- Connecticut - CT
- Delaware - DE
- District of Columbia - DC
- Florida - FL
- Georgia - GA

Then select a county:

- Appling County, GA
- Atkinson County, GA
- Bacon County, GA
- Baker County, GA
- Baldwin County, GA
- Banks County, GA
- Barrow County, GA
- Bartow County, GA
- Ben Hill County, GA
- Berrien County, GA

Choose a County

https://www.huduser.gov/portal/datasets/il/il2025/select_Geography.odn

Time to do a little math...

- **30% rule** → \$18,285/year
- **\$1,524** month housing budget
 - Taxes & insurance = **\$300/month**
 - Mortgage budget = **\$1,200/month**

This is where affordability really starts to tighten.



What is their Mortgage Capacity

Home Price Range:

- \$1,200/month supports
- \$180K–\$195K loan
- Assumes 6.5–7% interest

The Cost of Construction:

- \$160–\$200/sq ft
- 1,400 sq ft = \$225K–\$280K
- *Costs exceed affordability*



The Gap

- Affordable price: \$200K
- Construction cost: \$250K+
- Gap: \$50K per unit

- **So how do we close the gap**
- Is it more subsidy?
- Building smaller homes?
- Different construction methods?
- Having land donated?



Closing the Gap: A CHIP Strategy Framework

- Right-Size the Product
- Targeted Subsidy
(Close the Gap Strategically)
- Incentivize Cost-Efficient
Development
- Strengthen Local Capacity &
Partnerships



Targeted Subsidy and Right Sizing

Scenario #1

- Build a house at 1,200 sq. ft. for \$192,000
- Offer a 25k as a soft second, which can be written off over 10 years
- Bring in GA Dream for down payment assistance at 10k
- Purchase price of the home is now 157k to mortgage and would cost \$1,300 a month

Scenario #2

- Total Development Cost: \$250,000
- Affordable Sales Price (80% AMI): \$200,000
- Gap: \$50,000
- CHIP (HOME Funds) Covers the Gap
- Buyer Pays Affordable Price Only
- Subsidy = Deferred, Forgivable Loan

Georgia Dream Loans

Lower Interest Rates

On 3/5/26:

- 5.75% for Georgia Dream
- **4.75%** for Peach Select VA Loans
- 6.25% for Peach Plus
- Variable for Peach Advantage


Down Payment Assistance

- Up to \$10,000 for standard
- Up to \$12,500 for protection, education, & healthcare workers
- \$12,500 for people with disabilities

Loans provided by participating lenders



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HOMEOWNERSHIP
Georgia Dream Homeownership Program

GADream.com / Housing@dca.ga.gov

	Georgia Dream	Peach Select	Peach Plus	Peach Advantage
Loan Specifications				
30 Year Fixed Rate	✓	✓	✓	✓
FHA Loan	✓		✓	
USDA-RD Loan	✓			
VA Loan	✓	✓	✓	
Conventional Loan	✓			✓
Down Payment Assistance	✓		✓	✓
Requirements for Eligible Borrowers				
First-Time Homebuyer Have not had interest or ownership in a primary residence in the last three years.	✓			
Household Income Limits • Have up to the maximum depending on location and family size. • Have up to 150% of the Area Median Income (AMI) per Fannie Mae and Freddie Mac AMI Lookup Tools.	✓	✓	✓	✓
Liquid Assets Limitation Have no more than \$20,000 or 20% of the sales price (whichever is greater) immediately after closing.	✓		✓	
Credit Requirements Minimum 640 score*	✓	✓	✓	✓
Homebuyer Counseling Complete via an education workshop, an individual counseling sessions, or an E-Home America online course.	✓	✓	✓	✓

*660 minimum for manufactured homes.

Need and Capacity Considerations

Need

- Can we demonstrate that there is a demand for housing?
- Can we show that the housing we are going to build is more affordable than what is on the market?
- Can we demonstrate that we have the workforce who can afford to financially meet this need?

Capacity

- Who is going to actually build these homes?
- Who is going to be the person who administers the grant for us?
- Do we have the capacity and support to make this happen in 3 years or less?



Owner Occupied Rehab

- Applicants are eligible for up to \$500k to help them renovate existing homes in their community
- We have four areas we need to account for:
 - Budget
 - Need
 - Capacity/Resources
 - Planning

Question to ask yourself...



Is there a demand for this type of support in our community?



How far will this budget get us?



Do we also have money to put into this?



Do we have a building inspector team to support this process?



Who will do this work?



Do we have an idea of how we will competitively advertise this application?



What is our plan for those we have to say no to?

CHIP Dates to Know

- We will be hosting a CHIP retreat in late October for both new applicants who are interested in applying and for those who have received an award within this past fiscal year.
 - *Tentative date and location:*
 - Douglasville, GA
 - October 20th and 21st
- Applications for the 2027 round will be open from November 1 – January 31st, 2027

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Rural Workforce Housing Initiative

A state funded initiative to build the "missing middle." The goal is to help create affordable homeownership opportunities for all Georgians.

- **Program consists of two funding buckets:**
 - Infrastructure – \$2.5 million grant
 - Construction — \$1 million low interest loan
- **Who can apply:**
 - Infrastructure: Local governments and authorities
 - Construction: primarily developers
- Homes built need to be less than \$290k dollars but can be purchased by anyone. There are no AMI requirements.

Considerations for RWHI Scoring

- Demonstrate need for affordable housing
- Demonstrate local government commitment to the project
- Demonstrate support of the developer
- Consider what skin you are putting in the game



OGA Maximum Requested Amount	# of Housing Units	Local Government Minimum Cash Match- Counties with population less than 50,000	Local Government Minimum Cash Match- OGA Eligible counties with population more than 50,000
\$500,000	Under 25	15%	30%
\$1,000,000	25-30	15%	30%
\$1,500,000	31-40	15%	30%
\$2,000,000	41-60	15%	30%
\$2,500,000	61+	15%	30%



GEORGIA MLS
REAL ESTATE SERVICES



Rural Workforce Housing Initiative – Cleveland, GA

RWFHI Loan

14 units

- Avg cost per home - \$194,465.68

- Avg cost per sq ft - \$257.15

- Sale price - \$250,000

Unit Mix – 2 Bed 1.5 Bath

Total Hard Cost – \$2,151,132.50

Total Dev. Cost - \$2,750,519.50



Application Process:

- ***Infrastructure*** applications are accepted twice a year.
- ***Construction*** loan applications are accepted on a rolling basis.

Decide Where to Start

- Remember this is a marathon not a sprint
- Consider your capacity
- Consider your expertise and skill sets
- Use data and input to develop a short- and long-term housing strategy that includes goals, timelines and measurable outcomes.
- Align housing goals with your comprehensive plan.
- Let the data inform your decisions, not the other way around.



DCA Resources



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Create your own Needs
Assessment
Download Here!



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Thanks!

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