



## FREQUENTLY USED HOUSING TERMS & DEFINITIONS

**Accessory Dwelling Unit (ADU)** – a residential living unit that can be within or attached to a single-family dwelling, or a detached unit that provides independent living facilities for one or more persons, including provisions for sleeping, eating, cooking, and sanitation on the same parcel of land as the principal dwelling unit it accompanies. See [New Hampshire Accessory Dwelling Units statute \(RSA 674:71-73\)](#)

**Affordable Housing** – housing, rental or owner-occupied, that costs no more than 30% of one's gross income. Rental cost is defined as rent + utilities. Ownership cost is monthly principal, interest, taxes and insurance.

**Area Median Income (AMI)** – the median income of all households in a given county or metropolitan region. If you were to line up each household in the area from the poorest to the wealthiest, the household in the middle would have the median household income. Housing programs and the state's workforce housing law use AMI to determine housing eligibility.

**Housing Choice Vouchers** (also known as **Section 8**) – a federal government program that assists very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market. It is a form of subsidized affordable housing in which families who qualify may be provided with government funding to pay a portion of their rent in standard, market-rate housing. Program eligibility and assistance is based upon income and household size.

**Low Income Housing Tax Credit (LIHTC)** – a federal program that subsidizes the acquisition, construction, and rehabilitation of affordable rental housing for low- and moderate-income tenants. Developers receive a tax credit allocation from an agency such as NHHFA, and then sells the tax credits to a private equity company in exchange for funding to build the property. LIHTC properties must have some or all of its units leased to tenants at rents that are lower than market rent.

**Market Rate Housing** – housing that is available on the private market, not subsidized or limited to any specific income level.

**Mixed-Income Housing Development** – development that includes housing for various income levels, including housing that is targeted towards low- to moderate-income individuals and families.

**Mixed-Use** – any building that contains at least two different types of uses in it, such as ground floor commercial space for stores, restaurants or other businesses, and apartments on the upper floors.

**Multi-Family Housing** – a building or structure designed to house different families in separate housing units; usually rental property.

**Single-Family Housing** – any detached dwelling unit meant for only one family to reside in. A single-family home has no shared property but is built on its own parcel of land.

**Subsidized Housing** – housing where all or a portion of the occupants' monthly housing cost is paid for directly by the government, such as by Housing Choice Vouchers. The renters pay the portion of the rent that is determined to be affordable to them based on their income.

**Workforce Housing** – a variety of housing types that are affordable (no more than 30% of gross income spent on housing cost) suitable for households of working people with different needs and income levels. Due to their income, this population is generally not eligible for any federal assistance programs.

[NH Workforce Housing Law](#) (RSA 674:58-:61) defines workforce housing as housing that is affordable to a renter earning up to 60% of the Area Median Income for a family of three paying no more than 30% of their income on rent and utilities, or a homeowner earning up to 100% of the Area Median Income for a family of four paying no more than 30% of their income on principal, interest, taxes and insurance.