



Affordability Cheat Sheet

So many numbers, so many terms.

What does AMI mean?

AMI stands for area median income, which is [the midpoint of our area's income distribution](#). Different from the average income, which takes into account the lowest and highest incomes, median income pinpoints which income level is most common, i.e. which income is accessible to most households in the area. Households can be any size - just one person, or multiple people earning an income living in one home. [The AMI for all cities across the country is defined each year by the U.S. Department of Housing and Urban Development \(HUD\)](#), but can be amended by local governments. At Watershed and The Bend, we look to the [Seattle Office of Housing](#) for the guidance.

The area median household income in Seattle was \$120,608 per year in 2023. More recent numbers may be available and can be found [here](#).

What does “affordable” mean?

According to the City of Seattle's definition, “affordable” apartments are those apartments that a household (of one or more people) can afford when they make either the area median income or a percentage of the area median income. The rent of these units cannot be higher than 30% of the resident's income or the low end of the affordability promised.

For example, if an apartment is affordable to households earning 60% of AMI, it means that a household earning 60% of AMI would spend no more than 30% of their income on rent. Households that earn just 40% of AMI may not be able to afford that apartment, and households making 80% of AMI would not be eligible for this apartment.

How affordable will The Bend be?

At the Bend, we are targeting affordability of 60 - 120% of AMI. This means that our apartments will be affordable to households earning 60% of AMI, spending no more than 30% of their income on rent. Households earning more than 120% of AMI will not be eligible to live in the Bend.

Looking at the [2024 guidelines from the City of Seattle's Office of Housing](#), this means that for example a family of 3 earning 60% of area median income would pay \$2,351 per month including basic utilities for a three-bedroom apartment in The Bend. A family of 3 earning 80% of area median income would pay \$3,135 for a three-bedroom apartment including basic utilities. The market rate for a similarly sized apartment is roughly [\\$3,700 a month](#), often without utilities

But can I afford it?

As a household of 3, if you work 40hrs/week, 50 weeks a year, and you earn \$40 or more per hour as a household (for example, two parties earning \$20 an hour each, or one earning \$15 and the



other earning \$25), you will be able to afford a 2-bedroom apartment in The Bend; while spending less than 30% of your income on rent.

As a household of 2, if you work 40hrs/week, 50 weeks a year, and you earn \$36 or more per hour as a household (For example, one person earning \$20/hr and one earning \$16 per hour), you will be able to afford a 1-bedroom apartment in The Bend, spending less than 30% of your income on rent. Under those same circumstances, if your household earned \$40 or more per hour, you would be able to afford a 2-bedroom apartment in The Bend, spending less than 30% of your income on rent.

As a household of 1, if you work 40hrs/ week, 50 weeks a year, and you earn \$32 or more per hour, you will be able to afford a studio apartment in The Bend spending less than 30% of your income on rent. Under those same circumstances, if you earned \$36/hr, you would be able to afford a 1-bedroom apartment in The Bend, spending less than 30% of your income on rent.

Questions? Connect with us at info@watershedcommunity.org.

Click here to join the waitlist to live in The Bend!