# MONTANA

## AFFORDABLE HOUSING NEED & THE ROLE OF MANUFACTURED HOUSING

The state of housing in Montana is mixed. According to the Prosperity Now Scorecard, the homeownership rate for that state is over 69%—the twelfth highest in the country—and its rate of delinquent mortgages and high-cost mortgages are some of the lowest in the country. However, the median housing value in Montana is 4.3 times higher than median family incomes, higher than all but nine other states and the District of Columbia.

Because it is less than half the average cost per square foot compared to site-built homes, manufactured housing represents a major source of unsubsidized affordable housing in the country. Monthly housing costs for manufactured homeowners are considerably less compared to renters, and all homeowners. Likewise, low- and moderate-income manufactured homeowners spend far less on housing as a percentage of income than similar residents of other types of homes. While manufactured homes only make up about 11% of Montana’s housing stock, it represents 18% of all its affordable housing, making it an important component in meeting the area’s affordable housing needs.

For many low- and moderate-income households, manufactured housing is more affordable than other types of housing.

<table>
<thead>
<tr>
<th>HOW MANY RESIDENTS?</th>
<th>106,827 residents or roughly 10.7% live in</th>
<th>45,496 manufactured homes in Montana</th>
</tr>
</thead>
<tbody>
<tr>
<td>HOW AFFORDABLE IS MANUFACTURED HOUSING?</td>
<td>$427</td>
<td>$851</td>
</tr>
<tr>
<td>Monthly Housing Cost Comparison</td>
<td>Manufacturing Homeowners</td>
<td>All Homeowners</td>
</tr>
<tr>
<td>HOW MUCH MANUFACTURED HOUSING IS AFFORDABLE?</td>
<td>51% of manufactured housing is affordable, compared to only 31% of all housing in Montana.</td>
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</tbody>
</table>

**Note:** This Data Snapshot is designed to assess the role of manufactured housing in state and local markets and the extent to which manufactured housing contributes to a set of solutions for affordable housing needs in Montana. The data source for this Snapshot is the 2013-2017 American Community Survey 5-Year Estimates, except where otherwise noted.

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2. Ibid.
WHO LIVES IN MANUFACTURED HOMES?

HOMEOWNERSHIP
Residents of manufactured homes are slightly more likely to own their homes compared to residents of all other types of housing.

Note: The homeownership rates in this document are the percentage of occupied housing units that are owner-occupied, based on the 2013-2017 American Community Survey 5-Year Estimates.

HOME FINANCING
Owners of manufactured homes are less likely to have a mortgage and presumably more likely to have a personal property loan. Why does this matter? Personal property loans tend to have higher interest rates, shorter repayment periods and fewer protections for borrowers. Homes financed with personal property loans tend to be titled as personal property, like cars. In many cases, lenders use depreciation tables, similar to those in the auto industry, to value existing homes, leading to losses in value for the owner. This makes it much harder for homeowners to build wealth through homeownership.

MEDIAN HOUSEHOLD INCOME
$35,537 Manufactured Homeowners
$62,712 All Homeowners
$31,356 All Renters

EDUCATION
Owners of manufactured homes are less likely to have received any kind of college education than compared to all homeowners and renters.

JOBS
Roughly 55% of manufactured home residents in the work in retail, healthcare/social assistance, food service, agriculture/forestry/hunting and construction.
OWNERS OF MANUFACTURED HOMES

ALL HOMEOWNERS

ALL RENTERS

SNAP BENEFITS
Compared to all homeowners, owners of manufactured homes are three times as likely to receive benefits from the Supplemental Nutrition Assistance Program, but less likely than renters.

AGE
Households of manufactured homeowners in Montana tend to be about the same age as owners of other homes, but younger than households of renters.

HOUSEHOLD COMPOSITION
Owners of manufactured homes are more likely than renters overall and less likely than homeowners overall to be married couples. More than one-third of households living in manufactured homes are non-family households.

RACE/ETHNICITY
White households make up the majority of all housing in Montana, followed by Native American/Alaskan Native households. However, White households make up a greater proportion of all homeowners and manufactured homeowners than renters.

IN WHAT CONDITION ARE MOST MANUFACTURED HOMES?
Over half of manufactured homes in Montana were built before 1980. Why does this matter? Before the U.S. Department of Housing and Urban Development began regulating the construction of these homes in 1976, there were no consistent building standards for manufactured homes, so older units are more likely to need repair or replacement.
Innovations in Manufactured Homes (I’M HOME) is a national initiative managed by Prosperity Now which seeks to ensure that owners of manufactured homes have the opportunity to build wealth through homeownership by improving the quality of new and replacement development, enhancing homeowners’ ability to enjoy long-term land security, expanding access to safe home financing and encouraging a supportive policy environment.