



Homeword  
Sustainable Communities for All

# Cost of Living Activity

People can afford home costs when they are 30% or less of gross income



**49% missoulians**  
spend over 30% on  
home costs  
**half of those**  
spend over 50%

1



**\$12.50 mean  
renter wage  
(\$26,000)**

retail worker, retiree,  
single parent, person  
with disability, recent  
grad

2

**\$650**

rent + utilities  
people earning  
mean wage  
can afford

**54% missoulians  
are renters**

**\$918**



**average rent**  
2 bedroom  
apartment

2



**\$17.65**  
wage needed to  
afford \$918 rent  
(2 min. wage jobs)

INCOME			APPROX	Balance your budget: What can you afford after rent, utilities and groceries? (Non-negotiables)
Gross		\$12.50/hour ft (\$26,000/year)	\$2,167	
Deductions		<b>401K</b>	<b>\$0</b>	
		Payroll Taxes	(\$433)	
<b>TOTAL NET INCOME</b>			<b>\$1,734</b>	
EXPENSES				
	<b>Communication</b>	Cell phone, TV & internet	\$100	
	<b>Child – Each</b>	Childcare	\$800	
		Diapers/Formula	\$100	
		School, activity fees, lessons	\$50	
	<b>Clothing</b>	Basic clothing, coats, shoes, socks, etc.	\$40	
	<b>Debt</b>	Credit card and loan payments	\$100	
	<b>Education</b>	Student Loans	\$140	
	<b>Entertainment</b>	Streaming service, hobbies, books, music, movies	\$50	
	<b>Food</b>	Groceries and household supplies	<b>\$300</b>	<b>\$300</b>
	<b>Health</b>	Medical	\$70	
		Gym membership, vitamins	\$50	
	<b>Home</b>	Rent 2 bedroom	<b>\$918</b>	<b>\$918</b>
		Utilities	<b>\$100</b>	<b>\$100</b>
	<b>Miscellaneous</b>	Gifts	\$20	
		Pet care	\$30	
		Travel	\$100	
	<b>Savings</b>	Savings/Emergency Fund	\$100	
	<b>Transportation</b>	Auto gas, maintenance, registration, insurance	\$200	
<b>TOTAL MONTHLY INCOME</b>			<b>\$1,734</b>	
<b>NON-NEGOTIABLE SUBTOTAL</b>			<b>- 1,318</b>	
<b>REMAINDER</b>			<b>= 416</b>	
<b>TOTAL POSSIBLE MONTHLY EXPENSES</b>			<b>\$3,268</b>	
<b>BALANCE</b>			<b>(\$1,534)</b>	

1) Missoula Housing Report – Missoula Organization of Realtors

2) Out of Reach Report – National Low Income Housing Coalition

# Our Communities are Stronger When Every Person Can Afford a Safe, Healthy Home

## Did You Know?

- Montana ranks last in Average Annual Pay (<https://scorecard.prosperitynow.org/>).
- 44.4% of Montana renters are cost burdened, meaning they pay more 30% for their home costs
- Minimum wage in Montana is \$8.65 an hour.

## How Did You Feel?

- Did you notice that the rent plus utilities on the worksheet when making \$12.50/hour was 59% of your monthly gross income (not 30% or less, which is the definition of home costs being affordable)?
- What sort of choices did that force you to make? What items did you want to select but couldn't afford?
- If you were paying about \$300 less per month for your home, what sort of choices could you make?

## Strengthening Montana Communities

*Homeward uses sustainable methods to strengthen Montana communities by teaching homebuyer education and financial skill building and creating safe, healthy homes people can afford*

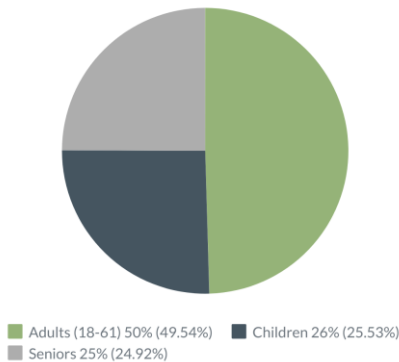
26 Years • 13 Communities • 30 Properties

1,244 Homes (+75 under construction) for 2,000 Montanans (\$3M annual resident savings)

16,000+ People Empowered (through HomeOwnership Center Programs)



Homeward's Residents



### Regional HomeOwnership Center

1,268 Montanans Empowered FY20\*

*Classes, workshops and individual coaching*

 Homebuyer Education Classes & Coaching <b>787</b>	 Financial Skill Building Classes & Coaching <b>367</b>	 Rent Wise Workshops & Coaching <b>114</b>
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 <b>661 children</b>	 <b>50 Veterans</b>	 <b>54 seniors</b>	 <b>44 living with disability</b>
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Parents of 661 children were empowered to make wise decisions for their families. 50 Veterans received important homebuying, rental and financial information. 54 seniors learned homebuyer and financial skills to help them meet their goals. 44 people living with disabilities were empowered through knowledge and practical tools.

<b>Homebuying in Missoula County</b> <b>\$333,000</b> Median Home Price <b>\$110,107</b> Income to Afford Mortgage <b>\$75,368</b> Median Homeowner Income	<b>Renting in Missoula County</b> <b>\$918</b> Median 2 Bedroom Rent <b>\$36,720</b> Income to Afford Rent <b>\$26,000</b> Median Renter Income
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\*FY20 = July 2019 - June 2020

*Homeward acknowledges that we live and work on the homelands of Indigenous people. We offer our respect for their history, culture and community. For elders, both past and present, and the path they have shown us in caring for Montana from generation to generation.*