



**MONTANA**  
HEALTHCARE  
FOUNDATION

## The Housing Continuum

The housing continuum represents the range of housing types necessary in a community to meet the needs of its residents. At one end are emergency shelters, which provide shelter from sleeping outside for people without housing. On the other end are market rate ownership options, from entry-level to luxury homes. Along the continuum are options to serve community members of various household sizes and life circumstances.

Montana has approximately 45 affordable and available homes per 100 renter households with extremely low incomes (less than 30% Area Median income).<sup>[1]</sup>

<sup>[1]</sup> <https://nlihc.org/gap/state/mt>

In a perfectly functioning housing market, there are enough homes at each continuum level to allow households to move freely among different housing types as their life circumstances change.

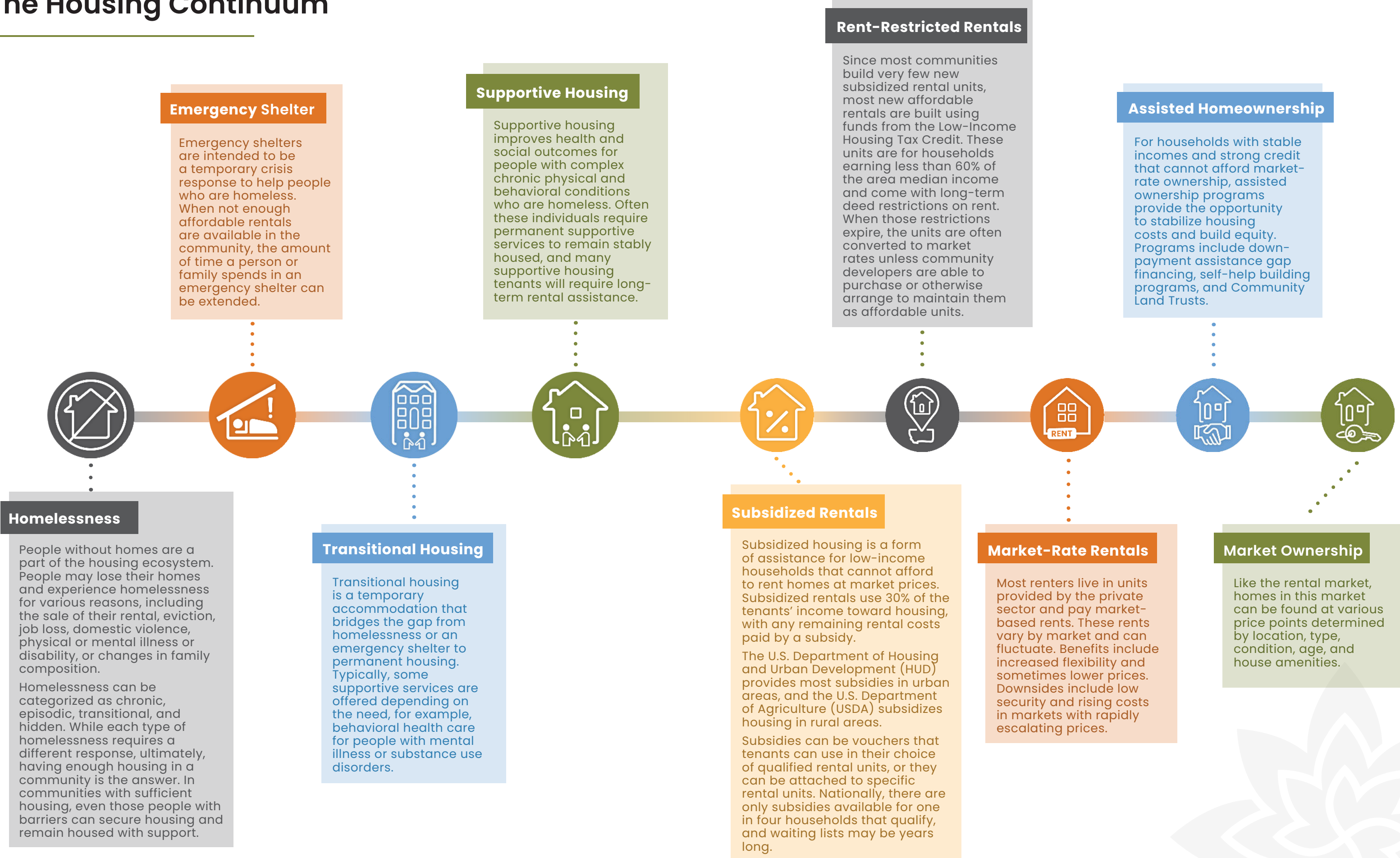
In reality, in nearly all communities, there are constraints within segments of the housing continuum that result in shortages of certain types of units and price points.

### THIS BRIEF

will break down each step of the housing continuum and explain how households move throughout it over their lifetimes.



# The Housing Continuum



# Moving Up and Down the Housing Continuum

As households gain employment, necessary services, and other financial resources, they are more able to secure permanent housing. Conversely, households that experience a life event that results in reduced income, such as the loss of a partner, lengthy illness or disability, or retirement, or events that change household composition, may find themselves moving down the continuum to housing that reflects their changed resources or more adequately meets the needs of their current circumstances.

When there are not enough quality, affordable homes in the community, households may rely on substandard units, be forced to pay more than 30% of their income toward their housing (which leads to food insecurity, the need to skip medications and health care, and other health-harming consequences), or become homeless.

A healthy community has adequate supply along all parts of the housing continuum to meet these ever-changing needs.



**Increased Income** ..... ▶  
(educational gains, employment, inheritance)

**Household Changes** ..... ▶  
(partner returns to work, adding partner with income)

**Decrease in Household Expenses** ..... ▶  
(kids exit daycare)

◀ ..... **Change in Household Composition**  
(divorce, death, domestic violence)

◀ ..... **Job Loss or Retirement**

◀ ..... **Disability or Illness**

