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On the Path to Home Ownership: Low-Income Owners and Renters in Rural Communities

Andrea L. Bentzinger
_Iowa State University_, andrebentzinger@yahoo.com

Christine C. Cook
_Iowa State University_, cccook@iastate.edu

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On the Path to Home Ownership: Low-Income Owners and Renters in Rural Communities

Abstract
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Disciplines
Social Policy

Comments
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ON THE PATH TO HOMEOWNERSHIP: LOW-INCOME OWNERS AND RENTERS IN RURAL COMMUNITIES

Andrea L. Bentzinger and Christine C. Cook

Abstract

The purpose of the current article was to examine the tenure status of rural, low-income mothers to understand particularly what family, housing, and health characteristics are associated with tenure status in rural areas of the United States. The benefits as well as the risks of becoming a homeowner for low-income families are discussed. The study used data from the multi-state research project "Rural Families Speak," an investigation conducted by 17 states to assess the circumstances of rural low-income families—403 mothers with at least one child 12 years of age or younger. Two logistical binomial regression analyses were conducted to identify significant predictors of housing tenure among rural, low-income families. In total, 13 variables were included in the regression analysis for the whole sample and 14 variables were used for a subsample of those mothers who reported having a partner. The results of the study indicated that determinants of tenure status for this sample were age, education level, partner status, ethnicity, total monthly income, housing costs, housing wage, and food security status. The research contributes to an understanding of variables that contribute to attaining homeownership and provides additional information to shape future research, policy, and social programs that benefit rural, low-income families who aspire to become or sustain homeownership.

Introduction

The study of low-income homeownership opportunities has had the attention of researchers and policy makers since the 1990s when programs were initiated with the express purpose of increasing the minority and low-income homeownership rates (Cortes, Herbert, Wilson, & Clay, 2007; Herbert & Belsky, 2008; Schwartz, 2006). For many families, including low-income
families, homeownership is a key component of the "American Dream" and "symbolizes autonomy, achievement ... [and] embodies core American values" (McConnell & Marcelli, 2007, pp. 199–200). Recent housing policy changes and current economic conditions suggest that a better understanding of low-income families' ability to become homeowners and sustain homeownership is necessary. In particular, the availability of ownership opportunities for low-income families in rural settings has had limited attention.

The current study examined predictors of housing tenure among low-income mothers living in rural communities to better explain what family, housing, and health characteristics contributed most to understanding tenure status, specifically homeownership. This study intended to highlight rural housing opportunities among low-income families and to bring that information to the attention of researchers, policy makers, and housing advocates who serve low-income rural families.

**Conceptual Framework**

In the simplest terms, housing tenure refers to whether a household rents or owns the housing unit. According to Rossi and Weber (1996), "Whether to own or rent a home is a matter of choice; however, it is a choice that is heavily constrained" (p. 3). Morris and Winter (1975) developed a theory of family housing adjustment that explains housing decision-making and behavior in families. The theory of housing adjustment posits that when housing does not meet a family's needs, the family experiences a housing deficit that is culturally defined; that is, what constitutes a housing problem is a function of cultural and family norms. Therefore when families perceive that their housing is non-normative, they will be dissatisfied and strive to correct the situation.

For the purposes of this investigation, it is the tenure norm that is of most interest for two reasons: (a) homeownership is normative in American society, thus families who are not owners are likely to perceive a "housing deficit" and strive to correct it and, (b) although the push to achieve homeownership will be great, it will be constrained by both family and market restrictions. A host of constraints may impinge on a family's ability to align actual housing with perceived need for housing, i.e., correct their housing deficits. Low-
income families have fewer options than do higher-income households when it comes to making choices about housing. A lack of economic resources and other challenges may lead them to relax their tenure norms. An example of how a family might relax their tenure norms is by renting instead of buying a home because of their economic situation. However, there is not much evidence that low-income families have different ambitions for homeownership than do their higher-income counterparts. Low-income families are simply faced with barriers and constraints that impede their ability to attain homeownership.

**Literature Review**

**Benefits of Homeownership**

Homeownership has been the dominate form of housing tenure in the United States for a long time now and there is a belief that homeownership is best for the individual, the family, the community, and the country (Bratt, Stone, & Hartman, 2006; Green, 2001; Retsinas & Belsky, 2002; Schwartz, 2006). There is an economic importance to housing, as well as psychological and social functions (Merrill, Crull, Tremblay, Tyler, & Carswell, 2006). The economic benefits of homeownership include accumulated wealth and assets, tax deductions and other incentives from the government, and substantially lower costs over time. The accumulation of wealth, however, is probably the most beneficial economic factor for low-income families because their owned home will likely be the biggest asset they will ever attain (Schwartz, 2006). It is also a step toward economic self-sufficiency (Sherraden, 2000). Boehm and Schlottmann (2008) advocated for asset accumulation for low-income households through homeownership. Although they found that homeownership did not always guarantee accumulation of wealth for low-income households, they identified a positive relationship between homeownership and wealth.

Ownership is not only associated with asset accumulation, but owners of homes are also thought to have higher satisfaction with their homes and life in general than their renter counterparts (Green, 2001; Herbert & Belsky, 2008; Rohe, Van Zandt, & McCarthy, 2002). Owning increases psychological health by leading to higher self-esteem and social status (Rohe, et al., 2002.).
One reason that homeownership is thought to lead to a higher sense of self-esteem is because the owner has accomplished "a significant life goal" (Herbert & Belsky, 2008, p. 9).

The benefits of homeownership have important implications not only for adult family members but for their children as well. The home environment is the main place where children are reared and has important implications for their physical and socioemotional development. Many studies have been completed testing the effect of parental homeownership on child developmental outcomes (Aaronson, 2000; Cairney, 2005; Galster, Marcotte, Mandell, Wolman, & Augustine 2007; Haurin, Parcel, & Haurin, 2002). One important reason for this could be the stability of homeownership. Homeowners have been found to remain in one place longer, and this could lead to better developmental outcomes for children. Cairney (2005) researched the mental health of adolescents, and the findings indicated that for younger adolescents, tenure status had more influence on mental health than for older adolescents. It was hypothesized that this was likely due to the fact that as children age they tend to spend less time in the home environment. Children, who live in owned homes, are reared in a more nurturing home environment that supports development. Judging from past research, the home environment is important for the development of children cognitively, socially, physically, and emotionally and therefore family tenure status continues to be an intriguing area of investigation.

**Barriers to and Limitations of Homeownership**

Although the benefits of homeownership are compelling, the limitations to homeownership and the barriers that low-income families face in attaining it must not be overlooked. If a household is not equipped with the right resources to make a down payment, or to deal with home maintenance and proper upkeep of the unit, the benefits of owning are diminished (Herbert & Belsky, 2008). An immediate barrier for low-income families trying to attain ownership status is the large down payment and other costs associated with buying a home (Herbert & Tsen, 2007). Low-income families already have limited resources, saving to buy a home is not necessarily a number one priority. Along with the upfront costs of purchasing a home, owners have to pay the mortgage, property insurance,
real estate taxes, routine maintenance, utilities, and a possible association fee depending on the location. The cost of maintenance on the home can become a major limitation; if a household does not keep it up, the house will deteriorate and lose its value (Herbert & Belsky, 2008).

Furthermore, while stability is a potential benefit of homeownership, a lack of mobility is a potential limitation low-income families face when they become homeowners. As difficult as it is to get into homeownership, it is often just as difficult to get out (e.g., sell the housing unit). Low-income families who are homeowners often have to decide to stay in a poor neighborhood or forgo a better job in another community because they cannot sell their house.

More recently, with the burst of the housing bubble, housing tenure has received more attention, especially whether or not homeownership is or should be the “American Dream.” Shlay (2006) reviewed U.S. housing policies that promote low-income homeownership and argued that there is a lack of evidence that low-income homeownership is beneficial for families, neighborhoods, and local housing markets. Shlay believed that homeownership has crowded out other strategies and policies dedicated to serving low-income families and their housing needs. She suggested that perhaps housing policy should focus more on alternative tenure arrangements that mimic the positive outcomes from homeownership rather than continuing to focus efforts on conventional approaches, especially in light of the recent housing debacle.

The Context of Living in a Rural Community

Living in a rural community comes with its own unique challenges for many households, but especially for low-income families. Special challenges are faced by rural low-income families such as: fewer and lower-wage jobs, longer distances to services and jobs, less access to transportation, and lack of childcare options (Cook, Crull, Fletcher, Hinnant-Bernard, & Peterson, 2002; Pindus, 2001). Along with these challenges, locating available, affordable, and good quality housing units has been shown to be especially difficult in rural areas (Housing Assistance Council, 2000). In the 1990s, housing prices in rural areas grew faster than in metro areas, 58.7 percentage points versus 38.8 percentage points, respectively (Wills, 2002). While home prices leveled off in the late 1990s, the increase in home prices made it more difficult for
rural renters to enter into homeownership, especially low-income families. Housing cost burdens are another concern for rural families. Housing cost burdens are experienced when a family spends more than 30% of household income on housing expenses (Schwartz, 2006). “Overall, 21 percent of all rural households pay more than 30 percent of their income for housing and of these, more than 1.1 million are severely cost-burdened, paying over 70 percent of their incomes for housing” (National Rural Housing Coalition, 2001, p. 2).

Housing in rural areas also tends to be older and often undermaintained. This can be especially troubling for low-income families who are likely to purchase older homes that need more repairs (Andrews, 1998; Rohe & Stegmann, 1994). Whether owners or renters, rural households are more likely to live in substandard conditions than are their metro counterparts, homes which include severe structural defects, lead paint problems, and infestation of vermin (Cook et al., 2002; Housing Assistance Council, 2000).

**Method**

Data from the Rural Families Speak project (United States Department of Agriculture project number NC1011) were used in this investigation to answer the research question, what family, housing, and health characteristics are associated with housing tenure, whether a household rents or owns? The project investigation is a longitudinal study that includes both quantitative and qualitative data to examine rural, low-income families’ experiences, well-being, and successes in the context of welfare reform. The larger project currently has three waves of data and several panels within each wave based on when state researchers entered the study. This study only used interview data from Wave 1 which began in 1999. For more information on the Rural Families Speak project see Bauer (2004).

For this study, a number of questions about the families’ socio-demographic situations, housing, and health characteristics were drawn from the quantitative data; one contextual variable, county housing wage was added to the data set to evaluate the housing market’s role in tenure decisions among low-income families. Descriptive statistics, frequencies and means, were used to generate baseline information about the sample and to identify the number of participants who were owners or renters. Two logistical binary regression
analyses were employed to identify predictor variables for the outcome variable tenure, whether participants owned or rented their housing units. This method of data analysis was selected because it identifies independent variables that are associated with the dependent variable and the strength of that association. Specifically, a binary logistic regression was chosen because the dependent variable is dichotomous, own or rent. The method allowed researchers to help make predictions about variables associated with rural homeownership among a sample of low-income rural families.

Participants

Participants in the Rural Families Speak project were multi-cultural mothers, 18 years or older, who had at least one child who was 12 years old or younger. Families selected to be interviewed had to be eligible for or receiving food stamps, or be Women Infants and Children (WIC) Program transfers. Participants were recruited from a variety of human service agencies that work with eligible families (e.g., Food Stamps, WIC Program, Head Start, Social Services Offices, Housing Authority Offices, food pantries, Latino Migrant and Settled Workers Program, etc.).

The original data set included 522 cases from 17 project participating states (CA, IN, LA, MA, MD, MI, MN, NE, NH, NY, OH, OR, WY, KY, WV, and IA). However, 21 cases from South Dakota were deleted due to excessive amounts of missing variables. In addition, there were 89 cases for which housing tenure was classified as “other”; these too were dropped from the analyses. “Other” tenure status usually included families whose housing was provided by employers or other family members. There were another nine families for whom tenure status could not be identified, and these participants were deleted from the study as well, resulting in a total sample for this study of 403 participants. On average, the 403 mothers were 31 years of age and had two children. Over half of the mothers (65.4%) were non-Hispanic, White mothers. Latino mothers accounted for 23.3% of the participants and just under 7% of mothers were African American.

All interview participants were women and many were married or lived with a partner; most women (61%) reported they were married or were cohabitating. As for educational level, 33.8% of mothers had not received a
high school diploma or GED, whereas 39.3% had received higher education, from training in a vocational school to a graduate degree. Participants' average monthly income was just over $1,300 per month.

Procedures

Descriptive statistics comparing owners and renters were examined first through cross tabulation using a chi-square statistic and an independent t test. The descriptive statistics and correlation analyses resulted in a parsimonious set of variables for further investigation and analysis.

Two logistical binominal regression analyses were conducted to identify the factors associated with tenure status among rural low-income mothers. The outcome variable for the study was housing tenure, that is, whether the participant was a homeowner or a renter. Of special interest was the degree to which the predictor variables were associated with homeownership for these families and the extent to which specific variables played a role in predicting tenure status. The predictor variables for the regression analyses included the following: mother's age, mother's education level, partner status, mother's race/ethnicity, mother's and partner's employment status, number of children, household's monthly income, housing costs, county housing wage, food security, mother's and partner's health risk score, and family insurance.

Predictor Variables

Socioeconomic. Mother's age was a continuous variable based on her age on December 31, 2001. Mother's education level was coded into three categories: less than high school (“1”), high school diploma or GED (“2”), and beyond high school (“3”). A variable was also created identifying partner status (“0” = no partner; “1” = partner). A participant was considered to have a partner if she was married or living with a partner. If the participant was separated, divorced, or single she was coded as not having a partner. For the regression analyses, two dichotomous variables were created to represent ethnicity/race: Latino (“0” = other; “1” = Latino) and African American (“0” = other; “1” = African American). Whether or not the participant, as well as the partner, was working was also included within the analyses (“0” = not working; “1” = currently working). The number of children and monthly household income were included as continuous variables.
**Housing costs and housing wage.** Participants were asked to report their monthly housing mortgage or rent payment as well as utility costs for one month. Included in the measure of utility costs were: electricity, gas, water, garbage, phone, cable, and other. The monthly mortgage/rent cost and utility costs were added together to create the housing cost variable. The National Low-Income Housing Coalition (2008) calculated housing wages for all counties and most metropolitan areas in the United States. A housing wage is the amount of money a household needs to earn hourly in order to afford the fair market rent on a 2-bedroom unit in the county. Fair market rents (FMRs) are established yearly by the Department of Housing and Urban Development. Participants in this study lived in 29 different U.S. counties. Housing wage was viewed as a proxy for the market context in which families made housing tenure decisions.

**Food Security.** The food security status of the household was measured using the 18-item Core Food Security Module (Hamilton, Cook, Thompson, Buron, Frongillo, Olson, & Welher, 1997). For the analysis, the household was either coded as food secure or food insecure (“0” = food insecure; “1” = food secure).

**Health.** Mothers reported on numerous mental and physical health conditions for themselves, as well as their family members, and a health risk score was calculated for the mother and her partner based on: life threatening illnesses, emotional disorders, disability, and drug/alcohol abuse (Cronbach’s alpha = .41 and .33, respectively; Ontai, Pong, Sano, & Conger, n.d). Another health measure was created to identify the number of family members that were covered by health insurance by summing the number of members in the family that had health insurance whether through work, or a public or private source.

**Outcome Variable**

**Housing Tenure.** The outcome variable used here was housing tenure, or whether the participant rented (“1”) or owned (“2”) their housing.

**Results**

The total sample contained 403 families; 26.6% owned their home and the remainder (73.4%) rented. Table 1 displays means and standard deviations of demographic characteristics for owners, renters and the entire sample. On average, mothers that were owners were older ($M = 32.95$, $SD = 7.66$,
On the Path to Homeownership

than were mothers who were renters ($M = 29.7, SD = 7.07, n = 292$). An
independent samples $t$ test showed that owners and renters were significantly
different from each other in age, $t(397) = -3.94, p = .00$. The average number
of children for owners and for renters, 2.9 and 2.2, respectively, was significantly
different, $t(401) = -4.31, p = .00$. Owners’ average monthly income ($\$1,815.15$)
was significantly higher than that of renters’ average monthly income ($\$1,145.94$), $t(401) = -7.34, p = .00$.

| Table 1. Demographic, Housing, and Health Characteristics of Mothers by Housing Tenure Status |
|------------------------------------------|-------------|-------------|-------------|
| Variable                               | Owner ($n = 107$) | Renter ($n = 296$) | Total ($N = 403$) |
| M (SD)                                  | M (SD)       | M (SD)       |
| Mother's age$^*$                        | 32.95 (7.7)  | 29.7 (7.1)   | 30.6 (7.4)   |
| Number of children$^*$                  | 2.9 (1.3)    | 2.2 (1.3)    | 2.4 (1.3)    |
| Monthly income$^*$                      | 1,815.15 (892.27) | 1,145.94 (775.17) | 1,323.62 (859.32) |
| Housing costs$^*$                       | 564.43 (259.71) | 424.98 (201.43)   | 462.01 (226.64) |
| Housing wage$^*$                        | $12.01 (2.34)$ | $13.39 (4.62)$ | $13.02 (4.18)$ |
| Mother's health risk                    | 0.88 (0.90)  | 1.03 (1.01)  | 0.99 (0.98)  |
| Family insurance$^*$                    | 3.65 (1.77)  | 2.80 (1.54)  | 3.03 (1.65)  |
| Marital status$^*$                      |              |              |              |
| Partner                                 | 88 (82.2)    | 158 (53.4)   | 246 (61)     |
| No partner                              | 19 (17.8)    | 138 (46.6)   | 157 (39)     |
| Mothers' ethnicity                      |              |              |              |
| Non-Hispanic White                      | 73 (68.9)    | 188 (64.2)   | 261 (65.4)   |
| Hispanic/Latino                         | 21 (19.8)    | 72 (24.6)    | 93 (23.3)    |
| African American                        | 5 (4.7)      | 22 (7.5)     | 27 (6.8)     |
| Other                                   | 7 (6.6)      | 11 (3.8)     | 18 (4.5)     |
| Mothers' education$^*$                  |              |              |              |
| Less than high school                   | 21 (19.6)    | 115 (39)     | 136 (33.8)   |
| High school or GED                      | 28 (26.2)    | 80 (27.1)    | 108 (26.9)   |
| Beyond high school                     | 58 (54.2)    | 100 (33.9)   | 158 (39.3)   |
| Mother employment status                |              |              |              |
| Currently employed                      | 55 (51.4)    | 139 (47)     | 194 (48.1)   |
| Not currently employed                  | 52 (48.6)    | 157 (53)     | 209 (51.9)   |
| Food security$^*$                       |              |              |              |
| Food secure                             | 65 (60.7)    | 122 (41.2)   | 187 (46.4)   |
| Food insecure                           | 42 (39.3)    | 174 (58.8)   | 216 (53.6)   |

$^*$Significant difference between renters and owners; $p<.05$.
Owners were more likely to have attained a higher educational level than their renting counterparts. Of homeowners, 54.2% had some schooling beyond their high school degree or GED, whereas only 33.9% of renters had some education beyond high school, $\chi^2(2, N = 402) = 16.96, p = .00$. The majority of owners (68.9%) and renters (64.2%) in this study were non-Hispanic White. Neither race nor ethnicity were found to be significant; that is, owners and renters were just as likely to be either non-Latino White, Latino, or African American, $\chi^2(1, N = 399) = .99, p = .32$ and $\chi^2(1, N = 399) = .96, p = .33$, respectively. Owners were more likely to have a partner compared to renters (82.2% compared to 53.4%, respectively), $\chi^2(1, N = 403) = 27.54, p = .00$. There was no significant difference in employment status between mothers who rented (47.0% employed) and those who owned (51.4% employed), $\chi^2(1, N = 403) = .62, p = .43$. The mothers who had partners reported on their partners' work status as well. For owners, 87.5% of partners were employed and, for renters, 76.4% of partners were employed, $\chi^2(1, N = 245) = 4.38, p = .04$.

Table 1 also exhibits means and standard deviations for housing characteristics for owners, renters, and the whole sample. For owners and renters, the average monthly housing cost was $564.43 and $424.98, respectively (without assumed equal variances), $t(154) = -5.03, p = .00$. The housing wage for these counties ranged from $9.42 to $28.02 with a mean of $13.02. Owners experienced a lower mean housing wage for their counties at $12.01, than did renters at $13.39 (assumed variances were not equal), $t(359) = 3.93, p = .00$.

Means and standard deviations for health characteristics for owners, renters, and the entire sample also can be found in Table 1. The percentage of owners who were food secure was 60.7%, whereas only 41.2% of renters were categorized as food secure. Chi-square results were significant, $\chi^2(1, N = 403) = 12.06, p = .00$, meaning owners were more likely to be food secure than were their renter counterparts.

With regard to family insurance, 65.3% of renters and 67% of owners had health insurance for themselves. For their families, owners had a mean score of 3.65 people insured and renters had 2.8 people in the family insured, $t(400) = -4.7, p = .00$. The mother's health risk variable showed that owners...
had a mean score of .88, meaning, on average, owners reported one or less health risks compared to renters who reported 1.03 health risks. The $t$ test results showed no significant differences in the means for this variable, $t(394) = 1.41, p = .16$. For mothers with partners there was no significant difference between owners and renters on partner's health risk score, $\chi^2(3, N = 238) = 2.47, p = .48$.

**Logistical Binomial Regression Analyses**

The first logistical binomial regression analysis was used to estimate the effects of 13 selected variables on the probability that respondents would be owners or renters; mother's age, mother's education level, partner status, is mother Latino, is mother African American, is mother currently working, total number of children, total household monthly income, monthly housing costs, county housing wage, food security status, family health insurance, and mother's health risk score. Table 2 shows the results of the regression analysis. Eight of the thirteen variables were found to be significant in this model: mother's age, mother's education level, partner status, ethnicity (Latino), total monthly income, monthly housing costs, county housing wage, and food security status. The 13 variables used in this analysis accounted for 29% of the variance in predicting housing tenure for this sample. Mother's age had a positive relationship with tenure status indicating that the older the mother was, the more likely she was to be a homeowner. Education level had a positive relationship with tenure status (i.e., the higher the education level of the mother, the more likely she was a homeowner).

Partner status had a positive influence on tenure status as well; those participants with partners were more likely to own. The mothers who identified themselves as Latino had a significant negative relationship with homeownership, that is, Latinos were less likely to be homeowners. Total monthly income had a positive and statistically significant relationship with housing tenure; the higher the monthly income the more likely it was that participants were homeowners. Another significant and positive association was between monthly housing costs and housing tenure; as housing costs increased it became more likely that homeownership was the tenure status of the participant. Housing wage by county had a negative relationship to
tenure indicating that mothers who lived in counties with low housing wages were more likely to own. In these rural counties with low housing wages, housing was probably more affordable. Finally, food security status had a positive relationship with housing tenure as well. The analysis identified that households that were food secure were more likely to be homeowners than their renter counterparts.

Table 2. Logistical Binomial Regression Analysis Summary for Variables Predicting Housing Tenure for Low-Income Families in Rural Areas (N=388)

<table>
<thead>
<tr>
<th>Variable</th>
<th>Logistical coefficient</th>
<th>Standard error</th>
<th>Odds ratio</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mother's age</td>
<td>0.05</td>
<td>0.02</td>
<td>1.05</td>
<td>.03*</td>
</tr>
<tr>
<td>Mother's education level</td>
<td>0.70</td>
<td>0.20</td>
<td>2.01</td>
<td>.00*</td>
</tr>
<tr>
<td>Partner status</td>
<td>1.00</td>
<td>0.37</td>
<td>2.73</td>
<td>.01*</td>
</tr>
<tr>
<td>Participant is Latino</td>
<td>-0.97</td>
<td>0.41</td>
<td>0.38</td>
<td>.02*</td>
</tr>
<tr>
<td>Participant is African American</td>
<td>-0.14</td>
<td>0.61</td>
<td>0.87</td>
<td>.83</td>
</tr>
<tr>
<td>Self currently working</td>
<td>-0.50</td>
<td>0.30</td>
<td>0.61</td>
<td>.10</td>
</tr>
<tr>
<td>Total number of children</td>
<td>0.00</td>
<td>0.15</td>
<td>1.00</td>
<td>.98</td>
</tr>
<tr>
<td>Monthly income</td>
<td>0.00</td>
<td>0.00</td>
<td>1.00</td>
<td>.00*</td>
</tr>
<tr>
<td>Housing cost</td>
<td>0.00</td>
<td>0.00</td>
<td>1.00</td>
<td>.03*</td>
</tr>
<tr>
<td>Housing wage</td>
<td>-0.20</td>
<td>0.07</td>
<td>0.82</td>
<td>.00*</td>
</tr>
<tr>
<td>Food security score</td>
<td>0.89</td>
<td>0.29</td>
<td>2.44</td>
<td>.00*</td>
</tr>
<tr>
<td>Mother's health risk</td>
<td>-0.16</td>
<td>0.16</td>
<td>0.86</td>
<td>.34</td>
</tr>
<tr>
<td>Family insurance</td>
<td>0.20</td>
<td>0.12</td>
<td>1.22</td>
<td>.08</td>
</tr>
</tbody>
</table>

Cox & Snell R² = .29

*Significant at the p < .05 level.

The second logistical regression analysis specifically focused on those mothers that indicated they had a partner (n = 213). For this model two new variables were included: partner's work status and partner's health risk score, for a total of 14 predictor variables in the model. Table 3 shows the results of this regression analysis. Five variables were significant in predicting tenure status for those mothers with partners: participant education level, participant was Latino, monthly income, housing wage, and food security measure.
Table 3. Logistical Binomial Regression Analysis Summary for Variables Predicting Housing Tenure for Low-Income Families in Rural Areas—Partner Data Included (N = 231)

<table>
<thead>
<tr>
<th>Variable</th>
<th>Logistical coefficient</th>
<th>Standard error</th>
<th>Odds ratio</th>
<th>p</th>
</tr>
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<tr>
<td>Participant's age</td>
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<td>0.03</td>
<td>1.05</td>
<td>.09</td>
</tr>
<tr>
<td>Participant education level</td>
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<td>0.23</td>
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<td>.00*</td>
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<tr>
<td>Participant is Latino</td>
<td>-1.03</td>
<td>0.45</td>
<td>0.36</td>
<td>.02*</td>
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<td>Participant is African American</td>
<td>-0.16</td>
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<tr>
<td>Self currently working</td>
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<td>0.37</td>
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<tr>
<td>Partner currently working</td>
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<td>0.50</td>
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<tr>
<td>Total number of children</td>
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<td>0.19</td>
<td>1.18</td>
<td>.39</td>
</tr>
<tr>
<td>Monthly income</td>
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<td>0.00</td>
<td>1.00</td>
<td>.01*</td>
</tr>
<tr>
<td>Housing costs</td>
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<td>1.00</td>
<td>.36</td>
</tr>
<tr>
<td>Housing wage</td>
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<td>0.08</td>
<td>0.82</td>
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<tr>
<td>Food security score</td>
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<td>2.91</td>
<td>.00*</td>
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<td>Mother's health risk</td>
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<td>0.90</td>
<td>.60</td>
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<tr>
<td>Partner’s health risk</td>
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<td>.76</td>
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<tr>
<td>Family insurance</td>
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Cox & Snell R² = .30

*Significant at the p < .05 level.

Discussion

The goal of this study was to examine tenure status of rural, low-income mothers to understand what family, housing, and health characteristics were associated with ownership status. Two categories of housing tenure were investigated, owners and renters. Using logistical binomial regression, this study was able to identify variables and the degree to which these variables were associated with housing tenure for the sample. For the entire sample (N = 403), mother's age, education level of the mother, partner status, ethnicity (Latino), household monthly income, housing costs, the county housing wage, and food security status were found to be statistically significant in predicting tenure. When an analysis was conducted on mother's with partners (n = 231), the results indicated that mother's education level, mother's ethnicity, monthly household income, county housing wage, and food security remained significant in predicting tenure status.
The results indicate that both family and market constraints impinged on participants in the study just as Morris and Winter (1975) suggested. Income and education level at the family household level and the county housing wage at the community level were related to families’ ability to own. It appears that families in which there are two earners are more likely to own, and higher monthly income is associated with ownership even among low-income rural families. Although all the families in the study were low-income, those within the sample that had marginally higher incomes and those with two earners in the family were more likely to own a home. Housing wage may be considered as a constraint for those families that live in communities with high housing wages; the higher the housing wage the less likely it was that the family was living in an owned home. This information is important to policy makers, housing advocates and those working with low-income families. The impact of the local housing wage is a key component in understanding homeownership opportunities. Not surprisingly then, policies that decrease the housing wage or increase family income are fundamental to family housing tenure decisions, one or the other alone will probably not suffice.

Ethnicity, or whether or not the mother was Latino, affected homeownership. Rural, low-income Latino families were less likely to be owners. Latino families may have a more difficult time and may deal with more constraints when entering into homeownership than their non-Latino counterparts. There is little evidence to suggest that Latino families have different aspirations for homeownership (James & Atiles, 2008), so other explanations such as discrimination in the housing market or respondents’ access to mortgage credit may account for this relationship. Food security was another variable that was significant across both models. The idea that homeowners are more food secure than their renter counterparts can help policy makers and advocates working with rural, low-income families by realizing the importance of the relationship between food and housing. A concept coined as “heat or eat” (Bhattacharya, DeLiere, Haider, & Curried, 2003), making the choice between paying for housing or for food, demonstrates the struggle that some families face every day. The relationship between food security and housing tenure accentuates the tradeoff between food and housing costs. It appears that rural, low-income families need help with juggling limited resources to meet both food and housing needs.
Limitations and Implications

Although the study sample was ethnically and racially diverse, findings may not be generalized to the entire rural, low-income population, especially minorities. Latinos were overrepresented in the study as they account for 14.7% of families in the United States (U.S. Census Bureau, 2008) and accounted for 23.3% of the sample. On the other hand, African Americans were underrepresented; 6.8% in the sample and 12.4% of the U.S. population is African American (U.S. Census Bureau, 2008). There is, however, a disproportionate number of low-income families in the United States who are Latino or African American. Information from the U.S. Census Bureau in 2004 showed that Latinos and African Americans in the lowest fifth of the income scale accounted for 13.56% and 19.77%, respectively, of the total low-income families ("Household Income in the United States," n.d.). The Rural Families Speak project drew a purposeful sample with some states particularly targeting minorities (e.g., Latinos), which may explain the overrepresentation of Latinos for this study.

The logistical binary regression model was able to show variables that are related to housing tenure. However, it is not possible to say that the outcome was caused by the predictor variables when using cross-sectional data. A longitudinal analysis would provide a better indication of causality. The number of independent variables used in the logistic regression analysis was over the recommended number for the number of events in this sample as well, which may have resulted in overestimated odds ratios. This study included 13 covariates for one regression and 14 for the second regression. Past research suggests that only 10 covariates should be used for each event (Peduzzi, Concato, Kemper, Holford, & Feinstein, 1996). There were 107 owners (events) in this study indicating there should have been no more than 10 covariates used. A larger sample size would have helped to ensure that odds ratios were not overestimated. However, many of the findings from this study are consistent with previous research findings. Finally, because participants from within states came from the same county, the county housing wage variable that was used as a proxy for market conditions was constrained, therefore the p value may be skewed. Further investigation of household and market conditions’ affects on tenure decisions is warranted.
Despite its limitations, this study adds a contribution to the dearth of research on housing for rural, low-income families. It also helps to fill a gap in identifying what characteristics may predict housing tenure for this population. Findings from this study can be useful to policy makers and housing advocates to help better serve rural, low-income households who desire to become homeowners. By identifying factors that contribute to low-income families achieving homeownership, professionals can work with renters who want to become homeowners. Additional education leads to better paying jobs and, together, higher education and better incomes contribute to the opportunity to become homeowners. Policies and programs that promote education for low-income mothers may help to increase homeownership rates for this population. For single parents who seek homeownership, the road may be “more steep” because this study indicates that two-earner families have an advantage when it comes to buying a home.

It is also important to note, however, that there are limitations and risks for low-income households to own their housing units. Policy makers, housing advocates, and people who work with low-income populations need to be aware of these risks. Although this study addressed the benefits of homeownership in the literature review, recently, the number of foreclosures in the United States has increased. Families who are encouraged to become homeowners when they are not financially or socially ready for the responsibility that comes with owning a home could be at risk for foreclosure (Herbert & Belsky, 2008). Foreclosure is a difficult event to deal with and keeping low-income families away from that risk until they are ready may be best.

Another implication of this study was the recognition of the importance of identifying rural areas as unique. Rural communities are geographically more dispersed, and it can be difficult for some families to access social services in their communities or nearby communities. Small communities are not as likely to have a lot of services because there are not as many people that need assistance as in a metropolitan area. Policy makers and those working with low-income populations have to be sensitive to the fact that, in addition to a lack of assistance, rural low-income families have other special needs and circumstances within their communities. While it was important to identify rural communities specifically, the housing wage used in
this study demonstrates that even from one rural community to another, policy
makers and those working with families wanting to enter into homeownership
need to take housing wage into account to determine the best ways to help
families reach their goal of homeownership. For example, how can we work to
increase wages and decrease housing prices at a community level?

Future Research

Further research needs to be completed to better understand the
factors associated with low-income homeownership. The current study
examined only one wave of data from the Rural Families Speak project;
examining all three waves of data collected from the project could help to
discern additional details about low-income families in rural areas and their
housing circumstances. Examining the aforementioned variables that predict
housing tenure and the participant's actual changes in tenure status over time
will offer more evidence to policy makers and housing advocates regarding
homeownership counseling and appreciation for the housing situations faced
by rural families. Following these families to see how their income levels and
other predictor variables changed will help policy makers, housing advocates,
and low-income households see what variables help put these families into a
homeowner position and what keeps them there.

Future research should also delve more into the role of family members’
health and the extent to which it helps or may stymie the opportunity to
become a homeowner. A longitudinal study could show how homeownership
benefits health or illuminate how health impacts the ability of participants
to attain homeownership. Food security, which can be used as a proxy for
health (Berry, Katras, Sano, Lee, & Bauer, 2008), was found to be significant
in predicating housing tenure in this study and previous research has shown
that there is a relationship between housing and health. However, the health
variables—mother's health risk and family health insurance—used in this
study did not provide any evidence that health and housing tenure are related.
Future research should identify more reliable health measures as Cronbach’s
alphas at .41 for the mother’s health risk scale and .33 for the partner’s health
risk scale were low, indicating that the items used for this scale are not a
reliable measure of health risk for this sample.
Community measures also may be added to a future study given that previous research has suggested that “contextual disadvantages” may multiply health risks (Wickrama, Elderly, & Abraham, 2007). More research in this area can offer a more complete picture of what the predictors of housing tenure, specifically homeownership, are for low-income families as well as how housing tenure and health are related. A further suggestion would be to examine the qualitative responses of the participants, which would provide more detailed and enriched evidence related to low-income homeownership, rural context, and health experiences of respondents.

References


