HOUSING NEEDS ASSESSMENT

Oceana County, Michigan



BOWEN NATIONAL RESEARCH

2023

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I. INTRODUCTION

A. PURPOSE

Dogwood Community Development retained Bowen National Research in October of 2022 for the purpose of conducting a Housing Needs Assessment of Oceana County, Michigan and its municipalities.

With changing demographic and employment characteristics and trends expected over the years ahead, it is important for the local government, stakeholders and its citizens to understand the current market conditions and projected changes that are anticipated to occur that will influence future housing needs. Toward that end, this report intends to:

- Provide an overview of present-day Oceana County.
- Present and evaluate past, current and projected detailed demographic characteristics.
- Present and evaluate employment characteristics and trends, as well as the economic drivers impacting the area.
- Determine current characteristics of major housing components within the market (for-sale/ownership and rental housing alternatives).
- Evaluate ancillary factors that affect housing market conditions and development (e.g., commuting/migration patterns, transportation analysis, housing conditions/blight, development opportunities, development costs and local zoning).
- Provide housing gap estimates by tenure (renter and owner) and income segment.
- Collect input from community members including area stakeholders and employers in the form of online surveys.
- Provide individual profiles for various selected communities which includes key demographic and housing metrics.

By accomplishing the study's objectives, government officials, area stakeholders, and area employers can: (1) better understand the county's evolving housing market, (2) establish housing priorities, (3) modify or expand local government housing policies, and (4) enhance and/or expand the county's housing market to meet current and future housing needs.

B. METHODOLOGIES

The following methods were used by Bowen National Research.

Study Area Delineation

The primary geographic scope of this study is Oceana County, Michigan. Additionally, supplemental data and analysis is provided for the submarkets of Oceana County (East, Central and West) as well as for the municipalities of Hart, Shelby and Shelby Township. A full description of all market areas and corresponding maps are included in Section III.

Demographic Information

Demographic data for population, households, and housing was secured from ESRI, the 2000, 2010 and 2020 U.S. Census, the U.S. Department of Commerce, and the American Community Survey. This data has been used in its primary form and by Bowen National Research for secondary calculations. All sources are referenced throughout the report and in Addendum H. Estimates and projections of key demographic data for 2022 and 2027 were also provided.

Employment Information

Employment information was obtained and evaluated for various geographic areas that were part of this overall study. This information included data related to wages by occupation, employment by job sector, total employment, unemployment rates, identification of top employers, and identification of large-scale job expansions or contractions. Most information was obtained through the U.S. Department of Labor, Bureau of Labor Statistics. Bowen National Research also conducted numerous interviews with local stakeholders familiar with the area's employment characteristics and trends.

Housing Component Definitions

This study focuses on rental and for-sale housing components. Rentals include multifamily apartments (generally five+ units per building), non-conventional rentals (single-family homes, duplexes, units over storefronts, etc.), and vacation rentals. For-sale housing includes individual homes, mobile homes, and projects within subdivisions.

Housing Supply Documentation

Between April and May of 2023, Bowen National Research conducted telephone research, as well as online research, of the area's housing supply. Additionally, market analysts from Bowen National Research traveled to the area in May 2023, conducting research on the housing properties identified in this study, as well as obtaining other on-site information relative to this analysis.

The following data was collected on each multifamily rental property:

1. Property Information: Name, address, total units, and number of floors
2. Owner/Developer and/or Property Manager: Name and telephone number
3. Population Served (i.e., seniors vs. family, low-income vs. market-rate, etc.)
4. Available Amenities/Features: Both in-unit and within the overall project
5. Years Built and Renovated (if applicable)
6. Vacancy Rates
7. Distribution of Units by Bedroom Type
8. Square Feet and Number of Bathrooms by Bedroom Type
9. Gross Rents or Price Points by Bedroom Type
10. Property Type
11. Quality Ratings
12. GPS Locations

Non-Conventional rental information includes such things as collected and gross rent, bedroom types, square footage, price per square foot and total available inventory.

Vacation rental data includes share of vacation rentals compared to overall rental supply, bedroom types, average daily rents, annual revenue, seasonal trends and other data points.

For-sale housing data included details on home price, year built, location, number of bedrooms/bathrooms, price per-square-foot, and other property attributes. Data was analyzed for both historical transactions and currently available residential units.

Other Housing Factors

We evaluated other factors that impact housing, including employee commuting patterns, resident mobility patterns, cost and accessibility of public transportation (including walkability), residential blight, residential development opportunities (potential sites), local development costs and regulations, and barriers to development.

Housing Demand

Based on the demographic data for both 2022 and 2027 and taking into consideration the housing data from our field survey of area housing alternatives, we are able to project the potential number of new housing units Oceana County can support. The following summarizes the metrics used in our demand estimates.

- Rental Housing – We included renter household growth, the number of units required for a balanced market, the need for replacement housing, commuter/ external market support, severe housing cost burdened households, and step-down support as the demand components in our estimates for new rental housing units. As part of this analysis, we accounted for vacancies reported among all rental alternatives. We concluded this analysis by providing the number of units that the market can support by different income segments and rent levels.

- For-Sale Housing – We considered potential demand from owner household growth, the number of units required for a balanced market, the need for replacement housing, commuter/external market support, severe housing cost burdened households, and step-down support in our estimates for new for-sale housing. As part of this analysis, we accounted for vacancies reported among all surveyed for-sale alternatives. We concluded this analysis by providing the number of units that the market can support by different income segments and price points.

Community Engagement

Bowen National Research conducted two separate online surveys to solicit input from area stakeholders and employers in the county. Overall, 76 individuals participated in the surveys, providing valuable local insight on the housing challenges, issues and opportunities in the county. The aggregate results from these surveys are presented and evaluated in this report in Section IX. The questions used in the surveys and corresponding results are provided in Addendum B.

C. REPORT LIMITATIONS

The intent of this report is to collect and analyze significant levels of data for Oceana County, Michigan. Bowen National Research relied on a variety of data sources to generate this report (see Addendum H). These data sources are not always verifiable; however, Bowen National Research makes a concerted effort to assure accuracy. While this is not always possible, we believe that our efforts provide an acceptable standard margin of error. Bowen National Research is not responsible for errors or omissions in the data provided by other sources.

We have no present or prospective interest in any of the properties included in this report, and we have no personal interest or bias with respect to the parties involved. Our compensation is not contingent on an action or event resulting from the analyses, opinions, or use of this study. Any reproduction or duplication of this study without the expressed approval of Dogwood Community Development or Bowen National Research is strictly prohibited.

II. EXECUTIVE SUMMARY

The purpose of this report is to evaluate the housing needs of Oceana County, Michigan and to recommend priorities and strategies to address such housing needs. To that end, we have conducted a comprehensive Housing Needs Assessment that considered the following:

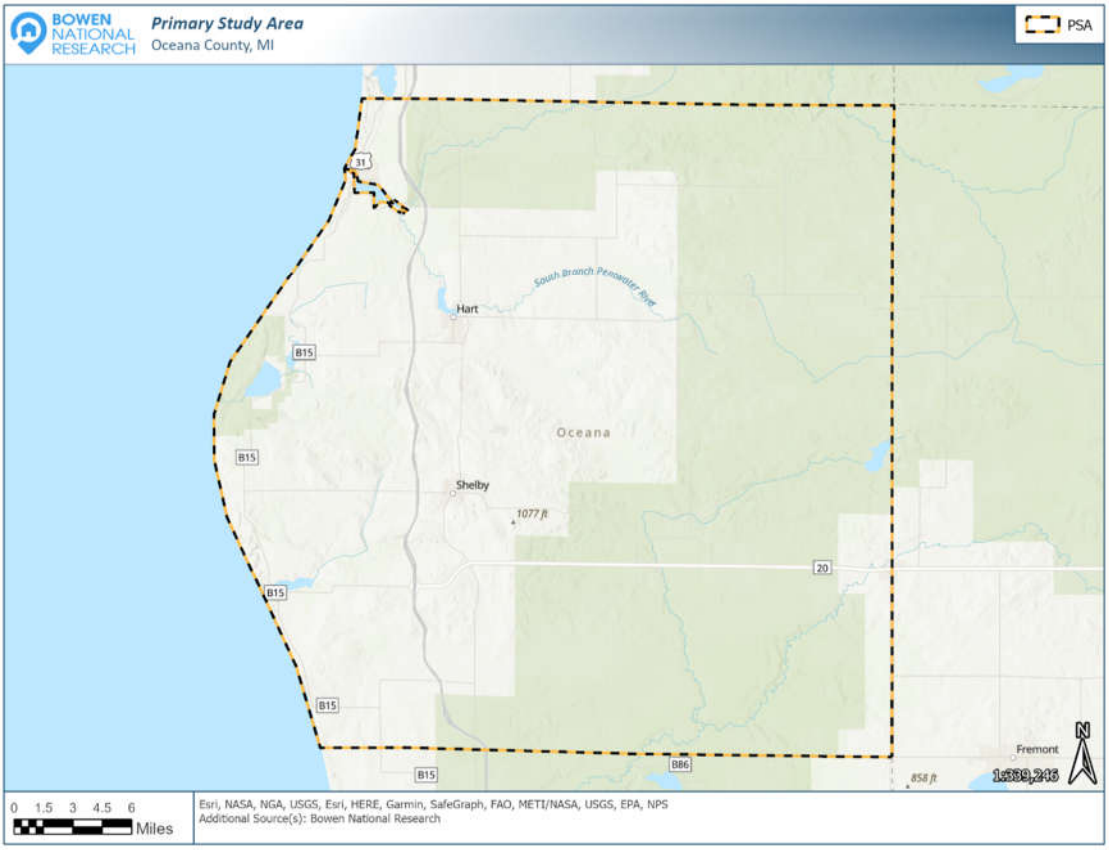
- Demographic Characteristics and Trends
- Economic Conditions and Initiatives
- Existing Housing Stock Costs, Performance, Conditions and Features
- Various Other Housing Factors (Commuting Patterns, Migration Patterns, Transportation Accessibility, Residential Blight, Development Opportunities, Development Costs and Government Regulations)
- Community Input (Survey of Stakeholders and Employers)

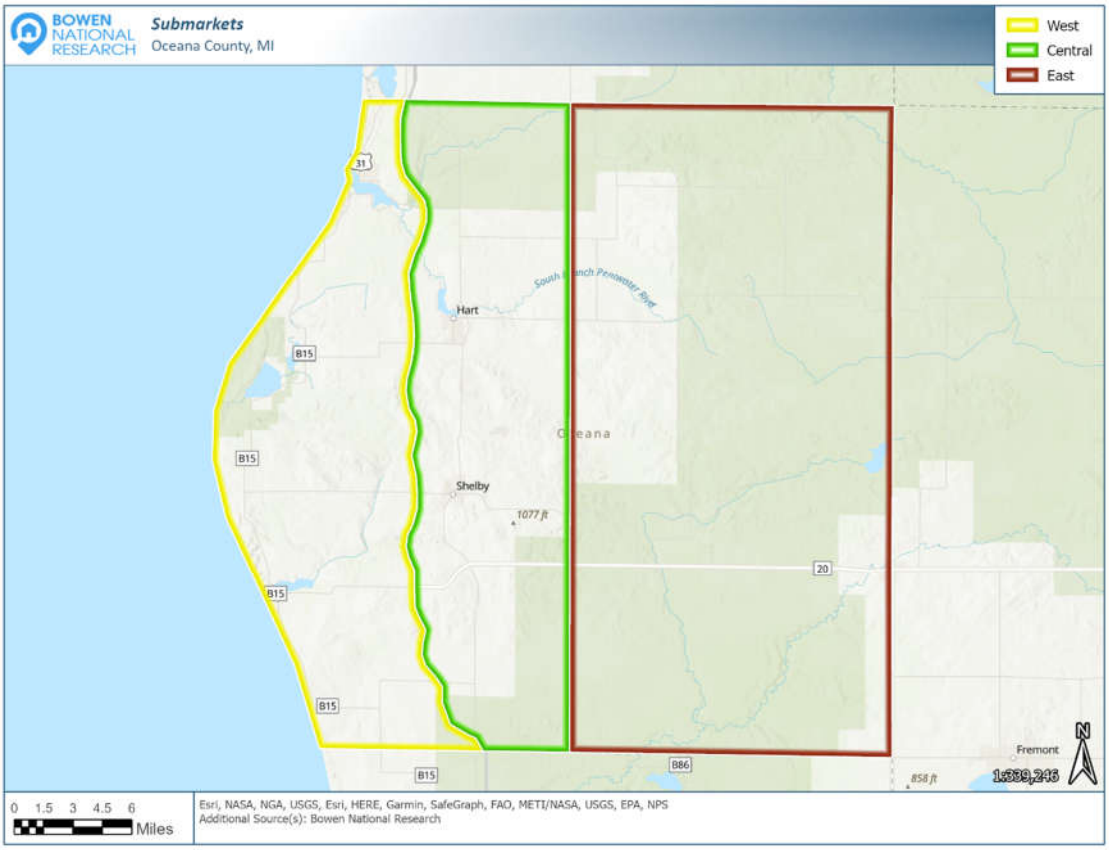
Based on these metrics and input, we were able to identify housing needs by affordability and tenure (rental vs. ownership). Using these findings, we developed an outline of strategies that should be considered for implementation. This Executive Summary provides key findings and recommended strategies. Detailed data analysis is presented within the individual sections of this Housing Needs Assessment.

Geographic Study Areas

This report focuses on the Primary Study Area (PSA), which consists of Oceana County, Michigan. Additionally, at the client's request, supplemental data and analysis is provided for the West, Central and East submarkets within the county. Market analysis for individual communities (Hart, Shelby, and Shelby Township) was also commissioned and are included as addendums to this report.

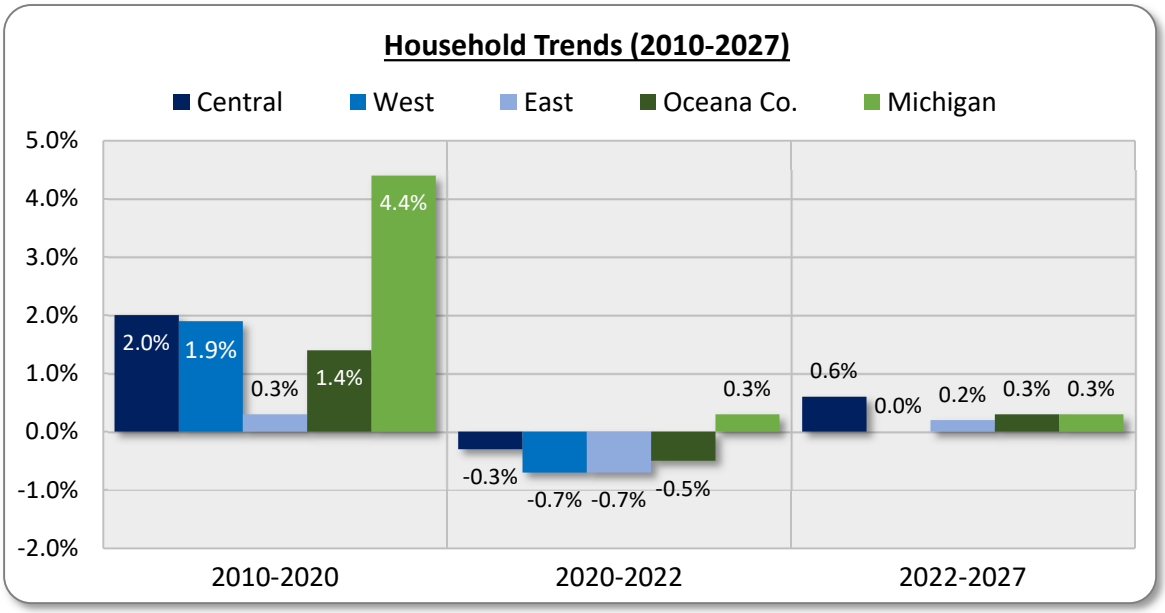
Maps of the various market areas used in this report are shown on the following page.


BOWEN NATIONAL RESEARCH
Primary Study Area
Oceana County, MI
PSA
Hart
Oceana
Shelby
1077 ft
Fremont
858 ft
31
B15
20
B86
0 1.5 3 4.5 6
Miles
Esri, NASA, NGA, USGS, Esri, HERE, Garmin, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS
Additional Source(s): Bowen National Research

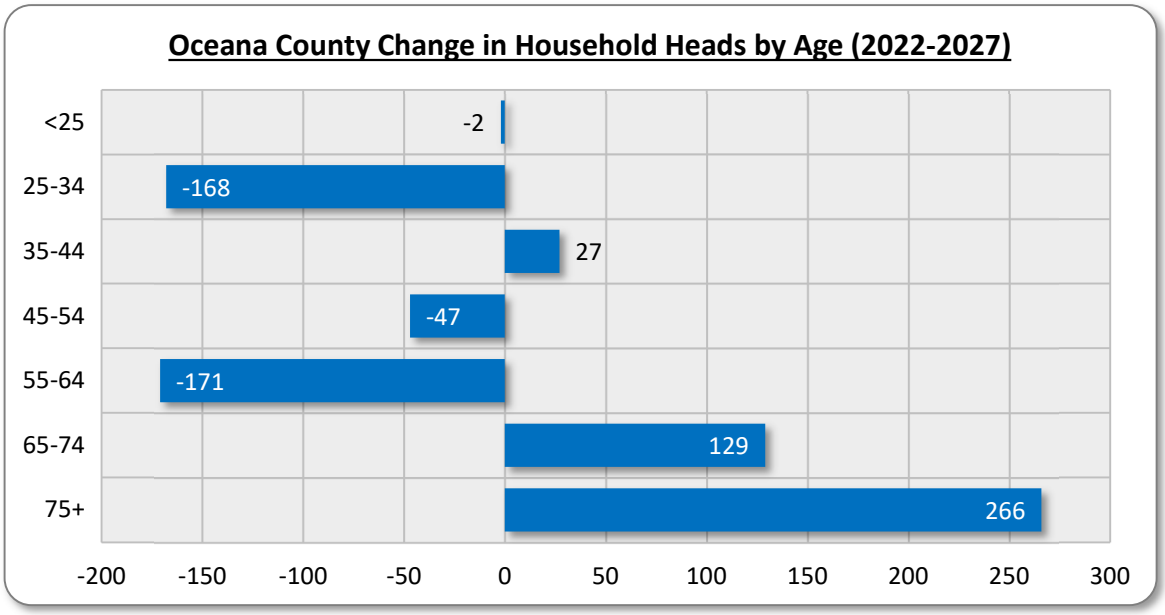

BOWEN NATIONAL RESEARCH
Submarkets
Oceana County, MI
West
Central
East
Hart
Oceana
Shelby
1077 ft
Fremont
858 ft
31
B15
20
B86
0 1.5 3 4.5 6
Miles
Esri, NASA, NGA, USGS, Esri, HERE, Garmin, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS
Additional Source(s): Bowen National Research

Demographics

Overall household growth in the PSA (Oceana County) has been positive through 2020, and despite a slight decline through 2022, positive growth is projected through 2027. Between 2010 and 2022, the number of households within the PSA (Oceana County) increased by 146 (1.4%). This represents a smaller rate of increase as compared to the increase in the state of Michigan (4.4%) during this time period. Households increased in all three submarkets of the PSA during this time, with individual increases ranging between 0.3% (East Submarket) and 2.0% (Central Submarket). In 2022, there are an estimated 10,266 households in Oceana County, which represents a 0.5% decrease in households from 2020. The number of households within all three submarkets decreased between 2020 and 2022, with individual declines ranging between 0.3% and 0.7%. In 2022, the Central Submarket comprises over two-fifths (41.9%) of the total households within the PSA, followed by the East Submarket (31.8%) and the West Submarket (26.3%). Between 2022 and 2027, the number of households in the PSA is projected to increase by 34 (0.3%), of which 73.5% are projected to be within the Central Submarket. Although the PSA is projected to have household growth that equals the growth projected for the state (0.3%) over the next five years, the growth within the Central Submarket (0.6%) is notably higher. It should be noted that household growth alone does not dictate the total housing needs of a market. Factors such as households living in substandard or cost-burdened housing, people commuting into the county for work, pent-up demand, availability of existing housing, and product in the development pipeline all affect housing needs.



The PSA has a large base of senior households that is expected to experience significant growth over the next several years, while smaller but notable growth is also projected for older millennial households (ages 35 to 44). In 2022, household heads between the ages of 55 and 64 within the PSA (Oceana County) comprise the largest share (22.0%) of all households in the PSA. Household heads between the ages of 65 and 74 (19.7%) and those between the ages of 45 and 54 (15.4%) comprise the next largest shares of the total households in the PSA. Overall, senior households (age 55 and older) constitute well over one-half (55.8%) of all households within the PSA. This represents a larger overall share of senior households when compared to the share within the state (50.0%). Household heads under the age of 35, which are typically more likely to be renters or first-time homebuyers, comprise 14.5% of PSA households. This represents a smaller share of such households when compared to the state (17.8%). Among the three submarkets, the West Submarket has the largest share (68.0%) of households age 55 and older. This is a much higher share as compared to the Central (50.3%) and East (53.2%) submarkets. Between 2022 and 2027, projections indicate significant household growth in the PSA among household heads ages 75 and older (18.3%). Households age 35 to 44 and those between the ages of 65 and 74 are projected to increase by 1.9% and 6.4%, respectively. All other age cohorts are projected to experience declines (between 0.8% and 13.4%) during this time period, with the largest percentage decline projected for the age cohort 25 to 34 (13.4%). As such, it is likely that demand for senior-oriented housing in the county will increase over the next five years.



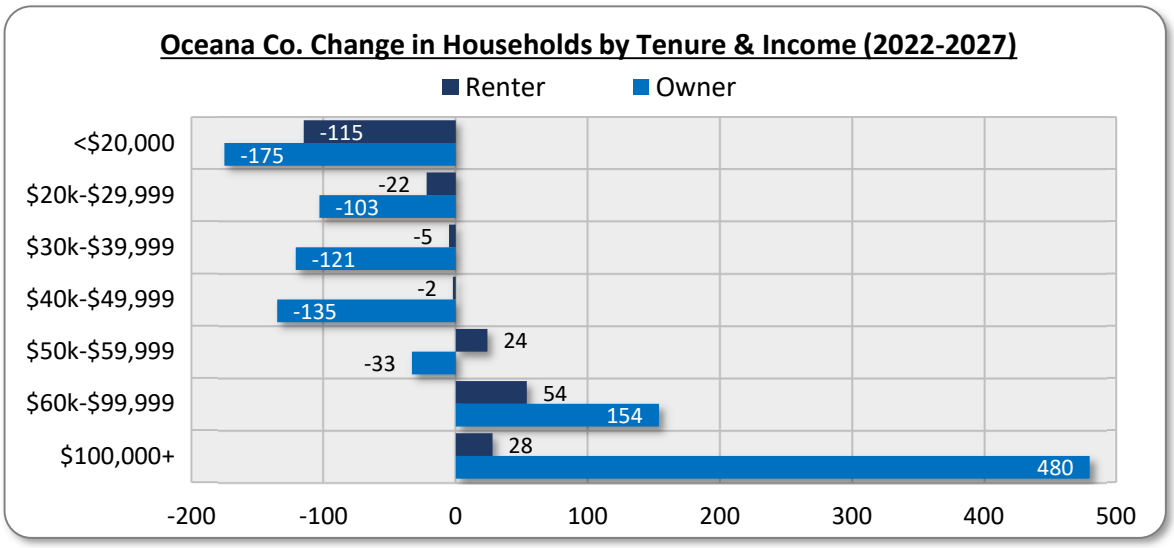
In Oceana County, over 3,400 people live in poverty and approximately 2,000 adults do not have a high school diploma, which contributes to the likely challenges that residents may experience with housing affordability. Approximately 3,418 people, or a 13.0% share of the of the population within the PSA suffer from poverty, which is a slightly lower share as compared to the share for the state of Michigan (13.3%). An estimated 2,008 adults (10.7%) in the PSA do not have a high school diploma, which is higher than the state share of 7.7%. Meanwhile, the share of individuals in Oceana County with a college degree (31.5%) is less than the corresponding share in the state (42.1%). Population characteristics vary between the three individual submarkets, but some noteworthy observations include: the minority population share (23.1%), the share of unmarried population (48.9%), and the share of the adult population without a high school diploma (13.1%) in the Central Submarket; the notably higher share of the adult population (44.1%) with a college degree in the West Submarket; the slightly elevated shares of the overall population living in poverty in the Central (14.1%) and East (14.5%) submarkets; and the share of the population under 18 years of age living in poverty (20.8%) in the Central Submarket. These population characteristics can affect the housing market in an area, which can include housing affordability. For example, a high share of individuals lacking a high school diploma and/or a low share of individuals with a college degree can limit the earning potential of households. As a result, affordable housing options should continue to be a consideration for future housing developments in the county.

		Population Characteristics (Year)						
		Minority Population (2020)	Unmarried Population (2022)	No High School Diploma (2022)	College Degree (2022)	< 18 Years Below Poverty Level (2021)	Overall Below Poverty Level (2021)	Movership Rate (2021)
Central	Number	2,735	4,562	1,045	2,370	581	1,601	1,453
	Percent	23.1%	48.9%	13.1%	29.6%	20.8%	14.1%	12.7%
West	Number	550	1,983	291	2,161	121	580	415
	Percent	8.9%	36.9%	5.9%	44.1%	11.3%	9.1%	6.6%
East	Number	1,114	2,710	672	1,399	279	1,237	757
	Percent	12.9%	39.4%	11.3%	23.6%	14.6%	14.5%	8.9%
Oceana County	Number	4,399	9,255	2,008	5,930	981	3,418	2,625
	Percent	16.5%	42.9%	10.7%	31.5%	17.0%	13.0%	10.0%
Michigan	Number	2,632,321	4,260,402	542,359	2,974,717	390,572	1,310,037	1,261,121
	Percent	26.1%	51.0%	7.7%	42.1%	18.2%	13.3%	12.7%

Source: U.S. Census Bureau; 2020 Census; 2017-2021 American Community Survey; ESRI; Urban Decision Group; Bowen National Research

Most renter and owner household growth in the PSA is projected to occur among moderate and higher income households, while lower income households (earning less than $30,000 annually) will continue to comprise relatively large shares of area households. In 2022, over two-fifths (42.9%) of *renter* households within the PSA (Oceana County) earn less than $30,000 annually. This is a higher share of such households when compared to the state (38.6%). Nearly one-third (32.2%) of renter households in the PSA earn between $30,000 and $59,999 annually, while the remaining 25.0% of renter households earn $60,000 or more annually. Within the submarkets of the PSA, the share of renter households earning less than $30,000 annually is highest within the East (44.3%) and Central (43.1%) submarkets. Conversely, the share of renter households earning $60,000 or more is highest within the West Submarket (28.2%). Overall, the distribution of renter households by income within the PSA and the three submarkets is more heavily concentrated among the lower and middle income cohorts as compared to the state. During this same time, slightly over half (53.6%) of *owner* households in the PSA (Oceana County) earn $60,000 or more annually, which represents a distinctly smaller share as compared to the state (62.9%). Approximately 17.9% of owner households in the PSA earn less than $30,000, while the remaining 28.5% earn between $30,000 and $59,999. As such, the overall distribution of owner households by income in the PSA is more heavily weighted toward the lower and middle income cohorts compared to that within the state. Within the individual submarkets of the PSA, the share of owner households earning $60,000 or more annually is highest within the West Submarket (59.0%). In contrast, the East Submarket has the largest shares of owner households earning less than $30,000 (19.9%) and those earning between $30,000 and $60,000 (31.6%).

Between 2022 and 2027, all *renter* household income cohorts earning less than $50,000 in the PSA are projected to decrease, while all income cohorts earning more than $50,000 are projected to increase. The largest increase (22.0%) of renter households by income in the PSA over the next five years is projected among those earning $100,000 or more, although renter households earning between $50,000 and $99,999 are also projected to have noteworthy increases. Among the submarkets, while the Central and East submarkets have considerable growth projected over the next five years for renter households earning $50,000 or more, no net change is projected for the West Submarket within this combined income cohort. The projected increases among the highest income cohorts for the PSA and the Central and East submarkets are generally consistent with statewide projections during this time period. Between 2022 and 2027, growth among *owner* households in the PSA and each submarket will be primarily isolated to those earning $60,000 or more annually, with those earning $100,000 or more increasing by 25.3% in the entirety of the PSA. Based on these findings, it appears that growth among moderate and higher income households will drive demand for more market-rate housing alternatives, while the large bases of lower income renter and owner households and limited availability of housing product will contribute to the ongoing need for affordable housing alternatives.



Additional demographic data and analysis are included in Section IV of this report.

Economy & Workforce

While the prevalence of the health care and social assistance employment sector is a traditionally stable job sector, the presence of other less stable sectors in the labor force may create some economic vulnerability in the market. The labor force within the PSA (Oceana County) is based primarily in five sectors: Manufacturing (16.5%), Health Care & Social Assistance (11.0%), Accommodation & Food Services (10.7%), Retail Trade (9.8%), and Wholesale Trade (9.6%). Combined, these five job sectors represent well over half (57.6%) of the PSA employment base. This represents a similar concentration of employment within the top five sectors compared to the top five sectors in the state (57.5%). Areas with a heavy concentration of employment within a limited number of industries can be more vulnerable to economic downturns with greater fluctuations in unemployment rates and total employment. With a nearly equal overall distribution of employment, the PSA does not appear to be more vulnerable to economic downturns when compared to the state. However, it is important to note that many occupations within the retail trade and accommodation and food services industries, which are two of the top five sectors in the PSA, typically have lower average wages which can contribute to demand for more affordable housing options. While the county's share (2.8%) of employees within the agriculture, forestry, fishing and hunting sector is not among the 10 largest in the region, its share is much greater than the state's share of just 0.4%. This illustrates this sector's role and influence within Oceana County.

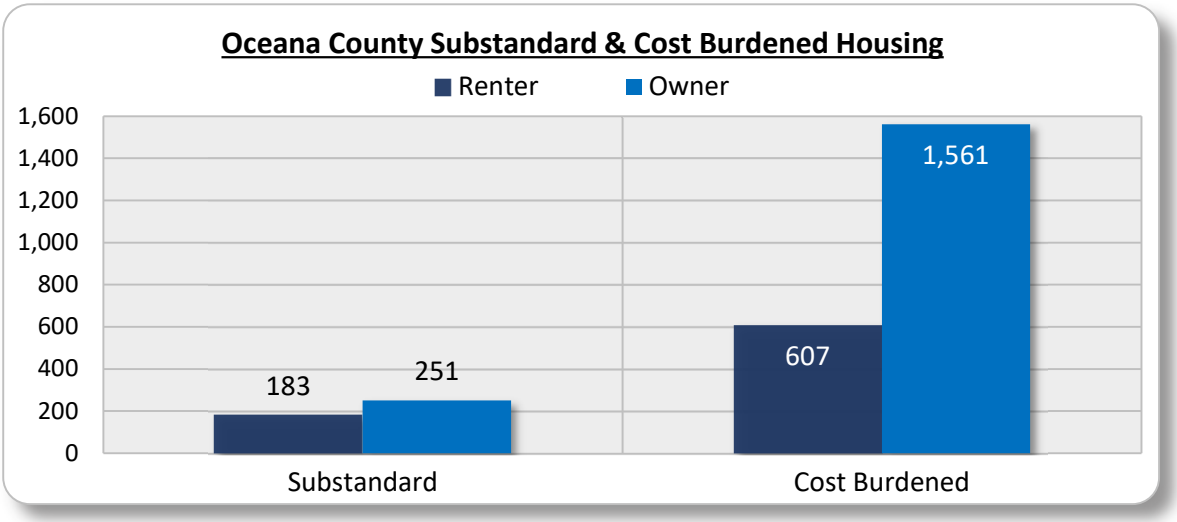
The region has a broad mix of wages by occupation, which contributes to the need for a variety of housing affordability levels. Most annual blue-collar salaries range from $30,570 to $51,630 within the Balance of Lower Peninsula of Michigan Nonmetropolitan Area. White-collar jobs, such as those related to professional positions, management and medicine, have an average salary of $80,970. Average wages within the area are typically lower (8.6%) than the overall average state wages. While white-collar professions in the study area typically earn 16.2% less than those within Michigan, blue-collar wages are 5.6% less than the average state wages. As shown on page V-6 of this report, there are numerous occupations in the area that do not pay sufficient incomes that would enable someone to afford to rent or buy a typical housing unit in the market. Regardless, within the statistical area, wages by occupation vary widely and are reflective of a diverse job base that covers a wide range of industry sectors and job skills, as well as diverse levels of education and experience. Because employment is distributed among a variety of professions with diverse income levels, there are likely a variety of housing needs by affordability level. As a significant share of the labor force within the PSA is contained within manufacturing, health care, and food services, many workers in the area have typical wages ranging between $30,000 and $40,000 annually, likely contributing to the need for lower- and mid-priced housing product in the county. Most good to fair quality for-sale housing alternatives are not reasonably affordable to these lower wage-earning workers. A detailed analysis of typical wages for some of the most common occupations in the area and how those wages relate to housing affordability is included starting on page V-5 of this report.

Public and private sector investment is planned in the county that will contribute to the expanding economy and ongoing housing demand. A notable amount of both public and private sector investment is either underway or planned for the county that will bring in millions of dollars and create additional jobs. This positive economic activity will contribute to the ongoing demand for housing in Oceana County.

Additional economic data and analysis is included in Section V of this report.

Housing Supply

Housing quality and affordability remain challenges for area households, as evidenced by the fact that a total of 434 occupied housing units in the PSA (Oceana County) are considered substandard and 2,168 households are housing cost burdened. For the purposes of this analysis, substandard housing is considered overcrowded (1.01+ persons per room) or lacks complete indoor kitchens or bathroom plumbing. Based on American Community Survey estimates, approximately 183 rental units and 251 owner units in the PSA are considered substandard. While the share of such households is high in each of the submarkets, the share is highest within the East Submarket (22.8%). The area's overcrowding issues appear to be linked to a combination of a high share of large family households and the prevalence of mobile homes, particularly in the East Submarket. Cost burdened households pay over 30% of income toward housing costs. The PSA shares of renter cost burdened households (33.2%) and owner cost burdened households (18.5%) are lower than the state shares (44.9% and 18.6%, respectively) despite the lower estimated median home value and gross rent in Oceana County. Overall, the PSA has approximately 607 renter households and 1,561 owner households in the PSA that are housing cost burdened, with a combined total of 2,168 cost burdened households in the county. Of these, approximately 305 renter households and 684 owner households are *severe* housing cost burdened (paying 50% or more of their income toward housing costs). While owners in the West Submarket (20.1%) and East Submarket (19.5%) are more likely to be housing cost burdened than those within the Central Submarket (16.6%), there are moderately higher shares of severe cost burdened renters in the East (17.8%) and Central (17.3%) submarkets. As a result, it is clear that many households are living in housing conditions that are considered to be below modern-day housing standards and/or unaffordable to many households. Overall, this data illustrates the importance of good quality and affordable housing for Oceana County residents. Housing policies and strategies for the PSA should include efforts to remedy such housing quality and affordability issues.



There is limited available inventory among multifamily rentals and pent-up demand for housing serving lower-income renter households. A total of 10 multifamily rental properties containing 215 units within Oceana County were surveyed. The surveyed rentals within the PSA have a combined occupancy rate of 98.1% with **only four vacancies**. Typically, healthy, well-balanced markets have rental housing occupancy rates generally between 94% and 96%. As such, the PSA's multifamily rental market is operating at a high occupancy level with very limited availability. Of the multifamily market's four vacant units, three are within government-subsidized units, while one vacancy is a Tax Credit unit. While only four market-rate units were surveyed, these units are fully occupied. Therefore, Oceana County has a relatively limited supply of available multifamily rentals, regardless of the level of affordability. Overall, the occupancy rate of the surveyed multifamily apartments in the Central Submarket is 98.0%, while the only surveyed multifamily apartment project in the West Submarket is fully occupied. In addition, eight of the surveyed properties (80%) maintain wait lists, with individual wait lists ranging between five and 35 households for the next available units. It is also noteworthy that all projects targeting senior households are fully occupied. With a high overall occupancy rate and most properties maintaining wait lists, it appears that there is a high level of pent-up demand for multifamily rental units in the PSA. As such, this illustrates the importance of affordable housing options for low-income households and seniors in the PSA. The lack of available multifamily rental housing represents a development opportunity for such product.

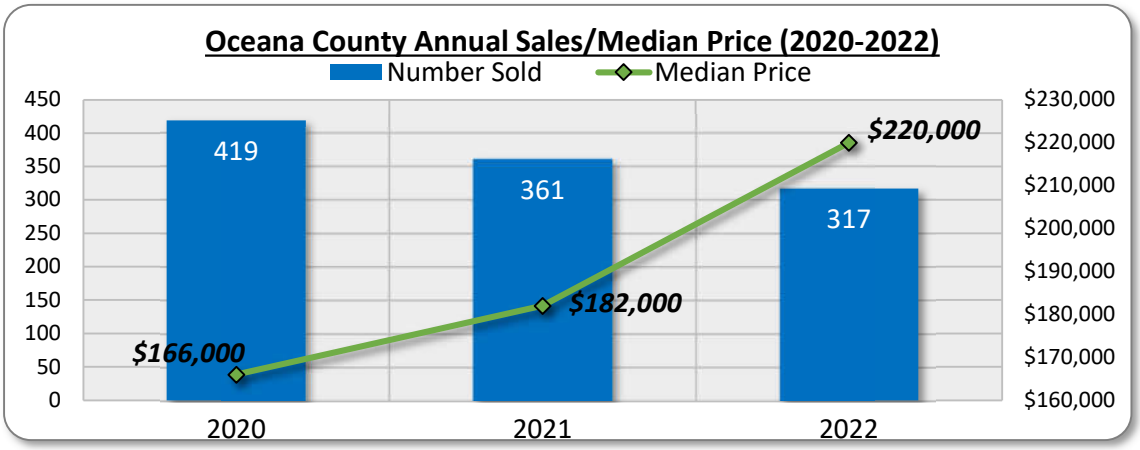
Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Tax Credit	1	10	0	100.0%
Tax Credit/Government-Subsidized	4	85	3	96.5%
Market-rate/Tax Credit/Government-Subsidized	1	24	1	95.8%
Government-Subsidized	4	96	0	100.0%
Total	10	215	4	98.1%

Non-conventional rentals, such as houses, duplexes and mobile homes comprise the majority of rental housing in the county, most of which is not affordable to most low-income households and has limited availability. Non-conventional rentals, which is essentially any rental housing unit not in a multifamily apartment, comprise 83.3% of the rental housing stock in the PSA (Oceana County). This is a considerably larger share than the share of non-conventional rentals (55.5%) for the state of Michigan. The share (23.7%) of mobile homes in the PSA, specifically, is notably higher than the corresponding share (4.1%) within the state. While the share of non-conventional rentals in each submarket is larger than the state share, the largest share of non-conventional rentals is within the East Submarket (94.2%). This is due primarily to the exceptionally high share of mobile home rentals in this submarket (46.2%). While there were no *available* non-conventional rentals *identified* during our research, typical rent data was collected for Oceana County through interviews with property management representatives. Typical rents range from $500 to $1,400, with most rents above $700. At a $700 monthly rent, a household would generally have to have an income of at least $28,000. Approximately 40% of renter households

have incomes below $28,000. As such, it is unlikely that many low-income residents would be able to afford non-conventional rental housing in the area. Based on this analysis, the inventory of available non-conventional rentals is extremely limited and typical rents for this product indicate that such housing is not a viable alternative for most lower income households.

Vacation rentals and seasonal/recreational housing represent a notable segment of the county housing stock and has a significant influence on the local housing market. Seasonal/recreational units account for 30.6% of all housing units in the county, which represents a much larger share of such units as compared to the state (6.0%). Among the individual submarkets of the PSA, the shares of seasonal/recreational units as a percentage of the total housing units are highest within the West (52.5%) and East (23.6%) submarkets. With seasonal/recreational units comprising over half of the total housing units in the West Submarket, it is apparent that seasonal/recreational units are a major influence on the overall housing market in this area. Overall, short-term vacation rentals have a positive influence on the tourism in Oceana County (approximately $132 million generated from tourism within the county during 2021) and provide owners a substantial incentive to build new units, convert existing permanent housing units, and rent second homes when not being personally utilized. With seasonal/recreational housing units comprising 30.6% of the overall housing units and 82.8% of the total vacant units in Oceana County in 2021, it is apparent that they are a major influence in the local housing market. As such, these short-term rental units can contribute to housing shortages in the PSA since most households, particularly lower- and middle-income households, cannot afford these units as a permanent housing option. Therefore, it is critical that future housing developments provide for an adequate supply of income-appropriate permanent housing for the full-time residents and workforce of Oceana County while also providing rental housing options for the tourism industry in the area. A lack of affordable permanent housing options can limit the ability of employers to attract and retain employees and restrict residential growth in the PSA, while a lack of short-term rental options can limit tourism in the area. As a result, area stakeholders will need to seek an adequate balance between these two housing segments.

While annual home sales activity (volume of sales) in the PSA appears to have slowed slightly in 2022, the median sale price increased each of the past two years and increased by 32.5% since 2020. The median price of homes sold within the PSA (Oceana County) increased by $54,000 or 32.5% between 2020 and 2022. While the median price of homes sold increased by 9.6% between 2020 and 2021, most of this increase occurred between 2021 and 2022, during which time the median sale price of homes in the PSA increased by 20.9%. Among the 1,097 homes sold in the PSA between 2020 and 2022, the West Submarket accounts for the largest individual share (40.4%) of homes sold in the county. The overall number of homes sold in the PSA decreased by 24.3% between 2020 and 2022, which may be attributed, in part, to a slowing level of demand due to rapidly rising home mortgage interest rates that occurred in 2022. Among the individual submarkets, the greatest increase in median sale price between 2020 and 2022 was within the West Submarket (40.9%), which was only slightly higher than the increase in the East Submarket (38.9%). Interestingly, the largest decrease (37.5%) in sales volume also occurred within the West Submarket. A combination of high mortgage rates and low housing supply in Oceana County will likely keep housing sales volumes relatively low in 2023.

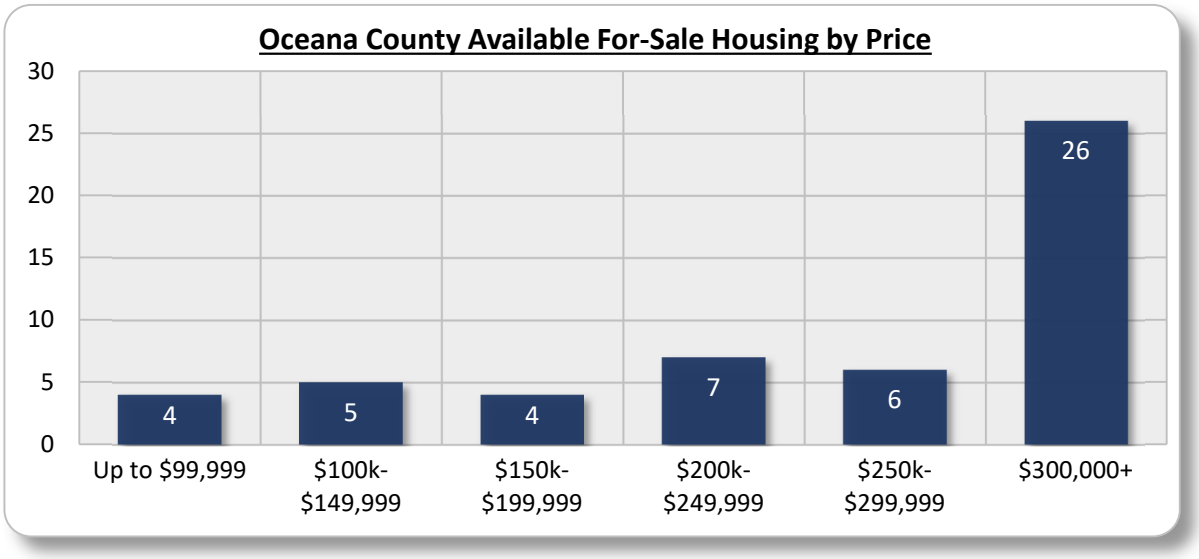


Overall, there is a relatively limited amount of for-sale housing available for purchase in Oceana County, particularly among product priced below $200,000. There are two inventory metrics most often used to evaluate the health of a for-sale housing market. These metrics include *Months Supply of Inventory* (MSI) and availability rate. Overall, based on the monthly absorption rate of 30.5 homes, the county's 52 homes listed as available for purchase represent approximately 1.7 months of supply. Typically, healthy and well-balanced markets have an available supply that should take about four to six months to absorb (if no other units are added to the market). Therefore, the PSA's inventory is considered low and indicates limited available supply. When comparing the 52 available units with the overall inventory of 8,439 owner-occupied units, the PSA has an availability rate of 0.6%, which is well below the normal range of 2.0% to 3.0% for a well-balanced for-sale/owner-occupied market. This is considered a low rate and an indication that the market has limited availability. These metrics are both indications of a likely shortage of for-sale housing. As such, the PSA appears to have a disproportionately low number of housing units available to purchase and may represent a development opportunity.

Available For-Sale Housing by Price (As of April 6, 2023)							
Data	Up to $99,999	$100,000 to $149,999	$150,000 to $199,999	$200,000 to $249,999	$250,000 to $299,999	$300,000+	Total
East							
Number Available	3	2	1	0	3	5	14
Percent of Supply	21.4%	14.3%	7.1%	0.0%	21.4%	35.7%	100.0%
Central							
Number Available	1	2	2	5	3	7	20
Percent of Supply	5.0%	10.0%	10.0%	25.0%	15.0%	35.0%	100.0%
West							
Number Available	0	1	1	2	0	14	18
Percent of Supply	0.0%	5.6%	5.6%	11.1%	0.0%	77.8%	100.0%
Oceana County (PSA)							
Number Available	4	5	4	7	6	26	52
Percent of Supply	7.7%	9.6%	7.7%	13.5%	11.5%	50.0%	100.0%

Source: MLS (Multiple Listing Service)

The overall median list price in the PSA (Oceana County) is $314,000. The largest share (50.0%) of available housing units in the PSA is priced at or above $300,000, while homes priced under $200,000 and those priced between $200,000 and $300,000 represent 25.0% of the available supply, each. While the share of available homes is well distributed among the three submarkets of the PSA, the West Submarket has a comparably larger share (77.8%) of homes priced at $300,000 or higher. The very limited availability of homes (13) under $200,000 indicates that most low-income households and first-time homebuyers will likely have difficulty locating a for-sale home in this submarket. Although the East Submarket has the largest share (42.8%) of homes priced under $200,000, this submarket has the lowest number of total available for-sale homes of the three submarkets. Overall, there are limited home buying options available across all price ranges within the county.



Additional housing supply information is included in Section VI.

Community Input

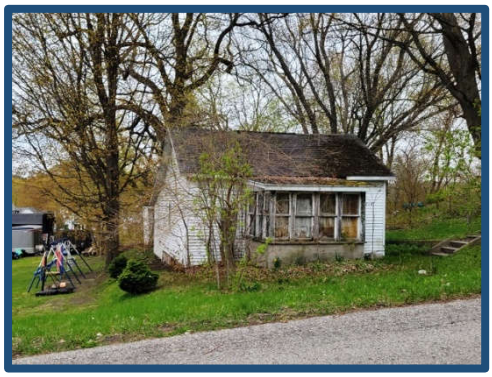
A total of 76 community stakeholders and employers participated in surveys that provided valuable insight on local housing challenges and possible solutions. To gain information, perspective and insight about Oceana County housing issues and the factors influencing housing decisions by its residents, developers and others, our firm conducted targeted surveys of area stakeholders and employers. In total, over 76 survey responses were received from a broad cross section of the community. The following is a summary of **key** responses.

Stakeholders: Based on the feedback provided by area stakeholders, it appears that Oceana County is most in need of moderately priced for-sale housing (between $150,000 and $199,999), affordable rentals ($500 to $999/month), and senior care housing for those with less than $25,000 in income/assets. Respondents indicated that families, the low- to moderate-income workforce, and seniors are the groups with the most critical needs. The limited overall housing availability, purchase and rent affordability, high cost of renovations, and lack of public transportation rated as the most common housing issues experienced. While the cost of labor and materials and financing are the most commonly cited barriers to residential development, the repairs of existing housing, the clearing of blighted properties, the availability of home repair loans, and the collaboration between public and private sectors were considered to be the top priorities by respondents. Overall, the consensus of respondents is that the aforementioned housing issues cause residents of the area to live in substandard housing and prevents seniors from living in housing that fits their needs. Ultimately, these issues limit the ability of families to grow and thrive in Oceana County. In addition, nearly three-fourths (73.3%) of stakeholder respondents believe that second homes and vacation rentals at least "somewhat" adversely impact the local housing market, with an increase in home prices and diminishing available inventory being the two most commonly cited negative impacts.

Employers: Based on the feedback provided by area employers, it appears that approximately one-half of employers experienced staffing issues as a result of housing. Overall, the lack of available housing and affordability are the top issues for employees in the area. This has resulted in difficulty attracting employees for approximately one-half (50.0%) of the employer respondents, while over one-fourth (28.6%) have had issues retaining employees. A majority (57.2%) of respondents indicated that they would be at least "somewhat" more likely to hire new employees if adequate housing were available in the county, with up to 33 additional employees expected to be hired as a result. Despite the issues that housing can create for employers, it is noteworthy that all (100.0%) of the surveyed employers currently do not provide housing assistance, and nearly two-thirds (64.3%) would not consider providing such programs in the future. Among various future government housing programs and initiatives, respondents consider new housing development/ redevelopment and the development of more public housing to be the most important. Overall, the consensus among area employers is that Oceana County is most in need of affordable rental housing (under $750 per month) and entry level for-sale housing (below $200,000). Among product types, it appears that employers consider single-family homes (both rental and for-sale) to be the most critical need in the area.

Other Housing Factors

Numerous housing units exhibit residential blight in the county, with notable concentrations of blighted homes in Hart and Shelby. While not a formal part of this Housing Needs Assessment, we observed numerous residential units that exhibited some level of exterior blight. Overall, instances of residential blight were scattered throughout the county, with greater concentrations appearing within proximity of its more dense and populated areas such as Hart and Shelby. Instances of observed blight included single-family homes with an excessive amount of vegetative overgrowth or other belongings on the property, siding that is unkempt, in disrepair or physically damaged, and/or residences that appeared vacant or uninhabitable. The identified blighted residential properties represent potential nuisances, safety hazards, and are potentially detrimental to nearby property uses and values. As such, efforts to remediate blighted housing and the preservation of the existing housing stock should be a priority within the county.



With approximately 20 potential sites that could support residential development/redevelopment in Oceana County, the availability of potential residential development sites does not appear to be a significant obstacle to increasing the number of housing units. Our cursory investigation for potential sites within the PSA (both land and buildings) identified 20 properties that are potentially capable of accommodating future residential development via new construction or adaptive reuse. Of the 20 total properties, 10 properties contain at least one existing building that is not necessarily vacant and may require demolition, new construction or adaptive reuse. The remaining 10 properties were vacant or undeveloped parcels of land that could potentially support residential development. It should be noted that our survey of potential development opportunities in Oceana County consists of properties that were actively marketed for sale at the time of this report as well as those identified in person while conducting on-the-ground research. The 20 identified properties listed in the preceding table represent approximately 125 acres of land and at least 49,000 square feet of existing structure area. Seven of the identified properties consist of over five acres of land each, providing the ability to develop large residential projects that may include single-family homes or multifamily housing. A total of 10 properties have at least one existing building or structure; those that were able to be identified range in size from 840 square feet to nearly 15,000 square feet, potentially enabling the redevelopment of such structures into single-family or multifamily projects. However, not all of these properties may be feasible to redevelop as housing due to overall age, condition, or structural makeup (availability and feasibility of identified properties were beyond the scope of this study). A full list of all identified properties is included starting on page VII-20.

Housing development costs in the county appear to be similar to other counties in the region, while local zoning ordinances appear to favor single-family development. Residential development costs associated with land costs, labor costs, utility costs, government fees, or taxes/assessments in Oceana County appear to be competitive when compared to adjacent counties. Regardless, based on our estimates for a typical new home in the county, it appears that it would be difficult for developers to construct for-sale product with sale prices below $330,000 without some type of assistance and/or concessions from the private or public sectors. Based on a review of zoning ordinances in the three largest municipalities in the county, it appears current zoning ordinances largely favor single-family development, in which only a fraction of households in the county can afford the price of a new home. It is worth noting that within each of the communities studied there are no more than four general geographic locations that are zoned for some type of higher density multifamily development. This may limit opportunities for multifamily residential development, including affordable rental alternatives. Municipalities in the county will want to consider possible changes to building and zoning to meet ongoing or future housing objectives.

Housing Gap Estimates

Oceana County has an overall housing gap of 1,384 units for rental and for-sale product at a variety of affordability levels. It is projected that Oceana County has a five-year **rental housing gap of 558 units** and a **for-sale housing gap of 826 units**. While there are housing gaps among all affordability levels of both rental and for-sale product, the rental housing gap is distributed most heavily among the lower priced product (rents of $946 or less) and the for-sale housing gap is primarily for product priced either at $302,801 and higher and housing priced between $201,868 and $302,800. Details of this analysis, including our methodology and assumptions, are included in Section VIII.

The following table summarizes the approximate potential number of new residential units that could be supported in the PSA (Oceana County) over the next five years.

PSA (Oceana County) Housing Gap Estimates (2022 to 2027) Number of Units Needed		
Housing Segment		Number of Units
Rentals	Very Low-Income Rental Housing (≤$946/Month Rent)	298
	Low-Income Rental Housing ($947-$1,514/Month Rent)	132
	Moderate-Income Rental Housing ($1,515-$2,271/Month Rent)	87
	High-Income Market-Rate Rental Housing ($2,272+/Month Rent)	41
	TOTAL UNITS	**558**
For-Sale	Entry-Level For-Sale Homes (≤$126,167 Price Point)	0
	Low-Income For-Sale Homes ($126,168-$201,867 Price Point)	82
	Moderate-Income For-Sale Homes ($201,868-$302,800 Price Point)	370
	High-Income Upscale For-Sale Housing ($302,801+ Price Point)	374
	TOTAL UNITS	**826**

The preceding estimates are based on current government policies and incentives, recent and projected demographic trends, current and anticipated economic trends, and available and planned residential units. Numerous factors impact a market's ability to support new housing product. This is particularly true of individual housing projects or units. Certain design elements, pricing structures, target market segments (e.g., seniors, workforce, families, etc.), product quality and location all influence the actual number of units that can be supported. Demand estimates could exceed those shown in the preceding table if the county or its municipalities change policies or offer incentives to encourage people to move into the market or for developers to develop new housing product.

Recommended Housing Strategies

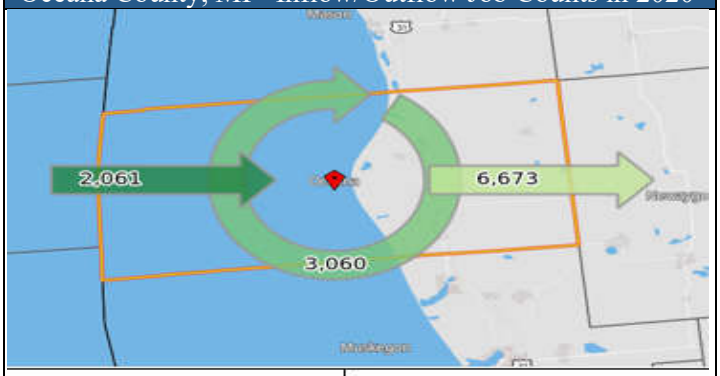
The following summarizes key strategies that should be considered to address housing issues and needs of the market. These strategies do not need to be done concurrently, nor do all strategies need to be implemented to create an impact. Instead, the following housing strategies should be used as a guide by the local government, stakeholders, developers and residents to help inform housing decisions.

Set realistic/attainable short-term housing goals, outline long-term objectives, and monitor progress. Using the housing needs estimates and recommendations provided in this report as a guide, the county should set realistic short-term (two to three years) housing development goals along with long-term (five years or longer) objectives to support housing. Short-term goals should be focused on establishing an Action Plan that outlines priorities for the area, such as broad housing policies, initiatives, and incentives that support the preservation and development of residential units. The recommendations included in this section should serve as a guide for developing an Action Plan. Long-term objectives should include establishing a goal for the number of housing units that should be built or repaired and broadly outline the types of housing that should be considered for development, such as rentals and for-sale housing, as well as geographical locations (e.g., within walkable communities, along community service corridors, selected neighborhoods, etc.). The goals should also broadly outline affordability (e.g., income levels) objectives and market segments (e.g., families, seniors, and disabled) that should be served. From such goals, the local governments should periodically collect key metrics (e.g., vacancy rates, changes in rents/prices, reassess cost burdened and overcrowded housing, evaluate housing cost increases relative to income/wage growth, etc.) so that they can monitor progress and adjust efforts to support stated goals.

Consider capacity building that will expand the base of participants and resources that can be utilized to address housing issues. Local stakeholders and advocates should explore the level of interest of community leaders and local housing advocates on creating either a volunteer-based housing coalition or a more formal HOME consortium/commission that involves joint efforts of local governments. The coalition would serve as the entity that would investigate and discuss housing issues and devise possible solutions and advise local government on possible housing initiatives, while the HOME consortium/commission would be a collaboration between local governments that would be eligible to apply for Federal HOME Program funding and develop a county or regional approach for housing (See: https://www.hudexchange.info/resource/2426/establishing-and-managing-a-successful-home-consortium/). Consideration should also be given to hiring/retaining a housing specialist that would be responsible for facilitating housing initiatives on a regular basis. This can be an individual working for a town or county government, or someone that works for a nonprofit group, the regional housing authority, or other housing advocacy group.

Develop strategies to attract people that currently commute into Oceana County to live in Oceana County. Approximately 2,061 people commute into Oceana County from surrounding areas for employment. These 2,061 non-residents account for approximately two-fifths (40.2%) of the people employed in the county and represent a notable base of potential support for future residential development. Of the county's 2,061 in-commuters, over one-half (53.5%) are between the ages of 30 and 54 years, nearly two-fifths (39.7%) earn $3,333 or more per month ($40,000 or more annually), and 37.8% work in the goods producing industries. Regardless, given the diversity of incomes, ages, and occupation types of the approximately 2,100 people commuting into the area for work each day, a variety of housing product types could be developed to potentially attract these commuters to live in Oceana County. It is anticipated that as additional housing is added to the PSA, the county will have a greater probability of attracting these commuters as permanent residents. Area representatives should support efforts to develop product that will appeal to commuters and help to promote the benefits of living in Oceana County.

Oceana County, MI - Inflow/Outflow Job Counts in 2020





Inflow/Outflow Job Counts (All Jobs)

2020

	Count	Share
Employed in the Selection Area	5,121	100.0%
Employed in the Selection Area but Living Outside	2,061	40.2%
Employed and Living in the Selection Area	3,060	59.8%
Living in the Selection Area	9,733	100.0%
Living in the Selection Area but Employed Outside	6,673	68.6%
Living and Employed in the Selection Area	3,060	31.4%

Consider implementing/modifying policies to encourage or support the development of new residential units, particularly housing that is affordable to lower income households. As evidenced by the shares (33.2% renters and 18.5% owners) of housing cost burdened households in Oceana County, a significant challenge in the county is the imbalance between the costs/rents associated with the existing housing stock and the ability of households to pay for such housing. As shown in this report, there appears to be pent-up demand for affordable rental alternatives in the market, primarily targeting households earning up to 80% of Area Median Household Income (e.g., four-person household earning up to $60,560 that can generally afford rents of up to $1,514/month). While there are only 13 homes representing 25% of the homes *available* to purchase in the county that are priced under $200,000 and could be affordable to many lower income households, many of these homes are well over 50 years old and likely require additional financial resources for repairs, modernization and weatherization that many low-income households cannot afford. In an effort to support the development and preservation of more affordable housing alternatives, local governments should consider supporting projects being developed with affordable housing development programs (e.g., Tax Credit and HUD programs), offering tax abatements and/or infrastructure assistance, providing pre-development financial assistance, waiving or lowering government permitting/development fees, consider creative housing regulatory provisions or incentives (e.g., density bonuses, inclusionary zoning, in-lieu fees, accessory dwelling units, lot splits, tiny homes, mixed-use and mixed-income projects, etc.), and supporting a housing trust fund or the county's existing land bank. It should be noted that current zoning in the county's larger communities appears to favor single-family residential development and few areas (no more than four in a single community) are zoned for higher density multifamily development. As such, local entities may want to revisit current zoning practices and consider amended zoning to encourage more multifamily alternatives. Overall, focus should be placed on housing efforts and programs that support low-income households (seniors and families), workforce households, and first-time homebuyers. Additional housing is needed in order to have a healthy housing market, which will ultimately contribute to the local economy, quality of life and overall prosperity of Oceana County.

Support efforts to develop residential units within or near walkable communities to accommodate the housing needs of seniors and to appeal to younger households. The demographic analysis of Oceana County revealed that the county's base of younger households (under the age of 35) is diminishing while the base of seniors (ages 65 and older) is increasing. Although many factors contribute to the characteristics and trends of households by age, the aspects of housing product type, location, and design play roles in housing decisions made by certain household age cohorts. The development of multifamily housing within walkable downtowns or neighborhoods often serves to attract younger households and support the needs of senior households. Key factors in housing decisions for young adults and seniors include the walkability of an area, the concentration of fundamental community services (e.g., shopping, entertainment, recreation, banking, healthcare providers, social services, etc.), and the location of the area's largest employers and employment

centers. Based on this review, it would appear that walkable or accessible areas in or near the downtown areas of Hart or Shelby would serve as the most optimal area for young adult and senior housing. We believe multifamily projects, both apartments and condominiums, serving seniors, young professionals, lower income workforce households, and millennials should be encouraged in these areas.

Preservation and renovation of existing housing should be an area of focus. Based on an analysis of published secondary data and Bowen National Research's on-site observations of the county's existing housing stock, it is evident that Oceana County has a notable inventory (434 units) of housing that is classified as substandard housing. This includes units that lack complete indoor plumbing or are overcrowded. Additionally, the overall county has a notable portion of significantly older product, with 44.1% of the renter-occupied housing units and 38.3% of owner-occupied housing units built prior to 1970. It is likely that many of these substandard and older housing units suffer from deferred maintenance and neglect and are in need of repairs and modernization. Stakeholder survey results revealed that home repair/revitalization/renovation of existing housing was considered the top housing priority for the area. Therefore, emphasis should be placed on means to preserve and renovate the existing housing stock. This may involve establishing a low-interest revolving loan or grant program to allow eligible homeowners to borrow the necessary funds to improve or repair their homes. Code compliance/enforcement efforts should be an integral part of the county's efforts to ensure housing is brought up to code and maintained at expected standards. Local governments may also want to consider the removal of liens or reduction of fines on abandoned/vacant properties to encourage residential transactions of such properties, increasing the likelihood that such housing would be remedied or removed. Continued or expanded support for the county's existing Land Bank Authority should also be considered, as this can serve as an ongoing resource to acquire, remediate and utilize abandoned or foreclosed properties.

Educate the public on housing challenges and opportunities within the county. The county should consider developing a housing education and outreach plan for citizens, property owners, and other stakeholders. According to local sources, there are approximately 51 Housing Choice Vouchers (HCV) issued in the county that are intended to help voucher holders secure housing and subsidize their housing costs. Of these 51 issued vouchers, 26 remain unused. While a variety of reasons contribute to the large number of unused vouchers, the unwillingness of property owners to accept vouchers is likely a contributing obstacle. It is recommended that the county consider a voucher education and outreach program for property owners and management companies on the HCV process and benefits in an effort to increase voucher acceptance within the market. Additionally, homebuyer, homeowner and renter education programs tied to things like credit scores and repair, saving accounts, budgeting, home maintenance and other housing consumer issues should be part of any public education effort to build a better quality and more prepared renter or homeowner/buyer. Lastly, outreach efforts to local officials, prospective developers and those involved with housing financing/lending should be part of an education and outreach plan to educate them on housing issues.

Market Oceana County's housing needs and opportunities to potential residential development partners and develop a centralized housing resource center. Using a variety of sources, the municipalities and county should attempt to identify and market itself to the residential developers (both for-profit and nonprofit), real estate investors, housing advocacy groups and others active in housing in the region. Identification could be through trade associations, published lists of developers, real estate agents or brokers, and other real estate entities in the region. Marketing such things as the area's need for nearly 1,400 housing units and the 20 identified potential sites through trade publications, a local housing forum, direct solicitation or public venues (e.g., housing and economic conferences) should be considered. The development of an online resource center should be considered that includes or directs people to development and housing resources (potential sites, building and zoning information, incentives, housing data, housing placement or counseling services, etc.) that can help both developers and residents.

Develop next-steps plans. Using the findings and recommendations of this report, the county should begin to prioritize housing objectives and refine housing strategies that best fit the overarching goals of the county and its communities. Input from stakeholders and residents should be solicited. From these efforts a specific Action Plan could be put together with measurable goals and a timeline to follow.

III. COMMUNITY OVERVIEW AND STUDY AREAS

A. OCEANA COUNTY, MICHIGAN

This report focuses on the housing needs of Oceana County, Michigan. Founded in 1840, Oceana County is located in the western portion of the Lower Peninsula of Michigan, along the east coast of Lake Michigan. The county seat is the city of Hart, which is about 80 miles northwest of Grand Rapids, Michigan. The main thoroughfares that serve Oceana County include U.S. Highway 31 and State Routes 20 and 120.

Oceana County has an estimated population of 26,441 in 2022. The county contains 546.08 square miles and has an estimated population density of 48.4 persons per-square-mile in 2022, which is much less densely populated compared to the state of Michigan (173.3 persons per-square-mile). The county's incorporated communities include the city of Hart, along with various villages, townships, and unincorporated areas. The city of Hart is home to the county courthouse, various commercial businesses, employment opportunities, and a hospital. Notable attractions within the county include the Little Sable Point Lighthouse and Silver Lake State Park, as well as multiple aquatic recreational activities.

Based on 2022 estimates, 82.2% of the county's households are owner households. The majority (64.5%) of owner households are comprised of two or fewer persons, while 60.5% of renter households are comprised of two or fewer persons. Approximately 59.6% of rental units are within structures of four or fewer units (excluding mobile homes), while a vast majority (83.5%) of the owner-occupied units are within these smaller structures (primarily single-family homes). As shown in the supply section (Section VI) of this report, the market offers a wide variety of price points and rents, though availability is limited. Additional information regarding the county's demographic characteristics and trends, economic conditions, housing supply, and other factors that impact housing are included throughout this report.

B. STUDY AREA DELINEATIONS

This report addresses the residential housing needs of Oceana County, Michigan. To this end, we focused our evaluation on the demographic and economic characteristics, as well as the existing housing stock, of areas within Oceana County. Additionally, because of the unique characteristics that exist within certain areas of Oceana County, we provide supplemental analysis for three submarkets within the county limits to understand trends and attributes that affect these designated areas. The following summarizes the various study areas used in this analysis.

Primary Study Area – The Primary Study Area (PSA) includes all of Oceana County.

Submarkets – The PSA has been divided into three submarkets. The submarkets are subsequently referred to as East, Central, and West. Note that overviews of individual communities are also included in this study as separate sections (Addendum C through Addendum E).

Individual communities studied within this report include the following:

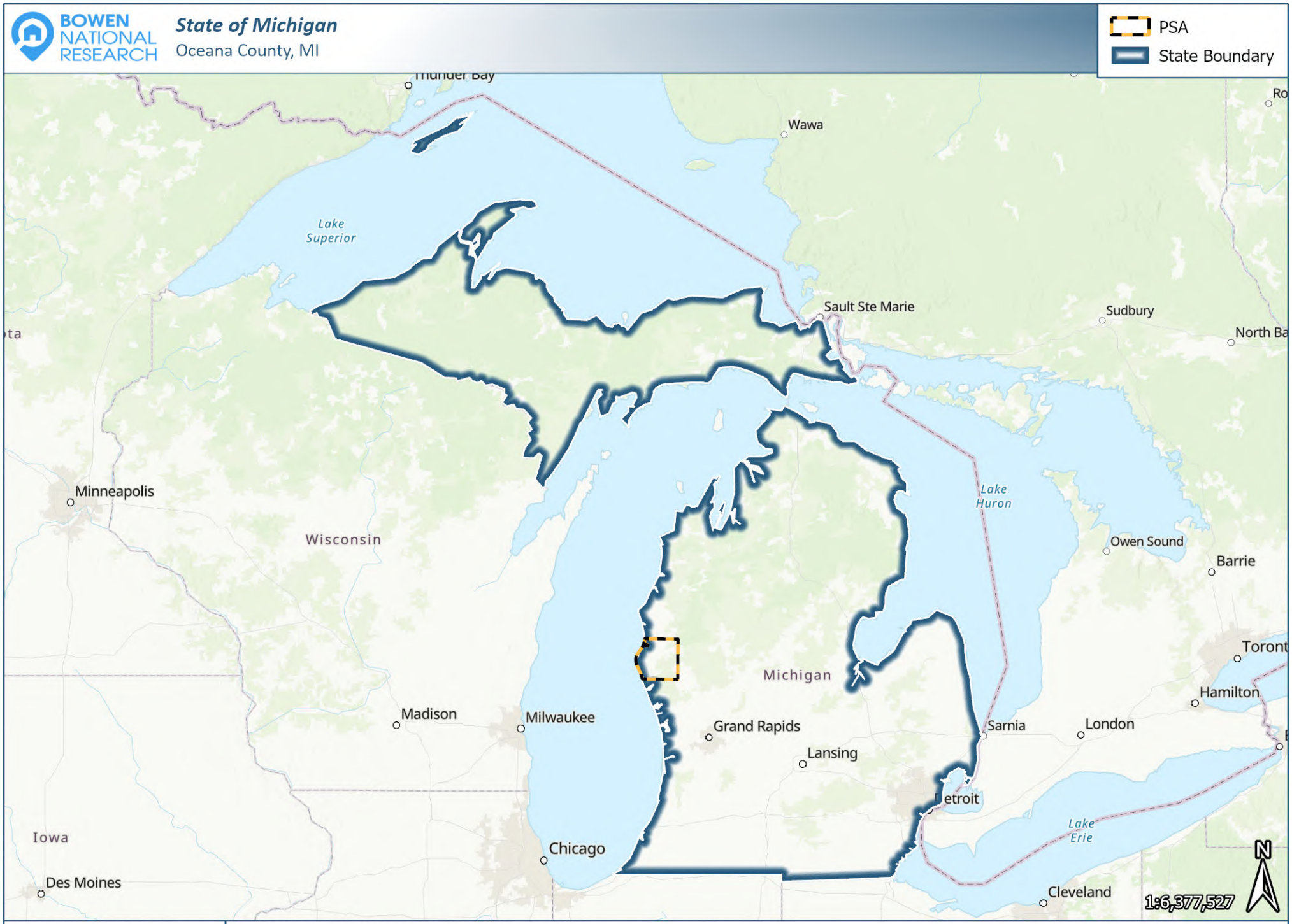
- Hart (Addendum C)
- Shelby (Addendum D)
- Shelby Township (Addendum E)

Maps delineating the boundaries of the various study areas are shown on the following pages.

BOWEN NATIONAL RESEARCH

State of Michigan

Oceana County, MI

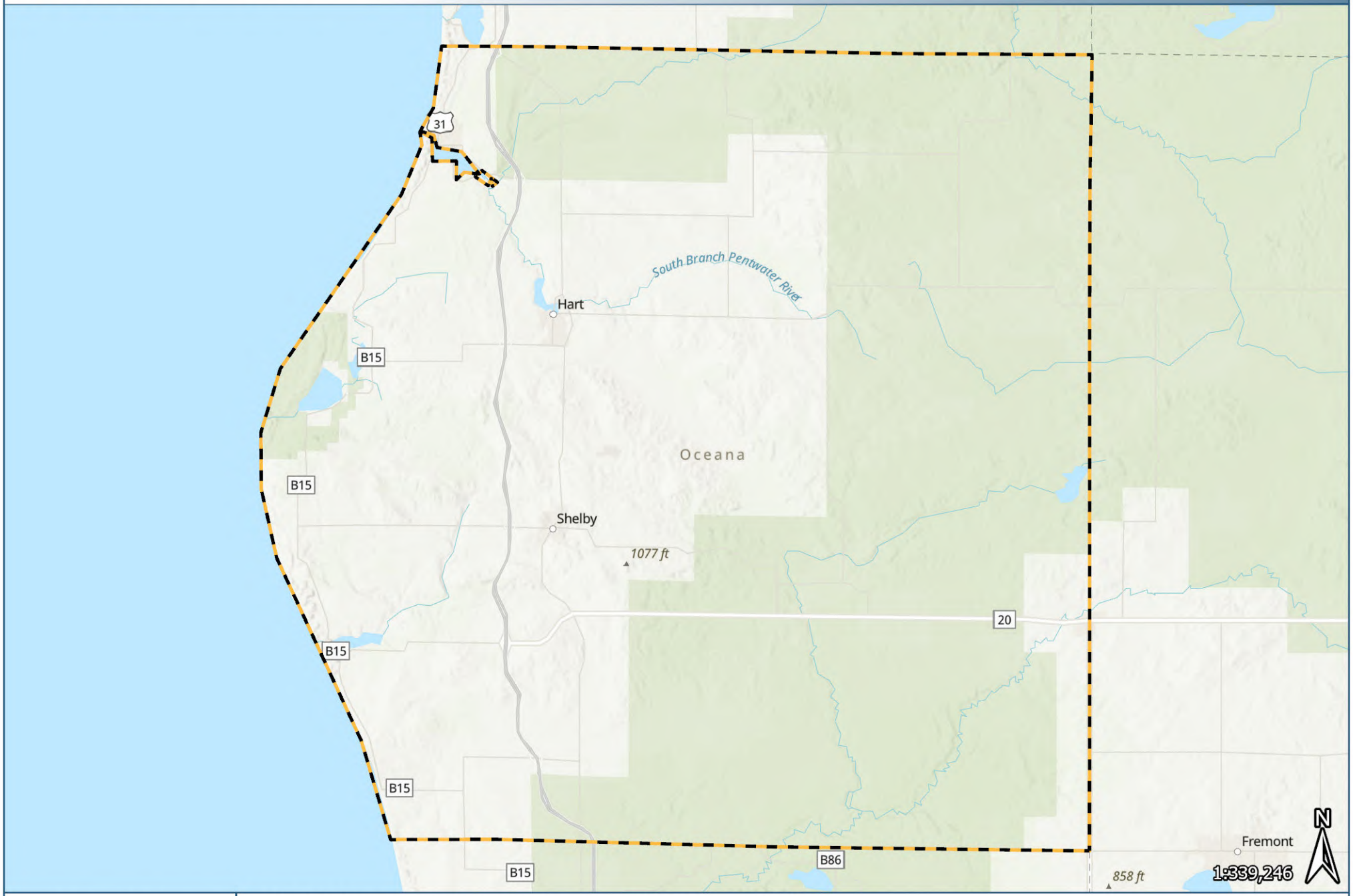


Esri, HERE, Garmin, FAO, NOAA, USGS, EPA, Esri, USGS
Additional Source(s): Bowen National Research

BOWEN NATIONAL RESEARCH

Primary Study Area

Oceana County, MI



Esri, NASA, NGA, USGS, Esri, HERE, Garmin, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS
Additional Source(s): Bowen National Research

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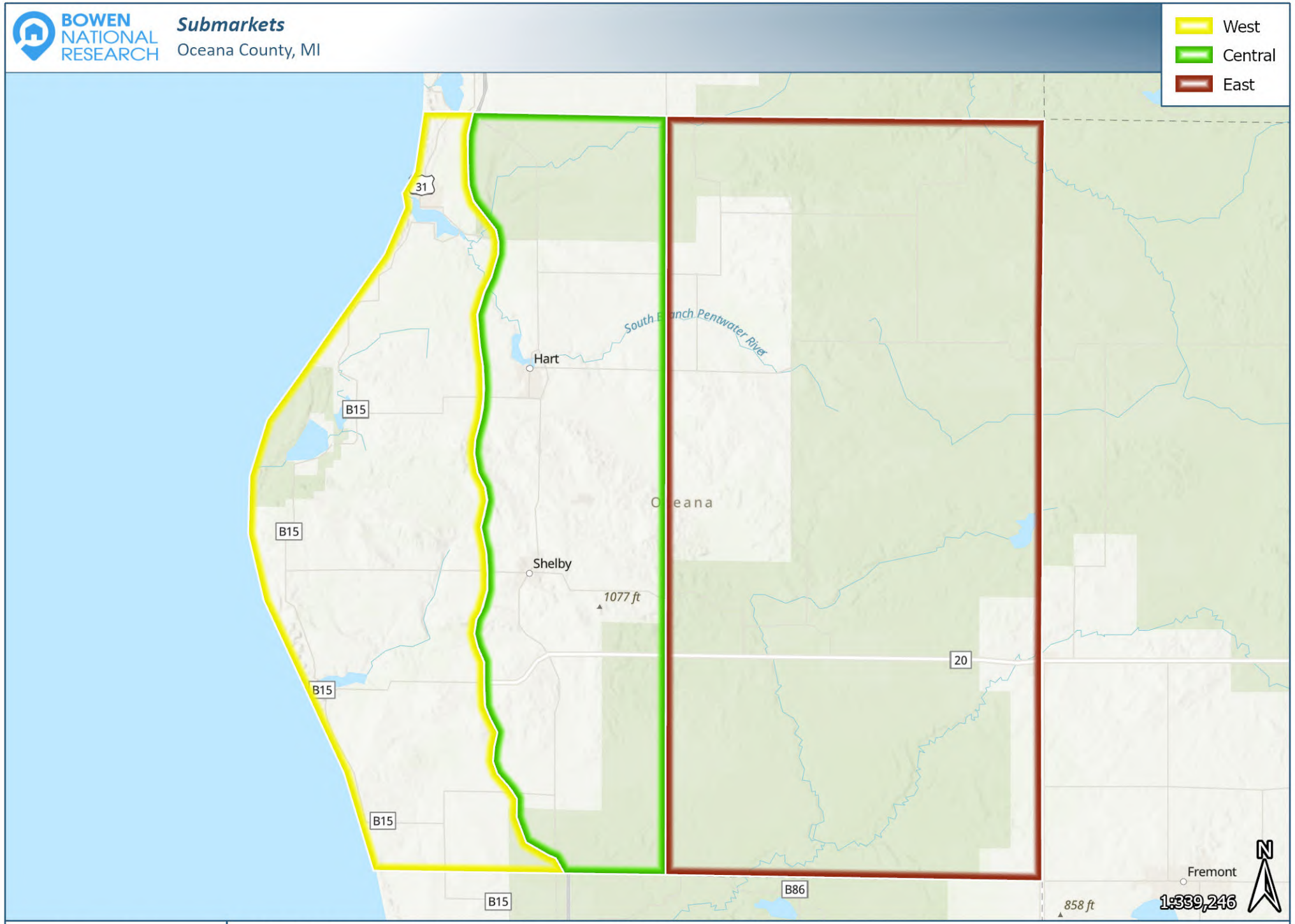
Submarkets

Oceana County, MI



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Additional Source(s): Bowen National Research

IV. DEMOGRAPHIC ANALYSIS

A. INTRODUCTION

This section of the report evaluates key demographic characteristics for the Primary Study Area (PSA, Oceana County) and the three select submarkets (Central, West, and East). Through this analysis, unfolding trends and unique conditions are often revealed regarding populations and households residing in the selected geographic areas. Demographic comparisons between these geographies and the state of Michigan provide insights into the human composition of housing markets. Critical questions, such as the following, can be answered with this information:

- Who lives in Oceana County and what are these people like?
- In what kinds of household groupings do Oceana County residents live?
- What share of people rent or own their Oceana County residence?
- Are the number of people and households living in Oceana County increasing or decreasing over time?
- How do Oceana County residents, submarket residents and residents of the state compare with each other?

This section is comprised of three major parts: population characteristics, household characteristics, and demographic theme maps. Population characteristics describe the qualities of individual people, while household characteristics describe the qualities of people living together in one residence. Demographic theme maps graphically show varying levels (low to high concentrations) of a demographic characteristic across a geographic region.

It is important to note that 2010 and 2020 demographics are based on U.S. Census data (actual count), while 2022 and 2027 data are based on calculated estimates provided by ESRI, a nationally recognized demography firm. These estimates and projections are adjusted using the most recent available data from the 2020 Census count, when available. The accuracy of these estimates depends on the realization of certain assumptions:

- Economic projections made by secondary sources materialize.
- Governmental policies with respect to residential development remain consistent.
- Availability of financing for residential development (i.e., mortgages, commercial loans, subsidies, Tax Credits, etc.) remains consistent.
- Sufficient housing and infrastructure are provided to support projected population and household growth.

Significant unforeseen changes or fluctuations among any of the preceding assumptions could have an impact on demographic estimates/projections.

B. POPULATION CHARACTERISTICS

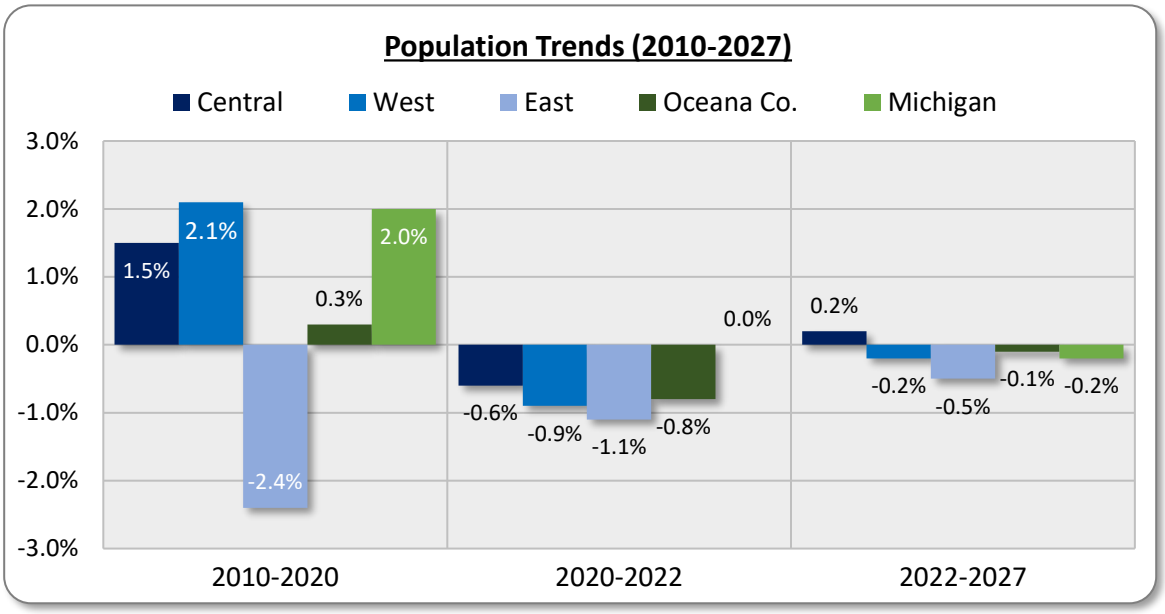
Population by numbers and percent change (growth or decline) for selected years is shown in the following table. It should be noted that some total numbers and percentages may not match the totals within or between tables in this section due to rounding. Positive changes between time periods in the following table are illustrated in green, while negative changes are illustrated in red.

	Total Population									
	2010 Census	2020 Census	Change 2010-2020		2022 Estimated	Change 2020-2022		2027 Projected	Change 2022-2027	
			Number	Percent		Number	Percent		Number	Percent
Central	11,655	11,832	**177**	**1.5%**	11,766	**-66**	**-0.6%**	11,785	**19**	**0.2%**
West	6,050	6,176	**126**	**2.1%**	6,119	**-57**	**-0.9%**	6,104	**-15**	**-0.2%**
East	8,865	8,651	**-214**	**-2.4%**	8,556	**-95**	**-1.1%**	8,514	**-42**	**-0.5%**
Oceana County	26,570	26,659	**89**	**0.3%**	26,441	**-218**	**-0.8%**	26,403	**-38**	**-0.1%**
Michigan	9,883,297	10,077,094	**193,797**	**2.0%**	10,077,929	**835**	**0.0%**	10,054,166	**-23,763**	**-0.2%**

Source: 2010, 2020 Census; ESRI; Urban Decision Group; Bowen National Research

Between 2010 and 2020, the population within the PSA (Oceana County) increased by 89 (0.3%), which represents a significantly smaller increase as compared to the increase (2.0%) within the state of Michigan during this time period. While the population within the Central Submarket and West Submarket increased by 1.5% and 2.1%, respectively, the population in the East Submarket decreased by 2.4% during this time period. In 2022, there is an estimated total of 26,441 people living in Oceana County, which represents a 0.8% decrease in population from 2020. The population within all three submarkets decreased between 2020 and 2022, with individual declines ranging between 0.6% and 1.1%. The Central Submarket comprises the largest share (44.5%) of the PSA population in 2022, followed by the East Submarket (32.4%) and West Submarket (23.1%). Between 2022 and 2027, the population of the PSA is projected to decline by 0.1%, which is a smaller projected decline as compared to the state (0.2%) over the next five years. While population declines are projected in the West (0.2%) and East (0.5%) submarkets, the Central Submarket is projected to have a slight increase (0.2%) in population between 2022 and 2027. Regardless, it is critical to point out that *household* changes, as opposed to population, are more material in assessing housing needs and opportunities. Historical and projected household changes for the PSA and submarkets are covered later in this section on page IV-7.

The following graph compares the percent change in population since 2010 and projected through 2027.



Population densities for selected years are shown in the following table:

		Population Densities			
		2010	2020	2022	2027
Central	Population	11,655	11,832	11,766	11,785
	Area in Square Miles	135.45	135.45	135.45	135.45
	Density	86.0	87.4	86.9	87.0
West	Population	6,050	6,176	6,119	6,104
	Area in Square Miles	124.05	124.05	124.05	124.05
	Density	48.8	49.8	49.3	49.2
East	Population	8,865	8,651	8,556	8,514
	Area in Square Miles	286.58	286.58	286.58	286.58
	Density	30.9	30.2	29.9	29.7
Oceana County	Population	26,570	26,659	26,441	26,403
	Area in Square Miles	546.08	546.08	546.08	546.08
	Density	48.7	48.8	48.4	48.3
Michigan	Population	9,883,297	10,077,094	10,077,929	10,054,166
	Area in Square Miles	58,143.72	58,143.72	58,143.72	58,143.72
	Density	170.0	173.3	173.3	172.9

Source: 2010, 2020 Census; ESRI; Urban Decision Group; Bowen National Research

With a population density of 48.4 persons per square mile in 2022, the PSA (Oceana County) is much less densely populated than the state (173.3 persons per square mile), overall. Among the individual submarkets, the Central Submarket is the most densely populated (86.9 persons per square mile), while the East Submarket is the least densely populated (29.9 persons per square mile). The population density within a given market can be useful in determining the appropriate housing types to likely accommodate the housing needs of area residents.

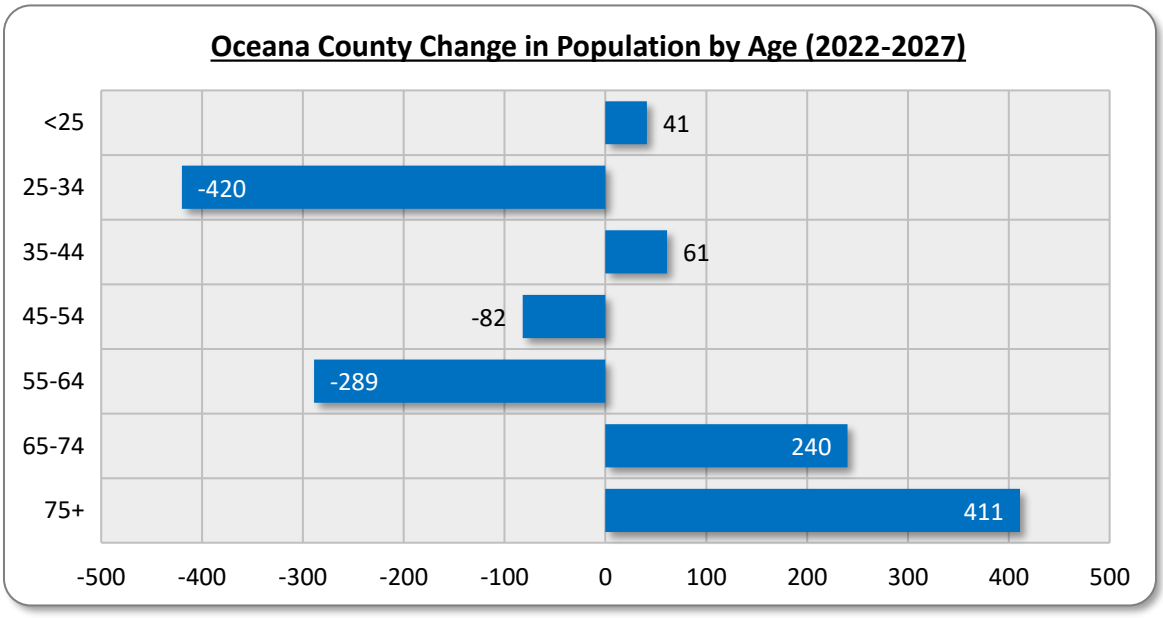
Population by age cohorts for selected years is shown in the following table. Note that five-year projected declines for each age cohort are in red, while increases are illustrated in green:

		Population by Age							
		<25	25 to 34	35 to 44	45 to 54	55 to 64	65 to 74	75+	Median Age
Central	2010	4,153 (35.6%)	1,293 (11.1%)	1,353 (11.6%)	1,715 (14.7%)	1,355 (11.6%)	916 (7.9%)	870 (7.5%)	38.0
	2022	3,766 (32.0%)	1,520 (12.9%)	1,351 (11.5%)	1,372 (11.7%)	1,564 (13.3%)	1,265 (10.8%)	928 (7.9%)	39.3
	2027	3,828 (32.5%)	1,296 (11.0%)	1,440 (12.2%)	1,321 (11.2%)	1,474 (12.5%)	1,361 (11.5%)	1,065 (9.0%)	40.3
	Change 2022-2027	**62 (1.6%)**	**-224 (-14.7%)**	**89 (6.6%)**	**-51 (-3.7%)**	**-90 (-5.8%)**	**96 (7.6%)**	**137 (14.8%)**	N/A
West	2010	1,417 (23.4%)	475 (7.9%)	571 (9.4%)	922 (15.2%)	1,166 (19.3%)	890 (14.7%)	609 (10.1%)	51.4
	2022	1,221 (20.0%)	478 (7.8%)	535 (8.7%)	712 (11.6%)	1,232 (20.1%)	1,208 (19.7%)	733 (12.0%)	56.1
	2027	1,198 (19.6%)	429 (7.0%)	549 (9.0%)	682 (11.2%)	1,109 (18.2%)	1,263 (20.7%)	874 (14.3%)	57.1
	Change 2022-2027	**-23 (-1.9%)**	**-49 (-10.3%)**	**14 (2.6%)**	**-30 (-4.2%)**	**-123 (-10.0%)**	**55 (4.6%)**	**141 (19.2%)**	N/A
East	2010	3,041 (34.3%)	988 (11.1%)	1,042 (11.8%)	1,391 (15.7%)	1,163 (13.1%)	785 (8.9%)	455 (5.1%)	39.3
	2022	2,628 (30.7%)	1,044 (12.2%)	1,032 (12.1%)	981 (11.5%)	1,275 (14.9%)	1,000 (11.7%)	596 (7.0%)	40.9
	2027	2,630 (30.9%)	897 (10.5%)	990 (11.6%)	980 (11.5%)	1,199 (14.1%)	1,089 (12.8%)	729 (8.6%)	42.5
	Change 2022-2027	**2 (0.1%)**	**-147 (-14.1%)**	**-42 (-4.1%)**	**-1 (-0.1%)**	**-76 (-6.0%)**	**89 (8.9%)**	**133 (22.3%)**	N/A
Oceana County	2010	8,611 (32.4%)	2,756 (10.4%)	2,966 (11.2%)	4,028 (15.2%)	3,684 (13.9%)	2,591 (9.8%)	1,934 (7.3%)	41.7
	2022	7,615 (28.8%)	3,042 (11.5%)	2,918 (11.0%)	3,065 (11.6%)	4,071 (15.4%)	3,473 (13.1%)	2,257 (8.5%)	43.8
	2027	7,656 (29.0%)	2,622 (9.9%)	2,979 (11.3%)	2,983 (11.3%)	3,782 (14.3%)	3,713 (14.1%)	2,668 (10.1%)	44.8
	Change 2022-2027	**41 (0.5%)**	**-420 (-13.8%)**	**61 (2.1%)**	**-82 (-2.7%)**	**-289 (-7.1%)**	**240 (6.9%)**	**411 (18.2%)**	N/A
Michigan	2010	3,317,872 (33.6%)	1,164,113 (11.8%)	1,277,934 (12.9%)	1,509,979 (15.3%)	1,251,951 (12.7%)	724,679 (7.3%)	636,769 (6.4%)	38.8
	2022	3,006,023 (29.8%)	1,310,257 (13.0%)	1,210,015 (12.0%)	1,246,045 (12.4%)	1,411,666 (14.0%)	1,122,669 (11.1%)	771,254 (7.7%)	40.9
	2027	2,923,450 (29.1%)	1,230,470 (12.2%)	1,270,855 (12.6%)	1,190,891 (11.8%)	1,290,569 (12.8%)	1,224,672 (12.2%)	923,259 (9.2%)	41.8
	Change 2022-2027	**-82,573 (-2.7%)**	**-79,787 (-6.1%)**	**60,840 (5.0%)**	**-55,154 (-4.4%)**	**-121,097 (-8.6%)**	**102,003 (9.1%)**	**152,005 (19.7%)**	N/A

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2022, the median age for the population of the PSA (Oceana County) is 43.8 years, which represents a moderately higher median age when compared to the median age of 40.9 years for the state. Approximately 37.0% of the PSA population is 55 years of age or older, which represents a larger share when compared to the state (32.8%). Over two-fifths (40.3%) of the PSA population are less than 35 years of age, which is a slightly smaller share as compared to the share (42.8%) within the state. With a median age of 39.3 years, the Central Submarket has the largest share (44.9%) of population under the age of 35. Conversely, over half (51.8%) of the population within the West Submarket is age 55 and older, which results in the highest median age (56.1 years) of the three submarkets. Between 2022 and 2027, moderate growth is projected for the PSA population among the age cohorts of less than 25 years (0.5%), 35 to 44 years (2.1%), and 65 to 74 years (6.9%), while much more significant growth is projected for the population age 75 years and older (18.2%). Although all other age cohorts are projected to decrease in the PSA during this time, the largest decrease (13.8%) is projected among the age cohort of 25 to 34 years. The projected changes of the PSA population by age over the next five years are similar to the projections for the state, with the exception of the population under the age of 25 within the state is projected to decline by 2.7%. While some variation exists within the projections for the individual submarkets in regard to the cohorts under 25 years of age and 35 to 44 years, all three submarkets are projected to experience notable growth within the age cohorts of 65 and older.

The following graph compares the projected change in population by age cohort between 2022 and 2027.



Noteworthy population characteristics for each area are illustrated in the following table. Note that data included within this table is derived from multiple sources (2020 Census, ESRI, American Community Survey) and is provided for the most recent time period available for the given source.

		Population Characteristics (Year)						
		Minority Population (2020)	Unmarried Population (2022)	No High School Diploma (2022)	College Degree (2022)	< 18 Years Below Poverty Level (2021)	Overall Below Poverty Level (2021)	Movership Rate (2021)
Central	Number	2,735	4,562	1,045	2,370	581	1,601	1,453
	Percent	23.1%	48.9%	13.1%	29.6%	20.8%	14.1%	12.7%
West	Number	550	1,983	291	2,161	121	580	415
	Percent	8.9%	36.9%	5.9%	44.1%	11.3%	9.1%	6.6%
East	Number	1,114	2,710	672	1,399	279	1,237	757
	Percent	12.9%	39.4%	11.3%	23.6%	14.6%	14.5%	8.9%
Oceana County	Number	4,399	9,255	2,008	5,930	981	3,418	2,625
	Percent	16.5%	42.9%	10.7%	31.5%	17.0%	13.0%	10.0%
Michigan	Number	2,632,321	4,260,402	542,359	2,974,717	390,572	1,310,037	1,261,121
	Percent	26.1%	51.0%	7.7%	42.1%	18.2%	13.3%	12.7%

Source: U.S. Census Bureau; 2020 Census; 2017-2021 American Community Survey; ESRI; Urban Decision Group; Bowen National Research

As the preceding illustrates, minorities in the PSA (Oceana County) comprise a notably smaller share (16.5%) of the overall population as compared to the state (26.1%). Among the adult population of the PSA, 42.9% of the population is unmarried, which is a smaller share than the state share (51.0%). The share of the adult population in the PSA that lacks a high school diploma (10.7%) is higher than the share within the state (7.7%), while the share of individuals in Oceana County with a college degree (31.5%) is less than the corresponding share in the state (42.1%). Overall, 13.0% of the population within the PSA lives in poverty, which is a slightly lower share as compared to the share for the state of Michigan (13.3%). The share of children under the age of 18 years in the PSA living in poverty (17.0%) is also lower than the corresponding state share (18.2%). The movership rate (the share of the population moving within or to a given area year over year) of the PSA is 10.0%, which is less than the 12.7% rate reported within the state.

Some noteworthy observations of the population characteristics within individual submarkets include: the minority population share (23.1%), the share of unmarried population (48.9%), and the share of the adult population without a high school diploma (13.1%) in the Central Submarket; the notably higher share of the adult population (44.1%) with a college degree in the West Submarket; the slightly elevated shares of the overall population living in poverty in the Central (14.1%) and East (14.5%) submarkets; and the share of the population under 18 years of age living in poverty (20.8%) in the Central Submarket. As marital status and educational attainment typically affect household income, these factors can play an important role in the overall housing affordability of an area.

C. HOUSEHOLD CHARACTERISTICS

Households by numbers and percent change (growth or decline) for selected years are shown in the following table. Note that decreases are illustrated in red text, while increases are illustrated in green text:

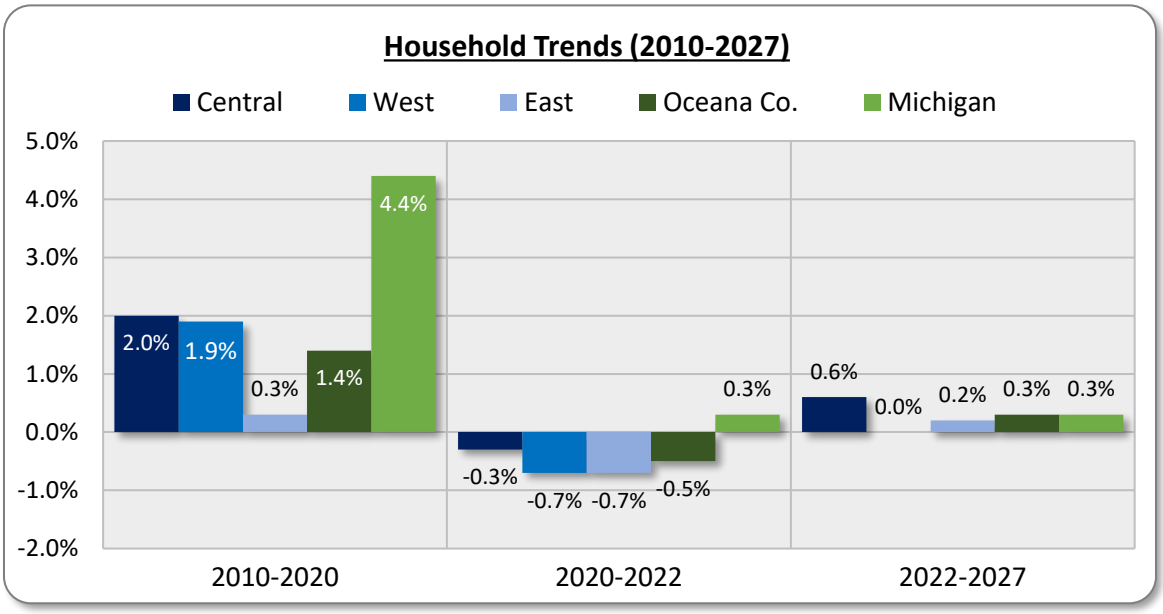
	Total Households									
	2010 Census	2020 Census	Change 2010-2020		2022 Estimated	Change 2020-2022		2027 Projected	Change 2022-2027	
			Number	Percent		Number	Percent		Number	Percent
Central	4,228	4,312	**84**	**2.0%**	4,298	**-14**	**-0.3%**	4,323	**25**	**0.6%**
West	2,671	2,722	**51**	**1.9%**	2,704	**-18**	**-0.7%**	2,705	**1**	**0.0%**
East	3,275	3,286	**11**	**0.3%**	3,264	**-22**	**-0.7%**	3,272	**8**	**0.2%**
Oceana County	10,174	10,320	**146**	**1.4%**	10,266	**-54**	**-0.5%**	10,300	**34**	**0.3%**
Michigan	3,872,302	4,041,552	**169,250**	**4.4%**	4,055,460	**13,908**	**0.3%**	4,067,324	**11,864**	**0.3%**

Source: 2010, 2020 Census; ESRI; Urban Decision Group; Bowen National Research

Between 2010 and 2022, the number of households within the PSA (Oceana County) increased by 146 (1.4%). This represents a smaller rate of increase as compared to the increase in the state of Michigan (4.4%) during this time period. Households increased in all three submarkets of the PSA during this time, with individual increases ranging between 0.3% (East Submarket) and 2.0% (Central Submarket). In 2022, there are an estimated 10,266 households in Oceana County, which represents a 0.5% decrease in households from 2020. The number of households within all three submarkets decreased between 2020 and 2022, with individual declines ranging between 0.3% and 0.7%. In 2022, the Central Submarket comprises over two-fifths (41.9%) of the total households within the PSA, followed by the East Submarket (31.8%) and the West Submarket (26.3%). Between 2022 and 2027, the number of households in the PSA is projected to increase by 34 (0.3%), of which 73.5% are projected to be within the Central Submarket. Although the PSA is projected to have household growth that equals the growth projected for the state (0.3%) over the next five years, the growth within the Central Submarket (0.6%) is notably higher.

While the projected increase in households within Oceana County will likely result in additional demand for housing in the market, household growth alone does not dictate the total housing needs of a market. Other factors that affect housing needs, which are addressed throughout this report, include: households living in substandard or cost-burdened housing, commuting patterns, pent-up demand, availability of existing housing, and product in the development pipeline.

The following graph compares the percent change in households between 2010 and 2027:



Household heads by age cohorts for selected years are shown in the following table. Note that five-year projected declines are in red, while increases are in green:

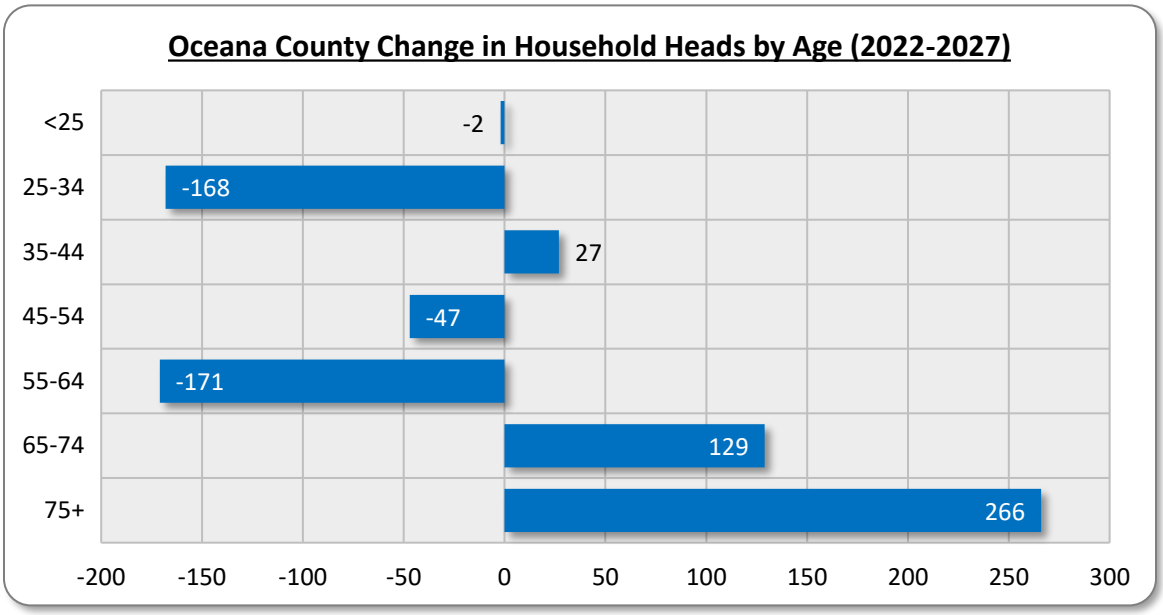
		Household Heads by Age						
		<25	25 to 34	35 to 44	45 to 54	55 to 64	65 to 74	75+
Central	2010	158 (3.7%)	533 (12.6%)	683 (16.2%)	917 (21.7%)	783 (18.5%)	588 (13.9%)	564 (13.3%)
	2022	131 (3.0%)	623 (14.5%)	686 (16.0%)	693 (16.1%)	853 (19.8%)	747 (17.4%)	565 (13.1%)
	2027	128 (3.0%)	535 (12.4%)	732 (16.9%)	668 (15.5%)	803 (18.6%)	804 (18.6%)	653 (15.1%)
	Change 2022-2027	**-3 (-2.3%)**	**-88 (-14.1%)**	**46 (6.7%)**	**-25 (-3.6%)**	**-50 (-5.9%)**	**57 (7.6%)**	**88 (15.6%)**
West	2010	54 (2.0%)	220 (8.2%)	312 (11.7%)	531 (19.9%)	656 (24.6%)	498 (18.6%)	400 (15.0%)
	2022	40 (1.5%)	194 (7.2%)	258 (9.5%)	373 (13.8%)	678 (25.1%)	677 (25.0%)	484 (17.9%)
	2027	40 (1.5%)	173 (6.4%)	262 (9.7%)	354 (13.1%)	604 (22.3%)	700 (25.9%)	572 (21.1%)
	Change 2022-2027	0 (0.0%)	**-21 (-10.8%)**	**4 (1.6%)**	**-19 (-5.1%)**	**-74 (-10.9%)**	**23 (3.4%)**	**88 (18.2%)**
East	2010	85 (2.6%)	413 (12.6%)	521 (15.9%)	759 (23.2%)	678 (20.7%)	501 (15.3%)	318 (9.7%)
	2022	69 (2.1%)	433 (13.3%)	505 (15.5%)	520 (15.9%)	731 (22.4%)	603 (18.5%)	403 (12.3%)
	2027	70 (2.1%)	374 (11.4%)	482 (14.7%)	517 (15.8%)	684 (20.9%)	652 (19.9%)	493 (15.1%)
	Change 2022-2027	**1 (1.4%)**	**-59 (-13.6%)**	**-23 (-4.6%)**	**-3 (-0.6%)**	**-47 (-6.4%)**	**49 (8.1%)**	**90 (22.3%)**
Oceana County	2010	294 (2.9%)	1,165 (11.5%)	1,520 (14.9%)	2,201 (21.6%)	2,121 (20.8%)	1,590 (15.6%)	1,283 (12.6%)
	2022	240 (2.3%)	1,250 (12.2%)	1,449 (14.1%)	1,586 (15.4%)	2,262 (22.0%)	2,027 (19.7%)	1,452 (14.1%)
	2027	238 (2.3%)	1,082 (10.5%)	1,476 (14.3%)	1,539 (14.9%)	2,091 (20.3%)	2,156 (20.9%)	1,718 (16.7%)
	Change 2022-2027	**-2 (-0.8%)**	**-168 (-13.4%)**	**27 (1.9%)**	**-47 (-3.0%)**	**-171 (-7.6%)**	**129 (6.4%)**	**266 (18.3%)**
Michigan	2010	170,982 (4.4%)	525,833 (13.6%)	678,259 (17.5%)	844,895 (21.8%)	746,394 (19.3%)	463,569 (12.0%)	442,370 (11.4%)
	2022	150,466 (3.7%)	572,672 (14.1%)	630,554 (15.5%)	677,148 (16.7%)	814,827 (20.1%)	695,910 (17.2%)	513,883 (12.7%)
	2027	144,849 (3.6%)	535,146 (13.2%)	653,008 (16.1%)	642,114 (15.8%)	736,410 (18.1%)	749,254 (18.4%)	606,543 (14.9%)
	Change 2022-2027	**-5,617 (-3.7%)**	**-37,526 (-6.6%)**	**22,454 (3.6%)**	**-35,034 (-5.2%)**	**-78,417 (-9.6%)**	**53,344 (7.7%)**	**92,660 (18.0%)**

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2022, household heads between the ages of 55 and 64 within the PSA (Oceana County) comprise the largest share (22.0%) of all households in the PSA. Household heads between the ages of 65 and 74 (19.7%) and those between the ages of 45 and 54 (15.4%) comprise the next largest shares of the total households in the PSA. Overall, senior households (age 55 and older) constitute well over one-half (55.8%) of all households within the PSA. This represents a larger overall share of senior households when compared to the share within the state (50.0%). Household heads under the age of 35, which are typically more likely to be renters or first-time homebuyers, comprise 14.5% of PSA households. This represents a smaller share of such households when compared to the state (17.8%). Among the three submarkets, the West Submarket has the largest share (68.0%) of households age 55 and older. This is a much higher share as compared to the Central (50.3%) and East (53.2%) submarkets. Conversely, the shares of households under the age of 35 are highest within the Central (17.5%) and East (15.4%) submarkets. While the shares of middle-aged households (between the ages of 35 and 54) are similar in the Central (32.1%) and East (31.4%) submarkets, the West Submarket has a notably smaller share (23.3%) of such households.

Between 2022 and 2027, projections indicate significant household growth in the PSA among household heads ages 75 and older (18.3%). Households age 35 to 44 and those between the ages of 65 and 74 are projected to increase by 1.9% and 6.4%, respectively. All other age cohorts are projected to experience declines (between 0.8% and 13.4%) during this time period, with the largest percentage decline projected for the age cohort 25 to 34 (13.4%). Within the individual submarkets, the changes in households by age cohort are mostly consistent with projections for the PSA and the state of Michigan over the next five years. While all three submarkets are projected to experience significant growth of households ages 65 and older, some other notable areas of change in the submarkets include the increase of households between the ages of 35 and 44 (6.7%) in the Central Submarket and the 4.6% decline of this same age cohort in the East Submarket. The aforementioned changes in households by age in the PSA and submarkets will likely have an impact on the area housing market, particularly the demand for senior-oriented housing in the county.

The following graph illustrates the projected change in households by age.



Households by tenure (renters and owners) for selected years are shown in the following table. Note that 2027 numbers which represent a decrease from 2022 are illustrated in red text, while increases are illustrated in green text.

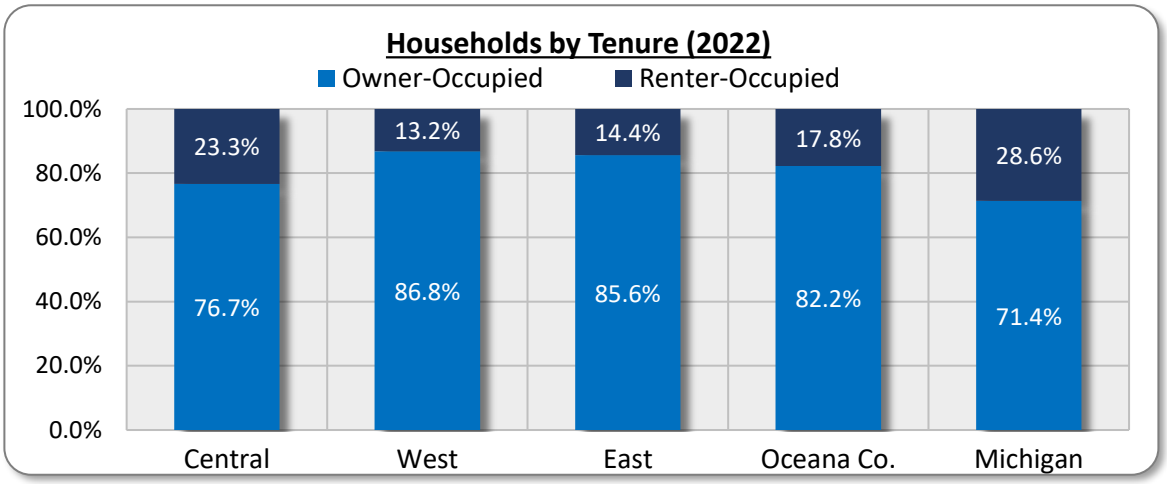
	Households by Tenure								
		2000		2010		2022		2027	
	Household Type	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Central	Owner-Occupied	3,229	78.4%	3,197	75.6%	3,296	76.7%	**3,340**	**77.3%**
	Renter-Occupied	890	21.6%	1,030	24.4%	1,002	23.3%	**983**	**22.7%**
	Total	4,119	100.0%	4,227	100.0%	4,298	100.0%	**4,323**	100.0%
West	Owner-Occupied	2,152	85.7%	2,312	86.5%	2,348	86.8%	**2,358**	**87.2%**
	Renter-Occupied	360	14.3%	360	13.5%	356	13.2%	**347**	**12.8%**
	Total	2,512	100.0%	2,672	100.0%	2,704	100.0%	**2,705**	100.0%
East	Owner-Occupied	2,706	86.0%	2,762	84.3%	2,795	85.6%	**2,814**	**86.0%**
	Renter-Occupied	441	14.0%	513	15.7%	469	14.4%	**458**	**14.0%**
	Total	3,147	100.0%	3,275	100.0%	3,264	100.0%	**3,272**	100.0%
Oceana County	Owner-Occupied	8,087	82.7%	8,271	81.3%	8,439	82.2%	**8,512**	**82.6%**
	Renter-Occupied	1,691	17.3%	1,903	18.7%	1,827	17.8%	**1,788**	**17.4%**
	Total	9,778	100.0%	10,174	100.0%	10,266	100.0%	**10,300**	100.0%
Michigan	Owner-Occupied	2,792,684	73.8%	2,793,208	72.1%	2,895,751	71.4%	**2,936,335**	**72.2%**
	Renter-Occupied	991,785	26.2%	1,079,094	27.9%	1,159,709	28.6%	**1,130,990**	**27.8%**
	Total	3,784,469	100.0%	3,872,302	100.0%	4,055,460	100.0%	**4,067,325**	100.0%

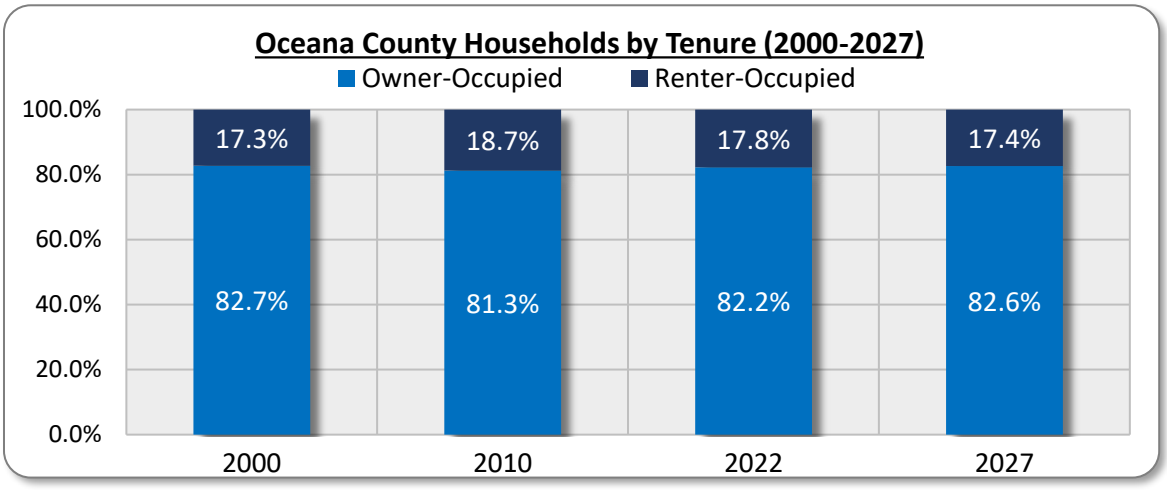
Source: 2000 Census; 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2022, there is an 82.2% share of *owner* households and a 17.8% share of *renter* households in the PSA (Oceana County). This represents a nine-tenths percentage point increase in share of owner households in the PSA between 2010 and 2022. Owner households in the PSA comprise a much higher share (82.2%) of the total households as compared to the share in the state (71.4%).

While the shares of renter households in all three submarkets (between 13.2% and 23.3%) are less than the share for the state (28.6%), the Central Submarket has the highest share (23.3%) of such households in the PSA. Between 2022 and 2027, the number of *owner* households is projected to increase by 0.9% (73 households) in the PSA, while the number of renter households is projected to decrease by 2.1% (39 households). Among the PSA submarkets, the largest growth of owner households is projected to occur within the Central Submarket (1.3%, or 44 households), while renter households in each submarket are projected to decline at similar rates (between 1.9% and 2.5%). Although these tenure projections will likely have a moderate impact on the local housing market in the next five years, changes in home mortgage interest rates and home construction costs, which have increased significantly in recent years, can greatly influence the accuracy of tenure projections. As such, these factors should also be a part of future housing development evaluations.

The following graphs illustrate households by tenure for the various submarkets for 2022 and the households by tenure for the entirety of Oceana County from 2000 and projected to 2027:





Renter households by size for selected years are shown in the following table for the PSA (Oceana County), the three PSA submarkets, and the state of Michigan.

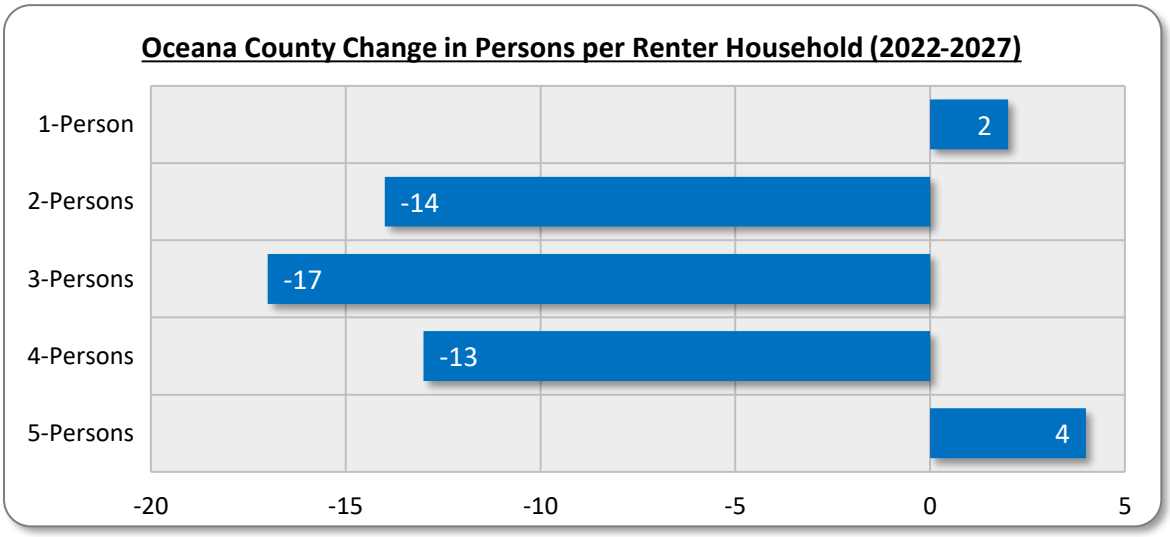
		Persons Per Renter Household						
		1-Person	2-Person	3-Person	4-Person	5-Person	Total	Average H.H. Size
Central	2010	360 (35.0%)	240 (23.3%)	145 (14.0%)	95 (9.3%)	190 (18.4%)	1,030 (100.0%)	2.53
	2022	380 (37.9%)	237 (23.7%)	129 (12.9%)	76 (7.6%)	180 (18.0%)	1,002 (100.0%)	2.44
	2027	385 (39.1%)	229 (23.3%)	119 (12.1%)	68 (6.9%)	183 (18.6%)	983 (100.0%)	2.43
West	2010	134 (37.2%)	124 (34.5%)	14 (4.0%)	16 (4.4%)	72 (19.9%)	360 (100.0%)	2.35
	2022	158 (44.3%)	108 (30.4%)	33 (9.3%)	30 (8.4%)	27 (7.6%)	356 (100.0%)	2.05
	2027	163 (47.1%)	102 (29.4%)	30 (8.6%)	27 (7.7%)	25 (7.3%)	347 (100.0%)	1.99
East	2010	157 (30.6%)	115 (22.4%)	67 (13.0%)	82 (15.9%)	92 (18.0%)	513 (100.0%)	2.68
	2022	111 (23.7%)	113 (24.0%)	55 (11.7%)	39 (8.3%)	151 (32.3%)	469 (100.0%)	3.02
	2027	92 (20.1%)	97 (21.3%)	44 (9.6%)	32 (7.1%)	192 (42.0%)	458 (100.0%)	3.30
Oceana County	2010	647 (34.0%)	469 (24.6%)	235 (12.3%)	201 (10.5%)	352 (18.5%)	1,903 (100.0%)	2.55
	2022	651 (35.6%)	455 (24.9%)	218 (11.9%)	144 (7.9%)	358 (19.6%)	1,827 (100.0%)	2.51
	2027	653 (36.5%)	441 (24.7%)	201 (11.2%)	131 (7.3%)	362 (20.2%)	1,788 (100.0%)	2.50
Michigan	2010	448,903 (41.6%)	282,183 (26.1%)	152,152 (14.1%)	109,096 (10.1%)	86,759 (8.0%)	1,079,094 (100.0%)	2.17
	2022	509,808 (44.0%)	316,021 (27.3%)	151,458 (13.1%)	104,838 (9.0%)	77,585 (6.7%)	1,159,709 (100.0%)	2.07
	2027	502,940 (44.5%)	309,372 (27.4%)	145,607 (12.9%)	99,739 (8.8%)	73,332 (6.5%)	1,130,990 (100.0%)	2.05

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

With an average renter household size of 2.51 in 2022, one- and two-person households comprise approximately three-fifths (60.5%) of all renter households within the PSA (Oceana County). This is a smaller share of such households compared to those within the state overall (71.3%), which has an average renter household size of 2.07 persons. Conversely, over one-fourth (27.5%) of renter households in the PSA consist of four- and five-person households, which is a notably larger share as compared to the state (15.7%). Specifically, the share of five-person renter households (19.6%) in the PSA is remarkably high as compared to the corresponding share within the state (6.7%). Among the three submarkets of the PSA, the West Submarket has the smallest average renter household size (2.05 persons per household), while the East Submarket has the largest (3.02 persons per household). This is due to the significant share (74.7%) of one- and two-person renter households in the West

Submarket and the exceptionally large share (32.3%) of five-person renter households in the East Submarket. It is likely that the unusually high share of larger household sizes is attributed to the farm labor housing alternatives in the market that often house a large number of workers within a single unit. Although the total number of renter households in the PSA is projected to decrease by 2.1% over the next five years, which will result in a marginal decrease in the average renter household size (2.50 persons per household) in the PSA, the most notable change is the 27.2% projected increase of five-person renter households within the East Submarket. This will result in a significant increase in the average renter household size (3.30 persons per household) in this submarket by 2027. The existing distribution of renter households by size and projected changes should be considered when evaluating the housing needs of an area.

The following graph shows the projected change in persons per *renter* household between 2022 and 2027:



Owner households by size for selected years are shown in the following table for the PSA (Oceana County), the three PSA submarkets, and the state of Michigan.

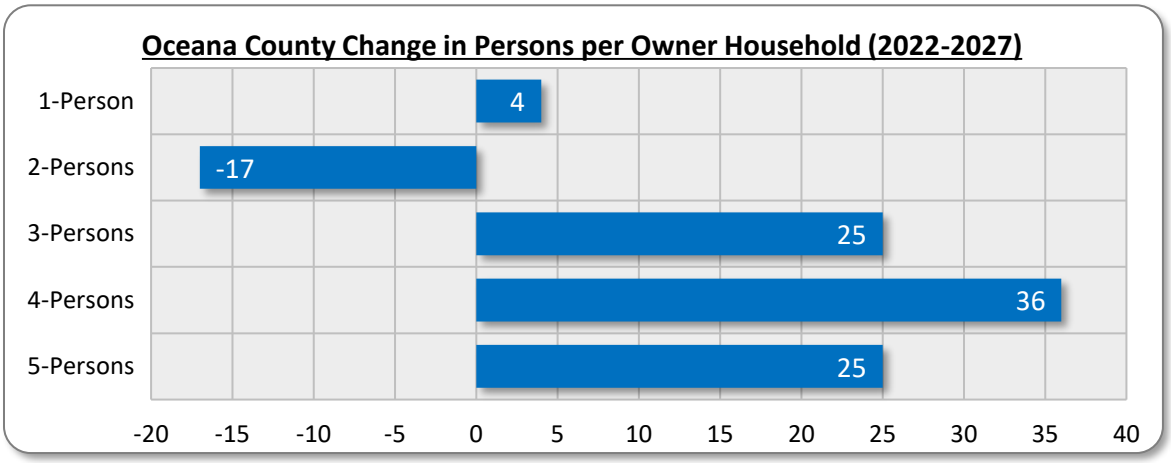
		Persons Per Owner Household						
		1-Person	2-Person	3-Person	4-Person	5-Person	Total	Average H.H. Size
Central	2010	698 (21.9%)	1,356 (42.4%)	437 (13.7%)	361 (11.3%)	344 (10.8%)	3,197 (100.0%)	2.47
	2022	789 (23.9%)	1,187 (36.0%)	440 (13.3%)	526 (15.9%)	358 (10.9%)	3,301 (100.0%)	2.54
	2027	825 (24.7%)	1,152 (34.5%)	442 (13.2%)	547 (16.4%)	374 (11.2%)	3,340 (100.0%)	2.55
West	2010	601 (26.0%)	1,030 (44.6%)	316 (13.7%)	190 (8.2%)	175 (7.6%)	2,312 (100.0%)	2.27
	2022	497 (21.2%)	1,208 (51.4%)	304 (12.9%)	209 (8.9%)	131 (5.6%)	2,348 (100.0%)	2.26
	2027	479 (20.3%)	1,214 (51.5%)	322 (13.6%)	204 (8.7%)	139 (5.9%)	2,358 (100.0%)	2.28
East	2010	638 (23.1%)	1,055 (38.2%)	388 (14.0%)	321 (11.6%)	360 (13.0%)	2,762 (100.0%)	2.53
	2022	557 (19.9%)	1,204 (43.1%)	364 (13.0%)	346 (12.4%)	324 (11.6%)	2,795 (100.0%)	2.53
	2027	548 (19.5%)	1,204 (42.8%)	368 (13.1%)	364 (12.9%)	330 (11.7%)	2,814 (100.0%)	2.55
Oceana County	2010	1,935 (23.4%)	3,441 (41.6%)	1,140 (13.8%)	874 (10.6%)	882 (10.7%)	8,271 (100.0%)	2.44
	2022	1,846 (21.9%)	3,597 (42.6%)	1,107 (13.1%)	1,081 (12.8%)	808 (9.6%)	8,439 (100.0%)	2.46
	2027	1,850 (21.7%)	3,580 (42.1%)	1,132 (13.3%)	1,117 (13.1%)	833 (9.8%)	8,512 (100.0%)	2.47
Michigan	2010	662,549 (23.7%)	1,048,850 (37.5%)	430,992 (15.4%)	390,770 (14.0%)	260,048 (9.3%)	2,793,208 (100.0%)	2.48
	2022	707,722 (24.4%)	1,103,281 (38.1%)	441,892 (15.3%)	378,185 (13.1%)	264,672 (9.1%)	2,895,751 (100.0%)	2.44
	2027	719,481 (24.5%)	1,117,713 (38.1%)	448,627 (15.3%)	381,972 (13.0%)	268,543 (9.1%)	2,936,335 (100.0%)	2.44

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

With an average owner household size of 2.46 in 2022, one- and two-person households comprise nearly two-thirds (64.5%) of all owner households within the PSA (Oceana County). This is a slightly larger share of such households compared to those within the state overall (62.5%), which has an average owner household size of 2.44 persons. In addition to the total number of owner households in the PSA projected to increase by 0.9% over the next five years, all owner household size cohorts, except for two-person households, are projected to experience a moderate increase (between 0.2% and 3.3%) in number. Overall, this will result in a slightly larger average owner household size (2.47 persons) in the PSA as four-person and five-person households are projected to increase by 3.3% and 3.1%, respectively. Among the three submarkets of the PSA, the West Submarket has the smallest average owner household size (2.26 persons per household), while the East and Central

submarkets have very similar average household sizes (2.53 and 2.54 persons, respectively. Among the most notable variation of distribution within the submarkets is the high share of two-person households in the West Submarket (51.4%). With an overall increase in the number of owner households in the PSA and each submarket over the next five years and an increase among most household sizes, demand in the market among the for-sale product will likely increase through 2027.

The following graph illustrates the projected change in persons per *owner* household between 2022 and 2027:



Median household income for selected years is shown in the following table:

	Median Household Income				
	2010 Census	2022 Estimated	% Change 2010-2022	2027 Projected	% Change 2022-2027
Central	$36,728	$57,103	55.5%	$65,040	13.9%
West	$42,133	$66,818	58.6%	$76,342	14.3%
East	$33,473	$55,796	66.7%	$62,308	11.7%
Oceana County	$37,021	$58,499	58.0%	$66,009	12.8%
Michigan	$46,042	$65,522	42.3%	$75,988	16.0%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

As the preceding table illustrates, the median household income for the PSA (Oceana County) in 2022 is $58,499, which represents an increase of 58.0% over the median household income in 2010. The estimated median household income in the PSA in 2022 is approximately 10.7% lower than the median income for the state ($65,522). The West Submarket is the only submarket in the PSA with a median household income ($66,818) which exceeds that of the state. In contrast, the median household incomes within the Central ($57,103) and East ($55,796) submarkets are considerably less. Although moderate increases in median household income are projected for the PSA (12.8%) and the submarkets (between 11.7% and 14.3%) between 2022 and 2027, these represent smaller increases as compared to the state (16.0%) for this time period.

The distribution of *renter* households by income is illustrated in the following table. Note that declines between 2022 and 2027 are in red, while increases are in green:

		Renter Households by Income							
		<$10,000	$10,000 - $19,999	$20,000 - $29,999	$30,000 - $39,999	$40,000 - $49,999	$50,000 - $59,999	$60,000 - $99,999	$100,000+
Central	2010	178 (17.3%)	271 (26.3%)	217 (21.1%)	126 (12.2%)	97 (9.4%)	48 (4.7%)	80 (7.8%)	13 (1.3%)
	2022	99 (9.9%)	154 (15.4%)	179 (17.8%)	132 (13.2%)	105 (10.5%)	85 (8.5%)	175 (17.5%)	73 (7.3%)
	2027	76 (7.7%)	110 (11.2%)	160 (16.3%)	130 (13.2%)	107 (10.9%)	101 (10.3%)	211 (21.5%)	88 (8.9%)
	Change 2022-2027	**-23 (-23.2%)**	**-44 (-28.6%)**	**-19 (-10.6%)**	**-2 (-1.5%)**	**2 (1.9%)**	**16 (18.8%)**	**36 (20.6%)**	**15 (20.5%)**
West	2010	58 (16.1%)	93 (25.8%)	75 (21.0%)	45 (12.4%)	35 (9.6%)	16 (4.5%)	31 (8.5%)	7 (2.1%)
	2022	30 (8.4%)	49 (13.9%)	64 (18.1%)	49 (13.7%)	34 (9.5%)	30 (8.4%)	69 (19.3%)	32 (8.9%)
	2027	24 (6.9%)	39 (11.3%)	66 (19.1%)	51 (14.6%)	35 (10.0%)	27 (7.9%)	64 (18.5%)	40 (11.6%)
	Change 2022-2027	**-6 (-20.0%)**	**-10 (-20.4%)**	**2 (3.1%)**	**2 (4.1%)**	**1 (2.9%)**	**-3 (-10.0%)**	**-5 (-7.2%)**	**8 (25.0%)**
East	2010	103 (20.2%)	151 (29.5%)	113 (22.0%)	55 (10.8%)	38 (7.5%)	18 (3.5%)	30 (5.9%)	4 (0.7%)
	2022	54 (11.4%)	77 (16.3%)	78 (16.6%)	58 (12.4%)	47 (10.1%)	47 (10.0%)	86 (18.3%)	23 (4.8%)
	2027	40 (8.8%)	57 (12.4%)	72 (15.7%)	54 (11.8%)	42 (9.3%)	57 (12.5%)	108 (23.6%)	27 (5.8%)
	Change 2022-2027	**-14 (-25.9%)**	**-20 (-26.0%)**	**-6 (-7.7%)**	**-4 (-6.9%)**	**-5 (-10.6%)**	**10 (21.3%)**	**22 (25.6%)**	**4 (17.4%)**
Oceana County	2010	339 (17.8%)	515 (27.1%)	406 (21.3%)	226 (11.9%)	169 (8.9%)	82 (4.3%)	141 (7.4%)	24 (1.3%)
	2022	182 (10.0%)	280 (15.3%)	321 (17.6%)	239 (13.1%)	186 (10.2%)	162 (8.9%)	330 (18.1%)	127 (6.9%)
	2027	140 (7.8%)	207 (11.6%)	299 (16.7%)	234 (13.1%)	184 (10.3%)	186 (10.4%)	384 (21.5%)	155 (8.7%)
	Change 2022-2027	**-42 (-23.1%)**	**-73 (-26.1%)**	**-22 (-6.9%)**	**-5 (-2.1%)**	**-2 (-1.1%)**	**24 (14.8%)**	**54 (16.4%)**	**28 (22.0%)**
Michigan	2010	199,712 (18.5%)	246,606 (22.9%)	177,623 (16.5%)	132,096 (12.2%)	102,309 (9.5%)	60,184 (5.6%)	120,836 (11.2%)	39,728 (3.7%)
	2022	126,236 (10.9%)	162,922 (14.0%)	158,818 (13.7%)	141,901 (12.2%)	118,492 (10.2%)	91,450 (7.9%)	233,472 (20.1%)	126,418 (10.9%)
	2027	96,335 (8.5%)	124,306 (11.0%)	134,987 (11.9%)	129,810 (11.5%)	112,280 (9.9%)	96,092 (8.5%)	267,397 (23.6%)	169,784 (15.0%)
	Change 2022-2027	**-29,901 (-23.7%)**	**-38,616 (-23.7%)**	**-23,831 (-15.0%)**	**-12,091 (-8.5%)**	**-6,212 (-5.2%)**	**4,642 (5.1%)**	**33,925 (14.5%)**	**43,366 (34.3%)**

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2022, over two-fifths (42.9%) of *renter* households within the PSA (Oceana County) earn less than $30,000 annually. This is a higher share of such households when compared to the state (38.6%). Nearly one-third (32.2%) of renter households in the PSA earn between $30,000 and $59,999 annually, while the remaining 25.0% of renter households earn $60,000 or more annually. This represents a smaller share of higher income renter households (earning $60,000 or more annually) than the share within the state (31.0%). Within the submarkets of the PSA, the share of renter households earning less than $30,000 annually is highest within the East (44.3%) and Central (43.1%) submarkets. Conversely, the share of renter households earning $60,000 or more is highest within the West Submarket (28.2%). The share of middle income renter households (those earning between $30,000 and $60,000) is similar in all three submarkets, with individual shares ranging between 31.6% (West Submarket) and 32.5% (East Submarket). Overall, the distribution of renter households by income within the PSA and the three submarkets is more heavily concentrated among the lower and middle income cohorts as compared to the state.

Between 2022 and 2027, all renter household income cohorts earning less than $50,000 in the PSA are projected to decrease, while all income cohorts earning more than $50,000 are projected to increase. The largest increase (22.0%) of renter households by income in the PSA over the next five years is projected among those earning $100,000 or more, although renter households earning between $50,000 and $99,999 are also projected to have noteworthy increases. There is some degree of variation for the projected changes of renter households by income within the three submarkets. While the Central and East submarkets have considerable growth projected over the next five years for renter households earning $50,000 or more, no net change is projected for the West Submarket within this combined income cohort. The projected increases among the highest income cohorts for the PSA and the Central and East submarkets are generally consistent with statewide projections during this time period. While the overall number of renter households in the PSA is projected to decline by 2.1% over the next five years, the increase among the higher earning renter households in Oceana County will likely have an impact on the rental market in the area.

The following table shows the distribution of *owner* households by income. Note that declines between 2022 and 2027 are in red, while increases are in green:

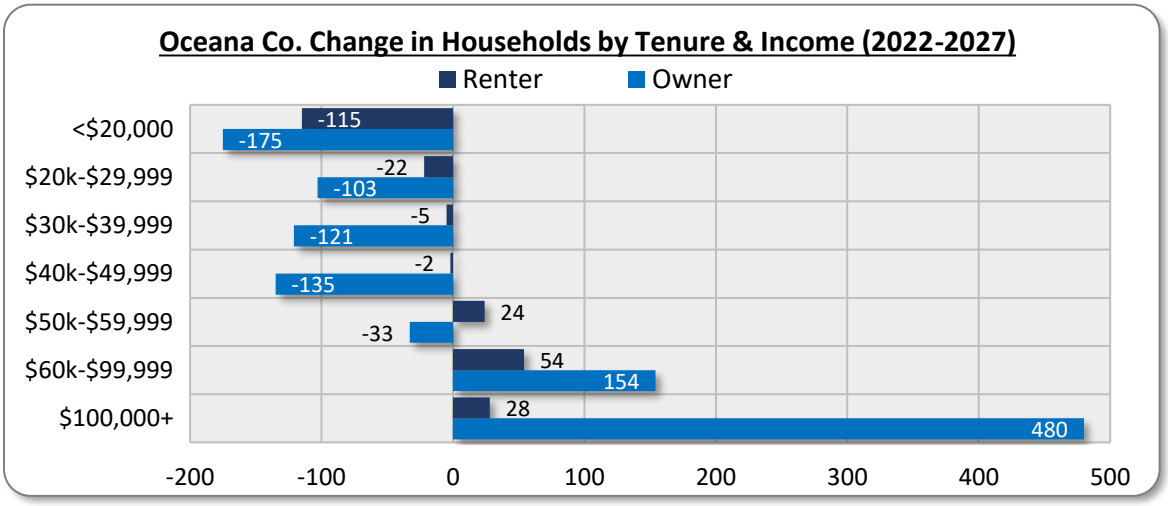
		Owner Households by Income							
		<$10,000	$10,000 - $19,999	$20,000 - $29,999	$30,000 - $39,999	$40,000 - $49,999	$50,000 - $59,999	$60,000 - $99,999	$100,000+
Central	2010	188 (5.9%)	370 (11.6%)	488 (15.3%)	470 (14.7%)	461 (14.4%)	332 (10.4%)	644 (20.1%)	243 (7.6%)
	2022	100 (3.0%)	188 (5.7%)	294 (8.9%)	300 (9.1%)	305 (9.2%)	331 (10.0%)	999 (30.3%)	784 (23.8%)
	2027	78 (2.3%)	135 (4.0%)	239 (7.1%)	249 (7.5%)	258 (7.7%)	330 (9.9%)	1,107 (33.1%)	944 (28.3%)
	Change 2022-2027	**-22 (-22.0%)**	**-53 (-28.2%)**	**-55 (-18.7%)**	**-51 (-17.0%)**	**-47 (-15.4%)**	**-1 (-0.3%)**	**108 (10.8%)**	**160 (20.4%)**
West	2010	113 (4.9%)	236 (10.2%)	321 (13.9%)	319 (13.8%)	319 (13.8%)	221 (9.5%)	506 (21.9%)	276 (11.9%)
	2022	58 (2.5%)	114 (4.8%)	198 (8.4%)	203 (8.7%)	179 (7.6%)	209 (8.9%)	742 (31.6%)	644 (27.4%)
	2027	49 (2.1%)	93 (3.9%)	190 (8.0%)	184 (7.8%)	157 (6.7%)	165 (7.0%)	658 (27.9%)	863 (36.6%)
	Change 2022-2027	**-9 (-15.5%)**	**-21 (-18.4%)**	**-8 (-4.0%)**	**-19 (-9.4%)**	**-22 (-12.3%)**	**-44 (-21.1%)**	**-84 (-11.3%)**	**219 (34.0%)**
East	2010	212 (7.7%)	401 (14.5%)	496 (18.0%)	410 (14.8%)	364 (13.2%)	250 (9.0%)	488 (17.7%)	142 (5.2%)
	2022	111 (4.0%)	188 (6.7%)	256 (9.2%)	260 (9.3%)	270 (9.6%)	355 (12.7%)	883 (31.6%)	471 (16.9%)
	2027	88 (3.1%)	143 (5.1%)	217 (7.7%)	208 (7.4%)	204 (7.2%)	368 (13.1%)	1,014 (36.0%)	573 (20.4%)
	Change 2022-2027	**-23 (-20.7%)**	**-45 (-23.9%)**	**-39 (-15.2%)**	**-52 (-20.0%)**	**-66 (-24.4%)**	**13 (3.7%)**	**131 (14.8%)**	**102 (21.7%)**
Oceana County	2010	513 (6.2%)	1,007 (12.2%)	1,304 (15.8%)	1,199 (14.5%)	1,145 (13.8%)	803 (9.7%)	1,638 (19.8%)	661 (8.0%)
	2022	270 (3.2%)	490 (5.8%)	748 (8.9%)	763 (9.0%)	754 (8.9%)	895 (10.6%)	2,624 (31.1%)	1,900 (22.5%)
	2027	215 (2.5%)	370 (4.4%)	645 (7.6%)	642 (7.5%)	619 (7.3%)	862 (10.1%)	2,778 (32.6%)	2,380 (28.0%)
	Change 2022-2027	**-55 (-20.4%)**	**-120 (-24.5%)**	**-103 (-13.8%)**	**-121 (-15.9%)**	**-135 (-17.9%)**	**-33 (-3.7%)**	**154 (5.9%)**	**480 (25.3%)**
Michigan	2010	135,263 (4.8%)	233,420 (8.4%)	278,350 (10.0%)	300,038 (10.7%)	283,387 (10.1%)	274,521 (9.8%)	702,775 (25.2%)	585,454 (21.0%)
	2022	80,319 (2.8%)	131,782 (4.6%)	185,563 (6.4%)	220,625 (7.6%)	218,468 (7.5%)	235,521 (8.1%)	748,158 (25.8%)	1,075,315 (37.1%)
	2027	62,603 (2.1%)	99,802 (3.4%)	149,805 (5.1%)	186,195 (6.3%)	189,502 (6.5%)	216,728 (7.4%)	736,291 (25.1%)	1,295,408 (44.1%)
	Change 2022-2027	**-17,716 (-22.1%)**	**-31,980 (-24.3%)**	**-35,758 (-19.3%)**	**-34,430 (-15.6%)**	**-28,966 (-13.3%)**	**-18,793 (-8.0%)**	**-11,867 (-1.6%)**	**220,093 (20.5%)**

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2022, slightly over half (53.6%) of *owner* households in the PSA (Oceana County) earn $60,000 or more annually, which represents a distinctly smaller share as compared to the state (62.9%). Approximately 17.9% of owner households in the PSA earn less than $30,000, while the remaining 28.5% earn between $30,000 and $59,999. As such, the overall distribution of owner households by income in the PSA is more heavily weighted toward the lower and middle income cohorts compared to that within the state. Within the individual submarkets of the PSA, the share of owner households earning $60,000 or more annually is highest within the West Submarket (59.0%). In contrast, the East Submarket has the largest shares of owner households earning less than $30,000 (19.9%) and those earning between $30,000 and $60,000 (31.6%).

Between 2022 and 2027, growth among owner households in the PSA and each submarket will be primarily isolated to those earning $60,000 or more annually, with those earning $100,000 or more increasing by 25.3% in the entirety of the PSA. Although notable declines are projected for all income cohorts earning less than $60,000 in the PSA, the most prominent declines are projected for owner households earning less than $20,000 annually. While the projected increase among the highest earning households and decrease among lower earning households is generally consistent with statewide projections over the next five years, growth at the state level is only projected for households earning $100,000 or more. With the overall number of owner households in the PSA projected to increase slightly (0.9%) between 2022 and 2027 and a notable shift in the distribution of owner households by income, these projected changes should be considered when evaluating the for-sale housing market in Oceana County.

The following graph illustrates household income growth by tenure between 2022 and 2027.

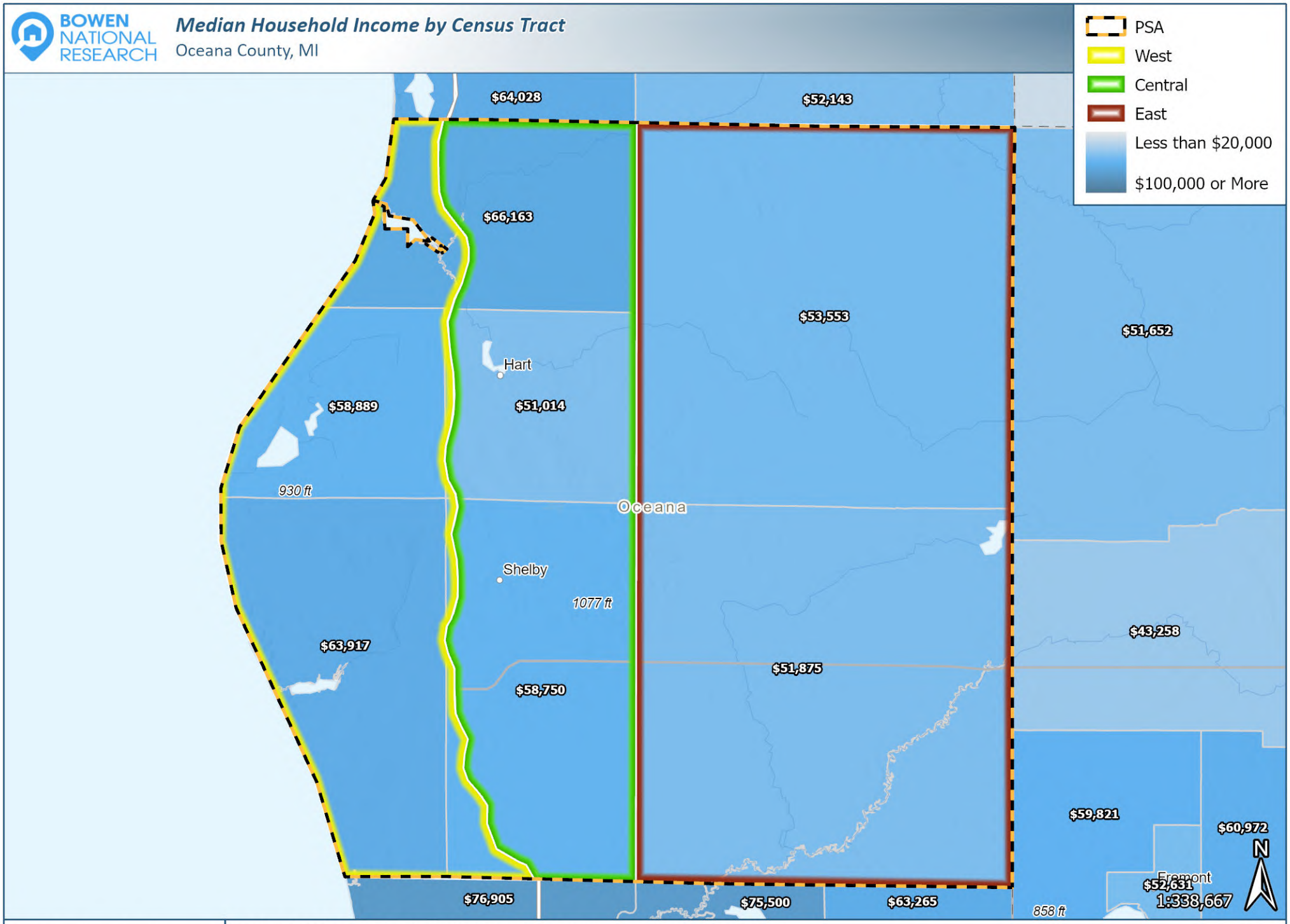


D. DEMOGRAPHIC THEME MAPS

The following demographic theme maps for the study area are presented after this page:

- Median Household Income
- Renter Household Share
- Owner Household Share
- Older Adult Population Share (55 + years)
- Younger Adult Population Share (20 to 34 years)
- Population Density

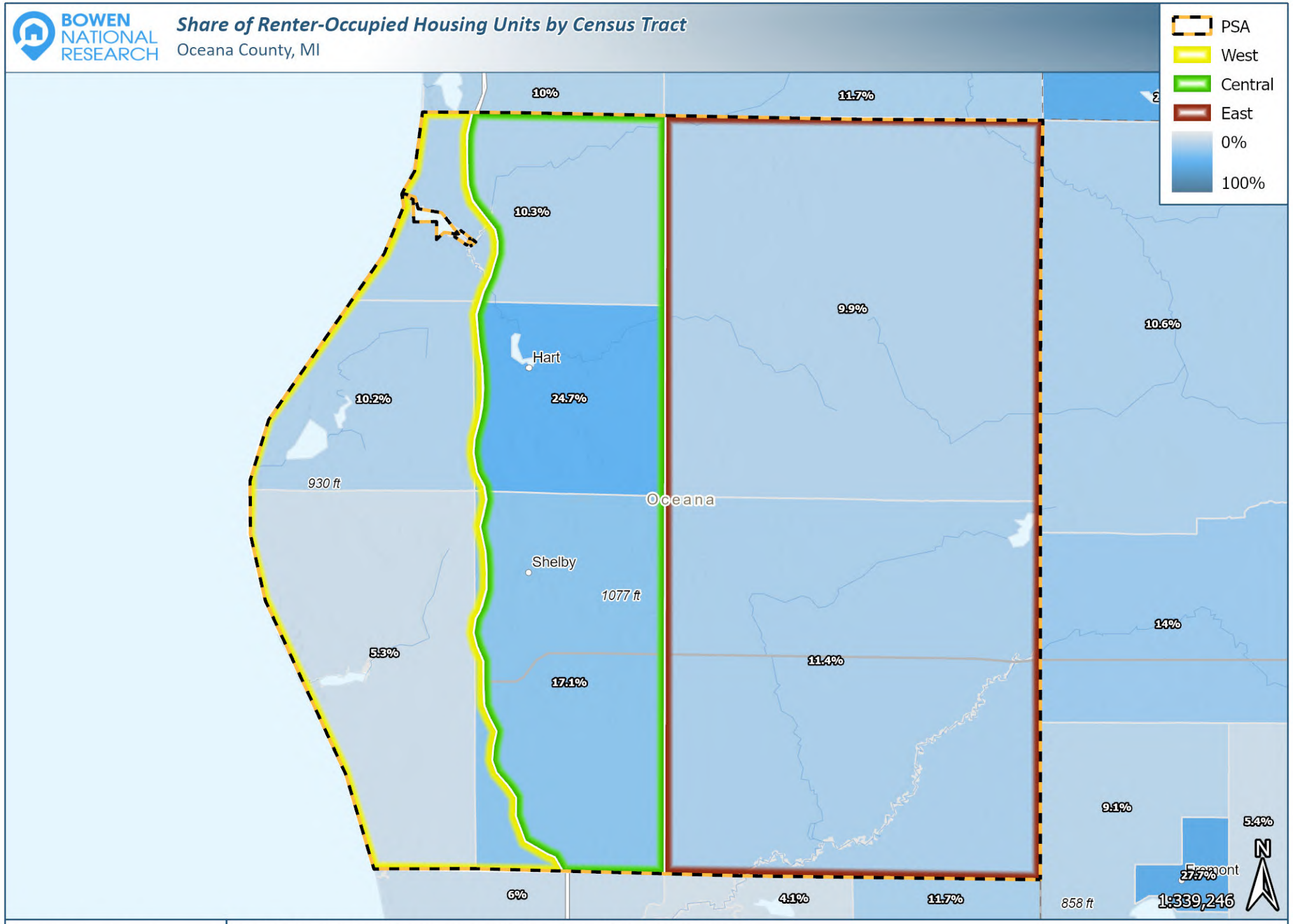
The demographic data used in these maps is based on U.S. Census, American Community Survey (ACS) and ESRI data sets.


BOWEN NATIONAL RESEARCH
Median Household Income by Census Tract
Oceana County, MI
PSA
West
Central
East
Less than $20,000
$100,000 or More
$64,028
$52,143
$66,163
$53,553
$51,652
Hart
$58,889
$51,014
930 ft
Oceana
Shelby
1077 ft
$63,917
$43,258
$51,875
$58,750
$59,821
$60,972
$52,631
Fremont
$76,905
$75,500
$63,265
858 ft
N
1:338,667
0 1.5 3 4.5 6
Miles
Esri, NASA, NGA, USGS, Esri, HERE, Garmin, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS
Additional Source(s): Bowen National Research

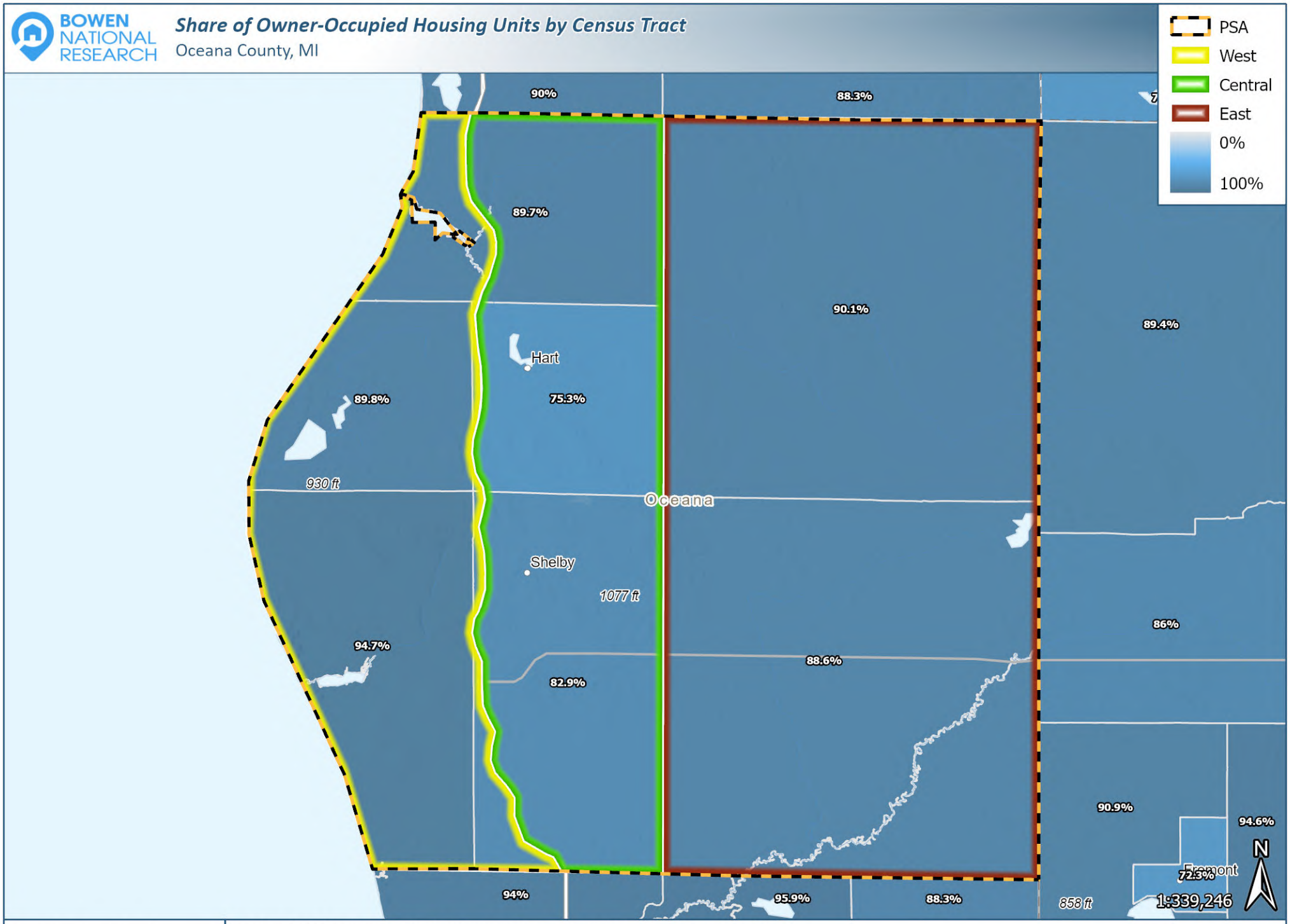
BOWEN NATIONAL RESEARCH

Share of Renter-Occupied Housing Units by Census Tract

Oceana County, MI



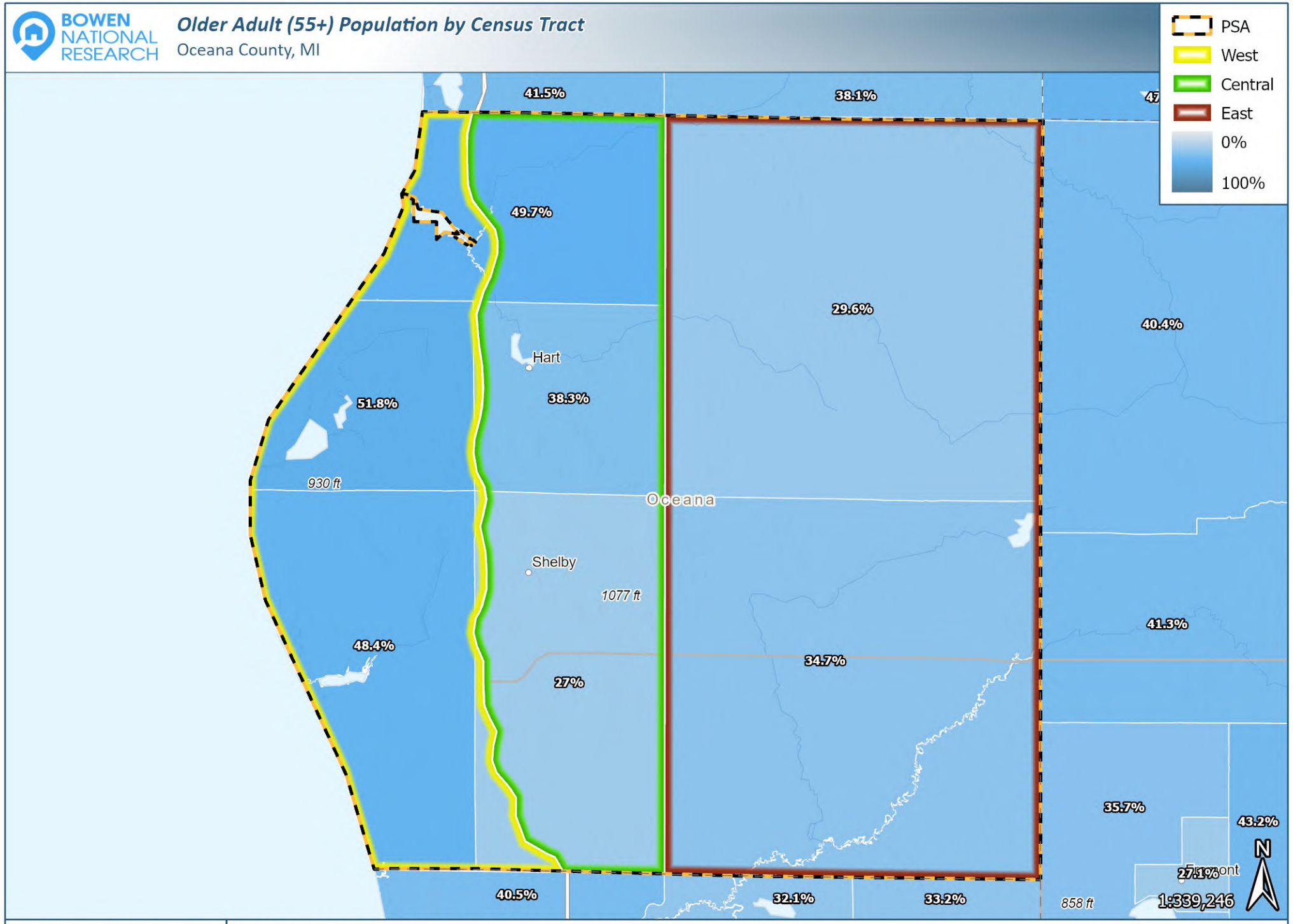
Esri, CGIAR, USGS, Esri, HERE, Garmin, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS
Additional Source(s): Bowen National Research


BOWEN NATIONAL RESEARCH
Share of Owner-Occupied Housing Units by Census Tract
Oceana County, MI
PSA
West
Central
East
0%
100%
90%
88.3%
89.7%
90.1%
89.4%
Hart
89.8%
75.3%
930 ft
Oceana
Shelby
1077 ft
94.7%
86%
88.6%
82.9%
90.9%
94.6%
72.3%
Fremont
94%
95.9%
88.3%
858 ft
N
1:339,246
0 1.5 3 4.5 6
Miles
Esri, NASA, NGA, USGS, Esri, HERE, Garmin, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS
Additional Source(s): Bowen National Research

BOWEN NATIONAL RESEARCH

Older Adult (55+) Population by Census Tract

Oceana County, MI



Esri, NASA, NGA, USGS, Esri, HERE, Garmin, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS
Additional Source(s): Bowen National Research

BOWEN NATIONAL RESEARCH

Younger Adult (20-34) Population by Census Tract

Oceana County, MI



0 1.5 3 4.5 6 Miles

Esri, NASA, NGA, USGS, Esri, HERE, Garmin, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS
Additional Source(s): Bowen National Research

BOWEN NATIONAL RESEARCH

Population Density by Census Tract (Persons Per Square Mile)

Oceana County, MI



0 1.5 3 4.5 6 Miles

Esri, NASA, NGA, USGS, Esri, HERE, Garmin, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS
Additional Source(s): Bowen National Research

V. ECONOMIC ANALYSIS

A. INTRODUCTION

The need for housing within a given geographic area is influenced by the number of households choosing to live there. Although the number of households in the subject area at any given time is a function of many factors, one of the primary reasons for residency is job availability. In this section, the workforce and employment trends that affect the PSA (Oceana County) and PSA submarkets are examined and compared to the state of Michigan and the United States.

An overview of the Oceana County workforce is provided through several overall metrics: employment by industry, wages by occupation, total employment, unemployment rates and in-place employment trends. We also evaluated the area's largest employers, economic and infrastructure developments, and the potential for significant closures or layoffs in the area (WARN Notices).

B. WORKFORCE ANALYSIS

The PSA has an employment base comprised of individuals within a broad range of employment sectors. The primary industries of significance within the PSA include manufacturing, health care and social assistance, accommodation and food services, retail trade, and wholesale trade. Each industry within the PSA requires employees of varying skills and education levels. There is a broad range of typical wages within the PSA based on occupation. The following evaluates key economic metrics within Oceana County. It should be noted that based on the availability of various economic data metrics, some information is presented only for select geographic areas, which may include the PSA (Oceana County), the three PSA submarkets, the Balance Of Lower Peninsula of Michigan Nonmetropolitan Area, and/or the state of Michigan, depending upon the availability of such data.

Employment by Industry

The following table illustrates the distribution of employment by industry sector for the various study areas (note that the top five industry groups by share for each area are in red):

	Employment by Industry									
	Central		West		East		Oceana County		Michigan	
NAICS Group	Employees	Percent	Employees	Percent	Employees	Percent	Employees	Percent	Employees	Percent
Agriculture, Forestry, Fishing & Hunting	135	2.2%	27	1.7%	**101**	**6.9%**	263	2.8%	18,094	0.4%
Mining	9	0.1%	3	0.2%	0	0.0%	12	0.1%	6,059	0.1%
Utilities	25	0.4%	8	0.5%	0	0.0%	33	0.4%	14,450	0.3%
Construction	209	3.3%	45	2.8%	70	4.8%	324	3.5%	163,027	3.6%
Manufacturing	**1,352**	**21.5%**	**136**	**8.5%**	53	3.6%	**1,541**	**16.5%**	**513,197**	**11.2%**
Wholesale Trade	401	6.4%	36	2.3%	**464**	**31.7%**	**901**	**9.6%**	193,695	4.2%
Retail Trade	**520**	**8.3%**	**225**	**14.1%**	**172**	**11.7%**	**917**	**9.8%**	**576,665**	**12.6%**
Transportation & Warehousing	117	1.9%	23	1.4%	66	4.5%	206	2.2%	95,658	2.1%
Information	18	0.3%	6	0.4%	1	0.1%	25	0.3%	91,050	2.0%
Finance & Insurance	247	3.9%	20	1.3%	18	1.2%	285	3.1%	168,540	3.7%
Real Estate & Rental & Leasing	64	1.0%	57	3.6%	3	0.2%	124	1.3%	95,407	2.1%
Professional, Scientific & Technical Services	190	3.0%	18	1.1%	15	1.0%	223	2.4%	295,491	6.5%
Management of Companies & Enterprises	0	0.0%	0	0.0%	0	0.0%	0	0.0%	8,827	0.2%
Administrative, Support, Waste Management & Remediation Services	27	0.4%	49	3.1%	30	2.0%	106	1.1%	111,717	2.4%
Educational Services	**649**	**10.3%**	78	4.9%	**95**	**6.5%**	822	8.8%	**378,891**	**8.3%**
Health Care & Social Assistance	**902**	**14.4%**	48	3.0%	73	5.0%	**1,023**	**11.0%**	**765,165**	**16.7%**
Arts, Entertainment & Recreation	118	1.9%	**119**	**7.4%**	13	0.9%	250	2.7%	139,513	3.1%
Accommodation & Food Services	427	6.8%	**478**	**29.9%**	91	6.2%	**996**	**10.7%**	**398,782**	**8.7%**
Other Services (Except Public Administration)	330	5.3%	**117**	**7.3%**	**108**	**7.4%**	555	5.9%	270,042	5.9%
Public Administration	**491**	**7.8%**	94	5.9%	91	6.2%	676	7.2%	238,652	5.2%
Non-classifiable	44	0.7%	12	0.8%	0	0.0%	56	0.6%	30,131	0.7%
Total	6,275	100.0%	1,599	100.0%	1,464	100.0%	9,338	100.0%	4,573,053	100.0%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

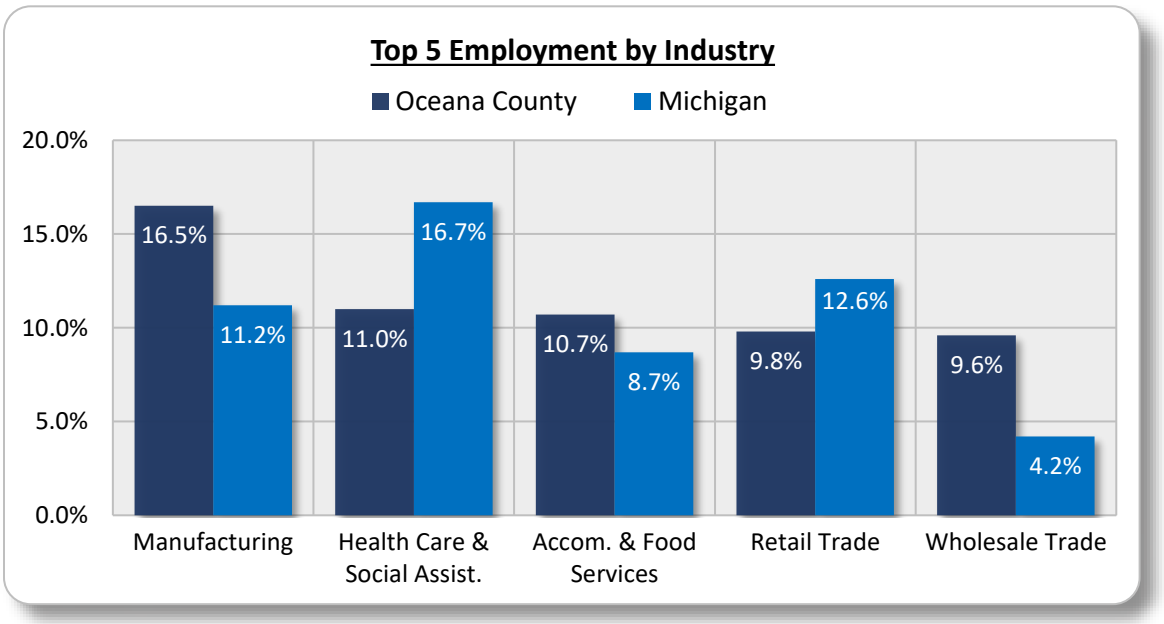
Note: Since this survey is conducted of establishments and not of residents, some employees may not live within each market. These employees, however, are included in our labor force calculations because their places of employment are located within each market.

The labor force within the PSA (Oceana County) is based primarily in five sectors: Manufacturing (16.5%), Health Care & Social Assistance (11.0%), Accommodation & Food Services (10.7%), Retail Trade (9.8%), and Wholesale Trade (9.6%). Combined, these five job sectors represent well over half (57.6%) of the PSA employment base. This represents a similar concentration of employment within the top five sectors compared to the top five sectors in the state (57.5%). Areas with a heavy concentration of employment within a limited number of industries can be more vulnerable to economic downturns with greater fluctuations in unemployment rates and total employment. With a nearly equal overall distribution of employment, the PSA does not appear to be more

vulnerable to economic downturns when compared to the state. However, it is important to note that many occupations within the retail trade and accommodation and food services industries, which are two of the top five sectors in the PSA, typically have lower average wages which can contribute to demand for affordable housing options. While the county's share (2.8%) of employees within the agriculture, forestry, fishing and hunting sector is not among the 10 largest in the region, its share is much greater than the state's share of just 0.4%. This illustrates this sector's role and influence within Oceana County.

The concentration of employment in the top five sectors of each submarket (between 62.3% and 67.2%) is higher than the concentration within the entirety of the PSA, which is typical of smaller geographic areas. Among the individual submarkets in the PSA, there is a significant degree of variation among the top employment sector in each respective area. Manufacturing (21.5%) is the top sector in the Central Submarket, Accommodation & Food Services (29.9%) is the largest sector of employment in the West Submarket, and Wholesale Trade (31.7%) is the largest sector in the East Submarket. The variation of employment among the submarkets in the PSA illustrates the unique combination of employment present in each of the study areas and underscores the importance of having an adequate supply of income-appropriate housing options available to meet the needs of each specific submarket. Overall, the Central Submarket represents the largest share (67.2%) of the total PSA employment, followed by the West Submarket (17.1%) and East Submarket (15.7%).

The following graph illustrates the distribution of employment by job sector for the five largest employment sectors in the PSA (Oceana County) and the state of Michigan:



Employment Characteristics and Trends

Oceana County is located in the Balance of Lower Peninsula of Michigan Nonmetropolitan Area. Typical wages by job category for the Balance of Lower Peninsula of Michigan Nonmetropolitan Area are compared with those of Michigan in the following table:

Typical Wage by Occupation Type		
Occupation Type	Balance Of Lower Peninsula of Michigan Nonmetropolitan Area	Michigan
Management Occupations	$100,730	$119,010
Business and Financial Occupations	$69,760	$81,430
Computer and Mathematical Occupations	$78,890	$90,400
Architecture and Engineering Occupations	$79,770	$87,880
Community and Social Service Occupations	$51,630	$51,050
Art, Design, Entertainment and Sports Medicine Occupations	$50,750	$58,430
Healthcare Practitioners and Technical Occupations	$75,700	$92,010
Healthcare Support Occupations	$32,870	$34,110
Protective Service Occupations	$49,000	$49,960
Food Preparation and Serving Related Occupations	$30,570	$31,850
Building and Grounds Cleaning and Maintenance Occupations	$34,850	$34,280
Personal Care and Service Occupations	$35,330	$34,500
Sales and Related Occupations	$42,560	$48,760
Office and Administrative Support Occupations	$41,300	$43,840
Construction and Extraction Occupations	$50,880	$56,880
Installation, Maintenance and Repair Occupations	$51,580	$54,450
Production Occupations	$42,100	$45,450
Transportation and Moving Occupations	$39,810	$42,780

Source: U.S. Department of Labor, Bureau of Statistics

Most annual blue-collar salaries range from $30,570 to $51,630 within the Balance of Lower Peninsula of Michigan Nonmetropolitan Area. White-collar jobs, such as those related to professional positions, management and medicine, have an average salary of $80,970. Average wages within the area are typically lower (8.6%) than the overall average state wages. While white-collar professions in the study area typically earn 16.2% less than those within Michigan, blue-collar wages are 5.6% less than the average state wages. Within the statistical area, wages by occupation vary widely and are reflective of a diverse job base that covers a wide range of industry sectors and job skills, as well as diverse levels of education and experience. Because employment is distributed among a variety of professions with diverse income levels, there are likely a variety of housing needs by affordability level. As a significant share of the labor force within the PSA is contained within manufacturing, health care, and food services, many workers in the area have typical wages ranging between $30,000 and $40,000 annually, likely contributing to the need for lower- and mid-priced housing product in the county.

In an effort to better understand how area wages by occupation affect housing affordability, wages for the top 30 occupations by share of total employment within the Balance of Lower Peninsula of Michigan Nonmetropolitan Area were analyzed. While this data does not include every possible occupation and wage within each sector, the occupations included in this table represent over two-fifths (45.0%) of the total employment in the statistical area in 2022 and provide a general overview of housing affordability for some of the most common occupations. Based on the annual wages at the lower quartile (bottom 25%) and median, the maximum affordable monthly rent and home price (30% of income) for each occupation was calculated. It is important to note that calculations based on the median annual wage mean that half of the individuals employed in this occupation earn less than the stated amount. It is equally important to understand that the supplied data is based on *individual* income. As such, affordability levels will proportionally increase for households with multiple income sources at a rate dependent on the additional income. Affordable rents and home prices for each occupation illustrated that are **below** the two-bedroom Fair Market Rent ($836) or the overall median list price ($314,000) of the available for-sale inventory in the PSA (Oceana County) as of April 6, 2023, are shown in red text, indicating that certain lower-wage earning households cannot reasonably afford a typical housing unit in the market.

The following table illustrates the wages (lower quartile and median) and housing affordability levels for the top 30 occupations in the Balance of Lower Peninsula of Michigan Nonmetropolitan Area.

Wages and Housing Affordability for Top 30 Occupations by Share of Labor Force
Balance of Lower Peninsula of Michigan Nonmetropolitan Area

Occupation Sector, Title & Wages*					Housing Affordability**			
			Annual Wages		Max. Monthly Rent		Max. Purchase Price	
Sector Group (Code)	Labor Force Share	Occupation Title	Lower Quartile	Median	Lower Quartile	Median	Lower Quartile	Median
Sales and Related Occupations (41)	2.5%	Retail Salespersons	$25,960	$29,720	**$649**	**$743**	**$86,533**	**$99,067**
	2.6%	Cashiers	$23,300	$26,750	**$583**	**$669**	**$77,667**	**$89,167**
	1.0%	Sales Reps, Wholesale/Mfg.	$47,370	$64,980	$1,184	$1,625	**$157,900**	**$216,600**
Food Preparation/ Serving (35)	2.7%	Fast Food and Counter Workers	$23,340	$26,360	**$584**	**$659**	**$77,800**	**$87,867**
	1.6%	Waiters/Waitresses	$25,260	$30,840	**$632**	**$771**	**$84,200**	**$102,800**
	1.1%	Cooks, Restaurant	$27,950	$29,860	**$699**	**$747**	**$93,167**	**$99,533**
Office and Administrative Support (43)	2.3%	Office Clerks, General	$30,360	$37,020	**$759**	$926	**$101,200**	**$123,400**
	1.5%	Customer Services Reps.	$29,580	$36,030	**$740**	$901	**$98,600**	**$120,100**
	1.0%	Bookkeeping/Accounting Clerks	$35,360	$41,290	$884	$1,032	**$117,867**	**$137,633**
	1.0%	Secretaries/Administrative Assts.	$31,810	$37,910	**$795**	$948	**$106,033**	**$126,367**
Transportation Material Moving (53)	2.5%	Stockers/Order Fillers	$28,180	$30,490	**$705**	**$762**	**$93,933**	**$101,633**
	1.9%	Heavy/Tractor-Trailer Drivers	$42,770	$48,350	$1,069	$1,209	**$142,567**	**$161,167**
	1.5%	Laborers/Stock/Material Movers	$30,580	$34,570	**$765**	$864	**$101,933**	**$115,233**
	0.8%	Industrial Truck/Tractor Operators	$36,500	$43,460	$913	$1,087	**$121,667**	**$144,867**
Production Occupations (51)	2.8%	Misc. Assemblers/Fabricators	$30,860	$34,410	**$772**	$860	**$102,867**	**$114,700**
	1.1%	First-Line Supervisors, Production	$49,520	$61,070	$1,238	$1,527	**$165,067**	**$203,567**
	0.9%	Inspectors/Testers/Samplers	$35,840	$40,510	$896	$1,013	**$119,467**	**$135,033**
	0.9%	Packaging Machine Operators	$36,760	$38,840	$919	$971	**$122,533**	**$129,467**
	0.8%	Machinists	$32,180	$39,460	**$805**	$987	**$107,267**	**$131,533**
	0.8%	Cutting/Punching/Press Operators	$34,510	$36,830	$863	$921	**$115,033**	**$122,767**
Education, Training, and Library (25)	1.4%	Elementary School Teachers	$49,170	$61,540	$1,229	$1,539	**$163,900**	**$205,133**
	1.4%	Teaching Assistants	$26,220	$29,030	**$656**	**$726**	**$87,400**	**$96,767**
Healthcare (29, 31)	1.4%	Registered Nurses	$65,490	$76,180	$1,637	$1,905	**$218,300**	**$253,933**
	2.3%	Home Health/Personal Aides	$22,770	$27,710	**$569**	**$693**	**$75,900**	**$92,367**
	1.2%	Nursing Assistants	$31,550	$36,130	**$789**	$903	**$105,167**	**$120,433**
Management (11)	1.9%	General/Operations Managers	$50,110	$77,010	$1,253	$1,925	**$167,033**	**$256,700**
Construction, Installation/ Maintenance/ Repair (47, 49)	1.0%	Maintenance/Repair Workers	$31,360	$39,160	**$784**	$979	**$104,533**	**$130,533**
	0.9%	Construction Laborers	$36,780	$40,810	$920	$1,020	**$122,600**	**$136,033**
Bldg./Grounds Maintenance (37)	1.4%	Janitors/Cleaners	$28,250	$31,640	**$706**	**$791**	**$94,167**	**$105,467**
	0.8%	Landscaping/Groundskeeping	$28,700	$32,090	**$718**	**$802**	**$95,667**	**$106,967**

Source: U.S. Bureau of Labor Statistics, May 2022 Occupational Employment and Wage Statistics (OEWS)
*Annual wages listed are at the lower 25th percentile (quartile) and median level for each occupation
**Housing Affordability is the maximum monthly rent or total for-sale home price a household can reasonably afford based on stated wages.

In order to reasonably afford a two-bedroom rental at the Fair Market Rate of $836, an individual would need to earn at least $33,440 per year. As such, the lower quartile of wage earners within 18 of the occupations listed in the previous table do not have sufficient wages to afford a typical rental. Many of these occupations, particularly those within the food services industry and support positions within various sectors, earn significantly less than the amount required to afford a typical rental in the market. When wages for each occupation are increased to their respective median levels, 10 occupations still do not have the income necessary to afford a typical rental. While a share of these individuals likely lives in multiple-income households, this illustrates the reasonable conclusion that a significant portion of households with a single income earned in a variety of occupations in the PSA are likely housing cost burdened.

Housing affordability issues among the listed occupations are more prevalent when home ownership is considered. In order to afford the purchase of a typical home in the PSA at the median list price of $314,000, an individual would have to earn at least $94,200 per year. As such, none of the occupations with wages up to the median wage in the top 30 occupations have sufficient income to afford the purchase of a typical home in the PSA. As previously stated, it is likely that many of these individuals are part of multiple-income households. Nonetheless, this illustrates that home ownership is not affordable for a significant share of workers in the most common occupations in the PSA.

A full analysis of the area housing supply, which includes multifamily apartments, current and historical for-sale product, and non-conventional rentals (typically four units or less within a structure), is included in Section VI of this report. A lack of affordable workforce housing in a market can limit the ability of employers to retain and attract new employees, which can affect the performance of specific industries, the local economy, and household growth within an area.

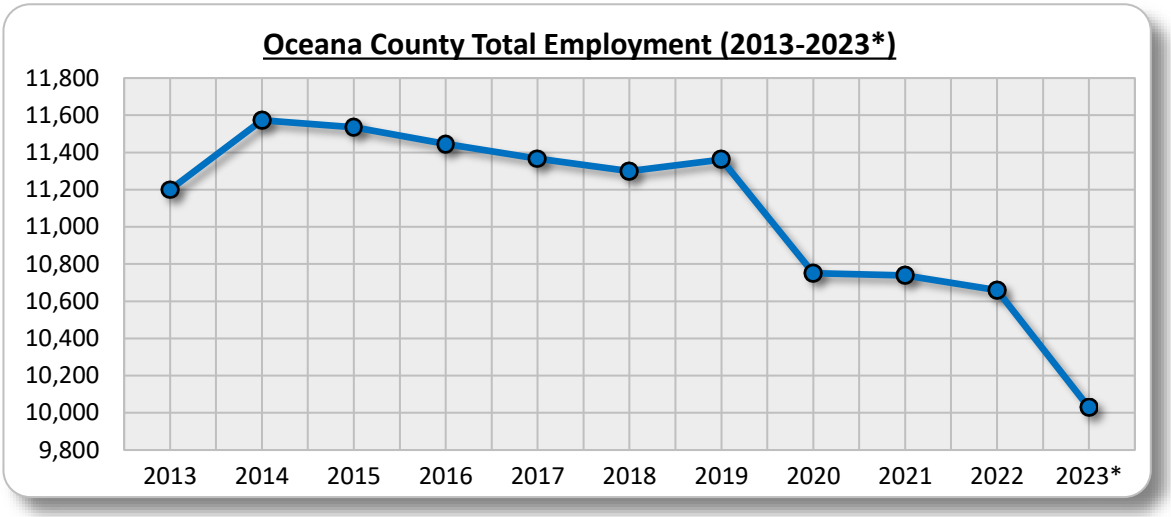
Employment Base and Unemployment Rates

Total employment reflects the number of employed people who live within an area regardless of where they work. The following illustrates the total employment base for the PSA (Oceana County), the state of Michigan and the United States.

	Total Employment					
	Oceana County		Michigan		United States	
Year	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2013	11,200	-	4,323,410	-	144,904,568	-
2014	11,573	3.3%	4,416,017	2.1%	147,293,817	1.6%
2015	11,536	-0.3%	4,501,816	1.9%	149,540,791	1.5%
2016	11,446	-0.8%	4,606,948	2.3%	151,934,228	1.6%
2017	11,366	-0.7%	4,685,853	1.7%	154,721,780	1.8%
2018	11,299	-0.6%	4,739,081	1.1%	156,709,676	1.3%
2019	11,362	0.6%	4,773,453	0.7%	158,806,261	1.3%
2020	10,751	-5.4%	4,379,122	-8.3%	149,462,904	-5.9%
2021	10,738	-0.1%	4,501,562	2.8%	154,624,092	3.5%
2022	10,659	-0.7%	4,632,539	2.9%	159,884,649	3.4%
2023*	10,028	-5.9%	4,624,229	-0.2%	160,342,847	0.3%

Source: Department of Labor; Bureau of Labor Statistics
*Through March

From 2013 to 2019, total employment in the PSA (Oceana County) increased by 1.4%, or 162 employees, which represents a much smaller increase than the state (10.4%) and nation (9.6%) during this time period. In 2020, total employment in the PSA decreased by 5.4%, which reflects a rate of *reduction* below that for the state (8.3%) and nation (5.9%) during that year. This reduction in total employment during 2020 is largely attributed to the economic impacts related to the COVID-19 pandemic. Total employment in the PSA further decreased by 0.1% in 2021 and 0.7% in 2022, which contrasts with the statewide increases (2.8% and 2.9%) for these two years. Through 2022, total employment in the PSA remains at 93.8% of the 2019 level, which represents a recovery rate well below that of the state (97.0%) and nation (100.7%). Because the PSA experienced a reduction in total employment in four of the previous five years (2015 through 2019), which were unrelated to the pandemic, it is likely that pre-existing factors are contributing to the slower economic recovery in Oceana County.



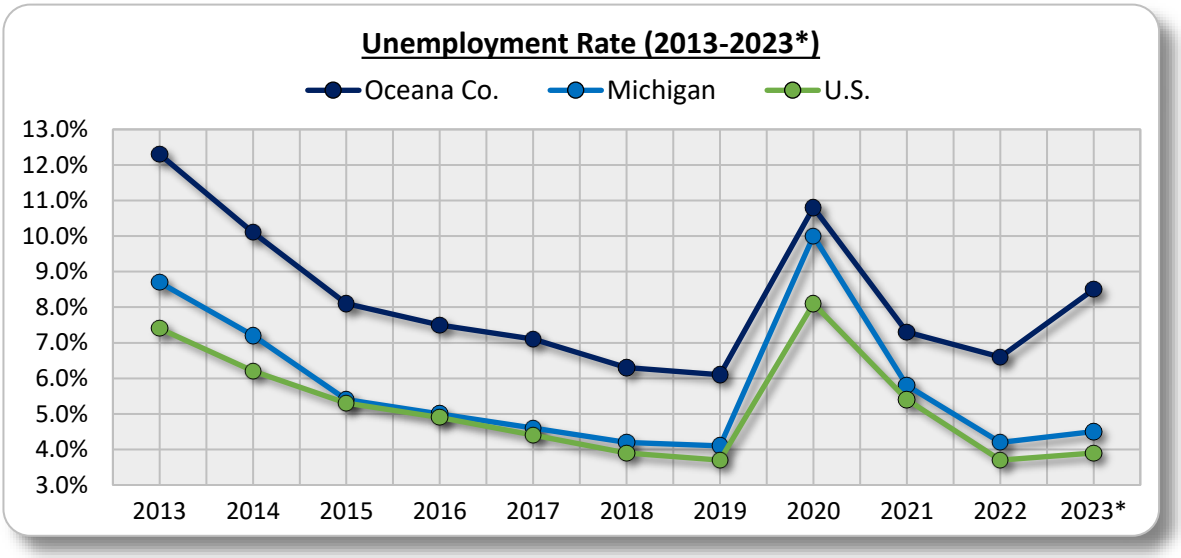
*Through March

Unemployment rates for Oceana County, Michigan and the United States are illustrated as follows:

	Unemployment Rate		
Year	Oceana County	Michigan	United States
2013	12.3%	8.7%	7.4%
2014	10.1%	7.2%	6.2%
2015	8.1%	5.4%	5.3%
2016	7.5%	5.0%	4.9%
2017	7.1%	4.6%	4.4%
2018	6.3%	4.2%	3.9%
2019	6.1%	4.1%	3.7%
2020	10.8%	10.0%	8.1%
2021	7.3%	5.8%	5.4%
2022	6.6%	4.2%	3.7%
2023*	8.5%	4.5%	3.9%

Source: Department of Labor, Bureau of Labor Statistics
*Through March

Between 2013 and 2019, unemployment rates in the county steadily decreased year over year, from a high of 12.3% in 2013 to a low a low of 6.1% in 2019. Regardless, the unemployment rates in the PSA have generally been two percentage points or higher than the corresponding rate in the state each year between 2013 and 2019. As such, it appears the PSA has been more disproportiately affected by unemployment than the state since 2013. In 2020, unemployment increased to 10.8% in the PSA, which represents a higher rate than the state (10.0%) and nation (8.1%) at this time. While this sharp increase can be largely attributed to the COVID-19 pandemic, it is noteworthy that the unemployment rate in the PSA has been historically higher than the rate for the state in each year depicted in the preceding data. In 2022, the unemployment rate in the PSA decreased to 6.6%. While still above the rate for the state (4.2%) and nation (3.7%), this represents an unemployment rate that is more comparable to the rate for the PSA in 2019 (6.1%) prior to the pandemic and is one indicator of an improving economy in Oceana County.



*Through March

We evaluated monthly unemployment rates in order to get a better sense of the initial impact the COVID-19 pandemic had on the local economy and the subsequent recovery. The following table illustrates the monthly unemployment rates from January 2020 to January 2023 for the PSA.

Oceana County - Monthly Unemployment Rate				
Month	**2020**	**2021**	**2022**	**2023**
January	7.7%	10.2%	8.7%	8.7%
February	7.2%	9.9%	8.4%	8.7%
March	8.4%	9.1%	7.6%	8.1%
April	24.3%	8.2%	7.2%	
May	17.6%	7.5%	6.1%	
June	13.3%	7.3%	6.1%	
July	11.7%	7.2%	6.3%	
August	8.8%	6.5%	5.7%	
September	7.8%	5.7%	5.1%	
October	6.3%	5.2%	5.4%	
November	7.0%	5.1%	5.7%	
December	8.9%	6.2%	6.8%	

Source: Department of Labor, Bureau of Labor Statistics

Prior to April 2020, which was the month when COVID-19 stay-at-home orders began to impact many non-essential businesses, the unemployment rate in the PSA (Oceana County) ranged between 7.2% and 8.4% in early 2020. In April 2020, the rate increased sharply to 24.3%. The unemployment rate in the PSA steadily declined over the subsequent months, and by October 2020, the rate decreased to 6.3%, which is comparable to the 2019 full year rate (6.1%). Although it appears seasonal unemployment is a factor in the PSA, unemployment rates for any given month have generally been lower than the same month in the previous year since 2021. As such, it appears the PSA economy continues to recover from the effects of the COVID-19 pandemic.

In-place employment reflects the total number of jobs within the county regardless of the employee's county of residence. The following illustrates the total in-place employment base for Oceana County.

	In-Place Employment Oceana County		
Year	Employment	Change	Percent Change
2012	6,787	-	-
2013	6,983	196	2.9%
2014	7,079	96	1.4%
2015	6,788	-291	-4.1%
2016	6,905	117	1.7%
2017	6,850	-55	-0.8%
2018	6,837	-13	-0.2%
2019	6,824	-13	-0.2%
2020	6,178	-646	-9.5%
2021	6,207	29	0.5%
2022*	6,337	130	2.1%

Source: Department of Labor, Bureau of Labor Statistics
*Through September

The preceding table illustrates in-place employment (people working within Oceana County) increased by 0.5%, or 37 jobs, from 2012 to 2019. While the greatest single decrease over the past decade occurred in 2020 (9.5%) and can be largely attributed to the COVID-19 pandemic, it is notable that the county also experienced a significant decline (4.1%) in 2015 and three consecutive years of moderate declines from 2017 to 2019 (between 0.2% and 0.8%). In 2021, in-place employment in the PSA increased by 0.5% year over year. Through September 2022, in-place employment increased by 2.1%, or 130 jobs, year over year. While this means that in-place employment in the PSA has only recovered to 92.9% of the 2019 level, the growth through September 2022 may be a positive sign of a trend reversal in Oceana County.

Data for 2021, the most recent year that year-end figures are available, indicates in-place employment in Oceana County to be 57.8% of the total Oceana County employment. This means that, *at a minimum*, approximately 4,500 Oceana County residents were employed outside the county for work (daytime employment) in 2021. A significant number of residents seeking employment outside a subject area, particularly those with lengthy commutes, can increase the likelihood of residents relocating outside the county. Detailed commuting data, which includes modes, times, and an inflow/outflow analysis, is included in Section VII of this report.

Based on the preceding analysis, it appears some challenges existed in the local economy in the PSA prior to the onset of the COVID-19 pandemic. These include year over year reductions in total employment from 2015 to 2018, an unemployment rate that has been historically higher than the state and national rates, and three consecutive years (2017 to 2019) of in-place employment reduction. Regardless, the economy appears to have made moderate improvements since the pandemic in 2020. Total employment has recovered to

93.8% of the 2019 pre-COVID level, the unemployment rate in 2022 (6.6%) is just one-half of a percentage point higher than the rate in 2019 (6.1%), and in-place employment has recovered to 92.9% of the 2019 level. While these data sets do not indicate a full recovery, they are an indication of ongoing improvement in the local economy.

Employment Outlook

WARN (layoff notices):

The Worker Adjustment and Retraining Notification (WARN) Act requires advance notice of qualified plant closings and mass layoffs. WARN notices were reviewed on June 5, 2023. According to Labor and Economic Opportunity, there have been no WARN notices reported for Oceana County over the past 12 months.

The 10 largest employers within the Oceana County area comprise of a total of 2,303 employees and are summarized as follows:

Employer Name	Business Type	Total Employed
Peterson Farms	Food Services	800
Gray & Company (Seneca Farms)	Manufacturer	276
GHSP - Hart	Manufacturer	262
Hometown Pharmacy	Healthcare	200
Great Lakes Packing	Manufacturer	200
Arbre Farms	Food Services	140
Michigan Freeze Pack Company	Manufacturer	125
Mercy Health Lakeshore Campus	Healthcare	100
Country Dairy, Incorporated	Manufacturer	100
Double JJ Resort	Entertainment	100
	Total	2,303

Source: Oceana County Economic Alliance; Date unknown

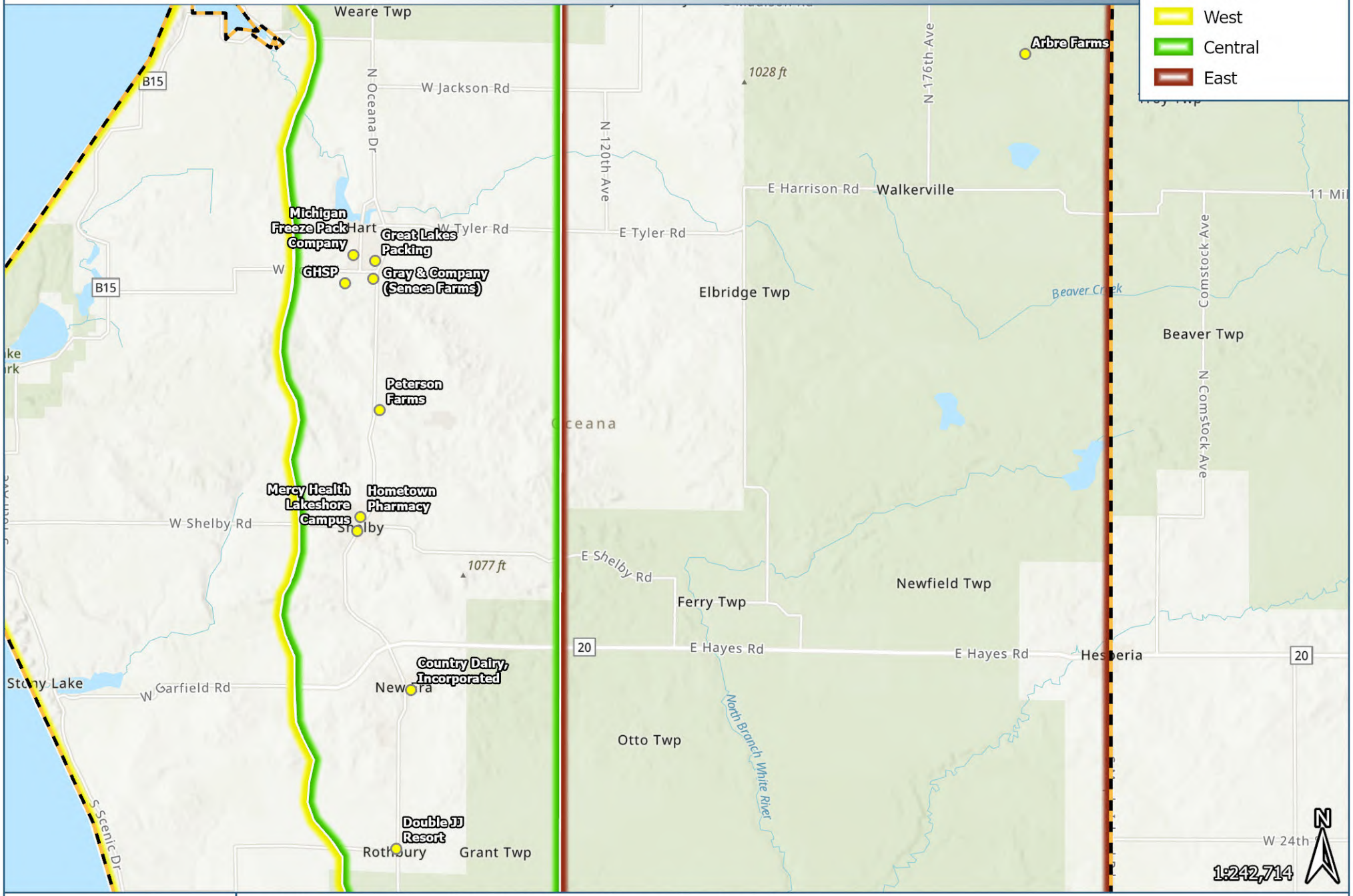
Major employers in the area are primarily engaged in food services, manufacturing, healthcare, and entertainment. As six of the 10 largest employers are involved in manufacturing processes or entertainment, this likely contributed, in part, to the historically high unemployment rates associated with the COVID-19 pandemic in 2020. Overall, it appears that most of the major employers in the area are engaged in business activities with occupations that typically offer competitive compensation, although two employers are involved in food services, which typically have lower wages.

A map delineating the location of the area's largest employers is included on the following page.

BOWEN NATIONAL RESEARCH

Largest Employers Locations

Oceana County, MI



0 1 2 3 4 Miles

Esri, HERE, Garmin, SafeGraph, METI/NASA, USGS, EPA, NPS, USDA, Esri, NASA, NGA, USGS
Additional Source(s): Bowen National Research

Economic Development

Economic development can improve the economic well-being and quality of life for a region or community by building local wealth, diversifying the economy, and creating and retaining jobs. Local perspective on the economy as well as notable developments in the area are summarized as follows.

According to a representative with the Oceana County Economic Alliance, the Oceana County economy is growing and continues to meet challenges caused by labor shortages and limited housing. Increased labor costs are affecting growers, but market demand remains high.

The following tables summarize some recent and/or ongoing notable economic development activity and infrastructure projects within the Oceana County area.

Economic Development Activity			
Project Name	**Investment**	**Job Creation**	**Scope of Work/Details**
Perdue Farms Pet Treat Division Village of Shelby	$27 million	100	In 2022, renovated the former food processing facility that produces premium grade pet treats
Peterson Farms Shelby Township	N/A	20	Expanding apple slicing production
N J Fox & Sons	$75,000	N/A	In 2022, funding was provided for expansion at N J Fox & Sons and 16 other growers to add technology for ripening pears; As a result, growers no longer have to ship pears to Arkansas for ripening

ECD – Estimated Completion Date
N/A- Not Available

Infrastructure Projects			
Project Name	**Scope of Work**	**Status**	**Investment**
Infrastructure Upgrades	Funding for road repairs to prompt economic development	Granted funds in spring 2023; Construction will support 128 new jobs; Approximately $31 million in private investments to the Village and Township of Shelby	$790,000
Peterson Farms Apartments	A $2.2 million grant will extend water lines to apartments developed by Peterson Farms in Township of Shelby	N/A	$2.2 million

N/A – Not available

Conclusions

Oceana County experienced moderate improvements in the local economy since the initial effects of COVID-19. A notable amount of both public and private sector investment is either underway or planned for the county that will bring in millions of dollars and create additional jobs. This positive economic activity will contribute to the ongoing demand for housing in Oceana County.

VI. HOUSING SUPPLY ANALYSIS

This housing supply analysis includes a variety of housing alternatives. Understanding the historical trends, market performance, characteristics, composition, and current housing choices provide critical information as to current market conditions and future housing potential. The housing data presented and analyzed in this section includes primary data collected directly by Bowen National Research and secondary data sources including American Community Survey (ACS), U.S. Census housing information, and data provided by various government entities and real estate professionals.

While there are a variety of housing options offered in the Primary Study Area (PSA, Oceana County), we focused our analysis on the most common housing alternatives. The housing structures included in this analysis are:

- **Rental Housing** – Rental properties consisting of multifamily apartments (generally with five or more units within a structure) were identified and surveyed. An analysis of non-conventional rentals (typically with four or less units within a structure) was also conducted. In addition, a survey of short-term (recreational/ seasonal) rentals was completed to analyze the effect this housing segment has on the overall rental market.

- **For-Sale Housing** – For-sale housing alternatives, both recent sales activity and currently available supply, were inventoried. This data includes single-family homes, condominiums, mobile homes, and other traditional housing alternatives. It includes stand-alone product as well as homes within planned developments or projects.

For the purposes of this analysis, the housing supply information is presented for the Primary Study Area (PSA, Oceana County), the three PSA submarkets, and the state of Michigan, when available.

Maps illustrating the location of various housing types are included throughout this section.

A. OVERALL HOUSING SUPPLY (SECONDARY DATA)

This section of analysis on the area housing supply is based on secondary data sources such as the U.S. Census, American Community Survey and ESRI, and is provided for the PSA (Oceana County) and the state of Michigan, when applicable. When possible, data from the 2020 Census is used in conjunction with ESRI estimates to provide the most up-to-date data. Note that some small variation of total numbers and percentages within tables may exist due to rounding.

Housing Characteristics

The estimated distribution of the area housing stock by tenure (renter and owner) within the PSA and the state of Michigan for 2022 is summarized in the following table:

		Occupied and Vacant Housing Units by Tenure 2022 Estimates				
		Total Occupied	Owner Occupied	Renter Occupied	Vacant	Total
Central	Number	4,298	3,296	1,002	693	4,991
	Percent	86.1%	76.7%	23.3%	13.9%	100.0%
West	Number	2,704	2,348	356	3,391	6,095
	Percent	44.4%	86.8%	13.2%	55.6%	100.0%
East	Number	3,264	2,795	469	1,181	4,445
	Percent	73.4%	85.6%	14.4%	26.6%	100.0%
Oceana County	Number	10,266	8,439	1,827	5,265	15,531
	Percent	66.1%	82.2%	17.8%	33.9%	100.0%
Michigan	Number	4,055,460	2,895,751	1,159,709	533,313	4,588,773
	Percent	88.4%	71.4%	28.6%	11.6%	100.0%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

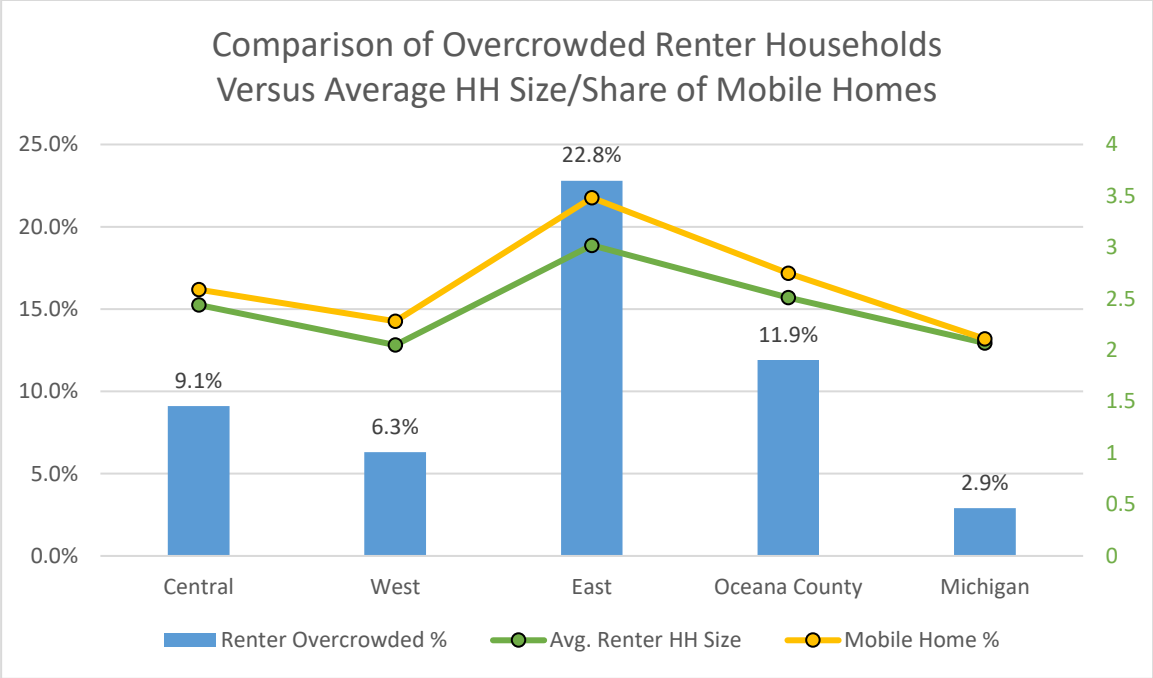
In total, there are an estimated 15,531 housing units within Oceana County in 2022. Based on ESRI estimates, of the 10,266 total occupied housing units in the PSA (Oceana County), 82.2% are owner occupied, while less than one-fifth (17.8%) are renter occupied. This distribution of product by tenure within the PSA is more weighted toward owner-occupied housing than the state of Michigan (82.2% versus 71.4%), although owner-occupied housing represents a large majority in both the county and the state. A total of 33.9% of the total housing units within the PSA are classified as vacant. Vacant units are comprised of a variety of units including abandoned properties, rentals, for-sale, and seasonal housing units. Notable findings among the individual submarkets include the share (23.3%) of renter-occupied housing units in the Central Submarket, which comprises 54.8% of all renter-occupied units in the PSA, and the very high share (55.6%) of vacant units in the West Submarket. Given that seasonal and short-term rentals have a notable influence on the local housing market, we have evaluated such housing starting on page VI-18 of this section.

The following table compares key housing age and conditions of Oceana County and the state based on 2017-2021 American Community Survey (ACS) data. Housing units built over 50 years ago (pre-1970), overcrowded housing (1.01+ persons per room), or housing that lacks complete kitchens or bathroom plumbing are illustrated for the PSA and state by tenure. It is important to note that some occupied housing units may have more than one housing issue.

	Housing Age and Conditions											
	Pre-1970 Product				Overcrowded				Incomplete Plumbing or Kitchen			
	Renter		Owner		Renter		Owner		Renter		Owner	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Central	371	46.7%	1,585	47.1%	72	9.1%	83	2.5%	22	2.8%	35	1.0%
West	93	39.2%	864	35.9%	15	6.3%	32	1.3%	0	0.0%	7	0.3%
East	134	41.2%	782	29.3%	74	22.8%	83	3.1%	0	0.0%	11	0.4%
Oceana County	598	44.1%	3,231	38.3%	161	11.9%	198	2.3%	22	1.6%	53	0.6%
Michigan	507,318	45.9%	1,373,751	47.9%	31,824	2.9%	32,450	1.1%	22,356	2.0%	16,775	0.6%

Source: American Community Survey (2017-2021); ESRI; Urban Decision Group; Bowen National Research

Within Oceana County, over two-fifths (44.1%) of renter-occupied housing were built prior to 1970. This represents a slightly smaller share compared to the share (45.9%) for the state of Michigan. A smaller share (38.3%) of the owner-occupied housing was built prior to 1970. This represents a notably smaller share when compared to the state (47.9%). The share of renter-occupied housing within the PSA experiencing overcrowding (11.9%) is much larger than that of the state (2.9%) and is abnormally high. While the share (2.3%) of owner-occupied housing experiencing overcrowding is much less than the share for renters in the area, this represents a slightly larger share of such housing in the PSA as compared to the share within the state (1.1%). Incomplete plumbing or kitchens do not appear to be a prevalent issue within the PSA, with only 1.6% of renter households and 0.6% of owner households experiencing this issue. Overall, the age of housing in the PSA is slightly newer than the state, and few households have issues related to incomplete plumbing or kitchens, although a slightly higher share (2.8%) of renters within the Central Submarket have incomplete plumbing or kitchens. Overcrowding among renter households appears to be the most notable issue within the PSA. While the share of such households is high in each of the submarkets, the share is highest within the East Submarket (22.8%). The area's overcrowding issues appear to be linked to a combination of a high share of large family households and the prevalence of mobile homes, particularly in the East Submarket. The following graph illustrates the relationship of household sizes, mobile homes and overcrowded renter households is shown below. Overall, there are approximately 434 households in the county that live in substandard housing conditions (overcrowded or lacking complete kitchens or indoor plumbing). As such, housing conditions remain a challenge for some households.



The following table compares key household income, housing cost, and housing affordability metrics of the PSA (Oceana County) and the state. Cost burdened households are defined as those paying over 30% of their income toward housing costs, while severe cost burdened households pay over 50% of their income toward housing.

	Household Income, Housing Costs and Affordability							
	2022 Households	Median Household Income	Estimated Median Home Value	Average Gross Rent	Share of Cost Burdened Households*		Share of Severe Cost Burdened Households**	
					Renter	Owner	Renter	Owner
Central	4,298	$57,103	$126,863	$759	33.8%	16.6%	17.3%	8.6%
West	2,704	$66,818	$224,852	$743	34.5%	20.1%	13.4%	8.0%
East	3,264	$55,796	$125,096	$825	30.8%	19.5%	17.8%	7.5%
Oceana County	10,266	$58,499	$150,985	$771	33.2%	18.5%	16.7%	8.1%
Michigan	4,055,460	$65,522	$204,371	$1,023	44.9%	18.6%	23.1%	7.4%

Source: American Community Survey (2017-2021); ESRI; Urban Decision Group; Bowen National Research
*Paying more than 30% of income toward housing costs
**Paying more than 50% of income toward housing costs

The PSA's (Oceana County) median home value of $150,985 is 26.1% lower than the state's estimated median home value of $204,371. The average gross rent of $771 in the PSA is approximately 24.6% lower than the state's average gross rent of $1,023. The median household income for the PSA ($58,499) is 10.7% lower than that for the state. Overall, these factors result in a lower share of cost burdened renter (33.2%) and owner (18.5%) households in the PSA compared to the shares within the state (44.9% and 18.6%, respectively). Regardless, there are approximately 607 renter households and 1,561 owner

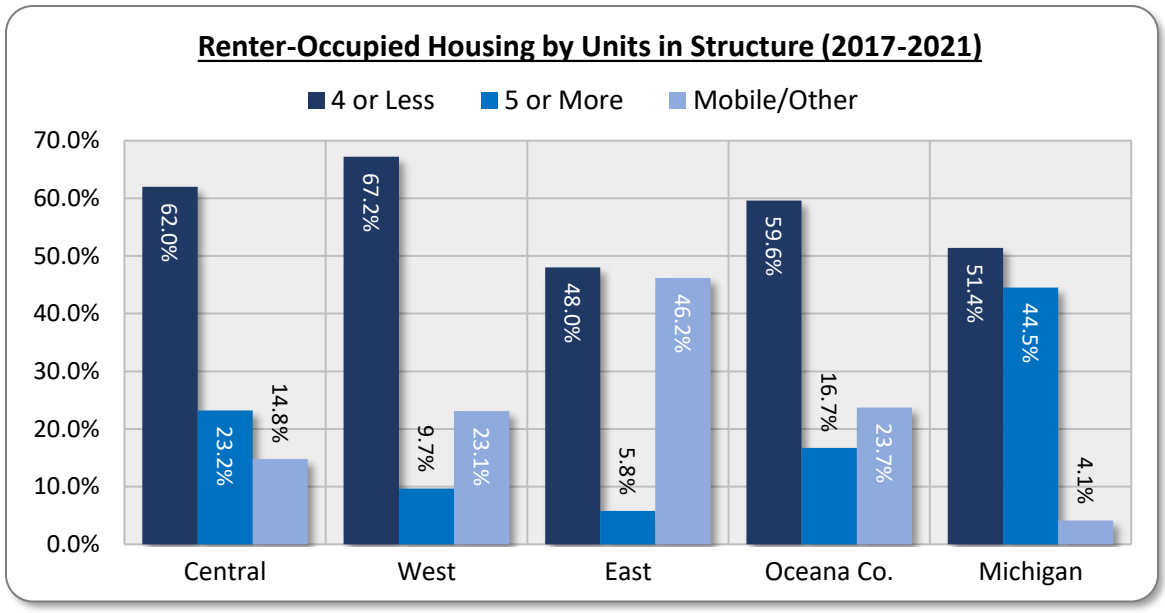
households in the PSA that are housing cost burdened. Of these, approximately 305 renter households and 684 owner households are *severe* housing cost burdened (paying 50% or more of their income toward housing costs). While owners in the West Submarket (20.1%) and East Submarket (19.5%) are more likely to be housing cost burdened than those within the Central Submarket (16.6%), there are moderately higher shares of severe cost burdened renters in the East (17.8%) and Central (17.3%) submarkets. Overall, this data illustrates the importance of affordable rental and for-sale housing for the residents of Oceana County.

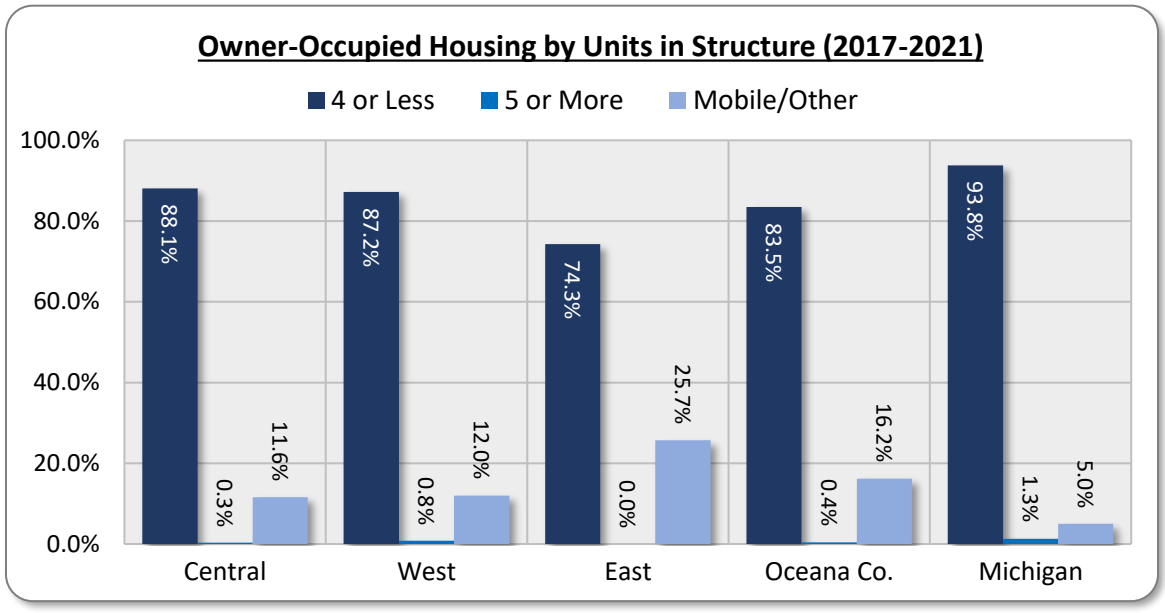
Based on the 2017-2021 American Community Survey (ACS) data, the following is a distribution of all occupied housing by units in structure by tenure (renter or owner) for the PSA and the state.

		Renter-Occupied Housing by Units in Structure				Owner-Occupied Housing by Units in Structure			
		4 Units or Less	5 Units or More	Mobile Home/ Other	Total	4 Units or Less	5 Units or More	Mobile Home/ Other	Total
Central	Number	492	184	117	793	2,961	10	391	3,362
	Percent	62.0%	23.2%	14.8%	100.0%	88.1%	0.3%	11.6%	100.0%
West	Number	160	23	55	238	2,097	20	288	2,405
	Percent	67.2%	9.7%	23.1%	100.0%	87.2%	0.8%	12.0%	100.0%
East	Number	156	19	150	325	1,981	0	685	2,666
	Percent	48.0%	5.8%	46.2%	100.0%	74.3%	0.0%	25.7%	100.0%
Oceana County	Number	808	226	322	1,356	7,039	30	1,364	8,433
	Percent	59.6%	16.7%	23.7%	100.0%	83.5%	0.4%	16.2%	100.0%
Michigan	Number	568,232	492,131	45,622	1,105,985	2,692,093	36,255	142,216	2,870,564
	Percent	51.4%	44.5%	4.1%	100.0%	93.8%	1.3%	5.0%	100.0%

Source: American Community Survey (2017-2021); ESRI; Urban Decision Group; Bowen National Research

Nearly three-fifths (59.6%) of the *rental* units in the PSA (Oceana County) are within structures of four units or less, with mobile homes comprising an additional 23.7% of the PSA rental units. The combined share of these two types of structures (83.3%) is much higher when compared to that of the state (55.5%). The share of renter-occupied mobile homes in the PSA (23.7%) is significantly higher than the share within the state (4.1%), and it is noteworthy that 46.2% of the total rental units in the East Submarket are mobile homes. Overall, it appears the PSA has a disproportionately low share (16.7%) of multifamily rental housing when compared to the state (44.5%). A vast majority (81.4%) of the multifamily rental housing units are located within the Central Submarket. Among *owner*-occupied units in the PSA, there is a higher share mobile homes in the PSA (16.2%) compared to the state (5.0%). A slight majority (50.2%) of the *owner*-occupied mobile homes are located in the East Submarket, followed by the Central (28.7%) and West (21.1%) submarkets.


Renter-Occupied Housing by Units in Structure (2017-2021)
4 or Less
5 or More
Mobile/Other
70.0%
60.0%
50.0%
40.0%
30.0%
20.0%
10.0%
0.0%
62.0%
23.2%
14.8%
67.2%
9.7%
23.1%
48.0%
5.8%
46.2%
59.6%
16.7%
23.7%
51.4%
44.5%
4.1%
Central
West
East
Oceana Co.
Michigan


Owner-Occupied Housing by Units in Structure (2017-2021)
4 or Less
5 or More
Mobile/Other
100.0%
80.0%
60.0%
40.0%
20.0%
0.0%
88.1%
0.3%
11.6%
87.2%
0.8%
12.0%
74.3%
0.0%
25.7%
83.5%
0.4%
16.2%
93.8%
1.3%
5.0%
Central
West
East
Oceana Co.
Michigan

B. HOUSING SUPPLY ANALYSIS (BOWEN NATIONAL SURVEY)

1. Introduction

Bowen National Research conducted research and analysis of various housing alternatives within the PSA (Oceana County). This analysis includes rental housing (multifamily and non-conventional), for-sale and owner-occupied housing, and vacation rental housing.

2. Multifamily Rental Housing

During April and May of 2023, Bowen National Research surveyed (both by telephone and in-person) a total of 10 multifamily rental housing properties within Oceana County. While this survey does not include all properties in the county, it does include a majority of the larger properties. The overall survey is considered representative of the performance, conditions and trends of multifamily rental housing in the county. Projects identified, inventoried, and surveyed operate as market-rate and under a number of affordable housing programs including the Low-Income Housing Tax Credit (LIHTC) program and various HUD programs. Definitions of each housing program are included in *Addendum G: Glossary*.

Property managers and leasing agents for each project were surveyed to collect a variety of property information including vacancies, rental rates, unit mixes, year built and other features. Most properties were personally visited by staff of Bowen National Research and were also rated based on general exterior quality and upkeep, and each property was mapped as part of this survey.

The distribution of surveyed multifamily rental housing supply by program type is illustrated in the following table.

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Tax Credit	1	10	0	100.0%
Tax Credit/Government-Subsidized	4	85	3	96.5%
Market-rate/Tax Credit/Government-Subsidized	1	24	1	95.8%
Government-Subsidized	4	96	0	100.0%
Total	10	215	4	98.1%

Typically, in healthy and well-balanced markets, multifamily rentals operate at an overall 94% to 96% occupancy rate. As the preceding table illustrates, the rental properties surveyed in the PSA (Oceana County) have an overall occupancy rate of 98.1% with **only four vacancies**. Three of the four vacancies are within one project containing both Tax Credit and government-subsidized units, while the remaining vacancy is within a mixed-income property containing market-rate, Tax Credit, and government-subsidized units. Specifically, three of the vacancies are comprised of government-subsidized units, while one vacancy is a Tax Credit unit. While only four market-rate units were surveyed, these units are fully occupied. In addition, as summarized later in this section, most properties maintain waiting lists. This indicates that pent-up demand exists for all types of multifamily rental housing within Oceana County.

The 10 properties surveyed within the PSA (Oceana County) are summarized in the following table:

Map I.D.	Project Name	Quality Rating	Year Built/ Renovated	Total Units	Occ. Rate	Waiting List	Target Market
Central Submarket							
1	Barnett Station Village Apts.	B	2011	32	90.6%	None	Families/Homeless/Special Needs; 60% AMHI & PBV/PBRA
2	Chapita Hills Apts.	B-	1982	24	100.0%	20 HH	Families; RD 515
3	Chippawa Creek Apts.	B-	1993	18	100.0%	None	Seniors 62+; 60% AMHI & RD 515
4	Cottages at Griswold Senior Living	B+	2020	10	100.0%	30 HH	Seniors 55+; 60% AMHI
5	Park Place Apts.	C+	1981	32	100.0%	25 HH	Families; RD 515
6	Rosewood Apts.	B-	1986	24	100.0%	14 HH	Seniors 62+; RD 515
7	Sable Pointe	C+	1973 / 2022	20	100.0%	5 HH	Families; 60% AMHI & RD 515
8	Shelby Trails	B+	2022	15	100.0%	Yes	Homeless; 60% AMHI & PSH
10	Woodland Place	B+	2018	24*	95.8%	35 HH	Families; MR, 60% AMHI & PBV/PBRA
West Submarket							
9	Summerview Apts.	C+	1985	16	100.0%	16 HH	Families/Homeless/Special Needs; RD 515

Occ. – Occupancy; HH – Households; MR – Market-Rate
*Property includes four (4) market-rate units

Of the 10 total properties surveyed in Oceana County, nine properties are located in the Central Submarket and account for 92.6% of the multifamily rental units surveyed. All but two of the surveyed properties in the county, with the exception of Barnett Station Village Apartments (Map I.D. 1) and Woodland Place (Map I.D. 10) are 100% occupied. Overall, the occupancy rate of the surveyed multifamily apartments in the Central Submarket is 98.0%, while the only multifamily apartment project in the West Submarket is fully occupied. In addition, eight of the surveyed properties (80%) maintain wait lists, with individual wait lists ranging between five and 35 households for the next available units. It is also noteworthy that all projects targeting senior households are fully occupied. A majority (70.0%) of the

projects surveyed have a quality rating of "B-" or better, while the remaining projects (30.0%) have a quality rating of "C+." With four projects having been built since 2011 and one project having been renovated in 2022, a significant portion of the multifamily supply in the PSA (Oceana County) is relatively new. Overall, most projects in the county are considered to be in good condition. With a high overall occupancy rate and most properties maintaining wait lists, it appears that there is a high level of pent-up demand for multifamily rental units in the PSA. As such, this illustrates the importance of affordable housing options for low-income households, seniors, and other special needs groups in the PSA.

The collected rents for the surveyed projects, as well as their number of units by bedroom type are listed in the following table:

		Collected Rent/Program Type (Number of Units)			
Map I.D.	Project Name	One-Br.	Two-Br.	Three-Br.	Four-Br.
Central Submarket					
1	Barnett Station Village Apts.	-	$485/60% (1) $485/60% (6) $544/SUB (11)	$616/60% (5) $560/SUB (9)	-
2	Chapita Hills Apts.	-	$870/RD (4)	$955/RD (16)	$978/RD (4)
3	Chippawa Creek Apts.	$649-$793/60% (18)	-	-	-
4	Cottages at Griswold Senior Living	$649/60% (5)	$749/60% (5)	-	-
5	Park Place Apts.	$548-$568/RD (16)	$578-$598/RD (14)	$629-$649/RD (2)	-
6	Rosewood Apts.	$539 - $745/RD (24)	-	-	-
7	Sable Pointe	$713-$806/60% (5)	$753-$858/60% (15)	-	-
8	Shelby Trails	SUB/60% (10)	SUB/60% (5)	-	-
10	Woodland Place	$514/60% (4) $540/MR (1) $540/SUB (1)	$586/60% (1) $586/60% (7) $687-$717/MR (3) $687/SUB (5)	$955/60% (1) $982/60% (1)	-
West Submarket					
9	Summerview Apts.	$781-$1,014/RD (8)	$811-$1,043/RD (8)	-	-

MR - Market-Rate; RD – RD 515; %AMHI – Tax Credit
SUB - Subsidized (residents pay 30% of their income)

As the preceding table illustrates, one-bedroom units comprise the largest share (42.8%) of the rental product surveyed in the PSA (Oceana County), followed by two-bedroom units (39.5%). The combined total of one-bedroom and two-bedroom units account for 82.3% of the surveyed rental product in the PSA. While market-rate units comprise a very small share (1.9%) of the total units surveyed, the market-rate units surveyed have rents that range between $540 for a one-bedroom unit and $687 to $717 for a two-bedroom unit. No three- or four-bedroom market-rate units were surveyed. The overall lack of market-rate multifamily apartments may indicate a future development opportunity in the county.

Non-subsidized Tax-Credit units, which comprise 16.7% (36 units) of the surveyed multifamily supply, have rents that range from $514 to $649 for a one-bedroom unit, $485 to $749 for a two-bedroom unit, and $616 to $982 for a three-bedroom unit. One of these Tax Credit properties (Cottages at Griswold Senior Living) is restricted to senior households age 55 and older earning up to 60% of AMHI and is among the market's newest multifamily apartment projects. This 10-unit project is fully occupied and has a 30-household wait list, illustrating the success and pent-up demand for such housing. In addition, some of the market's Tax Credit units are set aside for special needs populations (homeless, chronically homeless, and victims of domestic violence). It is also noteworthy that there is only one vacancy among the Tax Credit units in the PSA and two of the three properties maintain long wait lists (65 households, combined), which is a likely indicator that low-income rental households are underserved by the current supply of Tax Credit units in the market.

The government-subsidized projects in the county, which comprise 81.4% of the total surveyed multifamily apartment supply, are primarily one-bedroom (46.9%) and two-bedroom (35.4%) units, with three-bedroom (15.4%) and four-bedroom (2.3%) units comprising very small shares of the subsidized supply. As such, there are few affordable multifamily units in the PSA for larger low-income households. Regardless of bedroom type, there are only three vacancies and considerable wait lists among subsidized housing in the PSA. Therefore, it is critical that the existing affordable housing alternatives be preserved and that developers of future residential projects consider this high level of demand among low-income renter households.

The unit sizes (square footage) and number of bathrooms included in each of the surveyed apartments in the PSA (Oceana County) by submarket are shown in the following tables.

		Square Footage			
Map I.D.	Project Name	One-Br.	Two-Br.	Three-Br.	Four-Br.
Central Submarket					
1	Barnett Station Village Apts.	-	750 - 850	1,200	-
2	Chapita Hills Apts.	-	N/A	N/A	N/A
3	Chippawa Creek Apts.	578	-	-	-
4	Cottages at Griswold Senior Living	838	1,001	-	-
5	Park Place Apts.	550	650	750	-
6	Rosewood Apts.	576	-	-	-
7	Sable Pointe	596	719	-	-
8	Shelby Trails	600	800	-	-
10	Woodland Place	786	1,088 - 1,208	1,368 - 1,581	-
West Submarket					
9	Summerview Apts.	742	789	-	-

N/A – Not Available

Map I.D.	Project Name	Number of Baths			
		One-Br.	Two-Br.	Three-Br.	Four-Br.
Central Submarket					
1	Barnett Station Village Apts.	-	1.0	2.0	-
2	Chapita Hills Apts.	-	2.0	2.0	2.0
3	Chippawa Creek Apts.	1.0	-	-	-
4	Cottages at Griswold Senior Living	1.0	1.0	-	
5	Park Place Apts.	1.0	1.0	1.0	-
6	Rosewood Apts.	1.0	-	-	-
7	Sable Pointe	1.0	1.0	-	-
8	Shelby Trails	1.0	1.0	-	-
10	Woodland Place	1.0	1.5	2.5	-
West Submarket					
9	Summerview Apts.	1.0	1.0	-	-

Among the most common unit types at surveyed properties, one-bedroom multifamily units range in size from 550 square feet to 838 square feet, while two-bedroom multifamily units range in size from 650 square feet to 1,208 square feet. Note that all one-bedroom floorplans and a majority of two-bedroom floorplans include only one bathroom. The three-bedroom units within the PSA range in size from 750 to 1,581 square feet and typically contain at least two full bathrooms. Square footage was not available for the limited number (four units) of four-bedroom units in the PSA.

The following table provides the distribution of rental projects and units surveyed by year built in Oceana County.

Surveyed Properties by Year Built			
Year Built	Projects	Units	Vacancy Rate
Before 2000	6	134	0.0%
2000 to present	4	81	4.9%

Source: Bowen National Research

Six of the 10 conventional rental properties surveyed in Oceana County were built before the year 2000. These six older properties represent over three-fifths (62.3%) of the rental units surveyed in the county. The oldest property (Sable Point), which was built in 1973, was renovated in 2022. Four other properties were built between 1980 and 1989 and have not had any major reported renovations. Despite the lack of recent renovations and older build dates, the properties built prior to 2000 are fully occupied. The four properties built since 2000, representing a total of 81 units, have a vacancy rate of 4.9%. It should be noted that three of the four vacancies are within one property (Barnett Station Village Apartments) and are PBV/PBRA (Project-Based Voucher/Rental Assistance) units. Overall, demand for multifamily rental units in the county remains strong regardless of property age.

Representatives of Bowen National Research personally visited most of the rental projects within Oceana County and rated the quality of each property on a scale of "A" (highest) through "F" (lowest) based on quality and overall appearance (i.e., aesthetic appeal, building appearance, landscaping and grounds appearance). The following is a distribution by quality rating, number of units, and vacancy rates for all surveyed multifamily rental housing product in the county.

Surveyed Properties by Quality Rating			
Quality Rating	Projects	Units	Vacancy Rate
B- or above	7	147	2.7%
C+ or below	3	68	0.0%

Source: Bowen National Research

Seven of the 10 rental properties surveyed in the PSA have a quality rating of "B-" or higher, indicating that most of the surveyed properties in the county are considered to be in good condition. While these properties have a vacancy rate of 2.7%, the properties with a quality rating of "C+" or lower are fully occupied, indicating that demand for multifamily apartments in the PSA is strong regardless of condition.

Note that six of the 10 surveyed properties in Oceana County operate under the Low-Income Housing Tax Credit (LIHTC) program. Rents for projects operating under federal programs or the LIHTC program are limited to the percent of Area Median Household Income (AMHI) to which the units are specifically restricted. For the purposes of this analysis, we have illustrated programmatic rent limits at 50% of AMHI (typical federal program restrictions) and 80% of AMHI (maximum LIHTC program restrictions) in the following table. It should be noted that all rents are shown as *gross rents*, meaning they include tenant-paid rents and tenant-paid utilities.

Maximum Allowable AMHI Gross Rents (2023) Oceana County, Michigan					
Percent of AMHI	Studio	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
50%	$662	$710	$852	$984	$1,098
80%	$1,060	$1,136	$1,364	$1,575	$1,758

Source: Bowen National Research, MSHDA (2023)

Maximum allowable rents are subject to change on an annual basis and are only *achievable* if the project with such rents is marketable. Regardless, the preceding rent table should be used as a guide for setting maximum rents under the Tax Credit program, yet using individual market data from this report or a site-specific market feasibility study to confirm achievable rents.

Projects can be developed under federal programs that use Fair Market Rents or the HOME Program rents. The following tables illustrate the 2023 Fair Market Rents and Low HOME and High HOME rents for Oceana County.

Fair Market Rents (2023) Oceana County				
Studio	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
$613	$635	$836	$1,031	$1,246

Low/High HOME Rent (2023)				
Studio	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
$613 / $613	$635 / $635	$836 / $836	$984 / $1,031	$1,098 / $1,246

Source: HUD Office of Policy Development and Research (huduser.gov)

The preceding rents, which are updated annually, can be used by developers as a guide for the possible rent structures incorporated at their projects within Oceana County.

The Fair Market Rent for a one-bedroom unit is lower than most of the corresponding market-rate and 60% AMHI Tax Credit rents at the surveyed properties in the county. However, the Fair Market Rent for a two-bedroom unit is higher than most of the corresponding market-rate and Tax Credit rents within the county. While this likely indicates that Housing Choice Voucher (HCV) Holders would be able to secure a two-bedroom market-rate or 60% AMHI unit with an HCV, the lack of available multifamily rental units in the county suggests most residents must choose from non-conventional rental alternatives, which are evaluated in the next section of this report.

According to a representative with Rental Assistance & Homeless Solutions, there are approximately 51 Housing Choice Vouchers issued within the housing authority's jurisdiction. However, it was also revealed by housing authority representatives that approximately 26 issued vouchers are currently going unused. As a result, despite the federal assistance available, many households cannot use vouchers due to the lack of available units or landlords unwilling to accept them. There is a total of 285 households currently on the waiting list for additional vouchers. The waiting list is closed, and it is unknown when it will reopen. Annual turnover within the voucher program is estimated at three households. This reflects the continuing need for affordable housing alternatives and/or Housing Choice Voucher assistance. The representative stated that the most common reasons participants leave the program are failure to complete annual reexamination, deceased, and over income.

We also evaluated the potential number of existing subsidized affordable housing units that are at risk of losing their affordable status. Because these contracts have a designated renewal date, it is important to understand if these projects are at risk of an expiring contract in the near future that could result in the reduction of affordable rental housing stock.

Expiring HUD Contracts – Oceana County, Michigan					
Property Name	Total Units	Assisted Units	Expiration Date	Program Type	Target Population
Parkview Manor	48	48	2/23/2033	515/8 NC	Family
White River Estates	31	31	12/15/2032	PRAC/202	Family

Source: HUDUser.gov Assistance & Section 8 Contracts Database (Updated 3.30.2023); Bowen National Research

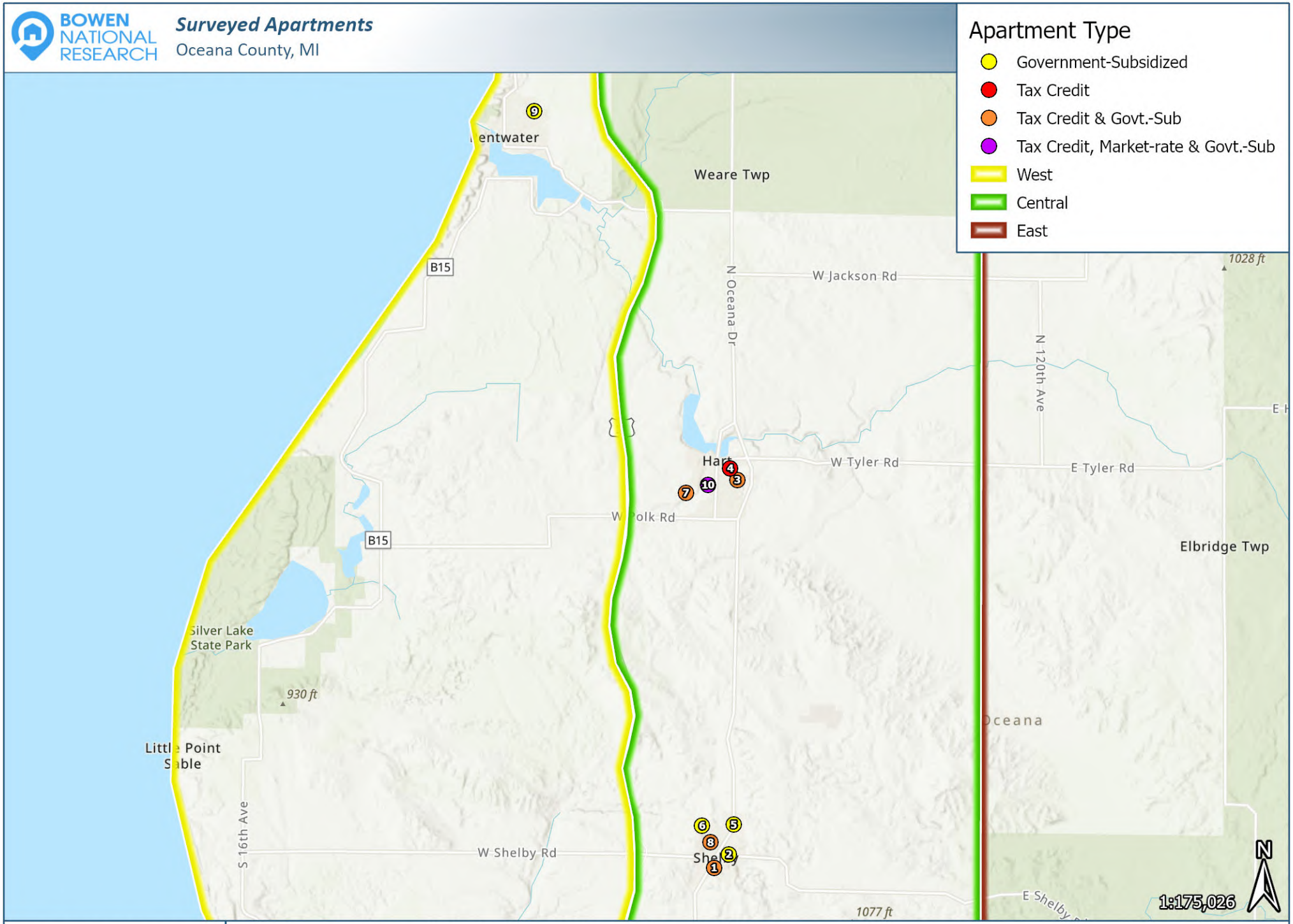
While all HUD supported projects are subject to annual appropriations by the federal government, it appears that none of the projects with HUD contracts in Oceana County have renewal dates within the next several years and are not at an immediate *potential* risk of losing their government assistance in the near future. Given the high occupancy rates and wait lists among the market's surveyed subsidized properties, it will be important for the area's low-income residents that the projects with pending expiring HUD contracts be preserved in order to continue to house some of the market's most economically vulnerable residents. Note that at the time of this study, we were unable to survey the two properties in the preceding table.

A map illustrating the location of all multifamily apartments surveyed within the market is included on the following page.

BOWEN NATIONAL RESEARCH

Surveyed Apartments

Oceana County, MI



0 0.85 1.7 2.55 3.4 Miles

Esri, HERE, Garmin, SafeGraph, METI/NASA, USGS, EPA, NPS, USDA, Esri, NASA, NGA, USGS
Additional Source(s): Bowen National Research

3. Non-Conventional Rental Housing

Non-conventional rentals are generally considered rental units consisting of single-family homes, duplexes, units over store fronts, mobile homes, etc. Typically, these rentals are older, offer few amenities, and lack on-site management and maintenance. For the purposes of this analysis, we have assumed that rental properties consisting of four or less units within a structure are non-conventional rentals. Based on data from the American Community Survey (2017-2021), the number and share of units within renter-occupied structures is summarized in the following table:

		Renter-Occupied Housing by Units in Structure			
		1 to 4 Units	5 Units or More	Mobile Home/ Other	Total
Central	Number	492	184	117	793
	Percent	62.0%	23.2%	14.8%	100.0%
West	Number	160	23	55	238
	Percent	67.2%	9.7%	23.1%	100.0%
East	Number	156	19	150	325
	Percent	48.0%	5.8%	46.2%	100.0%
Oceana County	Number	808	226	322	1,356
	Percent	59.6%	16.7%	23.7%	100.0%
Michigan	Number	568,232	492,131	45,622	1,105,985
	Percent	51.4%	44.5%	4.1%	100.0%

Source: American Community Survey (2017-2021); ESRI; Urban Decision Group; Bowen National Research

As the preceding table illustrates, non-conventional rentals with four or fewer units per structure comprise a vast majority of the local rental housing market, as they represent over four-fifths (83.3%) of rental units in the PSA (Oceana County). This is a considerably larger share than the share of non-conventional rentals (55.5%) for the state of Michigan. The share (23.7%) of mobile homes in the PSA, specifically, is notably higher than the corresponding share (4.1%) within the state. While the share of non-conventional rentals in each submarket is larger than the state share, the largest share of non-conventional rentals is within the East Submarket (94.2%). This is due primarily to the exceptionally high share of mobile home rentals in this submarket (46.2%).

The following table summarizes monthly gross rents (per unit) for area rental alternatives within the PSA and the state of Michigan, based on ACS data. While this data encompasses all rental units, which includes multifamily apartments, a vast majority (83.3%) of the local market's rental supply consists of non-conventional rentals. Therefore, it is reasonable to conclude that the following provides insight into the overall distribution of rents among the non-conventional rental housing units. It should be noted, gross rents include tenant-paid rents and tenant-paid utilities.

		Estimated Monthly Gross Rents by Market								
		<$300	$300 - $500	$500 - $750	$750 - $1,000	$1,000 - $1,500	$1,500 - $2,000	$2,000+	No Cash Rent	Total
Central	Number	55	106	228	184	144	3	10	61	791
	Percent	7.0%	13.4%	28.8%	23.3%	18.2%	0.4%	1.3%	7.7%	100.0%
West	Number	9	28	67	46	24	2	1	63	240
	Percent	3.8%	11.7%	27.9%	19.2%	10.0%	0.8%	0.4%	26.3%	100.0%
East	Number	2	24	74	96	58	0	0	71	325
	Percent	0.6%	7.4%	22.8%	29.5%	17.8%	0.0%	0.0%	21.8%	100.0%
Oceana County	Number	66	158	369	326	226	5	11	195	1,356
	Percent	4.9%	11.7%	27.2%	24.0%	16.7%	0.4%	0.8%	14.4%	100.0%
Michigan	Number	47,234	62,363	186,604	294,005	333,601	85,842	40,126	56,211	1,105,986
	Percent	4.3%	5.6%	16.9%	26.6%	30.2%	7.8%	3.6%	5.1%	100.0%

Source: American Community Survey (2017-2021); ESRI; Urban Decision Group; Bowen National Research

As the preceding table illustrates, the largest share (27.2%) of PSA (Oceana County) rental units has rents between $500 and $750, followed by units with rents between $750 and $1,000 (24.0%). Collectively, units with gross rents below $1,000 account for 67.8% of all PSA rentals, which is a larger share of such units when compared to the state (53.4%). An additional 14.4% of the PSA rental units are categorized as "No Cash Rent," which is a much larger share than the state (5.1%). Overall, this demonstrates the dominance of the lower and moderately priced product among the non-conventional rental units in the market. While the Central Submarket has the largest share (72.5%) of rental units with rents less than $1,000, the shares of "No Cash Rent" units within the West (26.3%) and East (21.8%) submarkets are notably higher than the PSA, overall. Although higher priced products (gross rents over $1,000) only account for 17.9% of all PSA rentals, which is a much smaller share than the state (41.6%), these units provide some alternatives to home ownership for higher income earning residents in the PSA and demonstrate rent premiums are achievable.

Bowen National Research contacted several rental management companies in Oceana County to obtain information for area non-conventional rentals. While there were no *available* non-conventional rentals *identified* during our research, typical rent data was collected from each of the management companies surveyed. The following table illustrates the typical rent range of non-conventional rentals by bedroom type. The range in rents are attributed to various features such as a garage or included utilities.

Non-Conventional Rent Range	
Bedrooms	**Typical Rent Range**
One-bedroom	$500 - $800
Two-bedroom	$600 - $750
Three-bedroom	$700 - $900
Four-bedroom	$1,400

Contacts stated that, on average, tenants stay two to four years and vacancies are filled quickly. Most inquiries are for one- to three-bedroom units, and call volume has increased in the last couple of years.

4. Vacation Rental Housing

The PSA (Oceana County) is a popular tourist destination, particularly during the summer months, due to the significant amount of shoreline along Lake Michigan. As such, short-term vacation rentals and second homes comprise a notable share of the PSA housing market and warrant additional analysis. This section of analysis attempts to estimate the number and share of short-term rentals and second homes in Oceana County and the effect on the overall housing market.

In an effort to quantify the share that seasonal and recreational homes comprise of the overall housing market in the PSA and its submarkets, the following table illustrates the number of homes classified as "Seasonal or Recreational Units" by the U.S. Census and American Community Survey (ACS). While this data does not specifically identify whether a housing unit is a short-term rental or a second home, it provides a reasonably accurate estimate for the number of homes that are not readily available for long-term occupancy (rental or for-sale) in the market. While a notable share of these homes in an area likely indicates a robust tourism base, it can contribute to housing shortages for permanent residents if long-term housing options are absorbed by this market.

	Seasonal/Recreational Housing Units				
	Seasonal/ Recreational Units	Total Vacant Units	Total Housing Units	Seasonal/ Recreational % of Total Vacant Units	Seasonal/ Recreational % of Total Housing Units
Central	438	875	4,879	50.1%	**9.0%**
West	3,273	3,440	6,234	95.1%	**52.5%**
East	1,057	1,487	4,478	71.1%	**23.6%**
Oceana County	4,768	5,802	15,591	82.2%	**30.6%**
Michigan	272,139	589,758	4,566,310	46.1%	**6.0%**

Source: American Community Survey (2017-2021); ESRI; Urban Decision Group; Bowen National Research

As the preceding illustrates, nearly one-third (30.6%) of the total housing units in the PSA (Oceana County) are classified as seasonal/recreational, which represents a much larger share of such units as compared to the state (6.0%). Among the individual submarkets of the PSA, the shares of seasonal/recreational units as a percentage of the total housing units are highest within the West (52.5%) and East (23.6%) submarkets. With seasonal/recreational units comprising over half of the total housing units in the West Submarket, it is apparent that seasonal/recreational units are a major influence on the overall housing market in this area. It is also noteworthy that over four-fifths (82.2%) of the *vacant* units in the entire PSA are seasonal/recreational units. As such, this segment of the housing market is much more pronounced in Oceana County compared to the housing market at the state level.

The following table illustrates the number and share of short-term rentals by bedroom type in Oceana County based on data provided by AllTheRooms, a market intelligence company that provides data related to short-term rental markets throughout the country. While this data likely does not identify all short-term rental properties within the PSA (Oceana County) due to various advertising resources, the data utilizes listings from Airbnb and Vrbo, which are generally considered two of the leading companies in the online marketplace for short-term and vacation rentals. As such, the data illustrated is highly representative of the typical short-term rental housing in the market, and likely encompasses a significant portion of the total short-term rental units within the area.

Oceana County Short-Term Rentals by Bedroom Type
Active Listings (Last 30 Days) as of July 7, 2023

Bedroom Type	Airbnb Listings	Airbnb Share	Vrbo Listings	Vrbo Share	Total Listings	Total Share
Studio	3	1.4%	1	0.3%	4	0.8%
One-Bedroom	14	6.8%	15	5.1%	29	5.8%
Two-Bedroom	59	28.5%	61	20.6%	120	23.9%
Three-Bedroom	68	32.9%	112	37.8%	180	35.8%
Four-Bedroom	35	16.9%	63	21.3%	98	19.5%
Five-Bedroom+	28	13.5%	44	14.9%	72	14.3%
Total	207	100.0%	296	100.0%	503	100.0%

Source: AllTheRooms; Bowen National Research

As the preceding illustrates, there are approximately 503 active listings for Airbnb and Vrbo units in the PSA (Oceana County). Of these, two- and three-bedroom units comprise the largest shares (23.9% and 35.8%, respectively) of short-term rentals in the PSA. Four-bedroom units comprise nearly one-fifth (19.5%) of the total units, while five-bedroom or larger units account for 14.3% of the total inventory. However, it is important to understand that the number of short-term rentals is likely much higher than illustrated because this data only encompasses listings that have been active (listed as available for rent) in the last 30 days. As such, second homes that are currently occupied by the owner and not available for rent during this time span will not be included in these totals. Regardless, this data illustrates a reasonable approximation of the distribution and scale of short-term rentals by bedroom type in the PSA.

While second homes do not represent a viable long-term occupancy option for households in an area because they are likely occupied by the owner for at least part of the year, short-term rentals and vacation homes are also typically unaffordable as a permanent residence due to the high daily rates charged. In an effort to demonstrate why these homes are not reasonable options for long-term occupancy, and to illustrate the financial incentive of owners to rent these homes on a short-term/vacation basis, the following table illustrates the average daily rates and the equivalent *monthly* rent by *number of bedrooms* for the surveyed short-term/vacation units for the

previous 12 months. Other notable data such as the overall occupancy rate, average yearly revenue per listing, and total market revenue for each bedroom type is supplied for reference.

Oceana County Short-Term Rental Metrics by Bedroom Type Last 12 Months*					
Airbnb Listings					
Bedroom Type	**Occupancy Rate**	**Average Revenue**	**Market Revenue**	**Average Daily Rate**	**Monthly Rent Equivalent**
Studio	30%	$4,673	$37,382	$138	$4,198
One-Bedroom	31%	$6,248	$162,454	$159	$4,836
Two-Bedroom	24%	$9,667	$831,378	$231	$7,026
Three-Bedroom	27%	$14,117	$1,468,161	$356	$10,828
Four-Bedroom	21%	$15,407	$724,121	$415	$12,623
Five-Bedroom+	22%	$22,549	$856,855	$573	$17,429
Total	25%	$13,378	$4,080,351	$333	$10,129
Vrbo Listings					
Bedroom Type	**Occupancy Rate**	**Average Revenue**	**Market Revenue**	**Average Daily Rate**	**Monthly Rent Equivalent**
Studio	19%	$4,698	$4,698	$168	$5,110
One-Bedroom	18%	$3,419	$51,279	$175	$5,323
Two-Bedroom	21%	$8,817	$555,494	$252	$7,665
Three-Bedroom	23%	$12,234	$1,345,777	$342	$10,403
Four-Bedroom	16%	$10,163	$660,626	$438	$13,323
Five-Bedroom+	13%	$9,419	$405,031	$515	$15,665
Total	19%	$10,352	$3,022,905	$345	$10,494

Source: AllTheRooms; Bowen National Research
*Airbnb data is from July 7, 2022 to July 7, 2023; Vrbo data is from June 25, 2022 to June 25, 2023

As the preceding illustrates, average *daily* rental rates by bedroom type for the Airbnb listings range from $138 (studio) to $573 (five-bedroom or larger), which is equivalent to approximately $4,198 to $17,429 per *month*. Similarly, the average daily rental rates for the Vrbo listings range from $168 (studio) to $515 (five-bedroom or larger), which is the equivalent of $5,110 to $15,665 per month. As such, it is apparent that these homes do not represent viable long-term housing options for households, regardless of the number of bedrooms. In addition, this data illustrates the premiums that such rentals can achieve and indicates the likely motivation to build vacation rentals and/or convert existing housing stock into a vacation rental. With the average Airbnb listing having an occupancy rate of only 25% (occupied roughly one-fourth of the year) and an average revenue per listing of nearly $14,000, this further exemplifies the financial motive for owners to utilize second homes as short-term rentals.

While the preceding table encompasses data for the previous 12 months, it should be noted that many areas with elevated levels of tourism experience a peak season during certain months of the year. In an effort to better understand the seasonal effect on the short-term rental industry and illustrate the peak tourism months for the area, the following table shows the average daily rate, average occupancy rate, and average monthly

revenue per listing for *Airbnb* rentals for the previous two years. Note that the three highest occupancy rates and average monthly revenues for each year are illustrated in red text.

Oceana County Short-Term Rental Market Metrics by Month*							
Month	Average Daily Rate	Average Occupancy Rate	Average Monthly Revenue	Month	Average Daily Rate	Average Occupancy Rate	Average Monthly Revenue
January 2021	$240	14%	$971	January 2022	$731	11%	$2,229
February 2021	$250	14%	$938	February 2022	$767	15%	$2,926
March 2021	$260	15%	$1,054	March 2022	$812	14%	$3,019
April 2021	$252	26%	$1,609	April 2022	$342	23%	$1,996
May 2021	$281	39%	$2,561	May 2022	$296	33%	$2,421
June 2021	$328	**56%**	**$3,477**	June 2022	$305	**57%**	**$3,628**
July 2021	$347	**59%**	**$3,494**	July 2022	$377	**60%**	**$4,452**
August 2021	$289	**61%**	**$3,370**	August 2022	$368	**55%**	**$4,013**
September 2021	$288	44%	$2,762	September 2022	$320	31%	$2,284
October 2021	$368	32%	$2,981	October 2022	$301	22%	$1,722
November 2021	$481	16%	$2,031	November 2022	$292	12%	$906
December 2021	$404	15%	$1,672	December 2022	$308	11%	$1,004

Source: AllTheRooms; Bowen National Research
*Only includes data for Airbnb listed properties

As the preceding illustrates, the peak season for short-term rentals in the PSA (Oceana County) appears to primarily occur between June and August. This is not surprising given that Lake Michigan is one the primary attractions in the area and the summer months are conducive to many of the activities associated with the lake. The average occupancy rates during these peak months in 2022 range from 55.0% to 60.0%, while the average occupancy rate during non-peak months ranges from 11.0% to 33.0%. This equates to an average monthly revenue of between $906 (December 2022) and $4,452 (July 2022), with eight months having an average monthly revenue of $2,200 or more, and four months with an average monthly revenue exceeding $3,000. This further illustrates the financial motivation, especially during peak months, for many individuals to invest in short-term vacation rentals.

Overall, short-term vacation rentals have a positive influence on the tourism in Oceana County and provide owners a substantial incentive to build new units, convert existing permanent housing units, and rent second homes when not being personally utilized. The 2021 Economic Impact of Tourism in Michigan report concluded that visitors to Oceana County spent approximately $132 million within the county during 2021, which is an increase of 11.8% over 2020. As such, tourism and short-term rentals are an important part of the Oceana County economy. With seasonal/ recreational housing units comprising 30.6% of the overall housing units and 82.8% of the total vacant units in Oceana County in 2021, it is apparent that they are a major influence in the local housing market. As such, these short-term rental units can contribute to housing shortages in the PSA since

most households, particularly lower- and middle-income households, cannot afford these units as a permanent housing option. Therefore, it is critical that future housing developments provide for an adequate supply of income-appropriate permanent housing for the full-time residents and workforce of Oceana County while also providing rental housing options for the tourism industry in the area. A lack of affordable permanent housing options can limit the ability of employers to attract and retain employees and restrict residential growth in the PSA, while a lack of short-term rental options can limit tourism in the area. As a result, area stakeholders will need to seek an adequate balance between these two housing segments.

A map delineating the location of identified short-term/vacation rentals in the area is on the following page, followed by maps illustrating various metrics associated with seasonal/recreational housing by submarket.

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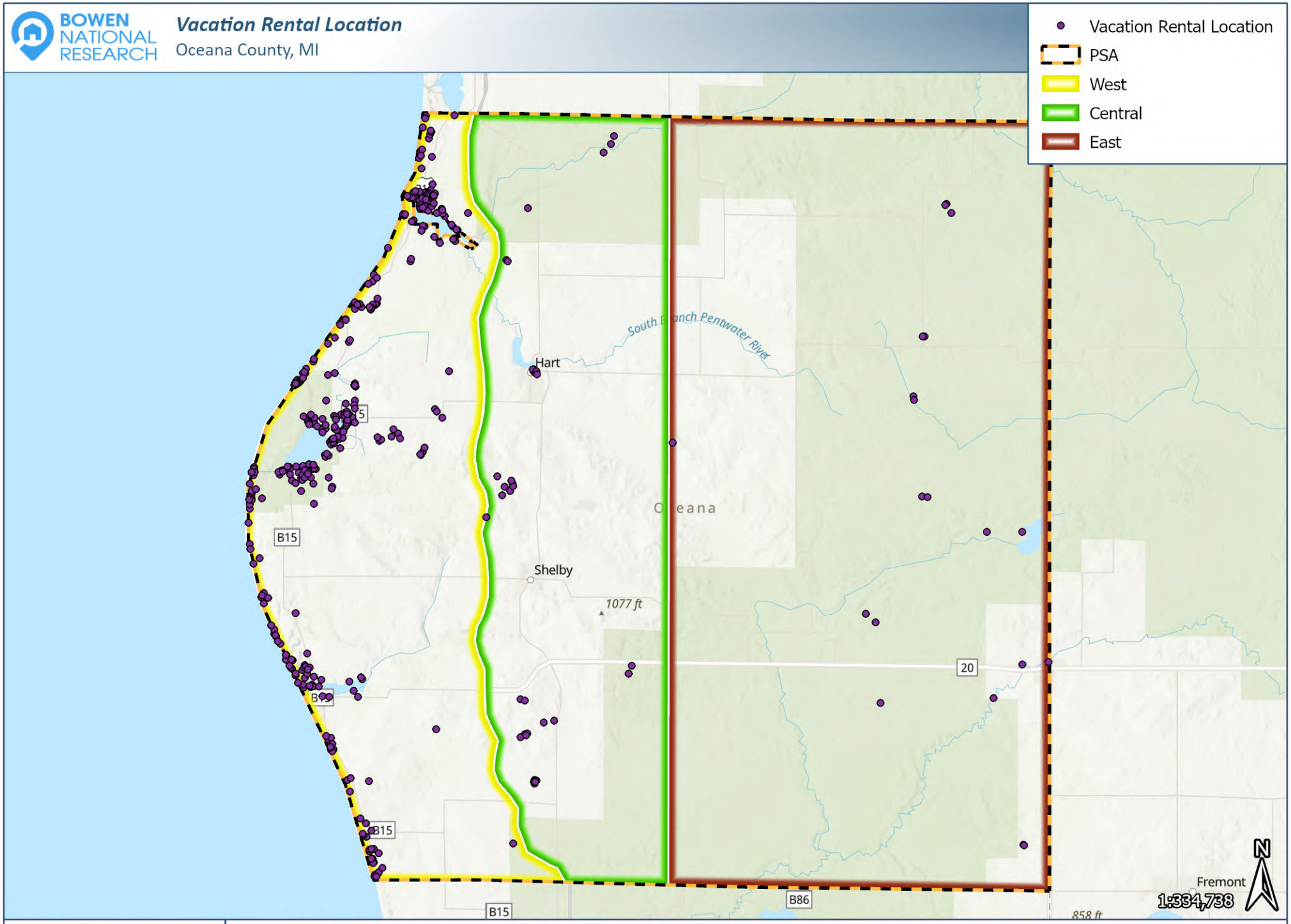
Vacation Rental Location

Oceana County, MI

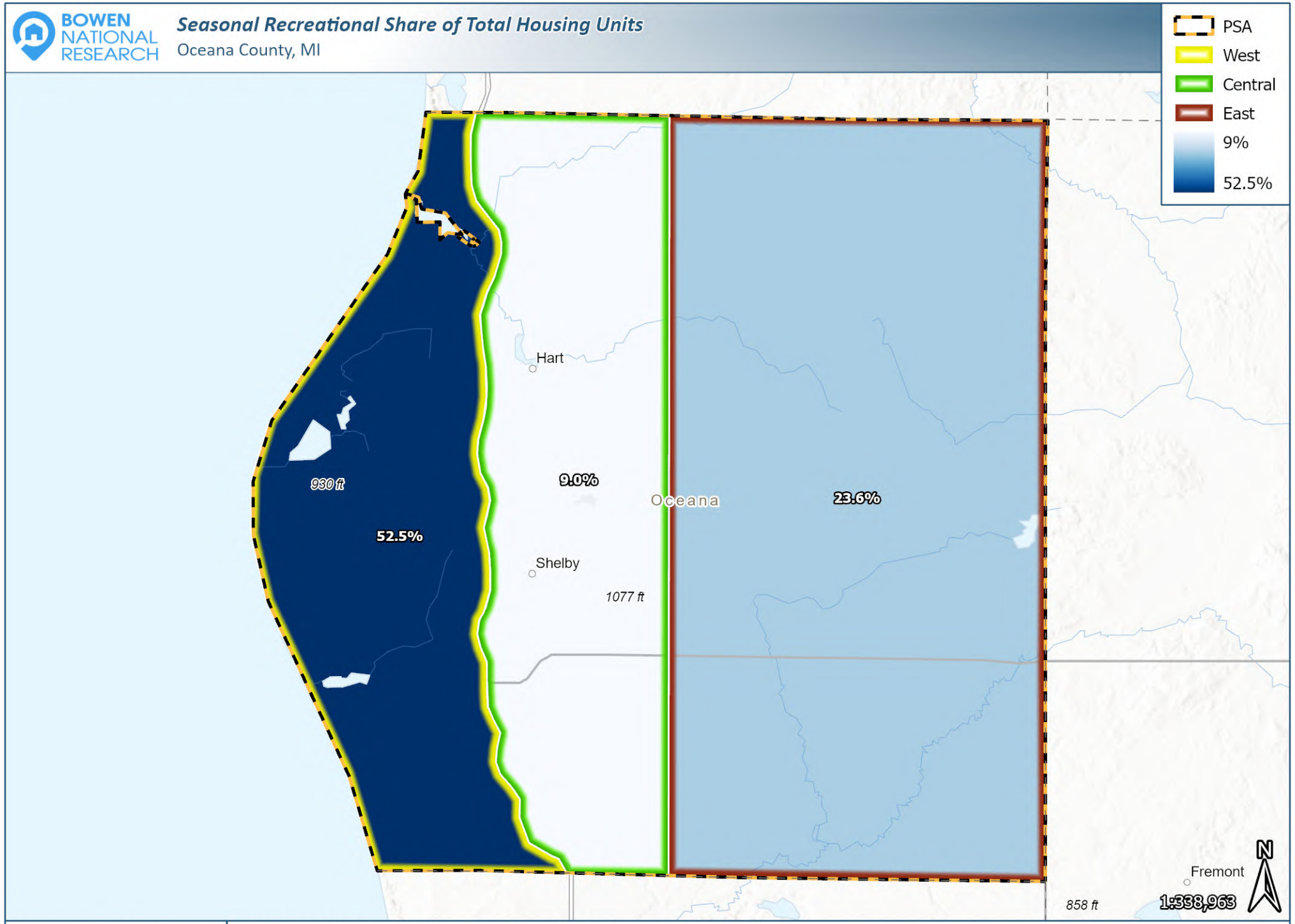


Esri, NASA, NGA, USGS, Esri, HERE, Garmin, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS
Additional Source(s): Bowen National Research

BOWEN NATIONAL RESEARCH

Seasonal Recreational Share of Total Housing Units

Oceana County, MI

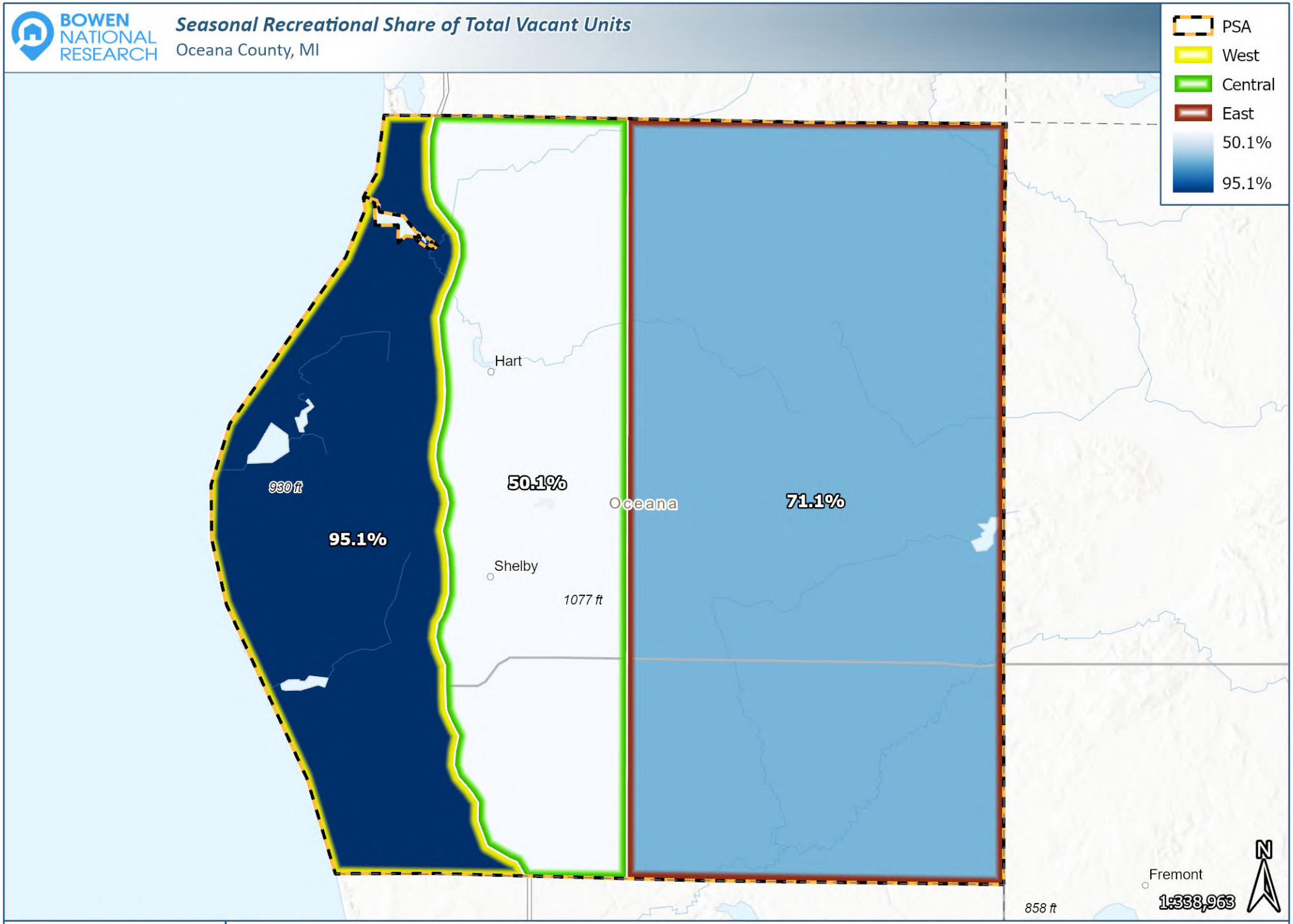


Esri, NASA, NGA, USGS, Esri, HERE, Garmin, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS
Additional Source(s): Bowen National Research

BOWEN NATIONAL RESEARCH

Seasonal Recreational Share of Total Vacant Units

Oceana County, MI



Esri, NASA, NGA, USGS, Esri, HERE, Garmin, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS
Additional Source(s): Bowen National Research

C. FOR-SALE HOUSING SUPPLY

1. Introduction

Bowen National Research obtained for-sale housing data from the local Multiple Listing Service provider for the PSA (Oceana County). The *historical* and *available* for-sale data which we collected and analyzed includes the distribution of housing by number of bedrooms, price point, and year built. While this sales/listing data does not include all for-sale residential transactions or supply in Oceana County, it does consist of the majority of such product and therefore, it is representative of market norms for for-sale housing product in the county.

The following table summarizes the available and recently sold homes for Oceana County:

Oceana County Available/Sold For-Sale Housing Supply		
Status	**Number of Homes**	**Median Price**
Available*	52	$314,000
Sold**	1,097	$182,900

Source: MLS (Multiple Listing Service)
*As of April 6, 2023
**Sales from January 1, 2020 to December 31, 2022

Within the PSA (Oceana County), 1,097 homes were sold between January 1, 2020 and December 31, 2022, at a median price of $182,900. This equates to an average of approximately 30 homes sold per month, or an annualized average of around 366 homes sold during this time. The for-sale housing stock *available* as of April 6, 2023 within the PSA consists of 52 units with a median list price of $314,000.

2. Historical For-Sale Analysis

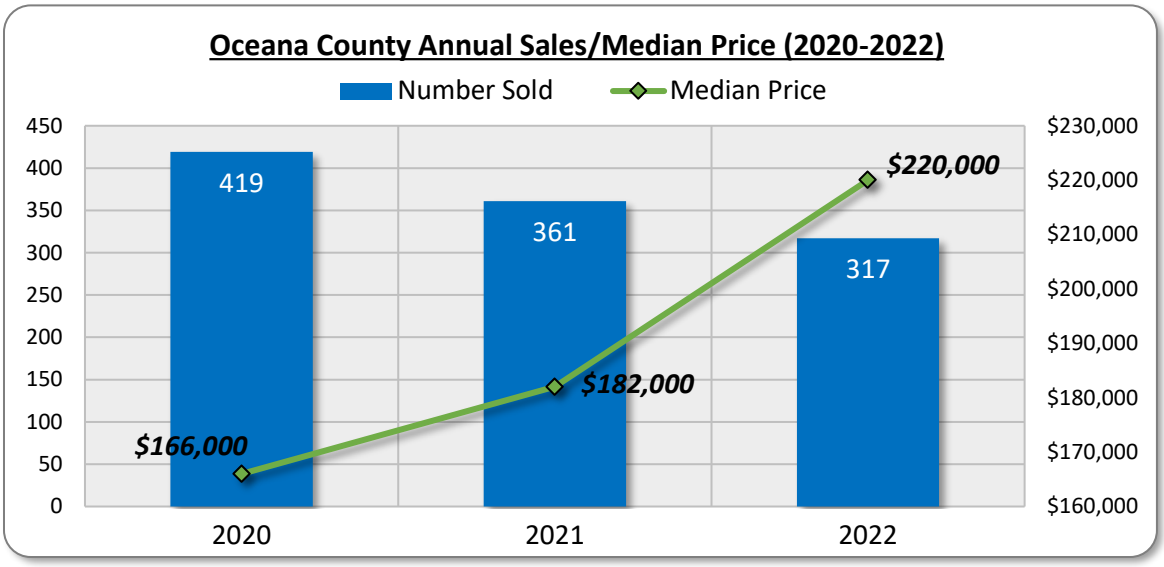
The following table illustrates the annual sales activity from 2020 to 2022 by study area.

Sales History by Year (Jan. 1, 2020 to Dec. 31, 2022)				
Data	**East**	**Central**	**West**	**Oceana County (PSA)**
2020				
Number Sold	104	131	184	419
Median Price	$128,950	$142,000	$220,000	$166,000
2021				
Number Sold	103	114	144	361
Median Price	$160,000	$148,500	$277,500	$182,000
2022				
Number Sold	88	114	115	317
Median Price	$179,089	$184,500	$310,000	$220,000
% Change 2020 to 2022				
Number Sold	-15.4%	-13.0%	-37.5%	-24.3%
Median Price	38.9%	29.9%	40.9%	32.5%

Source: MLS (Multiple Listing Service)

As the preceding table illustrates, the median price of homes sold within the PSA (Oceana County) increased by $54,000 or 32.5% between 2020 and 2022. While the median price of homes sold increased by 9.6% between 2020 and 2021, most of this increase occurred between 2021 and 2022, during which time the median sale price of homes in the PSA increased by 20.9%. Among the 1,097 homes sold in the PSA between 2020 and 2022, the West Submarket accounts for the largest individual share (40.4%) of homes sold in the county. The overall number of homes sold in the PSA decreased by 24.3% between 2020 and 2022, which may be attributed, in part, to a slowing level of demand due to rapidly rising home mortgage interest rates that occurred in 2022. Among the individual submarkets, the greatest increase in median sale price between 2020 and 2022 was within the West Submarket (40.9%), which was only slightly higher than the increase in the East Submarket (38.9%). Interestingly, the largest decrease (37.5%) in sales volume also occurred within the West Submarket. A combination of high mortgage rates and low housing supply in Oceana County will likely keep housing sales figures relatively low in 2023.

The following graph illustrates the annual sales activity from 2020 to 2022.



The distribution of homes sold between 2020 and 2022 by *price point* is summarized in the following table.

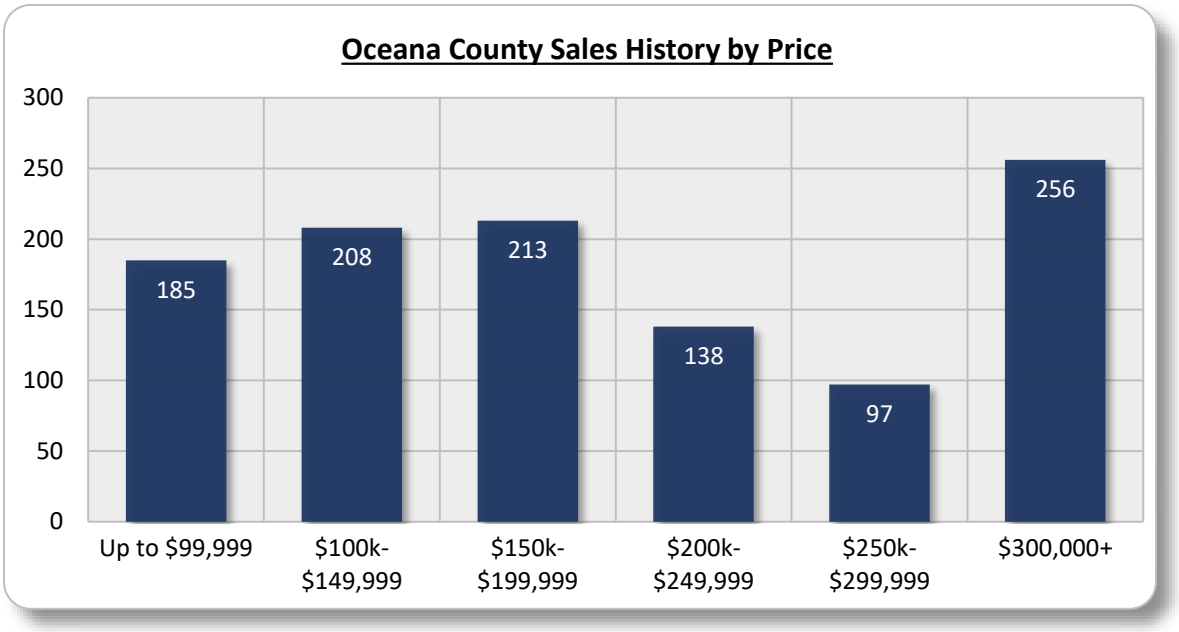
Sales History by Price
(Jan. 1, 2020 to Dec. 31, 2022)

Data	Up to $99,999	$100,000 to $149,999	$150,000 to $199,999	$200,000 to $249,999	$250,000 to $299,999	$300,000+	Total
East							
Number Sold	79	57	67	40	23	29	295
Percent of Supply	26.8%	19.3%	22.7%	13.6%	7.8%	9.8%	100.0%
Central							
Number Sold	67	107	84	38	26	37	359
Percent of Supply	18.7%	29.8%	23.4%	10.6%	7.2%	10.3%	100.0%
West							
Number Sold	39	44	62	60	48	190	443
Percent of Supply	8.8%	9.9%	14.0%	13.5%	10.8%	42.9%	100.0%
Oceana County (PSA)							
Number Sold	185	208	213	138	97	256	1,097
Percent of Supply	16.9%	19.0%	19.4%	12.6%	8.8%	23.3%	100.0%

Source: MLS (Multiple Listing Service)

As the preceding table illustrates, over one-half (55.3%) of homes sold in the PSA (Oceana County) between 2020 and 2022 were priced below $200,000. Conversely, nearly one-third (32.1%) of homes sold in the PSA were priced above $250,000, a price point typically popular with most middle- and upper-class homebuyers. Among the submarkets, the East Submarket has the largest share (71.9%) of homes that sold below $200,000, while over half of the homes that sold in the West Submarket sold for $250,000 or more. Overall, it appears the PSA had a diverse distribution of home sales between 2020 and 2022; however, particular price points have been more common within specific submarkets of the PSA during this time.

The distribution of recent home sales by *price point* for the PSA (Oceana County) is shown in the following graph.



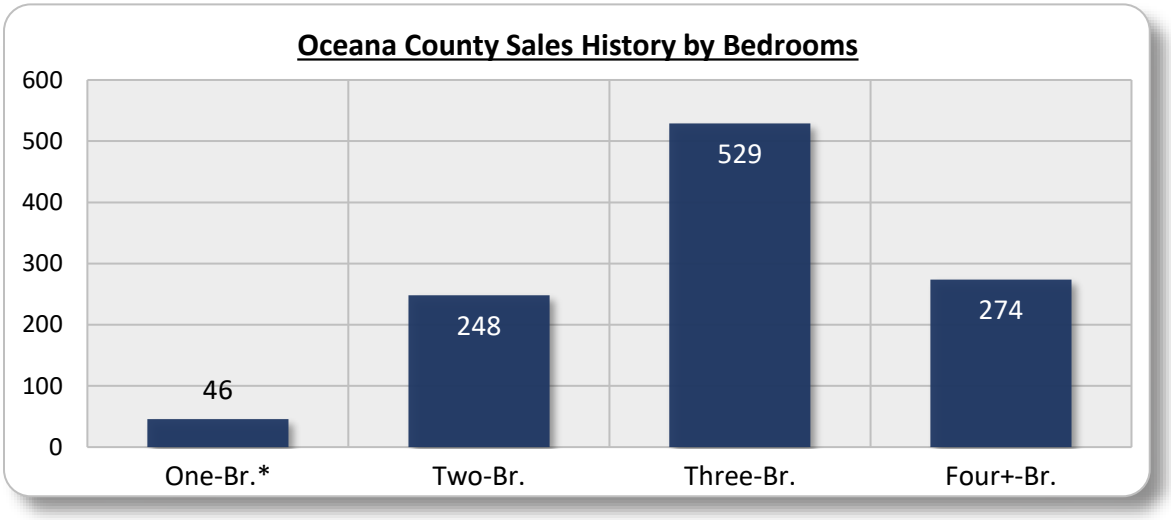
The following table illustrates recent home sales for the study areas by *bedroom type.*

Sales History by Bedroom Type (Jan. 1, 2020 to Dec. 31, 2022)						
Bedrooms	Number Sold	Average Square Feet	Average Year Built	Price Range	Median Sale Price	Median Price per Sq. Ft.
East						
One-Br.*	12	788	1971	$15,000 - $265,000	$103,250	$131.23
Two-Br.	94	1,072	1961	$12,000 - $379,000	$117,000	$119.05
Three-Br.	146	1,686	1976	$20,000 - $445,000	$165,000	$120.00
Four+-Br.	43	2,213	1974	$36,000 - $2,220,000	$190,000	$118.91
Total	295	1,532	1971	$12,000 - $2,220,000	$155,000	$120.00
Central						
One-Br.*	19	976	1951	$24,000 - $245,000	$68,000	$89.59
Two-Br.	53	1,187	1966	$30,000 - $685,000	$110,000	$108.51
Three-Br.	194	1,719	1958	$27,000 - $650,000	$168,750	$115.30
Four+-Br.	93	2,438	1957	$35,000 - $579,000	$184,370	$102.63
Total	359	1,790	1959	$24,000 - $685,000	$153,000	$109.50
West						
One-Br.*	15	961	1963	$47,000 - $375,000	$160,000	$177.78
Two-Br.	101	1,152	1978	$18,000 - $630,001	$192,000	$194.92
Three-Br.	189	1,733	1977	$30,000 - $1,275,000	$240,000	$180.60
Four+-Br.	138	2,546	1969	$50,000 - $2,400,000	$391,000	$196.98
Total	443	1,824	1975	$18,000 - $2,400,000	$262,500	$185.37
Oceana County (PSA)						
One-Br.*	46	921	1960	$15,000 - $375,000	$97,750	$120.00
Two-Br.	248	1,130	1969	$12,000 - $685,000	$142,000	$137.04
Three-Br.	529	1,715	1970	$20,000 - $1,275,000	$185,000	$133.33
Four+-Br.	274	2,456	1966	$35,000 - $2,400,000	$259,500	$139.86
Total	1,097	1,734	1968	$12,000 - $2,400,000	$182,900	$135.54

Source: MLS (Multiple Listing Service)
*Includes studio units (NOTE: only five (5) total studio units in county)

The largest share of homes sold by bedroom type in the PSA (Oceana County) primarily consists of three-bedroom housing units, which represents nearly one-half (48.2%) of all homes sold in the PSA between 2020 and 2022. The typical three-bedroom unit offers 1,715 square feet, was built in 1970 and has a median sale price of $185,000 ($133.33 per square foot). The next largest share (25.0%) of homes sold were four-bedroom or larger units, which have a considerably higher median sale price ($259,500) and larger footprint (2,456 square feet). While three-bedroom homes account for the largest share of homes sold in each submarket from 2020 to 2022, the East Submarket has a notable share (31.9%) of two-bedroom homes that sold during this time.

The distribution of recent home sales by bedroom type within the PSA (Oceana County) is shown in the following graph.



*Includes studio units (Note: only five (5) total studio units in county)

Recent home sales by *year built* in the PSA (Oceana County) are illustrated in the following table:

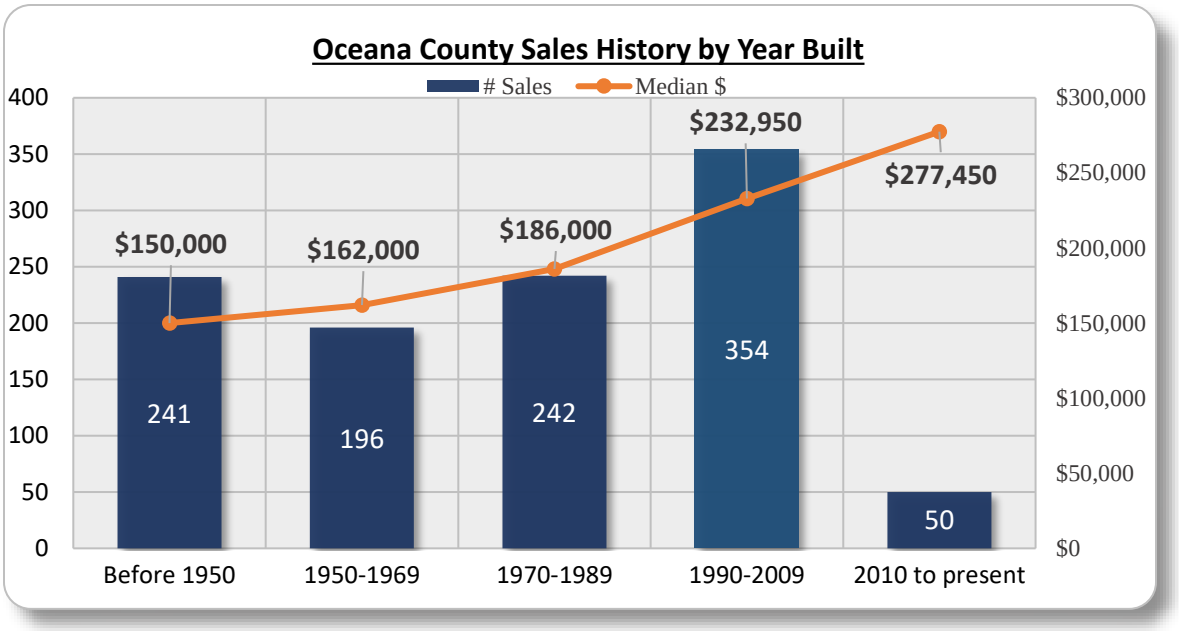
Oceana County Sales History by Year Built (Jan. 1, 2020 to Dec. 31, 2022)

Year Built	Number Sold*	Average Square Feet	Average Year Built	Price Range	Median Sale Price	Median Price per Sq. Ft.
Before 1950	241	1,625	1910	$12,000 - $2,200,000	$150,000	$100.74
1950 to 1969	196	1,491	1958	$18,000 - $975,000	$162,000	$132.11
1970 to 1989	242	1,615	1978	$29,900 - $1,199,000	$186,000	$143.23
1990 to 2009	354	2,029	2000	$19,900 - $2,400,000	$232,950	$152.14
2010 to present	50	1,743	2017	$90,500 - $1,299,000	$277,450	$205.86
Total	1,083	1,736	1968	$12,000 - $2,400,000	$184,370	$136.05

Source: MLS (Multiple Listing Service)
*Excludes 14 listings with no available year built

As the preceding illustrates, the average year built for the homes sold between 2020 and 2022 in the PSA is 1968. The largest share (32.7%) of homes sold during this time were built from 1990 to 2009. While this represents a significant share of newer product in the PSA, approximately two-fifths (40.4%) of the homes that sold during this time were built prior to 1970. Although these older homes have much lower median sale prices ($150,000 and $162,000), they are typically much smaller homes compared to the more recent development periods. Overall, the PSA has a balanced distribution of homes sold by development period which allows for a variety of affordability levels for potential buyers.

The distribution of recent home sales by *year built* in the PSA (Oceana County) is shown in the following graph:



A map illustrating the location of all homes sold between January of 2020 and December of 2022 within the PSA (Oceana County) is included on the following page.

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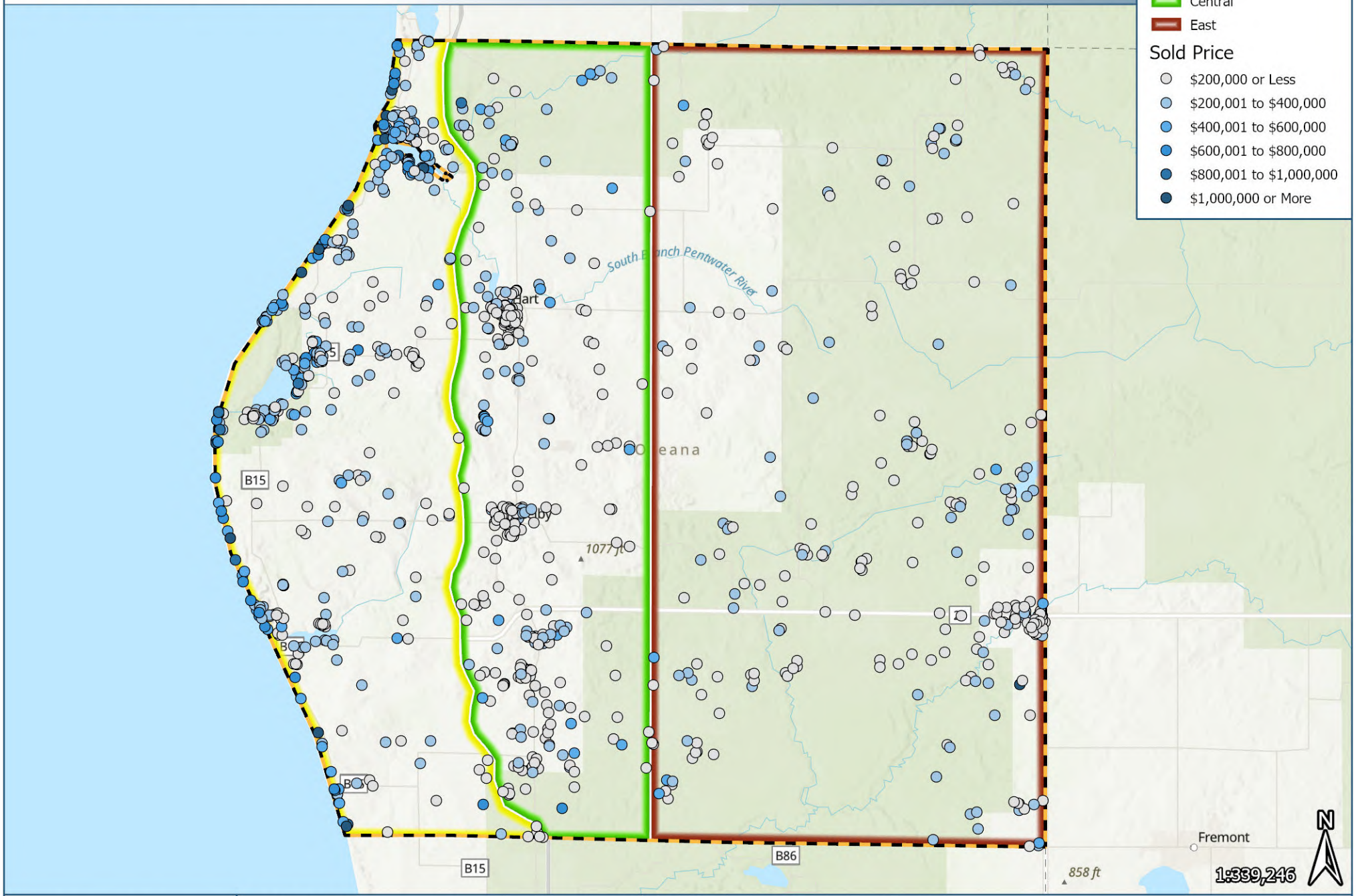
Historical Home Sales by Price Sold

Oceana County, MI



0 1.5 3 4.5 6 Miles

Esri, NASA, NGA, USGS, Esri, HERE, Garmin, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS
Additional Source(s): Bowen National Research

3. Available For-Sale Housing Supply

Based on information provided by the local Multiple Listing Service provider for the PSA (Oceana County), we identified 52 housing units within the PSA that were listed as *available* for purchase as of April 6, 2023. While there are likely additional for-sale residential units available for purchase, such homes were not identified during our research due to the method of advertisement or simply because the product was not actively marketed. Regardless, the available inventory of for-sale product identified in this analysis provides a good baseline for evaluating the for-sale housing alternatives offered in Oceana County.

There are two inventory metrics most often used to evaluate the health of a for-sale housing market. These metrics include *Months Supply of Inventory* (MSI) and availability rate. The MSI for the PSA was calculated based on sales history occurring between January 1, 2020 and December 31, 2022, which equates to an overall absorption rate of approximately 30.5 homes per month. Overall, based on the monthly absorption rate of 30.5 homes, the county's 52 homes listed as available for purchase represent approximately 1.7 months of supply. Typically, healthy and well-balanced markets have an available supply that should take about four to six months to absorb (if no other units are added to the market). Therefore, the PSA's inventory is considered low and indicates limited available supply. When comparing the 52 available units with the overall inventory of 8,439 owner-occupied units, the PSA has a vacancy/availability rate of 0.6%, which is well below the normal range of 2.0% to 3.0% for a well-balanced for-sale/owner-occupied market. This is considered a low rate and an indication that the market has limited availability. However, due to recent national housing market pressures it is not uncommon for most markets to have an availability rate below 2.0%. To further highlight housing availability in the PSA, we have conducted a more refined analysis of available supply by price point.

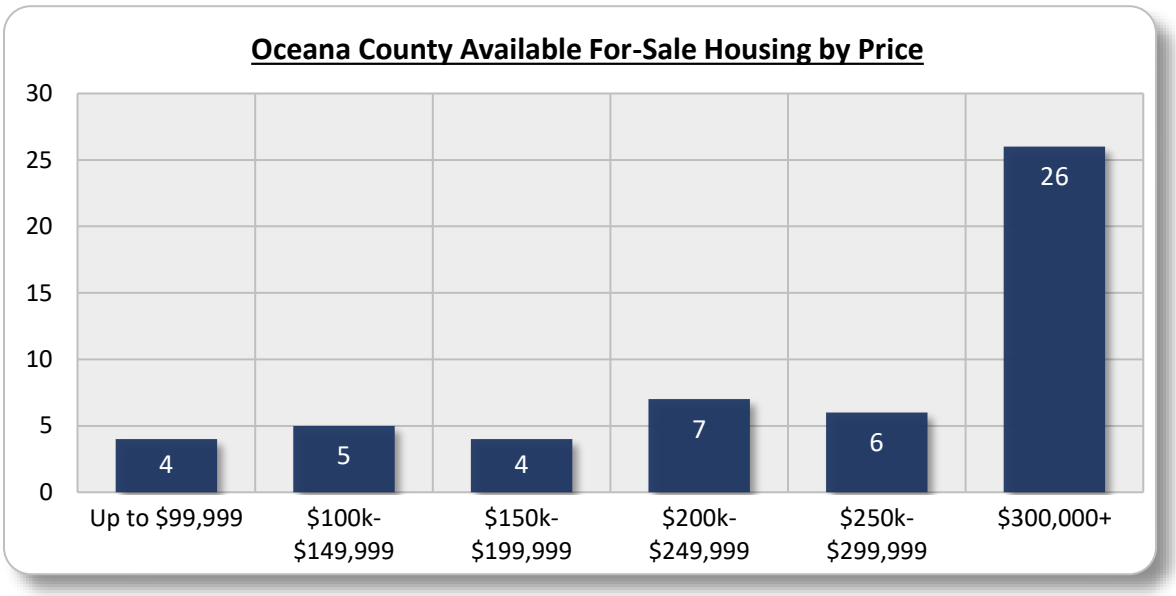
The following table summarizes the distribution of available for-sale residential units by *price point* for the PSA (Oceana County).

Available For-Sale Housing by Price (As of April 6, 2023)							
Data	Up to $99,999	$100,000 to $149,999	$150,000 to $199,999	$200,000 to $249,999	$250,000 to $299,999	$300,000+	Total
East							
Number Available	3	2	1	0	3	5	14
Percent of Supply	21.4%	14.3%	7.1%	0.0%	21.4%	35.7%	100.0%
Central							
Number Available	1	2	2	5	3	7	20
Percent of Supply	5.0%	10.0%	10.0%	25.0%	15.0%	35.0%	100.0%
West							
Number Available	0	1	1	2	0	14	18
Percent of Supply	0.0%	5.6%	5.6%	11.1%	0.0%	77.8%	100.0%
Oceana County (PSA)							
Number Available	4	5	4	7	6	26	52
Percent of Supply	7.7%	9.6%	7.7%	13.5%	11.5%	50.0%	100.0%

Source: MLS (Multiple Listing Service)

The overall median list price in the PSA (Oceana County) is $314,000. The largest share (50.0%) of available housing units in the PSA is priced at or above $300,000, while homes priced under $200,000 and those priced between $200,000 and $300,000 represent 25.0% of the available supply, each. While the share of available homes is well distributed among the three submarkets of the PSA, the West Submarket has a comparably larger share (77.8%) of homes priced at $300,000 or higher. The very limited availability of homes (13) under $200,000 indicates that most low-income households and first-time homebuyers will likely have difficulty locating a for-sale home in this submarket. Although the East Submarket has the largest share (42.8%) of homes priced under $200,000, this submarket has the lowest number of total available for-sale homes of the three submarkets.

The distribution of available homes in the PSA by *price point* is illustrated in the following graph:



The available for-sale housing by *bedroom type* in the PSA (Oceana County) is summarized in the following table.

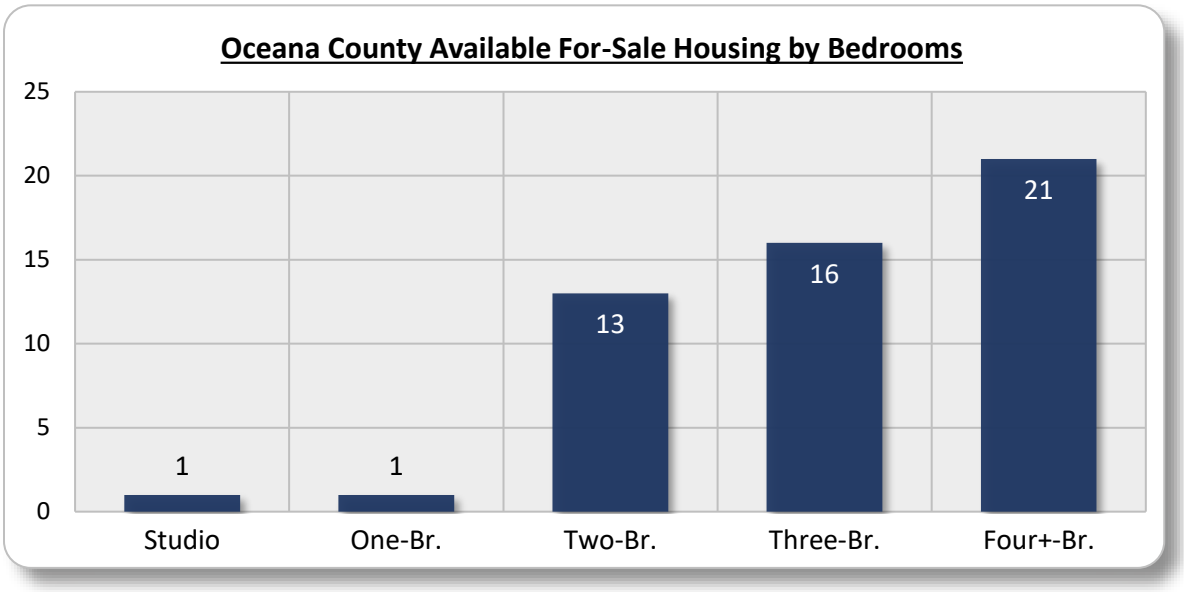
Available For-Sale Housing by Bedroom Type (As of April 6, 2023)

Bedrooms	Number Available	Average Square Feet	Average Year Built	Price Range	Median List Price	Median Price per Sq. Ft.
East						
Two-Br.	4	816	1971	$63,000 - $299,000	$116,950	$156.58
Three-Br.	4	2,004	1994	$135,000 - $750,000	$419,500	$224.53
Four+-Br.	6	2,569	1973	$79,000 - $899,900	$369,950	$133.99
Total	14	1,906	1978	$63,000 - $899,900	$274,450	$139.78
Central						
Studio	1	320	2000	$72,000	$72,000	$225.00
Two-Br.	2	978	1929	$125,000 - $649,900	$387,450	$364.90
Three-Br.	8	1,493	1956	$177,000 - $399,900	$249,500	$198.01
Four+-Br.	9	2,021	1944	$149,900 - $329,900	$349,900	$123.45
Total	20	1,621	1950	$72,000 - $649,900	$249,950	$182.88
West						
One-Br.	1	730	1950	$149,900	$149,900	$205.34
Two-Br.	7	1,447	1990	$219,900 - $925,000	$450,000	$353.57
Three-Br.	4	2,020	2012	$450,000 - $649,000	$627,500	$324.43
Four+-Br.	6	1,954	1967	$159,900 - $799,000	$692,500	$334.85
Total	18	1,703	1985	$149,900 - $925,000	$515,000	$334.85
Oceana County (PSA)						
Studio	1	320	2000	$72,000	$72,000	$225.00
One-Br.	1	730	1950	$149,900	$149,900	$205.34
Two-Br.	13	1,181	1975	$63,000 - $925,000	$299,000	$306.27
Three-Br.	16	1,752	1980	$135,000 - $750,000	$314,000	$204.93
Four+-Br.	21	2,158	1959	$79,000 - $899,900	$349,900	$136.05
Total	52	1,726	1970	$63,000 - $925,000	$314,000	$203.56

Source: MLS (Multiple Listing Service)

The available for-sale supply in the PSA (Oceana County) primarily consists of three- and four-bedroom or larger units, which represent approximately 71.2% of available supply. The four-bedroom or larger units, which comprise the largest single share of available units, have an average of 2,158 square feet, average year built of 1959, and a median list price of $349,900. Three-bedroom units, which comprise the second largest share of available units, have an average of 1,752 square feet, average year built of 1980, and a median list price of $314,000. While some more affordable units are available within these two bedroom types, most low-income families likely cannot afford the typical three- or four-bedroom home in the PSA. Additionally, with a limited inventory of two-bedroom or smaller homes, many seniors seeking to downsize or younger individuals or couples seeking smaller housing units will likely find it difficult to locate a suitable for-sale home in the market.

The distribution of available homes by *bedroom type* in the PSA (Oceana County) is shown in the following graph:



The distribution of available homes by *year built* for the PSA (Oceana County) is summarized in the following table.

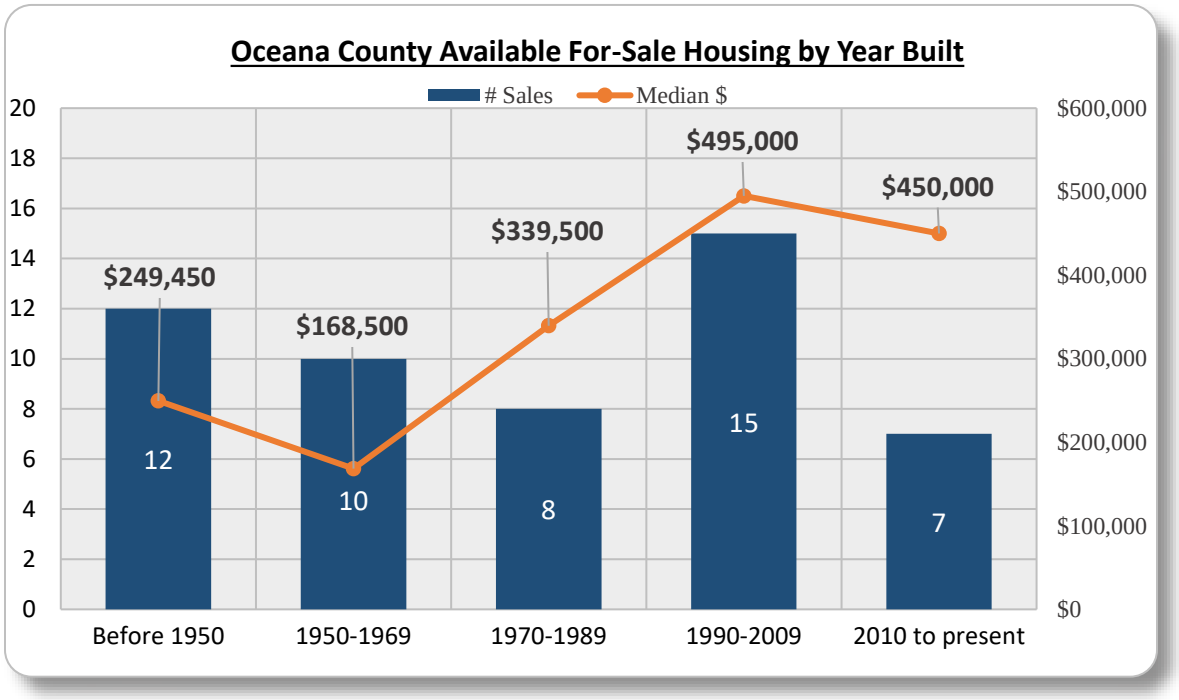
Oceana County Available For-Sale Housing by Year Built (As of April 6, 2023)

Year Built	Number Available	Average Square Feet	Average Year Built	Price Range	Median List Price	Median Price per Sq. Ft.
Before 1950	12	1,674	1916	$149,900 - $750,000	$249,450	$154.03
1950 to 1969	10	1,606	1954	$79,000 - $785,000	$168,500	$142.79
1970 to 1989	8	1,216	1975	$63,000 - $635,000	$339,500	$254.15
1990 to 2009	15	2,257	1999	$72,000 - $925,000	$495,000	$208.08
2010 to present	7	1,433	2016	$219,900 - $899,000	$450,000	$360.58
Total	52	1,726	1970	$63,000 - $925,000	$314,000	$203.56

Source: MLS (Multiple Listing Service)

As shown in the preceding table, the largest share (28.8%) of the available for-sale housing product in the PSA was built between 1990 and 2009. Collectively, homes built prior to 1970 comprise 42.3% of the total available supply. The median list price of homes built prior to 1950 ($249,450) and those built between 1950 and 1960 ($168,500) are significantly lower than the median price of homes built during the development periods after 1970. While these homes offer some more affordable alternatives to buyers, many of these older homes likely require costly repairs, weatherization, or modernization, which many low-income households cannot afford. Among the most common available for-sale homes, those built between 1990 and 2009 have an average of 2,257 square feet and a median list price of $495,000. Although the county has a limited inventory of available homes, the homes that are currently available are reasonably well distributed among a variety of development periods.

The distribution of available homes in the PSA (Oceana County) by *year built* is shown in the following graph:



A map illustrating the location of available for-sale homes in the PSA (Oceana County) as of April 6, 2023 is included on the following page.

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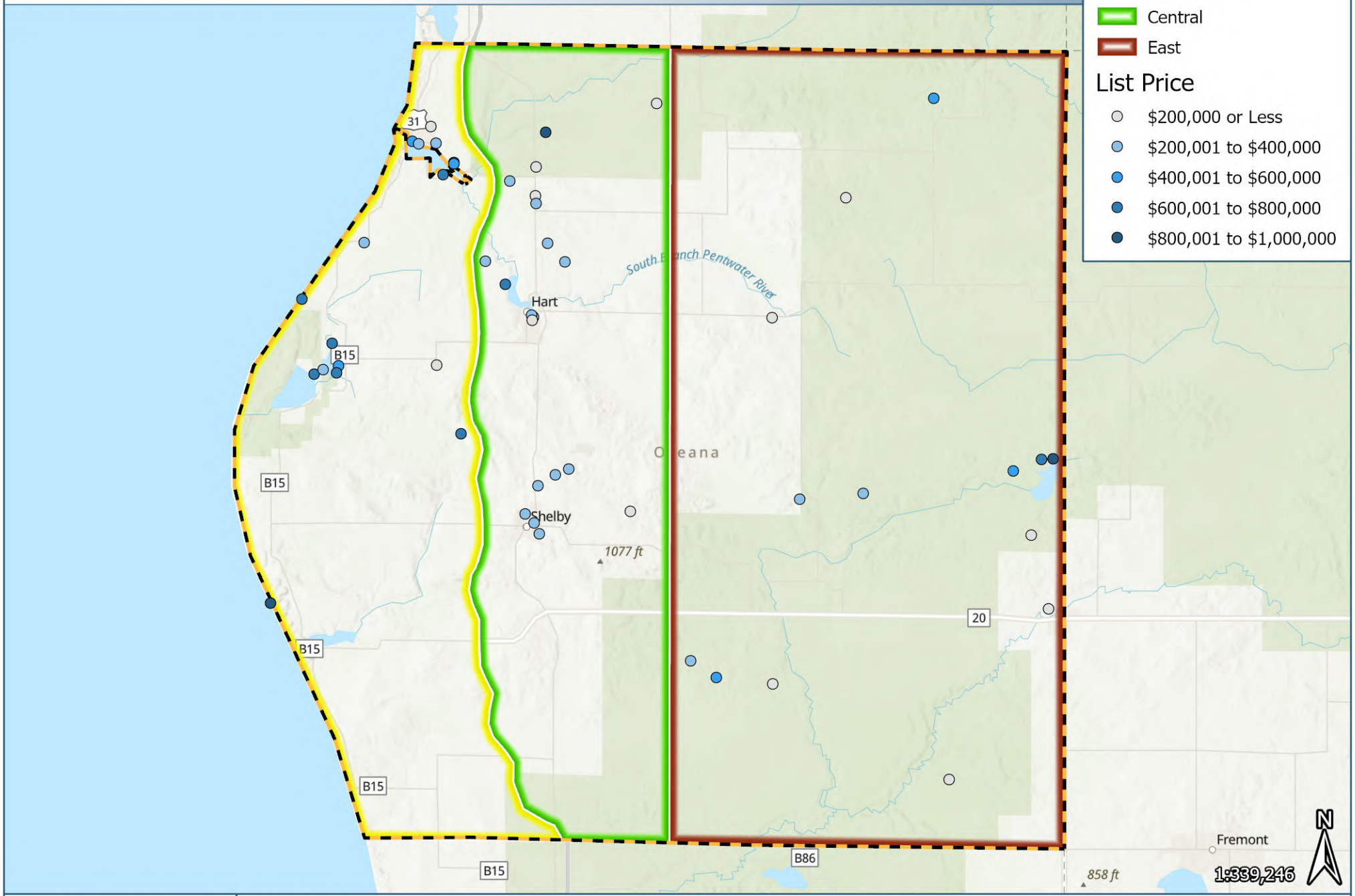
Available For-Sale Housing by List Price

Oceana County, MI



0 1.5 3 4.5 6 Miles

Esri, NASA, NGA, USGS, Esri, HERE, Garmin, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS
Additional Source(s): Bowen National Research

D. PLANNED & PROPOSED

In order to assess housing development potential, we evaluated recent residential building permit activity and identified residential projects in the development pipeline within the PSA (Oceana County). Understanding the number of residential units and the type of housing being considered for development in the market can assist in determining how these projects are expected to meet the housing needs of the market.

The following tables illustrate single-family and multifamily building permits issued within Oceana County for the past 10 years:

Housing Unit Building Permits for Oceana County:										
Permits	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
Multifamily Permits	0	0	0	0	0	24	10	10	15	2
Single-Family Permits	4	4	13	2	7	76	17	84	12	99
Total Units	4	4	13	2	7	100	27	94	27	101

Source: SOCDS Building Permits Database at http://socds.huduser.org/permits/index.html

A total of 379 residential building permits were issued in Oceana County between 2013 and 2022. Of these, 83.9% (318 permits) were single-family building permits. Approximately 38 permits, on average, were issued in the county each year during this time. The total number of permits issued annually increased significantly since 2018, with 100 or more permits issued each year in 2018 and 2022. While only 61 total multifamily permits have been issued since 2013, it is noteworthy that all of these were issued since 2018. As such, it appears that has been a significant increase in residential development activity in Oceana County in recent years, and this illustrates the growing interest in development within the area.

We conducted interviews with representatives of area building and permitting departments and conducted extensive online research to identify residential projects either planned for development or currently under construction within Oceana County.

Planned Housing Projects

Based on interviews with planning representatives, extensive online research and the observations of our analyst while in the field, it was determined there are two housing projects currently in the development pipeline within the county. The details of these projects are summarized in the following table:

Project Name & Address	Type	Units	Developer	Status/Details
Multifamily Rental Housing				
Oceana Acres Shelby Township	Market-rate	40	Oceana Acres, LLC	Planned; ECD end 2023; Farm labor housing
For-Sale Housing				
Shelby Acres South Oceana Drive Shelby	Condominium	37	Oceana County Development Corporation	Planned: Site work has begun; In process of annexing to the Village of Shelby; One- and two-bedrooms; Homes starting $180,000; Five-year project depending on how quickly they sell

Based on the preceding table, there is one multifamily rental project (40 units) planned in Oceana County, with an estimated completion date of the end of 2023. Additionally, site work is currently underway for one for-sale housing project, consisting of 37 condominiums in Shelby. There are currently no senior rental housing projects planned in the county.

VII. OTHER HOUSING MARKET FACTORS

INTRODUCTION

Factors other than demography, employment, and supply (all analyzed earlier in this study) can affect the strength or weakness of a given housing market. The following additional factors influence a housing market's performance, and are discussed relative to the PSA (Oceana County) and compared with the state and national data, when applicable:

- Personal Mobility
- Migration Patterns
- Transportation Analysis
- Residential Blight
- Development Opportunities
- Barriers to Residential Development

A. PERSONAL MOBILITY

The ability of a person or household to travel easily, quickly, safely, and affordably throughout a market influences the desirability of a housing market. If traffic jams create long commuting times or public transit service is not available for carless people, their quality of life is diminished. Factors that lower resident satisfaction weaken housing markets. Typically, people travel frequently outside of their residences for three reasons: 1) to commute to work, 2) to run errands or 3) to recreate.

Commuting Mode and Time

The following table shows commuting pattern attributes for each study area:

		Commuting Mode						
		Drove Alone	Carpooled	Public Transit	Walked	Other Means	Worked at Home	Total
Central	Number	4,166	714	3	135	33	140	5,191
	Percent	80.3%	13.8%	0.1%	2.6%	0.6%	2.7%	100.0%
West	Number	1,975	343	15	53	14	177	2,577
	Percent	76.6%	13.3%	0.6%	2.1%	0.5%	6.9%	100.0%
East	Number	2,638	393	51	79	48	164	3,373
	Percent	78.2%	11.7%	1.5%	2.3%	1.4%	4.9%	100.0%
Oceana County	Number	8,779	1,450	69	267	95	481	11,141
	Percent	78.8%	13.0%	0.6%	2.4%	0.9%	4.3%	100.0%
Michigan	Number	3,620,896	381,087	54,189	97,131	58,333	382,716	4,594,352
	Percent	78.8%	8.3%	1.2%	2.1%	1.3%	8.3%	100.0%

Source: U.S. Census Bureau, 2017-2021 American Community Survey

		Commuting Time						
		Less Than 15 Minutes	15 to 29 Minutes	30 to 44 Minutes	45 to 59 Minutes	60 or More Minutes	Worked at Home	Total
Central	Number	2,441	1,411	664	219	316	140	5,191
	Percent	47.0%	27.2%	12.8%	4.2%	6.1%	2.7%	100.0%
West	Number	746	950	417	155	132	177	2,577
	Percent	28.9%	36.9%	16.2%	6.0%	5.1%	6.9%	100.0%
East	Number	788	1,101	701	386	233	164	3,373
	Percent	23.4%	32.6%	20.8%	11.4%	6.9%	4.9%	100.0%
Oceana County	Number	3,975	3,462	1,782	760	681	481	11,141
	Percent	35.7%	31.1%	16.0%	6.8%	6.1%	4.3%	100.0%
Michigan	Number	1,185,953	1,630,112	828,886	301,209	265,475	382,716	4,594,351
	Percent	25.8%	35.5%	18.0%	6.6%	5.8%	8.3%	100.0%

Source: U.S. Census Bureau, 2017-2021 American Community Survey

Noteworthy observations from the preceding tables follow:

- Within the PSA (Oceana County), 91.8% of commuters either drive alone or carpool to work. This represents a higher share of such commuting modes when compared to the state of Michigan (87.1%). While the shares of PSA commuters that utilize public transit (0.6%) or work from home (4.3%) are less than the corresponding shares for the state (1.2% and 8.3%, respectively), the share of PSA commuters that walk to work (2.4%) is slightly greater than the share for the state (2.1%). Among the individual submarkets, the Central Submarket has the highest share of commuters that either drive alone or carpool to work (94.1%), while the share of commuters that utilize public transit (1.5%) in the East Submarket is notably higher than the other areas. The West Submarket has the largest share (6.9%) of individuals that work from home.

- Over one-third (35.7%) of commuters in Oceana County have commute times of less than 15 minutes, representing a much larger share of very short commute times compared to the state (25.8%). Overall, 66.8% of PSA workers have commute times less than 30 minutes to work, which is a larger share compared to the state (61.3%). On a submarket level, a notable share of commuters within the Central Submarket (47.0%) has commute times less than 15 minutes, while the East Submarket has the largest share (6.9%) of commuters with drive time of 60 minutes or more.

Based on the preceding analysis, a vast majority of PSA commuters utilize their own vehicles or carpool to work. On average, commute times in the PSA are shorter than the state but vary among individual submarkets in the county.

A drive-time map illustrating travel times from the county seat, which is the city of Hart, is included on the following page.

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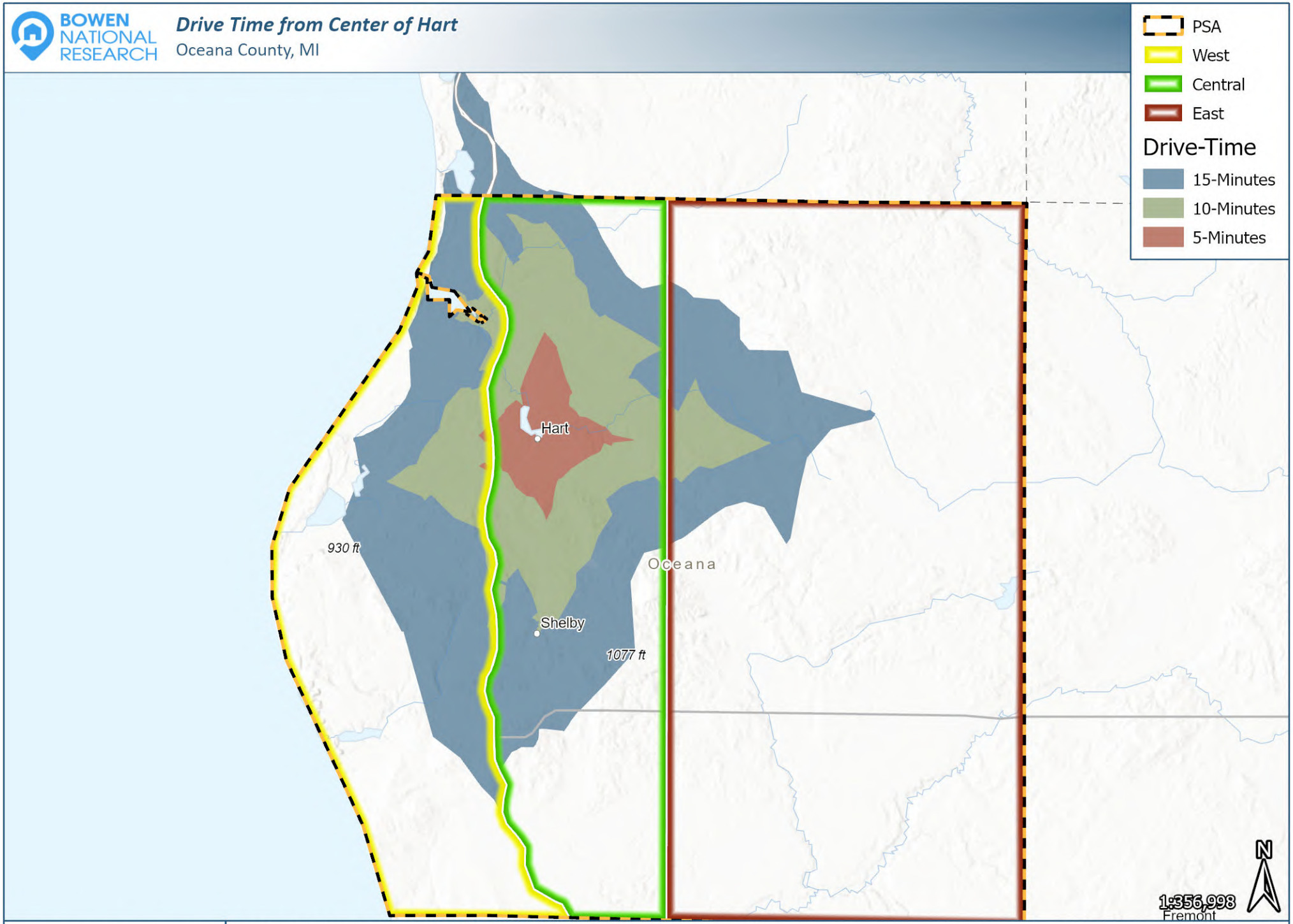
Drive Time from Center of Hart

Oceana County, MI



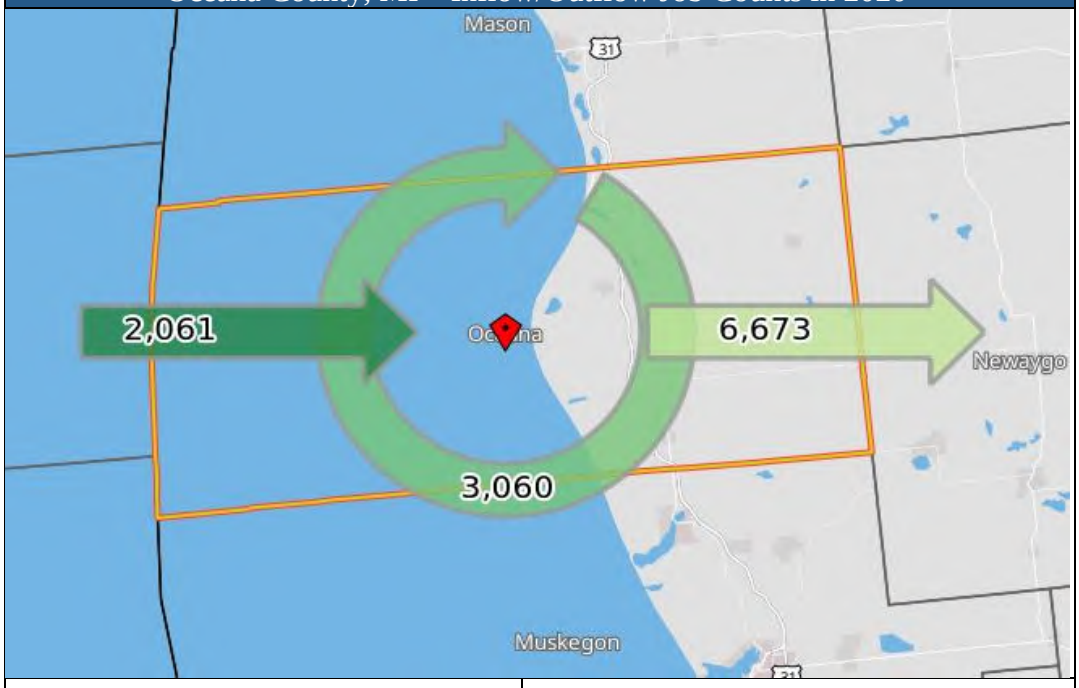
0 1.5 3 4.5 6 Miles

Esri, NASA, NGA, USGS, Esri, HERE, Garmin, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS
Additional Source(s): Bowen National Research

Commuting Patterns

According to 2020 U.S. Census Longitudinal Origin-Destination Employment Statistics (LODES), of the 9,733 employed residents of Oceana County, 6,673 (68.6%) are employed outside the county, while the remaining 3,060 (31.4%) are employed within Oceana County. In addition, 2,061 people commute into Oceana County from surrounding areas for employment. These 2,061 non-residents account for approximately two-fifths (40.2%) of the people employed in the county and represent a notable base of potential support for future residential development. The following illustrates the number of jobs filled by in-commuters and residents, as well as the number of resident out-commuters.

Oceana County, MI – Inflow/Outflow Job Counts in 2020





Inflow/Outflow Job Counts (All Jobs)

	2020 Count	2020 Share
Employed in the Selection Area	5,121	100.0%
Employed in the Selection Area but Living Outside	2,061	40.2%
Employed and Living in the Selection Area	3,060	59.8%
Living in the Selection Area	9,733	100.0%
Living in the Selection Area but Employed Outside	6,673	68.6%
Living and Employed in the Selection Area	3,060	31.4%

Source: U.S. Census, Longitudinal Origin-Destination Employment Statistics (LODES)

Characteristics of the Oceana County commuting flow in 2020 are illustrated in the following table.

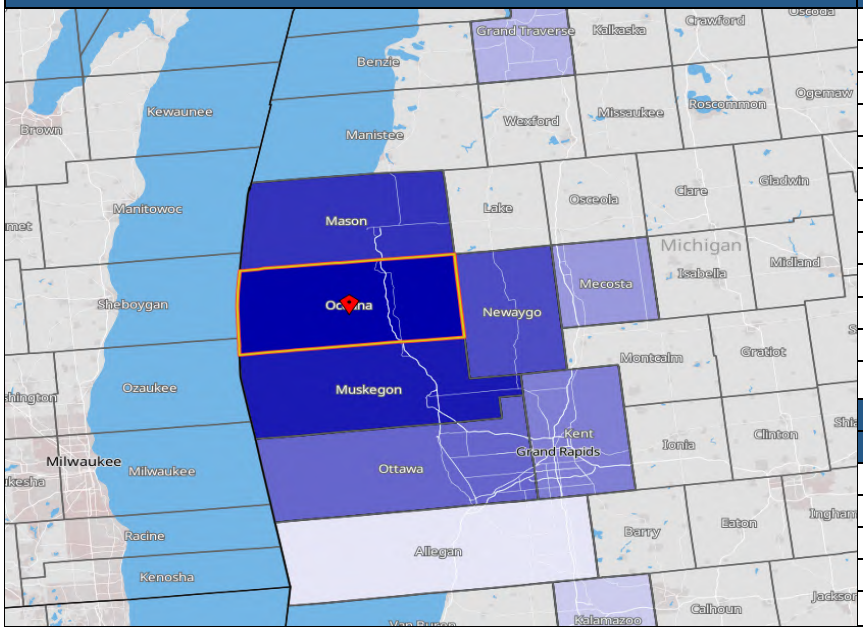
Oceana County, MI: Commuting *Flow* Analysis by Earnings, Age and Industry Group (2020, All Jobs)						
Worker Characteristics	**Resident Outflow**		**Workers Inflow**		**Resident Workers**	
	Number	**Share**	**Number**	**Share**	**Number**	**Share**
Ages 29 or younger	1,475	22.1%	453	22.0%	651	21.3%
Ages 30 to 54	3,418	51.2%	1,102	53.5%	1,499	49.0%
Ages 55 or older	1,780	26.7%	506	24.6%	910	29.7%
Earning <$1,250 per month	1,850	27.7%	499	24.2%	824	26.9%
Earning $1,251 to $3,333	2,198	32.9%	744	36.1%	1,212	39.6%
Earning $3,333+ per month	2,625	39.3%	818	39.7%	1,024	33.5%
Goods Producing Industries	2,175	32.6%	780	37.8%	1,297	42.4%
Trade, Transportation, Utilities	1,198	18.0%	564	27.4%	536	17.5%
All Other Services Industries	3,300	49.5%	717	34.8%	1,227	40.1%
Total Worker Flow	**6,673**	**100.0%**	**2,061**	**100.0%**	**3,060**	**100.0%**

Source: U.S. Census, Longitudinal Origin-Destination Employment Statistics (LODES)
Note: Figures do not include contract employees and self-employed workers

Specifically, of the county's 2,061 in-commuters, over one-half (53.5%) are between the ages of 30 and 54 years, nearly two-fifths (39.7%) earn $3,333 or more per month ($40,000 or more annually), and 37.8% work in the goods producing industries. Resident outflow workers, by comparison, tend to be similar in age to inflow workers, earn slightly lower wages, and are much more likely than inflow workers to work in the other services industries. Regardless, given the diversity of incomes, ages, and occupation types of the approximately 2,100 people commuting into the area for work each day, a variety of housing product types could be developed to potentially attract these commuters to live in Oceana County. As shown in Section VI of this report, the local market has an extremely limited inventory of available product, which is likely limiting its ability to attract people to Oceana County.

The following map and corresponding tables illustrate the physical *home* location (county) of people *working in* Oceana County, as well as the distribution of commute distances for the Oceana County workforce.

Oceana County Workforce – Top 10 Counties of Residence & Commute Distance
All Jobs (2020)



County	Number	Share
Oceana County, MI	3,060	59.8%
Muskegon County, MI	665	13.0%
Mason County, MI	319	6.2%
Newaygo County, MI	281	5.5%
Ottawa County, MI	90	1.8%
Kent County, MI	89	1.7%
Mecosta County, MI	49	1.0%
Grand Traverse County, MI	42	0.8%
Kalamazoo County, MI	39	0.8%
Allegan County, MI	27	0.5%
All Other Locations	460	9.0%
Total	**5,121**	**100.0%**

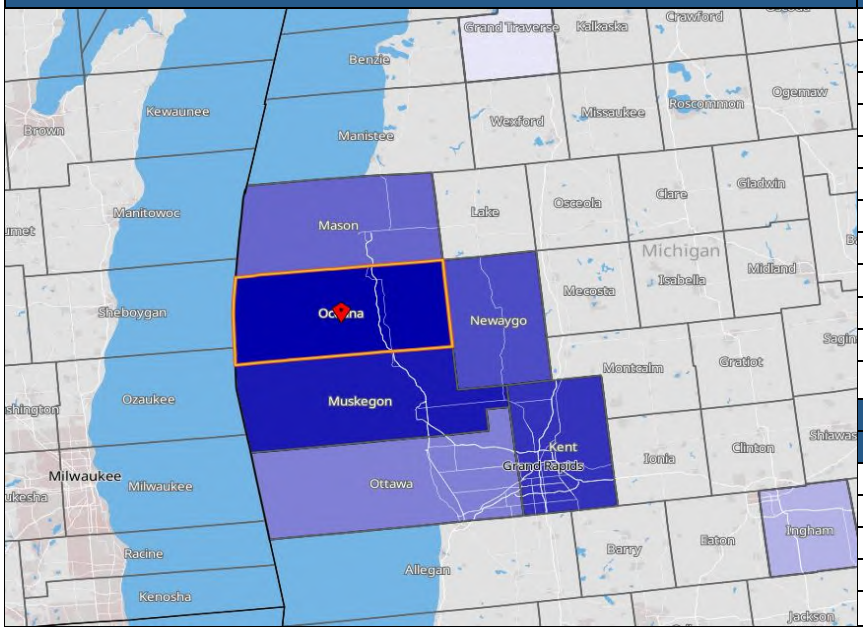
Commute Distance		
Distance	**Number**	**Share**
Less than 10 miles	2,407	47.0%
10 to 24 miles	1,462	28.5%
25 to 50 miles	574	11.2%
Greater than 50 miles	678	13.2%
Total	**5,121**	**100.0%**

Source: U.S. Census, Longitudinal Origin-Destination Employment Statistics (LODES)

Statistics provided by LODES indicate that nearly three-fifths (59.8%) of the Oceana County workforce are residents of the county. The counties of Muskegon (13.0%), Mason (6.2%), and Newaygo (5.5%) contribute the largest shares of people that work in Oceana County. In total, 84.5% of the Oceana County workforce originates from either within the county or from an adjacent county, and only 9.0% of the labor force originates from outside of the top 10 counties listed. As such, the Oceana County workforce is mostly regional-based with approximately three-fourths (75.5%) of individuals commuting less than 25 miles. Inflow workers with commute distances of more than 50 miles comprise 13.2% of the total Oceana County workforce. These 678 inflow workers with lengthy commutes, as well as those with shorter commutes from outside the county, represent a base of potential support for future residential development in Oceana County.

The following map and corresponding tables illustrate the physical *work* location (county) of Oceana County residents, as well as the commute distances for these workers.

Oceana County Residents – Top 10 Counties of Employment & Commute Distance
All Jobs (2020)



County	Number	Share
Oceana County, MI	3,060	31.4%
Muskegon County, MI	2,035	20.9%
Kent County, MI	927	9.5%
Newaygo County, MI	619	6.4%
Mason County, MI	543	5.6%
Ottawa County, MI	482	5.0%
Oakland County, MI	198	2.0%
Ingham County, MI	165	1.7%
Wayne County, MI	154	1.6%
Grand Traverse County, MI	116	1.2%
All Other Locations	1,434	14.7%
Total	**9,733**	**100.0%**

Commute Distance

Distance	Number	Share
Less than 10 miles	2,689	27.6%
10 to 24 miles	2,497	25.7%
25 to 50 miles	1,637	16.8%
Greater than 50 miles	2,910	29.9%
Total	**9,733**	**100.0%**

Source: U.S. Census, Longitudinal Origin-Destination Employment Statistics (LODES)

Of the 9,733 employed residents of Oceana County, nearly one-third (31.4%) are employed within Oceana County. It is noteworthy that slightly more than one-fifth (20.9%) of Oceana County residents commute to Muskegon County daily for employment. The counties of Kent (9.5%), Newaygo (6.4%), Mason (5.6%), and Ottawa (5.0%) employ the next largest shares of Oceana County residents. Overall, approximately 53.3% of Oceana County residents have commutes less than 25 miles, which illustrates the relatively short commute distances for a slight majority of employed residents. However, it is worth pointing out that slightly more than 2,900 (29.9%) Oceana County residents have commutes of more than 50 miles. Although a number of factors contribute to where an individual chooses to reside, lengthy commute times can increase the likelihood of relocation if superior housing options are present closer to an individual's place of employment.

B. MIGRATION PATTERNS

Unlike the preceding section that evaluated workers' commuting patterns, this section addresses where people *move* to and from, referred to as migration patterns. For the purposes of this analysis, the Census Bureau's Population Estimates Program (PEP) is considered the most reliable source for the total *volume* of domestic migration. To evaluate migration *flows* between counties and mobility patterns by age and income at the county level, we use the U.S. Census Bureau's migration estimates published by the American Community Survey (ACS) for 2021 (latest year available). It is important to note that while county administrative boundaries are likely imperfect reflections of commuter sheds, moving across a county boundary is often an acceptable distance to make a meaningful difference in a person's local housing and labor market environment. The data provided by the PEP is intended to provide general insight regarding the contributing factors of population change (natural increase, domestic migration, and international migration), and as such, gross population changes within this data should not be compared among other tables which may be derived from alternate data sources such as the Decennial Census or American Community Survey.

The following table illustrates the cumulative change in total population for the PSA (Oceana County) between April 2010 and July 2020.

Estimated Components of Population Change for the PSA (Oceana County)
April 1, 2010 to July 1, 2020

	Population		Change*		Components of Change			
Area	2010	2020	Number	Percent	Natural Increase	Domestic Migration	International Migration	Net Migration
Oceana County	26,570	26,819	249	0.9%	265	-467	460	-7

Source: U.S. Census Bureau, Population Division, October 2021
*Includes residual of (-9) representing the change that cannot be attributed to any specific demographic component

Based on the preceding data, the population change within Oceana County from 2010 to 2020 was the result of the combination of natural increase (more births than deaths), domestic migration, and international migration. While natural increase (265) and international migration (460) both positively influenced the population increase between 2010 and 2020 in the PSA, domestic migration (-467) detracted from the total increase in population. As such, international migration appears to have played a critical role in the population increase of the county between 2010 and 2020, and helped offset the negative domestic migration that occurred during that time period. In order for Oceana County to continue benefiting from natural increase and international migration, and to potentially reverse the trend of negative domestic migration, it is important that an adequate supply of income-appropriate rental and for-sale housing is available to attract domestic and international migrants, and to retain young families in the area, which contributes to natural increase. While other factors such as employment opportunities also determine where individuals choose to live, housing is one of the primary factors.

The following table details the *shares* of domestic in-migration by three select age cohorts for the PSA (Oceana County) from 2012 to 2021.

Oceana County, Michigan Domestic County Population In-Migrants by Age, 2012 to 2021		
Age	**2012-2016**	**2017-2021**
1 to 24	45.6%	33.2%
25 to 64	45.8%	53.3%
65+	8.5%	13.5%
Median Age (In-state migrants)	26.2	33.8
Median Age (Out-of-state migrants)	23.8	30.1
Median Age (Oceana County)	43.2	44.0

Source: U.S. Census Bureau, 2016 & 2021 5-Year ACS Estimates (S0701); Bowen National Research

According to 2012-2016 American Community Survey estimates, 45.6% of domestic in-migrants to Oceana County were less than 25 years of age, 45.8% were between the ages of 25 and 64, and 8.5% were age 65 or older. Between 2017 and 2021, the share of in-migrants less than 25 years of age (33.2%) decreased significantly, while the share of in-migrants between the ages of 25 and 64 (53.3%) and those age 65 and older (13.5%) increased. The median age of in-state migrants (originating from a different county in Michigan) increased from 26.2 years to 33.8 years between the two time periods, while the median age of out-of-state migrants increased from 23.8 years to 30.1 years. Overall, the data suggests that a majority of recent in-migrants to Oceana County are between the ages of 25 and 64, with those under the age of 25 also comprising a large share. Regardless of whether in-migrants originate from in-state or out-of-state, they are typically younger than the existing population (median age of 44.0 years in 2021) of Oceana County.

The following table illustrates the top 10 gross migration counties (total combined inflow and outflow) for Oceana County with the resulting net migration (difference between inflow and outflow) for each. Note that counties which directly border the PSA (Oceana County) are illustrated in red text.

County-to-County Domestic Population Migration for Oceana County, MI Top 10 Gross Migration Counties*			
	Gross Migration		
County	**Number**	**Percent**	**Net-Migration**
Muskegon County, MI	986	28.5%	186
Mason County, MI	432	12.5%	166
Kent County, MI	338	9.8%	-14
Newaygo County, MI	217	6.3%	21
Wayne County, MI	86	2.5%	22
Macomb County, MI	85	2.5%	-85
Ottawa County, MI	76	2.2%	6
Allegan County, MI	56	1.6%	-56
Oakland County, MI	43	1.2%	7
Osceola County, MI	38	1.1%	-38
All Other Counties	1,101	31.8%	45
Total Migration	**3,458**	**100.0%**	**260**

Source: U.S. Census Bureau, 2019 5-Year American Community Survey; Bowen National Research
*Only includes counties within the state and bordering states

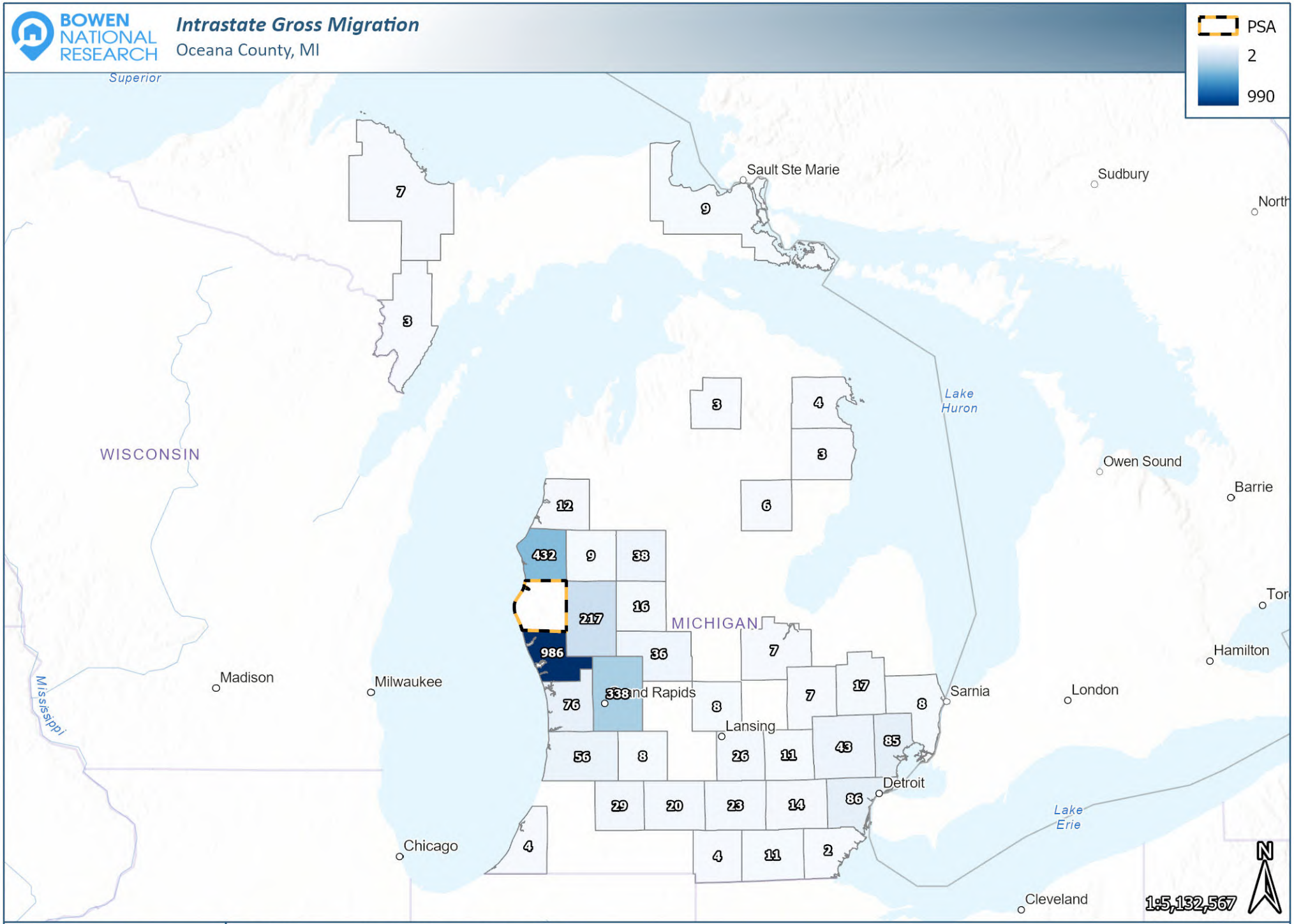
As the preceding table illustrates, over two-thirds (68.2%) of the gross migration for the PSA (Oceana County) is among the top 10 counties listed. Three of the top four gross migration counties directly border the PSA (Muskegon, Mason, and Newaygo) and have an overall positive influence (373) on the net-migration for the PSA. Conversely, Macomb County (-85) and Allegan County (-56) have the largest overall negative net-migration for the PSA. With 31.8% of the total gross migration occurring among counties outside the top 10 listed, and this migration having an overall positive influence (45) on the county population, it is apparent that the PSA attracts domestic in-migrants from a number of different counties within the immediate region and from outside the state. It is interesting to note that the Components of Population Change data, which covers the time period between 2010 and 2020, exhibited negative domestic migration for the PSA, while the County-to-County Domestic Population Migration data, which utilizes data between 2014 and 2019 illustrates positive net domestic migration. This may indicate that domestic migration in the PSA has improved in more recent years.

Maps illustrating the gross migration and net-migration between Oceana County and counties within the state of Michigan for 2019 are shown on the following pages.

BOWEN NATIONAL RESEARCH

Intrastate Gross Migration

Oceana County, MI

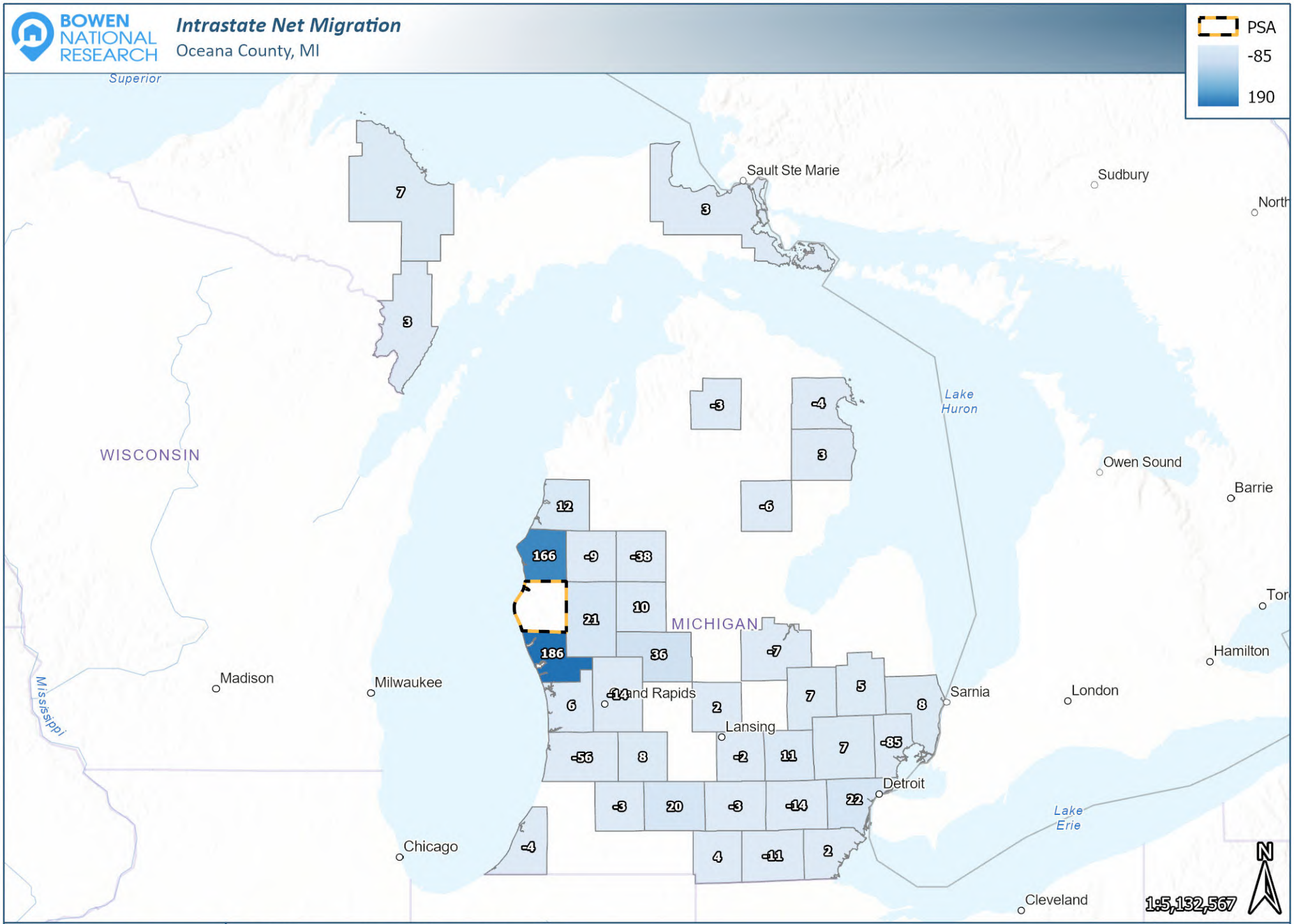


Esri, HERE, Garmin, FAO, NOAA, USGS, EPA, Esri, USGS
Additional Source(s): Bowen National Research

BOWEN NATIONAL RESEARCH

Intrastate Net Migration

Oceana County, MI



Esri, HERE, Garmin, FAO, NOAA, USGS, EPA, Esri, USGS
Additional Source(s): Bowen National Research

While the data contained in the previous pages illustrates the overall net migration trends for the PSA (Oceana County) and gives perspective about the general location where these individuals migrate to and from, it is also important to understand the income levels of in-migrants as it directly relates to affordability of housing. The following table illustrates the income distribution by mobility status for Oceana County in-migrants.

Geographic mobility by *per-person* income is distributed as follows (Note that this data is provided for the county *population*, not households, ages 15 and above):

Oceana County: Income Distribution by Mobility Status for Population Age 15+ Years*

2021 Inflation Adjusted Individual Income	Moved Within Same County		Moved From Different County, Same State		Moved From Different State	
	Number	Percent	Number	Percent	Number	Percent
<$10,000	148	20.1%	169	23.6%	30	13.0%
$10,000 to $14,999	100	13.6%	122	17.0%	22	9.6%
$15,000 to $24,999	179	24.3%	113	15.8%	54	23.5%
$25,000 to $34,999	106	14.4%	91	12.7%	26	11.3%
$35,000 to $49,999	117	15.9%	79	11.0%	33	14.3%
$50,000 to $64,999	48	6.5%	72	10.0%	39	17.0%
$65,000 to $74,999	36	4.9%	11	1.5%	3	1.3%
$75,000+	3	0.4%	60	8.4%	23	10.0%
Total	737	100.0%	717	100.0%	230	100.0%

Source: U.S. Census Bureau, 2021 5-Year American Community Survey (B07010); Bowen National Research
*Excludes population with no income

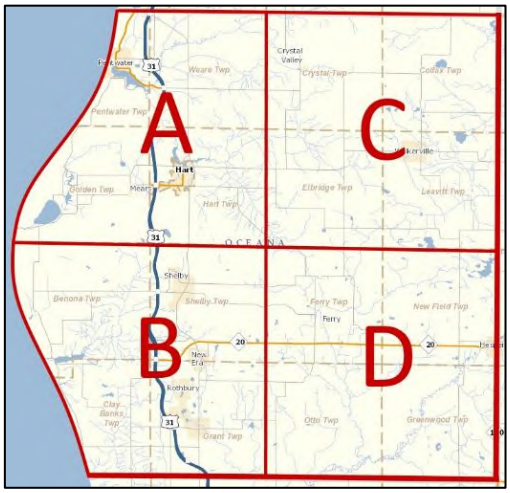
According to data provided by the American Community Survey, over half (56.4%) of the population that moved to Oceana County from a different county within Michigan earned less than $25,000 per year. This is a larger share of such individuals when compared to the share (46.1%) of individuals migrating from outside the state that earn less than $25,000 per year. By comparison, the share of individuals earning $50,000 or more per year is much smaller for both in-migrants from a different county within Michigan (19.9%) and those from outside the state (28.3%). Although it is likely that a significant share of the population earning less than $25,000 per year consists of children and young adults considered to be dependents within a larger family, this illustrates that affordable housing options are likely important for a significant portion of in-migrants to Oceana County.

Based on our evaluation of the components of population change between 2010 and 2020, the recent population increase in Oceana County is due to a combination of natural increase and positive international migration. In-migrants are typically much younger, on average, than the existing population of the county, and a significant portion earn low to moderate wages. The data also suggests that Oceana County benefits from migration between the nearby counties of the region. In order for the PSA to improve upon existing migration patterns and to retain young families in the area, it is important that an adequate supply of income-appropriate housing is available.

C. TRANSPORTATION ANALYSIS

Public transit, including its accessibility, geographic reach, and rider fees can affect the connectivity of a community and influence housing decisions. As a result, we evaluated public transportation that serves the residents of Oceana County.

Oceana County does not offer a traditional public bus transportion system with Fixed routes. However, the Oceana County Council on Aging (OCCOA) offers public transporation service to all Oceana County residents. However, senior residents (age 60 and older) are the the program's primary customers. The transit program is a point-to-point on-demand service where residents call a minimum of 48 business hours prior to schedule transportation. Transportation operating hours are Monday through Friday between 7:00 a.m. and 5:00 p.m. The transportion program divides the county into four zones that are determined by townships. The four zones are illustrated in the map to the right.



Source : www.oceanacoa.com

Transportation is funded through the Michigan Department of Transportation, passenger donations, the county-wide millage, and senior resources. No passengers will be denied a ride due to nonpayment, but suggested fares range from $2.00 to $5.00 for a senior resident and from $4.00 to $10.00 for a non-senior resident.

Out-of-county transportation is also provided by volunteers through the OCCOA for seniors age 60 and over for medical appointments outside of Oceana County. Volunteers use their personal vehicles for this service instead of buses and the general rate for out-of-county transportation is $0.15 to $0.25 per mile depending on income.

For PSA residents without reliable access to a personal vehicle, public transportation may be required based on proximity to community services and other necessities. Given that the rider fees are relatively low and are donation based and that rides are from point-to-point, the public transportation operated by OCCOA is accessible to all PSA residents. The lack of a fixed route public transit system likely influences residency decisions to the more populated communities with greater convenience to community services and employment.

Walkability

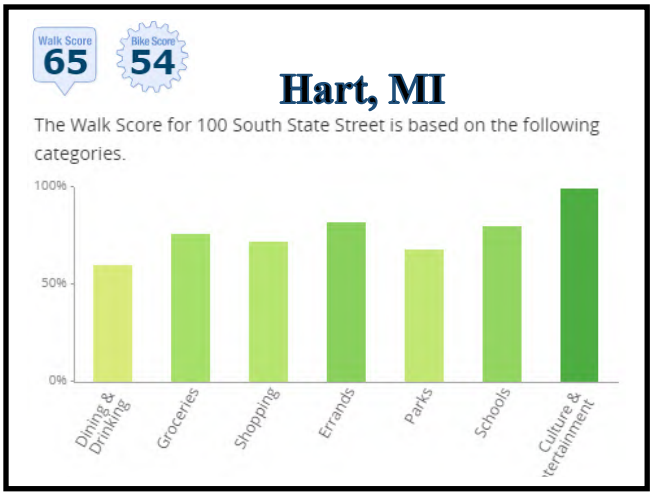
The ability to perform errands or access community services conveniently by walking, rather than driving, contributes favorably to personal mobility. A person whose residence is within walking distance of major neighborhood services and amenities will most likely find their housing market more desirable. Conversely,

residents who are not within a reasonable walking distance of major community services or employment are often adversely impacted by the limited walkability of their neighborhood, which could impact their quality of life and/or limit the appeal of residing within the less walkable areas.

The online service Walk Score was used to evaluate walkability within some of the more populated areas of Oceana County. Walk Score analyzes a specific location's proximity to a standardized list of community attributes. It assesses not only distance but also the number and variety of neighborhood amenities. A Walk Score can range from a low of zero to a high of 100 (the higher the score, the more walkable the community). The table to the right illustrates the Walk Score ranges and corresponding descriptors. Walk Score addresses were selected to the best of our ability by focusing on municipalities as a whole, as well as downtown areas in each community with either a high population or a high level of traffic/interest.

Walk Score®	Description
90–100	**Walker's Paradise** Daily errands do not require a car.
70–89	**Very Walkable** Most errands can be accomplished on foot.
50–69	**Somewhat Walkable** Some amenities are within walking distance.
25–49	**Car-Dependent** A few amenities are within walking distance.
0–24	**Very Car-Dependent** Almost all errands require a car.

According to Walk Score, the city of Hart has the highest overall score in Oceana County with a Walk Score of 65 and a Bike Score of 54. The Walk Score of 65 indicates that the overall city is somewhat walkable with some amenities within walking distance, while the Bike Score of 54 indicates the city overall is bikeable with some bicycling infrastructure.



Walk Score was used to calculate the walkability of some additional populated areas within Oceana County. Note that scores were calculated from a location in the **central portion** of each community. The following table includes the addresses within each community selected and the corresponding Walk Score of that location.

Location	Walk Score	Walk Score Descriptor
Hart, Michigan (100 South State Street # M-10)	65	Somewhat Walkable
Shelby, Michigan (254 North Michigan Avenue)	56	Somewhat Walkable
Pentwater, Michigan (278 S. Hancock Street)	54	Somewhat Walkable
New Era, Michigan (4708 1st Street)	40	Car-Dependent
Rothbury, Michigan (7637 S. Michigan Avenue)	15	Very Car-Dependent

Source: WalkScore.com

The central portion of the village of Shelby (Walk Score of 56) has the second-highest score in Oceana County, followed by the village of Pentwater (Walk Score of 54). The central areas of these communities are deemed somewhat walkable, which indicates that some errands may require a car to complete, but some can be accomplished on foot. The central areas of the villages of New Era and Rothbury have scores below 50, indicating that they are car-dependent or very car-dependent. Certainly, some areas in these communities are more walkable than others. As such, residents living in less walkable areas are likely to experience some challenges accessing certain community services, particularly lower-income residents that do not have access to a vehicle. When contemplating the location of new residential housing, communities should consider areas in or near some of the more walkable neighborhoods that allow convenient access to community services.

D. RESIDENTIAL BLIGHT

While the inventory and evaluation of residential blight was not a formally requested work element of this report, we believed it was appropriate to provide some level of discussion of our observations of some of the areas exhibiting notable levels of blight.

Blight, which is generally considered the visible decline of property, can have a detrimental effect on nearby properties within a neighborhood. Blight can be caused by several factors, including economic decline, population decline, and the high cost to maintain/upgrade older housing. There are specific references to blight within the Michigan Compiled Laws in Chapter 125: Planning, Housing and Zoning under the statute "Blighted Area Rehabilitation." In particular, Section 125.72 (Definitions) states the following:

(a) ***"Blighted area"*** *means a portion of a municipality, developed or undeveloped, improved or unimproved, with business or residential uses, marked by a demonstrated pattern of deterioration in physical, economic, or social conditions, and characterized by such conditions as functional or economic obsolescence of buildings or the area as a whole, physical deterioration of structures, substandard building or facility conditions, improper or inefficient division or arrangement of lots and ownerships and streets and other open spaces, inappropriate mixed character and uses of the structures, deterioration in the condition of public facilities or services, or any other similar characteristics which endanger the health, safety, morals, or general welfare of the municipality, and which may include any buildings or improvements not in themselves obsolescent, and any real property, residential or nonresidential, whether improved or unimproved, the acquisition of which is considered necessary for rehabilitation of the area.*

Several cities and townships within Oceana County have their own zoning code, including (but not limited to) Hart, Shelby, and Pentwater. Building and zoning departments for each city or township enforce zoning regulations for areas within the city or township limits. In general, zoning codes enforced within each jurisdiction are implemented in part to prevent areas from becoming blighted. Zoning regulations also specifically note public nuisances for the regulation of signs, buildings, and other structures, as well as for decisions that consider whether a zoning variance should be granted for a property.

There are also references to public health and safety, occupant welfare, and even aesthetic factors throughout various sections of zoning ordinances that would contribute to the general definition of blight even if not specifically defined. In a less defined way, several case types (especially unsecured openings, graffiti, illegal dumping, and older housing code violations) could be considered as indicators of blight, or at least some form of community and property owner disinvestment, within a given area, though the area may not be blighted by definition.

For the purposes of this analysis, these code violations and definitions were used as initial identifiers of possible blight. Residential properties within the study area that meet any of the following criteria were classified to be blighted. Summary definitions of the most common forms of residential blight are listed below:

Boarded Up Structure. This is a building or structure with multiple windows and/or doors that have boards placed on those points of entry and for which it appears the unit has been abandoned and that no work or repair appears to be underway.

Building or Structure Which is in a State of Disrepair. This is a residential structure exhibiting noticeable signs of disrepair or neglect such as, but not limited to, deteriorated exterior walls and/or roof coverings, broken or missing windows or doors which constitute a hazardous condition or a potential attraction to trespassers, or building exteriors, walls, fences, signs, retaining walls, driveways, walkways, sidewalks or other structures on the property which are broken, deteriorated, or substantially defaced, to the extent that the disrepair is visible from any public right of way or visually impacts neighboring public or private property or presents an endangerment to public safety.

Unkempt Property. This is a property showing clear signs of overgrown, diseased, dead, or decayed trees, weeds or vegetation that may create a public safety hazard or substantially detract from the aesthetic and property values of neighboring properties. This may also include properties which have notable refuse or garbage clearly visible from the street or abandoned/broken appliances, cars in disrepair and on blocks, or other items of unused and unsightly property that may be deemed a public nuisance or otherwise detract from the aesthetic and property values of neighboring properties. An unkempt property may also lack a proper access point (i.e., a functional driveway) in order to provide access to the residential structure.

Using the preceding descriptions of blight, Bowen National Research identified properties in Oceana County that were in various stages of disrepair, abandoned, boarded up, fire damaged or otherwise appeared to be in an unsafe condition. A representative of Bowen National Research personally visited residential neighborhoods in Oceana County, generally evaluating the exterior condition of the occupied and vacant housing stock via a windshield survey. Residential housing stock evaluated as part of this survey primarily consisted of single-family houses.





Overall, instances of residential blight were scattered throughout the county, with greater concentrations appearing within proximity of its more dense and populated areas. Hart, the county seat of Oceana County, is where some instances of blight were observed including single-family homes with an excessive amount of vegetative overgrowth or other belongings on the property, siding that is visually unpleasant or physically damaged, and/or residences that appeared vacant or uninhabitable. Specific parts of the city where one or more instances of blight was observed include Dryden Street near Wood and Wigton streets, within proximity of the Woodlawn Avenue and East Main Street intersection, and east of the city limits along West Tyler Road. Other observances of blighted structures were observed throughout the area.

In the village of Shelby the largest concentrations of blight were located near the intersection of Pine and West 6th streets, as well as further south along Pine Street. Blight was also observed in the area surrounding Ferry and White streets and along both 1st Street and South State Street. Residential blight was also noted along North/South Oceana Drive as it extends north from the village of Shelby. In other portions of Oceana County, residential blight was noticed on the outskirts of the Hesperia village limits and interspersed throughout the village of Walkerville. Lesser amounts were observed in the villages of New Era, Pentwater and Rothbury.

Note that representatives of Bowen National Research did not visit every residential street within Oceana County. This analysis primarily focused on incorporated municipalities that have a residential zoning code (e.g., Hart, Shelby, and Pentwater). A more extensive survey of residential blight within the county would have likely uncovered additional residential units that exhibited characteristics of blight. As such, areas noted within this summary illustrate possible geographic areas of focus for mitigation of residential blight within the county.

E. DEVELOPMENT OPPORTUNITIES

Housing markets expand when the number of households increases, either from in-migration or from new household formations. In order for a given market to grow, households must find acceptable and available housing units (either newly created or pre-existing). If acceptable units are not available, households will not enter the housing market and the market may stagnate or decline. Rehabilitation of occupied units does not expand housing markets, although it may improve them. For new housing to be created, land and/or existing buildings (suitable for residential use) must be readily available, properly zoned, and feasibly sized for development. The absence of available residential real estate can prevent housing market growth unless unrealized zoning densities (units per acre) are achieved on existing properties.

Market growth strategies that recommend additional or newly created housing units should have one or more of the following real estate options available: 1) land without buildings, including surface parking lots (new development), 2) unusable buildings (demolition-redevelopment), 3) reusable non-residential buildings (adaptive-reuse), and 4) vacant reusable residential buildings (rehabilitation). Reusable residential buildings should be unoccupied prior to acquisition and/or renovation, in order for their units to be newly created within the market. In addition to their availability, these real estate offerings should be zoned for residential use (or capable of achieving the same) and of a feasible size for profitability.

Through online and on-the-ground research conducted in April and May of 2023, Bowen National Research identified sites that could support potential residential development in Oceana County. Real estate listings and information from the county tax assessor were also used to supplement information collected for this report. It should be noted that these potential housing development properties were selected without complete knowledge of availability, price, or zoning status and that the vacancy and for-sale status was not confirmed. Although this search was not exhaustive, it does represent a list of some of the most obvious real estate opportunities in the PSA (Oceana County). The investigation resulted in 20 properties being identified. Of the 20 total properties, 10 properties contain at least one existing building that is not necessarily vacant and may require demolition, new construction or adaptive reuse. The remaining 10 properties were vacant or undeveloped parcels of land that could potentially support residential development. It should be noted that our survey of potential development opportunities in Oceana County consists of properties that were actively marketed for sale at the time of this report as well as those identified in person while conducting on-the-ground research.

Information on housing development opportunity sites in Oceana County are presented in the following table:

Potential Housing Development Sites – Oceana County						
Map Code	Street Address	City/Town	Year Built	Building Size (Sq. Ft.)	Land Size (Acres)	Zoning or Property Class
1	Creek Dr.* (The Creeks)	Hart	-	-	12.80	PUD - Planned Unit Development
2	3 E. Main St.* (Hart Co-op Property)	Hart	-	-	1.10	B-2 - General Business
3	S. Griswold St.* (Silver Mills)	Hart	N/A	N/A	3.55	D-1 - Industrial District
4	3074 W. Monroe Rd.	Hart	N/A	N/A	34.52	Agricultural/Rural Residential
5	6482 N. Oceana Dr.	Hart	1930	1,814	0.49	Commercial
6	W. Polk Rd. & N. 64th Ave.	Hart	-	-	5.11	B-2 - General Business
7	S. State St.	Hart	-	-	0.52	B-2 - General Business
8	123 N. Division St.	Hesperia	1965	840	0.19	Commercial
9	147 N. Division St.	Hesperia	1920	14,905	0.38	Commercial
10	173-185 N. Division St.	Hesperia	N/A	9,949	0.68	Commercial
11	8446 W. Hazel Rd.	Mears	1970	13,908	0.97	Resort Commercial
12	W. Branch St.	Pentwater	-	-	6.97	R-2 - Single Family Residential
13	327 S. Hancock St.	Pentwater	N/A	N/A	0.19	Commercial
14	Victoria Rd.* (Private Property)	Pentwater	-	-	10.43	Residential
15	4516 W. Monroe Rd.	Pentwater	-	-	26.00	Residential/Highway Commercial
16	W. Monroe Rd.	Pentwater	-	-	4.72	Neighborhood Commercial
17	Sands Ave. & Third Ave.	Pentwater	-	-	3.50	R-2 - Single Family Residential
18	2918 W. Winston Rd.	Rothbury	N/A	N/A	9.10	Residential
19	Devonwood Dr.* (Devonwood)	Shelby	-	-	4.00	R-2 - Medium Density Residential
20	179 & 183 N. Michigan Ave.	Shelby	N/A	8,412	0.16	C-1 - Central Business

Sources: LoopNet, Realtor.com, Oceana County Property Record Search and several other real estate websites.
*Property provided by Dogwood Community Development
N/A – Year built and square footage information not available for existing building/structure on property.
Note: Total land area includes total building area. Property class designation provided for properties in instances where zoning could not be verified.

In summary, the availability of potential residential development sites (properties capable of delivering new housing units) within the PSA (Oceana County) does not appear to be a significant obstacle to increasing the number of housing units. Our cursory investigation for sites within the PSA (both land and buildings) identified 20 properties that are potentially capable of accommodating future residential development via new construction or adaptive reuse. In some instances, adjacent parcels and/or buildings were adjoined to create one potential site location. The 20 identified properties listed in the preceding table represent approximately 125 acres of land and at least 49,000 square feet of existing structure area. Seven of the identified properties consist of over five acres of land each, providing the ability to develop large residential projects that may include single-family homes or multifamily housing. A total of 10 properties have at least one existing building or structure; those that were able to be identified range in size from 840 square feet to nearly 15,000 square feet, potentially enabling the redevelopment of such structures into single-family or multifamily projects. However, not all of these properties may

be feasible to redevelop as housing due to overall age, condition, or structural makeup (availability and feasibility of identified properties were beyond the scope of this study).

Given that it appears there are several housing development sites within the PSA to potentially support an increase of residential development, the location within the PSA where new residential units will have the greatest chance of success is the next critical question. The desirability of a particular neighborhood or location is generally influenced by proximity to work, school, entertainment venues, recreational amenities, retail services, dining establishments, and major roadways. The municipality with the greatest number of vacant or undeveloped parcels and buildings identified for potential residential development are primarily located within the city of Hart or have a Hart address (seven sites). As such, the sites within or near these city limits are likely conducive to new residential units due to the proximity of existing infrastructure, area services and employment opportunities. An additional six properties have a Pentwater address or are within the Pentwater village limits while remaining potential sites are located in Hesperia (three), Shelby (two), Mears and Rothbury.

The availability of infrastructure, including water, sewer, roads, electric power, natural gas, and broadband, is a critical factor in determining where real estate development occurs. As higher population densities and taller, multistory structures are directly correlated with lower housing costs, Oceana County municipalities with municipal sewer utilities have a unique opportunity to accommodate housing that is affordable and attainable. For example, developers of Low-Income Housing Tax Credit properties are generally unwilling to submit applications for projects that are not served by public water and sewer utilities, which generally limits multifamily development in areas outside of towns and cities. Access to public utilities and the area's utility capacity were not considered as part of this study and would require engineering services to assess public utility factors that ultimately impact the viability of a site to support residential development.

The 20 properties listed as potential development opportunities include either *zoning district location* in instances when this information was available or could be verified or *property class designation* as listed in Oceana County property tax records. Of the total acreage identified among the 20 potential housing development sites, approximately 63% of the acreage (78.52 acres) is located among seven properties within a residential zoning district or that have a residential property class designation. This includes a 34.52-acre parcel in the Hart area that is zoned Agricultural/Rural Residential. One property (12.8 acres) is located in a Planned Unit Development zoning district while 13 properties (34.06 acres) have a non-residential zoning designation or property class; these include Central Business, General Business, Industrial District, Highway Commercial, Neighborhood Commercial and Resort Commercial. Note that of the 26 acres at 4516 West Monroe Road (Map Code 15), 16 acres are zoned Highway Commercial and 10 acres are zoned Residential. Some non-residential zoning districts, such as Resort Commercial, Central Business and General Business do permit apartments above

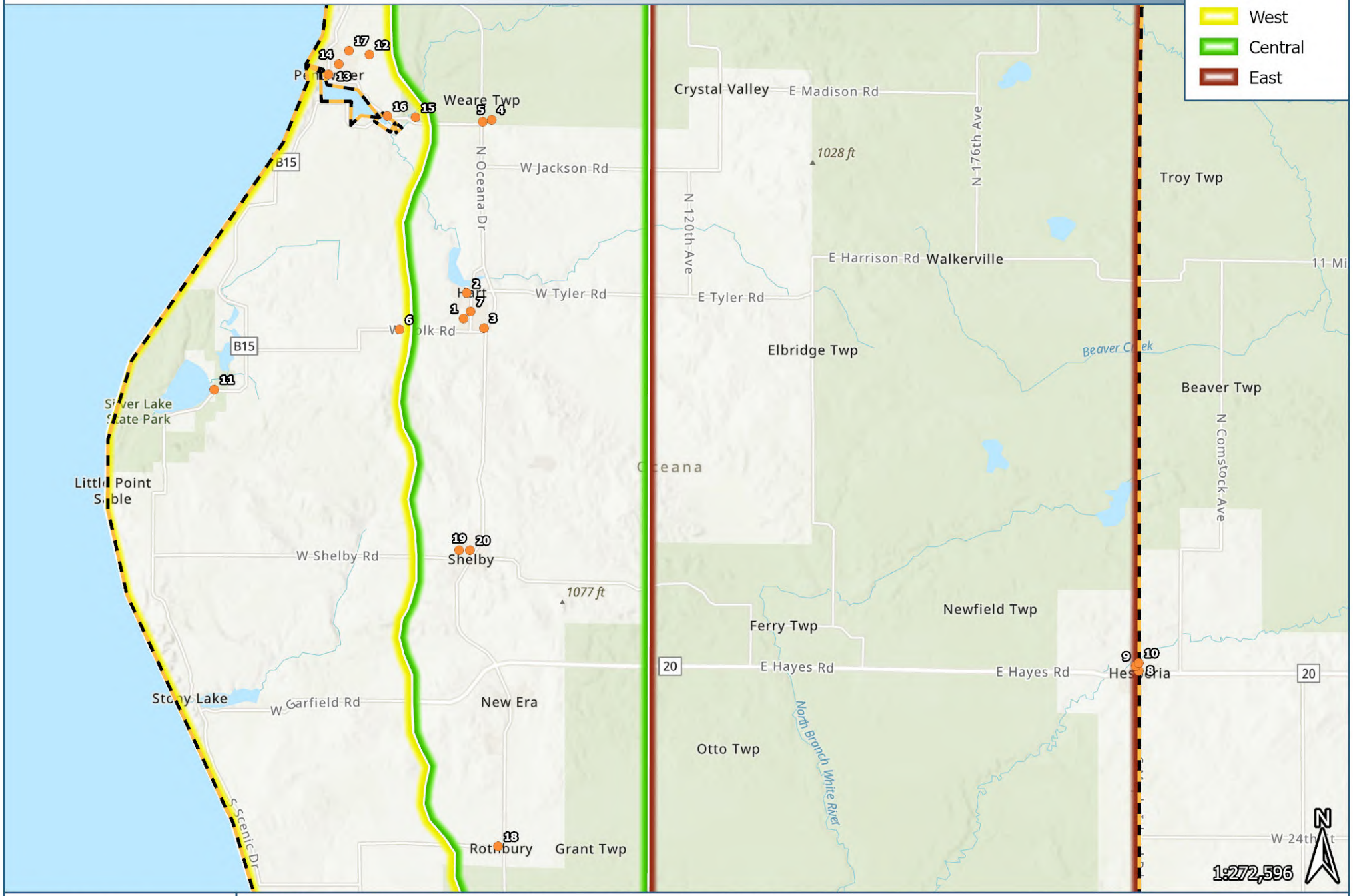
or attached to commercial space. General Business zoning in the city of Hart also permits housing for those that are elderly, retired or that require assisted care as a special land use. These permitted and conditional allowances further broaden the opportunity for the development of rental housing in the county.

A map illustrating the location of the 20 potential housing development opportunity properties is on the following page. The Map Code number in the summary table on page VII-20 is used to locate each property.

BOWEN NATIONAL RESEARCH

Development Opportunity Locations

Oceana County, MI



0 1 2 3 4 Miles

Esri, HERE, Garmin, SafeGraph, METI/NASA, USGS, EPA, NPS, USDA, Esri, NASA, NGA, USGS
Additional Source(s): Bowen National Research

F. BARRIERS TO RESIDENTIAL DEVELOPMENT

This section of the report evaluates various potential barriers to residential development, including development costs and residential zoning.

Development Costs

One of the potential barriers to residential development in a market is associated with development costs. For the purposes of this analysis, potential financial barriers to development include land costs, labor costs, utility installation costs, property taxes, assessments, and overall development costs, all of which can impact whether or not a residential project is built. A summary of financial factors influencing residential development in Oceana County is provided in this section.

Land costs, including acquisition costs and taxes, factor into the development of real estate and could be a potential barrier to development. When land costs are bundled into construction costs, a greater picture emerges of overall development costs. Availability of land suitable for development, which typically includes access to utilities and municipal water and sewer, also affects land costs.

A search for vacant land for sale on Realtor.com identified 111 active listings within Oceana County as of July 2023. The following table lists active land listings and acreage.

Vacant Land Listings by Acreage Range – Oceana County			
Number of Land Listings (Share of Listings)			
< 1 acre	1 to 10 acres	> 10 acres	Total
49 (44.1%)	44 (39.6%)	18 (16.2%)	111 (100.0%)

Source: Realtor.com
Note: Total percentage of land listings may not add up to 100% due to rounding.

Nearly 45% of vacant land listings in Oceana County are less than one acre in size. These smaller parcels are, in most cases, infill lots in established municipalities or individual lots within active residential subdivisions. Individual smaller lots are not suitable for large-scale residential development. Note that nearly 40% of vacant land available for sale in the county is between one and 10 acres. Residential land at the lower end of this size range may be suitable for smaller multifamily developments consisting of duplexes and fourplexes, while residential land at the upper end of this size range may be suitable for a complex of larger apartment buildings.

The remaining share (16.2%) of vacant land available for sale in Oceana County is over 10 acres in size, which is potentially suitable for large apartment complexes and/or mixed-use developments with a residential component. These 18 land listings of over 10 acres in size ranged in price from $59,000 for a 10.48-acre lot marketed as a secluded homestead retreat to $1,300,000 for a 40-acre lot with access to a private airplane landing strip. Vacant residential lots in lower price

ranges generally require substantial site work (i.e., removal of trees, land grading) in order to be ready for development. Note that many property listings of over 10 acres are agricultural properties that are typically located away from communities and major development areas and may not have access to utilities necessary for higher-density development.

Note that the preceding table is only meant to portray an overall picture of vacant land available in Oceana County. It is possible that many of these available parcels may not be suitable for development due to a lack of acreage, access to utilities, or may not be zoned for residential development. Any or all of these factors would likely reduce the viability of a parcel for residential development.

A search for recent land sales in Oceana County that could potentially support multifamily residential development did not uncover any suitable parcels. In fact, only one property sale of vacant land over 10 acres was found during the past six months. However, the property listing noted that the land was zoned for low-density residential development. The remaining vacant parcels sold within the past six months were less than one acre in size, with most of these parcels sold as single-family infill lots in established areas or within residential subdivisions.

A search for current land *listings* in Oceana County that could potentially support residential development was also conducted. As part of this search, primary focus was placed on larger parcels that are at least 10 acres in size. This search uncovered the following relevant land listings:

Oceana County - Current Land Listings
(As of July 2023)

Property Address	City/Area	List Price	Acres	Price per Acre
3480 W. Monroe Rd.	Pentwater	$249,900	23.99	$10,417
W. Hammett Rd.	Pentwater	$350,000	13.94	$25,108
4516 W. Monroe Rd.	Pentwater	$350,000	26.00	$13,462

The list prices of the three properties for sale range from $10,417 to $25,108 per acre. Similar listings of residential land available for sale in adjacent Michigan counties range from $9,998 to $65,000 per acre. These land listings represent parcels zoned or approved for residential use or parcels zoned for commercial use that allow residential development. Additional parcels of over 10 acres were considered for this analysis but were not listed due to incompatible zoning regulations (e.g., agricultural zoning). Based on recent listings of land available for development, it appears that land costs in Oceana County are within the low end of the existing range compared to adjacent Michigan counties.

Labor costs and availability of skilled and qualified labor are also important factors for development costs. Oceana County is part of the Balance of Lower Peninsula of Michigan nonmetropolitan area according to the Bureau of Labor Statistics (BLS). According to BLS data, the median annual wage for construction and extraction occupations in the Balance of Lower Peninsula of Michigan nonmetropolitan area is $50,880. This is a lower mean annual wage for these occupations than the mean annual wages offered in the Grand Rapids-Wyoming MSA ($51,640), Muskegon MSA ($56,980) and the state of Michigan ($54,910). Median annual wages for construction and extraction occupations in the Balance of Lower Peninsula of Michigan nonmetropolitan area range from $38,310 for miscellaneous construction and related workers to $70,890 for first-line supervisors. Note that construction and extraction occupations only account for approximately 41 out of every 1,000 jobs in the Balance of Lower Peninsula of Michigan nonmetropolitan area and also account for a lower share (approximately 36 out of every 1,000 jobs) statewide. The construction sector accounts for a very low share of the area and state job market, likely contributing to a shortage of skilled and qualified workers for construction projects. This shortage of skilled and qualified workers can often result in increased costs for construction projects, which in turn can result in higher rents and home prices. This labor shortage in the construction sector appears to be an ongoing trend impacting much of the United States.

The following table illustrates the employment number, share, and corresponding typical annual wages for detailed occupations within the construction and extraction sector for the Balance of Lower Peninsula of Michigan nonmetropolitan area, the adjacent Muskegon MSA, the nearby Grand Rapids-Wyoming MSA, and the state of Michigan. The highest mean wage is illustrated in red text, while the lowest mean wage is illustrated in blue text. Note that only data for detailed occupational groups available for each area are shown in the following table.

Typical Wages by Detailed Construction & Extraction Occupations												
Occupation Type	Balance of Lower Peninsula of Michigan nonmetropolitan area (includes Oceana County)			Muskegon, MI MSA			Grand Rapids-Wyoming, MI MSA			Michigan		
	Employment		Mean	Employment		Mean	Employment		Mean	Employment		Mean
	Number	Share	Wage	Number	Share	Wage	Number	Share	Wage	Number	Share	Wage
First-Line Supervisors of Construction Trades and Extraction Workers	910	8.5%	**$70,890**	210	9.7%	**$68,370**	2,440	11.9%	**$70,810**	16,050	10.2%	$72,600
Boilermakers	60	0.6%	$64,420	--	--	--	180	0.9%	$69,970	1,310	0.8%	**$72,950**
Brickmasons & Blockmasons	180	1.7%	$51,570	--	--	--	180	0.9%	$57,540	1,800	1.1%	$50,770
Carpenters	1,150	10.7%	$48,700	160	7.4%	$49,220	2,910	14.2%	$52,050	18,510	11.8%	$54,460
Carpet Installers	40	0.4%	$39,010	--	--	--	--	--	--	490	0.3%	$44,390
Floor Layers*	40	0.4%	$43,430	--	--	--	110	0.5%	$47,040	870	0.6%	$49,290
Cement Masons and Concrete Finishers	500	4.7%	$47,370	60	2.8%	$49,980	820	4.0%	$50,450	5,110	3.2%	$52,530
Construction Laborers	9	22.4%	$43,020	310	14.3%	$42,640	3,050	14.9%	$44,030	28,350	18.0%	$46,020
Operating Engineers and Other Construction Equipment Operators	1,090	10.2%	$54,910	120	5.5%	$56,250	1,030	5.0%	$57,020	10,090	6.4%	$60,340
Electricians	1,370	12.8%	$56,800	460	21.2%	$60,490	3,160	15.4%	$57,210	25,440	16.2%	$62,850
Glaziers	60	0.6%	$50,590	--	--	--	100	0.5%	$52,000	970	0.6%	$55,240
Painters, Construction and Maintenance	340	3.2%	$39,630	60	2.8%	**$41,780**	810	3.9%	$44,550	5,200	3.3%	$47,390
Plumbers, Pipefitters, and Steamfitters	710	6.6%	$51,600	190	8.8%	$64,720	1,890	9.2%	$62,520	13,710	8.7%	$64,570
Roofers	170	1.6%	$47,900	--	--	--	350	1.7%	$46,260	2,800	1.8%	$50,750
Sheet Metal Workers	190	1.8%	$55,770	170	7.8%	$60,110	480	2.3%	$57,110	4,130	2.6%	$62,430
Construction and Building Inspectors	140	1.3%	$59,990	40	1.8%	$63,020	390	1.9%	$57,070	3,560	2.3%	$57,550
Misc. Construction and Related Workers	90	0.8%	**$38,310**	--	--	--	90	0.4%	**$43,320**	750	0.5%	**$42,520**
Total	10,700	100.00%	$50,880	2,170	100.00%	$54,960	20,520	100.00%	$54,560	157,480	100.00%	$56,880

Source – Bureau of Labor Statistics (BLS) – May 2022
-- indicates that category not listed for MSA by BLS.
*Except carpet, wood, and hard tiles.
Note: Total reflects all Construction & Extraction occupations; Construction & Extraction occupations not related to building construction excluded from table.

Based on this analysis of wages in the construction sector depicted in the preceding table, the Balance of Lower Peninsula of Michigan nonmetropolitan area (which includes Oceana County) typically has lower wages for construction occupations than adjacent and nearby MSAs and the state of Michigan. Lower median wages for construction occupations may result in lower residential development costs in Oceana County.

Utility costs for natural gas and electric service, specifically the cost to tap into or run utility service at a specific location, also factors into overall development costs. Fees paid by the developer or contractor to establish natural gas and electric service are typically passed on to the buyer upon completion of a single-family house, condominium unit, or townhouse. The total price of a new residential home or unit often includes tap fees for water, sewer, electric and natural gas utilities, which can vary by location. In most Oceana County municipalities and townships, electric service is provided by either Consumers Energy or Great Lakes Energy and natural gas service is provided by DTE Energy. The City of Hart Energy Department also provides electric services to customers in this city, while AmeriGas Eagle Propane provides natural gas service to customers in Golden Township and Shelby Township.

The City of Hart Energy Department requires new electric customers to submit a $200.00 deposit before establishing electric services. This deposit is applied to future electric bills after 12 consecutive monthly payments. The electric base rate for residential customers is $8.50/month and electric usage is billed at $0.08560 per kilowatt-hour. Rates assessed by Consumers Energy for residential electric service customers include a system access charge of $8.00 per month as well as additional surcharges. Electric usage is billed at $0.103 per kilowatt-hour for off-peak usage between June and September, $0.158 per kilowatt-hour for on-peak usage between June and September, and $0.095 per kilowatt-hour for all usage between October and May. DTE Energy assesses a minimum monthly customer charge of $13.50 and a monthly Infrastructure Recovery Mechanism (IRM) surcharge of $2.19 to residential natural gas customers. The natural gas usage rate for residential customers, which includes a base rate, gas cost recovery rate and assorted surcharges, is billed at $0.73543 per 100 cubic feet (Ccf) as of June 2023.

Cities and villages in Oceana County assess *water and sewer tap fees* to new customers living within or near the municipal limits of each respective community. In the city of Hart, residential water customers pay a base rate of $6.26 per month for a 5/8-inch meter and are billed an additional $1.31 per 1,000 gallons for the first 13,000 gallons of usage. Residential sewer (wastewater) customers pay a base rate of $30.97 per month and are billed an additional $3.44 per 1,000 gallons. The sewer tap fee is $650 per Equivalent Dwelling Unit (EDU).

The Village of Pentwater bills its customers on a quarterly basis (every three months). Village water rates include a "Ready to Serve" charge of $78.00 per quarter, which includes the first 10,000 gallons of water usage. Additional usage is billed at $3.15 per 1,000 gallons. The connection fee (tap fee) for a 5/8-inch or 3/4-inch water meter is $2,500 and the sewer connection fee is $4,000, resulting in a combined $6,500 in connection fees for a new residential unit built in the village.

Oceana County municipalities have similar utility usage rates compared to other municipal water/sewer operators in west Michigan communities. However, the tap fees in Pentwater appear to be higher than most communities. Note that several Michigan communities have increased water/sewer usage rates due to a state requirement that lead water pipes be replaced over a 20-year period.

Government Development Fees in the form of permit fees charged by city, town, or county governments also factor into development costs. The Oceana County Building Department assesses residential and commercial building permit fees based on the overall value of the project for most jurisdictions. Note that Newfield Township and Otto Township issue permits for buildings and structures within each respective township, while Grant Township issues building permits only within its jurisdiction. The remaining municipalities and townships in the county rely on the Oceana County Building Department to issue building, electrical, mechanical, and plumbing permits. Building permit fees are $54.00 per square foot for a single-family or two-family building, $17.00 per square foot for an unfinished basement, and $34.00 per square foot for a finished basement. Note that these building fees are multiplied by a factor of 0.0055 to arrive at the overall fee owed to the county. For a 2,000 square foot single-family home with an unfinished basement, the overall building permit fee would be $781.00. Note that non-residential building projects can also be assessed based on the total cost of the structure. For projects with a building cost of up to $500,000, the building permit fee is calculated based on a factor of 0.006435, while for projects with a cost exceeding $500,000, the building permit fee is calculated based on a factor of 0.00279. For a building project that costs $300,000, the building permit fee would cost $1,930 based on this calculation. Electrical, mechanical, and plumbing permits have a base fee of $75.00 plus additional fees for the number and type of components to be inspected. Permit inspections are also subject to a $75.00 fee for projects with up to a $250 permit fee and a 10% surcharge for projects with a permit fee exceeding $250.

Oceana County building permit fees and similar permit fees for electrical, mechanical and plumbing components appear to be within the range of fees assessed in adjacent counties. In Muskegon County, select municipalities and townships assess building permit fees ranging from $1,843 to $2,430 based on location. Electric, mechanical, and plumbing fees within these Muskegon County municipalities and townships range from $115 to $305 per inspection when accounting for base fees, minimum hourly rate (if applicable), and final inspection fees. The City of Ludington (Mason County) assesses building permit fees based on the total cost of improvements. For a $300,000 residential structure, the building permit fee is $835. The Lake County Building Department assesses a base fee of

$100 for residential structures plus $0.22 per square foot. For a 2,000 square foot single-family home constructed in Lake County, the building permit fee would be $540 plus a $35 minimum fee assessed for plan review. The residential permitting process and the corresponding documentation that is required appear to be typical when compared with communities in adjacent counties. Based on our review of the residential building permit process and fees, it does not appear that these factors represent deterrents or barriers to residential development.

Taxes and assessments applied to the development of real estate can also factor into overall development costs. Property taxes vary by county in Michigan. Each county establishes its general tax rate for all residents, then additional taxes and assessments are applied based on municipality, school district location, and special tax districts (if applicable). According to information provided by the Michigan Department of Treasury-Taxes, base property tax rates for homestead properties range from 24.4069 mills to 45.7994 mills and range from 42.4069 mills to 63.7994 mills for non-homestead properties in Oceana County depending on municipality, township, and school district location. For property with a *taxable* value of $100,000, annual property taxes would range from $2,440.69 to $4,579.94 for a principal residence (homestead property) and $4,240.69 to $6,379.94 for a second home, rental property, or commercial property (non-homestead property). Note that these are millage rates for the 2022 tax year. Tax rates for 2023 were not published at the time of this report.

The following table shows a comparison of property tax millage rates for locations and school districts in Oceana County:

Tax Millage Rates (2022) for Locations and School Districts – Oceana County			
Location	**School District**	**Tax Millage Rate (Homestead)**	**Tax Millage Rate (Non-Homestead)**
Benona Township	Shelby Public SD	26.2335	43.3759
Claybanks Township	Montague Area Public SD	32.9749	50.9749
	Shelby Public SD	26.9182	44.0606
Colfax Township	Walkerville Public SD	28.9093	46.9093
Crystal Township	Hart Public SD	29.5876	47.3167
	Hart Public SD	32.6682	50.3973
	Walkerville Rural Comm SD	31.4963	49.4963
Elbridge Township	Hart Public SD	29.7807	47.5098
	Hart Public SD	32.8613	50.5904
Ferry Township	Hesperia Community SD	31.9419	49.9149
	Hart Public SD	26.5023	44.2314
	Shelby Public SD	25.6523	42.7947
Golden Township	Hart Public SD	27.9507	45.6798
	Shelby Public SD	27.1007	44.2431
Grant Township	Montague Area Public SD	33.2932	51.2932
Rothbury Village	Montague Area Public SD	38.3662	56.3662
	Shelby Public SD	27.2365	44.3789
New Era Village (Grant Township)	Shelby Public SD	32.1146	49.2570
New Era Village (Shelby Township)	Shelby Public SD	33.9911	51.1335
Greenwood Township	Holton Public SD	30.5281	48.5281
	Fremont Public SD	34.2999	52.1902
	Hesperia Community SD	32.3185	50.3185
Hart Township	Hart Public SD	29.5433	47.2724
	Shelby Public SD	28.6933	45.8357
Leavitt Township	Hesperia Community SD	33.4485	51.4485
	Hart Public SD	28.0359	45.7650
	Walkerville Public SD	29.9946	47.9446
Walkerville Village	Walkerville Public SD	**42.3458**	**60.3458**
Newfield Township	Hesperia Community SD	32.3365	50.3365
Hesperia Village	Hesperia Community SD	**45.7994**	**63.7994**
	Shelby Public SD	**26.0739**	**43.2163**
Otto Township	Holton Public SD	30.5306	48.5306
	Montague Area Public SD	32.1151	50.1151
	Shelby Public SD	26.0584	43.2008
Pentwater Township	Pentwater Public SD	**24.5759**	**42.5759**
Pentwater Village	Pentwater Public SD	36.4717	54.4717
Shelby Township	Hart Public SD	29.9630	47.6921
	Shelby Public SD	29.1130	46.2554
Shelby Village	Shelby Public SD	**44.2943**	**61.4367**
Weare Township	Mason County Central SD	29.0275	47.0275
	Hart Public SD	28.0169	45.7460
	Hart Public SD	31.0975	48.8266
	Pentwater Public SD	**24.4069**	**42.4069**
	Pentwater Public SD	27.4875	45.4875
Hart City	Hart Public SD	40.9291	58.6582

Source: Michigan Department of Treasury – 2022 Total Property Tax Rates

Millage tax rates for homestead properties (primary residences) for locations in Oceana County range from a low of 24.4069 mills in Weare Township (Pentwater Public School District) to a high of 45.7994 mills in the village of Hesperia (Hesperia Community School District). Using the same $100,000 taxable property value as an example, the annual base property tax bill for a primary residence would range from $2,440.69 to $4,579.94 within the county. Note that townships typically have lower millage rates while cities and villages have higher millage rates. With the exception of the lowest and highest tax rates for select locations, there does not appear to be a significant difference in tax millage rates for the remaining locations in the county.

The following table compares the overall range and median property tax millage rate figures in Oceana County with adjacent counties in Michigan.

Tax Millage Rates (2023) in Oceana County and Adjacent Michigan Counties	
County	**Total Tax Millage Rate***
Oceana	**24.4069 (Low)** **29.9946 (Median)** **45.7994 (High)**
Mason	20.7310 (Low) 26.1420 (Median) 44.0977 (High)
Lake	25.3473 (Low) 29.3599 (Median) 43.3870 (High)
Newaygo	23.3872 (Low) 30.2180 (Median) 47.6456 (High)
Muskegon	26.4352 (Low) 34.3819 (Median) 56.9456 (High)

*Homestead Tax Millage Rates

Based on 2022 property tax millage rates, Oceana County has slightly higher property tax millage rates compared to Mason County, similar property tax millage rates compared to Lake and Newaygo counties, and lower property tax millage rates compared to Muskegon County. Note that the tax rates within the table reflect a combination of municipal/township and school district millage rates for comparison purposes. Overall, we do not believe property taxes in Oceana County are excessively high compared to adjacent locations and likely do not have a significant influence on residential development.

New Construction Costs

In order to make a valid and accurate comparison between the cost of construction and sale prices of completed homes in Oceana County, it is necessary to look at the differences between the two figures. One way to make this comparison is by looking at the sales market for recently built residential homes. According to data provided by the Multiple Listing Service (MLS) for closed home sales between January 1, 2020 and December 31, 2022, the median sale price for a home in Oceana County was $182,900 during this period. Note that this period reflects sales activity before and during the COVID-19 pandemic and that the median figure is likely not reflective of the current housing market. For this reason, we have also obtained current listing data for homes in Oceana County. MLS listing data obtained in April 2023 indicates that the median list price for a home in Oceana County is $314,000. Note that these median sale and list prices include all homes sold or listed for sale in the county regardless of age or condition.

Focusing on newer homes built since 2010, the median sale price for a newer home sold in the county between January 2020 and December 2022 was $277,450 and the median list price for a newer home was approximately $450,000 in April 2023. The median sale price was approximately $206 per square foot for these newer homes and was on the market for an average of 33 days, while the sale price to list price ratio was approximately 98% during this period, meaning that newer housing units in Oceana County typically sold for a figure near the asking price. The aforementioned sales period was reflective of a strong housing market for new construction that favored sellers.

According to RS Means construction data, it costs approximately $225,000 ($166.67 per square foot) to build a new, average-quality, two-story, three-bedroom/2.0-bath, 1,400 square-foot, single-family dwelling with a basement. This cost, which has been adjusted to reflect regional attributes, includes average interior finishes, a wood frame exterior, a detached garage, site work, central air conditioning, and contractor fees. The $225,000 cost does not include the cost of land, municipal/township fees, financing, insurance, architecture fees, or profit. The inclusion of any or all of these additional features significantly increases the overall cost of a new home. Based on this analysis, it would appear a new entry-level single-family home would need to be priced at $330,000 and above to make it financially viable for a developer to construct entry-level housing in the county without funding or assistance from government, a nonprofit partner, a philanthropic/foundation or other resources. Assistance in the form of such things as the donation or discounted sale of land, lowered or waived development fees, tax abatements or infrastructure assistance, for example, could help to offset some traditional development costs that would enable more affordable housing to be built.

Note that residential construction throughout the United States is currently affected by cost of materials, labor shortages, and the significant increase in mortgage interest rates due in part to the COVID-19 pandemic. Data supplied by RS Means for residential construction costs may not be reflective of current materials and labor shortages. A CBRE report published in August 2022 estimated that construction costs are forecasted to increase approximately 14% year-over-year nationwide. In addition, significant increases in mortgage interest rates have increased borrowing costs for prospective homebuyers. This leaves homebuilders and developers with a reduced pool of income-qualified buyers to purchase homes. The combination of increased borrowing costs for prospective homebuyers and increasing costs of materials and labor for building homes make construction of entry-level homes more difficult to achieve. For these reasons, the price of a new home or apartment building may not be reflective of current conditions. Therefore, estimated costs for construction of residential buildings and homes should be depicted as being on the low end given these recent materials costs and labor shortages.

Residential Zoning

Residential zoning codes generally dictate the type of housing that is built within a particular area. In this section we evaluate local zoning codes in an attempt to identify any deficiencies that may adversely impact residential development. Several municipalities and townships in Oceana County have zoning districts for properties within each respective jurisdiction. A review of zoning regulations that permit some level of residential development for select Oceana County municipalities and townships is below:

Zoning Districts – City of Hart

City of Hart – Zoning Districts	
Zoning District	**Description**
A Residential Zone	Provides primarily for single-family dwelling units and includes the majority of existing residential areas in the city. Permitted uses include single-family detached dwellings, two-family dwellings (duplexes) that have the exterior appearance of a one-family dwelling, and accessory apartments. Housing for the elderly, foster care group homes, duplexes, and boarding houses may be permitted as a special use.
A-1 Residential Zone	Allows for single-family dwellings as the predominant land use. Permitted land uses include single-family detached dwellings and two-family dwellings (duplexes) that have the exterior appearance of a one-family dwelling. Housing for the elderly, foster care group homes, duplexes, and boarding houses may be permitted as a special use.
A-2 Apartment Zoning District	Provides for relatively low density residential development at a maximum density of 12 units per acre in areas of the city served by public water and sewer. Permitted uses include multiple family dwellings with no more than 16 units per building, two-family dwelling units, and housing for the elderly. Foster care group homes and boarding houses may be permitted as special uses.
A-3 Mobile Home Park Residential District	Allows for the establishment of mobile home parks and related accessory uses subject to site plan review procedures. Mobile home parks shall comply with all applicable procedures and requirements of the Mobile Home Commission Act and the Michigan Administrative Code.
B-1 Central Business District	Intended to serve as the downtown shopping district for the City of Hart. Limited residential uses are permitted within buildings where the principal use is commercial. Residential units within this zoning district shall contain a minimum of 600 square feet and shall not be located below the second floor of the building. Housing for the elderly may be permitted as a special use within this zoning district.
B-2 General Business District	Provides for an orderly and concentrated development of business outside the Central Business District in order to serve the needs of the motoring public and local residents. Limited residential uses are permitted within buildings where the principal use is commercial. Residential units within this zoning district shall contain a minimum of 600 square feet and shall not be located below the second floor of the building. Housing for the elderly may be permitted as a special use within this zoning district.
M-I Medical-Institutional District	Intended to provide for the need of medical facilities in addition to supportive commercial, service, and residential uses associated with such institutions. Single-family homes, specialized congregate housing for the disabled and senior housing for the elderly are all permitted provided that each is related to or associated with a bona fide medical facility.
PUD Planned Unit Development	Intended to permit flexibility in the regulation of land development. Areas may be zoned for Planned Unit Development when problems of size, shape, terrain, topography, adjacent use or natural resources may require special regulation. Single-family housing and multifamily housing are permitted within this zoning district, while mobile home parks are specifically prohibited.

Source: City of Hart Zoning Code
Note: Commercial and industrial zoning districts that do not allow for residential development were excluded from this analysis.

The City of Hart Zoning Code permits residential development within several zoning districts. The A and A-1 zoning districts primarily allow for single-family and two-family residential development while the A-2 (Apartment) zoning district allows for multifamily development of up to 12 units per acre. Note that the A and A-1 zoning districts permit two-family (duplex) buildings provided that these buildings exhibit the exterior appearance of a one-family building. Commercial zoning districts (B-1 and B-2) only permit residential units within buildings primarily designated for commercial use, while the M-I (Medical-Institutional) district permits single-family development only if *related to or associated with* a medical facility. Therefore, residential development opportunities are significantly limited within non-residential zoning districts.

Lot area requirements, setbacks and building height restrictions for each zoning district that allows residential development is listed in the following table:

City of Hart – Lot Area, Setbacks and Building Height Requirements by Zoning District

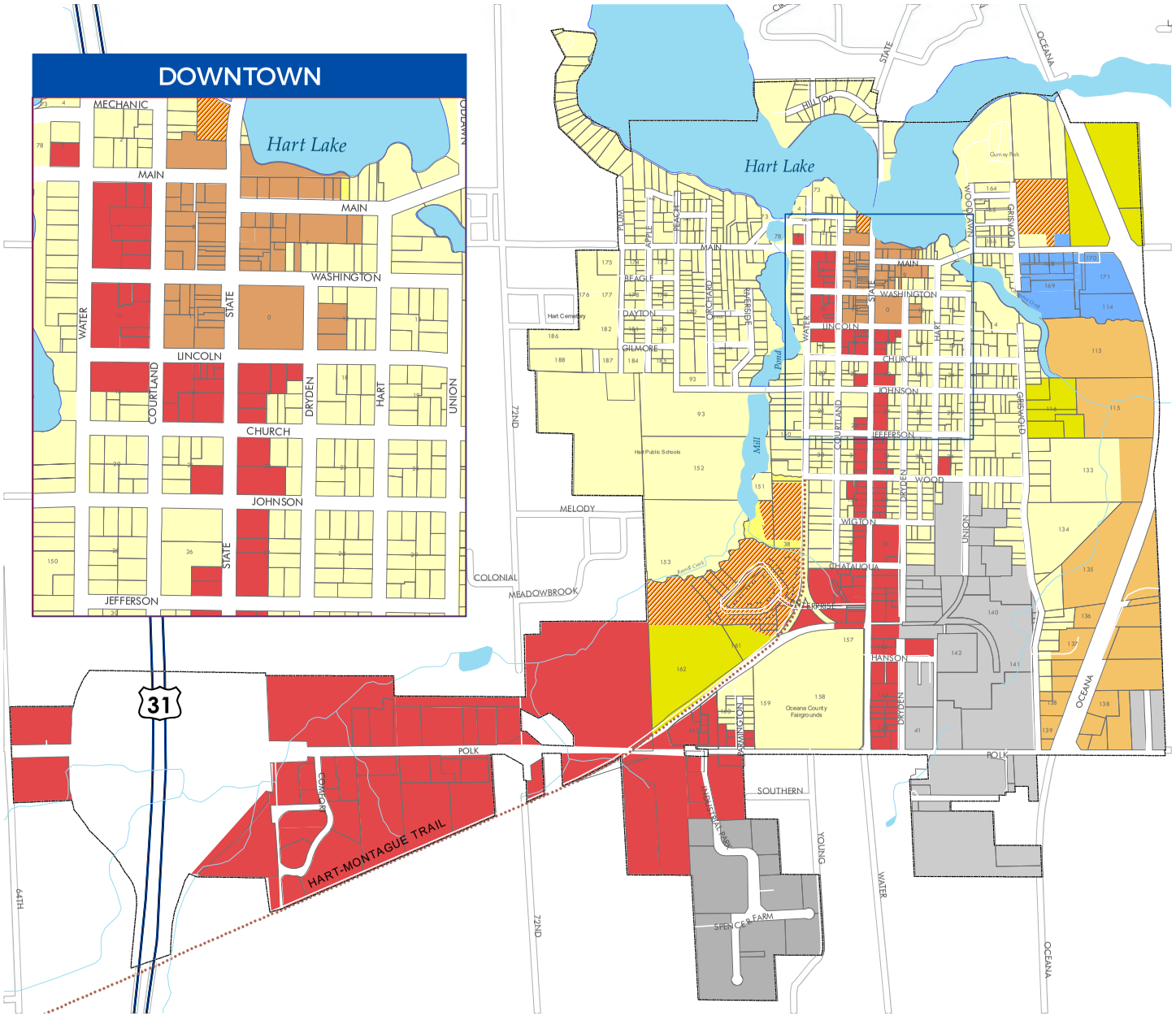
Zoning District	Minimum Lot Area (Sq. Ft.)	Maximum Density (Units/Acre)	Minimum Lot Width	Front Yard Setback	Side Yard Setback	Rear Yard Setback	Maximum Building Height
A Residential Zone	6,000-12,000	7	45-100 ft.	15-30 ft.	5-10 ft.	25 ft.	35 ft.
A-1 Residential Zone	12,000	3	100 ft.	25 ft.	10 ft.	25 ft.	35 ft.
A-2 Apartment Zoning District	3,630/unit 12,000 sq.ft./duplex	12	100 ft.	40 ft.	10 ft.	40 ft.	35 ft.
A-3 Mobile Home Park Residential District	Development standards for mobile home parks not listed. Subject to site plan review.						
B-1 Central Business District	None	N/A	None	4 ft. max.	None*	None*	35 ft.
B-2 General Business District	None	N/A	None	20-25 ft.	None*	None*	35 ft.
M-I Medical-Institutional District	43,560 (1 acre)	N/A	200 ft.	10-30 ft.	15 ft.	15 ft.	35 ft.
PUD Planned Unit Development	Development standards subject to site plan review. Building setbacks determined by Planning Commission.						

Source: City of Hart Zoning Code
N/A – Maximum density not able to be determined for B-1, B-2, and M-I zoning districts.
Note: Commercial and industrial zoning districts that do not allow for residential development were excluded from this analysis.
Maximum density (units per acre) based on the maximum number of units per acre based on minimum lot size.
Buildings in the B-1 district must be within four feet of the public right-of-way (front setback).
*Minimum side yard and rear yard setbacks of 10 feet are required for properties that abut a residential zone.
Range for figures within "A" zoning district reflect differences between single-family and two-family dwellings.

Minimum lot requirements among residential zoning districts vary between single-family, two-family, and multifamily building types. The minimum lot size for Residential Zone A is only 6,000 square feet, which would allow for lots with 45 feet of width and equate to a density of around seven units per acre. The Residential Zone A-1 district, which has a minimum lot size of 12,000 square feet and a minimum lot width of 100 feet, primarily favors single-family residential development. The Apartment Zoning District A-2 allows for multifamily development of up to 12 units per acre within buildings up to 35 feet in height, which typically consist of three-story buildings. It is worth pointing out that there appears to be only three general areas (all outside downtown) that are zoned A-2 (Apartment Zoning District) that allow for larger-scale multifamily development. This may have a limiting effect on the market's ability to attract multifamily housing developments. Commercial zoning districts (B-1 and B-2) permit limited

residential uses that include apartment units on the upper floors of buildings. Both commercial districts lack minimum lot areas and widths, which could potentially allow mixed-use development on a larger portion of parcels within these districts. Note that minimum lot requirements, lot widths, and setback requirements for the Mobile Home Park Residential District (A-3) and the Planned Unit Development (PUD) District were not listed within the zoning code. Developments within both zoning districts are subject to site plan approval from the Planning Commission.

A municipal zoning map for the City of Hart is included on the following page.



City of Hart

Oceana County, Michigan

ZONING MAP

Updated: March 24, 2021

- A, Residential Zone
- A-1, Residential Zone
- A-2, Apartment Zoning District
- B-1, Central Business District
- B-2, General Business District
- C-2, Limited Commercial
- D-1, Industrial District
- D-2, Industrial Park District
- M-1, Medical/Institutional District
- PUD, Planned Unit Development

1 inch = 500 feet

0 0.125 0.25 0.5 Miles

williams&works
engineers | surveyors | planners

Data Sources: Michigan CGI, Oceana County Equalization

Zoning Districts – Village of Shelby

Village of Shelby – Zoning Districts	
Zoning District	**Description**
R-1 Low Density Residential District	Intended to encourage a relatively low density residential environment in the Village of Shelby. Permitted land uses include single-family dwellings and accessory dwelling units. Special land use approval is required for cottage housing/bungalow courts, state licensed residential facilities, and townhouses/rowhouses.
R-2 Medium Density Residential District	Intended to encourage a suitable environment for family living within denser patterns of residential development. Permitted land uses include single-family dwellings, two-family dwellings, townhouses/rowhouses, accessory dwelling units, cottage housing/bungalow courts, and state licensed residential facilities for one to six persons. Special land use approval is required for elderly housing, multiple family dwellings, convalescent/nursing homes, and state licensed residential facilities for seven to 12 persons.
R-3 Multiple Family Dwelling District	Intended to permit high density residential housing in specific areas of the Village of Shelby that offer quality, affordable living arrangements. Permitted land uses include single-family dwellings, two-family dwellings, townhouses/rowhouses, cottage housing/bungalow courts, elderly housing, multiple family dwellings, and state licensed residential facilities for one to six persons. Special land use approval is required for convalescent/nursing homes and state licensed residential facilities for seven to 20 persons.
R-4 Manufactured Home Community District	Purpose of this zoning district is to allow for the establishment of manufactured home communities and related accessory uses based on applicable procedures and requirements of the Manufactured Home Commission Act and the Michigan Administrative Code. Manufactured home communities and their accessory uses as well as state licensed residential facilities for one to six persons are permitted within this zoning district.
C-1 Central Business District	Intended to support a traditional downtown "Main Street" atmosphere primarily consisting of specialty retail uses with complementary small-scale service businesses and accessory (upper floor) residential uses. Permitted uses include live/work units and residential units above retail/office.
C-2 General Business District	Intended primarily for uses emphasizing community shopping needs for area citizens that are of a higher intensity than those found in a traditional downtown. Live/work units are permitted in this zoning district. Residential units above retail/office and convalescent/nursing homes require special land use approval.
PUD Planned Unit Development	Intended to offer an alternative to conventional development and traditional zoning standards and to permit flexibility in the development or redevelopment of areas. Purpose is to permit development of planned areas for various compatible uses allowed by the zoning ordinance and for other uses not so provided.

Source: Village of Shelby Zoning Ordinance
Note: Commercial and industrial zoning districts that do not allow for residential development were excluded from this analysis.

The Village of Shelby Zoning Code permits a variety of unit types within its residential zoning districts. These zoning districts target low, medium, and high density residential development. The Low Density Residential District (R-1) allows single-family dwellings as well as attached dwellings through a special use permit, while the R-2 and R-3 zoning districts both permit single-family, two-family, and cluster-type housing. The R-3 zoning district, known as the Multiple Family Dwelling District, allows for higher density housing such as apartment buildings, elderly housing, and state licensed residential facilities for up to 20 persons. Commercial zoning districts in the village of Shelby allow for live/work units and upper floor residential units in commercial and retail buildings. Note that live/work units are permitted by right in both the C-1 and C-2 zoning districts, while upper

floor residential units are only permitted by right in the C-1 zoning district (Central Business District). Upper floor residential units may be approved as a special use in the C-2 zoning district (General Business District). Residential and mixed-use projects that may not necessarily conform to zoning district guidelines could be approved as part of a Planned Unit Development (PUD).

Lot area requirements, setbacks and building height restrictions for each zoning district in the village of Shelby that allows residential development is listed in the following table:

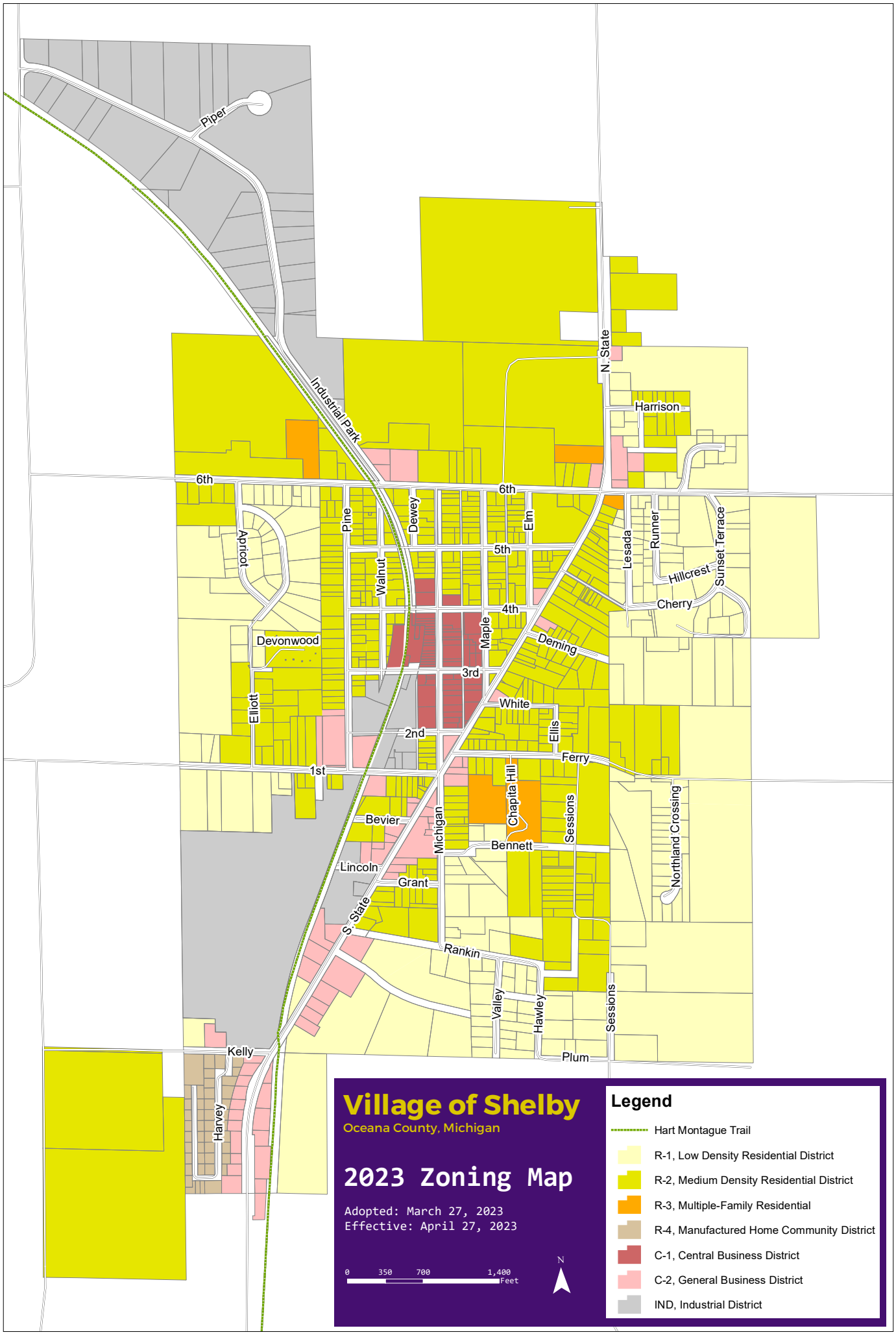
Village of Shelby – Lot Area, Setbacks and Building Height Requirements by Zoning District

Zoning District	Minimum Lot Area (Sq. Ft.)	Maximum Density (Units/Acre)	Minimum Lot Width	Front Yard Setback	Side Yard Setback	Rear Yard Setback	Maximum Building Height
R-1 Low Density Residential District	9,600	4	75 ft.	25 ft.	12 ft.	30 ft.	35 ft.
R-2 Medium Density Residential District	6,250	6	50 ft.	15 ft.	4-10 ft.	30 ft.	35 ft.
R-3 Multiple Family Dwelling District	10,000	10	150 ft.	10 ft.	10 ft.	40 ft.	35 ft.
R-4 Manufactured Home Community District	Development standards for mobile home parks not listed. Subject to site plan review.						
C-1 Central Business District	None	N/A	None	0 ft.	0 ft.	0 ft.	50 ft.
C-2 General Business District	10,000	N/A	80 ft.	20-30 ft.	5 ft.	20 ft.	2.5 stories
PUD Planned Unit Development	Development standards subject to site plan review and consistency with the Village Master Plan. Building setbacks determined by Planning Commission in non-residential districts and determined by standards within original zoning district location for residential districts.						

Source: Village of Shelby Zoning Code
Minimum lot area, setbacks, and building height requirements listed for residential land uses only.
N/A – Maximum density not able to be determined for B-1 and B-2 zoning districts.
Note: Commercial and industrial zoning districts that do not allow for residential development were excluded from this analysis.
Maximum density (units per acre) based on the maximum number of units per acre based on minimum lot size.

Minimum lot size requirements and maximum density requirements vary among the three residential zoning districts in Shelby. Minimum lot sizes range from 6,250 square feet to 10,000 square feet, which generally allow residential densities ranging from four to 10 units per acre. The multifamily residential zoning district (R-3) allows for multifamily development of up to 10 units per acre within buildings up to 35 feet in height, which typically consist of three-story buildings. There appear to be only four general areas that are zoned as R-3 (Multi-Family Residential) which may limit development for affordable multifamily development. Commercial zoning districts (C-1 and C-2) permit residential uses that include apartment units on the upper floors of buildings. The C-1 zoning district (Central Business District) lacks minimum lot areas and setback requirements, which allow for 100% of the lot area to be occupied by a building. The height maximum for buildings in the C-1 zoning district is 50 feet, which is higher than what is permitted in residential zoning districts. Note that minimum lot requirements, lot widths, and setback requirements for the Manufactured Home Community District (R-4) and the Planned Unit Development (PUD) District were not listed within the zoning code.

A municipal zoning map for the Village of Shelby is included on the following page.


Piper
Industrial Park
N State
Harrison
6th
6th
Pine
Dewey
Elm
Lesada
Runner
Sunset Terrace
Hillcrest
Cherry
Apricot
5th
Walnut
4th
Maple
Deming
Devonwood
3rd
White
Elliott
2nd
Ellis
Ferry
1st
Chapita Hill
Sessions
Northland Crossing
Bevier
Michigan
Bennett
Lincoln
Grant
S State
Rankin
Valley
Hawley
Sessions
Kelly
Plum
Harvey
Village of Shelby
Oceana County, Michigan
2023 Zoning Map
Adopted: March 27, 2023
Effective: April 27, 2023
0 350 700 1,400 Feet
N
Legend
Hart Montague Trail
R-1, Low Density Residential District
R-2, Medium Density Residential District
R-3, Multiple-Family Residential
R-4, Manufactured Home Community District
C-1, Central Business District
C-2, General Business District
IND, Industrial District

Zoning Districts - Village of Pentwater

Village of Pentwater – Zoning Districts	
Zoning District	**Description**
R-R Rural Residential	Purpose of this zoning district is to promote the orderly development of Pentwater and preserve the economic value of residential, agricultural, and open lands. Supports the continued use of land for large lot residential and agricultural purposes while promoting preservation through low-density development. Permitted uses include single-family detached dwellings and state licensed residential facilities for six or fewer persons.
R-1 Single-Family Residential District	Intended to provide a low-density, single-family residential living environment and to foster stable, high quality neighborhoods. Permitted uses include single-family detached dwellings and state licensed residential facilities for six or fewer persons. Special land uses that require approval by the Planning Commission include nursing homes/homes for the aged and state licensed residential facilities for more than six persons.
R-2 Single-Family Residential District	Intended to provide a low-density single-family and two-family residential living environment and to foster stable, high quality neighborhoods while providing additional variety in housing choices. Permitted uses include single-family detached dwellings and state licensed residential facilities for six or fewer persons. Special land uses that require approval from the Planning Commission include two-family dwellings (including conversions of single-family dwellings), nursing homes/homes for the aged and state licensed residential facilities for more than six persons.
R-3 Multiple Family Residential District	Intended to provide additional variety in housing opportunities and choices in the village in the manner of high-quality residential dwellings. Regulations in this zoning district recognize the need to provide affordable housing opportunities. Permitted uses include two-family dwellings (including conversions of single-family dwellings), multiple family dwellings, and state-licensed residential facilities for six or fewer persons. Special land uses that require approval from the Planning Commission include nursing homes/homes for the aged and state licensed residential facilities for more than six persons.
R-4 Lakefront Multiple Family Residential District	Intended to primarily accommodate multiple family developments together with compatible or associated commercial waterfront uses. Permitted uses include single-family detached dwellings, multiple family dwellings, and state licensed residential facilities for six or fewer persons.
MHP Manufactured Home Park District	Manufactured home parks within the village must be a minimum of 10 acres and consist of at least 25 lots.
R-O Residential-Office District	Primary purpose of this zoning district is to accommodate existing low density professional offices in residential areas through the conversion and adaptive reuse of existing residential structures. This district is also meant to provide a transitional area between a major throughfare and interior single-family residential areas. Permitted uses include single-family detached dwellings, medical and dental offices, and state licensed residential facilities for six or fewer persons.
C-1 General Commercial District	Intended to provide a wide range of goods and services to Pentwater area residents. Permitted uses do not include any residential land uses. Special land uses that require approval from the Planning Commission include nursing homes/homes for the aged and state licensed residential facilities for more than 12 persons.
C-3 Central Business District	Intended to provide a wide range of goods and services to Pentwater area residents in a downtown setting. Permitted uses do not include any residential land uses. Special land uses that require approval from the Planning Commission include residential dwellings accessory to commercial or office uses.
C-4 Hotel Resort District	Purpose of this district is to accommodate existing hotel resort facilities located in areas of existing residential uses. Permitted uses include single-family dwellings, hotels, and state licensed residential facilities for six or fewer persons.

Source: Village of Pentwater Zoning Ordinance
Note: Commercial and industrial zoning districts that do not allow for residential development were excluded from this analysis.

(Continued)

Village of Pentwater – Zoning Districts	
Zoning District	**Description**
PUD Planned Unit Development	Planned Unit Development provisions shall be applied as a separate zoning district in accordance with additional regulations outlined in the zoning ordinance. Objectives of this zoning district include encouraging developers to use a more creative and imaginative approach in the development of residential areas and encourage innovation in the physical development pattern of the Village by providing a variety of housing arrangements with well-designed access and circulation. Permitted uses include single-family detached dwellings, two-family dwellings (limited to 20% of dwelling units in PUD), and multiple family dwellings (limited to 20% of dwelling units in PUD), and state-licensed residential facilities for six or fewer persons. A PUD may also be approved as a residential cluster development with a minimum development size of 20 acres.

Source: Village of Pentwater Zoning Ordinance
Note: Commercial and industrial zoning districts that do not allow for residential development were excluded from this analysis.

The Village of Pentwater Zoning Code primarily allows lower density single-family development within its residential zoning districts. The Rural Residential (R-R) and the R-1 Single-Family Residential District only permit single-family detached dwellings and state-licensed residential facilities containing six or fewer units. The R-2 Single-Family Residential District allows two-family dwellings as a special land use subject to approval by the Planning Commission, while the Multiple Family Residential District (R-3) permits both two-family dwellings and multiple family dwellings by right. Commercial zoning districts in the village primarily favor commercial, office, retail, and/or hospitality uses. Note that the C-1 and C-3 zoning districts do not permit residential land uses by right. The Residential-Office (R-O) and Hotel Resort (C-4) districts each permit single-family detached dwellings by right. However, both zoning districts have different land uses (office and lodging/hotel facilities, respectively) as the primary focus. The Planned Unit Development (PUD) zoning district is more conducive to higher density residential or mixed-use development that may not correlate with existing residential or commercial zoning districts in the village. However, units contained within higher-density residential structures (two-family and multifamily dwellings) are limited to 20% of the unit share within a development. Based on the existing zoning ordinance, it appears that there are few opportunities for affordable rental housing development outside of manufactured home parks.

Lot area requirements, setbacks and building height restrictions for each zoning district in the village of Pentwater that allows residential development is listed in the following table:

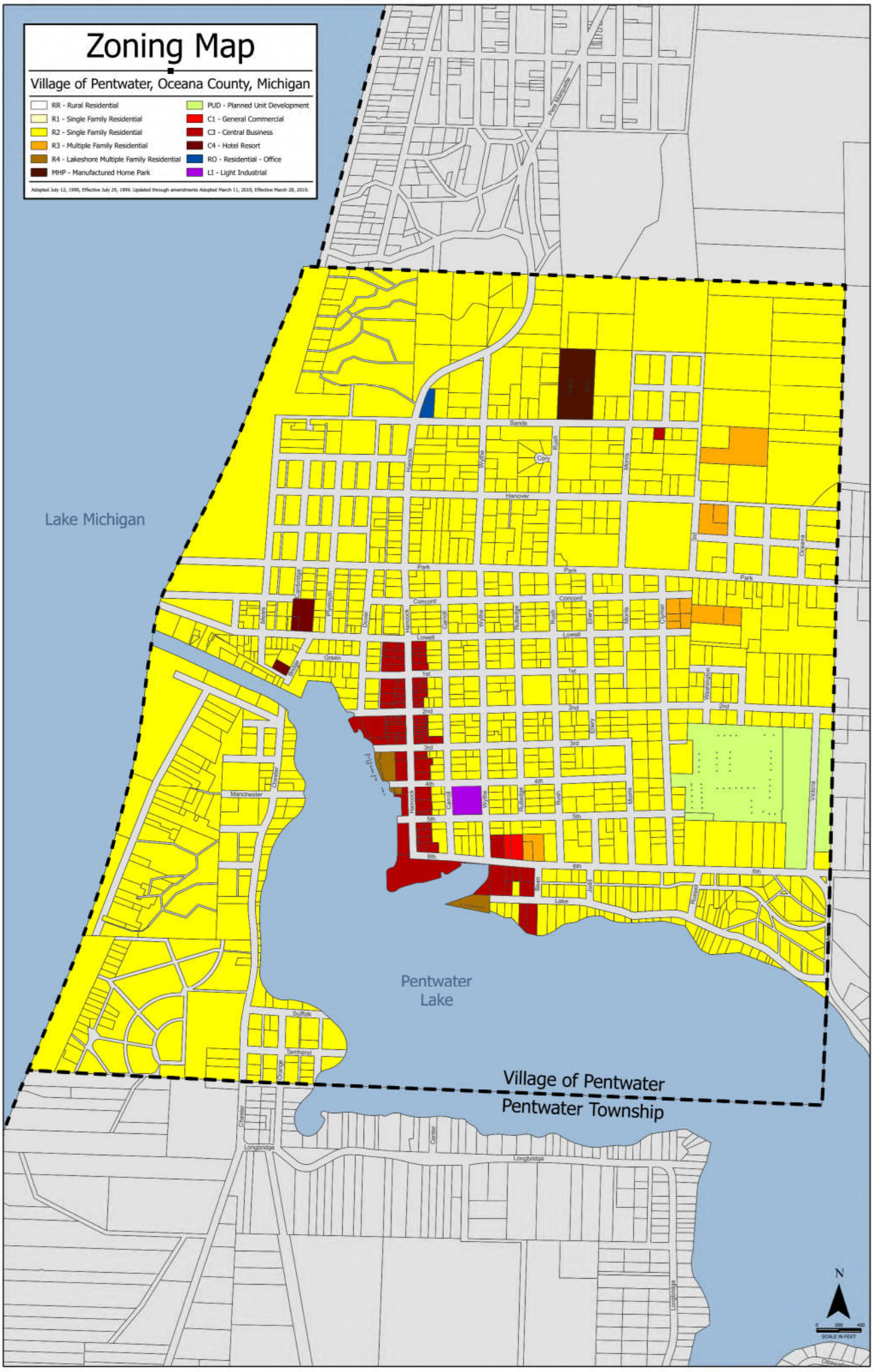
Village of Pentwater – Lot Area, Setbacks and Building Height Requirements by Zoning District							
Zoning District	Minimum Lot Area (Sq. Ft.)	Maximum Density (Units/Acre)	Minimum Lot Width	Front Yard Setback	Side Yard Setback	Rear Yard Setback	Maximum Building Height
R-R Rural Residential	10 acres	0.10	330 ft.	75 ft.	25 ft.	25 ft.	35 ft.
R-1 Single-Family Residential District	2 acres	0.50	165 ft.	30 ft.	10 ft.	30 ft.	35 ft.
R-2 Single-Family Residential District	8,000-15,000	5	66-120 ft.	17 ft.	6 ft.	30 ft.	35 ft.
R-3 Multiple Family Residential District	6,000-10,500	8	60 ft.	17-30 ft.	6-15 ft.	30 ft.	35 ft.
R-4 Lakefront Multiple Family Residential District	22,000	8	Not listed	30 ft.	15 ft.	30 ft.	30 ft.
MHP Manufactured Home Park District	5,000	8	40 ft.	15 ft.	5-10 ft.	10 ft.	35 ft.
R-O Residential-Office District	Not listed	N/A	66 ft.	17 ft.	6 ft.	30 ft.	35 ft.
C-1 General Commercial District	20,000	N/A	100 ft.	25 ft.	10 ft.	25 ft.	35 ft.
C-3 Central Business District	None	N/A	None	None	5 ft.*	15 ft.*	35 ft.
C-4 Hotel Resort District	8,000	5	66 ft.	17 ft.	6 ft.	20 ft.	35 ft.
PUD Planned Unit Development	60,000**	4	200 ft.**	30 ft.	10-30 ft.	30 ft.	35 ft. or 2.5 stories
PUD Planned Unit Development (Residential Cluster Development)	10,000	4	90 ft.	25 ft.	5 ft.	20 ft.	35 ft.

Source: Village of Pentwater Zoning Code
Minimum lot area, setbacks, and building height requirements listed for residential land uses only.
N/A – Maximum density not able to be determined for R-O, C-1 and C-3 zoning districts.
Note: There is no C-2 zoning district in the village of Pentwater.
Note: Commercial and industrial zoning districts that do not allow for residential development were excluded from this analysis.
Maximum density (units per acre) based on the maximum number of units per acre based on minimum lot size.
Minimum front, side, and rear yard setbacks in R-3 zoning district and minimum side yard setbacks in R-4 zoning district are as listed or equal to the height of the main building (whichever is greater).
Minimum lot area, density, and setback requirements for MHP district reflect individual lots within a manufactured home park.
*Side yard and rear yard setbacks for C-3 zoning district only applicable if adjacent to a residential district.
**Listed as average minimum lot area and lot width.

Minimum lot size requirements and maximum density requirements vary greatly among residential zoning districts in Pentwater. Minimum lot sizes range from 5,000 square feet in the Manufactured Home Park (MHP) District to 10 acres in the Rural Residential (R-R) District. Note that the R-R and R-1 residential zoning districts favor single-family detached homes on acreage, while the R-2 zoning district has minimum lot sizes that permit higher-density single-family development typically found in subdivisions and established neighborhoods. The R-3 multifamily residential zoning district allows for multifamily development of up to eight units per acre within buildings up to 35 feet in height, which typically consist of three-story buildings. There appears to be only four general areas that are zoned as R-3 Multiple Family Residential District. Commercial zoning districts (C-1 and C-3) do not permit residential uses by right. However, the C-3 zoning district (Central Business District) may allow accessory residential uses by special use. Note that the C-3 district also lacks minimum lot areas and setback requirements for lots that do not abut residential areas, which allow for a larger portion of the lot area to be occupied by a building. The Planned Unit Development (PUD) zoning district has separate minimum lot areas and setback requirements for mixed-use

developments and residential cluster developments. Note that residential cluster development allows for higher-density placement of buildings on a minimum lot size of 10,000 square feet, but the minimum *area* required for an entire development is 20 acres. Therefore, this type of development is reserved for a larger land area that may not be readily available for development in the village.

A municipal zoning map for the Village of Pentwater is included on the following page.


Zoning Map
Village of Pentwater, Oceana County, Michigan
RR - Rural Residential
R1 - Single Family Residential
R2 - Single Family Residential
R3 - Multiple Family Residential
R4 - Lakeshore Multiple Family Residential
MHP - Manufactured Home Park
PUD - Planned Unit Development
C1 - General Commercial
C3 - Central Business
C4 - Hotel Resort
RO - Residential - Office
LI - Light Industrial
Adopted July 12, 1999, Effective July 29, 1999. Updated through amendments Adopted March 11, 2019, Effective March 28, 2019.
Lake Michigan
Pentwater Lake
Village of Pentwater
Pentwater Township
Pine Ridge Rd
Sands
Cory
Hanover
Park
Concord
Lowell
Green
1st
2nd
3rd
4th
5th
6th
Lake
Manchester
Suffolk
Tamarack
Orange
Chester
Longbridge
Hancock
Wylie
Ruth
Morris
Oceana
Washington
Victoria
Cambridge
Plymouth
Dover
Capitol
Rutledge
Cherry
Crymer
Mears
Ridge
Division
Main
Rowe
Judd
N
0
200
400
SCALE IN FEET

Conclusion

Based on the preceding analysis, it does not appear that residential development costs associated with labor costs, utility costs, government fees, or taxes/assessments are significantly higher in Oceana County compared to adjacent counties. However, the limited amount of available residentially zoned land and buildable sites in the county may be a barrier to development, as a search for development opportunities in the county only uncovered 20 properties. While this is not a complete inventory or accounting of all available land for sale in the county, it does show that builders and developers of residential real estate have somewhat limited options when selecting sites for development. In addition, zoning ordinances in the three largest municipalities in the county largely favor single-family development, in which only a fraction of households in the county can afford the price of a new home. Based on our estimates for a typical new home in the county, it appears that it would be difficult for developers to construct for-sale product with sale prices below $330,000 without some type of assistance and/or concessions from the private or public sectors. It is worth noting that within each of the communities studied there are no more than four general geographic locations that are zoned for some type of higher density multifamily development. This may limit opportunities for multifamily residential development, including affordable rental alternatives. Municipalities in the county will want to consider possible changes to building and zoning to meet ongoing or future housing objectives.

VIII. HOUSING GAP ESTIMATES

INTRODUCTION

This section of our report provides five-year housing gap estimates for both rental and for-sale housing within the PSA (Oceana County). The assessment includes demand from a variety of sources and focuses on the housing demand potential of Oceana County, though consideration is given to potential support that may originate from outside the county.

Housing to meet the needs of both current and future households in the market will most likely involve multifamily, duplex, and single-family housing alternatives. There are a variety of financing mechanisms that can support the development of housing alternatives such as federal and state government programs, as well as conventional financing through private lending institutions. These different financing alternatives often have specific income and rent/price restrictions, which affect the market they target.

We evaluated the market's ability to support rental and for-sale housing based on four levels of income/affordability. While there may be overlaps among these levels due to program targeting and rent/price levels charged, we have established specific income stratifications that are exclusive of each other in order to eliminate double counting demand. We used HUD's published income and rent limits for the Oceana County, MI MSA.

The following table summarizes the income and housing affordability segments used in this analysis to estimate potential housing demand.

Household Income/Wage & Affordability Levels				
Percent AMHI	Income Range*	Hourly Wage**	Affordable Rents***	Affordable Prices^
≤ 50%	≤ $37,850	≤ $18.20	≤ $946	≤ $126,167
51%-80%	$37,851-$60,560	$18.21-$29.12	$947-$1,514	$126,168-$201,867
81%-120%	$60,561-$90,840	$29.13-$43.67	$1,515-$2,271	$201,868-$302,800
121%+	$90,841+	$43.68+	$2,272 +	$302,801+

AMHI – Area Median Household Income
* Based on HUD limits for the Oceana County, MI MSA (4-person limit)
** Assumes full-time employment 2,080 hours/year (Assumes one wage earner household)
*** Based on assumption tenants pay up to 30% of income toward rent
^Based on assumption homebuyer can afford to purchase home priced three times annual income after 10% down payment

While different state and federal housing programs establish income and rent restrictions for their respective programs, in reality, there is potential overlap between windows of affordability between the programs. Further, those who respond to a certain product or program type vary. This is because housing markets are highly dynamic, with households entering and exiting by tenure and economic profile. Further, qualifying policies of property owners and management impact the households that may respond to specific project types. As such, while a household may prefer a certain product, ownership/management

qualifying procedures (i.e., review of credit history, current income verification, criminal background checks, etc.) may affect housing choices that are available to households.

Regardless, we used the preceding income segmentations as the ranges that a typical project or lending institution would use to qualify residents, based on their household income. Ultimately, any new product added to the market will be influenced by many decisions made by the developer and management. This includes eligibility requirements, design type, location, rents/prices, amenities, and other features. As such, our estimates assume that the rents/prices, quality, location, design, and features of new housing product are marketable and will appeal to most renters and homebuyers.

1. Rental Housing Gap Estimates

The primary sources of demand for new rental housing include the following:

- Household Growth
- Units Required for a Balanced Market
- Replacement of Substandard Housing
- External (Outside County) Commuter Support
- Severe Cost Burdened Households
- Step-Down Support

Since the focus of this report is on the specific housing needs of Oceana County, we focused the rental housing demand estimates on the metrics that only impact the PSA (Oceana County).

New Renter Household Growth

The first source of demand is generally easily quantifiable and includes the net change in renter households between the baseline year of 2022 and the projection year of 2027.

Units Required for a Balanced Market

The second demand component considers the number of units a market requires to offer balanced market conditions, including some level of vacancies. Healthy markets require approximately 4% to 6% of the rental market to be available in order to allow for inner-market mobility and encourage competitive rental rates. Markets with vacancy rates below a healthy rate often suffer from rapid rent increases, minimal tenant turnover (which may result in deferred maintenance), and residents being forced into housing situations that do not meet their housing needs. Markets with low vacancy rates often require additional units, while markets with high vacancy rates often indicate a surplus of rental housing. The vacancy rates by program

type and/or affordability level used to determine if there is a deficit or surplus of rental units are based on our survey of area rental alternatives. We used a vacancy rate of 5% to establish balanced market conditions.

Replacement of Substandard Housing

Demand for new units as replacement housing takes into consideration that while some properties are adequately maintained and periodically updated, a portion of the existing stock reaches a point of functional obsolescence over time and needs to be replaced. This comes in the form of either units that are substandard (lacking complete plumbing and/or are overcrowded) or units expected to be removed from the housing stock through demolitions. Based on demographic data included in this report, approximately 11.9% of renter households in Oceana County are living in substandard housing (e.g., lacking complete plumbing or are overcrowded). Lower income households more often live in substandard housing conditions than higher income households, which we have accounted for in our gap estimates.

External Commuter Support

Market support can originate from households not currently living in the market. This is particularly true for people who work in Oceana County but commute from outside of the county and would consider moving to Oceana County, if adequate and affordable housing that met residents' specific needs was offered. Currently, there are few *available* rental housing options in the market. As such, external market support will likely be created if new housing product is developed in Oceana County.

Based on our experience in evaluating rental housing in markets throughout the country, it is not uncommon for new product to attract as much as 50% of its support from outside the county limits. As a result, we have assumed that a portion of the demand for new housing will originate from the 2,061 commuters traveling into the PSA (Oceana County) from areas outside of the county. For the purposes of this analysis, we have used a conservative demand ratio of up to 30% to estimate the demand that could originate from outside of Oceana County.

Severe Cost Burdened Households

HUD defines severe cost burdened households as those paying 50% or more of their household income toward housing costs. While such households are housed, the disproportionately high share of their income being utilized for housing costs is considered excessive and often leaves little money for impacted households to pay for other essentials such as healthy foods, transportation, medical/healthcare, and education. Therefore, households meeting these criteria were included in our estimates.

Step-down Support

It is not uncommon for households of a certain income level (typically higher income households) to rent a unit at a lower rent despite the fact they can afford a higher rent unit. Using housing cost and income data reported by American Community Survey (ACS), we have applied a portion of this step-down support to lower income demand estimates.

Note: In terms of the development pipeline, we only included residential rental units that are confirmed as planned or under construction. Conversely, we have excluded projects that have not secured financing, are under preliminary review, or have not established a specific project concept (e.g., number of units, rents, target market, etc.). Any vacant housing units are accounted for in the "Balanced Market" portion of our demand estimates.

The following table summarizes the rental housing gaps in Oceana County by affordability level.

	Oceana County, Michigan Rental Housing Gap Estimates (2022-2027)			
Percent of Median Income	**≤ 50%**	**51%-80%**	**81%-120%**	**121%+**
Household Income Range	**≤ $37,850**	**$37,851-$60,560**	**$60,561-$90,840**	**$90,841+**
Monthly Rent Range	**≤ $946**	**$947-$1,514**	**$1,515-$2,271**	**$2,272+**
Household Growth	-137	19	47	33
Balanced Market*	45	19	14	9
Replacement Housing**	230	49	17	5
External Market Support^	59	17	6	4
Severe Cost Burdened^^	73	37	12	0
Step-Down Support	28	-9	-9	-10
Less Pipeline Units	0	0	0	0
Overall Units Needed	**298**	**132**	**87**	**41**

*Based on Bowen National Research's survey of area rentals
**Based on ESRI/ACS estimates of units lacking complete indoor plumbing or are overcrowded
^Based on Bowen National Research proprietary research and ACS migration patterns for Oceana County
^^Based on ESRI/ACS estimates of households paying 50% or more of income toward housing

Based on the preceding demand estimates, it is clear that there is some level of rental housing demand among all household income levels within Oceana County over the five-year projection period. Overall, there is a housing need for 558 additional rental units in the county over the next five years. The housing gaps range from a low of 41 units needed with rents at $2,272 or higher to a high of 298 units needed with rents at or below $946. Without the addition of new rental product similar to the numbers cited in the preceding table, the area will not meet the growing and changing housing needs of the market.

Based on the demographics of the market, including projected household growth estimates and projected changes in household compositions (e.g., household size, ages, etc.), it appears that approximately one-third of the demand for new rental housing could be specifically targeted to meet the needs of area seniors (ages 65 and older), though a project could be built to meet the housing needs of both seniors and families concurrently. The subject county has a higher share of five-person or larger households than the state. While some of this is likely attributed to the farm labor housing alternatives in the market, this may still likely lead to demand for larger unit types than typically required. For general-occupancy projects, a unit mix of around 25% to 40% one-bedroom units, 40% to 60% two-bedroom units, and 10% to 20% three-bedroom units should be the general goal for future rental housing. Senior-oriented projects should consider unit mixes closer to 50% for both one- and two-bedroom units each. Additional details of the area's rental housing supply are included in Section VI and may serve as a guide for future rental housing development design decisions.

While the availability of buildable land, along with access to infrastructure (e.g., water and sewer) may limit where and how much housing product can be added to the market, we believe high-density multifamily product would do well in this market, particularly on sites closer to some of the more walkable areas in or close to the downtown areas of Hart, Shelby and Pentwater. However, such multifamily product would also likely do well in areas outside of the municipalities, as long as the sites have convenient access to primary thoroughfares. Some lower density, single-story duplexes and fourplexes would also be well received, particularly among seniors seeking to downsize from large units, as well as homeowners seeking a more maintenance-free residence.

It is critical to understand that these estimates represent potential units of demand by targeted income level. The actual number of rental units that can be supported will ultimately be contingent upon a variety of factors including the location of a project, proposed features (i.e., rents, amenities, bedroom type, unit mix, square footage, etc.), product quality, design (i.e., townhouse, single-family homes, or garden-style units), management and marketing efforts. As such, each targeted segment outlined in the previous table may be able to support more or less than the number of units shown in the table. The potential number of units of support should be considered a general guideline to residential development planning.

2. For-Sale Housing Gap Estimates

This section of the report addresses the gap for for-sale housing alternatives in the PSA (Oceana County). Like the rental housing demand analysis, the for-sale housing analysis considers individual household income segments and corresponding housing price ranges.

Naturally, there are cases where a household can afford a higher down payment to purchase a more expensive home. There are also cases in which a household purchases a less expensive home although they could afford a higher purchase price. The actual support for new housing will ultimately be based on a variety of product factors such as price points, square footages, amenities, design, quality of finishes, and location. Considering these variations, this broad analysis provides the basis in which to estimate the *potential* demand of new for-sale housing within the PSA (Oceana County).

There are a variety of market factors that impact the demand for new homes within an area. In particular, area and neighborhood perceptions, quality of school districts, socioeconomic characteristics, mobility patterns, demolition and revitalization efforts, and availability of existing homes all play a role in generating new home sales. Support can be both internal (households moving within the market) and external (households new to the market).

Overall, we have considered the following specific sources of demand for new for-sale housing in the PSA (Oceana County).

- Household Growth
- Units Required for a Balanced Market
- Replacement of Substandard Housing
- External (Outside County) Commuter Support
- Severe Cost Burdened Households
- Step-Down Support

New Household Growth

In this report, owner household growth projections from 2022 to 2027 are based on ESRI estimates. This projected growth was evaluated for each of the targeted income segments. It should be noted that changes in the number of households within a specific income segment do not necessarily mean that households are coming to or leaving the market, but instead, many of these households are likely to experience income growth or loss that would move them into a higher or lower income segment. Furthermore, should additional for-sale housing become available, either through new construction or conversion of rental units, demand for new for-sale housing could increase.

Units Required for a Balanced Market

Typically, a healthy for-sale housing market should have approximately 2% to 3% of its inventory vacant. Such vacancies allow for inner-market mobility, such as households upsizing or downsizing due to changes in family composition or income, and for people to move into the market. When markets have too few vacancies, housing prices often escalate at an abnormal rate, homes can get neglected, and potential homebuyers can leave a market. Conversely, an excess of homes can lead to stagnant or declining home prices, property neglect, or lead to such homes being converted to rentals. For the purposes of this analysis, we have assumed up to a 3.0% vacancy rate for a balanced market and accounted for for-sale housing units currently available for purchase in the market.

Replacement of Substandard Housing

Demand for new units as replacement housing takes into consideration that while some properties are adequately maintained and periodically updated, a portion of the existing stock reaches a point of functional obsolescence over time and needs to be replaced. This comes in the form of either units that are substandard (lacking complete plumbing or are overcrowded) or units expected to be removed from the housing stock through demolitions. Based on demographic data included in this report, approximately 2.3% of owner households in Oceana County live in substandard housing (e.g., lack complete indoor plumbing or are overcrowded). This share has been adjusted among lower and higher income households.

External Market Support

Market support can originate from households *not* currently living in the market but that commute into it for work on a regular basis. As shown in Section VII of this report, approximately 2,061 people commute into Oceana County. These people represent potential future residents that may move to the county if adequate, desirable, and marketable housing was developed in the county. For the purposes of this analysis, we have used a conservative demand ratio of up to 30% to estimate the demand that could originate from outside of Oceana County.

Severe Cost Burdened Households

HUD defines severe cost burdened households as those paying 50% or more of their household income toward housing costs. While such households are housed, the disproportionately high share of their income being utilized for housing costs is considered excessive and often leaves little money for impacted households to pay for other essentials such as healthy foods, transportation, medical/healthcare, and education. Therefore, households meeting these criteria were included in our estimates.

Step-Down Support

It is not uncommon for households of a certain income level (typically higher income households) to purchase a home at a lower price point despite the fact they can afford a higher priced home. Using housing cost and income data reported by American Community Survey (ACS), we have applied a portion of this step-down support to lower income demand estimates.

Note: In terms of the development pipeline, we only included for-sale residential units currently in the development pipeline that are planned or under construction and do not have a confirmed buyer, such as a condominium unit or a spec home, in our demand estimates. Conversely, we have excluded single-family home lots that may have been platted or are being developed, as such lots do not represent actual housing *units* that are available for purchase. Any vacant housing units are accounted for in the "Balanced Market" portion of our demand estimates.

The following table summarizes the for-sale housing gaps in Oceana County by affordability level.

	Oceana County, Michigan For-Sale Housing Gap Estimates (2022-2027)			
Percent of Median Income	**≤ 50%**	**51%-80%**	**81%-120%**	**121%+**
Household Income Range	**≤ $37,850**	**$37,851-$60,560**	**$60,561-$90,840**	**$90,841+**
Price Point	**≤ $126,167**	**$126,168-$201,867**	**$201,868-$302,800**	**302,801+**
Household Growth	-378	-193	107	536
Balanced Market*	58	48	48	48
Replacement Housing**	97	43	23	14
External Market Support^	127	74	40	25
Severe Cost Burdened^^	82	41	14	0
Step-Down Support	5	88	156	-249
Less Pipeline Units	0	-19	-18	0
Overall Units Needed	**0**	**82**	**370**	**374**

*Based on MLS inventory of available homes
**Based on ESRI/ACS estimates of units lacking complete indoor plumbing or are overcrowded
^Based on Bowen National Research proprietary research and ACS migration patterns for Oceana County
^^Based on ESRI/ACS estimates of households paying 50% or more of income toward housing

The overall for-sale housing gap in the county is approximately 826 units over the five-year projection period. While most home price segments and affordability levels have some level of need, the greatest gaps appear to be for housing priced at $302,801 and higher (374 units), followed closely by housing priced between $201,868 and $302,800 (370 units). There is also a notable gap of 82 units for the pricing segments below $201,868. The lack of product at all price levels will increase demand for lower priced units, as many buyers may "step down" to a lower price point. This will place greater pressure on the market's lower priced product and create greater challenges for lower income households and first-time homebuyers who already have limited housing alternatives that are affordable to them.

In most markets, if there is support for new housing at a particular price point or concept and such product is not offered in a specific area, households may leave the area and seek this housing alternative elsewhere, defer their purchase decision, or seek another housing alternative. Additionally, households considering relocation to the PSA (Oceana County) may not move to the PSA if the housing product offered does not meet their needs in terms of pricing, quality, product design, or location. As such, with only 52 housing units available to purchase in the county, the PSA housing stock may not be able to meet current or future demand, which may limit the market's ability to serve many of the households seeking to purchase a home in the PSA. Regardless, we believe opportunities exist to develop a variety of product types at a variety of price points. The addition of such housing will better enable the PSA to attract and retain residents (including local employees), as well as seniors, families, and younger adults.

In terms of product design, we believe a variety of product could be successful in Oceana County. Based on current and projected demographics, as well as the available inventory of for-sale housing, we believe a combination of one- and two-bedroom condominium units could be successful, particularly if they are located in or near the more walkable areas of the various municipalities in the county. Such product could be in the form of townhome or rowhouse product. Additionally, detached or attached single-story cottage-style condominium product, primarily consisting of two-bedroom units, could be successful in attracting/serving area seniors, particularly those seeking to downsize from their single-family homes. Smaller detached units or duplexes may be a product to develop in some of the smaller infill lots within the various municipalities. Larger, traditional detached single-family homes catering to families could be successful in this market, particularly product serving moderate and higher income households, though affordable for-sale housing product for lower income and first-time homebuyer households would also do well in this market. Such product should primarily consist of three-bedroom units, with a smaller share of four-bedroom units. The for-sale housing supply of Oceana County is summarized in Section VI and can provide additional details of project concept considerations for future for-sale product in the county.

Overall, there is potential support for a variety of residential development alternatives in the PSA (Oceana County). It is important to understand that the housing demand estimates shown in this report assume no major changes occur in the local economy and that the demographic trends and projections provided in this report materialize. As such, our demand estimates should be considered conservative and serve as a baseline for development potential. Should new product be developed, it is reasonable to believe that people will consider moving to Oceana County, assuming the housing is aggressively marketed throughout the region.

IX. COMMUNITY INPUT RESULTS AND ANALYSIS

A. INTRODUCTION

To gain information, perspective and insight about Oceana County housing issues and the factors influencing housing decisions by its residents, developers and others, Bowen National Research conducted targeted surveys of two specific groups: Stakeholders and Employers. These surveys were conducted during May of 2023 and questions were customized to solicit specific information relative to each segment of the market that was surveyed.

The surveys were conducted through the SurveyMonkey.com website. In total, 76 survey responses were received from a broad cross section of the community. The following is a summary of the two surveys conducted by our firm.

Stakeholder Survey – A total of 62 respondents representing community leaders (stakeholders) from a broad field of expertise participated in a survey that inquired about common housing issues, housing needs, barriers to development, and possible solutions or initiatives that could be considered to address housing on a local level.

Employer Survey – A total of 14 respondents representing some of the area's employers participated in a survey that inquired about general employee composition, housing situations and housing needs. The survey also identified housing issues and the degree housing impacts local employers.

It should be noted that the overall total number of respondents summarized for each survey indicates the number of individuals that responded to at least one survey question. In some instances, the number of actual respondents to a *specific* survey question may be less than these stated numbers.

The survey instruments used for community input are included in Addendum B.

Key findings from the surveys are included on the following pages.

B. STAKEHOLDER SURVEY RESULTS

A total of 62 area stakeholders from a broad range of organization types participated in the housing survey, with the following results (note that percentages may not add up to 100.0% due to rounding or because respondents were able to select more than one answer).

Stakeholder respondents were asked to provide the type of organization they represent. Note that respondents were able to select more than one type of organization. A total of 62 respondents provided input to this question with the following distribution:

Stakeholder Respondents by Organization Type			
Type	Share of Respondents	Type	Share of Respondents
Elected Official/Local Government	43.6%	Education/Higher Education/University	4.8%
Nonprofit Organization	22.6%	Faith Organization	4.8%
Agency on Aging/Senior Services	14.5%	Housing Organization	3.2%
Business/Employer/Private Sector	9.7%	Landlord/Property Management	3.2%
Community Action Agency	6.5%	Farm Labor Organization	1.6%
Realtor (Association/Board of Realtors/Etc.)	6.5%	Other	11.3%
Economic Development Organization	4.8%		

Stakeholder respondents were asked to provide the degree that certain housing types are needed by price point within the county. A total of 47 respondents provided feedback to this question. The following illustrates the share of respondents that indicated a specific housing type is in "High Need."

Housing Needs by Price Point (Rated as a High Need per Stakeholder Respondents)			
Housing Type (Price Point)	Share of Respondents	Housing Type (Price Point)	Share of Respondents
For-Sale Housing ($150,000-$199,999)	87.2%	For-Sale Housing ($250,000-$349,999)	12.8%
Rental Housing ($500-$999/month)	83.0%	For-Sale Housing (Less than $150,000)	12.8%
Senior Care (incomes/assets <$25,000)	68.1%	Rental Housing ($1,500 or more/month)	10.6%
Senior Care (incomes/assets >$25,000)	59.6%	Rental Housing (Less than $500/month)	10.6%
For-Sale Housing ($200,000-$249,999)	27.7%	For-Sale Housing ($350,000 or more)	6.4%
Rental Housing ($1,000-$1,499/month)	23.4%		

Stakeholder respondents were asked to provide the need for housing for specific populations within the county. A total of 47 respondents provided insight to this question with the following distribution:

Housing Needs by Population Served			
Population	Weighted Score*	Population	Weighted Score*
Family Housing (2+ Bedrooms)	89.7	Housing for Millennials (Ages 25-39)	77.3
Moderate Workforce ($30,000-$60,000)	86.4	Rentals that Accept Housing Choice Voucher Holders	69.8
Low-Income Workforce (<$30,000)	86.1	Farm Labor/Migrant Labor Housing	69.8
Senior Living (Independent Living)	85.8	Single-Person (Studio/One-Bedroom)	67.6
Senior Living (Assisted Living, Nursing Care)	80.7	Higher Income Workforce ($60,000+)	61.0

*High Need = 100.0, Moderate Need = 50.0, Minimal Need = 25.0

Stakeholder respondents were asked to provide the *level* of demand for specific housing styles in the county. A total of 47 respondents provided feedback to this question with the following results (weighted scores shown):

Housing Needs by Style			
Housing Style	Weighted Score*	Housing Style	Weighted Score*
Ranch Homes/Single Floor Plan Units	89.7	Manufactured/Mobile Homes	54.0
Duplex/Triplex/Townhomes	77.8	Condominiums	51.7
Multifamily Apartments	72.8	Mixed-Use/Units Above Retail (Downtown Housing)	50.6
Traditional Two-Story Single-Family Homes	70.0	Single-Room Occupancy (SRO)	47.1
Low Cost Fixer-Uppers (Single-Family Homes)	67.0	Dormitory/Communal Housing	37.8
Accessory Dwelling Units/Tiny Houses	56.4		

*High Need = 100.0, Moderate Need = 50.0, Minimal Need = 25.0

Stakeholder respondents were asked to what extent specific housing issues are experienced in the county. A total of 47 respondents provided insight to this question with the following distribution:

Housing Issues Experienced	
Issue	Weighted Score*
Limited Availability	95.7
Home Purchase Affordability	90.2
Rent Affordability	87.8
High Cost of Renovation	83.7
Lack of Access to Public Transportation	82.6
Lack of Down Payment for Purchase	81.4
High Cost of Maintenance/Upkeep	79.1
Substandard Housing (quality/condition)	75.0
Lack of Rental Deposit (or First/Last Month Rent)	72.7
Overcrowded Housing	70.9
Investors Buying Properties and Increasing Rents/Prices	69.8
Failed Background Checks	56.3
Absentee Landlords	52.4
Foreclosure	51.3

*Often = 100.0, Somewhat = 50.0, Not At All = 0.0

Stakeholder respondents were asked to rank the priority that should be given to specific housing construction types in the county. A total of 46 respondents provided insight to this question with the following results:

Priority of Housing Construction Types	
Construction Type	Weighted Score*
Repair/Renovation/Revitalization of Existing Housing	81.7
Clear Blighted/Unused Structures to Create Land for New Development	76.2
New Construction	75.5
Mixed-Use	65.7
Adaptive Reuse (i.e., Warehouse Conversion to Residential)	44.3

*High Priority = 100.0, Moderate Priority = 50.0, Low Priority = 25.0

Stakeholder respondents were asked to rank the priority that should be given to certain funding types for housing development or preservation. A total of 45 respondents provided insight to this question with the following results:

Priority of Funding Types	
Funding Type	Weighted Score*
Home Repair/Loan	82.6
Homebuyer Assistance	76.7
Project-Based Rental Subsidy	67.9
Tax Credit Financing	66.3
Housing Choice Vouchers	57.5

*High Priority = 100.0, Moderate Priority = 50.0, Low Priority = 25.0

Stakeholder respondents were asked to identify common barriers or obstacles (all that apply) that exist in the county that limit residential development. A total of 47 respondents provided feedback to this question. The following is a list of the most commonly cited barriers per stakeholder respondents:

Common Barriers/Obstacles to Residential Development		
Barrier/Obstacle	Number of Respondents	Share of Respondents
Cost of Labor/Materials	34	72.3%
Financing	27	57.5%
Cost of Infrastructure	25	53.2%
Development Costs	25	53.2%
Lack of Public Transportation	25	53.2%
Cost of Land	24	51.1%
Lack of Infrastructure	20	42.6%
Neighborhood Blight	17	36.2%
Availability of Land	16	34.0%
Local Government Regulations ("red tape")	16	34.0%
Land/Zoning Regulations	15	31.9%

Stakeholder respondents were asked to identify up to five initiatives that they believe represent the best options to reduce or eliminate the area's greatest barriers to residential development. A total of 43 respondents provided insight to this question with the following results:

Best Options to Reduce Barriers/Obstacles to Residential Development		
Initiatives to Reduce Barriers/Obstacles	Number of Respondents	Share of Respondents
Collaboration Between Public and Private Sectors	18	41.9%
Educate the Public on the Importance of Different Types of Housing	18	41.9%
Establish Rental Inspection Program	16	37.2%
Housing Gap/Bridge Financing	14	32.6%
Pooling of Public, Philanthropic, and Private Resources	13	30.2%
Revisiting/Modifying Zoning (e.g., Density, Setbacks, etc.)	13	30.2%
Accessory Dwelling Unit Opportunities	10	23.3%
Building Consensus among Communities/Advocates	10	23.3%
Government Assistance with Infrastructure	10	23.3%
Waiving/Lowering Development Fees	10	23.3%

Stakeholder respondents were given a list of initiatives and asked to identify three that should be areas of focus for the county. A total of 47 respondents provided insight to this question with the following results:

Top Areas of Focus for the Market		
Initiatives	Number of Respondents	Share of Respondents
Developing New Housing	32	68.1%
Removal/Mitigation of Residential Blight	23	48.9%
Renovating/Repurposing Buildings for Housing	18	38.3%
Accessibility to Key Community Services (e.g., Healthcare, Childcare, etc.)	14	29.8%
Critical Home Repair	12	25.5%
Improving Public Transportation	12	25.5%

Stakeholder respondents were asked to approximate the degree that housing negatively impacts local residents. A total of 46 respondents provided insight to this question with the following results:

Housing Impacts on Local Residents	
Impact	Weighted Score*
Causes People to Live in Substandard Housing	78.9
Prevents Seniors from Living in Housing that Fits their Needs	73.9
Limits the Ability of Families to Grow/Thrive	71.0
Causes People to Live in Housing they Cannot Afford	63.6
Causes People to Live in Unsafe Housing or Neighborhoods	62.2

*Significant Impact = 100.0, Minor Impact = 50.0, No Impact = 0.0

In addition to the answers listed in the previous table, two respondents noted through an open-ended response that *young families cannot afford to live here* and *seniors leave the county to locate assisted living*.

Stakeholder respondents were asked to what degree, if any, do they believe second home buyers and/or vacation rentals are adversely impacting the local housing market. A total of 45 respondents provided feedback to this question with the following distribution:

Degree to Which Second Homes/Vacation Rentals Adversely Impact the Housing Market		
Degree of Impact	Number of Respondents	Share of Respondents
Significantly	15	33.3%
Somewhat	18	40.0%
Not at All	7	15.6%
Don't Know	5	11.1%

Stakeholder respondents were asked in what way, if any, do they believe second home buyers and/or vacation rentals are adversely impacting the local housing market. A total of 42 respondents provided feedback to this question with the following distribution:

Specific Impacts of Second Homes/Vacation Rentals on the Housing Market		
Impact	Number of Respondents	Share of Respondents
Increasing Home Prices	32	76.2%
Diminishing Inventory Available to Permanent Residents	31	73.8%
Increasing Rents	24	57.1%
Causing People to Convert Housing to Seasonal Housing	19	45.2%
Encouraging Homeowners to Sell to Investors	18	42.9%
Causing Neighborhoods/Towns to Lose Character	9	21.4%
Other	3	7.1%

Among the three respondents that selected "Other" as an impact, open-ended responses included: *they do not know the effect, they do not believe this to be a large issue here, and it increases home renovation and repair costs.*

Stakeholder respondents were asked to identify priorities to assist *renters* in the area. A total of 41 respondents provided feedback to this question. The following table summarizes the top responses from stakeholders. Note that respondents could select up to five answers.

Top Priorities to Assist Renters		
Assistance Type	Number of Respondents	Share of Respondents
Properties that Meet Code/Life Safety Compliance	22	53.7%
Rental Housing Inspection Program	20	48.8%
Rental Registry	18	43.9%
Housing Resource Center	17	41.5%
Renter Security Deposit Assistance	15	36.6%
Landlord/Tenant Conflict Resolution	15	36.6%
Credit Repair Assistance	14	34.2%
Housing Placement Service	13	31.7%
Background Check Resolution	12	29.3%

Stakeholder respondents were asked to identify priorities to assist *homeowners* or buyers in the area. A total of 42 respondents provided feedback to this question. The following table summarizes the top responses from stakeholders. Note that respondents could select up to five answers.

Top Priorities to Assist Homeowners		
Assistance Type	Number of Respondents	Share of Respondents
Home Repair Assistance	28	66.7%
Property Maintenance Education	21	50.0%
Homebuyer Downpayment Assistance	20	47.6%
Homebuyer/Homeowner Education	19	45.2%
Foreclosure Avoidance Education	18	42.9%
Home Weatherization Assistance	17	40.5%
Home Modification Assistance	13	31.0%
Credit Repair Assistance	12	28.6%

Stakeholder respondents were asked to provide any additional information about housing challenges in the county in the form of an open-ended response. Eight respondents provided additional insight. Some key points from the responses are summarized below.

- There is a lack of senior-oriented housing in the county. Additional housing for seniors would allow them to downsize, if they so choose, and would free up more housing for families.
- Some of the current zoning restrictions impede housing development.
- There is limited available housing, and the available rental housing lacks quality.
- There is a lack of good-paying jobs and skilled trades/contractors in the county

Stakeholder Survey Conclusions

Based on the feedback provided by area stakeholders, it appears that Oceana County is most in need of moderately priced for-sale housing (between $150,000 and $199,999), affordable rentals ($500-$999/month), and senior care housing for those with less than $25,000 in income/assets. Respondents indicated that families, the low- to moderate-income workforce, and seniors are the groups with the most critical needs. The limited overall housing availability, purchase and rent affordability, high cost of renovations, and lack of public transportation rated as the most common housing issues experienced in Oceana County. While the cost of labor and materials and financing are the most commonly cited barriers to residential development; the repairs of existing housing, the clearing of blighted properties, the availability of home repair loans, and the collaboration between public and private sectors were considered to be the top priorities by stakeholder respondents. Overall, the consensus of respondents is that the aforementioned housing issues cause residents of the area to live in substandard housing and prevents seniors from living in housing that fits their need. Ultimately, these issues limit the ability of families to grow and thrive in Oceana County. In addition, nearly three-fourths (73.3%) of stakeholder respondents believe that second homes and vacation rentals at least "somewhat" adversely impact the local housing market, with an increase in home prices and diminishing available inventory being the two most commonly cited negative impacts.

The following table summarizes the top stakeholder responses to critical questions contained within this survey.

Oceana County, Michigan Summary of Stakeholder Survey Results		
Category	**Top Needs / Issues**	**Consensus**
Housing Needs by Price Point	• For-Sale Housing ($150,000-$199,999) • Rental Housing ($500-$999/month) • Senior Care (Income/Assets <$25,000)	**87.2%** **83.0%** **68.1%**
Housing Needs by Population Served	• Family Housing (2+ Bedrooms) • Moderate Workforce ($30,000-$60,000) • Low-Income Workforce (<$30,000) • Senior Living (Independent Living) • Senior Living (Assisted Living, Nursing Care)	**89.7*** **86.4*** **86.1*** **85.8*** **80.7***
Housing Needs by Style	• Ranch Homes/Single Floor Plan Units • Duplex/Triplex/Townhomes • Multifamily Apartments • Traditional Two-Story Single-Family Homes	**89.7*** **77.8*** **72.8*** **70.0***
Housing Issues Experienced	• Limited Availability • Home Purchase Affordability • Rent Affordability • High Cost of Renovation • Lack of Access to Public Transportation • Lack of Down Payment for Purchase	**95.7*** **90.2*** **87.8*** **83.7*** **82.6*** **81.4***
Priority by Construction Type	• Repair/Renovation/Revitalization of Existing Housing • Clear Blighted/Unused Structures to Create Land for New Development • New Construction	**81.7*** **76.2*** **75.5***
Priority by Funding Types	• Home Repair/Loan • Homebuyer Assistance • Project-Based Rental Subsidy	**82.6*** **76.7*** **67.9***
Common Residential Barriers	• Cost of Labor/Materials • Financing • Cost of Infrastructure • Development Costs • Lack of Public Transportation	**72.3%** **57.5%** **53.2%** **53.2%** **53.2%**
Reduction of Barriers	• Collaboration Between Public and Private Sectors • Educate the Public on the Importance of Different Types of Housing • Establish Rental Inspection Program	**41.9%** **41.9%** **37.2%**
Top Areas of Focus	• Developing New Housing • Removal/Mitigation of Residential Blight • Renovating/Repurposing Buildings for Housing	**68.1%** **48.9%** **38.3%**
Housing Impact on Residents	• Causes People to Live in Substandard Housing • Prevents Seniors from Living in Housing That Fits Their Needs • Limits the Ability of Families to Grow/Thrive	**78.9*** **73.9*** **71.0***
Impact of Second Homes / Vacation Rentals	• Somewhat or Significant Adverse Impact • Increases Home Prices • Diminishing Inventory Available to Permanent Residents	**73.3%** **76.2%** **73.8%**
Renter Assistance Priorities	• Properties That Meet Code/Life Safety Compliance • Rental Housing Inspection Program • Rental Registry	**53.7%** **48.8%** **43.9%**
Homeowner Assistance Priorities	• Home Repair Assistance • Property Maintenance Education • Homebuyer Downpayment Assistance	**66.7%** **50.0%** **47.6%**

*Denotes weighted score

C. EMPLOYER SURVEY RESULTS

A total of 14 representatives from area employers responded to the housing survey. Note that percentages may not add up to 100.0% due to rounding or because respondents were able to select more than one answer.

Employer respondents were asked to describe the primary business activity of their company. A total of 13 respondents provided feedback to this question with the following distribution of responses:

Employer Respondents by Business Type					
Type	Number	Share	Type	Number	Share
Professional (Accounting, Legal, Etc.)	4	30.8%	Hospitality/Lodging	1	7.7%
Retail	2	15.4%	Public/Government	1	7.7%
Manufacturing	2	15.4%	Tourism/Hospitality	1	7.7%
Healthcare	1	7.7%	Construction	1	7.7%

Employer respondents were asked to approximate the number of people they employ locally. A total of 14 respondents provided feedback to this question. Based on the survey responses, approximately 436 individuals are employed by these companies with the following distribution of firms by number of employees:

- 1 to 10 Employees: **9 (64.3%)**
- 11 to 25 Employees: **1 (7.1%)**
- 26 to 50 Employees: **2 (14.3%)**
- 50+ Employees: **2 (14.3%)**

Employer respondents were asked to approximate the number of employees by employment status (part-time, full-time, seasonal). A total of 14 respondents provided feedback to this question with the following distribution:

- Part-Time: **16.6%**
- Full-Time: **73.7%**
- Seasonal: **9.8%**

Employer respondents were asked to approximate the percentage of their employees who reside in Oceana County. A total of 14 respondents provided feedback to this question with the following distribution:

Share of Employees That Live Within County		
Response	Number of Respondents	Share of Respondents
Less than 10%	0	0.0%
Between 10% and 25%	1	7.1%
Between 26% and 50%	1	7.1%
Between 51% and 75%	3	21.4%
More than 75%	9	64.3%

Employer respondents were asked to estimate the number of *new jobs by annual wages* that their company expects to create over the next three years. A total of 11 respondents provided insight to this question. The following table summarizes the employer responses and provides the estimated total number of new jobs by annual salary.

Estimated New Jobs Created by Employers by Annual Salary (Next Three Years)	
Annual Salary	**Estimated Total Number of New Jobs (Share)**
Less than $25,000	9 (42.9%)
$25,000 to $50,000	8 (38.1%)
$51,000 to $75,000	3 (14.3%)
$76,000 to $100,000	0 (0.0%)
Over $100,000	1 (4.8%)
Estimated Total of New Jobs Created by Employers	**21 (100.0%)**

As the preceding table illustrates, employer respondents estimate job creation over the next three years of approximately 21 new jobs. Over two-fifths (42.9%) of the estimated new jobs in the county are expected to pay annual salaries of less than $25,000, while 38.1% are expected to pay salaries between $25,000 and $50,000. It is important to note, however, that these are estimates provided by respondents based on current economic conditions, and these estimates can change for a variety of reasons at any point in time.

Employer respondents were asked if they have had difficulty attracting or retaining employees due to housing related issues in the past couple of years. A total of 14 respondents provided feedback to this question with the following distribution:

- Yes: **7 (50.0%)**
- No: **7 (50.0%)**
- Unknown: **0 (0.0%)**

Employer respondents were asked to identify the three most common housing issues/challenges experienced by their employees. Employers could select options from a list of common housing issues that was provided. A total of 14 respondents provided feedback to this question. The following table illustrates the top five responses:

Top Five Housing Issues Experienced by Employees	
Issue	**Share of Respondents**
Lack of Available Housing	71.4%
Unaffordable Rental Housing	50.0%
Unaffordable For-Sale Housing	42.9%
Lack of Quality Housing	35.7%
Housing is Far From Work	28.6%

Employer respondents were then asked how the housing issues that their employees or prospective employees experience are impacting the company. Employers could select from a list of impact options that was provided. A total of 14 respondents provided feedback to this question. The following table illustrates the top five responses:

Top Five Impacts for Employers Resulting from Housing Issues	
Response	**Share of Respondents**
Difficulty Attracting Employees	50.0%
Unknown	35.7%
Difficulty Retaining Employees	28.6%
Unable to Grow/Expand Business	21.4%
Other	14.3%

Employer respondents were then asked if additional housing was provided in Oceana County that adequately served the needs of employees, to what degree would this increase the likelihood that their company would employ more people over the next three years. A total of 14 respondents supplied answers to this question with the following distribution:

- Much More Likely: **6 (42.9%)**
- Somewhat Likely: **2 (14.3%)**
- Not Likely/No Impact: **5 (35.7%)**
- Unknown: **1 (7.1%)**

Employer respondents were also asked if housing was not an issue, how many additional employees would their company hire in the next three years. A total of 14 respondents provided insight to this question. Although five of the 14 respondents (35.7%) indicated that they "did not know" the effect, and four respondents (28.6%) indicated they would not hire any additional employees, **five** respondents (35.7%) indicated that they would hire more staff, totaling up to **33** additional employees.

Employer respondents were asked if their company currently provides any type of housing assistance to employees and to specify the type provided. A total of 14 respondents provided feedback to this question with the following insight:

- **14 of the 14** respondents **(100.0%)** indicated that they do not provide any type of housing assistance.

Employer respondents were then asked what type of assistance, if any, would they consider providing to their employees to assist with housing. Note that respondents could select more than one type of program. A total of 14 respondents provided insight to this question with the following distribution:

Potential Employer Provided Housing Assistance Programs	
Program	**Share***
Housing Counseling/Placement Services	14.3%
Housing Relocation Services/Assistance	14.3%
Homebuyer Downpayment Assistance	7.1%
Rental Security Deposit Assistance	7.1%
Rental Assistance/Subsidy	7.1%
Housing Relocation Reimbursement	7.1%
None	64.3%

*Share of employer respondents that indicated they would consider providing the program.

Employer respondents were asked to indicate the level of importance of future government housing programs, policies or incentives that could be implemented to assist employees with housing or addressing the market's housing issues. A total of 13 respondents provided feedback to this question. The following table provides a weighted summary of the responses:

Housing Programs, Policies, and Initiatives by Degree of Importance	
Program	**Weighted Score***
New Housing Development/Redevelopment	73.1
Development of More Public Housing	51.9
Homebuyer Assistance	42.3
Renter Assistance	38.5
Direct Government Investment in Land for Workforce Housing (Land Banking)	32.7
Housing Assistance for Public Employees (Police, Fire, Teachers, Etc.)	28.8

*Most Important = 100.0, Somewhat Important = 50.0, Least Important = 25.0

Employer respondents were asked, in terms of product pricing, what are the three most needed housing price points for their employees. Employers could select from a list of pricing options that was provided. A total of 13 respondents provided feedback to this question, with the results illustrated in the following table:

Most Needed Housing Price Points for Employees	
Type of Housing Product (Price)	**Share of Respondents**
Affordable Rental Housing (Under $750/month)	69.2%
Entry Level/Workforce For-Sale Housing (Below $200,000)	69.2%
Moderate Market-Rate Rental Housing ($750-$1,250/month)	61.5%
Moderate For-Sale Housing ($200,000-$300,000)	30.8%
Higher-End Market-Rate Rental Housing (Above $1,250/month)	23.1%
Higher-End For-Sale Housing (Above $300,000)	0.0%

Employer respondents were then asked, in terms of product type, what are the most needed types of housing for their employees. Employers could select from a list of housing product types that was provided. A total of 12 respondents provided feedback to this question, with the results illustrated below:

Most Needed Housing Types for Employees	
Type of Housing Product	**Share of Respondents**
Single-Family Homes (Owner)	66.7%
Single-Family Homes (Rental)	58.3%
Duplex/Townhome (Rental)	41.7%
Multifamily Apartments	33.3%
Duplex/Townhome (Owner)	25.0%
Short-Term/Seasonal Housing	16.7%
Condominiums (Owner)	8.3%
Condominiums (Rental)	8.3%
Mobile Homes	8.3%
Dormitories/Shared Living	0.0%

Employer respondents were asked to provide any additional comments regarding housing issues and needs that impact employees within Oceana County. A total of four respondents provided feedback in the form of an open-ended response. Feedback from respondents included topics related to the *limited availability of for-sale and rental housing for all affordability levels, the need for more family-oriented housing, transportation is also a major issue (distance to place of employment), and too many for-sale homes being converted to rental units.*

Employer Survey Conclusions

Based on the feedback provided by area employers, it appears that approximately one-half of employers in the county have experienced staffing issues as a result of housing. Overall, the lack of available housing and affordability are the top issues for employees in the area. This has resulted in difficulty attracting employees for approximately one-half (50.0%) of the employer respondents, while over one-fourth (28.6%) have had issues retaining employees. A majority (57.2%) of employer respondents indicated that they would be at least "somewhat" more likely to hire new employees if adequate housing were available in the county, with up to 33 additional employees expected to be hired as a result. Despite the issues that housing can create for employers, it is noteworthy that all (100.0%) of the surveyed employers currently do not provide any type of housing assistance, and nearly two-thirds (64.3%) would not consider providing such programs in the future. Among various future government housing programs and initiatives, employer respondents consider new housing development/redevelopment and the development of more public housing to be the most important. Overall, the consensus among area employers is that Oceana County is most in need of affordable rental housing (under $750 per month) and entry level for-sale housing (below $200,000). Among product types, it appears that employers consider single-family homes (both rental and for-sale) to be the most critical need in the area.

The following table summarizes the top employer responses to critical questions contained within this survey.

Oceana County, Michigan Summary of Employer Survey Results		
Category	**Top Needs / Issues**	**Consensus**
Difficulty Attracting/Retaining Employees Due to Housing	• Yes • No	**50.0%** **50.0%**
Housing Issues for Employees	• Lack of Available Housing • Unaffordable Rental Housing • Unaffordable For-Sale Housing	**71.4%** **50.0%** **42.9%**
Impacts for Employers	• Difficulty Attracting Employees • Difficulty Retaining Employees • Unable to Grow/Expand Business	**50.0%** **28.6%** **21.4%**
Effects of Adequate Housing Supply	• Somewhat/Much More Likely to Hire New Employees • Additional Employees Hired	**57.2%** **Up to 33**
Employer Housing Assistance	• Do Not Currently Provide Housing Assistance to Employees	**100.0%**
Housing Assistance Program Consideration	• Housing Counseling/Placement Services • Housing Relocation Services/Assistance • Would Not Consider Housing Assistance	**14.3%** **14.3%** **64.3%**
Housing Program or Policy Importance	• New Housing Development/Redevelopment • Development of More Public Housing • Homebuyer Assistance • Renter Assistance • Direct Government Investment in Land for Workforce Housing (Land Banking)	**73.1*** **51.9*** **42.3*** **38.5*** **32.7***
Housing Needs by Price	• Affordable Rental Housing (Under $750/month) • Entry Level/Workforce For-Sale Housing (Below $200,000) • Moderate Market-Rate Rental Housing ($750-$1,250/month)	**69.2%** **69.2%** **61.5%**
Housing Needs by Product Type	• Single-Family Homes (Owner) • Single-Family Homes (Rental) • Duplex/Townhome (Rental) • Multifamily Apartments	**66.7%** **58.3%** **41.7%** **33.3%**

*Denotes weighted score

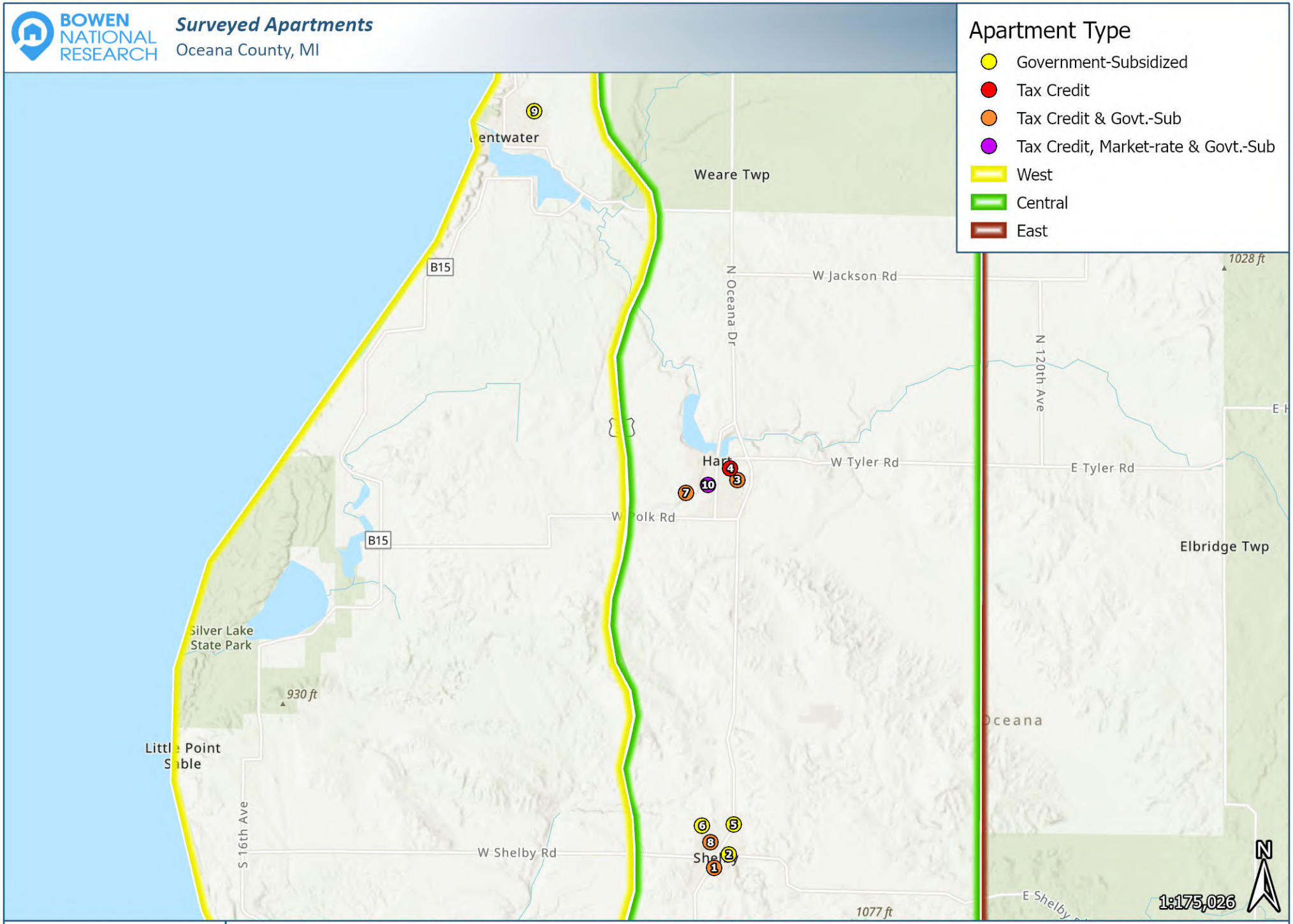
ADDENDUM A:

FIELD SURVEY OF CONVENTIONAL RENTALS

BOWEN NATIONAL RESEARCH

Surveyed Apartments

Oceana County, MI



0 0.85 1.7 2.55 3.4 Miles

Esri, HERE, Garmin, SafeGraph, METI/NASA, USGS, EPA, NPS, USDA, Esri, NASA, NGA, USGS
Additional Source(s): Bowen National Research

Map ID	Property	Prop Type	Quality Rating	Year Built	Total Units	Vacant	Occ. Rate
1	Barnett Station Village Apts.	TGS	B	2011	32	3	90.6%
2	Chapita Hills Apts.	GSS	B-	1982	24	0	100.0%
3	Chippawa Creek Apts.	TGS	B-	1993	18	0	100.0%
4	Cottages at Griswold Senior Living	TAX	B+	2020	10	0	100.0%
5	Park Place Apts.	GSS	C+	1981	32	0	100.0%
6	Rosewood Apts.	GSS	B-	1986	24	0	100.0%
7	Sable Pointe	TGS	C+	1973	20	0	100.0%
8	Shelby Trails	TGS	B+	2022	15	0	100.0%
9	Summerview Apts.	GSS	C+	1985	16	0	100.0%
10	Woodland Place	TMG	B+	2018	24	0	100.0%

Comparable Property
Senior Restricted
(MRR) Market-Rate
(MRT) Market-Rate & Tax Credit
(MRG) Market-Rate & Government-Subsidized
(MIN) Market-Rate & Income-Restricted (not LIHTC)
(MIG) Market-Rate, Income-Restricted (not LIHTC) & Govt-Subsidized
(TAX) Tax Credit
(TGS) Tax Credit & Government-Subsidized
(TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC)
(TIN) Tax Credit & Income-Restricted (not LIHTC)
(TMG) Tax Credit, Market-Rate & Government-Subsidized
(TIG) Tax Credit, Income-Restricted (not LIHTC) & Govt-Subsidized
(INR) Income-Restricted (not LIHTC)
(ING) Income-Restricted (not LIHTC) & Government-Subsidized
(GSS) Government-Subsidized
(ALL) Tax Credit, Market-Rate, Govt-Subsidized & Income-Restricted

1 Barnett Station Village Apts.

64 S Michigan Ave, Shelby, MI 49455

Contact: Rachel
Phone: (231) 259-0096



Total Units: 32 UC: 0 Occupancy: 90.6% Stories: 2 Year Built: 2011
BR: 2, 3 Vacant Units: 3 Waitlist: None AR Year:
Target Population: Family, Special Needs, Homeless, Other Yr Renovated:
Rent Special: None
Notes: Tax Credit (12 units); PBV/PBRA (20 units)

2 Chapita Hills Apts.

92 Chapita Hill Dr., Shelby, MI 49455

Contact: Stephanie
Phone: (231) 861-2034



Total Units: 24 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1982
BR: 2, 3, 4 Vacant Units: 0 Waitlist: 20 HH AR Year:
Target Population: Family Yr Renovated:
Rent Special: None
Notes: RD 515, has RA (23 units); Farm labor housing

3 Chippawa Creek Apts.

450 S Griswold St., Hart, MI 49420

Contact: Chelsea
Phone: (616) 894-4951

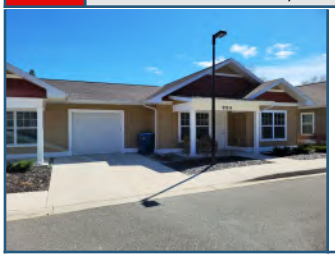


Total Units: 18 UC: 0 Occupancy: 100.0% Stories: 1 Year Built: 1993
BR: 1 Vacant Units: 0 Waitlist: None AR Year:
Target Population: Senior 62+ Yr Renovated:
Rent Special: None
Notes: Tax Credit; RD 515, has RA (12 units)

4 Cottages at Griswold Senior Living

410 S Griswold St, Hart, MI 49420

Contact: LuAnn
Phone: (231) 721-0299



Total Units: 10 UC: 0 Occupancy: 100.0% Stories: 1 Year Built: 2020
BR: 1, 2 Vacant Units: 0 Waitlist: 30 HH AR Year:
Target Population: Senior 55+ Yr Renovated:
Rent Special: None
Notes: Tax Credit; Preleasing 6/2020, opened 9/2020, stabilized occupancy 10/2020

5 Park Place Apts.

415 N. State St., Shelby, MI 49455

Contact: Diane
Phone: (231) 861-2229



Total Units: 32 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1981
BR: 1, 2, 3 Vacant Units: 0 Waitlist: 25 HH AR Year:
Target Population: Family Yr Renovated:
Rent Special: None
Notes: RD 515, has RA (19 units)

Comparable Property	(MIG) Market-Rate, Income-Restricted (not LIHTC) & Govt-Subsidized	(TIG) Tax Credit, Income-Restricted (not LIHTC) & Govt-Subsidized
Senior Restricted	(TAX) Tax Credit	(INR) Income-Restricted (not LIHTC)
(MRR) Market-Rate	(TGS) Tax Credit & Government-Subsidized	(ING) Income-Restricted (not LIHTC) & Government-Subsidized
(MRT) Market-Rate & Tax Credit	(TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC)	(GSS) Government-Subsidized
(MRG) Market-Rate & Government-Subsidized	(TIN) Tax Credit & Income-Restricted (not LIHTC)	(ALL) Tax Credit, Market-Rate, Govt-Subsidized & Income-Restricted
(MIN) Market-Rate & Income-Restricted (not LIHTC)	(TMG) Tax Credit, Market-Rate & Government-Subsidized	

6 Rosewood Apts.
182 W. 6th St., Shelby, MI 49455

Contact: Amanda
Phone: (231) 861-0514



Total Units: 24 UC: 0 Occupancy: 100.0% Stories: 1 Year Built: 1986
BR: 1 Vacant Units: 0 Waitlist: 14 HH AR Year:
Target Population: Senior 62+ Yr Renovated:
Rent Special: None
Notes: RD 515, has RA (1 unit)

7 Sable Pointe
2742 Meadowbrook Ln, Hart, MI 49420

Contact: Kimberly
Phone: (231) 861-8680



Total Units: 20 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1973
BR: 1, 2 Vacant Units: 0 Waitlist: 5 HH AR Year:
Target Population: Family Yr Renovated: 2022
Rent Special: None
Notes: Tax Credit; RD 515, has RA (20 units)

8 Shelby Trails
220 Walnut St, Shelby, MI 49455

Contact: LuAnn
Phone: (231) 233-8980



Total Units: 15 UC: 0 Occupancy: 100.0% Stories: 2,3 Year Built: 2022
BR: 1, 2 Vacant Units: 0 Waitlist: Yes AR Year:
Target Population: Homeless Yr Renovated:
Rent Special: None
Notes: Tax Credit & PSH; Opened & stabilized occupancy 12/2022

9 Summerview Apts.
380 N. 3rd Ave., Pentwater, MI 49449

Contact: Amanda
Phone: (231) 861-0514



Total Units: 16 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1985
BR: 1, 2 Vacant Units: 0 Waitlist: 16 HH AR Year:
Target Population: Family Yr Renovated:
Rent Special: None
Notes: RD 515, has RA (12 units)

10 Woodland Place
609 S Water St, Hart, MI 49455

Contact: Briyuna
Phone: (231) 301-8420



Total Units: 24 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 2018
BR: 1, 2, 3 Vacant Units: 0 Waitlist: 35 HH AR Year:
Target Population: Family, Homeless, Other, Disabled Yr Renovated:
Rent Special: None
Notes: Tax Credit (14 units); Market-rate (4 units); PBV/PBRA (6 units); Opened 10/2018

✓ Comparable Property
♦ Senior Restricted
(MRR) Market-Rate
(MRT) Market-Rate & Tax Credit
(MRG) Market-Rate & Government-Subsidized
(MIN) Market-Rate & Income-Restricted (not LIHTC)
(MIG) Market-Rate, Income-Restricted (not LIHTC) & Govt-Subsidized
(TAX) Tax Credit
(TGS) Tax Credit & Government-Subsidized
(TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC)
(TIN) Tax Credit & Income-Restricted (not LIHTC)
(TMG) Tax Credit, Market-Rate & Government-Subsidized
(TIG) Tax Credit, Income-Restricted (not LIHTC) & Govt-Subsidized
(INR) Income-Restricted (not LIHTC)
(ING) Income-Restricted (not LIHTC) & Government-Subsidized
(GSS) Government-Subsidized
(ALL) Tax Credit, Market-Rate, Govt-Subsidized & Income-Restricted

ADDENDUM B:

COMMUNITY INPUT RESULTS

STAKEHOLDER SURVEY

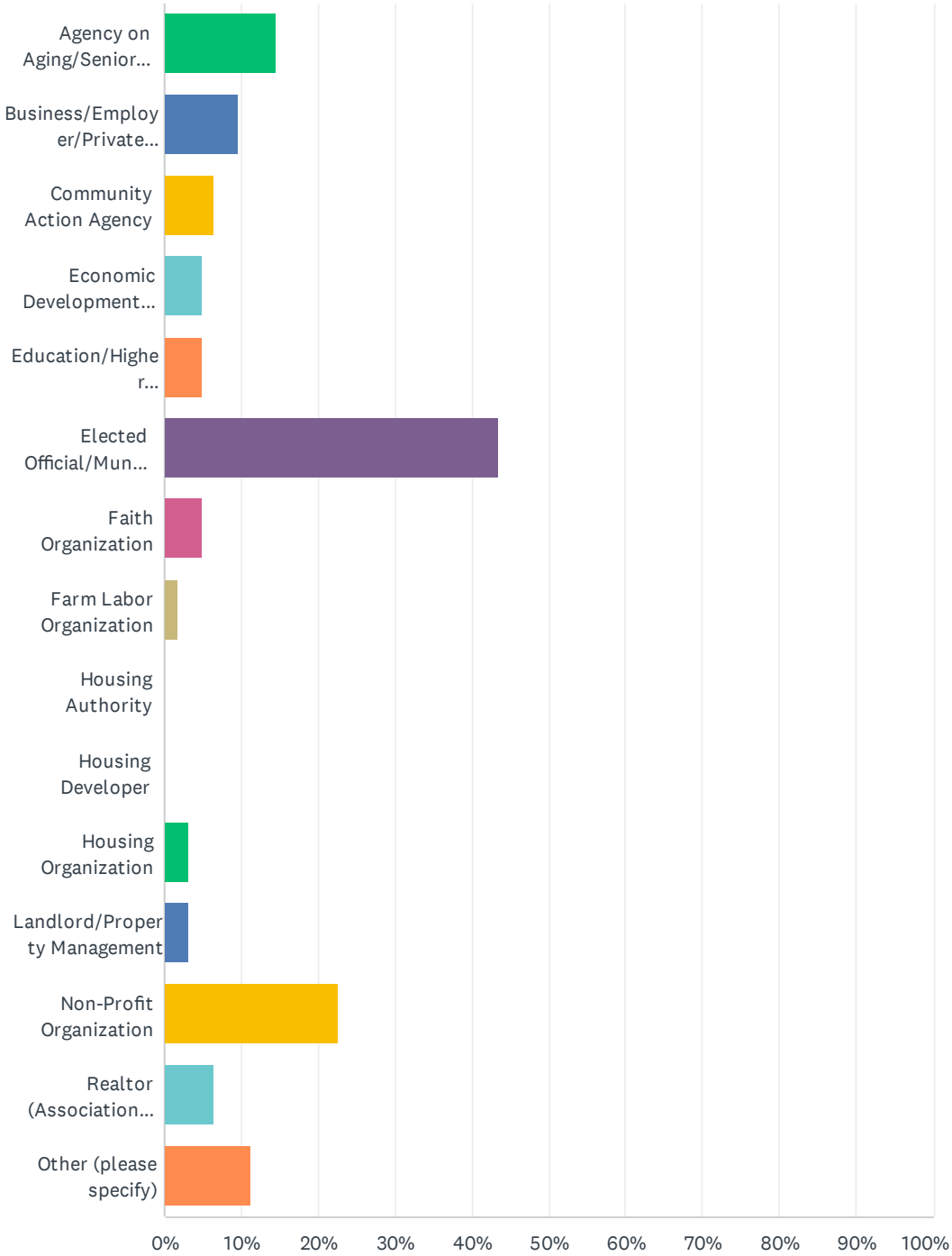
Q1 Please provide your contact information, should we need to follow-up with this response.

Answered: 62 Skipped: 0

ANSWER CHOICES	RESPONSES	
Name	100.00%	62
Organization	95.16%	59
Email Address	96.77%	60
Phone Number	93.55%	58

Q2 What type of organization do you represent? (select all that apply)

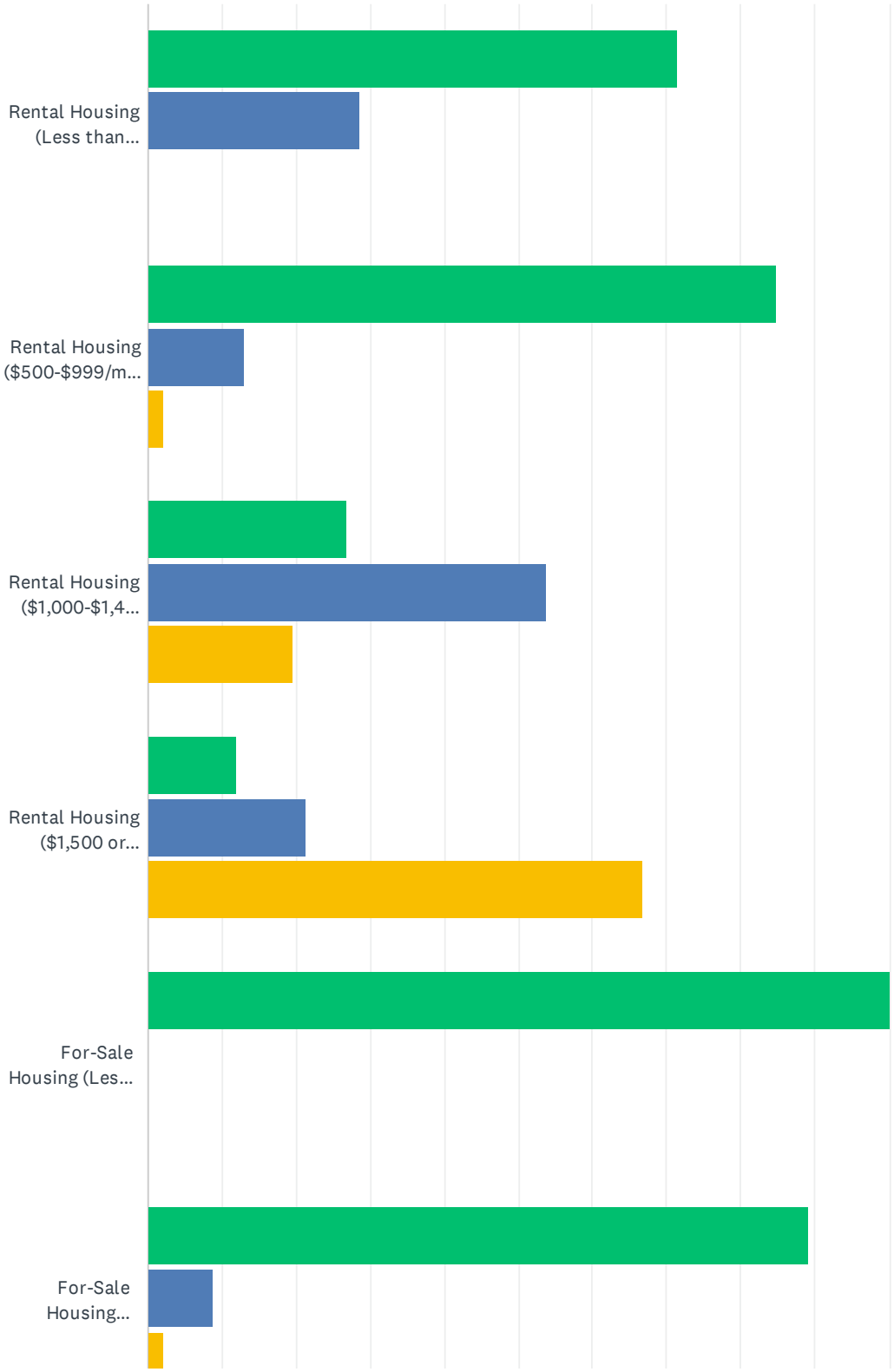
Answered: 62 Skipped: 0

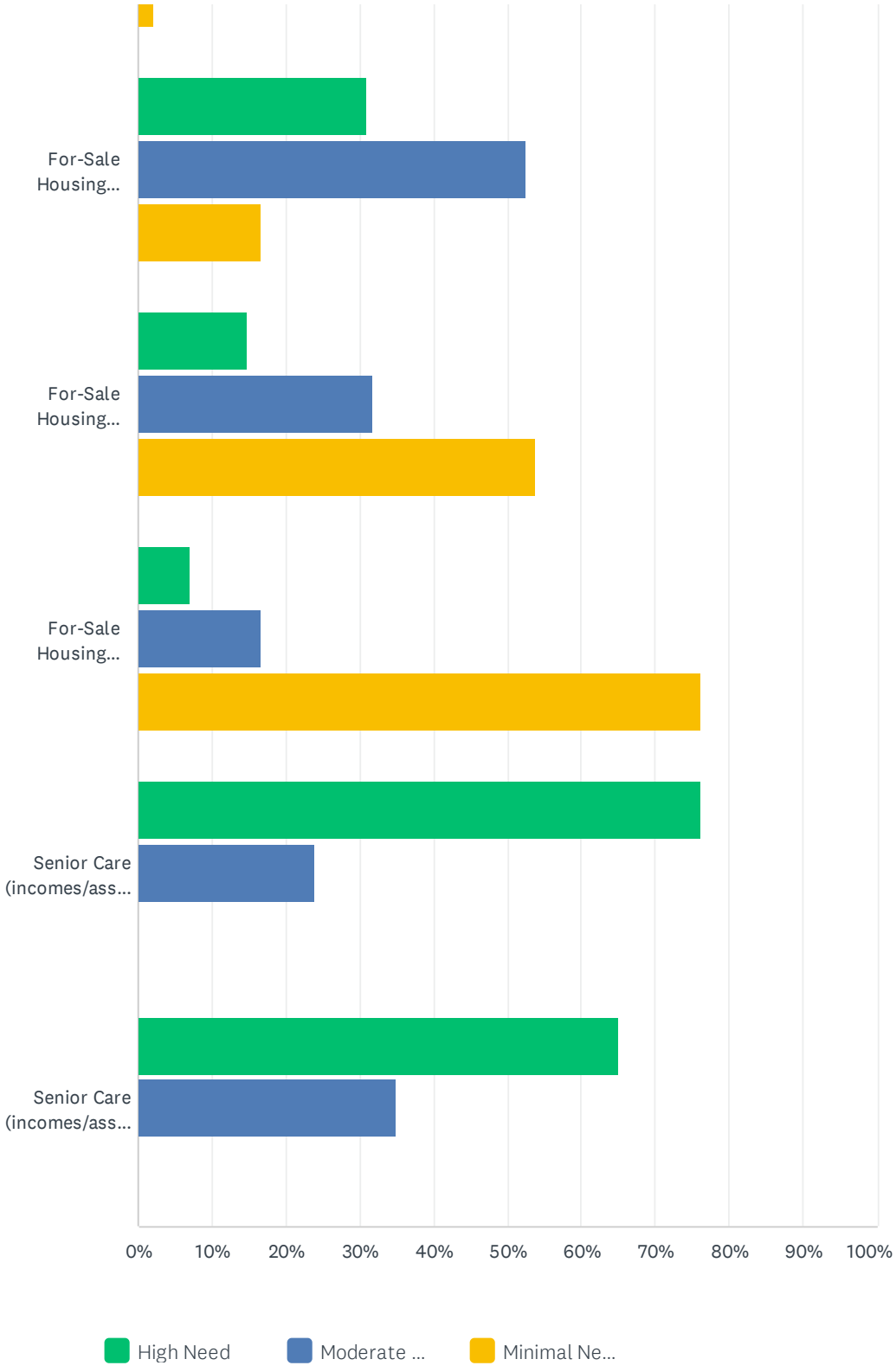


ANSWER CHOICES	RESPONSES	
Agency on Aging/Senior Services	14.52%	9
Business/Employer/Private Sector	9.68%	6
Community Action Agency	6.45%	4
Economic Development Organizations	4.84%	3
Education/Higher Education/University	4.84%	3
Elected Official/Municipal Contact/Local Government	43.55%	27
Faith Organization	4.84%	3
Farm Labor Organization	1.61%	1
Housing Authority	0.00%	0
Housing Developer	0.00%	0
Housing Organization	3.23%	2
Landlord/Property Management	3.23%	2
Non-Profit Organization	22.58%	14
Realtor (Association/Board of Realtors/Etc.)	6.45%	4
Other (please specify)	11.29%	7
Total Respondents: 62		

Q3 To what degree are each of the following housing types needed by price point within the county? (Note: Senior care reflects household income/assets as opposed to rents/fees)

Answered: 47 Skipped: 15

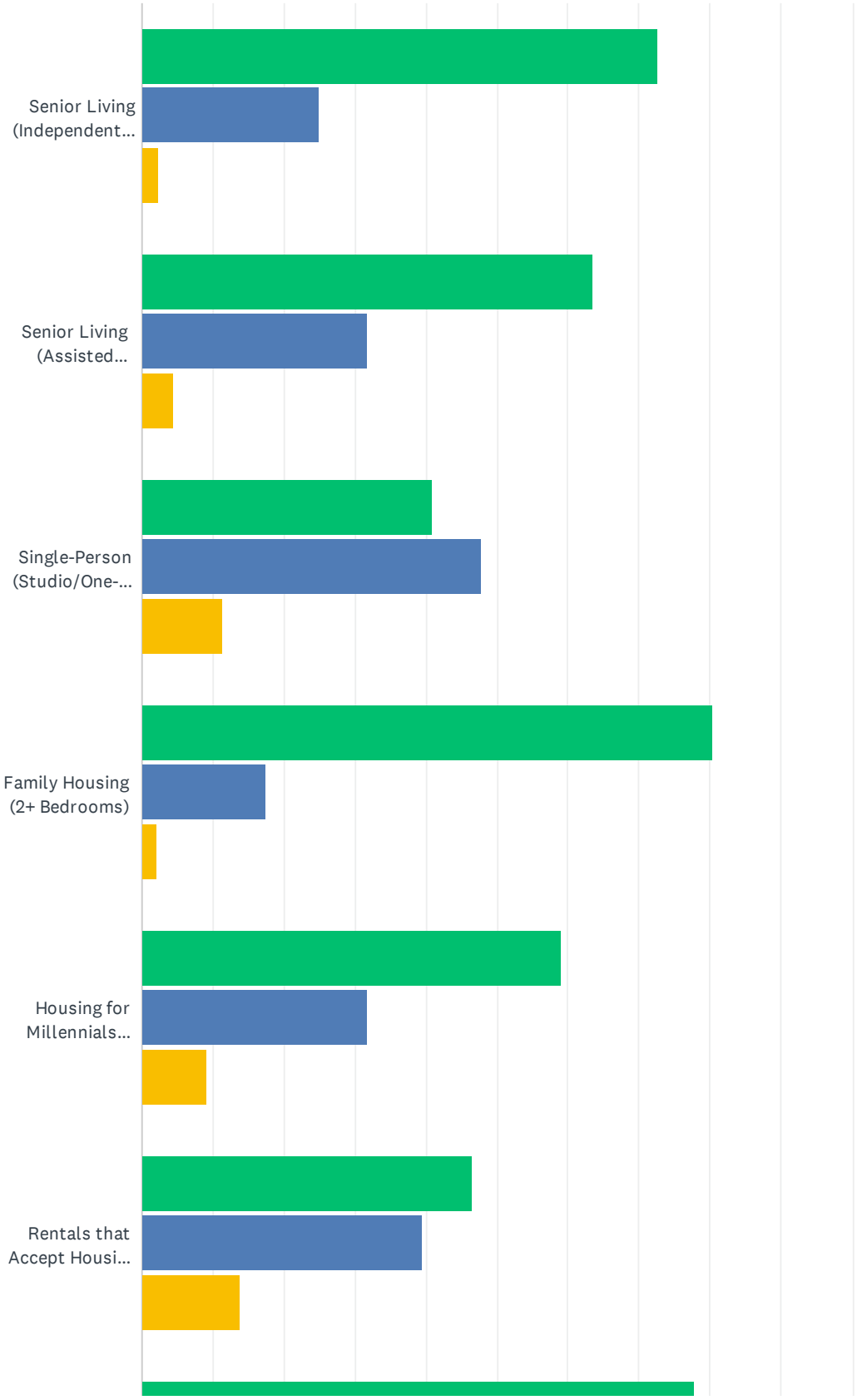


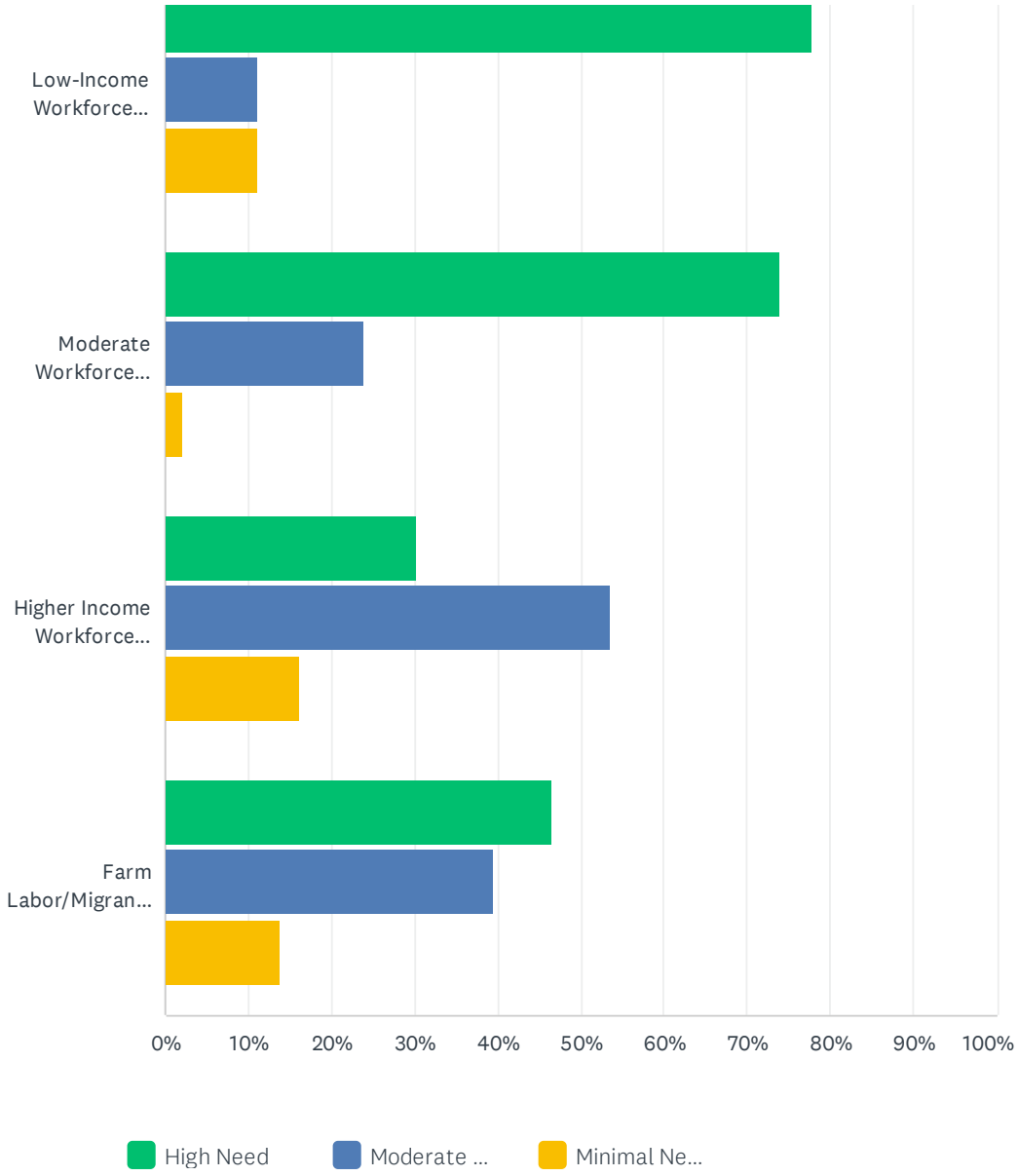

For-Sale Housing...
For-Sale Housing...
For-Sale Housing...
Senior Care (incomes/ass...
Senior Care (incomes/ass...
0%
10%
20%
30%
40%
50%
60%
70%
80%
90%
100%
High Need
Moderate ...
Minimal Ne...

	HIGH NEED	MODERATE NEED	MINIMAL NEED	TOTAL	WEIGHTED AVERAGE
Rental Housing (Less than $500/month)	71.43% 5	28.57% 2	0.00% 0	7	1.29
Rental Housing ($500-$999/month)	84.78% 39	13.04% 6	2.17% 1	46	1.17
Rental Housing ($1,000-$1,499/month)	26.83% 11	53.66% 22	19.51% 8	41	1.93
Rental Housing ($1,500 or more/month)	11.90% 5	21.43% 9	66.67% 28	42	2.55
For-Sale Housing (Less than $150,000)	100.00% 6	0.00% 0	0.00% 0	6	1.00
For-Sale Housing ($150,000-$199,999)	89.13% 41	8.70% 4	2.17% 1	46	1.13
For-Sale Housing ($200,000-$249,999)	30.95% 13	52.38% 22	16.67% 7	42	1.86
For-Sale Housing ($250,000-$349,999)	14.63% 6	31.71% 13	53.66% 22	41	2.39
For-Sale Housing ($350,000 or more)	7.14% 3	16.67% 7	76.19% 32	42	2.69
Senior Care (incomes/assets <$25,000)	76.19% 32	23.81% 10	0.00% 0	42	1.24
Senior Care (incomes/assets >$25,000)	65.12% 28	34.88% 15	0.00% 0	43	1.35

Q4 What is the need for housing by each of the following populations?

Answered: 47 Skipped: 15

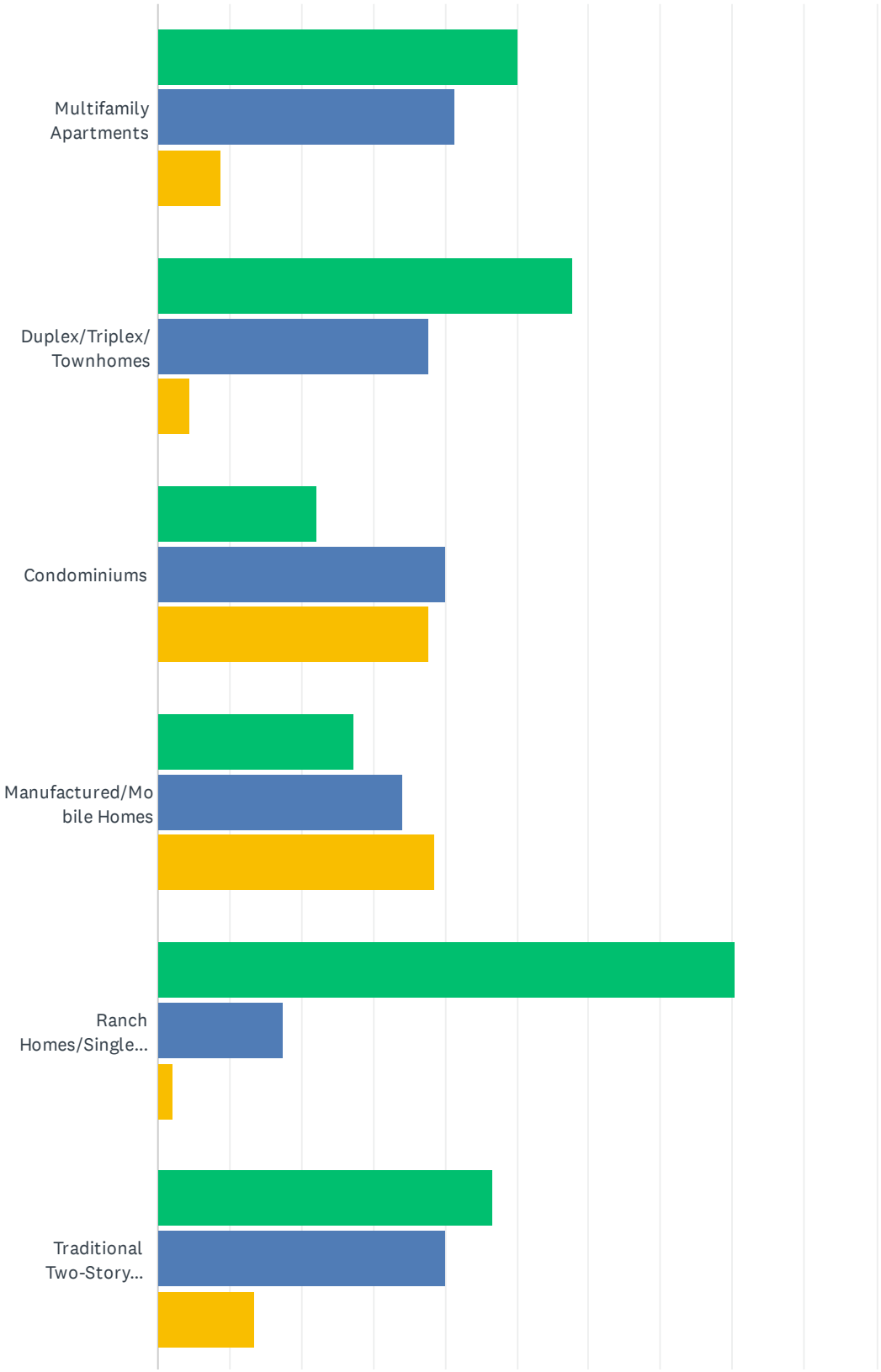


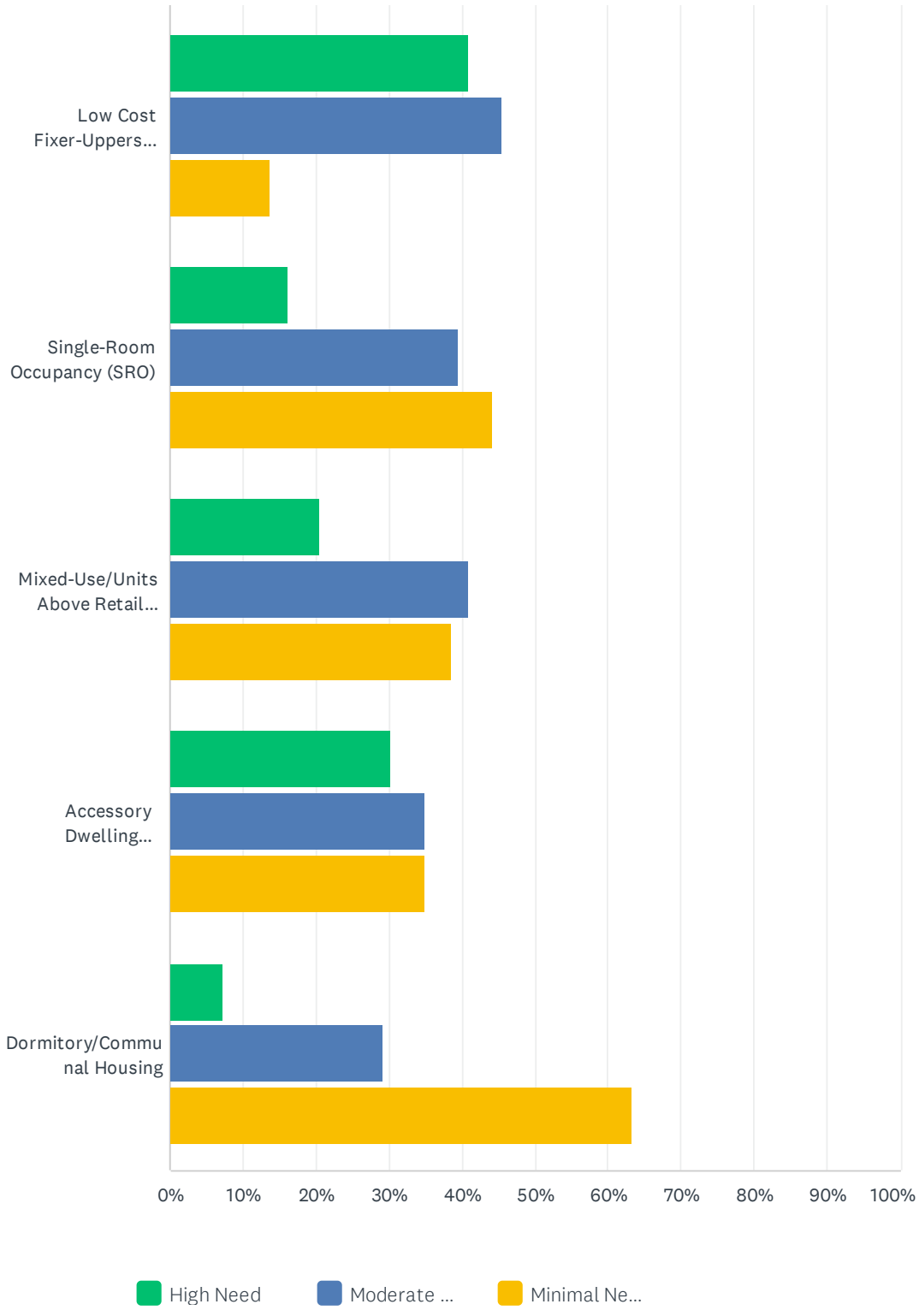

Low-Income Workforce...
Moderate Workforce...
Higher Income Workforce...
Farm Labor/Migran...
0%
10%
20%
30%
40%
50%
60%
70%
80%
90%
100%
High Need
Moderate ...
Minimal Ne...

	HIGH NEED	MODERATE NEED	MINIMAL NEED	TOTAL	WEIGHTED AVERAGE
Senior Living (Independent Living)	72.73% 32	25.00% 11	2.27% 1	44	1.30
Senior Living (Assisted Living, Nursing Care)	63.64% 28	31.82% 14	4.55% 2	44	1.41
Single-Person (Studio/One-Bedroom)	40.91% 18	47.73% 21	11.36% 5	44	1.70
Family Housing (2+ Bedrooms)	80.43% 37	17.39% 8	2.17% 1	46	1.22
Housing for Millennials (Ages 25-39)	59.09% 26	31.82% 14	9.09% 4	44	1.50
Rentals that Accept Housing Choice Voucher Holders	46.51% 20	39.53% 17	13.95% 6	43	1.67
Low-Income Workforce (<$30k)	77.78% 35	11.11% 5	11.11% 5	45	1.33
Moderate Workforce ($30k-$60k)	73.91% 34	23.91% 11	2.17% 1	46	1.28
Higher Income Workforce ($60k+)	30.23% 13	53.49% 23	16.28% 7	43	1.86
Farm Labor/Migrant Labor Housing	46.51% 20	39.53% 17	13.95% 6	43	1.67

Q5 What is the demand for each of the following housing styles in the county?

Answered: 47 Skipped: 15

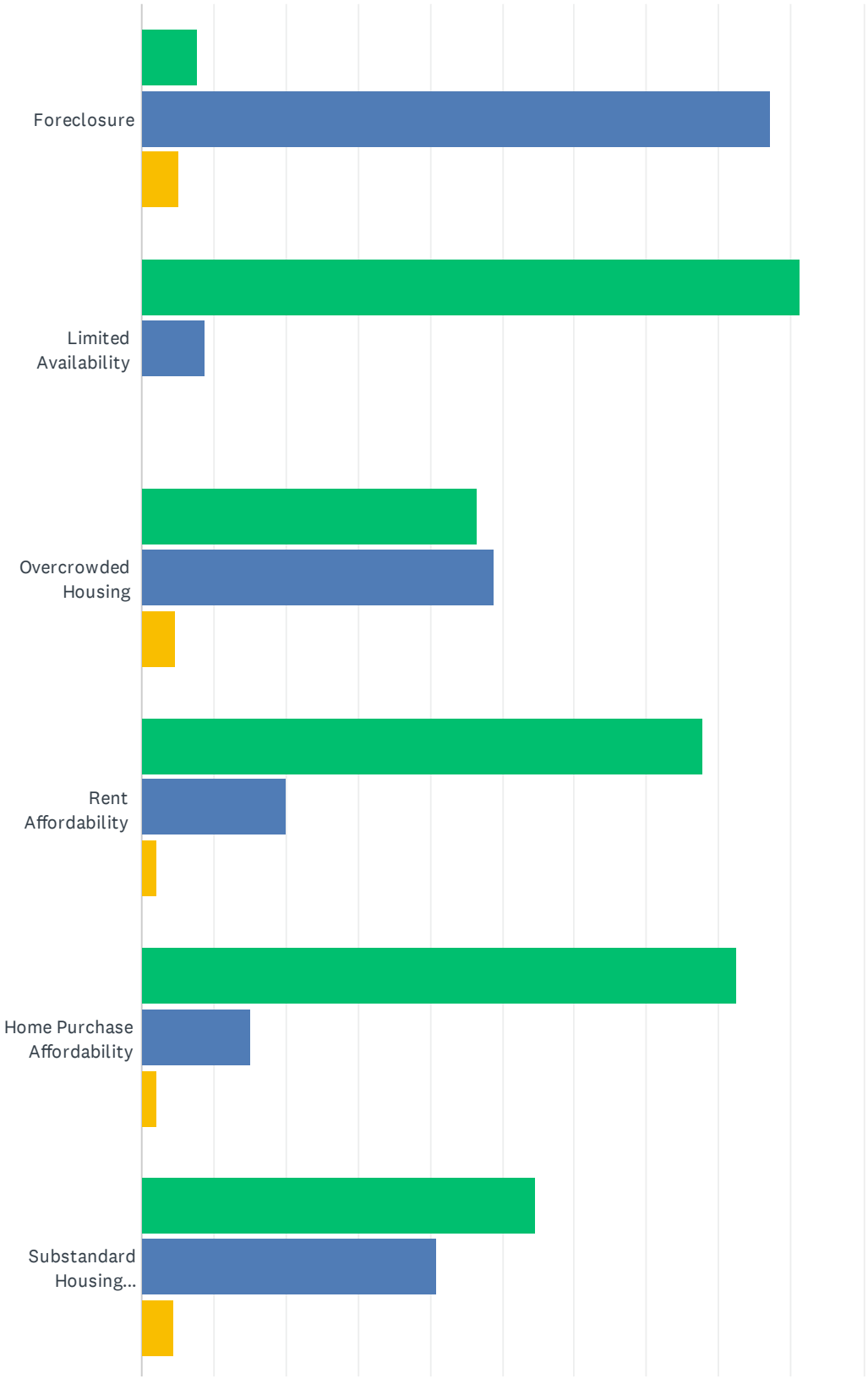


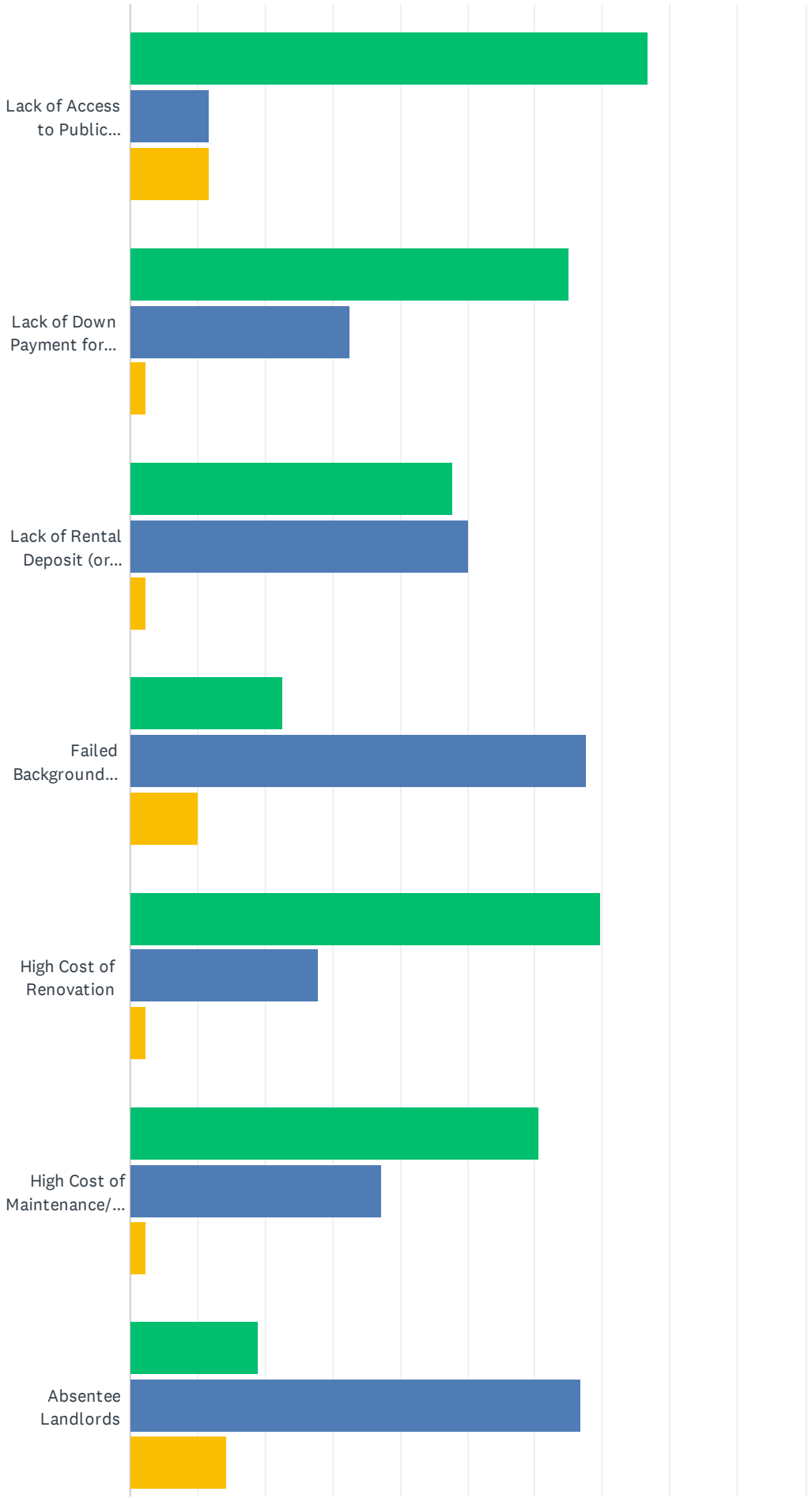

Low Cost Fixer-Uppers...
Single-Room Occupancy (SRO)
Mixed-Use/Units Above Retail...
Accessory Dwelling...
Dormitory/Communal Housing
0%
10%
20%
30%
40%
50%
60%
70%
80%
90%
100%
High Need
Moderate ...
Minimal Ne...

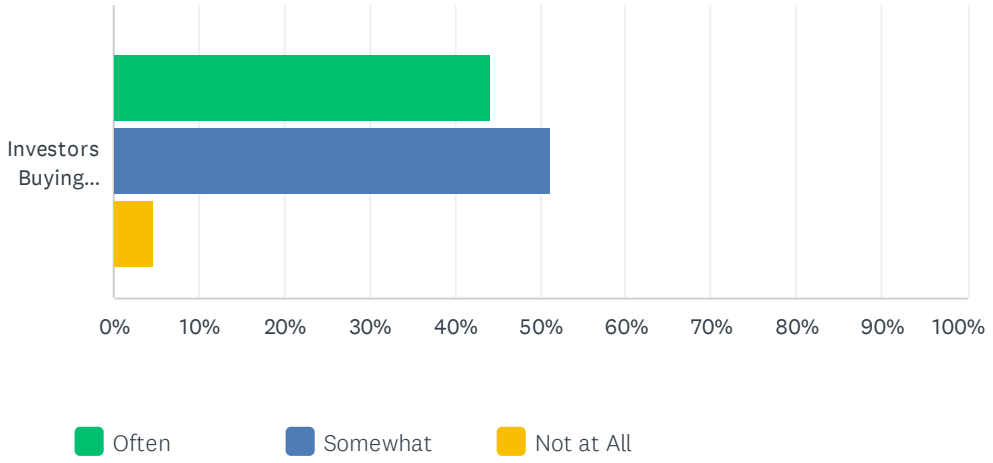
	HIGH NEED	MODERATE NEED	MINIMAL NEED	TOTAL	WEIGHTED AVERAGE
Multifamily Apartments	50.00% 23	41.30% 19	8.70% 4	46	1.59
Duplex/Triplex/Townhomes	57.78% 26	37.78% 17	4.44% 2	45	1.47
Condominiums	22.22% 10	40.00% 18	37.78% 17	45	2.16
Manufactured/Mobile Homes	27.27% 12	34.09% 15	38.64% 17	44	2.11
Ranch Homes/Single Floor Plan Units	80.43% 37	17.39% 8	2.17% 1	46	1.22
Traditional Two-Story Single-Family Homes	46.67% 21	40.00% 18	13.33% 6	45	1.67
Low Cost Fixer-Uppers (single-family homes)	40.91% 18	45.45% 20	13.64% 6	44	1.73
Single-Room Occupancy (SRO)	16.28% 7	39.53% 17	44.19% 19	43	2.28
Mixed-Use/Units Above Retail (Downtown Housing)	20.45% 9	40.91% 18	38.64% 17	44	2.18
Accessory Dwelling Units/Tiny Houses	30.23% 13	34.88% 15	34.88% 15	43	2.05
Dormitory/Communal Housing	7.32% 3	29.27% 12	63.41% 26	41	2.56

Q6 To what extent are each of the following housing issues experienced in the county?

Answered: 47 Skipped: 15



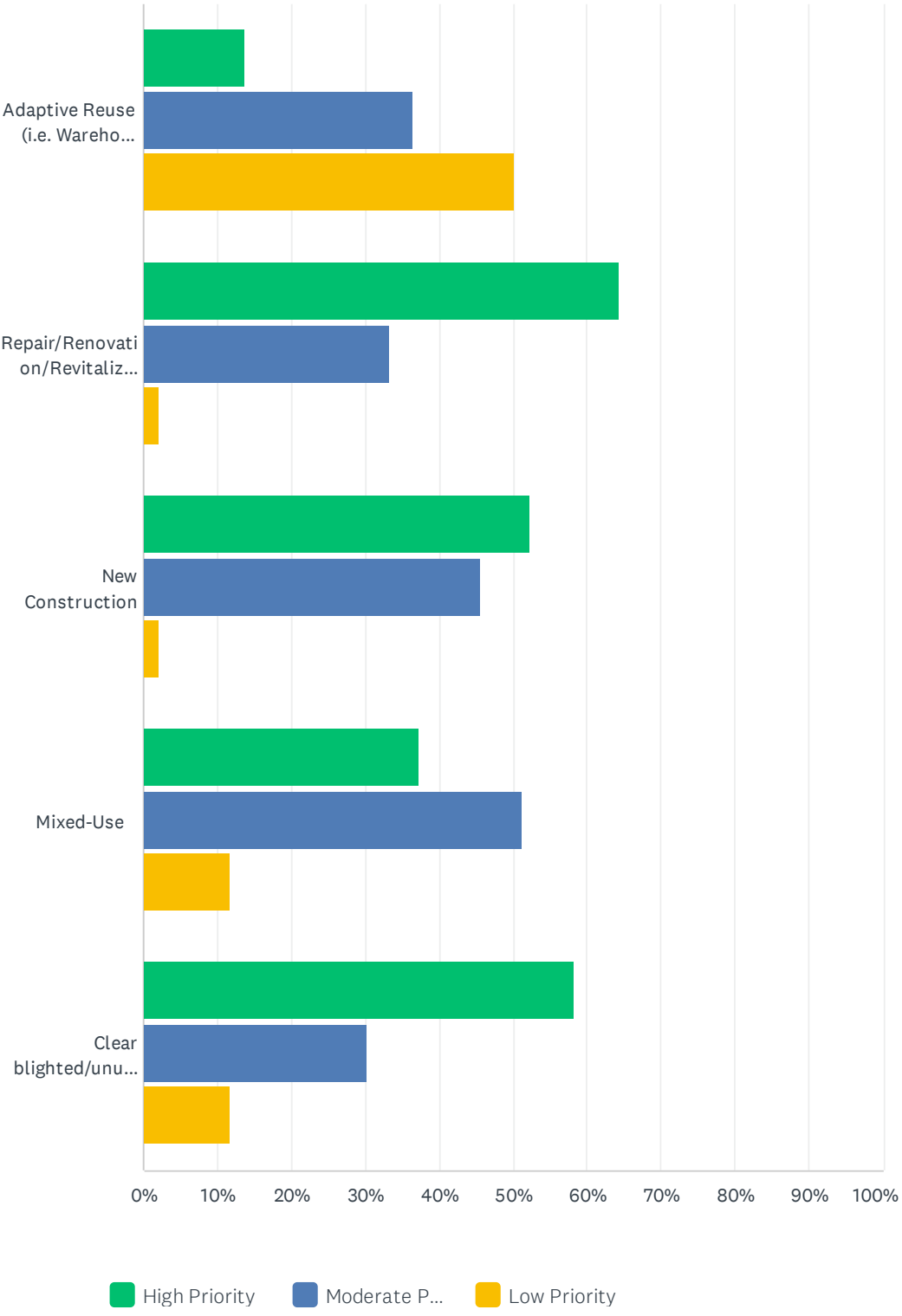

Lack of Access to Public...
Lack of Down Payment for...
Lack of Rental Deposit (or...
Failed Background...
High Cost of Renovation
High Cost of Maintenance/...
Absentee Landlords



	OFTEN	SOMEWHAT	NOT AT ALL	TOTAL	WEIGHTED AVERAGE
Foreclosure	7.69% 3	87.18% 34	5.13% 2	39	1.97
Limited Availability	91.30% 42	8.70% 4	0.00% 0	46	1.09
Overcrowded Housing	46.51% 20	48.84% 21	4.65% 2	43	1.58
Rent Affordability	77.78% 35	20.00% 9	2.22% 1	45	1.24
Home Purchase Affordability	82.61% 38	15.22% 7	2.17% 1	46	1.20
Substandard Housing (quality/condition)	54.55% 24	40.91% 18	4.55% 2	44	1.50
Lack of Access to Public Transportation	76.74% 33	11.63% 5	11.63% 5	43	1.35
Lack of Down Payment for Purchase	65.12% 28	32.56% 14	2.33% 1	43	1.37
Lack of Rental Deposit (or First/Last Month Rent)	47.73% 21	50.00% 22	2.27% 1	44	1.55
Failed Background Checks	22.50% 9	67.50% 27	10.00% 4	40	1.88
High Cost of Renovation	69.77% 30	27.91% 12	2.33% 1	43	1.33
High Cost of Maintenance/Upkeep	60.47% 26	37.21% 16	2.33% 1	43	1.42
Absentee Landlords	19.05% 8	66.67% 28	14.29% 6	42	1.95
Investors Buying Properties and Increasing Rents/Prices	44.19% 19	51.16% 22	4.65% 2	43	1.60

Q7 Rank the priority that should be given to each of the following construction types of housing.

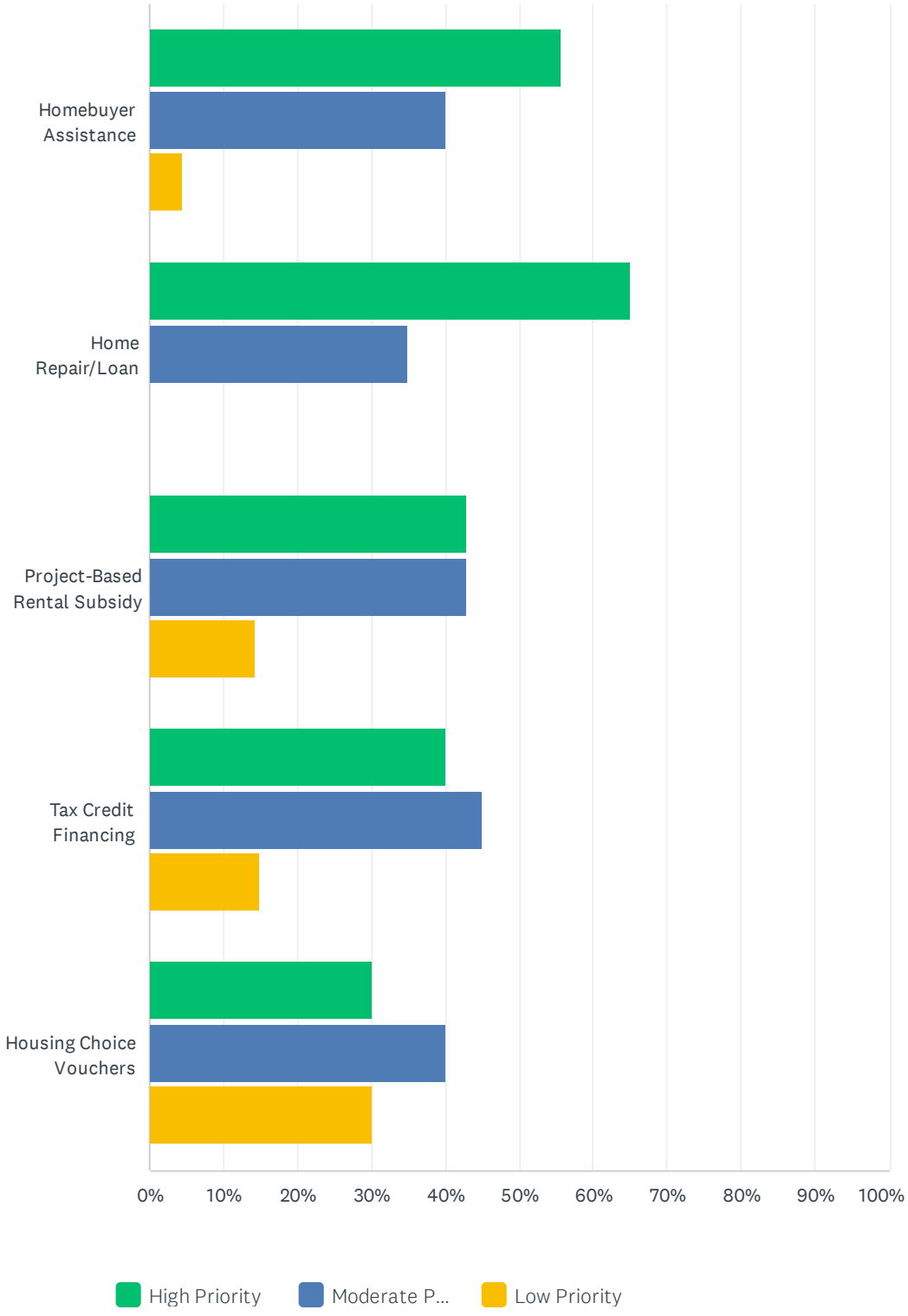
Answered: 46 Skipped: 16



	HIGH PRIORITY	MODERATE PRIORITY	LOW PRIORITY	TOTAL	WEIGHTED AVERAGE
Adaptive Reuse (i.e. Warehouse Conversion to Residential)	13.64% 6	36.36% 16	50.00% 22	44	2.36
Repair/Renovation/Revitalization of Existing Housing	64.44% 29	33.33% 15	2.22% 1	45	1.38
New Construction	52.17% 24	45.65% 21	2.17% 1	46	1.50
Mixed-Use	37.21% 16	51.16% 22	11.63% 5	43	1.74
Clear blighted/unused structures to create land for new development	58.14% 25	30.23% 13	11.63% 5	43	1.53

Q8 Rank the priority that should be given to each of the funding types for housing development or preservation.

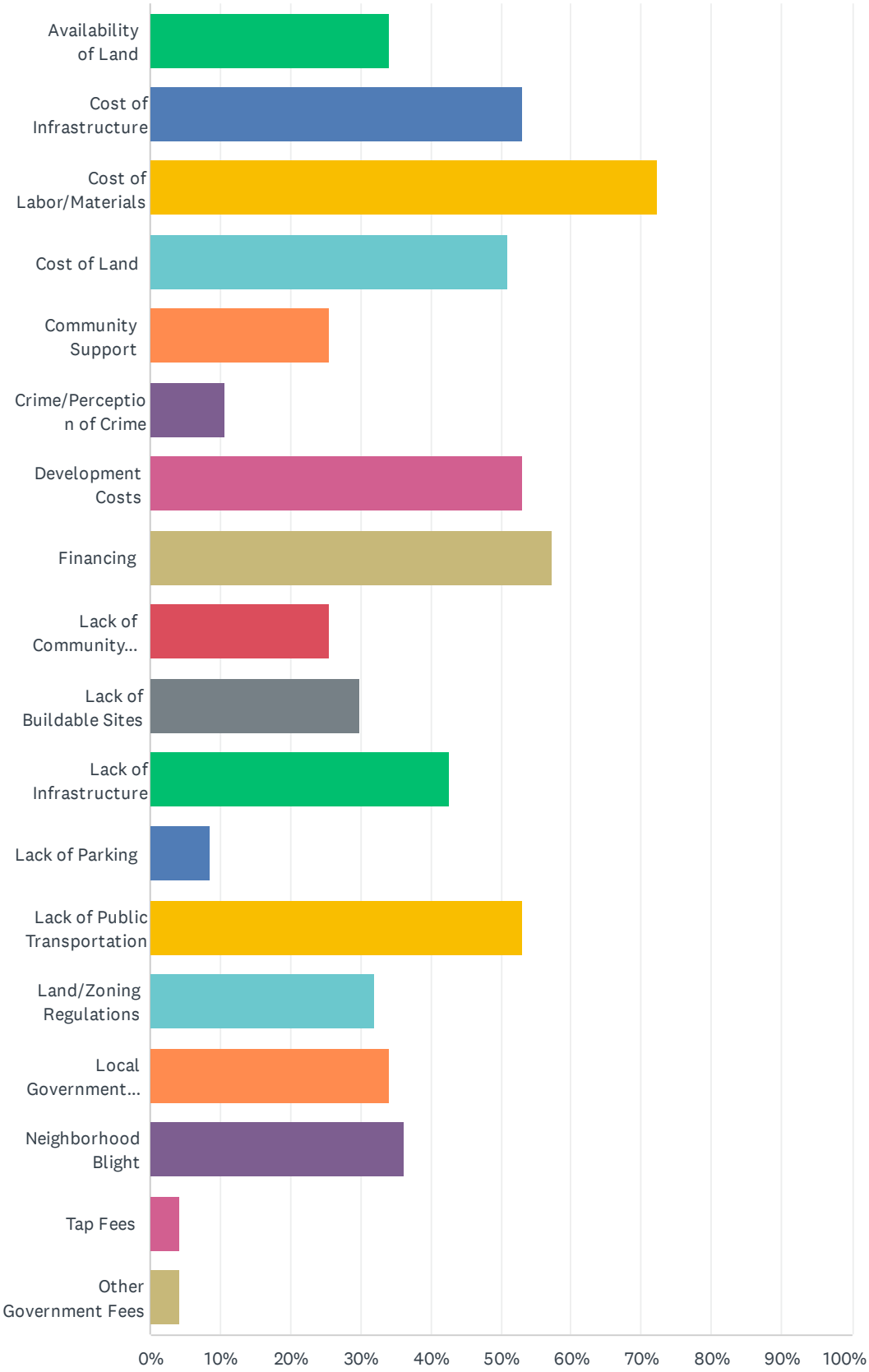
Answered: 45 Skipped: 17



	HIGH PRIORITY	MODERATE PRIORITY	LOW PRIORITY	TOTAL	WEIGHTED AVERAGE
Homebuyer Assistance	55.56% 25	40.00% 18	4.44% 2	45	1.49
Home Repair/Loan	65.12% 28	34.88% 15	0.00% 0	43	1.35
Project-Based Rental Subsidy	42.86% 18	42.86% 18	14.29% 6	42	1.71
Tax Credit Financing	40.00% 16	45.00% 18	15.00% 6	40	1.75
Housing Choice Vouchers	30.00% 12	40.00% 16	30.00% 12	40	2.00

Q9 What common barriers or obstacles exist in the county that you believe limit residential development? (select all that apply)

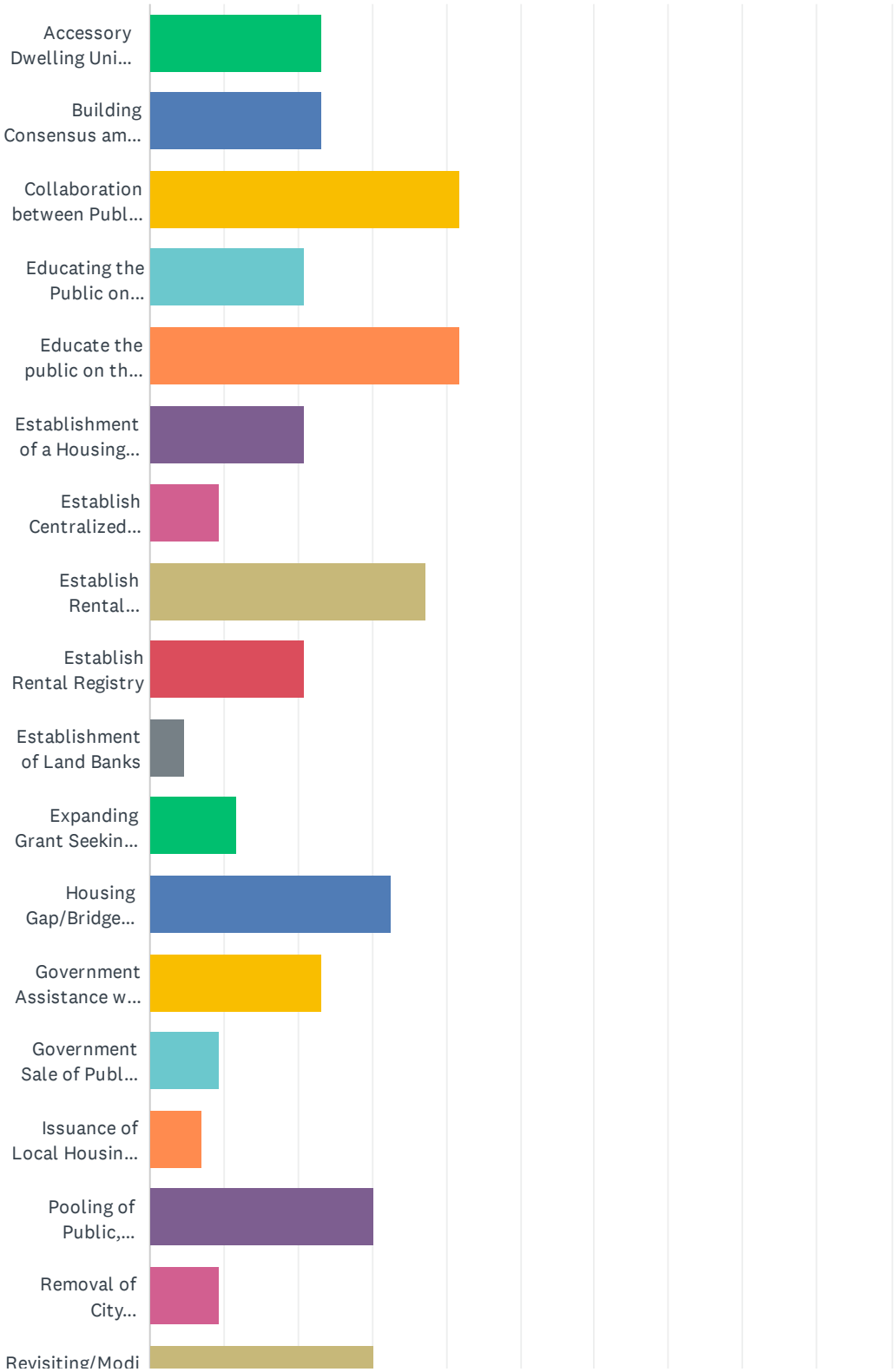
Answered: 47 Skipped: 15

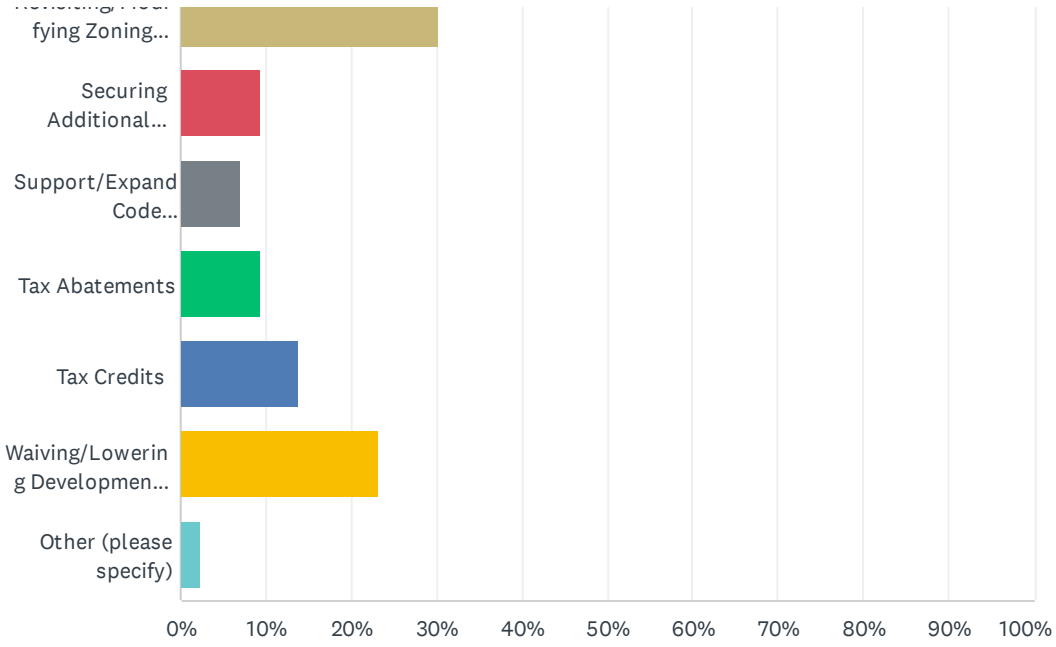

Availability of Land
Cost of Infrastructure
Cost of Labor/Materials
Cost of Land
Community Support
Crime/Perception of Crime
Development Costs
Financing
Lack of Community...
Lack of Buildable Sites
Lack of Infrastructure
Lack of Parking
Lack of Public Transportation
Land/Zoning Regulations
Local Government...
Neighborhood Blight
Tap Fees
Other Government Fees
0%
10%
20%
30%
40%
50%
60%
70%
80%
90%
100%

ANSWER CHOICES	RESPONSES	
Availability of Land	34.04%	16
Cost of Infrastructure	53.19%	25
Cost of Labor/Materials	72.34%	34
Cost of Land	51.06%	24
Community Support	25.53%	12
Crime/Perception of Crime	10.64%	5
Development Costs	53.19%	25
Financing	57.45%	27
Lack of Community Services	25.53%	12
Lack of Buildable Sites	29.79%	14
Lack of Infrastructure	42.55%	20
Lack of Parking	8.51%	4
Lack of Public Transportation	53.19%	25
Land/Zoning Regulations	31.91%	15
Local Government Regulations ("red tape")	34.04%	16
Neighborhood Blight	36.17%	17
Tap Fees	4.26%	2
Other Government Fees	4.26%	2
Total Respondents: 47		

Q10 Which of the following represent the best options to reduce or eliminate the area's greatest obstacles (barriers to residential development)? (Select up to 5)

Answered: 43 Skipped: 19

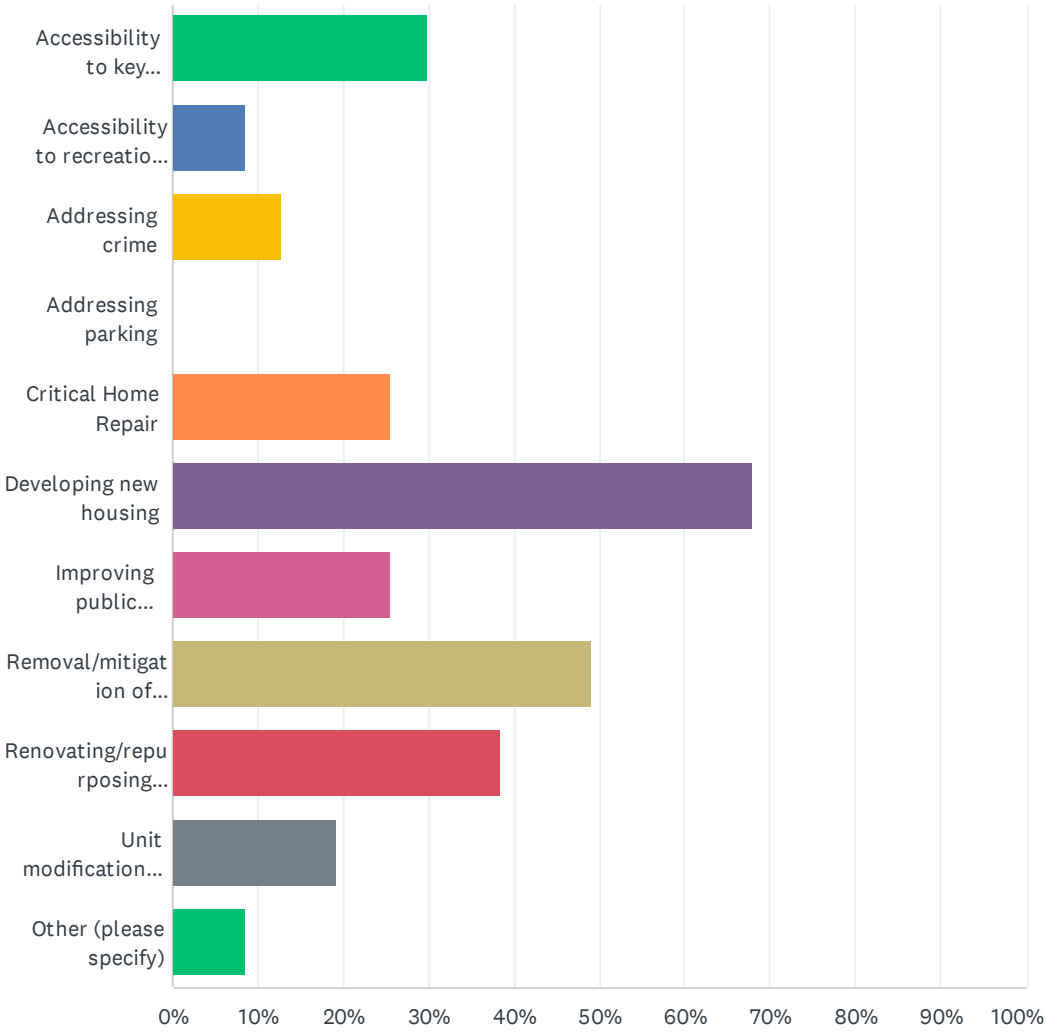



fying Zoning...
Securing Additional...
Support/Expand Code...
Tax Abatements
Tax Credits
Waiving/Lowering Developmen...
Other (please specify)
0%
10%
20%
30%
40%
50%
60%
70%
80%
90%
100%

ANSWER CHOICES	RESPONSES	
Accessory Dwelling Unit Opportunities	23.26%	10
Building Consensus among Communities/Advocates	23.26%	10
Collaboration between Public and Private Sectors	41.86%	18
Educating the Public on Importance of Housing	20.93%	9
Educate the public on the importance of different types of housing	41.86%	18
Establishment of a Housing Trust Fund (focuses on preservation/development of affordable housing)	20.93%	9
Establish Centralized Developer/Builder Resource Center	9.30%	4
Establish Rental Inspection Program	37.21%	16
Establish Rental Registry	20.93%	9
Establishment of Land Banks	4.65%	2
Expanding Grant Seeking Efforts	11.63%	5
Housing Gap/Bridge Financing	32.56%	14
Government Assistance with Infrastructure	23.26%	10
Government Sale of Public Land/Buildings at Discount or Donated	9.30%	4
Issuance of Local Housing Bond	6.98%	3
Pooling of Public, Philanthropic, and Private Resources	30.23%	13
Removal of City Fines/Fees/Liens on Existing Homes to Encourage Transactions	9.30%	4
Revisiting/Modifying Zoning (e.g., density, setbacks, etc.)	30.23%	13
Securing Additional Housing Choice Vouchers	9.30%	4
Support/Expand Code Enforcement	6.98%	3
Tax Abatements	9.30%	4
Tax Credits	13.95%	6
Waiving/Lowering Development Fees	23.26%	10
Other (please specify)	2.33%	1
Total Respondents: 43		

Q11 Of the following, which three items below should be areas of focus for the county? (select up to three)

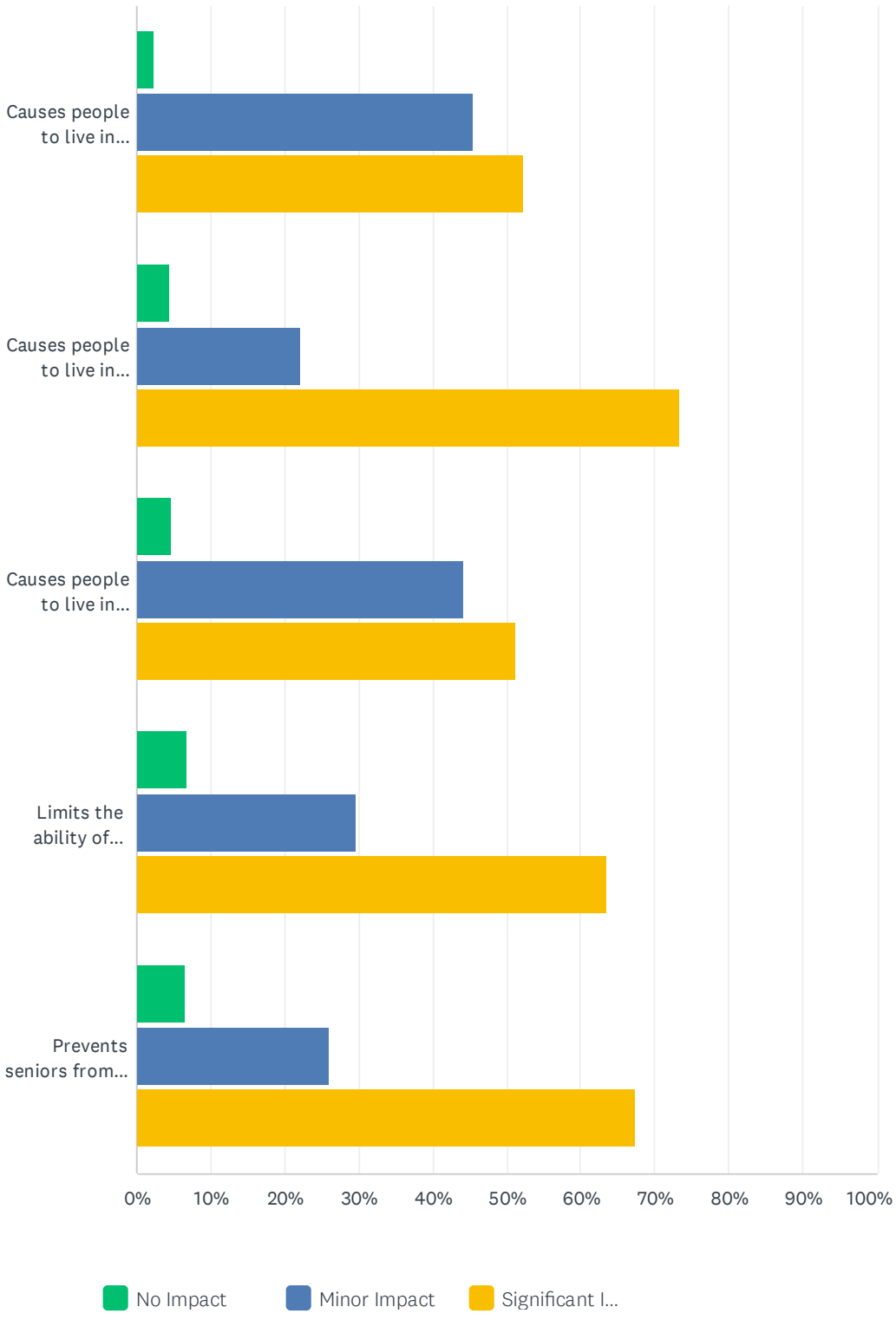
Answered: 47 Skipped: 15



ANSWER CHOICES	RESPONSES	
Accessibility to key community services (e.g. Healthcare, childcare, etc.)	29.79%	14
Accessibility to recreational amenities	8.51%	4
Addressing crime	12.77%	6
Addressing parking	0.00%	0
Critical Home Repair	25.53%	12
Developing new housing	68.09%	32
Improving public transportation	25.53%	12
Removal/mitigation of residential blight	48.94%	23
Renovating/repurposing buildings for housing	38.30%	18
Unit modifications to allow aging in place	19.15%	9
Other (please specify)	8.51%	4
Total Respondents: 47		

Q12 To what degree do you believe housing impacts local residents?

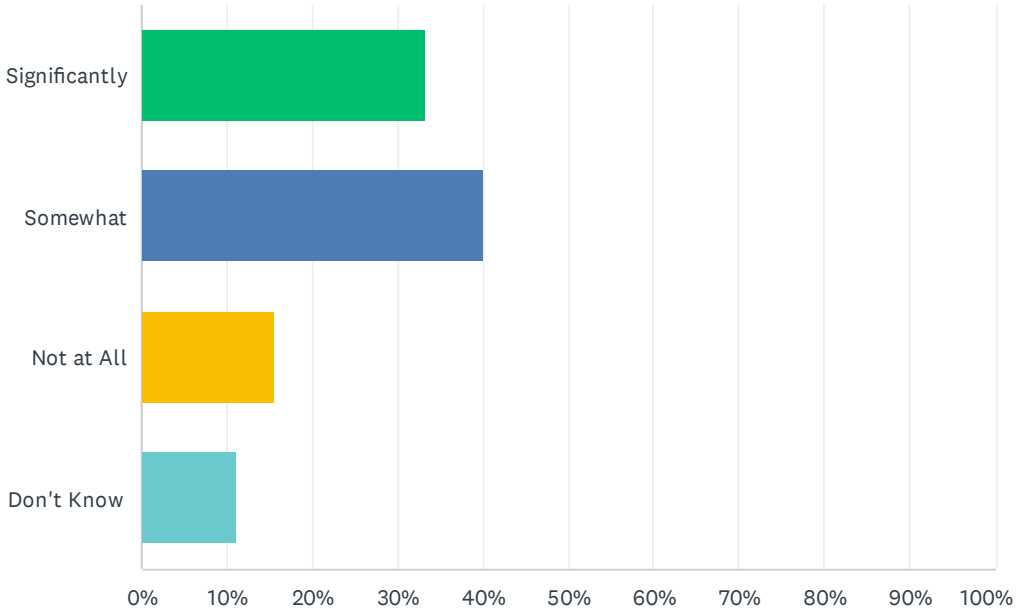
Answered: 46 Skipped: 16



	NO IMPACT	MINOR IMPACT	SIGNIFICANT IMPACT	TOTAL	WEIGHTED AVERAGE
Causes people to live in housing they cannot afford	2.27% 1	45.45% 20	52.27% 23	44	2.50
Causes people to live in substandard housing	4.44% 2	22.22% 10	73.33% 33	45	2.69
Causes people to live in unsafe housing or neighborhoods	4.65% 2	44.19% 19	51.16% 22	43	2.47
Limits the ability of families to grow/thrive	6.82% 3	29.55% 13	63.64% 28	44	2.57
Prevents seniors from living in housing that fits their needs	6.52% 3	26.09% 12	67.39% 31	46	2.61

Q13 To what degree, if any, do you believe second home buyers and/or vacation rentals are adversely impacting the local housing market?

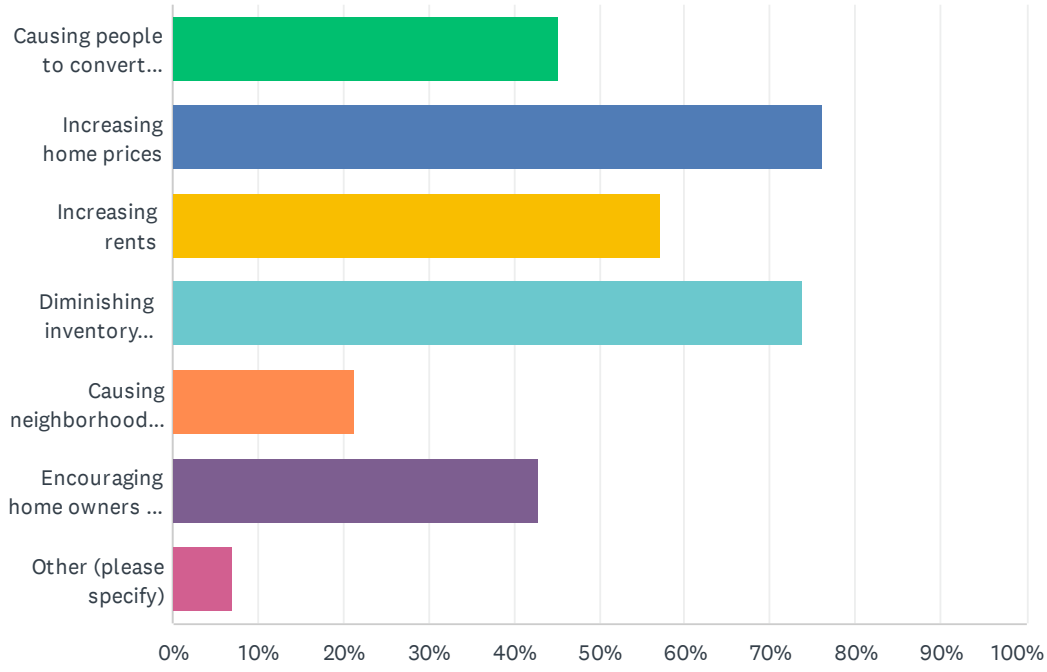
Answered: 45 Skipped: 17



ANSWER CHOICES	RESPONSES	
Significantly	33.33%	15
Somewhat	40.00%	18
Not at All	15.56%	7
Don't Know	11.11%	5
TOTAL		45

Q14 In what ways, if any, do you believe second home buyers and/or vacation rentals are adversely impacting the local housing market? (select all that apply)

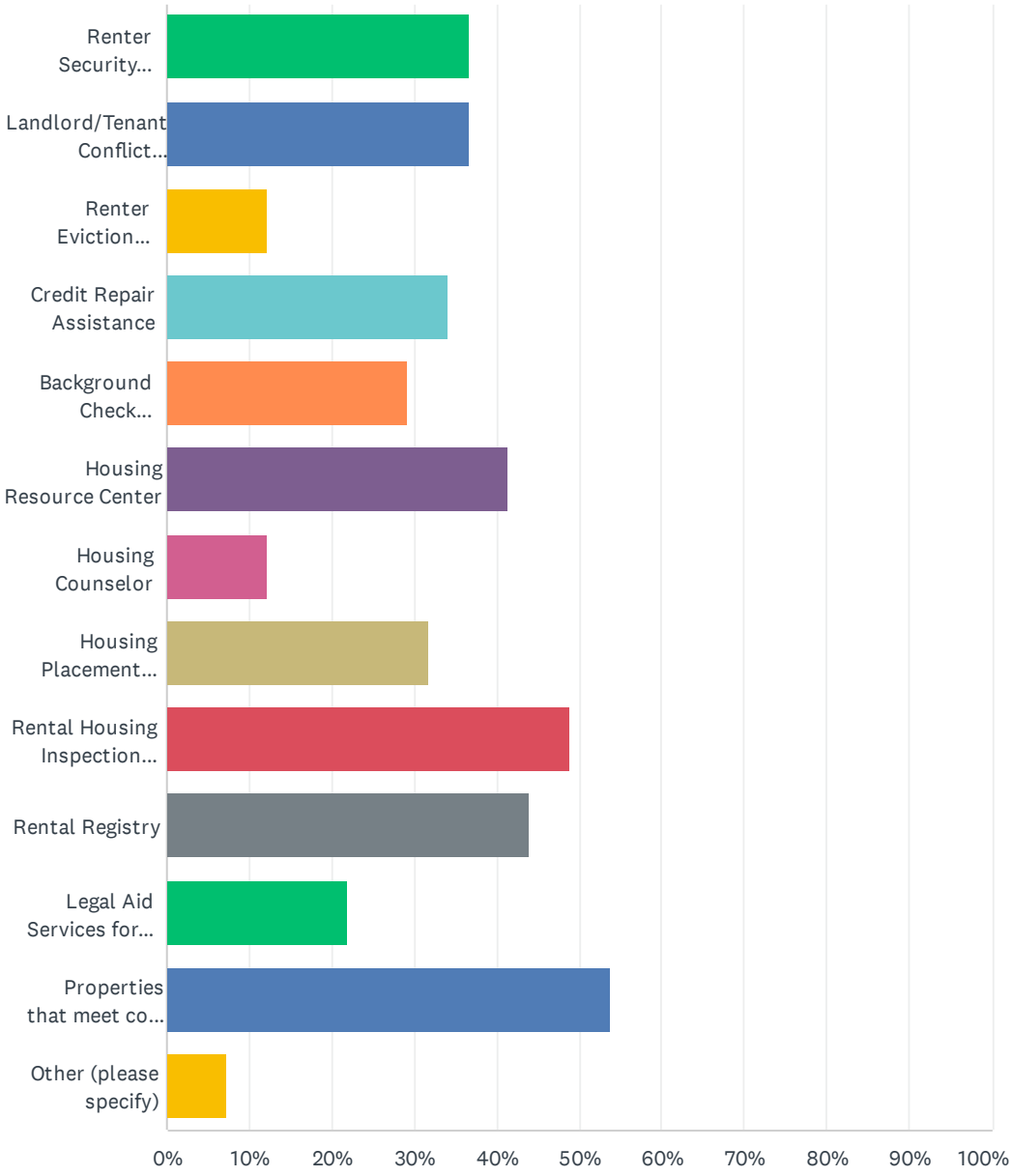
Answered: 42 Skipped: 20



ANSWER CHOICES	RESPONSES	
Causing people to convert housing to seasonal housing	45.24%	19
Increasing home prices	76.19%	32
Increasing rents	57.14%	24
Diminishing inventory available to permanent residents	73.81%	31
Causing neighborhoods/towns to lose character	21.43%	9
Encouraging home owners to sale to investors	42.86%	18
Other (please specify)	7.14%	3
Total Respondents: 42		

Q15 Which of the following options do you believe should become priorities to assist renters in the area? (select up to five)

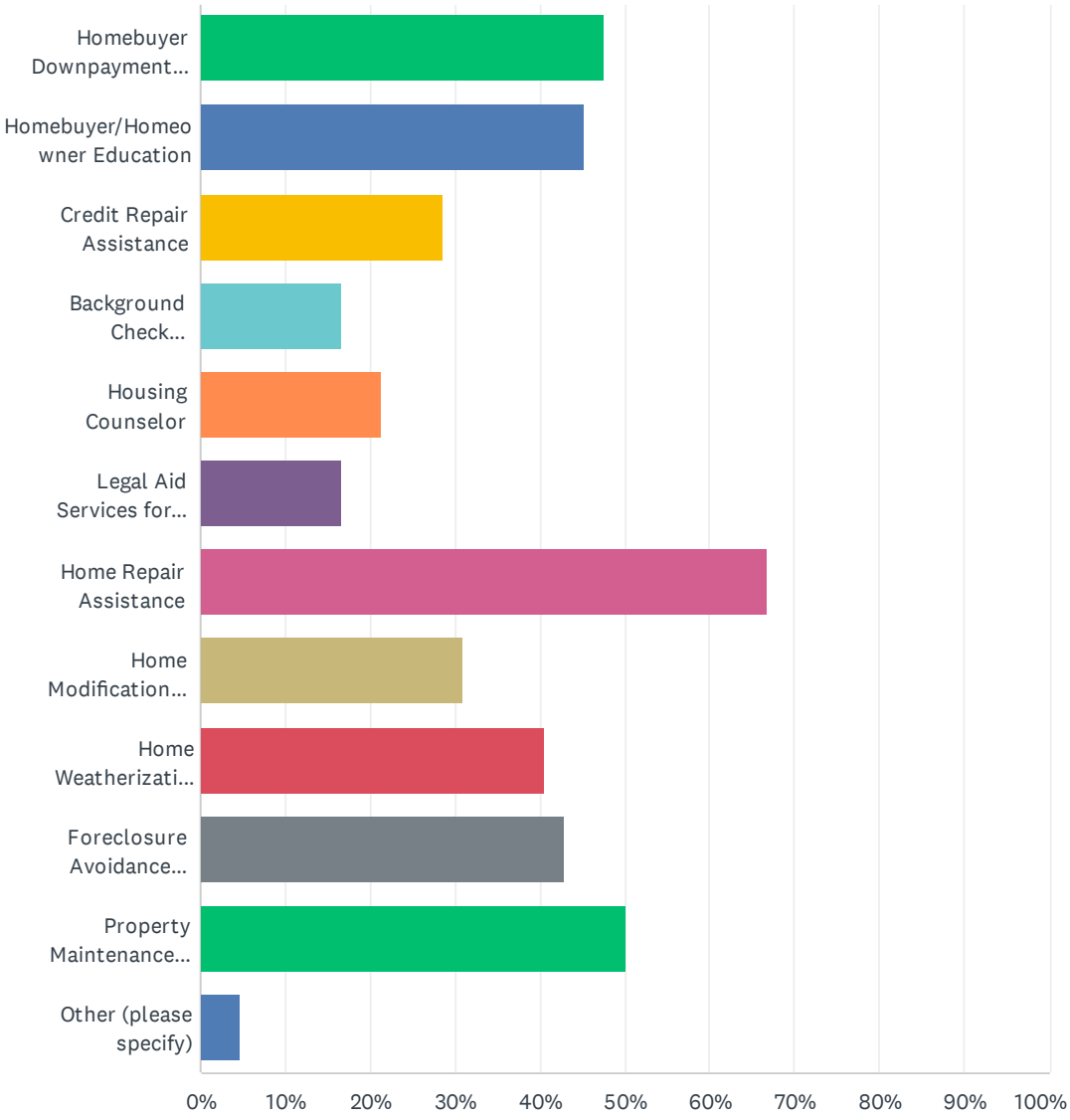
Answered: 41 Skipped: 21



ANSWER CHOICES	RESPONSES	
Renter Security Deposit Assistance	36.59%	15
Landlord/Tenant Conflict Resolution	36.59%	15
Renter Eviction Prevention	12.20%	5
Credit Repair Assistance	34.15%	14
Background Check Resolution	29.27%	12
Housing Resource Center	41.46%	17
Housing Counselor	12.20%	5
Housing Placement Service	31.71%	13
Rental Housing Inspection Program	48.78%	20
Rental Registry	43.90%	18
Legal Aid Services for Housing	21.95%	9
Properties that meet code/ life safety compliance	53.66%	22
Other (please specify)	7.32%	3
Total Respondents: 41		

Q16 Which of the following options do you believe should become priorities to assist homeowners/buyers in the area? (select up to five)

Answered: 42 Skipped: 20



ANSWER CHOICES	RESPONSES	
Homebuyer Downpayment Assistance	47.62%	20
Homebuyer/Homeowner Education	45.24%	19
Credit Repair Assistance	28.57%	12
Background Check Resolution	16.67%	7
Housing Counselor	21.43%	9
Legal Aid Services for Housing	16.67%	7
Home Repair Assistance	66.67%	28
Home Modification Assistance	30.95%	13
Home Weatherization Assistance	40.48%	17
Foreclosure Avoidance Education	42.86%	18
Property Maintenance Education	50.00%	21
Other (please specify)	4.76%	2
Total Respondents: 42		

Q17 Is there anything else you would like to share about housing challenges in the county?

Answered: 13 Skipped: 49

Q18 Are you aware of any properties (either vacant parcels or vacant buildings like churches, schools, warehouses, offices, etc.) that may represent potential sites for future housing projects? If yes, please provide basic information on the type (building or parcel) and location (address, intersection, name of building, etc.).

Answered: 14 Skipped: 48

EMPLOYER SURVEY

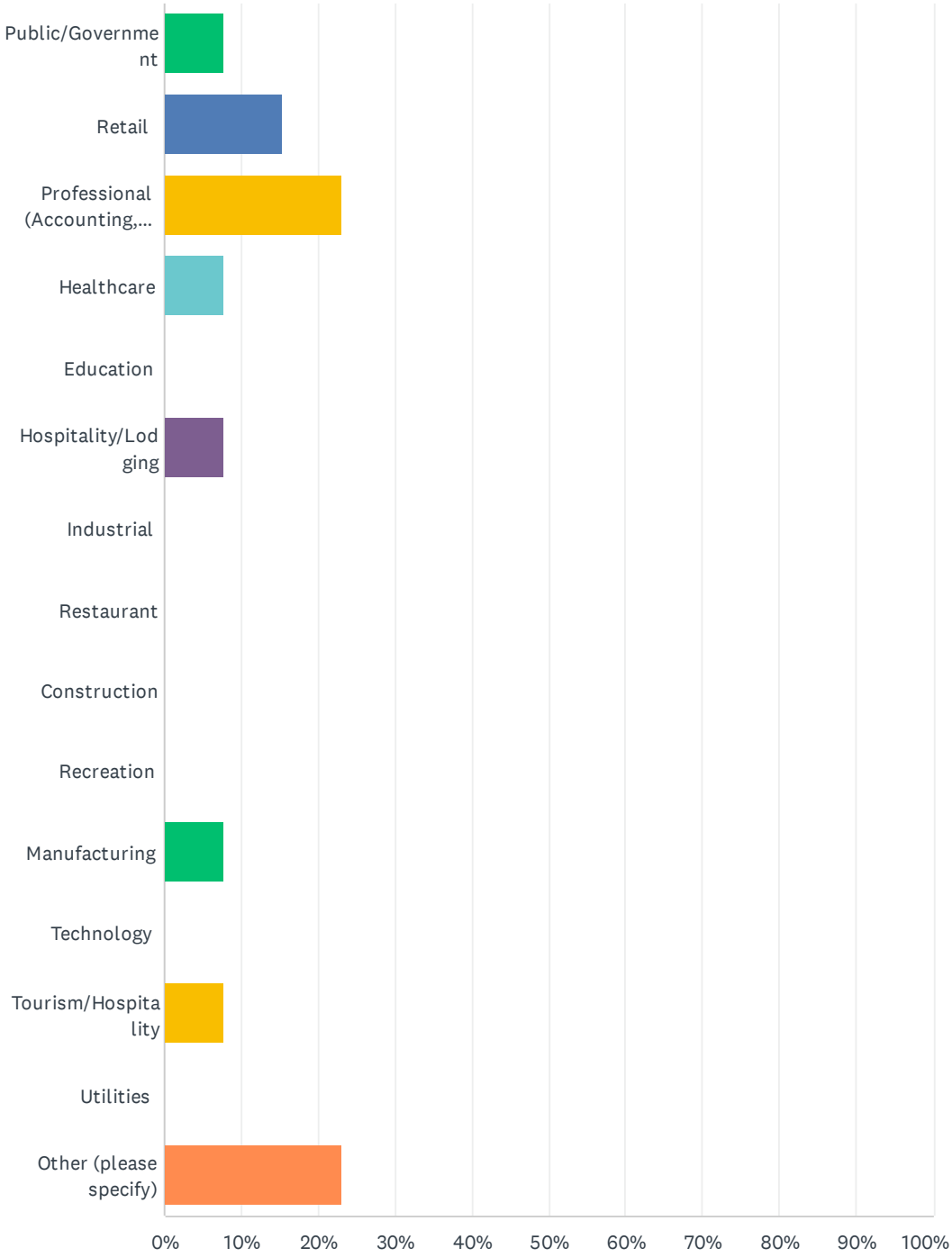
Q1 Provide Your Contact Information

Answered: 14 Skipped: 0

ANSWER CHOICES	RESPONSES	
Name	100.00%	14
Company	100.00%	14
Address	0.00%	0
Address 2	0.00%	0
City/Town	0.00%	0
State/Province	0.00%	0
ZIP/Postal Code	0.00%	0
Country	0.00%	0
Email Address	100.00%	14
Phone Number	100.00%	14

Q2 Describe the primary type of company you represent.

Answered: 13 Skipped: 1



ANSWER CHOICES	RESPONSES	
Public/Government	7.69%	1
Retail	15.38%	2
Professional (Accounting, Legal, Etc.)	23.08%	3
Healthcare	7.69%	1
Education	0.00%	0
Hospitality/Lodging	7.69%	1
Industrial	0.00%	0
Restaurant	0.00%	0
Construction	0.00%	0
Recreation	0.00%	0
Manufacturing	7.69%	1
Technology	0.00%	0
Tourism/Hospitality	7.69%	1
Utilities	0.00%	0
Other (please specify)	23.08%	3
TOTAL		13

Q3 Approximately how many people do you employ locally (within the county)?

Answered: 14 Skipped: 0

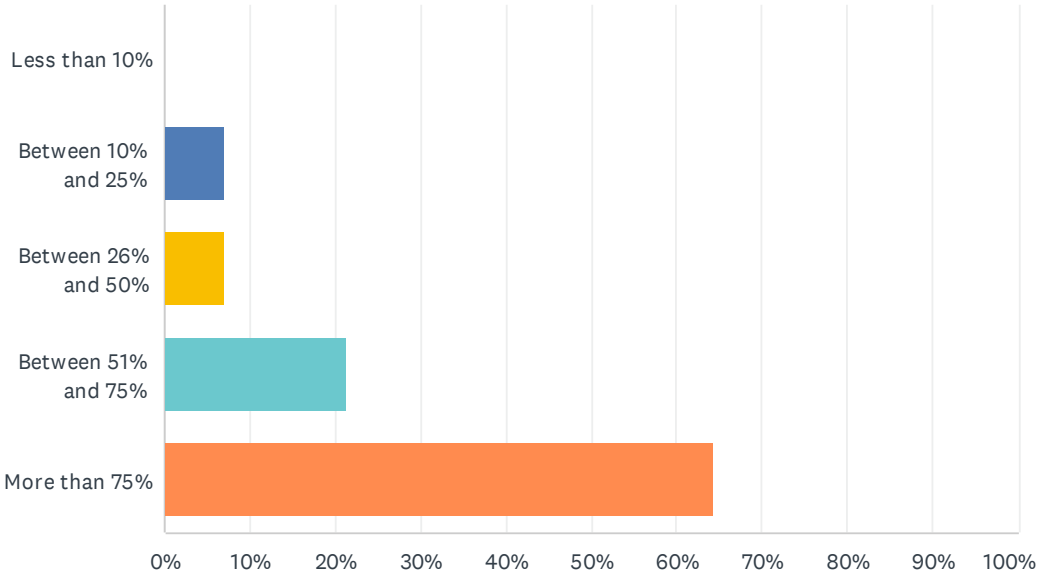
Q4 Approximately what number of your local employees are part-time, full-time and seasonal?

Answered: 14 Skipped: 0

ANSWER CHOICES	RESPONSES	
Part-Time	64.29%	9
Full-Time	100.00%	14
Seasonal	64.29%	9

Q5 Approximately what percentage of your local employees live in the county?

Answered: 14 Skipped: 0



ANSWER CHOICES	RESPONSES	
Less than 10%	0.00%	0
Between 10% and 25%	7.14%	1
Between 26% and 50%	7.14%	1
Between 51% and 75%	21.43%	3
More than 75%	64.29%	9
TOTAL		14

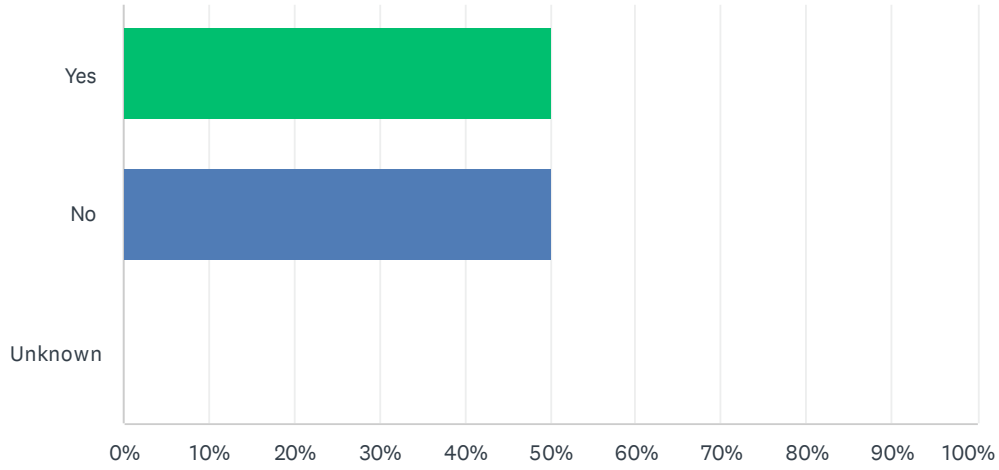
Q6 Approximate the number of jobs that the company may create over the next three years by annual wage?

Answered: 11 Skipped: 3

ANSWER CHOICES	RESPONSES	
Less than $25,000	63.64%	7
$25,000 - $50,000	63.64%	7
$51,000 - $75,000	27.27%	3
$76,000 - $100,000	18.18%	2
More than $100,000	27.27%	3

Q7 Have you had difficulty attracting or retaining employees due to housing related issues in the past couple of years?

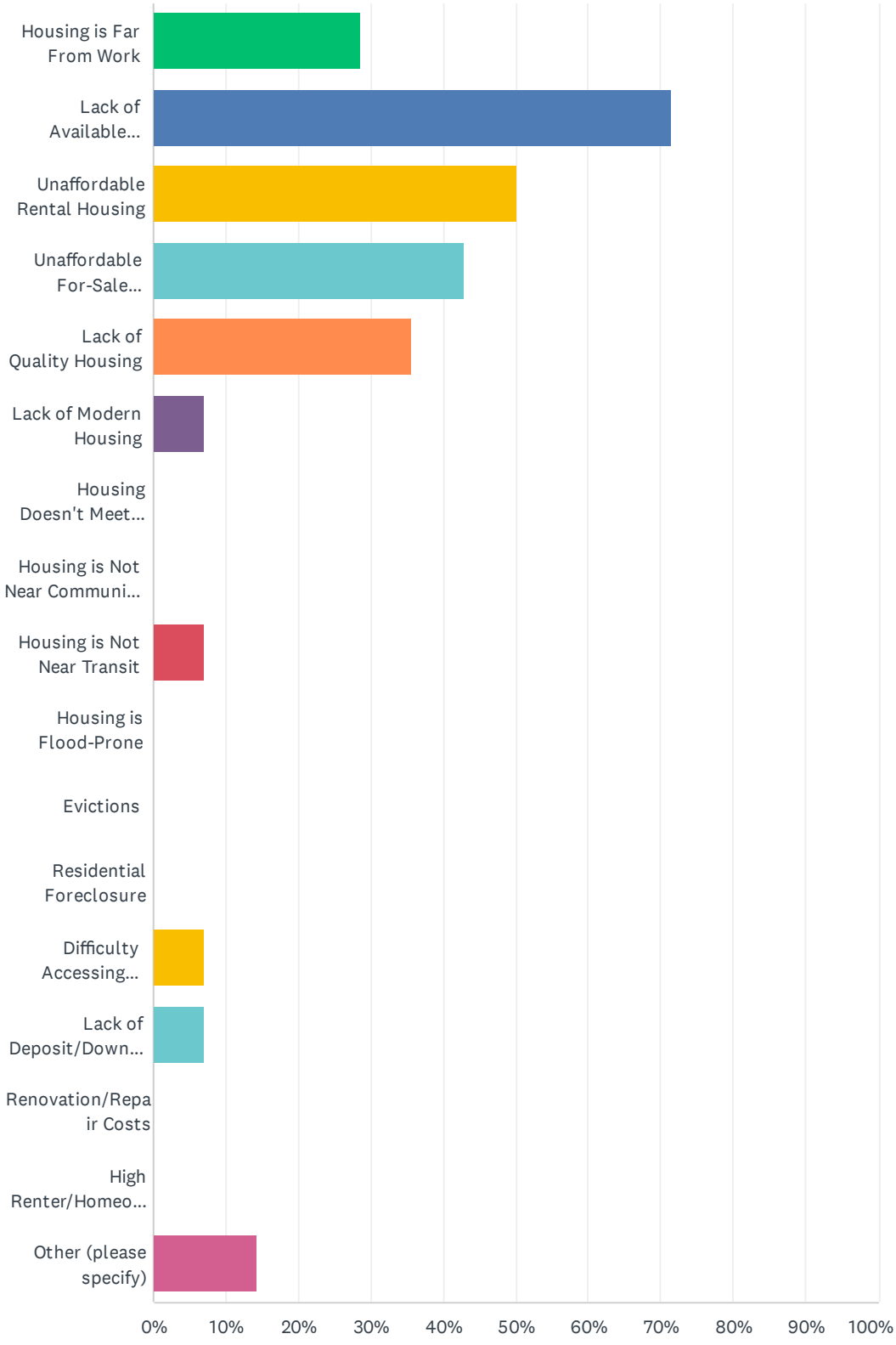
Answered: 14 Skipped: 0



ANSWER CHOICES	RESPONSES	
Yes	50.00%	7
No	50.00%	7
Unknown	0.00%	0
TOTAL		14

Q8 What are the three most common housing issues/challenges experienced by your employees:

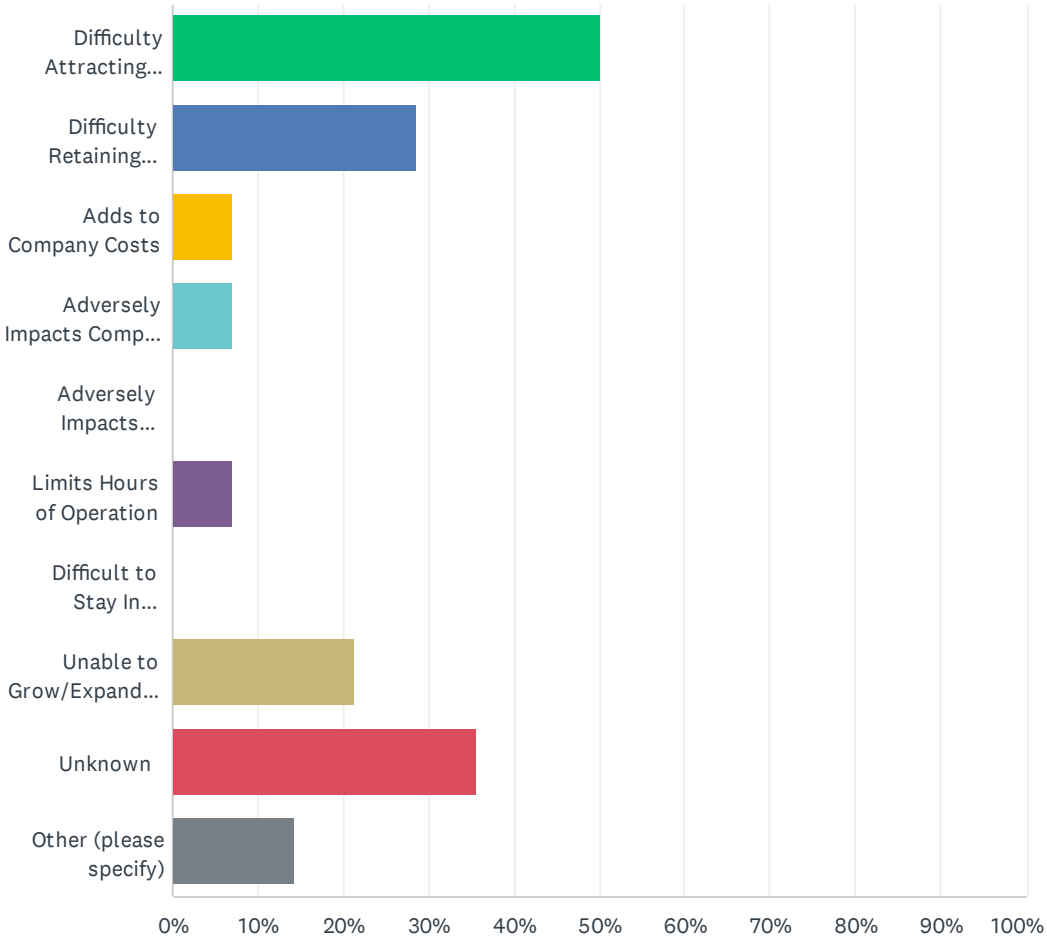
Answered: 14 Skipped: 0


Housing is Far From Work
Lack of Available...
Unaffordable Rental Housing
Unaffordable For-Sale...
Lack of Quality Housing
Lack of Modern Housing
Housing Doesn't Meet...
Housing is Not Near Communi...
Housing is Not Near Transit
Housing is Flood-Prone
Evictions
Residential Foreclosure
Difficulty Accessing...
Lack of Deposit/Down...
Renovation/Repair Costs
High Renter/Homeo...
Other (please specify)
0%
10%
20%
30%
40%
50%
60%
70%
80%
90%
100%

ANSWER CHOICES	RESPONSES	
Housing is Far From Work	28.57%	4
Lack of Available Housing	71.43%	10
Unaffordable Rental Housing	50.00%	7
Unaffordable For-Sale Housing	42.86%	6
Lack of Quality Housing	35.71%	5
Lack of Modern Housing	7.14%	1
Housing Doesn't Meet Employee's Needs	0.00%	0
Housing is Not Near Community Services	0.00%	0
Housing is Not Near Transit	7.14%	1
Housing is Flood-Prone	0.00%	0
Evictions	0.00%	0
Residential Foreclosure	0.00%	0
Difficulty Accessing Financing/Credit	7.14%	1
Lack of Deposit/Down Payment	7.14%	1
Renovation/Repair Costs	0.00%	0
High Renter/Homeowner Insurance Costs	0.00%	0
Other (please specify)	14.29%	2
Total Respondents: 14		

Q9 In what ways, if any, are the housing issues that your employees or prospective employees face impacting your company? (Select all that apply)

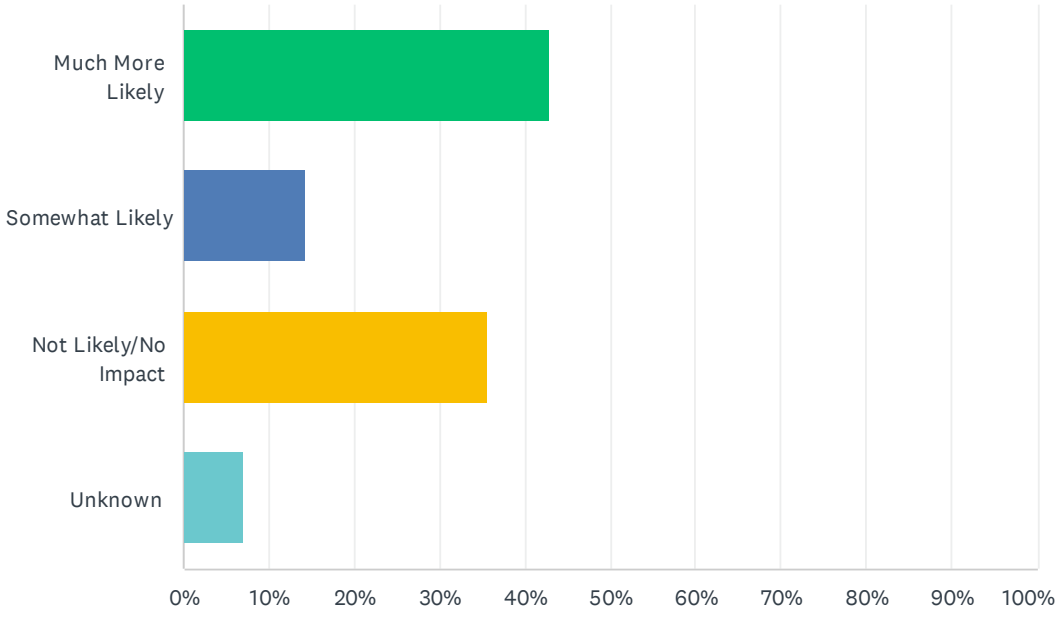
Answered: 14 Skipped: 0



ANSWER CHOICES	RESPONSES	
Difficulty Attracting Employees	50.00%	7
Difficulty Retaining Employees	28.57%	4
Adds to Company Costs	7.14%	1
Adversely Impacts Company Morale	7.14%	1
Adversely Impacts Productivity	0.00%	0
Limits Hours of Operation	7.14%	1
Difficult to Stay In Business	0.00%	0
Unable to Grow/Expand Business	21.43%	3
Unknown	35.71%	5
Other (please specify)	14.29%	2
Total Respondents: 14		

Q10 If additional housing was provided in the county that adequately served the needs of employees, to what degree would this increase the likelihood that your company would employ more people in the next three years?

Answered: 14 Skipped: 0



ANSWER CHOICES	RESPONSES	
Much More Likely	42.86%	6
Somewhat Likely	14.29%	2
Not Likely/No Impact	35.71%	5
Unknown	7.14%	1
TOTAL		14

Q11 If housing was not an issue in hiring, how many additional employees would you hire in the next three years? (If you don't know, please state "don't know")

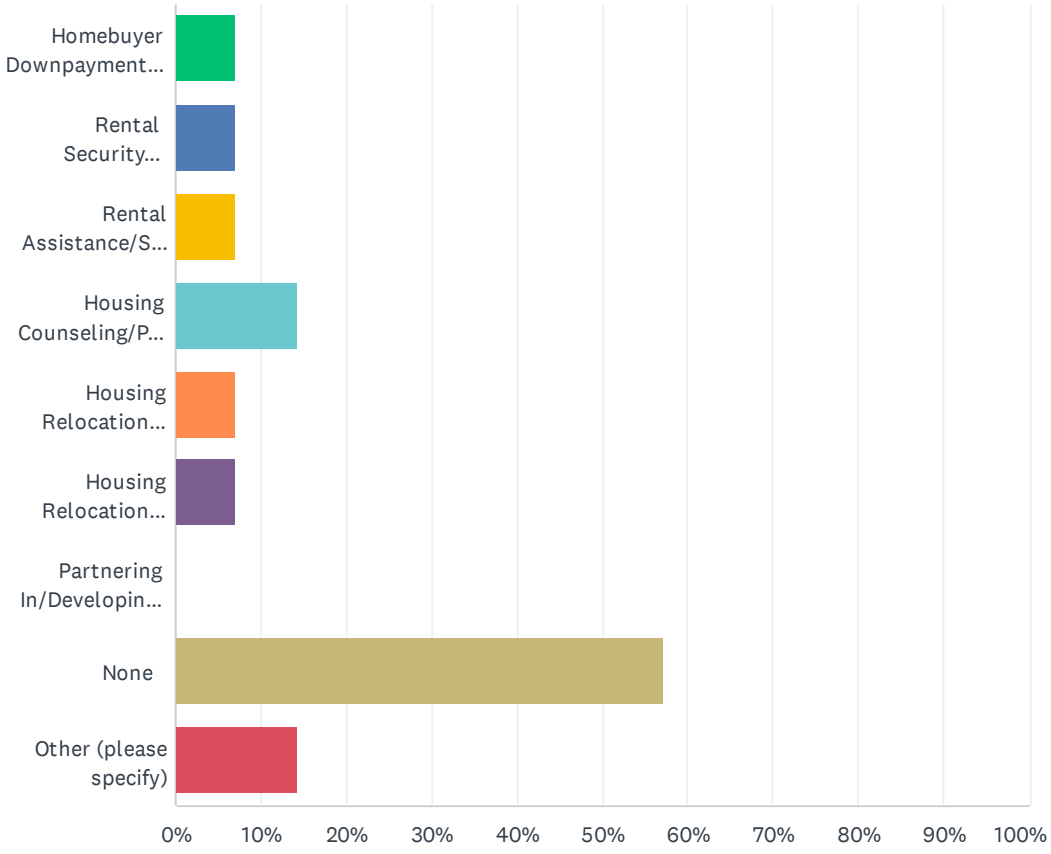
Answered: 14 Skipped: 0

Q12 Describe any type of housing assistance your company offers to its employees (e.g. down payment assistance, housing subsidy, workforce housing, etc.). If none are offered, please state “none”.

Answered: 14 Skipped: 0

Q13 What type of assistance, if any, would you consider providing to your employees to assist them with housing? (Select all that apply)

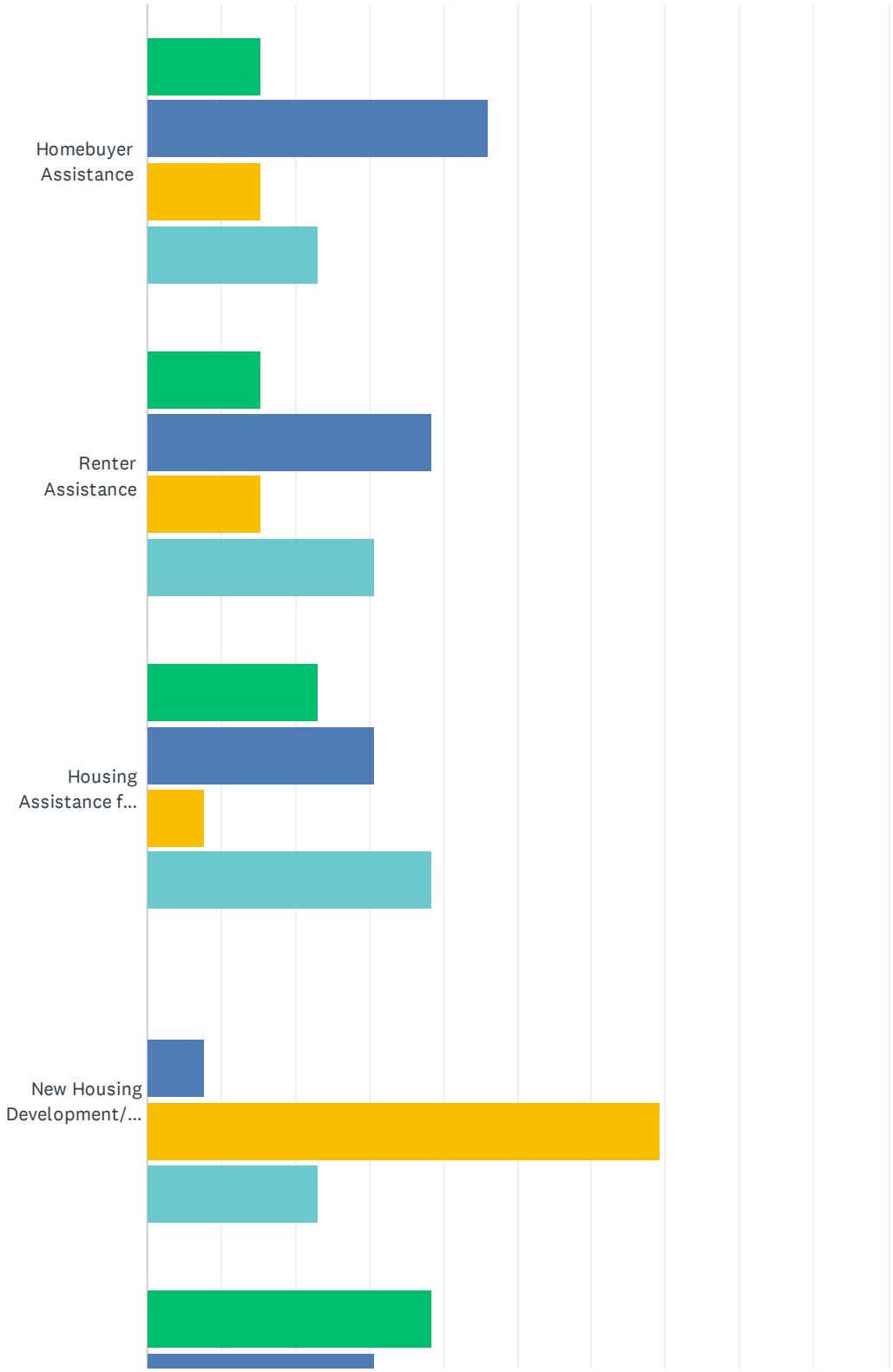
Answered: 14 Skipped: 0

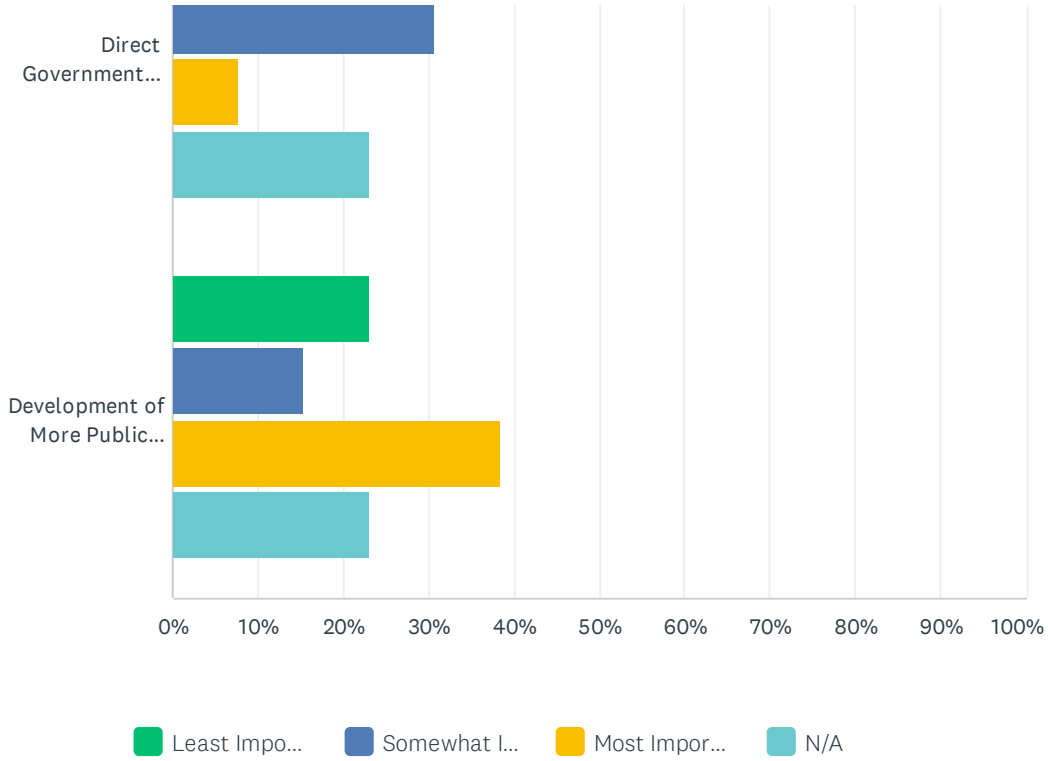


ANSWER CHOICES	RESPONSES	
Homebuyer Downpayment Assistance	7.14%	1
Rental Security Deposit Assistance	7.14%	1
Rental Assistance/Subsidy	7.14%	1
Housing Counseling/Placement Services	14.29%	2
Housing Relocation Services/Assistance	7.14%	1
Housing Relocation Reimbursement	7.14%	1
Partnering In/Developing Employee Housing	0.00%	0
None	57.14%	8
Other (please specify)	14.29%	2
Total Respondents: 14		

Q14 What is the level of importance of any future government housing programs, policies or incentives that could be implemented to assist employees with housing or addressing the market's housing issues?

Answered: 13 Skipped: 1

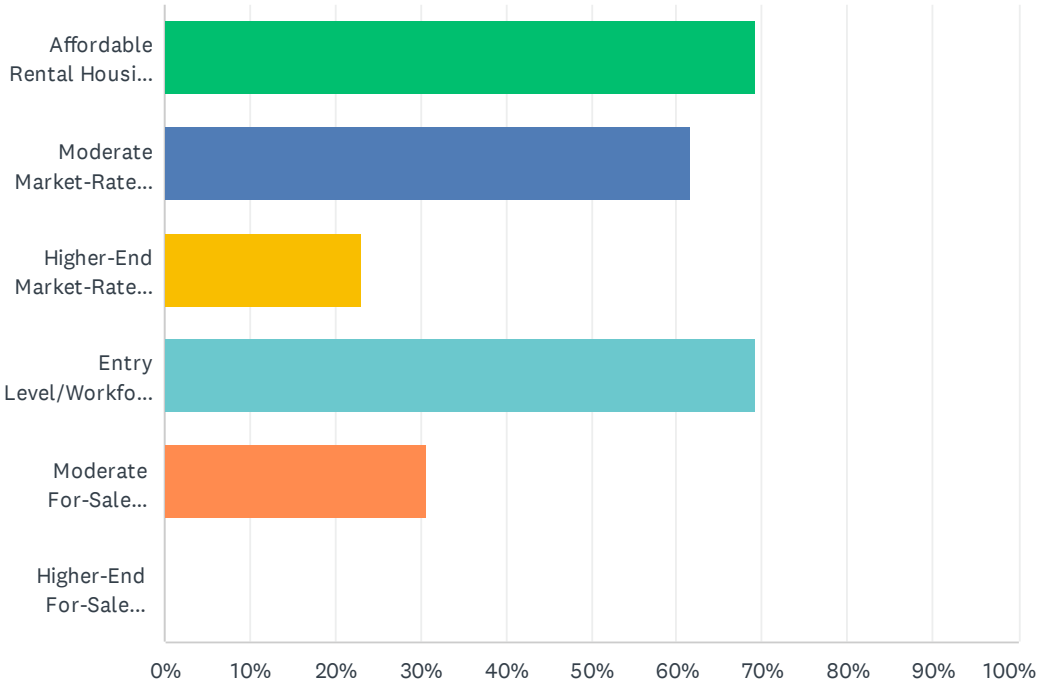




	LEAST IMPORTANT	SOMEWHAT IMPORTANT	MOST IMPORTANT	N/A	TOTAL	WEIGHTED AVERAGE
Homebuyer Assistance	15.38% 2	46.15% 6	15.38% 2	23.08% 3	13	2.00
Renter Assistance	15.38% 2	38.46% 5	15.38% 2	30.77% 4	13	2.00
Housing Assistance for Public Employees (Police, Fire, Teachers, Etc.)	23.08% 3	30.77% 4	7.69% 1	38.46% 5	13	1.75
New Housing Development/ Redevelopment	0.00% 0	7.69% 1	69.23% 9	23.08% 3	13	2.90
Direct Government Investment in Land for Workforce Housing (Land Banking)	38.46% 5	30.77% 4	7.69% 1	23.08% 3	13	1.60
Development of More Public Housing	23.08% 3	15.38% 2	38.46% 5	23.08% 3	13	2.20

Q15 In terms of product pricing, what are the three most-needed housing price-points for your employees?

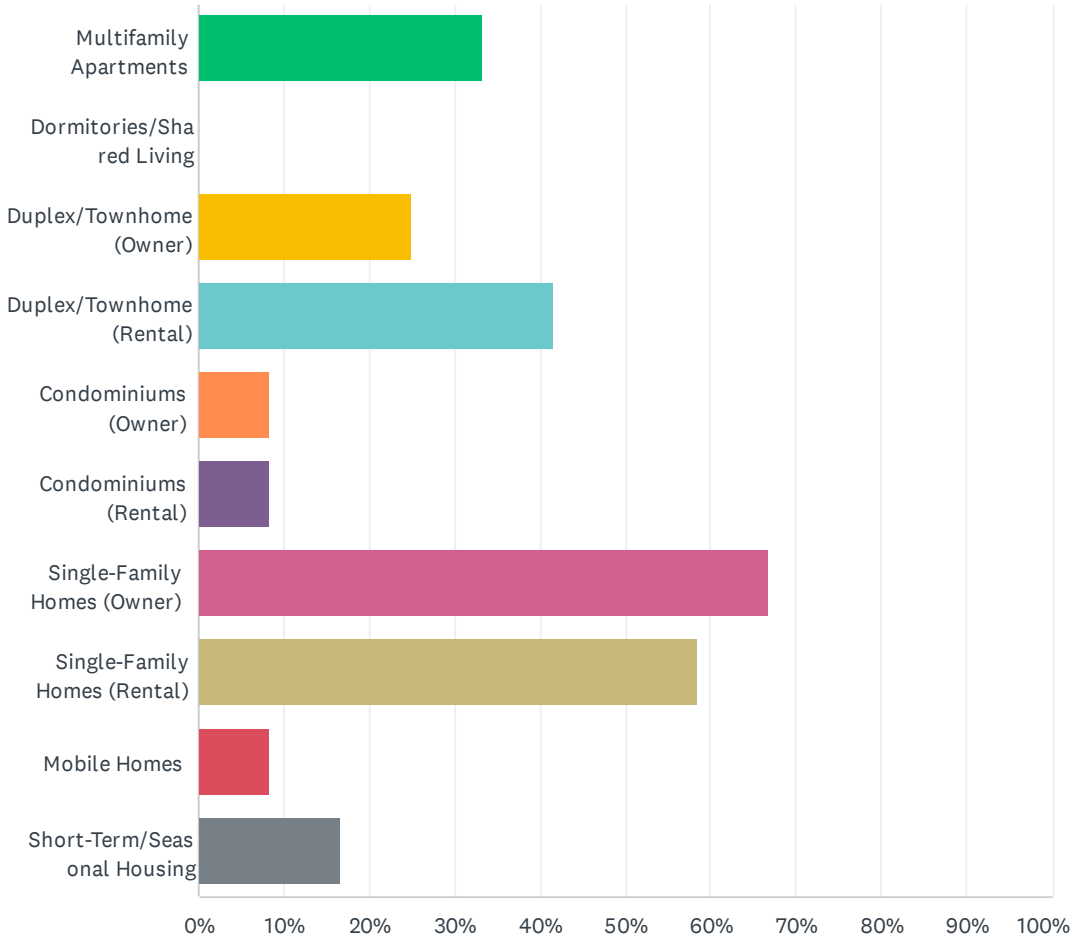
Answered: 13 Skipped: 1



ANSWER CHOICES	RESPONSES	
Affordable Rental Housing (Under $750/month)	69.23%	9
Moderate Market-Rate Rental Housing ($750-$1,250/month)	61.54%	8
Higher-End Market-Rate Rental Housing (Above $1,250/month)	23.08%	3
Entry Level/Workforce For-Sale Housing (Below $200,000)	69.23%	9
Moderate For-Sale Housing ($200,000-$300,000)	30.77%	4
Higher-End For-Sale Housing (Above $300,000)	0.00%	0
Total Respondents: 13		

Q16 In terms of product type, what are the three most-needed types of housing for your employees?

Answered: 12 Skipped: 2



ANSWER CHOICES	RESPONSES	
Multifamily Apartments	33.33%	4
Dormitories/Shared Living	0.00%	0
Duplex/Townhome (Owner)	25.00%	3
Duplex/Townhome (Rental)	41.67%	5
Condominiums (Owner)	8.33%	1
Condominiums (Rental)	8.33%	1
Single-Family Homes (Owner)	66.67%	8
Single-Family Homes (Rental)	58.33%	7
Mobile Homes	8.33%	1
Short-Term/Seasonal Housing	16.67%	2
Total Respondents: 12		

Q17 Do you have any additional comments regarding housing issues and needs that impact employees within the county?

Answered: 8 Skipped: 6

ADDENDUM C: COMMUNITY OVERVIEW (HART)

The primary focus of this Community Overview is on the community of Hart, Michigan. The analyses on the following pages provide overviews of key demographic data, summaries of the multifamily and non-conventional rental market, for-sale housing supply, and general conclusions on the housing needs of the overall community. For comparison purposes, the demographic and housing characteristics of Oceana County and the state of Michigan are also included, when applicable. It is important to note that the demographic projections included in this section assume no significant government policies, programs or incentives are enacted that would drastically alter residential development or economic activity.

It is important to note that 2010 and 2020 demographic data are based on U.S. Census data (actual count), while 2022 and 2027 data are based on calculated estimates provided by ESRI, a nationally recognized demography firm. Additionally, secondary housing data included within this analysis uses a combination of ESRI estimates and data obtained from the 2017-2021 American Community Survey (ACS). As such, differences in totals and shares among various tables within this analysis may exist.

A. INTRODUCTION

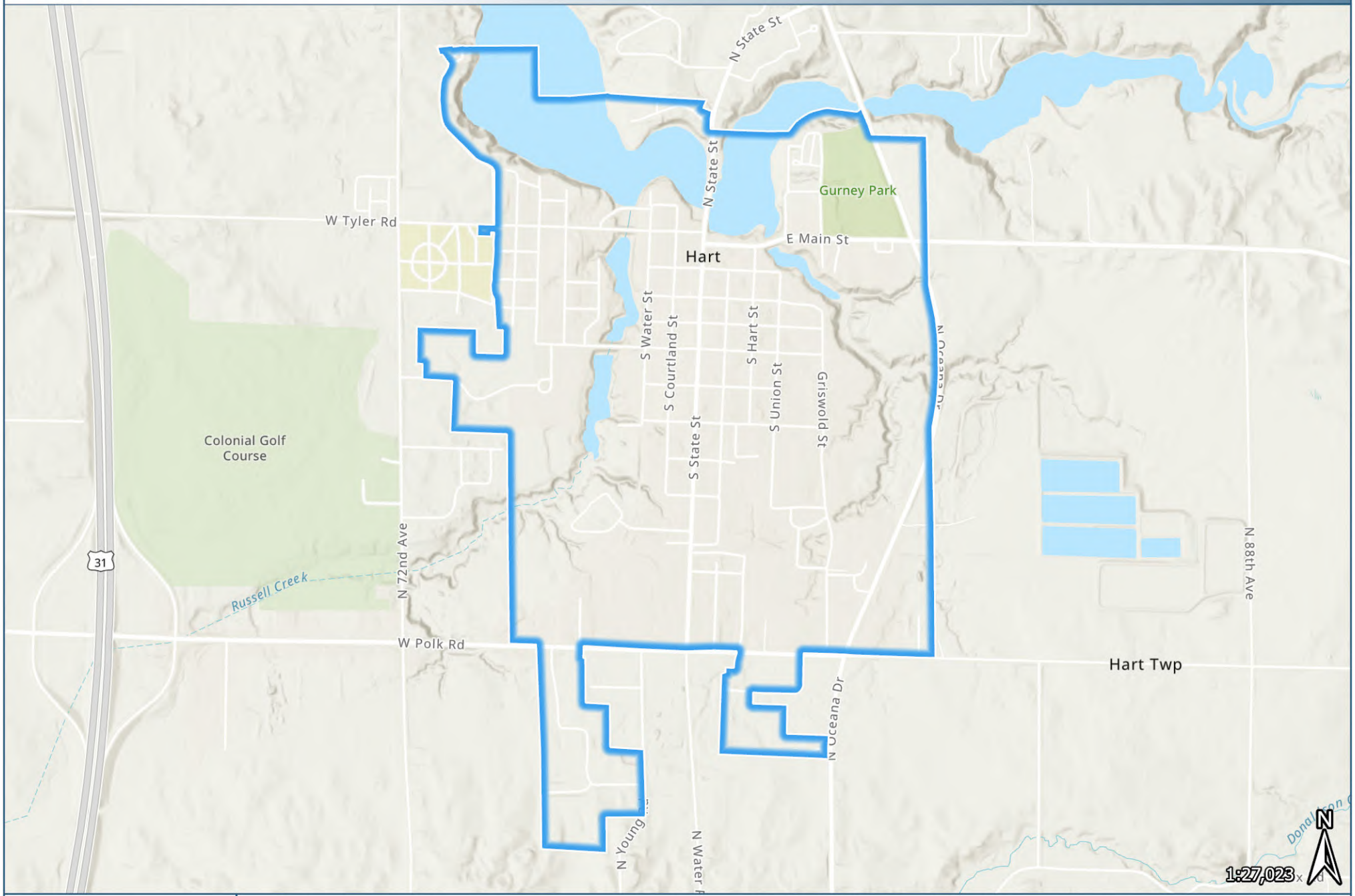
The city of Hart is located in the northcentral portion of Oceana County, Michigan and serves as the county seat. Hart is accessible via U.S. Highway 31 and contains approximately 1.9 square miles. The 2022 estimated population is 2,028, representative of approximately 7.7% of the population in Oceana County.

A map illustrating Hart, Michigan is included on the following page.

BOWEN NATIONAL RESEARCH

City of Hart

Oceana County, MI



0 0.1 0.2 0.3 0.4 Miles

Esri, NASA, NGA, USGS, FEMA, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, EPA, NPS, US Census Bureau, USDA
Additional Source(s): Bowen National Research

B. DEMOGRAPHICS

This section of the report evaluates key demographic characteristics for the community of Hart. Demographic comparisons provide insights into the human composition of housing markets.

Population by numbers and percent change (growth or decline) for selected years is shown in the following table. It should be noted that some total numbers and percentages may not match the totals within or between tables in this section due to rounding. Note that declines are illustrated in **red** text, while increases are illustrated in **green** text:

	Total Population									
	2010 Census	2020 Census	Change 2010-2020		2022 Estimated	Change 2020-2022		2027 Projected	Change 2022-2027	
			Number	Percent		Number	Percent		Number	Percent
Hart	2,092	2,053	**-39**	**-1.9%**	2,028	**-25**	**-1.2%**	2,022	**-6**	**-0.3%**
Oceana County	26,570	26,659	**89**	**0.3%**	26,441	**-218**	**-0.8%**	26,403	**-38**	**-0.1%**
Michigan	9,883,297	10,077,094	**193,797**	**2.0%**	10,077,929	**835**	**0.0%**	10,054,166	**-23,763**	**-0.2%**

Source: 2010, 2020 Census; ESRI; Urban Decision Group; Bowen National Research

Between 2010 and 2020, the population within Hart decreased by 39 (1.9%), which contrasts with the population increase in Oceana County (0.3%) and the state (2.0%) during this time period. The population in Hart declined by 1.2% between 2020 and 2022, and it is projected that the population within the area will slightly decline by 0.3% between 2022 and 2027. The projected population decline in Hart during this time period represents a larger rate of decrease as compared to Oceana County (0.1%) and the state (0.2%). It is critical to point out that *household* changes, as opposed to population, are more material in assessing housing needs and opportunities. As illustrated on the following page, Hart experienced significant positive *household* growth between 2010 and 2020 and is expected to experience only marginal household decline between 2022 and 2027.

Other notable population statistics for Hart include the following:

- Minorities comprise 26.8% of the community's population, which is larger than the shares for Oceana County (16.5%) and the state (26.1%).
- Married persons represent 41.7% of the adult population in Hart, which is lower than the shares reported for Oceana County (57.1%) and the state of Michigan (49.0%).
- The share of the adult population without a high school diploma is 14.1%, which is higher than the shares reported for Oceana County (10.7%) and the state of Michigan (7.7%).
- Approximately 18.8% of the population lives in poverty, which is higher than the respective shares in Oceana County (13.0%) and the state of Michigan (13.3%).
- The annual movership rate (population moving within or to Hart) is 15.8%, which is higher than the shares in Oceana County (10.0%) and the state of Michigan (12.7%).

Households by numbers and percent change (growth or decline) for selected years are shown in the following table. Note that declines are illustrated in **red** text, while increases are illustrated in **green** text:

	Total Households									
	2010 Census	2020 Census	Change 2010-2020		2022 Estimated	Change 2020-2022		2027 Projected	Change 2022-2027	
			Number	Percent		Number	Percent		Number	Percent
Hart	714	727	**13**	**1.8%**	719	**-8**	**-1.1%**	718	**-1**	**-0.1%**
Oceana County	10,174	10,320	**146**	**1.4%**	10,266	**-54**	**-0.5%**	10,300	**34**	**0.3%**
Michigan	3,872,302	4,041,552	**169,250**	**4.4%**	4,055,460	**13,908**	**0.3%**	4,067,324	**11,864**	**0.3%**

Source: 2010, 2020 Census; ESRI; Urban Decision Group; Bowen National Research

Between 2010 and 2020, the total number of households within Hart increased by 1.8% (13 households), which is larger than the growth rate in the county (1.4%) but less than the statewide growth rate of 4.4%. Hart experienced household decline of 1.1% between 2020 and 2022, which is a larger decline than Oceana County (0.5%) and contrasts with the 0.3% increase in households within the state. Households in Hart are projected to remain generally stable with a loss of one household or a decline of 0.1% between 2022 and 2027, which contrasts with the projected increases in Oceana County (0.3%) and the state of Michigan (0.3%).

It should be noted that household growth alone does not dictate the total housing needs of a market. Factors such as households living in substandard or cost-burdened housing, people commuting into the area for work, pent-up demand, availability of existing housing, and product in the development pipeline all affect housing needs.

Household heads by age cohorts for selected years are shown in the following table. Note that five-year declines are in **red**, while increases are in **green**:

		Household Heads by Age						
		<25	25 to 34	35 to 44	45 to 54	55 to 64	65 to 74	75+
Hart	2010	28 (3.9%)	92 (12.9%)	118 (16.5%)	145 (20.3%)	122 (17.1%)	104 (14.6%)	105 (14.7%)
	2022	31 (4.3%)	111 (15.4%)	126 (17.5%)	113 (15.7%)	112 (15.6%)	116 (16.1%)	110 (15.3%)
	2027	29 (4.0%)	102 (14.2%)	127 (17.7%)	114 (15.9%)	114 (15.9%)	122 (17.0%)	110 (15.3%)
	Change 2022-2027	**-2 (-6.5%)**	**-9 (-8.1%)**	**1 (0.8%)**	**1 (0.9%)**	**2 (1.8%)**	**6 (5.2%)**	0 (0.0%)
Oceana County	2010	294 (2.9%)	1,165 (11.5%)	1,520 (14.9%)	2,201 (21.6%)	2,121 (20.8%)	1,590 (15.6%)	1,283 (12.6%)
	2022	240 (2.3%)	1,250 (12.2%)	1,449 (14.1%)	1,586 (15.4%)	2,262 (22.0%)	2,027 (19.7%)	1,452 (14.1%)
	2027	238 (2.3%)	1,082 (10.5%)	1,476 (14.3%)	1,539 (14.9%)	2,091 (20.3%)	2,156 (20.9%)	1,718 (16.7%)
	Change 2022-2027	**-2 (-0.8%)**	**-168 (-13.4%)**	**27 (1.9%)**	**-47 (-3.0%)**	**-171 (-7.6%)**	**129 (6.4%)**	**266 (18.3%)**
Michigan	2010	170,982 (4.4%)	525,833 (13.6%)	678,259 (17.5%)	844,895 (21.8%)	746,394 (19.3%)	463,569 (12.0%)	442,370 (11.4%)
	2022	150,466 (3.7%)	572,672 (14.1%)	630,554 (15.5%)	677,148 (16.7%)	814,827 (20.1%)	695,910 (17.2%)	513,883 (12.7%)
	2027	144,849 (3.6%)	535,146 (13.2%)	653,008 (16.1%)	642,114 (15.8%)	736,410 (18.1%)	749,254 (18.4%)	606,543 (14.9%)
	Change 2022-2027	**-5,617 (-3.7%)**	**-37,526 (-6.6%)**	**22,454 (3.6%)**	**-35,034 (-5.2%)**	**-78,417 (-9.6%)**	**53,344 (7.7%)**	**92,660 (18.0%)**

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2022, the distribution of household heads in Hart is relatively balanced among the various age cohorts, with households between the ages of 35 and 44 comprising the largest share (17.5%) of households by age. Household heads ages 55 and older comprise 47.0% of all households within the area, which represents a smaller share of senior households as compared to Oceana County (55.8%) and the state of Michigan (50.0%). Household heads under the age of 35, which are typically more likely to be renters or first-time homebuyers, comprise nearly one-fifth (19.7%) of Hart households, which represents a larger share of such households when compared to the county (14.5%) and state (17.8%). Between 2022 and 2027, household growth within Hart is projected to occur among households between the ages of 35 and 74, with the most significant growth (5.2%) projected for households between the ages of 65 and 74 years. Households under the age of 35 are projected to decline over the next five years, with the largest percentage decline (8.1%) projected for the cohort between the ages of 25 and 34.

Households by tenure (renters versus owners) for selected years are shown in the following table. Note that 2027 numbers which represent a decrease from 2022 are illustrated in **red** text, while increases are illustrated in **green** text:

	Households by Tenure								
		2000		2010		2022		2027	
	Household Type	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Hart	Owner-Occupied	459	61.6%	490	68.6%	422	58.7%	**427**	**59.5%**
	Renter-Occupied	286	38.4%	224	31.4%	297	41.3%	**291**	**40.5%**
	Total	745	100.0%	714	100.0%	719	100.0%	**718**	100.0%
Oceana County	Owner-Occupied	8,087	82.7%	8,271	81.3%	8,439	82.2%	**8,512**	**82.6%**
	Renter-Occupied	1,691	17.3%	1,903	18.7%	1,827	17.8%	**1,788**	**17.4%**
	Total	9,778	100.0%	10,174	100.0%	10,266	100.0%	**10,300**	100.0%
Michigan	Owner-Occupied	2,792,684	73.8%	2,793,208	72.1%	2,895,751	71.4%	**2,936,335**	**72.2%**
	Renter-Occupied	991,785	26.2%	1,079,094	27.9%	1,159,709	28.6%	**1,130,990**	**27.8%**
	Total	3,784,469	100.0%	3,872,302	100.0%	4,055,460	100.0%	**4,067,325**	100.0%

Source: 2000 Census; 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2022, Hart has a 58.7% share of owner households and a 41.3% share of renter households. This is a significant decrease in the share of owner households as compared to 2010 (68.6%) and represents a much lower share of owner households as compared to Oceana County (82.2%) and the state of Michigan (71.4%). Overall, Hart owner households represent 5.0% of all owner households within Oceana County, while Hart renter households comprise 16.3% of the county's renter households. Between 2022 and 2027, the number of owner households in the area is projected to increase by 1.2%, while the number of renter households is projected to decline by 2.0%.

Median household income for selected years is shown in the following table:

	Median Household Income				
	2010 Census	2022 Estimated	% Change 2010-2022	2027 Projected	% Change 2022-2027
Hart	$30,194	$45,667	51.2%	$53,857	17.9%
Oceana County	$37,021	$58,499	58.0%	$66,009	12.8%
Michigan	$46,042	$65,522	42.3%	$75,988	16.0%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2022, the estimated median household income in Hart is $45,667, which is 21.9% lower than the median household income in Oceana County. Between 2010 and 2022, Hart experienced a 51.2% increase in median household income. The increase in Hart was less than the increase within Oceana County (58.0%), but greater than the increase statewide (42.3%). The median household income in Hart is projected to increase by an additional 17.9% between 2022 and 2027, resulting in a projected median income of $53,857 in 2027, which will remain well below the projected median household incomes for the county ($66,009) and state ($75,988) for this time period.

The distribution of *renter* households by income is illustrated below. Note that declines between 2022 and 2027 are in **red**, while increases are in **green**:

		Renter Households by Income							
		<$10,000	$10,000 - $19,999	$20,000 - $29,999	$30,000 - $39,999	$40,000 - $49,999	$50,000 - $59,999	$60,000 - $99,999	$100,000+
Hart	2010	43 (19.2%)	66 (29.7%)	50 (22.5%)	26 (11.5%)	16 (7.3%)	8 (3.4%)	12 (5.4%)	2 (1.0%)
	2022	38 (12.8%)	59 (20.0%)	58 (19.5%)	37 (12.3%)	30 (10.2%)	21 (6.9%)	43 (14.4%)	12 (3.9%)
	2027	31 (10.6%)	44 (15.0%)	51 (17.5%)	37 (12.6%)	34 (11.7%)	26 (9.0%)	55 (18.9%)	14 (4.7%)
	Change 2022-2027	**-7 (-18.4%)**	**-15 (-25.4%)**	**-7 (-12.1%)**	0 (0.0%)	**4 (13.3%)**	**5 (23.8%)**	**12 (27.9%)**	**2 (16.7%)**
Oceana County	2010	339 (17.8%)	515 (27.1%)	406 (21.3%)	226 (11.9%)	169 (8.9%)	82 (4.3%)	141 (7.4%)	24 (1.3%)
	2022	182 (10.0%)	280 (15.3%)	321 (17.6%)	239 (13.1%)	186 (10.2%)	162 (8.9%)	330 (18.1%)	127 (6.9%)
	2027	140 (7.8%)	207 (11.6%)	299 (16.7%)	234 (13.1%)	184 (10.3%)	186 (10.4%)	384 (21.5%)	155 (8.7%)
	Change 2022-2027	**-42 (-23.1%)**	**-73 (-26.1%)**	**-22 (-6.9%)**	**-5 (-2.1%)**	**-2 (-1.1%)**	**24 (14.8%)**	**54 (16.4%)**	**28 (22.0%)**
Michigan	2010	199,712 (18.5%)	246,606 (22.9%)	177,623 (16.5%)	132,096 (12.2%)	102,309 (9.5%)	60,184 (5.6%)	120,836 (11.2%)	39,728 (3.7%)
	2022	126,236 (10.9%)	162,922 (14.0%)	158,818 (13.7%)	141,901 (12.2%)	118,492 (10.2%)	91,450 (7.9%)	233,472 (20.1%)	126,418 (10.9%)
	2027	96,335 (8.5%)	124,306 (11.0%)	134,987 (11.9%)	129,810 (11.5%)	112,280 (9.9%)	96,092 (8.5%)	267,397 (23.6%)	169,784 (15.0%)
	Change 2022-2027	**-29,901 (-23.7%)**	**-38,616 (-23.7%)**	**-23,831 (-15.0%)**	**-12,091 (-8.5%)**	**-6,212 (-5.2%)**	**4,642 (5.1%)**	**33,925 (14.5%)**	**43,366 (34.3%)**

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2022, renter households earning between $10,000 and $19,999 (20.0%) and between $20,000 and $29,999 (19.5%) comprise the largest shares of renter households by income level within Hart. Nearly two-thirds (64.6%) of all renter households within the area earn less than $40,000 which is a much larger share compared to Oceana County (56.0%) and the state of Michigan (50.8%) Renter households earning $60,000 or more comprise 18.3% of all Hart renter households, which is a smaller share as compared to Oceana County (25.0%). As a result, the distribution of renter households by income in Hart is more heavily concentrated among the lower earning households than in the county. Projected growth among renter households within Hart is limited to households earning $40,000 or more between 2022 and 2027, while renter households earning less than $30,000 are projected to decline. The largest growth in terms of the *number* of households is projected among the income cohort earning between $60,000 and $99,999 (12 households). Hart's projected growth of renter households by income among the higher earning households is generally consistent with the projected trends for the county and state during this time period. While the overall number of renter households in Hart is projected to decline, the increase among households earning $40,000 or more will likely affect demand for premium rental product over the next five years. It should be noted that a majority (55.7%) of Hart renter households will continue to earn less than $40,000, which illustrates the continued need for affordable rental options in the area.

The distribution of *owner* households by income is included below. Note that declines between 2022 and 2027 are in **red**, while increases are in **green**:

		Owner Households by Income							
		<$10,000	$10,000 - $19,999	$20,000 - $29,999	$30,000 - $39,999	$40,000 - $49,999	$50,000 - $59,999	$60,000 - $99,999	$100,000+
Hart	2010	35 (7.1%)	71 (14.4%)	90 (18.3%)	77 (15.8%)	64 (13.0%)	43 (8.8%)	77 (15.7%)	34 (6.9%)
	2022	14 (3.3%)	29 (6.8%)	42 (10.0%)	40 (9.6%)	45 (10.6%)	42 (10.0%)	137 (32.5%)	72 (17.2%)
	2027	11 (2.6%)	20 (4.8%)	32 (7.5%)	32 (7.6%)	40 (9.4%)	44 (10.3%)	160 (37.4%)	87 (20.4%)
	Change 2022-2027	**-3 (-21.4%)**	**-9 (-31.0%)**	**-10 (-23.8%)**	**-8 (-20.0%)**	**-5 (-11.1%)**	**2 (4.8%)**	**23 (16.8%)**	**15 (20.8%)**
Oceana County	2010	513 (6.2%)	1,007 (12.2%)	1,304 (15.8%)	1,199 (14.5%)	1,145 (13.8%)	803 (9.7%)	1,638 (19.8%)	661 (8.0%)
	2022	270 (3.2%)	490 (5.8%)	748 (8.9%)	763 (9.0%)	754 (8.9%)	895 (10.6%)	2,624 (31.1%)	1,900 (22.5%)
	2027	215 (2.5%)	370 (4.4%)	645 (7.6%)	642 (7.5%)	619 (7.3%)	862 (10.1%)	2,778 (32.6%)	2,380 (28.0%)
	Change 2022-2027	**-55 (-20.4%)**	**-120 (-24.5%)**	**-103 (-13.8%)**	**-121 (-15.9%)**	**-135 (-17.9%)**	**-33 (-3.7%)**	**154 (5.9%)**	**480 (25.3%)**
Michigan	2010	135,263 (4.8%)	233,420 (8.4%)	278,350 (10.0%)	300,038 (10.7%)	283,387 (10.1%)	274,521 (9.8%)	702,775 (25.2%)	585,454 (21.0%)
	2022	80,319 (2.8%)	131,782 (4.6%)	185,563 (6.4%)	220,625 (7.6%)	218,468 (7.5%)	235,521 (8.1%)	748,158 (25.8%)	1,075,315 (37.1%)
	2027	62,603 (2.1%)	99,802 (3.4%)	149,805 (5.1%)	186,195 (6.3%)	189,502 (6.5%)	216,728 (7.4%)	736,291 (25.1%)	1,295,408 (44.1%)
	Change 2022-2027	**-17,716 (-22.1%)**	**-31,980 (-24.3%)**	**-35,758 (-19.3%)**	**-34,430 (-15.6%)**	**-28,966 (-13.3%)**	**-18,793 (-8.0%)**	**-11,867 (-1.6%)**	**220,093 (20.5%)**

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2022, 49.7% of *owner* households in Hart earn $60,000 or more annually, which represents a lower share of such households compared to the shares within Oceana County (53.6%) and the state of Michigan (62.9%). Approximately 20.6% of owner households in Hart earn between $40,000 and $59,999, and the remaining 29.7% earn less than $40,000. As such, the overall distribution of owner households by income in Hart is slightly more weighted toward the lower and middle income cohorts as compared to households within Oceana County. Between 2022 and 2027, owner household growth in Hart is projected to occur among households earning $50,000 or more, with the largest growth (20.8%) occurring in the cohort earning $100,000 or more. This is similar to the projected growth of owner households by income within Oceana County during this time period.

C. HOUSING METRICS

The estimated distribution of the area housing stock by tenure for Hart in 2022 is summarized in the following table:

		Occupied and Vacant Housing Units by Tenure 2022 Estimates				
		Total Occupied	Owner Occupied	Renter Occupied	Vacant	Total
Hart	Number	719	422	297	102	821
	Percent	87.6%	58.7%	41.3%	12.4%	100.0%
Oceana County	Number	10,266	8,439	1,827	5,265	15,531
	Percent	66.1%	82.2%	17.8%	33.9%	100.0%
Michigan	Number	4,055,460	2,895,751	1,159,709	533,313	4,588,773
	Percent	88.4%	71.4%	28.6%	11.6%	100.0%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In total, there are an estimated 821 housing units within Hart in 2022. Based on ESRI estimates and 2020 Census data, of the 719 total *occupied* housing units in the area, 58.7% are owner occupied, while the remaining 41.3% are renter occupied. Approximately 12.4% of the housing units within Hart are classified as vacant, which is a much lower share than that reported for Oceana County. Vacant units are comprised of a variety of units including abandoned properties, unoccupied rentals, for-sale homes, and seasonal housing units. Based on 2017-2021 American Community Survey (ACS) data, approximately 0.8% of the total housing units in Hart are classified as "Seasonal or Recreational," which is a much lower share as compared to Oceana County (30.6%). As such, the housing market in Hart appears to be much less influenced by seasonal/recreational units than the overall housing market in Oceana County.

The following table compares key housing age and conditions based on 2017-2021 American Community Survey data. Housing units built over 50 years ago (pre-1970), overcrowded housing (1.01+ persons per room), or housing that lacks complete indoor kitchens or bathroom plumbing are illustrated by tenure. It is important to note that some occupied housing units may have more than one housing issue.

	Housing Age and Conditions											
	Pre-1970 Product				Overcrowded				Incomplete Plumbing or Kitchen			
	Renter		Owner		Renter		Owner		Renter		Owner	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Hart	190	68.1%	387	77.1%	23	8.2%	28	5.6%	16	5.7%	0	0.0%
Oceana County	598	44.1%	3,231	38.3%	161	11.9%	198	2.3%	22	1.6%	53	0.6%
Michigan	507,318	45.9%	1,373,751	47.9%	31,824	2.9%	32,450	1.1%	22,356	2.0%	16,775	0.6%

Source: American Community Survey (2017-2021); ESRI; Urban Decision Group; Bowen National Research

In Hart, 68.1% of the renter-occupied housing units and 77.1% of the owner-occupied units were built prior to 1970. This represents an older inventory of housing units as compared to Oceana County, where 44.1% of renter-occupied units and 38.3% of owner-occupied units were built prior to 1970. Older housing units may require

additional maintenance and repairs compared to newer homes, which can adversely affect affordability for owners and prospective buyers. The respective shares of renter households (8.2%) and owner households (5.6%) in Hart that experience overcrowding are much higher than the shares at the statewide level (2.9% and 1.1%, respectively). The share of renter households in Hart with incomplete plumbing or kitchens (5.7%) is notably higher than the corresponding shares for the county (1.6%) and state (2.0%). By comparison, owner households in Hart do not appear to be affected by incomplete plumbing or kitchens. Overall, the housing inventory in Hart is comparably older than the housing within Oceana County. In addition, the data suggests that renter households in Hart are much more likely to be affected by overcrowding and incomplete facilities as compared to owner households in the area.

The following table compares key household income, housing cost, and housing affordability metrics. It should be noted that cost burdened households pay over 30% of income toward housing costs, while severe cost burdened households pay over 50% of income toward housing.

	Household Income, Housing Costs and Affordability							
	2022 Households	Median Household Income	Estimated Median Home Value	Average Gross Rent	Share of Cost Burdened Households*		Share of Severe Cost Burdened Households**	
					Renter	Owner	Renter	Owner
Hart	719	$45,667	$97,715	$765	37.2%	15.5%	19.0%	9.6%
Oceana County	10,266	$58,499	$150,985	$771	33.2%	18.5%	16.7%	8.1%
Michigan	4,055,460	$65,522	$204,371	$1,023	44.9%	18.6%	23.1%	7.4%

Source: American Community Survey (2017-2021); ESRI; Urban Decision Group; Bowen National Research
*Paying more than 30% of income toward housing costs
**Paying more than 50% of income toward housing costs

The estimated median home value in Hart of $97,715 is 35.3% lower than the median home value for the county ($150,985) and 52.2% lower than that reported for the state. The average gross rent in Hart ($765) is 0.8% lower than the county average gross rent ($771) and 25.2% lower than the state average ($1,023). Overall, the shares of cost burdened renter households (37.2%) and owner households (15.5%) in Hart are lower than the shares at the state level (44.9% and 18.6%, respectively). Regardless, there are an estimated 110 renter households and 65 owner households that are housing cost burdened in Hart, of which 56 renter households and 41 owner households are severe cost burdened. As such, affordable housing alternatives should continue to be part of future housing solutions.

Rental Housing

The renter-occupied housing in a market is generally classified in one of two categories: *multifamily apartments* or *non-conventional rentals*. Multifamily apartments are typically properties consisting of five or more rental units within a structure, while non-conventional rentals are usually defined as rental properties with four or less units within a structure. The following pages provide an analysis of the rental market within Hart based on secondary data from sources such as the American Community Survey (ACS) and U.S. Census Bureau, and when applicable, includes primary data collected directly by Bowen National Research.

Multifamily Apartments

A survey of multifamily apartment properties was conducted as part of this Community Overview. The following table summarizes the surveyed multifamily rental supply within Hart.

Multifamily Supply by Product Type				
Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Tax Credit	1	10	0	100.0%
Tax Credit/Government-Subsidized	1	18	0	100.0%
Tax Credit/Market-Rate/Government-Subsidized	1	24	0	100.0%
Total	3	52	0	100.0%

Source: Bowen National Research

In Hart, a total of three apartment properties were surveyed, comprising a total of 52 units. Among these, one is a Tax Credit property, and two are mixed-income properties with a combination of Tax Credit, government-subsidized, and market-rate units. A vast majority (80.8%) of the units surveyed operate as either Tax Credit units (24 units) or Tax Credit units with a concurrent government subsidy (18 units). Only four of the surveyed units (7.7%) are market-rate units. Overall, the multifamily apartments surveyed are operating at an occupancy rate of 100.0%, which is an exceptionally high occupancy rate and indicative of a strong market for apartments. Typically, healthy, well-balanced markets have rental housing vacancy rates generally between 4% and 6%. As such, it appears the Hart market has a shortage of multifamily apartments, which may represent a potential future development opportunity in the area.

Non-Conventional Rental Housing

Non-conventional rentals are considered rental units typically consisting of single-family homes, duplexes, units over store fronts, mobile homes, etc. and account for 74.5% of the total rental units in Hart. The following table illustrates the distribution of renter-occupied housing by the number of units in the structure for Hart, Oceana County, and the state of Michigan.

		Renter-Occupied Housing by Units in Structure			
		1 to 4 Units	5 Units or More	Mobile Home/ Other	Total
Hart	Number	197	71	11	279
	Percent	70.6%	25.4%	3.9%	100.0%
Oceana County	Number	808	226	322	1,356
	Percent	59.6%	16.7%	23.7%	100.0%
Michigan	Number	568,232	492,131	45,622	1,105,985
	Percent	51.4%	44.5%	4.1%	100.0%

Source: American Community Survey (2017-2021); ESRI; Urban Decision Group; Bowen National Research

In Hart, nearly three-fourths (74.5%) of all renter-occupied housing are non-conventional rental units (structures containing one to four units and mobile homes). This represents a smaller share of such units when compared to Oceana County (83.3%), but a much larger share as compared to the state (55.5%). Consequently, a disproportionate share of the overall rental housing stock in Hart is comprised of non-conventional rentals, and this housing segment warrants additional analysis.

The following summarizes monthly gross rents for area rental alternatives based on American Community Survey estimates. These rents are for all rental product types including apartments, non-conventional rentals, and mobile homes. Since nearly three-fourths (74.5%) of all rentals in Hart are considered non-conventional rentals, the rents in the following table provide some insight as to likely rents for non-conventional rentals in the area.

		Estimated Monthly Gross Rents by Market								
		<$300	$300 - $500	$500 - $750	$750 - $1,000	$1,000 - $1,500	$1,500 - $2,000	$2,000+	No Cash Rent	Total
Hart	Number	34	17	74	78	65	0	0	11	279
	Percent	12.2%	6.1%	26.5%	28.0%	23.3%	0.0%	0.0%	3.9%	100.0%
Oceana County	Number	66	158	369	326	226	5	11	195	1,356
	Percent	4.9%	11.7%	27.2%	24.0%	16.7%	0.4%	0.8%	14.4%	100.0%
Michigan	Number	47,234	62,363	186,604	294,005	333,601	85,842	40,126	56,211	1,105,986
	Percent	4.3%	5.6%	16.9%	26.6%	30.2%	7.8%	3.6%	5.1%	100.0%

Source: American Community Survey (2017-2021); ESRI; Urban Decision Group; Bowen National Research

As the preceding table illustrates, over half (54.5%) of the rental units in Hart have rents between $500 and $1,000, which is a slightly larger share of renters within this price range compared to Oceana County (51.2%), but a notably larger share compared to the state of Michigan (43.5%). Nearly one-fourth (23.3%) of Hart rental units have rents between $1,000 and $1,500, which is a higher share compared to the county (16.7%). It is also noteworthy that nearly one-fifth (18.3%) of rentals in the area have rents less than $500. It is important to understand, however, that this distribution of gross rents includes multifamily apartments, which represents 25.4% of the total rental supply in the area. As a result, it is likely that a significant share of the units with rents below $750, particularly those under $500, are multifamily apartments.

During the survey of Oceana County, Bowen National Research contacted several rental management companies in Oceana County for information regarding non-conventional rentals. While there were no *available* non-conventional rentals identified during our research, typical rental data was collected from each of the management companies surveyed. The following table illustrates the typical rent range of non-conventional rentals by bedroom type. Note that this data includes all of Oceana County and is not limited to the community of Hart.

Non-Conventional Rent Range	
Bedrooms	**Typical Rent Range**
One-bedroom	$500 - $800
Two-bedroom	$600 - $750
Three-bedroom	$700 - $900
Four-bedroom	$1,400

Source: Bowen National Research

In order to gain additional perspective on the rental alternatives offered in the Hart market, the following table illustrates the distribution of the renter-occupied housing by number of bedrooms based on 2017-2021 American Community Survey data.

Renter-Occupied Housing by Number of Bedrooms		
Bedroom	**Number**	**Percent**
Studio	12	4.3%
One-Bedroom	105	37.6%
Two-Bedroom	73	26.2%
Three-Bedroom+	89	31.9%
Total	279	100.0%

Source: American Community Survey (2017-2021); ESRI; Urban Decision Group; Bowen National Research

As the preceding illustrates, one-bedroom units account for the largest share (37.6%) of all renter-occupied units in Hart. Three-bedroom or larger units (31.9%) and two-bedroom units (26.2%) comprise the next largest shares of units by bedroom type. Overall, this represents a well-balanced distribution of rental units by bedroom type within the area.

For-Sale Housing

The following table summarizes the total number of homes sold and median sale prices during the study period.

Historical Sales (Jan. 1, 2020 through Dec. 31, 2022)		
Study Area	**Homes Sold**	**Median Price**
Hart	72	$123,000
Oceana County	1,097	$182,900

Source: MLS (Multiple Listing Service)

As the preceding table illustrates, 72 homes were sold in Hart between 2020 and 2022. This equates to approximately 24 homes sold on an annual basis, or 2.0 homes sold per month, based on the recent historical sales volume. The homes sold during this period of time had a median sale price of $123,000, which is approximately 32.8% lower than the median sale price of homes sold within Oceana County during this time period.

The following table illustrates sales activity by *price point* from January 1, 2020, to December 31, 2022, for Hart.

Sales History by Price (Jan. 1, 2020 through Dec. 31, 2022)		
Sale Price	Number Sold	Percent of Supply
Up to $99,999	19	26.4%
$100,000 to $149,999	31	43.1%
$150,000 to $199,999	16	22.2%
$200,000 to $249,999	3	4.2%
$250,000 to $299,000	1	1.4%
$300,000+	2	2.8%
Total	72	100.0%

Source: MLS (Multiple Listing Service)

Approximately 91.7% of the recent homes sold in Hart had a sale price of less than $200,000. Over two-fifths (43.1%) of homes sold during this time period were priced between $100,000 and $149,999, which is a price point that is typically affordable to many first-time homebuyers. Only 2.8% of homes sold during this time had sale prices of $300,000 or more. Overall, recent home sales in the area have been heavily concentrated among the lower price points, which accommodates home ownership for many low-income households and first-time homebuyers. However, the lack of home sales among the higher price points likely impedes the area in attracting higher income households.

To better understand the overall value of the existing inventory of homes in Hart, the following table illustrates the distribution of homes in the area by *estimated* home value for 2022. Note that these are estimated values provided by the owners through the American Community Survey, and as such, these values can be highly subjective. Regardless, this provides a reasonable estimate of the overall distribution of owner-occupied home values in the area.

2022 Estimated Home Value of Owner-Occupied Homes		
Estimated Home Value	Number	Percent
Up to $99,999	220	52.0%
$100,000 to $199,999	151	35.7%
$200,000 to $299,999	29	6.9%
$300,000 to $399,999	9	2.1%
$400,000+	14	3.3%
Total	423	100.0%

Source: American Community Survey (2017-2021); ESRI; Urban Decision Group; Bowen National Research

As the preceding table illustrates, a vast majority (87.7%) of homes in Hart have estimated values of less than $200,000. This distribution of home values is consistent with the distribution of recent home sales by price point. The majority share of homes valued under $200,000 means that home ownership in the area is likely attainable for many low- to moderate-income households and first-time homebuyers. This data indicates that there is a high likelihood that future available for-sale homes may be able to accommodate a variety of affordability levels should owners place them on the market, although there is a very limited inventory of homes among the higher value cohorts.

Based on information provided by the Multiple Listing Service, we identified just three housing units within Hart that were listed as *available* for purchase as of April 6, 2023. While it is possible that additional for-sale residential units are available for purchase, such homes were not identified during our research due to the method of advertisement or simply because the product was not actively marketed.

There are two inventory metrics most often used to evaluate the health of a for-sale housing market. This includes *Months Supply of Inventory* (MSI) and availability rate. Overall, based on the recent absorption rate of 2.0 homes sold per month in Hart, the three homes listed as available for purchase represent 1.5 months of supply. Typically, healthy and well-balanced markets have an available supply that should take about four to six months to absorb (if no other units are added to the market). This means the area currently has a limited supply of for-sale homes available in the market. The three available for-sale units in Hart represent 0.7% of the 422 owner-occupied units in the area. Typically, in healthy, well-balanced markets, approximately 2% to 3% of the for-sale housing stock should be available for purchase to allow for inner-market mobility and to enable the market to attract households, though due to recent national housing market pressures it is not uncommon for most markets to have an availability rate below 2.0%. Overall, the available for-sale supply in the Hart market is considered limited and indicates a likely shortage of for-sale options in the market.

The following table summarizes key attributes of the three *available* for-sale residential units for Hart.

Available For-Sale Housing (As of April 6, 2023)

Bedrooms	Bathrooms	Year Built	Square Feet	List Price	Price per Sq. Ft.	Days on Market
Three-Br.	2.0	1920	1,161	$230,000	$198.11	6
Four-Br.	2.0	1905	2,318	$249,900	$107.81	175
Four-Br.	1.5	1900	1,758	$149,900	$85.27	22
Average Listing		1908	1,746	$209,933	$130.40	68

Source: MLS (Multiple Listing Service)

As the preceding illustrates, the three available for-sale residential units are comprised of one three-bedroom unit and two four-bedroom units. These units have an average year built of 1908, average 1,746 square feet, and have an average list price of $209,933. While this is a very limited number of available units, the average list price of these units is considerably higher than the median sale price ($123,000) of the recent historical sales in the area.

D. CONCLUSIONS AND RECOMMENDATIONS

Demographics – Moderate overall household growth has occurred in the market since 2010; however, households are projected to decline slightly in the market through 2027. While growth of households between the ages of 35 and 74 is projected in the area over the next five years, the most significant growth will occur among households between the ages of 65 and 74. Owner households in the area are projected to increase slightly between 2022 and 2027, while renter households are projected to decline in number. Projected growth among *renter* households over the next five years is isolated to those earning $40,000 or more, while nearly all growth of *owner* households is confined to households earning $60,000 or more. The preceding attributes and trends will influence the area's housing needs.

Housing Supply – Approximately three-fifths of the local housing supply is owner-occupied, and seasonal/recreational housing is much less influential on the local market as compared to the county. The housing inventory within Hart is comparably older than that of the county, and renter households are more likely to experience housing condition issues as compared to owner households in the area. A slightly larger share of Hart residents is severe housing cost burdened as compared to the county. While large multifamily apartments comprise a notable share of the rental supply, non-conventional rentals (e.g., houses, duplexes, mobile homes, etc.) account for nearly three-fourths of the total rental inventory. Regardless, *available* rentals are virtually nonexistent in the market. There were three homes available for purchase in the market at the time of the survey, which is considered to be a very limited inventory of for-sale housing stock based on Months Supply of Inventory and availability rate.

While this is not a comprehensive Housing Needs Assessment and therefore does not include a detailed action plan, we do believe there are some initial steps the community can take to help address local housing issues.

Recommendations – Based on this analysis of the Hart market, we recommend local officials, stakeholders and housing advocates consider the following to address local housing issues:

- Support efforts to encourage residential development of both rental and for-sale housing product. This can be done through tax abatements, lowering or waiving development fees, donation of land, etc.
- Emphasize and support projects that consider a variety of affordability levels and target segments (e.g., seniors, individuals, young families, professionals, etc.).
- Identify and reach out to advocates, foundations, developers and investors that could be potential residential development partners.
- Reach out to and work with housing organizations and professionals that can bring expertise and increase the community's capacity to address housing issues.

- Consider identifying and promoting possible sites for residential development and determine if the sites' appeal could be enhanced with land preparation, pre-development assistance or infrastructure help.
- Given the area's walk score of 65, which indicates the community is "Somewhat Walkable," consider prioritizing residential development in or near the downtown areas of Hart to fully maximize this positive attribute.
- Consider inventorying residential blight and developing a blight mitigation plan.

ADDENDUM D: COMMUNITY OVERVIEW (SHELBY)

The primary focus of this Community Overview is on the community of Shelby, Michigan. The analyses on the following pages provide overviews of key demographic data, summaries of the multifamily and non-conventional rental market, for-sale housing supply, and general conclusions on the housing needs of the overall community. For comparison purposes, the demographic and housing characteristics of Oceana County and the state of Michigan are also included, when applicable. It is important to note that the demographic projections included in this section assume no significant government policies, programs or incentives are enacted that would drastically alter residential development or economic activity.

It is important to note that 2010 and 2020 demographic data are based on U.S. Census data (actual count), while 2022 and 2027 data are based on calculated estimates provided by ESRI, a nationally recognized demography firm. Additionally, secondary housing data included within this analysis uses a combination of ESRI estimates and data obtained from the 2017-2021 American Community Survey (ACS). As such, differences in totals and shares among various tables within this analysis may exist.

A. INTRODUCTION

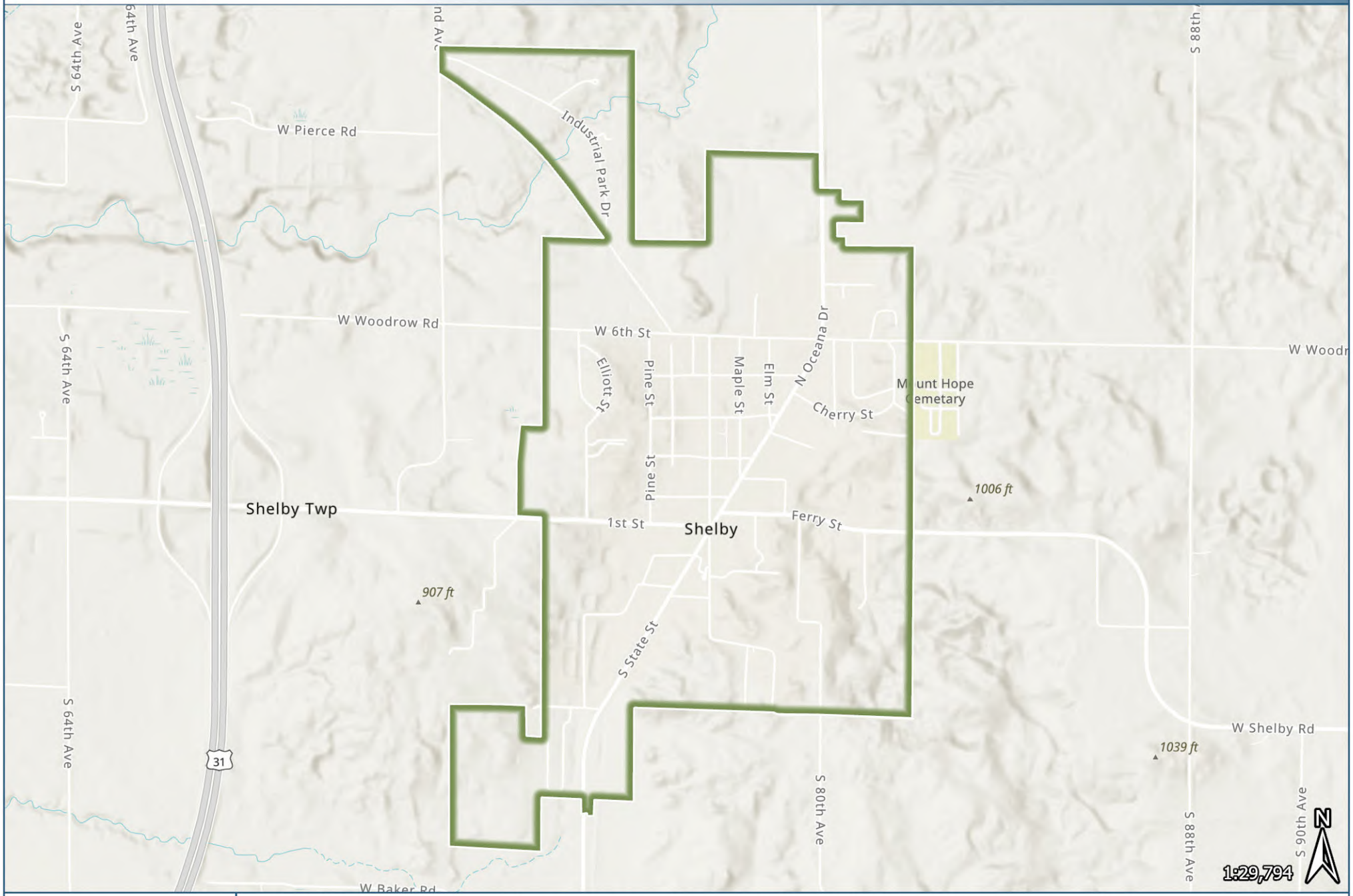
The village of Shelby is located in the central portion of Oceana County, Michigan. Shelby is accessible via U.S. Highway 31 and contains approximately 1.64 square miles. The 2022 estimated population is 1,952, representative of approximately 7.4% of the population in Oceana County.

A map illustrating Shelby, Michigan is included on the following page.

BOWEN NATIONAL RESEARCH

Shelby (Village)

Oceana County, MI



0 0.15 0.3 0.45 0.6 Miles

Esri, NASA, NGA, USGS, FEMA, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, EPA, NPS, US Census Bureau, USDA
Additional Source(s): Bowen National Research

B. DEMOGRAPHICS

This section of the report evaluates key demographic characteristics for the community of Shelby. Demographic comparisons provide insights into the human composition of housing markets.

Population by numbers and percent change (growth or decline) for selected years is shown in the following table. It should be noted that some total numbers and percentages may not match the totals within or between tables in this section due to rounding. Note that declines are illustrated in **red** text, while increases are illustrated in **green** text:

	Total Population									
	2010 Census	2020 Census	Change 2010-2020		2022 Estimated	Change 2020-2022		2027 Projected	Change 2022-2027	
			Number	Percent		Number	Percent		Number	Percent
Shelby	1,965	1,964	**-1**	**-0.1%**	1,952	**-12**	**-0.6%**	1,943	**-9**	**-0.5%**
Oceana County	26,570	26,659	**89**	**0.3%**	26,441	**-218**	**-0.8%**	26,403	**-38**	**-0.1%**
Michigan	9,883,297	10,077,094	**193,797**	**2.0%**	10,077,929	**835**	**0.0%**	10,054,166	**-23,763**	**-0.2%**

Source: 2010, 2020 Census; ESRI; Urban Decision Group; Bowen National Research

Between 2010 and 2020, the population within Shelby decreased marginally (0.1%), which contrasts with the population increase in Oceana County (0.3%) and the state (2.0%) during this time period. The population in Shelby declined by 0.6% between 2020 and 2022, and it is projected that the population within the area will further decline by 0.5% between 2022 and 2027. The projected population decline in Shelby during this time period represents a larger rate of decrease as compared to Oceana County (0.1%) and the state (0.2%). It is critical to point out that *household* changes, as opposed to population, are more material in assessing housing needs and opportunities. As illustrated on the following page, Shelby experienced positive *household* growth between 2010 and 2020 and the number of households is projected to remain unchanged between 2022 and 2027.

Other notable population statistics for Shelby include the following:

- Minorities comprise 34.6% of the community's population, which is a much larger share than the shares for Oceana County (16.5%) and the state (26.1%).
- Married persons represent 49.3% of the adult population in Shelby, which is lower than the share reported for Oceana County (57.1%) and comparable to the state of Michigan (49.0%).
- The share of the adult population without a high school diploma is 20.2%, which is notably higher than the shares reported for Oceana County (10.7%) and the state of Michigan (7.7%).
- Approximately 16.9% of the population lives in poverty, which is higher than the respective shares in Oceana County (13.0%) and the state of Michigan (13.3%).
- The annual movership rate (population moving within or to Shelby) is 14.2%, which is higher than the shares in the county (10.0%) and the state (12.7%).

Households by numbers and percent change (growth or decline) for selected years are shown in the following table. Note that declines are illustrated in **red** text, while increases are illustrated in **green** text:

	Total Households									
	2010 Census	2020 Census	Change 2010-2020		2022 Estimated	Change 2020-2022		2027 Projected	Change 2022-2027	
			Number	Percent		Number	Percent		Number	Percent
Shelby	719	729	**10**	**1.4%**	727	**-2**	**-0.3%**	727	0	0.0%
Oceana County	10,174	10,320	**146**	**1.4%**	10,266	**-54**	**-0.5%**	10,300	**34**	**0.3%**
Michigan	3,872,302	4,041,552	**169,250**	**4.4%**	4,055,460	**13,908**	**0.3%**	4,067,324	**11,864**	**0.3%**

Source: 2010, 2020 Census; ESRI; Urban Decision Group; Bowen National Research

Between 2010 and 2020, the total number of households within Shelby increased by 1.4% (10 households), which is equal to the growth rate in the county (1.4%) but less than the statewide growth rate of 4.4%. Shelby experienced household decline of 0.3% between 2020 and 2022, which is a smaller decline than Oceana County (0.5%) and contrasts with the 0.3% increase in households within the state. Households are projected to remain unchanged for Shelby between 2022 and 2027, which contrasts with the projected increases in Oceana County (0.3%) and the state of Michigan (0.3%).

It should be noted that household growth alone does not dictate the total housing needs of a market. Factors such as households living in substandard or cost-burdened housing, people commuting into the area for work, pent-up demand, availability of existing housing, and product in the development pipeline all affect housing needs.

Household heads by age cohorts for selected years are shown in the following table. Note that five-year declines are in **red**, while increases are in **green**:

		Household Heads by Age						
		<25	25 to 34	35 to 44	45 to 54	55 to 64	65 to 74	75+
Shelby	2010	28 (3.9%)	95 (13.2%)	122 (17.0%)	165 (23.0%)	133 (18.5%)	87 (12.1%)	87 (12.1%)
	2022	32 (4.4%)	117 (16.1%)	120 (16.5%)	117 (16.1%)	141 (19.4%)	101 (13.9%)	99 (13.6%)
	2027	29 (4.0%)	106 (14.6%)	130 (17.9%)	113 (15.5%)	126 (17.3%)	114 (15.7%)	109 (15.0%)
	Change 2022-2027	**-3 (-9.4%)**	**-11 (-9.4%)**	**10 (8.3%)**	**-4 (-3.4%)**	**-15 (-10.6%)**	**13 (12.9%)**	**10 (10.1%)**
Oceana County	2010	294 (2.9%)	1,165 (11.5%)	1,520 (14.9%)	2,201 (21.6%)	2,121 (20.8%)	1,590 (15.6%)	1,283 (12.6%)
	2022	240 (2.3%)	1,250 (12.2%)	1,449 (14.1%)	1,586 (15.4%)	2,262 (22.0%)	2,027 (19.7%)	1,452 (14.1%)
	2027	238 (2.3%)	1,082 (10.5%)	1,476 (14.3%)	1,539 (14.9%)	2,091 (20.3%)	2,156 (20.9%)	1,718 (16.7%)
	Change 2022-2027	**-2 (-0.8%)**	**-168 (-13.4%)**	**27 (1.9%)**	**-47 (-3.0%)**	**-171 (-7.6%)**	**129 (6.4%)**	**266 (18.3%)**
Michigan	2010	170,982 (4.4%)	525,833 (13.6%)	678,259 (17.5%)	844,895 (21.8%)	746,394 (19.3%)	463,569 (12.0%)	442,370 (11.4%)
	2022	150,466 (3.7%)	572,672 (14.1%)	630,554 (15.5%)	677,148 (16.7%)	814,827 (20.1%)	695,910 (17.2%)	513,883 (12.7%)
	2027	144,849 (3.6%)	535,146 (13.2%)	653,008 (16.1%)	642,114 (15.8%)	736,410 (18.1%)	749,254 (18.4%)	606,543 (14.9%)
	Change 2022-2027	**-5,617 (-3.7%)**	**-37,526 (-6.6%)**	**22,454 (3.6%)**	**-35,034 (-5.2%)**	**-78,417 (-9.6%)**	**53,344 (7.7%)**	**92,660 (18.0%)**

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2022, the distribution of household heads in Shelby is relatively balanced among the various age cohorts, with households between the ages of 55 and 64 comprising the largest share (19.4%) of households by age. Household heads ages 55 and older comprise 46.9% of all households within the area, which represents a smaller share of senior households as compared to Oceana County (55.8%) and the state of Michigan (50.0%). Household heads under the age of 35, which are typically more likely to be renters or first-time homebuyers, comprise slightly more than one-fifth (20.5%) of Shelby households, which represents a larger share of such households when compared to the county (14.5%) and state (17.8%). Between 2022 and 2027, household growth within Shelby is projected to occur among households between the ages of 35 and 44 and 65 and older, with the most significant growth (12.9%) projected for households between the ages of 65 and 74 years. Households under the age of 35 are projected to decline by 9.4% over the next five years, while those between the ages of 45 and 64 are projected to decline by 7.4%.

Households by tenure (renters versus owners) for selected years are shown in the following table. Note that 2027 numbers which represent a decrease from 2022 are illustrated in **red** text, while increases are illustrated in **green** text:

	Households by Tenure								
		2000		2010		2022		2027	
	Household Type	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Shelby	Owner-Occupied	513	72.1%	559	77.9%	456	62.7%	**462**	**63.5%**
	Renter-Occupied	199	27.9%	159	22.1%	271	37.3%	**266**	**36.5%**
	Total	712	100.0%	718	100.0%	727	100.0%	**728**	100.0%
Oceana County	Owner-Occupied	8,087	82.7%	8,271	81.3%	8,439	82.2%	**8,512**	**82.6%**
	Renter-Occupied	1,691	17.3%	1,903	18.7%	1,827	17.8%	**1,788**	**17.4%**
	Total	9,778	100.0%	10,174	100.0%	10,266	100.0%	**10,300**	100.0%
Michigan	Owner-Occupied	2,792,684	73.8%	2,793,208	72.1%	2,895,751	71.4%	**2,936,335**	**72.2%**
	Renter-Occupied	991,785	26.2%	1,079,094	27.9%	1,159,709	28.6%	**1,130,990**	**27.8%**
	Total	3,784,469	100.0%	3,872,302	100.0%	4,055,460	100.0%	**4,067,325**	100.0%

Source: 2000 Census; 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2022, Shelby has a 62.7% share of owner households and a 37.3% share of renter households. This is a significant decrease in the share of owner households as compared to 2010 (77.9%) and represents a much lower share of owner households as compared to Oceana County (82.2%) and the state of Michigan (71.4%). Overall, Shelby owner households represent 5.4% of all owner households within Oceana County, while Shelby renter households comprise 14.8% of the county's renter households. Between 2022 and 2027, the number of owner households in the area is projected to increase by 1.3%, while the number of renter households is projected to decline by 1.8%.

Median household income for selected years is shown in the following table:

	Median Household Income				
	2010 Census	2022 Estimated	% Change 2010-2022	2027 Projected	% Change 2022-2027
Shelby	$36,080	$52,713	46.1%	$59,333	12.6%
Oceana County	$37,021	$58,499	58.0%	$66,009	12.8%
Michigan	$46,042	$65,522	42.3%	$75,988	16.0%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2022, the estimated median household income in Shelby is $52,713, which is 9.9% lower than the median household income in Oceana County. Between 2010 and 2022, Shelby experienced a 46.1% increase in median household income. The increase in Shelby was less than the increase within Oceana County (58.0%), but greater than the increase statewide (42.3%). The median household income in Shelby is projected to increase by an additional 12.6% between 2022 and 2027, resulting in a projected median income of $59,333 in 2027, which will remain well below the projected median household incomes for the county ($66,009) and state ($75,988) for this time period.

The distribution of *renter* households by income is illustrated below. Note that declines between 2022 and 2027 are in **red**, while increases are in **green**:

		Renter Households by Income							
		<$10,000	$10,000 - $19,999	$20,000 - $29,999	$30,000 - $39,999	$40,000 - $49,999	$50,000 - $59,999	$60,000 - $99,999	$100,000+
Shelby	2010	30 (18.7%)	46 (29.2%)	32 (20.3%)	16 (10.0%)	13 (8.4%)	7 (4.4%)	12 (7.7%)	2 (1.3%)
	2022	27 (9.9%)	40 (14.6%)	51 (19.0%)	36 (13.1%)	26 (9.7%)	29 (10.8%)	49 (18.2%)	13 (4.8%)
	2027	20 (7.4%)	27 (10.0%)	41 (15.3%)	33 (12.4%)	28 (10.6%)	37 (14.0%)	65 (24.5%)	16 (5.9%)
	Change 2022-2027	**-7 (-25.9%)**	**-13 (-32.5%)**	**-10 (-19.6%)**	**-3 (-8.3%)**	**2 (7.7%)**	**8 (27.6%)**	**16 (32.7%)**	**3 (23.1%)**
Oceana County	2010	339 (17.8%)	515 (27.1%)	406 (21.3%)	226 (11.9%)	169 (8.9%)	82 (4.3%)	141 (7.4%)	24 (1.3%)
	2022	182 (10.0%)	280 (15.3%)	321 (17.6%)	239 (13.1%)	186 (10.2%)	162 (8.9%)	330 (18.1%)	127 (6.9%)
	2027	140 (7.8%)	207 (11.6%)	299 (16.7%)	234 (13.1%)	184 (10.3%)	186 (10.4%)	384 (21.5%)	155 (8.7%)
	Change 2022-2027	**-42 (-23.1%)**	**-73 (-26.1%)**	**-22 (-6.9%)**	**-5 (-2.1%)**	**-2 (-1.1%)**	**24 (14.8%)**	**54 (16.4%)**	**28 (22.0%)**
Michigan	2010	199,712 (18.5%)	246,606 (22.9%)	177,623 (16.5%)	132,096 (12.2%)	102,309 (9.5%)	60,184 (5.6%)	120,836 (11.2%)	39,728 (3.7%)
	2022	126,236 (10.9%)	162,922 (14.0%)	158,818 (13.7%)	141,901 (12.2%)	118,492 (10.2%)	91,450 (7.9%)	233,472 (20.1%)	126,418 (10.9%)
	2027	96,335 (8.5%)	124,306 (11.0%)	134,987 (11.9%)	129,810 (11.5%)	112,280 (9.9%)	96,092 (8.5%)	267,397 (23.6%)	169,784 (15.0%)
	Change 2022-2027	**-29,901 (-23.7%)**	**-38,616 (-23.7%)**	**-23,831 (-15.0%)**	**-12,091 (-8.5%)**	**-6,212 (-5.2%)**	**4,642 (5.1%)**	**33,925 (14.5%)**	**43,366 (34.3%)**

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2022, renter households earning between $20,000 and $29,999 (19.0%) and between $60,000 and $99,999 (18.2%) comprise the largest shares of renter households by income level within Shelby. Over one-half (56.6%) of all renter households within the area earn less than $40,000 which is a larger share compared to Oceana County (56.0%) and the state of Michigan (50.8%). Renter households earning $60,000 or more comprise 23.0% of all Shelby renter households, which is a smaller share as compared to Oceana County (25.0%). As a result, the distribution of renter households by income in Shelby is slightly more concentrated among the lower and middle earning households than in the county. Projected growth among renter households within Shelby is limited to households earning $40,000 or more between 2022 and 2027, while renter households earning less than $40,000 are projected to decline. Shelby's projected growth of renter households by income among the higher earning households is generally consistent with the projected trends for the county and state during this time period. While the overall number of renter households in Shelby is projected to decline, the increase among households earning $40,000 or more will likely affect demand for premium rental product over the next five years. It should be noted that 45.1% of Shelby renter households will continue to earn less than $40,000, which illustrates the need for affordable rental options in the area.

The distribution of *owner* households by income is included below. Note that declines between 2022 and 2027 are in **red**, while increases are in **green**:

		Owner Households by Income							
		<$10,000	$10,000 - $19,999	$20,000 - $29,999	$30,000 - $39,999	$40,000 - $49,999	$50,000 - $59,999	$60,000 - $99,999	$100,000+
Shelby	2010	37 (6.7%)	75 (13.4%)	85 (15.2%)	72 (12.9%)	74 (13.2%)	56 (10.0%)	116 (20.7%)	44 (7.9%)
	2022	11 (2.5%)	21 (4.7%)	42 (9.1%)	42 (9.3%)	42 (9.2%)	65 (14.2%)	148 (32.4%)	85 (18.6%)
	2027	8 (1.8%)	14 (3.1%)	28 (6.1%)	32 (6.9%)	36 (7.7%)	68 (14.6%)	172 (37.1%)	105 (22.7%)
	Change 2022-2027	**-3 (-27.3%)**	**-7 (-33.3%)**	**-14 (-33.3%)**	**-10 (-23.8%)**	**-6 (-14.3%)**	**3 (4.6%)**	**24 (16.2%)**	**20 (23.5%)**
Oceana County	2010	513 (6.2%)	1,007 (12.2%)	1,304 (15.8%)	1,199 (14.5%)	1,145 (13.8%)	803 (9.7%)	1,638 (19.8%)	661 (8.0%)
	2022	270 (3.2%)	490 (5.8%)	748 (8.9%)	763 (9.0%)	754 (8.9%)	895 (10.6%)	2,624 (31.1%)	1,900 (22.5%)
	2027	215 (2.5%)	370 (4.4%)	645 (7.6%)	642 (7.5%)	619 (7.3%)	862 (10.1%)	2,778 (32.6%)	2,380 (28.0%)
	Change 2022-2027	**-55 (-20.4%)**	**-120 (-24.5%)**	**-103 (-13.8%)**	**-121 (-15.9%)**	**-135 (-17.9%)**	**-33 (-3.7%)**	**154 (5.9%)**	**480 (25.3%)**
Michigan	2010	135,263 (4.8%)	233,420 (8.4%)	278,350 (10.0%)	300,038 (10.7%)	283,387 (10.1%)	274,521 (9.8%)	702,775 (25.2%)	585,454 (21.0%)
	2022	80,319 (2.8%)	131,782 (4.6%)	185,563 (6.4%)	220,625 (7.6%)	218,468 (7.5%)	235,521 (8.1%)	748,158 (25.8%)	1,075,315 (37.1%)
	2027	62,603 (2.1%)	99,802 (3.4%)	149,805 (5.1%)	186,195 (6.3%)	189,502 (6.5%)	216,728 (7.4%)	736,291 (25.1%)	1,295,408 (44.1%)
	Change 2022-2027	**-17,716 (-22.1%)**	**-31,980 (-24.3%)**	**-35,758 (-19.3%)**	**-34,430 (-15.6%)**	**-28,966 (-13.3%)**	**-18,793 (-8.0%)**	**-11,867 (-1.6%)**	**220,093 (20.5%)**

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2022, 51.0% of *owner* households in Shelby earn $60,000 or more annually, which represents a lower share of such households compared to the shares within Oceana County (53.6%) and the state of Michigan (62.9%). Approximately 23.4% of owner households in Shelby earn between $40,000 and $59,999, and the remaining 25.6% earn less than $40,000. As such, the overall distribution of owner households by income in Shelby is more weighted toward the middle income cohorts (earning between $40,000 and $59,999) as compared to households within Oceana County. Between 2022 and 2027, owner household growth in Shelby is projected to occur among households earning $50,000 or more, with the largest growth (23.5%) occurring in the cohort earning $100,000 or more. This is similar to the projected growth of owner households by income within Oceana County during this time period.

C. HOUSING METRICS

The estimated distribution of the area housing stock by tenure for Shelby in 2022 is summarized in the following table:

		Occupied and Vacant Housing Units by Tenure 2022 Estimates				
		Total Occupied	Owner Occupied	Renter Occupied	Vacant	Total
Shelby	Number	727	456	271	69	796
	Percent	91.3%	62.7%	37.3%	8.7%	100.0%
Oceana County	Number	10,266	8,439	1,827	5,265	15,531
	Percent	66.1%	82.2%	17.8%	33.9%	100.0%
Michigan	Number	4,055,460	2,895,751	1,159,709	533,313	4,588,773
	Percent	88.4%	71.4%	28.6%	11.6%	100.0%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In total, there are an estimated 796 housing units within Shelby in 2022. Based on ESRI estimates and 2020 Census data, of the 727 total *occupied* housing units in the area, 62.7% are owner occupied, while the remaining 37.3% are renter occupied. Approximately 8.7% of the housing units within Shelby are classified as vacant, which is a much lower share than that reported for Oceana County. Vacant units are comprised of a variety of units including abandoned properties, unoccupied rentals, for-sale homes, and seasonal housing units. Based on 2017-2021 American Community Survey (ACS) data, approximately 2.7% of the total housing units in Shelby are classified as "Seasonal or Recreational," which is a much lower share as compared to Oceana County (30.6%). As such, the housing market in Shelby appears to be much less influenced by seasonal/recreational units than the overall housing market in Oceana County.

The following table compares key housing age and conditions based on 2017-2021 American Community Survey data. Housing units built over 50 years ago (pre-1970), overcrowded housing (1.01+ persons per room), or housing that lacks complete indoor kitchens or bathroom plumbing are illustrated by tenure. It is important to note that some occupied housing units may have more than one housing issue.

	Housing Age and Conditions											
	Pre-1970 Product				Overcrowded				Incomplete Plumbing or Kitchen			
	Renter		Owner		Renter		Owner		Renter		Owner	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Shelby	92	39.3%	359	65.0%	27	11.5%	30	5.4%	0	0.0%	0	0.0%
Oceana County	598	44.1%	3,231	38.3%	161	11.9%	198	2.3%	22	1.6%	53	0.6%
Michigan	507,318	45.9%	1,373,751	47.9%	31,824	2.9%	32,450	1.1%	22,356	2.0%	16,775	0.6%

Source: American Community Survey (2017-2021); ESRI; Urban Decision Group; Bowen National Research

In Shelby, 39.3% of the renter-occupied housing units and 65.0% of the owner-occupied units were built prior to 1970. This represents a newer inventory of rental units and older stock of owner units as compared to Oceana County, where 44.1% of renter-occupied units and 38.3% of owner-occupied units were built prior to 1970. Older housing units may require additional maintenance and repairs compared to newer homes, which can adversely affect affordability for owners and prospective buyers. The respective shares of renter households (11.5%) and owner households (5.4%) in Shelby that experience overcrowding are much higher than the shares at the statewide level (2.9% and 1.1%, respectively). The notable overcrowding among renter households in the area may be due, in part, to the above-average renter household size in Shelby (2.78 persons per household, according to 2022 ESRI estimates). Incomplete plumbing or kitchens do not appear to be factors affecting Shelby residents, regardless of tenure. Overall, the data suggests that households in Shelby, particularly renter-occupied households, are much more likely to be affected by overcrowding, and owner households are more likely to live in housing built prior to 1970 as compared to households in the county and state.

The following table compares key household income, housing cost, and housing affordability metrics. It should be noted that cost burdened households pay over 30% of income toward housing costs, while severe cost burdened households pay over 50% of income toward housing.

	Household Income, Housing Costs and Affordability							
	2022 Households	Median Household Income	Estimated Median Home Value	Average Gross Rent	Share of Cost Burdened Households*		Share of Severe Cost Burdened Households**	
					Renter	Owner	Renter	Owner
Shelby	727	$52,713	$94,337	$743	30.3%	16.3%	14.5%	8.5%
Oceana County	10,266	$58,499	$150,985	$771	33.2%	18.5%	16.7%	8.1%
Michigan	4,055,460	$65,522	$204,371	$1,023	44.9%	18.6%	23.1%	7.4%

Source: American Community Survey (2017-2021); ESRI; Urban Decision Group; Bowen National Research
*Paying more than 30% of income toward housing costs
**Paying more than 50% of income toward housing costs

The estimated median home value in Shelby of $94,337 is 37.5% lower than the median home value for the county ($150,985) and 53.8% lower than that reported for the state. The average gross rent in Shelby ($743) is 3.6% lower than the county average gross rent ($771) and 27.4% lower than the state average ($1,023). Overall, the shares of cost burdened renter households (30.3%) and owner households (16.3%) in Shelby are lower than the shares at the state level (44.9% and 18.6%, respectively). Regardless, there are an estimated 82 renter households and 74 owner households that are housing cost burdened in Shelby, of which approximately 39 renter and owner households, each, are severe cost burdened. As such, affordable housing alternatives should continue to be part of future housing solutions.

Rental Housing

The renter-occupied housing in a market is generally classified in one of two categories: *multifamily apartments* or *non-conventional rentals*. Multifamily apartments are typically properties consisting of five or more rental units within a structure, while non-conventional rentals are usually defined as rental properties with four or less units within a structure. The following pages provide an analysis of the rental market within Shelby based on secondary data from sources such as the American Community Survey (ACS) and U.S. Census Bureau, and when applicable, includes primary data collected directly by Bowen National Research.

Multifamily Apartments

A survey of multifamily apartment properties was conducted as part of this Community Overview. The following table summarizes the surveyed multifamily rental supply within Shelby.

Multifamily Supply by Product Type				
Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Tax Credit/Government-Subsidized	2	47	3	93.6%
Government-Subsidized	3	80	0	100.0%
Total	5	127	3	97.6%

Source: Bowen National Research

In Shelby, a total of five apartment properties were surveyed, comprising a total of 127 units. Among these, two are subsidized Tax Credit properties and three are government-subsidized (non-Tax-Credit) properties. A vast majority (90.6%) of the units surveyed operate as government-subsidized units without a Tax Credit (100 units) or government-subsidized units with a concurrent Tax Credit (15 units). Only 12 of the surveyed units (9.4%) operate strictly under a Tax Credit program. Overall, the multifamily apartments surveyed are operating at an occupancy rate of 97.6%, which is a high occupancy rate and indicative of a strong market for apartments. Typically, healthy, well-balanced markets have rental housing vacancy rates generally between 4% and 6%. As such, it appears the Shelby market has a shortage of multifamily apartments, which may represent a potential future development opportunity.

Non-Conventional Rental Housing

Non-conventional rentals are considered rental units typically consisting of single-family homes, duplexes, units over store fronts, mobile homes, etc. and account for 67.9% of the total rental units in Shelby. The following table illustrates the distribution of renter-occupied housing by the number of units in the structure for Shelby, Oceana County, and the state of Michigan.

		Renter-Occupied Housing by Units in Structure			
		1 to 4 Units	5 Units or More	Mobile Home/ Other	Total
Shelby	Number	155	75	4	234
	Percent	66.2%	32.1%	1.7%	100.0%
Oceana County	Number	808	226	322	1,356
	Percent	59.6%	16.7%	23.7%	100.0%
Michigan	Number	568,232	492,131	45,622	1,105,985
	Percent	51.4%	44.5%	4.1%	100.0%

Source: American Community Survey (2017-2021); ESRI; Urban Decision Group; Bowen National Research

In Shelby, over two-thirds (67.9%) of all renter-occupied housing are non-conventional rental units (structures containing one to four units and mobile homes). This represents a much smaller share of such units when compared to Oceana County (83.3%) but a larger share as compared to the state (55.5%). A much smaller share (1.7%) of Shelby rental units is comprised of mobile homes when compared to the county (23.7%), overall. Consequently, a substantial majority of the overall rental housing stock in Shelby is comprised of non-conventional rentals, and this housing segment warrants additional analysis.

The following summarizes monthly gross rents for area rental alternatives based on American Community Survey estimates. These rents are for all rental product types including apartments, non-conventional rentals, and mobile homes. Since slightly over two-thirds (67.9%) of all rentals in Shelby are considered non-conventional rentals, the rents in the following table provide some insight as to likely rents for non-conventional rentals in the area.

		Estimated Monthly Gross Rents by Market								
		<$300	$300 - $500	$500 - $750	$750 - $1,000	$1,000 - $1,500	$1,500 - $2,000	$2,000+	No Cash Rent	Total
Shelby	Number	14	63	41	54	51	0	11	0	234
	Percent	6.0%	26.9%	17.5%	23.1%	21.8%	0.0%	4.7%	0.0%	100.0%
Oceana County	Number	66	158	369	326	226	5	11	195	1,356
	Percent	4.9%	11.7%	27.2%	24.0%	16.7%	0.4%	0.8%	14.4%	100.0%
Michigan	Number	47,234	62,363	186,604	294,005	333,601	85,842	40,126	56,211	1,105,986
	Percent	4.3%	5.6%	16.9%	26.6%	30.2%	7.8%	3.6%	5.1%	100.0%

Source: American Community Survey (2017-2021); ESRI; Urban Decision Group; Bowen National Research

As the preceding table illustrates, approximately two-fifths (40.6%) of the rental units in Shelby have rents between $500 and $1,000, which is a smaller share of renters within this price range compared to Oceana County (51.2%) and the state of Michigan (43.5%). Over one-fifth (21.8%) of Shelby rental units have rents between $1,000 and $1,500, which is a higher share compared to the county (16.7%). Regardless, this demonstrates rent premiums are possible in this market. It is also noteworthy that 32.9% of rentals in the area have rents less than $500. It is important to understand, however, that this distribution of gross rents includes multifamily apartments, which represents 32.1% of the total rental supply in the area. As a result, it is likely that a significant share of the units with rents below $750, particularly those under $500, are multifamily apartments.

During the survey of Oceana County, Bowen National Research contacted several rental management companies in Oceana County for information regarding non-conventional rentals. While there were no *available* non-conventional rentals identified during our research, typical rental data was collected from each of the management companies surveyed. The following table illustrates the typical rent range of non-conventional rentals by bedroom type. Note that this data includes all of Oceana County and is not limited to the community of Shelby.

Non-Conventional Rent Range	
Bedrooms	**Typical Rent Range**
One-bedroom	$500 - $800
Two-bedroom	$600 - $750
Three-bedroom	$700 - $900
Four-bedroom	$1,400

Source: Bowen National Research

In order to gain additional perspective on the rental alternatives offered in the Shelby market, the following table illustrates the distribution of the renter-occupied housing by number of bedrooms based on 2017-2021 American Community Survey data.

Renter-Occupied Housing by Number of Bedrooms		
Bedroom	**Number**	**Percent**
Studio	11	4.7%
One-Bedroom	53	22.6%
Two-Bedroom	75	32.1%
Three-Bedroom+	95	40.6%
Total	234	100.0%

Source: American Community Survey (2017-2021); ESRI; Urban Decision Group; Bowen National Research

As the preceding illustrates, the largest share (40.6%) of renter-occupied housing units in Shelby is three-bedroom or larger units, followed by two-bedroom units (32.1%). Although the share of three-bedroom or larger units is slightly elevated compared to many markets, the rental supply in Shelby is reasonably well-distributed among the various bedroom types.

For-Sale Housing

The following table summarizes the total number of homes sold and median sale prices during the study period.

Historical Sales (Jan. 1, 2020 through Dec. 31, 2022)		
Study Area	**Homes Sold**	**Median Price**
Shelby	125	$126,000
Oceana County	1,097	$182,900

Source: MLS (Multiple Listing Service)

As the preceding table illustrates, 125 homes were sold in Shelby between 2020 and 2022. This equates to approximately 42 homes sold on an annual basis, or 3.5 homes sold per month, based on the recent historical sales volume. The homes sold during this period of time had a median sale price of $126,000, which is approximately 31.1% lower than the median sale price of homes sold within Oceana County during this time period.

The following table illustrates sales activity by *price point* from January 1, 2020, to December 31, 2022, for Shelby.

Sales History by Price (Jan. 1, 2020 through Dec. 31, 2022)		
Sale Price	Number Sold	Percent of Supply
Up to $99,999	34	27.2%
$100,000 to $149,999	49	39.2%
$150,000 to $199,999	29	23.2%
$200,000 to $249,999	6	4.8%
$250,000 to $299,000	5	4.0%
$300,000+	2	1.6%
Total	125	100.0%

Source: MLS (Multiple Listing Service)

Approximately 89.6% of the recent homes sold in Shelby had a sale price of less than $200,000. Nearly two-fifths (39.2%) of homes sold during this time period were priced between $100,000 and $149,999, which is a price point that is typically affordable to many first-time homebuyers. Only 1.6% of homes sold during this time had sale prices of $300,000 or more. Overall, recent home sales in the area have been heavily concentrated among the lower price points, which accommodates home ownership for many low-income households and first-time homebuyers. However, the lack of home sales among the higher price points likely impedes the area in attracting higher income households.

To better understand the overall value of the existing inventory of homes in Shelby, the following table illustrates the distribution of homes in the area by *estimated* home value for 2022. Note that these are estimated values provided by the owners through the American Community Survey, and as such, these values can be highly subjective. Regardless, this provides a reasonable estimate of the overall distribution of owner-occupied home values in the area.

2022 Estimated Home Value of Owner-Occupied Homes		
Estimated Home Value	Number	Percent
Up to $99,999	249	54.5%
$100,000 to $199,999	157	34.4%
$200,000 to $299,999	46	10.1%
$300,000 to $399,999	3	0.7%
$400,000+	2	0.4%
Total	457	100.0%

Source: American Community Survey (2017-2021); ESRI; Urban Decision Group; Bowen National Research

As the preceding table illustrates, a vast majority (88.9%) of homes in Shelby have estimated values of less than $200,000. This distribution of home values is consistent with the distribution of recent home sales by price point. The majority share of homes valued under $200,000 means that home ownership in the area is likely attainable for many low-to moderate-income households and first-time homebuyers. This data indicates that there is a high likelihood that future available for-sale homes may be able to accommodate a variety of affordability levels should owners place them on the market, although there is a very limited inventory of homes among the higher value cohorts.

Based on information provided by the Multiple Listing Service, we identified just three housing units within Shelby that were listed as *available* for purchase as of April 6, 2023. While it is possible that additional for-sale residential units are available for purchase, such homes were not identified during our research due to the method of advertisement or simply because the product was not actively marketed.

There are two inventory metrics most often used to evaluate the health of a for-sale housing market. This includes *Months Supply of Inventory* (MSI) and availability rate. Overall, based on the recent absorption rate of 3.5 homes sold per month in Shelby, the three homes listed as available for purchase represent 0.9 months of supply. Typically, healthy and well-balanced markets have an available supply that should take about four to six months to absorb (if no other units are added to the market). This means the area currently has a very limited supply of for-sale homes available in the market. The three available for-sale units in Shelby represent 0.7% of the 456 owner-occupied units in the area. Typically, in healthy, well-balanced markets, approximately 2% to 3% of the for-sale housing stock should be available for purchase to allow for inner-market mobility and to enable the market to attract households, though due to recent national housing market pressures it is not uncommon for most markets to have an availability rate below 2.0%. Overall, the available for-sale supply in the Shelby market is considered limited and indicates a likely shortage of for-sale options in the market.

The following table summarizes key attributes of the three *available* for-sale residential units for Shelby.

Available For-Sale Housing (As of April 6, 2023)

Bedrooms	Bathrooms	Year Built	Square Feet	List Price	Price per Sq. Ft.	Days on Market
Three-Br.	2.0	2010	1,324	$250,000	$188.82	6
Four-Br.	4.5	1930	1,774	$219,000	$123.45	11
Four-Br.	2.5	2004	2,176	$385,000	$176.93	50
Average	3.0	1981	1,758	$284,667	$163.07	22

Source: MLS (Multiple Listing Service)

As the preceding illustrates, the three available for-sale residential units are comprised of one three-bedroom unit and two four-bedroom units. These units have an average year built of 1981, average 1,758 square feet, and have an average list price of $284,667. While this is a very limited number of available units, the average list price of these units is considerably higher than the median sale price ($126,000) of the recent historical sales in the area.

D. CONCLUSIONS AND RECOMMENDATIONS

Demographics – Moderate overall household growth has occurred in the market since 2010; however, households are projected to remain stable in the market through 2027. The market has a notable share of households under the age of 35, however, significant growth is projected for seniors aged 65 and older, specifically those aged 75 and older. In addition, there is a growing base of households between the ages of 35 and 44 in the area. Projected growth among *renter* households over the next five years is isolated to those earning $40,000 or more, while nearly all growth of *owner* households is confined to households earning $60,000 or more. The preceding attributes and trends will influence the area's housing needs.

Housing Supply – Approximately three-fifths of the local housing supply are owner-occupied housing units. Seasonal/recreational housing comprises a small but notable portion of the housing market, which is less widespread as compared to the county, overall. Overcrowding among renter households is the most common housing issue within the market. Housing cost burden among renters and owners, while notable, is slightly less prevalent than at the county level. Non-conventional rentals (e.g., houses, duplexes, mobile homes, etc.) represent approximately two-thirds of the rental supply within the market. Regardless of rental type, there is a low inventory of available rentals in the market. There were three homes available for purchase in the market at the time of the survey. This is a very limited inventory of for-sale homes in the market (less than one month of supply) and indicates a notable shortage of available for-sale homes in the area. Overall, the Shelby market has a very limited availability among both rental and for-sale housing alternatives.

While this is not a comprehensive Housing Needs Assessment and therefore does not include a detailed action plan, we do believe there are some initial steps the community can take to help address local housing issues.

Recommendations – Based on this analysis of the Shelby market, we recommend local officials, stakeholders and housing advocates consider the following to address local housing issues:

- Support efforts to encourage residential development of both rental and for-sale housing product.
- Emphasize and support projects that consider a variety of affordability levels and target segments (e.g., seniors, individuals, young families, professionals, etc.).
- Identify and reach out to advocates, foundations, developers and investors that could be potential residential development partners.
- Reach out to and work with housing organizations and professionals that can bring expertise and increase the community's capacity to address housing issues.
- Consider identifying possible sites for residential development and determine if the sites' appeal could be enhanced with land preparation, pre-development assistance or infrastructure help.

- Given the area's walk score of 56, which indicates the community is "Somewhat Walkable," consider prioritizing residential development in or near the downtown areas of Shelby to fully maximize this positive attribute.

ADDENDUM E: COMMUNITY OVERVIEW (SHELBY TOWNSHIP)

The primary focus of this Community Overview and Housing Market Summary is on the community of Shelby Township, Michigan. The analyses on the following pages provide overviews of key demographic data, summaries of the multifamily and non-conventional rental market, for-sale housing supply, and general conclusions on the housing needs of the overall community. For comparison purposes, the demographic and housing characteristics of Oceana County and the state of Michigan are also included, when applicable. It is important to note that the demographic projections included in this section assume no significant government policies, programs or incentives are enacted that would drastically alter residential development or economic activity.

It is important to note that 2010 and 2020 demographic data are based on U.S. Census data (actual count), while 2022 and 2027 data are based on calculated estimates provided by ESRI, a nationally recognized demography firm. Additionally, secondary housing data included within this analysis uses a combination of ESRI estimates and data obtained from the 2017-2021 American Community Survey (ACS). As such, differences in totals and shares among various tables within this analysis may exist.

A. INTRODUCTION

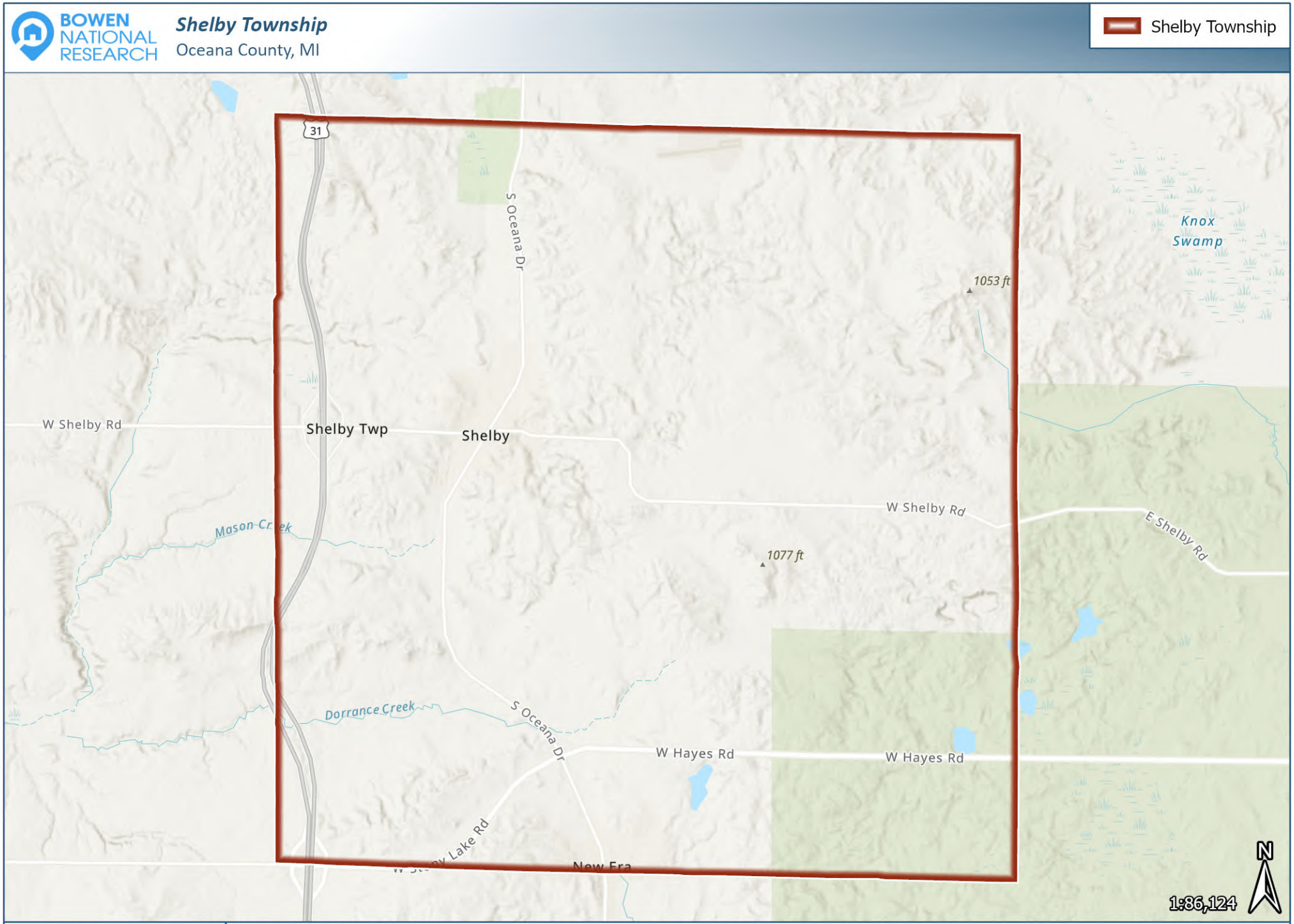
Shelby Township is located in the central portion of Oceana County, Michigan. Shelby Township is accessible via U.S. Highway 31 and contains approximately 36.1 square miles. The 2022 estimated population is 4,080, representative of approximately 15.4% of the population in Oceana County.

A map illustrating Shelby Township, Michigan is included on the following page.

BOWEN NATIONAL RESEARCH

Shelby Township

Oceana County, MI



0 0.4 0.8 1.2 1.6 Miles

Esri, NASA, NGA, USGS, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, EPA, NPS, USDA
Additional Source(s): Bowen National Research

B. DEMOGRAPHICS

This section of the report evaluates key demographic characteristics for the community of Shelby Township. Demographic comparisons provide insights into the human composition of housing markets.

Population by numbers and percent change (growth or decline) for selected years is shown in the following table. It should be noted that some total numbers and percentages may not match the totals within or between tables in this section due to rounding. Note that declines are illustrated in **red** text, while increases are illustrated in **green** text:

	Total Population									
	2010 Census	2020 Census	Change 2010-2020		2022 Estimated	Change 2020-2022		2027 Projected	Change 2022-2027	
			Number	Percent		Number	Percent		Number	Percent
Shelby Township	4,087	4,109	**22**	**0.5%**	4,080	**-29**	**-0.7%**	4,066	**-14**	**-0.3%**
Oceana County	26,570	26,659	**89**	**0.3%**	26,441	**-218**	**-0.8%**	26,403	**-38**	**-0.1%**
Michigan	9,883,297	10,077,094	**193,797**	**2.0%**	10,077,929	**835**	**0.0%**	10,054,166	**-23,763**	**-0.2%**

Source: 2010, 2020 Census; ESRI; Urban Decision Group; Bowen National Research

Between 2010 and 2020, the population within Shelby Township increased by 0.5%, which is larger than the population increase in Oceana County (0.3%), but less than the state (2.0%) during this time period. The population in Shelby Township declined by 0.7% between 2020 and 2022, and it is projected that the population within the area will further decline by 0.3% between 2022 and 2027. The projected population decline in Shelby Township during this time period represents a marginally larger rate of decrease as compared to Oceana County (0.1%) and the state of Michigan (0.2%). It is critical to point out that *household* changes, as opposed to population, are more material in assessing housing needs and opportunities. As illustrated on the following page, Shelby Township experienced positive *household* growth between 2010 and 2020 and the number of households is projected to increase slightly between 2022 and 2027.

Other notable population statistics for Shelby Township include the following:

- Minorities comprise 23.8% of the community's population, which is a much larger share than the share for Oceana County (16.5%) and less than the share in the state (26.1%).
- Married persons represent 55.4% of the adult population in Shelby Township, which is lower than the share reported for Oceana County (57.1%), but higher than the state of Michigan (49.0%).
- The share of the adult population without a high school diploma is 13.0%, which is higher than the shares reported for Oceana County (10.7%) and the state of Michigan (7.7%).
- Approximately 11.3% of the population lives in poverty, which is lower than the respective shares in Oceana County (13.0%) and the state of Michigan (13.3%).
- The annual movership rate (population moving within or to Shelby Township) is 13.6%, which is slightly higher than the shares in the county (10.0%) and the state (12.7%).

Households by numbers and percent change (growth or decline) for selected years are shown in the following table. Note that declines are illustrated in **red** text, while increases are illustrated in **green** text:

	Total Households									
	2010 Census	2020 Census	Change 2010-2020		2022 Estimated	Change 2020-2022		2027 Projected	Change 2022-2027	
			Number	Percent		Number	Percent		Number	Percent
Shelby Township	1,434	1,455	**21**	**1.5%**	1,448	**-7**	**-0.5%**	1,450	**2**	**0.1%**
Oceana County	10,174	10,320	**146**	**1.4%**	10,266	**-54**	**-0.5%**	10,300	**34**	**0.3%**
Michigan	3,872,302	4,041,552	**169,250**	**4.4%**	4,055,460	**13,908**	**0.3%**	4,067,324	**11,864**	**0.3%**

Source: 2010, 2020 Census; ESRI; Urban Decision Group; Bowen National Research

Between 2010 and 2020, the total number of households within Shelby Township increased by 1.5% (21 households), which is a marginally higher growth rate than the county (1.4%) but less than the statewide growth rate of 4.4%. Shelby Township experienced household decline of 0.5% between 2020 and 2022, which is comparable to Oceana County (0.5%) and contrasts with the 0.3% increase in households within the state. Households are projected to increase by 0.1% for Shelby Township between 2022 and 2027, which is less than the projected increases in Oceana County (0.3%) and the state of Michigan (0.3%).

It should be noted that household growth alone does not dictate the total housing needs of a market. Factors such as households living in substandard or cost-burdened housing, people commuting into the area for work, pent-up demand, availability of existing housing, and product in the development pipeline all affect housing needs.

Household heads by age cohorts for selected years are shown in the following table. Note that five-year declines are in **red**, while increases are in **green**:

		Household Heads by Age						
		<25	25 to 34	35 to 44	45 to 54	55 to 64	65 to 74	75+
Shelby Township	2010	55 (3.8%)	190 (13.2%)	248 (17.3%)	333 (23.2%)	264 (18.4%)	171 (11.9%)	173 (12.1%)
	2022	51 (3.5%)	227 (15.7%)	229 (15.8%)	238 (16.4%)	290 (20.0%)	228 (15.7%)	185 (12.8%)
	2027	49 (3.4%)	198 (13.7%)	249 (17.2%)	226 (15.6%)	264 (18.2%)	251 (17.3%)	213 (14.7%)
	Change 2022-2027	**-2 (-3.9%)**	**-29 (-12.8%)**	**20 (8.7%)**	**-12 (-5.0%)**	**-26 (-9.0%)**	**23 (10.1%)**	**28 (15.1%)**
Oceana County	2010	294 (2.9%)	1,165 (11.5%)	1,520 (14.9%)	2,201 (21.6%)	2,121 (20.8%)	1,590 (15.6%)	1,283 (12.6%)
	2022	240 (2.3%)	1,250 (12.2%)	1,449 (14.1%)	1,586 (15.4%)	2,262 (22.0%)	2,027 (19.7%)	1,452 (14.1%)
	2027	238 (2.3%)	1,082 (10.5%)	1,476 (14.3%)	1,539 (14.9%)	2,091 (20.3%)	2,156 (20.9%)	1,718 (16.7%)
	Change 2022-2027	**-2 (-0.8%)**	**-168 (-13.4%)**	**27 (1.9%)**	**-47 (-3.0%)**	**-171 (-7.6%)**	**129 (6.4%)**	**266 (18.3%)**
Michigan	2010	170,982 (4.4%)	525,833 (13.6%)	678,259 (17.5%)	844,895 (21.8%)	746,394 (19.3%)	463,569 (12.0%)	442,370 (11.4%)
	2022	150,466 (3.7%)	572,672 (14.1%)	630,554 (15.5%)	677,148 (16.7%)	814,827 (20.1%)	695,910 (17.2%)	513,883 (12.7%)
	2027	144,849 (3.6%)	535,146 (13.2%)	653,008 (16.1%)	642,114 (15.8%)	736,410 (18.1%)	749,254 (18.4%)	606,543 (14.9%)
	Change 2022-2027	**-5,617 (-3.7%)**	**-37,526 (-6.6%)**	**22,454 (3.6%)**	**-35,034 (-5.2%)**	**-78,417 (-9.6%)**	**53,344 (7.7%)**	**92,660 (18.0%)**

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2022, the distribution of household heads in Shelby Township is relatively balanced among the various age cohorts, with households between the ages of 55 and 64 comprising the largest share (20.0%) of households by age. Household heads ages 55 and older comprise 48.5% of all households within the area, which represents a smaller share of senior households as compared to Oceana County (55.8%) and the state of Michigan (50.0%). Household heads under the age of 35, which are typically more likely to be renters or first-time homebuyers, comprise 19.2% of Shelby Township households, which represents a larger share of such households when compared to the county (14.5%) and state (17.8%). Between 2022 and 2027, household growth within Shelby Township is projected to occur among households between the ages of 35 and 44 and 65 and older, with the most significant growth (15.1%) projected for households ages 75 and older. Households under the age of 35 are projected to decline by 11.2% over the next five years, while those between the ages of 45 and 64 are projected to decline by 7.2%.

Households by tenure (renters versus owners) for selected years are shown in the following table. Note that 2027 numbers which represent a decrease from 2022 are illustrated in **red** text, while increases are illustrated in **green** text:

	Households by Tenure								
		2000		2010		2022		2027	
	Household Type	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Shelby Township	Owner-Occupied	1,083	77.3%	1,116	77.8%	1,046	72.2%	**1,055**	**72.8%**
	Renter-Occupied	318	22.7%	318	22.2%	403	27.8%	**395**	**27.2%**
	Total	1,401	100.0%	1,434	100.0%	1,449	100.0%	**1,450**	100.0%
Oceana County	Owner-Occupied	8,087	82.7%	8,271	81.3%	8,439	82.2%	**8,512**	**82.6%**
	Renter-Occupied	1,691	17.3%	1,903	18.7%	1,827	17.8%	**1,788**	**17.4%**
	Total	9,778	100.0%	10,174	100.0%	10,266	100.0%	**10,300**	100.0%
Michigan	Owner-Occupied	2,792,684	73.8%	2,793,208	72.1%	2,895,751	71.4%	**2,936,335**	**72.2%**
	Renter-Occupied	991,785	26.2%	1,079,094	27.9%	1,159,709	28.6%	**1,130,990**	**27.8%**
	Total	3,784,469	100.0%	3,872,302	100.0%	4,055,460	100.0%	**4,067,325**	100.0%

Source: 2000 Census; 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2022, Shelby Township has a 72.2% share of owner households and an 27.8% share of renter households. This represents a decrease in the share of owner households as compared to 2010 (77.8%) and is less than the share of owner households in Oceana County (82.2%), but slightly higher than the state of Michigan (71.4%). Overall, Shelby Township owner households represent 12.4% of all owner households within Oceana County, while Shelby Township renter households comprise 22.1% of the county's renter households. Between 2022 and 2027, the number of owner households in the area is projected to increase by 0.9%, while the number of renter households is projected to decline by 2.0%.

Median household income for selected years is shown in the following table:

	Median Household Income				
	2010 Census	2022 Estimated	% Change 2010-2022	2027 Projected	% Change 2022-2027
Shelby Township	$38,207	$56,465	47.8%	$64,211	13.7%
Oceana County	$37,021	$58,499	58.0%	$66,009	12.8%
Michigan	$46,042	$65,522	42.3%	$75,988	16.0%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2022, the estimated median household income in Shelby Township is $56,465, which is 3.5% lower than the median household income in Oceana County. Between 2010 and 2022, Shelby Township experienced a 47.8% increase in median household income. The increase in Shelby Township was less than the increase within Oceana County (58.0%), but greater than the increase statewide (42.3%). The median household income in Shelby Township is projected to increase by an additional 13.7% between 2022 and 2027, resulting in a projected median income of $64,211 in 2027, which will remain below the projected median household income for the county ($66,009) and state ($75,988) for this time period.

The distribution of *renter* households by income is illustrated below. Note that declines between 2022 and 2027 are in **red**, while increases are in **green**:

		Renter Households by Income							
		<$10,000	$10,000 - $19,999	$20,000 - $29,999	$30,000 - $39,999	$40,000 - $49,999	$50,000 - $59,999	$60,000 - $99,999	$100,000+
Shelby Township	2010	56 (17.7%)	85 (26.7%)	65 (20.5%)	36 (11.2%)	29 (9.0%)	15 (4.9%)	27 (8.5%)	5 (1.4%)
	2022	39 (9.7%)	61 (15.2%)	73 (18.1%)	52 (12.8%)	40 (9.8%)	38 (9.5%)	71 (17.6%)	29 (7.2%)
	2027	29 (7.4%)	43 (10.9%)	60 (15.2%)	46 (11.8%)	40 (10.2%)	49 (12.5%)	93 (23.7%)	33 (8.4%)
	Change 2022-2027	**-10 (-25.6%)**	**-18 (-29.5%)**	**-13 (-17.8%)**	**-6 (-11.5%)**	0 (0.0%)	**11 (28.9%)**	**22 (31.0%)**	**4 (13.8%)**
Oceana County	2010	339 (17.8%)	515 (27.1%)	406 (21.3%)	226 (11.9%)	169 (8.9%)	82 (4.3%)	141 (7.4%)	24 (1.3%)
	2022	182 (10.0%)	280 (15.3%)	321 (17.6%)	239 (13.1%)	186 (10.2%)	162 (8.9%)	330 (18.1%)	127 (6.9%)
	2027	140 (7.8%)	207 (11.6%)	299 (16.7%)	234 (13.1%)	184 (10.3%)	186 (10.4%)	384 (21.5%)	155 (8.7%)
	Change 2022-2027	**-42 (-23.1%)**	**-73 (-26.1%)**	**-22 (-6.9%)**	**-5 (-2.1%)**	**-2 (-1.1%)**	**24 (14.8%)**	**54 (16.4%)**	**28 (22.0%)**
Michigan	2010	199,712 (18.5%)	246,606 (22.9%)	177,623 (16.5%)	132,096 (12.2%)	102,309 (9.5%)	60,184 (5.6%)	120,836 (11.2%)	39,728 (3.7%)
	2022	126,236 (10.9%)	162,922 (14.0%)	158,818 (13.7%)	141,901 (12.2%)	118,492 (10.2%)	91,450 (7.9%)	233,472 (20.1%)	126,418 (10.9%)
	2027	96,335 (8.5%)	124,306 (11.0%)	134,987 (11.9%)	129,810 (11.5%)	112,280 (9.9%)	96,092 (8.5%)	267,397 (23.6%)	169,784 (15.0%)
	Change 2022-2027	**-29,901 (-23.7%)**	**-38,616 (-23.7%)**	**-23,831 (-15.0%)**	**-12,091 (-8.5%)**	**-6,212 (-5.2%)**	**4,642 (5.1%)**	**33,925 (14.5%)**	**43,366 (34.3%)**

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2022, renter households earning between $20,000 and $29,999 (18.1%) and between $60,000 and $99,999 (17.6%) comprise the largest shares of renter households by income level within Shelby Township. Over one-half (55.8%) of all renter households within the area earn less than $40,000 which is a slightly smaller share compared to Oceana County (56.0%), but larger than the state of Michigan (50.8%) Renter households earning $60,000 or more comprise 24.8% of all Shelby Township renter households, which is a moderately smaller share as compared to Oceana County (25.0%). As a result, the distribution of renter households by income in Shelby Township is very similar to the distribution in the county. Projected growth among renter households within Shelby Township is limited to households earning $50,000 or more between 2022 and 2027, while renter households earning less than $40,000 are projected to decline. Shelby Township's projected growth of renter households by income among the higher earning households is consistent with the projected trends for the county and state during this time period. While the overall number of renter households in Shelby Township is projected to decline, the increase among households earning $50,000 or more will likely affect demand for premium rental product over the next five years. It should be noted that 45.3% of Shelby Township renter households will continue to earn less than $40,000, which illustrates the need for affordable rental options in the area.

The distribution of *owner* households by income is included below. Note that declines between 2022 and 2027 are in **red**, while increases are in **green**:

		Owner Households by Income							
		<$10,000	$10,000 - $19,999	$20,000 - $29,999	$30,000 - $39,999	$40,000 - $49,999	$50,000 - $59,999	$60,000 - $99,999	$100,000+
Shelby Township	2010	67 (6.0%)	130 (11.6%)	163 (14.6%)	148 (13.3%)	152 (13.6%)	119 (10.6%)	245 (21.9%)	92 (8.3%)
	2022	29 (2.8%)	56 (5.3%)	92 (8.8%)	91 (8.7%)	90 (8.6%)	119 (11.3%)	312 (29.8%)	257 (24.6%)
	2027	22 (2.1%)	38 (3.6%)	66 (6.3%)	68 (6.4%)	75 (7.1%)	125 (11.8%)	361 (34.2%)	302 (28.6%)
	Change 2022-2027	**-7 (-24.1%)**	**-18 (-32.1%)**	**-26 (-28.3%)**	**-23 (-25.3%)**	**-15 (-16.7%)**	**6 (5.0%)**	**49 (15.7%)**	**45 (17.5%)**
Oceana County	2010	513 (6.2%)	1,007 (12.2%)	1,304 (15.8%)	1,199 (14.5%)	1,145 (13.8%)	803 (9.7%)	1,638 (19.8%)	661 (8.0%)
	2022	270 (3.2%)	490 (5.8%)	748 (8.9%)	763 (9.0%)	754 (8.9%)	895 (10.6%)	2,624 (31.1%)	1,900 (22.5%)
	2027	215 (2.5%)	370 (4.4%)	645 (7.6%)	642 (7.5%)	619 (7.3%)	862 (10.1%)	2,778 (32.6%)	2,380 (28.0%)
	Change 2022-2027	**-55 (-20.4%)**	**-120 (-24.5%)**	**-103 (-13.8%)**	**-121 (-15.9%)**	**-135 (-17.9%)**	**-33 (-3.7%)**	**154 (5.9%)**	**480 (25.3%)**
Michigan	2010	135,263 (4.8%)	233,420 (8.4%)	278,350 (10.0%)	300,038 (10.7%)	283,387 (10.1%)	274,521 (9.8%)	702,775 (25.2%)	585,454 (21.0%)
	2022	80,319 (2.8%)	131,782 (4.6%)	185,563 (6.4%)	220,625 (7.6%)	218,468 (7.5%)	235,521 (8.1%)	748,158 (25.8%)	1,075,315 (37.1%)
	2027	62,603 (2.1%)	99,802 (3.4%)	149,805 (5.1%)	186,195 (6.3%)	189,502 (6.5%)	216,728 (7.4%)	736,291 (25.1%)	1,295,408 (44.1%)
	Change 2022-2027	**-17,716 (-22.1%)**	**-31,980 (-24.3%)**	**-35,758 (-19.3%)**	**-34,430 (-15.6%)**	**-28,966 (-13.3%)**	**-18,793 (-8.0%)**	**-11,867 (-1.6%)**	**220,093 (20.5%)**

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2022, 54.4% of *owner* households in Shelby Township earn $60,000 or more annually, which represents a larger share of such households compared to the share within Oceana County (53.6%), but smaller than the state of Michigan (62.9%). Approximately 19.9% of owner households in Shelby Township earn between $40,000 and $59,999, and the remaining 25.6% earn less than $40,000. As such, the overall distribution of owner households by income in Shelby Township is more weighted toward the middle and higher income cohorts (earning $40,000 or more) as compared to households within Oceana County. Between 2022 and 2027, owner household growth in Shelby Township is projected to occur among households earning $50,000 or more, collectively increasing by 14.5%. By comparison, the projected growth of owner households by income within Oceana County is limited to households earning $60,000 or more during this time period.

C. HOUSING METRICS

The estimated distribution of the area housing stock by tenure for Shelby Township in 2022 is summarized in the following table:

		Occupied and Vacant Housing Units by Tenure 2022 Estimates				
		Total Occupied	Owner Occupied	Renter Occupied	Vacant	Total
Shelby Township	Number	1,448	1,046	403	172	1,620
	Percent	89.4%	72.2%	27.8%	10.6%	100.0%
Oceana County	Number	10,266	8,439	1,827	5,265	15,531
	Percent	66.1%	82.2%	17.8%	33.9%	100.0%
Michigan	Number	4,055,460	2,895,751	1,159,709	533,313	4,588,773
	Percent	88.4%	71.4%	28.6%	11.6%	100.0%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In total, there are an estimated 1,620 housing units within Shelby Township in 2022. Based on ESRI estimates and 2020 Census data, of the 1,448 total *occupied* housing units in the area, 72.2% are owner occupied, while the remaining 27.8% are renter occupied. Approximately 10.6% of the housing units within Shelby Township are classified as vacant, which is a much lower share than that reported for Oceana County. Vacant units are comprised of a variety of units including abandoned properties, unoccupied rentals, for-sale homes, and seasonal housing units. Based on 2017-2021 American Community Survey (ACS) data, approximately 5.0% of the total housing units in Shelby Township are classified as "Seasonal or Recreational," which is a much lower share as compared to Oceana County (30.6%). As such, the housing market in Shelby Township appears to be much less influenced by seasonal/recreational units than the overall housing market in Oceana County.

The following table compares key housing age and conditions based on 2017-2021 American Community Survey data. Housing units built over 50 years ago (pre-1970), overcrowded housing (1.01+ persons per room), or housing that lacks complete indoor kitchens or bathroom plumbing are illustrated by tenure. It is important to note that some occupied housing units may have more than one housing issue.

	Housing Age and Conditions											
	Pre-1970 Product				Overcrowded				Incomplete Plumbing or Kitchen			
	Renter		Owner		Renter		Owner		Renter		Owner	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Shelby Township	101	40.9%	623	54.4%	27	10.9%	33	2.9%	0	0.0%	26	2.3%
Oceana County	598	44.1%	3,231	38.3%	161	11.9%	198	2.3%	22	1.6%	53	0.6%
Michigan	507,318	45.9%	1,373,751	47.9%	31,824	2.9%	32,450	1.1%	22,356	2.0%	16,775	0.6%

Source: American Community Survey (2017-2021); ESRI; Urban Decision Group; Bowen National Research

In Shelby Township, 40.9% of the renter-occupied housing units and 54.4% of the owner-occupied units were built prior to 1970. This represents a slightly newer inventory of rental units and notably older stock of owner units as compared to Oceana County, where 44.1% of renter-occupied units and 38.3% of owner-occupied units were built prior to 1970. Older housing units may require additional maintenance and repairs compared to newer homes, which can adversely affect affordability for owners and prospective buyers. The respective shares of renter households (10.9%) and owner households (2.9%) in Shelby Township that experience overcrowding are higher than the shares at the statewide level (2.9% and 1.1%, respectively). Overcrowding can result from a combination of multiple demographic (e.g., average household size) and housing (e.g., mixture of bedroom types) factors. While renter households in Shelby Township do not appear to have issues related to incomplete plumbing or kitchens, the share (2.3%) of owner households with this issue is markedly larger than the corresponding shares for the county (0.6%) and state (0.6%). Overall, the data suggests that households in Shelby Township, particularly renter households, are much more likely to be affected by overcrowding, and owner households are more likely to have incomplete facilities as compared to households in the county and state.

The following table compares key household income, housing cost, and housing affordability metrics. It should be noted that cost burdened households pay over 30% of income toward housing costs, while severe cost burdened households pay over 50% of income toward housing.

	Household Income, Housing Costs and Affordability							
	2022 Households	Median Household Income	Estimated Median Home Value	Average Gross Rent	Share of Cost Burdened Households*		Share of Severe Cost Burdened Households**	
					Renter	Owner	Renter	Owner
Shelby Township	1,448	$56,465	$107,645	$747	30.4%	10.8%	15.4%	5.4%
Oceana County	10,266	$58,499	$150,985	$771	33.2%	18.5%	16.7%	8.1%
Michigan	4,055,460	$65,522	$204,371	$1,023	44.9%	18.6%	23.1%	7.4%

Source: American Community Survey (2017-2021); ESRI; Urban Decision Group; Bowen National Research
*Paying more than 30% of income toward housing costs
**Paying more than 50% of income toward housing costs

The estimated median home value in Shelby Township of $107,645 is 28.7% lower than the median home value for the county ($150,985) and 47.3% lower than that reported for the state. The average gross rent in Shelby Township ($747) is 3.1% lower than the county average gross rent ($771) and 27.0% lower than the state average ($1,023). Overall, the shares of cost burdened renter households (30.4%) and owner households (10.8%) in Shelby Township are lower than the shares at the state level (44.9% and 18.6%, respectively). Regardless, there are an estimated 123 renter households and 113 owner households that are housing cost burdened in Shelby Township, of which 62 renter households and 56 owner households are severe cost burdened. As such, affordable housing alternatives should continue to be part of future housing solutions.

Rental Housing

The renter-occupied housing in a market is generally classified in one of two categories: *multifamily apartments* or *non-conventional rentals*. Multifamily apartments are typically properties consisting of five or more rental units within a structure, while non-conventional rentals are usually defined as rental properties with four or less units within a structure. The following pages provide an analysis of the rental market within Shelby Township based on secondary data from sources such as the American Community Survey (ACS) and U.S. Census Bureau, and when applicable, includes primary data collected directly by Bowen National Research.

Multifamily Apartments

A survey of multifamily apartment properties was conducted as part of this Community Overview. The following summarizes the surveyed multifamily rental supply within Shelby Township and Oceana County. It should be noted that among the five properties surveyed within Shelby Township, all five are located within the *village of Shelby*.

Multifamily Supply by Product Type

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Shelby Township				
Tax Credit/Government-Subsidized	2	47	3	93.6%
Government-Subsidized	3	80	0	100.0%
Total	5	127	3	97.6%
Oceana County (Overall)				
Tax Credit	1	10	0	100.0%
Tax Credit/Government-Subsidized	4	85	3	96.5%
Market-rate/Tax Credit/Government-Subsidized	1	24	1	95.8%
Government-Subsidized	4	96	0	100.0%
Total	10	215	4	98.1%

In Shelby Township, a total of five multifamily apartment properties were surveyed, comprising a total of 127 units. The surveyed units within Shelby Township represent 59.1% of the total surveyed units within Oceana County. Among these, two are subsidized Tax Credit properties and three are government-subsidized (non-Tax-Credit) properties. A vast majority (90.6%) of the units surveyed operate as government-subsidized units without a Tax Credit (100 units) or government-subsidized units with a concurrent Tax Credit (15 units). Only 12 of the surveyed units (9.4%) operate strictly under a Tax Credit program. Overall, the multifamily apartments surveyed are operating at an occupancy rate of 97.6%, which is a slightly lower occupancy rate compared to the multifamily apartments surveyed within the entirety of Oceana County, but still represents a high occupancy rate and is indicative of a strong market for apartments. Typically, healthy, well-balanced markets have rental housing vacancy rates generally between 4% and 6%. As such, it appears the Shelby Township market has a shortage of multifamily apartments, which may represent a potential future development opportunity.

Non-Conventional Rental Housing

Non-conventional rentals are considered rental units typically consisting of single-family homes, duplexes, units over store fronts, mobile homes, etc. and account for 69.7% of the total rental units in Shelby Township. The following table illustrates the distribution of renter-occupied housing by the number of units in the structure for Shelby Township, Oceana County, and the state of Michigan.

		Renter-Occupied Housing by Units in Structure			
		1 to 4 Units	5 Units or More	Mobile Home/ Other	Total
Shelby Township	Number	168	75	4	247
	Percent	68.1%	30.4%	1.6%	100.0%
Oceana County	Number	808	226	322	1,356
	Percent	59.6%	16.7%	23.7%	100.0%
Michigan	Number	568,232	492,131	45,622	1,105,985
	Percent	51.4%	44.5%	4.1%	100.0%

Source: American Community Survey (2017-2021); ESRI; Urban Decision Group; Bowen National Research

In Shelby Township, over two-thirds (69.7%) of all renter-occupied housing are non-conventional rental units (structures containing one to four units and mobile homes). This represents a slightly smaller share of such units when compared to Oceana County (83.3%) but a much larger share as compared to the state (55.5%). While non-conventional rentals comprise a sizable majority of all rental units in Shelby Township, the share (30.4%) of multifamily apartments (structures containing five or more units) in Shelby Township is considerably higher than the share (16.7%) within Oceana County. Regardless, a disproportionate share of the overall rental housing stock in Shelby Township is comprised of non-conventional rentals, and this housing segment warrants additional analysis.

The following summarizes monthly gross rents for area rental alternatives based on American Community Survey estimates. These rents are for all rental product types including apartments, non-conventional rentals, and mobile homes. Since over two-thirds (69.7%) of all rentals in Shelby Township are considered non-conventional rentals, the rents in the following table provide some insight as to likely rents for non-conventional rentals in the area.

		Estimated Monthly Gross Rents by Market								
		<$300	$300 - $500	$500 - $750	$750 - $1,000	$1,000 - $1,500	$1,500 - $2,000	$2,000+	No Cash Rent	Total
Shelby Township	Number	14	63	47	58	51	3	11	0	247
	Percent	5.7%	25.5%	19.0%	23.5%	20.6%	1.2%	4.5%	0.0%	100.0%
Oceana County	Number	66	158	369	326	226	5	11	195	1,356
	Percent	4.9%	11.7%	27.2%	24.0%	16.7%	0.4%	0.8%	14.4%	100.0%
Michigan	Number	47,234	62,363	186,604	294,005	333,601	85,842	40,126	56,211	1,105,986
	Percent	4.3%	5.6%	16.9%	26.6%	30.2%	7.8%	3.6%	5.1%	100.0%

Source: American Community Survey (2017-2021); ESRI; Urban Decision Group; Bowen National Research

As the preceding table illustrates, over two-fifths (42.5%) of the rental units in Shelby Township have rents between $500 and $1,000, which is a lower share of renters within this price range compared to Oceana County (51.2%) and the state of Michigan (43.5%). Approximately one-fifth (20.6%) of Shelby Township rental units have rents between $1,000 and $1,500, which is a higher share compared to the county (16.7%) and provides evidence that rent premiums can be achieved. It is also noteworthy that 31.2% of rentals in the area have rents less than $500. It is important to understand, however, that this distribution of gross rents includes multifamily apartments, which represents 30.4% of the total rental supply in the area. As a result, it is likely that a significant share of the units with rents below $750, particularly those under $500, are multifamily apartments.

During the survey of Oceana County, Bowen National Research contacted several rental management companies in Oceana County for information regarding non-conventional rentals. While there were no *available* non-conventional rentals identified during our research, typical rental data was collected from each of the management companies surveyed. The following table illustrates the typical rent range of non-conventional rentals by bedroom type. Note that this data includes all of Oceana County and is not limited to the community of Shelby Township.

Non-Conventional Rent Range	
Bedrooms	**Typical Rent Range**
One-bedroom	$500 - $800
Two-bedroom	$600 - $750
Three-bedroom	$700 - $900
Four-bedroom	$1,400

Source: Bowen National Research

In order to gain additional perspective on the rental alternatives offered in the Shelby Township market, the following table illustrates the distribution of the renter-occupied housing by number of bedrooms based on 2017-2021 American Community Survey data.

Renter-Occupied Housing by Number of Bedrooms		
Bedroom	**Number**	**Percent**
Studio	11	4.5%
One-Bedroom	54	21.9%
Two-Bedroom	81	32.8%
Three-Bedroom+	101	40.9%
Total	247	100.0%

Source: American Community Survey (2017-2021); ESRI; Urban Decision Group; Bowen National Research

As the preceding illustrates, the largest share (40.9%) of renter-occupied housing units in Shelby Township is three-bedroom or larger units, followed by two-bedroom units (32.8%). Although the share of three-bedroom or larger units is slightly elevated compared to many markets, the rental supply in Shelby Township is reasonably well-distributed among the various bedroom types.

For-Sale Housing

The following table summarizes the total number of homes sold and median sale prices during the study period.

Historical Sales (Jan. 1, 2020 through Dec. 31, 2022)		
Study Area	**Homes Sold**	**Median Price**
Shelby Township	179	$140,000
Oceana County	1,097	$182,900

Source: MLS (Multiple Listing Service)

As the preceding table illustrates, 179 homes were sold in Shelby Township between 2020 and 2022. This equates to approximately 60 homes sold on an annual basis, or 5.0 homes sold per month, based on the recent historical sales volume. The homes sold during this period of time had a median sale price of $140,000, which is approximately 23.5% lower than the median sale price of homes sold within Oceana County during this time period.

The following table illustrates sales activity by *price point* from January 1, 2020, to December 31, 2022, for Shelby Township.

Sales History by Price (Jan. 1, 2020 through Dec. 31, 2022)		
Sale Price	**Number Sold**	**Percent of Supply**
Up to $99,999	40	22.3%
$100,000 to $149,999	59	33.0%
$150,000 to $199,999	49	27.4%
$200,000 to $249,999	12	6.7%
$250,000 to $299,000	11	6.1%
$300,000+	8	4.5%
Total	179	100.0%

Source: MLS (Multiple Listing Service)

Over four-fifths (82.7%) of the recent homes sold in Shelby Township had a sale price of less than $200,000. Approximately one-third (33.0%) of homes sold during this time period were priced between $100,000 and $149,999, which is a price point that is typically affordable to many first-time homebuyers. Overall, 17.3% of homes sold during this time had a sale price of $200,000 or more. As such, recent home sales in the area have been well-distributed among the various price points, which accommodates home ownership for a variety of income levels.

To better understand the overall value of the existing inventory of homes in Shelby Township, the following table illustrates the distribution of homes in the area by *estimated* home value for 2022. Note that these are estimated values provided by the owners through the American Community Survey, and as such, these values can be highly subjective. Regardless, this provides a reasonable estimate of the overall distribution of owner-occupied home values in the area.

2022 Estimated Home Value of Owner-Occupied Homes		
Estimated Home Value	Number	Percent
Up to $99,999	485	46.5%
$100,000 to $199,999	377	36.1%
$200,000 to $299,999	129	12.4%
$300,000 to $399,999	31	3.0%
$400,000+	22	2.1%
Total	1,044	100.0%

Source: American Community Survey (2017-2021); ESRI; Urban Decision Group; Bowen National Research

As the preceding table illustrates, a vast majority (82.6%) of homes in Shelby Township have estimated values of less than $200,000. Interestingly, this is a nearly identical share as compared to recent historical home sales priced at less than $200,000 (82.7%). The majority share of homes valued under $200,000 means that home ownership in the area is likely attainable for many low- to moderate-income households and first-time homebuyers. This data indicates that there is a high likelihood that future available for-sale homes may be able to accommodate a variety of affordability levels should owners place them on the market, although there appears to be a limited inventory of homes among the higher value cohorts.

Based on information provided by the Multiple Listing Service, we identified seven housing units within Shelby Township that were listed as *available* for purchase as of April 6, 2023. While it is possible that additional for-sale residential units are available for purchase, such homes were not identified during our research due to the method of advertisement or simply because the product was not actively marketed.

There are two inventory metrics most often used to evaluate the health of a for-sale housing market. This includes *Months Supply of Inventory* (MSI) and availability rate. Overall, based on the recent absorption rate of 5.0 homes sold per month in Shelby Township, the seven homes listed as available for purchase represent 1.4 months of supply. Typically, healthy and well-balanced markets have an available supply that should take about four to six months to absorb (if no other units are added to the market). This means the area currently has a limited supply of for-sale homes available in the market. The seven available for-sale units in Shelby Township represent 0.7% of the 1,046 owner-occupied units in the area. Typically, in healthy, well-balanced markets, approximately 2% to 3% of the for-sale housing stock should be available for purchase to allow for inner-market mobility and to enable the market to attract households, though due to recent national housing market pressures it is not uncommon for most markets to have an availability rate below 2.0%. Overall, the available for-sale supply in the Shelby Township market is considered very limited and indicates a likely shortage of for-sale options in the market.

The following table summarizes key attributes of the four *available* for-sale residential units for Shelby Township.

Available For-Sale Housing (As of April 6, 2023)						
Bedrooms	Bathrooms	Year Built	Square Feet	List Price	Price per Sq. Ft.	Days on Market
Three-Br.	1.5	1993	1,234	$249,000	$201.78	50
Three-Br.	2.0	2010	1,324	$250,000	$188.82	6
Three-Br.	3.0	1975	1,916	$399,900	$208.72	7
Four-Br.	1.0	1930	1,774	$219,000	$123.45	11
Four-Br.	2.0	1962	2,184	$199,900	$91.53	5
Four-Br.	2.5	2004	2,176	$385,000	$176.93	50
Four-Br.	3.0	1924	2,112	$349,900	$165.67	130
Average	2.0	1971	1,817	$293,243	$165.27	37

Source: MLS (Multiple Listing Service)

As the preceding illustrates, the seven available for-sale residential units are comprised of three (3) three-bedroom units and four (4) four-bedroom units. These units have an average year built of 1971, average 1,817 square feet, and have an average list price of $293,243. While this is a limited number of available units, the average list price of these units is considerably higher than the median sale price ($140,000) of the recent historical sales in the area. As a result, a majority of these homes are unaffordable to a large portion of area households.

D. CONCLUSIONS AND RECOMMENDATIONS

Demographics – Moderate overall household growth has occurred in the market since 2010; however, only marginal household growth is projected in the market through 2027. The market has a notable and growing base of seniors aged 65 and older, and there is a growing base of households between the ages of 35 and 44 in the area. Projected growth among *renter* and *owner* households over the next five years is isolated to those earning $50,000 or more. The preceding attributes and trends will influence the area's housing needs.

Housing Supply – The local housing supply is dominated by owner-occupied housing units. While seasonal/recreational housing is present within the market, it is much less prevalent as compared to Oceana County as a whole. Overcrowding among renter households is the most common housing issue within the market. Housing cost burden among renters and owners, while notable, is less widespread compared to the county level. Non-conventional (e.g., houses, duplexes, mobile homes, etc.) rentals represent roughly two-thirds of the rental supply within the market. Regardless of rental type, there appears to be very few available rentals in the market. There were seven homes available for purchase in the market at the time of the survey. This represents limited available for-sale housing stock as compared to the total number of owner-occupied units in the market, and likely indicates a shortage of for-sale housing in the market.

While this is not a comprehensive Housing Needs Assessment and therefore does not include a detailed action plan, we do believe there are some initial steps the community can take to help address local housing issues.

Recommendations – Based on this analysis of the Shelby Township market, we recommend local officials, stakeholders and housing advocates consider the following to address local housing issues:

- Support efforts to encourage residential development of both rental and for-sale housing product. This can be done through such things as tax abatement, lowering or waiving development fees, donation of land, etc.
- Given the village of Shelby has a walk score of 56, which indicates the community is "Somewhat Walkable," consider prioritizing residential development in or near the downtown areas of Shelby to fully maximize this positive attribute.
- Emphasize and support projects that consider a variety of affordability levels and target segments (e.g., seniors, individuals, young families, professionals, etc.).
- Identify and reach out to advocates, foundations, developers and investors that could be potential residential development partners.
- Reach out to and work with housing organizations and professionals that can bring expertise and increase capacity to address housing issues.
- Consider identifying possible sites for residential development and determine if the sites' appeal could be enhanced with land preparation, pre-development assistance or infrastructure help.

ADDENDUM F: QUALIFICATIONS

The Company

Bowen National Research employs an expert staff to ensure that each market study includes the highest standards. Each staff member has hands-on experience evaluating sites and comparable properties, analyzing market characteristics and trends, and providing realistic recommendations and conclusions. The Bowen National Research staff has national experience and knowledge to assist in evaluating a variety of product types and markets.

Primary Contact and Report Author



Patrick Bowen, President of Bowen National Research, has conducted numerous housing needs assessments and provided consulting services to city, county and state development entities as it relates to residential development, including affordable and market-rate housing, for both rental and for-sale housing, and retail development opportunities. He has also prepared and supervised thousands of market feasibility studies for all types of real estate products, including housing, retail, office, industrial and mixed-use developments, since 1996. Mr. Bowen has worked closely with many state and federal housing agencies to assist them with their market study guidelines. Mr. Bowen has his bachelor's degree in legal administration (with emphasis on business and law) from the University of West Florida and currently serves as Vice Chair and Trustee of the National Council of Housing Market Analysts (NCHMA).

Housing Needs Assessment Experience		
Location	**Client**	**Completion Year**
Dublin, GA	City of Dublin Purchasing Departments	2018
Evansville, IN	City of Evansville, IN - Department of Metropolitan Development	2018
Beaufort County, SC	Beaufort County	2018
Burke County, NC	Burke County Board of REALTORS	2018
Ottawa County, MI	HOUSING NEXT	2018
Bowling Green, KY	City of Bowling Green Kentucky	2019
Evansville, IN	City of Evansville, IN - Department of Metropolitan Development	2019
Zanesville, OH	City of Zanesville Department of Community Development	2019
Buncombe County, NC	City of Asheville Community and Economic Development Department	2019
Cleveland County, NC	Cleveland County Government	2019
Frankstown Twp., PA	Woda Cooper Companies, Inc.	2019
Taylor County, WV	Taylor County Development Authority	2019
Lac Courte Oreilles Reservation, WI	Lac Courte Oreilles Ojibwa Community College	2019
Owensboro, KY	City of Owensboro	2019
Asheville, NC	City of Asheville Community and Economic Development Department	2020
Evansville, IN	City of Evansville, IN - Department of Metropolitan Development	2020

(continued)

Housing Needs Assessment Experience		
Location	**Client**	**Completion Year**
Youngstown, OH	Youngstown Neighborhood Development Corporation (YNDC)	2020
Richlands, VA	Town of Richlands, Virginia	2020
Elkin, NC	Elkin Economic Development Department	2020
Grand Rapids, MI	Grand Rapids Area Chamber of Commerce	2020
Morgantown, WV	City of Morgantown	2020
Erwin, TN	Unicoi County Economic Development Board	2020
Ferrum, VA	County of Franklin (Virginia)	2020
Charleston, WV	Charleston Area Alliance	2020
Wilkes County, NC	Wilkes Economic Development Corporation	2020
Oxford, OH	City of Oxford - Community Development Department	2020
New Hanover County, NC	New Hanover County Finance Department	2020
Ann Arbor, MI	Smith Group, Inc.	2020
Austin, IN	Austin Redevelopment Commission	2020
Evansville, IN	City of Evansville, IN - Department of Metropolitan Development	2021
Giddings, TX	Giddings Economic Development Corporation	2021
Georgetown County, SC	Georgetown County	2021
Western North Carolina (18 Counties)	Dogwood Health Trust	2021
Carteret County, NC	Carteret County Economic Development Foundation	2021
Ottawa County, MI	HOUSING NEXT	2021
Dayton, OH	Miami Valley Nonprofit Housing Collaborative	2021
High Country, NC (4 Counties)	NC REALTORS	2022
Evansville, IN	City of Evansville, IN - Department of Metropolitan Development	2022
Barren County, KY	The Barren County Economic Authority	2022
Kirksville, MO	City of Kirksville	2022
Rutherfordton, NC	Town of Rutherfordton	2022
Spindale, NC	Town of Spindale	2022
Wood County, WV	Wood County Development Authority & Parkersburg-Wood County Area Development Corporation	2022
Yancey County, NC	Yancey County	2022
Cherokee County, NC	Economic and Workforce Development, Tri-County Community College	2022
Rowan County, KY	Morehead-Rowan County Economic Development Council	2022
Avery County, NC	Avery County	2022
Muskegon, MI	City of Muskegon	2023
Firelands Region, OH	Firelands Forward	2023
Marshall County, WV	Marshall County Commission	2023
Lebanon County, PA	Lebanon County Coalition to End Homelessness	2023
Northern, MI	Housing North	2023
Muskegon County, MI	Community Foundation for Muskegon County	2023
Mason County, MI	Mason County Chamber Alliance	2023

The following individuals provided research and analysis assistance:

Christopher Bunch, Market Analyst, has more than a decade of experience in conducting both site-specific market feasibility studies and broader housing needs assessments. He has conducted on-site market research of a variety of housing product, conducted stakeholder interviews and completed specialized research on housing market attributes including the impact of military personnel, heirs and estates and other unique factors that impact housing needs.

Desireé Johnson is the Director of Operations for Bowen National Research. Ms. Johnson is responsible for all client relations, the procurement of work contracts, and the overall supervision and day-to-day operations of the company. Ms. Johnson also coordinates and oversees research staff and activities. She has been involved in the real estate market research industry since 2006. Ms. Johnson has an Associate of Applied Science in Office Administration from Columbus State Community College.

Pat McDavid, Research Specialist, has conducted housing research for housing needs assessments completed throughout the country. Additionally, he is experienced in analyzing demographic and economic data in rural, suburban and metropolitan communities. Mr. McDavid has been a part of the development of market strategies, operational and fiscal performance analysis, and commercial, industrial and government (local, state, and federal) client consultation within the construction and manufacturing industries. He holds a bachelor's degree in Secondary Earth Science from Western Governors University.

Gregory Piduch, Market Analyst, has conducted site-specific analyses in both metropolitan and rural areas throughout the country. He is familiar with multiple types of rental housing programs, the day-to-day interaction with property managers and leasing agents and the collection of pertinent property details. Mr. Piduch holds a Bachelor of Arts in Communication and Rhetoric from the University of Albany, State University of New York and a Master of Professional Studies in Sports Industry Management from Georgetown University.

Jody LaCava, Research Specialist, has nearly a decade of real estate research experience. She has extensive experience in surveying a variety of housing alternatives, including rental, for-sale, and senior housing. She has experience in conducting on-site research of real estate, evaluating existing housing properties, conducting interviews, and evaluating community services. She has been involved in industry leading case studies, door-to-door resident surveys and special needs housing research.

In-House Researchers – Bowen National Research employs a staff of in-house researchers who are experienced in the surveying and evaluation of all rental and for-sale housing types, as well as in conducting interviews and surveys with city officials, economic development offices and chambers of commerce, housing authorities and residents.

No subconsultants were used as part of this assessment.

ADDENDUM G: GLOSSARY

Various key terms associated with issues and topics evaluated in this report are used throughout this document. The following provides a summary of the definitions for these key terms. It is important to note that the definitions cited below include the source of the definition, when applicable. Those definitions that were not cited originated from the National Council of Housing Market Analysts (NCHMA).

Area Median Household Income (AMHI) is the median income for families in metropolitan and non-metropolitan areas, used to calculate income limits for eligibility in a variety of housing programs. HUD estimates the median family income for an area in the current year and adjusts that amount for different family sizes so that family incomes may be expressed as a percentage of the area median income. For example, a family's income may equal 80% of the area median income, a common maximum income level for participation in HUD programs. (Bowen National Research, Various Sources)

Available rental housing is any rental product that is currently available for rent. This includes any units identified through Bowen National Research survey of affordable rental properties identified in the study areas, published listings of available rentals, and rentals disclosed by local realtors or management companies.

Basic Rent is the minimum monthly rent that tenants who do not have rental assistance pay to lease units developed through the USDA-RD Section 515 Program, the HUD Section 236 Program and the HUD Section 223 (d) (3) Below Market Interest Rate Program. The Basic Rent is calculated as the amount of rent required to operate the property, maintain debt service on a subsidized mortgage with a below-market interest rate, and provide a return on equity to the developer in accordance with the regulatory documents governing the property.

Contract Rent is (1) the actual monthly rent payable by the tenant, including any rent subsidy paid on behalf of the tenant, to the owner, inclusive of all terms of the lease (HUD & RD) or (2) the monthly rent agreed to between a tenant and a landlord (Census).

Cost overburdened households are households that pay more than 30% or 35% (depending upon source) of their annual household income toward housing costs. Typically, such households will choose a comparable property (including new affordable housing product) if it is less of a cost burden.

Elderly Person is a person who is at least 62 years of age as defined by HUD.

Elderly or Senior Housing is housing where (1) all the units in the property are restricted for occupancy by persons 62 years of age or older or (2) at least 80% of the units in each building are restricted for occupancy by households where at least one household member is 55 years of age or older and the housing is designed with amenities and facilities designed to meet the needs of senior citizens.

Extremely low-income is a person or household with income below 30% of Area Median Income adjusted for household size.

Fair Market Rent (FMR) are the estimates established by HUD of the gross rents (contract rent plus tenant paid utilities) needed to obtain modest rental units in acceptable condition in a specific county or metropolitan statistical area. HUD generally sets FMR so that 40% of the rental units have rents below the FMR. In rental markets with a shortage of lower priced rental units HUD may approve the use of Fair Market Rents that are as high as the 50th percentile of rents.

Frail Elderly is a person who is at least 62 years of age and is unable to perform at least three "activities of daily living" comprising of eating, bathing, grooming, dressing or home management activities as defined by HUD.

Garden apartments are apartments in low-rise buildings (typically two to four stories) that feature low density, ample open space around buildings, and on-site parking.

Gross Rent is the monthly housing cost to a tenant which equals the Contract Rent provided for in the lease plus the estimated cost of all tenant paid utilities.

Household is one or more people who occupy a housing unit as their usual place of residence.

Housing Choice Voucher (Section 8 Program) is a federal rent subsidy program under Section 8 of the U.S. Housing Act, which issues rent vouchers to eligible households to use in the housing of their choice. The voucher payment subsidizes the difference between the Gross Rent and the tenant's contribution of 30% of adjusted gross income, (or 10% of gross income, whichever is greater). In cases where 30% of the tenant's income is less than the utility allowance, the tenant will receive an assistance payment. In other cases, the tenant is responsible for paying his share of the rent each month.

Housing unit is a house, apartment, mobile home, or group of rooms used as a separate living quarters by a single household.

HUD Section 8 Program is a federal program that provides project based rental assistance. Under the program HUD contracts directly with the owner for the payment of the difference between the Contract Rent and a specified percentage of tenants' adjusted income.

HUD Section 202 Program is a federal program, which provides direct capital assistance (i.e., grant) and operating or rental assistance to finance housing designed for occupancy by elderly households who have income not exceeding 50% of the Area Median Income. The program is limited to housing owned by 501(c)(3) nonprofit organizations or by limited partnerships where the sole general partner is a 501(c)(3) nonprofit organization. Units receive HUD project based rental assistance that enables tenants to occupy units at rents based on 30% of tenant income.

HUD Section 236 Program is a federal program which provides interest reduction payments for loans which finance housing targeted to households with income not exceeding 80% of Area Median Income who pay rent equal to the greater of Basic Rent or 30% of their adjusted income. All rents are capped at a HUD approved market rent.

HUD Section 811 Program is a federal program, which provides direct capital assistance and operating or rental assistance to finance housing designed for occupancy by persons with disabilities who have income not exceeding 50% of Area Median Income. The program is limited to housing owned by 501(c)(3) nonprofit organizations or by limited partnerships where the sole general partner is a 501(c)(3) nonprofit organization.

Income Limits are the Maximum Household Income by county or Metropolitan Statistical Area, adjusted for household size and expressed as a percentage of the Area Median Income (AMI) for the purpose of establishing an upper limit for eligibility for a specific housing program. Income Limits for federal, state and local rental housing programs typically are established at 30%, 50%, 60% or 80% of AMI.

Low-Income Household is a person or household with gross household income between 50% and 80% of Area Median Income adjusted for household size.

Low-Income Housing Tax Credit is a program to generate equity for investment in affordable rental housing authorized pursuant to Section 42 of the Internal Revenue Code, as amended. The program requires that a certain percentage of units built be restricted for occupancy to households earning 80% or less of Area Median Income, and that the rents on these units be restricted accordingly.

Market vacancy rate (physical) is the average number of apartment units in any market which are unoccupied divided by the total number of apartment units in the same market, excluding units in properties which are in the lease-up stage. Bowen National Research considers only these vacant units in its rental housing survey.

Mixed income property is an apartment property containing (1) both income restricted and unrestricted units or (2) units restricted at two or more income limits (i.e., low-income Tax Credit property with income limits of 30%, 50% and 60%).

Moderate Income is a person or household with gross household income between 40% and 60% of Area Median Income adjusted for household size.

Multifamily are structures that contain more than two housing units.

New owner-occupied household growth within a market is a primary demand component for new for-sale housing. For the purposes of this analysis, we have evaluated growth between 2022 and 2027. The 2022 households by income level are based on ESRI estimates that account for 2020 Census counts of total households for each study area. The 2022 and 2027 estimates are also based on growth projections by income level by ESRI. The difference between the two household estimates represents the new owner-occupied households that are projected to be added to a study area between 2022 and 2027. These estimates of growth are provided by each income level and corresponding price point that can be afforded.

Non-Conventional Rentals are structures with four or fewer rental units.

Overcrowded housing is often considered housing units with 1.01 or more persons per room. These units are often occupied by multi-generational families or large families that are in need of more appropriately sized and affordable housing units. For the purposes of this analysis, we have used the share of overcrowded housing from the American Community Survey.

Pipeline housing is housing that is currently under construction or is planned or proposed for development. We identified pipeline housing during our telephone interviews with local and county planning departments and through a review of published listings from housing finance entities such as NCHFA, HUD and USDA**.**

Population trends are changes in population levels for a particular area over a specific period of time which is a function of the level of births, deaths, and net migration.

Potential support is the equivalent to the *housing gap* referenced in this report. The *housing gap* is the total demand from eligible households that live in certain housing conditions (described in Section VIII of this report) less the available or planned housing stock that was inventoried within each study area.

Project-based rent assistance is rental assistance from any source that is allocated to the property or a specific number of units in the property and is available to each income eligible tenant of the property or an assisted unit.

Public Housing or Low-Income Conventional Public Housing is a HUD program administered by local (or regional) Housing Authorities which serves Low- and Very Low-Income households with rent based on the same formula used for HUD Section 8 assistance.

Rent burden is gross rent divided by adjusted monthly household income.

Rent burdened households are households with rent burden above the level determined by the lender, investor, or public program to be an acceptable rent-to-income ratio.

Replacement of functionally obsolete housing is a demand consideration in most established markets. Given the limited development of new housing units in the study area, homebuyers are often limited to choosing from the established housing stock, much of which is considered old and/or often in disrepair and/or functionally obsolete. There are a variety of ways to measure functionally obsolete housing and to determine the number of units that should be replaced. For the purposes of this analysis, we have applied the highest share of any of the following three metrics: cost burdened households, units lacking complete plumbing facilities, and overcrowded units. This resulting housing replacement ratio is then applied to the existing (2022) owner-occupied housing stock to estimate the number of for-sale units that should be replaced in the study areas.

Restricted rent is the rent charged under the restrictions of a specific housing program or subsidy.

Single-Family Housing is a dwelling unit, either attached or detached, designed for use by one household and with direct access to a street. It does not share heating facilities or other essential building facilities with any other dwelling.

Standard Condition: A housing unit that meets HUD's Section 8 Housing Quality Standards.

Subsidized Housing is housing that operates with a government subsidy often requiring tenants to pay up to 30% of their adjusted gross income toward rent and often limiting eligibility to households with incomes of up to 50% or 80% of the Area Median Household Income. (Bowen National Research)

Subsidy is monthly income received by a tenant or by an owner on behalf of a tenant to pay the difference between the apartment's contract rent and the amount paid by the tenant toward rent.

Substandard housing is typically considered product that lacks complete indoor plumbing facilities. Such housing is often considered to be of such poor quality and in disrepair that it should be replaced. For the purposes of this analysis, we have used the share of households living in substandard housing from the American Community Survey.

Substandard conditions are housing conditions that are conventionally considered unacceptable which may be defined in terms of lacking plumbing facilities, one or more major systems not functioning properly, or overcrowded conditions.

Tenant is one who rents real property from another.

Tenant paid utilities are the cost of utilities (not including cable, telephone, or internet) necessary for the habitation of a dwelling unit, which are paid by the tenant.

Tenure is the distinction between owner-occupied and renter-occupied housing units.

Townhouse (or Row House) is a single-family attached residence separated from another by party walls, usually on a narrow lot offering small front and back-yards; also called a row house.

Vacancy Rate – Economic Vacancy Rate (physical) is the maximum potential revenue less actual rent revenue divided by maximum potential rent revenue. The number of total habitable units that are vacant divided by the total number of units in the property.

Very Low-Income Household is a person or household with gross household income between 30% and 50% of Area Median Income adjusted for household size.

Windshield Survey references an on-site observation of a physical property or area that considers only the perspective viewed from the "windshield" of a vehicle. Such a survey does not include interior inspections or evaluations of physical structures.

ADDENDUM H: SOURCES

Bowen National Research uses various sources to gather and confirm data used in each analysis. These sources include the following:

- 2000 and 2010 U.S. Census
- AllTheRooms.com
- American Community Survey
- Apartments.com
- Centers for Disease Control and Prevention
- City of Hart
- ESRI Demographics
- HUDUser.gov Assistance & Section 8 Contracts Database
- Loopnet.com
- Management for each property included in the survey
- Michigan Compiled Laws
- Michigan Department of Treasury
- Multiple Listing Service
- Oceana County Property Record Search
- Planning Representatives
- Realtor.com
- Ribbon Demographics HISTA Data
- RS Means
- SOCDS Building Permits Database
- Trulia.com
- U.S. Census Longitudinal Origin-Destination Employment Statistics
- U.S. Department of Housing and Urban Development (HUD)
- U.S. Department of Labor, Bureau of Labor Statistics
- Urban Decision Group (UDG)
- Various Stakeholders
- Village of Shelby
- Village of Pentwater
- WalkScore.com