

# HOUSING NEEDS ASSESSMENT

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Mason County,  
Michigan



**BOWEN**  
NATIONAL  
RESEARCH

2023

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Note: For-Sale housing data may be provided upon request.

# I. INTRODUCTION

## A. PURPOSE

The Mason County Chamber Alliance retained Bowen National Research in October of 2022 for the purpose of conducting a Housing Needs Assessment of Mason 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 Mason 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 and special needs populations).
- Provide housing gap estimates by tenure (renter and owner) and income segment.
- Collect input from area stakeholders in the form of an online survey.
- Provide a comparative analysis of demographic, economic and housing metrics of Mason County with four other regional counties.

By accomplishing the study's objectives, government officials and area stakeholders 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 Mason County, Michigan. Additionally, at the client's request, supplemental data and analysis is provided for the eastern and western portions of the counties, with Stiles Road serving as the divider. 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 G. 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.), vacation rentals and senior care facilities (assisted living, nursing homes, etc.). For-sale housing includes individual homes, mobile homes, and projects within subdivisions.

### **Housing Supply Documentation**

Between March 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.

The senior care housing supply includes data related to property location, type, total units/beds, base monthly fees, vacancies, year built and other details.

#### 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), and special needs populations (persons with developmental needs, homeless, substance abuse disorder and veterans).

#### 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 Mason 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 an online survey to solicit input from area stakeholders. Overall, a total of 18 stakeholders participated in the survey, providing valuable local insight on the housing challenges, issues and opportunities in the county. The aggregate results from this survey are presented and evaluated in this report in Section IX. The questions used in this survey and corresponding results are provided in Addendum D.

#### Regional Competitiveness

An analysis was conducted on select demographic, economic and housing data to illustrate how Mason County compares and competes with other similar regional counties in Michigan. Understanding the trends and characteristics of Mason County's competitive position can reveal strengths that can be leveraged and challenges that can be addressed.

### **C. REPORT LIMITATIONS**

The intent of this report is to collect and analyze significant levels of data for Mason County, Michigan. Bowen National Research relied on a variety of data sources to generate this report (see Addendum G). 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 the Mason County Chamber Alliance or Bowen National Research is strictly prohibited.

## II. EXECUTIVE SUMMARY

The purpose of this report is to evaluate the housing needs of Mason 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:

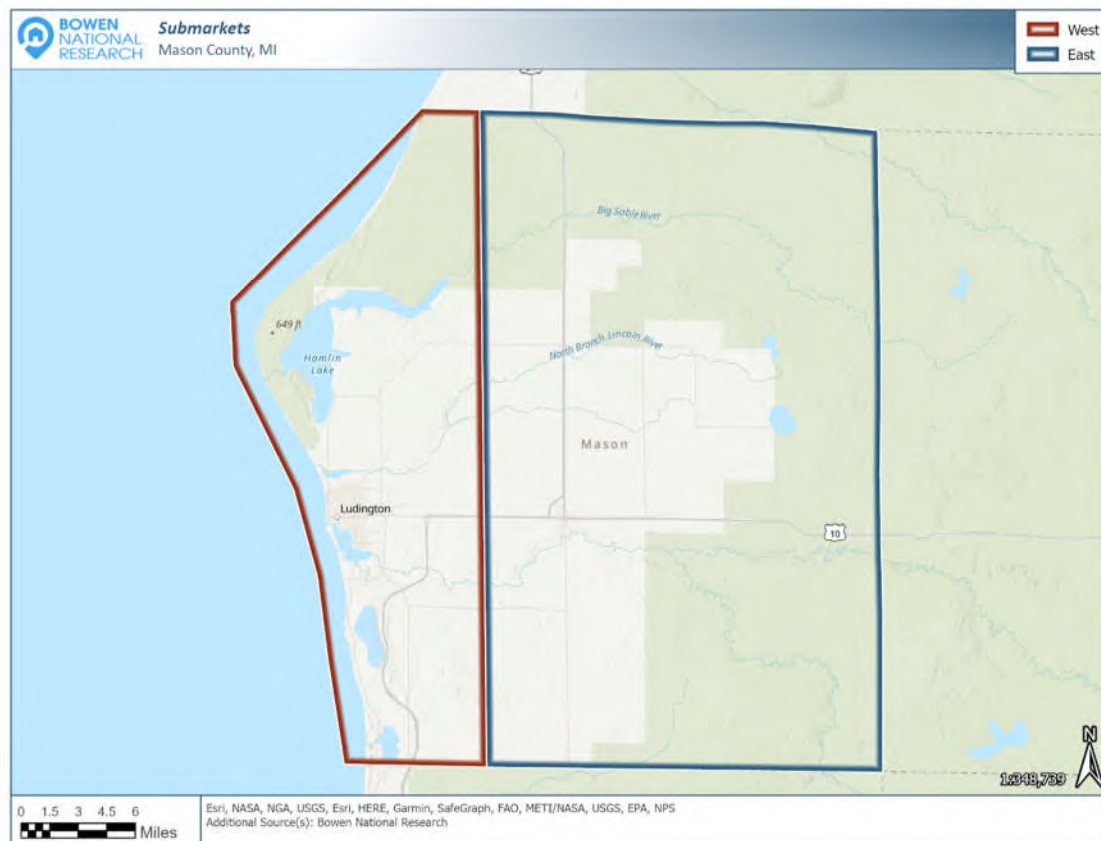
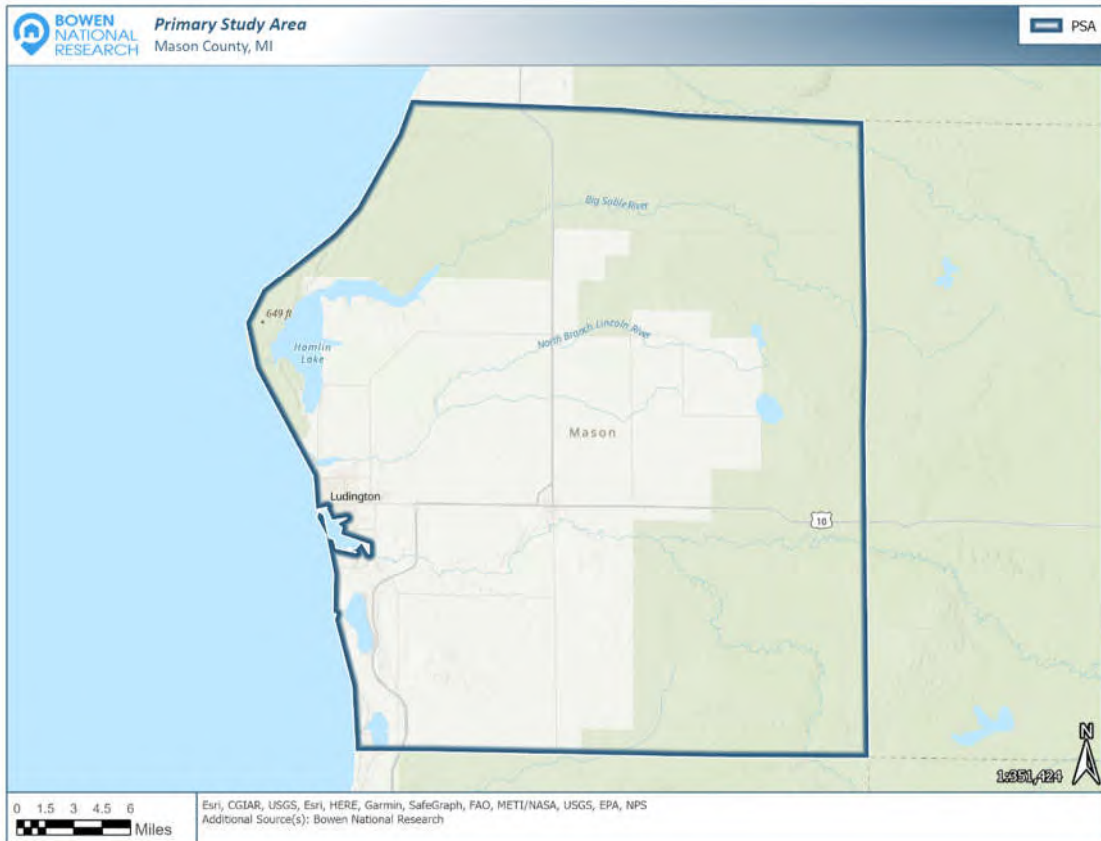
- Demographic Characteristics and Trends
- Economic Conditions and Initiatives
- Existing Housing Stock Costs, Performance, Conditions and Features
- Various Other Housing Factors (Commuting Patterns, Migration Patterns, Transportation Accessibility, Residential Blight, Development Opportunities, and Special Needs Populations)
- Community Input (Survey of Stakeholders)
- Regional Competitive Analysis

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

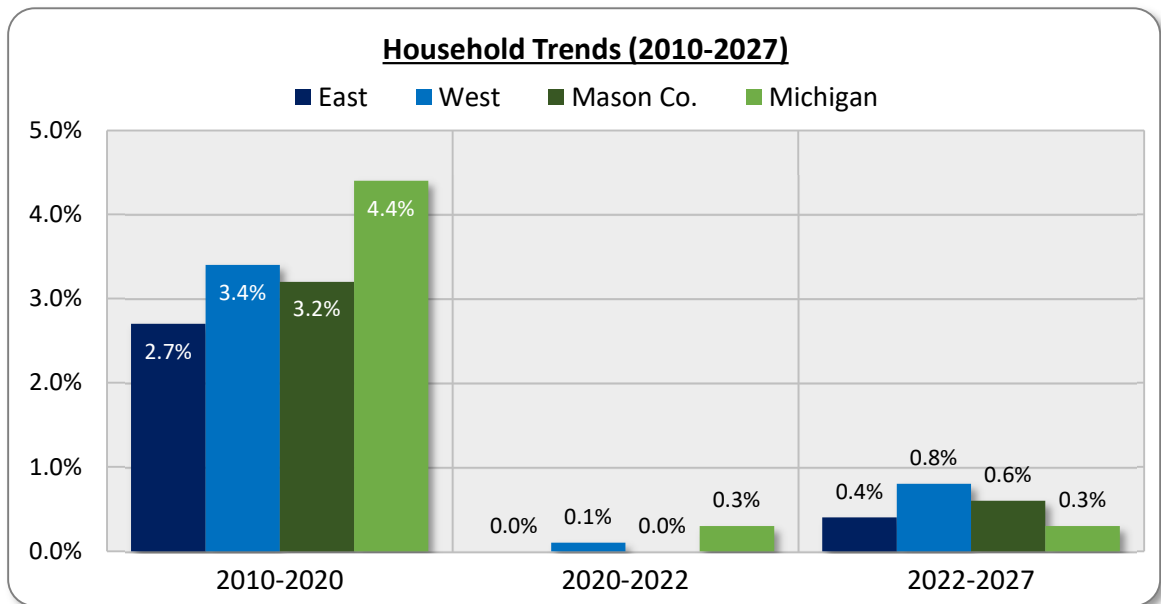
This report focuses on the Primary Study Area (PSA), which consists of Mason County, Michigan. Additionally, at the client's request, supplemental data and analysis is provided for the eastern and western portions of the counties, with Stiles Road serving as the divider.

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

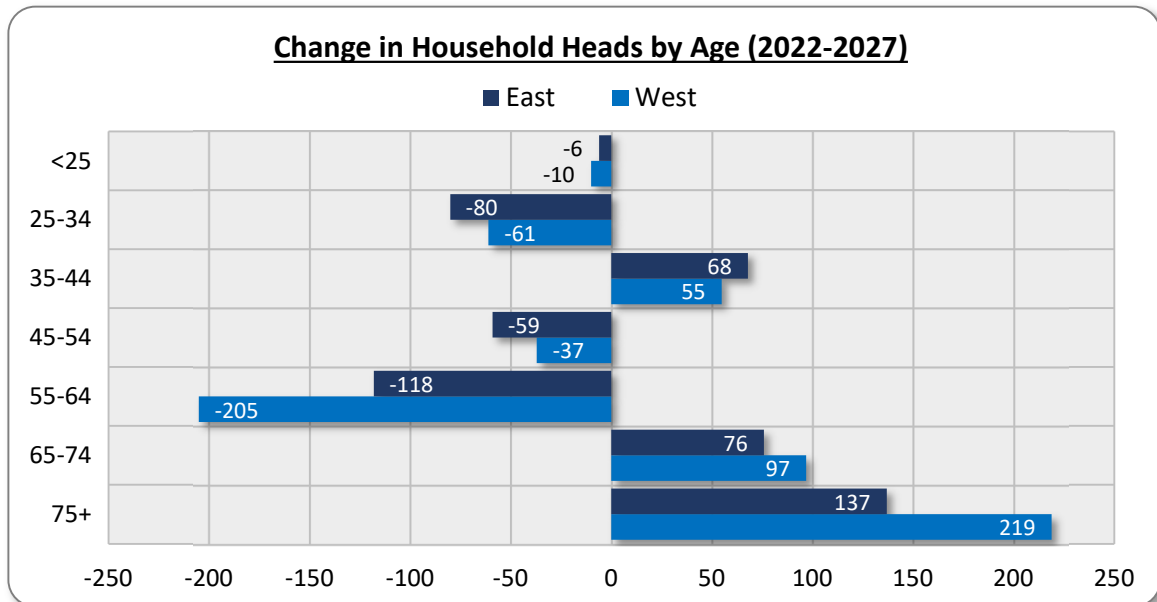


## Demographics

**Overall household growth in the PSA (Mason County) has been positive since 2010 and is projected to remain positive through 2027.** Between 2010 and 2022, the number of households within the PSA (Mason County) increased by 379 (3.2%). 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 both submarkets of the PSA during this time, with the West Submarket experiencing the largest percentage increase (3.4%). In 2022, the West Submarket comprises over three-fifths (62.1%) of the 12,323 total households within Mason County, while the remaining 37.9% of PSA households are within the East Submarket. Between 2022 and 2027, the number of households in the PSA is projected to increase by 76 (0.6%), of which 76.3% are projected to be within the West Submarket. Regardless, the PSA and both submarkets are projected to have household growth that exceeds the growth projected for the state (0.3%) over the next five years. 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 (Mason County) comprise the largest share (21.5%) of all households in the PSA. Household heads between the ages of 65 and 74 (20.7%) and those age 75 and older (16.6%) comprise the next largest shares of the total households in the PSA. As such, senior households (age 55 and older) constitute nearly three-fifths (58.8%) 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 14.3% of PSA households. This represents a smaller share of such households when compared to the state (17.8%). Among the two submarkets, the share of households under the age of 35 (15.0%) and those age 55 and older (59.3%) is highest within the West Submarket, while the share of middle-aged households (between the ages of 35 and 54) is highest within the East Submarket. Between 2022 and 2027, projections indicate significant household growth (356 households) in the PSA among household heads ages 75 and older (17.4%). Households between the ages of 35 to 44 and those between the ages of 65 and 74 are projected to increase by 8.2% and 6.8%, respectively. All other age cohorts are projected to experience declines (between 5.3% and 12.2%) during this time period, with the largest percentage decline projected for the age cohort 55 to 64 (12.2%). Within the individual submarkets, the changes in households by age cohort are consistent with projections for the PSA and the state of Michigan over the next five years. As such, it is likely that demand for senior-oriented housing in the county will increase over the next five years.





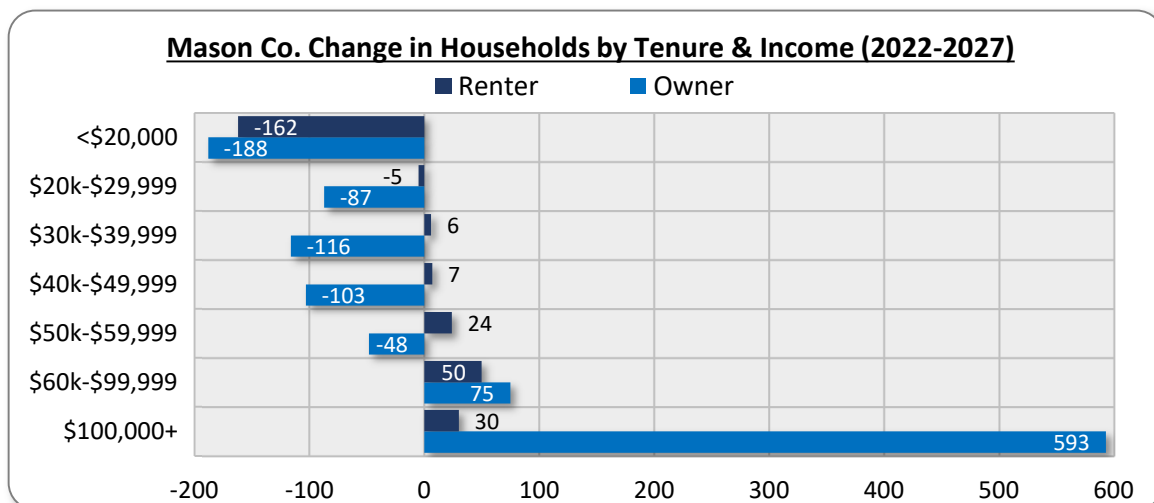
**In Mason County, nearly 4,300 people live in poverty and approximately 1,400 people do not have a high school diploma, which contributes to the likely challenges that residents may experience with housing affordability.** Approximately 4,256 people, or a 14.8% share of the of the population within the PSA suffer from poverty, which is a moderately higher share as compared to the share for the state of Michigan (13.3%). An estimated 1,418 adults (6.5%) in the PSA do not have a high school diploma, which is lower than the state share of 7.7%. Meanwhile, the share of individuals in Mason County with a college degree (37.8%) is less than the corresponding share in the state (42.1%). Many of the population characteristics are similar between the two submarkets of the PSA, with one notable exception. The share of the adult population within the West Submarket with a college degree (41.8%) is significantly higher than the share within the East Submarket (31.8%). While the poverty rates within the two submarkets are very similar (14.6% and 14.9%), the difference in the shares of the respective populations with college degrees likely affects the earning potential among the higher income cohorts in each area. 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)	Married Population (2022)	Below Poverty Level (2021)	No High School Diploma (2022)	College Degree (2022)	Movership Rate (2021)
<b>East</b>	Number	998	5,264	1,644	668	2,730	1,218
	Percent	8.7%	54.5%	14.6%	7.8%	31.8%	10.8%
<b>West</b>	Number	1,598	7,972	2,612	750	5,492	2,052
	Percent	9.1%	53.7%	14.9%	5.7%	41.8%	11.6%
<b>Mason County</b>	Number	2,596	13,236	4,256	1,418	8,222	3,270
	Percent	8.9%	54.0%	14.8%	6.5%	37.8%	11.3%
<b>Michigan</b>	Number	2,632,321	4,094,773	1,310,037	542,359	2,974,717	1,261,121
	Percent	26.1%	49.0%	13.3%	7.7%	42.1%	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 (46.9%) of *renter* households within the PSA (Mason County) earn less than \$30,000 annually. This is a notably higher share of such households when compared to the state (38.6%). Over one-fifth (22.7%) of renter households in the PSA earn \$60,000 or more annually, which is a smaller share of higher income renter households 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 Submarket (49.2%). Conversely, the share of renter households earning \$60,000 or more is highest within the West Submarket (23.6%). The overall distribution of renter households by income within the PSA and the two submarkets is more heavily concentrated among the lower income cohorts as compared to the state. During this same time, over half (52.4%) of *owner* households in the PSA (Mason County) earn \$60,000 or more annually, which represents a smaller share as compared to the state (62.9%). Approximately one-fifth (20.1%) of owner households in the PSA earn less than \$30,000, while the remaining 27.5% 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 (55.4%). Contrariwise, the East Submarket has the largest shares of owner households earning less than \$30,000 (23.0%) and those earning between \$30,000 and \$60,000 (29.1%).

Between 2022 and 2027, all *renter* household income cohorts earning less than \$30,000 in the PSA are projected to decrease, while all income cohorts earning more than \$30,000 are projected to increase. The largest increase (15.4%) 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. While this represents a significant shift toward higher earning renter households in the PSA, 41.5% of renter households in Mason County will continue to earn less than \$30,000 annually. Between 2022 and 2027, growth among *owner* households in the PSA and both submarkets will be isolated to households earning \$60,000 or more annually, with those earning \$100,000 or more increasing by 24.2% 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. 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 key economic metrics indicate that Mason County is steadily recovering from the effects of the COVID-19 pandemic and have lagged behind state and national trends for much of the past decade, there are positive indications of ongoing improvement in the local economy.** Excluding the COVID-influenced economic characteristics of 2020, most of the key economic trends of the Mason County economy have trailed behind the state and national trends since 2013. Through 2022, total employment in the PSA has recovered to 95.9% of the 2019 level, which represents a recovery rate below that of the state (97.0%) and nation (100.7%). Because the PSA experienced five consecutive years of reduction in total employment prior to 2020, which is unrelated to the pandemic, it is likely that pre-existing factors are contributing to the slower economic recovery in Mason County. Unemployment rates in the county steadily decreased between 2013 and 2019, but 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 data. As such, it appears the PSA has experienced some moderate issues related to unemployment since 2013. In-place employment (people working within Mason County) increased by 1.8%, or 182 jobs, from 2012 to 2019. While the greatest single decrease over the past decade occurred in 2020 (8.9%) and can be largely attributed to the COVID-19 pandemic, it is notable that the county experienced a significant decline (2.0% in 2019) immediately prior to the impact of COVID.

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. Regardless, the economy appears to have steadily improved since the pandemic in 2020. Total employment has recovered to 95.9% of the 2019 level, the unemployment rate in 2022 (5.4%) is just slightly higher than the rate in 2019 (5.0%), and in-place employment has recovered to 98.9% 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.

**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 make the market more economically vulnerable.** The labor force within the PSA (Mason County) is based primarily in three sectors: Manufacturing (20.0%), Retail Trade (14.6%), and Health Care & Social Assistance (10.4%). Combined, these three job sectors represent 45.0% of the PSA employment base. This represents a slightly greater concentration of employment within the top three sectors compared to the top three sectors in the state (40.5%). 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 slightly more concentrated overall distribution of employment and two of the top sectors in the PSA (Manufacturing and Retail Trade) being somewhat vulnerable to downturns, the economy within Mason County may be slightly less insulated from economic fluctuations as compared to the state. However, it should be noted that the top three industries in the PSA are also the top industries in the state. The notable difference is that Health Care & Social Assistance, which is typically less susceptible to economic contractions, comprises the largest share (16.7%) of employment at the state level, whereas this industry comprises a comparably smaller share (10.4%) in the PSA. It is equally important to note that a significant number of occupations within the Retail Trade sector and a majority of support positions in Health Care & Social Assistance typically have lower average wages which can contribute to demand for affordable housing options.

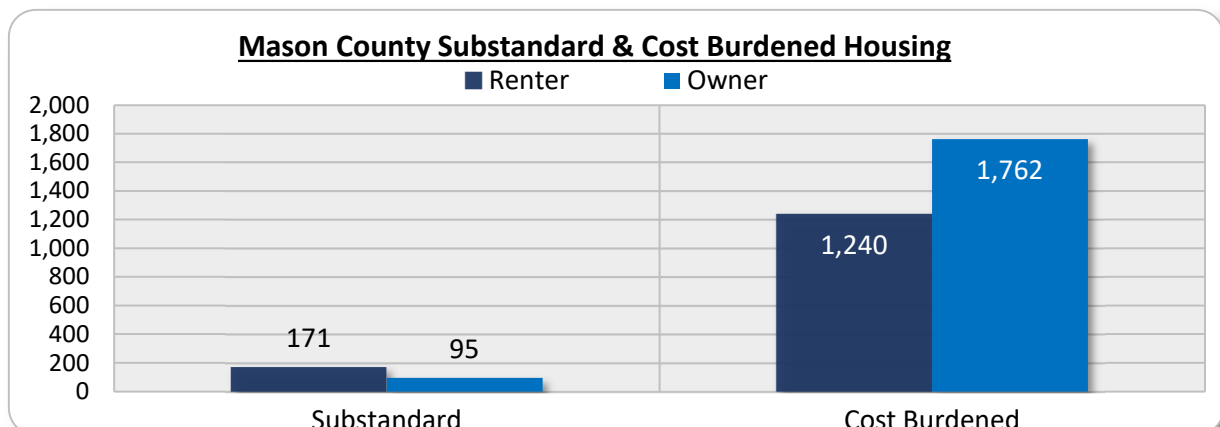
**The region has a broad mix of wages by occupation, which contributes to the need for a variety of housing affordability levels.** Most annual blue-collar salaries range from \$28,280 to \$50,420 within the Balance of Lower Peninsula of Michigan Nonmetropolitan Area. White-collar jobs, such as those related to professional positions, management and medicine, have an average salary of \$76,880. Average wages within the area are typically lower (9.4%) than the overall average state wages. While white-collar professions in the study area typically earn 16.5% less than those within Michigan, blue-collar wages are 6.7% 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, retail trade, and health care, many workers in the area have typical wages ranging between \$30,000 and \$40,000 annually, likely contributing to the need for lower to moderate 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 significant 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 Mason 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 266 occupied housing units in the PSA (Mason County) are considered substandard and 3,002 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 171 rental units and 95 owner units in the PSA are considered substandard. Incomplete plumbing or kitchens do not appear to be a prevalent issue within the PSA for renter or owner households as the share of each household type that lacks complete plumbing and/or kitchen facilities is less than the state. However, the share of overcrowded renter households in the PSA (5.0%) is larger than the share of overcrowded households in the state (2.9%). Cost burdened households pay over 30% of income toward housing costs. The PSA shares of renter cost burdened households (45.3%) and owner cost burdened households (18.7%) are similar to statewide figures despite the lower estimated median home value and gross rent in Mason County. Overall, the PSA has an estimated 1,240 renter households and 1,762 owner households that are housing cost burdened, with a combined total of 3,002 cost burdened households in the county. Among the submarkets in the PSA, the East Submarket has a slightly higher share of cost burdened owner households (20.2%) compared to the county (18.7%) and state (18.6%). 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 affordable housing, particularly within the rental market, for Mason 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 14 multifamily rental properties containing 1,049 units within Mason County were surveyed. The surveyed rentals within the PSA have a combined occupancy rate of 99.5% with **only five 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. The PSA's occupancy rates among the different product types are: **Market-Rate**: 99.2%, **Low-Income Housing Tax Credit** (generally serving households earning between 50% and 80% of Area Median Household Income): 100.0%, and **Government-Subsidized** (serving households earning up to 50% of Area Median Household Income): 100.0%. Therefore, Mason County has a relatively limited supply of available multifamily rentals, regardless of the level of affordability. Of the 14 total properties surveyed in Mason County, 11 properties are located in the West Submarket. The 11 properties in the West Submarket account for over 90% of the conventional rental units surveyed in the county. All surveyed properties in the county with the exception of Lofts on Rowe (Map I.D. 9) are 100% occupied. Note that Lofts on Rowe is an adaptive reuse of an older industrial building in Ludington that opened as an apartment building in 2022. While lease-up information could not be verified with building management, it is likely that the five vacant units shown in the field survey had yet to be occupied as part of the building's lease-up process. Twelve of the 13 properties that are 100% occupied maintain wait lists ranging from five to 150 households or 24 to 36 months for the next available units. Regardless, the relatively large share of properties with wait lists and the length or duration of such lists indicates a very strong level of pent-up demand for rental housing in the PSA, particularly among the Tax Credit and government-subsidized projects. The lack of available multifamily rental housing represents a development opportunity for such product.

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-rate	6	604	5	99.2%
Market-rate/Government-Subsidized	1	80	0	100.0%
Tax Credit	2	60	0	100.0%
Tax Credit/Government-Subsidized	2	76	0	100.0%
Government-Subsidized	3	229	0	100.0%
Total	14	1,049	5	99.5%

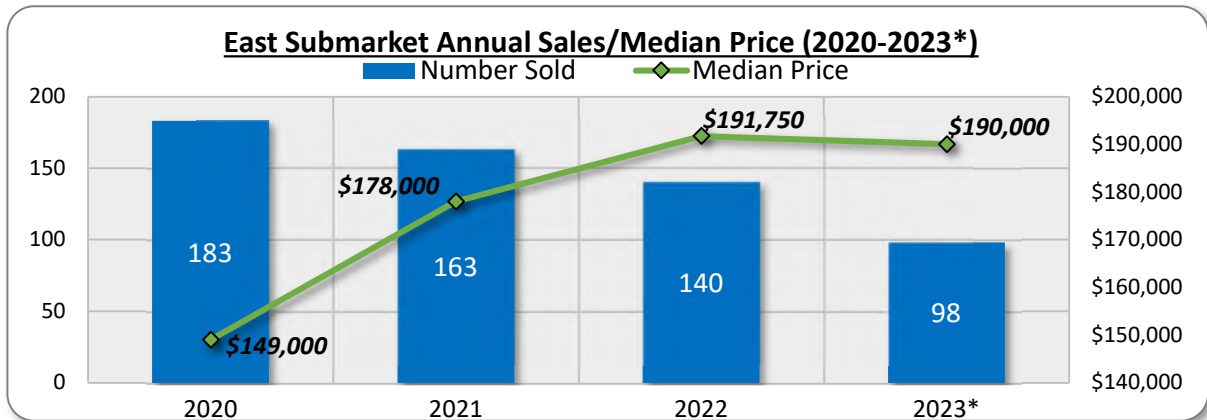
**Non-conventional rentals, such as houses, duplexes and mobile homes comprise the majority of rental housing in the county, most of which is not affordable to low-income households and has limited availability.** Non-conventional rentals, which is essentially any rental housing unit not in a multifamily apartment, comprise 56.5% of the rental housing stock in the PSA (Mason County). A total of four non-conventional housing units were identified in the county as *available* for rent. When compared to the overall non-conventional rental inventory of the PSA (1,547 units), these four units represent an overall vacancy rate of just 0.3%, which is considered very low. The available non-conventional rentals identified in the PSA have rents ranging from \$800 for a one-bedroom unit to \$1,500 for a three-bedroom unit. Two-

bedroom units have an average rent of \$1,125. While rents at these available non-conventional units are within the rent range of conventional market-rate properties, these rents are well above collected rents at Tax Credit properties. When typical tenant utility costs (at least \$300) are also considered, the inventoried non-conventional units have average *gross* rents ranging from \$1,100 to \$1,800. As such, it is unlikely that low-income residents would be able to afford non-conventional rental housing in the area. In addition, there were no available four-bedroom non-conventional units identified during the survey, which limits the housing options for larger households and can contribute to overcrowding or cause households to seek options outside the PSA. 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.

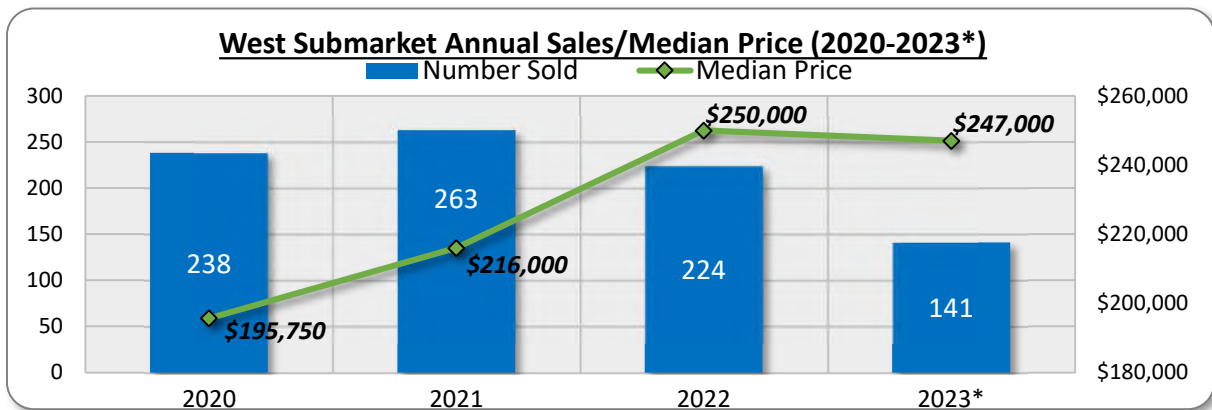
**Vacation rentals and seasonal/recreational housing represent a notable segment of the county housing stock and has a significant influence on the local housing market.** Nearly four-fifths (79.5%) of the total *vacant* units in the PSA (Mason County) are classified as seasonal/recreational, which represents a much larger share of such units as compared to the state (46.1%). In total, seasonal/recreational units account for 24.0% of all housing units in the county, which is four times the share of such units compared to the state (6.0%). Among the individual submarkets of the PSA, the share of seasonal/recreational units as a percentage of vacant units and as a percentage of total housing units is highest within the East Submarket (81.6% and 29.8%, respectively), although the shares within the West Submarket (77.6% and 20.3%) are still much higher than those within the state. As such, it appears a disproportionate share of the housing inventory within the PSA and both submarkets are not intended for permanent residency. Overall, short-term vacation rentals have a positive influence on tourism in Mason County (approximately \$129 million within the county during 2021) and provide owners a substantial incentive to build vacation rental units, convert existing permanent housing units, and rent second homes when not being personally utilized. However, with seasonal/recreational units comprising nearly four-fifths (79.5%) of the vacant housing units and nearly one-fourth (24.0%) of the total housing units in the county, these short-term rental units can contribute to housing shortages in the PSA. 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 Mason 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.



**Mason County's annual home sales activity has slowed over the past couple of years while the growth in the median sale price appears to have stabilized in 2023.** Within the overall PSA (Mason County), annual home sales increased slightly from 2020 to 2021 and decreased by 14.6% between 2021 and 2022. Projections for 2023 indicate that the number of home sales in the county will continue to decrease. Based on sales data through April 4, 2023 (61 homes sold), a total of approximately 239 homes are projected to be sold in the PSA in 2023 on an annualized basis at the current pace. This decrease in the number of homes sold in the county may be related to the reduction in *available* for-sale units in the market. The significant increase in mortgage interest rates is also likely playing a role in the reduction of available units during this period, as homeowners that purchased a home with a low rate mortgage may be reluctant to sell, thus limiting the number of homes offered for sale in the market. The median sale price for 2023 is also \$10,000, or 4.3%, lower than the median sale price in 2022. This indicates that the sales market may be stabilizing due to a lack of listings and higher interest rates for mortgage financing. Of the two PSA submarkets, the West Submarket experienced a larger number of sales during the sales period compared to the East Submarket. Both submarkets are also experiencing a decrease in sales activity and median sale prices in 2023 compared with the year prior. A combination of high mortgage rates and low housing supply in Mason County will likely keep housing sale figures relatively low in 2023.



\*Projected Annual Sales



\*Projected Annual Sales

Overall, there is a relatively limited amount of for-sale housing available for purchase in Mason County, and while a notable portion of available housing is affordable to lower income households, these homes are generally over 50 years old and likely have additional costs associated with repairs or improvements that many households cannot afford. There are two available 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 average annual absorption rate of 391 homes, the county's 43 homes listed as available for purchase represent just 1.3 months of supply. An examination of the individual submarkets reveals that the MSI within the East Submarket (1.6 months of supply) is slightly higher than the West Submarket (1.1 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). When comparing the 43 available units with the overall inventory of owner-occupied units (9,616 in 2022), the PSA has a vacancy/availability rate of only 0.4% (0.5% in the East Submarket and 0.4% in the West Submarket), which is well below the normal range of 2.0% to 3.0% for a well-balanced for-sale/owner-occupied market. However, due to recent national housing market pressures it is not uncommon for most markets to have an availability rate below 2.0%. Regardless, the current MSI and vacancy/availability rate 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 Apr. 4, 2023)									
List Price	East Submarket			West Submarket			Mason County		
	Number Available	Percent of Supply	Average Days on Market	Number Available	Percent of Supply	Average Days on Market	Number Available	Percent of Supply	Average Days on Market
Up to \$99,999	4	19.0%	97	0	0.0%	-	4	9.3%	97
\$100,000 to \$199,999	8	38.1%	82	7	31.8%	196	15	34.9%	135
\$200,000 to \$299,999	2	9.5%	78	6	27.3%	25	8	18.6%	38
\$300,000 to \$399,999	3	14.3%	20	2	9.1%	4	5	11.6%	13
\$400,000+	4	19.0%	37	7	31.8%	171	11	25.6%	122
Total	21	100.0%	67	22	100.0%	124	43	100.0%	96

Source: MLS (Multiple Listing Service)

The largest share of available for-sale homes by price in the PSA (Mason County) consists of homes priced between \$100,000 to \$199,999 (34.9%), while over one-quarter of available homes are priced at \$400,000 and above. It is important to point out that the share of available homes priced under \$200,000 have some of the highest number of days on market indicating possible quality issues. Nearly 45% of these homes were built over 50 years ago and likely have deficiencies that would require repairs, modernization or weatherization. Such improvements would increase homeowner costs and likely prevent many households from being able to afford the homes. Homes priced over \$400,000 also have a higher number of days on market in the county, which may indicate that higher interest rates for mortgages have increased borrowing costs for buyers among the higher priced product. By comparison, there are fewer homes available for purchase that are priced between \$200,000 and

\$399,999. Homes within these price ranges also have the lowest average days on market, ranging from 13 to 38 days. Among PSA submarkets, the East Submarket has a higher share (57.1%) of available homes priced below \$200,000, while the West Submarket has a higher share (31.8%) of homes priced above \$400,000. Due to the low number of available homes for sale in the county, there are limited for-sale options available across all price ranges.



**While senior care housing facilities in the county are operating at a variety of performance levels (both above and below national averages), significant senior household growth over the foreseeable future will drive demand for senior care housing alternatives.** A total of six senior care facilities with 260 beds were surveyed in the county. The following table summarizes the surveyed facilities by property type.

Surveyed Senior Care Facilities – Mason County					
Project Type	Projects	Beds	Vacant	Occupancy Rate	National Occupancy Rate*
Independent Living	1	38	0	100.0%	85.2%
Assisted Living-Medium/Large Group Homes	3	52	0	100.0%	81.2%**
Nursing Homes	2	170	33	80.6%	81.3%
Total	6	260	33	87.3%	83.2%

\*Source: National Investment Center (NIC) for Senior Housing & Care (1st Quarter of 2023)

\*\*Assisted Living occupancy rate covers all types of housing within this category.

Note that family homes and small group homes were excluded from this survey.

Senior care facilities in Mason County are reporting overall occupancy rates that range from 80.6% (nursing homes) to 100.0% (independent living and assisted living/group homes) with an overall occupancy rate of 87.3%. Independent living and assisted living/group home facilities surveyed in the county are 100% occupied and are above the national average occupancy figures for each respective facility type as of the first quarter of 2023. The occupancy rate at nursing home facilities in the

county (80.6%) is slightly below the national average rate of 81.3%. Occupancy rates for independent living and assisted living/group home facilities indicate there is a strong level of demand for such housing in the county and it appears the existing inventory may not be meeting the *current* demands of these senior care market segments. With the projected growth among seniors over the next several years, there may be an opportunity to develop additional senior care housing in the market.

Additional housing supply information is included in Section VI.

### Community Input

**A total of 18 community stakeholders participated in a survey that provided valuable insight on local housing challenges and possible solutions, with many respondents noting that development costs remain a primary barrier to residential development in the county.** To gain information, perspective and insight about Mason County housing issues and the factors influencing housing decisions by its residents, developers and others, Bowen National Research conducted a targeted survey of area stakeholders. In total, over 18 survey responses were received from a broad cross section of the community. The following is a summary of key responses from the survey conducted by our firm.

Based on the feedback provided by area stakeholders, it appears that Mason County is most in need of affordable rental and for-sale housing targeting low- and moderate-income families. In addition, it appears that there is a considerable need for senior-oriented housing, particularly for senior households with less than \$25,000 in assets. In regard to specific housing types, respondents consider ranch style/single floor plan units and low-cost fixer-upper homes among the top needs within the county. Rent affordability and home purchase affordability were each identified by stakeholders as the most common housing issues experienced in Mason County, while repair/renovation/revitalization of existing housing was identified as a top priority among stakeholders. In regard to funding for housing development or preservation, project-based rental subsidies and home repair loans were given higher priority among stakeholders. Cost of labor/materials, development costs, and cost of land were each identified as the most common barriers or obstacles to development within Mason County. Rental security deposit assistance was cited as a top priority to assist renter households while home repair assistance was identified as a top priority for homeowners. Overall, stakeholder respondents tended to prioritize repair and/or renovation of existing housing stock while also focusing on ways to increase the supply of new residential units in the market (e.g., revisiting or modifying zoning regulations to change density or setback restrictions).

### Other Housing Factors

**Nearly 30 housing units exhibit residential blight in the county, with the largest number of blighted homes located in Ludington.** From on-site observations, Bowen National Research identified 30 residential units that exhibited some level of exterior blight. It should be noted that the interiors of properties were not evaluated as part of this survey. These 30 residential units represent 0.2% of the 17,511 housing units in Mason County (based on 2022 estimates). The 0.2% share is within the range of blighted home shares observed in other jurisdictions where Bowen National Research conducted surveys of residential blight. Typically, blighted residential units in a city or county represent less than 1.0% of all residential units. However, the share of blighted residential units may be higher within individual cities such as Ludington. This share of blighted residential properties represents potential nuisances, safety hazards, and is potentially detrimental to nearby property uses and values. Of the 30 blighted residential structures identified in the county, most (13) are located in the Ludington area and account for 43.3% of all blighted residential units found in the county. Ludington is also the largest city in Mason County, in both square mileage and total population. Instances of blight are relatively evenly distributed in the other lesser-populated areas of the county. Note that Ludington consists of established neighborhoods that include a significant number of older residential structures. As such, efforts to remediate blighted housing and the preservation of the existing housing stock should be a priority within selected communities in the county.



**With over two dozen potential sites that could support residential development/redevelopment in Mason 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 30 properties that are potentially capable of accommodating future residential development via new construction or adaptive reuse. Of the 30 total properties, 15 properties contain at least one existing building that is not necessarily vacant and may require demolition, new construction or adaptive reuse. The remaining 15 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 Mason 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 30 identified properties represent approximately 171 acres of land and at least 98,000 square feet of existing structure area. Six of the identified properties consist of over 10 acres of land each, providing the ability to develop large residential

projects that may include single-family homes or multifamily housing. A total of 15 properties have at least one existing building or structure, of which square footage of existing buildings or structures were verified for 10 of the 15 properties. The buildings that have verified square footage range in size from just over 2,000 square feet to nearly 30,000 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-25.

### Housing Gap Estimates

**Mason County has an overall housing gap of 2,430 units for rental and for-sale product at a variety of affordability levels.** It is projected that Mason County has a five-year **rental** housing gap of 864 units and a **for-sale** housing gap of 1,566 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 (Mason County) over the next five years.

PSA (Mason County) Housing Gap Estimates (2022 to 2027) – Number of Units Needed		
Housing Segment		Number of Units
Rentals	Very Low-Income Rental Housing ( $\leq$ \$946/Month Rent)	455
	Low-Income Rental Housing (\$947-\$1,514/Month Rent)	223
	Moderate-Income Rental Housing (\$1,515-\$2,271/Month Rent)	128
	High-Income Market-Rate Rental Housing (\$2,272+/Month Rent)	58
	<b>TOTAL UNITS</b>	<b>864</b>
For-Sale	Entry-Level For-Sale Homes ( $\leq$ \$126,167 Price Point)	291
	Low-Income For-Sale Homes (\$126,168-\$201,867 Price Point)	247
	Moderate-Income For-Sale Homes (\$201,868-\$302,800 Price Point)	509
	High-Income Upscale For-Sale Housing (\$302,801+ Price Point)	519
	<b>TOTAL UNITS</b>	<b>1,566</b>

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.



## Regional Competitiveness

**Mason County, relative to the four comparable counties within the region, has many positive metrics that point to growth and opportunity.** Positive net domestic migration has been a major factor in the recent increase of households in the PSA (Mason County). With Mason County having the second highest net domestic migration among the five regional counties, it is apparent that the PSA is a desirable area for many households. In 2022, Mason County has the second largest share of senior households (ages 65 and older), and it is projected that the county will have the largest increase of this age cohort among the five regional counties. This represents a potential development opportunity for additional senior-oriented housing within the county. With the highest employment participation rate (78.2%), highest in-place employment recovery rate (99.0%), and the third highest total employment recovery rate (96.0%), the economy within Mason County appears to be actively improving post-COVID. These factors, along with the second highest median wage for full-time, year-round occupations, likely position the PSA with a competitive advantage in attracting new employers to the area and encouraging additional investment from existing employers. Mason County has the highest average gross rent and highest median housing value of the five comparable counties. The ability to achieve premium rents and a higher median home value are considered positive attributes in attracting residential investment in a given area. Overall, Mason County has several competitive advantages over the comparable counties in the region, which could be leveraged to attract additional households and employers to the area.

Regional Competitiveness Key Metrics (Rank)					
	Mason County	Manistee County	Mecosta County	Oceana County	Wexford County
Household Growth % (2010-2020)	3.2% (2)	2.8% (3)	-0.5% (5)	1.4% (4)	4.5% (1)
Projected Household Growth % (2022-2027)	0.6% (1)	0.2% (4)	-0.4% (5)	0.3% (2t)	0.3% (2t)
Households Age 65+ %	37.3% (2)	40.3% (1)	33.4% (4)	33.8% (3)	32.5% (5)
Households Age 65+ % Growth (2022-2027)	11.5% (1)	10.1% (4)	9.3% (5)	11.4% (2)	11.3% (3)
Net Domestic Migration (2010-2020)	1,033 (2)	1,241 (1)	779 (3)	-7 (5)	605 (4)
Employment Participation Rate	78.2% (1)	66.1% (5)	69.6% (4)	72.4% (3)	73.7% (2)
Total Employment Recovery (% of 2019)	96.0% (3)	93.1% (5)	97.7% (2)	93.8% (4)	98.9% (1)
In-Place Employment Recovery (% of 2019)	99.0% (1)	94.6% (4)	97.6% (2t)	91.8% (5)	97.6% (2t)
Median Wage (2021)	\$42,701 (2)	\$43,181 (1)	\$41,587 (4)	\$41,349 (5)	\$41,817 (3)
Average Gross Rent	\$871 (1)	\$730 (4)	\$832 (2)	\$771 (3)	\$713 (5)
Median Housing Value	\$179,976 (1)	\$153,542 (3)	\$161,613 (2)	\$150,985 (4)	\$139,658 (5)

Sources: American Community Survey (2017-2021); U.S. Census Bureau; Bureau of Labor Statistics; Urban Decision Group ESRI; Bowen National Research

Additional data comparing Mason County with other counties in the region is included in Section X of this report.



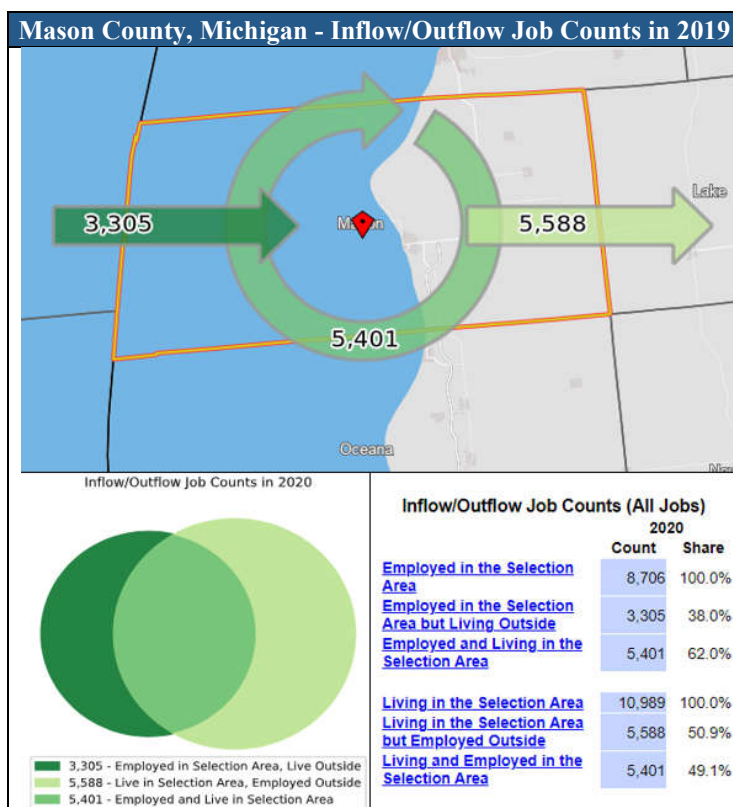
## Recommended Housing Strategies

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 public transit 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 Mason County to live in Mason County.** According to 2020 U.S. Census Longitudinal Origin-Destination Employment Statistics (LODES), 3,305 people commute into Mason County from surrounding areas for employment. These 3,305 non-residents account for nearly two-fifths (38.0%) of the people employed in the county and represent a notable base of potential support for future residential development. Of the county's 3,305 in-commuters, slightly over half (51.1%) are between the ages of 30 and 54 years, over two-fifths (40.7%) earn \$3,333 or more per month (\$40,000 or more annually), and nearly half (47.8%) work in the other services industries. Regardless, given the diversity of incomes, ages, and occupation types of the 3,305 people commuting into the area for work each day, a variety of housing product types could be developed to attract these commuters to live in Mason 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 Mason County.



**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 relatively high shares (45.3% renters and 18.7% owners) of housing cost burdened households in Mason 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). Meanwhile, although nearly 45% of the homes available to purchase in the county 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 land bank. Focus should be placed on those 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 Mason 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 Mason 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 Ludington or Scottville 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 Mason County has a notable inventory (266 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 40.5% of the renter-occupied housing units and a slightly higher share of 44.3% 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 was considered a focus for the area. Therefore, priorities 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.

**Market Mason 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 more than 2,400 housing units and the 30 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. MASON COUNTY OVERVIEW

This report focuses on the housing needs of Mason County, Michigan. Founded in 1840 as Notipekago County and renamed in 1843, Mason County is located along the east coast of Lake Michigan in the Lower Peninsula of the state of Michigan. The county seat of Ludington is approximately 70 miles northwest of Grand Rapids, Michigan, and 94 miles southwest of Traverse City, Michigan. The main thoroughfares that serve Mason County include U.S. Highways 10 and 31, and State Route 116.

Mason County has an estimated population of 29,001 in 2022. The county contains 510.21 square miles and has an estimated population density of 56.8 persons per square mile in 2022 (the state has approximately 173.3 persons per-square-mile). The county's incorporated communities include the cities of Ludington and Scottville. There are also various villages, townships, and unincorporated areas within Mason County. Ludington, which serves as the county seat, is home to the county courthouse, various commercial businesses and employment opportunities, and a hospital. Notable attractions include Mason County's six cultural trails, the Port of Ludington Maritime Museum, the Ludington State Park Beach, and local parks which offer lodging, RV campgrounds, event venues, and numerous outdoor activities.

Based on 2022 estimates, 78.0% of the county's households are owner households. The majority (67.5%) of owner households are comprised of two or fewer persons, while 64.8% of renter households are comprised of two or fewer persons. Approximately 47.2% of rental units are within structures of four or fewer units (excluding mobile homes), while a vast majority (91.1%) 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 at most affordability levels. 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 – MARKET AREA DELINEATION**

This report addresses the residential housing needs of Mason County. To this end, we focused our evaluation on the demographic and economic characteristics, as well as the existing housing stock, of the overall county. To provide an additional base of comparison, we provided data on the overall state of Michigan and/or the United States, when applicable.

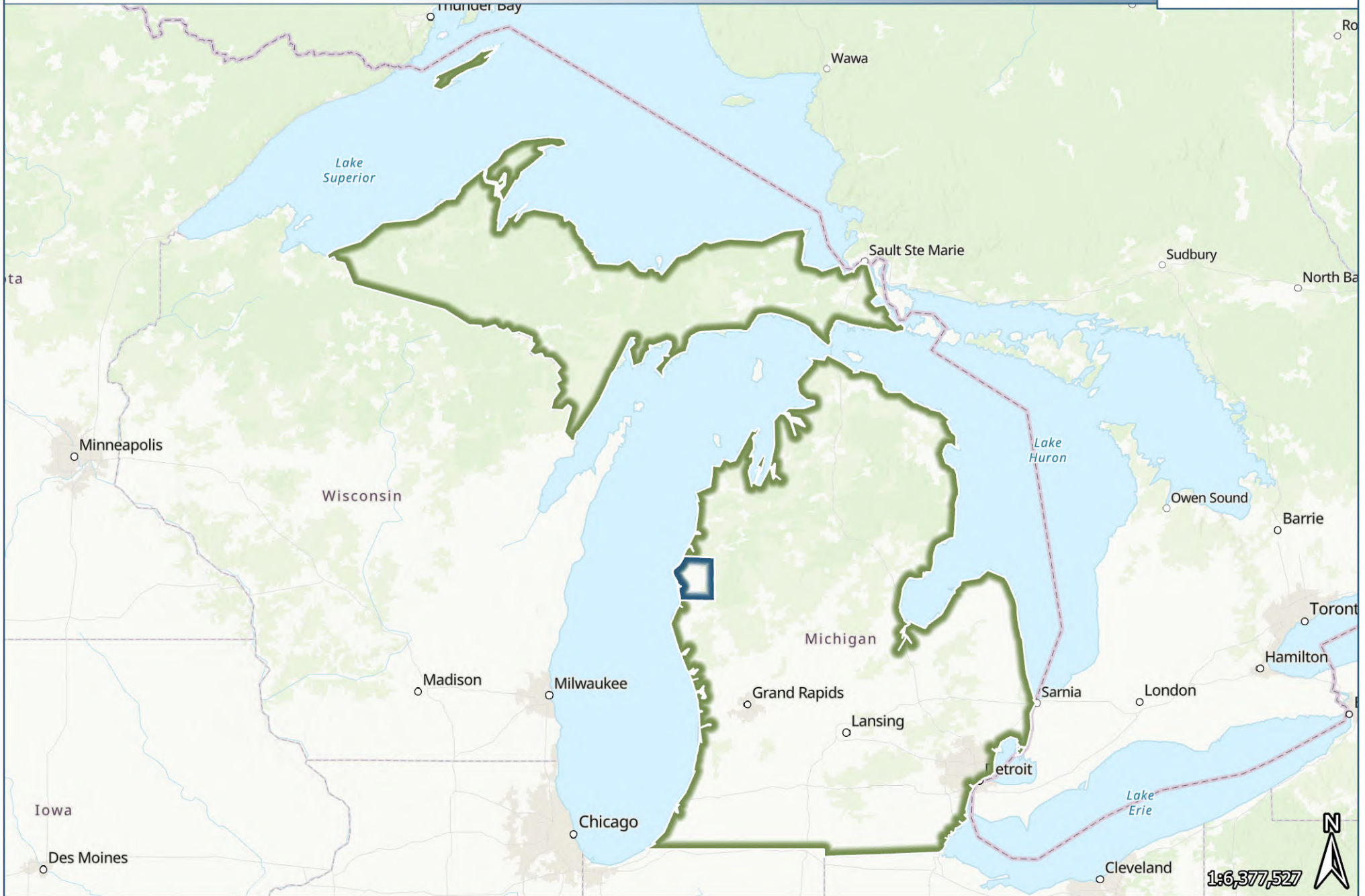
The following summarizes the study areas used in this analysis.

***Primary Study Area*** – The Primary Study Area (PSA) includes the entirety of Mason County, Michigan.

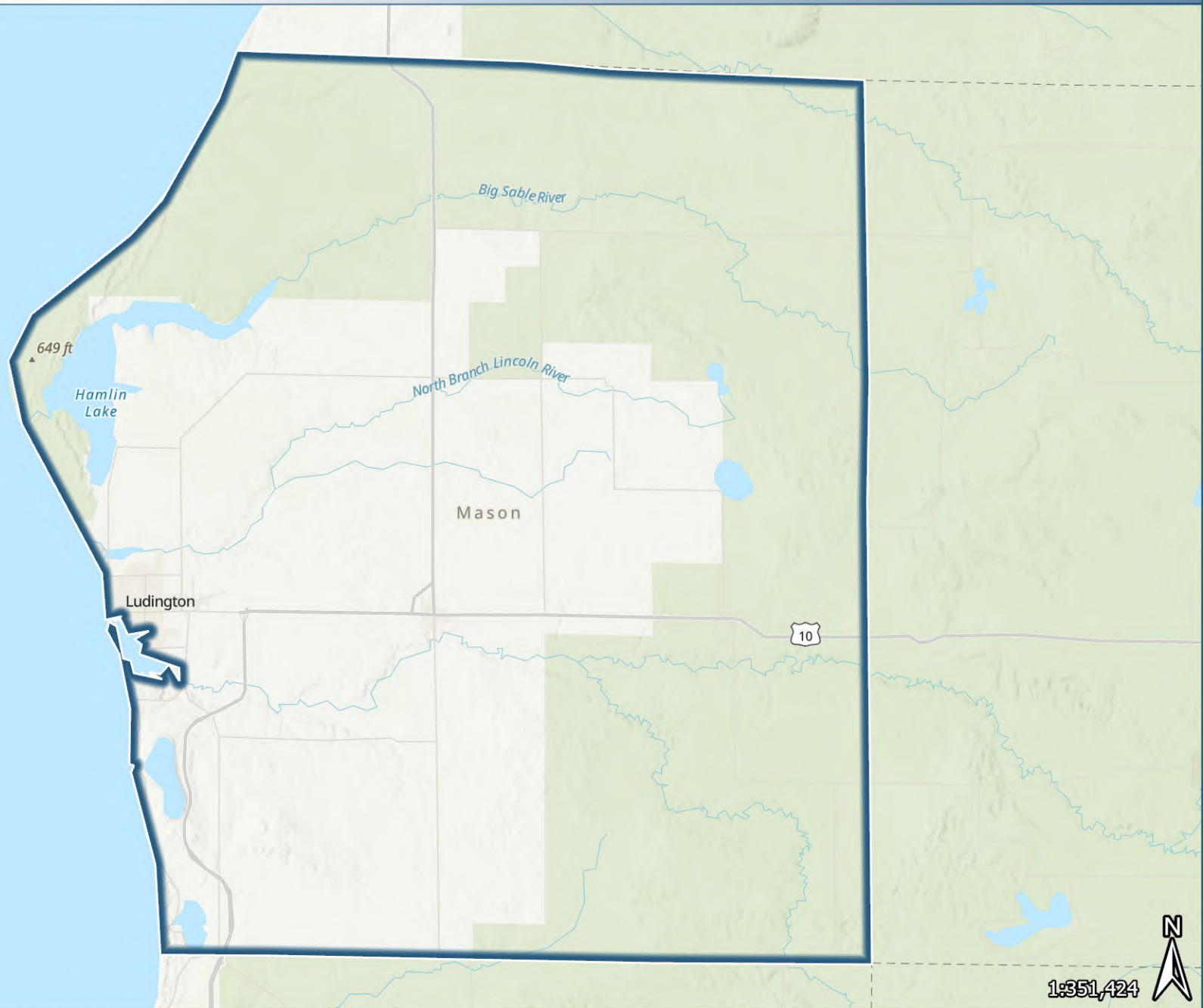
***Submarkets*** – The county was divided into two submarkets, with the eastern and western portions of the county divided by Stiles Road.

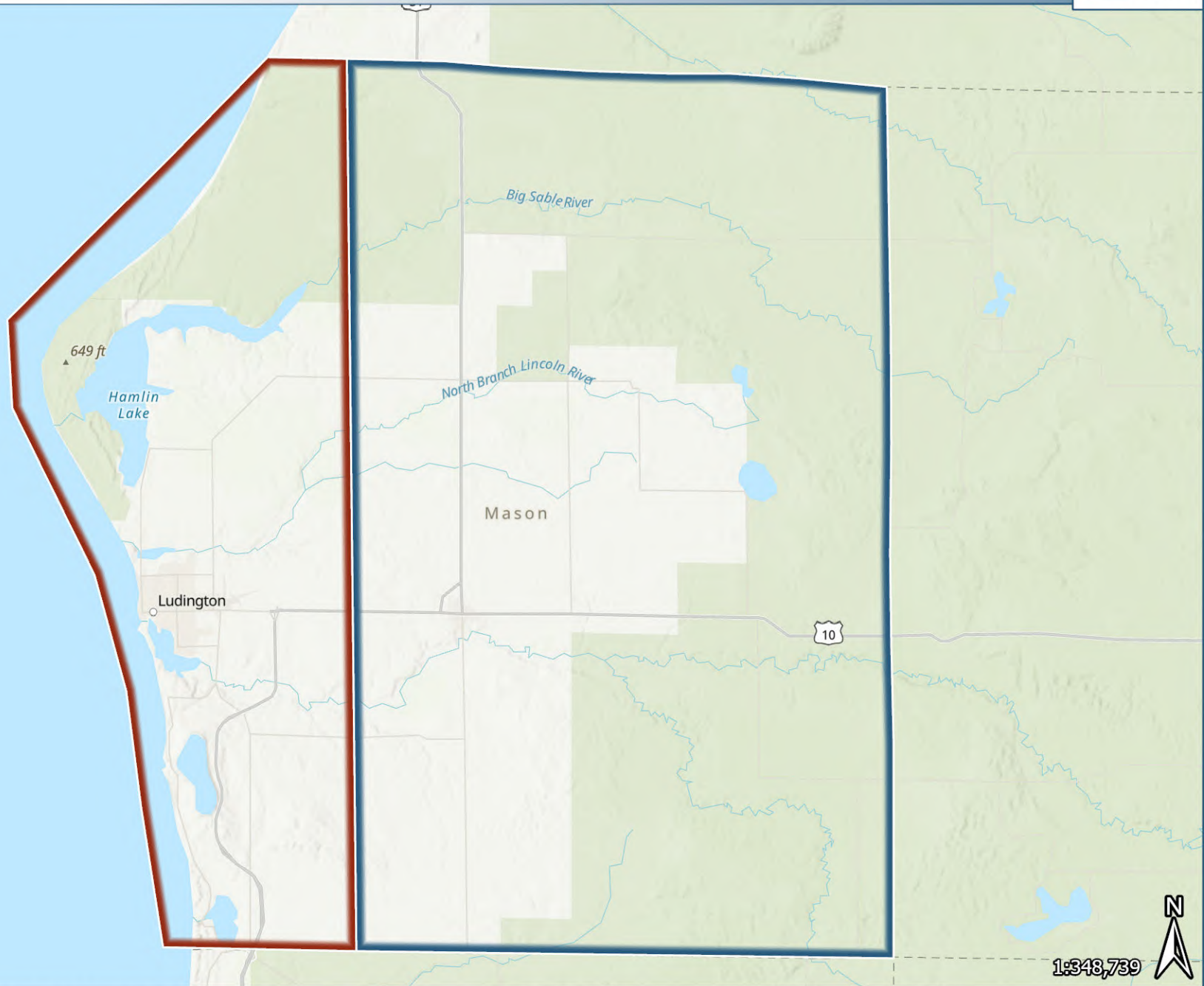
Maps delineating the boundaries of the study areas are shown on the following pages.











## IV. DEMOGRAPHIC ANALYSIS

### A. INTRODUCTION

This section of the report evaluates key demographic characteristics for the Primary Study Area (PSA, Mason County) and the two select submarkets (the eastern and western halves of the county). 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 Mason County and what are these people like?
- In what kinds of household groupings do Mason County residents live?
- What share of people rent or own their Mason County residence?
- Are the number of people and households living in Mason County increasing or decreasing over time?
- How do Mason 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

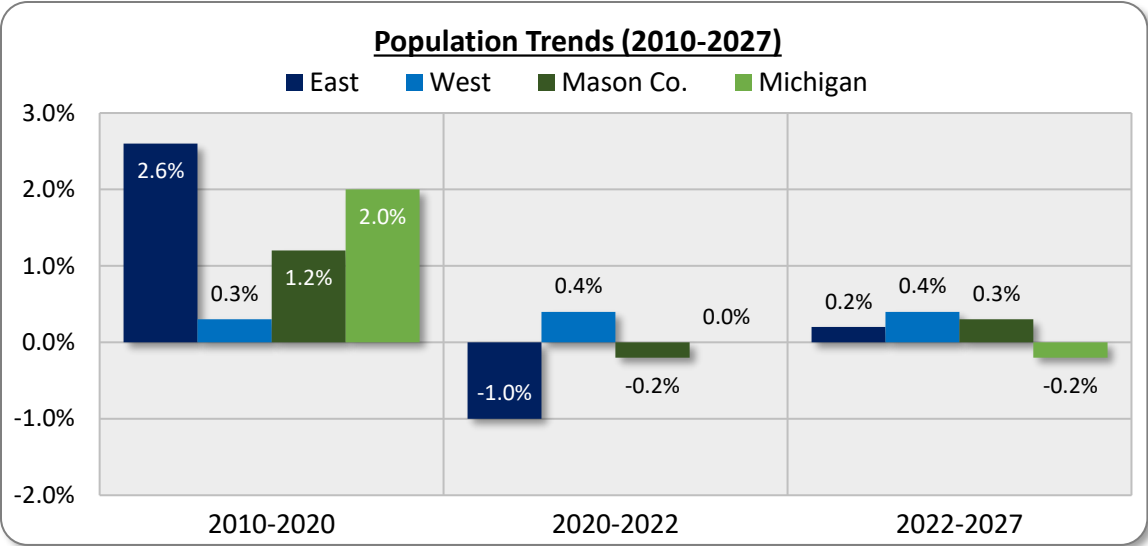
Population by numbers and percent change (growth or decline) for selected years is shown in the following table. It should be noted that some total numbers and percentages may not match the totals within or between tables in this section due to rounding. Positive changes between time periods in the following 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
<b>East</b>	11,209	11,499	290	2.6%	11,386	-113	-1.0%	11,404	18	0.2%
<b>West</b>	17,496	17,553	57	0.3%	17,615	62	0.4%	17,679	64	0.4%
<b>Mason County</b>	28,705	29,052	347	1.2%	29,001	-51	-0.2%	29,083	82	0.3%
<b>Michigan</b>	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 (Mason County) increased by 347 (1.2%), which represents a smaller increase as compared to the increase (2.0%) within the state of Michigan during this time period. While the East Submarket experienced a population increase of 2.6% during this time, the increase within the West Submarket (0.3%) was notably less. In 2022, the West Submarket comprises 60.7% of the Mason County population, while the East Submarket accounts for the remaining 39.3% of the total population. Between 2022 and 2027, the population of the PSA is projected to increase by an additional 0.3%, at which time the estimated total population of the PSA will be 29,083. While this represents a very moderate projected increase within the PSA over the next five years, this contrasts with the 0.2% projected decline in population for the state during this time. The populations within both submarkets are projected to increase over the next five years, with the larger of the two percentage increases (0.4%) expected to occur within the West Submarket. 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
East	Population	11,209	11,499	11,386	11,404
	Area in Square Miles	368.84	368.84	368.84	368.84
	Density	30.4	31.2	30.9	30.9
West	Population	17,496	17,553	17,615	17,679
	Area in Square Miles	141.36	141.36	141.36	141.36
	Density	123.8	124.2	124.6	125.1
Mason County	Population	28,705	29,052	29,001	29,083
	Area in Square Miles	510.21	510.21	510.21	510.21
	Density	56.3	56.9	56.8	57.0
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 56.8 persons per square mile in 2022, the PSA (Mason County) is less densely populated than the state (173.3 persons per square mile), overall. The population density of the PSA increased by 0.9% between 2010 and 2022, and it is projected that the density will decrease by an additional 0.4% over the next five years. The population density within the West Submarket (124.6 persons per square mile) is significantly higher than that within the East Submarket (30.9 persons per square mile). Overall, the population densities within the PSA and both submarkets are considerably less than the statewide population density. 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**:

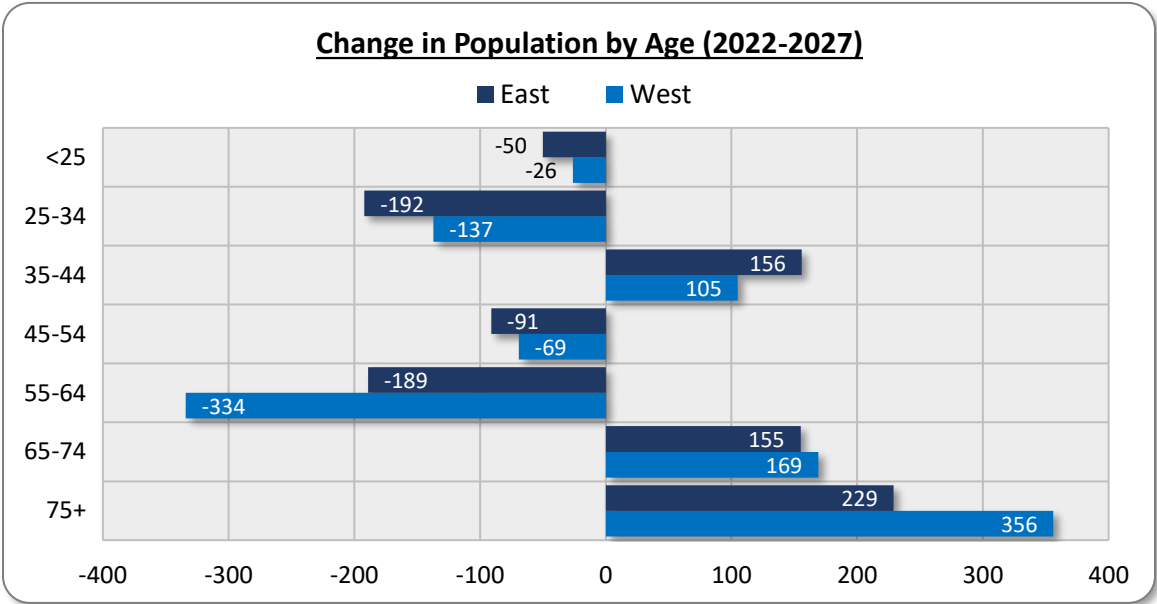
		Population by Age							Median Age
		<25	25 to 34	35 to 44	45 to 54	55 to 64	65 to 74	75+	
East	2010	3,290 (29.4%)	985 (8.8%)	1,350 (12.0%)	1,889 (16.9%)	1,748 (15.6%)	1,221 (10.9%)	726 (6.5%)	44.9
	2022	2,801 (24.6%)	1,347 (11.8%)	1,172 (10.3%)	1,454 (12.8%)	1,908 (16.8%)	1,688 (14.8%)	1,016 (8.9%)	47.6
	2027	2,751 (24.1%)	1,155 (10.1%)	1,328 (11.6%)	1,363 (12.0%)	1,719 (15.1%)	1,843 (16.2%)	1,245 (10.9%)	48.8
	Change 2022-2027	<b>-50</b> <b>(-1.8%)</b>	<b>-192</b> <b>(-14.3%)</b>	<b>156</b> <b>(13.3%)</b>	<b>-91</b> <b>(-6.3%)</b>	<b>-189</b> <b>(-9.9%)</b>	<b>155</b> <b>(9.2%)</b>	<b>229</b> <b>(22.5%)</b>	N/A
West	2010	5,053 (28.9%)	1,768 (10.1%)	1,852 (10.6%)	2,612 (14.9%)	2,649 (15.1%)	1,882 (10.8%)	1,680 (9.6%)	45.3
	2022	4,464 (25.3%)	1,965 (11.2%)	1,776 (10.1%)	1,954 (11.1%)	2,724 (15.5%)	2,613 (14.8%)	2,119 (12.0%)	48.4
	2027	4,438 (25.1%)	1,828 (10.3%)	1,881 (10.6%)	1,885 (10.7%)	2,390 (13.5%)	2,782 (15.7%)	2,475 (14.0%)	48.7
	Change 2022-2027	<b>-26</b> <b>(-0.6%)</b>	<b>-137</b> <b>(-7.0%)</b>	<b>105</b> <b>(5.9%)</b>	<b>-69</b> <b>(-3.5%)</b>	<b>-334</b> <b>(-12.3%)</b>	<b>169</b> <b>(6.5%)</b>	<b>356</b> <b>(16.8%)</b>	N/A
Mason County	2010	8,343 (29.1%)	2,753 (9.6%)	3,202 (11.2%)	4,501 (15.7%)	4,397 (15.3%)	3,103 (10.8%)	2,406 (8.4%)	45.1
	2022	7,265 (25.1%)	3,312 (11.4%)	2,948 (10.2%)	3,408 (11.8%)	4,632 (16.0%)	4,301 (14.8%)	3,135 (10.8%)	48.0
	2027	7,189 (24.7%)	2,983 (10.3%)	3,209 (11.0%)	3,248 (11.2%)	4,109 (14.1%)	4,625 (15.9%)	3,720 (12.8%)	48.8
	Change 2022-2027	<b>-76</b> <b>(-1.0%)</b>	<b>-329</b> <b>(-9.9%)</b>	<b>261</b> <b>(8.9%)</b>	<b>-160</b> <b>(-4.7%)</b>	<b>-523</b> <b>(-11.3%)</b>	<b>324</b> <b>(7.5%)</b>	<b>585</b> <b>(18.7%)</b>	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	<b>-82,573</b> <b>(-2.7%)</b>	<b>-79,787</b> <b>(-6.1%)</b>	<b>60,840</b> <b>(5.0%)</b>	<b>-55,154</b> <b>(-4.4%)</b>	<b>-121,097</b> <b>(-8.6%)</b>	<b>102,003</b> <b>(9.1%)</b>	<b>152,005</b> <b>(19.7%)</b>	N/A

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

In 2022, the median age for the population of the PSA (Mason County) is 48.0 years, which represents a notably older median age when compared to the median age of 40.9 years for the state. Over two-fifths (41.6%) of the PSA population are 55 years of age or older, which represents a larger share when compared to the state (32.8%). While 36.5% of the PSA population is less than 35 years of age, a moderately larger share (42.8%) of the state population is within this age cohort. Overall, the distribution of population by age within the PSA submarkets is similar, although the population within the West Submarket (median age of 48.4 years) is slightly older as compared to the East Submarket (median age of 47.6 years). Between 2022 and 2027, the PSA population aged 75 years and older is projected to increase by 18.7%, which is the largest

projected increase among the age cohorts within the county. Notable growth is also projected for the age cohorts of 35 to 44 years (8.9%) and 65 to 74 years (7.5%). The projected changes of population by age within the PSA are generally consistent with the trends projected within both submarkets and the state over the next five years.

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)	Married Population (2022)	Below Poverty Level (2021)	No High School Diploma (2022)	College Degree (2022)	Movership Rate (2021)
East	Number	998	5,264	1,644	668	2,730	1,218
	Percent	8.7%	54.5%	14.6%	7.8%	31.8%	10.8%
West	Number	1,598	7,972	2,612	750	5,492	2,052
	Percent	9.1%	53.7%	14.9%	5.7%	41.8%	11.6%
Mason County	Number	2,596	13,236	4,256	1,418	8,222	3,270
	Percent	8.9%	54.0%	14.8%	6.5%	37.8%	11.3%
Michigan	Number	2,632,321	4,094,773	1,310,037	542,359	2,974,717	1,261,121
	Percent	26.1%	49.0%	13.3%	7.7%	42.1%	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 (Mason County) comprise a significantly smaller share (8.9%) of the overall population as compared to the state (26.1%). Among the adult population of the PSA, 54.0% of the population is married, which is a higher share than the state share (49.0%). The share of the adult population in the PSA that lacks a high school diploma (6.5%) is slightly less than the share within the state (7.7%), while the share of individuals in Mason County with a college degree (37.8%) is less than the corresponding share in the state (42.1%). Overall, 14.8% of the population within the PSA lives in poverty, which is a moderately higher share as compared to the share for the state of Michigan (13.3%). The movership rate (the share of the population moving within or to a given area year over year) of the PSA is 11.3%, which is less than the 12.7% rate reported within the state.

Many of the population characteristics are similar between the two submarkets of the PSA, with one notable exception. The share of the adult population within the West Submarket with a college degree (41.8%) is significantly higher than the share within the East Submarket (31.8%). While the poverty rates within the two submarkets are very similar (14.6% and 14.9%), the difference in the shares of the respective populations with college degrees likely affects the earning potential among the higher income cohorts in each area.

These population characteristics can affect the housing market in an area, which can include housing affordability. For example, a higher share of married population increases the likelihood that households have more than one income source, which can positively affect housing affordability. Conversely, 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.

### 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:

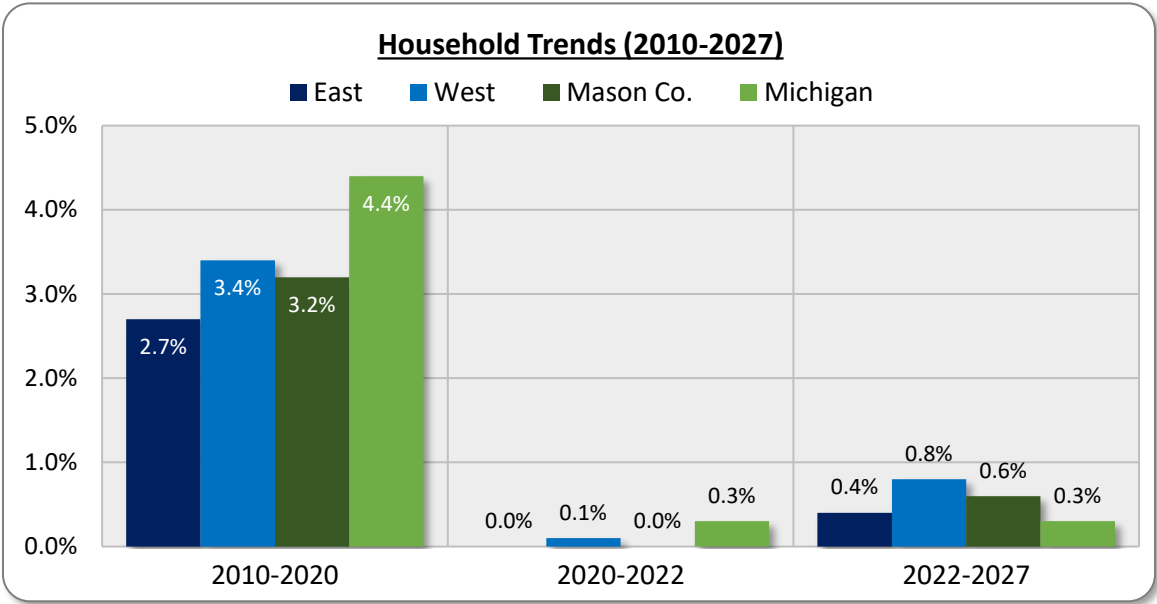
	Total Households									
	2010 Census	2020 Census	Change 2010-2020		2022 Estimated	Change 2020-2022		2027 Projected	Change 2022-2027	
			Number	Percent		Number	Percent		Number	Percent
<b>East</b>	4,552	4,677	125	2.7%	4,675	-2	0.0%	4,693	18	0.4%
<b>West</b>	7,388	7,642	254	3.4%	7,648	6	0.1%	7,706	58	0.8%
<b>Mason County</b>	11,940	12,319	379	3.2%	12,323	4	0.0%	12,399	76	0.6%
<b>Michigan</b>	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 (Mason County) increased by 379 (3.2%). 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 both submarkets of the PSA during this time, with the West Submarket experiencing the largest percentage increase (3.4%). In 2022, the West Submarket comprises over three-fifths (62.1%) of the 12,323 total households within Mason County, while the remaining 37.9% of PSA households are within the East Submarket. Between 2022 and 2027, the number of households in the PSA is projected to increase by 76 (0.6%), of which 76.3% are projected to be within the West Submarket. Regardless, the PSA and both submarkets are projected to have household growth that exceeds the growth projected for the state (0.3%) over the next five years.

While the projected increase in households within Mason 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**:

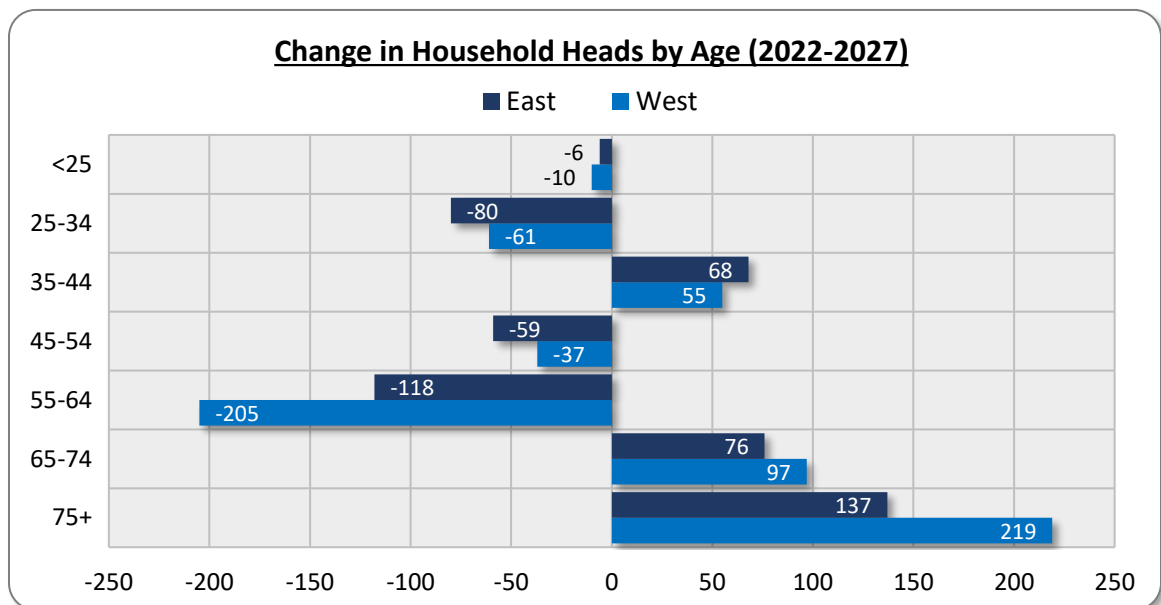
		Household Heads by Age						
		<25	25 to 34	35 to 44	45 to 54	55 to 64	65 to 74	75+
East	2010	122 (2.7%)	430 (9.4%)	683 (15.0%)	1,004 (22.1%)	1,028 (22.6%)	780 (17.1%)	505 (11.1%)
	2022	79 (1.7%)	542 (11.6%)	577 (12.3%)	762 (16.3%)	1,070 (22.9%)	992 (21.2%)	653 (14.0%)
	2027	73 (1.6%)	462 (9.8%)	645 (13.7%)	703 (15.0%)	952 (20.3%)	1,068 (22.8%)	790 (16.8%)
	Change 2022-2027	<b>-6</b> <b>(-7.6%)</b>	<b>-80</b> <b>(-14.8%)</b>	<b>68</b> <b>(11.8%)</b>	<b>-59</b> <b>(-7.7%)</b>	<b>-118</b> <b>(-11.0%)</b>	<b>76</b> <b>(7.7%)</b>	<b>137</b> <b>(21.0%)</b>
West	2010	253 (3.4%)	835 (11.3%)	979 (13.3%)	1,480 (20.0%)	1,573 (21.3%)	1,150 (15.6%)	1,118 (15.1%)
	2022	212 (2.8%)	930 (12.2%)	915 (12.0%)	1,058 (13.8%)	1,581 (20.7%)	1,556 (20.3%)	1,396 (18.3%)
	2027	202 (2.6%)	869 (11.3%)	970 (12.6%)	1,021 (13.2%)	1,376 (17.9%)	1,653 (21.5%)	1,615 (21.0%)
	Change 2022-2027	<b>-10</b> <b>(-4.7%)</b>	<b>-61</b> <b>(-6.6%)</b>	<b>55</b> <b>(6.0%)</b>	<b>-37</b> <b>(-3.5%)</b>	<b>-205</b> <b>(-13.0%)</b>	<b>97</b> <b>(6.2%)</b>	<b>219</b> <b>(15.7%)</b>
Mason County	2010	375 (3.1%)	1,264 (10.6%)	1,661 (13.9%)	2,483 (20.8%)	2,605 (21.8%)	1,929 (16.2%)	1,623 (13.6%)
	2022	291 (2.4%)	1,472 (11.9%)	1,492 (12.1%)	1,820 (14.8%)	2,651 (21.5%)	2,548 (20.7%)	2,049 (16.6%)
	2027	275 (2.2%)	1,331 (10.7%)	1,615 (13.0%)	1,724 (13.9%)	2,328 (18.8%)	2,721 (21.9%)	2,405 (19.4%)
	Change 2022-2027	<b>-16</b> <b>(-5.5%)</b>	<b>-141</b> <b>(-9.6%)</b>	<b>123</b> <b>(8.2%)</b>	<b>-96</b> <b>(-5.3%)</b>	<b>-323</b> <b>(-12.2%)</b>	<b>173</b> <b>(6.8%)</b>	<b>356</b> <b>(17.4%)</b>
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	<b>-5,617</b> <b>(-3.7%)</b>	<b>-37,526</b> <b>(-6.6%)</b>	<b>22,454</b> <b>(3.6%)</b>	<b>-35,034</b> <b>(-5.2%)</b>	<b>-78,417</b> <b>(-9.6%)</b>	<b>53,344</b> <b>(7.7%)</b>	<b>92,660</b> <b>(18.0%)</b>

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

In 2022, household heads between the ages of 55 and 64 within the PSA (Mason County) comprise the largest share (21.5%) of all households in the PSA. Household heads between the ages of 65 and 74 (20.7%) and those age 75 and older (16.6%) comprise the next largest shares of the total households in the PSA. As such, senior households (age 55 and older) constitute nearly three-fifths (58.8%) 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 14.3% of PSA households. This represents a smaller share of such households when compared to the state (17.8%). Among the two submarkets, the share of households under the age of 35 (15.0%) and those age 55 and older (59.3%) is highest within the West Submarket, while the share of middle-aged households (between the ages of 35 and 54) is highest within the East Submarket.

Between 2022 and 2027, projections indicate significant household growth (356 households) in the PSA among household heads ages 75 and older (17.4%). Households between the ages of 35 to 44 and those between the ages of 65 and 74 are projected to increase by 8.2% and 6.8%, respectively. All other age cohorts are projected to experience declines (between 5.3% and 12.2%) during this time period, with the largest percentage decline projected for the age cohort 55 to 64 (12.2%). Within the individual submarkets, the changes in households by age cohort are consistent with projections for the PSA and the state of Michigan over the next five years. Notable areas of change in the submarkets include the increase of households between the ages of 35 and 44 (11.8%) and those age 75 and older (21.0%) in the East Submarket, the increase of households age 75 and older in the West Submarket (15.7%), and the *decline* of households between the ages of 25 and 34 in the East Submarket (14.8%). 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.



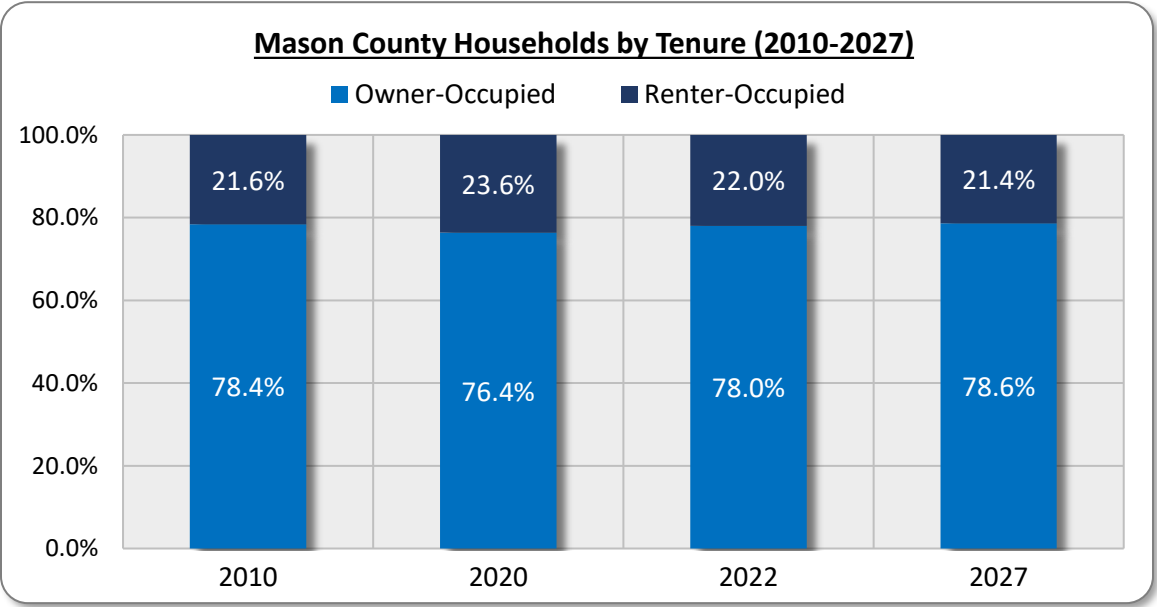
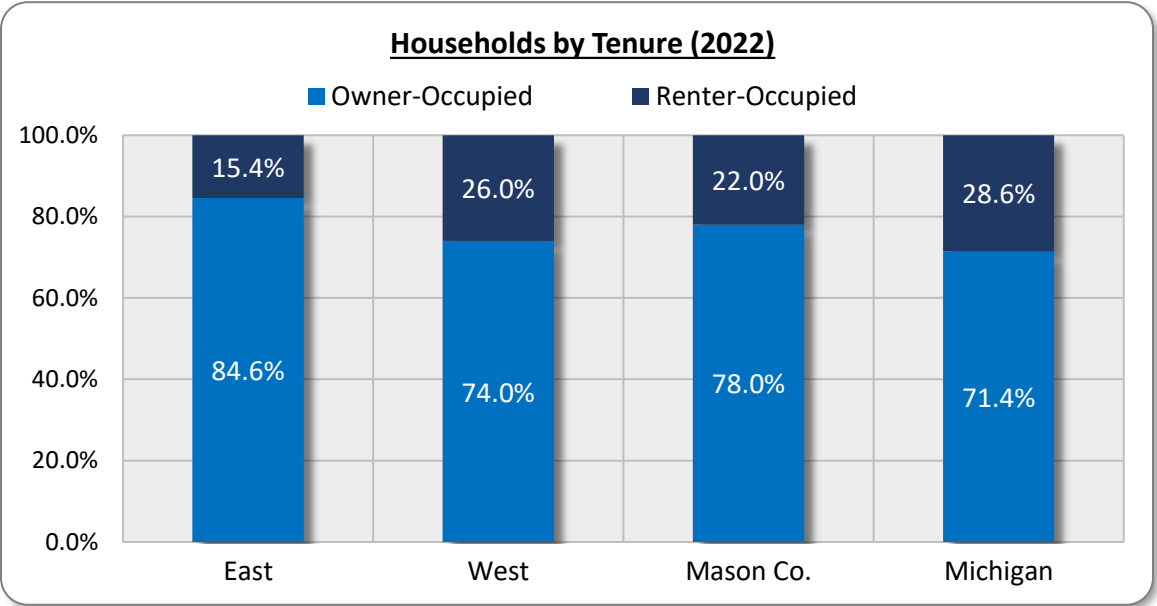
Households by tenure (renters and owners) for selected years are shown in the following table. Note that 2027 numbers which represent a decrease from 2022 are illustrated in **red** text, while increases are illustrated in **green** text.

		Households by Tenure							
Household Type		2000		2010		2022		2027	
		Number	Percent	Number	Percent	Number	Percent	Number	Percent
East	Owner-Occupied	3,744	86.0%	3,795	83.4%	3,952	84.6%	3,991	85.0%
	Renter-Occupied	612	14.0%	757	16.6%	722	15.4%	702	15.0%
	Total	4,356	100.0%	4,552	100.0%	4,674	100.0%	4,693	100.0%
West	Owner-Occupied	5,200	73.8%	5,333	72.2%	5,664	74.0%	5,752	74.6%
	Renter-Occupied	1,850	26.2%	2,055	27.8%	1,985	26.0%	1,954	25.4%
	Total	7,050	100.0%	7,388	100.0%	7,649	100.0%	7,706	100.0%
Mason County	Owner-Occupied	8,944	78.4%	9,128	76.4%	9,616	78.0%	9,743	78.6%
	Renter-Occupied	2,462	21.6%	2,812	23.6%	2,707	22.0%	2,656	21.4%
	Total	11,406	100.0%	11,940	100.0%	12,323	100.0%	12,399	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 a 78.0% share of *owner* households and a 22.0% share of *renter* households in the PSA (Mason County). This represents a one-and-six-tenths percentage point increase in share of owner households in the PSA between 2010 and 2022. Owner households in the PSA comprise a higher share (78.0%) of the total households as compared to the share in the state (71.4%). While the share of such households in both submarkets is higher than the state share, the share of owner households in the East Submarket (84.6%) is remarkably high. Between 2022 and 2027, the number of owner households is projected to increase in the East Submarket (1.0% increase, or 39 households) and West Submarket (1.6% increase, or 88 households), while renter households are projected to decline by 2.8% and 1.6%, respectively, in each submarket. Overall, this will result in a 1.3% increase in owner households and a 1.9% decrease in renter households within the PSA over the next five years. 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 Mason County from 2010 and projected to 2027:





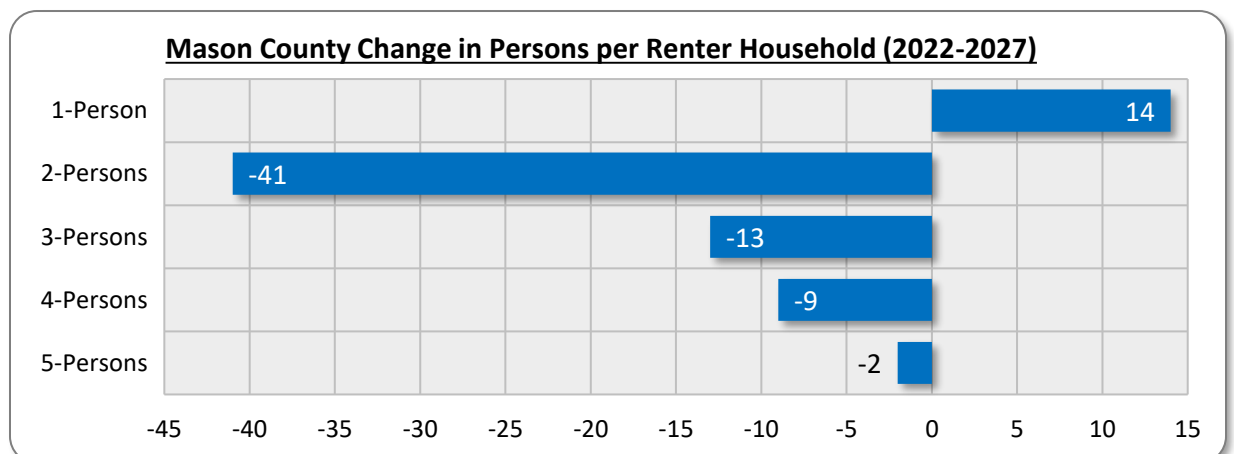
Renter households by size for selected years are shown in the following table for the PSA (Mason County) and the state of Michigan. Note: persons per renter household data is not available for geographies smaller than the county level.

		Persons Per Renter Household						Average H.H. Size
		1-Person	2-Person	3-Person	4-Person	5-Person	Total	
Mason County	2010	1,049 (37.3%)	656 (23.3%)	421 (15.0%)	324 (11.5%)	362 (12.9%)	2,812 (100.0%)	2.37
	2022	1,164 (43.0%)	590 (21.8%)	386 (14.3%)	267 (9.9%)	300 (11.1%)	2,707 (100.0%)	2.22
	2027	1,178 (44.4%)	549 (20.7%)	373 (14.0%)	258 (9.7%)	298 (11.2%)	2,656 (100.0%)	2.21
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 2.22 in 2022, one- and two-person households comprise nearly two-thirds (64.8%) of all renter households within the PSA (Mason 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-fifth (21.0%) 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%). While the total number of renter households in the PSA is projected to decrease over the next five years, the largest decrease is projected to occur among two-person households (6.9%, or 41 households). Three-, four-, and five-person households are expected to have more moderate declines (between 0.7% and 3.4%). In contrast, one-person renter households are projected to increase slightly (1.2%, or 14 households) within the PSA during this time.

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



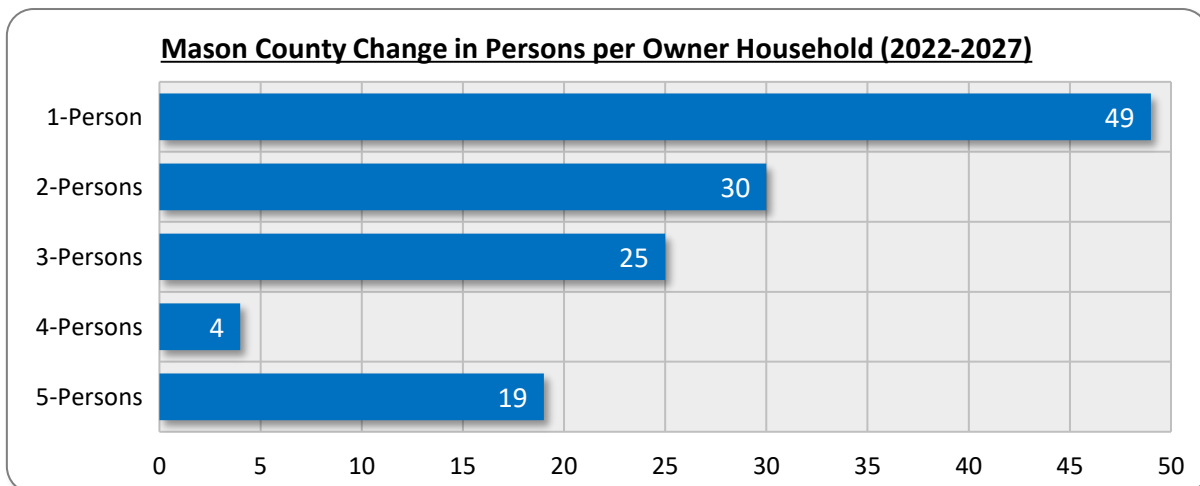
Owner households by size for the PSA (Mason County) and the state of Michigan for selected years are shown in the following table. Note: persons per owner household data is not available for geographies smaller than the county level.

		Persons Per Owner Household						Average H.H. Size
		1-Person	2-Person	3-Person	4-Person	5-Person	Total	
Mason County	2010	2,155 (23.6%)	3,884 (42.6%)	1,186 (13.0%)	1,049 (11.5%)	854 (9.4%)	9,128 (100.0%)	2.39
	2022	2,423 (25.2%)	4,071 (42.3%)	1,195 (12.4%)	1,039 (10.8%)	888 (9.2%)	9,616 (100.0%)	2.35
	2027	2,472 (25.4%)	4,101 (42.1%)	1,220 (12.5%)	1,043 (10.7%)	907 (9.3%)	9,743 (100.0%)	2.35
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 2.35 in 2022, one- and two-person households comprise over two-thirds (67.5%) of all owner households within the PSA (Mason County). This is a 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 over the next five years, each owner household size cohort is projected to experience a moderate increase (between 0.4% and 2.1%) in number. Overall, this will have a minimal effect on the distribution of owner households by size, but the total increase in owner households will likely increase demand among a variety of for-sale product in the market between 2022 and 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
<b>East</b>	\$38,216	\$53,801	40.8%	\$60,040	11.6%
<b>West</b>	\$37,300	\$56,729	52.1%	\$63,415	11.8%
<b>Mason County</b>	\$37,663	\$55,519	47.4%	\$62,099	11.9%
<b>Michigan</b>	\$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 (Mason County) in 2022 is \$55,519, which represents an increase of 47.4% over the median household income in 2010. The estimated median household income in the PSA in 2022 is approximately 15.3% lower than the median income for the state (\$65,522). Although the median household income in the West Submarket (\$56,729) is higher than the median household income in the East Submarket (\$53,801), both are significantly below that of the state. Between 2022 and 2027, it is projected that the median household income in the PSA will increase by 11.9%, at which time the median household income in the PSA will be \$62,099. Projected increases within the submarkets are very similar, and as such, the median household incomes within the PSA and both submarkets are expected to remain well below that of the state through 2027.

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+
East	2010	152 (20.0%)	210 (27.7%)	144 (19.1%)	86 (11.3%)	67 (8.8%)	30 (4.0%)	58 (7.7%)	11 (1.4%)
	2022	86 (11.9%)	126 (17.4%)	144 (19.9%)	96 (13.3%)	62 (8.6%)	58 (8.0%)	110 (15.3%)	41 (5.7%)
	2027	68 (9.7%)	95 (13.5%)	144 (20.6%)	98 (14.0%)	64 (9.1%)	60 (8.6%)	121 (17.2%)	52 (7.4%)
	Change 2022-2027	<b>-18</b> <b>(-20.9%)</b>	<b>-31</b> <b>(-24.6%)</b>	0 (0.0%)	<b>2</b> <b>(2.1%)</b>	<b>2</b> <b>(3.2%)</b>	<b>2</b> <b>(3.4%)</b>	<b>11</b> <b>(10.0%)</b>	<b>11</b> <b>(26.8%)</b>
West	2010	393 (19.1%)	571 (27.8%)	405 (19.7%)	223 (10.9%)	160 (7.8%)	87 (4.3%)	173 (8.4%)	42 (2.1%)
	2022	206 (10.4%)	326 (16.4%)	378 (19.0%)	273 (13.7%)	182 (9.2%)	154 (7.8%)	305 (15.4%)	162 (8.2%)
	2027	169 (8.6%)	254 (13.0%)	371 (19.0%)	273 (14.0%)	188 (9.6%)	178 (9.1%)	345 (17.6%)	176 (9.0%)
	Change 2022-2027	<b>-37</b> <b>(-18.0%)</b>	<b>-72</b> <b>(-22.1%)</b>	<b>-7</b> <b>(-1.9%)</b>	0 (0.0%)	<b>6</b> <b>(3.3%)</b>	<b>24</b> <b>(15.6%)</b>	<b>40</b> <b>(13.1%)</b>	<b>14</b> <b>(8.6%)</b>
Mason County	2010	543 (19.3%)	777 (27.6%)	548 (19.5%)	311 (11.1%)	234 (8.3%)	118 (4.2%)	231 (8.2%)	51 (1.8%)
	2022	295 (10.9%)	451 (16.7%)	523 (19.3%)	367 (13.5%)	244 (9.0%)	214 (7.9%)	418 (15.5%)	195 (7.2%)
	2027	237 (8.9%)	347 (13.1%)	518 (19.5%)	373 (14.0%)	251 (9.4%)	238 (8.9%)	468 (17.6%)	225 (8.5%)
	Change 2022-2027	<b>-58</b> <b>(-19.7%)</b>	<b>-104</b> <b>(-23.1%)</b>	<b>-5</b> <b>(-1.0%)</b>	<b>6</b> <b>(1.6%)</b>	<b>7</b> <b>(2.9%)</b>	<b>24</b> <b>(11.2%)</b>	<b>50</b> <b>(12.0%)</b>	<b>30</b> <b>(15.4%)</b>
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	<b>-29,901</b> <b>(-23.7%)</b>	<b>-38,616</b> <b>(-23.7%)</b>	<b>-23,831</b> <b>(-15.0%)</b>	<b>-12,091</b> <b>(-8.5%)</b>	<b>-6,212</b> <b>(-5.2%)</b>	<b>4,642</b> <b>(5.1%)</b>	<b>33,925</b> <b>(14.5%)</b>	<b>43,366</b> <b>(34.3%)</b>

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

In 2022, over two-fifths (46.9%) of *renter* households within the PSA (Mason County) earn less than \$30,000 annually. This is a notably higher share of such households when compared to the state (38.6%). Nearly one-third (30.4%) of renter households in the PSA earn between \$30,000 and \$59,999 annually, while the remaining 22.7% 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 Submarket (49.2%). Conversely, the share of renter households earning \$60,000 or more is highest within the West Submarket (23.6%). The share of middle-income renter households (those

earning between \$30,000 and \$60,000) in both submarkets is approximately 30%. The overall distribution of renter households by income within the PSA and the two submarkets is more heavily concentrated among the lower income cohorts as compared to the state.

Between 2022 and 2027, all renter household income cohorts earning less than \$30,000 in the PSA are projected to decrease, while all income cohorts earning more than \$30,000 are projected to increase. The largest increase (15.4%) 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. The projected changes of renter households by income within the two submarkets are very similar, with substantial declines projected in the lowest income cohorts and significant increases among the highest income cohorts. These projections for the PSA and submarkets differ from statewide projections in that some moderate growth is projected for the middle-income cohorts (households earning between \$30,000 and \$60,000) in the PSA, while growth at the state level is primarily concentrated among households earning \$60,000 or more. While the overall number of renter households in the PSA is projected to decline by 1.9% over the next five years, the increase among middle and higher earning renter households in Mason 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**:

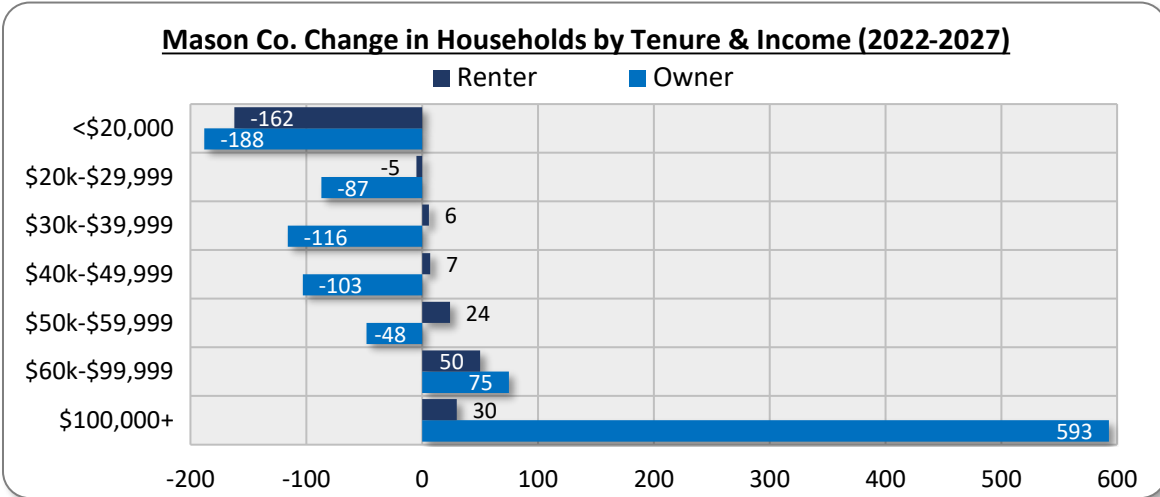
		Owner Households by Income							
		<\$10,000	\$10,000 - \$19,999	\$20,000 - \$29,999	\$30,000 - \$39,999	\$40,000 - \$49,999	\$50,000 - \$59,999	\$60,000 - \$99,999	\$100,000+
East	2010	264 (7.0%)	471 (12.4%)	533 (14.0%)	525 (13.8%)	526 (13.9%)	344 (9.1%)	795 (21.0%)	336 (8.9%)
	2022	168 (4.3%)	292 (7.4%)	447 (11.3%)	407 (10.3%)	333 (8.4%)	409 (10.4%)	1,103 (27.9%)	795 (20.1%)
	2027	141 (3.5%)	228 (5.7%)	420 (10.5%)	363 (9.1%)	293 (7.3%)	372 (9.3%)	1,148 (28.7%)	1,028 (25.7%)
	Change 2022-2027	<b>-27</b> <b>(-16.1%)</b>	<b>-64</b> <b>(-21.9%)</b>	<b>-27</b> <b>(-6.0%)</b>	<b>-44</b> <b>(-10.8%)</b>	<b>-40</b> <b>(-12.0%)</b>	<b>-37</b> <b>(-9.0%)</b>	<b>45</b> <b>(4.1%)</b>	<b>233</b> <b>(29.3%)</b>
West	2010	324 (6.1%)	615 (11.5%)	729 (13.7%)	677 (12.7%)	622 (11.7%)	497 (9.3%)	1,194 (22.4%)	676 (12.7%)
	2022	172 (3.0%)	330 (5.8%)	524 (9.3%)	528 (9.3%)	454 (8.0%)	517 (9.1%)	1,493 (26.4%)	1,645 (29.0%)
	2027	146 (2.5%)	260 (4.5%)	467 (8.1%)	451 (7.8%)	393 (6.8%)	504 (8.8%)	1,521 (26.4%)	2,010 (34.9%)
	Change 2022-2027	<b>-26</b> <b>(-15.1%)</b>	<b>-70</b> <b>(-21.2%)</b>	<b>-57</b> <b>(-10.9%)</b>	<b>-77</b> <b>(-14.6%)</b>	<b>-61</b> <b>(-13.4%)</b>	<b>-13</b> <b>(-2.5%)</b>	<b>28</b> <b>(1.9%)</b>	<b>365</b> <b>(22.2%)</b>
Mason County	2010	592 (6.5%)	1,092 (12.0%)	1,264 (13.9%)	1,195 (13.1%)	1,148 (12.6%)	839 (9.2%)	1,988 (21.8%)	1,009 (11.0%)
	2022	340 (3.5%)	622 (6.5%)	970 (10.1%)	933 (9.7%)	789 (8.2%)	923 (9.6%)	2,591 (26.9%)	2,448 (25.5%)
	2027	286 (2.9%)	488 (5.0%)	883 (9.1%)	817 (8.4%)	686 (7.0%)	875 (9.0%)	2,666 (27.4%)	3,041 (31.2%)
	Change 2022-2027	<b>-54</b> <b>(-15.9%)</b>	<b>-134</b> <b>(-21.5%)</b>	<b>-87</b> <b>(-9.0%)</b>	<b>-116</b> <b>(-12.4%)</b>	<b>-103</b> <b>(-13.1%)</b>	<b>-48</b> <b>(-5.2%)</b>	<b>75</b> <b>(2.9%)</b>	<b>593</b> <b>(24.2%)</b>
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	<b>-17,716</b> <b>(-22.1%)</b>	<b>-31,980</b> <b>(-24.3%)</b>	<b>-35,758</b> <b>(-19.3%)</b>	<b>-34,430</b> <b>(-15.6%)</b>	<b>-28,966</b> <b>(-13.3%)</b>	<b>-18,793</b> <b>(-8.0%)</b>	<b>-11,867</b> <b>(-1.6%)</b>	<b>220,093</b> <b>(20.5%)</b>

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

In 2022, over half (52.4%) of *owner* households in the PSA (Mason County) earn \$60,000 or more annually, which represents a smaller share as compared to the state (62.9%). Approximately one-fifth (20.1%) of owner households in the PSA earn less than \$30,000, while the remaining 27.5% 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 (55.4%). Contrariwise, the East Submarket has the largest shares of owner households earning less than \$30,000 (23.0%) and those earning between \$30,000 and \$60,000 (29.1%).

Between 2022 and 2027, growth among owner households in the PSA and both submarkets will be isolated to households earning \$60,000 or more annually, with those earning \$100,000 or more increasing by 24.2% 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 by 1.3% 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 Mason 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.



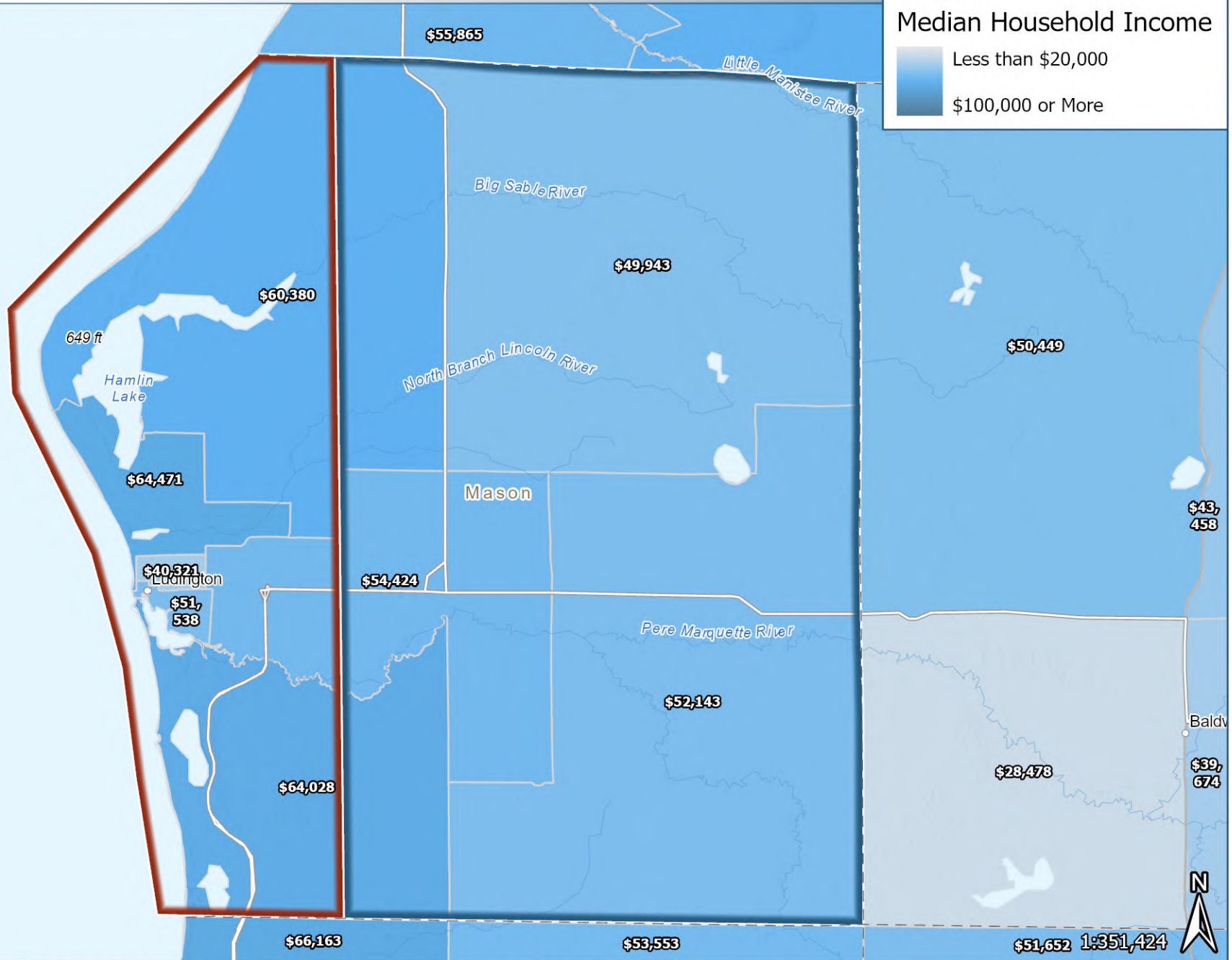
West

East

**Median Household Income**

Less than \$20,000

\$100,000 or More



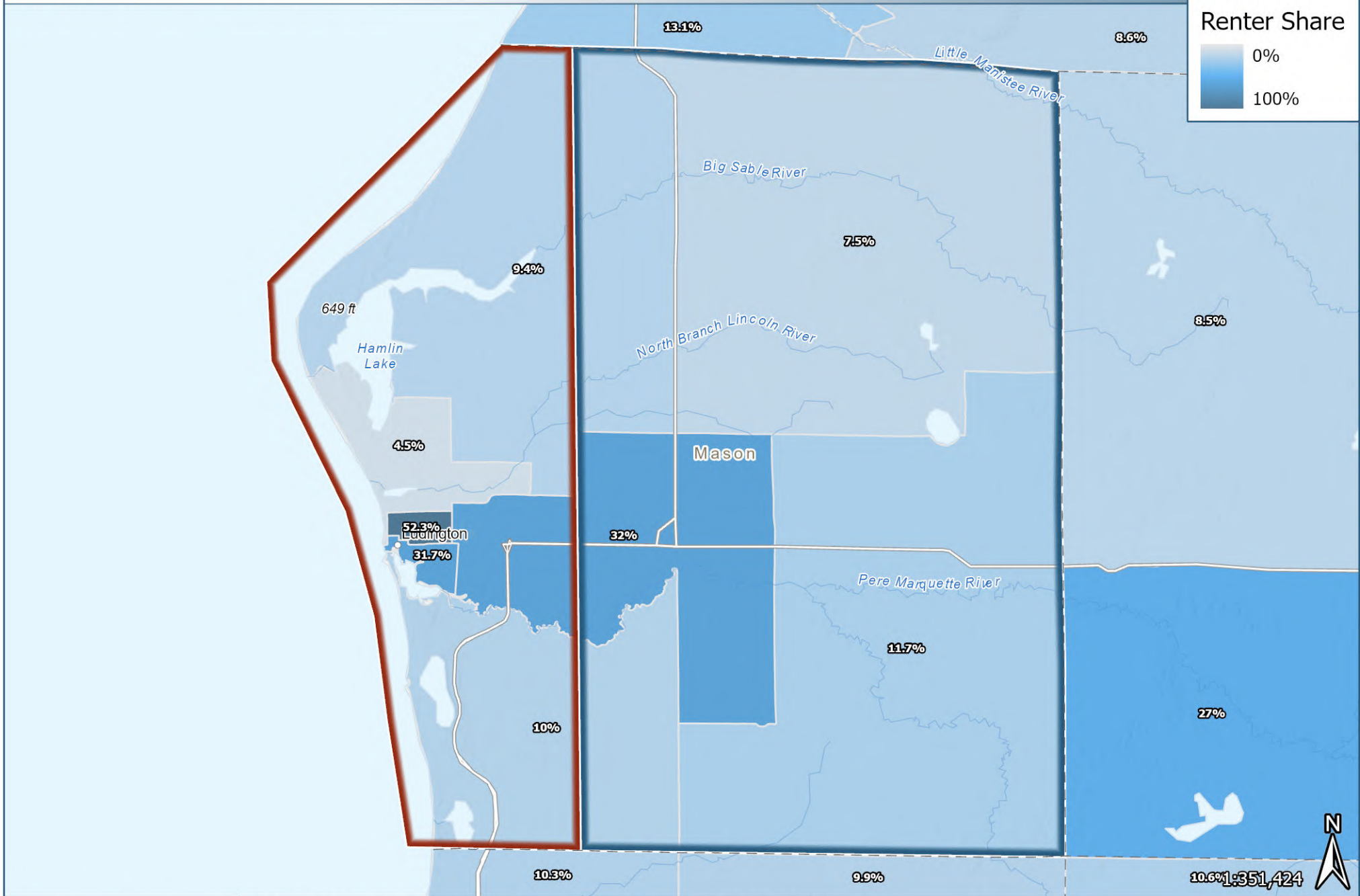
West

East

Renter Share

0%

100%



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



1:351,424



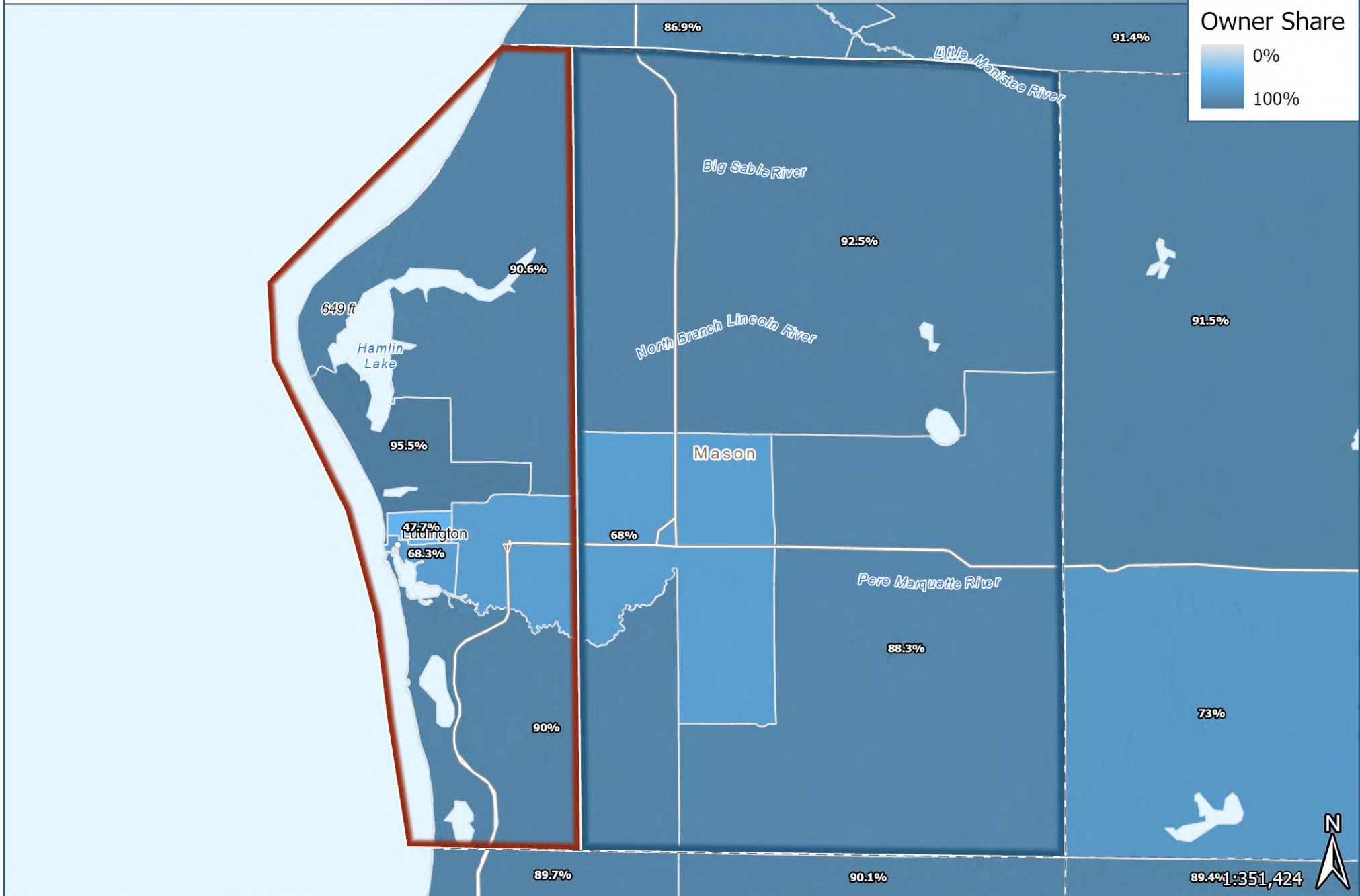
West

East

Owner Share

0%

100%



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



West

East

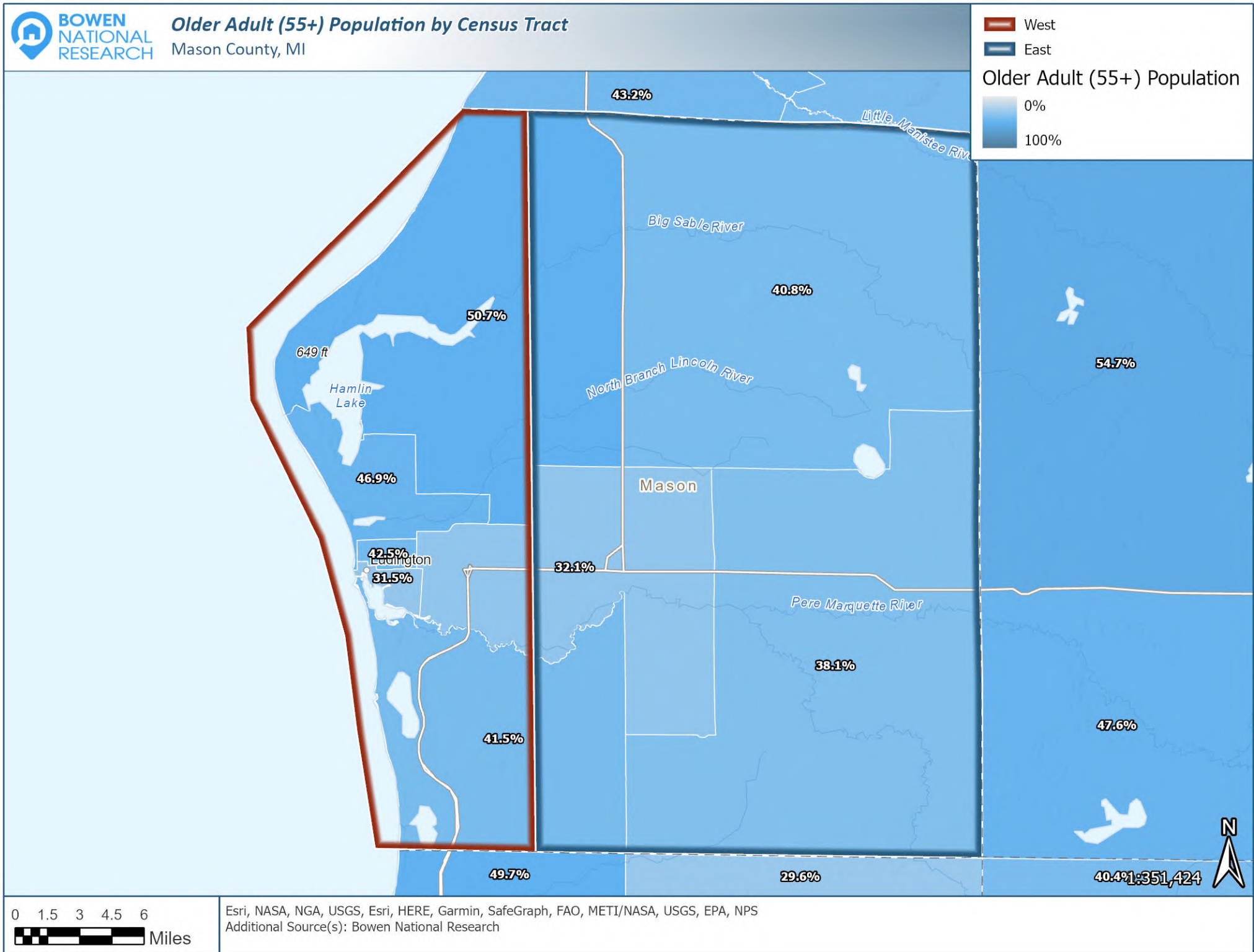
**Older Adult (55+) Population**

0%

100%

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





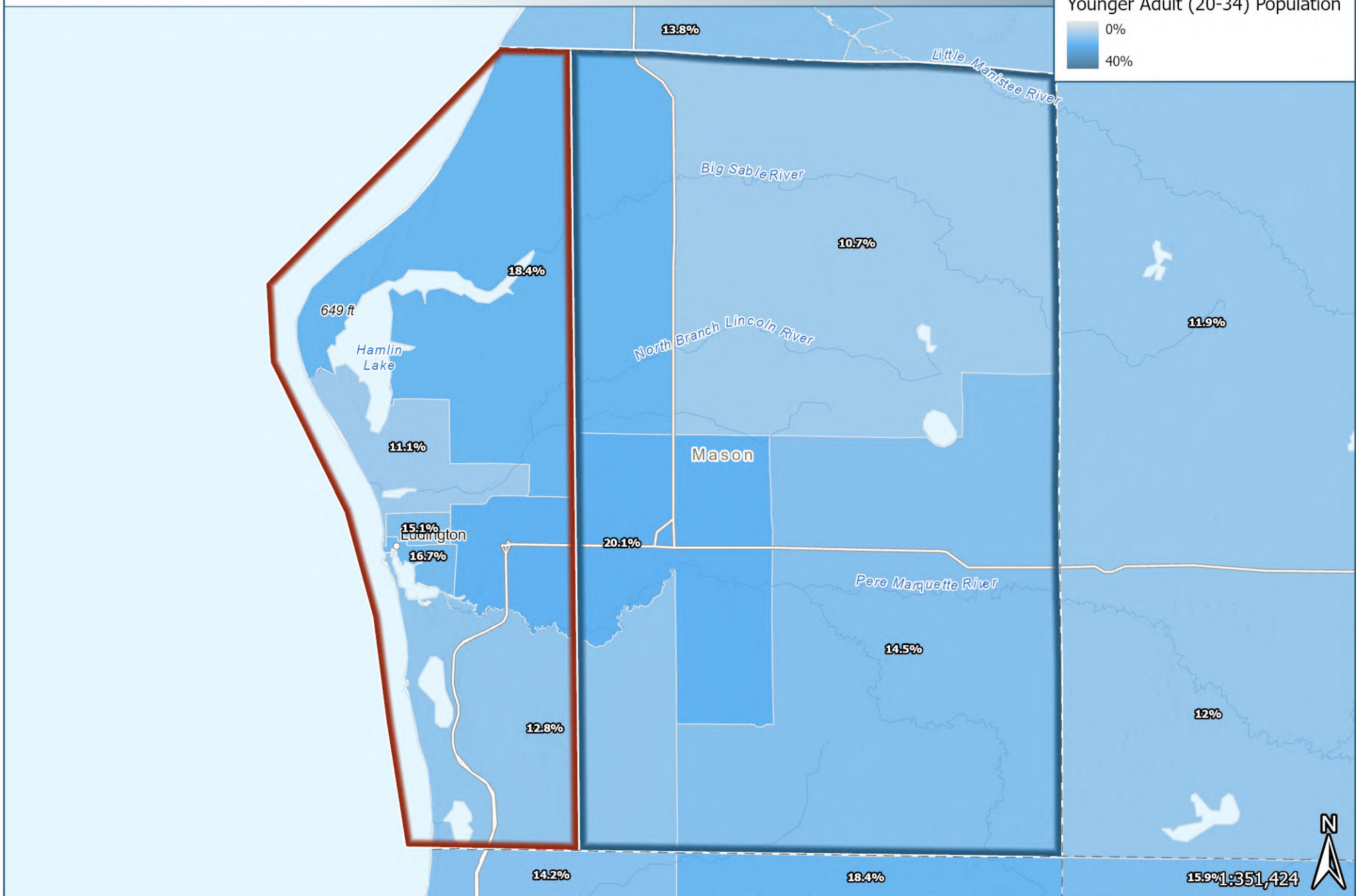
West

East

Younger Adult (20-34) Population

0%

40%



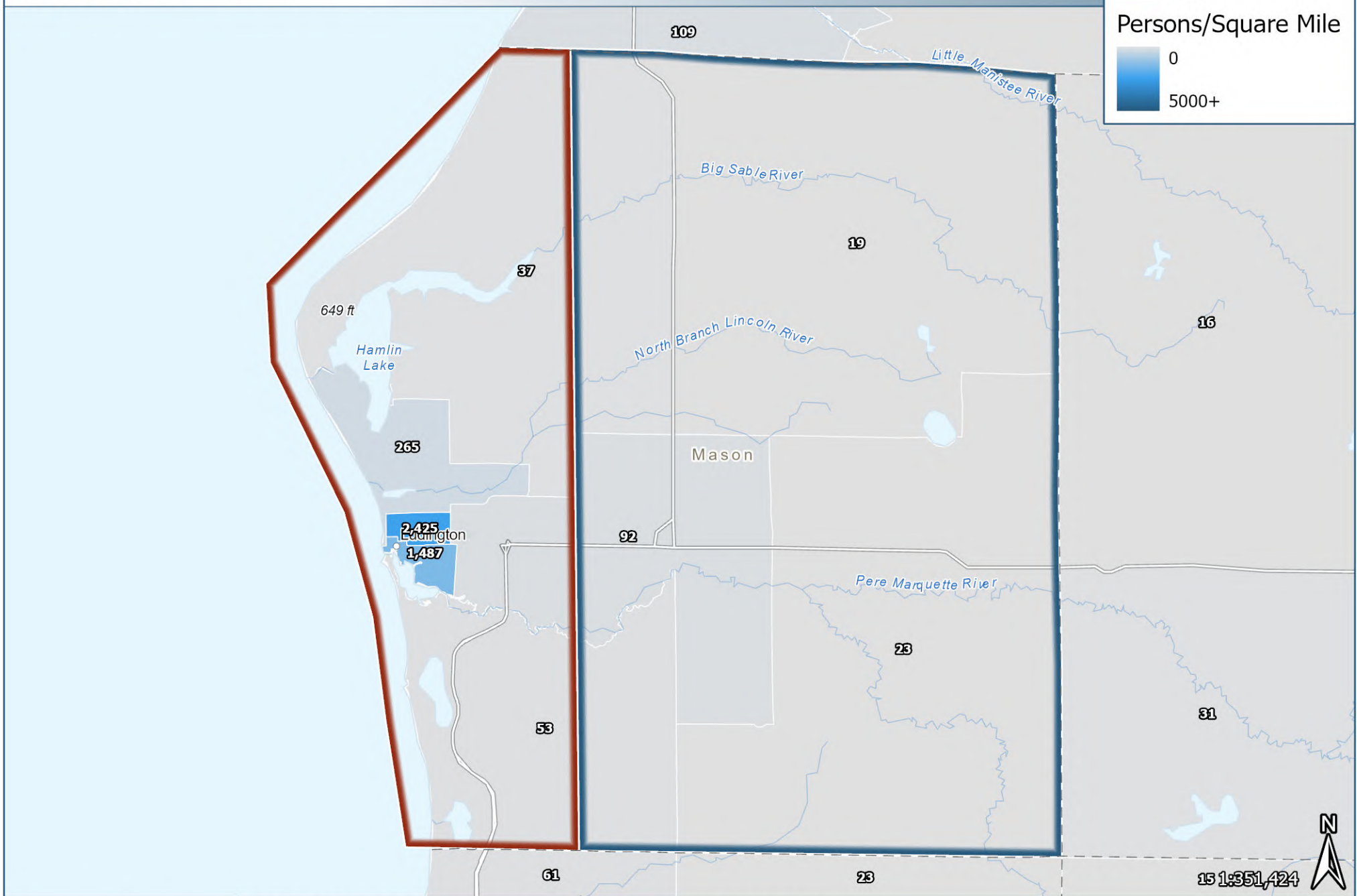
West

East

Persons/Square Mile

0

5000+



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

15 1:351,424

## **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 (Mason County) and PSA submarkets are examined and compared to the state of Michigan and the United States.

An overview of the Mason 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 of approximately 13,700 individuals within a broad range of employment sectors. The primary industries of significance within the PSA include manufacturing, retail trade, and health care and social assistance. 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 Mason 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 (Mason County), the two PSA submarkets, the Balance of Lower Peninsula of Michigan Nonmetropolitan Area, and/or the state of Michigan.



## Employment by Industry

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

NAICS Group	Employment by Industry							
	East Submarket		West Submarket		Mason County		Michigan	
	Employees	Percent	Employees	Percent	Employees	Percent	Employees	Percent
Agriculture, Forestry, Fishing & Hunting	35	1.6%	28	0.2%	63	0.5%	18,094	0.4%
Mining	9	0.4%	4	0.0%	13	0.1%	6,059	0.1%
Utilities	0	0.0%	32	0.3%	32	0.2%	14,450	0.3%
Construction	139	6.5%	382	3.3%	521	3.8%	163,027	3.6%
Manufacturing	105	4.9%	<b>2,638</b>	<b>22.8%</b>	<b>2,743</b>	<b>20.0%</b>	<b>513,197</b>	<b>11.2%</b>
Wholesale Trade	40	1.9%	521	4.5%	561	4.1%	193,695	4.2%
Retail Trade	<b>316</b>	<b>14.9%</b>	<b>1,683</b>	<b>14.6%</b>	<b>1,999</b>	<b>14.6%</b>	<b>576,665</b>	<b>12.6%</b>
Transportation & Warehousing	55	2.6%	489	4.2%	544	4.0%	95,658	2.1%
Information	24	1.1%	236	2.0%	260	1.9%	91,050	2.0%
Finance & Insurance	40	1.9%	207	1.8%	247	1.8%	168,540	3.7%
Real Estate & Rental & Leasing	42	2.0%	267	2.3%	309	2.3%	95,407	2.1%
Professional, Scientific & Technical Services	45	2.1%	442	3.8%	487	3.6%	295,491	6.5%
Management of Companies & Enterprises	0	0.0%	43	0.4%	43	0.3%	8,827	0.2%
Administrative, Support, Waste Management & Remediation Services	51	2.4%	180	1.6%	231	1.7%	111,717	2.4%
Educational Services	<b>607</b>	<b>28.6%</b>	643	5.6%	1,250	9.1%	378,891	8.3%
Health Care & Social Assistance	124	5.8%	<b>1,293</b>	<b>11.2%</b>	<b>1,417</b>	<b>10.4%</b>	<b>765,165</b>	<b>16.7%</b>
Arts, Entertainment & Recreation	46	2.2%	314	2.7%	360	2.6%	139,513	3.1%
Accommodation & Food Services	137	6.5%	1,111	9.6%	1,248	9.1%	398,782	8.7%
Other Services (Except Public Administration)	118	5.6%	487	4.2%	605	4.4%	270,042	5.9%
Public Administration	<b>163</b>	<b>7.7%</b>	550	4.8%	713	5.2%	238,652	5.2%
Non-classifiable	28	1.3%	15	0.1%	43	0.3%	30,131	0.7%
Total	2,124	100.0%	11,565	100.0%	13,689	100.0%	4,573,053	100.0%

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

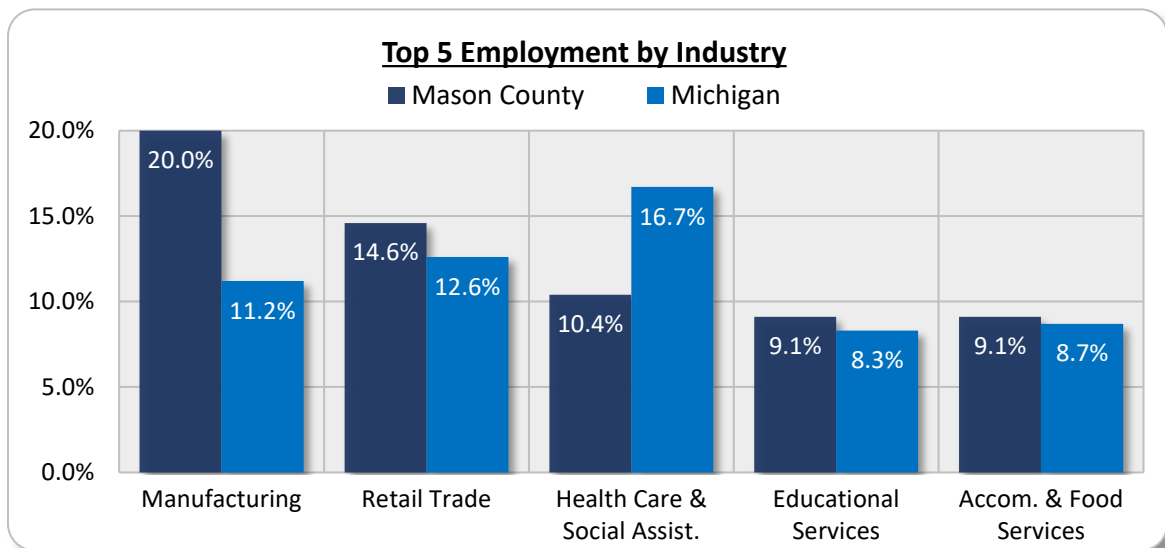
Note: Since this survey is conducted of establishments and not of residents, some employees may not live within each market. These employees, however, are included in our labor force calculations because their places of employment are located within each market.

The labor force within the PSA (Mason County) is based primarily in three sectors: Manufacturing (20.0%), Retail Trade (14.6%), and Health Care & Social Assistance (10.4%). Combined, these three job sectors represent 45.0% of the PSA employment base. This represents a slightly greater concentration of employment within the top three sectors compared to the top three sectors in the state (40.5%). 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 slightly more concentrated overall distribution of employment and two of the top sectors in the PSA (Manufacturing and Retail Trade) being somewhat vulnerable to downturns, the economy within Mason County may be slightly less insulated from economic

fluctuations as compared to the state. However, it should be noted that the top three industries in the PSA are also the top industries in the state. The notable difference is that Health Care & Social Assistance, which is typically less susceptible to economic contractions, comprises the largest share (16.7%) of employment at the state level, whereas this industry comprises a comparably smaller share (10.4%) in the PSA. It is equally important to note that a significant number of occupations within the Retail Trade sector and a majority of support positions in Health Care & Social Assistance typically have lower average wages which can contribute to demand for affordable housing options.

Overall, the West Submarket comprises 84.5% of the total employment within the PSA, while the remaining 15.5% of employment is in the East Submarket. Within the individual submarkets in the PSA, 51.2% of employment in the East Submarket and 48.6% of employment in the West Submarket is contained within the top three sectors of employment. Both shares represent a more concentrated distribution of employment compared to the PSA (45.0%) and state (40.5%), however, it is not unusual for smaller geographic areas to have a greater concentration of employment by sector. Within the East Submarket, Educational Services (28.6%), Retail Trade (14.9%), and Public Administration (7.7%) comprise the largest sectors of employment, while Manufacturing (22.8%), Retail Trade (14.6%), and Health Care & Social Assistance (11.2%) account for the largest sectors in the West Submarket. The variation of employment among the submarkets in the PSA illustrates the unique combination of employment present in each area and underscores the importance of having an adequate supply of income-appropriate housing options available to meet the needs of each specific submarket.

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



## Employment Characteristics and Trends

Mason County is located in the Balance of Lower Peninsula of Michigan Nonmetropolitan Area. Typical wages by job category for the statistical 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	\$95,800	\$113,510
Business and Financial Occupations	\$67,120	\$77,000
Computer and Mathematical Occupations	\$71,190	\$84,750
Architecture and Engineering Occupations	\$76,980	\$85,590
Community and Social Service Occupations	\$50,420	\$50,160
Art, Design, Entertainment and Sports Medicine Occupations	\$48,000	\$54,780
Healthcare Practitioners and Technical Occupations	\$73,310	\$87,310
Healthcare Support Occupations	\$30,640	\$32,380
Protective Service Occupations	\$49,070	\$50,470
Food Preparation and Serving Related Occupations	\$28,280	\$29,580
Building and Grounds Cleaning and Maintenance Occupations	\$32,720	\$32,420
Personal Care and Service Occupations	\$32,720	\$33,790
Sales and Related Occupations	\$38,760	\$44,270
Office and Administrative Support Occupations	\$39,420	\$41,970
Construction and Extraction Occupations	\$48,710	\$54,910
Installation, Maintenance and Repair Occupations	\$48,290	\$52,220
Production Occupations	\$39,790	\$43,300
Transportation and Moving Occupations	\$37,470	\$40,370

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

Most annual blue-collar salaries range from \$28,280 to \$50,420 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 \$76,880. Average wages within the area are typically lower (9.4%) than the overall average state wages. While white-collar professions in the study area typically earn 16.5% less than those within Michigan, blue-collar wages are 6.7% 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, retail trade, and health care, many workers in the area have typical wages ranging between \$30,000 and \$40,000 annually, likely contributing to the need for lower to moderate priced housing product in the county.

In an effort to better understand how area wages by occupation affect housing affordability, wages for the top 35 occupations by share of total employment within the Balance of Lower Peninsula of Michigan Nonmetropolitan Area were analyzed. It should be noted that this statistical area, which includes Mason County, comprises a total of 18 counties within the region. While this data does not include every possible occupation and wage within each sector, the occupations included in this table represent nearly half (48.5%) of the total employment in the statistical area in May 2022 and provide a general overview of housing affordability for some of the most common occupations within the area. 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 (\$871) or the overall median price (\$229,000) of the available for-sale inventory in the PSA (Mason County) 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 35 occupations in the Balance of Lower Peninsula of Michigan Nonmetropolitan Area.

Wages and Housing Affordability for Top 35 Occupations by Share of Labor Force (Balance of Lower Peninsula of Michigan Nonmetropolitan Area)								
Occupation Sector, Title & Wages*					Housing Affordability**			
Sector Group (Code)	Labor Force Share	Occupation Title	Annual Wages		Max. Monthly Rent		Max. Purchase Price	
			Lower Quartile	Median	Lower Quartile	Median	Lower Quartile	Median
Sales and Related Occupations (41)	2.6%	Cashiers	\$23,300	\$26,750	<b>\$583</b>	<b>\$669</b>	<b>\$77,667</b>	<b>\$89,167</b>
	2.5%	Retail Salespersons	\$25,960	\$29,720	<b>\$649</b>	<b>\$743</b>	<b>\$86,533</b>	<b>\$99,067</b>
	1.0%	Sales Representatives	\$47,370	\$64,980	\$1,184	\$1,625	<b>\$157,900</b>	<b>\$216,600</b>
	0.7%	First-Line Supervisors, Retail	\$33,770	\$41,540	<b>\$844</b>	\$1,039	<b>\$112,567</b>	<b>\$138,467</b>
Food Preparation/ Serving (35)	2.7%	Fast Food/Counter Workers	\$23,340	\$26,360	<b>\$584</b>	<b>\$659</b>	<b>\$77,800</b>	<b>\$87,867</b>
	1.6%	Waiters and Waitresses	\$25,260	\$30,840	<b>\$632</b>	<b>\$771</b>	<b>\$84,200</b>	<b>\$102,800</b>
	1.1%	Cooks, Restaurant	\$27,950	\$29,860	<b>\$699</b>	<b>\$747</b>	<b>\$93,167</b>	<b>\$99,533</b>
	0.7%	First-Line Supervisors, Food Prep	\$29,430	\$35,300	<b>\$736</b>	\$883	<b>\$98,100</b>	<b>\$117,667</b>
Office and Administrative Support (43)	2.3%	Office Clerk, General	\$30,360	\$37,020	<b>\$759</b>	\$926	<b>\$101,200</b>	<b>\$123,400</b>
	1.5%	Customer Service Representatives	\$29,580	\$36,030	<b>\$740</b>	\$901	<b>\$98,600</b>	<b>\$120,100</b>
	1.0%	Secretaries/Admin. Assistants	\$31,810	\$37,910	<b>\$795</b>	\$948	<b>\$106,033</b>	<b>\$126,367</b>
	1.0%	Bookkeeping/Accounting Clerks	\$35,360	\$41,290	\$884	\$1,032	<b>\$117,867</b>	<b>\$137,633</b>
Transportation Material Moving (53)	2.5%	Stockers/Order Fillers	\$28,180	\$30,490	<b>\$705</b>	<b>\$762</b>	<b>\$93,933</b>	<b>\$101,633</b>
	1.9%	Heavy/Tractor Trailer Driver	\$42,770	\$48,350	\$1,069	\$1,209	<b>\$142,567</b>	<b>\$161,167</b>
	1.5%	Laborers/Material Movers	\$30,580	\$34,570	<b>\$765</b>	<b>\$864</b>	<b>\$101,933</b>	<b>\$115,233</b>
	0.8%	Industrial Truck Operators	\$36,500	\$43,460	\$913	\$1,087	<b>\$121,667</b>	<b>\$144,867</b>
Education, Training, and Library (25)	1.4%	Elementary School Teachers	\$49,170	\$61,540	\$1,229	\$1,539	<b>\$163,900</b>	<b>\$205,133</b>
	1.4%	Teaching Assistants	\$26,220	\$29,030	<b>\$656</b>	<b>\$726</b>	<b>\$87,400</b>	<b>\$96,767</b>
	0.7%	Secondary School Teachers	\$51,430	\$64,280	\$1,286	\$1,607	<b>\$171,433</b>	<b>\$214,267</b>
Healthcare (29, 31)	2.3%	Home Health/Personal Care Aid	\$22,770	\$27,710	<b>\$569</b>	<b>\$693</b>	<b>\$75,900</b>	<b>\$92,367</b>
	1.4%	Registered Nurses	\$65,490	\$76,180	\$1,637	\$1,905	<b>\$218,300</b>	\$253,933
	1.2%	Nursing Assistants	\$31,550	\$36,130	<b>\$789</b>	\$903	<b>\$105,167</b>	<b>\$120,433</b>
Management/ Accounting (11, 13)	1.9%	General and Operations Manager	\$50,110	\$77,010	\$1,253	\$1,925	<b>\$167,033</b>	\$256,700
	0.7%	Accountants/Auditors	\$50,090	\$62,940	\$1,252	\$1,574	<b>\$166,967</b>	<b>\$209,800</b>
Installation/ Maintenance/ Repair (49)	1.0%	Maintenance and Repair Workers	\$31,360	\$39,160	<b>\$784</b>	\$979	<b>\$104,533</b>	<b>\$130,533</b>
Bldg./Grounds Maintenance (37)	1.4%	Janitors and Cleaners	\$28,250	\$31,640	<b>\$706</b>	<b>\$791</b>	<b>\$94,167</b>	<b>\$105,467</b>
	0.8%	Landscaping/Groundskeeping	\$28,700	\$32,090	<b>\$718</b>	<b>\$802</b>	<b>\$95,667</b>	<b>\$106,967</b>
Production (51)	2.8%	Misc. Assemblers/Fabricators	\$30,860	\$34,410	<b>\$772</b>	<b>\$860</b>	<b>\$102,867</b>	<b>\$114,700</b>
	1.1%	First-Line Supervisors	\$49,520	\$61,070	\$1,238	\$1,527	<b>\$165,067</b>	<b>\$203,567</b>
	0.9%	Inspectors/Testers/Samplers	\$35,840	\$40,510	\$896	\$1,013	<b>\$119,467</b>	<b>\$135,033</b>
	0.9%	Packaging Machine Operators	\$36,760	\$38,840	\$919	\$971	<b>\$122,533</b>	<b>\$129,467</b>
	0.8%	Machinists	\$32,180	\$39,460	<b>\$805</b>	\$987	<b>\$107,267</b>	<b>\$131,533</b>
	0.8%	Cutting/Press Machine Operators	\$34,510	\$36,830	<b>\$863</b>	\$921	<b>\$115,033</b>	<b>\$122,767</b>
Construction/ Extraction (47)	0.9%	Construction Laborers	\$36,780	\$40,810	\$920	\$1,020	<b>\$122,600</b>	<b>\$136,033</b>
Protective Services (33)	0.7%	Correctional Officers/Jailers	\$48,650	\$60,320	\$1,216	\$1,508	<b>\$162,167</b>	<b>\$201,067</b>

Source: U.S. Bureau of Labor Statistics, May 2022 Occupational Employment and Wage Statistics (OEWS)

\*Annual wages listed are at the lower 25<sup>th</sup> 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 \$871, an individual would need to earn at least \$34,840 per year. As such, the lower quartile of wage earners within 21 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, 12 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 much more prevalent when home ownership is considered. In order to afford the purchase of a typical home in the PSA at the median price of \$229,000, an individual would have to earn at least \$68,700 per year. As such, the lower quartile of wage earners within all 35 of listed occupations do not have sufficient income to afford the purchase of a typical home in the PSA. When wages are increased to the respective *median* for each occupation, only two occupations have the necessary income to afford a typical for-sale 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 PSA who have only one income source.

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

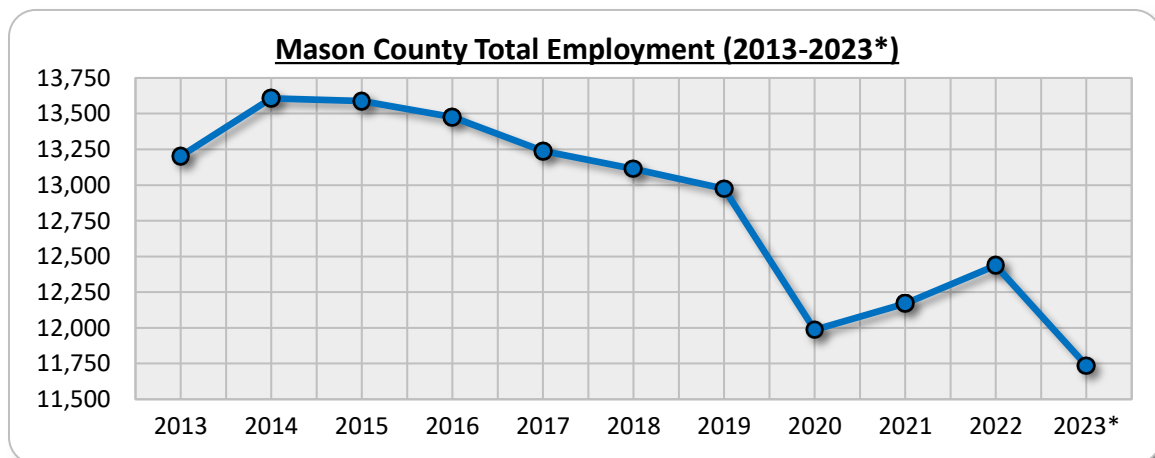
Total employment reflects the number of employed persons who live within an area regardless of where they work. The following illustrates the total employment base for the PSA (Mason County), the state of Michigan and the United States for the various years listed.

Year	Total Employment					
	Mason County		Michigan		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2013	13,204	-	4,323,410	-	144,904,568	-
2014	13,607	3.1%	4,416,017	2.1%	147,293,817	1.6%
2015	13,589	-0.1%	4,501,816	1.9%	149,540,791	1.5%
2016	13,476	-0.8%	4,606,948	2.3%	151,934,228	1.6%
2017	13,239	-1.8%	4,685,853	1.7%	154,721,780	1.8%
2018	13,113	-0.9%	4,739,081	1.1%	156,709,676	1.3%
2019	12,975	-1.1%	4,773,453	0.7%	158,806,261	1.3%
2020	11,986	-7.6%	4,379,122	-8.3%	149,462,904	-5.9%
2021	12,171	1.5%	4,501,562	2.8%	154,624,092	3.5%
2022	12,437	2.2%	4,632,539	2.9%	159,884,649	3.4%
2023*	11,736	-5.6%	4,601,135	-0.7%	160,342,847	0.3%

Source: Department of Labor; Bureau of Labor Statistics

\*Through January

From 2013 to 2019, total employment in the PSA (Mason County) decreased by 1.7%, or 229 employees, which contrasts with the increases for the state (10.4%) and nation (9.6%) during this time period. In 2020, total employment in the PSA further decreased by 7.6%, which reflects a rate of reduction below that for the state (8.3%), but higher than the 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. Following the end of many of the restrictions associated with the pandemic, total employment in the PSA increased by 1.5% in 2021 and an additional 2.2% in 2022, which are less than the statewide increases (2.8% and 2.9%) for these two years. Through 2022, total employment in the PSA has recovered to 95.9% of the 2019 level, which represents a recovery rate below that of the state (97.0%) and nation (100.7%). Because the PSA experienced five consecutive years of reduction in total employment prior to 2020, which is unrelated to the pandemic, it is likely that pre-existing factors are contributing to the slower economic recovery in Mason County.



\*Through January



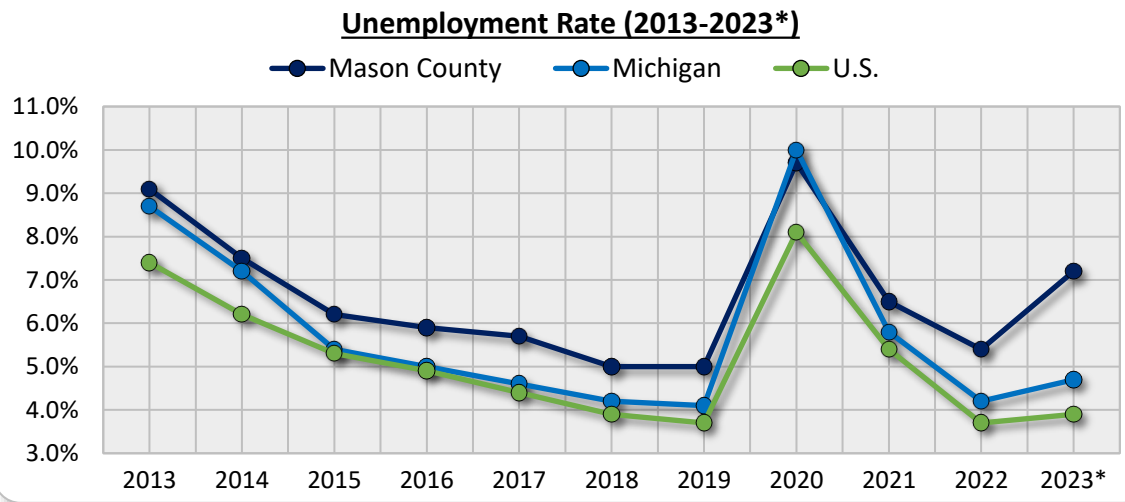
Unemployment rates for Mason County, the state of Michigan and the United States are illustrated as follows:

Year	Unemployment Rate		
	Mason County	Michigan	United States
2013	9.1%	8.7%	7.4%
2014	7.5%	7.2%	6.2%
2015	6.2%	5.4%	5.3%
2016	5.9%	5.0%	4.9%
2017	5.7%	4.6%	4.4%
2018	5.0%	4.2%	3.9%
2019	5.0%	4.1%	3.7%
2020	9.7%	10.0%	8.1%
2021	6.5%	5.8%	5.4%
2022	5.4%	4.2%	3.7%
2023*	7.2%	4.7%	3.9%

Source: Department of Labor, Bureau of Labor Statistics

\*Through January

Between 2013 and 2019, unemployment rates in the county decreased from 9.1% in 2013 to 5.0% in 2019. This is consistent with the steady reduction of the unemployment rates for the state and nation during this time period. In 2020, unemployment increased to 9.7% in the PSA, which represents a lower rate than the state (10.0%), but a higher rate than the 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 data. As such, it appears the PSA has experienced some moderate issues related to unemployment since 2013. In 2022, the unemployment rate in the PSA decreased to 5.4%. While still above the rate for the state (4.2%) and nation (3.7%), this represents an unemployment rate only four-tenths of a percentage point higher than the rate in 2019, and is positive indicator of an improving economy in Mason County.



\*Through January

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.

Mason County - Monthly Unemployment Rate				
Month	2020	2021	2022	2023
January	6.3%	8.7%	6.8%	7.2%
February	5.7%	8.3%	7.1%	
March	6.8%	8.0%	5.9%	
April	23.9%	6.9%	5.1%	
May	16.4%	6.6%	4.8%	
June	12.0%	6.7%	5.2%	
July	10.6%	6.5%	5.0%	
August	8.1%	5.6%	4.6%	
September	7.1%	5.0%	4.4%	
October	5.6%	4.6%	4.5%	
November	6.2%	5.0%	5.2%	
December	7.8%	5.6%	5.9%	

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 (Mason County) ranged between 5.7% and 6.8% in early 2020. In April 2020, the rate increased sharply to 23.9%. The unemployment rate in the PSA steadily declined over the subsequent months, and by October 2020, the rate decreased to 5.6%, which is comparable to the 2019 full year rate (5.0%). Although there were some isolated instances of monthly increases during 2021 and 2022, this may be partially attributed to seasonal unemployment as many of the increases occurred during the winter months. Overall, the monthly unemployment rate has generally trended downward in the PSA over the previous two years.

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 Mason County.

In-Place Employment Mason County			
Year	Employment	Change	Percent Change
2012	10,145	-	-
2013	10,393	248	2.4%
2014	10,643	250	2.4%
2015	10,545	-98	-0.9%
2016	10,581	36	0.3%
2017	10,454	-127	-1.2%
2018	10,540	86	0.8%
2019	10,327	-213	-2.0%
2020	9,411	-916	-8.9%
2021	9,851	440	4.7%
2022*	10,211	360	3.7%

Source: Department of Labor, Bureau of Labor Statistics

\*Through September

The preceding table illustrates in-place employment (people working within Mason County) increased by 1.8%, or 182 jobs, from 2012 to 2019. While the greatest single decrease over the past decade occurred in 2020 (8.9%) and can be largely attributed to the COVID-19 pandemic, it is notable that the county experienced a significant decline (2.0% in 2019) immediately prior to this point in time. In 2021, in-place employment in the PSA increased by 4.7% year over year, and through September 2022, in-place employment increased by an additional 3.7%, or 360 jobs, year over year. Overall, in-place employment in the PSA has recovered to 98.9% of the 2019 level and is a positive sign of continued improvement in the local economy.

Data for 2021, the most recent year that year-end figures are available, indicates in-place employment in Mason County to be 80.9% of the total Mason County employment. This means that, *at a minimum*, approximately 2,300 Mason 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 2019 and an unemployment rate that has been historically higher than the state and national rates. Regardless, the economy appears to have steadily improved since the pandemic in 2020. Total employment has recovered to 95.9% of the 2019 level, the unemployment rate in 2022 (5.4%) is just slightly higher than the rate in 2019 (5.0%), and in-place employment has recovered to 98.9% 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.

#### 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 1, 2023. According to the Michigan Department of Labor and Economic Opportunity, there have been no WARN notices reported for Mason County over the past 12 months.

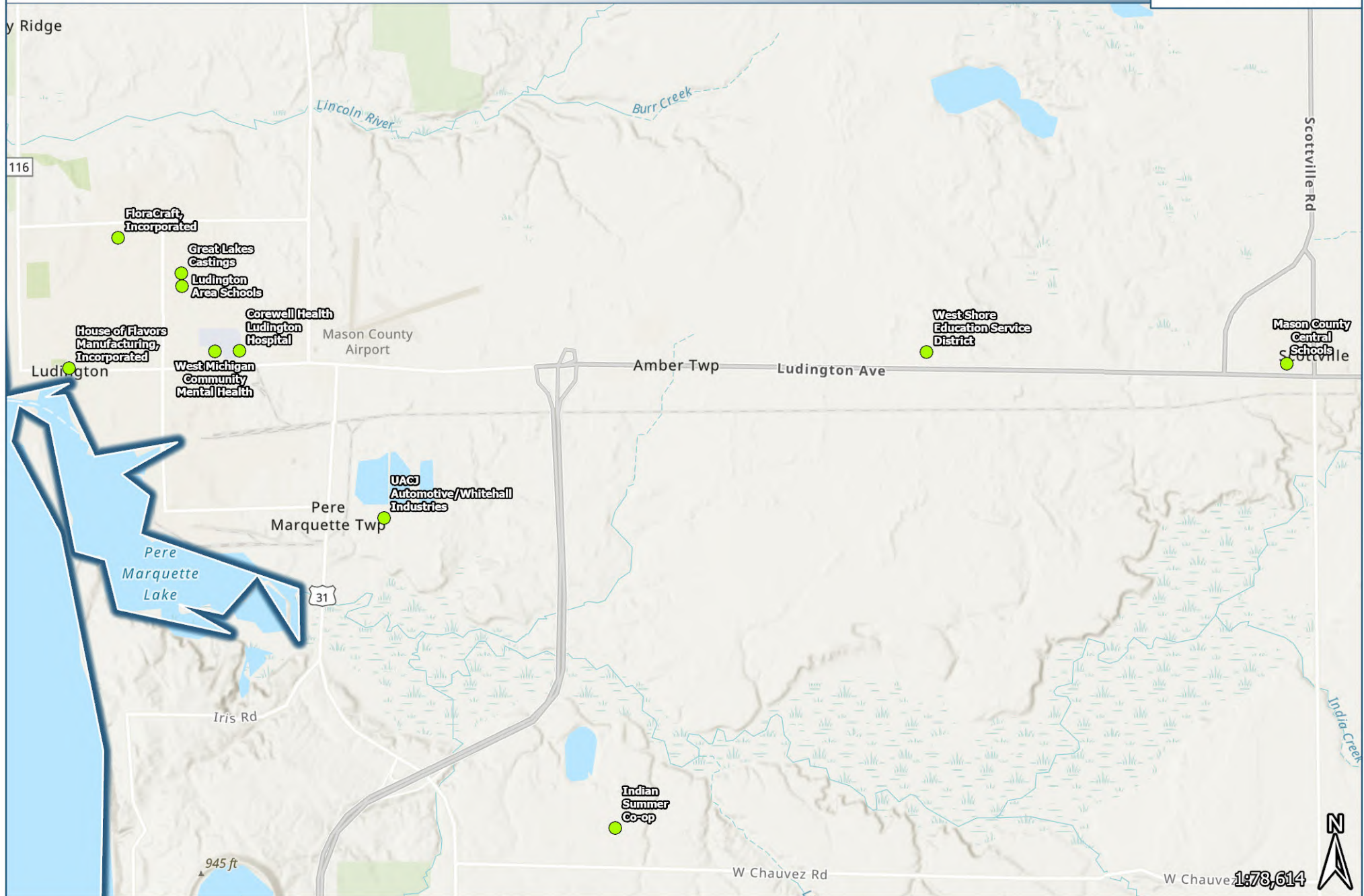
The 10 largest employers within the Mason County area are summarized in the following table:

Employer Name	Business Type
Corewell Health Ludington Hospital	Healthcare
UACJ Automotive/Whitehall Industries	Manufacturer
Indian Summer Co-op	Manufacturer
FloraCraft, Incorporated	Manufacturer
House of Flavors Manufacturing, Incorporated	Manufacturer
Ludington Area Schools	Education
Great Lakes Castings	Manufacturer
West Shore Education Service District	Education
West Michigan Community Mental Health	Healthcare
Mason County Central Schools	Education

Source: Chamber of Commerce Economic Development; 2023

Major employers in the area are primarily engaged in manufacturing, healthcare, and education. While some of the major employers are engaged in sectors that are moderately susceptible to economic downturns (manufacturing), others are engaged in sectors that are considered critical services (healthcare and education), which are typically less vulnerable and helps to partially insulate the local economy from economic decline.

A map delineating the location of the largest employers for the PSA (Mason County) is included on the following page.





## 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 PSA (Mason County) are summarized as follows.

According to a representative with the Chamber Alliance of Mason County, the Mason County economy is strong in the manufacturing sector. Local sources indicated that there are several ongoing economic development projects within Mason County that are expected to create over 50 jobs and involve several million dollars in investments. This includes business relocations, expanded business lines and new facilities with a variety of business sectors. These will add to the area's economic growth and to the demand for housing. The table below summarizes some notable public infrastructure projects underway or planned within the county.

Infrastructure Projects			
Project Name	Investment	Status	Scope of Work/Details
Fisher Road Bridge Victory Township	\$1.5 million	Under construction	Reconstruction of bridge and roadway; ECD fall 2023
Jebavy Drive	\$650,000	Planned	Adding turn lane and reconstruction of road; ECD fall 2023

ECD – Estimated Completion Date

## Conclusions

Mason County experienced positive economic growth since the initial effects of COVID-19. Job growth has been positive over the last couple of years, while the unemployment rate declined. A significant 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 Mason 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, Mason 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.
- **Senior Care Housing** – We surveyed senior care facilities that provide both shelter and care housing alternatives to seniors requiring some level of personal care (e.g., dressing, bathing, medical reminders, etc.) and medical care. This includes independent living, assisted living, and nursing homes.

For the purposes of this analysis, the housing supply information is presented for the Primary Study Area (PSA, Mason County) and the state of Michigan, when available. Some housing market data is provided for the eastern and western submarkets.

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 (Mason 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, the two submarkets, 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
East	Number	4,675	3,952	722	2,026	6,701
	Percent	69.8%	84.5%	15.4%	30.2%	100.0%
West	Number	7,648	5,664	1,985	3,162	10,810
	Percent	70.7%	74.1%	26.0%	29.3%	100.0%
Mason County	Number	12,323	9,616	2,707	5,188	17,511
	Percent	70.4%	78.0%	22.0%	29.6%	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 17,511 housing units within the PSA (Mason County) in 2022. Based on ESRI estimates, of the 12,323 total *occupied* housing units in the PSA, 78.0% are owner occupied, while less than one-quarter (22.0%) are renter occupied. This distribution of housing units by tenure within the PSA is more weighted toward owner-occupied housing than the state of Michigan, which has a 71.4% share of owner-occupied housing units according to 2022 estimates. Nearly 30% 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. As shown later in this section, 4,177 of the 5,252 vacant units in the PSA are seasonal housing units. Among the two PSA submarkets, the East Submarket has a higher share (84.5%) of owner-occupied housing units while the West Submarket has a higher share (26.0%) of renter-occupied units compared to the PSA.

The following table compares key housing age and conditions of Mason County and the state of Michigan 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, its submarkets, 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
<b>East</b>	338	44.8%	1,439	38.1%	26	3.4%	43	1.1%	13	1.7%	12	0.3%
<b>West</b>	770	38.8%	2,724	48.4%	110	5.5%	27	0.5%	22	1.1%	13	0.2%
<b>Mason County</b>	1,108	40.5%	4,163	44.3%	136	5.0%	70	0.7%	35	1.3%	25	0.3%
<b>Michigan</b>	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 Mason County, 40.5% of renter-occupied housing and 44.3% of owner-occupied housing was built prior to 1970. These shares represent lower shares compared to the state of Michigan (45.9% and 47.9%, respectively). The share of renter-occupied housing within the PSA experiencing overcrowding (5.0%) is higher than that of the state (2.9%), while the share (0.7%) of overcrowded owner-occupied housing is slightly lower than the state (1.1%). Incomplete plumbing or kitchens do not appear to be a prevalent issue within the PSA for renter or owner households as the share of each household type that lacks complete plumbing and/or kitchen facilities is less than the state. Among the two PSA submarkets, the East Submarket has a 44.8% share of renter households that live in units built before 1970, while nearly half (48.4%) of owner households in the West Submarket live in housing units built prior to 1970. The West Submarket also has a slightly larger share (5.5%) of renter households residing in overcrowded conditions compared to the PSA. Overall, there are approximately 266 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 these households.

The following table compares key household income, housing cost, and housing affordability metrics of the PSA (Mason County) and the state of Michigan. 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
<b>East</b>	4,675	\$53,801	\$164,900	\$909	40.3%	20.2%	21.0%	7.2%
<b>West</b>	7,648	\$56,729	\$192,293	\$859	47.2%	17.8%	13.3%	5.9%
<b>Mason County</b>	12,323	\$55,519	\$179,976	\$871	45.3%	18.7%	15.5%	6.4%
<b>Michigan</b>	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

Mason County has a lower median household income, estimated median home value, and average gross rent compared to the state of Michigan. The PSA's (Mason County) median home value of \$179,976 is 11.9% lower than the state's estimated median home value of \$204,371, while the county's median household income of \$55,519 is 15.3% lower than the state median household income of \$65,522. The average gross rent of \$871 in the PSA is 14.9% lower than the state's average gross rent of \$1,023. While the PSA shares of *severe* cost burdened renter and owner households are lower compared to the state, the shares of cost burdened households are similar to statewide figures regardless of the lower estimated median home value and gross rent. Among the submarkets in the PSA, the West Submarket has a higher median household income and a lower gross rent compared to Mason County. Despite the lower gross rent, the share of cost burdened renter households in the West Submarket (47.2%) is slightly higher than the shares of cost burdened renter households in Mason County (45.3%) and the state (44.9%). Overall, there are an estimated 3,002 cost burdened households and an estimated 1,023 *severe* cost burdened households in Mason County. The East Submarket has a slightly higher share of cost burdened owner households (20.2%) compared to the county (18.7%) and state (18.6%). Overall, this data illustrates the importance of affordable housing, particularly within the rental market, for Mason County residents.

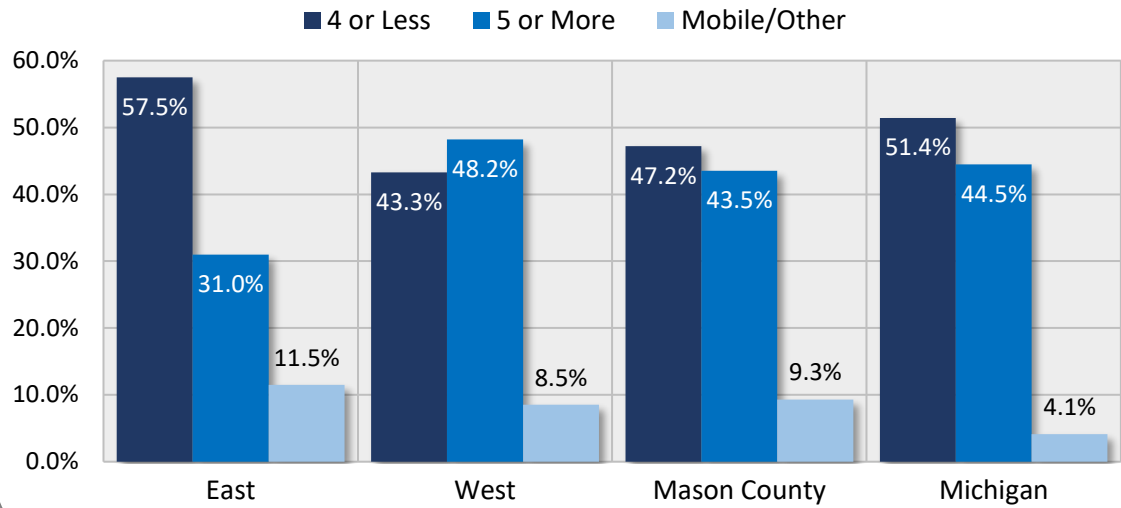
Based on the 2017-2021 American Community Survey (ACS) data, the following is a distribution of all occupied housing by units in structure by tenure (renter or owner) for the PSA and the state.

		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
East	Number	434	234	87	755	3,345	4	426	3,775
	Percent	57.5%	31.0%	11.5%	100.0%	88.6%	0.1%	11.3%	100.0%
West	Number	858	956	168	1,982	5,219	54	350	5,623
	Percent	43.3%	48.2%	8.5%	100.0%	92.8%	1.0%	6.2%	100.0%
Mason County	Number	1,292	1,190	255	2,737	8,564	58	776	9,398
	Percent	47.2%	43.5%	9.3%	100.0%	91.1%	0.6%	8.3%	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%

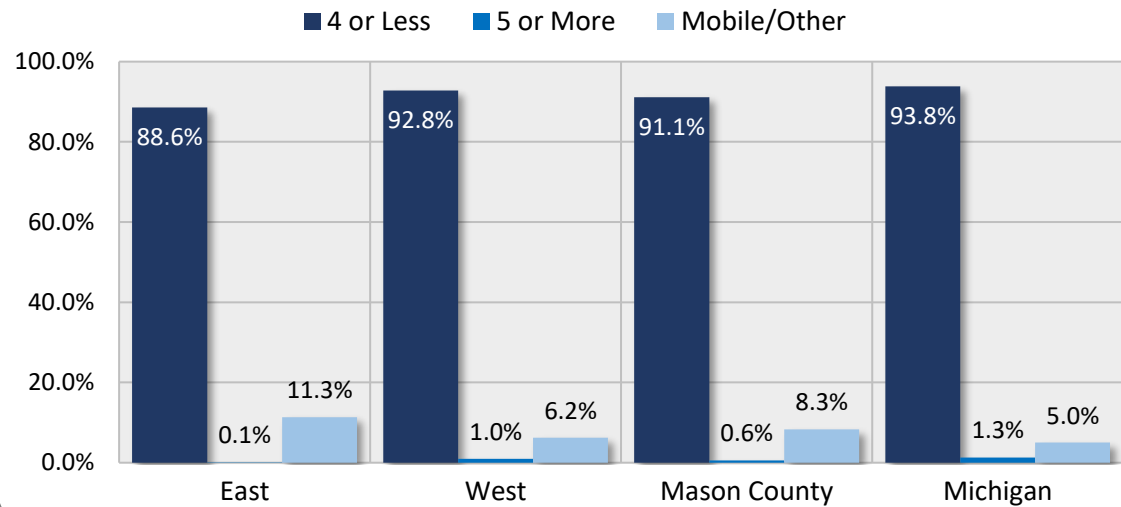
Source: American Community Survey (2017-2021); ESRI; Urban Decision Group; Bowen National Research

Nearly half (47.2%) of the *rental* units in the PSA (Mason County) are within structures of four units or less, with mobile homes and other similar structures comprising an additional 9.3% of the PSA rental units. The combined share of these two types of structures (56.5%) is slightly higher compared to that of the state (55.5%). A significant share (43.5%) of rental units in the county are within structures containing five or more units, a slightly lower share (44.5%) compared to the state. By comparison, over 90% of owner-occupied units are within structures containing four units or fewer, while 8.3% of owner-occupied structures consist of mobile homes and other similar structures. Among PSA submarkets, the East Submarket has a larger share (57.5%) of rental units within structures of four units or less, while the West Submarket has a larger share (48.2%) of rental units within structures containing five or more units compared to Mason County. The East Submarket also has larger shares of renter-occupied and owner-occupied units consisting of mobile homes and other similar structures compared to the county and state.

### Renter-Occupied Housing by Units in Structure (2017-2021)



### Owner-Occupied Housing by Units in Structure (2017-2021)



## **B. HOUSING SUPPLY ANALYSIS (BOWEN NATIONAL SURVEY)**

### **1. Introduction**

Bowen National Research conducted research and analysis of various housing alternatives within the PSA (Mason County). This analysis includes rental housing, for-sale and owner-occupied housing, and senior care facilities.

### **2. Multifamily Rental Housing**

In March and April of 2023, Bowen National Research surveyed (both by telephone and in-person) multifamily rental housing properties within the PSA (Mason County). During our research, we identified and personally surveyed 14 multifamily rental housing projects containing a total of 1,049 units within the PSA. 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. Most of the surveyed units in the county (57.5%) are within market-rate properties, with the remaining share of units within properties that operate as either government-subsidized projects or LIHTC projects that serve households with incomes generally up to 80% of Area Median Household Income (AMHI). Definitions of each housing program are included in *Addendum F: Glossary*.

While this survey does not include all properties in Mason County, it does include nearly all of the larger properties identified in the county. The overall survey is considered representative of the performance, conditions and trends of multifamily rental housing in the county. 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
Market-rate	6	604	5	99.2%
Market-rate/Government-Subsidized	1	80	0	100.0%
Tax Credit	2	60	0	100.0%
Tax Credit/Government-Subsidized	2	76	0	100.0%
Government-Subsidized	3	229	0	100.0%
Total	14	1,049	5	99.5%

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 (Mason County) have an overall occupancy rate of 99.5% with **only five vacancies**. These five vacancies are among market-rate rentals, while all affordable (Tax Credit and government-subsidized) projects that were surveyed were 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 Mason County.

The 14 properties surveyed within the PSA (Mason 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
<b>East Submarket</b>							
4	Cedar Run	B	1980	40	100.0%	5 HH	General-Occupancy
5	Glendale	B-	1978 / 2009	28	100.0%	100 HH	Families; 30%, 40%, & 55% AMHI & RD 515
14	Thornwild II	B	1984 / 2021	19	100.0%	None	General-Occupancy
<b>West Submarket</b>							
1	200 Loomis	B+	2019	30	100.0%	66 HH	Seniors 55+; 40% & 60% AMHI
2	225 Ludington Lofts	B+	2020	30	100.0%	83 HH	Families; 40% & 60% AMHI
3	Birch Lake	B-	1978 / 2009	48	100.0%	24-36 Months	Families; 30%, 40%, & 55% AMHI & RD 515
6	Glenview	C+	1973	64 (16)*	100.0%	15 HH (MR)	General-Occupancy (MR) & Section 8
7	Lawndale	B	1994	24	100.0%	28 HH	Seniors 62+; Section 8
8	Liv Wildwood	B	2003	210	100.0%	30 HH	General-Occupancy
9	Lofts on Rowe	B+	1904 / 2022	67	92.5%	None	General-Occupancy
10	Longfellow Tower	C+	1977	149	100.0%	30 HH	Seniors 62+; Section 8
11	Pine Way	B	1982 / 2002	56	100.0%	100 HH	Families; Section 8
12	Pineview	B	1987	96	100.0%	150 HH	General-Occupancy
13	Sherman Oaks Apts.	B	1992	172	100.0%	10 HH	General-Occupancy

Occ. – Occupancy; HH – Households; MR – Market-Rate

\*Market-Rate units (Section 8 units)

Of the 14 total properties surveyed in Mason County, 11 properties are located in the West Submarket. The 11 properties in the West Submarket account for over 90% of the conventional rental units surveyed in the county. All surveyed properties in the county with the exception of Lofts on Rowe (Map I.D. 9) are 100% occupied. Note that Lofts on Rowe is an adaptive reuse of an older industrial building in Ludington that opened as an apartment building in 2022. While lease-up information could not be verified with building management, it is likely that the five vacant units shown in the field survey had yet to be occupied as part of the building's lease-up process. Twelve of the 13 properties that are 100% occupied maintain wait lists ranging from five to 150 households or 24 to 36 months for the next available units. The majority of projects surveyed have a quality rating of "B" or better and four of the projects were either built or renovated



in 2019 or later. Overall, most projects in the county are considered to be in good condition. This extremely high occupancy level and considerable number of households on wait lists further indicates the high level of pent-up demand and illustrates the need for additional rental housing 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	Studio	One-Br.	Two-Br.	Three-Br.
<b>East Submarket</b>					
4	Cedar Run	-	\$695/MR (8)	\$795/MR (32)	-
5	Glendale	-	\$650-\$725/30%/RD (1)	\$680-\$745/30%/RD (2)	-
			\$650-\$725/40%/RD (1)	\$680-\$745/40%/RD (2)	
			\$650-\$725/55%/RD (10)	\$680-\$745/55%/RD (12)	
14	Thornwild II	-	\$675-\$775/MR (11)	\$725-\$825/MR (8)	-
<b>West Submarket</b>					
1	200 Loomis	-	\$485/40% (8)	\$583/40% (5)	-
			\$728/60% (10)	\$874/60% (7)	
2	225 Ludington Lofts	-	\$485/40% (8)	\$583/40% (5)	-
			\$728/60% (10)	\$874/60% (7)	
3	Birch Lake	-	\$654-\$740/30%/RD (8)	\$695-\$779/30%/RD (8)	-
			\$654-\$740/40%/RD (8)	\$695-\$779/40%/RD (8)	
			\$654-\$740/55%/RD (8)	\$695-\$779/55%/RD (8)	
6	Glenview	-	\$800/MR (32) SUB/SEC 8 (8)	\$925/MR (26) SUB/SEC 8 (6)	\$1,100/MR (6) SUB/SEC 8 (2)
7	Lawndale	-	\$590/SEC 8 (24)	-	-
8	Liv Wildwood	-	\$951/MR (69)	\$1,019-\$1,141/MR (129)	\$1,279/MR (12)
9	Lofts on Rowe	\$850/MR (5)	\$950-\$1,200/MR (50)	\$1,350/MR (10)	\$1,600/MR (2)
10	Longfellow Tower	-	\$867/SEC 8 (137)	\$1,021/SEC 8 (12)	-
11	Pine Way	-	-	\$887/SEC 8 (40)	\$1,013/SEC 8 (16)
12	Pineview	-	\$680-\$901/MR (40)	\$822-\$1,028/MR (50)	\$870-\$1,028/MR (6)
13	Sherman Oaks Apts.	-	-	\$850-\$1,060/MR (172)	-

MR - Market-Rate; SEC – Section; RD – RD 515; %AMHI – Tax Credit

SUB - Subsidized (residents pay 30% of their income)

As the preceding table illustrates, a majority (52.3%) of the rental product surveyed in the PSA (Mason County) is comprised of two-bedroom units, while one-bedroom units comprise 43.0% of units surveyed in the county. The combined total of one-bedroom and two-bedroom units account for over 95% of the surveyed rental product in the PSA. Market-rate rents for these more common unit types range from \$675 to \$1,200 for a one-bedroom unit and \$725 to \$1,350 for a two-bedroom unit. Three-bedroom market-rate units, for which there is extremely limited supply, have rents ranging from \$870 to \$1,600. The lack of three-bedroom units at conventional properties may indicate an opportunity for future multifamily developments in the county.

The limited number (60) of Tax Credit units in the PSA are at two properties that opened in 2019 and 2020, respectively. These properties consist of one- and two-bedroom units with rents ranging from \$485 to \$728 for a one-bedroom and \$583 to \$874 for a two-bedroom. One of these Tax Credit properties is restricted to senior households age 55 and older earning up to 40% and 60% of AMHI, while the remaining Tax Credit property is for family households. Note that each of these Tax Credit properties have long wait lists, 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 are primarily one-bedroom and two-bedroom units with few three-bedroom units. Note that only 18 subsidized units in the PSA are three-bedroom units. As such, there are few affordable multifamily units in the PSA for larger low-income households. Regardless of bedroom type, there are no 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 (Mason County) by submarket are shown in the following tables.

		Square Footage			
Map I.D.	Project Name	Studio	One-Br.	Two-Br.	Three-Br.
East Submarket					
4	Cedar Run	-	600	800	-
5	Glendale	-	543	747	-
14	Thornwild II	-	600	800	-
West Submarket					
1	200 Loomis	-	732	912	-
2	225 Ludington Lofts	-	732	912	-
3	Birch Lake	-	550	800	-
6	Glenview	-	675	771	1,120
7	Lawndale	-	527 - 640	-	-
8	Liv Wildwood	-	714	870 - 1,155	1,141
9	Lofts on Rowe	354 - 371	386 - 574	588 - 706	1,064
10	Longfellow Tower	-	670	800	-
11	Pine Way	-	-	800	950
12	Pineview	-	644 - 850	828 - 1,000	900 - 1,000
13	Sherman Oaks Apts.	-	-	790 - 820	-

		Number of Baths			
Map I.D.	Project Name	Studio	One-Br.	Two-Br.	Three-Br.
East Submarket					
4	Cedar Run	-	1.0	1.0	-
5	Glendale	-	1.0	1.0	-
14	Thornwild II	-	1.0	1.0	-
West Submarket					
1	200 Loomis	-	1.0	1.0	-
2	225 Ludington Lofts	-	1.0	1.0	-
3	Birch Lake	-	1.0	1.0	-
6	Glenview	-	1.0	1.0	1.5
7	Lawndale	-	1.0	-	-
8	Liv Wildwood	-	1.0	1.0 - 2.0	2.0
9	Lofts on Rowe	1.0	1.0	1.0	1.5
10	Longfellow Tower	-	1.0	1.0	-
11	Pine Way	-	-	1.0	1.0
12	Pineview	-	1.0 - 2.0	1.0 - 2.0	2.0
13	Sherman Oaks Apts.	-	-	1.0 - 2.0	-

Among the most common unit types at surveyed properties, one-bedroom market-rate units range in size from 386 square feet to 850 square feet, while two-bedroom market-rate units range in size from 588 square feet to 1,155 square feet. Note that most two-bedroom floorplans include only one bathroom. The limited number of three-bedroom units within the PSA range in size from 900 to 1,141 square feet and contain one to two full bathrooms, while market-rate studio units are between 354 to 371 square feet. Due to the extremely high overall occupancy rate for conventional apartment units in the PSA, bedroom/bathroom configuration and overall unit size does not appear to have an impact on the county rental market.

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

Surveyed Properties by Year Built			
Year Built	Projects	Units	Vacancy Rate
Before 2000	11	779	0.7%
2000 to present	3	270	0.0%

Source: Bowen National Research

Eleven of the 14 conventional rental properties surveyed in Mason County were built before the year 2000. These 11 older properties represent nearly 75% of the rental units surveyed in the county. Note that five of these eleven older properties were renovated in the year 2002 or later. The high share of renovated properties may in part be an indicator of the exceptionally low vacancy rate of 0.6% for these older apartment units. The three properties built since 2000, representing a total of 270 units, are 100% occupied. Demand for conventional rental units in the county remains strong regardless of property age.

Representatives of Bowen National Research personally visited most of the rental projects within Mason 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	12	820	0.6%
C+ or below	2	229	0.0%

Source: Bowen National Research

Twelve of the 14 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.

Note that two of the 14 surveyed properties in Mason 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) Mason County, Michigan					
Percent of AMHI	Studio	One-Br.	Two-Br.	Three-Br.	Four-Br.
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 using individual market data from this report or a site-specific market feasibility study.

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 Mason County.

Fair Market Rents (2023) Mason County				
Studio	One-Br.	Two-Br.	Three-Br.	Four-Br.
\$652	\$662	\$871	\$1,094	\$1,170

Low/High HOME Rent (2023)				
Studio	One-Br.	Two-Br.	Three-Br.	Four-Br.
\$652 / \$652	\$662 / \$662	\$852 / \$871	\$984 / \$1,094	\$1,098 / \$1,170

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 Mason County.

The Fair Market Rents by the number of bedrooms are lower than the corresponding market-rate and 60% AMHI Tax Credit rents at nearly all surveyed properties in the county. However, Fair Market Rents in Mason County are higher than the 40% AMHI rents at the surveyed Tax Credit projects. As such, while it is unlikely Housing Choice Voucher (HCV) Holders will be able to use HCVs for most market-rate projects and Tax Credit projects with 60% AMHI units, it does appear that HCVs could be used at Tax Credit projects in the county at the lower 40% AMHI level. Given the lack of available multifamily rental units in the county, particularly among Tax Credit rentals, many residents must choose from non-conventional rental alternatives, which are evaluated in the next section of this report. It appears that available non-conventional rentals in Mason County are priced well above Fair Market Rents and HOME rents, limiting the ability of low-income households to afford most non-conventional rentals.

According to a representative with the Michigan State Housing Development Authority, there are approximately 91 Housing Choice Vouchers issued within the housing authority's jurisdiction. However, it was also revealed by housing authority representatives that approximately 47 issued vouchers are currently going unused, likely due to holders of these vouchers being unable to locate/obtain a quality affordable rental housing unit. There is a total of 604 households currently on the waiting list for additional vouchers. The waiting list is closed, and it is unknown when the waiting list will reopen. Annual turnover within the voucher program is estimated at four households. This reflects the continuing need for affordable housing alternatives and/or Housing Choice Voucher assistance.

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 (Note: Properties with HUD contract renewal or expiration dates within five years are shown in red).

Expiring HUD Contracts - Mason County, Michigan					
Property Name	Total Units	Assisted Units	Expiration Date	Program Type	Target Population
Glenview Apartments	80	16	9/30/2034	LMSA	Family
Lawndale Apartments	24	24	3/31/2028	PRAC/202	Senior
Longfellow Towers	149	149	5/27/2038	HFDA/8 NC	Senior
Pine Way	56	56	10/31/2040	HFDA/8 NC	Family

Source: HUDUser.gov Assistance & Section 8 Contracts Database; Bowen National Research

While all HUD supported projects are subject to annual appropriations by the federal government, it appears that none out of four total projects in Mason County have overall renewal dates until 2028 and are not at a *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. Given that two of the four properties listed exclusively target the senior population, it is even more critical that the HUD contracts be renewed, as seniors have even fewer housing alternatives to meet their specific needs.

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



### Apartment Type

- Market-Rate
- Government-Subsidized
- Market-Rate & Govt.-Sub
- Tax Credit
- Tax Credit & Govt.-Sub

Lucington State Park

Hamlin Lake

Victory Twp

Sugar Grove

Mason

Sheridan Twp

Tallman

Piney Ridge

Lincoln River

N Jebavy Rd

N US-31

N Custer Rd

N Reek Rd

Amber Twp

Scottville

Custer

Walhalla

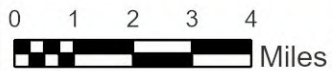
Lucington

W Chauvez Rd

S Scottville Rd

S Walhalla Rd

945 ft



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

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### 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 (ACS), 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
<b>East</b>	Number	434	234	87	755
	Percent	57.5%	31.0%	11.5%	100.0%
<b>West</b>	Number	858	956	168	1,982
	Percent	43.3%	48.2%	8.5%	100.0%
<b>Mason County</b>	Number	1,292	1,190	255	2,737
	Percent	47.2%	43.5%	9.3%	100.0%
<b>Michigan</b>	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 less than half (47.2%) of the PSA rental housing market, while mobile homes and other similar structures comprise 9.3%. Combined, a majority (56.5%) of rental units in the county are situated within these smaller structures. By comparison, the state of Michigan has a larger share (51.4%) of rental units within structures containing four or less units and a smaller share (4.1%) of rental units within mobile homes or other similar structures. Among PSA submarkets, the East Submarket has over half (57.5%) of its rental units within structures containing four or less units, while the West Submarket has a lower share (43.3%) of rental units within these structures compared to Mason County. The East Submarket also has a larger share (11.5%) of rental units within mobile homes or other similar structures compared to the county.

The following table summarizes monthly gross rents (per unit) for rental alternatives within the PSA (Mason County) and the state of Michigan based on ACS data. While this data encompasses all rental units, which includes multifamily apartments, most 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.

		Gross Monthly Rent by Area								
		<\$300	\$300 - \$500	\$500 - \$750	\$750 - \$1,000	\$1,000 - \$1,500	\$1,500 - \$2,000	\$2,000+	No Cash Rent	Total
East	Number	3	20	254	98	257	10	3	110	755
	Percent	0.4%	2.6%	33.6%	13.0%	34.0%	1.3%	0.4%	14.6%	100.0%
West	Number	91	130	726	499	321	38	71	106	1,982
	Percent	4.6%	6.6%	36.6%	25.2%	16.2%	1.9%	3.6%	5.3%	100.0%
Mason County	Number	94	150	980	597	578	48	74	216	2,737
	Percent	3.4%	5.5%	35.8%	21.8%	21.1%	1.8%	2.7%	7.9%	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 one-third (35.8%) of rental units in the PSA have gross rents between \$500 and \$750, which represents a significantly larger share of units within this rent range compared to the state of Michigan (16.9%). Collectively, units with gross rents below \$1,000 account for nearly two-thirds (66.5%) of all PSA rentals, which is a much larger share of such units when compared to the state (53.4%). An additional 7.9% of the PSA rental units are categorized as “No Cash Rent,” which is a higher share than the state (5.1%). The higher share of units with gross rents of \$1,000 or below demonstrates the dominance of the lower and moderately priced product in the county. Among PSA submarkets, the West Submarket has a much higher share (73.0%) of units with gross rents of \$1,000 or less compared to the East Submarket (49.6%). The East Submarket also has higher shares of rental units with gross rents between \$1,000 and \$1,500 (34.0%) and rental units with “No Cash Rent” (14.6%) compared to the county and state. With over one-quarter of all rental occupied units having rents over \$1,000 per month, it is clear rent premiums can be achieved.

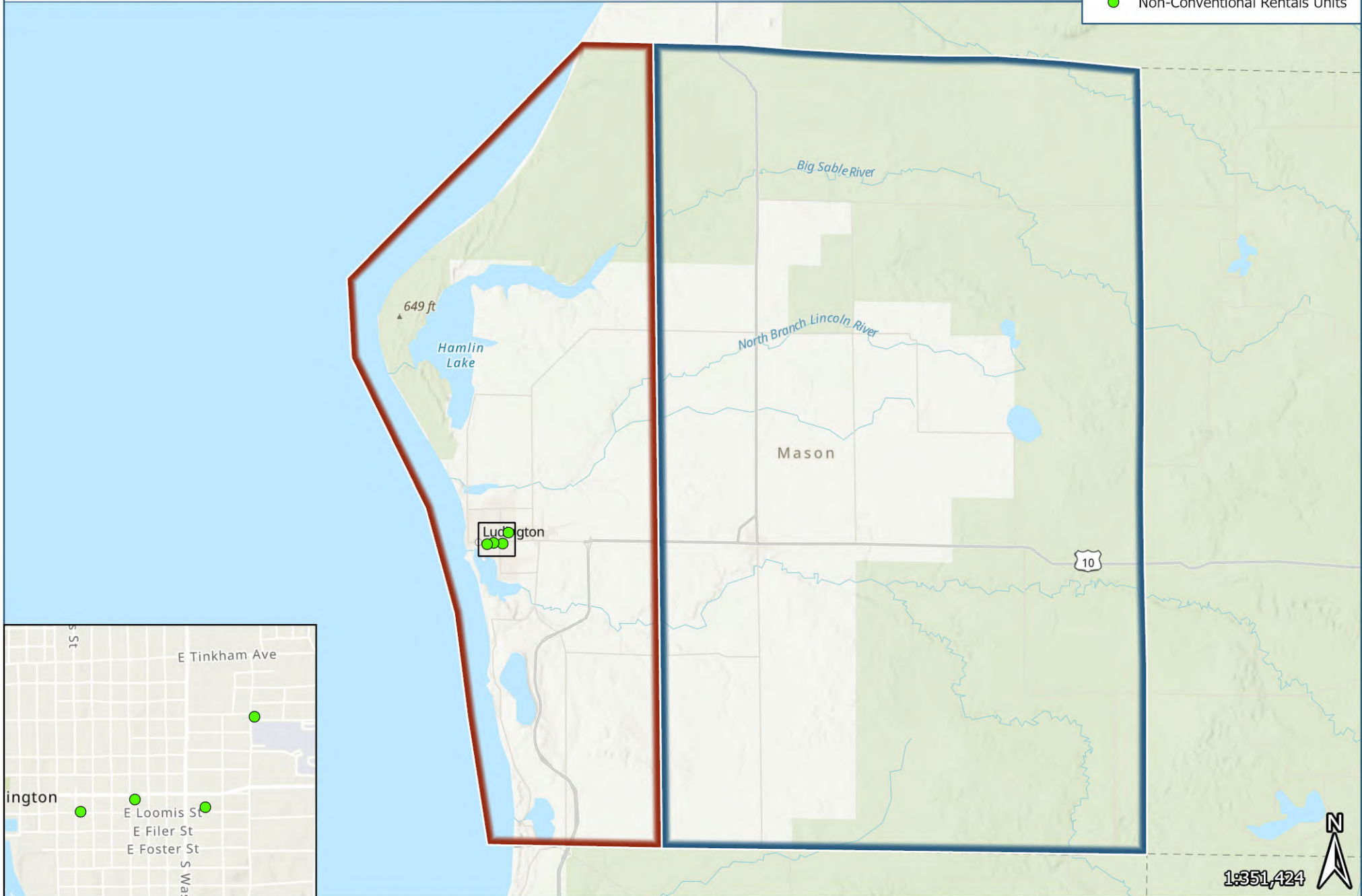
From March through May 2023, Bowen National Research identified four non-conventional rentals that were listed as *available* for rent in the PSA (Mason County). These properties were identified through a variety of online sources. Through this extensive research, we believe that we have identified most vacant non-conventional rentals in the PSA. While these rentals do not represent all non-conventional rentals, they are representative of common characteristics of the various non-conventional rental alternatives available in the market. As a result, these available rentals provide a good baseline to compare the rental rates, number of bedrooms, number of bathrooms, and other features of non-conventional rentals. When compared to the overall non-conventional rental inventory of the PSA (1,547 units), these four units represent an overall vacancy rate of just 0.3%, which is considered very low. The available non-conventional rentals identified in the county are summarized in the following table.

Available Non-Conventional Rentals						
Bedroom Type	Units	Average Number of Baths	Average Square Feet	Rent Range	Average Rent	Average Rent Per Square Foot
One-Bedroom	1	1.0	550	\$800	\$800	\$1.45
Two-Bedroom	2	1.0	750	\$1,050 - \$1,200	\$1,125	\$1.40
Three-Bedroom	1	1.0	925	\$1,500	\$1,500	\$1.62

Sources: Zillow.com, Apts.com, Facebook

The available non-conventional rentals identified in the PSA (Mason County) have rents ranging from \$800 for a one-bedroom unit to \$1,500 for a three-bedroom unit. Two-bedroom units have an average rent of \$1,125. While rents at these available non-conventional units are within the rent range of conventional market-rate properties, these rents are well above collected rents at Tax Credit properties. When typical tenant utility costs (at least \$300) are also considered, the inventoried non-conventional units have average *gross* rents ranging from \$1,100 to \$1,800. As such, it is unlikely that low-income residents would be able to afford non-conventional rental housing in the area. In addition, there were no available four-bedroom non-conventional units identified during the survey, which limits the housing options for larger households and can contribute to overcrowding or cause households to seek options outside the PSA. 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.

A map delineating the location of identified non-conventional rentals currently available to rent in Mason County is included on the following page.



#### 4. Vacation Rental Housing

The PSA (Mason County) is a popular tourist destination, particularly during the summer months, due to the significant amount of shoreline along Lake Michigan and various attractions. 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 Mason 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
<b>East</b>	2,041	2,500	6,850	81.6%	29.8%
<b>West</b>	2,136	2,752	10,537	77.6%	20.3%
<b>Mason County</b>	4,177	5,252	17,387	79.5%	24.0%
<b>Michigan</b>	272,139	589,758	4,566,310	46.1%	6.0%

Source: 2010 Census; American Community Survey (2017-2021) ESRI; Urban Decision Group; Bowen National Research

As the preceding illustrates, nearly four-fifths (79.5%) of the total *vacant* units in the PSA (Mason County) are classified as seasonal/recreational, which represents a much larger share of such units as compared to the state (46.1%). In total, seasonal/recreational units account for 24.0% of all housing units in the county, which is four times the share of such units compared to the state (6.0%). Among the individual submarkets of the PSA, the share of seasonal/recreational units as a percentage of vacant units and as a percentage of total housing units is highest within the East Submarket (81.6% and 29.8%, respectively), although the shares within the West Submarket (77.6% and 20.3%) are still much higher than those within the state. As such, it appears a disproportionate share of the housing inventory within the PSA and both submarkets are not intended for permanent residency.



The following table illustrates the number and share of short-term rentals by bedroom type in Mason 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 (Mason 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.

Mason County Short-Term Rentals by Bedroom Type*						
Bedroom Type	Airbnb Listings	Airbnb Share	Vrbo Listings	Vrbo Share	Total Listings	Total Share
Studio	34	8.6%	18	4.3%	52	6.4%
One-Bedroom	109	27.6%	56	13.4%	165	20.3%
Two-Bedroom	116	29.4%	112	26.9%	228	28.1%
Three-Bedroom	78	19.7%	144	34.5%	222	27.3%
Four-Bedroom	40	10.1%	57	13.7%	97	11.9%
Five-Bedroom+	18	4.6%	30	7.2%	48	5.9%
Total	395	100.0%	417	100.0%	812	100.0%

Source: AllTheRooms; Bowen National Research

\*As of February 21, 2023

As the preceding illustrates, there are approximately 812 listings for Airbnb and Vrbo units in the PSA (Mason County) as of February 2023. Of these, two- and three-bedroom units comprise the largest shares (28.1% and 27.3%, respectively) of short term rentals in the PSA, although one-bedroom units also comprise a notable share (20.3%). While not illustrated in the data above, only 361 of these properties, or 44.5% of the listings, were actively listed in the 30 days preceding February 21, 2023. This is likely due to many of the homes being occupied by the owner during this time and illustrates the prevalence of second homes in the area.

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 key short-term rental metrics from 2020 to 2022 for the PSA. The average daily rate of the short-term rentals in the market for each year is converted to the equivalent *monthly* rent. Other notable data such as the overall occupancy rate, average monthly revenue per listing, and total market revenue for each year is supplied for reference.



Mason County Short-Term Rental Metrics (Airbnb Listings Only)					
Year	Average Occupancy Rate	Average Monthly Revenue	Total Market Revenue	Average Daily Rate	Monthly Rent Equivalent
2020	28%	\$1,014	\$2,569,241	\$174	\$5,293
2021	31%	\$1,428	\$2,713,746	\$197	\$5,992
2022	26%	\$1,363	\$3,966,334	\$214	\$6,509
2020-2022	28%	\$1,268	\$9,249,321	\$195	\$5,931

Source: AllTheRooms; Bowen National Research

As the preceding illustrates, average *daily* rental rates for the Airbnb listings increased from \$174 in 2020 to \$214 in 2022. The overall average daily rate of \$195 is equivalent to approximately \$5,931 per *month*. As such, it is apparent that these homes do not represent viable long-term housing options for households due to the cost, even if owners list them as available for the entirety of the year. 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 28% (occupied less than one-third of the year) and an average annual revenue per listing of slightly more than \$15,000, this further exemplifies the financial motive for owners to utilize homes as short-term rentals.

While daily rental rates for short-term rentals fluctuate between weekdays and weekends, rates can also be affected by seasonality. The following table illustrates the average daily rate, average occupancy rate, and average monthly revenue for a short-term rental in the PSA during 2021 and 2022 based on data collected from AllTheRooms.com. The top three months for each category are highlighted in **red** to illustrate the seasonal effect on rates in the PSA. Note that the data is for all bedroom types.

Mason 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	\$174	12%	\$577	January 2022	\$186	11%	\$530
February 2021	\$174	15%	\$666	February 2022	\$191	15%	\$742
March 2021	\$157	14%	\$560	March 2022	\$160	13%	\$543
April 2021	\$187	19%	\$905	April 2022	\$157	28%	\$957
May 2021	\$207	31%	\$1,477	May 2022	\$226	27%	\$1,506
June 2021	\$217	<b>51%</b>	<b>\$2,399</b>	June 2022	\$243	<b>40%</b>	<b>\$2,149</b>
July 2021	\$210	<b>57%</b>	<b>\$2,247</b>	July 2022	<b>\$271</b>	<b>57%</b>	<b>\$3,119</b>
August 2021	<b>\$225</b>	<b>56%</b>	<b>\$2,359</b>	August 2022	<b>\$249</b>	<b>47%</b>	<b>\$2,544</b>
September 2021	<b>\$220</b>	42%	\$2,100	September 2022	<b>\$247</b>	28%	\$1,767
October 2021	<b>\$229</b>	32%	\$1,804	October 2022	\$205	22%	\$1,178
November 2021	\$177	24%	\$1,101	November 2022	\$204	15%	\$656
December 2021	\$181	19%	\$940	December 2022	\$232	11%	\$659

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 (Mason 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 daily rate for short-term rentals during these three months in 2022 ranges from \$243 to \$271 and is considerably higher than most other months, although it appears premium rates are typically achieved from May through September. The average occupancy rates during these peak months in 2022 range from 40.0% to 57.0%, while the average occupancy rate during non-peak months ranges from 11.0% to 28.0%. This equates to an average monthly revenue of between \$530 (January 2022) and \$3,119 (July 2022), with six months in 2022 having an average monthly revenue of \$1,178 or more, and three months with an average monthly revenue exceeding \$2,100. 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 tourism in Mason County and provide owners a substantial incentive to build vacation rental 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 Mason County spent approximately \$129 million within the county during 2021. As such, tourism and short-term rentals are an important part of the local economy. However, with seasonal/recreational units comprising nearly four-fifths (79.5%) of the vacant housing units and nearly one-fourth (24.0%) of the total housing units in the county, these short-term rental units can contribute to housing shortages in the PSA. 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 Mason 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.

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.

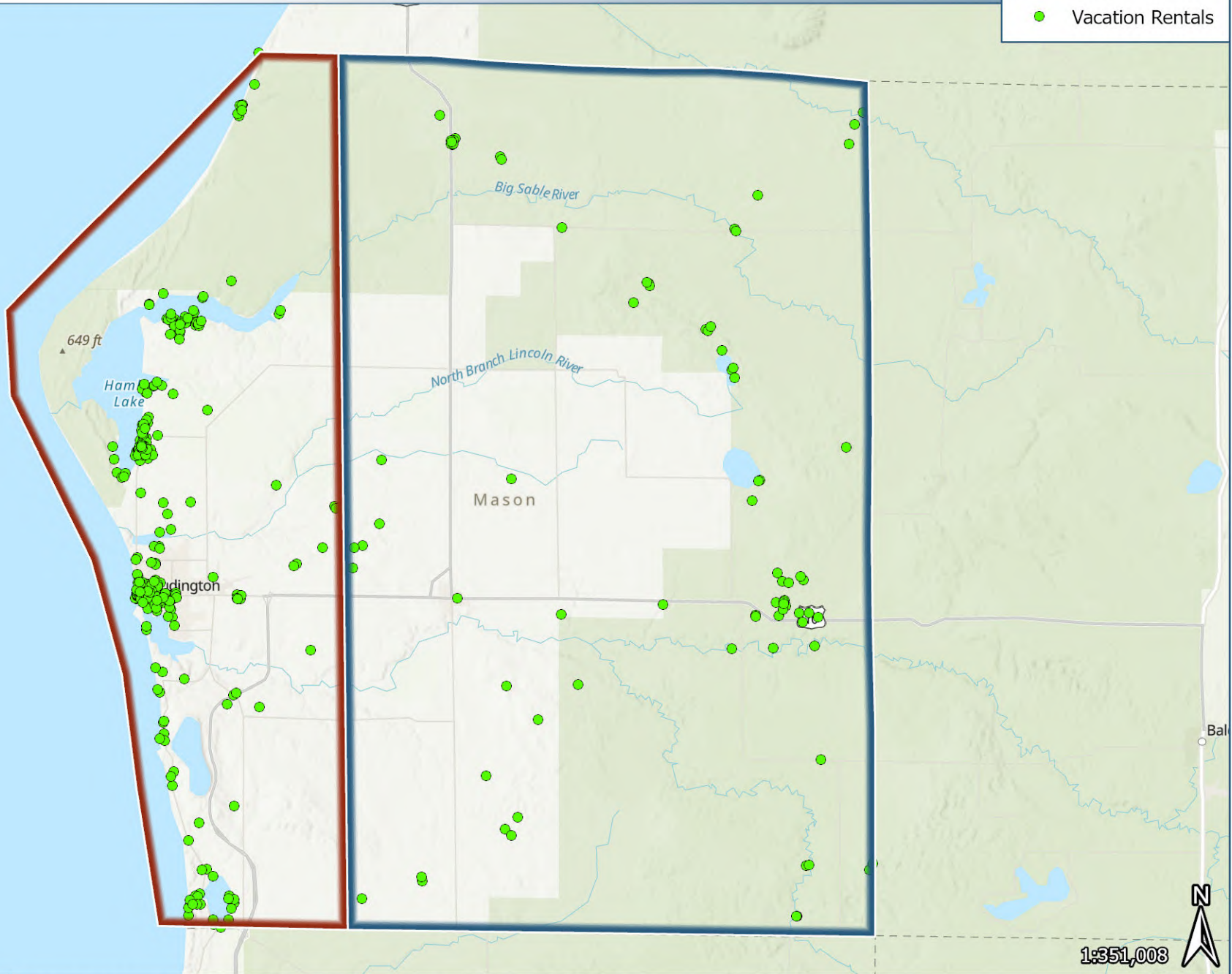


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## Vacation Rentals

Mason County, MI

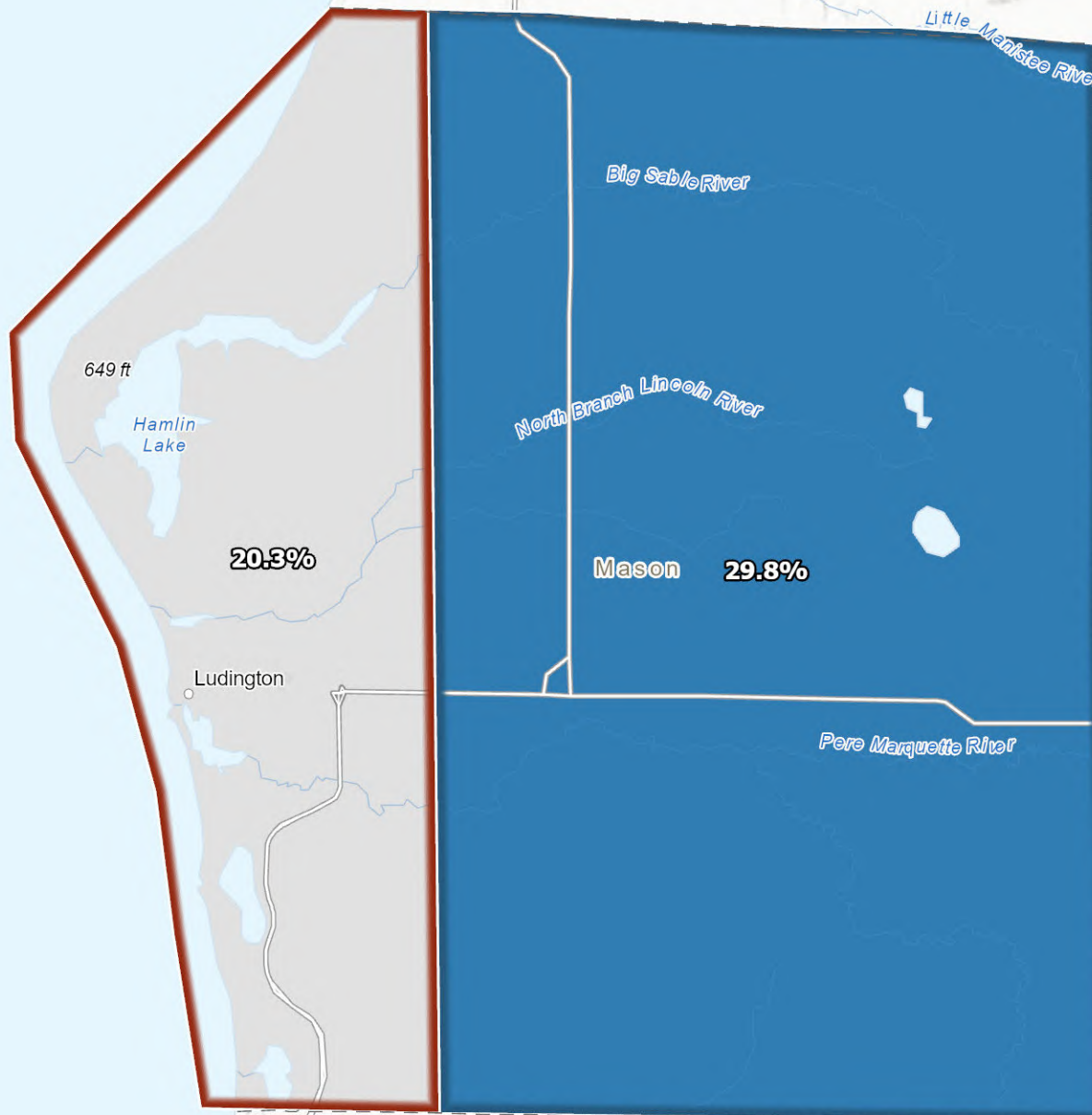
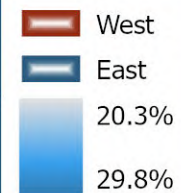
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-  Vacation Rentals



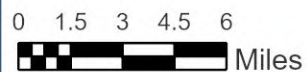
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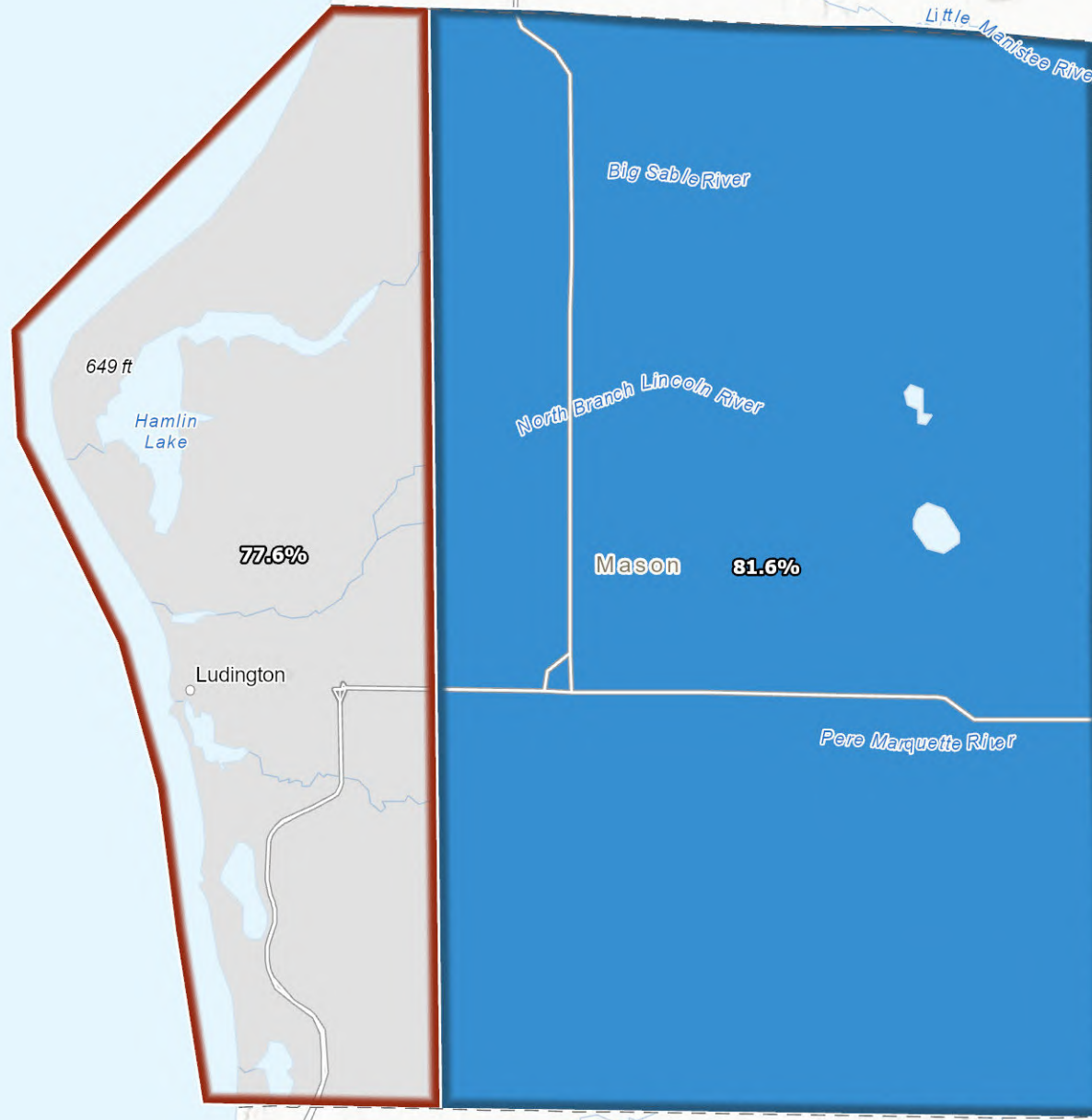
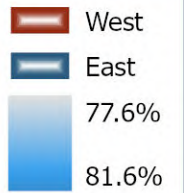
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Additional Source(s): Bowen National Research





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## 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 (Mason 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 the study areas, it does consist of the majority of such product and therefore, it is representative of market norms for for-sale housing.

The following tables summarize the recently sold homes (between January 1, 2020 and April 4, 2023) and the supply of available homes for sale (as of April 4, 2023) in each study area:

Sold For-Sale Housing Supply*		
Study Area	Number of Homes	Median Price
East	511	\$163,000
West	761	\$227,000
Mason County	1,272	\$200,000

Source: MLS (Multiple Listing Service)

\*Sales from Jan. 1, 2020 to Apr. 4, 2023

Available For-Sale Housing Supply*		
Study Area	Number of Homes	Median Price
East	21	\$197,500
West	22	\$282,450
Mason County	43	\$229,000

Source: MLS (Multiple Listing Service)

\*As of Apr. 4, 2023

Within the PSA (Mason County), 1,272 homes were sold during the period between January 1, 2020 and April 4, 2023. This equates to an average of 390 homes sold in the PSA each year. Of these recent historical sales, 511 homes were sold in the East Submarket at a median sale price of \$163,000 and the remaining 761 homes were sold in the West Submarket at a median sale price of \$227,000. Note that the West Submarket has a larger population and total number of households compared to the East Submarket.

The *available* for-sale housing stock within the PSA consists of 43 housing units with a median list price of \$229,000. A total of 21 homes are listed for sale within the East Submarket at a median list price of \$197,500, while the remaining 22 homes available for sale are in the West Submarket at a median list price of \$282,450.



## 2. Historical For-Sale Analysis

Of the 1,272 housing units within the PSA (Mason County) that were recently sold, most of the identified product within the county consists of single-family homes. While there were likely other residential units sold between January of 2020 and April of 2023, the product identified in this analysis provides a good baseline for evaluating the for-sale housing alternatives offered in the county.

In an effort to better understand the health of a for-sale housing market, it is important to understand numerous historical metrics of the for-sale housing supply, including trends in both annual home sales volume (number of homes sold) and annual median home sale prices since 2020. The following table illustrates the annual sales activity from 2020 to 2023 for each study area:

Sales History by Year (2020 through 2023*)				
Year	Number Sold	Percent Change	Median Sale Price	Percent Change
<b>East Submarket</b>				
2020	183	-	\$149,000	-
2021	163	-10.9%	\$178,000	19.5%
2022	140	-14.1%	\$191,750	7.7%
2023*	25 (98)	(29.9%)	\$190,000	-0.9%
<b>West Submarket</b>				
2020	238	-	\$195,750	-
2021	263	10.5%	\$216,000	10.3%
2022	224	-14.8%	\$250,000	15.7%
2023*	36 (141)	(-36.9%)	\$247,000	-1.2%
<b>Mason County</b>				
2020	421	-	\$170,000	-
2021	426	1.2%	\$195,388	14.9%
2022	364	-14.6%	\$230,000	17.7%
2023*	61 (239)	(-34.2%)	\$220,000	-4.3%

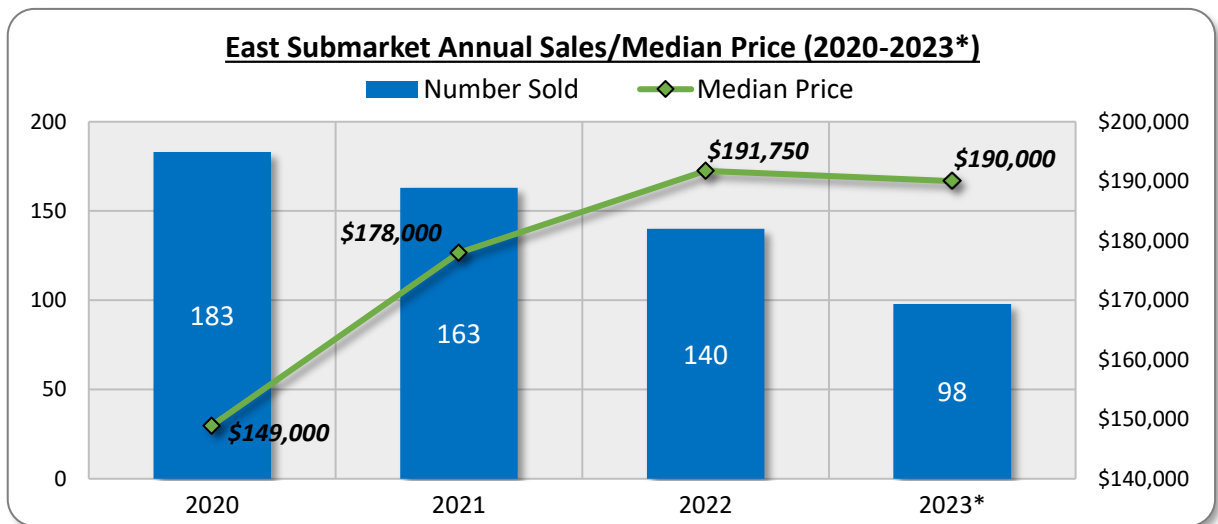
Source: MLS (Multiple Listing Service)

\*As of Apr. 4, 2023 (projected)

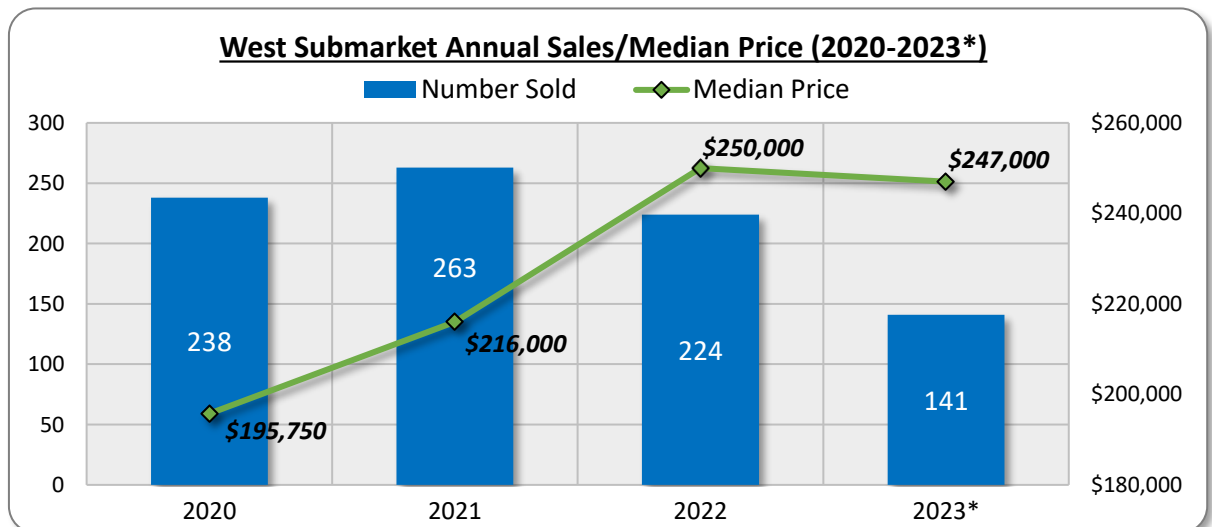
Within the overall PSA (Mason County), annual home sales increased slightly from 2020 to 2021 and decreased by 14.6% between 2021 and 2022. Projections for 2023 indicate that the number of home sales in the county will continue to decrease. Based on sales data through April 4, 2023 (61 homes sold), a total of approximately 239 homes are projected to be sold in the PSA in 2023 on an annualized basis at the current pace. This decrease in the number of homes sold in the county may be related to the reduction in *available* for-sale units in the market (a topic that is discussed later in this section). The significant increase in mortgage interest rates is likely playing a role in the reduction of available units during this period, as homeowners

that purchased a home with a low rate mortgage may be reluctant to sell, thus limiting the number of homes offered for sale in the market. The median sale price for 2023 is also \$10,000, or 4.3%, lower than the median sale price in 2022. This indicates that the sales market may be stabilizing due to a lack of listings and higher interest rates for mortgage financing. Of the two PSA submarkets, the West Submarket experienced a larger number of sales during the sales period compared to the East Submarket. Both submarkets are also experiencing a decrease in sales activity and median sale prices in 2023 compared with the year prior.

The following graphs illustrate the annual sales volume and median sale prices for each submarket from 2020 to 2023.



\*Projected Annual Sales



\*Projected Annual Sales

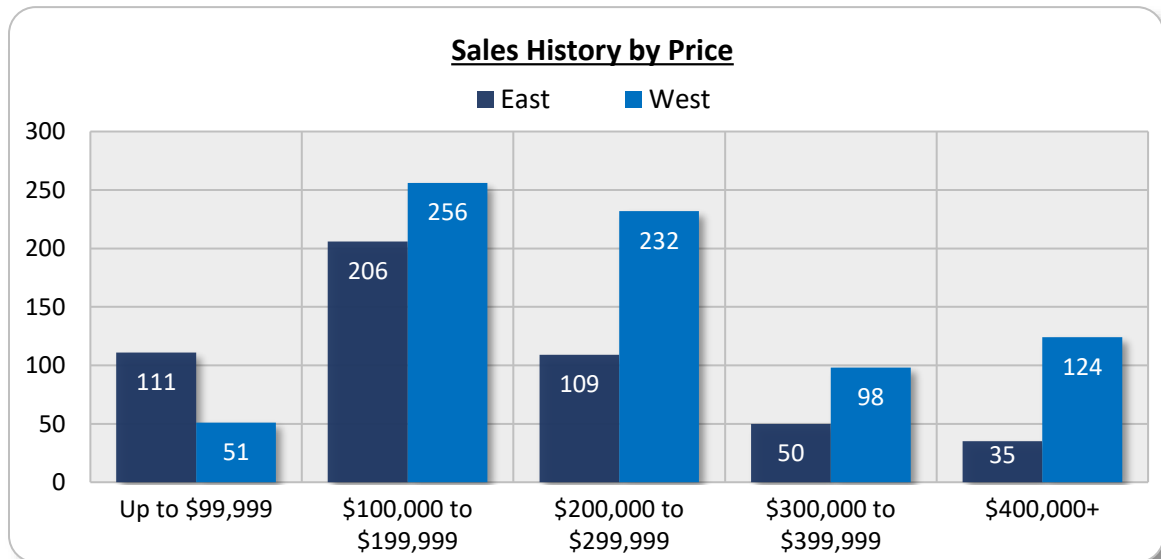
The distribution of homes recently sold *by price point* for each study area is summarized in the following table.

Sales History by Price (Jan. 1, 2020 to Apr. 4, 2023)									
Sale Price	East Submarket			West Submarket			Mason County		
	Number Sold	Percent of Supply	Average Days on Market	Number Sold	Percent of Supply	Average Days on Market	Number Sold	Percent of Supply	Average Days on Market
Up to \$99,999	111	21.7%	77	51	6.7%	71	162	12.7%	75
\$100,000 to \$199,999	206	40.3%	53	256	33.6%	40	462	36.3%	46
\$200,000 to \$299,999	109	21.3%	55	232	30.5%	48	341	26.8%	51
\$300,000 to \$399,999	50	9.8%	71	98	12.9%	42	148	11.6%	52
\$400,000+	35	6.8%	76	124	16.3%	67	159	12.5%	69
Total	511	100.0%	62	761	100.0%	49	1,272	100.0%	54

Source: MLS (Multiple Listing Service)

In the PSA (Mason County), the largest share (36.3%) of homes sold were priced between \$100,000 and \$199,999 during the historical sales period. In addition, this price point segment has the lowest average number of days on market (46 days). In fact, the average days on market for the entire county is 54 days, which suggests there was significant demand for product regardless of price point. Note that the \$100,000 to \$199,999 price point also represents the largest shares of homes sold in both the East Submarket and West Submarket during the historical sales period. The East Submarket had a much larger share (62.0%) of homes that sold below \$200,000 while the West Submarket had a much larger share (59.7%) of homes that sold above \$200,000 during this period.

The distribution of recent home sales *by price point* within the various study areas is illustrated in the following graph.



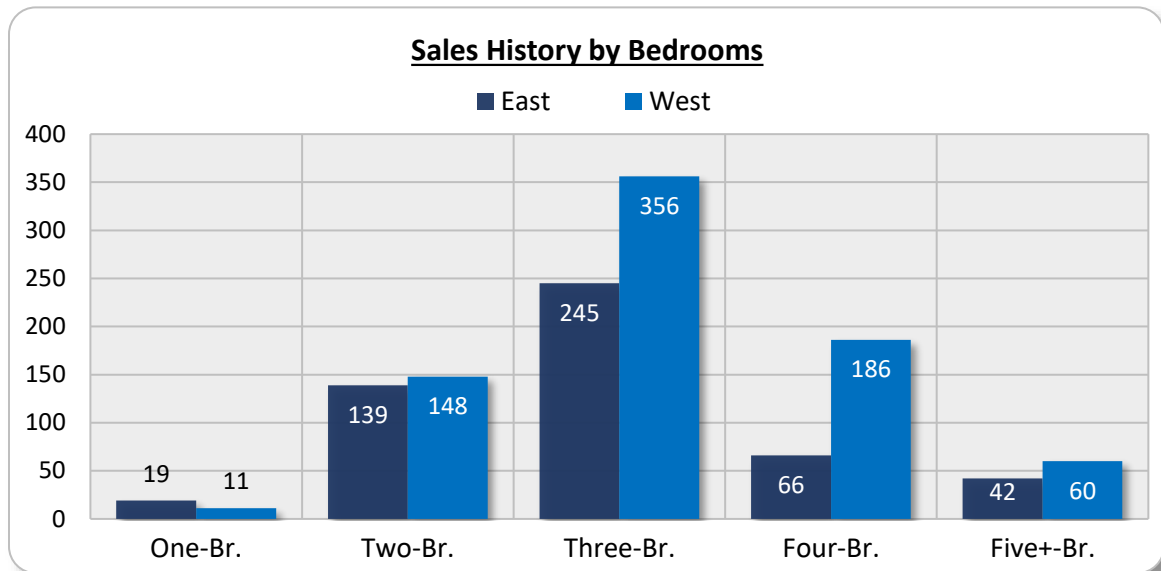
The following table illustrates recent home sales *by bedroom type*:

Sales History by Bedrooms (Jan. 1, 2020 to Apr. 4, 2023)								
Bedrooms	Number Sold	Average Baths	Average Square Feet	Average Year Built	Price Range	Median Sale Price	Median Price per Sq. Ft.	Average Days on Market
<b>East Submarket</b>								
One-Br.	19	1.0	734	1964	\$15,500 - \$135,000	\$50,000	\$83.33	89
Two-Br.	139	1.25	1,057	1971	\$8,500 - \$659,000	\$140,000	\$133.93	57
Three-Br.	245	1.75	1,434	1974	\$11,000 - \$739,000	\$158,250	\$115.38	60
Four-Br.	66	2.25	1,812	1965	\$40,000 - \$1,200,000	\$236,000	\$139.64	64
Five+-Br.	42	2.5	2,424	1954	\$47,500 - \$1,700,000	\$274,750	\$114.38	73
Total	511	1.75	1,435	1970	\$8,500 - \$1,700,000	\$163,000	\$119.05	62
<b>West Submarket</b>								
One-Br.	11	1.0	1,073	1948	\$62,000 - \$387,500	\$117,500	\$126.33	42
Two-Br.	148	1.25	1,099	1947	\$35,000 - \$1,148,000	\$160,000	\$147.50	50
Three-Br.	356	1.75	1,506	1957	\$16,000 - \$1,340,000	\$224,750	\$156.40	46
Four-Br.	186	2.5	1,869	1959	\$40,000 - \$1,250,000	\$292,500	\$163.05	45
Five+-Br.	60	3.25	2,669	1959	\$87,500 - \$1,900,000	\$365,250	\$164.25	79
Total	761	2.0	1,601	1956	\$16,000 - \$1,900,000	\$227,000	\$159.05	49
<b>Mason County</b>								
One-Br.	30	1.0	858	1958	\$15,500 - \$387,500	\$69,450	\$91.71	72
Two-Br.	287	1.25	1,079	1958	\$8,500 - \$1,148,000	\$160,000	\$150.46	53
Three-Br.	601	1.75	1,477	1964	\$11,000 - \$1,340,000	\$198,000	\$139.88	52
Four-Br.	252	2.25	1,854	1961	\$40,000 - \$1,250,000	\$280,000	\$156.15	50
Five+-Br.	102	3.0	2,568	1957	\$47,500 - \$1,900,000	\$324,566	\$139.10	77
Total	1,272	2.0	1,535	1962	\$8,500 - \$1,900,000	\$200,000	\$144.33	54

Source: MLS (Multiple Listing Service)

As the preceding table illustrates, three-bedroom home sales accounted for nearly half (47.2%) of all home sales in the PSA during the historical sales period, while four-bedroom homes accounted for nearly 20% of all home sales in the PSA. Combined, three-bedroom and four-bedroom homes accounted for over two-thirds of all homes sales in the PSA between January 2020 and April 2023. These three-bedroom and four-bedroom homes were also on the market for an average of 52 and 50 days, respectively, reflecting the popularity of these unit types in the market. Three-bedroom homes sold for a median price of \$198,000, which is slightly below the median sale price for the PSA (\$200,000). Four-bedroom homes sold for a median price of \$280,000, which was significantly higher than the median sale price for the PSA. By comparison, smaller unit types consisting of one-bedroom and two-bedroom units accounted for less than 25% of home sales in the PSA. While two-bedroom homes comprise a relatively small share of the total homes sold in the PSA, they represent an affordable for-sale option for households, as the median sale price for this bedroom type was \$160,000. The East Submarket had a larger share (27.2%) of two-bedroom sales compared to the West Submarket (19.4%), while the West Submarket had a much larger share (24.4%) of four-bedroom homes compared to the East Submarket (12.9%). Note that the shares of three-bedroom unit sales were similar in the East Submarket and West Submarket.

The distribution of recent home sales *by bedroom type* within the various study areas is shown in the following graph:



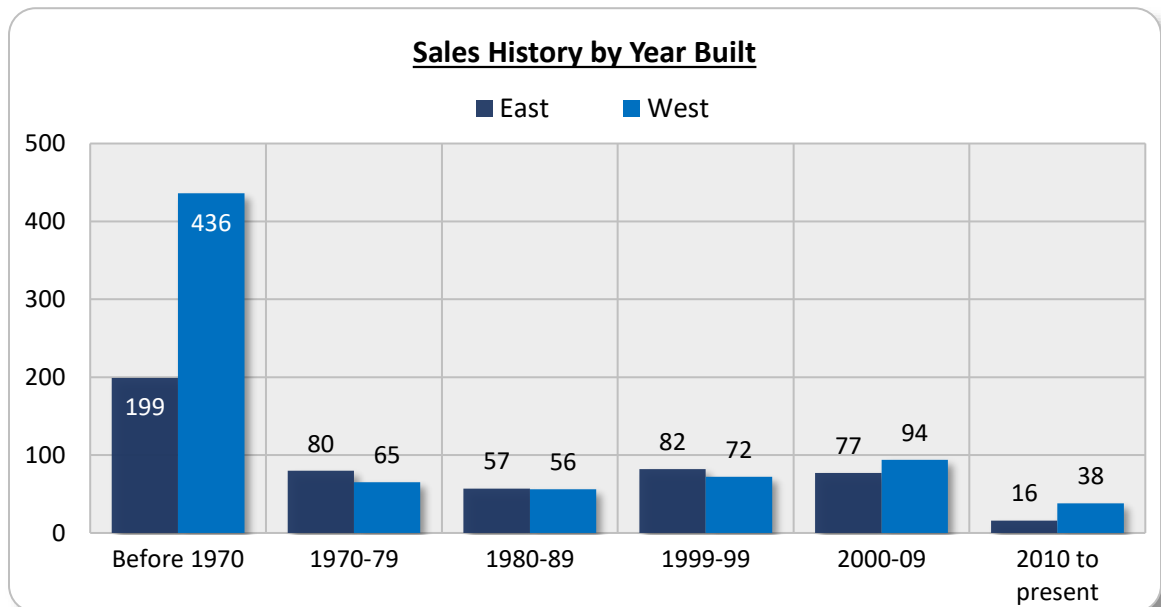
Recent home sales *by year built* for each study area are enumerated below:

Sales History by Year Built (Jan. 1, 2020 to Apr. 4, 2023)							
Year Built	Number Sold	Average Beds/Baths	Average Square Feet	Price Range	Median Sale Price	Median Price per Sq. Ft.	Average Days on Market
<b>East Submarket</b>							
Before 1970	199	3/1.5	1,375	\$8,500 - \$1,700,000	\$139,000	\$103.57	60
1970 to 1979	80	3/1.5	1,284	\$15,700 - \$743,000	\$148,625	\$124.70	56
1980 to 1989	57	3/1.5	1,303	\$27,000 - \$739,000	\$165,000	\$127.27	64
1990 to 1999	82	3/2.0	1,528	\$36,000 - \$749,900	\$190,750	\$140.21	61
2000 to 2009	77	3/2.25	1,732	\$52,000 - \$1,200,000	\$236,000	\$140.38	72
2010 to present	16	3/1.75	1,508	\$50,000 - \$659,000	\$203,500	\$174.83	63
Total	511	3/1.75	1,435	\$8,500 - \$1,700,000	\$163,000	\$119.05	62
<b>West Submarket</b>							
Before 1970	436	3/1.75	1,498	\$16,000 - \$1,275,000	\$189,900	\$138.64	46
1970 to 1979	65	3/2.0	1,596	\$35,000 - \$750,000	\$270,000	\$180.51	49
1980 to 1989	56	3/2.0	1,474	\$36,950 - \$1,340,000	\$278,500	\$186.82	33
1990 to 1999	72	3/2.5	1,725	\$109,000 - \$1,300,000	\$271,000	\$174.58	63
2000 to 2009	94	4/2.5	1,965	\$80,000 - \$1,250,000	\$357,500	\$192.96	60
2010 to present	38	4/2.75	1,844	\$195,000 - \$1,900,000	\$375,000	\$228.07	54
Total	761	3/2.0	1,601	\$16,000 - \$1,900,000	\$227,000	\$159.05	49
<b>Mason County</b>							
Before 1970	635	3/1.5	1,460	\$8,500 - \$1,700,000	\$172,865	\$125.00	50
1970 to 1979	145	3/1.75	1,424	\$15,700 - \$750,000	\$208,900	\$148.81	53
1980 to 1989	113	3/1.75	1,388	\$27,000 - \$1,340,000	\$216,000	\$153.78	49
1990 to 1999	154	3/2.25	1,620	\$36,000 - \$1,330,000	\$229,950	\$156.27	62
2000 to 2009	171	3/2.5	1,860	\$52,000 - \$1,250,000	\$315,000	\$173.66	66
2010 to present	54	3/2.5	1,744	\$50,000 - \$1,900,000	\$317,500	\$214.45	56
Total	1,272	3/2.0	1,535	\$8,500 - \$1,900,000	\$200,000	\$144.33	54

Source: MLS (Multiple Listing Service)

As the preceding table illustrates, nearly half (49.9%) of the homes sold in the PSA (Mason County) were built before 1970. These older homes had a median sale price of \$172,865, which was below the county-wide median sale price of \$200,000 during the historical sales period. These older homes are also smaller (1,460 square feet) than the median-sized home sold in the PSA (1,535 square feet). Note that older homes are typically smaller and have fewer bathrooms than modern housing product. These factors, along with increased maintenance often required of older housing stock, may impact sales activity for these older homes. By comparison, less than 5% of homes sold during the historical sales period were built in 2010 or later. Regardless of age, homes sold during this period were on the market for an average of 66 days or less. This suggests that demand among the for-sale product in the PSA, regardless of product age, was strong during the historical sales period.

The distribution of recent home sales *by year built* within the various study areas is shown in the following graph:



A map illustrating the location of all homes sold by price range between January 1, 2020 and April 4, 2023 within the various study areas is included on the following page.

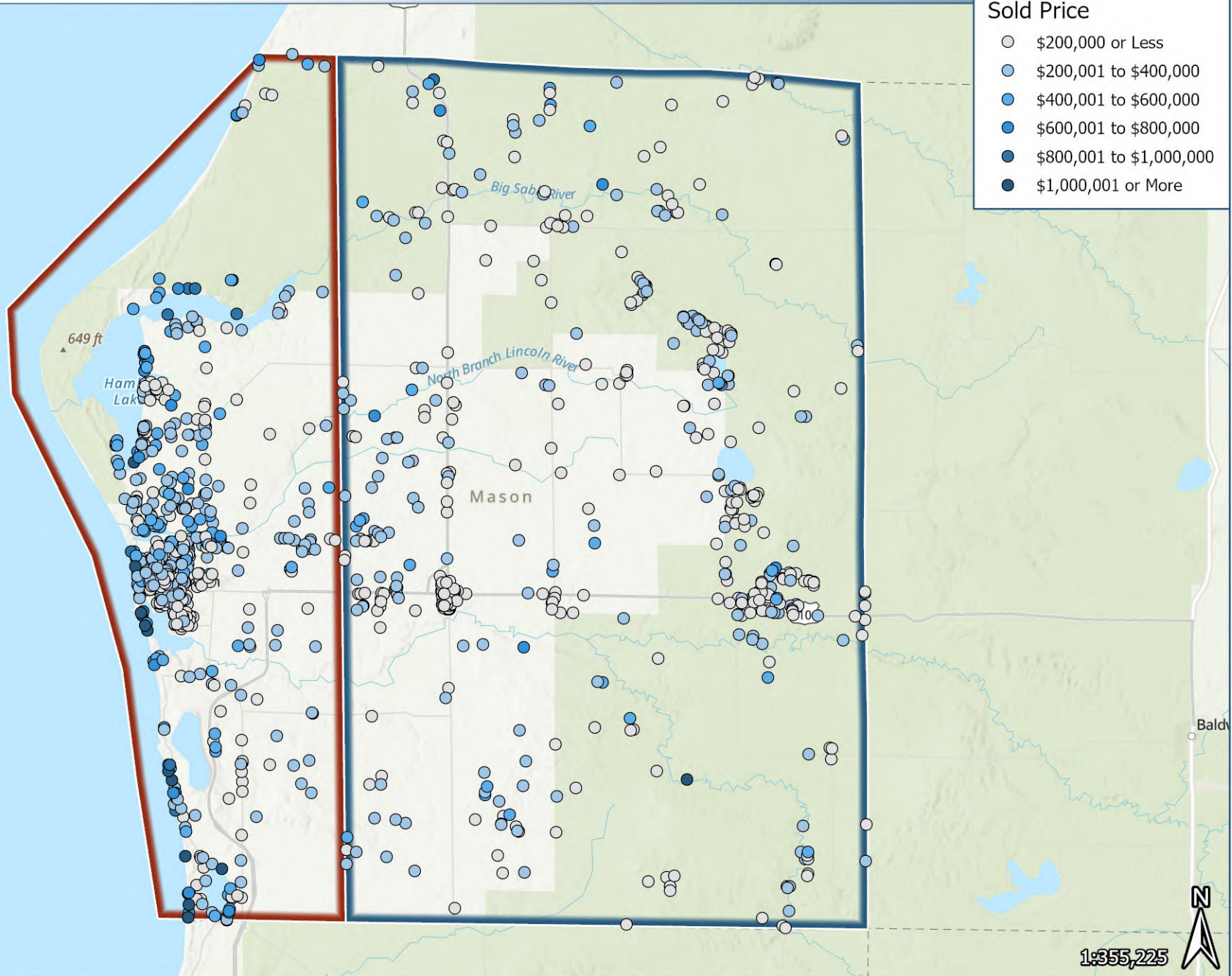


West

East

**Sold Price**

- \$200,000 or Less
- \$200,001 to \$400,000
- \$400,001 to \$600,000
- \$600,001 to \$800,000
- \$800,001 to \$1,000,000
- \$1,000,001 or More



### 3. Available For-Sale Housing Supply

Utilizing data from the local Multiple Listing Service, we identified 43 housing units within Mason County that were listed as *available* for purchase as of April 4, 2023. Nearly all of the units we evaluated were single-family home listings with a few remaining units classified as mobile homes. While it is likely that some other 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. 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 Mason County.

There are two available 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 average annual absorption rate of 391 homes, the county's 43 homes listed as available for purchase represent just 1.3 months of supply. An examination of the individual submarkets reveals that the MSI within the East Submarket (1.6 months of supply) is slightly higher than the West Submarket (1.1 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). When comparing the 43 available units with the overall inventory of owner-occupied units (9,616 in 2022), the PSA has a vacancy/availability rate of only 0.4% (0.5% in the East Submarket and 0.4% in the West Submarket), which is well below the normal range of 2.0% to 3.0% for a well-balanced for-sale/owner-occupied market. However, due to recent national housing market pressures it is not uncommon for most markets to have an availability rate below 2.0%. Regardless, the current MSI and vacancy/availability rate are both indications of a likely shortage of for-sale housing.

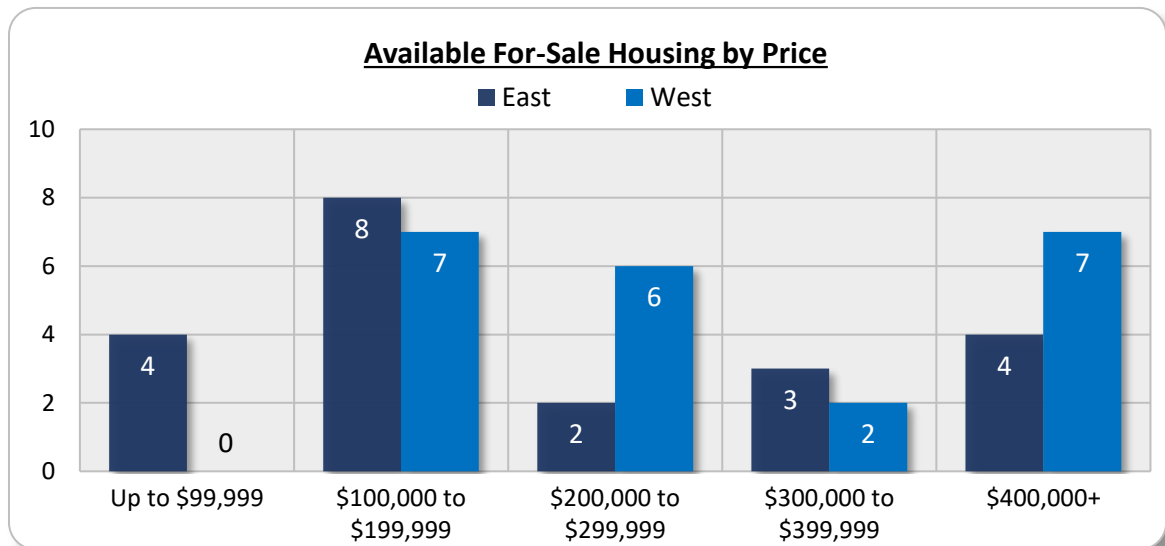
The following table summarizes the distribution of available for-sale residential units by *price point* within the various study areas:

Available For-Sale Housing by Price (As of Apr. 4, 2023)									
List Price	East Submarket			West Submarket			Mason County		
	Number Available	Percent of Supply	Average Days on Market	Number Available	Percent of Supply	Average Days on Market	Number Available	Percent of Supply	Average Days on Market
Up to \$99,999	4	19.0%	97	0	0.0%	-	4	9.3%	97
\$100,000 to \$199,999	8	38.1%	82	7	31.8%	196	15	34.9%	135
\$200,000 to \$299,999	2	9.5%	78	6	27.3%	25	8	18.6%	38
\$300,000 to \$399,999	3	14.3%	20	2	9.1%	4	5	11.6%	13
\$400,000+	4	19.0%	37	7	31.8%	171	11	25.6%	122
Total	21	100.0%	67	22	100.0%	124	43	100.0%	96

Source: MLS (Multiple Listing Service)

The largest share of available for-sale homes by price in the PSA (Mason County) consists of homes priced between \$100,000 to \$199,999 (34.9%), while over one-quarter of available homes are priced at \$400,000 and above. Homes within these price ranges also have the highest number of days on market in the county, which may indicate quality issues among the lower priced available product and higher interest rates for mortgages (e.g., increased borrowing costs for buyers) among the higher priced product. By comparison, there are fewer homes available for purchase that are priced between \$200,000 and \$399,999. Homes within these price ranges also have the lowest average days on market, ranging from 13 to 38 days. Among PSA submarkets, the East Submarket has a higher share (57.1%) of available homes priced below \$200,000, while the West Submarket has a higher share (31.8%) of homes priced above \$400,000. Due to the low number of available homes for sale in the county, there are limited for-sale options available across all price ranges.

The distribution of available for-sale housing for each study area *by price point* is illustrated in the following graph:



The available for-sale housing *by bedroom type* within the various study areas is summarized in the following table.

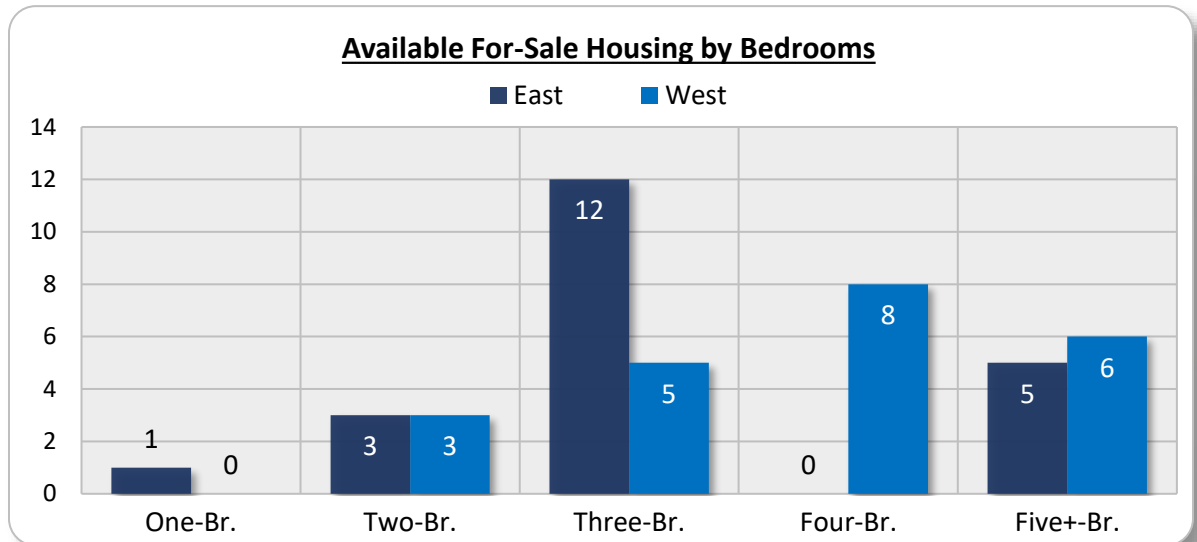
Available For-Sale Housing by Bedrooms (As of Apr. 4, 2023)								
Bedrooms	Number Available	Average Baths	Average Square Feet	Average Year Built	Price Range	Median List Price	Median Price per Sq. Ft.	Average Days on Market
<b>East Submarket</b>								
One-Br.	1	1.0	284	1994	\$80,000	\$80,000	\$281.69	237
Two-Br.	3	1.0	825	1972	\$39,900 - \$109,000	\$107,000	\$112.63	59
Three-Br.	12	1.5	1,380	1969	\$75,000 - \$477,000	\$198,250	\$163.07	64
Four-Br.	0	-	-	-	-	-	-	-
Five+-Br.	5	2.5	2,289	1982	\$79,900 - \$1,890,000	\$850,000	\$388.13	44
Total	21	1.75	1,465	1974	\$39,900 - \$1,890,000	\$197,500	\$181.67	67
<b>West Submarket</b>								
One-Br.	0	-	-	-	-	-	-	-
Two-Br.	3	1.0	1,259	1916	\$149,900 - \$178,000	\$159,000	\$142.40	224
Three-Br.	5	1.75	1,324	1978	\$190,000 - \$329,000	\$289,900	\$175.00	16
Four-Br.	8	2.0	1,860	1960	\$132,000 - \$525,000	\$294,950	\$175.57	79
Five+-Br.	6	3.0	2,479	1978	\$165,000 - \$955,500	\$689,450	\$237.08	223
Total	22	2.0	1,825	1963	\$132,000 - \$955,500	\$282,450	\$170.68	124
<b>Mason County</b>								
One-Br.	1	1.0	284	1994	\$80,000	\$80,000	\$281.69	237
Two-Br.	6	1.0	1,042	1944	\$39,900 - \$178,000	\$129,450	\$127.52	142
Three-Br.	17	1.5	1,363	1972	\$75,000 - \$477,000	\$210,000	\$169.64	50
Four-Br.	8	2.0	1,860	1960	\$132,000 - \$525,000	\$294,950	\$175.57	79
Five+-Br.	11	2.75	2,393	1979	\$79,900 - \$1,890,000	\$799,900	\$316.39	141
Total	43	2.0	1,649	1968	\$39,900 - \$1,890,000	\$229,000	\$171.71	96

Source: MLS (Multiple Listing Service)

As previously noted, a total of 43 housing units were listed as available for purchase in Mason County as of April 4, 2023. The largest share (39.5%) of available for-sale homes by bedroom type in the PSA consists of three-bedroom units, while homes with five or more bedrooms represent over one-quarter of available listings in the county. With just one one-bedroom unit and six two-bedroom units available for purchase, the county has a limited variety of bedroom types to meet the needs of smaller households. This is especially true among single-persons, couples, or seniors who may be looking for a smaller home. This may represent a development opportunity in the county for smaller one-bedroom and two-bedroom units that are most often part of a condominium project. Regardless, the market needs a variety of bedroom types in order to meet both current and future demand. The median list price for available homes in the PSA is \$229,000. Three-bedroom homes, which represent the largest share of available housing units in the county, have a median list price of \$210,000 and the lowest average number of days on market (50) among all bedroom types. While there are some affordable for-sale options available in the county, the options are limited. As such, homebuying is unattainable for the vast number of low-income, first-time homebuyers (renters) in the PSA.



The distribution of available homes *by bedroom type* within the study areas is shown in the following graph:



The distribution of available homes by year built within the various study areas is summarized in the following table:

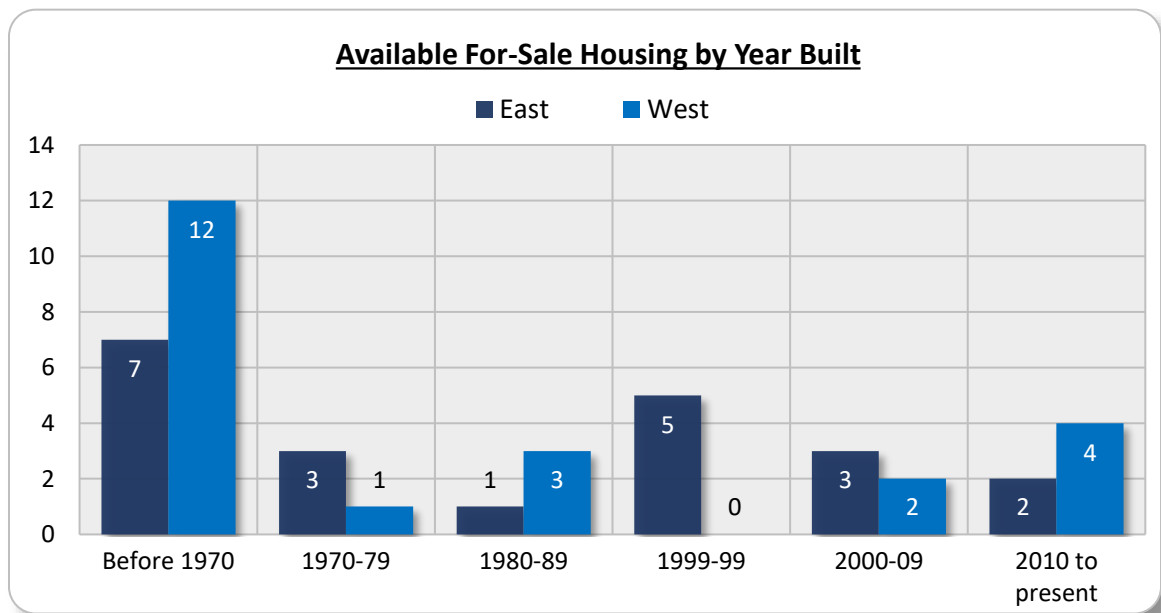
Available For-Sale Housing by Year Built (As of Apr. 4, 2023)							
Year Built	Number Available	Average Beds/Baths	Average Square Feet	Price Range	Median List Price	Median Price per Sq. Ft.	Average Days on Market
<b>East Submarket</b>							
Before 1970	7	4/1.5	1,465	\$75,000 - \$379,000	\$159,900	\$141.67	40
1970 to 1979	3	2/1.0	825	\$39,900 - \$109,000	\$107,000	\$112.63	59
1980 to 1989	1	3/1.0	1,056	\$289,900	\$289,900	\$274.53	135
1990 to 1999	5	3/1.75	1,218	\$80,000 - \$369,900	\$197,500	\$183.48	129
2000 to 2009	3	4/2.25	1,626	\$219,900 - \$950,000	\$477,000	\$268.43	18
2010 to present	2	6/2.75	3,005	\$850,000 - \$1,890,000	\$1,370,000	\$441.45	56
<b>Total</b>	<b>21</b>	<b>3/1.75</b>	<b>1,465</b>	<b>\$39,900 - \$1,890,000</b>	<b>\$197,500</b>	<b>\$181.67</b>	<b>67</b>
<b>West Submarket</b>							
Before 1970	12	4/1.75	1,653	\$132,000 - \$955,500	\$226,500	\$151.06	135
1970 to 1979	1	5/4.0	5,070	\$799,900	\$799,900	\$157.77	535
1980 to 1989	3	4/2.25	1,738	\$190,000 - \$525,000	\$485,000	\$214.98	25
1990 to 1999	0	-	-	-	-	-	-
2000 to 2009	2	5/2.5	2,053	\$229,000 - \$249,000	\$239,000	\$118.40	39
2010 to present	4	4/2.5	1,480	\$210,000 - \$874,900	\$434,450	\$275.85	103
<b>Total</b>	<b>22</b>	<b>4/2.0</b>	<b>1,825</b>	<b>\$132,000 - \$955,500</b>	<b>\$282,450</b>	<b>\$170.68</b>	<b>124</b>
<b>Mason County</b>							
Before 1970	19	4/1.5	1,584	\$75,000 - \$955,500	\$170,000	\$142.40	100
1970 to 1979	4	3/1.75	1,887	\$39,900 - \$799,900	\$108,000	\$135.20	178
1980 to 1989	4	4/2.0	1,568	\$190,000 - \$525,000	\$387,450	\$244.76	52
1990 to 1999	5	3/1.75	1,218	\$80,000 - \$369,900	\$197,500	\$183.48	129
2000 to 2009	5	4/2.5	1,797	\$219,900 - \$950,000	\$249,000	\$219.90	26
2010 to present	6	5/2.75	1,988	\$210,000 - \$1,890,000	\$714,500	\$352.26	88
<b>Total</b>	<b>43</b>	<b>4/2.0</b>	<b>1,649</b>	<b>\$39,900 - \$1,890,000</b>	<b>\$229,000</b>	<b>\$171.71</b>	<b>96</b>

Source: MLS (Multiple Listing Service)

The largest share (44.2%) of available homes in the PSA was built before 1970. The remaining share of available homes for sale is somewhat evenly distributed between homes built from 1970 to the present. Older homes built before 1980 typically spend the highest number of days on market, while newer homes built from 2000 to the present are typically on the market for less than 90 days. As more modern housing is typically in better overall condition and has superior attributes compared to older stock, the lower average number of days on market illustrates there is a higher level of demand in the county for more modern for-sale housing. In addition, older homes are more likely to require significant and costly repairs that may make these homes unaffordable to lower income households.


Overall, there are limited for-sale options available in the PSA and the 1.3 months of supply and 0.4% availability rate for the PSA indicates there is a significant shortage of product in the market to meet demand. In addition, the large share of available for-sale product built before 1970, though moderately priced, may have quality issues as indicated by the higher average number of days on market for these older homes. As such, many prospective homebuyers, especially those with low- to moderate-incomes, will likely struggle to locate income-appropriate for-sale housing in Mason County.

The distribution of available homes within the various study areas *by year built* is shown in the graph below:








A map illustrating the location of available for-sale homes in the PSA (Mason County) as of April 4, 2023 is included on the following page.

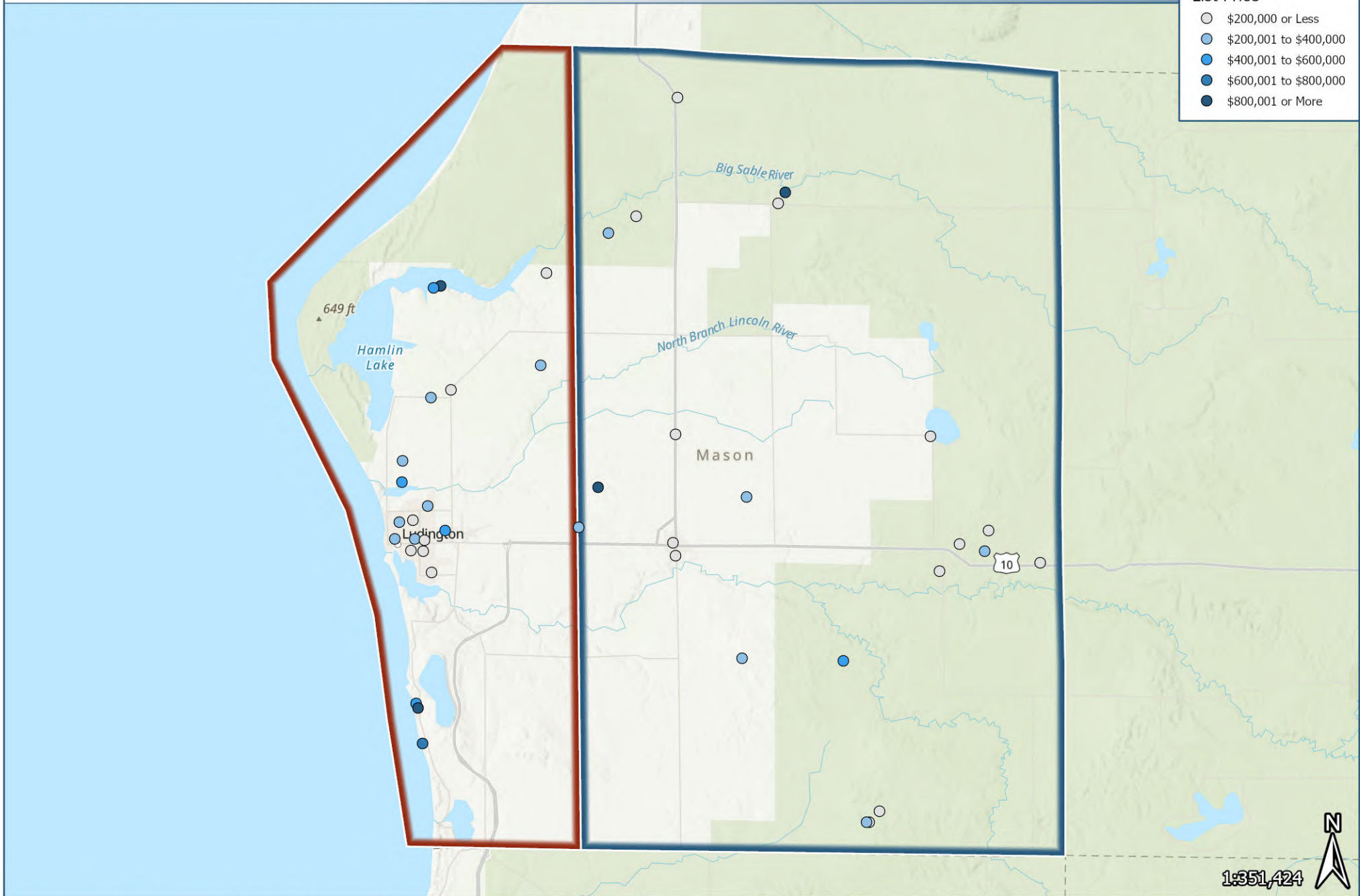



 West

 East

**List Price**

-  \$200,000 or Less
-  \$200,001 to \$400,000
-  \$400,001 to \$600,000
-  \$600,001 to \$800,000
-  \$800,001 or More



0 1.5 3 4.5 6  
 Miles

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

1:351,424  


#### **D. SENIOR CARE HOUSING**

Mason County, like areas throughout the country, has a large senior population that requires a variety of senior housing alternatives to meet its diverse needs. Among seniors, generally age 65 or older, some individuals are either seeking a more leisurely lifestyle or need assistance with Activities of Daily Living (ADLs). As part of this analysis, we evaluated four levels of care that typically respond to older adults seeking, or who need, alternatives to their current living environment. This includes independent living, congregate care, assisted living, and nursing care. These housing types, from least assisted to most assisted, are summarized below.

Unlike traditional rental housing alternatives, senior care housing, such as nursing homes or assisted living, often draw support from a relatively large geographic area such as a county or region. For the purpose of this analysis, we surveyed senior care housing alternatives in the PSA (Mason County). The overall county has a relatively large senior population that requires a variety of senior housing alternatives to meet its diverse needs. Among seniors, generally age 65 or older, some individuals are either seeking a more leisurely lifestyle or need assistance with Activities of Daily Living (ADLs), such as assistance with bathing, dressing and medication reminders. As part of this analysis, we evaluated two levels of care that typically respond to older adults seeking, or who need, alternatives to their current living environment. They include assisted living and nursing care. These housing types, from least assisted to most assisted, are summarized below. A survey of independent living and congregate care (independent living with basic housekeeping or laundry services and meals) facilities was also conducted as part of this analysis.

*Independent Living* is a housing alternative that includes a residential unit, typically an apartment or cottage that offers an individual living area, kitchen, and sleeping room. The fees generally include the cost of the rental unit, some utilities, and services such as laundry, housekeeping, transportation, meals, etc. This housing type is also often referred to as congregate care. Physical assistance and medical treatment are not offered at such facilities.

*Assisted Living* – The Michigan Department of Licensing and Regulatory Affairs (LARA) licenses senior care facilities throughout the state. The different types of licensing include Adult Foster Care (AFC) and Homes for the Aged (HFA). An AFC is for facilities with 20 or fewer people and serves adults in need of foster care services for 24 hours per day, five or more days a week, or for two or more consecutive weeks. Additionally, an AFC can be licensed under various size umbrellas: Family Home (one to six persons), Small Group (one to six persons), Medium Group (seven to 12 persons) and Large Group (13 to 20 persons). An HFA is for seniors ages 55 and older and is for 21 or more people, unless they operate as part of a nursing home. For the purposes of this analysis, we refer to these facilities as “assisted living” and we only surveyed

Homes for the Aged and Medium and Large Group homes. It is also important to note that Michigan offers unlicensed senior care and that on-site services are provided by outside home health agencies.

*Nursing Homes* – A nursing home provides nursing care and related services for people who need nursing, medical, rehabilitation or other special services. These facilities are licensed by the Michigan Department of Licensing and Regulatory Affairs (LARA) and may be certified to participate in the Medicaid and/or Medicare programs. Certain nursing homes may also meet specific standards for sub-acute care or dementia care.

We referenced the Medicare.com and the Michigan Department of Licensing and Regulatory Affairs (LARA) websites for all licensed senior care facilities and cross referenced this list with other senior care facility resources. As such, we believe that we identified most licensed facilities in the county, though not all were surveyed as part of this Housing Needs Assessment.

We identified and surveyed six (6) senior care facilities in the county. While these do not represent all senior care facilities in the county, they are representative of market norms and represent a good base from which to evaluate the senior care housing market. Overall, the facilities that were surveyed contain a total of 260 beds. The following table summarizes the surveyed facilities by property type.

Surveyed Senior Care Facilities – Mason County					
Project Type	Projects	Beds	Vacant	Occupancy Rate	National Occupancy Rate*
Independent Living	1	38	0	100.0%	85.2%
Assisted Living-Medium/Large Group Homes	3	52	0	100.0%	81.2% **
Nursing Homes	2	170	33	80.6%	81.3%
Total	6	260	33	87.3%	83.2%

\*Source: National Investment Center (NIC) for Senior Housing & Care (1st Quarter of 2023)

\*\*Assisted Living occupancy rate covers all types of housing within this category.

Note that family homes and small group homes were excluded from this survey.

Senior care facilities in Mason County are reporting overall occupancy rates that range from 80.6% (nursing homes) to 100.0% (independent living and assisted living/group homes) with an overall occupancy rate of 87.3%. Independent living and assisted living/group home facilities surveyed in the county are 100% occupied and are above the national average occupancy figures for each respective facility type as of the first quarter of 2023. The occupancy rate at nursing home facilities in the county (80.6%) is slightly below the national average rate of 81.3%. Occupancy rates for independent living and assisted living/group home facilities indicate there is a strong level of demand for such housing in the county and it appears the existing inventory may not be meeting the *current* demands of these senior care market segments. With the projected growth among seniors over the next several years, there may be an opportunity to develop additional senior care housing in the market.

The base monthly fees for senior care in the county range from \$1,600 to \$2,500 for independent living, \$4,500 to \$6,000 for assisted living, and \$9,642 to \$11,102 for nursing care. The monthly fees should be considered as a base of comparison for the future projects considered in the county. It is important to note that each of the surveyed nursing care facilities in Mason County accept Medicaid payments from eligible residents, reducing their costs.




A summary of the individual senior care facilities surveyed in the county is included in Addendum C. A map illustrating the location of surveyed senior care facilities in the overall market area is included on the following page.

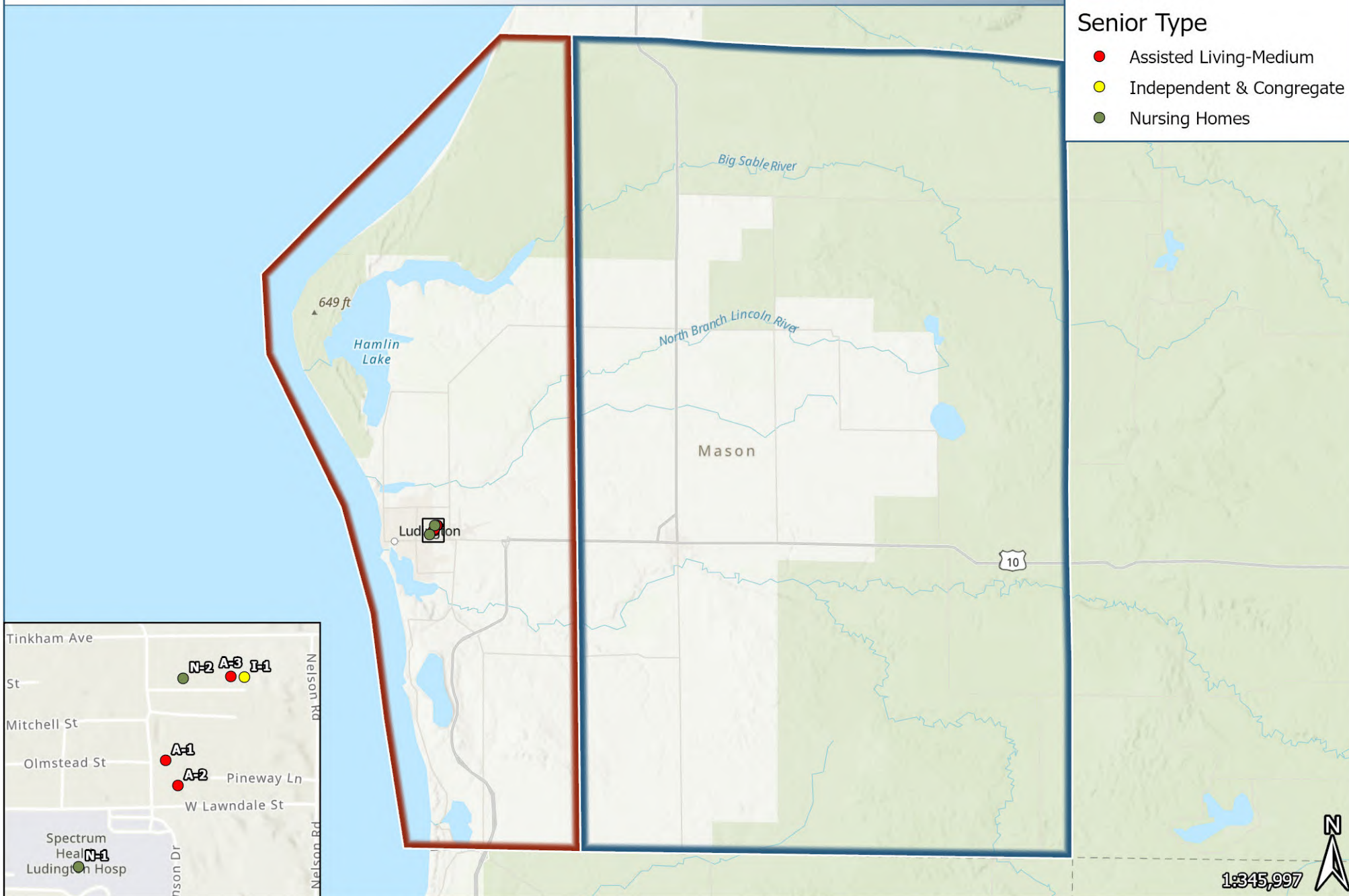


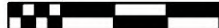
 West

 East

### Senior Type

-  Assisted Living-Medium
-  Independent & Congregate
-  Nursing Homes



0 1.5 3 4.5 6  
 Miles

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

## **E. 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 Mason 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 county.

The following table illustrates single-family and multifamily building permits issued within Mason County for the past 10 years from 2013 to 2022:

Housing Unit Building Permits for Mason County, MI:										
Permits	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Multifamily Permits	5	4	5	0	92	0	5	16	18	0
Single-Family Permits	43	42	44	50	76	74	65	72	83	68
Total Units	48	46	49	50	168	74	70	88	101	68

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

During the past 10 years, a total of 762 housing units were permitted in Mason County. Of the 762 total units, 617 units (or 81.0%) were permitted as single-family homes. The remaining 145 units (or 19.0%) were permitted as part of multifamily developments, indicating that less than 15 multifamily units were permitted per year in the county. During the 10 year period depicted in the preceding table, the most active year for multifamily permits was 2017 when 92 multifamily units were permitted in the county. By comparison, single-family residential development appears to be steady in the PSA, with an average of approximately 62 single-family housing units permitted per year. The low number of multifamily units permitted since 2017 may be partially due to economic-related issues, such as increasing construction and labor costs, labor shortages, etc. It should also be noted that recent increases in interest rates may contribute to a reduction in multifamily residential development in the coming years.

### **Planned Residential Housing Development**

We contacted representatives of building and permitting departments in Mason County and conducted extensive online research to identify residential projects that are planned or proposed for development or currently under construction within the county. From interviews with planning representatives that responded to our inquiries and from online research, it was determined there are approximately 130 rental units and 26 for-sale units that are in development at three multifamily rental housing projects or for-sale housing projects.



Rental Housing Development – Mason County, Michigan				
Project Name & Address	Type	Units	Developer	Status/Details
Foster School Townhouses and Apartments 504 and 507 East Foster Street <b>Ludington</b>	Affordable Apartments	33	Datum Point Real Estate Development	<b>Planned:</b> Adaptive reuse of former elementary school awaiting financing as of spring 2023. One-, two-, and three-bedroom units. Estimated cost of the project is \$10.5 million. ECD May 2024
N/A Corner of South James and Laura Street <b>Ludington</b>	Market-rate	97	Unknown via city planner at time of study	<b>Proposed:</b> In permitting discussions stage as of May 2023. One-, two-, and three-bedroom apartments with ECD of fall 2024.

ECD – Estimated Completion Date

For-Sale Housing Development – Mason County, Michigan				
Project Name & Address	Type	Units	Developer	Status/Details
Former Lakeview School Property Haight Street and Gaylord/Lewis streets <b>Ludington</b>	Single-Family Homes	12	JWhite Properties and Gibson Custom Homes	<b>Under Construction:</b> One of the 12 three- to four-bedroom houses under construction as of May 2023. ECD of project not found at time of study; More than \$450,000+
Foster School Townhouses and Apartments 504 and 507 East Foster Street <b>Ludington</b>	Affordable Townhomes	14	Datum Point Real Estate Development	<b>Planned:</b> Adaptive reuse awaiting financing as of spring 2023. A total of 14 for-sale townhomes. Estimated cost of the project is \$10.5 million. ECD May 2024.

ECD – Estimated Completion Date

## 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 (Mason County) and compared with the state and national data, when applicable:

- Personal Mobility
- Migration Patterns
- Transportation Analysis
- Residential Blight
- Development Opportunities
- Special Needs Populations

### 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
East	Number	3,959	493	6	86	32	262	4,838
	Percent	81.8%	10.2%	0.1%	1.8%	0.7%	5.4%	100.0%
West	Number	5,809	954	0	210	55	482	7,510
	Percent	77.4%	12.7%	0.0%	2.8%	0.7%	6.4%	100.0%
Mason County	Number	9,768	1,447	6	296	87	744	12,348
	Percent	79.1%	11.7%	0.0%	2.4%	0.7%	6.0%	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
East	Number	1,411	1,945	774	222	225	262	4,839
	Percent	29.2%	40.2%	16.0%	4.6%	4.6%	5.4%	100.0%
West	Number	4,224	1,932	426	203	242	482	7,509
	Percent	56.3%	25.7%	5.7%	2.7%	3.2%	6.4%	100.0%
Mason County	Number	5,635	3,877	1,200	425	467	744	12,348
	Percent	45.6%	31.4%	9.7%	3.4%	3.8%	6.0%	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%

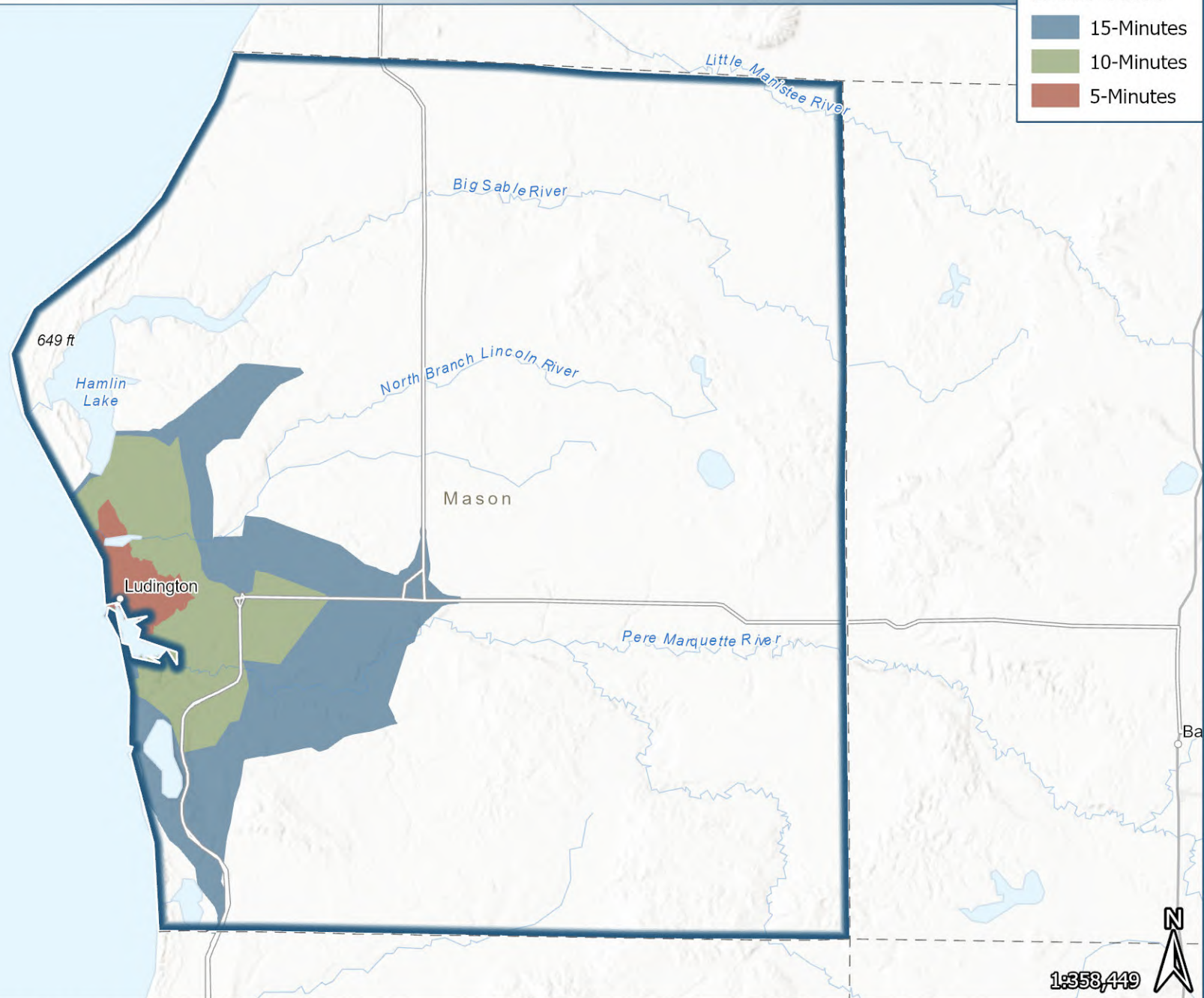
Source: U.S. Census Bureau, 2017-2021 American Community Survey

Noteworthy observations from the preceding tables follow:

- Within the PSA (Mason County), 90.8% 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%). The shares of such commuters within the East Submarket (92.0%) and West Submarket (90.1%) are very comparable. While a small share of commuters in the PSA walk to work (2.4%), and public transit (only six people use) is essentially a non-factor in the area, a notable share of individuals work from home (6.0%) in the PSA. Overall, the distribution of commute modes between the two submarkets is very similar and reflective of the distribution of the PSA.
- Well over two-fifths (45.6%) of commuters in Mason County have commute times of less than 15 minutes, representing a much larger share of individuals with very short commute times compared to the state (25.8%). Overall, 77.0% of PSA workers have commute times less than 30 minutes to work, which is a significantly larger share as compared to the state (61.3%). On a submarket level, over half (56.3%) of commuters in the West Submarket have commute times less than 15 minutes. While the share of commuters in the East Submarket with commute times of less than 30 minutes (69.4%) is notably larger than the state, over four-fifths (82.0%) of commuters in the West Submarket have such commute times. Overall, only 3.8% of commuters in the PSA have commute times of 60 minutes or more.

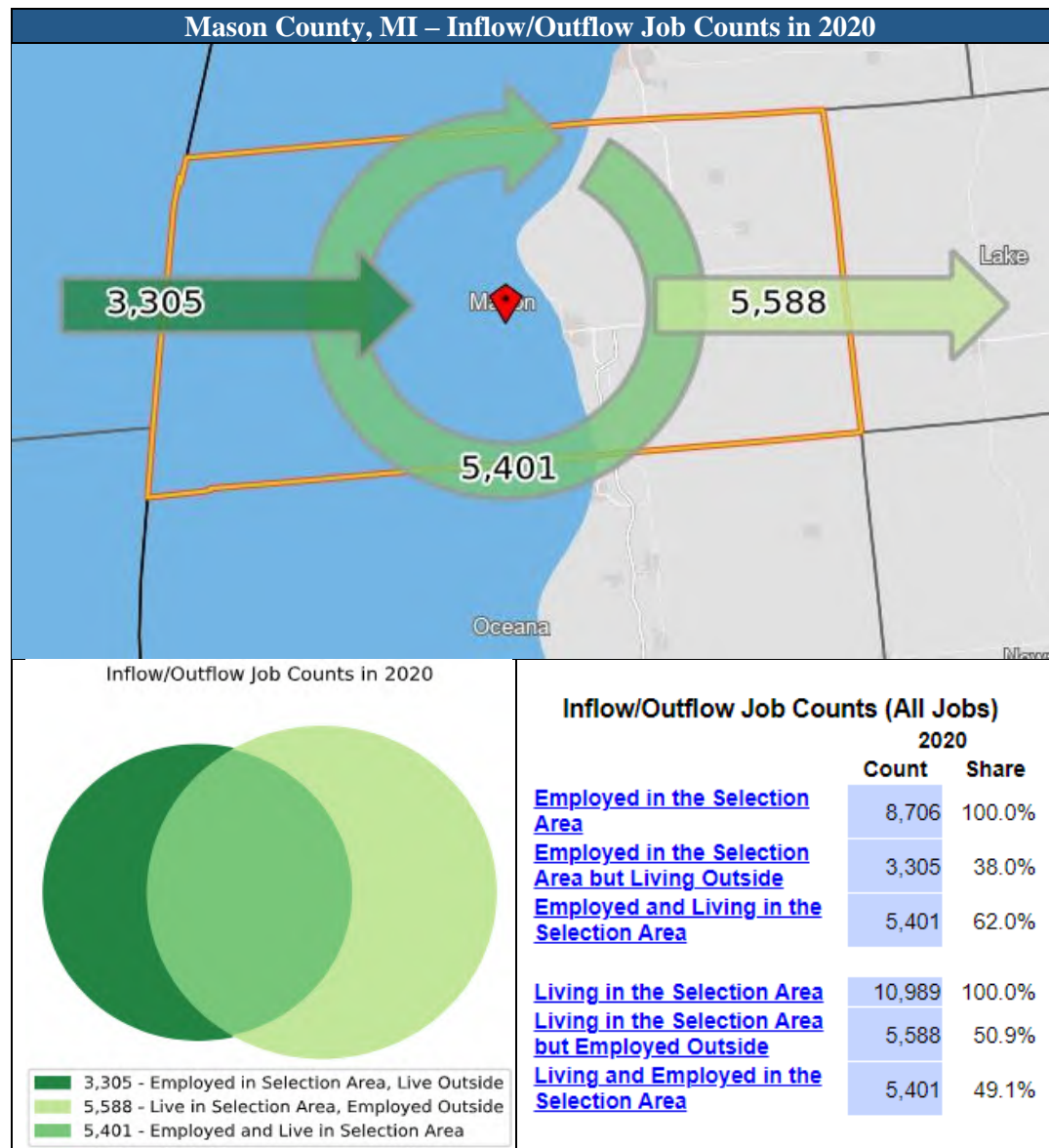
Based on the preceding analysis, a vast majority of PSA commuters utilize their own vehicles or carpool to work. On average, commute times in the PSA and the submarkets are typically much shorter as compared to the state.

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



## Commuting Patterns

According to 2020 U.S. Census Longitudinal Origin-Destination Employment Statistics (LODES), of the 10,989 employed residents of Mason County, 5,401 (49.1%) are employed within the county, while the remaining 5,588 (50.9%) are employed outside of Mason County. In addition, 3,305 people commute into Mason County from surrounding areas for employment. These 3,305 non-residents account for nearly two-fifths (38.0%) 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.



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



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

Mason County, MI: Commuting <i>Flow</i> 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	1,315	23.5%	736	22.3%	1,065	19.7%
Ages 30 to 54	2,877	51.5%	1,690	51.1%	2,760	51.1%
Ages 55 or older	1,396	25.0%	879	26.6%	1,576	29.2%
<i>Earning &lt;\$1,250 per month</i>	1,693	30.3%	805	24.4%	1,466	27.1%
<i>Earning \$1,251 to \$3,333</i>	1,692	30.3%	1,155	34.9%	1,972	36.5%
<i>Earning \$3,333+ per month</i>	2,203	39.4%	1,345	40.7%	1,963	36.3%
Goods Producing Industries	1,029	18.4%	876	26.5%	2,035	37.7%
Trade, Transportation, Utilities	1,352	24.2%	849	25.7%	623	11.5%
All Other Services Industries	3,207	57.4%	1,580	47.8%	2,743	50.8%
<b>Total Worker Flow</b>	<b>5,588</b>	<b>100.0%</b>	<b>3,305</b>	<b>100.0%</b>	<b>5,401</b>	<b>100.0%</b>

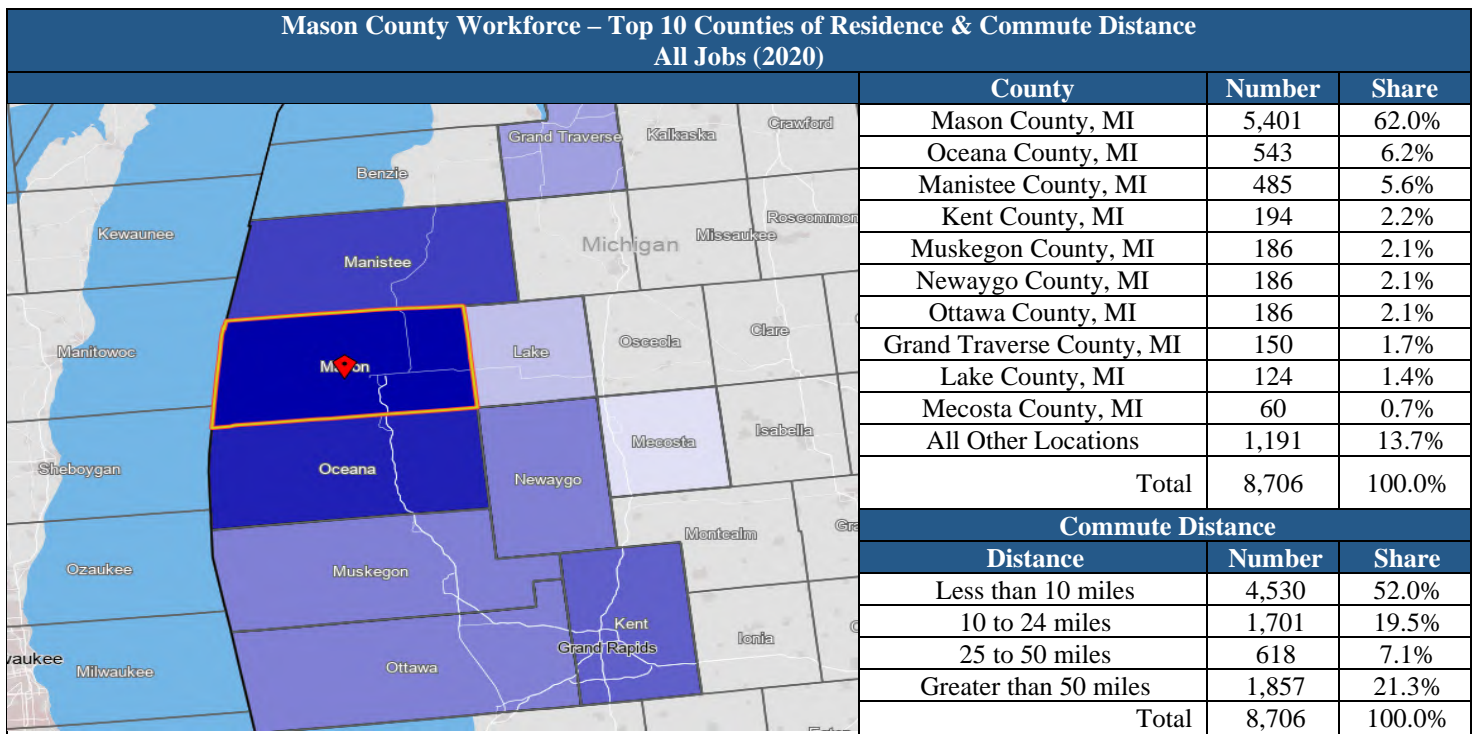
Source: U.S. Census, Longitudinal Origin-Destination Employment Statistics (LODES)

Note: Figures do not include contract employees and self-employed workers

Based on the preceding data, people that commute into the PSA (Mason County) for employment are more likely to be middle-aged (30 to 54 years), earn higher wages (\$3,333 or more per month), and work primarily in the other services industries. Of the county's 3,305 in-commuters, slightly over half (51.1%) are between the ages of 30 and 54 years, over two-fifths (40.7%) earn \$3,333 or more per month (\$40,000 or more annually), and nearly half (47.8%) work in the other services industries. Resident workers, by comparison, tend to be slightly older than inflow workers, are more likely to earn low to moderate wages, and are more likely than inflow workers to work in the goods producing industries, although a slight majority (50.8%) work in the other services industries. Of the three worker flow types, resident workers have the highest share (29.2%) of workers ages 55 and older and the largest share (36.5%) of workers earning moderate wages.



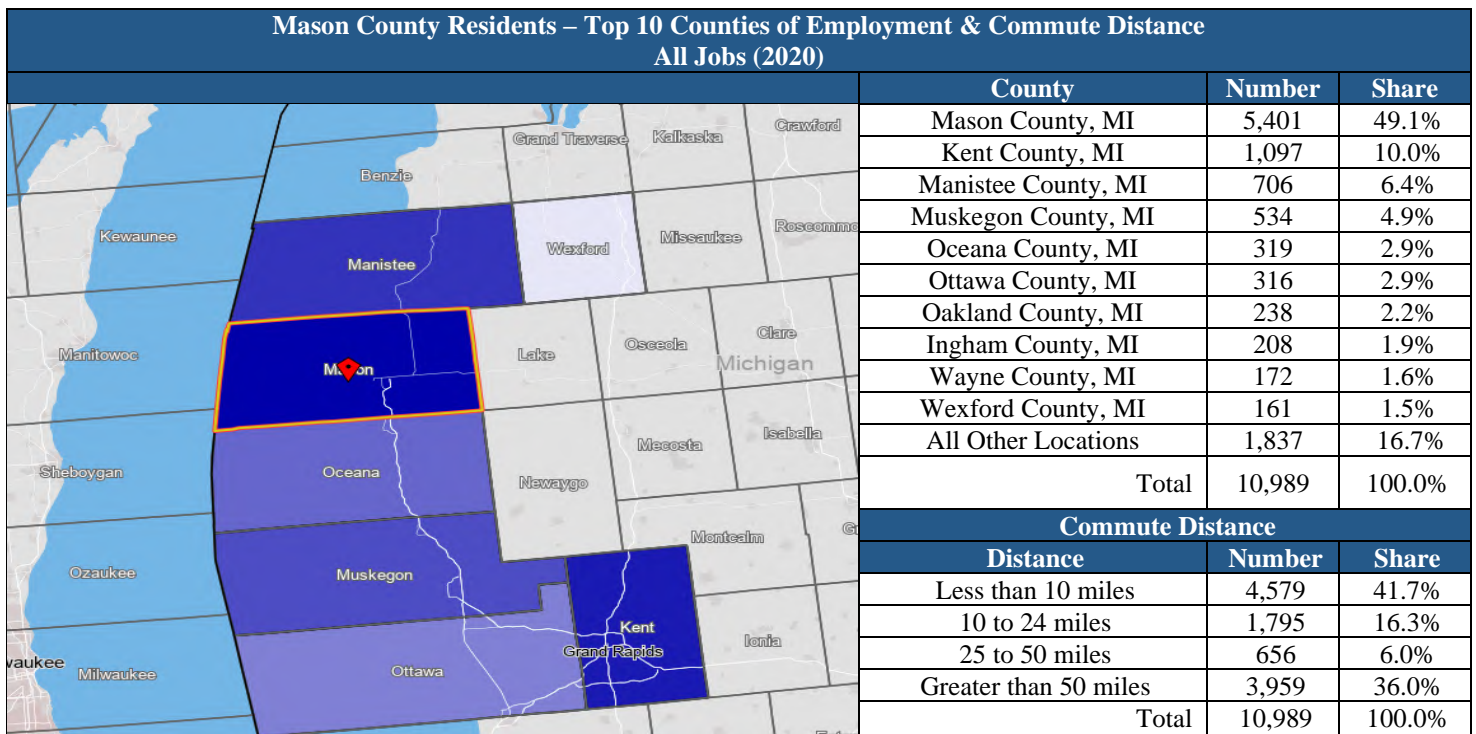
The following map and corresponding tables illustrate the physical *home* location (county) of people *working in* Mason County, as well as the distribution of commute distances for the Mason County workforce.



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

Statistics provided by LODES indicate that slightly over two-fifths (62.0%) of the Mason County workforce are residents of the county. The counties of Oceana (6.2%) and Manistee (5.6%) contribute the largest shares of people that work in Mason County. This is not surprising since these two counties directly border the PSA to the south and north. In total, the top 10 counties account for 86.3% of the PSA workforce, which illustrates the regional draw for local employers. In terms of commute distances, approximately 71.5% of the PSA workforce has commute distances less than 25 miles, while 7.1% have commutes between 25 and 50 miles. The remaining 21.3% of PSA workers, or 1,857 individuals, commute in excess of 50 miles. These workers with lengthy commutes, of which a vast majority likely reside outside the county, represent a base of potential support for future residential development.

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



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

Of the 10,989 employed residents of the PSA (Mason County), nearly half (49.1%) are employed within Mason County, while Kent County (10.0%), Manistee County (6.4%), and Muskegon County (4.9%) employ the next largest shares of PSA residents. It is notable that 3.8% of the employed residents of the PSA work within Oakland and Wayne counties, combined. This is likely due to the significant number of employment opportunities present within Detroit and the surrounding metropolitan area. In total, 59.6% of employed PSA residents work within Mason County or the bordering counties (Manistee, Oceana, and Lake). This contributes to the fact that 58.0% of PSA residents commute less than 25 miles to work, while 6.0% commute between 25 and 50 miles. Approximately 36.0% of PSA residents, or 3,959 individuals, commute more than 50 miles to work. This represents a much larger number of outflow workers with lengthy commute distances (over 50 miles) when compared to the inflow workers (1,857) with similar commute distances for the county.

## 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 2020. 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 (ACS).

The following table illustrates the cumulative change in total population for Mason County between April 2010 and July 2020.

Estimated Components of Population Change by County for the PSA (Mason County) April 1, 2010 to July 1, 2020								
Area	Population		Change*		Components of Change			
	2010	2020	Number	Percent	Natural Increase	Domestic Migration	International Migration	Net Migration
Mason County	28,689	29,164	475	1.7%	-533	913	120	1,033

Source: U.S. Census Bureau, Population Division, October 2021

\*Includes residual of (-25) representing the change that cannot be attributed to any specific demographic component

Based on the preceding data, the population growth within Mason County from 2010 to 2020 was primarily driven by domestic and international migration. The data also illustrates that the county experienced natural decrease (more deaths than births) during this time period. As such, the population of Mason County would have declined between 2010 and 2020 without the positive influence of domestic and international migration. Natural decrease typically occurs in areas where there is a comparably small share of the population under the age of 45, which is the age cohort most likely to establish a family and have children. In 2010, nearly half (49.9%) of the Mason County population was under the age of 45. Between 2010 and 2022, this population cohort declined by 5.4% (773 people), and it is projected that this cohort will decline by an additional 1.1% (144 people) over the next five years. As such, it is important that the county continue to benefit from positive net migration to offset the effect of natural decrease.

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

Mason County, Michigan Domestic County Population In-Migrants by Age, 2012 to 2021		
Age	2012-2016	2017-2021
1 to 24	36.0%	31.8%
25 to 64	57.3%	53.7%
65+	6.7%	14.5%
Median Age (In-state migrants)	31.2	37.5
Median Age (Out-of-state migrants)	34.9	29.7
Median Age (Mason County)	46.3	46.8

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

The previous table illustrates that from 2012 to 2016, over one-third (36.0%) of domestic in-migrants to Mason County were less than 25 years of age, while only 6.7% were age 65 or older. By 2021, the share of in-migrants ages 65 and older increased to 14.5%, while the shares of people under the age of 25 (31.8%) and people between the ages of 25 and 64 (53.7%) decreased. While the median age of in-state migrants increased from 31.2 years to 37.5 years, the median age of out-of-state migrants decreased from 34.9 years to 29.7 years between the two time periods. Regardless of origin, in-migrants of Mason County are comparatively younger than the existing population of the county, which had a median age of 46.8 years in 2021.

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

County-to-County Domestic Population Migration for Mason County, MI Top 10 Gross Migration Counties*			
County	Gross Migration		Net-Migration
	Number	Percent	
<b>Oceana County, MI</b>	432	15.4%	-166
Kent County, MI	191	6.8%	-95
<b>Manistee County, MI</b>	151	5.4%	-33
<b>Lake County, MI</b>	150	5.3%	140
Ottawa County, MI	146	5.2%	-28
Muskegon County, MI	115	4.1%	27
Marquette County, MI	106	3.8%	78
Washtenaw County, MI	98	3.5%	-58
Ingham County, MI	75	2.7%	-45
Montcalm County, MI	54	1.9%	-28
All Other Counties	1,291	46.0%	277
<b>Total Migration</b>	<b>2,809</b>	<b>100.0%</b>	<b>69</b>

Source: U.S. Census Bureau, 2019 5-Year American Community Survey; Bowen National Research

\*Only includes counties within the state and bordering states

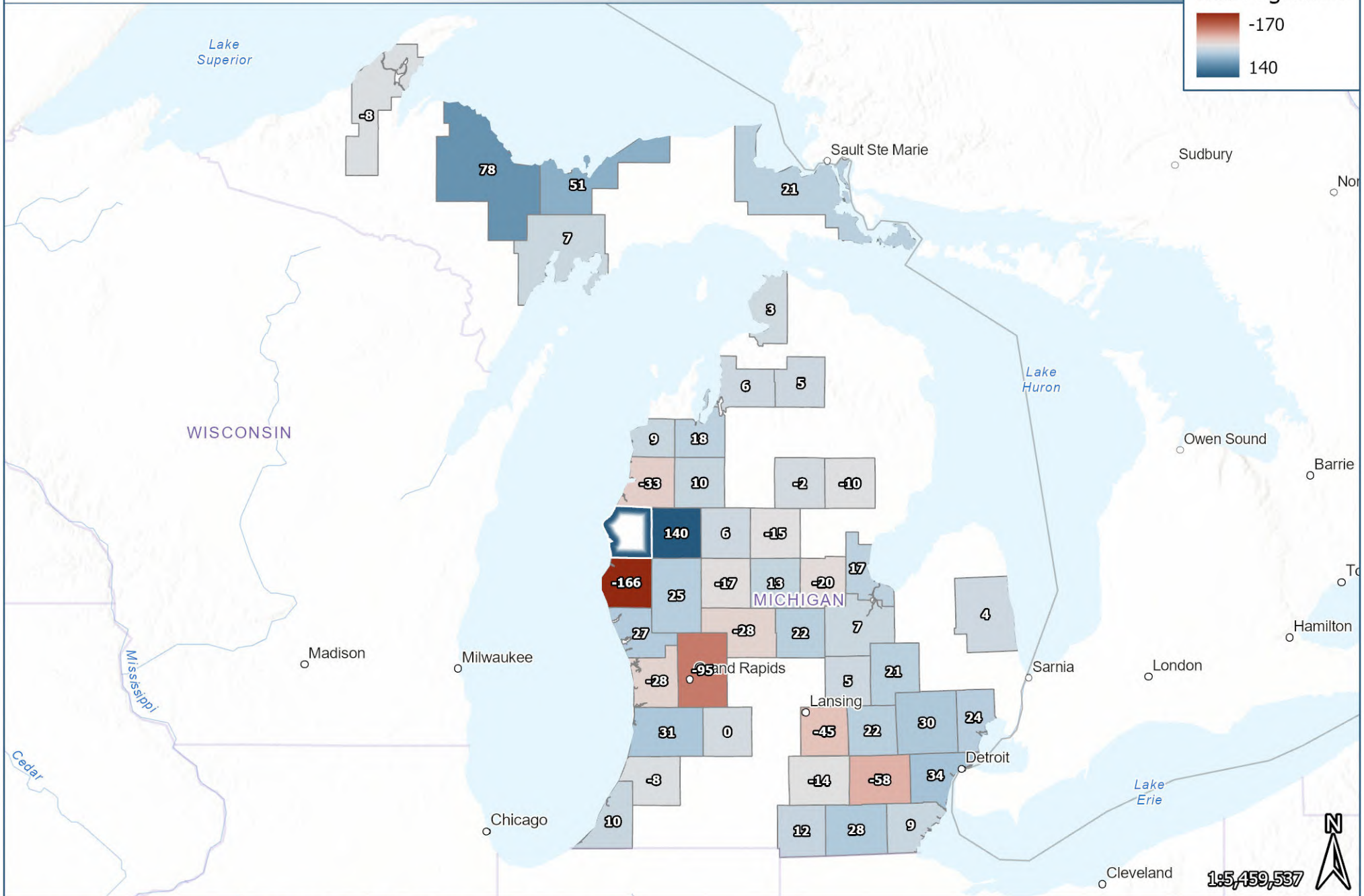
As the preceding table illustrates, over half (54.0%) of the gross migration for the PSA (Mason County) is among the top 10 counties listed. Three of the top four gross migration counties directly border the PSA. While these three counties (Oceana, Manistee, and Lake) have an overall negative effect (-59) on the net-migration for the PSA, Lake County is the largest single contributor of positive net-migration flow (140) for Mason County. Oceana County, which is the top gross migration county for the PSA, has the largest individual negative net-migration influence (-166) for Mason County. With 46.0% of the total gross migration occurring among counties outside the top 10 listed and this migration having an overall positive influence 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.

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









While the data contained in the previous pages illustrates the overall migration trends for the PSA (Mason 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 Mason County in-migrants.

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

Mason 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	152	12.7%	226	25.3%	71	33.5%
\$10,000 to \$14,999	141	11.8%	90	10.1%	81	38.2%
\$15,000 to \$24,999	291	24.3%	112	12.5%	9	4.2%
\$25,000 to \$34,999	209	17.4%	160	17.9%	23	10.8%
\$35,000 to \$49,999	256	21.4%	71	7.9%	9	4.2%
\$50,000 to \$64,999	64	5.3%	89	9.9%	11	5.2%
\$65,000 to \$74,999	19	1.6%	25	2.8%	7	3.3%
\$75,000+	66	5.5%	122	13.6%	1	0.5%
Total	1,198	100.0%	895	100.0%	212	100.0%

Source: U.S. Census Bureau, 2021 5-Year American Community Survey (B07010); Bowen National Research

According to data provided by the American Community Survey, nearly half (47.9%) of the population that moved to Mason County from a different county within Michigan earned less than \$25,000 per year. While still noteworthy, this represents a much smaller share of such individuals when compared to the share (75.9%) 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 (26.3%) and those from outside the state (9.0%). 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 Mason County.

Based on our evaluation of the components of population change between 2010 and 2020, the recent population increase in Mason County is due primarily to domestic and international migration. Although a slight majority of the in-migrants are between the ages of 25 and 64 years, a growing share of in-migrants in recent years have been age 65 or older. The bordering counties of Oceana, Manistee, and Lake account for over one-fourth (26.1%) of gross migration for the PSA but result in an overall net population loss for Mason County. As such, counties within the state but outside the immediate boundary of the PSA, and migration from outside the state have been a positive contributing factor in recent years. In addition, a significant portion of in-migrants earn low to moderate wages.

## 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 Mason County.

The Ludington Mass Transportation Authority (LMTA) is the primary public transportation service for Mason County. The service area for the LMTA is shown in yellow in the picture below.



Source: <https://www.dialaridelmta.com/>

LMTA provides transportation services for the general public in the cities of Ludington and Scottville, Pere Marquette Charter Township, and U.S. Highway 10 Corridor businesses. The bus program operates as a curb-to-curb on demand service. LMTA recommends that residents call to schedule rides with a minimum of 15 to 45 minutes of advance notice and that early morning rides are scheduled the night before. The LMTA service operating hours vary depending on locations which are summarized in the following table.

Ludington Mass Transportation Authority Operating Hours	
Days of the Week	Hours of Operation
<b>Ludington/Pere Marquette Charter Township Service</b>	
Monday Through Friday	6 a.m. to 7 p.m.
Saturday	8 a.m. to 4 p.m.
Sunday (pre-scheduled reservations only)	8 a.m. to 2 p.m.
<b>Scottville Service</b>	
Monday Through Friday	7:30 a.m. to 4:30 p.m.
Saturday	8 a.m. to 3 p.m.

Source: <https://www.dialaridelmta.com/>

One-way fares within Ludington, Scottville, Pere Marquette Charter Township and the Amber Township U.S. Highway 10 Corridor are generally low and range between \$1.00 and \$3.00 per ride. Discounted rates for eligible seniors and persons with a disability are also available. LMTA fares are summarized in the following table.

Ludington Mass Transportation Authority Fares			
Ludington, Scottville, and Pere Marquette Charter Township		Amber Township U.S. Highway 10 Corridor Service Area	
Category	Fare	Category	Fare
< 11 years	\$1.00	< 11 years	\$2.00
12 to 59 years	\$2.00	12 to 59 years	\$3.00
≥ 60 years	\$1.00	≥ 60 years	\$2.00
Disabled	\$1.00	Disabled	\$2.00

Source: <https://www.dialaridelmta.com/>

Based on the preceding information, public transportation is accessible for residents in the most populated areas of the PSA (Mason County), but is not necessarily available to all PSA residents who live in especially rural areas outside of Ludington, Scottville, Pere Marquette Charter Township, and Amber Township. 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 that eligible residents may apply for reduced fare rates, the bus transportation service offered by LMTA is accessible for arguably most Mason County residents. If growth occurs in the county, residents would likely benefit from a service area extension and additional set routes that include stops located near community services that are outside of the service area that already exists.

### Walkability

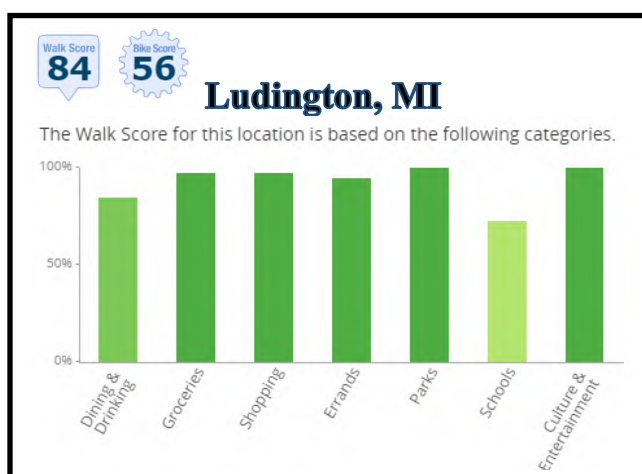
The ability to perform errands or access community services conveniently by walking, rather than driving, contributes favorably to personal mobility. A person whose residence is within walking distance of major neighborhood services and amenities will most likely find their housing market more desirable. 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 Mason 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 cities or 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
<b>90–100</b>	<b>Walker's Paradise</b> Daily errands do not require a car.
<b>70–89</b>	<b>Very Walkable</b> Most errands can be accomplished on foot.
<b>50–69</b>	<b>Somewhat Walkable</b> Some amenities are within walking distance.
<b>25–49</b>	<b>Car-Dependent</b> A few amenities are within walking distance.
<b>0–24</b>	<b>Very Car-Dependent</b> Almost all errands require a car.

According to Walk Score, the city of Ludington has the highest overall score in Mason County with a Walk Score of 84 and a Bike Score of 56. The Walk Score of 84 indicates that the overall city is very walkable and most errands can be accomplished on foot, while the Bike Score of 56 indicates the city overall is bikeable with some bicycling infrastructure.



Walk Score was used to calculate the walkability of some additional populated areas within the PSA (Mason 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
Ludington, Michigan (111 West Ludington Avenue)	94	Walker's Paradise
Scottville, Michigan (124 S. Main Street)	52	Somewhat Walkable
Custer, Michigan (2391 U.S. Highway 10)	34	Car-Dependent
Fountain, Michigan (4931 N. Cleveland Street)	17	Very Car-Dependent
Free Soil, Michigan (2845 Michigan Street)	9	Very Car-Dependent

Source: WalkScore.com

The central portion of Scottville (Walk Score of 52) has the second-highest score in Mason County, which is considered somewhat walkable. This Walk Score indicates that some amenities are within walking distance. The central area in the village of Custer (Walk Score 34) is deemed car-dependent, which indicates that a vehicle is generally required for most errands. The central areas in the villages of Fountain (Walk Score of 17) and Free Soil (Walk Score of 9) are very car-dependent, with scores below 25. 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**

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.*



The City of Ludington addresses the presence of older housing within its Master Plan. According to the plan, the city is described as a mature community where approximately half of the housing stock is at least 60 years old, with over 30% of the housing stock built prior to 1940. This plan further notes that the largest building boom in the city took place between 1940 and 1959, while less than 10% of the city's housing stock has been built since the year 2000. The City of Ludington Code Enforcement office, which is responsible for enforcing the Property Maintenance Code, processed 767 code enforcement issues in 2020. Of the 767 violations in 2020, 390 were for lawn mowing, 109 were for junk removal, 42 were for building maintenance violations, and 56 were for inoperable vehicle violations. The remaining 170 code enforcement issues pertained to other types of violations.

The Master Plan included recommendations for the City of Ludington to consider in order to keep older homes well maintained. Among these recommendations is creating or supporting an adopt-a-block neighborhood beautification program to make positive physical improvements to properties in Ludington's residential neighborhoods. An adopt-a-block program encourages churches, community groups, and service organizations to "adopt" an entire block, or at least one property within a designated block, and organize a group of volunteers to perform light maintenance work to improve the aesthetics of the properties and neighborhood. The plan also stated that the City of Ludington has worked with and will continue to work with several organizations, including Habitat for Humanity on a Neighbor-to-Neighbor improvement project to improve the exterior of homes. In addition, the City of Ludington applied for downtown rental rehabilitation funding from the Michigan State Housing Development Authority (MSHDA) for renovations of downtown apartments to provide residential opportunities and property improvements in the core of the city.

The State Land Bank Authority, operated by the Michigan Department of Labor and Economic Opportunity, also administers a blight elimination program which allocates funds to each of the state's 10 Prosperity Regions. Mason County is part of Prosperity Region Four. According to program guidelines outlined in the request for proposals document, each Prosperity Region is eligible for no less than 5% of total program funds which amounts to \$1,077,500. Rural counties, county land banks, and city land banks are also eligible for a guaranteed minimum allocation of \$200,000. Municipalities, counties, and townships not served by a land bank authority can also directly apply for grants.

Several cities and townships within Mason County have their own zoning code, including (but not limited to) Ludington, Scottville, and Pere Marquette Township. Building and zoning departments for each city or township enforce zoning regulations for areas within the city or township limits. Most townships within Mason County have zoning regulations administered at the county government level by the Mason County Planning and Zoning Department. 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 Mason County that were in various stages of disrepair, abandoned, boarded up, fire damaged or otherwise appeared to be in an unsafe condition.

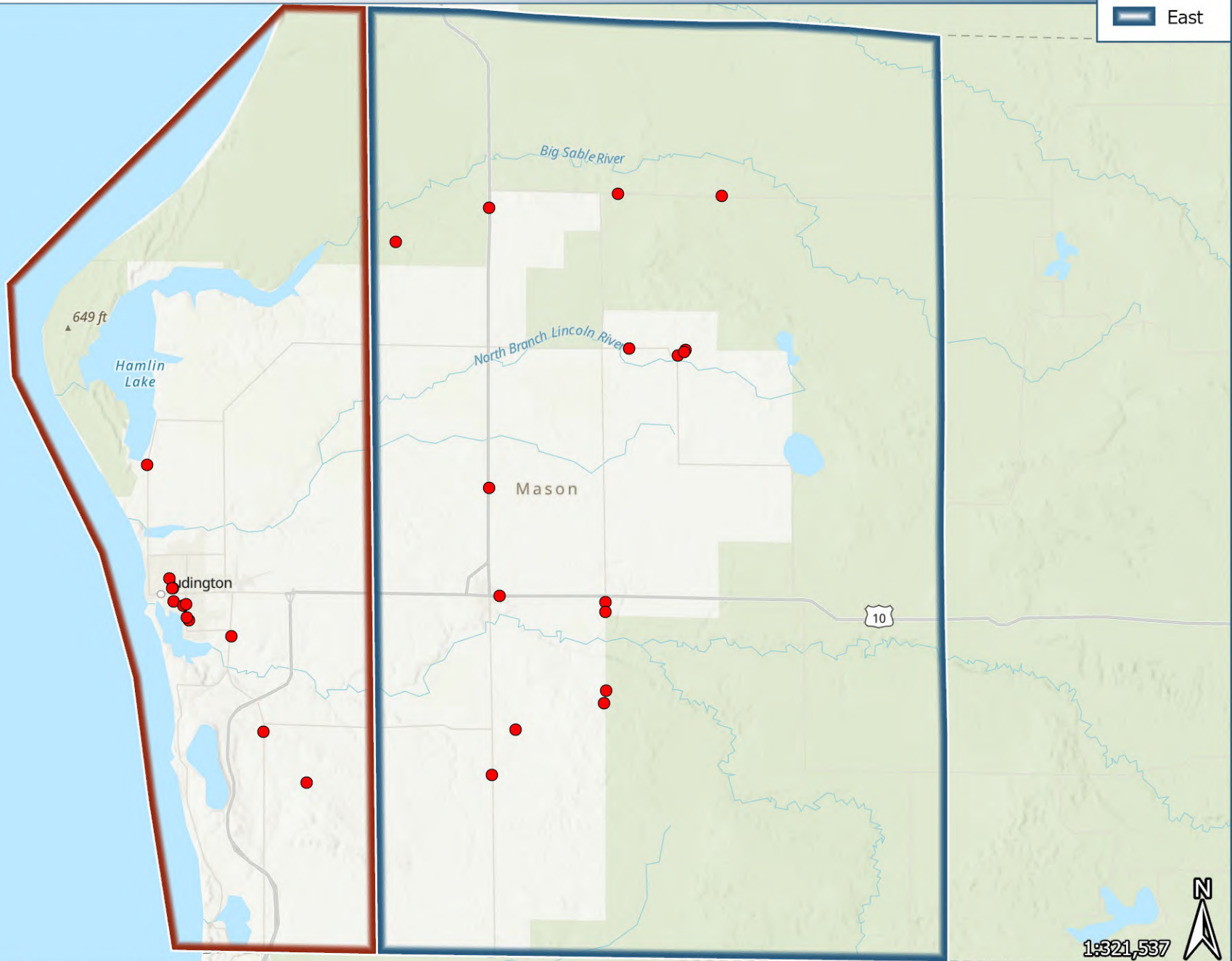
A representative of Bowen National Research personally visited residential neighborhoods in Mason County. The representative evaluated the exterior condition of the existing housing stock via a windshield survey, regardless of whether it was occupied or vacant. Residential housing stock evaluated as part of this windshield survey primarily consisted of single-family houses. From this on-site observation, 30 residential units were identified that exhibited some level of exterior blight. It should be noted that the interiors of properties were not evaluated as part of this survey. These 30 residential units represent 0.2% of the 17,511 housing units in Mason County (based on 2022 estimates). The 0.2% share is within the range of blighted home shares observed in other jurisdictions where Bowen National Research conducted surveys of residential blight. Typically, blighted residential units in a city or county represent less than 1.0% of all residential units. However, the share of blighted residential units may be higher within individual cities such as Ludington. This share of blighted residential properties represents potential nuisances, safety hazards, and is potentially detrimental to nearby property uses and values. As a general guideline, we identified properties that were considered to exhibit visual evidence of significant exterior deficiencies and disrepair. Many of these structures are boarded up, have missing siding or roof shingles, or show signs of damage that make such units either uninhabitable or represent serious safety or public nuisance issues.



Note that representatives of Bowen National Research did not visit every residential street within Mason County. This analysis primarily focused on incorporated municipalities that have a residential zoning code (e.g., Ludington, Scottville). A more extensive survey of residential blight within the county would have likely uncovered additional residential units that exhibited characteristics of blight.

A map illustrating the approximate location of residential blight in Mason County is included on the following page.

- Blight
- West
- East



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

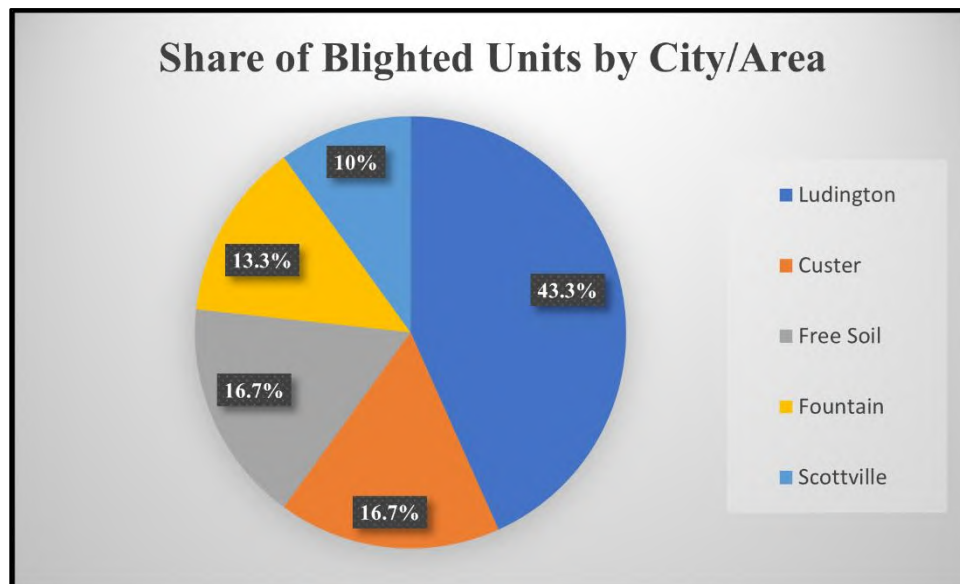
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Based on the preceding map, the following illustrates the total number and share of blighted residential units identified by city or area within Mason County.

Residential Blight – Mason County		
City/Area	Number of Units	Share of Units
Ludington	13	43.3%
Custer	5	16.7%
Free Soil	5	16.7%
Fountain	4	13.3%
Scottville	3	10.0%
<b>Mason County Total</b>	<b>30</b>	<b>100.0%</b>

Source: Bowen National Research



As indicated by the preceding table and chart, blighted residential structures are primarily located in the Ludington area, accounting for just over 40% of all blighted residential units found in the county. Ludington is also the largest city in Mason County, in both square mileage and total population. Instances of blight are relatively evenly distributed in the other lesser-populated areas of the county. Note that Ludington consists of established neighborhoods that include a significant number of older residential structures.



The following table identifies streets within Mason County communities and areas that contain blighted residential units.

Abandoned Homes/Homes in Disrepair (Mason County)			
City/Area	Street	Homes Abandoned or in Disrepair	Share of Blighted Homes
Custer	Custer Road/S. Custer Road	4	13.3%
	East Chauvez Road	1	3.3%
	<b>Total</b>	<b>5</b>	<b>16.6%</b>
Fountain	East Fountain Road	1	3.3%
	East Main Street	1	3.3%
	North William Street	2	6.7%
	<b>Total</b>	<b>4</b>	<b>13.3%</b>
Free Soil	East Free Soil Road	2	6.7%
	Michigan Street	1	3.3%
	North Quarterline Road	1	3.3%
	U.S. Highway 31	1	3.3%
	<b>Total</b>	<b>5</b>	<b>16.6%</b>
Ludington	2 <sup>nd</sup> Street	1	3.3%
	East Danaher Street	1	3.3%
	East Foster Street	1	3.3%
	East Pere Marquette Street	1	3.3%
	North Harrison Street	1	3.3%
	North James Street	1	3.3%
	North Lakeshore Drive	1	3.3%
	South Pere Marquette Hwy	3	10.0%
	South Washington Avenue	2	6.6%
	West Kistler Road	1	3.3%
	<b>Total</b>	<b>13</b>	<b>43.3%</b>
Scottville	South Scottville Road	1	3.3%
	U.S. Highway 10	1	3.3%
	U.S. Highway 31	1	3.3%
	<b>Total</b>	<b>3</b>	<b>9.9%</b>
<b>Grand Total</b>		<b>30</b>	<b>~100.0%</b>

Source: Bowen National Research

Note: Streets with at least three homes abandoned and/or in disrepair displayed in red font

As the previous table illustrates, the identified blighted residential units in Mason County are generally scattered and are seldom concentrated along specific roadways. The 13 identified homes in Ludington are located on 10 separate streets; conversely, four of the five homes identified in Custer are situated along Custer Road/South Custer Road. Only the city of Ludington has greater than four roadways containing homes that were identified as abandoned or in disrepair. The preceding list of streets, as well as areas noted on the preceding map, 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 immigration 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 Mason County. Real estate listings and information from the county tax assessor were also used to supplement the 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 (Mason County). The investigation resulted in 30 properties being identified. Of the 30 total properties, 15 properties contain at least one existing building that is not necessarily vacant and may require demolition, new construction or adaptive reuse. The remaining 15 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 Mason 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 Mason County are presented in the following table:

Potential Housing Development Sites – Mason County						
Map Code	Street Address	City/Town	Year Built	Building Size (Sq. Ft.)	Land Size (Acres)	Zoning or Property Class
1	507 E. Foster St.	Ludington	N/A	N/A	2.06	R-2A - General Single-Family Residential
2	1010 S. Washington Ave.	Ludington	N/A	N/A	1.28	G-1 Government Service District
3	201 E. Foster St.*	Ludington	1940	N/A	0.39	R3-A (multifamily residential)
4	402 S. Washington Ave.	Ludington	N/A	N/A	0.24	LC - Limited Commercial
5	821 S. Washington Ave.	Ludington	N/A	N/A	0.10	W - Waterfront District
6	3240 U.S.-10	Ludington	-	-	33.57	C-2 Neighborhood Commercial
7	Amber Rd. and U.S.-10*	Scottville	-	-	29.00	C-3 Mixed-Use Traditional
8	Myers Rd. & U.S.-10*	Scottville	-	-	27.00	C-1 Hwy Commercial (includes multifamily)
9	S. Pere Marquette Highway & U.S.-10*	Ludington	-	-	20.00	C-2 Commercial (includes multifamily)
10	U.S.-10	Scottville	-	-	13.57	C-2 Neighborhood Commercial
11	Brye Rd. & U.S.-10*	Ludington	-	-	12.00	C-1 Hwy Commercial (includes multifamily)
12	302 E. Johnson Rd.	Scottville	-	-	4.06	RE - Rural Estates
13	509 Lake St.	Ludington	-	-	1.97	W - Waterfront District
14	1892 U.S.-10	Ludington	-	-	1.59	C-2 Neighborhood Commercial
15	N. U.S. Highway 31	Free Soil	-	-	1.27	Residential
16	N. Jebavy Dr. & W. King Dr.	Ludington	-	-	1.06	C-1 Neighborhood Commercial
17	368 N. Jebavy Dr.	Ludington	-	-	0.95	C-1 Neighborhood Commercial
18	4744 U.S.-10	Ludington	-	-	0.93	C-1 Highway Commercial
19	302 S. James St.	Ludington	-	-	0.22	MC - Maritime Commercial
20	106 W. Danaher St.	Ludington	-	-	0.19	W/WM-1 (Waterfront/ Waterfront Maritime 1)
21	510 Lake St.*	Ludington	1924	29,156	4.84	W- Waterfront District
22	209 S. Main St.*	Scottville	1950	14,276	0.63	HC - Highway Commercial
23	509 Third St.	Ludington	1955	13,355	0.96	R-2A - General Single-Family Residential
24	239 N. Jebavy Dr.	Ludington	N/A	11,180	5.12	C-1 Neighborhood Commercial
25	472 S. Pere Marquette Highway	Ludington	1975	9,838	4.94	I - General Industrial District
26	5167 N. U.S. Highway 31	Scottville	1946	6,100	1.00	C-2 Neighborhood Commercial
27	209 N. Main St.*	Scottville	1883	6,000	0.37	CBD - Central Business District
28	501 E. Ludington Ave.	Ludington	1876	3,859	0.31	LC - Limited Commercial
29	307 S. James St.	Ludington	1890	3,150	0.10	MC - Maritime Commercial
30	4410 S. Pere Marquette Highway	Ludington	1913	2,006	1.33	AG - Agricultural

Sources: LoopNet, Realtor.com, Regrid.com and several other real estate websites.

\*Property provided by Mason County Chamber Alliance

N/A – Not Available

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 (Mason 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 30 properties that are potentially capable of accommodating future residential development via new construction or adaptive reuse. The 30 identified properties listed in the preceding table represent approximately 171 acres of land and at least 98,000 square feet of existing structure area. Six of the identified properties consist of over 10 acres of land each, providing the ability to develop large residential projects that may include single-family homes or multifamily housing. A total of 15 properties have at least one existing building or structure, of which square footage of existing buildings or structures were verified for 10 of the 15 properties. The buildings that have verified square footage range in size from just over 2,000 square feet to nearly 30,000 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 sufficient housing development sites within the PSA to support an increase of residential development, the location within the PSA where new residential units will have the greatest opportunity for 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 vacant or undeveloped parcels and buildings identified for potential residential development sites are primarily located within the city of Ludington or have a Ludington address (22 sites). As such, the sites within or near Ludington are likely most conducive to new residential units due to the proximity of area services and employment opportunities. An additional seven properties have a Scottville address or are within the Scottville city limits while the remaining potential site is located in Free Soil.

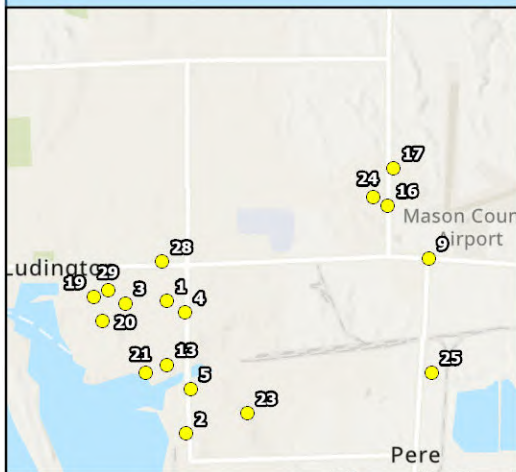
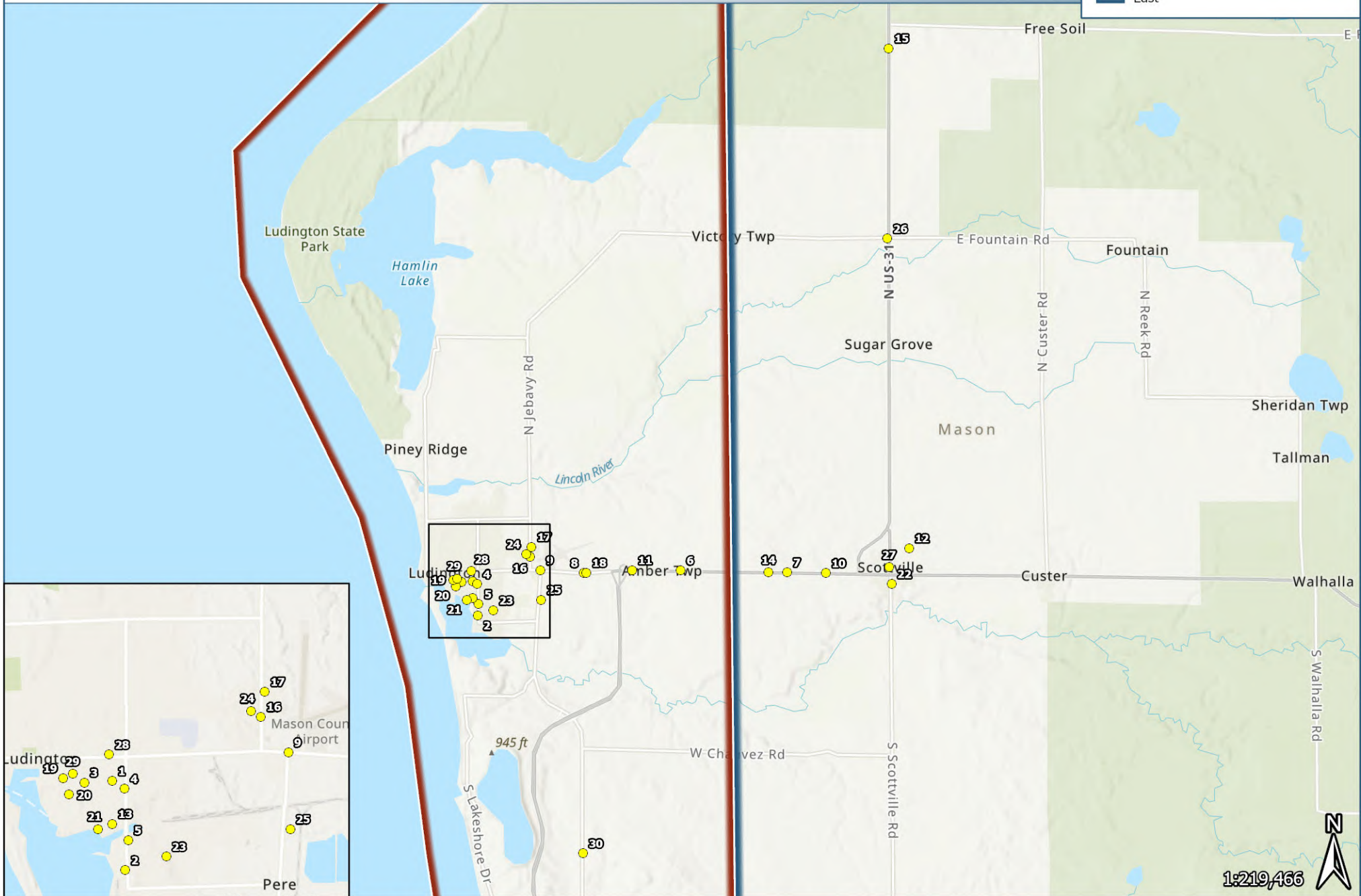
The availability of infrastructure, including water, sewer, roads, electric power, natural gas, and broadband, is a critical factor in determining where real estate development occurs. As higher population densities and taller, multistory structures are directly correlated with lower housing costs, Mason 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 30 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 Mason County property tax records. Of the total acreage identified among the 30 potential housing development sites, 2.7% of the acreage (4.68 acres) is located among four properties within a residential zoning district or that have a residential property class designation. One property (29.00 acres) is located in a mixed-use zoning district while 16 properties (118.29 acres) have a form of commercial zoning designation applied to the parcel. This includes Highway Commercial, Limited Commercial, Maritime Commercial and Neighborhood Commercial. The remaining nine properties, consisting of 19.08 acres, are either zoned Agricultural, Central Business District, Government Service District, Industrial, Rural Estates, Waterfront District or Waterfront Maritime.

According to zoning ordinances defined by the city of Ludington, the city of Scottville, Pere Marquette Township and Mason County, the majority of these non-residential zoning designations also allow for residential development if requirements are met. *Multifamily residential*, the *Adaptive Reuse of existing buildings* and *Residential Uses above the first floor* are examples of development that is either permitted or categorized as a special land use under the various commercial and waterfront zoning designations that were mentioned. Further, Agricultural and Rural Estates zoning allows for the potential development of detached single-family residences, as well as the special land uses of *farm labor housing*, *cluster housing* and *transitional or emergency housing*. These permitted and conditional allowances create a greater possibility for residential development throughout the county.

Maps illustrating the location of the 30 potential housing development opportunity properties are on the following pages. The Map Code number in the summary table on page VII-25 is used to locate each property.





## **F. SPECIAL NEEDS POPULATIONS**

As part of this analysis, we collected and evaluated data relative to a variety of special needs populations in Mason County. The following table identifies the various special needs populations that were evaluated in this report and the respective size of each population within the county.

Special Needs Populations	
Group	Number
Persons with Developmental Needs	1,206*
Homeless	72**
Substance Abuse Disorder	695
Veterans	1,957

Sources: U.S. Census Bureau, American Community Survey (Tables S2101 and S1810 5-year estimates (2017-2021), C0C/Local Planning Body Coordinated Entry System; Balance of State CoC (includes 61 counties); Centers for Disease Control and Prevention Overdose Deaths September 2021 – September 2022

\*Based on number of persons with a Cognitive Disability from Table S1810

\*\*Based on 2022 PIT Count for Mason County according to the West Michigan Housing Network

Based on the preceding table, the largest special needs population evaluated in this report is the population of veterans which consists of 1,957 people. Over 1,200 people in the county are persons with a developmental need, approximately 695 people have a substance abuse disorder, and about 72 people are homeless within Mason County, Michigan. Although the estimates of persons in the other special needs populations that were evaluated are smaller than the veteran's population, the challenges experienced by these groups are equally unique and severe. As a result, all of these special needs populations should be kept in mind as policies, programs, and incentives are developed to meet the overall housing needs of Mason County. These groups are evaluated further in the following narratives.

### **Persons with Developmental Needs**

According to the Centers for Disease Control and Prevention (CDC), “developmental disabilities are a group of conditions due to an impairment in physical, learning, language, or behavior areas. These conditions begin during the developmental period, may impact day-to-day functioning, and usually last throughout a person's lifetime.” Such disabilities could include, but are not limited to, attention-deficit/hyperactivity disorder (ADHD), autism spectrum disorder, cerebral palsy, hearing loss, learning disability, and/or vision impairment.

The United States Census Bureau collects data on six disability types which include hearing difficulty, vision difficulty, cognitive difficulty, ambulatory difficulty, self-care difficulty, and independent living difficulty. According to the Census Bureau, any person that reports at least one of these six disability types is considered to be disabled. However, as a single person could have more than one type of disability, we have limited our analysis of developmentally disabled persons to those who have a cognitive (mental/intellectual) disability.

The following table summarizes the estimated number of persons (1,206) with a developmental disability in Mason County and the state of Michigan based on the preceding criteria. While seniors ages 65 and older could have a developmental disability, we excluded seniors from this analysis as many of them could have a cognitive disability associated with dementia or Alzheimer's that may overstate any conclusions we may draw of persons with cognitive disabilities. It is important to note that not all of the persons shown in the table are developmentally disabled and that many of these households are also included in other special needs groups (e.g., homeless, persons with mental illness, persons with substance abuse disorder, etc.). For the purposes of this analysis, we have assumed anyone with a cognitive (mental/intellectual) disability is likely a person with a developmental disability.

Population with a Disability by Disability Type Ages 64 and Under (noninstitutionalized)			
Location	Cognitive		Total Population (Age ≤ 64)
	Number	Share*	
Mason County	1,206	5.6%	21,565
State of Michigan	423,980	5.2%	8,184,006

Source: American Community Survey 2017-2021 Five-Year Estimates (S1810)

\*Share applied to 2022 estimated population ages 64 and under

Based on data outlined in the preceding table, an estimated 1,206 people in Mason County are likely developmentally disabled. Such disabilities may limit a person's education, employment opportunities, and/or their quality of life. As the earning capacity of some disabled individuals could be limited, the access to affordable housing alternatives and certain services are important to this special needs population.

The West Michigan Community Mental Health clinic, located in Ludington in Mason County, provides services to persons living with developmental disabilities in the Mason County area. This organization offers assessments and screening, outpatient therapy, care management, skills building, integrated employment services, respite care, medication and health services, autism services, and more.

Note that several programs exist at the state and federal levels that could potentially create additional housing opportunities for persons with a disability. The Behavioral Health and Developmental Disabilities Administration of Michigan administers Medicaid waivers to individuals with a developmental disability and provides policy direction for county-based community mental health services programs for adults and children. A Targeting Program through the Department of Health and Human Services requires 10% of all the rental units developed using the Low-Income Housing Tax Credit (LIHTC) program to be reserved for persons with a disability. The State Disability Assistance Program (SDA) is a program that provides bi-weekly cash grants for individuals living with a disability in Michigan. Grants may be used for costs such as buying food, paying bills, housing, and transportation. Additionally, best practices recommended by a Duke University Sanford School of Public Policy 2018 document include home purchasing assistance grants, home modification loan programs, restructured density bonuses to include accessibility, housing developer assistance programs, and the Section 811 program to assist those with disabilities.

## Homeless

Mason County is located within the Michigan Balance of State Continuum of Care (also referred to as Michigan Balance of State CoC, MI-500, and MIBOSCOC) which was created to maintain and develop services and resources for people experiencing homelessness. The Michigan Balance of State CoC consists of 61 counties within the state of Michigan, including Mason County. The most recent Point-In-Time (PIT) homeless count for the Michigan Balance of State CoC occurred in January 2023; however, for some categories the most up-to-date data available is from the 2022 PIT count. *Note that while the 2022 PIT count for Mason County estimated there was a total of 72 homeless individuals, we were not able to collect Mason County PIT counts for the remaining categories, so the Balance of State CoC counts were used.*

According to some resources, 2020 through 2022 PIT counts conducted around the United States may not be considered accurate due to COVID-related issues that impacted the ability to locate and survey homeless people. Although these PIT counts are included in this analysis, it is important to keep in mind that these numbers are likely skewed due to COVID. It should also be noted that although PIT counts are widely used to estimate the homeless population of a given area, the data represents a one-day count of the homeless and can be affected by a number of factors including weather, resources, and methodologies; therefore, the numbers can fluctuate significantly from year to year and on any given day within a year.

A summary of the PIT homeless counts in the Michigan Balance of State CoC is provided to gain insight into the region's homeless population. The following table summarizes the homeless population in the Michigan Balance of State CoC by shelter status from 2017 to 2023.

Homeless Population by Shelter Status – Michigan Balance of State CoC (Share of Total Homeless Population)								
Shelter Status	2017	2018	2019	2020	2021	2022	2023	Average 2017-2023
Emergency Shelter	1,012 (65.3%)	900 (63.7%)	887 (68.3%)	937 (62.4%)	781 (77.0%)	908 (57.3%)	932 (54.9%)	908 (63.2%)
Transitional Housing	295 (19.0%)	313 (22.2%)	277 (21.3%)	293 (19.5%)	233 (23.0%)	361 (22.8%)	297 (17.5%)	296 (20.6%)
Unsheltered	242 (15.6%)	200 (14.2%)	134 (10.3%)	272 (18.1%)	0 (0%)	316 (19.9%)	469 (27.6%)	233 (16.2%)
<b>Total Homeless Population</b>	<b>1,549 (100.0%)</b>	<b>1,413 (100.0%)</b>	<b>1,298 (100.0%)</b>	<b>1,502 (100.0%)</b>	<b>1,014 (100.0%)</b>	<b>1,585 (100.0%)</b>	<b>1,698 (100.0%)</b>	<b>1,437 (100.0%)</b>

Sources: 2017-2023 PIT Counts (<https://www.hudexchange.info/> for 2017-2022 and <http://www.miboscoc.com/> for 2023)

In January 2023, a total of 1,698 homeless persons were counted in the Michigan Balance of State CoC. Over half of the homeless persons counted (54.9%) were in emergency shelters, 17.5% of homeless persons were in transitional housing, and 27.6% were unsheltered. Overall, the total homeless population in the Michigan Balance of State CoC over the seven-year period ranged from a low of 1,014 people to a high of 1,698 people with an average of 1,437 homeless people counted per



year. On average, nearly two-thirds (63.2%) of all homeless persons counted were in emergency shelters, 20.6% were in transitional housing, and 16.2% were unsheltered.

The following table summarizes the Michigan Balance of State CoC homeless population by subpopulation based on the PIT counts from 2016 to 2022.

Homeless Subpopulations by Select Group– Michigan Balance of State CoC (Share of Total Homeless Population)								
Subpopulation	2016	2017	2018	2019	2020	2021	2022	Average 2016-2022
Chronically Homeless	44 (2.9%)	59 (3.8%)	57 (4.0%)	81 (6.2%)	124 (8.3%)	54 (5.3%)	114 (7.2%)	76 (5.4%)
Veterans	68 (4.4%)	63 (4.1%)	71 (5.0%)	51 (3.9%)	59 (3.9%)	52 (5.1%)	68 (4.3%)	62 (4.4%)
Unaccompanied Youth Households (Under Age 25)	169 (11.0%)	139 (9.0%)	143 (10.1%)	84 (6.5%)	86 (5.7%)	60 (5.9%)	83 (5.2%)	109 (7.7%)
<b>Total Homeless Population</b>	<b>1,536 (100.0%)</b>	<b>1,549 (100.0%)</b>	<b>1,413 (100.0%)</b>	<b>1,298 (100.0%)</b>	<b>1,502 (100.0%)</b>	<b>1,014 (100.0%)</b>	<b>1,585 (100.0%)</b>	<b>1,414 (100.0%)</b>

Source: 2016-2022 PIT Counts (<https://www.hudexchange.info/>); 2023 data not found at time of study for these categories

As the preceding table illustrates, most homeless persons in the Michigan Balance of State CoC do not identify with a specific subpopulation. The annual PIT counts from 2016 to 2022 in the Michigan Balance of State CoC identified an average of 76 (5.4%) chronically homeless persons, 62 (4.4%) homeless veterans, and 109 (7.7%) members of an unaccompanied youth household under the age of 25.

The following table summarizes the Michigan Balance of State CoC homeless population by age based on the PIT counts from 2017 to 2023.

Homeless Population by Age Cohort – Michigan Balance of State CoC (Share of Total Homeless Population)								
Age	2017	2018	2019	2020	2021	2022	2023	Average 2017-2023
Under Age 18	488 (31.5%)	444 (31.4%)	404 (31.1%)	438 (29.2%)	349 (34.4%)	485 (30.6%)	490 (28.9%)	443 (30.8%)
Age 18 to 24	167 (10.8%)	154 (10.9%)	123 (9.5%)	122 (8.1%)	94 (9.3%)	110 (6.9%)	141 (8.3%)	130 (9.0%)
Age 25+	894 (57.7%)	815 (57.7%)	771 (59.4%)	942 (62.7%)	571 (56.3%)	990 (62.5%)	1,067 (62.8%)	864 (60.1%)
<b>Total Homeless Population</b>	<b>1,549 (100.0%)</b>	<b>1,413 (100.0%)</b>	<b>1,298 (100.0%)</b>	<b>1,502 (100.0%)</b>	<b>1,014 (100.0%)</b>	<b>1,585 (100.0%)</b>	<b>1,698 (100.0%)</b>	<b>1,437 (100.0%)</b>

Sources: 2017-2023 PIT Counts (<https://www.hudexchange.info/> for 2017-2022 and <http://www.miboscoc.com/> for 2023)

Note: Number represents the total number of individuals within cohort, not households

As illustrated in the preceding table, an average of 60.1% of the homeless population identified in the Michigan Balance of State CoC from 2017 to 2023 is over the age of 25. Note that, on average, 30.8% of homeless persons identified in the Michigan Balance of State CoC were children.

The total number of units and beds available to the homeless population among Michigan Balance of State CoC participants is summarized in the following table:

Number of Beds & Units Targeting Homeless Population (Michigan Balance of State CoC)							
Housing Type	Family Units	Family Beds	Adult-Only Beds	Child-Only Beds	Seasonal	Overflow/Voucher	Total Beds (year-round)
Emergency Shelter	241	769	732	11	45	15	1,512
Transitional Housing	102	303	159	5	N/A	N/A	467
Permanent Supportive Housing	61	199	290	0	N/A	N/A	489
Rapid Re-Housing	136	467	241	0	N/A	N/A	708
Other Permanent Housing	57	184	63	0	N/A	N/A	247
<b>Total</b>	<b>597</b>	<b>1,922</b>	<b>1,485</b>	<b>16</b>	<b>45</b>	<b>15</b>	<b>3,423</b>

Source: Housing Inventory Count Report – HUD 2022 CoC (MI-500: Michigan Balance of State CoC)

N/A – Not Applicable

Note: Total Beds (year-round) is Family Beds plus Adult-Only beds plus Child-Only Beds

According to the most recent Housing Inventory Count (HIC) Report published by HUD, a total of 3,468 beds (3,423 year-round and 45 seasonal) are available to homeless persons in the Michigan Balance of State CoC, with beds distributed throughout the CoC's 61 counties. The providers and shelters within Mason County that reported during the 2022 HIC include Communities Overcoming Violent Encounters (Cove-Mason), True North Community Services (CSA Mason), and the Michigan State Housing Development Authority Mason Emergency Housing Vouchers (MSHDA Mason EHV). Other shelters within Mason County that were not listed in the 2022 HIC include the Staircase Youth Services, Jericho House, Goodwill Industries of West Michigan, Hospitality in the Name of Christ, and Hands Extended Loving People. According to the West Michigan Housing Network 2022 housing inventory counts, there were a total of 21 beds available for the homeless population within Mason County, though it is important to note that the number of beds may vary from year to year, and the number of beds per shelter was not verified at time of study. Of the 1,698 homeless persons in 2023 in the Michigan Balance of State CoC, approximately 469 were unsheltered. As such, while there seems to be significant capacity for the homeless population within the Michigan Balance of State CoC, there appears to be many homeless persons that remain unsheltered in the region.

### Substance Abuse Disorder

Substance abuse is a primary contributor to issues that eventually lead to an individual's housing challenges, including homelessness. This section of the report provides data and analysis regarding individuals with a substance abuse disorder. National statistics provided by the National Center of Drug Abuse Statistics in 2020 (latest available) indicated that 20.4% of persons that drink alcohol reported having an alcohol use disorder, 25.4% of illegal drug users have a drug use disorder, and approximately 50% of people ages 12 and older reported to have illicitly used drugs in their lifetime.



According to the Centers for Disease Control and Prevention (CDC), over 107,000 people died in 2021 from drug overdoses in the United States, with 3,089 overdose deaths occurring in Michigan. The 3,089 overdose deaths accounted for approximately 2.9% of all overdose deaths in the United States in 2021. The CDC also publishes monthly statistics for provisional drug overdose deaths by county. In Mason County, a total of approximately 40 drug overdose deaths occurred during a recent 19-month period (March 2021 to September 2022), reflecting an average of 2.1 drug overdose deaths a month.

According to the [Substance Abuse and Mental Health Services Administration \(SAMHSA\)](#), during the National Survey of Substance Abuse Treatment Services survey (N-SSATS) on March 31, 2020 (the data represents a one-day count), an estimated 27,127 clients were in substance abuse treatment in Michigan. This loosely represents 3% of the statewide adult population. Applying this share to Mason County's adult population ages 18 and older yields an estimated 695 (applied to the 18 years and older population of Mason County, MI 2017-2021 Census 5-year ACS, which was 23,165) adult residents in the county that could potentially have a substance abuse disorder. While this estimate does not reflect all persons with a substance abuse disorder, it provides some scale of the possible prevalence of substance abuse within the county.

There are two Oxford Houses (community-based approach to addiction recovery offering a sober-living home often run by residents) as well as six state operated healthcare facilities that can treat individuals with substance abuse disorders in Michigan. Both Oxford Houses in the state are located in Grand Rapids, just under an hour and a half drive away from Ludington, the county seat in Mason County. The West Michigan Community Mental Health clinic has one of three locations in Ludington and provides outpatient treatment for individuals with substance abuse disorder including individual and group therapy, care management, recovery coaching, medication assisted treatment, residential treatment, and withdrawal management services. Though located in the city of Marne in Ottawa County Michigan, the Sanford West Behavioral Health Campus, which also serves residents in Ludington, provides drug addiction treatment. Services include residential treatment, partial hospitalization, detox treatment, medication-assisted treatment, intensive outpatient programs, and family counseling.

Based on this research, Mason County appears to have limited treatment facilities and lacks short-term and longer-term transitional housing alternatives for this special needs population. As part of this Housing Needs Assessment's Community Input Analysis Survey, when stakeholder respondents were asked to rank the need for additional housing for persons with substance abuse problems, all respondents indicated that the different housing types were either highly or moderately needed in all housing categories (Emergency Shelter, Group Homes, Permanent Supportive Housing, and Transitional Housing). The lack of such housing can lead to homelessness.

## Veterans

Veterans, who typically comprise a notable share of a community's population, often experience challenges with securing proper healthcare, education, employment, and housing for a variety of reasons. According to the five-year American Community Survey (2017-2021), there are approximately 1,957 veterans within Mason County, representing about 8.5% of the adult population, which was 23,158 total people 18 years and older.

The following table illustrates the number and share of the veteran population by age group in Mason County (Note: the percentages shown in the table are reflective of the total civilian population and veteran population separately).

Mason County, Michigan				
Age Group	Civilians		Veterans	
	Number	Percent	Number	Percent
18 to 34 years	4,936	23.3%	131	6.7%
35 to 54 years	6,115	28.8%	265	13.5%
55 to 64 years	4,396	20.7%	336	17.2%
65 to 74 years	3,626	17.1%	611	31.2%
75 years and over	2,128	10.0%	614	31.4%
Total	21,201	100.0%	1,957	100.0%

Source: United States Census Bureau (Table S2101: American Community Survey 2017-2021)

As the preceding table illustrates, veterans are generally older than the civilian population with the greatest shares of veterans among the 65 to 74 age group and the 75 and over age group.

The following table compares median income, the share of the population with income below the poverty level, the unemployment rate, and the disability status of the veteran and civilian populations in Mason County and the state of Michigan.

Income, Employment, and Disability Status Comparison (Veterans versus Non-Veterans) - 2021		
	Mason County	Michigan
<b>Median Income</b>		
-Veterans	\$32,163	\$41,796
-Non-Veterans	\$29,152	\$32,466
<b>Income Below Poverty Level (Past 12 Months)</b>		
-Veterans	7.7%	7.2%
-Non-Veterans	12.3%	12.3%
<b>Unemployment Rate</b>		
-Veterans	1.8%	4.6%
-Non-Veterans	4.5%	6.2%
<b>Disabled (At Least One Disability)</b>		
-Veterans	34.5%	31.1%
-Non-Veterans	18.4%	15.8%

Source: U.S. Census Bureau, 2017-2021 American Community Survey (S2101)

The median income of veterans in Mason County is typically higher than the median income of non-veterans, and veterans are less likely to be living below the poverty level compared to non-veterans in the county. As the preceding table illustrates, veterans living in Mason County had a per-person annual median income of \$32,163 in 2021, which is a higher per-person median income compared to non-veterans in the county (\$29,152). A lower share of veterans in Mason County (7.7%) lived below the poverty level when compared to non-veterans (12.3%). The unemployment rate among veterans in the county (1.8%) is also below the unemployment rate for non-veterans (4.5%).

It should be noted that a higher share (34.5%) of veterans have at least one disability compared to non-veterans (18.4%). This higher share of veterans with a disability is often afflicted by homelessness. According to the Disabled Veterans National Foundation (DVNF), over half of the homeless veterans have disabilities.

The following table illustrates the number of homeless veterans identified during the annual Point-in-Time (PIT) counts from 2016 to 2022 in the Michigan Balance of State CoC. Mason County is one of 61 counties represented in the Michigan Balance of State CoC.

Homeless Veterans Michigan Balance of State CoC Annual PIT Counts	
Year	Total
2016	68
2017	63
2018	71
2019	51
2020	59
2021	52
2022	68

Source: HUD PIT counts by CoC (2016-2022); 2023 Veteran PIT Counts not found

The number of homeless veterans within the Michigan Balance of State CoC between 2016 and 2022 ranged between 51 and 71. Note that in 2022, of the 1,585 overall homeless persons identified in the Michigan Balance of State CoC, only 68 (4.3%) identified as veterans. Additionally, only 273 of the 3,468 total beds (3,423 year-round and 45 seasonal) for homeless persons within the CoC are designated for veterans. Over half (160) of these “beds” are tenant-based VASH vouchers provided through Veterans Affairs distributed throughout the CoC. Notable shelters that provide five or more beds for veterans within the Michigan Balance of State CoC include 23 beds at Goodwill Industries Patriot Place in Gaylord (over 150 miles from Ludington), and 11 beds located within Alger-Marquette Community Action Board (AMCAB) shelter in Dickinson County, which is over 230 miles from Mason County. None of the beds designated for veterans are located within Mason County, though VASH case managers may assist individuals in applying for VASH vouchers, which are administered by HUD and the U.S. Department of Veterans Affairs. While many services are provided to veterans at the national and state levels, very few affordable housing options are specifically designated for veterans. During the survey of multifamily housing conducted by Bowen National Research,

there were no housing units identified in Mason County designated specifically for veterans. In addition, there was no record of a housing authority based in Mason County receiving HUD-VASH Vouchers (issued to low-income veterans) in recent years. As such, this may signal a need for additional housing options for veterans, especially among the veterans with a disability that reside in Mason County.

Based on this research, Mason County as a whole appears to have access to treatment facilities and housing for some special needs populations but may not have enough resources for certain populations. For example, Mason County seems to have limited treatment facilities and lacks short-term and longer-term transitional housing alternatives for those with a substance abuse disorder. Such housing should be a consideration for future housing plans in the county. Though resources are available in neighboring counties, individuals residing in Mason County who do not have access to a car or public transportation may have difficulty obtaining care and housing specific to their special needs.

## 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 (Mason County). The assessment includes demand from a variety of sources and focuses on the housing demand potential of Mason 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 Mason 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 Mason 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 Mason County, we focused the rental housing demand estimates on the metrics that only impact the PSA (Mason 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 5.0% of renter households in Mason 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 Mason County but commute from outside of the county and would consider moving to Mason 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 Mason 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 3,305 commuters traveling into the PSA (Mason County) from areas outside of the county. For the purposes of this analysis, we have used a conservative demand ratio of up to 35% to estimate the demand that could originate from outside of Mason 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 Mason County by affordability level.

Mason 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	-162	34	45	32
Balanced Market*	76	19	18	13
Replacement Housing**	156	27	9	3
External Market Support^	84	37	28	24
Severe Cost Burdened^^	252	126	42	0
Step-Down Support	49	-20	-14	-14
Less Pipeline Units	0	0	0	0
<b>Overall Units Needed</b>	<b>455</b>	<b>223</b>	<b>128</b>	<b>58</b>

\*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 Mason 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 Mason County over the five-year projection period. Overall, there is a housing need for 864 additional rental units in the county over the next five years. The housing gaps range from a low of 58 units needed with rents at \$2,272 or higher to a high of 455 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 slightly higher share of three-person or larger households than the state, which will 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 area of Ludington. 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 (Mason 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 (Mason 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 (Mason 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 0.7% of owner households in Mason 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 3,305 people commute into Mason 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 20% to estimate the demand that could originate from outside of Mason 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 Mason County by affordability level.

Mason 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	-366	-177	43	627
Balanced Market*	74	46	53	73
Replacement Housing**	37	14	7	5
External Market Support^	143	105	108	160
Severe Cost Burdened^^	369	185	61	0
Step-Down Support	34	74	237	-346
Less Pipeline Units	0	0	0	0
<b>Overall Units Needed</b>	<b>291</b>	<b>247</b>	<b>509</b>	<b>519</b>

\*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 Mason 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 1,566 units over the five-year projection period. While all 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 (519 units) and housing priced between \$201,868 and \$302,800 (509 units). There are also notable gaps of over 200 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 (Mason 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 43 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 Mason 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 Mason 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 (Mason 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 Mason 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 Mason County housing issues and the factors influencing housing decisions by its residents, developers and others, Bowen National Research conducted an online survey of area stakeholders. This survey was conducted during March and April of 2023. A total of 18 respondents representing community leaders (stakeholders) from a broad field of expertise participated in the 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.

The survey instrument used for stakeholder input is included in Addendum D.

### B. STAKEHOLDER SURVEY RESULTS

A total of 18 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 18 respondents provided input to this question with the following distribution:

Stakeholder Respondents by Organization Type		
Type	Number of Respondents	Share of Respondents
Local Government/Municipal Official	8	44.4%
Nonprofit Organization	5	27.8%
Agency on Aging/Senior Services	3	16.7%
Economic Development Organizations	2	11.1%
Elected Official/Municipal Contact	2	11.1%
Faith Organization	1	5.6%
Housing Developer	1	5.6%
Housing Organization	1	5.6%
Landlord/Property Management	1	5.6%
Other	1	5.6%

Stakeholder respondents were asked to provide the degree that certain housing types are needed by price point within the county. A total of 17 respondents provided feedback to this question with the following results:

Housing Needs by Price Point			
Housing Type (Price Point)	Weighted Score*	Housing Type (Price Point)	Weighted Score*
Senior Care (income/assets <\$25,000)	100.0	For-Sale Housing (\$200,000-\$249,999)	53.3
Rental Housing (less than \$500/month)	97.1	Rental Housing (\$1,000-\$1,499/month)	50.0
For-Sale Housing (less than \$150,000)	90.0	For-Sale Housing (\$250,000-\$349,999)	36.7
Rental Housing (\$500-\$999/month)	88.2	Rental Housing (\$1,500+/month)	10.7
Senior Care (income/assets >\$25,000)	84.4	For-Sale Housing (\$350,000+)	3.6
For-Sale Housing (\$150,000-\$199,999)	83.3		

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

Stakeholder respondents were asked to provide the need for housing for specific populations within the county. A total of 17 respondents provided insight to this question with the following results:

Housing Needs by Population Served			
Population	Weighted Score*	Population	Weighted Score*
Family Housing (2+ bedrooms)	94.1	Housing for Millennials (Ages 25-39)	79.4
Moderate Workforce (\$30,000-\$60,000)	93.8	Rentals that Accept Housing Choice Vouchers	78.1
Low-Income Workforce (<\$30,000)	88.2	Higher Income Workforce (\$60,000+)	65.6
Senior Living (Independent Living)	87.5	Single-Person (Studio/One-Bedroom)	64.7
Senior Living (Asst. Living/Nursing Care)	81.3		

\*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 17 respondents provided feedback to this question with the following results:

Housing Needs by Style			
Housing Style	Weighted Score*	Housing Style	Weighted Score*
Ranch Homes/Single Floor Plan Units	81.3	Accessory Dwelling Units/Tiny Houses	61.8
Low Cost Fixer Uppers (Single-Family Homes)	81.3	Mixed-Use/Units Above Retail (Downtown Housing)	56.3
Multifamily Apartments	79.4	Single-Room Occupancy (SRO)	41.2
Traditional Two-Story Single-Family Homes	75.0	Manufactured/Mobile Homes	38.2
Duplex/Triplex/Townhomes	64.7	Condominiums	25.0

\*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 17 respondents provided insight to this question with the following distribution:

Housing Issues Experienced	
Issue	Weighted Score*
Rent Affordability	100.0
Home Purchase Affordability	100.0
Limited Availability	97.1
Investors Buying Property and Increasing Rents/Prices	90.6
Lack of Down Payment for Purchase	87.5
Substandard Housing (Quality/Condition)	85.3
Lack of Rental Deposit (or First/Last Month's Rent)	84.4
Overcrowded Housing	80.0
High Cost of Renovation	75.0
High Cost of Maintenance/Upkeep	75.0
Absentee Landlords	75.0
Lack of Access to Public Transportation	73.5
Foreclosure	60.0
Failed Background Checks	53.3

\*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 17 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	82.4
New Construction	77.9
Clear Blighted/Unused Structures to Create Land for New Development	76.6
Mixed-Use	70.6
Adaptive Reuse (i.e., Warehouse Conversion to Residential)	64.7

\*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 16 respondents provided insight to this question with the following results:

Priority of Funding Types	
Funding Type	Weighted Score*
Project-Based Rental Subsidy	89.1
Home Repair/Loan	85.9
Housing Choice Vouchers	79.7
Tax Credit Financing	78.3
Homebuyer Assistance	73.4

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

Several stakeholders that ranked the priority of housing types also provided open-ended responses, which are included below.

- “We have quite a few vouchers (in the county) but the process is difficult for people to accomplish. There are many families in need of home repair that are already in a pinch and cannot afford the fixes. Many substandard units.”
- “Rental or homebuyer assistance.”
- “We have to get away from the idea that everyone needs to own a home and so that’s why I have it as a lower priority.”
- “Many homes in Scottville have “good bones” but maintenance/upkeep has been lacking. Many owners are lower income who struggle to cover costs. New housing opportunities for all income levels needs to be made available.”
- “Low-income workforce can’t afford to buy.”

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 17 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	14	82.4%
Development Costs	12	70.6%
Cost of Land	11	64.7%
Cost of Infrastructure	10	58.8%
Lack of Public Transportation	9	52.9%
Financing	8	47.1%
Land/Zoning Regulations	6	35.3%
Availability of Land	5	29.4%
Lack of Buildable Sites	5	29.4%
Local Government Regulations (“red tape”)	5	29.4%
Neighborhood Blight	5	29.4%

Two stakeholders that selected common barriers and/or obstacles to residential development also provided open-ended responses, which are included below.

- “Zoning is a huge issue. We had a group wanting to put in transitional tiny homes for the homeless and the communities’ views/zoning won’t allow it.”
- “Lack of higher paying jobs for renters means less landlord income.”



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 16 respondents provided insight to this question with the most commonly cited options listed below:

Best Options to Reduce Barriers/Obstacles to Residential Development		
Initiatives to Reduce Barriers/Obstacles	Number of Respondents	Share of Respondents
Revisiting/Modifying Zoning (i.e., density, setbacks, etc.)	9	56.3%
Establishment of a Housing Trust Fund (focuses on preservation/development of affordable housing)	8	50.0%
Pooling of Public, Philanthropic, and Private Resources	8	50.0%
Collaboration between Public and Private Sections	7	43.8%
Housing Gap/Bridge Financing	7	43.8%
Educate the Public on the Importance of Different Types of Housing	6	37.5%
Establishment of Land Banks	6	37.5%
Government Assistance with Infrastructure	6	37.5%

Stakeholder respondents were given a list of initiatives and asked to identify three that should be areas of focus for the market. A total of 17 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	11	64.7%
Critical Home Repair	9	52.9%
Accessibility to Key Community Services (e.g., healthcare, childcare, etc.)	8	47.1%
Improving Public Transportation	8	47.1%
Renovating/Repurposing Buildings for Housing	7	41.2%
Removal/Mitigation of Residential Blight	6	35.3%
Unit Modifications to Allow Aging in Place	2	11.8%

Stakeholder respondents were asked to approximate the degree that housing negatively impacts local residents. A total of 17 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	97.1
Limits the Ability of Families to Grow/Thrive	85.3
Causes People to Live in Housing They Cannot Afford	79.4
Prevents Seniors from Living in Housing That Fits Their Needs	79.4
Causes People to Live in Unsafe Housing or Neighborhoods	76.5

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

Stakeholder respondents were asked to identify priorities to assist *renters* in the area. A total of 16 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
Rental Security Deposit Assistance	9	56.3%
Housing Resource Center	7	43.8%
Housing Counselor	7	43.8%
Properties that Meet Code/Life Safety Compliance	7	43.8%
Landlord/Tenant Conflict Resolution	5	31.3%
Rental Housing Inspection Program	4	25.0%

One stakeholder that identified priorities to assist renters provided an additional comment: “We need rental housing.”

Stakeholder respondents were asked to identify priorities to assist *homeowners* or buyers in the area. A total of 16 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	12	75.0%
Homebuyer Downpayment Assistance	10	62.5%
Homebuyer/Homeowner Education	10	62.5%
Home Weatherization Assistance	7	43.8%
Property Maintenance Education	7	43.8%
Credit Repair Assistance	6	37.5%
Housing Counselor	6	37.5%

As a follow up to questions asked in the survey, stakeholders were asked if there was anything else they would like to share about housing challenges in the county. Six stakeholders provided open-ended responses to this question, which are included below:

- “It is a community with money, so as much as I don’t think they mean to, they push out the low-income moderate families with rebuilding of housing that is not affordable. All of the rents have (gone) up sky high since the pandemic. People are expected to pay \$400 to \$600 more per month for units that were way cheaper (before the pandemic) yet they are still not renovated.”
- “Mason County is in dire need of affordable rental housing.”

- “The folks that I work with daily have job incomes that don’t allow them to secure a place to live. And, if they do find a place, lack of public transportation prevents them from selecting the location to live, because they can’t get to the job (second and third shifts). Also, the low paying jobs don’t allow for daycare expenses and living.”
- “I think it is covered.”
- “We do not have a shelter for women and children who are unhoused beyond COVE, our domestic violence shelter. We do have a men’s shelter that is open from November to April.”
- “Education of homebuyers/renters as well as building affordable units should be the main objective.”

Stakeholders were asked if they are knowledgeable of the homeless population or other special needs populations with regards to housing in the area. A total of 17 respondents provided feedback with the following distribution:

- Yes: **11 (64.7%)**
- No: **6 (35.3%)**

Stakeholders were then asked to rank the level of need for specialized housing types for specific special needs populations in the area. A total of 14 respondents provided insight to this question with the following weighted results:

Level of Need for Specialized Housing by Population Target	
Population Target	Weighted Score*
Homeless	90.0
Persons with Substance Abuse	90.0
Youth Aging Out of Foster Care/Unaccompanied Youth	85.7
Disabled/Mental Illness	84.6
Veterans	79.2

\*High Need = 100.0, Moderate Need = 50.0, Low Need = 0.0

Stakeholder respondents were asked to provide, in their opinion, the obstacles to the development of housing for homeless and/or special needs populations in the area. A total of 11 respondents provided insight to this question. Some key obstacles cited by stakeholders included the following:

- “The community is against it. They feel if we have a shelter, that it will bring homeless to the community.”
- “Funding to support the cost of construction, plus adequate funding to support the operations and cost to have supportive services provided.”
- “There are limited apartments/housing for low income families.”
- “Lack of rentals and affordability issues as well as failed background check(s).”
- “Homelessness goes beyond the fact of not being able to afford a place to live.”
- “NIMBY/‘Those People’ concerns.”

- “I’m not positive, but I think public perception may have something to do with it. I’m not sure people realize the level of homelessness we have in Mason County.”
- “Availability of housing in all areas is scarce and becoming less and less affordable.”

Stakeholder respondents were then asked to provide recommendations to address the needs of the homeless population and/or special needs populations in the area. A total of eight (8) respondents provided additional insight to this question. Some key recommendations and comments from stakeholders include the following:

- “TrueNorth is great, but the lack of community support can be difficult.”
- “Low barrier, all season access to emergency shelter for individuals as well as for whole families. Increasing the supply of rental units that are affordable to households with incomes below 50% of Area Median Income.”
- “Structured life skill programs, group residential settings, accountability, grace, time in a program, addiction rehab, transitional housing, financial and in kind support from the county government and agencies to name a few.”
- “Housing and education to become independent and productive members of society.”
- “Better community education and discussion about homelessness.”
- “Larger homes that are becoming undesirable for newer homeowners should be encourage(d) to transition to group home opportunities.”
- “We need a year-round shelter that accommodates women and children.”
- “Build homes. We need to deal with the mental health issues that in many of these situations create or significantly contribute to the homeless situation.”

#### Stakeholder Survey Conclusions

Based on the feedback provided by area stakeholders, it appears that Mason County is most in need of affordable rental and for-sale housing targeting low- and moderate-income families. In addition, it appears that there is a considerable need for senior-oriented housing, particularly for senior households with less than \$25,000 in assets. In regard to specific housing types, respondents consider ranch style/single floor plan units and low-cost fixer-upper homes among the top needs within the county. Rent affordability and home purchase affordability were each identified by stakeholders as the most common housing issues experienced in Mason County, while repair/renovation/revitalization of existing housing was identified as a top priority among stakeholders. In regard to funding for housing development or preservation, project-based rental subsidies and home repair loans were given higher priority among stakeholders. Cost of labor/materials, development costs, and cost of land were each identified as the most common barriers or obstacles to development within Mason County. Rental security deposit assistance was cited as a top priority to assist renter households while home repair assistance was identified as a top priority for homeowners. Overall, stakeholder

respondents tended to prioritize repair and/or renovation of existing housing stock while also focusing on ways to increase the supply of new residential units in the market (e.g., revisiting or modifying zoning regulations to change density or setback restrictions).

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

Mason County, Michigan Summary of Stakeholder Survey Results		
Category	Top Needs / Issues	Consensus
Housing Needs by Price Point	<ul style="list-style-type: none"> <li>• Senior Care (income/assets &lt;\$25,000)</li> <li>• Rental Housing (less than \$500/month)</li> <li>• For-Sale Housing (less than \$150,000)</li> <li>• Rental Housing (\$500-\$999/month)</li> </ul>	<b>100.0*</b> <b>97.1*</b> <b>90.0*</b> <b>88.2*</b>
Housing Needs by Population Served	<ul style="list-style-type: none"> <li>• Family Housing (2+ bedrooms)</li> <li>• Moderate Workforce (\$30,000-\$60,000)</li> <li>• Low-Income Workforce (&lt;\$30,000)</li> <li>• Senior Living (Independent Living)</li> </ul>	<b>94.1*</b> <b>93.8*</b> <b>88.2*</b> <b>87.5*</b>
Housing Needs by Style	<ul style="list-style-type: none"> <li>• Ranch Homes/Single Floor Plan Units</li> <li>• Low Cost Fixer Uppers (Single-Family Homes)</li> <li>• Multifamily Apartments</li> </ul>	<b>81.3*</b> <b>81.3*</b> <b>79.4*</b>
Housing Issues Experienced	<ul style="list-style-type: none"> <li>• Rent Affordability</li> <li>• Home Purchase Affordability</li> <li>• Limited Availability</li> <li>• Investors Buying Property and Increasing Rents/Prices</li> <li>• Lack of Down Payment for Purchase</li> </ul>	<b>100.0*</b> <b>100.0*</b> <b>97.1*</b> <b>90.6*</b> <b>87.5*</b>
Priority by Construction Type	<ul style="list-style-type: none"> <li>• Repair/Renovation/Revitalization of Existing Housing</li> <li>• New Construction</li> </ul>	<b>82.4*</b> <b>77.9*</b>
Priority by Funding Types	<ul style="list-style-type: none"> <li>• Project-Based Rental Subsidy</li> <li>• Home Repair/Loan</li> </ul>	<b>89.1*</b> <b>85.9*</b>
Common Residential Barriers	<ul style="list-style-type: none"> <li>• Cost of Labor/Materials</li> <li>• Development Costs</li> <li>• Cost of Land</li> <li>• Cost of Infrastructure</li> </ul>	<b>82.4%</b> <b>70.6%</b> <b>64.7%</b> <b>58.8%</b>
Reduction of Barriers	<ul style="list-style-type: none"> <li>• Revisiting/Modifying Zoning (i.e., density, setbacks, etc.)</li> <li>• Establishment of a Housing Trust Fund</li> <li>• Pooling of Public, Philanthropic, and Private Resources</li> </ul>	<b>56.3%</b> <b>50.0%</b> <b>50.0%</b>
Top Areas of Focus	<ul style="list-style-type: none"> <li>• Developing New Housing</li> <li>• Critical Home Repair</li> </ul>	<b>64.7%</b> <b>52.9%</b>
Housing Impact on Residents	<ul style="list-style-type: none"> <li>• Causes People to Live in Substandard Housing</li> <li>• Limits the Ability of Families to Grow/Thrive</li> </ul>	<b>97.1*</b> <b>85.3*</b>
Renter Assistance Priorities	<ul style="list-style-type: none"> <li>• Rental Security Deposit Assistance</li> </ul>	<b>56.3%</b>
Homeowner Assistance Priorities	<ul style="list-style-type: none"> <li>• Home Repair Assistance</li> <li>• Homebuyer Downpayment Assistance</li> <li>• Homebuyer/Homeowner Education</li> </ul>	<b>75.0%</b> <b>62.5%</b> <b>62.5%</b>
Specialized Housing Need by Target Population	<ul style="list-style-type: none"> <li>• Homeless</li> <li>• Persons with Substance Abuse</li> </ul>	<b>90.0*</b> <b>90.0*</b>

\*Denotes weighted score

## X. REGIONAL COMPETITIVENESS

### A. INTRODUCTION

As part of this study, we conducted a comparison of numerous demographic, economic and housing supply metrics of the subject county with four other regional counties in Michigan. The purpose of this section is to illustrate how the subject study area compares and competes with other counties in the region in terms of the people that live there (and their attributes), the economic conditions, trends and workforce wages, and housing characteristics including availability of housing, housing costs, home values, and the typical age and quality of housing. By understanding these characteristics and trends, area stakeholders and residents can better understand the county's competitive strengths that can be leveraged and weaknesses that may need to be addressed that could enhance the subject county's competitive position.

The following tables compare key demographic, economic and housing data characteristics and trends for the subject county (Mason County) with the selected comparable counties of Manistee, Mecosta, Oceana, and Wexford. The comparable counties were all selected based on population size, socioeconomic similarities with the subject county, and the regional commuting and migration trends of these areas. Unless otherwise noted in parenthesis next to the data set, the data supplied for each metric is for 2022. Note that some metrics provided for Mecosta County reflect the recent update that utilizes 2023 ESRI data.

### B. DEMOGRAPHIC COMPARISON

Various demographic metrics are compared in the following table:

County Demographic Comparisons					
	Mason County	Manistee County	Mecosta County	Oceana County	Wexford County
2020 Population	29,052	25,032	39,714	26,659	33,673
2020 Households	12,319	10,597	16,013	10,320	13,610
Household Growth % (2010-2020)	3.2%	2.8%	-0.5%	1.4%	4.5%
Projected Household Growth % (2022-2027)*	0.6%	0.2%	-0.4%	0.3%	0.3%
Poverty Rate (2021)	14.8%	10.9%	19.1%	13.0%	13.0%
Education – No H.S. Diploma % (2021)	6.7%	8.8%	7.6%	11.6%	9.5%
Marriage – Share Unmarried (2021)	46.6%	49.3%	55.9%	45.8%	48.7%
Households Age 65+ % *	37.3%	40.3%	33.4%	33.8%	32.5%
Households Age 65+ % Growth (2022-2027)*	11.5%	10.1%	9.3%	11.4%	11.3%
Households Ages 25-34 %	11.9%	8.7%	14.0%	12.2%	13.4%
Households Ages 25-34 % Growth (2022-2027)*	-9.6%	-7.9%	-17.8%	-13.4%	-10.2%
Median Household Income*	\$55,519	\$59,828	\$51,676	\$58,499	\$50,190
Renter Household Share <\$30k (2021)	46.8%	50.7%	56.7%	48.8%	52.5%
Owner Household Share > \$60k (2021)	53.8%	51.4%	50.3%	51.4%	52.1%
Net Domestic Migration (2010-2020)	1,033	1,241	779	-7	605

Sources: American Community Survey (2017-2021); U.S. Census Bureau (Population Division); Urban Decision Group ESRI; Bowen National Research

\*Estimates for Mecosta County reflect 2023 numbers, while projections reflect 2023-2028 numbers.



Key demographic findings include the following:

- Between 2010 and 2020, households within Mason County increased by 3.2%, which reflects the second highest rate of increase of the five counties. Household growth among the counties ranged between a decline of 0.5% in Mecosta County to an increase of 4.5% in Wexford County, during the time period. Between 2022 and 2027, households within Mason County are projected to increase by 0.6%, which is the largest increase among the five counties.
- The overall poverty rate of 14.8% in Mason County is the second highest poverty rate among the five counties. Individual poverty rates within the comparison counties range between 10.9% (Manistee County) and 19.1% (Mecosta County).
- Mason County's adult population share (6.7%) *without* a high school diploma is the lowest share among the five counties. Within the other four counties, the share of the adult population without a high school diploma ranges between 7.6% (Mecosta County) and 11.6% (Oceana County). As earning capacity is typically correlated to educational attainment, the ability to afford housing can be impacted by education level.
- The share of unmarried people in Mason County (46.6%) is the second lowest share among the five comparison counties. The share of unmarried population within each of the five counties ranges between 45.8% (Oceana County) and 55.9% (Mecosta County). A significant share of unmarried people may result in fewer dual-income households and greater financial challenges that can impact housing affordability.
- The share of households ages 65 and older within Mason County (37.3%) is the second highest share of such households among the five comparison counties. Individual shares of households ages 65 and older range between 32.5% (Wexford County) and 40.3% (Manistee County). This senior household base is expected to increase by 11.5% within Mason County between 2022 and 2027, which is the largest projected increase of such households among the five counties.
- Younger millennial households (ages 25 to 34) represent 11.9% of all households within Mason County, which is the second lowest share of such households within the five counties. Individual shares of these younger households range between 8.7% (Manistee County) and 14.0% (Mecosta County). This younger adult household base is expected to decrease by 9.6% within the subject county between 2022 and 2027, which appears to also be a challenge among all of the selected comparable counties.

- Median household income (\$55,519) within Mason County is about average as compared to the other four counties, which have median household incomes ranging between \$50,190 (Wexford County) and \$59,828 (Manistee County).
- The share (46.8%) of renter households earning less than \$30,000 annually within Mason County is the lowest of the five comparable counties. The share of such households among the remaining four counties ranges between 48.8% (Oceana County) and 56.7% (Mecosta County). Regardless, these represent significant shares of the renters earning less than \$30,000 annually, and as such, each of the comparable counties likely have a significant level of demand for affordable rental options.
- The share (53.8%) of owner households earning more than \$60,000 annually within Mason County is the highest share of all five counties, although the share of such households within each county is very comparable (between 50.3% and 53.8%). As such, each of the five counties likely has a similar level of demand for mid- to high-end for-sale product.
- Between 2010 and 2020, most of the comparison counties experienced *positive* net domestic migration, meaning more people move into these counties than people that move out. The net domestic migration for Mason County (1,033 people) during this time period ranks as the second highest amount of net domestic migration among the five counties, while Oceana County is the only county that experienced *negative* net domestic migration. In order to continue this beneficial trend of positive net domestic migration in Mason County, it is important that adequate, affordable housing, job opportunities, and competitive wages continue to be made available for the area's prospective residents.

### C. ECONOMIC COMPARISON

Various economic metrics are compared in the following table. It is important to note that the Bureau of Labor Statistics issued a revision on April 21, 2023, which affected various sets of economic data. As the following data includes this revision, some metrics within this table may differ from data presented in other sections of this study.

County Economic Comparisons (Rank)					
	Mason County	Manistee County	Mecosta County	Oceana County	Wexford County
Total Employment (2022)	12,475 (3)	9,174 (5)	17,198 (1)	10,659 (4)	14,049 (2)
• % of 2019 (COVID Recovery Rate)	96.0% (3)	93.1% (5)	97.7% (2)	93.8% (4)	98.9% (1)
Labor Force (2022)	13,174 (3)	9,751 (5)	18,207 (1)	11,407 (4)	14,773 (2)
Employment Participation Rate	78.2% (1)	66.1% (5)	69.6% (4)	72.4% (3)	73.7% (2)
Unemployment Rate (2022)	5.3% (2)	5.9% (4)	5.5% (3)	6.6% (5)	4.9% (1)
In-Place Employment*	10,224 (3)	6,790 (4)	12,924 (2)	6,262 (5)	13,756 (1)
• % of 2019 (COVID Recovery Rate)	99.0% (1)	94.6% (4)	97.6% (2t)	91.8% (5)	97.6% (2t)
In-Place Employment Growth % 2012-2022*	0.8% (3)	-1.2% (4)	6.1% (2)	-7.7% (5)	9.5% (1)
Commuter Inflow/Outflow Ratio (2020)	0.59 (3)	0.54 (4)	0.71 (2)	0.31 (5)	1.15 (1)
• Distance 50+ Miles	0.47 (3)	0.38 (4)	0.83 (2)	0.23 (5)	1.07 (1)
Employment % by Job Sector					
• Retail	14.6% (2)	14.2% (3)	12.9% (4)	9.8% (5)	16.4% (1)
• Manufacturing	20.0% (2)	13.9% (4)	4.9% (5)	16.5% (3)	23.4% (1)
• Accommodations/Food Service	9.1% (5)	18.9% (1)	16.3% (2)	10.7% (3)	9.2% (4)
• Education	9.1% (1)	4.6% (5)	8.9% (2)	8.8% (3)	8.7% (4)
• Health Care & Social Assistance	10.4% (4)	14.4% (1)	9.6% (5)	11.0% (3)	11.6% (2)
2021 Median Wages by Occupation by County (Rank)					
	Mason County	Manistee County	Mecosta County	Oceana County	Wexford County
All Full-Time, Year-Round Occupations	\$42,701 (2)	\$43,181 (1)	\$41,587 (4)	\$41,349 (5)	\$41,817 (3)
• Educational and Library	\$65,458 (1)	\$63,853 (2)	\$59,891 (4)	\$52,619 (5)	\$63,469 (3)
• Healthcare Support	\$30,182 (3)	\$28,750 (4)	\$27,210 (5)	\$33,750 (1)	\$32,941 (2)
• Food Preparation/Serving	\$22,614 (3)	\$23,214 (2)	\$20,179 (4)	\$25,972 (1)	\$19,893 (5)
• Building/Groundskeeping	\$35,417 (1)	\$29,596 (4)	\$19,521 (5)	\$34,015 (2)	\$30,741 (3)
• Sales and Related	\$34,054 (5)	\$35,313 (4)	\$41,065 (2)	\$36,536 (3)	\$41,215 (1)
• Construction/Extraction	\$44,224 (5)	\$44,271 (4)	\$46,667 (2)	\$44,479 (3)	\$53,125 (1)
• Production	\$40,158 (2)	\$45,481 (1)	\$37,367 (3)	\$36,914 (5)	\$37,095 (4)
• Transportation	\$43,320 (1)	\$39,167 (5)	\$39,639 (4)	\$41,026 (2)	\$40,769 (3)

Sources: Bureau of Labor Statistics, Local Area Unemployment Statistics (LAUS), Quarterly Census of Employment and Wages (QCEW); U.S. Census Bureau, 2017-2021 American Community Survey (S0101, S2412), 2020 Longitudinal Origin-Destination Employment Statistics (LODES); Urban Decision Group; ESRI; Bowen National Research

\*Reflects 2022 full-year preliminary numbers

Notable findings from the preceding economic metrics are summarized below:

- With total employment of 12,475, Mason County has the third largest employment base of the five counties included within this analysis.
- Total employment within the Mason County has recovered to 96.0% of the 2019 level (pre-COVID). The recovery rate for Mason County ranks third among the five counties, which have individual recovery rates ranging between 93.1% (Manistee County) and 98.9% (Wexford County).
- Among the five counties, Mason County has the third largest labor force (sum of the employed and unemployed workers). The labor force in Mason County (13,174) is slightly smaller than the average labor force (13,462) for the five counties included in the analysis.

- The employment participation rate (share of the non-institutionalized population between the ages of 16 and 64 that is part of the labor force) within Mason County is 78.2%. This is the highest employment participation rate among the five counties listed and is notably higher than the average (72.0%) for the five counties.
- The annualized 2022 unemployment rate within Mason County (5.3%) is the second lowest unemployment rate among the five counties. The unemployment rates for the five counties range between 4.9% (Wexford County) and 6.6% (Oceana County).
- In-place employment, which reflects the total number of jobs within an area regardless of the employee's area of residence, increased by 0.8% in Mason County from 2012 to 2022. This is the third largest increase among the five counties. While significantly less than the increases within Wexford County (9.5%) and Mecosta County (6.1%), the growth of in-place employment within Mason County contrasts with the *declines* experienced within Manistee County (1.2%) and Oceana County (7.7%).
- In-place employment within the subject county has recovered to 99.0% of the 2019 level (pre-COVID). This represents the highest recovery rate of the five counties. Recovery rates among the other four counties range between 91.8% (Oceana County) and 97.6% (Mecosta and Wexford counties).
- The commuter inflow/outflow ratio is the proportion of commuters entering an area versus those who commute outside their residence area for work. A number above 1.0 indicates that more non-residents commute into an area each day than there are residents who commute outside the area for work. The inflow/outflow ratio for Mason County (0.59) ranks third among the comparison counties. This is significantly higher than the ratio within Oceana County (0.31), but much lower than the ratio within Wexford County (1.15), which is the only county with a positive inflow/outflow ratio.
- The commuter inflow/outflow ratios for workers with commute distances of 50 miles or more range from 0.23 in Oceana County to 1.07 in Wexford County. Individuals with lengthy commute distances are more likely to relocate to their area of employment than individuals with short commute distances if appropriate housing is available in their employment area. The 0.47 inflow/outflow ratio for commutes of 50 or more miles in Mason County ranks third among the counties included in this analysis.
- Within Mason County, manufacturing (20.0%), retail (14.6%), and health care and social assistance (10.4%) comprise the largest sectors of employment. The respective shares of manufacturing and retail in Mason County rank as the second highest shares for these two sectors among the five counties, while the share of health care and social assistance in Mason County

is fourth among the five counties. Although retail is typically more vulnerable to economic volatility, healthcare is generally more stable. The share of employment within the education sector, which is also considered a very stable employment sector, is highest within Mason County. The comparative distribution of employment by sector within Mason County has likely contributed to an above average recovery in the local economy following the COVID-19 pandemic, particularly with respect to in-place employment, which has recovered to 99.0% of the 2019 level.

- The median wage for full-time, year-round occupations in Mason County (\$42,701) in 2021 ranks as the second highest median wage among the five counties listed, although wages for the counties are very similar. While typical wages in Mason County for occupations within the educational, building maintenance and groundskeeping, and transportation sectors rank as the highest among the five counties, typical wages for occupations related to sales and construction are the lowest among the five counties. Overall, wages in the subject county do not appear to create any obvious disadvantages for employers in attracting or retaining employees, when compared with the selected comparable counties.

#### **D. HOUSING COMPARISON**

Various housing supply and household metrics are included in the following table:

County Housing Comparisons					
	Mason County	Manistee County	Mecosta County	Oceana County	Wexford County
Total Occupied Housing Units*	12,323	10,579	16,050	10,266	13,640
Vacancy Rate*	29.6%	31.8%	23.4%	33.9%	17.0%
Seasonal/Recreational Housing % (2021)	24.0%	30.5%	18.8%	30.6%	15.8%
Renter Household % *	22.0%	16.6%	25.7%	17.8%	23.3%
Average Gross Rent*	\$871	\$730	\$832	\$771	\$713
Renter Cost Burden % (2021)	45.3%	42.6%	45.7%	33.2%	41.6%
Owner Household % *	78.0%	83.4%	74.3%	82.2%	76.7%
Median Housing Value*	\$179,976	\$153,542	\$161,613	\$150,985	\$139,658
Owner Cost Burden % (2021)	18.7%	18.7%	20.3%	18.5%	15.7%
Median Year Built	1974	1972	1980	1977	1979
• Owner Occupied	1974	1971	1980	1977	1979
• Renter Occupied	1976	1974	1979	1973	1979
Overcrowded Renter Housing % (2021)**	5.0%	2.2%	5.3%	11.9%	5.7%
Overcrowded Owner Housing % (2021)**	0.7%	1.2%	1.5%	2.3%	2.0%
Substandard Renter Housing % (2021)***	1.3%	3.4%	1.7%	1.6%	2.5%
Substandard Owner Housing % (2021)***	0.3%	0.5%	1.3%	0.6%	0.9%

Sources: 2017-2021 American Community Survey (B25014, B25037, B25049, B25053, B25070, B25091), Urban Decision Group, ESRI, and Bowen National Research

\*Data for Mecosta County reflects 2023 ESRI estimates

\*\*Overcrowded housing is considered housing with 1.01 or more occupants per room

\*\*\*Includes ACS reported shares of housing lacking completed kitchens and/or plumbing

Key findings associated with housing and households are summarized below:

- Of the five comparison counties, Mason County has the third largest number (12,323) of occupied housing units. The number of occupied housing units within each of the five counties ranges between 10,266 (Oceana County) and 16,050 (Mecosta County).
- The vacancy rates for the five counties range from 17.0% in Wexford County to 33.9% in Oceana County. The vacancy rate within Mason County (29.6%) is among some of the higher vacancy rates in the comparison counties. The high vacancy rates are not surprising given the counties are heavily influenced by tourism and seasonal/recreational housing that are typically considered “vacant.”
- Seasonal/recreational housing represents 24.0% of all housing units within Mason County. While lower than the shares within Manistee County (30.5%) and Oceana County (30.6%), the share of seasonal/recreational units in Mason County is notably higher than the shares within the counties of Wexford (15.8%) and Mecosta (18.8%). A high share of seasonal/recreational housing within an area can contribute to housing challenges (e.g., availability and affordability) within a given market.
- The share of renter households in Mason County (22.0%) is the third highest share among the five counties. The individual county shares of renter households range between 16.6% (Manistee County) and 25.7% (Mecosta County). Given that there are larger numbers of households in Mason, Mecosta, and Wexford counties, which typically means a higher population density, it is not surprising that these counties have comparably larger shares of renter households.
- Average gross rents within the five comparison counties range from \$713 in Wexford County to \$871 in Mason County. As a result, it may be more difficult for low-income households to locate affordable rental alternatives within Mason County as compared to the other four counties.
- The overall share of cost burdened renter households (paying 30% or more of household income toward housing costs) in Mason County is 45.3%, which is the second highest share among the five counties. The share of cost burdened renter households within each county ranges from 33.2% (Oceana County) to 45.7% (Mecosta County). As such, Mason County has a disproportionally high share of cost burdened renter households.
- Median housing values within the counties range from \$139,658 in Wexford County to \$179,976 in Mason County. While this does not compare actual home prices of housing units currently on the market, this illustrates that the estimated value of homes in Mason County are generally much higher and, in theory, likely less affordable to lower income households in the subject county.



- The share of housing cost burdened owner households in each county is similar. While Wexford County has the lowest share of cost burdened owner households (15.7%), the share within the four remaining counties ranges between 18.5% (Oceana County) and 20.3% (Mecosta County), which is a relatively small degree of variation. The comparably higher shares of cost burdened owner households within these four counties are likely the result of the higher estimated median home values in the respective counties.
- With the median year built of housing within the counties ranging between 1972 (Manistee County) and 1980 (Mecosta County), it appears the overall housing stock in each of the counties is similar in age. In addition, there is minimal variation in median year built between owner- and renter-occupied housing within each of the counties.
- Overcrowded housing (housing with 1.01 or more persons per room) appears to be most prevalent among renter-occupied housing within Oceana County (11.9%), although notable shares of renter households in the counties of Mason (5.0%), Mecosta (5.3%), and Wexford (5.7%) also experience this housing issue. Owner households, regardless of county, are much less likely to experience overcrowding. Substandard housing, which is typically housing that either lacks complete kitchens and/or plumbing, does not appear to be a major issue in any of the comparison counties. Overall, Mason County has the lowest shares of substandard renter (1.3%) and owner (0.3%) housing among the five counties.

## **E. CONCLUSIONS**

The following conclusions are based on the comparison of key demographic, economic, and housing supply metrics of Mason County with the selected comparable counties of Manistee, Mecosta, Oceana, and Wexford.

The 3.2% growth in households within Mason County between 2010 and 2020 ranks as the second highest growth rate among the comparable counties. Much of this growth can be attributed to the positive net domestic migration (1,033 people) that occurred within the county between 2010 and 2020. Moderate household growth (0.6%) is projected for the county between 2022 and 2027, which is the highest projected growth rate among the five counties in this analysis. Mason County has the second largest share (37.3%) of senior households (age 65 and older) among the five counties and the largest projected growth (11.5%) among these households between 2022 and 2027. Households between the ages of 25 and 34 comprise a relatively small share (between 8.7% and 14.0%) of the total households in each respective county, and it is projected that this age cohort of households will decline significantly (between 7.9% and 17.8%) in each of the counties over the next five years. Although Mason County has the lowest share (46.8%) of renter households earning less than \$30,000 annually and the highest share (53.8%) of owner households earning \$60,000 or more annually, the overall poverty rate (14.8%) within Mason County is the second highest among the five

counties. The median household income within Mason County (\$55,519) is slightly above the five-county average (\$55,142). The average gross rent (\$871) and median housing value (\$179,976) within Mason County are the highest among the five counties in this analysis. Overall, this results in a moderately higher share of housing cost burdened renters (45.3%) and owners (18.7%) in Mason County when compared to the five-county averages (41.7% and 18.4%). Aside from slightly elevated rates of overcrowding among renter households, which is present in varying degrees in most of the counties and most prevalent in Oceana County (11.9%), housing age and conditions do not appear to be major factors in the respective housing markets. With a robust tourism base in the overall region, it is not surprising that seasonal/recreational housing comprises large shares of the overall housing inventory in the counties of Mason (24.0%), Manistee (30.5%), and Oceana (30.6%). While the shares of such housing in Mecosta County (18.8%) and Wexford County (15.8%) are notably less, these still represent significant shares of seasonal/recreational housing.

Economic data illustrates that the median wages for full-time, year-round occupations within each of the counties are competitive among counties. While the highest median wages are within Manistee County (\$43,181) and Mason County (\$42,701), the median wages among the other three counties range between \$41,349 and \$41,817. The slightly above-average overall median wage in Mason County could be an advantage in attracting new residents, although median wages vary widely between occupations and some occupations in the county have below-average wages. Among the five counties, Mason County ranks third in total employment (12,475), has the highest employment participation rate (78.2%), has the second lowest unemployment rate (5.3%), and has the third largest in-place employment (10,224). This data indicates that Mason County has a relatively healthy and competitive employment market when compared to the other counties included in this analysis. This has likely contributed to Mason County having the highest in-place employment recovery rate (99.0%), which compares pre-COVID employment levels in 2019 to current 2022 levels, among the five counties. Similarly, the total employment recovery rate (96.0%) in Mason County is slightly above the five-county average (95.9%). Commuter inflow/outflow data, which compares the number of workers entering the county for employment to the number of residents leaving the county for employment, illustrates that Wexford County is the only county that has a positive inflow/outflow ratio (1.15). Wexford County (1.07) is also the only county with a ratio of workers with lengthy commutes (50 miles or more) above 1.00 among the five counties. By comparison, these ratios for Mason County are 0.59 and 0.47, respectively. As workers with longer commutes are typically the most likely to relocate to the area where they are employed if appropriate housing were available, it is important that an adequate supply of income-appropriate housing is available within Mason County to forego a potential loss in households due to this factor.

Mason County faces challenges with a large and growing base of seniors, is experiencing difficulty retaining younger millennials (ages 25 to 34), has a significant share of the overall housing market comprised of short-term rentals and seasonal/recreational properties, and has a low ratio of commuter inflow/outflow. As the comparable counties experience many of the same challenges, the overall findings appear to indicate that Mason County may have some competitive advantages that can be leveraged to attract households. Continued job growth in the county, which would improve the inflow/outflow ratio, and an adequate supply of income-appropriate housing, particularly housing that targets younger households, would likely improve the county's competitive position and fully leverage some of the existing advantages in Mason County.

ADDENDUM A:

FIELD SURVEY OF  
CONVENTIONAL RENTALS



PSA

### Apartment Type

- Market-Rate
- Government-Subsidized
- Market-Rate & Govt.-Sub
- Tax Credit
- Tax Credit & Govt.-Sub

Lucington State Park

Hamlin Lake

Victory Twp

Sugar Grove

Mason

Sheridan Twp

Tallman

Piney Ridge

N Jebavy Rd

Lincoln River

N US-31

N Custer Rd

N Reek Rd

945 ft

W Chauvez Rd

S Scottville Rd

S Walhalla Rd

Lucington

Amber Twp

Scottville

Custer

Walhalla

1

2

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Map ID	Property	Prop Type	Quality Rating	Year Built	Total Units	Vacant	Occ. Rate
1	200 Loomis	TAX	B+	2019	30	0	100.0%
2	225 Ludington Lofts	TAX	B+	2020	30	0	100.0%
3	Birch Lake	TGS	B-	1978	48	0	100.0%
4	Cedar Run	MRR	B	1980	40	0	100.0%
5	Glendale	TGS	B-	1978	28	0	100.0%
6	Glenview	MRG	C+	1973	80	0	100.0%
7	Lawndale	GSS	B	1994	24	0	100.0%
8	Liv Wildwood	MRR	B	2003	210	0	100.0%
9	Lofts on Rowe	MRR	B+	1904	67	5	92.5%
10	Longfellow Tower	GSS	C+	1977	149	0	100.0%
11	Pine Way	GSS	B	1982	56	0	100.0%
12	Pineview	MRR	B	1987	96	0	100.0%
13	Sherman Oaks Apts.	MRR	B	1992	172	0	100.0%
14	Thornwild II	MRR	B	1984	19	0	100.0%

✓ 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	
























1	<div>200 Loomis</div> <div>200 W. Loomis St., Ludington, MI 49431</div>	<div>Contact: Becky</div> <div>Phone: (231) 780-7359</div>
	<div>Total Units: 30    UC: 0    Occupancy: 100.0%    Stories: 4    w/Elevator    Year Built: 2019</div> <div>BR: 1, 2    Vacant Units: 0    Waitlist: 66 HH    AR Year:</div> <div>Target Population: Senior 55+    Yr Renovated:</div> <div>Rent Special: None</div> <div>Notes: Tax Credit; Preleasing 8/2019, opened 11/2019, stabilized occupancy 12/2019</div>	
2	<div>225 Ludington Lofts</div> <div>225 W. Ludington Ave., Ludington, MI 49431</div>	<div>Contact: Becky</div> <div>Phone: (231) 780-7359</div>
	<div>Total Units: 30    UC: 0    Occupancy: 100.0%    Stories: 4    w/Elevator    Year Built: 2020</div> <div>BR: 1, 2    Vacant Units: 0    Waitlist: 83 HH    AR Year:</div> <div>Target Population: Family    Yr Renovated:</div> <div>Rent Special: None</div> <div>Notes: Tax Credit; Preleasing 8/2019, opened 4/2020, stabilized occupancy 8/2020</div>	
3	<div>Birch Lake</div> <div>926 E. Tinkham Ave., Ludington, MI 49431</div>	<div>Contact: Dawn</div> <div>Phone: (231) 843-4997</div>
	<div>Total Units: 48    UC: 0    Occupancy: 100.0%    Stories: 2    Year Built: 1978</div> <div>BR: 1, 2    Vacant Units: 0    Waitlist: 24-36 mos    AR Year:</div> <div>Target Population: Family    Yr Renovated: 2009</div> <div>Rent Special: None</div> <div>Notes: Tax Credit; RD 515, has RA (36 units)</div>	
4	<div>Cedar Run</div> <div>115 Thornwild Dr., Scottville, MI 49454</div>	<div>Contact: Becky</div> <div>Phone: (231) 757-3187</div>
	<div>Total Units: 40    UC: 0    Occupancy: 100.0%    Stories: 2    Year Built: 1980</div> <div>BR: 1, 2    Vacant Units: 0    Waitlist: 5 HH    AR Year:</div> <div>Target Population: Family    Yr Renovated:</div> <div>Rent Special: None</div> <div>Notes:</div>	
5	<div>Glendale</div> <div>400 W. Third St., Scottville, MI 49454</div>	<div>Contact: Norma</div> <div>Phone: (231) 757-9519</div>
	<div>Total Units: 28    UC: 0    Occupancy: 100.0%    Stories: 2    Year Built: 1978</div> <div>BR: 1, 2    Vacant Units: 0    Waitlist: 100 HH    AR Year:</div> <div>Target Population: Family    Yr Renovated: 2009</div> <div>Rent Special: None</div> <div>Notes: Tax Credit; RD 515, has RA (19 units)</div>	

✓ 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	<div>Glenview</div> <div>901 N. Emily St., Ludington, MI 49431</div>	<div>Contact: Sarah</div> <div>Phone: (231) 845-6642</div>
	<div>Total Units: 80      UC: 0      Occupancy: 100.0%      Stories: 1,2      Year Built: 1973</div> <div>BR: 1, 2, 3      Vacant Units: 0      Waitlist: Market-rate units; 15 HH      AR Year:</div> <div>Target Population: Family      Yr Renovated:</div> <div>Rent Special: None</div> <div>Notes: Market-rate (64 units); HUD Section 8 (16 units)</div>	
7	<div>Lawndale</div> <div>900 Lawndale St., Ludington, MI 49431</div>	<div>Contact: Norma</div> <div>Phone: (231) 845-0407</div>
	<div>Total Units: 24      UC: 0      Occupancy: 100.0%      Stories: 1      Year Built: 1994</div> <div>BR: 1      Vacant Units: 0      Waitlist: 28 HH      AR Year:</div> <div>Target Population: Senior 62+      Yr Renovated:</div> <div>Rent Special: None</div> <div>Notes: HUD Section 8</div>	
8	<div>Liv Wildwood</div> <div>153 S Wildwood Trl, Ludington, MI 49431</div>	<div>Contact: Michelle</div> <div>Phone: (231) 845-1004</div>
	<div>Total Units: 210      UC: 0      Occupancy: 100.0%      Stories: 2.5,3      Year Built: 2003</div> <div>BR: 1, 2, 3      Vacant Units: 0      Waitlist: 30 HH      AR Year:</div> <div>Target Population: Family      Yr Renovated:</div> <div>Rent Special: None</div> <div>Notes: Phase II opened 2005, phase III opened 2007</div>	
9	<div>Lofts on Rowe</div> <div>801 N Rowe St, Ludington, MI 49431</div>	<div>Contact: Alyssa</div> <div>Phone: (231) 907-5066</div>
	<div>Total Units: 67      UC: 0      Occupancy: 92.5%      Stories: 3      w/Elevator      Year Built: 1904</div> <div>BR: 0, 1, 2, 3      Vacant Units: 5      Waitlist: None      AR Year:</div> <div>Target Population: Family      Yr Renovated: 2022</div> <div>Rent Special: None</div> <div>Notes:</div>	
10	<div>Longfellow Tower</div> <div>301 E. Court St., Ludington, MI 49431</div>	<div>Contact: Lyn</div> <div>Phone: (231) 845-7900</div>
	<div>Total Units: 149      UC: 0      Occupancy: 100.0%      Stories: 7      w/Elevator      Year Built: 1977</div> <div>BR: 1, 2      Vacant Units: 0      Waitlist: 30 HH      AR Year:</div> <div>Target Population: Senior 62+      Yr Renovated:</div> <div>Rent Special: None</div> <div>Notes: HUD Section 8</div>	

 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	

11	<b>Pine Way</b> 1111 Pineway St., Ludington, MI 49431	Contact: Donna Phone: (231) 845-0180
	Total Units: 56 UC: 0 Occupancy: 100.0% Stories: 1 Year Built: 1982 BR: 2, 3 Vacant Units: 0 Waitlist: 100 HH AR Year: Target Population: Family Yr Renovated: 2002 Rent Special: None Notes: HUD Section 8	
12	<b>Pineview</b> 906 N. Washington Ave., Ludington, MI 49431	Contact: Tom Phone: (231) 843-2480
	Total Units: 96 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1987 BR: 1, 2, 3 Vacant Units: 0 Waitlist: 150 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes:	
13	<b>Sherman Oaks Apts.</b> 700 Sherman Oaks Dr., Ludington, MI 49431	Contact: Darren Phone: (231) 845-0572
	Total Units: 172 UC: 0 Occupancy: 100.0% Stories: 2,3 Year Built: 1992 BR: 2 Vacant Units: 0 Waitlist: 10 HH AR Year: Target Population: Family, Senior Yr Renovated: Rent Special: None Notes: 46 units set aside for seniors	
14	<b>Thornwild II</b> 410 Thornwild Dr., Scottville, MI 49454	Contact: Barb Phone: (517) 858-1155
	Total Units: 19 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1984 BR: 1, 2 Vacant Units: 0 Waitlist: None AR Year: Target Population: Family Yr Renovated: 2021 Rent Special: None Notes: Former RD 515 property; Rent range due to amenities	

 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	

**ADDENDUM B:**

**NON-CONVENTIONAL &  
VACATION RENTAL SURVEYS**

Non-Conventional Rentals									
Address	City	Type	Price	Square Feet	Price Per Square Feet	Bed	Bath	Year Built	Source
502 North Staffon Street	Ludington	Single-family	\$1,500	925	\$1.62	3	1.0	NA	Zillow
402 East Ludington Avenue	Ludington	Apartment	\$1,050	750	\$1.40	2	1.0	NA	Facebook
711 East Loomis Street	Ludington	Apartment	\$1,200	NA	-	2	1.0	NA	Facebook
127 South James Street	Ludington	Apartment	\$800	550	\$1.45	1	1.0	NA	Apts.com

NA – Not Available

## VACATION RENTALS

There is a large amount of vacation rental data; specifically, 812 Airbnb and Vrbo listings. This data can be provided upon request in Excel form.



ADDENDUM C:  
SENIOR CARE HOUSING SURVEY

Independent Living									
Map ID	Facility Name	Address	City	Year Built/ Renovated	Total Units	Occupied Units	Vacant Units	Occ. Rate	Base Monthly Rates
I-1	Village Manor of Ludington	1100 E. Tinkham Ave.	Ludington	1980/2020	38	38	0	100.0%	\$1,600-\$2,500

Assisted Living									
Map ID	Facility Name	Address	City	Year Built/ Renovated	Licensed Beds	Marketed Beds	Vacant Beds	Occ. Rate	Base Monthly Rates
A-1	Ludington Woods	502 N. Sherman	Ludington	2003	20	20	20	0	\$5,000
A-2	Ludington Woods Memory Care	502 N. Sherman	Ludington	2003	20	20	20	0	\$6,000
A-3	Village Manor (Ludington Village of Assisted Living)	1100 E. Tinkham Ave.	Ludington	N/A (newer)	12	12	12	0	\$4,500-\$6,000

Nursing Care									
Map ID	Facility Name	Address	City	Year Built/ Renovated	Licensed Beds	Marketed Beds	Vacant Beds	Occ. Rate	Base Monthly Rates
N-1	Oakview Medical Care Facility	1000 Diana St.	Ludington	1966	96	77	8	89.6%	\$9,642
N-2	Medilodge of Ludington	1000 E. Tinkham Ave.	Ludington	1969	93	93	25	73.1%	\$11,102

# ADDENDUM D:

## COMMUNITY INPUT RESULTS

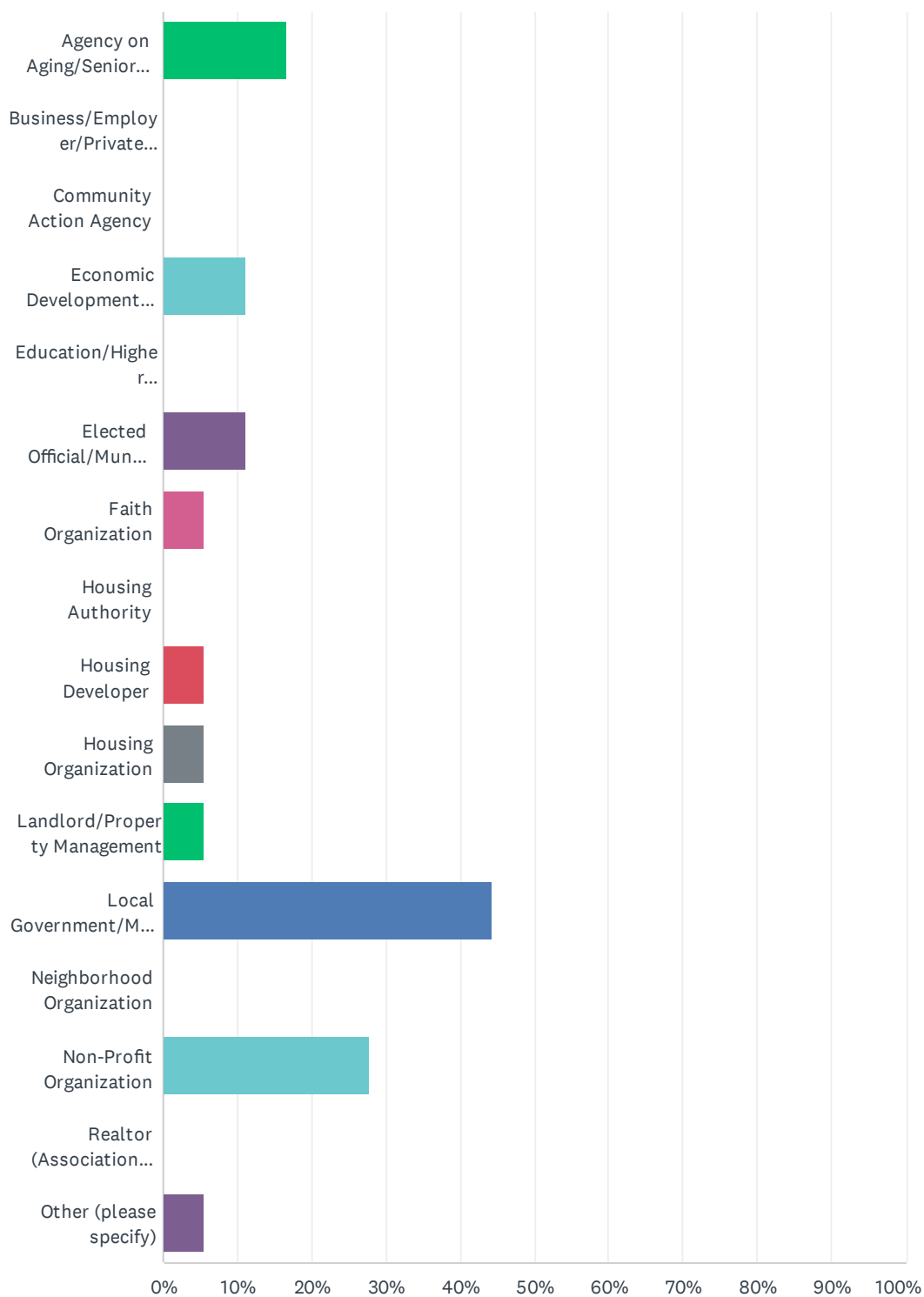
## Q1 Please provide your contact information, should we need to follow-up with this response.

Answered: 18 Skipped: 0

ANSWER CHOICES	RESPONSES	
Name	100.00%	18
Organization	100.00%	18
Email Address	100.00%	18
Phone Number	88.89%	16

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

Answered: 18 Skipped: 0



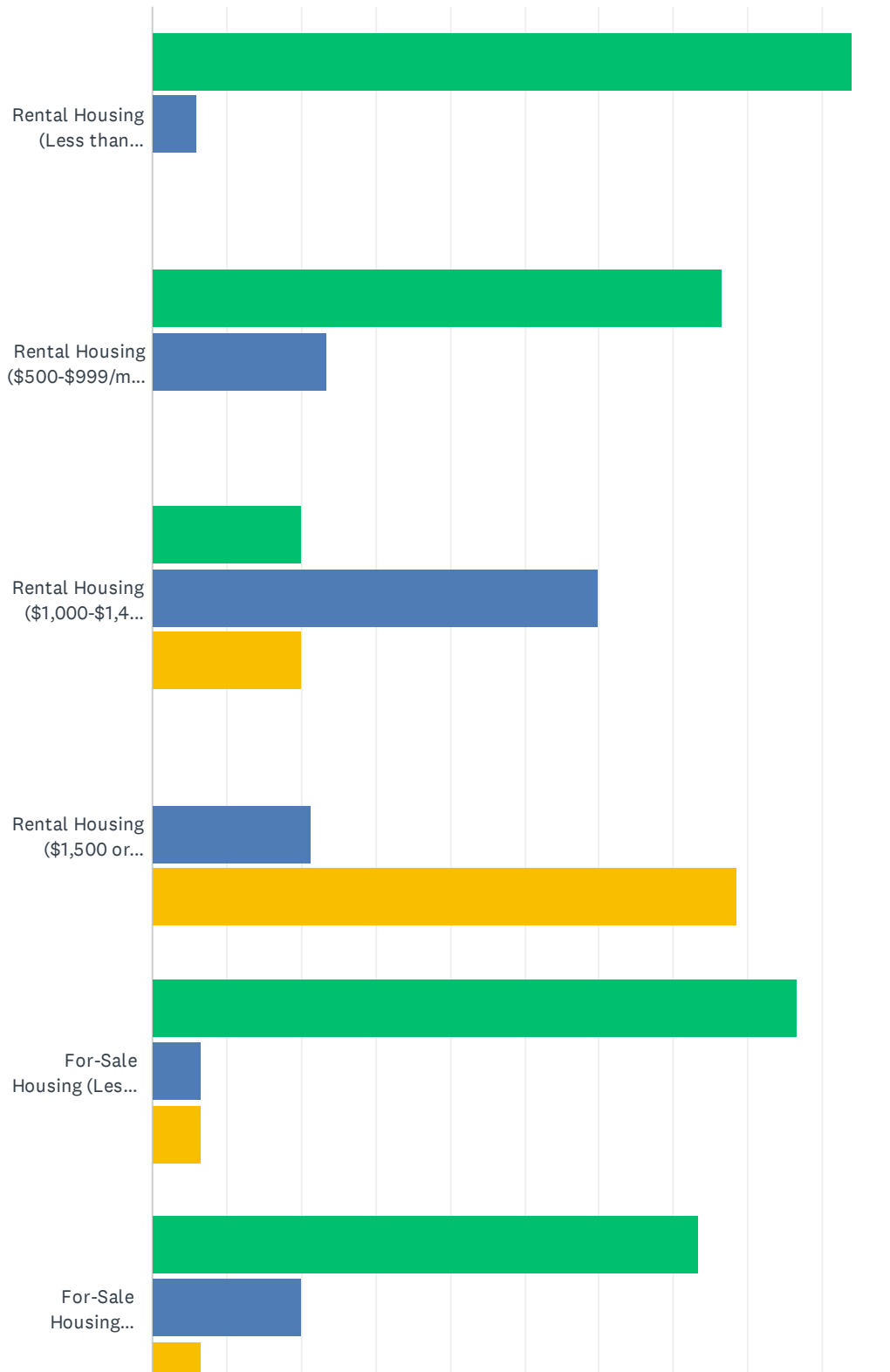
# Mason County, Michigan Housing Needs Assessment Stakeholder Survey

ANSWER CHOICES	RESPONSES	
Agency on Aging/Senior Services	16.67%	3
Business/Employer/Private Sector	0.00%	0
Community Action Agency	0.00%	0
Economic Development Organizations	11.11%	2
Education/Higher Education/University	0.00%	0
Elected Official/Municipal Contact	11.11%	2
Faith Organization	5.56%	1
Housing Authority	0.00%	0
Housing Developer	5.56%	1
Housing Organization	5.56%	1
Landlord/Property Management	5.56%	1
Local Government/Municipal Official	44.44%	8
Neighborhood Organization	0.00%	0
Non-Profit Organization	27.78%	5
Realtor (Association/Board of Realtors/Etc.)	0.00%	0
Other (please specify)	5.56%	1
Total Respondents: 18		

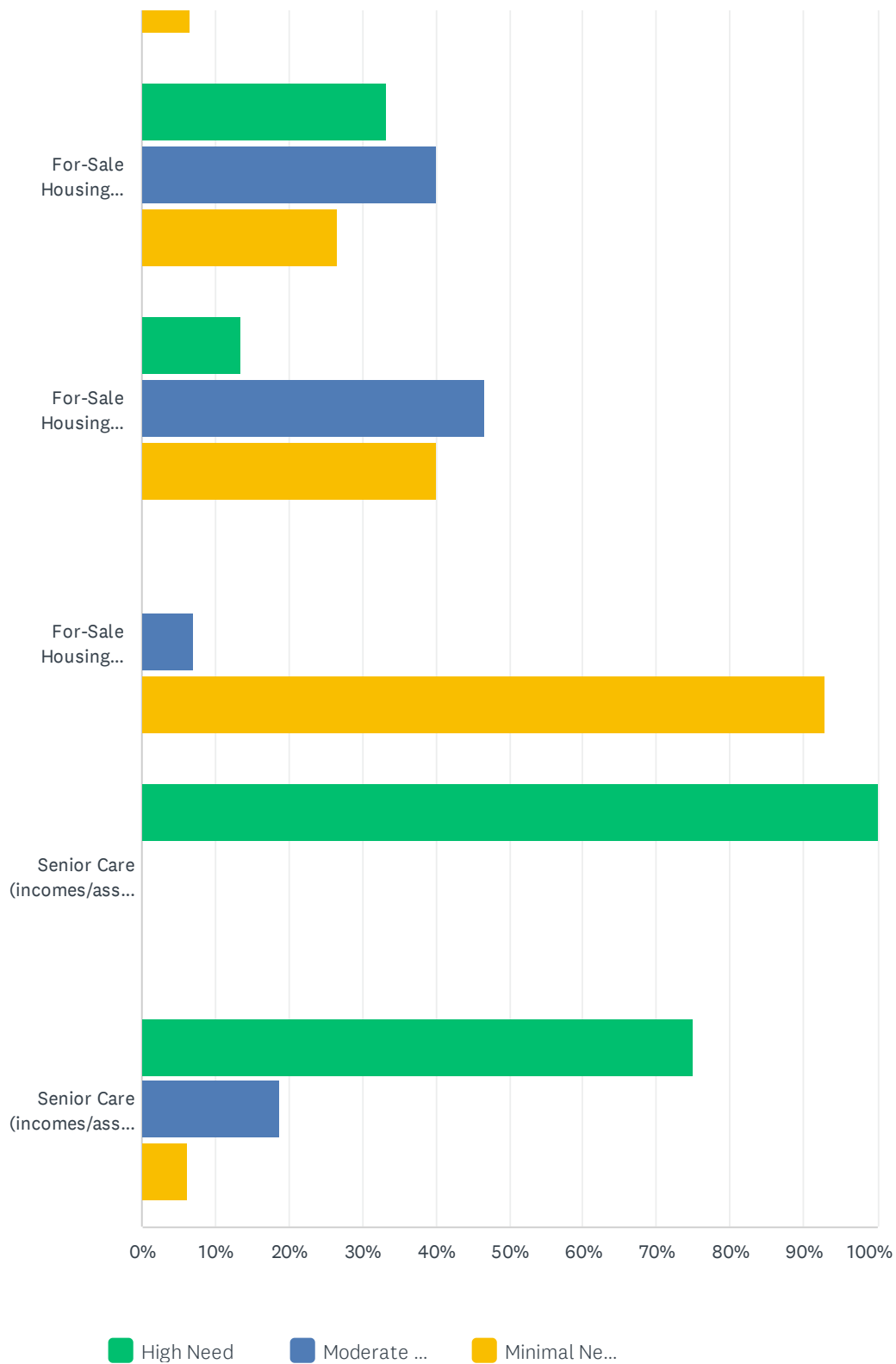


### Q3 To what degree are each of the following housing types needed by price point within the county? (Note: Senior care reflects household income/assets as opposed to rents/fees)

Answered: 17 Skipped: 1



# Mason County, Michigan Housing Needs Assessment Stakeholder Survey

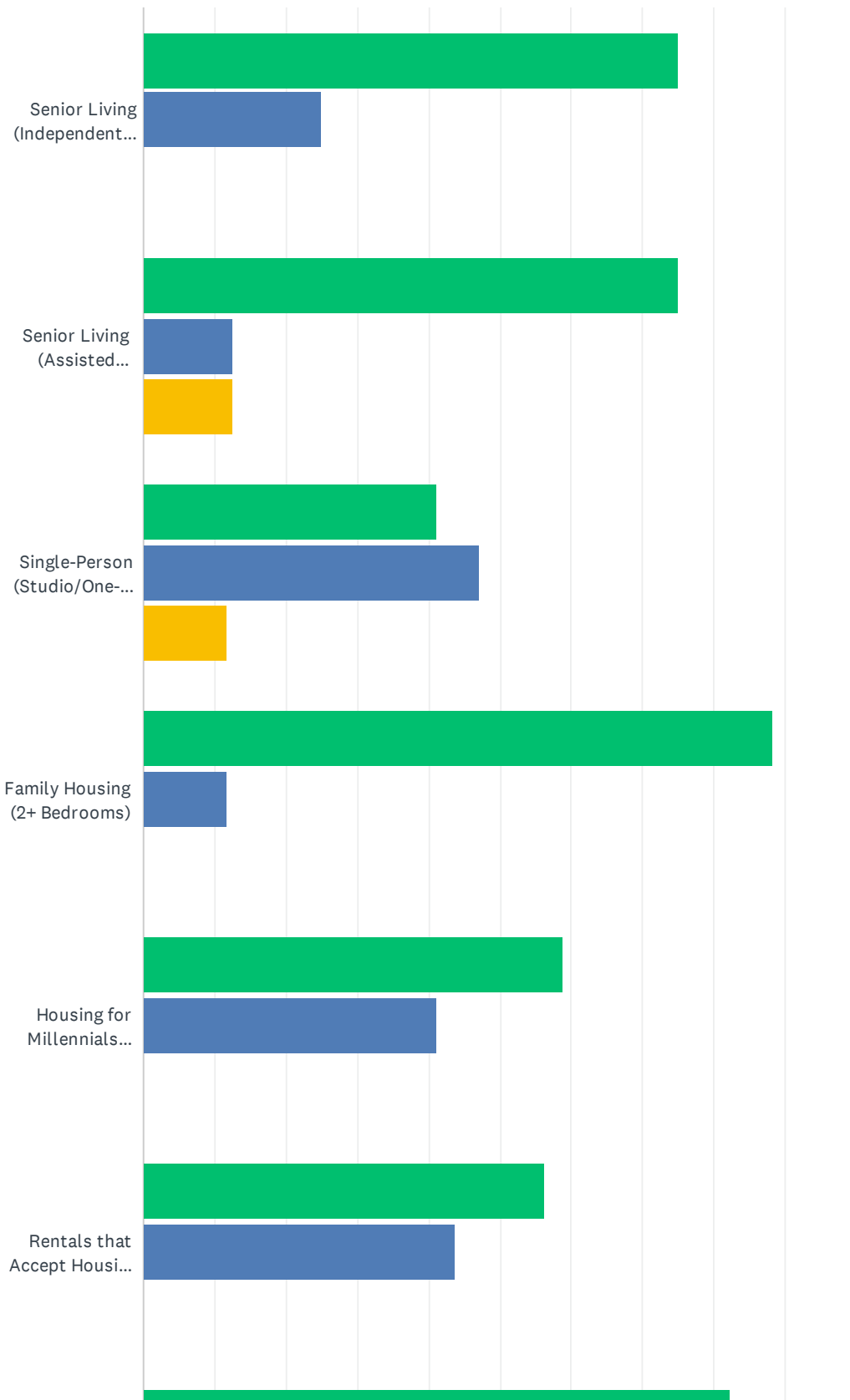


# Mason County, Michigan Housing Needs Assessment Stakeholder Survey

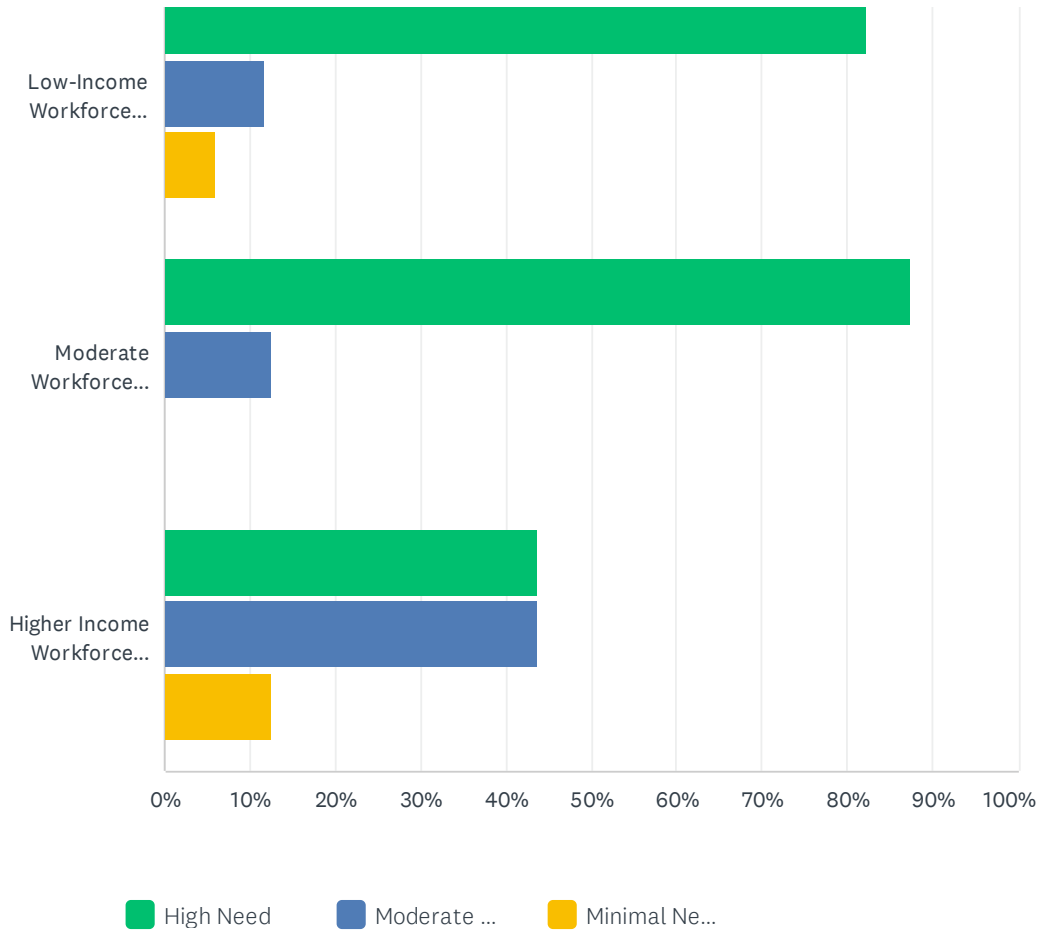
	HIGH NEED	MODERATE NEED	MINIMAL NEED	TOTAL	WEIGHTED AVERAGE
Rental Housing (Less than \$500/month)	94.12% 16	5.88% 1	0.00% 0	17	1.06
Rental Housing (\$500-\$999/month)	76.47% 13	23.53% 4	0.00% 0	17	1.24
Rental Housing (\$1,000-\$1,499/month)	20.00% 3	60.00% 9	20.00% 3	15	2.00
Rental Housing (\$1,500 or more/month)	0.00% 0	21.43% 3	78.57% 11	14	2.79
For-Sale Housing (Less than \$150,000)	86.67% 13	6.67% 1	6.67% 1	15	1.20
For-Sale Housing (\$150,000-\$199,999)	73.33% 11	20.00% 3	6.67% 1	15	1.33
For-Sale Housing (\$200,000-\$249,999)	33.33% 5	40.00% 6	26.67% 4	15	1.93
For-Sale Housing (\$250,000-\$349,999)	13.33% 2	46.67% 7	40.00% 6	15	2.27
For-Sale Housing (\$350,000 or more)	0.00% 0	7.14% 1	92.86% 13	14	2.93
Senior Care (incomes/assets <\$25,000)	100.00% 16	0.00% 0	0.00% 0	16	1.00
Senior Care (incomes/assets >\$25,000)	75.00% 12	18.75% 3	6.25% 1	16	1.31

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

Answered: 17 Skipped: 1



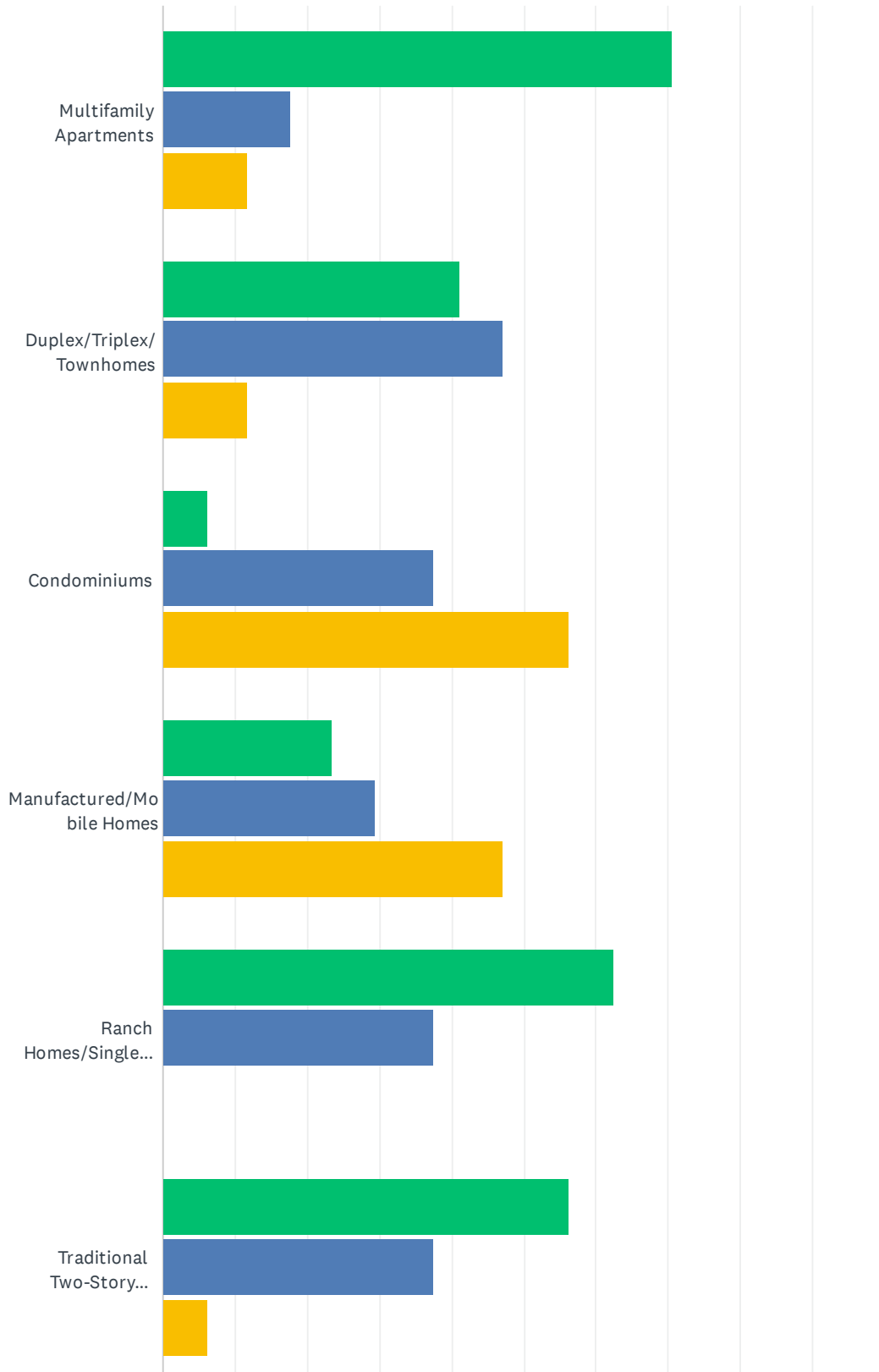
## Mason County, Michigan Housing Needs Assessment Stakeholder Survey



	HIGH NEED	MODERATE NEED	MINIMAL NEED	TOTAL	WEIGHTED AVERAGE
Senior Living (Independent Living)	75.00% 12	25.00% 4	0.00% 0	16	1.25
Senior Living (Assisted Living, Nursing Care)	75.00% 12	12.50% 2	12.50% 2	16	1.38
Single-Person (Studio/One-Bedroom)	41.18% 7	47.06% 8	11.76% 2	17	1.71
Family Housing (2+ Bedrooms)	88.24% 15	11.76% 2	0.00% 0	17	1.12
Housing for Millennials (Ages 25-39)	58.82% 10	41.18% 7	0.00% 0	17	1.41
Rentals that Accept Housing Choice Voucher Holders	56.25% 9	43.75% 7	0.00% 0	16	1.44
Low-Income Workforce (<\$30k)	82.35% 14	11.76% 2	5.88% 1	17	1.24
Moderate Workforce (\$30k-\$60k)	87.50% 14	12.50% 2	0.00% 0	16	1.13
Higher Income Workforce (\$60k+)	43.75% 7	43.75% 7	12.50% 2	16	1.69

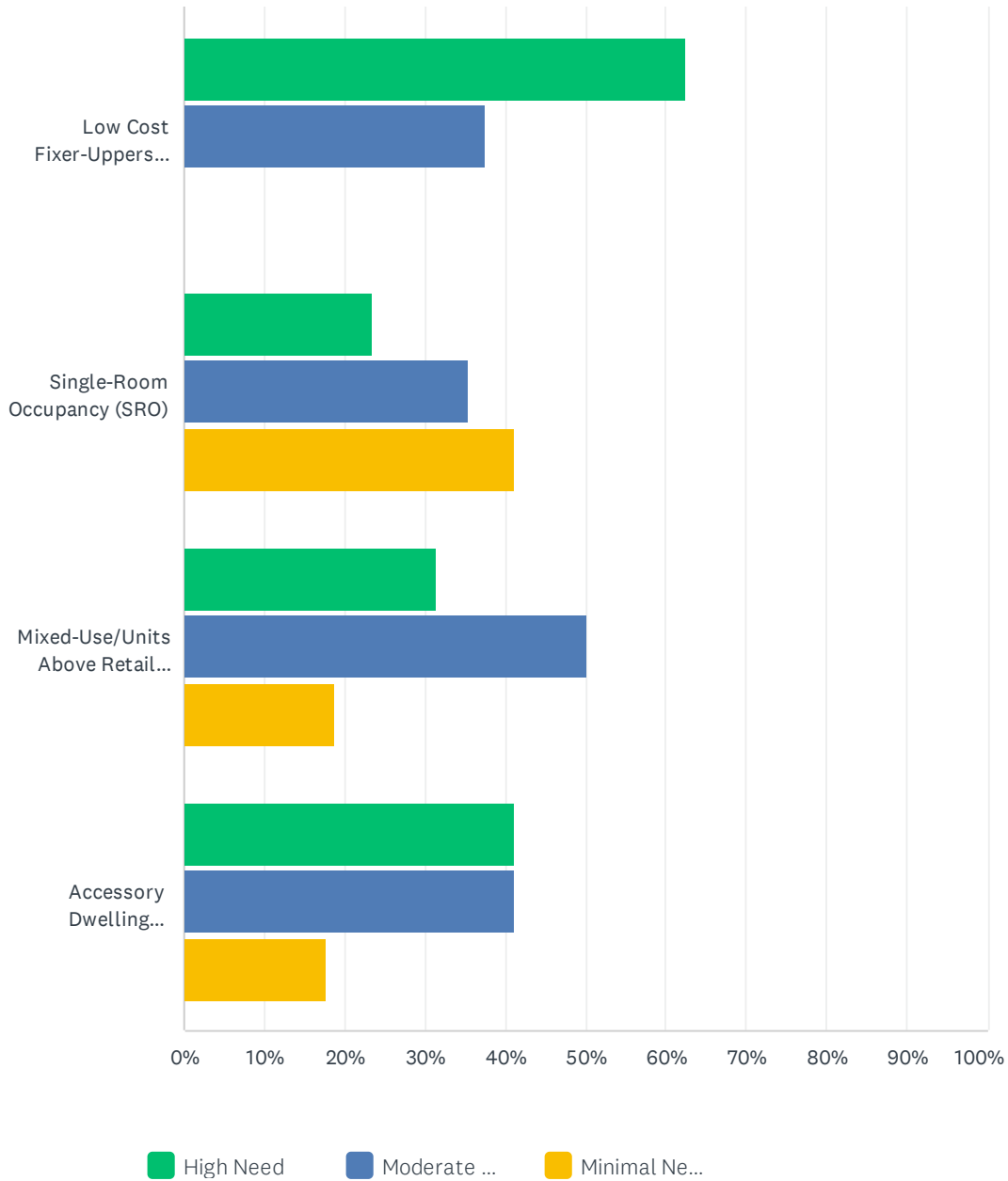
## Q5 What is the demand for each of the following housing styles in the county?

Answered: 17 Skipped: 1





# Mason County, Michigan Housing Needs Assessment Stakeholder Survey

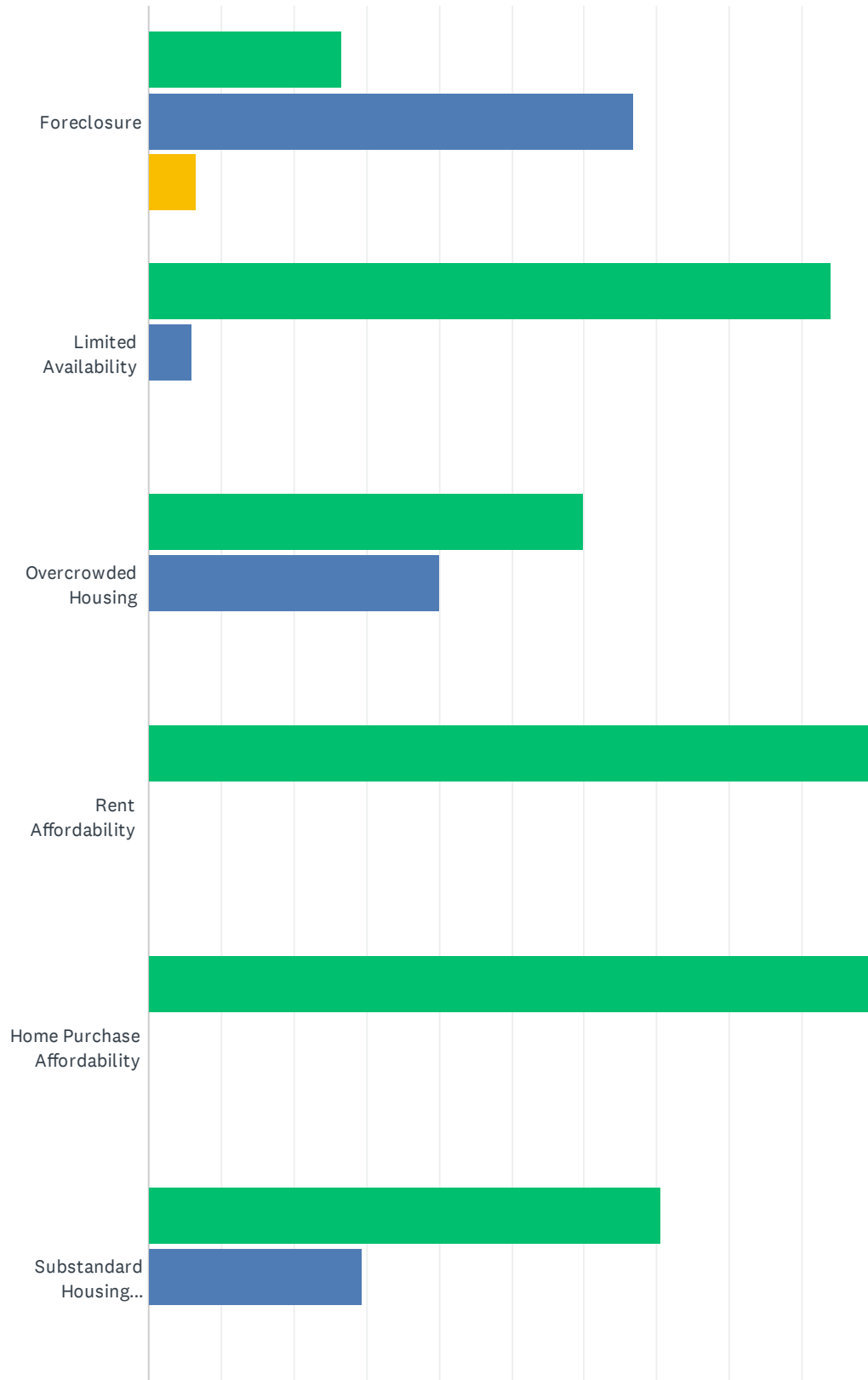


# Mason County, Michigan Housing Needs Assessment Stakeholder Survey

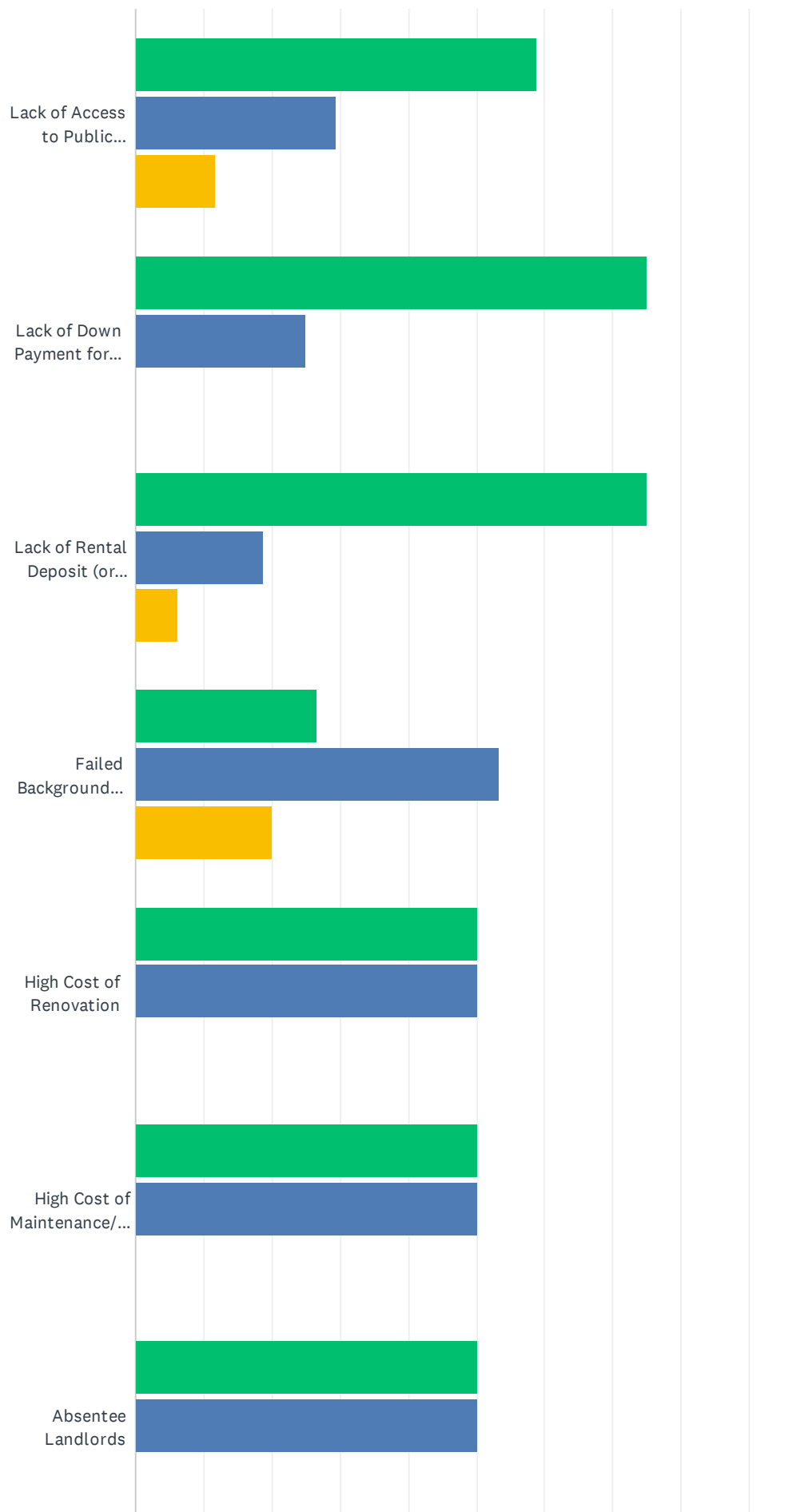
	HIGH NEED	MODERATE NEED	MINIMAL NEED	TOTAL	WEIGHTED AVERAGE
Multifamily Apartments	70.59% 12	17.65% 3	11.76% 2	17	1.41
Duplex/Triplex/Townhomes	41.18% 7	47.06% 8	11.76% 2	17	1.71
Condominiums	6.25% 1	37.50% 6	56.25% 9	16	2.50
Manufactured/Mobile Homes	23.53% 4	29.41% 5	47.06% 8	17	2.24
Ranch Homes/Single Floor Plan Units	62.50% 10	37.50% 6	0.00% 0	16	1.38
Traditional Two-Story Single-Family Homes	56.25% 9	37.50% 6	6.25% 1	16	1.50
Low Cost Fixer-Uppers (single-family homes)	62.50% 10	37.50% 6	0.00% 0	16	1.38
Single-Room Occupancy (SRO)	23.53% 4	35.29% 6	41.18% 7	17	2.18
Mixed-Use/Units Above Retail (Downtown Housing)	31.25% 5	50.00% 8	18.75% 3	16	1.88
Accessory Dwelling Units/Tiny Houses	41.18% 7	41.18% 7	17.65% 3	17	1.76

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

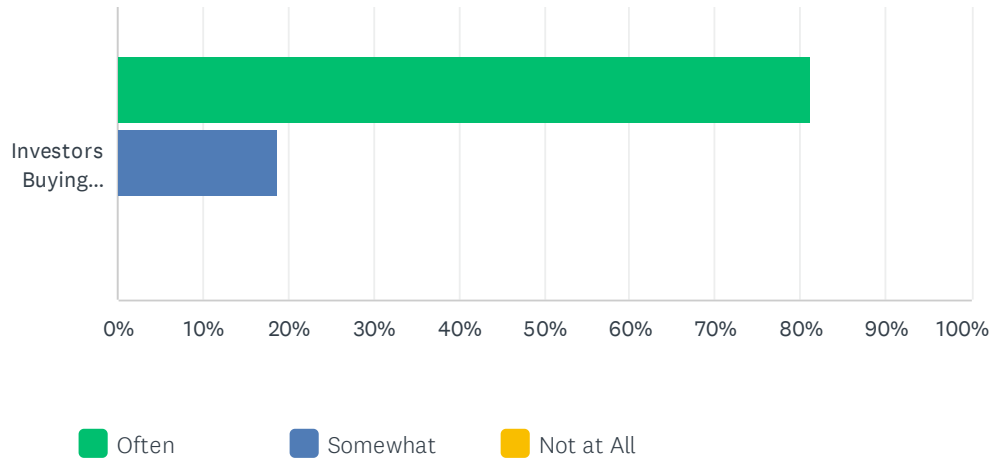
Answered: 17 Skipped: 1



# Mason County, Michigan Housing Needs Assessment Stakeholder Survey



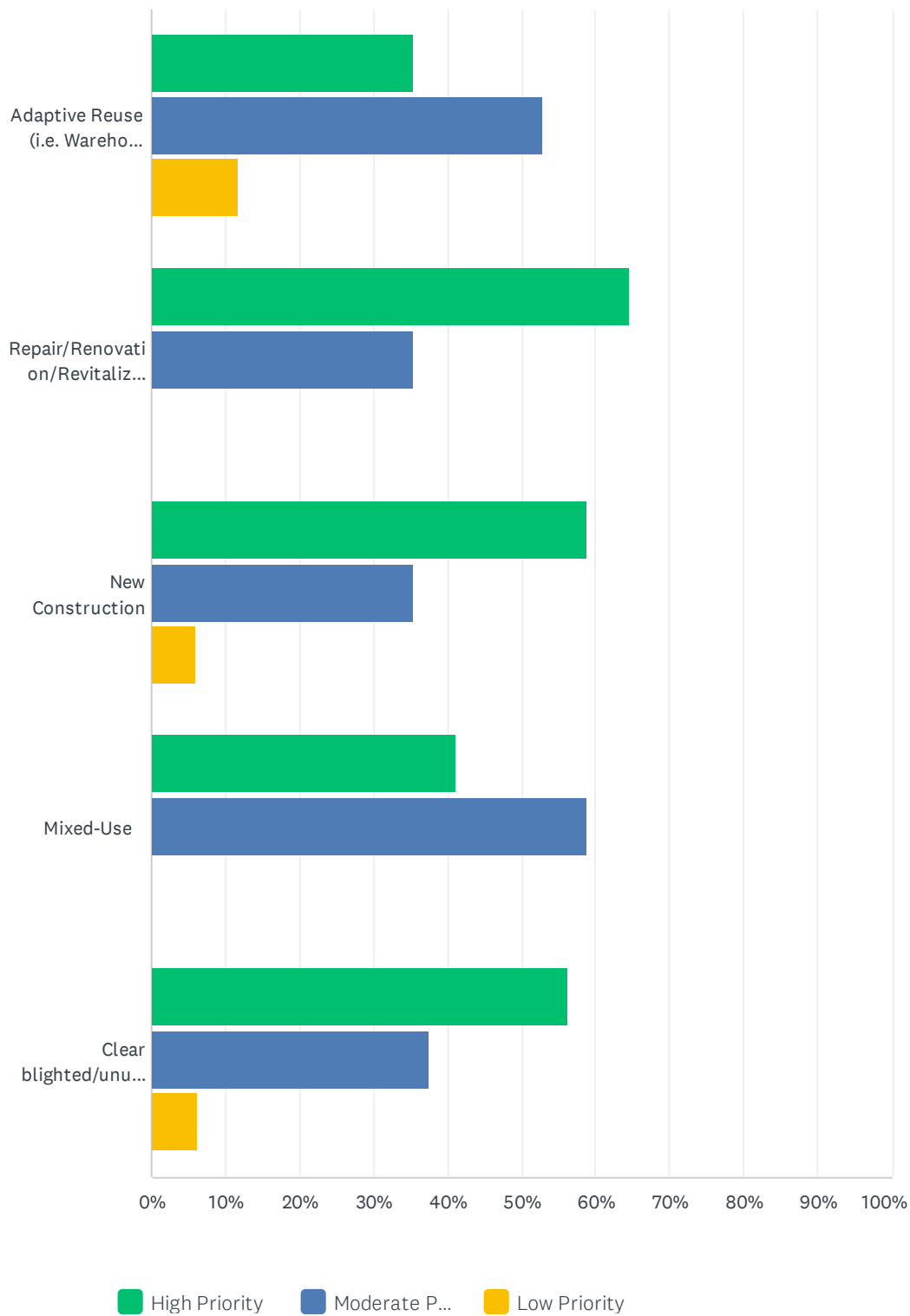
# Mason County, Michigan Housing Needs Assessment Stakeholder Survey



	OFTEN	SOMEWHAT	NOT AT ALL	TOTAL	WEIGHTED AVERAGE
Foreclosure	26.67% 4	66.67% 10	6.67% 1	15	1.80
Limited Availability	94.12% 16	5.88% 1	0.00% 0	17	1.06
Overcrowded Housing	60.00% 9	40.00% 6	0.00% 0	15	1.40
Rent Affordability	100.00% 17	0.00% 0	0.00% 0	17	1.00
Home Purchase Affordability	100.00% 17	0.00% 0	0.00% 0	17	1.00
Substandard Housing (quality/condition)	70.59% 12	29.41% 5	0.00% 0	17	1.29
Lack of Access to Public Transportation	58.82% 10	29.41% 5	11.76% 2	17	1.53
Lack of Down Payment for Purchase	75.00% 12	25.00% 4	0.00% 0	16	1.25
Lack of Rental Deposit (or First/Last Month Rent)	75.00% 12	18.75% 3	6.25% 1	16	1.31
Failed Background Checks	26.67% 4	53.33% 8	20.00% 3	15	1.93
High Cost of Renovation	50.00% 8	50.00% 8	0.00% 0	16	1.50
High Cost of Maintenance/Upkeep	50.00% 8	50.00% 8	0.00% 0	16	1.50
Absentee Landlords	50.00% 8	50.00% 8	0.00% 0	16	1.50
Investors Buying Properties and Increasing Rents/Prices	81.25% 13	18.75% 3	0.00% 0	16	1.19

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

Answered: 17 Skipped: 1



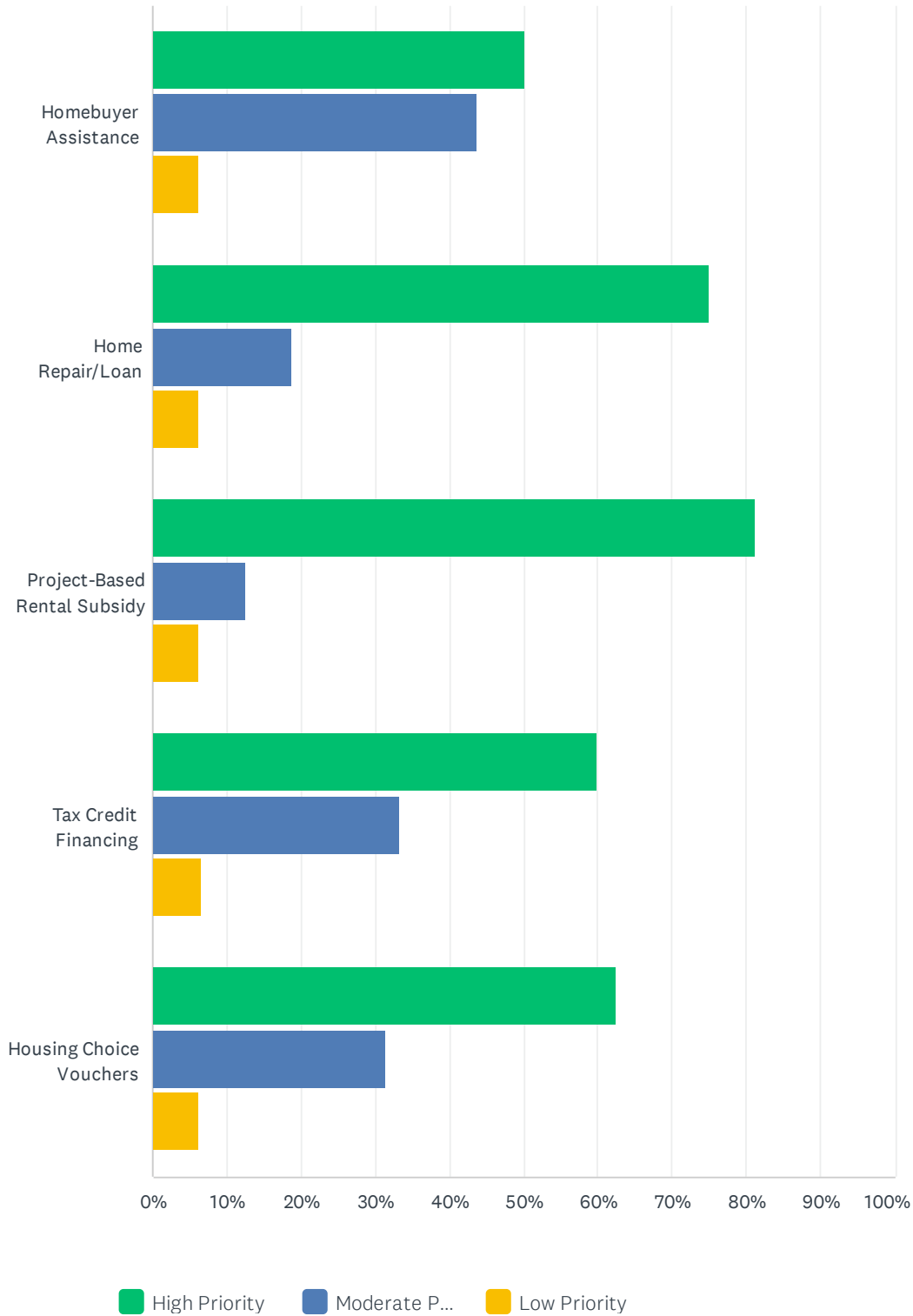


# Mason County, Michigan Housing Needs Assessment Stakeholder Survey

	HIGH PRIORITY	MODERATE PRIORITY	LOW PRIORITY	TOTAL	WEIGHTED AVERAGE
Adaptive Reuse (i.e. Warehouse Conversion to Residential)	35.29% 6	52.94% 9	11.76% 2	17	1.76
Repair/Renovation/Revitalization of Existing Housing	64.71% 11	35.29% 6	0.00% 0	17	1.35
New Construction	58.82% 10	35.29% 6	5.88% 1	17	1.47
Mixed-Use	41.18% 7	58.82% 10	0.00% 0	17	1.59
Clear blighted/unused structures to create land for new development	56.25% 9	37.50% 6	6.25% 1	16	1.50

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

Answered: 16 Skipped: 2



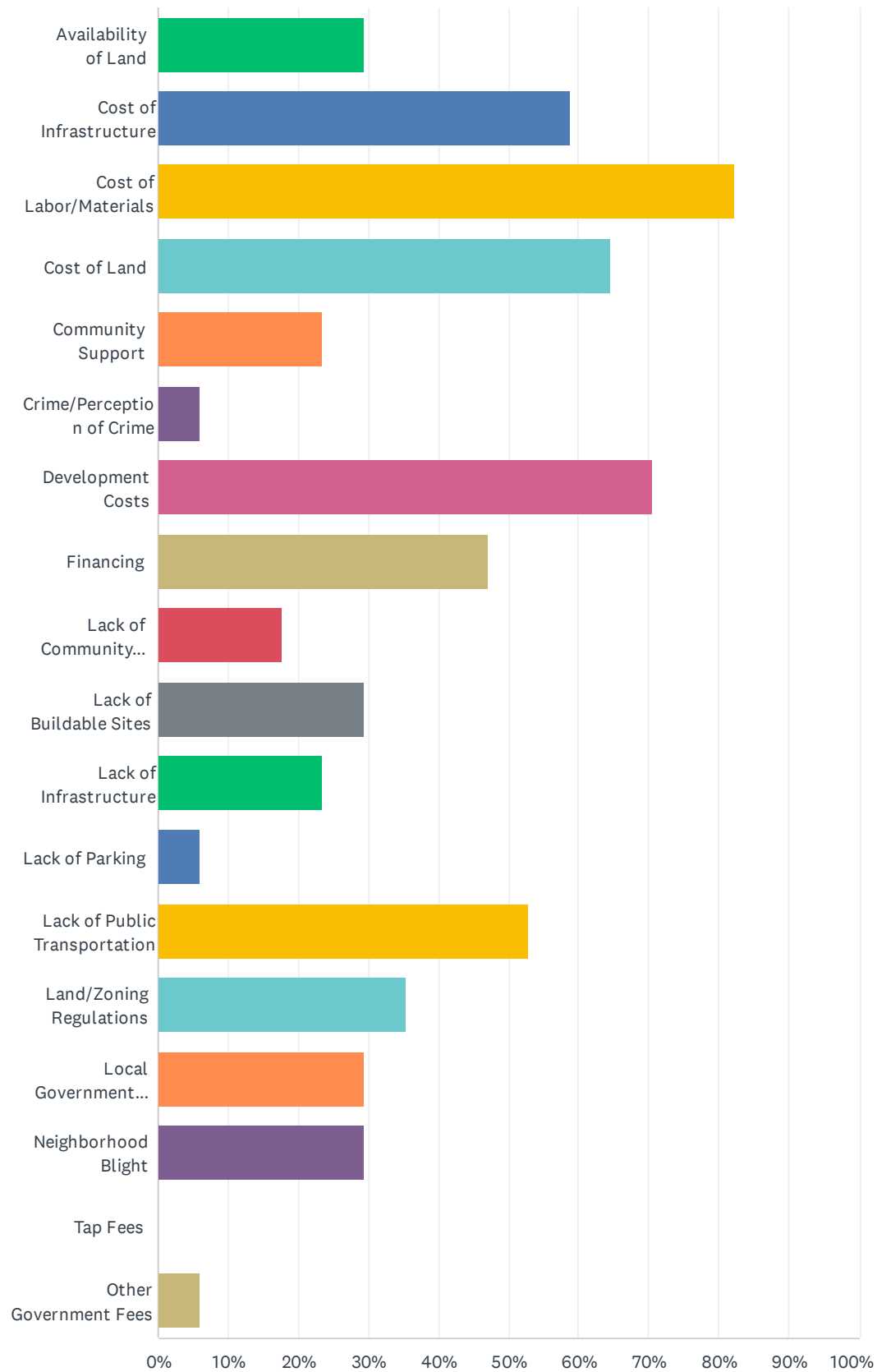
# Mason County, Michigan Housing Needs Assessment Stakeholder Survey

	HIGH PRIORITY	MODERATE PRIORITY	LOW PRIORITY	TOTAL	WEIGHTED AVERAGE
Homebuyer Assistance	50.00% 8	43.75% 7	6.25% 1	16	1.56
Home Repair/Loan	75.00% 12	18.75% 3	6.25% 1	16	1.31
Project-Based Rental Subsidy	81.25% 13	12.50% 2	6.25% 1	16	1.25
Tax Credit Financing	60.00% 9	33.33% 5	6.67% 1	15	1.47
Housing Choice Vouchers	62.50% 10	31.25% 5	6.25% 1	16	1.44

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

Answered: 17   Skipped: 1

## Mason County, Michigan Housing Needs Assessment Stakeholder Survey



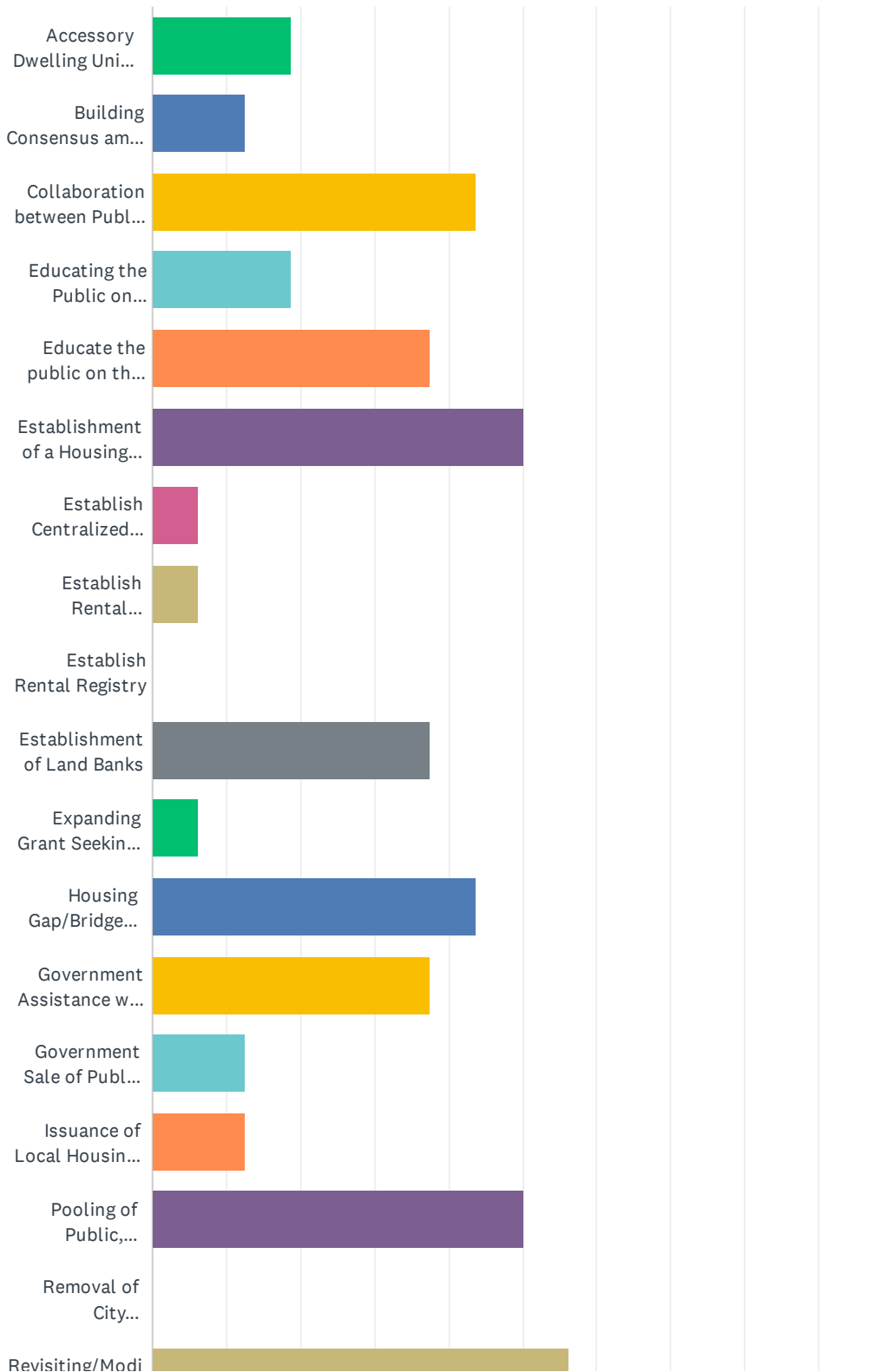
# Mason County, Michigan Housing Needs Assessment Stakeholder Survey

ANSWER CHOICES	RESPONSES	
Availability of Land	29.41%	5
Cost of Infrastructure	58.82%	10
Cost of Labor/Materials	82.35%	14
Cost of Land	64.71%	11
Community Support	23.53%	4
Crime/Perception of Crime	5.88%	1
Development Costs	70.59%	12
Financing	47.06%	8
Lack of Community Services	17.65%	3
Lack of Buildable Sites	29.41%	5
Lack of Infrastructure	23.53%	4
Lack of Parking	5.88%	1
Lack of Public Transportation	52.94%	9
Land/Zoning Regulations	35.29%	6
Local Government Regulations ("red tape")	29.41%	5
Neighborhood Blight	29.41%	5
Tap Fees	0.00%	0
Other Government Fees	5.88%	1
Total Respondents: 17		

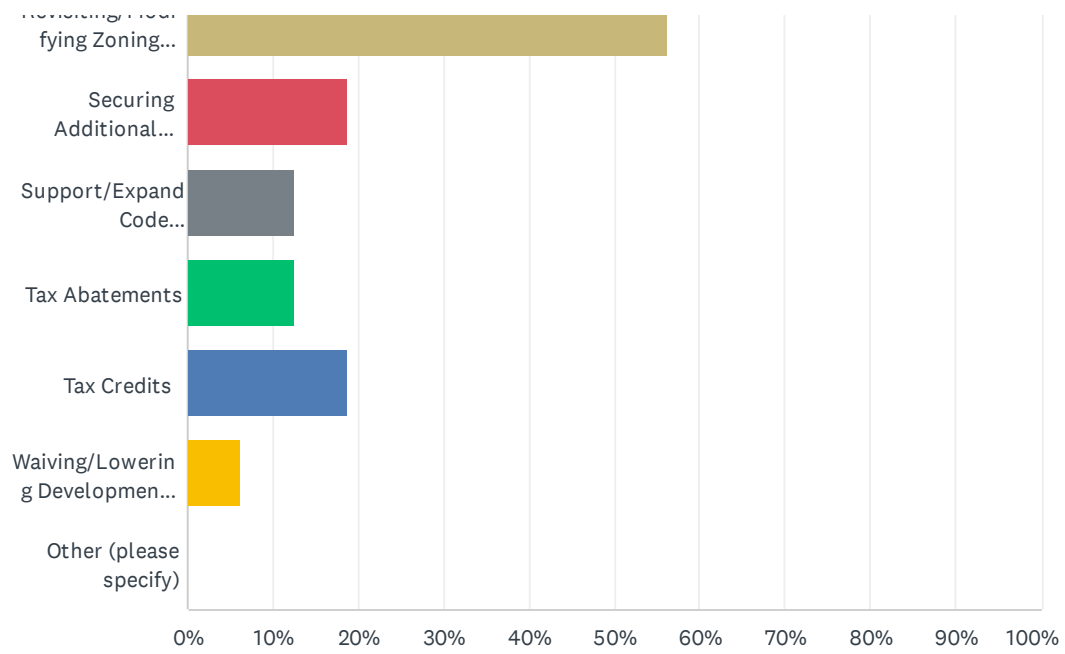


## Q10 Which of the following represent the best options to reduce or eliminate the area's greatest obstacles (barriers to residential development)? (Select up to 5)

Answered: 16 Skipped: 2



## Mason County, Michigan Housing Needs Assessment Stakeholder Survey

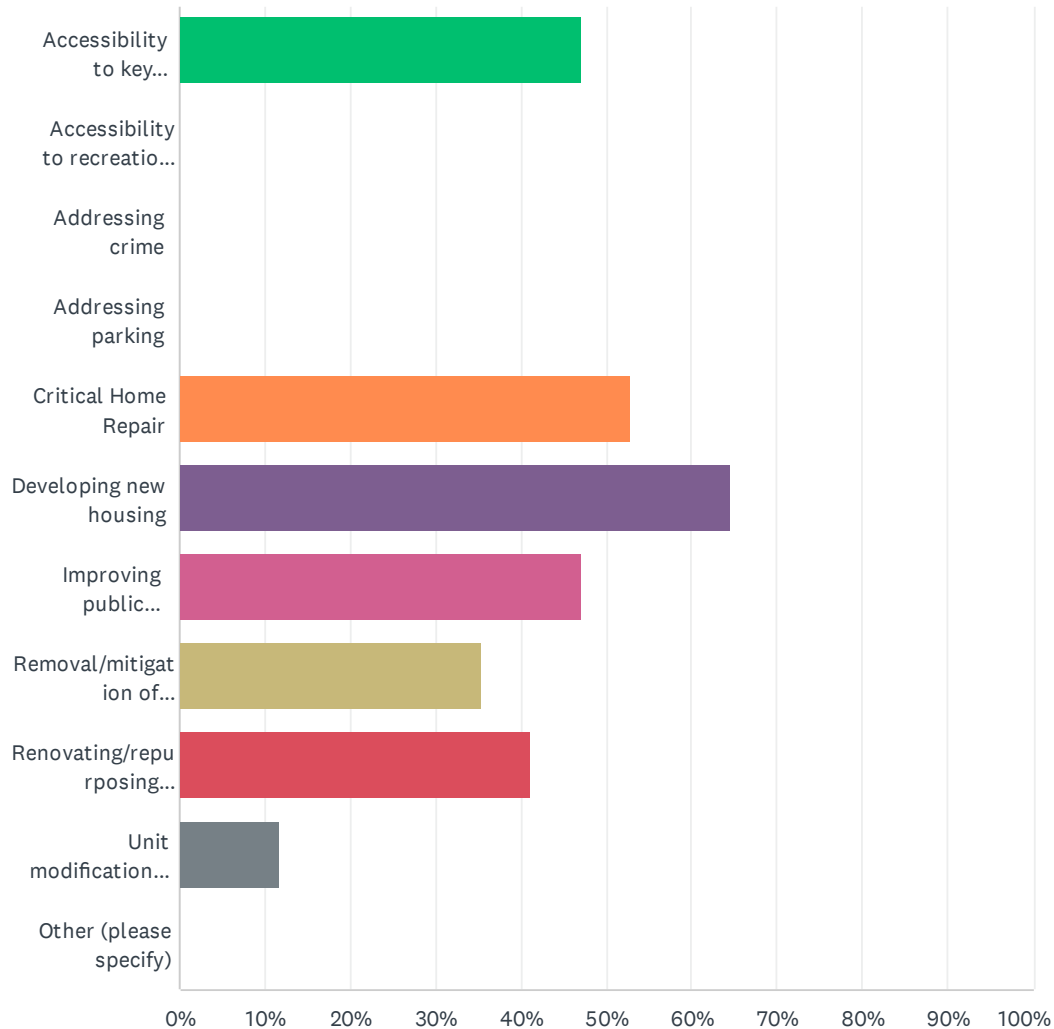


# Mason County, Michigan Housing Needs Assessment Stakeholder Survey

ANSWER CHOICES	RESPONSES	
Accessory Dwelling Unit Opportunities	18.75%	3
Building Consensus among Communities/Advocates	12.50%	2
Collaboration between Public and Private Sectors	43.75%	7
Educating the Public on Importance of Housing	18.75%	3
Educate the public on the importance of different types of housing	37.50%	6
Establishment of a Housing Trust Fund (focuses on preservation/development of affordable housing)	50.00%	8
Establish Centralized Developer/Builder Resource Center	6.25%	1
Establish Rental Inspection Program	6.25%	1
Establish Rental Registry	0.00%	0
Establishment of Land Banks	37.50%	6
Expanding Grant Seeking Efforts	6.25%	1
Housing Gap/Bridge Financing	43.75%	7
Government Assistance with Infrastructure	37.50%	6
Government Sale of Public Land/Buildings at Discount or Donated	12.50%	2
Issuance of Local Housing Bond	12.50%	2
Pooling of Public, Philanthropic, and Private Resources	50.00%	8
Removal of City Fines/Fees/Liens on Existing Homes to Encourage Transactions	0.00%	0
Revisiting/Modifying Zoning (e.g., density, setbacks, etc.)	56.25%	9
Securing Additional Housing Choice Vouchers	18.75%	3
Support/Expand Code Enforcement	12.50%	2
Tax Abatements	12.50%	2
Tax Credits	18.75%	3
Waiving/Lowering Development Fees	6.25%	1
Other (please specify)	0.00%	0
Total Respondents: 16		

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

Answered: 17 Skipped: 1

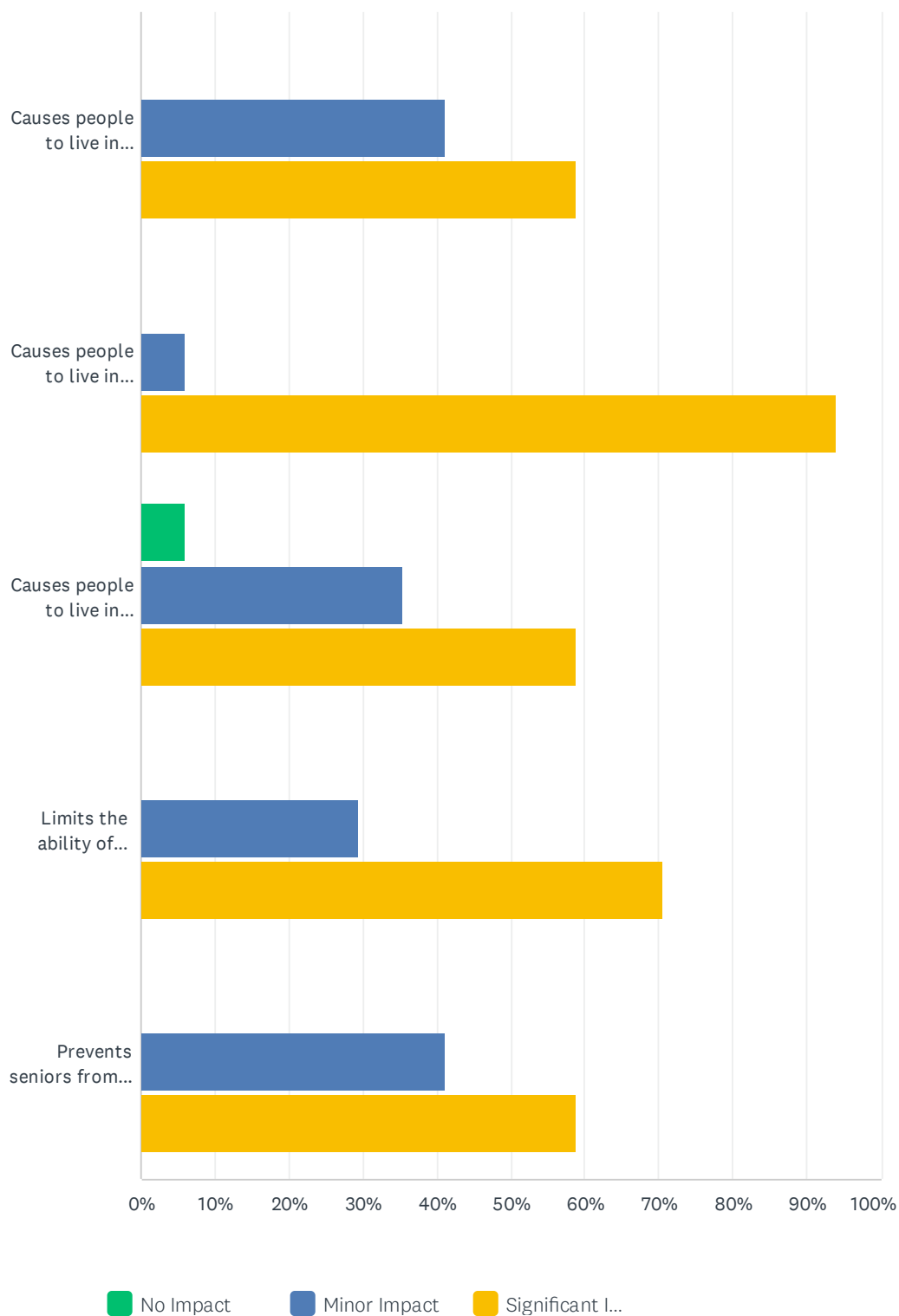


# Mason County, Michigan Housing Needs Assessment Stakeholder Survey

ANSWER CHOICES	RESPONSES	
Accessibility to key community services (e.g. Healthcare, childcare, etc.)	47.06%	8
Accessibility to recreational amenities	0.00%	0
Addressing crime	0.00%	0
Addressing parking	0.00%	0
Critical Home Repair	52.94%	9
Developing new housing	64.71%	11
Improving public transportation	47.06%	8
Removal/mitigation of residential blight	35.29%	6
Renovating/repurposing buildings for housing	41.18%	7
Unit modifications to allow aging in place	11.76%	2
Other (please specify)	0.00%	0
Total Respondents: 17		

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

Answered: 17 Skipped: 1



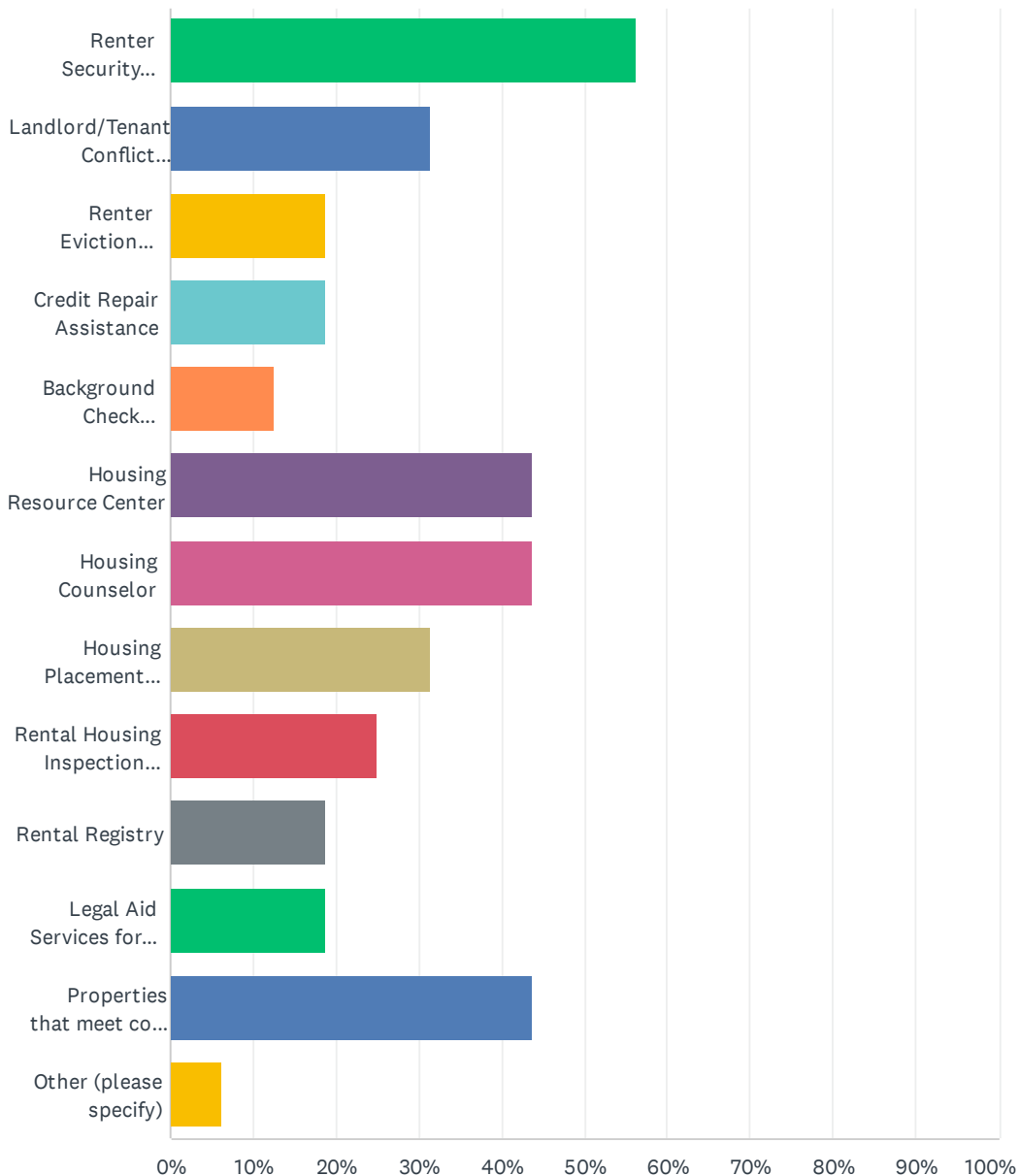


# Mason County, Michigan Housing Needs Assessment Stakeholder Survey

	NO IMPACT	MINOR IMPACT	SIGNIFICANT IMPACT	TOTAL	WEIGHTED AVERAGE
Causes people to live in housing they cannot afford	0.00% 0	41.18% 7	58.82% 10	17	2.59
Causes people to live in substandard housing	0.00% 0	5.88% 1	94.12% 16	17	2.94
Causes people to live in unsafe housing or neighborhoods	5.88% 1	35.29% 6	58.82% 10	17	2.53
Limits the ability of families to grow/thrive	0.00% 0	29.41% 5	70.59% 12	17	2.71
Prevents seniors from living in housing that fits their needs	0.00% 0	41.18% 7	58.82% 10	17	2.59

## Q13 Which of the following options do you believe should become priorities to assist renters in the area? (select up to five)

Answered: 16 Skipped: 2

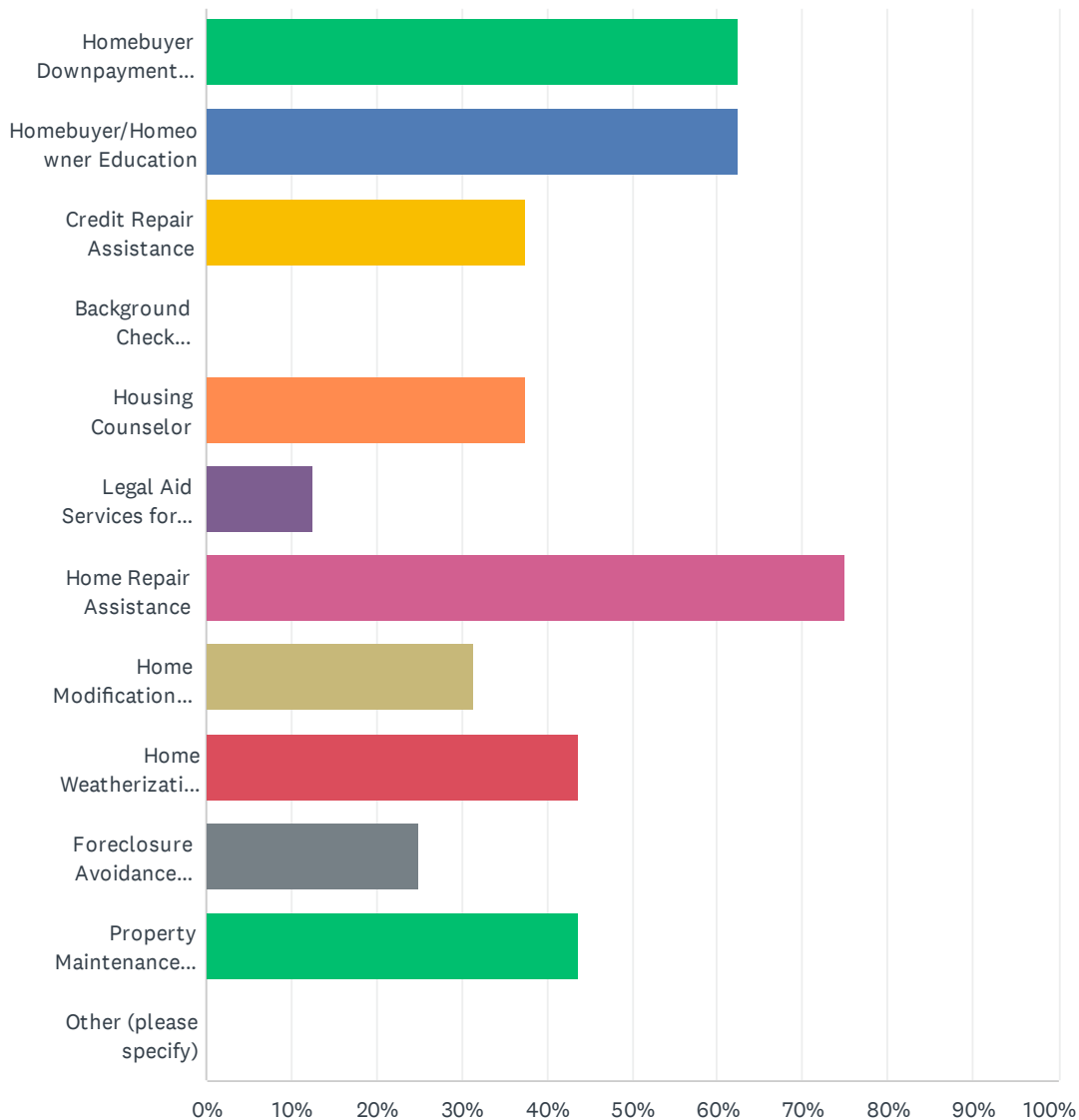


# Mason County, Michigan Housing Needs Assessment Stakeholder Survey

ANSWER CHOICES	RESPONSES	
Renter Security Deposit Assistance	56.25%	9
Landlord/Tenant Conflict Resolution	31.25%	5
Renter Eviction Prevention	18.75%	3
Credit Repair Assistance	18.75%	3
Background Check Resolution	12.50%	2
Housing Resource Center	43.75%	7
Housing Counselor	43.75%	7
Housing Placement Service	31.25%	5
Rental Housing Inspection Program	25.00%	4
Rental Registry	18.75%	3
Legal Aid Services for Housing	18.75%	3
Properties that meet code/ life safety compliance	43.75%	7
Other (please specify)	6.25%	1
Total Respondents: 16		

## Q14 Which of the following options do you believe should become priorities to assist homeowners/buyers in the area? (select up to five)

Answered: 16 Skipped: 2



# Mason County, Michigan Housing Needs Assessment Stakeholder Survey

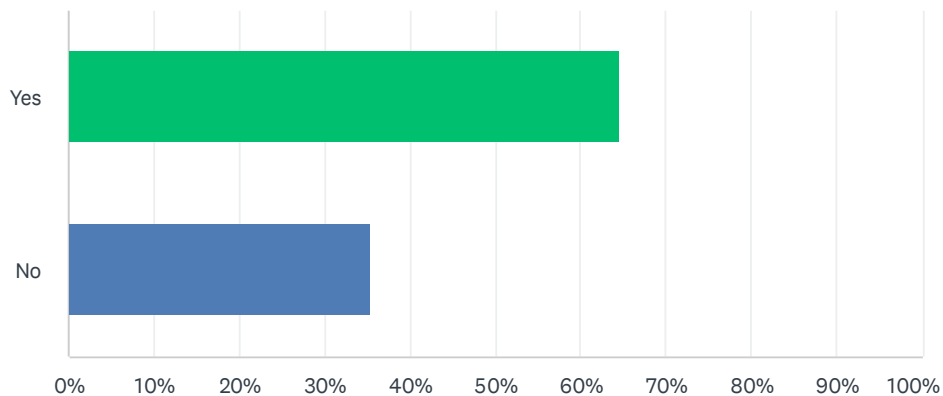
ANSWER CHOICES	RESPONSES	
Homebuyer Downpayment Assistance	62.50%	10
Homebuyer/Homeowner Education	62.50%	10
Credit Repair Assistance	37.50%	6
Background Check Resolution	0.00%	0
Housing Counselor	37.50%	6
Legal Aid Services for Housing	12.50%	2
Home Repair Assistance	75.00%	12
Home Modification Assistance	31.25%	5
Home Weatherization Assistance	43.75%	7
Foreclosure Avoidance Education	25.00%	4
Property Maintenance Education	43.75%	7
Other (please specify)	0.00%	0
Total Respondents: 16		

## Q15 Is there anything else you would like to share about housing challenges in the county?

Answered: 7   Skipped: 11

## Q16 Are you knowledgeable of the homeless and/or special needs populations and their housing needs in the area?

Answered: 17 Skipped: 1

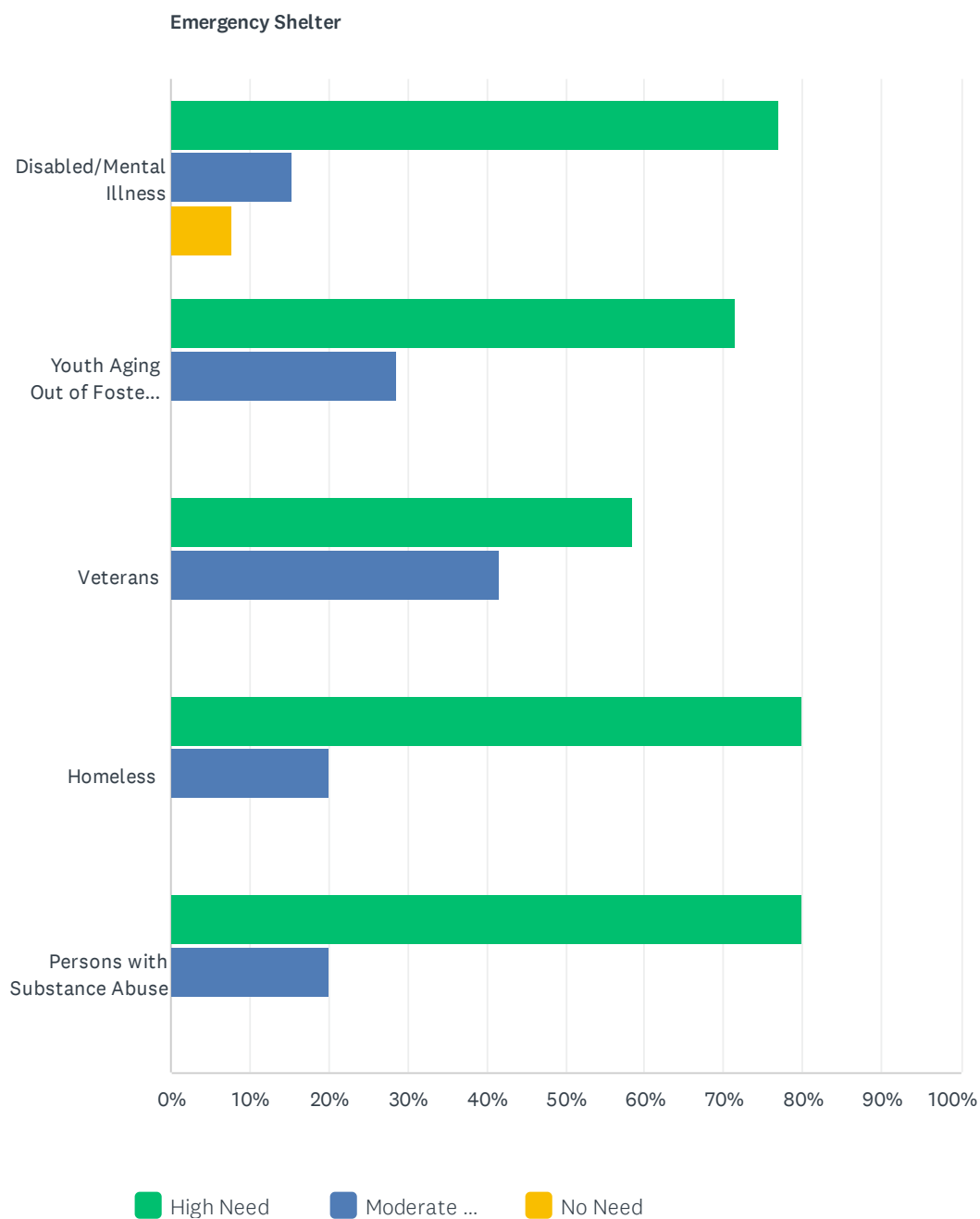


ANSWER CHOICES	RESPONSES	
Yes	64.71%	11
No	35.29%	6
TOTAL		17

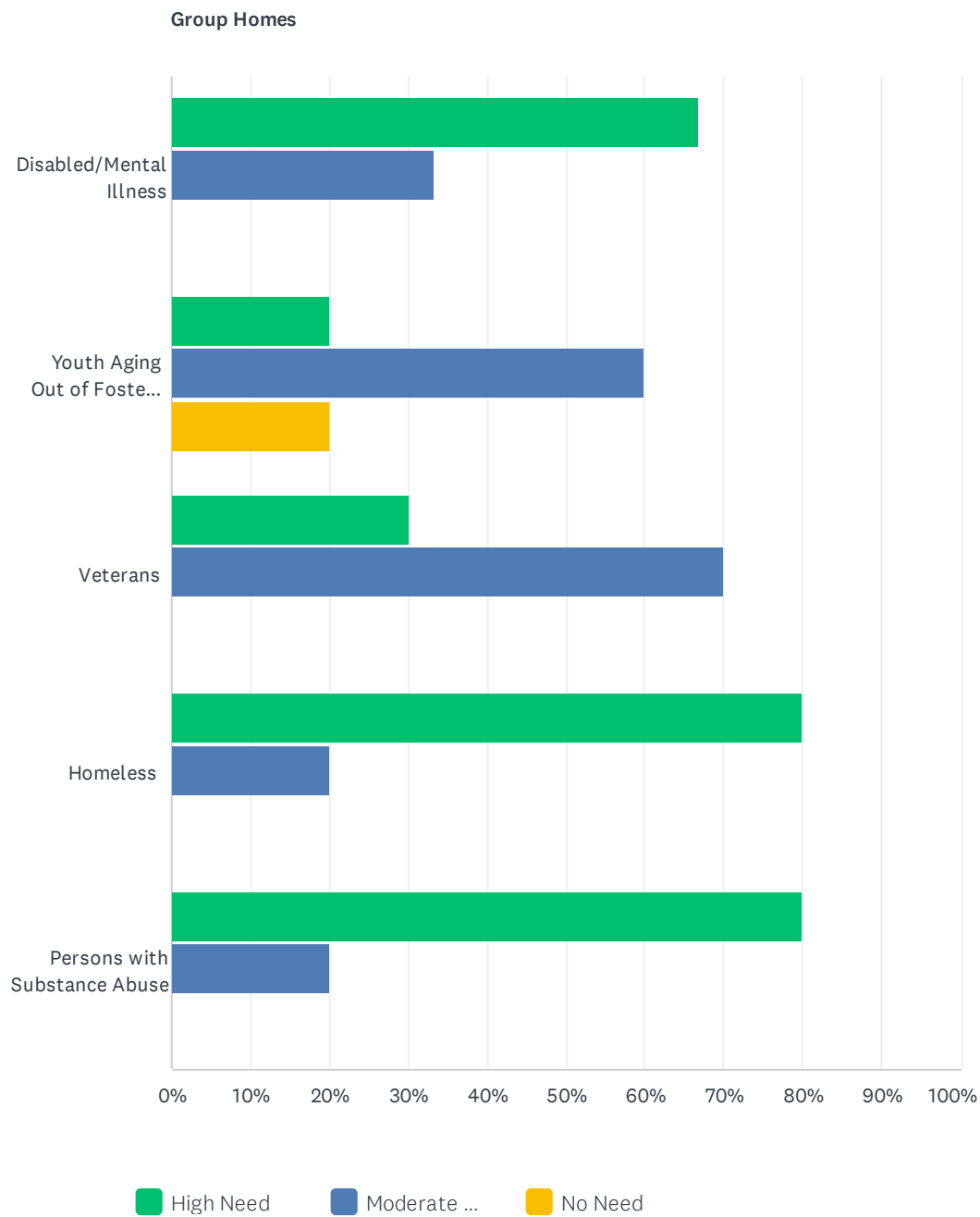


## Q17 Rank the level of need for various housing types for each population target.

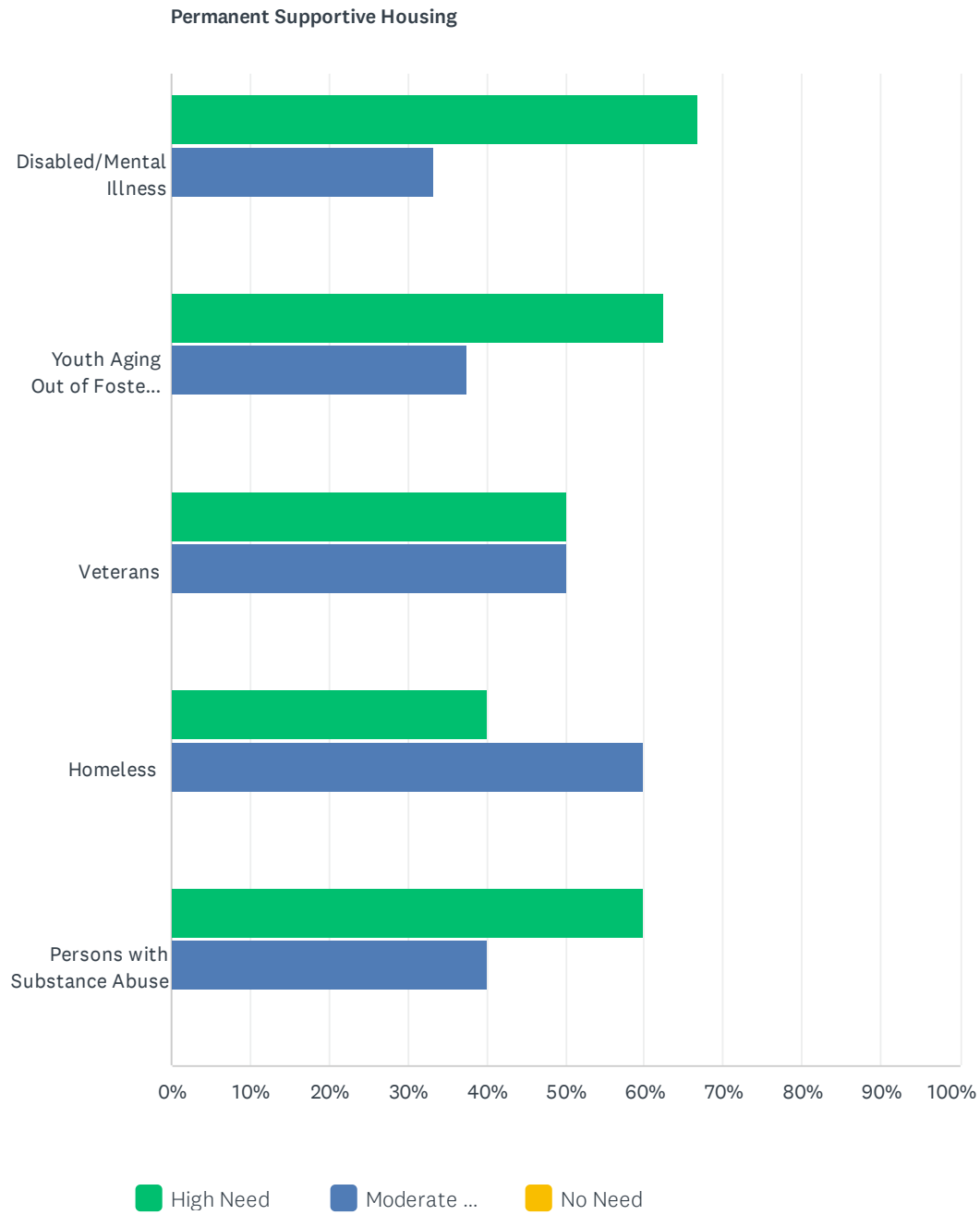
Answered: 14 Skipped: 4



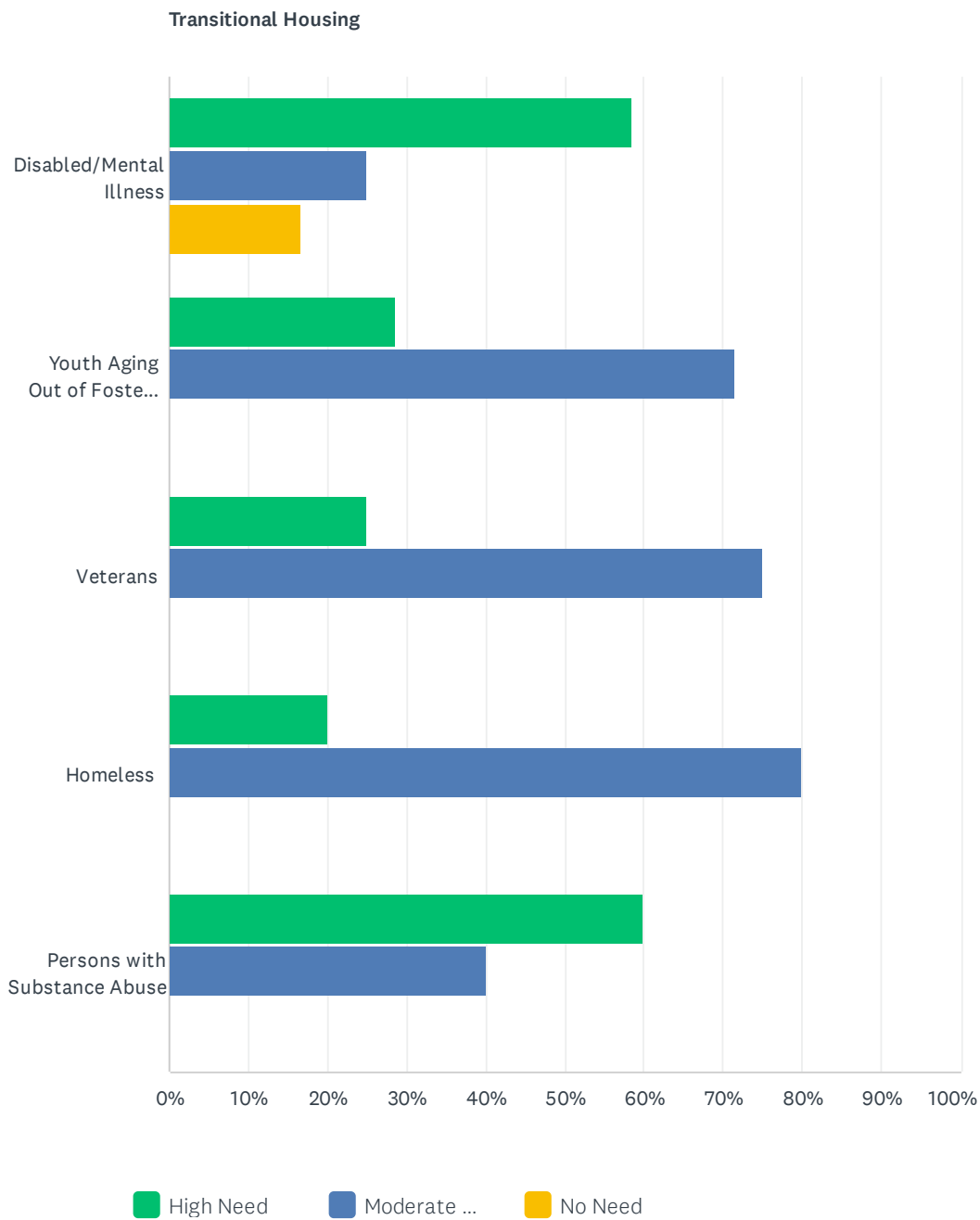
# Mason County, Michigan Housing Needs Assessment Stakeholder Survey



# Mason County, Michigan Housing Needs Assessment Stakeholder Survey



# Mason County, Michigan Housing Needs Assessment Stakeholder Survey



Emergency Shelter				
	HIGH NEED	MODERATE NEED	NO NEED	TOTAL
Disabled/Mental Illness	76.92% 10	15.38% 2	7.69% 1	13
Youth Aging Out of Foster Care/Unaccompanied Youth	71.43% 5	28.57% 2	0.00% 0	7
Veterans	58.33% 7	41.67% 5	0.00% 0	12
Homeless	80.00% 4	20.00% 1	0.00% 0	5
Persons with Substance Abuse	80.00% 4	20.00% 1	0.00% 0	5

# Mason County, Michigan Housing Needs Assessment Stakeholder Survey

Group Homes				
	HIGH NEED	MODERATE NEED	NO NEED	TOTAL
Disabled/Mental Illness	66.67% 8	33.33% 4	0.00% 0	12
Youth Aging Out of Foster Care/Unaccompanied Youth	20.00% 1	60.00% 3	20.00% 1	5
Veterans	30.00% 3	70.00% 7	0.00% 0	10
Homeless	80.00% 4	20.00% 1	0.00% 0	5
Persons with Substance Abuse	80.00% 4	20.00% 1	0.00% 0	5
Permanent Supportive Housing				
	HIGH NEED	MODERATE NEED	NO NEED	TOTAL
Disabled/Mental Illness	66.67% 8	33.33% 4	0.00% 0	12
Youth Aging Out of Foster Care/Unaccompanied Youth	62.50% 5	37.50% 3	0.00% 0	8
Veterans	50.00% 6	50.00% 6	0.00% 0	12
Homeless	40.00% 2	60.00% 3	0.00% 0	5
Persons with Substance Abuse	60.00% 3	40.00% 2	0.00% 0	5
Transitional Housing				
	HIGH NEED	MODERATE NEED	NO NEED	TOTAL
Disabled/Mental Illness	58.33% 7	25.00% 3	16.67% 2	12
Youth Aging Out of Foster Care/Unaccompanied Youth	28.57% 2	71.43% 5	0.00% 0	7
Veterans	25.00% 3	75.00% 9	0.00% 0	12
Homeless	20.00% 1	80.00% 4	0.00% 0	5
Persons with Substance Abuse	60.00% 3	40.00% 2	0.00% 0	5

**Q18 What are the obstacles to the development of housing for homeless and/or special needs populations in the area?**

Answered: 11   Skipped: 7

**Q19 Provide any recommendations on ways to address the needs of the homeless and/or special needs populations in the area?**

Answered: 8   Skipped: 10



## ADDENDUM E: 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

**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 F: 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 50<sup>th</sup> 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 G: 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
- Airbnb
- American Community Survey
- Apartments.com
- Centers for Disease Control and Prevention
- Chamber Alliance of Mason County
- City of Ludington
- C0C/Local Planning Body Coordinated Entry System
- ESRI Demographics
- Facebook
- HUDUser.gov Assistance & Section 8 Contracts Database
- Loopnet.com
- Ludington Mass Transportation Authority (LMTA)
- Management for each property included in the survey
- Medicare.com
- Michigan Balance of State Continuum of Care
- Michigan Compiled Laws
- Michigan Department of Labor and Economic Opportunity
- Michigan Department of Licensing and Regulatory Affairs
- Michigan State Housing Development Authority (MSHDA)
- Multiple Listing Service
- National Center of Drug Abuse Statistics
- National Investment Center (NIC) for Senior Housing & Care
- Planning Representatives
- Priced Out - Technical Assistance Collaborative
- Realtor.com
- Ribbon Demographics HISTA Data
- Senior Housing Facility Representatives
- SOCDS Building Permits Database
- Substance Abuse and Mental Health Services Administration (SAMHSA)
- 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
- VRBO
- WalkScore.com
- Zillow.com