

ADDENDUM D: BENZIE COUNTY OVERVIEW

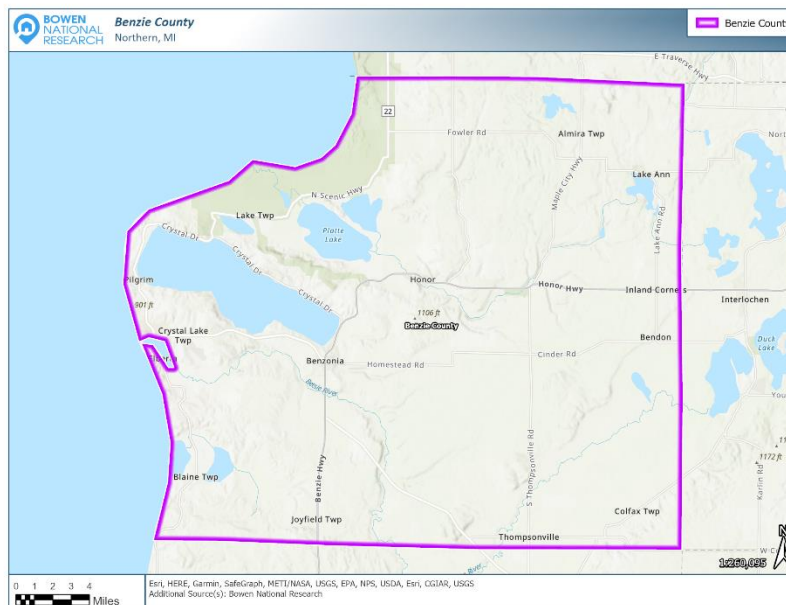
While the primary focus of this Housing Needs Assessment is on the Northern Michigan Region, this section of the report includes a cursory overview of demographic and housing metrics of Benzie County. To provide a base of comparison, various metrics of Benzie County were compared with overall statewide numbers. A comparison of the subject county in relation with other counties in the state is provided in the Regional Overview portion of the Northern Michigan Housing Needs Assessment.

The analyses on the following pages provide overviews of key demographic data, summaries of the multifamily rental market and for-sale housing supply, and general conclusions on the housing needs of the area. It is important to note that the demographic projections included in this section assume no significant government policies, programs or incentives are enacted that would drastically alter residential development or economic activity.

A. INTRODUCTION

Benzie County is located in the northwestern portion of the Lower Peninsula of Michigan along the eastern shore of Lake Michigan. Benzie County contains approximately 347.65 square miles and has an estimated population of 17,857 for 2022, which is representative of approximately 6.0% of the total population for the 10-county Northern Michigan Region. The village of Beulah, which serves as the county seat, is located on the east end of Crystal Lake and is accessible via U.S. Highway 31. Other notable population centers within the county include the city of Frankfort and the villages of Benzonia, Elberta, Honor, Lake Ann, and Thompsonville. In addition to the aforementioned population centers, Benzie County also comprises various waterways including Betsie Lake, Crystal Lake, Platte Lake, Lake Ann, and Upper and Lower Herring Lake. Major arterials that serve the county include U.S. Highway 31 and State Routes 22 and 115.

A map illustrating Benzie County is below.



B. DEMOGRAPHICS

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

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

	Total Population									
	2010 Census	2020 Census	Change 2010-2020		2022 Estimated	Change 2020-2022		2027 Projected	Change 2022-2027	
			Number	Percent		Number	Percent		Number	Percent
Benzie	17,525	17,970	445	2.5%	17,857	-113	-0.6%	17,841	-16	-0.1%
Region	297,912	310,802	12,890	4.3%	311,690	888	0.3%	313,166	1,476	0.5%
Michigan	9,883,297	10,077,094	193,797	2.0%	10,077,929	835	0.0%	10,054,166	-23,763	-0.2%

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

Between 2010 and 2020, the population within Benzie County increased by 445 (2.5%), a slightly lower rate than the 10-county Northern Michigan Region which increased in population by 12,890 (4.3%) during this time period. However, the population declined by 113 (0.6%) within the county between 2020 and 2022 and is projected to continue to decline through 2027. In contrast, the Northern Michigan Region is projected to continue to expand in population, albeit at a slow rate of 0.5% between 2022 and 2027. The state of Michigan experienced an increase in population between 2010 and 2022, but this will reverse between 2022 and 2027 and the state population is projected to decline by 23,763 (0.2%). It is critical to point out that *household* changes, as opposed to population, are more material in assessing housing needs and opportunities. As illustrated on the following page, Benzie County experienced positive *household* growth between 2010 and 2020 and is expected to again experience household growth between 2022 and 2027, despite the population decline experienced and projected for the county during these time periods.

Other notable population statistics for Benzie County include the following:

- Minorities comprise 6.9% of the county's population, which is lower than the Northern Michigan Region and statewide shares of 8.7% and 26.1%, respectively.
- Married persons represent more than half (55.6%) of the adult population, which is similar to the share reported for the Northern Michigan Region (55.3%) and higher than that reported for the state of Michigan (49.0%).
- The adult population without a high school diploma is 5.5%, which is lower than the shares reported for both the Northern Michigan Region (6.1%) and the state of Michigan (7.7%).
- Approximately 10.2% of the population lives in poverty, which is comparable to the share reported for the Northern Michigan Region (10.7%) and lower than the share for the state of Michigan (13.7%).

- The annual movership rate (population moving within or to Benzie County) is 8.4%, which is lower than both Northern Michigan Region (12.1%) and statewide (13.4%) shares.

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

	Total Households									
	2010 Census	2020 Census	Change 2010-2020		2022 Estimated	Change 2020-2022		2027 Projected	Change 2022-2027	
			Number	Percent		Number	Percent		Number	Percent
Benzie	7,298	7,753	455	6.2%	7,743	-10	-0.1%	7,797	54	0.7%
Region	122,388	131,151	8,763	7.2%	131,968	817	0.6%	133,293	1,325	1.0%
Michigan	3,872,302	4,041,552	169,250	4.4%	4,055,460	13,908	0.3%	4,067,324	11,864	0.3%

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

Between 2010 and 2020, the total number of households within Benzie County increased by 455 (6.2%), less than the regional growth rate of 7.2% but greater than the statewide rate of 4.4% during this same time period. While both the region and state experienced household growth between 2020 and 2022, the Benzie County household base declined by 10 (0.1%). However, household growth is again projected for the county between 2022 and 2027 during which time households are projected to increase by 54 (0.7%), a similar rate to that projected for the region (1.0%).

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. These factors are addressed throughout this report.

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

		Household Heads by Age						
		<25	25 to 34	35 to 44	45 to 54	55 to 64	65 to 74	75+
Benzie	2010	127 (1.7%)	728 (10.0%)	1,098 (15.0%)	1,545 (21.2%)	1,531 (21.0%)	1,252 (17.2%)	1,017 (13.9%)
	2022	117 (1.5%)	754 (9.7%)	1,001 (12.9%)	1,186 (15.3%)	1,755 (22.7%)	1,682 (21.7%)	1,248 (16.1%)
	2027	108 (1.4%)	723 (9.3%)	986 (12.6%)	1,113 (14.3%)	1,581 (20.3%)	1,815 (23.3%)	1,471 (18.9%)
	Change 2022-2027	-9 (-7.7%)	-31 (-4.1%)	-15 (-1.5%)	-73 (-6.2%)	-174 (-9.9%)	133 (7.9%)	223 (17.9%)
Region	2010	3,841 (3.1%)	13,648 (11.2%)	18,314 (15.0%)	26,363 (21.5%)	26,039 (21.3%)	18,114 (14.8%)	16,069 (13.1%)
	2022	3,249 (2.5%)	15,367 (11.6%)	17,843 (13.5%)	20,514 (15.5%)	28,678 (21.7%)	26,939 (20.4%)	19,378 (14.7%)
	2027	3,134 (2.4%)	14,210 (10.7%)	18,674 (14.0%)	19,693 (14.8%)	25,393 (19.1%)	29,053 (21.8%)	23,136 (17.4%)
	Change 2022-2027	-115 (-3.5%)	-1,157 (-7.5%)	831 (4.7%)	-821 (-4.0%)	-3,285 (-11.5%)	2,114 (7.8%)	3,758 (19.4%)
Michigan	2010	170,982 (4.4%)	525,833 (13.6%)	678,259 (17.5%)	844,895 (21.8%)	746,394 (19.3%)	463,569 (12.0%)	442,370 (11.4%)
	2022	150,466 (3.7%)	572,672 (14.1%)	630,554 (15.5%)	677,148 (16.7%)	814,827 (20.1%)	695,910 (17.2%)	513,883 (12.7%)
	2027	144,849 (3.6%)	535,146 (13.2%)	653,008 (16.1%)	642,114 (15.8%)	736,410 (18.1%)	749,254 (18.4%)	606,543 (14.9%)
	Change 2022-2027	-5,617 (-3.7%)	-37,526 (-6.6%)	22,454 (3.6%)	-35,034 (-5.2%)	-78,417 (-9.6%)	53,344 (7.7%)	92,660 (18.0%)

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

In 2022, household heads between the ages of 55 and 64 within Benzie County comprise the largest share of households (22.7%) by age. Household heads between the ages of 65 and 74 represent the next largest share (21.7%). Notably, household heads aged 55 and older comprise more than 60.0% of all households within Benzie County. This is a higher share of senior households as compared to the Northern Michigan Region (56.8%) and the state of Michigan (49.9%). Household heads under the age of 35, which are typically more likely to be renters or first-time homebuyers, comprise 11.2% of Benzie County households, which represents a smaller share of such households when compared to the region (14.1%) and state (17.8%). Between 2022 and 2027, household growth within Benzie County is projected to be concentrated among seniors aged 65 and older. The most significant growth will occur among households ages 75 and older, with Benzie County experiencing a 17.9% increase within this age cohort. Households under the age of 65 are projected to decline over the next five years, with the largest percentage decline of 9.9% projected for the 55 to 64 age cohort.

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

		Households by Tenure							
		2000		2010		2022		2027	
Household Type		Number	Percent	Number	Percent	Number	Percent	Number	Percent
Benzie	Owner-Occupied	6,256	85.7%	6,223	85.3%	6,957	89.8%	7,029	90.2%
	Renter-Occupied	1,042	14.3%	1,075	14.7%	786	10.2%	768	9.8%
	Total	7,298	100.0%	7,298	100.0%	7,743	100.0%	7,797	100.0%
Region	Owner-Occupied	98,506	80.5%	96,114	78.5%	105,039	79.6%	106,857	80.2%
	Renter-Occupied	23,882	19.5%	26,274	21.5%	26,929	20.4%	26,436	19.8%
	Total	122,388	100.0%	122,388	100.0%	131,968	100.0%	133,293	100.0%
Michigan	Owner-Occupied	2,857,499	73.8%	2,793,208	72.1%	2,895,751	71.4%	2,936,335	72.2%
	Renter-Occupied	1,014,803	26.2%	1,079,094	27.9%	1,159,709	28.6%	1,130,990	27.8%
	Total	3,872,302	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, Benzie County has an 89.8% share of owner households and a 10.2% share of renter households. Benzie County has a higher share of owner households and lower share of renter households as compared to both the Northern Michigan Region and state of Michigan. Notably, Benzie County renter households represent less than 3.0% of all renter households within the Northern Michigan Region. Between 2022 and 2027, the number of owner households is projected to increase by 72 (1.0%), while the number of renter households is projected to decline by 18 (2.3%). The increase among owner households in Benzie County will likely contribute to an increase in demand within the for-sale housing market over the next five years.

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
Benzie		\$45,871	\$62,022	35.2%	\$70,382	13.5%
Region		\$44,261	\$63,085	42.5%	\$71,177	12.8%
Michigan		\$46,042	\$65,507	42.3%	\$75,988	16.0%

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

In 2022, the estimated median household income in Benzie County is \$62,022. Between 2010 and 2022, Benzie County experienced a notable increase (35.2%) in median household income. The increase in Benzie County, however, was less than the increases for both the region (42.5%) and the state of Michigan (42.3%). The median household income is projected to increase by an additional 13.5% between 2022 and 2027, resulting in a projected median income of \$70,382 in 2027, which will remain below those projected for both the region (\$71,177) and state (\$75,988).

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

		Renter Households by Income							
		<\$10,000	\$10,000 - \$19,999	\$20,000 - \$29,999	\$30,000 - \$39,999	\$40,000 - \$49,999	\$50,000 - \$59,999	\$60,000 - \$99,999	\$100,000+
Benzie	2010	126 (11.7%)	244 (22.7%)	207 (19.3%)	145 (13.5%)	133 (12.3%)	66 (6.2%)	127 (11.8%)	26 (2.4%)
	2022	101 (12.8%)	141 (17.9%)	143 (18.2%)	129 (16.4%)	76 (9.6%)	42 (5.3%)	108 (13.7%)	47 (6.0%)
	2027	91 (11.9%)	120 (15.6%)	131 (17.1%)	144 (18.8%)	68 (8.8%)	41 (5.3%)	114 (14.9%)	59 (7.6%)
	Change 2022-2027	-10 (-9.9%)	-21 (-14.9%)	-12 (-8.4%)	15 (11.6%)	-8 (-10.5%)	-1 (-2.4%)	6 (5.6%)	12 (25.5%)
Region	2010	3,632 (13.8%)	6,097 (23.2%)	4,944 (18.8%)	3,611 (13.7%)	2,920 (11.1%)	1,464 (5.6%)	2,903 (11.1%)	702 (2.7%)
	2022	2,324 (8.6%)	3,845 (14.3%)	4,696 (17.4%)	4,084 (15.2%)	2,979 (11.1%)	2,099 (7.8%)	4,829 (17.9%)	2,074 (7.7%)
	2027	1,965 (7.4%)	3,032 (11.5%)	4,394 (16.6%)	4,134 (15.6%)	2,829 (10.7%)	2,222 (8.4%)	5,265 (19.9%)	2,596 (9.8%)
	Change 2022-2027	-359 (-15.4%)	-813 (-21.1%)	-302 (-6.4%)	50 (1.2%)	-150 (-5.0%)	123 (5.9%)	436 (9.0%)	522 (25.2%)
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	130,946 (11.3%)	162,366 (14.0%)	160,440 (13.8%)	142,557 (12.3%)	118,579 (10.2%)	91,322 (7.9%)	228,712 (19.7%)	124,786 (10.8%)
	2027	101,174 (8.9%)	121,966 (10.8%)	136,822 (12.1%)	131,187 (11.6%)	112,648 (10.0%)	96,571 (8.5%)	262,502 (23.2%)	168,120 (14.9%)
	Change 2022-2027	-29,772 (-22.7%)	-40,400 (-24.9%)	-23,618 (-14.7%)	-11,370 (-8.0%)	-5,931 (-5.0%)	5,249 (5.7%)	33,790 (14.8%)	43,334 (34.7%)

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

In 2022, renter households earning between \$10,000 and \$19,999 (17.9%) and \$20,000 and \$29,999 (18.2%) comprised the largest shares of renter households by income level within the county. Nearly two-thirds (65.4%) of all renter households within the county earn less than \$40,000 which is higher than the regional share (55.5%) and the statewide share (51.4%). Growth among renter households within Benzie County is projected to occur among households earning between \$30,000 and \$39,999 and among those earning \$60,000 or more between 2022 and 2027, similar to projections for the Northern Michigan Region during this time period. The greatest growth (15 households) within the county is projected to occur within the \$30,000 to \$39,999 income segment. Despite the projected growth among households earning \$60,000 or more, renter households earning less than \$40,000 will continue to comprise the majority (63.3%) of renter households within the county through 2027.

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

		Owner Households by Income							
		<\$10,000	\$10,000 - \$19,999	\$20,000 - \$29,999	\$30,000 - \$39,999	\$40,000 - \$49,999	\$50,000 - \$59,999	\$60,000 - \$99,999	\$100,000+
Benzie	2010	248 (4.0%)	589 (9.5%)	738 (11.9%)	779 (12.5%)	843 (13.6%)	701 (11.3%)	1,545 (24.8%)	781 (12.6%)
	2022	234 (3.4%)	417 (6.0%)	576 (8.3%)	757 (10.9%)	615 (8.8%)	532 (7.6%)	2,013 (28.9%)	1,812 (26.0%)
	2027	192 (2.7%)	320 (4.6%)	444 (6.3%)	744 (10.6%)	553 (7.9%)	503 (7.2%)	2,052 (29.2%)	2,221 (31.6%)
	Change 2022-2027	-42 (-17.9%)	-97 (-23.3%)	-132 (-22.9%)	-13 (-1.7%)	-62 (-10.1%)	-29 (-5.5%)	39 (1.9%)	409 (22.6%)
Region	2010	4,344 (4.5%)	9,146 (9.5%)	11,100 (11.5%)	12,022 (12.5%)	11,861 (12.3%)	10,277 (10.7%)	23,379 (24.3%)	13,986 (14.6%)
	2022	2,552 (2.4%)	4,891 (4.7%)	7,765 (7.4%)	9,550 (9.1%)	8,967 (8.5%)	9,135 (8.7%)	30,773 (29.3%)	31,405 (29.9%)
	2027	2,034 (1.9%)	3,540 (3.3%)	6,333 (5.9%)	8,594 (8.0%)	7,858 (7.4%)	8,551 (8.0%)	31,453 (29.4%)	38,493 (36.0%)
	Change 2022-2027	-518 (-20.3%)	-1,351 (-27.6%)	-1,432 (-18.4%)	-956 (-10.0%)	-1,109 (-12.4%)	-584 (-6.4%)	680 (2.2%)	7,088 (22.6%)
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	79,236 (2.7%)	127,936 (4.4%)	183,925 (6.4%)	219,479 (7.6%)	219,662 (7.6%)	236,316 (8.2%)	752,251 (26.0%)	1,076,947 (37.2%)
	2027	62,652 (2.1%)	95,491 (3.3%)	147,512 (5.0%)	184,824 (6.3%)	191,349 (6.5%)	215,963 (7.4%)	741,472 (25.3%)	1,297,072 (44.2%)
	Change 2022-2027	-16,584 (-20.9%)	-32,445 (-25.4%)	-36,413 (-19.8%)	-34,655 (-15.8%)	-28,313 (-12.9%)	-20,353 (-8.6%)	-10,779 (-1.4%)	220,125 (20.4%)

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

In 2022, more than half (55.0%) of *owner* households in Benzie County earn \$60,000 or more annually, a lower share compared to the Northern Michigan Region (59.2%). Both the county and region have lower shares of owner households earning \$60,000 or more as compared to the state of Michigan (63.2%). More than one-quarter (25.9%) of owner households in Benzie County earn between \$30,000 and \$59,999, and the remaining 17.6% earn less than \$30,000. The overall distribution of owner households by income in the county is comparable to that within the Northern Michigan Region. Between 2022 and 2027, owner household growth is projected to be concentrated among households earning \$60,000 or more within both Benzie County and the Northern Michigan Region whereas owner household growth within the state of Michigan will be concentrated among households earning \$100,000 or more.

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

Estimated Components of Population Change for Benzie County and the PSA (Northern Michigan Region) 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
Benzie County	17,519	17,852	333	1.9%	-599	947	-7	940
Region	297,921	307,719	9,798	3.3%	-3,601	12,217	1,320	13,537

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

*Includes residuals (-8, Benzie County; -138, Region) representing the change that cannot be attributed to any specific demographic component

Based on the preceding data, the population increase within Benzie County from 2010 to 2020 was primarily the result of domestic migration. While the county experienced a natural population decrease of 599 (more deaths than births), positive domestic migration of 947 resulted in an overall population increase in the county of 333 (1.9%). This trend of positive domestic migration and natural decrease in Benzie County is consistent with the regionwide trends within the PSA (Northern Michigan Region). In order for Benzie County to continue benefiting from positive net migration and to potentially retain young families in the area, which can improve the natural increase of a population base, it is important that an adequate supply of income-appropriate rental and for-sale housing is readily available within the market.

The following table illustrates the top 10 gross migration counties (total combined inflow and outflow) for Benzie County with the resulting net migration (difference between inflow and outflow) for each. Note that data for counties contained within the PSA (Northern Michigan Region) are highlighted in red text.

County-to-County Domestic Population Migration for Benzie County Top 10 Gross Migration Counties*			
County	Gross Migration		Net-Migration
	Number	Percent	
Grand Traverse County, MI	443	21.6%	-167
Manistee County, MI	179	8.7%	-83
Wexford County, MI	83	4.0%	-43
Lucas County, OH	80	3.9%	80
Kent County, MI	74	3.6%	10
Leelanau County, MI	68	3.3%	-18
Wayne County, MI	68	3.3%	36
Macomb County, MI	57	2.8%	31
Cook County, IL	49	2.4%	49
Arenac County, MI	41	2.0%	41
All Other Counties	910	44.3%	-236
Total Migration	2,052	100.0%	-300

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

*Only includes regional counties within nearby states

As the preceding illustrates, over half (55.7%) of the gross migration for Benzie County is among the top 10 counties listed. Grand Traverse County, which is the top gross migration county and is within the PSA (Northern Michigan Region), has an overall negative net-migration (-167) influence for Benzie County. In total, four of the top 10 migration counties (Grand Traverse, Manistee, Wexford, and Leelanau) for Benzie County are within the PSA. Combined, these four PSA counties have a negative net-migration (-311) influence for Benzie County. The counties in which Benzie County has the largest net gain of residents include Lucas County, Ohio (80) and Cook County, Illinois (49). It is also noteworthy that data from the components of change table, which covers the time period from 2010 to 2020, shows domestic migration to be positive while the county-to-county data, which only encompasses data from 2015 to 2019, shows overall negative domestic migration. This likely indicates that Benzie County lost more residents to migration than it gained in recent years. This can occur for a variety of reasons including an inadequate housing inventory or economic downturns.

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

Benzie County Domestic County Population In-Migrants by Age, 2012 to 2021		
Age	2012-2016	2017-2021
1 to 24	33.7%	20.2%
25 to 64	60.1%	55.5%
65+	6.2%	24.3%
Median Age (In-state migrants)	34.8	37.6
Median Age (Out-of-state migrants)	26.4	64.7
Median Age (County Population)	48.8	50.6

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

The American Community Survey five-year estimates from 2012 to 2016 in the preceding table illustrate that 60.1% of in-migrants to Benzie County were between the ages of 25 and 64, while 33.7% were less than 25 years of age and 6.2% were age 65 or older. The share of in-migrants age of 65 and older increased to 24.3% during the time period between 2017 and 2021, while the share of in-migrants less than 25 years of age decreased to 20.2%. The data between 2017 and 2021 also illustrates that the median age of in-state migrants (37.6 years) is notably less than out-of-state migrants (64.7 years). Overall, it appears that in-migrants to Benzie County from outside Michigan in recent years are generally much older than those in previous years.

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

Benzie 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	68	16.9%	60	15.2%	11	3.7%
\$10,000 to \$14,999	77	19.2%	53	13.4%	25	8.3%
\$15,000 to \$24,999	65	16.2%	61	15.4%	93	31.0%
\$25,000 to \$34,999	31	7.7%	61	15.4%	15	5.0%
\$35,000 to \$49,999	77	19.2%	70	17.7%	28	9.3%
\$50,000 to \$64,999	21	5.2%	29	7.3%	34	11.3%
\$65,000 to \$74,999	11	2.7%	19	4.8%	14	4.7%
\$75,000+	52	12.9%	42	10.6%	80	26.7%
Total	402	100.0%	395	100.0%	300	100.0%

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

*Excludes population with no income

According to data provided by the American Community Survey, over two-fifths (44.0%) of the population that moved to Benzie County from a different county within Michigan earned less than \$25,000 per year. While a comparably smaller number of individuals moved to Benzie County from out-of-state, a similar share (43.0%) of these individuals earned less than \$25,000 per year. By comparison, the share of individuals earning \$50,000 or more per year is much smaller for the in-migrants from a different county within Michigan (22.7%), while a notable share (42.7%) of those from outside the state have such incomes. 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 Benzie County.

Labor Force

The following table illustrates the employment base by industry for Benzie County, the PSA (Northern Michigan Region), and the state of Michigan.

NAICS Group	Employment by Industry					
	Benzie County		Region		Michigan	
	Employees	Percent	Employees	Percent	Employees	Percent
Agriculture, Forestry, Fishing & Hunting	26	0.5%	1,037	0.6%	18,094	0.4%
Mining	9	0.2%	416	0.2%	6,059	0.1%
Utilities	25	0.5%	566	0.3%	14,450	0.3%
Construction	329	6.1%	8,709	4.9%	163,027	3.6%
Manufacturing	322	6.0%	16,371	9.1%	513,197	11.2%
Wholesale Trade	157	2.9%	4,703	2.6%	193,695	4.2%
Retail Trade	690	12.8%	25,115	14.0%	576,665	12.6%
Transportation & Warehousing	117	2.2%	2,863	1.6%	95,658	2.1%
Information	42	0.8%	2,773	1.5%	91,050	2.0%
Finance & Insurance	187	3.5%	4,834	2.7%	168,540	3.7%
Real Estate & Rental & Leasing	166	3.1%	3,412	1.9%	95,407	2.1%
Professional, Scientific & Technical Services	138	2.6%	7,617	4.3%	295,491	6.5%
Management of Companies & Enterprises	126	2.3%	227	0.1%	8,827	0.2%
Administrative, Support, Waste Management & Remediation Services	43	0.8%	4,042	2.3%	111,717	2.4%
Educational Services	385	7.1%	9,834	5.5%	378,891	8.3%
Health Care & Social Assistance	791	14.6%	38,645	21.6%	765,165	16.7%
Arts, Entertainment & Recreation	178	3.3%	7,845	4.4%	139,513	3.1%
Accommodation & Food Services	736	13.6%	20,986	11.7%	398,782	8.7%
Other Services (Except Public Administration)	302	5.6%	8,794	4.9%	270,042	5.9%
Public Administration	620	11.5%	9,313	5.2%	238,652	5.2%
Non-classifiable	22	0.4%	914	0.5%	30,131	0.7%
Total	5,411	100.0%	179,016	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.

Benzie County has an employment base of approximately 5,411 individuals within a broad range of employment sectors. The labor force within the county is based primarily in four sectors: Health Care and Social Assistance (14.6%), Accommodation & Food Services (13.6%), Retail Trade (12.8%), and Public Administration (11.5%). Combined, these four job sectors represent over one-half (52.5%) of the county employment base. This represents a smaller concentration of employment within the top four sectors compared to the top four sectors in the PSA (56.4%), but a larger concentration compared to the state (49.2%). 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 less concentrated overall distribution of employment, the economy within Benzie County may be slightly less vulnerable to economic downturns compared to the PSA. Although many occupations within the healthcare and public administration sectors offer competitive wages, it is important to understand that a significant number of the support occupations in these industries, as well as those within the retail trade and accommodation and food services sectors, typically have lower average wages which can contribute to demand for affordable housing options.

Data of overall total employment and unemployment rates of the county and the overall state since 2013 are compared in the following tables.

Year	Total Employment					
	Benzie County		Michigan		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2013	7,745	-	4,323,410	-	143,929,000	-
2014	7,986	3.1%	4,416,017	2.1%	146,305,000	1.7%
2015	8,103	1.5%	4,501,816	1.9%	148,833,000	1.7%
2016	8,276	2.1%	4,606,948	2.3%	151,436,000	1.7%
2017	8,276	0.0%	4,685,853	1.7%	153,337,000	1.3%
2018	8,313	0.4%	4,739,081	1.1%	155,761,000	1.6%
2019	8,396	1.0%	4,773,453	0.7%	157,538,000	1.1%
2020	7,853	-6.5%	4,379,122	-8.3%	147,795,000	-6.2%
2021	7,980	1.6%	4,501,562	2.8%	152,581,000	3.2%
2022	8,278	3.7%	4,632,539	2.9%	158,291,000	3.7%
2023*	8,006	-3.3%	4,624,229	-0.2%	159,715,000	0.9%

Source: Department of Labor; Bureau of Labor Statistics

*Through March

Year	Unemployment Rate		
	Benzie County	Michigan	United States
2013	10.2%	8.7%	7.4%
2014	8.7%	7.2%	6.2%
2015	7.1%	5.4%	5.3%
2016	6.7%	5.0%	4.9%
2017	6.4%	4.6%	4.4%
2018	5.5%	4.2%	3.9%
2019	5.2%	4.1%	3.7%
2020	9.8%	10.0%	8.1%
2021	5.9%	5.8%	5.4%
2022	5.3%	4.2%	3.7%
2023*	7.6%	4.5%	3.8%

Source: Department of Labor, Bureau of Labor Statistics

*Through March

From 2013 to 2019, the employment base in Benzie County increased by 651 employees, or 8.4%, which was less than the increase in the state (10.4%) during that time. In 2020, which was largely impacted by the economic effects related to COVID-19, total employment decreased in Benzie County by 6.5%, which was a smaller decline compared to the state (8.3%). In 2021, total employment for Benzie County increased by 1.6%, followed by an additional increase of 3.7% in 2022. Although total employment in Benzie County has declined 3.3% through March 2023, which may be due, in part, to seasonality, the significant increases in total employment over the last two full years are a positive sign that the local economy is recovering from the effects of the COVID-19 pandemic. While total employment still remains below the 2019 level, Benzie County has recovered to within 98.6% (2022 full year) of the total employment in 2019, which represents a recovery rate above that for the state of Michigan (97.0%).

The unemployment rate within Benzie County steadily declined from 2013 (10.2%) to 2019 (5.2%). In 2020, the unemployment rate increased sharply to 9.8%, which is consistent with the increase that occurred within the state during that time. In 2021, the unemployment rate within the county decreased to 5.9%. As of 2022, the unemployment rate within the county decreased to 5.3%. While this represents an unemployment rate that is higher than the state (4.2%) and nation (3.7%), the 5.3% unemployment rate within the county is nearly equal to the rate in 2019 (5.2%) and is a positive sign of recovery in the local economy.

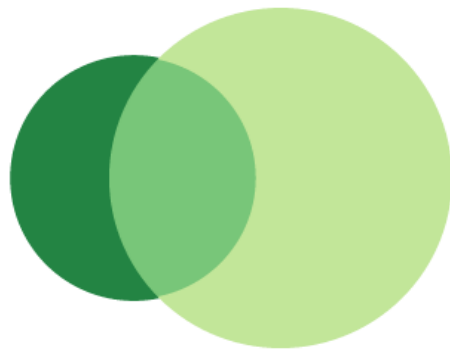
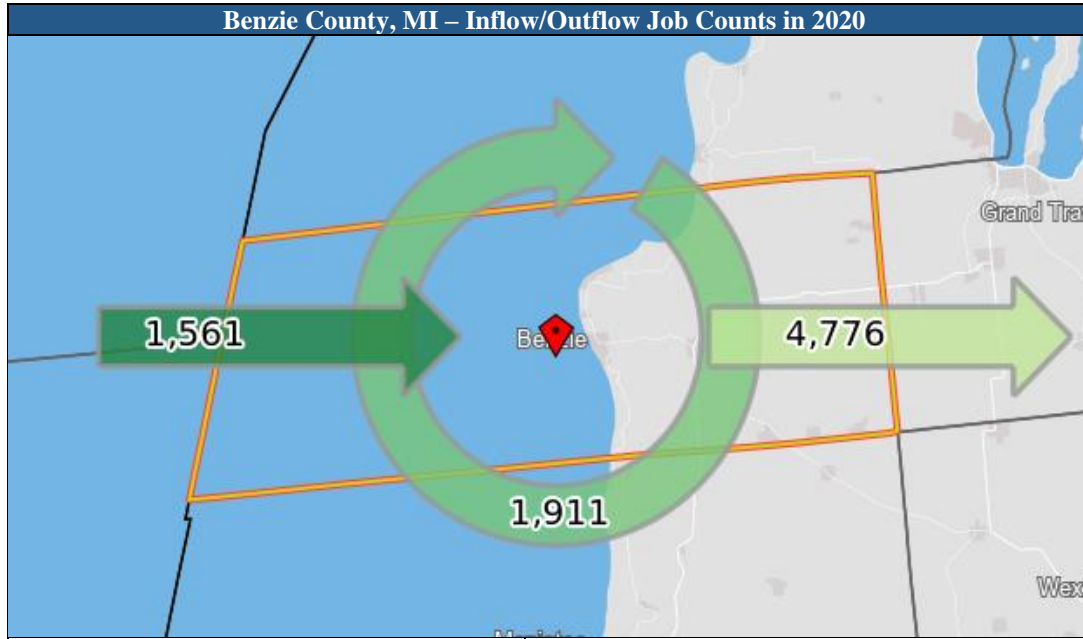
Commuting Data

According to the 2016-2020 American Community Survey (ACS), 89.5% of Benzie County commuters either drive alone or carpool to work, 1.2% walk to work, and 6.9% work from home. ACS also indicates that 57.8% of Benzie County workers have commute times of less than 30 minutes, 31.3% have commutes of between 30 and 59 minutes, and 4.0% have commutes of 60 minutes or more. This represents slightly longer commute times compared to the state where 62.6% of workers have commute times less than 30 minutes, 25.3% have commutes of between 30 and 59 minutes, and 6.0% have commutes of at least 60 minutes. Tables illustrating detailed commuter data are provided on pages V-18 and V-19 in Section V: Economic Analysis.

According to 2020 U.S. Census Longitudinal Origin-Destination Employment Statistics (LODES), of the 6,687 employed residents of Benzie County, 4,776 (71.4%) are employed outside the county, while the remaining 1,911 (28.6%) are employed within Benzie County. In addition, 1,561 people commute into Benzie County from surrounding areas for employment. These 1,561 non-residents account for over two-fifths (45.0%) 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. The distribution of age and earnings for each commuter cohort is also provided.

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



■ 1,561 - Employed in Selection Area, Live Outside
■ 4,776 - Live in Selection Area, Employed Outside
■ 1,911 - Employed and Live in Selection Area

Inflow/Outflow Job Counts (All Jobs)

	2020	
	Count	Share
Employed in the Selection Area	3,472	100.0%
Employed in the Selection Area but Living Outside	1,561	45.0%
Employed and Living in the Selection Area	1,911	55.0%
Living in the Selection Area	6,687	100.0%
Living in the Selection Area but Employed Outside	4,776	71.4%
Living and Employed in the Selection Area	1,911	28.6%

Commuting Flow Analysis by Age and Earnings (2020, All Jobs)

Worker Characteristics	Resident Outflow		Workers Inflow		Resident Workers	
	Number	Share	Number	Share	Number	Share
Ages 29 or younger	1,003	21.0%	338	21.7%	349	18.3%
Ages 30 to 54	2,486	52.1%	835	53.5%	930	48.7%
Ages 55 or older	1,287	26.9%	388	24.9%	632	33.1%
Earning <\$1,250 per month	1,211	25.4%	404	25.9%	606	31.7%
Earning \$1,251 to \$3,333	1,625	34.0%	623	39.9%	736	38.5%
Earning \$3,333+ per month	1,940	40.6%	534	34.2%	569	29.8%
Total Worker Flow	4,776	100.0%	1,561	100.0%	1,911	100.0%

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

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

Of the county’s 1,561 in-commuters, over one-half (53.5%) are between the ages of 30 and 54, 24.9% are age 55 or older, and 21.7% are under the age of 30. This is a similar distribution of workers by age compared to the resident outflow workers. Nearly two-fifths (39.9%) of inflow workers earn between \$1,251 and \$3,333 per month (approximately \$15,000 to \$40,000 annually), over one-third (34.2%) earn more than \$3,333 per month and the remaining 25.9% earn \$1,250 or less per month. By comparison, over two-fifths (40.6%) of outflow workers earn more than \$3,333 per month, over one-third (34.0%) earn between \$1,251 and \$3,333 per month, and the remaining 25.4% earn \$1,250 or less per month. Based on the preceding data, people that commute *into* Benzie County for employment are generally similar in age and more likely to earn low to moderate wages (less than \$3,333 per month) when compared to residents commuting out of the county for work. Regardless, given the diversity of incomes and ages of the over 1,560 people commuting into the area for work each day, a variety of housing product types could be developed to potentially attract these commuters to live in Benzie County.

C. HOUSING METRICS

The estimated distribution of the area housing stock by tenure for Benzie County 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
Benzie County	Number	7,743	6,957	786	4,451	12,194
	Percent	63.5%	89.8%	10.2%	36.5%	100.0%
Region	Number	131,968	105,039	26,929	52,017	183,985
	Percent	71.7%	79.6%	20.4%	28.3%	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 12,194 housing units within Benzie County in 2022. Based on ESRI estimates and 2020 Census data, of the 7,743 total *occupied* housing units in Benzie County, 89.8% are owner occupied, while the remaining 10.2% are renter occupied. Approximately 36.5% of the housing units within Benzie County are classified as vacant, which is a notably higher share than that reported for the Northern Michigan Region (28.3%) and is more than three times as high as that reported for the state of Michigan (11.6%). Vacant units are comprised of a variety of units including abandoned properties, unoccupied rentals, for-sale homes, and seasonal housing units. While more than one-third (36.5%) of the total housing units within Benzie County are reported as vacant, it is important to point out that 90.0% of the vacant housing units within the county are classified as “Seasonal or Recreational” based on American Community Survey (ACS) data. Thus, the vacant housing units illustrated in the preceding table for the county are not reflective of true vacant/unoccupied housing units. In comparison, 82.6% of all vacant housing units within the Northern Michigan Region and 45.7% of those throughout the state of Michigan are classified as “Seasonal or Recreational.” Thus, the county and region contain a significantly higher share of seasonal properties as compared to the state.

The following table compares key housing age and conditions based on 2016-2020 American Community Survey data. Housing units built over 50 years ago (pre-1970), overcrowded housing (1.01+ persons per room), or housing that lacks complete indoor kitchens or bathroom plumbing are illustrated by tenure. It is important to note that some occupied housing units may have more than one housing issue.

	Housing Age and Conditions											
	Pre-1970 Product				Overcrowded				Incomplete Plumbing or Kitchen			
	Renter		Owner		Renter		Owner		Renter		Owner	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Benzie County	190	30.2%	1,486	23.5%	16	2.5%	79	1.3%	5	0.8%	57	0.9%
Region	7,662	31.6%	30,923	30.2%	781	3.2%	1,204	1.2%	619	2.5%	605	0.6%
Michigan	526,133	46.8%	1,373,485	48.1%	32,741	2.9%	31,181	1.1%	24,376	2.2%	16,771	0.6%

Source: American Community Survey (2016-2020); ESRI; Urban Decision Group; Bowen National Research

In Benzie County, nearly one-third of the renter-occupied (30.2%) housing units were built prior to 1970, as compared to less than one-quarter (23.5%) of owner-occupied housing units. The housing stock in Benzie County appears to be slightly newer as compared to the Northern Michigan Region and housing product throughout the state of Michigan. The shares of renter and owner households in Benzie County that experience overcrowding, 2.5% and 1.3%, respectively, are similar to those of the region and state. The share of renter households in Benzie County with incomplete plumbing or kitchens (0.8%) is lower than both regional (2.5%) and statewide levels (2.2%), while the share of owner households (0.9%) in Benzie County experiencing this issue is higher than the 0.6% shares reported for the Northern Michigan Region and state of Michigan.

The following table compares key household income, housing cost, and housing affordability metrics. It should be noted that cost burdened households pay over 30% of income toward housing costs, while severe cost burdened households pay over 50% of income toward housing.

	Household Income, Housing Costs and Affordability						
	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
Benzie County	\$62,022	\$227,810	\$828	38.1%	23.9%	18.4%	9.6%
Region	\$63,085	\$209,788	\$888	43.3%	20.4%	20.0%	7.7%
Michigan	\$65,507	\$204,371	\$968	44.9%	18.8%	23.1%	7.4%

Source: American Community Survey (2016-2020); ESRI; Urban Decision Group; Bowen National Research

*Paying more than 30% of income toward housing costs

**Paying more than 50% of income toward housing costs

The estimated median home value in Benzie County of \$227,810 is 8.6% higher than the median home value for the region (\$209,788) and 11.5% higher than that reported for the state (\$204,371). Conversely, the average gross rent in Benzie County (\$828) is 6.8% lower than the regional average gross rent (\$888) and 14.5% lower than the statewide average (\$968). The lower median household income level and higher median home value reported for the county likely contribute to the higher share of cost burdened *owner* households within the county as compared to the region and state. However, the lower average gross rent for the county likely contributes to the lower share of cost burdened *renter* households within the county as compared to regional and state levels. Regardless, more than one-third (38.1%) of renter households in Benzie County are cost burdened, while nearly one-quarter (23.9%) of owner households are cost burdened. Overall, Benzie County has an estimated 240 renter households and 1,506 owner households that are housing cost burdened. Further, more than 41.0% of all cost burdened households (renters and owners combined) within Benzie County are severe cost burdened (paying more than 50% of income toward housing). As such, affordable housing alternatives should be part of future housing solutions.

Based on the 2016-2020 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 county, region, 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
Benzie County	Number	464	112	54	630	5,764	52	494	6,310
	Percent	73.7%	17.8%	8.6%	100.0%	91.3%	0.8%	7.8%	100.0%
Region	Number	13,338	8,236	2,710	24,284	93,237	969	7,958	102,164
	Percent	54.9%	33.8%	11.1%	100.0%	91.3%	0.9%	7.8%	100.0%
Michigan	Number	588,520	488,828	47,520	1,124,868	2,669,942	35,543	149,878	2,855,363
	Percent	52.3%	43.5%	4.2%	100.0%	93.5%	1.2%	5.2%	100.0%

Source: American Community Survey (2016-2020); ESRI; Urban Decision Group; Bowen National Research

Nearly three-quarters (73.7%) of the *rental* units in Benzie County are within structures of four units or less, with mobile homes comprising an additional 8.6% of the county rental units. The combined share of these two types of structures (82.2%) is considerably higher when compared to that of the region (66.1%) and state (56.5%). Overall, the county has a disproportionately low share (17.8%) of multifamily rental housing (five or more units within a structure) when compared to the region (33.8%) and state (43.5%). More than 91.0% of *owner*-occupied units in the county are within structures of four units or less while 7.8% are mobile homes. These shares are virtually identical to those for the region. While the shares of owner-occupied housing units within structures containing four or less units within the county and region are slightly lower than the statewide share of 93.5%, the county and region report slightly higher shares of mobile homes (7.8%) as compared to the state (5.2%). There is a minimal share (between 0.8% and 1.2%) of owner-occupied housing within structures of five or more units within each of the geographies evaluated within this analysis.

The following table summarizes monthly gross rents (per unit) for area rental alternatives within the county, region, and the state of Michigan. While this data encompasses all rental units, which includes multifamily apartments, a sizable majority (82.2%) of the county’s rental supply consists of non-conventional rentals. Therefore, it is reasonable to conclude that the following provides insight into the overall distribution of rents among the non-conventional rental housing units. It should be noted, gross rents include tenant-paid rents and tenant-paid utilities.

		Estimated Monthly Gross Rents by Market								
		<\$300	\$300 - \$500	\$500 - \$750	\$750 - \$1,000	\$1,000 - \$1,500	\$1,500 - \$2,000	\$2,000+	No Cash Rent	Total
Benzie County	Number	48	61	105	126	128	21	0	141	630
	Percent	7.6%	9.7%	16.7%	20.0%	20.3%	3.3%	0.0%	22.4%	100.0%
Region	Number	1,235	2,176	5,475	6,155	6,264	794	375	1,810	24,284
	Percent	5.1%	9.0%	22.5%	25.3%	25.8%	3.3%	1.5%	7.5%	100.0%
Michigan	Number	51,846	69,698	227,872	314,293	299,877	70,403	33,633	57,245	1,124,867
	Percent	4.6%	6.2%	20.3%	27.9%	26.7%	6.3%	3.0%	5.1%	100.0%

Source: American Community Survey (2016-2020); ESRI; Urban Decision Group; Bowen National Research

As the preceding table illustrates, the largest share (20.3%) of cash paying Benzie County rental units have rents between \$1,000 and \$1,500, followed by units with rents between \$750 and \$1,000 (20.0%). Collectively, units with gross rents between \$750 and \$1,500 account for 40.3% of all Benzie County rentals. In comparison, rental units priced between \$750 and \$1,000 and \$1,000 to \$1,500 represent the two largest segments of both the Northern Michigan Region and state of Michigan rental markets. It is estimated that just under one-quarter (23.7%) of Benzie County rentals are priced at \$1,000 or more, as compared to shares of 30.6% and 35.9% for the region and state, respectively. The preceding indicates that rental product within Benzie County is comparatively more affordable than rental product within the region and throughout the state of Michigan.

It is also of note that nearly one-quarter (22.4%) of renter-occupied units within the county are classified as “No Cash Rent” units. Units which are under this classification could include units provided free of charge by friends/family, housing units located on military bases, and/or units provided in exchange for services (i.e., resident manager, caretaker, minister, and/or tenant farmer). Nonetheless, the 22.4% share of such units for the county is considerably higher than those reported for the region (7.5%) and state (5.1%).

Bowen National Research's Survey of Housing Supply

Multifamily Rental Housing

A field survey of conventional apartment properties was conducted as part of this Housing Needs Assessment. The following table summarizes the county's surveyed multifamily rental supply.

Multifamily Supply by Product Type – Benzie County				
Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Tax Credit	1	36	0	100.0%
Tax Credit/Government-Subsidized	1	56	0	100.0%
Total	2	92	0	100.0%

In Benzie County, a total of two apartment properties were surveyed, which comprised a total of 92 units. Note that 36 of the 92 total units are at a non-subsidized Tax Credit property with rents ranging from \$643 for a one-bedroom unit to \$872 for a three-bedroom unit. The remaining 56 units in the county are at a Tax Credit property offering subsidized units. The two surveyed properties each have a quality rating of “B+,” signifying good quality housing. The overall occupancy rate of 100.0% is very high and indicative of a strong market for apartments. Both properties surveyed in the county have wait lists, which are reflective of pent-up demand for apartment units.

Non-Conventional Rental Housing

Non-conventional rentals are considered rental units typically consisting of single-family homes, duplexes, units over store fronts, and mobile homes, and account for 82.2% of the total rental units in Benzie County. The following table illustrates the distribution of renter-occupied housing by the number of units in the structure for Benzie County.

		Renter-Occupied Housing by Units in Structure			
		1 to 4 Units	5 or More Units	Mobile Homes/Boats/RVs	Total Units
Benzie County	Number	464	112	54	630
	Percent	73.7%	17.8%	8.6%	100.0%
Region	Number	13,338	8,236	2,710	24,284
	Percent	54.9%	33.9%	11.2%	100.0%
Michigan	Number	588,520	488,828	47,520	1,124,868
	Percent	52.3%	43.5%	4.2%	100.0%

Source: American Community Survey (2016-2020); ESRI; Urban Decision Group; Bowen National Research

Nearly three-quarters (73.7%) of non-conventional rental units in the county are within structures containing one to four units. This is a higher rate of rental units within one-to four-unit structures compared to the Northern Michigan Region (54.9%) and the state of Michigan (52.3%). As a significant share of the rental housing stock in Benzie County is comprised of non-conventional rentals, it is clear that this housing segment warrants additional analysis.

Bowen National Research conducted an online survey between March and May 2023 and identified two non-conventional rentals that were listed as *available* for rent in Benzie County. 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 rentals provide a baseline to compare the rental rates, number of bedrooms, number of bathrooms, and other characteristics of non-conventional rentals.

The following table summarizes the sample survey of *available* non-conventional rentals identified in Benzie County.

Surveyed Non-Conventional Rental Supply – Benzie County				
Bedroom	Vacant Units	Rent Range	Median Rent	Median Rent Per Square Foot
Studio	0	-	-	-
One-Bedroom	1	\$950	\$950	-
Two-Bedroom	0	-	-	-
Three-Bedroom	1	\$1,600	\$1,600	-
Four-Bedroom+	0	-	-	-
Total	2			

Source: Zillow; Apt.com; Trulia; Realtor.com; Facebook

Note: Square footage for some non-conventional rental units could not be verified.

When compared with all non-conventional rentals in the county, the two available rentals represent a vacancy rate of 0.4%. This is an extremely low vacancy rate. The identified non-conventional rentals in Benzie County consist of a one-bedroom unit renting for \$950 and a three-bedroom unit renting for \$1,600. These rents are unaffordable to most households in the county.

For-Sale Housing

The following table summarizes the available (as of February 2023) and recently sold (between September 2022 and March 2023) housing stock for Benzie County.

Benzie County - Owner For-Sale/Sold Housing Supply		
Type	Homes	Median Price
Available*	24	\$447,450
Sold**	123	\$295,000

Source: Realtor.com and Bowen National Research

*As of Feb. 28, 2023

**Sales from Sept. 12, 2022 to Mar. 15, 2023

The available for-sale housing stock in Benzie County as of February 2023 consists of 24 total units with a median list price of \$447,450. The 24 available units represent 4.4% of the 551 available units within the Northern Michigan Region. Historical sales ranging from September 2022 to March 2023 consisted of 123 homes sold during this period with a median sale price of \$295,000. Note that the median price of available product (\$447,450) is significantly higher than the median price of recently sold homes. The 24 available homes represent only 0.3% of the estimated 6,957 owner-occupied units in Benzie County. Typically, in healthy, well-balanced markets,

approximately 2% to 3% of the for-sale housing stock should be available for purchase to allow for inner-market mobility and to enable the market to attract households. Benzie County appears to have a disproportionately low number of housing units available to purchase.

The following table illustrates sales activity from September 2022 to March 2023 for Benzie County.

Benzie County Sales History by Price (Sept. 12, 2022 to Mar. 15, 2023)		
Sale Price	Number Available	Percent of Supply
Up to \$99,999	5	4.1%
\$100,000 to \$199,999	21	17.1%
\$200,000 to \$299,999	36	29.3%
\$300,000 to \$399,999	23	18.7%
\$400,000+	38	30.9%
Total	123	100.0%

Source: Realtor.com and Bowen National Research

Recent sales activity in Benzie County primarily favors homes at higher price points. Note that nearly half (49.6%) of the 123 homes sold between September 2022 and March 2023 were priced at \$300,000 and above. By comparison, only 21.2% of sales were for units priced under \$200,000, a price point generally targeted by first-time homebuyers. Nearly 30% of homes sold in the county were between \$200,000 and \$299,999, a price range typically sought after by middle-class home buyers.

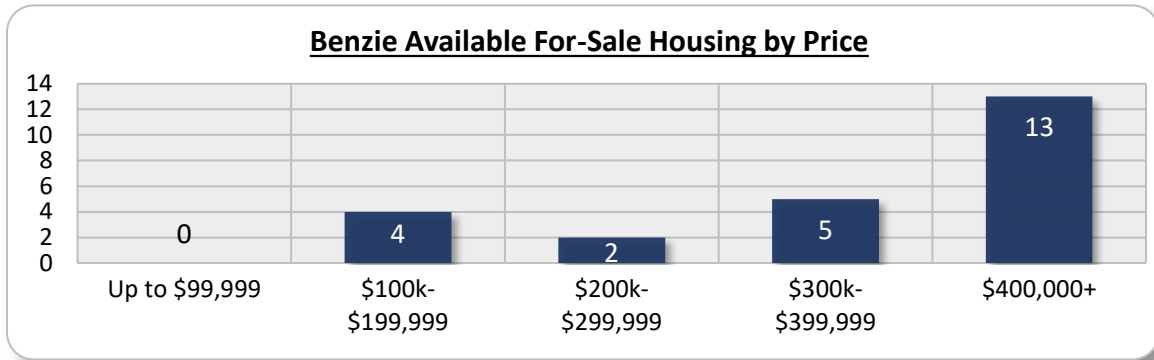
The following table summarizes the distribution of *available* for-sale residential units by *price point* for Benzie County:

Benzie County Available For-Sale Housing by List Price (As of Feb. 28, 2023)		
List Price	Number Available	Percent of Supply
Up to \$99,999	0	0.0%
\$100,000 to \$199,999	4	16.7%
\$200,000 to \$299,999	2	8.3%
\$300,000 to \$399,999	5	20.8%
\$400,000+	13	54.2%
Total	24	100.0%

Source: Realtor.com and Bowen National Research

Homes available for-sale in Benzie County as of February 2023 primarily target higher price points. Over half (54.1%) of available housing units in Benzie County are priced at \$400,000 or above, while 75% of available housing units are priced at \$300,000 and above. By comparison, only four of 24 homes available for sale (16.7%) are priced below \$200,000, while only two homes are priced between \$200,000 and \$299,999. Based on these listings, there are very few homes available to Benzie County households earning less than \$100,000.

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



The distribution of available homes by *bedroom type* is summarized in the following table.

Benzie County Available For-Sale Housing by Bedrooms (As of Feb. 28, 2023)					
Bedrooms	Number Available	Average Square Feet	Price Range	Median List Price	Median Price per Sq. Ft.
One-Br.	0	-	-	-	-
Two-Br.	7	2,591	\$130,000 - \$1,500,000	\$375,900	\$217.08
Three-Br.	10	1,862	\$178,900 - \$1,450,000	\$414,950	\$229.17
Four-Br.+	7	2,785	\$369,000 - \$3,250,000	\$750,000	\$282.28
Total	24	2,344	\$130,000 - \$3,250,000	\$447,450	\$249.47

Source: Realtor.com and Bowen National Research

As shown in the preceding table, the largest share (41.7%) of the available for-sale housing product in the county are three-bedroom units, while nearly 30% of available homes in the county are four-bedroom units or larger. None of the available for-sale homes in the county are one-bedroom units, while only seven of the 24 units have two-bedrooms. Median list prices by bedroom type range from \$375,900 for two-bedroom units to \$750,000 for four-bedroom units or larger. Current home listings in the county generally lack smaller, affordable units for first-time homebuyers as well as middle-class homebuyers.

D. HOUSING GAP

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 Benzie 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 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 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.

The county has an overall housing gap of 1,508 units, with a gap of 214 rental units and a gap of 1,294 for-sale units. The following tables summarize the rental and for-sale housing gaps by income and affordability levels for Benzie County. Details of the methodology used in this analysis are provided in Section VII of this report.

Benzie County, Michigan				
Rental Housing Gap Estimates (2022-2027)				
Percent of Median Income	≤ 50%	51%-80%	81%-120%	121%+
Household Income Range	≤\$41,550	\$41,551-\$66,480	\$66,481-\$99,720	\$99,721+
Monthly Rent Range	≤\$1,039	\$1,040-\$1,662	\$1,663-\$2,493	\$2,494+
Household Growth	-28	-8	6	11
Balanced Market*	26	7	4	2
Replacement Housing**	26	3	1	0
External Market Support^	21	5	3	2
Severe Cost Burdened^^	86	44	15	0
Step-Down Support	10	-1	-3	-6
Less Pipeline Units	-12	0	0	0
Overall Units Needed	129	50	26	9

*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 the county

^^Based on ACS estimates of households paying in excess of 50% of income toward housing costs

Benzie County, Michigan				
For-Sale Housing Gap Estimates (2022-2027)				
Percent of Median Income	≤ 50%	51%-80%	81%-120%	121%+
Household Income Range	≤\$41,550	\$41,551-\$66,480	\$66,481-\$99,720	\$99,721+
Price Point	≤\$138,500	\$138,501-\$221,600	\$221,601-\$332,400	\$332,401+
Household Growth	-295	-87	44	410
Balanced Market*	61	38	48	37
Replacement Housing**	54	18	11	6
External Market Support^	84	55	68	74
Severe Cost Burdened^^	400	200	68	0
Step-Down Support	45	27	139	-211
Less Pipeline Units	0	0	0	0
Overall Units Needed	349	251	378	316

*Based on Bowen National Research's analysis of for-sale product within county

**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 the county

^^Based on ACS estimates of households paying in excess of 50% of income toward housing costs

As the preceding tables illustrate, the projected housing gaps over the next five years encompass a variety of affordability levels for both rental and for-sale housing product. It appears the greatest *rental* housing gap in the county is for the lowest housing affordability segment (rents below \$1,040 that are affordable to households earning up to 50% of AMHI). Within the *for-sale* housing gap estimates, it appears that all home price segments have housing gaps of 251 or more units. Although development within Benzie County should be prioritized to the housing product showing the greatest gaps, it appears efforts to address housing should consider most rents and price points across the housing spectrum. The addition of a variety of housing product types and affordability levels would enhance the subject county's ability to attract potential workers and help meet the changing and growing housing needs of the local market.

E. STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS (SWOT)

A SWOT analysis often serves as the framework to evaluate an area's competitive position and to develop strategic planning. It considers internal and external factors, as well as current and future potential. Ultimately, such an analysis is intended to identify core strengths, weaknesses, opportunities, and threats that can lead to strategies that can be developed and implemented to address local housing issues.

The following is a summary of key findings from this SWOT analysis for Benzie County.

SWOT Analysis	
Strengths	Weaknesses
<ul style="list-style-type: none">• High level of rental housing demand• Strong demand for for-sale housing• Positive projected household growth• Positive median household income growth	<ul style="list-style-type: none">• Limited available rentals and for-sale housing• Extremely low share of rentals• Lack of affordable workforce and senior housing alternatives
Opportunities	Threats
<ul style="list-style-type: none">• Housing need of 214 rental units• Housing need of 1,294 for-sale units• Attract some of the 1,561 commuters coming into the county for work to live in the county• Approximately 41 parcels that could potentially support residential development (see page VI-56)	<ul style="list-style-type: none">• The county risks losing residents to other areas/communities• Vulnerable to deteriorating and neglected housing stock• Inability to attract businesses to county• Inability of employers to attract and retain workers due to local housing issues• Influence of seasonal/recreational housing

The county's housing market has availability and affordability issues, particularly among housing that serves lower income households. These housing challenges expose the county to losing residents to surrounding areas, making the community vulnerable to the existing housing stock becoming neglected, discouraging potential employers coming to the area, and creating challenges for local employers to retain and attract workers. There are housing gaps for both rental and for-sale housing alternatives at a variety of rents and price points. As such, county housing plans should encourage and support the development of a variety of product types at a variety of affordability levels.