

ADDENDUM H: KALKASKA COUNTY OVERVIEW

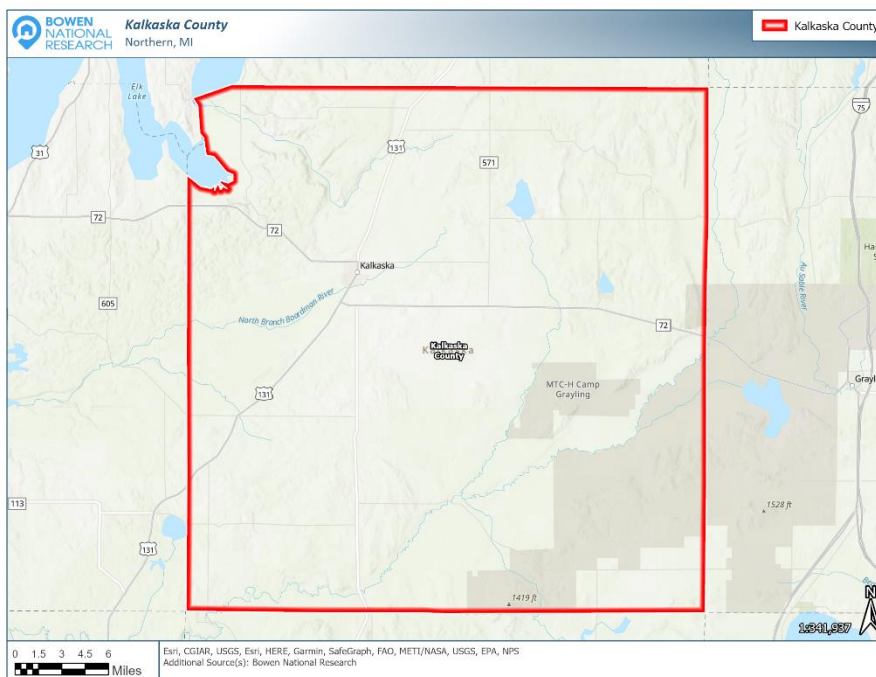
While the primary focus of this Housing Needs Assessment is on the Northern Michigan Region, this section of the report includes a cursory overview of demographic and housing metrics of Kalkaska County. To provide a base of comparison, various metrics of Kalkaska County were compared with overall statewide 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

Kalkaska County is located in the northwestern portion of the Lower Peninsula of Michigan between Grand Traverse and Crawford counties. Kalkaska County contains approximately 570.56 square miles and has an estimated population of 17,876 for 2022, which is representative of approximately 5.7% of the total population for the 10-county Northern Michigan Region. The village of Kalkaska serves as the county seat and is accessible via U.S. Highway 131. Other notable population centers within the county include the towns of Fife Lake, Coldwater, Gaylord, and Rapid River. Major arterials that serve the county include U.S. Highway 131 as well as State Routes 66 and 72.

A map illustrating Kalkaska County is below.



B. DEMOGRAPHICS

This section of the report evaluates key demographic characteristics for Kalkaska 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
Kalkaska	17,153	17,939	786	4.6%	17,876	-63	-0.4%	17,769	-107	-0.6%
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 Kalkaska County increased by 786 (4.6%). This increase in population for Kalkaska County is slightly higher than the 4.3% population growth within the PSA and significantly higher than the 2.0% growth in the state during this time period. In 2022, the estimated total population of Kalkaska County is 17,876, which comprises 5.7% of the total PSA population. Between 2022 and 2027, the population of Kalkaska County is projected to decrease by 0.6%, which contrasts the growth rate within the PSA (0.5%) during this time. 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, Kalkaska County is projected to have a 0.1% increase in households between 2022 and 2027.

Other notable population statistics for Kalkaska County include the following:

- Minorities comprise 7.1% 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 55.7% of the adult population, which is comparable to the share reported for the Northern Michigan Region (55.3%) and higher than the state of Michigan (49.0%).
- The adult population without a high school diploma is 10.8%, which is higher than shares reported for the Northern Michigan Region (6.1%) and the state of Michigan (7.7%).
- Approximately 16.4% of the population lives in poverty, which is higher than the Northern Michigan Region and statewide shares of 10.7% and 13.7%, respectively.
- The annual movership rate (population moving within or to Kalkaska County) is 10.9%, 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
Kalkaska	6,962	7,438	476	6.8%	7,443	5	0.1%	7,447	4	0.1%
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 number of households within Kalkaska County increased by 476 (6.8%), which represents a smaller rate of increase compared to the region (7.2%), but greater than that of the state (4.4%). In 2022, there is an estimated total of 7,443 households in Kalkaska County, which represents a 0.1% increase in households compared to 2020. In total, the households within Kalkaska County account for 5.6% of all households within the region. Between 2022 and 2027, the number of households in Kalkaska County is projected to go virtually unchanged (0.1% increase). The projected marginal increase in households within Kalkaska County over the next five years is notably lower than the projected rate of increase in households for the region (1.0%) and similar to the increase in the state (0.3%).

It should be noted that household growth alone does not dictate the total housing needs of a market. Factors such as households living in substandard or cost-burdened housing, people commuting into the 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+
Kalkaska	2010	208 (3.0%)	774 (11.1%)	1,089 (15.6%)	1,560 (22.4%)	1,479 (21.2%)	1,093 (15.7%)	759 (10.9%)
	2022	181 (2.4%)	858 (11.5%)	1,024 (13.8%)	1,210 (16.3%)	1,678 (22.5%)	1,524 (20.5%)	968 (13.0%)
	2027	180 (2.4%)	761 (10.2%)	1,024 (13.8%)	1,181 (15.9%)	1,504 (20.2%)	1,641 (22.0%)	1,156 (15.5%)
	Change 2022-2027	-1 (-0.6%)	-97 (-11.3%)	0 (0.0%)	-29 (-2.4%)	-174 (-10.4%)	117 (7.7%)	188 (19.4%)
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 Kalkaska County comprise the largest share of all households (22.5%). Household heads between the ages of 65 and 74 (20.5%) and those between the ages of 45 and 54 (16.3%) comprise the next largest shares of the total households in Kalkaska County. Overall, senior households (age 55 and older) constitute over well over one-half (56.0%) of all households within the county. This is a similar share of senior households as compared to the Northern Michigan Region (56.8%) and a higher share compared to the state of Michigan (50.0%). Household heads under the age of 35, which are typically more likely to be renters or first-time homebuyers, comprise 13.9% of all Kalkaska County households, which represents a slightly smaller share of such households when compared to the region (14.1%) and a notably smaller share compared to the state (17.8%). Between 2022 and 2027, household growth within Kalkaska County is projected to occur among the age cohorts 65 years and older. The most significant growth will occur among households ages 75 and older, with Kalkaska County experiencing a 19.4% increase within this age cohort. Collectively, households under the age of 65 are projected to decline over the next five years within the county, with those between the ages of 35 and 44 going unchanged.

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
Kalkaska	Owner-Occupied	5,924	85.1%	5,751	82.6%	6,071	81.6%	6,110	82.0%
	Renter-Occupied	1,038	14.9%	1,211	17.4%	1,372	18.4%	1,337	18.0%
	Total	6,962	100.0%	6,962	100.0%	7,443	100.0%	7,447	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, Kalkaska County has an 81.6% share of owner households and an 18.4% share of renter households. Kalkaska County has a larger share of owner households as compared to the Northern Michigan Region (79.6%) and the state (71.4%). Overall, Kalkaska County renter households represent 5.1% of all renter households within the Northern Michigan Region. Between 2022 and 2027, the number of owner households in Kalkaska County is projected to increase by 39 households (0.6%), while the number of renter households is projected to decrease by 35 households (2.6%). The increase among owner households in the 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
Kalkaska	\$42,947	\$49,622	15.5%	\$55,052	10.9%
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 Kalkaska County is \$49,622. Between 2010 and 2022, the county experienced a moderate increase (15.5%) in median household income. The increase in Kalkaska County was notably less than the increases for both the region (42.5%) and the state of Michigan (42.3%). The median household income within the county in 2022 is 21.3% lower than that reported in the region (\$63,085). The median household income in the county is projected to increase by an additional 10.9% between 2022 and 2027, resulting in a projected median income of \$55,052 by 2027, which will remain well below the projected median income for 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+
Kalkaska	2010	205 (16.9%)	289 (23.9%)	221 (18.2%)	182 (15.0%)	138 (11.4%)	56 (4.6%)	106 (8.7%)	15 (1.2%)
	2022	168 (12.2%)	233 (17.0%)	266 (19.4%)	209 (15.2%)	167 (12.1%)	101 (7.3%)	183 (13.4%)	47 (3.4%)
	2027	134 (10.1%)	176 (13.2%)	262 (19.6%)	203 (15.2%)	172 (12.8%)	115 (8.6%)	207 (15.4%)	67 (5.0%)
	Change 2022-2027	-34 (-20.2%)	-57 (-24.5%)	-4 (-1.5%)	-6 (-2.9%)	5 (3.0%)	14 (13.9%)	24 (13.1%)	20 (42.6%)
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 \$20,000 and \$29,999 (19.4%) and between \$10,000 and \$19,999 (17.0%) comprise the largest shares of renter households by income level within the county. Over three-fifths (63.8%) of all renter households within the county earn less than \$40,000 which is much larger than the regional (55.5%) share. Growth among renter households within Kalkaska County is projected to be concentrated among households earning \$40,000 or more between 2022 and 2027. While the Northern Michigan Region will primarily experience growth among the same income cohorts, households earning between \$30,000 and \$39,999 are projected to increase (1.2%) within the region, and households earning between \$40,000 and \$49,999 are projected to decrease (5.0%). The largest percentage growth (42.6%) within the county is projected to occur within renter households earning \$100,000 or more, while the largest growth in terms of number is projected for renter households earning between \$60,000 and \$99,999 (24 households, or 13.1%). Despite the projected growth among higher-income renter households between 2022 and 2027, nearly three-fifths (58.1%) of renter households within Kalkaska County will continue to earn less than \$40,000 annually.

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+
Kalkaska	2010	300 (5.2%)	546 (9.5%)	650 (11.3%)	816 (14.2%)	785 (13.7%)	629 (10.9%)	1,400 (24.3%)	624 (10.9%)
	2022	279 (4.6%)	423 (7.0%)	619 (10.2%)	698 (11.5%)	692 (11.4%)	593 (9.8%)	1,559 (25.7%)	1,206 (19.9%)
	2027	236 (3.9%)	325 (5.3%)	592 (9.7%)	641 (10.5%)	643 (10.5%)	557 (9.1%)	1,605 (26.3%)	1,512 (24.7%)
	Change 2022-2027	-43 (-15.4%)	-98 (-23.2%)	-27 (-4.4%)	-57 (-8.2%)	-49 (-7.1%)	-36 (-6.1%)	46 (3.0%)	306 (25.4%)
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, 45.6% of *owner* households in Kalkaska County earn \$60,000 or more annually, which represents a much smaller share compared to the Northern Michigan Region (59.2%) and the state of Michigan (63.2%). Nearly one-third (32.7%) of owner households in Kalkaska County earn between \$30,000 and \$59,999, and the remaining 21.8% earn less than \$30,000. As such, the overall distribution of owner households by income in the county is more concentrated among the lower income cohorts as compared 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 Kalkaska 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 most significant growth (25.4%) of owner households in the county is projected to occur among those earning \$100,000 or more.

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

Estimated Components of Population Change for Kalkaska 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
Kalkaska County	17,147	18,003	856	5.0%	-158	947	71	1,018
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 (-4, Kalkaska County; -138, Region) representing the change that cannot be attributed to any specific demographic component

Based on the preceding data, the population increase (5.0%) within Kalkaska County from 2010 to 2020 was primarily the result of domestic migration. While natural decrease (more deaths than births) had a negative influence (-158) on the population within Kalkaska County between 2010 and 2020, domestic migration (947) and international migration (71) resulted in an overall increase in population (856) during this time period. This trend of positive domestic and international migration combined with natural decrease in Kalkaska County is consistent with the regionwide trends within the PSA (Northern Michigan Region). In order for Kalkaska County to continue benefiting from positive net migration, it is important that an adequate supply of income-appropriate rental and for-sale housing is available to accommodate migrants and to retain young families in the county, which can contribute to natural increase in an area.

The following table illustrates the top 10 gross migration counties (total combined inflow and outflow) for Kalkaska 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 Kalkaska County Top 10 Gross Migration Counties*			
County	Gross Migration		Net-Migration
	Number	Percent	
Grand Traverse County, MI	409	19.4%	-25
Antrim County, MI	325	15.4%	47
Oakland County, MI	109	5.2%	53
Wexford County, MI	106	5.0%	90
Otsego County, MI	88	4.2%	-48
Isabella County, MI	49	2.3%	13
Livingston County, MI	45	2.1%	11
Jackson County, MI	44	2.1%	12
Kalamazoo County, MI	42	2.0%	-32
Clinton County, MI	39	1.9%	-31
All Other Counties	848	40.3%	-68
Total Migration	2,104	100.0%	22

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 illustrates, nearly three-fifths (59.7%) of the gross migration for Kalkaska 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 (-25) influence for Kalkaska County. In total, three of the top 10 migration counties (Grand Traverse, Antrim, and Wexford) for Kalkaska County are within the PSA. Combined, these three PSA counties have a positive net-migration (112) influence for Kalkaska County. Among the individual counties to which Kalkaska County has the largest net loss of residents are Otsego County (-48), Kalamazoo County (-32) and Clinton County (-31).

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

Domestic County Population In-Migrants by Age, 2012 to 2021 - Kalkaska County		
Age	2012-2016	2017-2021
1 to 24	31.2%	26.0%
25 to 64	63.4%	66.3%
65+	5.4%	7.7%
Median Age (In-state migrants)	29.4	28.7
Median Age (Out-of-state migrants)	35.5	36.2
Median Age (County Population)	45.0	43.9

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 63.4% of in-migrants to Kalkaska County were between the ages of 25 and 64, while 31.2% were less than 25 years of age, and 5.4% were age 65 or older. The share of in-migrants under the age of 25 decreased to 26.0% during the time period between 2017 and 2021, while the share of in-migrants ages 25 to 64 increased to 66.3%, and those ages 65 and older increased to 7.7%. The data between 2017 and 2021 also illustrates that the median age of in-state migrants (28.7 years) is notably less than out-of-state migrants (36.2 years) and the existing population of the county (43.9 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):

Kalkaska 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	100	20.8%	182	27.6%	78	42.2%
\$10,000 to \$14,999	110	22.9%	172	26.1%	8	4.3%
\$15,000 to \$24,999	90	18.7%	67	10.2%	10	5.4%
\$25,000 to \$34,999	51	10.6%	60	9.1%	16	8.6%
\$35,000 to \$49,999	86	17.9%	83	12.6%	42	22.7%
\$50,000 to \$64,999	9	1.9%	33	5.0%	9	4.9%
\$65,000 to \$74,999	24	5.0%	6	0.9%	5	2.7%
\$75,000+	11	2.3%	56	8.5%	17	9.2%
Total	481	100.0%	659	100.0%	185	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 three-fifths (63.9%) of the population that moved to Kalkaska County from a different county within Michigan earned less than \$25,000 per year. While a much smaller number of individuals moved to Kalkaska County from out-of-state, over one-half (51.9%) of these individuals also earned 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 (14.4%) and those from outside the state (16.8%). 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 Kalkaska County.

Labor Force

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

NAICS Group	Employment by Industry					
	Kalkaska County		Region		Michigan	
	Employees	Percent	Employees	Percent	Employees	Percent
Agriculture, Forestry, Fishing & Hunting	40	0.7%	1,037	0.6%	18,094	0.4%
Mining	142	2.4%	416	0.2%	6,059	0.1%
Utilities	15	0.3%	566	0.3%	14,450	0.3%
Construction	464	7.9%	8,709	4.9%	163,027	3.6%
Manufacturing	419	7.1%	16,371	9.1%	513,197	11.2%
Wholesale Trade	249	4.2%	4,703	2.6%	193,695	4.2%
Retail Trade	752	12.7%	25,115	14.0%	576,665	12.6%
Transportation & Warehousing	92	1.6%	2,863	1.6%	95,658	2.1%
Information	74	1.3%	2,773	1.5%	91,050	2.0%
Finance & Insurance	587	9.9%	4,834	2.7%	168,540	3.7%
Real Estate & Rental & Leasing	57	1.0%	3,412	1.9%	95,407	2.1%
Professional, Scientific & Technical Services	482	8.2%	7,617	4.3%	295,491	6.5%
Management of Companies & Enterprises	0	0.0%	227	0.1%	8,827	0.2%
Administrative, Support, Waste Management & Remediation Services	42	0.7%	4,042	2.3%	111,717	2.4%
Educational Services	349	5.9%	9,834	5.5%	378,891	8.3%
Health Care & Social Assistance	824	14.0%	38,645	21.6%	765,165	16.7%
Arts, Entertainment & Recreation	110	1.9%	7,845	4.4%	139,513	3.1%
Accommodation & Food Services	428	7.2%	20,986	11.7%	398,782	8.7%
Other Services (Except Public Administration)	252	4.3%	8,794	4.9%	270,042	5.9%
Public Administration	499	8.4%	9,313	5.2%	238,652	5.2%
Non-classifiable	29	0.5%	914	0.5%	30,131	0.7%
Total	5,906	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.

Kalkaska County has an employment base of approximately 5,906 individuals within a broad range of employment sectors. The labor force within the county is based primarily in four sectors: Health Care & Social Assistance (14.0%), Retail Trade (12.7%), Finance & Insurance (9.9%), and Public Administration (8.4%). It is interesting to note that only two of these sectors (Health Care & Social Assistance and Retail Trade) also comprise the largest sectors of employment within the PSA (Northern Michigan Region) and the state of Michigan. Combined, these four job sectors represent over two-fifths (45.0%) 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%) and 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 notably less concentrated overall distribution of employment, the economy within Kalkaska County may be slightly less vulnerable to economic downturns compared to the PSA and state overall. It should be noted that Health Care & Social Assistance is typically less vulnerable to economic downturns, and as the largest sector of employment in the county, this likely helps to insulate the county from economic decline. Although many occupations within the healthcare sector offer competitive wages, it is important to understand that a significant number of the support occupations in this industry, as well as within the other top sectors in the county, 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					
	Kalkaska County		Michigan		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2013	6,746	-	4,323,410	-	143,929,000	-
2014	7,001	3.8%	4,416,017	2.1%	146,305,000	1.7%
2015	7,070	1.0%	4,501,816	1.9%	148,833,000	1.7%
2016	7,182	1.6%	4,606,948	2.3%	151,436,000	1.7%
2017	7,345	2.3%	4,685,853	1.7%	153,337,000	1.3%
2018	7,382	0.5%	4,739,081	1.1%	155,761,000	1.6%
2019	7,539	2.1%	4,773,453	0.7%	157,538,000	1.1%
2020	6,991	-7.3%	4,379,122	-8.3%	147,795,000	-6.2%
2021	7,107	1.7%	4,501,562	2.8%	152,581,000	3.2%
2022	7,392	4.0%	4,632,539	2.9%	158,291,000	3.7%
2023*	7,161	-3.1%	4,624,229	-0.2%	159,715,000	0.9%

Source: Department of Labor; Bureau of Labor Statistics

*Through March

Year	Unemployment Rate		
	Kalkaska County	Michigan	United States
2013	11.1%	8.7%	7.4%
2014	9.5%	7.2%	6.2%
2015	7.8%	5.4%	5.3%
2016	7.3%	5.0%	4.9%
2017	6.8%	4.6%	4.4%
2018	5.9%	4.2%	3.9%
2019	5.7%	4.1%	3.7%
2020	11.5%	10.0%	8.1%
2021	7.2%	5.8%	5.4%
2022	6.0%	4.2%	3.7%
2023*	8.2%	4.5%	3.8%

Source: Department of Labor, Bureau of Labor Statistics

*Through March

From 2013 to 2019, the employment base in Kalkaska County increased by 793 employees, or 11.8%, which was larger than the state increase of 10.4% during that time. In 2020, which was largely impacted by the economic effects related to COVID-19, total employment decreased in Kalkaska County by 7.3%, which was a smaller decline compared to the state (8.3%). In 2021, total employment for the county increased by 1.7%, followed by an additional increase of 4.0% in 2022. Although total employment in Kalkaska County has declined 3.1% through March 2023, which may be due, in part, to seasonality, the 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, Kalkaska County has recovered to within 98.1% (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 Kalkaska County steadily declined from 2013 (11.1%) to 2019 (5.7%). It is also noteworthy that the unemployment rate within the county has been typically higher than the rate within the state since 2013. In 2020, the unemployment rate increased sharply to 11.5%, which represents an unemployment rate above that of the state (10.0%) during this time. In 2021, the unemployment rate within the county decreased to 7.2%. As of 2022, the unemployment rate within the county decreased to 6.0%. This represents an unemployment rate that is significantly higher than the state (4.2%) and nation (3.7%). Additionally, the 6.0% unemployment rate within the county is much more comparable to the rate in 2019 (5.7%) and is a positive sign of continuing recovery in the local economy.

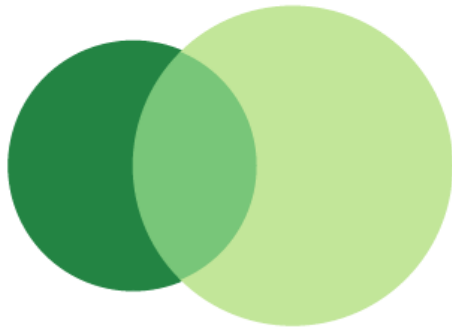
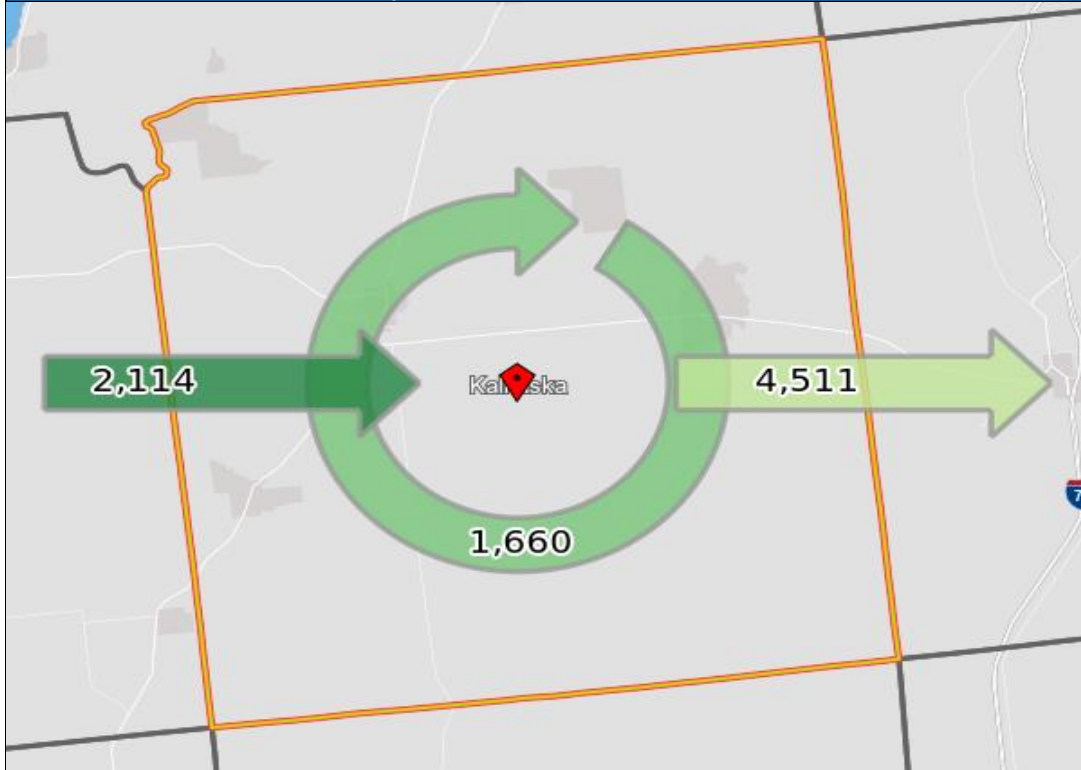
Commuting Data

According to the 2016-2020 American Community Survey (ACS), 93.3% of Kalkaska County commuters either drive alone or carpool to work, 1.5% walk to work and 4.0% work from home. ACS also indicates that 54.4% of Kalkaska County workers have commute times of less than 30 minutes, while 8.9% have commutes of 60 minutes or more. This represents longer commute times compared to the state, where 62.6% of workers have commute times less than 30 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 6,171 employed residents of Kalkaska County, 4,511 (73.1%) are employed outside the county, while the remaining 1,660 (26.9%) are employed within Kalkaska County. In addition, 2,114 people commute into Kalkaska County from surrounding areas for employment. These 2,114 non-residents account for over one-half (56.0%) 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.

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



■ 2,114 - Employed in Selection Area, Live Outside
■ 4,511 - Live in Selection Area, Employed Outside
■ 1,660 - Employed and Live in Selection Area

**Inflow/Outflow Job Counts (All Jobs)
2020**

	Count	Share
Employed in the Selection Area	3,774	100.0%
Employed in the Selection Area but Living Outside	2,114	56.0%
Employed and Living in the Selection Area	1,660	44.0%
Living in the Selection Area	6,171	100.0%
Living in the Selection Area but Employed Outside	4,511	73.1%
Living and Employed in the Selection Area	1,660	26.9%

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	1,006	22.3%	426	20.2%	350	21.1%
Ages 30 to 54	2,439	54.1%	1,163	55.0%	836	50.4%
Ages 55 or older	1,066	23.6%	525	24.8%	474	28.6%
Earning <\$1,250 per month	1,319	29.2%	419	19.8%	470	28.3%
Earning \$1,251 to \$3,333	1,733	38.4%	630	29.8%	654	39.4%
Earning \$3,333+ per month	1,459	32.3%	1,065	50.4%	536	32.3%
Total Worker Flow	4,511	100.0%	2,114	100.0%	1,660	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 2,114 in-commuters, over one-half (55.0%) are between the ages of 30 and 54, 24.8% are age 55 or older and 20.2% are under the age of 30. This is a similar distribution of workers by age compared to the resident outflow workers. Approximately one-half (50.4%) of inflow workers earn more than \$3,333 per month (\$40,000 or more annually), nearly one-third (29.8%) earn between \$1,251 and \$3,333 per month (approximately \$15,000 to \$40,000 annually), and the remaining 19.8% earn \$1,250 or less per month. By comparison, nearly two-fifths (38.4%) of outflow workers earn between \$1,251 and \$3,333 per month, nearly one-third (32.3%) earn more than \$3,333 per month, and the remaining 29.2% earn \$1,250 or less per month. Based on the preceding data, people that commute *into* Kalkaska County for employment are typically similar in age and more likely to earn *higher* wages when compared to residents commuting out of the county for work. Regardless, given the diversity of incomes and ages of the over 2,110 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 Kalkaska County.

C. HOUSING METRICS

The estimated distribution of the area housing stock by tenure for Kalkaska 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
Kalkaska County	Number	7,443	6,071	1,372	4,186	11,629
	Percent	64.0%	81.6%	18.4%	36.0%	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 11,629 housing units within Kalkaska County in 2022. Based on ESRI estimates and 2020 Census data, of the 7,443 total *occupied* housing units in Kalkaska County, 81.6% are owner occupied, while the remaining 18.4% are renter occupied. As such, Kalkaska County has a higher share of owner-occupied housing units when compared to the Northern Michigan Region (79.6%) and the state of Michigan (71.4%). Kalkaska County also has a higher share (36.0%) of housing units classified as vacant compared to the region (28.3%) and state (11.6%). Vacant units are comprised of a variety of units including abandoned properties, unoccupied rentals, for-sale homes, and seasonal housing units.

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
Kalkaska County	274	25.4%	1,664	27.3%	54	5.0%	96	1.6%	24	2.2%	38	0.6%
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 Kalkaska County, 25.4% of the renter-occupied housing units and 27.3% of the owner-occupied housing units were built prior to 1970. Based on these figures, the housing stock in Kalkaska County appears to be newer compared to housing within the region and state. The shares of renter housing (5.0%) and owner housing (1.6%) in the county that experience overcrowding are above rates within the region and state, while the shares of renter housing (2.2%) and owner housing (0.6%) in the county with incomplete plumbing or kitchens is similar compared to regional and statewide rates.

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
Kalkaska County	\$49,622	\$145,666	\$698	42.3%	20.4%	21.6%	8.4%
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 median household income of \$49,622 within Kalkaska County is lower than the median household income for the Northern Michigan Region (\$63,085) and the state of Michigan (\$65,507). The estimated median home value (\$145,666) and average gross rent (\$698) in the county are also lower than estimated median home values and average gross rents for the region and state. Note that the lower estimated median home value and average gross rent do not appear to result in lower shares of cost burdened households in Kalkaska County, as 42.3% of renter households and 20.4% of owner households are cost burdened. Each of these figures are consistent with regional and state shares. Overall, Kalkaska County has an estimated 456 renter households and 1,241 owner households that are housing cost burdened. 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 Kalkaska County, the Northern Michigan Region, and the state of Michigan.

		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
Kalkaska County	Number	514	305	258	1,077	5,352	0	744	6,096
	Percent	47.7%	28.3%	24.0%	100.0%	87.8%	0.0%	12.2%	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%	1.0%	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

In Kalkaska County, 71.7% of the *rental* units are within structures of four units or less or mobile homes, which is much higher when compared to that of the region (66.0%) and state (56.5%). Kalkaska County also has a lower share (28.3%) of multifamily rental housing (five or more units within a structure) when compared to the region (33.8%) and state (43.5%). Among *owner*-occupied units in the county, there is a lower share (87.8%) of units within structures of four units or less and a higher share (12.2%) of units within mobile homes and similar non-permanent structures compared to the shares of such units in the region and state. According to ACS data, there are no owner-occupied housing units in Kalkaska County within structures of five or more units.

The following table summarizes monthly gross rents (per unit) for area rental alternatives within Kalkaska County, the Northern Michigan Region, and the state of Michigan. While this data encompasses all rental units, which includes multifamily apartments, a majority (71.7%) 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
Kalkaska County	Number	80	82	435	298	72	6	0	104	1,077
	Percent	7.4%	7.6%	40.4%	27.7%	6.7%	0.6%	0.0%	9.7%	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 (40.4%) of Kalkaska County rental units has gross rents between \$500 and \$750, while units with gross rents between \$750 and \$1,000 represent the second largest share (27.7%). Overall, 83.1% of rental units in the county have gross rents that are \$1,000 or less, which is a significantly higher share of these units compared to the region (61.9%) and state (59.0%). Overall, this larger share of units with lower gross rents demonstrates the dominance of the lower and moderately priced product among the rental units in the market.

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 – Kalkaska County				
Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Tax Credit	1	48	0	100.0%
Tax Credit/Government-Subsidized	1	50	0	100.0%
Government-Subsidized	2	78	0	100.0%
Total	4	176	0	100.0%

In Kalkaska County, a total of four apartment properties were surveyed, which comprised a total of 176 units. Note that 128 of the 176 total units (72.2% of total units) are at subsidized properties. The remaining 48 units in the county are at a non-subsidized Tax Credit property, which have rents ranging from \$807 for a two-bedroom unit and \$929 for a three-bedroom unit. No market-rate properties were surveyed in the county. The four surveyed properties have quality ratings ranging from “B+” to “C+,” reflective of housing that is in satisfactory to good condition. The overall occupancy rate of 100.0% is very high and indicative of a strong market for apartments. All four 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, mobile homes, etc. and account for 71.7% of the total rental units in Kalkaska County. The following table illustrates the distribution of renter-occupied housing by the number of units in the structure for Kalkaska County.

		Renter-Occupied Housing by Units in Structure			
		1 to 4 Units	5 or More Units	Mobile Homes/Boats/RVs	Total Units
Kalkaska County	Number	514	305	258	1,077
	Percent	47.7%	28.3%	24.0%	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 half (47.7%) of non-conventional rental units in the county are within structures containing one to four units. This is a lower 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%). Note that 24.0% of rental units in the county are mobile homes, boats, or RVs. This is a much higher share of these units compared to the region (11.2%) and state (4.2%). As a significant share of the rental housing stock in Kalkaska 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 five non-conventional rentals that were listed as *available* for rent in Kalkaska 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 good 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 Kalkaska County.

Surveyed Non-Conventional Rental Supply – Kalkaska County				
Bedroom	Vacant Units	Rent Range	Median Rent	Median Rent Per Square Foot
Studio	0	-	-	-
One-Bedroom	1	\$600	\$600	-
Two-Bedroom	4	\$1,000 - \$2,950	\$1,100	\$1.20
Three-Bedroom	0	-	-	-
Four-Bedroom+	0	-	-	-
Total	5			

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 five available rentals represent an occupancy rate of 99.4%. This is an extremely high occupancy rate. The identified non-conventional rentals in Kalkaska County consist of a one-bedroom unit renting for \$600 and two-bedroom units ranging from \$1,000 to \$2,950. While rents within the lower end of this range may be affordable to low- or moderate-income households in the county, rents at the high end of this range are generally not

affordable to a large number of renters in the market. Note that there were no market-rate conventional properties surveyed in Kalkaska County as part of this Housing Needs Assessment and that affordable housing units in the county were 100% occupied at the time of this survey. Therefore, prospective tenants seeking to rent units in the county have very few options.

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 Kalkaska County.

Kalkaska County - Owner For-Sale/Sold Housing Supply		
Type	Homes	Median Price
Available*	21	\$329,000
Sold**	138	\$199,450

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 Kalkaska County as of February 2023 consists of 21 total units with a median list price of \$329,000. The 21 available units represent 3.8% of the 551 available units within the Northern Michigan Region. Historical sales ranging from September 2022 to March 2023 consisted of 138 homes sold during this period with a median sale price of \$199,450. Note that the median list price of available product (\$329,000) is significantly higher than the median sale price of recently sold homes. The 21 available homes represent only 0.3% of the estimated 6,071 owner-occupied units in Kalkaska 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. Kalkaska 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 Kalkaska County.

Kalkaska County Sales History by Price (Sept. 12, 2022 to Mar. 15, 2023)		
Sale Price	Number Available	Percent of Supply
Up to \$99,999	20	14.5%
\$100,000 to \$199,999	50	36.2%
\$200,000 to \$299,999	48	34.8%
\$300,000 to \$399,999	11	8.0%
\$400,000+	9	6.5%
Total	138	100.0%

Source: Realtor.com and Bowen National Research

Recent sales activity in Kalkaska County primarily favors homes at price points that are typically for entry-level and middle-class homebuyers. Note that over half (50.7%) of the 138 homes sold between September 2022 and March 2023 were priced below \$200,000, while over one-third (34.8%) of recent sales were priced between \$200,000 and \$300,000. By comparison, only 14.5% of sales were for units priced above \$300,000.

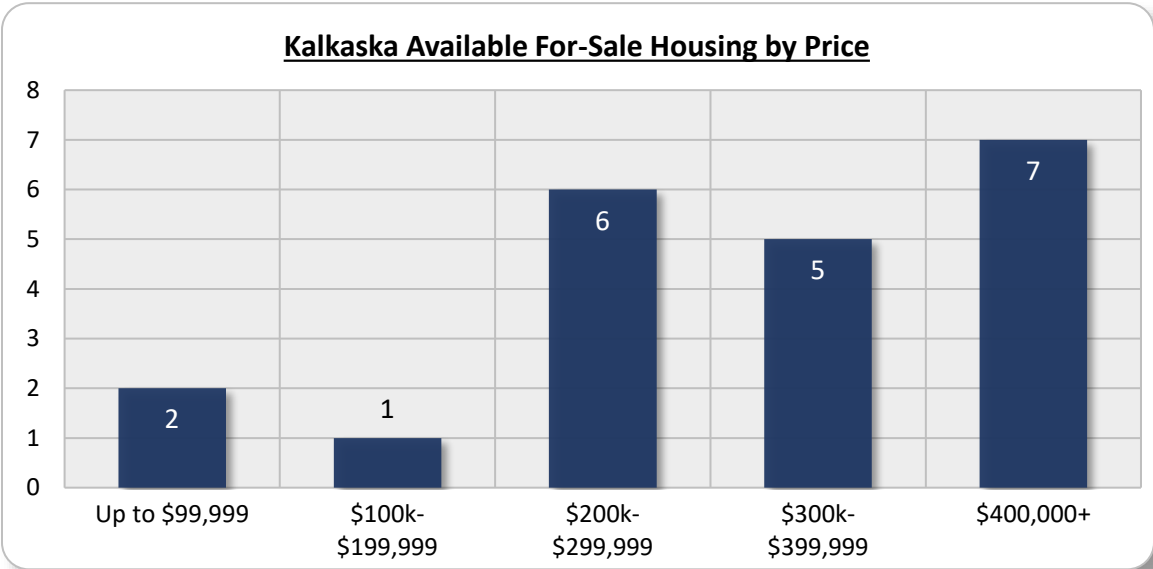
The following table summarizes the distribution of *available* for-sale residential units by *price point* for Kalkaska County:

Kalkaska County Available For-Sale Housing by Price (As of Feb. 28, 2023)		
List Price	Number Available	Percent of Supply
Up to \$99,999	2	9.5%
\$100,000 to \$199,999	1	4.8%
\$200,000 to \$299,999	6	28.6%
\$300,000 to \$399,999	5	23.8%
\$400,000+	7	33.3%
Total	21	100.0%

Source: Realtor.com and Bowen National Research

Homes available for-sale in Kalkaska County as of February 2023 primarily target higher price points. Most listings (12 of 21) are being offered for \$300,000 or more in the current housing market. The higher share of listings offered for \$300,000 and above runs counter to recent sales activity, which had most homes selling below \$200,000. In fact, only three of the 21 listings are priced below \$200,000.

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



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

Kalkaska 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.	2	835	\$324,900 - \$329,000	\$326,950	\$409.65
Two-Br.	2	2,053	\$26,900 - \$999,900	\$513,400	\$176.41
Three-Br.	13	1,858	\$77,900 - \$679,000	\$249,900	\$151.03
Four-Br.+	4	3,172	\$359,000 - \$1,300,000	\$811,250	\$229.74
Total	21	2,030	\$26,900 - \$1,300,000	\$329,000	\$163.82

Source: Realtor.com and Bowen National Research

As shown in the preceding table, the largest share (61.9%) of the available for-sale housing product in the county are three-bedroom units, while less than 20% of available homes in the county are four-bedroom units or larger. The remaining four units are either one-bedroom or two-bedroom units. Note that the median list price for four bedroom or larger homes (\$811,250) is significantly higher than the median list price of \$329,000. These larger homes are situated on either lakefront lots or are located on acreage.

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 Kalkaska 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 1,668 units, with a gap of 511 rental units and a gap of 1,157 for-sale units. The following tables summarize the rental and for-sale housing gaps by income and affordability levels for Kalkaska County. Details of the methodology used in this analysis are provided in Section VII of this report.

Kalkaska 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	-97	20	23	20
Balanced Market*	42	16	8	3
Replacement Housing**	83	16	4	0
External Market Support^	46	18	9	4
Severe Cost Burdened^^	178	89	29	0
Step-Down Support	32	-10	-11	-11
Less Pipeline Units	0	0	0	0
Overall Units Needed	284	149	62	16

*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 each county

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

Kalkaska 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	-215	-99	25	328
Balanced Market*	54	43	31	33
Replacement Housing**	60	23	10	6
External Market Support^	107	84	71	85
Severe Cost Burdened^^	306	153	51	0
Step-Down Support	41	16	125	-181
Less Pipeline Units	0	0	0	0
Overall Units Needed	353	220	313	271

*Based on Bowen National Research's analysis of for-sale product within the 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 each 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 \$946 that are affordable to households earning up to 50% of AMHI), while the greatest *for-sale* housing gap in the county is for the lowest priced product priced up to \$126,267, which is affordable to households earning up to \$37,850. While it is unlikely that a developer could build product at or below \$126,167, the fact that this price segment represents the greatest demand indicates the importance of affordable for-sale housing and the preservation of the older housing stock. Although development within Kalkaska 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 Kalkaska 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 • Disproportionately low share of rentals • Lack of affordable workforce and senior housing alternatives
Opportunities	Threats
<ul style="list-style-type: none"> • Housing need of 511 rental units • Housing need of 1,157 for-sale units • Attract some of the 2,114 commuters coming into the county for work to live in the county • Approximately 90 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.