

ADDENDUM G: GRAND TRAVERSE COUNTY OVERVIEW

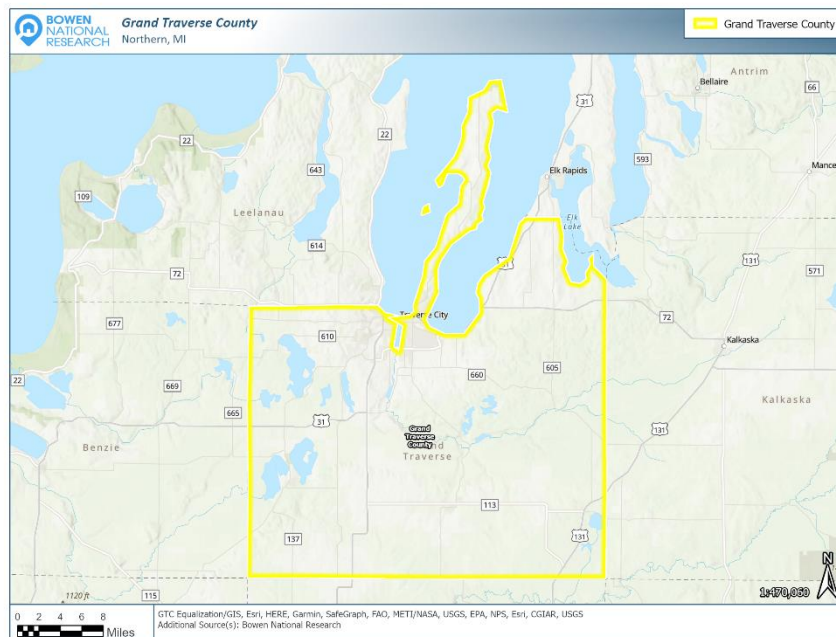
While the primary focus of this Housing Needs Assessment is on the Northern Michigan Region, this section of the report includes a cursory overview of demographic and housing metrics of Grand Traverse County. To provide a base of comparison, various metrics of Grand Traverse County were compared with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

Grand Traverse County is located in the northwestern portion of the Lower Peninsula of Michigan along the southern shore of Grand Traverse Bay. Grand Traverse County contains approximately 490.29 square miles and has an estimated population of 96,832 for 2022, which is representative of approximately 31.1% of the total population for the 10-county Northern Michigan Region. Traverse City serves as the county seat and is accessible via State Route 37 and U.S. Highway 31 in the northern portion of the county. Other notable population centers within the county include the villages of Fife Lake and Kingsley as well as the charter townships of East Bay, Garfield, and Long Lake. Major arterials that serve the county include U.S. Highways 31 and 131, as well as State Routes 22, 37, 72, 113, and 186.

A map illustrating Grand Traverse County is below.



B. DEMOGRAPHICS

This section of the report evaluates key demographic characteristics for Grand Traverse 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
Grand Traverse	86,986	95,238	8,252	9.5%	96,832	1,594	1.7%	98,662	1,830	1.9%
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 Grand Traverse County increased by 8,252 (9.5%). This increase in population for Grand Traverse County is significantly higher than the 4.3% population growth within the PSA, and 2.0% growth in the state during this time period. In 2022, the estimated total population of Grand Traverse County is 96,832, which comprises 31.1% of the total PSA population. Between 2022 and 2027, the population of Grand Traverse County is projected to increase by 1,830 (1.9%), which is a notably higher projected growth rate than the PSA (0.5%) and contrasts the decline (0.2%) in the state 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, Grand Traverse County is projected to have a 2.3% increase in households between 2022 and 2027.

Other notable population statistics for Grand Traverse County include the following:

- Minorities comprise 9.2% of the county's population, which is higher than the Northern Michigan Region share of 8.7% and lower than the statewide share of 26.1%.
- Married persons represent more than half (53.8%) of the adult population, which is comparable to the share reported for the Northern Michigan Region (55.3%) and slightly higher than the state of Michigan (49.0%).
- The adult population without a high school diploma is 3.9%, which is lower than the shares reported for the Northern Michigan Region (6.1%) and the state of Michigan (7.7%).
- Approximately 10.3% of the population lives in poverty, which is similar to the Northern Michigan Region share of 10.7% and below the statewide share of 13.7%.

- The annual movership rate (population moving within or to Grand Traverse County) is 13.9%, which is higher than the shares for the Northern Michigan Region (12.1%) and the state of Michigan (13.4%).

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
Grand Traverse	35,328	39,819	4,491	12.7%	40,604	785	2.0%	41,553	949	2.3%
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 Grand Traverse County increased by 4,491 (12.7%), which represents a much greater rate of increase compared to the region (7.2%) and state (4.4%). In 2022, there is an estimated total of 40,604 households in Grand Traverse County, which represents a 2.0% increase in households compared to 2020. In total, the households within Grand Traverse County account for 30.8% of all households within the region. Between 2022 and 2027, the number of households in Grand Traverse County is projected to increase by 949 (2.3%), at which time the estimated total number of households will be 41,553. The projected increase in households within Grand Traverse County over the next five years is notably higher than the projected rate of increase in households for the region (1.0%) and 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+
Grand Traverse	2010	1,354 (3.8%)	4,734 (13.4%)	5,660 (16.0%)	7,840 (22.2%)	7,253 (20.5%)	4,242 (12.0%)	4,245 (12.0%)
	2022	1,177 (2.9%)	5,515 (13.6%)	6,015 (14.8%)	6,495 (16.0%)	8,539 (21.0%)	7,476 (18.4%)	5,387 (13.3%)
	2027	1,181 (2.8%)	5,225 (12.6%)	6,424 (15.5%)	6,402 (15.4%)	7,504 (18.1%)	8,187 (19.7%)	6,630 (16.0%)
	Change 2022-2027	4 (0.3%)	-290 (-5.3%)	409 (6.8%)	-93 (-1.4%)	-1,035 (-12.1%)	711 (9.5%)	1,243 (23.1%)
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 Grand Traverse County comprise the largest share of all households (21.0%). Household heads between the ages of 65 and 74 (18.4%) and those between the ages of 45 and 54 (16.0%) comprise the next largest shares of the total households in Grand Traverse County. Overall, senior households (age 55 and older) constitute over half (52.7%) of all households within Grand Traverse County. This is a smaller share of senior households as compared to the Northern Michigan Region (56.8%) and a slightly 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 16.5% of all Grand Traverse County households, which represents a slightly larger share of such households when compared to the region (14.1%) and a smaller share compared to the state (17.8%). Between 2022 and 2027, household growth within Grand Traverse County is projected to occur primarily among the age cohorts of 35 to 44 years and 65 years and older, although the marginal growth (0.3%) among households under the age of 25 is noteworthy. The most significant growth will occur among households ages 75 and older, with Grand Traverse County experiencing a 23.1% increase within this age cohort. Households between the ages of 25 and 34 and those between the ages of 45 and 64 are projected to decline over the next five years.

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
Grand Traverse	Owner-Occupied	27,337	77.4%	26,489	75.0%	30,425	74.9%	31,516	75.8%
	Renter-Occupied	7,991	22.6%	8,839	25.0%	10,179	25.1%	10,037	24.2%
	Total	35,328	100.0%	35,328	100.0%	40,604	100.0%	41,553	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, Grand Traverse County has a 74.9% share of owner households and a 25.1% share of renter households. Overall, Grand Traverse County has a lower share of owner households as compared to the Northern Michigan Region (79.6%), but a slightly higher share of owner households compared to the state (71.4%). Overall, Grand Traverse County renter households represent 37.8% of all renter households within the Northern Michigan Region. Between 2022 and 2027, the number of owner households in Grand Traverse County is projected to increase by 1,091 households (3.6%), while the number of renter households is projected to decrease by 142 households (1.4%). The increase among owner households in Grand Traverse 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
Grand Traverse	\$45,681	\$69,310	51.7%	\$77,541	11.9%
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 Grand Traverse County is \$69,310. Between 2010 and 2022, the county experienced a significant increase (51.7%) in median household income. The increase in Grand Traverse County was larger 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 9.9% higher than that reported in the region (\$63,085). The median household income in the county is projected to increase by an additional 11.9% between 2022 and 2027, resulting in a projected median income of \$77,541 by 2027, which will remain above that projected 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+
Grand Traverse	2010	874 (9.9%)	1,981 (22.4%)	1,710 (19.3%)	1,309 (14.8%)	1,039 (11.8%)	548 (6.2%)	1,095 (12.4%)	283 (3.2%)
	2022	559 (5.5%)	1,319 (13.0%)	1,707 (16.8%)	1,665 (16.4%)	1,118 (11.0%)	795 (7.8%)	2,075 (20.4%)	940 (9.2%)
	2027	533 (5.3%)	1,115 (11.1%)	1,474 (14.7%)	1,824 (18.2%)	1,006 (10.0%)	777 (7.7%)	2,146 (21.4%)	1,163 (11.6%)
	Change 2022-2027	-26 (-4.7%)	-204 (-15.5%)	-233 (-13.6%)	159 (9.5%)	-112 (-10.0%)	-18 (-2.3%)	71 (3.4%)	223 (23.7%)
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 \$60,000 and \$99,999 (20.4%) and \$20,000 and \$29,999 (16.8%) comprise the largest shares of renter households by income level within the county. Over half (51.7%) of all renter households within the county earn less than \$40,000 which is lower than the regional (55.5%) share. Growth among renter households within Grand Traverse County is projected to be concentrated among households earning \$60,000 or more between 2022 and 2027, although significant growth (9.5%) is also projected for renter households earning between \$30,000 and \$39,999. While the Northern Michigan Region will primarily experience growth among the same income cohorts, households earning between \$50,000 and \$59,999 are also projected to increase (5.9%) within the region. The largest growth (223 households, or 23.7%) within the county is projected to occur within renter households earning \$100,000 or more. With the projected growth among higher-income renter households between 2022 and 2027 within Grand Traverse County, nearly one-third (33.0%) of all renter households within the county will have incomes of \$60,000 or more by 2027. It is also important to note that 31.1% of renter households will continue to earn less than \$30,000 annually, which indicates rentals at a variety of affordability levels will be vital within the county.

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+
Grand Traverse	2010	933 (3.5%)	2,456 (9.3%)	2,817 (10.6%)	3,170 (12.0%)	3,210 (12.1%)	2,848 (10.8%)	6,407 (24.2%)	4,648 (17.5%)
	2022	363 (1.2%)	1,000 (3.3%)	1,716 (5.6%)	2,555 (8.4%)	2,343 (7.7%)	2,361 (7.8%)	9,358 (30.8%)	10,730 (35.3%)
	2027	280 (0.9%)	710 (2.3%)	1,213 (3.8%)	2,446 (7.8%)	2,057 (6.5%)	2,230 (7.1%)	9,430 (29.9%)	13,149 (41.7%)
	Change 2022-2027	-83 (-22.9%)	-290 (-29.0%)	-503 (-29.3%)	-109 (-4.3%)	-286 (-12.2%)	-131 (-5.5%)	72 (0.8%)	2,419 (22.5%)
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, 66.1% of *owner* households in Grand Traverse County earn \$60,000 or more annually, which represents a higher share compared to the Northern Michigan Region (59.2%) and the state of Michigan (63.2%). Nearly one-fourth (23.9%) of owner households in Grand Traverse County earn between \$30,000 and \$59,999, and the remaining 10.1% earn less than \$30,000. As such, the overall distribution of owner households by income in the county is more concentrated among the higher 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 Grand Traverse 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 (22.5%) 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 Grand Traverse County and the PSA (Northern Michigan Region) between April 2010 and July 2020.

Estimated Components of Population Change for Grand Traverse 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
Grand Traverse	86,988	93,592	6,604	7.6%	576	5,733	304	6,037
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 (-9, Grand Traverse County; -138, Region) representing the change that cannot be attributed to any specific demographic component

Based on the preceding data, the population growth (7.6%) within Grand Traverse County from 2010 to 2020 was a combination of natural increase (more births than deaths), domestic migration and international migration. While natural increase (576) and international migration (304) both had a positive influence on the population, a majority of the population growth derived from domestic migration (5,733). It is noteworthy that the domestic migration of Grand Traverse County during this time accounted for 45.9% of the total domestic migration within the PSA (Northern Michigan Region). In order for Grand Traverse County to continue benefiting from significant positive net migration, it is important that an adequate supply of income-appropriate rental and for-sale housing is available to accommodate in-migrants. This will also likely contribute to retaining young families in the county, which is a critical component to natural increase in an area.

The following table illustrates the top 10 gross migration counties (total combined inflow and outflow) for Grand Traverse 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 Grand Traverse County Top 10 Gross Migration Counties*			
County	Gross Migration		Net-Migration
	Number	Percent	
Leelanau County, MI	724	6.1%	126
Kent County, MI	565	4.8%	-3
Wexford County, MI	494	4.2%	-76
Benzie County, MI	443	3.7%	167
Oakland County, MI	426	3.6%	188
Antrim County, MI	415	3.5%	-173
Kalkaska County, MI	409	3.5%	25
Washtenaw County, MI	384	3.2%	198
Wayne County, MI	319	2.7%	137
Ingham County, MI	311	2.6%	107
All Other Counties	7,357	62.1%	-485
Total Migration	11,847	100.0%	211

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 two-fifths (37.9%) of the gross migration for Grand Traverse County is among the top 10 counties listed. Leelanau County, which is the top gross migration county and is within the PSA (Northern Michigan Region), has an overall positive net-migration (126) influence for Grand Traverse County. In total, five of the top 10 migration counties (Leelanau, Wexford, Benzie, Antrim, and Kalkaska) for Grand Traverse County are within the PSA. Combined, these five PSA counties have a positive net-migration (69) influence for Grand Traverse County. Despite this positive regional influence, Antrim County (-173) and Wexford County (-76) are among the top counties to which Grand Traverse County has the largest net loss of residents.

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

Grand Traverse County Domestic County Population In-Migrants by Age, 2012 to 2021		
Age	2012-2016	2017-2021
1 to 24	34.3%	36.2%
25 to 64	58.5%	50.8%
65+	7.1%	13.0%
Median Age (In-state migrants)	32.6	30.0
Median Age (Out-of-state migrants)	28.0	39.8
Median Age (County Population)	43.0	43.3

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 58.5% of in-migrants to Grand Traverse County were between the ages of 25 and 64, while 34.3% were less than 25 years of age, and 7.1% were age 65 or older. The share of in-migrants under the age of 25 increased to 36.2% during the time period between 2017 and 2021, while the share of in-migrants ages 25 to 64 decreased to 50.8%, and those ages 65 and older increased to 13.0%. The data between 2017 and 2021 also illustrates that the median age of in-state migrants (30.0 years) is notably less than out-of-state migrants (39.8 years) and the existing population of the county (43.3 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):

Grand Traverse 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	607	13.6%	868	26.8%	205	15.1%
\$10,000 to \$14,999	424	9.5%	336	10.4%	189	13.9%
\$15,000 to \$24,999	697	15.6%	328	10.1%	161	11.8%
\$25,000 to \$34,999	578	13.0%	771	23.8%	117	8.6%
\$35,000 to \$49,999	949	21.3%	280	8.6%	115	8.4%
\$50,000 to \$64,999	477	10.7%	194	6.0%	95	7.0%
\$65,000 to \$74,999	240	5.4%	99	3.1%	118	8.7%
\$75,000+	490	11.0%	364	11.2%	362	26.6%
Total	4,462	100.0%	3,240	100.0%	1,362	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, nearly one-half (47.3%) of the population that moved to Grand Traverse County from a different county within Michigan earned less than \$25,000 per year. While a smaller number of individuals moved to Grand Traverse County from out-of-state, a significant share (40.8%) 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 in-migrants from a different county within Michigan (20.3%), while over two-fifths (42.3%) of in-migrants from another 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 Grand Traverse County. However, with a significant share of in-migrants from other states earning at least \$50,000 annually, it is important that housing for a variety of income levels is readily available to accommodate in-migrants to the county.

Labor Force

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

NAICS Group	Employment by Industry					
	Grand Traverse County		Region		Michigan	
	Employees	Percent	Employees	Percent	Employees	Percent
Agriculture, Forestry, Fishing & Hunting	191	0.3%	1,037	0.6%	18,094	0.4%
Mining	122	0.2%	416	0.2%	6,059	0.1%
Utilities	141	0.2%	566	0.3%	14,450	0.3%
Construction	3,294	4.3%	8,709	4.9%	163,027	3.6%
Manufacturing	5,229	6.9%	16,371	9.1%	513,197	11.2%
Wholesale Trade	2,563	3.4%	4,703	2.6%	193,695	4.2%
Retail Trade	11,293	14.8%	25,115	14.0%	576,665	12.6%
Transportation & Warehousing	1,298	1.7%	2,863	1.6%	95,658	2.1%
Information	1,372	1.8%	2,773	1.5%	91,050	2.0%
Finance & Insurance	2,098	2.7%	4,834	2.7%	168,540	3.7%
Real Estate & Rental & Leasing	1,297	1.7%	3,412	1.9%	95,407	2.1%
Professional, Scientific & Technical Services	3,991	5.2%	7,617	4.3%	295,491	6.5%
Management of Companies & Enterprises	76	0.1%	227	0.1%	8,827	0.2%
Administrative, Support, Waste Management & Remediation Services	1,331	1.7%	4,042	2.3%	111,717	2.4%
Educational Services	3,016	4.0%	9,834	5.5%	378,891	8.3%
Health Care & Social Assistance	22,664	29.7%	38,645	21.6%	765,165	16.7%
Arts, Entertainment & Recreation	2,244	2.9%	7,845	4.4%	139,513	3.1%
Accommodation & Food Services	7,970	10.4%	20,986	11.7%	398,782	8.7%
Other Services (Except Public Administration)	3,223	4.2%	8,794	4.9%	270,042	5.9%
Public Administration	2,316	3.0%	9,313	5.2%	238,652	5.2%
Non-classifiable	585	0.8%	914	0.5%	30,131	0.7%
Total	76,314	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.

Grand Traverse County has an employment base of approximately 76,314 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 (29.7%), Retail Trade (14.8%), Accommodation & Food Services (10.4%), and Manufacturing (6.9%). It is interesting to note that these sectors also comprise the four largest sectors of employment within the PSA (Northern Michigan Region) and the state of Michigan. Combined, these four job sectors represent over three-fifths (61.8%) of the county employment base. This represents a much greater 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 more concentrated overall distribution of employment, the economy within Grand Traverse County may be slightly more 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 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					
	Grand Traverse County		Michigan		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2013	43,658	-	4,323,410	-	143,929,000	-
2014	45,141	3.4%	4,416,017	2.1%	146,305,000	1.7%
2015	46,381	2.7%	4,501,816	1.9%	148,833,000	1.7%
2016	47,371	2.1%	4,606,948	2.3%	151,436,000	1.7%
2017	47,294	-0.2%	4,685,853	1.7%	153,337,000	1.3%
2018	47,441	0.3%	4,739,081	1.1%	155,761,000	1.6%
2019	48,118	1.4%	4,773,453	0.7%	157,538,000	1.1%
2020	44,967	-6.5%	4,379,122	-8.3%	147,795,000	-6.2%
2021	45,701	1.6%	4,501,562	2.8%	152,581,000	3.2%
2022	47,541	4.0%	4,632,539	2.9%	158,291,000	3.7%
2023*	46,040	-3.2%	4,624,229	-0.2%	159,715,000	0.9%

Source: Department of Labor, Bureau of Labor Statistics

*Through March

Year	Unemployment Rate		
	Grand Traverse County	Michigan	United States
2013	7.6%	8.7%	7.4%
2014	6.1%	7.2%	6.2%
2015	4.7%	5.4%	5.3%
2016	4.4%	5.0%	4.9%
2017	4.1%	4.6%	4.4%
2018	3.7%	4.2%	3.9%
2019	3.5%	4.1%	3.7%
2020	8.7%	10.0%	8.1%
2021	5.0%	5.8%	5.4%
2022	3.8%	4.2%	3.7%
2023*	4.5%	4.5%	3.8%

Source: Department of Labor, Bureau of Labor Statistics

*Through March

From 2013 to 2019, the employment base in Grand Traverse County increased by 4,460 employees, or 10.2%, which was comparable to 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 Grand Traverse County by 6.5%, which was a smaller decline compared to the state (8.3%). In 2021, total employment for the county increased by 1.6%, followed by an additional increase of 4.0% in 2022.

Although total employment in Grand Traverse County has declined 3.2% 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, Grand Traverse County has recovered to within 98.8% (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 Grand Traverse County steadily declined from 2013 (7.6%) to 2019 (3.5%). It is also noteworthy that the unemployment rate within the county has been typically lower than the rate within the state since 2013. In 2020, the unemployment rate increased sharply to 8.7%, which represents an unemployment rate below that of the state (10.0%) during this time. In 2021, the unemployment rate within the county decreased to 5.0%. As of 2022, the unemployment rate within the county decreased to 3.8%. This represents an unemployment rate that is lower than the state (4.2%) and only slightly higher than the nation (3.7%). Additionally, the 3.8% unemployment rate within the county is much more comparable to the rate in 2019 (3.5%) and is a positive sign of recovery in the local economy.

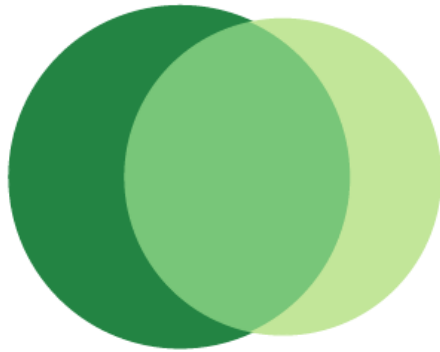
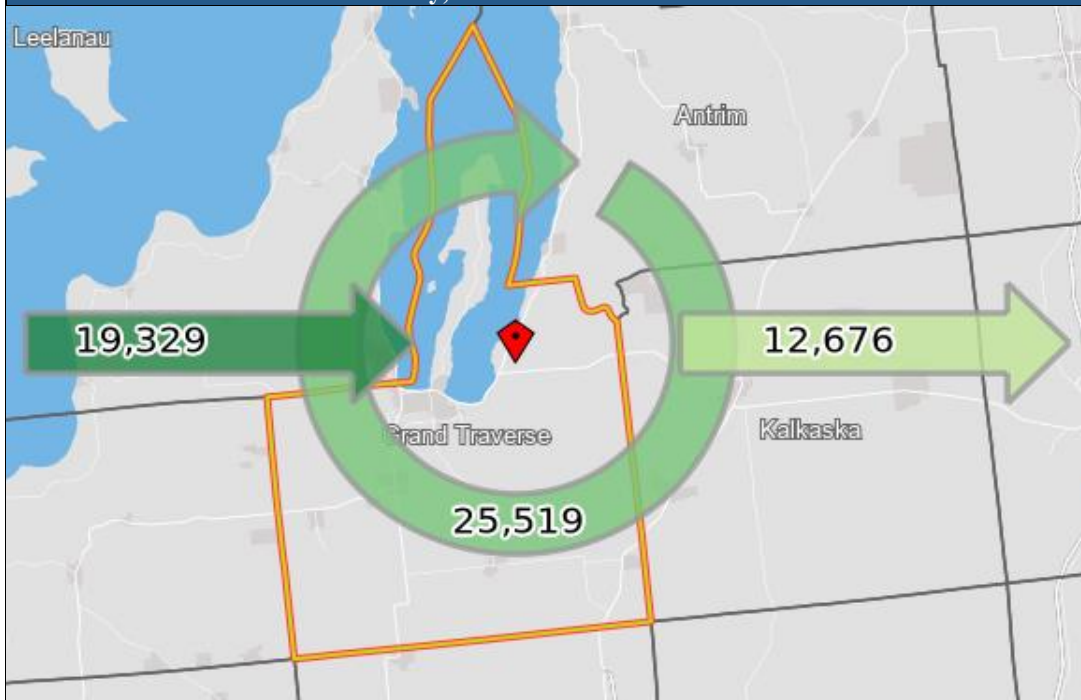
Commuting Data

According to the 2016-2020 American Community Survey (ACS), 86.9% of Grand Traverse County commuters either drive alone or carpool to work, 2.0% walk to work and 8.0% work from home. ACS also indicates that 72.8% of Grand Traverse County workers have commute times of less than 30 minutes, while 3.1% have commutes of 60 minutes or more. This represents shorter commute times compared to the state, where 62.6% of workers have commute times of 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 38,195 employed residents of Grand Traverse County, 12,676 (33.2%) are employed outside the county, while the remaining 25,519 (66.8%) are employed within Grand Traverse County. In addition, 19,329 people commute into Grand Traverse County from surrounding areas for employment. These 19,329 non-residents account for over two-fifths (43.1%) 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.

Grand Traverse County, MI – Inflow/Outflow Job Counts in 2020



■ 19,329 - Employed in Selection Area, Live Outside
■ 12,676 - Live in Selection Area, Employed Outside
■ 25,519 - Employed and Live in Selection Area

Inflow/Outflow Job Counts (All Jobs)

	2020	
	Count	Share
Employed in the Selection Area	44,848	100.0%
Employed in the Selection Area but Living Outside	19,329	43.1%
Employed and Living in the Selection Area	25,519	56.9%
Living in the Selection Area	38,195	100.0%
Living in the Selection Area but Employed Outside	12,676	33.2%
Living and Employed in the Selection Area	25,519	66.8%

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	2,882	22.7%	4,449	23.0%	5,332	20.9%
Ages 30 to 54	6,435	50.8%	9,899	51.2%	13,202	51.7%
Ages 55 or older	3,359	26.5%	4,981	25.8%	6,985	27.4%
Earning <\$1,250 per month	3,679	29.0%	5,051	26.1%	6,716	26.3%
Earning \$1,251 to \$3,333	3,924	31.0%	6,439	33.3%	8,215	32.2%
Earning \$3,333+ per month	5,073	40.0%	7,839	40.6%	10,588	41.5%
Total Worker Flow	12,676	100.0%	19,329	100.0%	25,519	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 19,329 in-commuters, over one-half (51.2%) are between the ages of 30 and 54, 25.8% are age 55 or older and 23.0% are under the age of 30. This is a similar distribution of workers by age compared to the resident outflow workers. Over two-fifths (40.6%) of inflow workers earn more than \$3,333 per month (\$40,000 or more annually), approximately one-third (33.3%) earn between \$1,251 and \$3,333 per month (approximately \$15,000 to \$40,000 annually), and the remaining 26.1% earn \$1,250 or less per month. These distributions of inflow workers by earnings are generally similar to those of outflow workers. Based on the preceding data, people that commute *into* Grand Traverse County for employment are typically similar in age and more likely to earn *slightly higher* wages when compared to residents commuting out of the county for work. Regardless, given the diversity of incomes and ages of the nearly 19,330 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 Grand Traverse County.

C. HOUSING METRICS

The estimated distribution of the area housing stock by tenure for Grand Traverse 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
Grand Traverse County	Number	40,604	30,425	10,179	6,168	46,772
	Percent	86.8%	74.9%	25.1%	13.2%	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 46,772 housing units within Grand Traverse County in 2022. Based on ESRI estimates and 2020 Census data, of the 40,604 total *occupied* housing units in the county, 74.9% are owner occupied, while the remaining 25.1% are renter occupied. As such, Grand Traverse County has a higher share of owner-occupied housing units when compared to the and state (71.4%), but lower than the region (79.6%). Approximately 13.2% of the housing units within Grand Traverse County are classified as vacant, which represents a much lower share than that of the region (28.3%), and slightly higher than the state (11.6%). Vacant units are comprised of a variety of units including abandoned properties, unoccupied rentals, for-sale homes, and seasonal housing units. Based on American Community Survey data, 66.7% of vacant housing units in Grand Traverse County and 82.6% of vacant units in the region are seasonal/recreational units, which is a much higher share of such units compared to the state (45.7%).

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
Grand Traverse	2,370	26.6%	7,058	24.3%	277	3.1%	290	1.0%	169	1.9%	81	0.8%
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 Grand Traverse County, over one-fourth (26.6%) of the renter-occupied units and 24.3% of the owner-occupied housing units were built prior to 1970. As such the housing stock in Grand Traverse County appears to be generally newer than housing within the region and state. The shares of renter households (3.1%) and owner households (1.0%) in Grand Traverse County that experience overcrowding are comparable to the shares within the region and state. The share of renter households in Grand Traverse County with incomplete plumbing or kitchens (1.9%) is lower than those within the region (2.5%) and state (2.2%), while the share of owner households with incomplete plumbing or kitchens (0.8%) is slightly higher than those in the region (0.6%) and state (0.6%).

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
Grand Traverse County	\$69,310	\$263,652	\$1,011	48.7%	20.3%	24.5%	7.0%
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 Grand Traverse County of \$263,652 is 25.7% higher than the median home value for the region (\$209,788) and 29.0% higher than that reported for the state (\$204,371). Similarly, the average gross rent in Grand Traverse County (\$1,011) is 13.9% higher than the regional average gross rent (\$888), and 4.4% higher than the statewide average (\$968). Although the county has a higher median household income level (\$69,310), the higher average gross rent likely contributes to a higher share (48.7%) of cost burdened renter households compared to the region (43.3%) and state (44.9%). The share of cost burdened owners (20.3%) in the county is slightly lower than the share for the region (20.4%), but higher than the state (18.8%). Overall, nearly half (48.7%) of renter households in Grand Traverse County are cost burdened, while nearly one-fourth (24.5%) are severe cost burdened. As such, affordable housing alternatives, particularly rental housing, 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, the 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
Grand Traverse County	Number	4,196	3,971	752	8,919	26,491	453	2,076	29,020
	Percent	47.0%	44.5%	8.4%	100.0%	91.3%	1.6%	7.2%	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

Approximately 47.0% of the *rental* units in Grand Traverse County are within structures of four units or less, with mobile homes comprising an additional 8.4% of the county rental units. The combined share of these two types of structures (55.4%) is less than that of the region (66.1%) and state (56.5%). Overall, the county has a larger share (44.5%) of multifamily rental housing (five or more units within a structure) when compared to the region (33.8%) and state (43.5%). Over 90.0% of *owner*-occupied units in the county are within structures of four units or less while 7.2% are mobile homes. As such, there is a slightly smaller share of mobile homes in the county compared to the region (7.8%). While the shares of owner-occupied housing units within structures containing four or less units within the county and region are lower than the statewide share of 93.5%, the county and region both report slightly higher shares of mobile homes (7.2% and 7.8%, respectively) as compared to the state (5.2%). There is a minimal share (1.6% or less) 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 majority (55.4%) 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								Total
		<\$300	\$300 - \$500	\$500 - \$750	\$750 - \$1,000	\$1,000 - \$1,500	\$1,500 - \$2,000	\$2,000+	No Cash Rent	
Grand Traverse County	Number	223	710	1,167	2,535	3,173	560	166	385	8,919
	Percent	2.5%	8.0%	13.1%	28.4%	35.6%	6.3%	1.9%	4.3%	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 (35.6%) of Grand Traverse County rental units has rents between \$1,000 and \$1,500, followed by units with rents between \$750 and \$1,000 (28.4%). Collectively, units with gross rents between \$500 and \$1,000 account for 41.5% of all Grand Traverse County rentals. In comparison, rental units priced between \$500 and \$1,000 represent 47.8% of all rentals in the region, and 48.2% of all rentals in the state. It is estimated that 43.8% of Grand Traverse 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 Grand Traverse County is typically less affordable than rental product throughout the region and state of Michigan.

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 – Grand Traverse County				
Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-rate	19	2,395	30	98.7%
Market-rate/Tax Credit	2	222	0	100.0%
Market-rate/Government-Subsidized	1	122	0	100.0%
Tax Credit	5	212	0	100.0%
Tax Credit/Government-Subsidized	12	607	3	99.5%
Government-Subsidized	3	142	0	100.0%
Total	42	3,700	33	99.1%

In Grand Traverse County, a total of 42 apartment properties were surveyed, which comprised a total of 3,700 units. An additional 308 units were under construction at the time of this survey. The largest share (64.7%) of units surveyed in the county were at market-rate properties. Market-rate units also represent 30 of the 33 vacant units among surveyed properties in the county. Rents at market-rate properties range from \$1,135 for a one-bedroom unit to \$3,000 for a three-bedroom unit. Rents at non-subsidized Tax Credit properties, consisting of 212 units at five properties, range from \$697 for a studio unit to \$1,329 for a three-bedroom unit.

Three of the 42 properties exclusively consist of government-subsidized units, while 13 additional properties consist of a mix of government-subsidized units, subsidized Tax Credit units and/or market-rate units. Overall, 871 of the 3,700 rental units surveyed in the county are at subsidized properties, representing 23.5% of all units surveyed. The 42 surveyed properties have quality ratings ranging from “A” to “C+,” which reflects a wide range of overall quality in the market. However, project quality within the marketplace does not appear to have a negative effect on occupancy, as 35 of the 42 projects surveyed in the county are 100% occupied. The seven properties that have vacant units have quality ratings between “A” and “B-.” The overall occupancy rate of 99.1% for multifamily rental product is very high and indicative of a strong market for apartments. Note that 29 of the 42 properties surveyed in Grand Traverse County have wait lists, 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 55.4% of the total rental units in Grand Traverse County. The following table illustrates the distribution of renter-occupied housing by the number of units in a structure for Grand Traverse County, Northern Michigan Region, and the state of Michigan.

		Renter-Occupied Housing by Units in Structure			
		1 to 4 Units	5 or More Units	Mobile Homes/Boats/RVs	Total Units
Grand Traverse County	Number	4,196	3,971	752	8,919
	Percent	47.0%	44.5%	8.4%	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 (47.0%) non-conventional rental units in the county are within structures containing one to four units, while a significant share (44.5%) of rental units are in conventional properties containing five or more units. The overall share of 47.0% 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%). As a significant share of the rental housing stock in Grand Traverse 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 44 non-conventional rentals that were listed as *available* for rent in Grand Traverse 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 Grand Traverse County.

Surveyed Non-Conventional Rental Supply – Grand Traverse County				
Bedroom	Vacant Units	Rent Range	Median Rent	Median Rent Per Square Foot
Studio	0	-	-	-
One-Bedroom	4	\$1,199 - \$1,625	\$1,375	\$1.49
Two-Bedroom	18	\$1,100 - \$2,600	\$1,685	\$1.76
Three-Bedroom	12	\$1,599 - \$2,550	\$1,825	\$1.54
Four-Bedroom+	10	\$1,750 - \$3,900	\$2,425	\$1.40
Total	44			

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

Grand Traverse County has a notable supply of non-conventional rentals available to rent compared to other counties in the region. When compared with all non-conventional rentals in the county, the 44 available rentals represent an occupancy rate of 99.1%. This is an extremely high occupancy rate for rental housing that is consistent with the overall occupancy rate (99.1%) for conventional rental housing in the county. The identified non-conventional rentals in Grand Traverse County consist of one-bedroom, two-bedroom, three-bedroom and four-bedroom (or larger) units. Rents for the 44 identified non-conventional units range from \$1,100 to \$3,900. As such, it is unlikely that most county households would be able to reasonably afford a non-conventional rental in the market.

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 Grand Traverse County.

Grand Traverse County - Owner For-Sale/Sold Housing Supply		
Type	Homes	Median Price
Available*	132	\$465,450
Sold**	591	\$350,000

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 Grand Traverse County as of February 2023 consists of 132 total units with a median list price of \$465,450. The 132 available units represent 24.0% of the 551 available units within the Northern Michigan Region. Recent historical sales from September 2022 to March 2023 consisted of 591 homes sold with a median sale price of \$350,000. The 132 available homes represent only 0.4% of the estimated 30,425 owner-occupied units in Grand Traverse 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. Based on this low share of homes available for sale, Grand Traverse County appears to have a disproportionately low number of housing units available for purchase.

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

Grand Traverse County Sales History by Price (Sept. 12, 2022 to Mar. 15, 2023)		
Sale Price	Number Available	Percent of Supply
Up to \$99,999	22	3.7%
\$100,000 to \$199,999	40	6.8%
\$200,000 to \$299,999	158	26.7%
\$300,000 to \$399,999	136	23.0%
\$400,000+	235	39.8%
Total	591	100.0%

Source: Realtor.com and Bowen National Research

Recent sales activity in Grand Traverse County reflects a significant share (62.8%) of housing priced above \$300,000. Note that only 10.5% of recent sales were for units priced under \$200,000, a price point generally targeted by first-time homebuyers. A notable share (26.7%) of homes sold for between \$200,000 and \$300,000, a price point generally sought after by middle-class households.

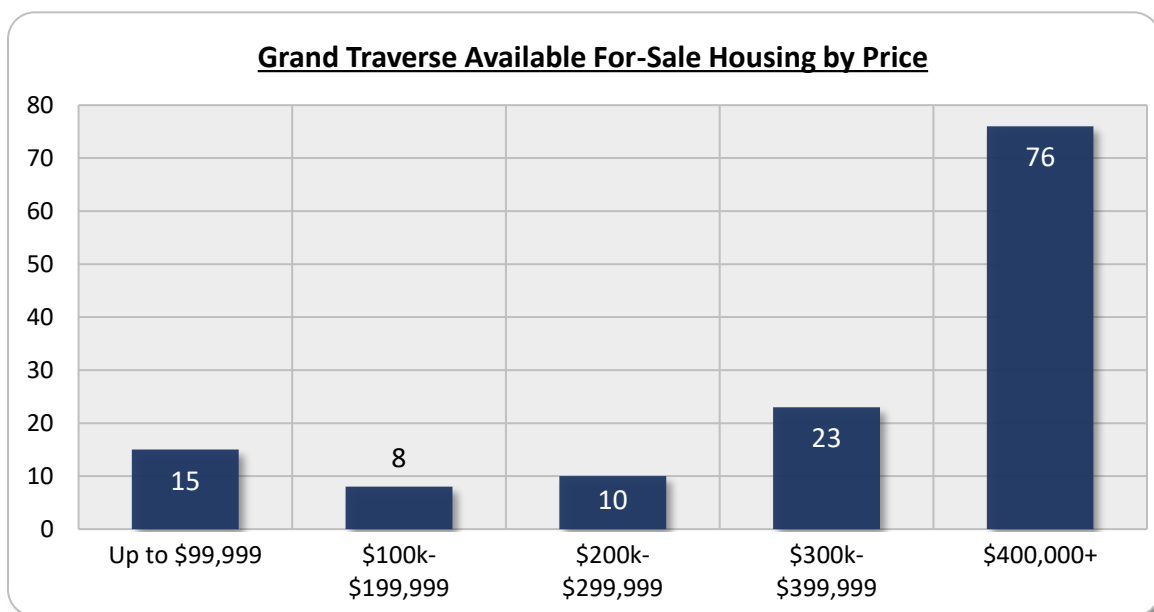
The following table summarizes the distribution of *available* for-sale residential units by *price point* for Grand Traverse County:

Grand Traverse County Available For-Sale Housing by Price (As of Feb. 28, 2023)		
List Price	Number Available	Percent of Supply
Up to \$99,999	15	11.4%
\$100,000 to \$199,999	8	6.1%
\$200,000 to \$299,999	10	7.6%
\$300,000 to \$399,999	23	17.4%
\$400,000+	76	57.6%
Total	132	100.0%

Source: Realtor.com and Bowen National Research

The current housing market in Grand Traverse County is geared toward higher-priced listings, as 75.0% of available housing units in Grand Traverse County are priced at \$300,000 or above. This figure includes 28 listings that are priced at \$1,000,000 or more. Note that the share (17.5%) of homes priced below \$200,000 is above the 10.5% share of these homes reflected by recent sales activity in the county. The increasing share of both lower-priced (below \$200,000) and higher-priced (\$300,000 and above) listings in the market leaves a very small share (7.6%) of homes priced between \$200,000 and \$300,000, a price point typically sought after by middle-class households.

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



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

Grand Traverse 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.	13	770	\$60,000 - \$642,000	\$265,000	\$410.22
Two-Br.	29	1,125	\$10,000 - \$1,250,000	\$339,900	\$269.65
Three-Br.	43	1,776	\$56,000 - \$9,500,000	\$439,900	\$241.58
Four-Br.+	47	3,070	\$119,995 - \$3,995,000	\$925,000	\$287.04
Total	132	1,995	\$10,000 - \$9,500,000	\$465,450	\$275.86

Source: Realtor.com and Bowen National Research

As shown in the preceding table, available homes offered for sale in the county largely represent three-bedroom homes (32.6%) and four-bedroom (or larger) homes (35.6%). Combined, these larger homes represent over two-thirds of listings in Grand Traverse County. One-bedroom units, which typically represent condominium units, only account for 13 of the 123 units offered for sale in the county. Note that units that contain four or more bedrooms have a median list price (\$925,000) that is significantly higher than the median list price for the county (\$465,450). These larger homes are typically waterfront homes that are highly sought after in the marketplace.

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 Grand Traverse 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 11,361 units, with a gap of 3,569 rental units and a gap of 7,792 for-sale units. The following tables summarize the rental and for-sale housing gaps by income and affordability levels for Grand Traverse County. Details of the methodology used in this analysis are provided in Section VII of this report.

Grand Traverse County, Michigan				
Rental Housing Gap Estimates (2022-2027)				
Percent of Median Income	≤ 50%	51%-80%	81%-120%	121%+
Household Income Range	≤\$44,950	\$44,951-\$71,920	\$71,921-\$107,880	\$107,881+
Monthly Rent Range	≤\$1,123	\$1,124-\$1,797	\$1,798-\$2,697	\$2,698+
Household Growth	-361	-79	130	167
Balanced Market*	273	106	17	0
Replacement Housing**	360	70	21	5
External Market Support^	692	270	317	186
Severe Cost Burdened^^	1,496	748	250	0
Step-Down Support	112	35	-4	-143
Less Pipeline Units	214	417	443	25
Overall Units Needed	2,358	733	288	190

*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

Grand Traverse County, Michigan				
For-Sale Housing Gap Estimates (2022-2027)				
Percent of Median Income	≤ 50%	51%-80%	81%-120%	121%+
Household Income Range	≤\$44,950	\$44,951-\$71,920	\$71,921-\$107,880	\$107,881+
Price Point	≤\$149,833	\$149,834-\$239,733	\$239,734-\$359,600	\$359,601+
Household Growth	-1,125	-377	383	2,210
Balanced Market*	183	183	215	200
Replacement Housing**	557	255	160	98
External Market Support^	646	593	744	913
Severe Cost Burdened^^	1,278	639	213	0
Step-Down Support	259	256	854	-1,368
Less Pipeline Units	0	165	0	12
Overall Units Needed	1,798	1,384	2,569	2,041

*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 \$1,123 that are affordable to households earning up to 50% of AMHI), though a notable gap also exists for rental product with rents of up to \$1,797 that are affordable to households earning between 51% and 80% of AMHI. While there is a significant gap for numerous for-sale housing price segments, the largest gap in the county is for product priced between \$239,734 and \$359,600, which is affordable to households earning between \$71,921 and \$107,880. Although development within Grand Traverse 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 Grand Traverse 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 3,569 rental units • Housing need of 7,792 for-sale units • Attract some of the 19,329 commuters coming into the county for work to live in the county • Approximately 168 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 • Ability of employers to attract and retain workers due to local housing issues

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.