

CHARLEVOIX COUNTY NEEDS HOMES FOR OUR FUTURE



The 2019 Northwest Michigan Target Market Analysis studied the demand for housing through 2025 in communities throughout Northwest Michigan. Based on the potential for demand from current residents moving within the community, as well as people who would move here from outside the community, the study found that the market could support **1,192** additional housing units through 2025 in Charlevoix County. Those new units could be newly-constructed homes or apartments, or they could be the repair and conversion of existing homes or buildings.

HOW MANY MORE RENTAL UNITS DO WE NEED IN CHARLEVOIX COUNTY?



792
RENTALS NEEDED

Household Incomes

Up to \$26,000
\$28,000 - \$40,000
\$42,000 - \$60,000
\$64,000+

Affordable Rents

\$650 and less
\$700 - \$1000
\$1050 - \$1500
\$1600 +

Units

499
243
39
11

% of Potential Demand

63%
31%
5%
1%

HOW MANY MORE HOMEOWNERSHIP UNITS DO WE NEED IN CHARLEVOIX COUNTY?



400 OWNER UNITS

Household Incomes

Up to \$60,000
\$70,000 - \$100,000
\$110,000 - \$150,000
\$160,000

Affordable Home Values

\$150,000 and less
\$175,000 - \$250,000
\$275,000 - \$375,000
\$400,000+

Units

150
208
28
14

% of Potential Demand

38%
52%
7%
4%

WHY IS THE DEMAND SO HIGH?

The study takes into account homes that are available now, and what people are looking to buy and rent. Because our population has changed so much over the years, we don't have the type of housing that many people are looking for, like small homes, apartments, and other rental options. These units are needed by empty nesters, retirees, and young people just starting out—all of whom have smaller households. However, many homes currently available were designed for large families, and are often too big and expensive for many of today's homebuyers and renters.

WHO CAN AFFORD THE RENT?

The "housing wage" is the amount a worker would need to earn in order to afford a typical rental. In Northwest Michigan, rents are far higher than what many renters can afford. The lack of affordable options contributes to a high demand for new units at different price points.

CHARLEVOIX COUNTY
HOUSING WAGE

\$14.60

MINIMUM WAGE

\$9.45

AFFORDABLE RENT FOR RENTER
EARNING MEAN WAGE

\$759

AFFORDABLE RENT FOR FULL-
TIME MINIMUM WAGE WORKER

\$491

LOCAL SOLUTIONS

"Missing middle" housing types like duplexes, fourplexes, and small apartments can be more affordable and more in line with what the region's households are looking for. Yet, funding, and sometimes local politics, limit options to build these housing types. Legislation authorizing new revenue sources and tax incentives can support these private-sector solutions, and local changes to zoning or other policies can streamline the process for builders.


More information and resources are available on homesforourfuture.org and housingnorth.org




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The 2019 Northwest Michigan Target Market Analysis included data for selected communities. Communities were selected based on population, available demographic and economic data, and other factors. Some small communities were not studied separately because the study's accuracy was compromised by limited data and small sample sizes. However, demand may fluctuate between communities within a county, and smaller communities may look to county-wide housing demand to inform their potential for new housing units.

HOW MANY MORE RENTAL UNITS DO WE NEED IN CHARLEVOIX COUNTY?

 512 RENTALS NEEDED	Household Incomes	Affordable Rents	# Units			
			Boyne City	Charlevoix	East Jordan	Bay Shore
	Up to \$26,000	\$650 and less	50	185	34	10
	\$28,000 - \$40,000	\$700 - \$1000	104	18	72	2
	\$42,000 - \$60,000	\$1050 - \$1500	14	9	3	5
	\$64,000+	\$1600 +	2	3	0	0
	TOTAL RENTAL UNITS NEEDED		171	215	109	17

HOW MANY MORE HOMEOWNERSHIP UNITS DO WE NEED IN CHARLEVOIX COUNTY?

 143 OWNER UNITS NEEDED	Household Incomes	Affordable Home Values	# Units			
			Boyne City	Charlevoix	East Jordan	Bay Shore
	Up to \$60,000	\$150,000 and less	43	4	34	8
	\$70,000 - \$100,000	\$175,000 - \$250,000	10	27	3	2
	\$110,000 - \$150,000	\$275,000 - \$375,000	4	2	0	0
	\$160,000	\$400,000+	0	3	0	0
	TOTAL OWNER UNITS NEEDED		57	36	37	10

SHORT-TERM RENTALS & HOUSING DEMAND

The target market analysis didn't study the demand for seasonal housing or short-term rentals—only homes that would be occupied year-round. However, it did take into account how seasonal units impact the availability of housing currently on the market, or homes that will be constructed in the future. Use of homes as short-term rentals reduces the supply of homes available for year-round occupancy, contributing to greater demand.

DEMAND IN A CHANGING ECONOMY

The target market analysis was conducted before the pandemic crisis and its economic impacts, which are affecting everything in our lives, including the housing market. However, the 2019 analysis studied *movers*—people who are looking to move into or within the community, including those currently living in unaffordable housing or other homes that don't meet their needs. This demand is likely to remain, especially because Northwest Michigan's housing needs are rooted in a long-standing housing supply shortage, combined with an imbalance between wages and the cost of homes. The economic changes of 2020 are likely to exacerbate that imbalance, while the housing "pipeline" has, for now, stopped—creating a growing backlog of unmet housing demand.

The 2019 Target Market Analysis was conducted by LandUseUSA, on behalf of Housing North and Networks Northwest. Data Sources: American Community Survey; ExperianDecision Analytics.



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