



**Vogt Strategic
Insights**

Market-Rate Multifamily Rental Housing Analysis

in



Oscoda Township, Michigan

For:

Mr. David Schaeffer, Township Superintendent

Charter Township of Oscoda

110 South State Street

Oscoda, Michigan 48750

Effective Date: **September 28, 2020**

Job Reference Number: **16969AM**



Market Study Certification

This certifies that John Scordia, an employee of Vogt Strategic Insights (VSI), personally inspected Oscoda Township, the existing rental options and other housing options in this region of the state. Further, the information contained in this report is true and accurate as of September 28, 2020.

This Oscoda Township market-rate multifamily rental housing analysis has been prepared by VSI, a member in good standing of the National Council of Housing Market Analysts (NCHMA). This study has been prepared in conformance with the standards adopted by NCHMA for the market analysis industry where applicable in this community-wide multifamily rental housing analysis. The NCHMA market study standards focus on site-specific market studies, rather than large-scale corridor housing needs assessments. However, the general themes and concepts have been applied to this analysis. In addition, this assessment has a large focus area (Primary Market Area) that is the focal geographic location of this report. These standards include the *Standard Definitions of Key Terms Used in Market Studies for Affordable Housing Projects* and *Model Content Standards for the Content of Market Studies for Affordable Housing Projects*. The NCHMA standards are designed to enhance the quality of market studies and to make them easier to prepare, understand and use by market analysts and by the end users. These standards are voluntary only and no legal responsibility regarding their use is assumed by the National Council of Housing Market Analysts.

Vogt Strategic Insights is duly qualified and experienced in providing market analyses for rental housing. The company's principals participate in the National Council of Housing Market Analysts (NCHMA) educational and information sharing programs to maintain the highest professional standards and state-of-the-art knowledge. Vogt Strategic Insights is an independent market analyst. No principal or employee of VSI has any financial interest whatsoever in the development for which this analysis has been undertaken.

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I. Introduction

The purpose of this Oscoda Township market-rate multifamily rental housing analysis, prepared for the charter township of Oscoda, is to evaluate the rental housing characteristics and trends impacting Oscoda Township, located in the northeastern portion of Iosco County, in the eastern portion of Michigan, along Lake Huron. This market-rate multifamily rental housing analysis evaluates the dynamics relating to the support potential for rental housing development.

This market-rate multifamily rental housing analysis focuses on support for conventional multifamily in Oscoda Township, and considers product types that may appeal to households renting a home in the Primary Market Area (PMA). This assessment provides information that can be used to determine aspects such as the scale, unit sizes and price points for a new conventional rental housing project in an effort to help direct overall development goals of Oscoda Township.

This report evaluates and identifies the strengths and challenges for new rental housing development in Oscoda Township. Vogt Strategic Insights (VSI) has evaluated the township, as well as the surrounding region defined as a Primary Market Area (PMA) and an even larger regional geographic area generally encompassing all of Iosco County and Alcona County. For comparison purposes, we have evaluated and compared the demographic, socioeconomic, housing and economic characteristics of Oscoda Township, the defined PMA, the combined Iosco and Alcona counties and the state of Michigan. This analysis was initiated by and has been prepared for Mr. David Schaeffer, Township Superintendent of the charter township of Oscoda.

Methodologies

The following process and methodologies have been used by VSI during the evaluation of Oscoda Township and the surrounding PMA:

In-person Market Evaluation – The subject study area, Oscoda Township, has been evaluated in detail. We have conducted a detailed, in-person analysis of existing land uses, major transportation avenues, visibility to existing housing, employment opportunities, transportation, nuisances and community services.

VSI has evaluated the housing development potential within Oscoda Township, with a primary potential site neighborhood near the intersection of N. Skeel Avenue and Oak Drive, and a second potential site neighborhood near the center of downtown. An in-person evaluation has been conducted and includes an assessment of essential neighborhood amenities and services to indicate the existing retail and commercial areas, public safety services, public transportation, financial institutions, hospitals/medical centers, employment centers, schools and recreational/entertainment activities. A detailed map showing the location of area community amenities/services has been prepared.

Demographic, Socioeconomic and Economic Context – The study details and analyzes the following data and corresponding trends as they relate to the potential for residential development within Oscoda Township. Tables detailing various trends are found within the report accompanied by relevant analysis, as well as an addendum document illustrating statistics in chart and table formats.

Population Characteristics and Trends

Total population trends (historic, current and projections)

Age levels

Distribution of population by race

Educational attainment levels

Household Demographic Characteristics

Age levels, including senior and non-senior households

Household trends (historic, current and projections)

Persons per household

Socioeconomic Aspects

Distribution of households by tenure (renter/owner)

Household income trends by age

Owner-occupied housing values

Total households by age, tenure, income and persons per household

Renter and owner households by number of persons per household

Share of primary residence units vs. units used seasonally/short-term basis

Economic Conditions

Primary employers

Resident employment

Total employment base and trends

Unemployment trends

Income levels

Commuting patterns

Recent and planned economic changes

VSI utilizes the demographic data provider ESRI, which is one of the largest, most well-respected demographic data providers in the country. ESRI provides 2000 and 2010 Census data, current year estimates and five-year projections. VSI also has the ability to utilize Detailed Tenure Crosstab (household income by household size, tenure and age of head of household) by Urban Decision Group.

It is important to recognize that demographic providers primarily rely on past performance within a market to make future projections. Given the rapidly changing attitudes towards urban living, the projections often under count the actual performance. Thus, projections should be considered with this caveat.

A demographic evaluation of migration within the area is also included in this analysis. This will help to determine where households have moved from that currently reside in the PMA.

Field Survey of Conventional Apartments – A field survey of conventional rentals within the PMA has been conducted. The intent of the field survey is twofold. First, the field survey will be used to measure the overall strength of the local rental housing market. This will be accomplished by evaluations of unit mix, vacancies, rent levels and overall quality of product in the area. The second purpose of the field survey will be to establish those projects that are most likely to be directly comparable to potential new development or redevelopment in the area.

Maps illustrating the locations of surveyed properties are included, and the complete Field Survey of all properties is found in an addendum to this multifamily housing analysis. The following information was obtained for each surveyed rental project:

- Property name and address
- Type of project (market-rate, subsidized, Low-Income Housing Tax Credit, etc.)
- Condition (quality rating)
- Date of construction and latest renovation (if applicable)
- Type of utilities and utilities included in rent and those paid by tenant
- Number of units
- Unit mix and type of unit, including bedroom/bath configurations and square footage
- Number of vacancies by unit type
- Length of waiting list (if applicable)
- Rents by unit type, including any concessions or incentives offered
- Unit and project amenities
- Contact name, address, and phone number
- Absorption history for recently completed properties

Planned and Proposed – Planned and proposed projects that may impact the potential new development in the PMA are discussed. Building and zoning proposals and interviews with officials familiar with area development provide identification of those properties, projects and infrastructure improvements that might be planned or proposed. It is important to establish the likelihood of construction, the timing of the projects and the impact on the markets.

Housing Demand Analyses/Conclusions & Recommendations – Demographic characteristics, along with the current supply, have been evaluated to determine the types of units that are in demand within the PMA and could potentially be supported in Oscoda Township. Specifically, VSI has made recommendations for the number of units that can be potentially supported, the type of units (conventional market-rate rental apartments, workforce rentals, affordable apartments, senior-restricted apartments, etc.), marketable unit square footages, price points (on a per square foot basis), quality, appropriate mix of housing, amenities and general development information that would be most appropriate for the market.

VSI has evaluated the projected number of households at the various income levels required to afford the determined achievable rent for potential development opportunities. It will be important to evaluate the projected demographic trends at the anticipated year of opening, as the demographic characteristics in five years will be different than the current demographic characteristics. The demographic demand projections are not product specific but provide an indication of the likely need for housing along the corridor.

Implementation – Recommendations will be made concerning potential strategies and approaches to meet identified rental housing needs in Oscoda Township. The written report will thoroughly detail calculations conducted in determining achievable price points and household demand. A narrative discussing the general housing market in the area will be included, along with a five-year absorption forecast. We will make assumptions on density and project the number of units that could be produced in Oscoda Township.

Sources

Vogt Strategic Insights uses various sources to gather and confirm data used in each analysis. These sources include the following:

- The 2000 and 2010 Census on Housing
- ESRI
- Urban Decision Group
- Applied Geographic Solutions
- Detailed Tenure Crosstab (household income by household size, tenure and age of head of household) by Urban Decision Group
- U.S. Department of Labor
- Management for each property included in the survey
- Local planning and building officials
- Local housing authority representatives
- U.S. Department of Housing and Urban Development (HUD)

Definitions of terms used throughout this report may be viewed at [VSInsights.com/terminology.php](https://vsinsights.com/terminology.php).

Statement on the U.S. Census and the American Community Survey

Since 2005, the American Community Survey (ACS) has been a critical element of the U.S. Census Bureau's reengineered decennial census program. During previous decennial censuses, most households received a short-form questionnaire, while one household in six received a long form that contained additional questions and provided socioeconomic information about the population that is more detailed.

The 2010 Census was the first exclusively short-form census and it counted all residents living in the United States and asked for name, sex, age, date of birth, race, ethnicity, relationship and housing tenure, resulting in a total of seven variables.

The more detailed socioeconomic information, once collected via the long-form questionnaire, is now collected by the American Community Survey. The survey provides current data about all communities, every year, rather than once every 10 years. It is sent to a small percentage of the population on a rotating basis throughout the decade. No household will receive the survey more often than once every five years.

Each year, the Census Bureau releases three ACS datasets for certain geographic areas. The type of data that is available is dependent upon the total population residing within a geographic area. One-year estimates are available for the largest areas, which are defined as areas with populations of 65,000 or more. Three-year averages of estimates are available for areas with populations of 20,000 or more and five-year averages of estimates are available for all areas regardless of size. It should be noted that the five-year data set has a significantly smaller sample size than that used to compile the long form in previous censuses.

Since 2011, Vogt Strategic Insights (VSI) has included data in our reports from the most recent decennial census in 2010, as well as data available via the ACS that is more detailed. Currently, we are reporting data that is associated with the 2014-2018 ACS.

Direct comparisons between ACS data and the 2010 decennial census should not be made because the sample sizes and collection methods are completely different; the ACS is an average of estimates, while the decennial census is a count. In addition, the ACS data should not be compared to third-party data that provides current-year estimates and five-year projections. The ACS data is provided only as a point of reference.

In addition to the data retrieved from the Census Bureau, VSI utilizes data from several different third-party providers, including ESRI and Urban Decision Group. Each of these data providers has undergone significant internal changes to incorporate the results of both the 2010 decennial census and the most recent ACS into the algorithms used to calculate current-year estimates and five-year projections of census data; the currently available data utilized in VSI's reports includes 2020 estimates and 2025 projections. The emergence and evolution of the ACS and the ongoing nature of its data collection techniques should result in more accurate demographic and income estimates and projections from these third-party data providers. Vogt Strategic Insights will always provide the most accurate census counts and estimates, as well as third-party estimates and projections when they are available.

Report Limitations

The intent of this report is to collect and analyze significant levels of data to forecast the market success of potential multifamily rental development efforts within a specific area. VSI relies on a variety of data sources to generate this report. These data sources are not always verifiable; VSI, however, makes a significant effort to assure accuracy. While this is not always possible, we believe our effort provides an acceptable standard margin of error. VSI is not responsible for errors or omissions in the data provided by other sources.

The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, unbiased professional analyses, opinions and conclusions. We have no present or prospective interest in the property that is the subject of this report and we have no personal interest or bias with respect to the parties involved. Our compensation is not contingent on an action or event (such as the approval of a loan) resulting from the analyses, opinions, conclusions in or the use of this study.

Any reproduction or duplication of this report without the express approval of Mr. David Schaeffer, the charter township of Oscoda or Vogt Strategic Insights, Ltd. is strictly prohibited.

II. Executive Summary and Conclusions

The purpose of this market-rate multifamily rental housing analysis, prepared for the charter township of Oscoda, is to evaluate the rental housing characteristics and trends impacting Oscoda Township, located in the northeastern portion of Iosco County, in the eastern portion of Michigan, along Lake Huron. This market-rate multifamily rental housing analysis evaluates the support potential for rental housing development.

Considering the demographic characteristics, economic trends and forecast, as well as the performance of the various types of rental housing in Oscoda Township and the surrounding region, the market has the potential to support conventional, market-rate, multifamily rental housing. The following is a summary of the overall housing potential.

Location

Based on discussions with various local government and housing representatives, it was determined that one of the most likely potential locations for new multifamily rental housing development would be a site parcel located north of the intersection of N. Skeel Avenue and Oak Drive in Oscoda Township. A second option would potentially be in or near the downtown Oscoda area. Thus, for the purpose of this analysis, we have evaluated two site location, with the primary focus being the site north of the intersection of N. Skeel Avenue and Oak Drive. An in-person evaluation of downtown Oscoda and the N. Skeel Avenue site and corresponding fieldwork were conducted during the week of August 24, 2020.

Overall, Oscoda Township benefits from its location along Lake Huron and also from the presence of Van Etten Lake and Cedar Lake. The primary potential development site in Oscoda Township is near the intersection of N. Skeel Avenue and Oak Drive and is considered to be a favorable location for market-rate multifamily rental housing development. The nearby parks, community services and employment opportunities within a short drive of the subject site add to the appeal of the site location. The site is near Kalitta Air and the Oscoda-Wurtsmith Airport (OWA). The nearby single-family homes in fair to good condition add to the desirability of the site neighborhood. Site visibility and access are excellent.

This potential development site is in proximity to some opportunities for shopping, employment, recreation and education. Public health and safety services are all within 18.2 miles of the site. The site has convenient access to major highways, although public transportation is not within walking distance.

Current housing trends indicate renter preferences to live in downtown areas, within more walkable distances to restaurants and community services. The secondary downtown potential site location would benefit from being a more walkable location. However, both potential site locations could potentially be appealing to potential tenants of a market-rate multifamily rental project. Regardless, a downtown size location would be more appealing to the likely targeted tenant base of a conventional market-rate multifamily apartment project.

The following table summarizes key characteristics of each potential site location.

Site and Neighborhood Area Condition Summary			
N. Skeel Avenue and Oak Drive			
Current Site:	Vacant Land	Site Visibility:	Excellent
Access to Services:	Very Good	Site Vehicular Access:	Excellent
Current Neighborhood:	Fair	Trend:	Developing
Predominant Neighborhood Land Use:	Residential, Commercial		
Subject Site Walk Score*:	13 (Car Dependent): “Almost all errands require a car.”		
110 S. State Street (Downtown)			
Current Site:	Existing Town Building	Site Visibility:	Excellent
Access to Services:	Excellent	Site Vehicular Access:	Excellent
Current Neighborhood:	Good	Trend:	Developed
Predominant Neighborhood Land Use:	Residential, Commercial		
Subject Site Walk Score*:	57 (Somewhat Walkable): “Some errands can be accomplished on foot.”		

*Source: www.walkscore.com. Walk Score is a measurement of the walkability of an address, ranging from 0 to 100 (0 being least walkable and 100 being most walkable). The score is based on Walkscore.com's patented system of methodology that includes analyses of road metrics, population density and pedestrian routes to nearby services and amenities.

Housing Primary Market Area (PMA) Delineation

A Primary Market Area (PMA) is the geographic area where most of the support for housing originates, where the services used by residents of housing are concentrated and where households would likely consider housing choices for a potential site. This is a standard methodology used to evaluate any potential real estate development. Typically, PMAs account for approximately 60% to 80% of the support component for a housing development. Site-specific market feasibility analyses determine PMAs to evaluate and quantify supply and demand characteristics of a given market.

For the purpose of this Oscoda Township, community-wide, market-rate multifamily rental housing analysis, we have considered aspects such as current demographic trends, employment opportunities, roadway access, housing alternatives, community services and school district boundaries. We consider the geographic area that will provide potential support for a new housing development located at either of the potential site locations or any other location in and near these two potential sites in Oscoda Township.

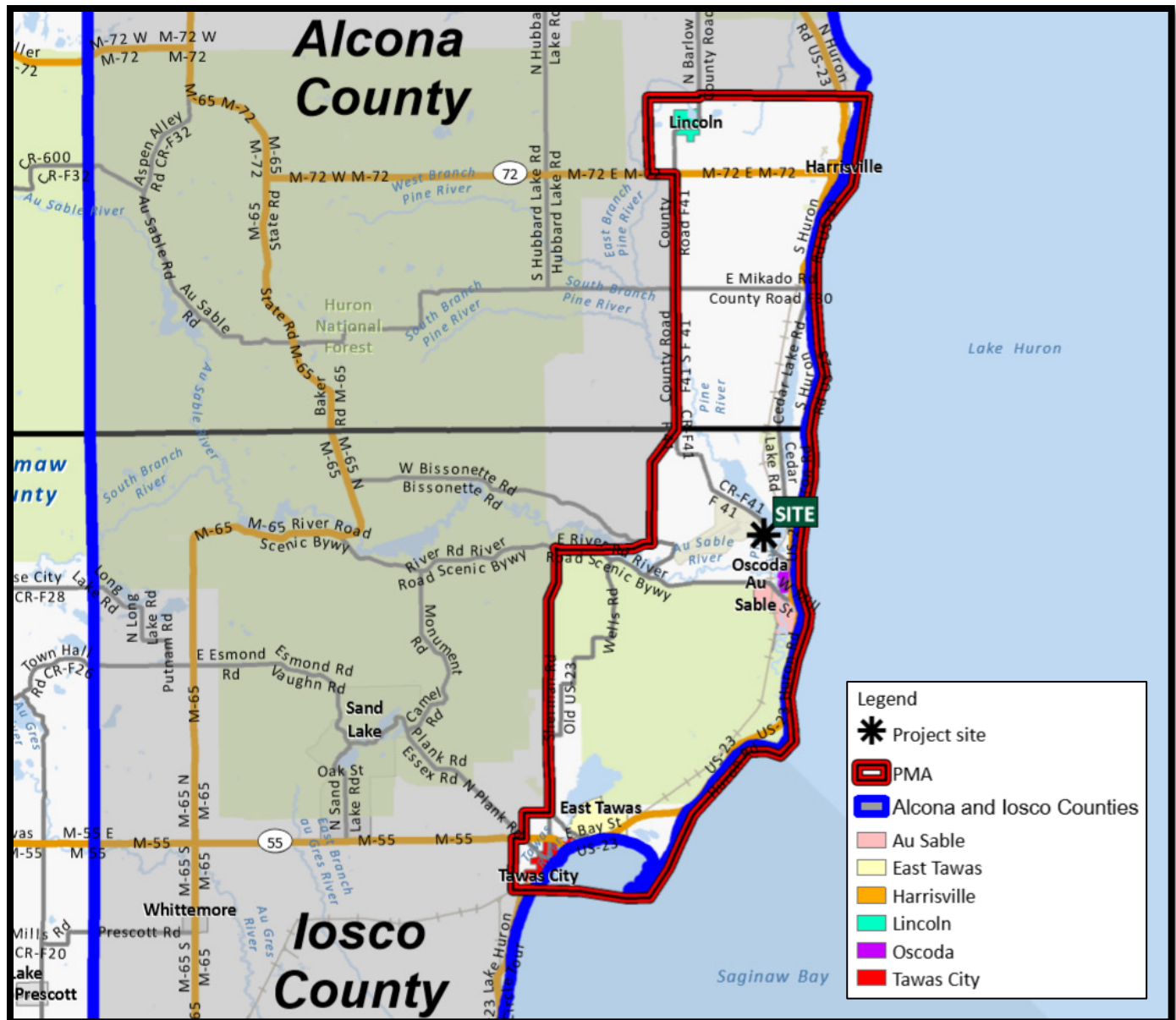
The Site PMA comprises the areas extending north and south of Oscoda Township along U.S. Highway 23, extending as far north as Ritchie Road, north of Harrisville and Lincoln, Michigan. In addition, we have extended the Site PMA south to Townline Road and Tawas Bay to include Tawas City and East Tawas. Lake Huron is a hard boundary to the east, while west of Oscoda Township is generally minimally developed land. The significant boundaries of the Proposed Site PMA include:

North: Ritchie Road

East: Lake Huron

South: Townline Road and Tawas Bay

West: Wilber Road and F41



Due to the relatively limited amount of conventional apartment housing in Oscoda, it is likely that if/when new, quality apartment units are developed, the project will have the ability to draw support from a larger area.

We anticipate that some support for a new construction apartment project would likely come from across much of Losco and Alcona counties. In addition, some support will also come from farther beyond as new employment opportunities become available.

While the PMA is considered to be the geographic area where the concentration of support will originate, we have also considered a larger geographic area in our survey of comparable apartment projects. We have also considered demographic support components from outside the PMA and from new employment growth.

Additional details regarding the location of the market area can be found in Section IV of this analysis.

Demographic Trends

The following demographic overview table compares the trends within Oscoda Township, the Primary Market Area (PMA) Iosco and Alcona counties and the state of Michigan.

	Population/Household Change Overview							
	Oscoda Township		PMA		Iosco & Alcona Counties		Michigan	
	Pop.	H.H.	Pop.	H.H.	Pop.	H.H.	Pop.	H.H.
2000 Census	7,266	3,161	20,612	8,868	39,058	16,859	9,937,744	3,785,100
2010 Census	6,998	3,269	19,634	8,944	36,829	16,846	9,883,640	3,872,508
2019 Estimated	6,845	3,246	18,934	8,716	35,750	16,573	10,097,897	3,983,294
Change 2010-2019	-153	-23	-700	-228	-1,079	-273	214,257	110,786
Percent Change 2010-2019	-2.2%	-0.7%	-3.6%	-2.5%	-2.9%	-1.6%	2.2%	2.9%
2024 Projected	6,788	3,246	18,670	8,663	35,272	16,482	10,233,588	4,047,627
Change 2019-2024	-57	0	-264	-53	-478	-91	135,691	64,333
Percent Change 2019-2024	-0.8%	0.0%	-1.4%	-0.6%	-1.3%	-0.5%	1.3%	1.6%

Source: VSI; ESRI; 2000, 2010 Census

H.H. – Households

Pop. – Population

According to the preceding table, the Oscoda Township population decreased between 2000 and 2010. This trend continued between 2010 and 2019. Over the next five years, the Oscoda Township population is projected to decline slightly by 0.8%, according to ESRI demographic projections.

The following table compares the distribution of household income in Oscoda Township, the Primary Market Area (PMA) Iosco and Alcona counties and the state of Michigan.

Household Income Range	Household Income – 2019 (Estimated)							
	Oscoda Township		PMA		Iosco & Alcona Counties		Michigan	
	Households	Percent	Households	Percent	Households	Percent	Household	Percent
Less than \$10,000	228	7.0%	558	6.4%	1,072	6.5%	254,298	6.4%
\$10,000 to \$19,999	411	12.7%	1,048	12.0%	2,035	12.3%	364,711	9.2%
\$20,000 to \$29,999	445	13.7%	1,129	13.0%	2,139	12.9%	383,335	9.6%
\$30,000 to \$39,999	424	13.1%	1,104	12.7%	2,075	12.5%	387,975	9.7%
\$40,000 to \$49,999	420	12.9%	1,144	13.1%	2,136	12.9%	369,183	9.3%
\$50,000 to \$59,999	277	8.5%	771	8.8%	1,612	9.7%	324,976	8.2%
\$60,000 to \$74,999	300	9.2%	836	9.6%	1,749	10.6%	410,777	10.3%
\$75,000 to \$99,999	373	11.5%	1,033	11.8%	1,865	11.3%	507,638	12.7%
\$100,000 to \$124,999	146	4.5%	485	5.6%	877	5.3%	347,380	8.7%
\$124,999 to \$149,999	62	1.9%	211	2.4%	382	2.3%	211,163	5.3%
\$150,000 to \$199,999	89	2.7%	193	2.2%	340	2.1%	217,690	5.5%
\$200,000+	74	2.3%	206	2.4%	291	1.8%	204,168	5.1%
Total	3,249	100.0%	8,718	100.0%	16,573	100.0%	3,983,294	100.0%
Median Income	\$42,774		\$44,545		\$44,520		\$57,143	
Median Owner Income	\$48,905		\$50,141		\$49,169		\$70,034	
Median Renter Income	\$29,571		\$30,116		\$28,515		\$33,979	

Source: 2010 Census; ESRI; Urban Decision Group; VSI

Additional demographic characteristics and trends can be found in Section V.

Economic Trends Summary

Business and industry in Oscoda Township and Iosco County include retail, manufacturing, education, medical and other services. Iosco County is located on the northern end of Saginaw Bay and is a popular area for tourism and recreation. Bound by Huron National Forest and the shores of Lake Huron, large portions of the total county area are forested or held in public ownership as national or state lands. The majority of development in the county is located along Lake Huron in the communities of Tawas City, East Tawas, Oscoda and AuSable.

Iosco County underperformed both the state and the U.S. from 2001 to 2018, and continues to recover more slowly after the recession years. The net employment loss in Iosco County of 8.8% stands in contrast to a 0.3% employment loss experienced at the state level, and a national increase of 12.7%, despite a 10.0% increase during the past eight-year period.

The U.S. Department of Labor reported record significant and unprecedented increases in initial claims due to the impacts of the COVID-19 virus. Nearly every state providing comments cited virus impacts. States continued to cite services industries broadly, particularly accommodation and food services. Additional industries heavily cited for the increases included the health care and social assistance; arts, entertainment and recreation; transportation and warehousing; and manufacturing industries.

According to interviews with local employers, the sudden and adverse economic impact caused by the COVID-19 pandemic resulted in the most layoffs in April and May. However, the economy has been slowly improving since that time. The following table illustrates the most recent monthly unemployment estimates (not seasonally adjusted) from the U.S. Bureau of Labor Statistics.

Iosco County Unemployment Rates	
Month	Unemployment*
January 2020	8.5%
February 2020	6.9%
March 2020	6.6%
April 2020	26.3%
May 2020	20.8%
June 2020	14.7%
July 2020	10.1%

Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

*Not seasonally adjusted

Overall, based on our interviews with apartment managers and local employers, the economic impact has not yet had any notable adverse impact on the overall health of the rental housing market, as pent-up market demand continues to exist in the region for conventional apartments. In addition, the economy is recovering from the most significant adverse decline in April and May 2020. The full effect of the pandemic has not yet impacted many areas of the United States.

The local media reported Kalitta Air laid off 150 workers in January 2020 due to a decline in business in the air freight industry and prior to COVID-19. However, announcements have been made indicating that Kalitta Air will be bringing back the 150 positions and expanding by an additional 200 positions. It is reported that the 200 new positions will primarily pay between \$30,000 and \$60,000 per year.

There has also been notable recent discussions regarding Michigan Aerospace Manufacturers Association's (MAMA) Oscoda vertical launch Spaceport endeavor. Oscoda Township was reportedly well received at the North American Space Summit with regard to the Oscoda-Wurtsmith Airport (OWA) and the potential for Oscoda to have a satellite launch site. MAMA, which oversees the state's aerospace and defense manufacturing community within the global industry, identified Oscoda and OWA as the top candidate for a horizontal Spaceport launch site location. It is reported that this could bring 200 new jobs to the area with typical salaries between \$65,000 and \$80,000 per year. Most of these 200 new positions will be filled with specialized employees that will be relocated from other parts of the country, thus creating population and household growth above the currently available demographic projections.

Oscoda Township economic development reported Phoenix Composites plans to invest more than \$500,000 in an expansion that will result in 20 new jobs in 2022 when the project is done.

Given the already existing lack of available apartment housing in Oscoda as evidenced by the high occupancy rates among existing rental housing, it will be important for conventional rental housing to be developed in order to accommodate up to 420 planned new jobs that are anticipated to be created in Oscoda Township over the next few years. Without sufficient for-sale and rental housing options, employees will be forced to reside outside of Oscoda and commute in for work. In order to ensure the continued success of a community, it is beneficial to offer a variety of housing opportunities to ensure a balanced continuum of housing to support employment.

Housing Overview

The following table summarizes the distributions of the area housing stock:

Distribution of Housing Stock							
Geographic Area	Housing Status	2010 (Census)		2019 (Estimated)		2024 (Projected)	
		Number	Percent	Number	Percent	Number	Percent
Oscoda Township	Total-Occupied	3,269	57.4%	3,246	56.7%	3,246	56.5%
	Owner-Occupied	2,600	79.5%	2,300	70.8%	2,318	71.4%
	Renter-Occupied	669	20.5%	947	29.2%	930	28.6%
	Vacant	2,429	42.6%	2,481	43.3%	2,496	43.5%
	Total	5,698	100.0%	5,727	100.0%	5,742	100.0%
PMA	Total-Occupied	8,944	61.2%	8,705	60.1%	8,652	59.5%
	Owner-Occupied	7,266	81.2%	6,445	74.0%	6,445	74.5%
	Renter-Occupied	1,678	18.8%	2,259	26.0%	2,206	25.5%
	Vacant	5,668	38.8%	5,789	39.9%	5,880	40.5%
	Total	14,612	100.0%	14,495	100.0%	14,533	100.0%
Iosco & Alcona Counties	Total-Occupied	16,846	53.5%	16,555	52.2%	16,464	51.7%
	Owner-Occupied	14,168	84.1%	13,113	79.2%	13,106	79.6%
	Renter-Occupied	2,678	15.9%	3,442	20.8%	3,358	20.4%
	Vacant	14,670	46.5%	15,161	47.8%	15,369	48.3%
	Total	31,516	100.0%	31,715	100.0%	31,832	100.0%
State of Michigan	Total-Occupied	3,872,508	85.4%	3,996,161	85.3%	4,060,494	85.1%
	Owner-Occupied	2,793,342	72.1%	2,820,151	70.6%	2,892,701	71.2%
	Renter-Occupied	1,079,166	27.9%	1,176,010	29.4%	1,167,793	28.8%
	Vacant	659,725	14.6%	687,745	14.7%	712,222	14.9%
	Total	4,532,233	100.0%	4,683,906	100.0%	4,772,716	100.0%

Source: 2010 Census; ESRI; Urban Decision Group; VSI

In 2019, Oscoda Township, the PMA and the two focus counties were all estimated to have vacancy rates ranging from 39.9% to 47.8%. This is due to the abundance of seasonal and vacation housing. While this is significantly greater than the state of Michigan as a whole, it is not uncommon along the eastern portion of the state, along Lake Huron and around various lakes and state parks in the region.

Apartment Survey

We identified and personally surveyed 19 rental properties containing a total of 624 rental units within the PMA our in-person survey in September. This survey was conducted to establish the overall strength of the rental market and to identify those properties that would be theoretically most comparable to modern, new construction apartments that could potentially be supported in Oscoda Township. The surveyed apartment units have a combined occupancy rate of 99.2%, an unusually high rate for conventional rental housing. The following is a summary of all the properties surveyed in the PMA.

Surveyed Conventional Apartments (PMA)					
Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate	Under Construction
Market-rate	11	255	5	98.0%	0
Market-rate/Tax Credit/Government-Subsidized	1	48	0	100.0%	0
Tax Credit/Government-Subsidized	5	245	0	100.0%	0
Government-Subsidized	2	76	0	100.0%	0
Total	19	624	5	99.2%	0

Source: VSI Field Survey

The surveyed rental projects in the Site PMA have a combined occupancy rate of 99.2%, indicating clear and significant pent-up market demand for additional rental housing. It should be noted that of the 19 projects surveyed, only 11 are conventional rental projects, which are typically considered to be rental properties of more than 20 units per property. The remaining eight surveyed projects are considered to be non-conventional properties consisting of single-family homes, duplex units or smaller properties.

An ideal typical overall market occupancy rate for conventional apartments in a developed housing market similar to the PMA is approximately 95%. A 5% vacancy rate generally provides enough available rental options to allow current residents to migrate to other housing choices throughout the market. Vacancies also provide opportunities for households to migrate from outside the PMA and region. A vacancy rate of less than 5% indicates that overall market demand is exceeding the supply of available rental housing options. This is the rental environment in the Oscoda Township Site PMA.

The various surveyed apartment units are segmented by project type. Market-rate apartments are conventional apartments that operate without any government subsidies or rent/income restrictions. Properties that have been developed with Low-Income Housing Tax Credits generally target moderate-income households, often those with incomes between approximately 40% and 80% of the Area Median Income (AMI). Residents in these units must earn annual incomes of at least a certain amount in order to afford the asking rents, but not more than the maximum allowable income at 80% of AMI (adjusted for household size). Government-subsidized rental housing technically targets households with incomes below 50% of AMI. However, the majority of households living in subsidized rental housing typically earn less than 40% of AMI.

In addition to the surveyed projects in the PMA, we have also conducted a survey of conventional apartment projects in the surrounding region. This survey was conducted for illustrative purposes to determine the types and availability of conventional rental projects outside of the PMA. The surveyed apartment units in the surrounding region have a combined occupancy rate of 99.4%, a high rate for conventional rental housing. The following is a summary of all the properties surveyed in the surrounding region.

Surveyed Conventional Apartments (Surrounding Region)					
Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate	Under Construction
Market-rate	6	122	1	99.2%	0
Market-rate/Government-Subsidized	1	88	0	100.0%	0
Tax Credit/Government-Subsidized	5	156	1	99.4%	0
Government-Subsidized	12	457	3	99.3%	0
Total	24	823	5	99.4%	0

Source: VSI Field Survey

Similar to the Site PMA, the surrounding region survey also indicates significant pent-up market demand for additional conventional rental housing.

The following table illustrates the distribution of conventional apartment units surveyed by year built.

Surveyed Rental Units by Year Built						
Year Opened	PMA			Surrounding Region		
	Projects	Units	Vacancy Rate	Projects	Units	Vacancy Rate
Before 1970	6	22	0.0%	0	0	-
1970 to 1979	4	79	0.0%	3	78	0.0%
1980 to 1989	1	150	0.0%	4	92	1.1%
1990 to 1999	1	80	5.0%	0	0	-
2000 to 2009	0	0	-	0	0	-
2010 to 2014	1	1	100.0%	0	0	-
2015	0	0	-	0	0	-
2016	0	0	-	0	0	-
2017	0	0	-	0	0	-
2018	0	0	-	0	0	-
2019	0	0	-	0	0	-
2020*	0	0	-	0	0	-
Total	13	332	1.5%	7	170	0.6%

Source: VSI Field Survey

*As of August

The rental market is dominated by apartments built prior to 1980. The last time a conventional apartment community was developed in the Site PMA was in the 1990s. Thus, there is a need for additional, modern rental alternatives. In general, there is a notable lack of available apartments in the PMA and in the surrounding region, which has a non-subsidized vacancy rate of just 0.6%. Overall, the demand for conventional rental housing in the PMA exceeds the available supply.

Non-Conventional Rentals (Single-Family Homes, Duplexes, Triplexes, Etc.)

During our in-person evaluation of Oscoda Township and the Site PMA, we surveyed 19 rental properties, of which eight are considered to be non-conventional single-family homes, duplex units or smaller properties containing less than 10 units per property. In general, these non-conventional rentals in the Oscoda Township Site PMA have similar unit sizes and rental rates to the conventional apartment properties in the area. Overall, these non-conventional rentals are primarily dominated by single-family and duplex homes built between 45 and 65 years ago that are considered to be in fair to good condition.

Overall Demographic Support Conclusions

A detailed demographic support analysis has been conducted to estimate the number and type of market-rate, multifamily rental housing units that can be supported within the Oscoda Township, Michigan. To establish the demand for new housing, we have estimated the number and type of housing units that can be supported over the next five years to 2025. Demographic and economic characteristics, along with the current supply of various housing types, have been evaluated to determine the types of units by tenure that could be supported. Specifically, calculations are provided for the following housing types:

- Workforce Apartment Units (households with incomes at 60% to 100% AMI)
- Market-Rate Apartment Units (households with incomes at 100% AMI and Higher)

VSI has evaluated the projected number of households at income levels required to afford various potential development opportunities. This provides the basis to estimate the total number of units that can be supported by households targeted for residency with incomes between 60% and 100% of Area Median Income (AMI) and more than 100% of AMI.

At the time when a specific development is proposed, it will be important to reevaluate the projected demographic trends at the anticipated year of opening of that specific project, as the demographic characteristics projected today may differ as additional housing is developed and economic growth occurs. ***The demographic demand projections provide an indication of the likely overall need for conventional multifamily rental housing in the PMA.***

These conclusions are the intended to indicate the number of supportable units over the next five years and not the number that could realistically be absorbed into the market in any one year. Developments need to occur over several years so the market is not saturated at any one time. Introducing an excessive amount of housing in any one year could adversely impact the value and performance of existing housing.

Based on our evaluation of the rental housing market, demographic trends and economic conditions in Oscoda Township, the Site PMA and the surrounding region, we have used the following assumptions to project the demographic segments of the market that will be targeted by various housing options. The following table summarizes the estimated income ranges, target household sizes and supportable unit conclusions for “workforce” conventional apartment development and for more upscale market-rate apartment development in Oscoda Township. Note that this is the gross support potential, rather than specific development recommendations.

Potentially Supportable New Housing Units – 2025 Conclusions				
Housing Type and Targeted Age	Targeted Household Size	Minimum Income	Maximum Income	Supportable Units
“Workforce” Apartments (60% to 100% AMI)	1-through 4-Person Renter Households	\$25,000	\$60,000	~ 140 – 185 Units
Market-Rate Apartments (100% AMI and Higher)	1-through 4-Person Renter Households	\$60,000	No Limit	~ 60 – 75 Units

Demographic support and market demand exists for between 190 and 255 units of new construction, conventional, multifamily apartment housing. These overall conclusions assume that appealing and marketable site locations can be identified and developed to accommodate the different types of new multifamily rental housing units that can be supported. The development of new housing may result in some tenant displacement from a portion of the older, functionally obsolete housing alternatives in the overall market generating vacancies.

Although the pent-up market demand and potential demographic support is notable, it is unlikely that the maximum number of supportable units could be developed simultaneously, as there could be some competitive overlap between the “workforce” and the more upscale market-rate segments.

Applying the suggested potentially supportable share of units by bedroom type to the total number of supportable units, results in the following distribution of rental units within the PMA by 2025.

Potentially Supportable Apartment Units by Bedroom Type				
Bedrooms	Suggested Share of Units	Supportable “Workforce” Units	Supportable Market-Rate Units	Total Supportable Apartments Units
One-Bedroom	50% - 60%	70 to 110	30 to 45	~ 100 to 150
Two-Bedroom	40% - 50%	55 to 90	25 to 40	~ 80 to 130
Three-Bedroom	5% - 10%	10 to 20	5 to 10	~ 15 to 30
Total		~ 140 to 185	~ 60 to 75	~ 200 to 260

Note that we anticipate a smaller share of three-bedroom units in part because of the abundance of non-conventional three- and four-bedroom rentals in the area (single-family homes and duplexes). These 200 to 260 multifamily apartment units do not need to be and should not be developed at one location. Rather, a number of smaller apartment projects could be supported at different locations throughout the area, including some in the central portion of Oscoda Township. This strategy maximizes the development potential.

Obviously, the achievability of a specific development to successfully develop and absorb new rental units into the market would be dependent upon numerous factors, including an appealing building and unit designs, sufficient unit sizes and bathrooms, as well as an appealing neighborhood (site) in which the development was built. However, demographic support exists for notable additional multifamily housing development in the Oscoda Township.

Overall, the PMA has market demand and demographic support for additional new multifamily rental housing development over the next five years, especially considering the historical and projected new economic activity in Oscoda Township. New rental housing development in the area provides an opportunity for development that could provide an opportunity for development that helps to meet a portion of the demand for rental housing in the PMA. Note that if the planned economic growth does not occur to the extent anticipated, it is likely that fewer units could be supported.

Although not specifically quantified in this analysis, additional market demand and demographic support exists for the new development of lower-income affordable government-subsidized and/or Low-Income Housing Tax Credit rental housing. Often, when economic and demographic development and growth occurs, lower-paid and part-time jobs also are created in the service industry, thus increasing the need for affordable housing. In order to ensure the continued success of a community, it is beneficial to offer a variety of housing opportunities at different rent levels to ensure a balanced continuum of housing.

Overall Rental Housing Conclusions

Assuming that the planned economic growth occurs in the area that is presently unaccounted for within the demographic projections, Oscoda Township will need to offer housing to meet the needs of new employees moving to the area. It will be important for Oscoda Township to offer a variety of housing opportunities, to ensure a broad continuum of housing, especially as employment opportunities in the area continue to expand. As young renters age and increase their economic position, they need to have higher quality rental opportunities. It is important for a community to offer a variety of housing choices to ensure a balanced growth. Demographically, there is a considerable opportunity among two major demographic segments across the state and nation: the millennial generation (Generation Y; echo boomers) and the empty-nester/baby boomers.

The inability to attract younger households early in their residential search can be detrimental to long-term, as younger households leave the area to seek housing in other nearby communities that offer the housing they desire. Research and trends are indicating that younger households today are postponing homeownership in favor of renting due to costs, lifestyle and personal debt. Specific factors contributing to favoring rentals include:

- Easier mobility to explore employment opportunities in other cities
- Less commitment
- Discouraged to purchase as a result of recent housing and economic recession
- Rental alternatives typically have more convenient access to community services (retail, restaurants, entertainment, etc.)
- Renting offers a more leisurely and maintenance-free lifestyle
- Lack of sufficient assets to produce a down payment
- Rental alternatives offer extensive property amenities typically not associated with single-family homes (swimming pools, exercise facilities and business centers)
- Student debt

Historically, there has been a perception that multifamily housing reduces the value of owner-occupied housing units that may be within vicinity of rental housing development. Trending, however, shows the opposite effect with new construction developments that have incorporated appropriate site planning into the development design and overall integration with the greater community. Quality, new construction developments add housing choices to a market thereby increasing overall demand and desirability of the community.

This type of synergy is especially advantageous to markets in attracting younger households to not only choose residency within a community or neighborhood, but to remain in the community or neighborhood if adequate choices are available. In addition, rental housing development attracts and draws larger numbers of households to an area (than the development of a less-dense single-family neighborhood), thereby increasing the need for additional retail and commercial options, which further benefits the community.

The following is a list of “typical” amenities and features that should be considered in a new conventional apartment project in Oscoda Township.

List of “Typical” Amenities and Features (New Rental Housing)			
Unit Amenities		Project/Community Amenities	
Range	Central Air Conditioning	On-site Management	Community/Lounge Space
Refrigerator	Washer/Dryer Hookups	Laundry Facilities	Business/Computer Center
Dishwasher	Window Blinds	Fitness Room	Additional Storage
Garbage Disposal	Microwave Oven		
Open Floorplans	Balconies/Patios		

The following list are “unique” amenities and features that are often not as expensive as common upscale features to install or include in new construction apartment projects. However, they are often perceived as appealing by millennials and even active baby boomers. Thus, they can be a way for a development to set itself apart from older, more traditional apartment housing, while keeping construction costs lower and enabling the project to target “workforce” income categories.

List of “ <i>Unique</i> ” Amenities and Features (Worth Considering)			
Unit Amenities		Project/Community Amenities	
Exposed Ductwork	Concrete Counters	Yoga Studio/Flex Aerobic Space	
USB Outlets	Black Appliances	Spinning Room	
Bike Hooks/Storage	LED Lighting	Dog Walking/Washing Area	
Polished Concrete Flooring	Built-in Shelving/Storage	Community Electronic Bulletin Board and/or Social Media Page that can be Accessed in Real-time	
Programmable Thermostats			

A new multifamily rental development in Oscoda Township should at least offer the typical amenities and features. In addition, given the lack of recent conventional apartment development in and around the PMA and surrounding region, and considering the desire to attempt to attract residents from other nearby communities, we recommend unique features also be considered, assuming they are financially feasible to the overall cost. Unique features and designs will help to attract renters who currently would not consider the Oscoda Township area as a realistic housing choice.

While there is a lack of modern conventional rental housing in Oscoda Township and the surrounding region, there is certainly still notable market demand and demographic support for non-income-restricted, high-quality, conventional and non-conventional rental choices.

Additional subsidies and/or incentives may be necessary to enable a developer to provide “workforce” housing. However, the purpose of this market assessment is to evaluate the market support for additional rental housing.

Overall, based on the performance of existing area rental options compared to modern conventional rental housing that has been developed successfully in other similar-sized cities, we have estimated appropriate (and potentially achievable) net rents for new market-rate rental units in Oscoda Township in the following table. These figures can be used to begin to build a proforma to identify potential gaps in the project development process. Note that the incomes of existing and expected renter households in the Site PMA have also been considered when determining the potentially achievable/appropriate market-rate net rents.

Recommended/Appropriate Market-Rate Unit Sizes and Net Rents			
Bedrooms/Baths	Square Feet	Net Rents	Net Rent Per Square Foot
One-Bedroom/1.0-Bath	600 - 750	\$660 - \$900	\$1.10 - \$1.20
Two-Bedroom/1.0-2.0-Bath	800 - 1,000	\$800 - \$1,150	\$1.00 - \$1.15
Three-Bedroom/2.0-Bath	1,100 - 1,250	\$990 - \$1,300	\$0.90 - \$1.05

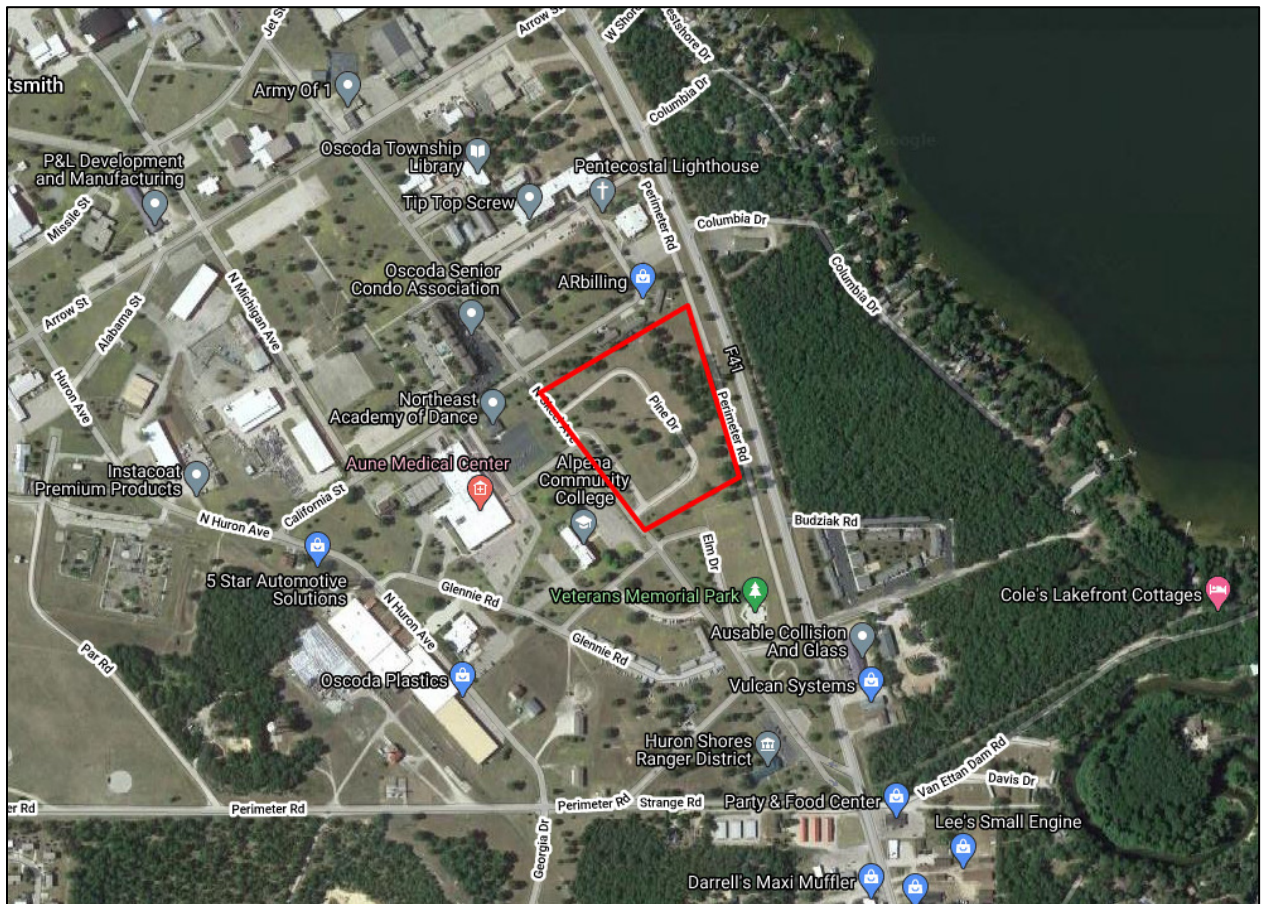
It should be noted that existing rental projects in Oscoda are generally not achieving rents as high as what is likely required to support new construction projects. As previously discussed, the current rents are being limited by the fact that the existing rental options are generally considered to be of low to fair quality and would be significantly inferior to a newly developed apartment project in the area.

III. Oscoda Township Description and Community Services

The focus of this market-rate multifamily rental housing analysis is to determine potential market demand and demographic support for new, market-rate, multifamily rental housing in Oscoda Township, Iosco County, Michigan. Based on discussions with various local government and housing representatives, it was determined that one of the most likely potential locations for new multifamily rental housing development would be a site parcel located north of the intersection of N. Skeel Avenue and Oak Drive in Oscoda Township. A second option would potentially be in or near the downtown Oscoda area. Thus, for the purpose of this analysis, we have evaluated two site location, with the primary focus being the site north of the intersection of N. Skeel Avenue and Oak Drive. An in-person evaluation of downtown Oscoda and the N. Skeel Avenue site and corresponding fieldwork were conducted during the week of August 24, 2020.

Location Description

The primary potential site location is north of the intersection of N. Skeel Avenue and Oak Drive, approximately 2.3 miles northwest of downtown Oscoda Township, which is approximately 95 miles northeast of Saginaw and approximately 190 miles northeast of downtown Lansing.



Surrounding Land Uses

The subject site is in a commercial and residential area northwest of downtown Oscoda. Surrounding land uses include residential, recreational, commercial and industrial development. The proposed site's adjacent land uses are detailed as follows:

North

North of the site are undeveloped parcels, an expanse of commercial properties, places of worship the Oscoda Township Library. Continuing northwest are the northeastern portions of Wurtsmith Airport and Kalitta Air, followed by wooded land. Northeast of the site across F-41 are wooded areas and single-family homes along Van Etten Lake with values ranging from approximately \$120,000 to \$250,000 (according to Zillow.com).

East

The site is bordered to the east by Perimeter Road, followed by F-41. Continuing east are additional wooded areas and single-family homes along Van Etten Lake. Farther east are single-family homes in fair to good condition ranging in price from \$120,000 to \$250,000 (according to Zillow.com). Some commercial development is 1.0 mile east of the site along U.S. Highway 23. Lake Huron is 1.2 miles east of the site.

South

The site is immediately bordered to the south by Veterans Memorial Park. To the southeast of the site across F-41 is Gull Pointe Apartments, an auto repair shop and a welding supply store. A few commercial/light industrial businesses are farther south of the site along F-41. Southwest of the site are a few multifamily buildings and warehouses for companies such as Oscoda Plastics. Southwest of this is a large partially developed subdivision with roads and curbs; homes are primarily south of Bissonette Drive and west of N. Vermont Street. The single-family homes are in fair to good condition and range in price from \$100,000 to \$300,000. Undeveloped land surrounding Duell Lake and the Au Sable River is 1.0 mile south of the site. Downtown Oscoda is to the southeast, with commercial development concentrated along U.S. Highway 23.

West

N. Skeel Avenue borders the site to the west, followed by Alpena Community College, Aune Medical Center, Northeast Academy of Dance and other commercial/light industrial structures. Continuing west is the majority of the aforementioned of Kalitta Air and Wurtsmith Airport. Primarily wooded land extends west of the airport.

Surrounding Land Uses Summary

The nearby commercial properties as well as the single-family homes are generally considered to be in fair to good condition, which typically adds to the desirability of the site neighborhood. Commercial properties and employment opportunities are within a short drive of the site. The development of the site will fit in well with the surrounding land uses, which should contribute to its marketability.

It is of note that although Wurtsmith Airport may cause some noise, it should not be considered a significant nuisance. The airport is a well known landmark in the area.

Visibility and Access

The site parcel has frontage along N. Skeel Avenue and Perimeter Road, although visibility from the latter roadway is obstructed by mature trees. The site will have excellent visibility from surrounding roads as there is a lack of mature foliage along the bordering streets to the west.

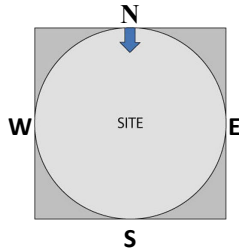
Access to the site will likely be offered via N. Skeel Avenue, a lightly travelled roadway with no median barrier. Pedestrian traffic is somewhat prevalent in the area as a sidewalk is offered along N. Skeel Avenue.

Overall, we consider both access and visibility of the site to be excellent.

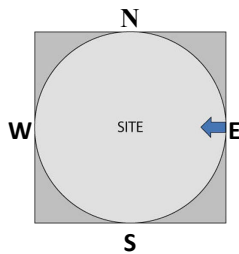
Photographs of the site can be found on the following pages.

Site Photographs

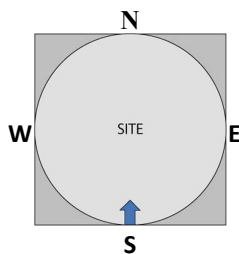
View of site from the north



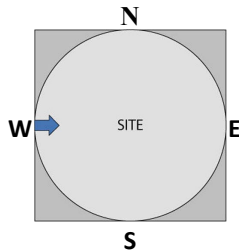
View of site from the east



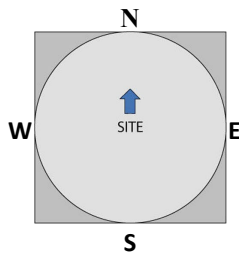
View of site from the south



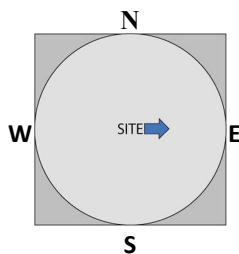
View of site from the west



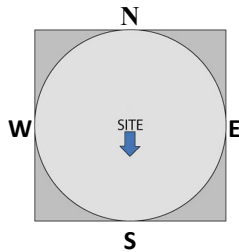
North view from site



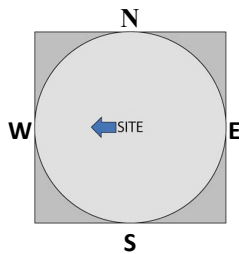
East view from site



South view from site



West view from site



Streetscape: view facing east on N. Skeel Avenue



Streetscape: view facing
west on N. Skeel Avenue



Streetscape: view facing
east on W. Dwight
Avenue (Downtown)



Streetscape: view facing
west on W. Dwight
Avenue (Downtown)



Streetscape: view facing
north on State Street
(Downtown)



Streetscape: view facing
south on State Street
(Downtown)



Streetscape: view facing
east on River Road
(Downtown)



Streetscape: view facing
west on River Road
(Downtown)



Streetscape: view facing
north on Pine Drive



Streetscape: view facing
south on Pine Drive



Proximity to Community Services and Infrastructure

Community Services	Name	Driving Distance from Site (miles)
Major Highways	U.S. Highway 23	1.7 Southeast
	State Route 55	18.8 Southwest
Grocery Stores	Family Fare Supermarket	1.6 Southeast
	Roger's Family Foods	2.2 Southeast
Superstore	Walmart Supercenter	18.1 Southwest
Department Stores	Family Dollar	1.7 Southeast
	Dollar General	2.0 Southeast
	Twice As Nice	2.2 East
Major Employers/Employment Centers	Phoenix Composite Solutions	1.1 West
	Kalitta Air	1.3 West
	Walmart Supercenter	18.0 Southwest
Elementary Schools	Richardson Elementary Middle School	5.3 Southwest
Middle/Junior High Schools	Richardson Elementary Middle School	5.3 Southwest
High Schools	Oscoda High School	5.3 Southwest
Hospitals/Medical Centers	Ascension St. Joseph Hospital	18.2 Southwest
Police Stations	Oscoda Police Department	2.6 Southeast
Fire Stations	Oscoda Fire Department	2.6 Southeast
Post Office	United States Postal Service	2.6 Southeast
Gasoline Stations	Speedway	1.9 Southeast
	Shell	1.9 Southeast
	Citgo	2.4 Southeast
Convenience Stores	Speedway	1.9 Southeast
	Shell	1.9 Southeast
	Sunrise Travel Center	2.1 Southeast
Pharmacies	Rite Aid Pharmacy	1.8 Southeast
Banks	Huron Community Bank	2.2 Southeast
	Northland Credit Union	17.2 North
	Huron Community Bank	17.8 North
Restaurants	Wiltse's Brew & Family Restaurant	0.6 Southeast
	Burger King	1.8 Southeast
	Taco Bell	2.0 Southeast
	McDonald's	2.2 Southeast
	Dudley's Diner	2.2 East
	Little Caesars Pizza	2.8 East
Day Care	Kiddie Klubhouse Daycare and Preschool	1.8 Southeast
	Little Pals Day Care	4.1 South
Libraries	Oscoda Township Library	0.3 North
Fitness Centers	Ray's Gym	2.2 Southeast
Parks/Recreation	Ken Ratliff Memorial Park	1.0 North
	Van Etten Lake State Forest Campground	2.1 Northwest
	Veterans Memorial Park	2.6 Southeast
	Three Mile Park	4.2 Northeast

Continued:

Community Services	Name	Driving Distance from Site (miles)
Entertainment/Arts	Wurtsmith Air Museum	0.6 Northwest
	Lake Theatre	2.6 Southeast
Universities/Colleges	Alpena Community College	0.2 South

The potential multifamily development site is located on N. Skeel Avenue, 2.3 miles northwest of downtown Oscoda. Most of the commercial properties and restaurants are located along the U.S. Highway 23 corridor. The site does not have convenient access to public transportation. However, U.S. Highway 23 is accessible 1.7 miles southeast of the site via N. Skeel Avenue. Note, a bus stop is located 1.8 miles away that provides access north and south; a ticket must be purchased before riding. This is likely too far to make it convenient for future residents.

Major area employers within 1.3 miles include Phoenix Composite Solutions and Kalitta Air. Walmart Supercenter, 18.1 miles southwest, is another major area employer.

Family Fare Supermarket is 1.6 miles from the site and provides essentials. One other grocery store is 2.2 miles away. Walmart Supercenter offers grocery, retail and other services 18.1 miles from the site. Discount shopping within 2.2 miles includes Family Dollar, Dollar General and Twice As Nice. Ancillary services such as gas stations, convenience stores, pharmacies, banks and a post office are within 2.6 miles.

Several dining options are within 2.8 miles and many extend along U.S. Highway 23, including Dudley's Diner, Mancino's Pit Stop, G's Pizzeria & Deli, Bavarian Bakery & Restaurant, The Pack House Restaurant, Office Lounge and Grill, Tait's Bill of Fare, Chee Peng of Oscoda, Mama's Country Kitchen and numerous fast-food chain restaurants.

School-age children residing at the site will attend Richardson Elementary Middle School and Oscoda High School, which are 5.3 miles from the site. Oscoda Township Library is 0.3 miles north and day care is available 1.8 miles southeast.

Ascension St. Joseph Hospital is 18.2 miles from the site. The Oscoda Police and Fire departments operate stations 2.6 miles southeast.

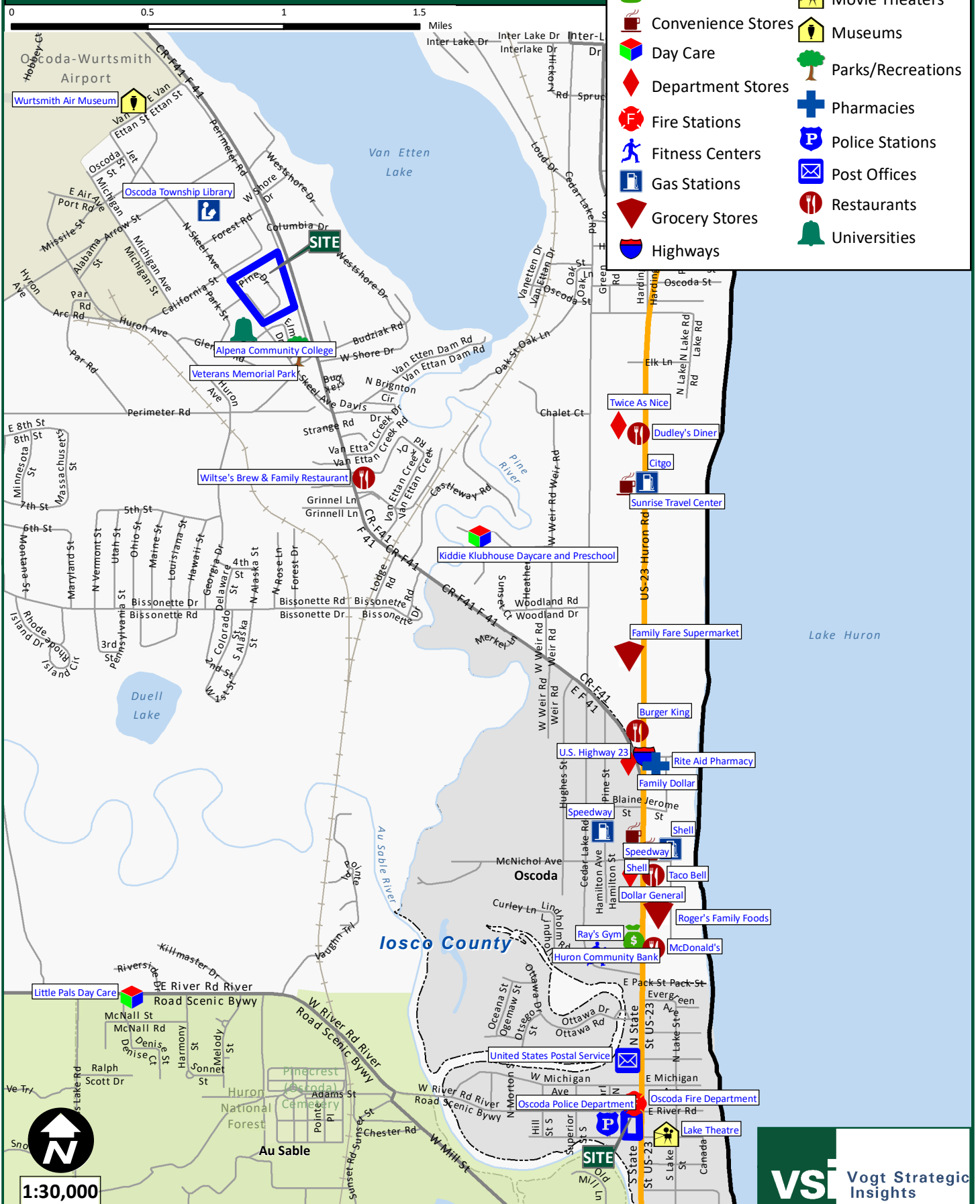
Four parks and a fitness center are within 4.2 miles of the site and provide nearby recreational space. Wurtsmith Air Museum is 0.6 miles northwest and Lake Theatre is 2.6 miles southeast.

A map illustrating the location of community services is on the following page.

Oscoda Township, MI Neighborhood Community Services

Legend

-  Project Site
-  Banks
-  Convenience Stores
-  Day Care
-  Department Stores
-  Fire Stations
-  Fitness Centers
-  Gas Stations
-  Grocery Stores
-  Highways
-  Libraries
-  Movie Theaters
-  Museums
-  Parks/Recreations
-  Pharmacies
-  Police Stations
-  Post Offices
-  Restaurants
-  Universities



Overall Potential Site Evaluation

Overall, Oscoda Township benefits from its location along Lake Huron and also from the presence of Van Etten Lake and Cedar Lake. The primary potential development site in Oscoda Township is near the intersection of N. Skeel Avenue and Oak Drive and is considered to be a favorable location for market-rate multifamily rental housing development. The nearby parks and the community services and employment opportunities within a short drive of the subject site add to the appeal of the site location. The nearby single-family homes in fair to good condition add to the desirability of the site neighborhood. Site visibility and access are excellent.

This potential development site is in proximity to some opportunities for shopping, employment, recreation and education. Public health and safety services are all within 18.2 miles of the site. The site has convenient access to major highways, although public transportation is not within walking distance.

Current housing trends indicate renter preferences to live in downtown areas, within more walkable distances to restaurants and community services. The secondary downtown potential site location would benefit considerably from being a much more walkable location. However, both potential site locations could potentially be appealing to potential tenants of a market-rate multifamily rental project. Regardless, a downtown size location would be more appealing to the likely targeted tenant base of a conventional market-rate multifamily apartment project. The following table summarizes key characteristics of each potential site location.

Site and Neighborhood Area Condition Summary			
N. Skeel Avenue and Oak Drive			
Current Site:	Vacant Land	Site Visibility:	Excellent
Access to Services:	Very Good	Site Vehicular Access:	Excellent
Current Neighborhood:	Fair	Trend:	Developing
Predominant Neighborhood Land Use:	Residential, Commercial		
Subject Site Walk Score*:	13 (Car Dependent): “Almost all errands require a car.”		
110 S. State Street (Downtown)			
Current Site:	Existing Town Building	Site Visibility:	Excellent
Access to Services:	Excellent	Site Vehicular Access:	Excellent
Current Neighborhood:	Good	Trend:	Developed
Predominant Neighborhood Land Use:	Residential, Commercial		
Subject Site Walk Score*:	57 (Somewhat Walkable): “Some errands can be accomplished on foot.”		

*Source: www.walkscore.com. Walk Score is a measurement of the walkability of an address, ranging from 0 to 100 (0 being least walkable and 100 being most walkable). The score is based on Walkscore.com's patented system of methodology that includes analyses of road metrics, population density and pedestrian routes to nearby services and amenities.

IV. Primary Market Area (PMA) Delineation

A Primary Market Area (PMA) is the geographic area where most of the support for housing originates, where the services used by residents of housing are concentrated and where households would likely consider housing choices. This is a standard methodology used to evaluate any potential real estate development. Typically, PMAs account for approximately 60% to 80% of the support component for a housing development. Site-specific market feasibility analyses determine PMAs to evaluate and quantify supply and demand characteristics of a given market.

For the purpose of this Oscoda Township, community-wide, market-rate multifamily rental housing analysis, we have considered aspects such as current demographic trends, employment opportunities, roadway access, housing alternatives, community services and school district boundaries. We consider the geographic area that will provide potential support for a new housing development located at either of the potential site locations or any other location in and near these two portions of Oscoda Township.

The Oscoda Township Site PMA was determined based on discussions with existing apartment managers, realtors and real estate professionals, representatives from regional major employers and public officials. We have evaluated the demographic trends and general housing characteristics of surrounding communities and counties in the region. Additionally, the personal observations of VSI market analysts during our in-person evaluation also contributed to the determination of the likely PMA.

For the purpose of this analysis, we have determined the Site PMA comprises the areas extending north and south of Oscoda Township along U.S. Highway 23, extending as far north as Ritchie Road, north of Harrisville and Lincoln, Michigan. In addition, we have extended the Site PMA south to Townline Road and Tawas Bay to include Tawas City and East Tawas. Lake Huron is a hard boundary to the east, while west of Oscoda Township is generally minimally developed land. The significant boundaries of the Proposed Site PMA include:

North: Ritchie Road

East: Lake Huron

South: Townline Road and Tawas Bay

West: Wilber Road and F41

The property manager at Gull Pointe Apartments, provided input regarding the government-subsidized rental market. She stated the majority of her tenant support originates from Oscoda. Although she receives some tenant support from all over the county, she said that most of her tenants are born and raised in Oscoda Township and choose to stay their entire lives.

A leasing specialist for market-rate homes in Oscoda, shared that the majority of his tenants are from the Oscoda area. He noted that the Villages neighborhood is desirable to people looking for suburban living opportunities, and most support comes from people living in the area.

A local owner of several market-rate properties west of the site, said most of his tenants originate from Oscoda and are looking to stay and work in the area, primarily for Kalitta Air. He noted he has had several people move into Oscoda from out of the state to work at Kalitta Air, although the majority are from Oscoda.

Due to the relatively limited amount of conventional apartment housing in Oscoda, it is likely that if/when new, quality apartment units are developed, the project will have the ability to draw support from a larger area. We anticipate that some support for a new construction apartment project would likely come from across much of Iosco and Alcona counties. In addition, some support will also come from farther beyond as new employment opportunities become available.

While the PMA is considered to be the geographic area where the majority of support will originate, we have also considered a larger geographic area in our survey of comparable apartment projects. We have also considered demographic support components from outside the PMA and from new employment growth.

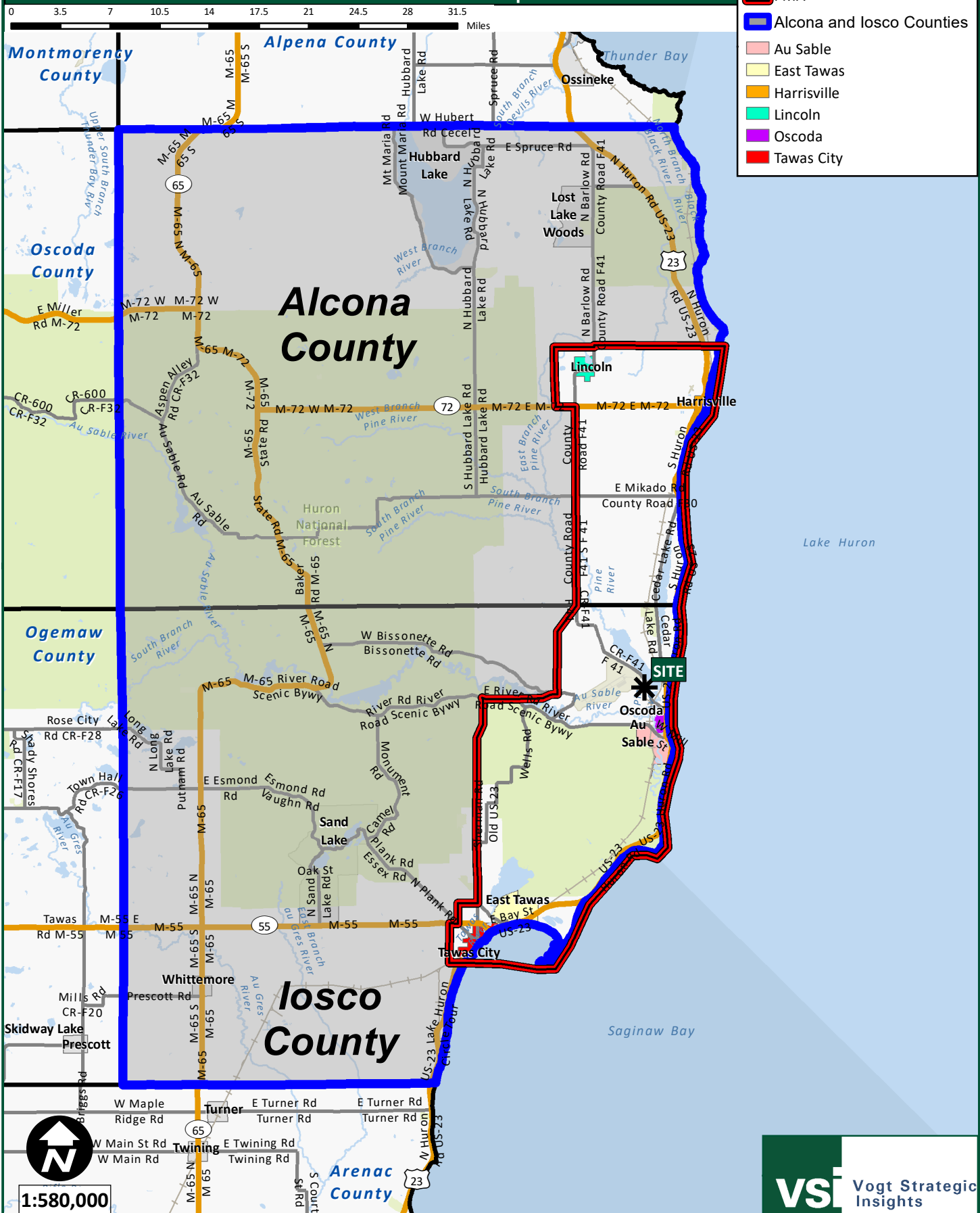
The following map illustrates the location of the defined Site PMA and of Iosco and Alcona counties.

Oscoda Township, MI Primary Market Area

Primary Market Area Information
2019 Estimated Population: 18,934
2019 Estimated Households: 8,716
Area: 224.05 Square Miles
Counties in PMA: Alcona and Iosco

Legend

- Project site
- PMA
- Alcona and Iosco Counties
- Au Sable
- East Tawas
- Harrisville
- Lincoln
- Oscoda
- Tawas City



V. Demographic Trends and Crime Analysis

The following demographic overview table compares the trends within Oscoda Township, the Primary Market Area (PMA) Iosco and Alcona counties and the state of Michigan.

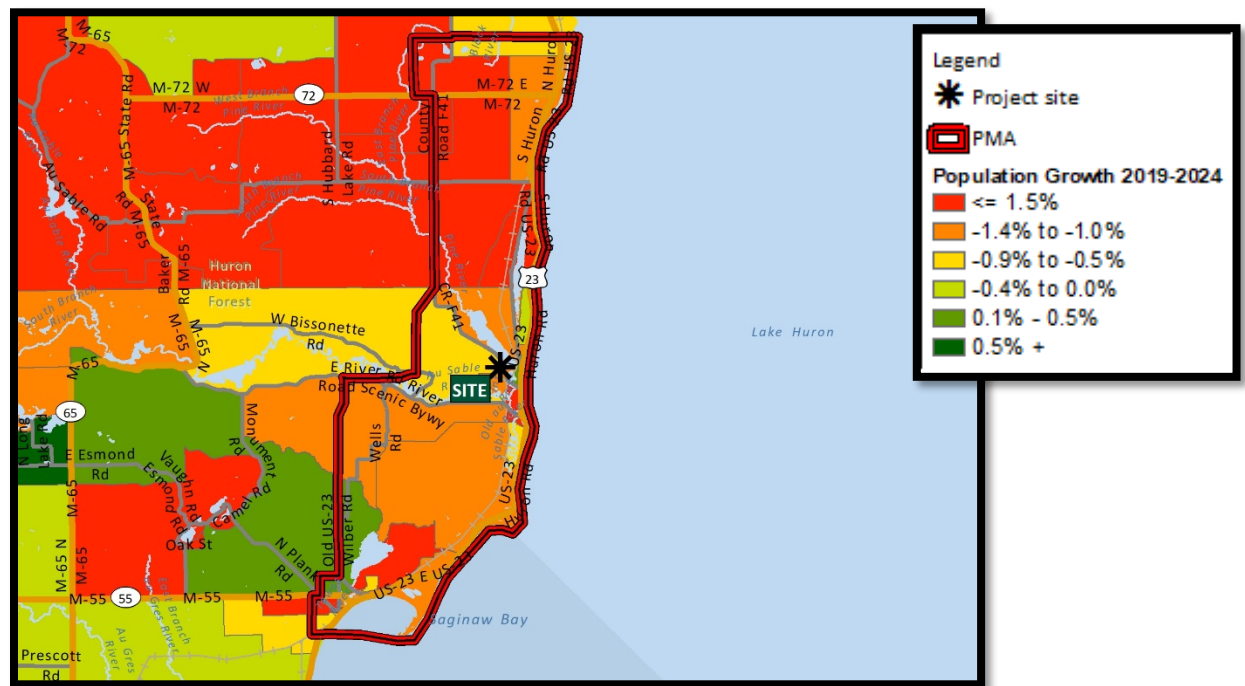
	Population/Household Change Overview							
	Oscoda Township		PMA		Iosco & Alcona Counties		Michigan	
	Pop.	H.H.	Pop.	H.H.	Pop.	H.H.	Pop.	H.H.
2000 Census	7,266	3,161	20,612	8,868	39,058	16,859	9,937,744	3,785,100
2010 Census	6,998	3,269	19,634	8,944	36,829	16,846	9,883,640	3,872,508
2019 Estimated	6,845	3,246	18,934	8,716	35,750	16,573	10,097,897	3,983,294
Change 2010-2019	-153	-23	-700	-228	-1,079	-273	214,257	110,786
Percent Change 2010-2019	-2.2%	-0.7%	-3.6%	-2.5%	-2.9%	-1.6%	2.2%	2.9%
2024 Projected	6,788	3,246	18,670	8,663	35,272	16,482	10,233,588	4,047,627
Change 2019-2024	-57	0	-264	-53	-478	-91	135,691	64,333
Percent Change 2019-2024	-0.8%	0.0%	-1.4%	-0.6%	-1.3%	-0.5%	1.3%	1.6%

Source: VSI; ESRI; 2000, 2010 Census

H.H. – Households

Pop. – Population

According to the preceding table, the Oscoda Township population decreased between 2000 and 2010. This trend continued between 2010 and 2019. Over the next five years, the Oscoda Township population is projected to decline slightly by 0.8%, according to ESRI demographic projections. The following is a demographic thematic map illustrating the projected population change by census block group.



Population Trends

		Total Population			
		2000 (Census)	2010 (Census)	2019 (Estimated)	2024 (Projected)
Oscoda Township	Population	7,266	6,998	6,845	6,788
	Population Change	-	-268	-153	-57
	Percent Change	-	-3.7%	-2.2%	-0.8%
PMA	Population	20,612	19,634	18,934	18,670
	Population Change	-	-978	-700	-264
	Percent Change	-	-4.7%	-3.6%	-1.4%
Iosco & Alcona Counties	Population	39,058	36,829	35,750	35,272
	Population Change	-	-2,229	-1,079	-478
	Percent Change	-	-5.7%	-2.9%	-1.3%
Michigan	Population	9,937,744	9,883,640	10,097,897	10,233,588
	Population Change	-	-54,104	214,257	135,691
	Percent Change	-	-0.5%	2.2%	1.3%

Source: 2000, 2010 Census; ESRI; Urban Decision Group; VSI

	Year	Population by Age								
		< 19	20-24	25-34	35-44	45-54	55-64	65-74	75+	Total
Oscoda Township	2019	1,148	289	615	603	782	1,247	1,352	809	6,845
	2024	1,115	254	579	639	703	1,130	1,446	922	6,788
	% Change	-2.9%	-12.1%	-5.9%	6.0%	-10.1%	-9.4%	7.0%	14.0%	-0.8%
PMA	2019	3,142	723	1,607	1,649	2,282	3,453	3,450	2,628	18,934
	2024	3,013	639	1,504	1,719	2,025	3,138	3,689	2,943	18,670
	% Change	-4.1%	-11.6%	-6.4%	4.2%	-11.3%	-9.1%	6.9%	12.0%	-1.4%
Iosco & Alcona Counties	2019	5,664	1,279	2,852	2,992	4,416	6,670	6,975	4,902	35,750
	2024	5,416	1,111	2,681	3,137	3,918	6,056	7,344	5,609	35,272
	% Change	-4.4%	-13.1%	-6.0%	4.8%	-11.3%	-9.2%	5.3%	14.4%	-1.3%
Michigan	2019	2,409,296	671,626	1,304,186	1,196,509	1,299,741	1,438,293	1,057,931	720,315	10,097,897
	2024	2,404,533	627,933	1,276,670	1,267,285	1,223,210	1,367,088	1,204,233	862,636	10,233,588
	% Change	-0.2%	-6.5%	-2.1%	5.9%	-5.9%	-5.0%	13.8%	19.8%	1.3%

Source: 2010 Census; ESRI; Urban Decision Group; VSI

		Population Share by Race – 2010 (Census)							
		White	Black	Indian	Asian	Pacific Islander	Some Other Race	Two or More Races	Total
Oscoda Township		95.3%	0.7%	0.9%	0.5%	0.1%	0.6%	2.0%	6,998
PMA		96.3%	0.5%	0.7%	0.5%	0.1%	0.4%	1.5%	19,634
Iosco & Alcona Counties		96.9%	0.4%	0.6%	0.4%	0.0%	0.4%	1.3%	36,829
Michigan		78.9%	14.2%	0.6%	2.4%	0.0%	1.5%	2.3%	9,883,640

Source: 2010 Census; ESRI; Urban Decision Group; VSI

Educational Attainment Level – Population Age 25+ 2019 (Estimated)								
	Oscoda Township		PMA		Iosco & Alcona Counties		Michigan	
	Pop.	Percent	Pop.	Percent	Pop.	Percent	Pop.	Percent
Less Than 9th Grade	101	1.9%	339	2.2%	678	2.4%	191,302	2.7%
High School (No Diploma)	620	11.5%	1,270	8.4%	2,509	8.7%	422,875	6.0%
High School Graduate/GED	1,782	33.0%	5,235	34.7%	11,022	38.3%	2,009,112	28.6%
Some College (No Degree)	1,373	25.4%	3,906	25.9%	6,973	24.2%	1,630,452	23.2%
Associate Degree	423	7.8%	1,367	9.1%	2,695	9.4%	678,951	9.7%
Bachelor's Degree	731	13.5%	1,850	12.3%	3,082	10.7%	1,257,241	17.9%
Graduate/Professional Degree	378	7.0%	1,103	7.3%	1,848	6.4%	827,042	11.8%
Total	5,408	100.0%	15,069	100.0%	28,807	100.0%	7,016,975	100.0%

Source: 2010 Census; ESRI; Urban Decision Group; VSI

Pop. – Population

Population by Marital Status – Population Age 15+ 2019 (Estimated)								
	Oscoda Township		PMA		Iosco & Alcona Counties		Michigan	
	Pop.	Percent	Pop.	Percent	Pop.	Percent	Pop.	Percent
Never Married	1,356	22.6%	3,787	22.7%	6,618	20.9%	2,788,332	33.4%
Married	3,107	51.8%	8,799	52.8%	17,596	55.5%	4,112,411	49.3%
Widowed	457	7.6%	1,512	9.1%	2,942	9.3%	483,820	5.8%
Divorced	1,076	17.9%	2,579	15.5%	4,551	14.4%	953,205	11.4%
Total	5,996	100.0%	16,677	100.0%	31,707	100.0%	8,337,768	100.0%

Source: 2010 Census; ESRI; Urban Decision Group; VSI

Pop. – Population

Household Trends

		Total Households			
		2000 (Census)	2010 (Census)	2019 (Estimated)	2024 (Projected)
Oscoda Township	Households	3,161	3,269	3,246	3,246
	Household Change	-	108	-23	0
	Percent Change	-	3.4%	-0.7%	0.0%
	Average Household Size*	2.30	2.14	2.11	2.09
PMA	Households	8,868	8,944	8,716	8,663
	Household Change	-	76	-228	-53
	Percent Change	-	0.9%	-2.5%	-0.6%
	Average Household Size*	2.32	2.20	2.12	2.10
Iosco & Alcona Counties	Households	279	1,189	1,506	2,384
	Household Change	251	1,114	1,569	2,097
	Percent Change	-10.0%	-6.3%	4.2%	-12.0%
	Average Household Size*	279	1,189	1,506	2,384
Michigan	Households	3,785,100	3,872,508	3,983,294	4,047,627
	Household Change	-	87,408	110,786	64,333
	Percent Change	-	2.3%	2.9%	1.6%
	Average Household Size*	2.63	2.55	2.48	2.47

Source: 2000, 2010 Census; ESRI; Urban Decision Group; VSI

*Persons per household

	Year	Households by Age								Total
		< 25	25-34	35-44	45-54	55-64	65-74	75-84	85+	
Oscoda Township	2019	84	274	326	441	711	839	468	103	3,246
	2024	76	259	345	396	637	891	526	116	3,246
	% Change	-9.5%	-5.5%	5.8%	-10.2%	-10.4%	6.2%	12.4%	12.6%	0.0%
PMA	2019	187	670	835	1,250	1,981	2,111	1,235	447	8,716
	2024	173	626	866	1,105	1,782	2,239	1,374	498	8,663
	% Change	-7.5%	-6.6%	3.7%	-11.6%	-10.0%	6.1%	11.3%	11.4%	-0.6%
Iosco & Alcona Counties	2019	279	1,189	1,506	2,384	3,757	4,220	2,415	823	16,573
	2024	251	1,114	1,569	2,097	3,372	4,401	2,743	935	16,482
	% Change	-10.0%	-6.3%	4.2%	-12.0%	-10.2%	4.3%	13.6%	13.6%	-0.5%
Michigan	2019	151,185	562,127	614,828	700,284	823,432	650,605	332,508	148,325	3,983,294
	2024	147,543	545,025	640,627	650,791	770,028	727,835	391,250	174,528	4,047,627
	% Change	-2.4%	-3.0%	4.2%	-7.1%	-6.5%	11.9%	17.7%	17.7%	1.6%

Source: 2010 Census; ESRI; Urban Decision Group; VSI

Median Household Age – 2019 (Estimated)			
Oscoda Township	PMA	Iosco & Alcona Counties	Michigan
62.0 Years	62.1 years	62.8 years	54.5 years

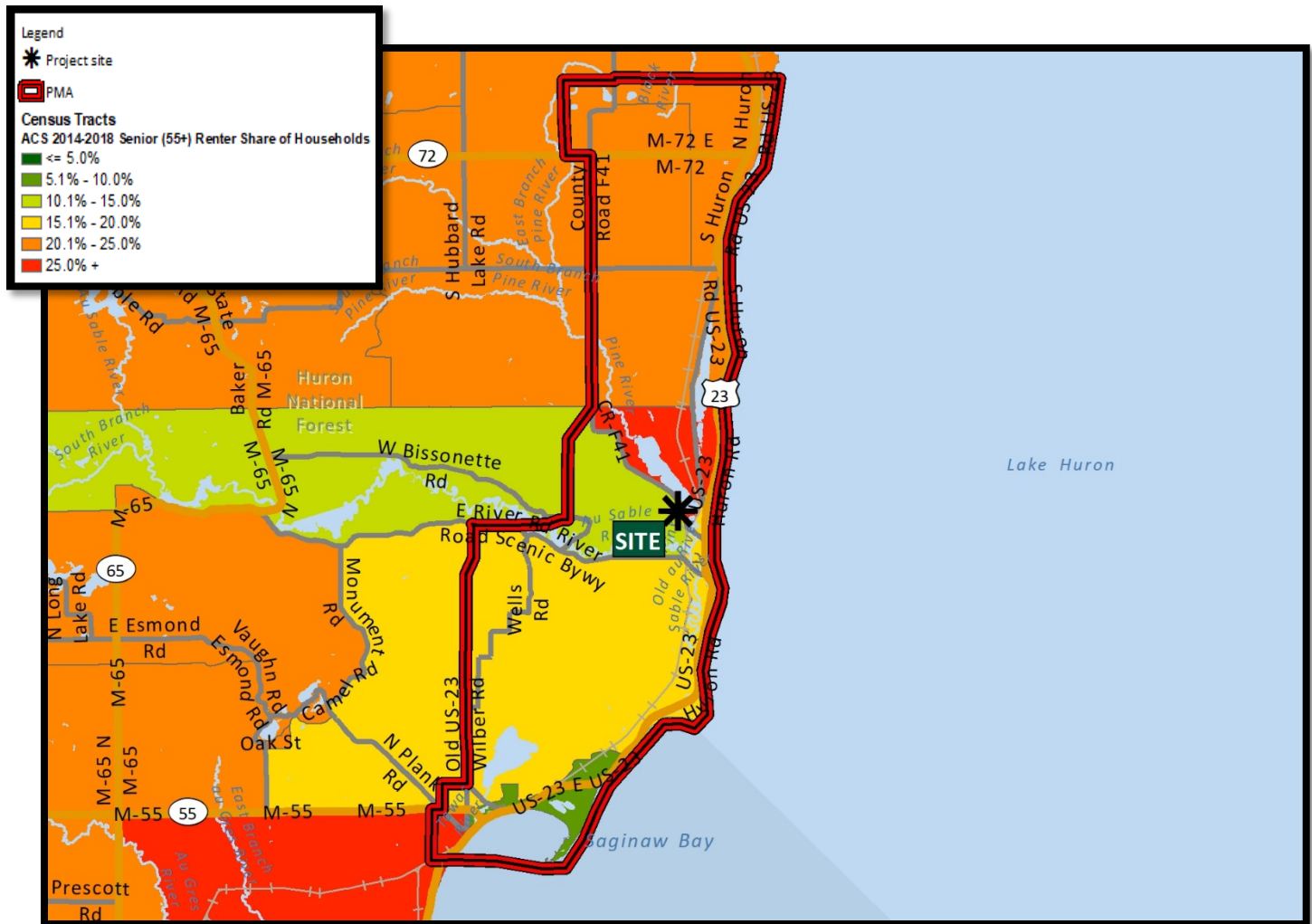
Source: 2010 Census; ESRI; Urban Decision Group; VSI

Source: 2000, 2010 Census; ESRI; Urban Decision Group; VSI



		Senior (Age 55+) Households by Tenure					
		2010 (Census)		2019 (Estimated)		2024 (Projected)	
		Number	Percent	Number	Percent	Number	Percent
Oscoda Township	Owner-Occupied	1,709	87.5%	1,691	79.7%	1,733	79.9%
	Renter-Occupied	244	12.5%	430	20.3%	437	20.1%
	Total	1,953	100.0%	2,121	100.0%	2,170	100.0%
PMA	Owner-Occupied	4,758	88.4%	4,729	81.9%	4,829	81.9%
	Renter-Occupied	622	11.6%	1,045	18.1%	1,064	18.1%
	Total	5,380	100.0%	5,774	100.0%	5,893	100.0%
Iosco & Alcona Counties	Owner-Occupied	9,369	90.5%	9,630	85.9%	9,838	85.9%
	Renter-Occupied	983	9.5%	1,585	14.1%	1,613	14.1%
	Total	10,352	100.0%	11,215	100.0%	11,451	100.0%
Michigan	Owner-Occupied	1,364,031	82.5%	1,578,580	80.8%	1,669,999	80.9%
	Renter-Occupied	288,411	17.5%	376,290	19.2%	393,642	19.1%
	Total	1,652,442	100.0%	1,954,870	100.0%	2,063,641	100.0%

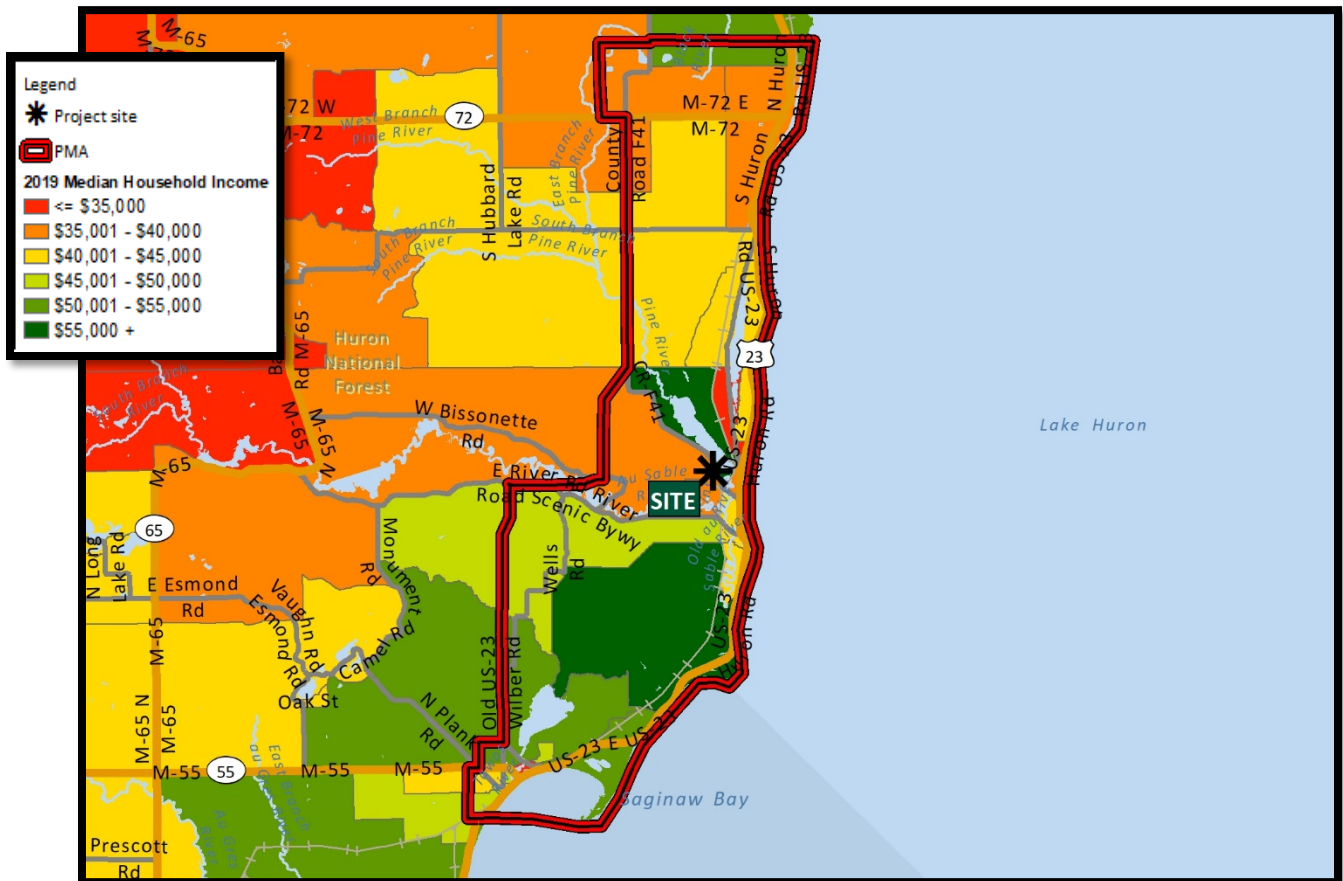
Source: 2000, 2010 Census; ESRI; Urban Decision Group; VSI



Income Trends

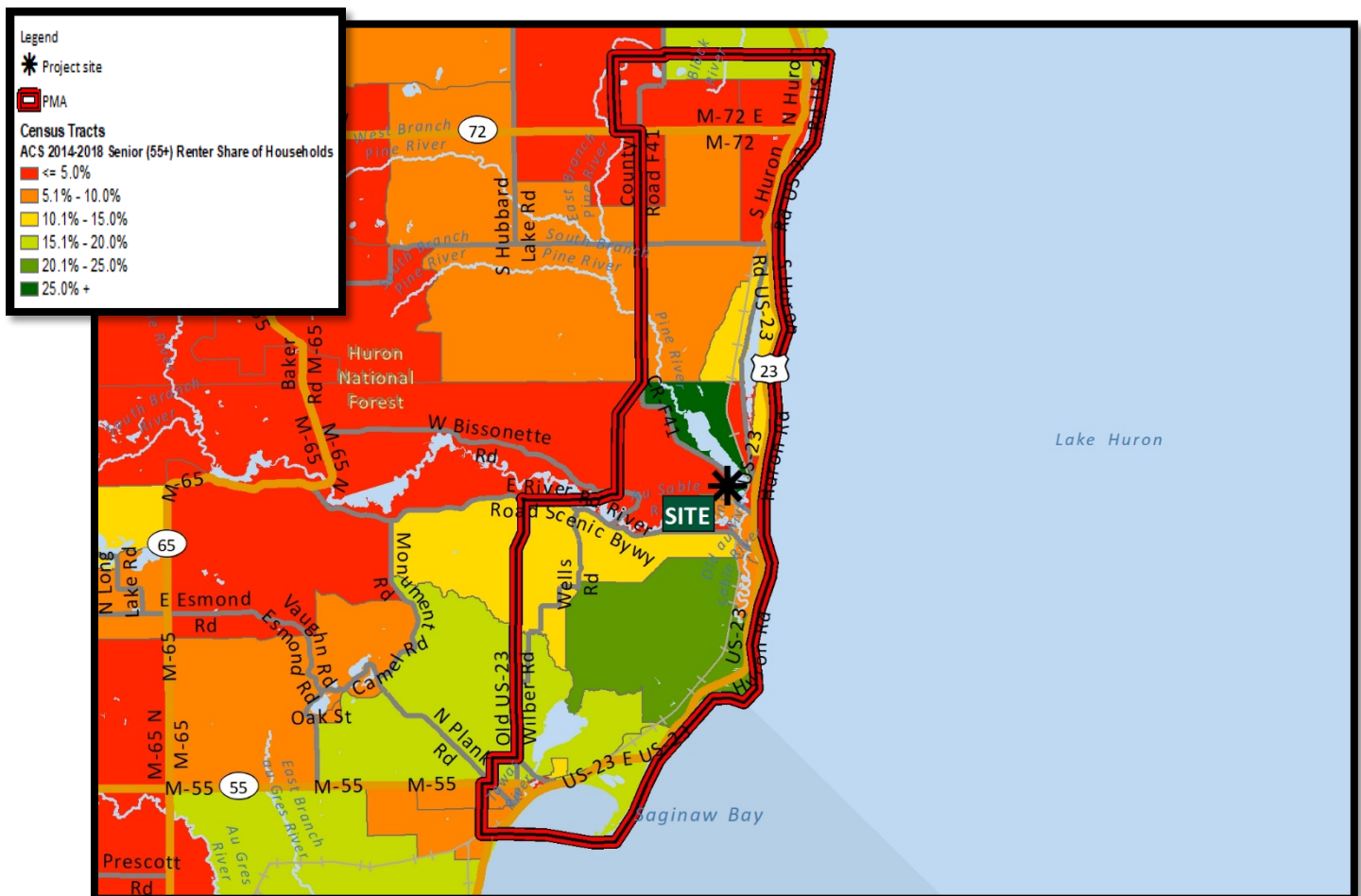
Household Income Range	Household Income – 2019 (Estimated)							
	Oscoda Township		PMA		Iosco & Alcona Counties		Michigan	
	Households	Percent	Households	Percent	Households	Percent	Household	Percent
Less than \$10,000	228	7.0%	558	6.4%	1,072	6.5%	254,298	6.4%
\$10,000 to \$19,999	411	12.7%	1,048	12.0%	2,035	12.3%	364,711	9.2%
\$20,000 to \$29,999	445	13.7%	1,129	13.0%	2,139	12.9%	383,335	9.6%
\$30,000 to \$39,999	424	13.1%	1,104	12.7%	2,075	12.5%	387,975	9.7%
\$40,000 to \$49,999	420	12.9%	1,144	13.1%	2,136	12.9%	369,183	9.3%
\$50,000 to \$59,999	277	8.5%	771	8.8%	1,612	9.7%	324,976	8.2%
\$60,000 to \$74,999	300	9.2%	836	9.6%	1,749	10.6%	410,777	10.3%
\$75,000 to \$99,999	373	11.5%	1,033	11.8%	1,865	11.3%	507,638	12.7%
\$100,000 to \$124,999	146	4.5%	485	5.6%	877	5.3%	347,380	8.7%
\$124,999 to \$149,999	62	1.9%	211	2.4%	382	2.3%	211,163	5.3%
\$150,000 to \$199,999	89	2.7%	193	2.2%	340	2.1%	217,690	5.5%
\$200,000+	74	2.3%	206	2.4%	291	1.8%	204,168	5.1%
Total	3,249	100.0%	8,718	100.0%	16,573	100.0%	3,983,294	100.0%
Median Income	\$42,774		\$44,545		\$44,520		\$57,143	
Median Owner Income	\$48,905		\$50,141		\$49,169		\$70,034	
Median Renter Income	\$29,571		\$30,116		\$28,515		\$33,979	

Source: 2010 Census; ESRI; Urban Decision Group; VSI



Senior (Age 55+) Household Income Range	Senior (Age 55+) Household Income – 2019 (Estimated)							
	Oscoda Township		PMA		Iosco & Alcona Counties		Michigan	
	Households	Percent	Households	Percent	Households	Percent	Households	Percent
Less than \$10,000	133	6.3%	348	6.0%	704	6.3%	124,986	6.4%
\$10,000 to \$19,999	314	14.8%	829	14.4%	1,637	14.6%	228,276	11.7%
\$20,000 to \$29,999	333	15.7%	874	15.1%	1,679	15.0%	231,520	11.8%
\$30,000 to \$39,999	293	13.8%	780	13.5%	1,507	13.4%	206,557	10.6%
\$40,000 to \$49,999	273	12.9%	753	13.0%	1,463	13.0%	187,959	9.6%
\$50,000 to \$59,999	171	8.1%	472	8.2%	1,001	8.9%	160,318	8.2%
\$60,000 to \$74,999	176	8.3%	485	8.4%	1,031	9.2%	194,964	10.0%
\$75,000 to \$99,999	230	10.8%	606	10.5%	1,096	9.8%	221,116	11.3%
\$100,000 to \$124,999	85	4.0%	288	5.0%	525	4.7%	137,065	7.0%
\$124,999 to \$149,999	35	1.6%	123	2.1%	223	2.0%	82,861	4.2%
\$150,000 to \$199,999	46	2.2%	102	1.8%	181	1.6%	87,486	4.5%
\$200,000+	34	1.6%	115	2.0%	168	1.5%	91,842	4.7%
Total	2,123	100.0%	5,775	100.0%	11,215	100.0%	1,954,950	100.0%
Median Income	\$39,608		\$40,750		\$40,550		\$49,903	

Source: 2010 Census; ESRI; Urban Decision Group; VSI



The following tables illustrate renter household income by household size for the Oscoda Township Site PMA:

Household Income Range	PMA Renter Households 2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	142	96	53	36	26	353
\$10,000 to \$19,999	230	134	73	50	36	523
\$20,000 to \$29,999	134	86	47	32	23	321
\$30,000 to \$39,999	65	52	29	19	14	179
\$40,000 to \$49,999	41	38	21	14	10	125
\$50,000 to \$59,999	22	20	11	7	5	65
\$60,000 to \$74,999	21	19	10	7	5	62
\$75,000 to \$99,999	11	10	5	4	3	32
\$100,000 to \$124,999	4	3	2	1	1	10
\$125,000 to \$149,999	1	1	1	0	0	4
\$150,000 to \$199,999	1	1	0	0	0	3
\$200,000 & Over	0	0	0	0	0	1
Total	674	459	251	171	123	1,678

Source: 2010 Census; ESRI; Urban Decision Group; VSI

Household Income Range	PMA Renter Households 2019 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	116	77	41	33	18	285
\$10,000 to \$19,999	235	103	55	44	24	460
\$20,000 to \$29,999	184	92	50	39	21	387
\$30,000 to \$39,999	134	87	47	37	20	324
\$40,000 to \$49,999	122	87	47	37	20	313
\$50,000 to \$59,999	47	34	18	15	8	122
\$60,000 to \$74,999	49	37	20	16	9	130
\$75,000 to \$99,999	51	34	18	14	8	125
\$100,000 to \$124,999	22	15	8	6	3	55
\$125,000 to \$149,999	10	6	3	3	1	24
\$150,000 to \$199,999	9	6	3	3	1	22
\$200,000 & Over	10	7	4	3	2	24
Total	987	585	314	250	134	2,270

Source: 2010 Census; ESRI; Urban Decision Group; VSI

Household Income Range	PMA Renter Households 2024 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	92	61	32	26	14	225
\$10,000 to \$19,999	203	80	42	34	18	377
\$20,000 to \$29,999	165	76	41	33	17	331
\$30,000 to \$39,999	138	83	44	35	19	319
\$40,000 to \$49,999	159	100	53	43	22	377
\$50,000 to \$59,999	51	36	19	16	8	131
\$60,000 to \$74,999	54	42	22	18	9	146
\$75,000 to \$99,999	59	40	22	17	9	147
\$100,000 to \$124,999	29	21	11	9	5	74
\$125,000 to \$149,999	13	9	5	4	2	34
\$150,000 to \$199,999	11	8	4	3	2	29
\$200,000 & Over	11	8	4	3	2	28
Total	985	564	301	241	126	2,217

Source: 2010 Census; ESRI; Urban Decision Group; VSI

The following tables illustrate owner household income by household size for the Oscoda Township Site PMA:

Household Income Range	PMA Owner Households 2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	152	223	52	44	26	498
\$10,000 to \$19,999	339	433	102	85	51	1,010
\$20,000 to \$29,999	374	511	120	101	60	1,165
\$30,000 to \$39,999	303	493	116	97	58	1,067
\$40,000 to \$49,999	262	470	110	93	55	990
\$50,000 to \$59,999	194	378	89	75	45	781
\$60,000 to \$74,999	180	364	85	72	43	744
\$75,000 to \$99,999	135	276	65	54	33	563
\$100,000 to \$124,999	56	119	28	23	14	239
\$125,000 to \$149,999	20	45	11	9	5	89
\$150,000 to \$199,999	18	38	9	8	5	77
\$200,000 & Over	9	22	5	4	3	43
Total	2,042	3,370	792	664	397	7,266

Source: 2010 Census; ESRI; Urban Decision Group; VSI

Household Income Range	PMA Owner Households 2019 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	89	122	28	20	15	273
\$10,000 to \$19,999	213	248	56	40	31	588
\$20,000 to \$29,999	260	318	72	52	40	742
\$30,000 to \$39,999	250	349	79	57	44	780
\$40,000 to \$49,999	249	385	87	62	48	831
\$50,000 to \$59,999	172	315	71	51	40	649
\$60,000 to \$74,999	183	346	78	56	44	706
\$75,000 to \$99,999	239	441	100	72	56	908
\$100,000 to \$124,999	112	210	48	34	27	430
\$125,000 to \$149,999	48	92	21	15	12	187
\$150,000 to \$199,999	43	84	19	14	11	171
\$200,000 & Over	46	90	20	15	11	182
Total	1,903	3,000	680	486	378	6,448

Source: 2010 Census; ESRI; Urban Decision Group; VSI

Household Income Range	PMA Owner Households 2024 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	76	106	24	17	13	237
\$10,000 to \$19,999	192	223	50	35	28	528
\$20,000 to \$29,999	225	272	61	43	34	635
\$30,000 to \$39,999	213	286	64	45	36	645
\$40,000 to \$49,999	241	342	77	54	43	757
\$50,000 to \$59,999	189	331	74	52	42	687
\$60,000 to \$74,999	208	382	86	60	48	784
\$75,000 to \$99,999	278	500	112	78	63	1,031
\$100,000 to \$124,999	130	238	53	37	30	489
\$125,000 to \$149,999	59	108	24	17	14	222
\$150,000 to \$199,999	57	109	24	17	14	221
\$200,000 & Over	54	103	23	16	13	208
Total	1,921	3,001	674	471	378	6,445

Source: 2010 Census; ESRI; Urban Decision Group; VSI

The following tables illustrate senior (age 55 and older) renter household income by household size for the Oscoda Township Site PMA:

Senior (Age 55+) HH Income Range	PMA Senior (Age 55+) Renter Households 2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	89	22	12	8	6	137
\$10,000 to \$19,999	159	35	19	13	9	235
\$20,000 to \$29,999	86	20	11	7	5	129
\$30,000 to \$39,999	34	8	4	3	2	51
\$40,000 to \$49,999	17	4	2	2	1	26
\$50,000 to \$59,999	10	3	1	1	1	16
\$60,000 to \$74,999	9	2	1	1	1	14
\$75,000 to \$99,999	5	1	1	1	0	8
\$100,000 to \$124,999	2	1	0	0	0	3
\$125,000 to \$149,999	1	0	0	0	0	1
\$150,000 to \$199,999	1	0	0	0	0	1
\$200,000 & Over	0	0	0	0	0	0
Total	412	96	53	36	26	622

Source: 2010 Census; ESRI; Urban Decision Group; VSI

Senior (Age 55+) HH Income Range	PMA Senior (Age 55+) Renter Households 2019 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	75	18	10	8	4	114
\$10,000 to \$19,999	192	40	21	17	9	280
\$20,000 to \$29,999	141	30	16	13	7	207
\$30,000 to \$39,999	88	21	11	9	5	134
\$40,000 to \$49,999	75	19	10	8	4	116
\$50,000 to \$59,999	29	8	4	3	2	45
\$60,000 to \$74,999	29	8	4	3	2	45
\$75,000 to \$99,999	33	8	4	4	2	51
\$100,000 to \$124,999	15	4	2	2	1	24
\$125,000 to \$149,999	7	2	1	1	0	10
\$150,000 to \$199,999	5	1	1	1	0	8
\$200,000 & Over	6	2	1	1	0	10
Total	696	159	85	68	37	1,045

Source: 2010 Census; ESRI; Urban Decision Group; VSI

Senior (Age 55+) HH Income Range	PMA Senior (Age 55+) Renter Households 2024 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	62	14	8	6	3	93
\$10,000 to \$19,999	172	32	17	14	7	243
\$20,000 to \$29,999	132	25	14	11	6	187
\$30,000 to \$39,999	99	21	11	9	5	146
\$40,000 to \$49,999	111	26	14	11	6	167
\$50,000 to \$59,999	33	9	5	4	2	53
\$60,000 to \$74,999	32	9	5	4	2	51
\$75,000 to \$99,999	38	9	5	4	2	58
\$100,000 to \$124,999	19	5	3	2	1	30
\$125,000 to \$149,999	9	2	1	1	1	14
\$150,000 to \$199,999	7	2	1	1	0	11
\$200,000 & Over	7	2	1	1	0	11
Total	722	156	83	67	35	1,064

Source: 2010 Census; ESRI; Urban Decision Group; VSI

The following tables illustrate senior (age 55 and older) owner household income by household size for the Oscoda Township Site PMA:

Senior (Age 55+) HH Income Range	PMA Senior (Age 55+) Owner Households 2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	135	167	39	33	20	394
\$10,000 to \$19,999	311	346	81	68	41	848
\$20,000 to \$29,999	333	382	90	75	45	925
\$30,000 to \$39,999	247	313	74	62	37	732
\$40,000 to \$49,999	193	251	59	49	30	582
\$50,000 to \$59,999	133	183	43	36	22	416
\$60,000 to \$74,999	119	169	40	33	20	381
\$75,000 to \$99,999	85	120	28	24	14	271
\$100,000 to \$124,999	35	52	12	10	6	116
\$125,000 to \$149,999	12	18	4	4	2	40
\$150,000 to \$199,999	11	18	4	4	2	40
\$200,000 & Over	4	6	1	1	1	14
Total	1,618	2,026	476	399	239	4,758

Source: 2010 Census; ESRI; Urban Decision Group; VSI

Senior (Age 55+) HH Income Range	PMA Senior (Age 55+) Owner Households 2019 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	83	100	23	16	13	234
\$10,000 to \$19,999	207	226	51	37	28	549
\$20,000 to \$29,999	248	277	63	45	35	667
\$30,000 to \$39,999	229	276	63	45	35	646
\$40,000 to \$49,999	217	277	63	45	35	637
\$50,000 to \$59,999	136	192	44	31	24	427
\$60,000 to \$74,999	139	199	45	32	25	440
\$75,000 to \$99,999	181	247	56	40	31	555
\$100,000 to \$124,999	85	119	27	19	15	264
\$125,000 to \$149,999	36	51	12	8	6	113
\$150,000 to \$199,999	30	42	9	7	5	94
\$200,000 & Over	33	47	11	8	6	105
Total	1,623	2,052	465	332	258	4,730

Source: 2010 Census; ESRI; Urban Decision Group; VSI

Senior (Age 55+) HH Income Range	PMA Senior (Age 55+) Owner Households 2024 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	70	86	19	13	11	200
\$10,000 to \$19,999	186	204	46	32	26	494
\$20,000 to \$29,999	215	239	54	38	30	576
\$30,000 to \$39,999	198	236	53	37	30	553
\$40,000 to \$49,999	220	273	61	43	34	632
\$50,000 to \$59,999	156	219	49	34	28	486
\$60,000 to \$74,999	164	232	52	36	29	514
\$75,000 to \$99,999	216	292	66	46	37	657
\$100,000 to \$124,999	102	143	32	22	18	318
\$125,000 to \$149,999	46	65	15	10	8	144
\$150,000 to \$199,999	42	58	13	9	7	129
\$200,000 & Over	40	57	13	9	7	126
Total	1,656	2,105	473	330	265	4,829

Source: 2010 Census; ESRI; Urban Decision Group; VSI

Crime Risk

The CAP index Crimecast report analyzes and projects the property and personal crime risk at a specific location and compares it to national, state and county levels that are also broken down into specific categories. This model is generated through a complex system of demographic analysis and is combined with address-specific crime data from both public and private law enforcement to generate a crime index for a specific location. Note, this report does not provide actual crime reports, but only crime risk associated with the subject site's specific location based on the Crimecast formula. These projections do not factor in race, religion or gender and are based on, but not limited to, the following factors:

- Population and housing distributions
- Age distributions
- Housing values
- Family and household membership
- Marital status
- Homeownership
- Nature of housing unit (attached, detached, multi-family, mobile home, etc.)
- Age of housing structure
- Income amounts and sources
- Families/households below poverty level
- Employment rates

The crime risk index has been generated using the center of downtown Oscoda Township. The Crimecast report follows. This crime report illustrates the fact that Oscoda Township is considered to be a very safe place to live, further enhancing the overall desirability of the community. Combined with the favorable location along Lake Huron, it would not be unlikely for households from across the region to relocate to Oscoda Township, if new and appealing housing was readily available and additional employment opportunities are created.

6-Mile Methodology: Site Map

Vogt Strategic Insights, Ltd.

This Site's 2020 National
CAP Index Score:

67

Oscoda

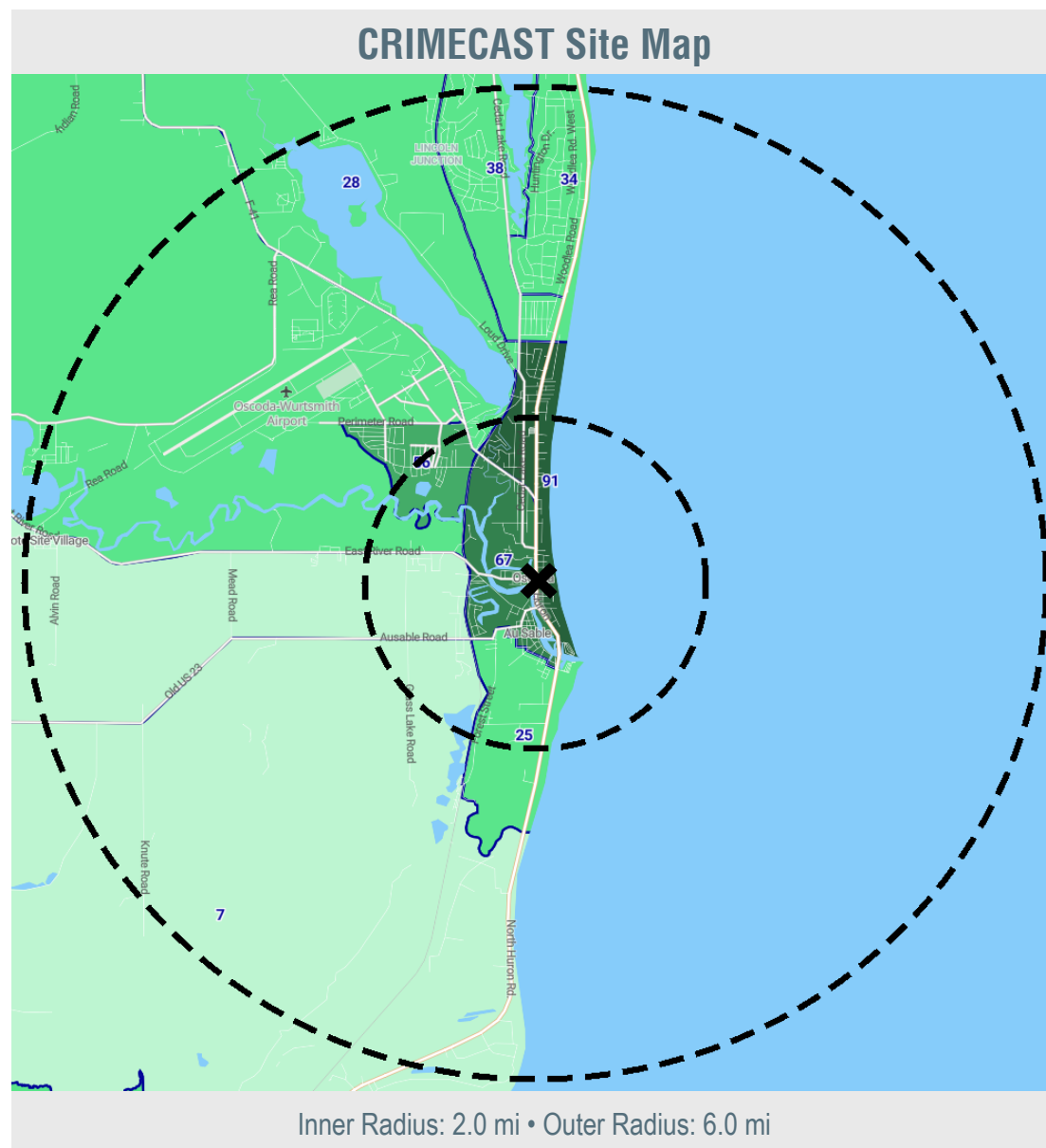
110 S State St
Oscoda, MI 48750

Latitude: 44.41975
Longitude: -83.33045

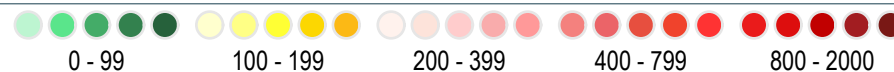
CRIMECAST Scores are based on a scale of 0 to 2000, with 0 representing the lowest risk and 2000 the highest - 100 is average. A score of 67 is below the national average.

Within this map, individual block groups are color-coded to depict the level of risk within the block group and identify the potential origin of crime or criminal behavior.

CRIMECAST CATEGORY	SCORE
CAP Index	67
Homicide	108
Rape	74
Robbery	64
Aggravated Assault	76
Crimes Against Persons	73
Burglary	194
Larceny	151
Motor Vehicle Theft	79
Crimes Against Property	150
CAP INDEX SCORE	
Past - 2010	68
Current - 2020	67
Projected - 2025	62



Score Ranges:



6-Mile Methodology: Scores

Vogt Strategic Insights, Ltd.

This Site's 2020 National
CAP Index Score:

67

Oscoda

110 S State St
Oscoda, MI 48750

Latitude: 44.41975
Longitude: -83.33045

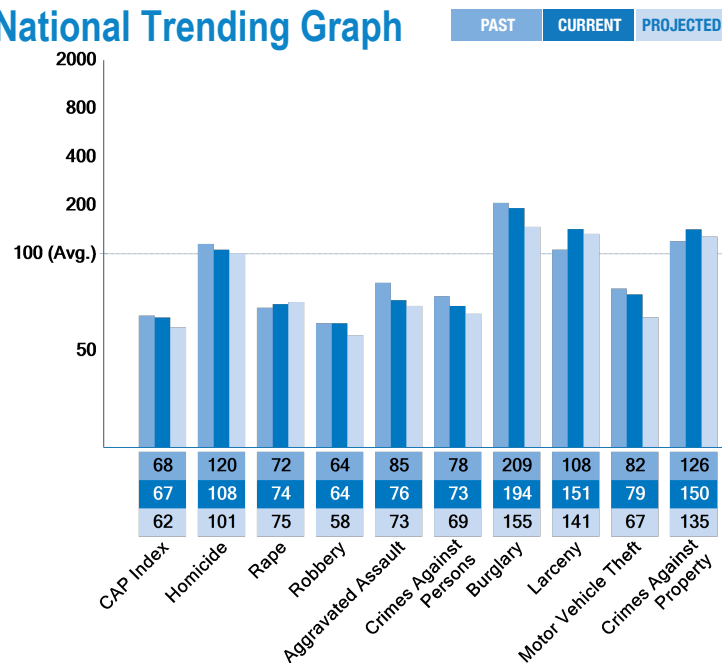
National

CRIMECAST CATEGORY	THIS SITE'S SCORES		
	PAST 2010	CURRENT 2020	PROJECTED 2025
CAP Index	68	67	62
Homicide	120	108	101
Rape	72	74	75
Robbery	64	64	58
Aggravated Assault	85	76	73
Crimes Against Persons	78	73	69
Burglary	209	194	155
Larceny	108	151	141
Motor Vehicle Theft	82	79	67
Crimes Against Property	126	150	135

State

CRIMECAST CATEGORY	THIS SITE'S SCORES		
	PAST 2010	CURRENT 2020	PROJECTED 2025
CAP Index	74	81	79
Homicide	90	91	88
Rape	88	97	105
Robbery	69	78	74
Aggravated Assault	81	84	86
Crimes Against Persons	78	84	84
Burglary	190	210	183
Larceny	151	223	213
Motor Vehicle Theft	98	117	104
Crimes Against Property	155	206	194

National Trending Graph



*County

CRIMECAST CATEGORY	THIS SITE'S SCORES		
	PAST 2010	CURRENT 2020	PROJECTED 2025
CAP Index	221	202	195
Homicide	191	196	198
Rape	266	244	256
Robbery	211	194	184
Aggravated Assault	222	211	209
Crimes Against Persons	220	208	204
Burglary	381	370	345
Larceny	326	364	364
Motor Vehicle Theft	239	250	238
Crimes Against Property	334	353	348

*Iosco County, MI

CRIMECAST Scores are based on a scale of 0 to 2000, with 0 representing the lowest risk and 2000 the highest - 100 is average. A score of 67 is below the national average.



VI. Economic Conditions and Trends

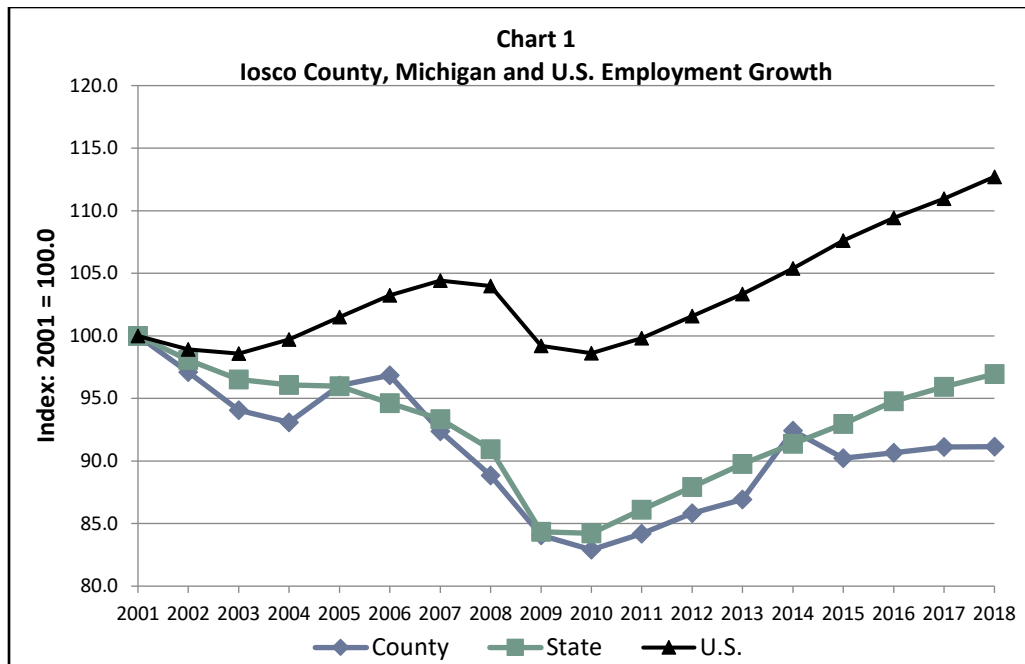
The following sections provide an overview of economic trends affecting the subject site as proposed. The site is located in Oscoda Township, which is located in Iosco County. This section includes an analysis of employment within the county and the Oscoda Township Site Primary Market Area (PMA). In addition, we have compared the PMA to the combination of Oscoda and Alcona counties, as these two counties represent a potential secondary market area from where some support for a new multifamily rental project would originate. It also includes an analysis of the employment of residents and unemployment rate trends. Major employers in the county are also listed. Finally, we comment on the trends affecting the subject site.

County Employment and Wages

It is important to understand the trend and distribution of employment at the county level because these represent the nature and growth of jobs that workers in the PMA have available to them and are likely to fill. It must be emphasized, however, that some of these jobs will be filled by workers living outside the county, while some county and PMA residents may work outside the county. The former are counted here, but the latter are not. We consider first the overall employment trends and then the distribution of jobs by industry.

Jobs in the Site County

The following charts and tables analyze employment over time and by sector in Iosco County, Michigan. Chart 1 and Table 1 on the next page compare the annual trend of total payroll employment during the past decade in Iosco County to U.S. and statewide averages. Employment growth is measured in Chart 1 on an index basis, with all 2001 employment totals set to 100.0; thus, the chart shows cumulative percentage growth since 2001. The multiyear percentage changes at the bottom of Table 1 represent periods of expansion and contraction at the national level. Iosco County underperformed both the state and the U.S. from 2001 to 2018, and continues to recover more slowly after the recession years. The net employment loss in Iosco County of 8.8% stands in contrast to a 0.3% employment loss experienced at the state level, and a national increase of 12.7%, despite a 10.0% increase during the past eight-year period.



Year	Iosco County		Michigan		United States	
	Total	Percent Change	Total (000)	Percent Change	Total (000)	Percent Change
2001	8,254		4,477		129,636	
2002	8,015	-2.9%	4,390	-1.9%	128,234	-1.1%
2003	7,764	-3.1%	4,321	-1.6%	127,796	-0.3%
2004	7,684	-1.0%	4,302	-0.4%	129,278	1.2%
2005	7,926	3.1%	4,297	-0.1%	131,572	1.8%
2006	7,994	0.9%	4,236	-1.4%	133,834	1.7%
2007	7,624	-4.6%	4,179	-1.3%	135,366	1.1%
2008	7,334	-3.8%	4,071	-2.6%	134,806	-0.4%
2009	6,939	-5.4%	3,775	-7.3%	128,608	-4.6%
2010	6,843	-1.4%	3,770	-0.1%	127,820	-0.6%
2011	6,949	1.5%	3,855	2.2%	129,411	1.2%
2012	7,084	1.9%	3,936	2.1%	131,696	1.8%
2013	7,174	1.3%	4,019	2.1%	133,968	1.7%
2014	7,628	6.3%	4,090	1.8%	136,614	2.0%
2015	7,447	-2.4%	4,162	1.8%	139,492	2.1%
2016	7,484	0.5%	4,243	1.9%	141,870	1.7%
2017	7,521	0.5%	4,295	1.2%	143,860	1.4%
2018	7,524	0.0%	4,340	1.1%	146,117	1.6%
Change						
2001-18	-730	-8.8%	-137	-3.1%	16,482	12.7%
2003-07	-140	-1.8%	-142	-3.3%	7,570	5.9%
2007-10	-781	-10.2%	-409	-9.8%	-7,546	-5.6%
2010-18	681	10.0%	570	15.1%	18,297	14.3%

Source: U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages

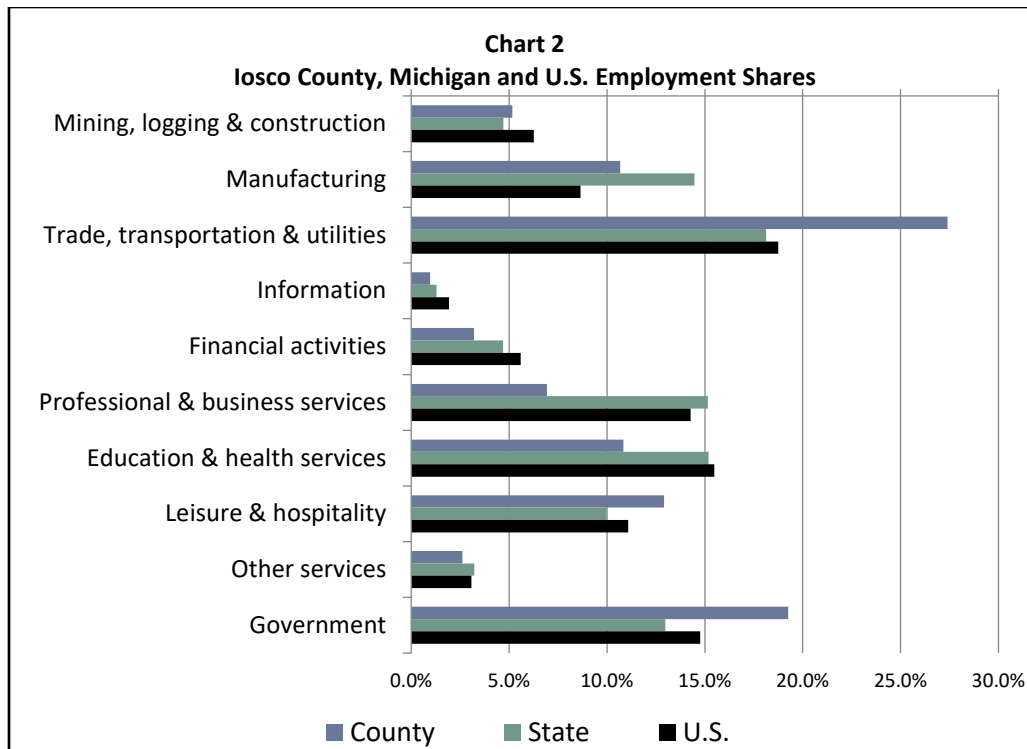
Table 2 and Chart 2 compare the economic structure of Iosco County to state and national averages. Table 2 below indicates the annual average number of jobs by industry within the county during 2018. Industries are classified using the North American Industry Classification System (NAICS); a detailed description of NAICS sectors can be viewed on our website at VSInsights.com/terminology.php.

Along with the employment totals and percentages for the county, the location quotient for each sector is also presented. This is calculated as the percentage of county employment in the sector (as shown in the table) divided by the percentage of U.S. employment in that sector times 100. Thus, a location quotient greater than 100 implies that the sector has a larger-than-average concentration in the county – in other words, that employment is higher than expected in an economy of this size. Trade, Transportation and Utilities; Leisure and Hospitality; and Government are more highly concentrated as compared with the state location quotient. Chart 2 on the next page compares employment shares at the county, state and national levels graphically.

Table 2 Sector Employment Distribution, Iosco County, 2018				
NAICS Sector	Employment		Location Quotient*	
	Number	Percent	vs. Michigan	vs. U.S.
Private Sector				
Mining, Logging and Construction	389	5.2%	109.7	82.5
Manufacturing	803	10.7%	73.8	123.3
Trade, Transportation and Utilities	2,062	27.4%	151.2	146.2
Information	73	1.0%	74.9	50.4
Financial Activities	241	3.2%	68.4	57.2
Professional and Business Services	521	6.9%	45.7	48.5
Educational and Health Services	816	10.8%	71.4	70.0
Leisure and Hospitality	972	12.9%	129.6	116.6
Other Services	197	2.6%	81.2	85.1
Total Private Sector	6,075	80.7%	92.8	94.7
Total Government	1,449	19.3%	148.3	130.4
Total Payroll Employment	7,524	100.0%	100.0	100.0

Source: U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages

*Location quotient of 100.0 is the standard for the specific area. Quotients above 100.0 indicate higher than standard shares, while quotients below 100.0 indicate lower than standard shares.

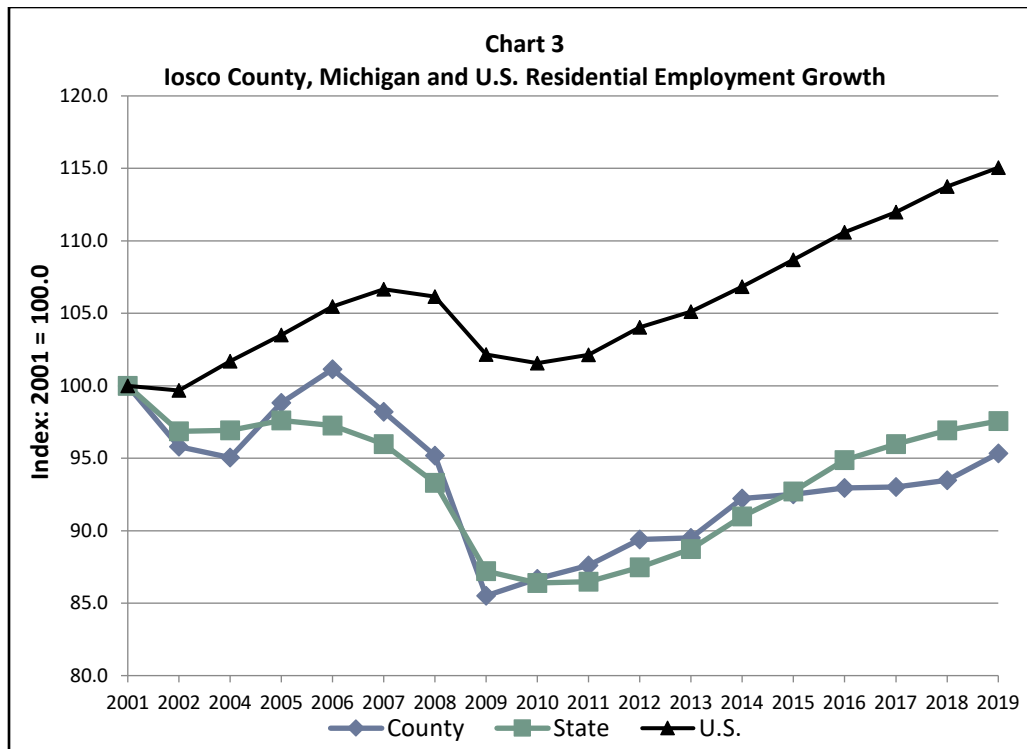


Source: U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages

Employment and Unemployment of Site County Residents

The preceding section analyzed the employment base within Iosco County. Some of these jobs may be filled by residents of other counties; conversely, some workers living in the county may be employed elsewhere. Both the employment base and residential employment are important; the local employment base creates indirect economic impacts and jobs, while the earnings of county residents, regardless of where they are employed, sustain the demand for housing and other goods and services within the county.

Chart 3 and Table 3 on the following page show the trend in employment of Iosco County residents since 2005. Although the presentation is analogous to that of employment growth and year-by-year totals in the previous section, it is important to keep in mind that the two measures are fundamentally different. The earlier analysis focused on the number of jobs in Iosco County; this one considers the number of Iosco County residents who are working. The multiyear percentage changes at the bottom of Table 3 represent periods of employment expansion and contraction at the national level.



Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics, Current Population Survey

Table 3 Iosco County, State and U.S. Residential Employment, 2005-2019						
Year	Iosco County		Michigan		United States	
	Total	Percent Change	Total (000)	Percent Change	Total (000)	Percent Change
2005	9,961		4,739		141,730	
2006	10,195	2.3%	4,721	-0.4%	144,427	1.9%
2007	9,900	-2.9%	4,659	-1.3%	146,047	1.1%
2008	9,593	-3.1%	4,529	-2.8%	145,362	-0.5%
2009	8,619	-10.2%	4,234	-6.5%	139,878	-3.8%
2010	8,737	1.4%	4,194	-0.9%	139,064	-0.6%
2011	8,830	1.1%	4,198	0.1%	139,869	0.6%
2012	9,010	2.0%	4,247	1.2%	142,469	1.9%
2013	9,023	0.1%	4,308	1.4%	143,929	1.0%
2014	9,296	3.0%	4,417	2.5%	146,305	1.7%
2015	9,324	0.3%	4,500	1.9%	148,834	1.7%
2016	9,370	0.5%	4,606	2.3%	151,436	1.7%
2017	9,376	0.1%	4,659	1.1%	153,337	1.3%
2018	9,423	0.5%	4,705	1.0%	155,761	1.6%
2019	9,610	2.0%	4,736	0.6%	157,538	1.1%
Change						
2005-19	-351	-3.5%	-3	-0.1%	15,808	11.2%
2005-07	-61	-0.6%	-80	-1.7%	4,317	3.0%
2007-10	-1,163	-11.7%	-465	-10.0%	-6,983	-4.8%
2010-19	873	10.0%	542	12.9%	18,474	13.3%

Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics, Current Population Survey

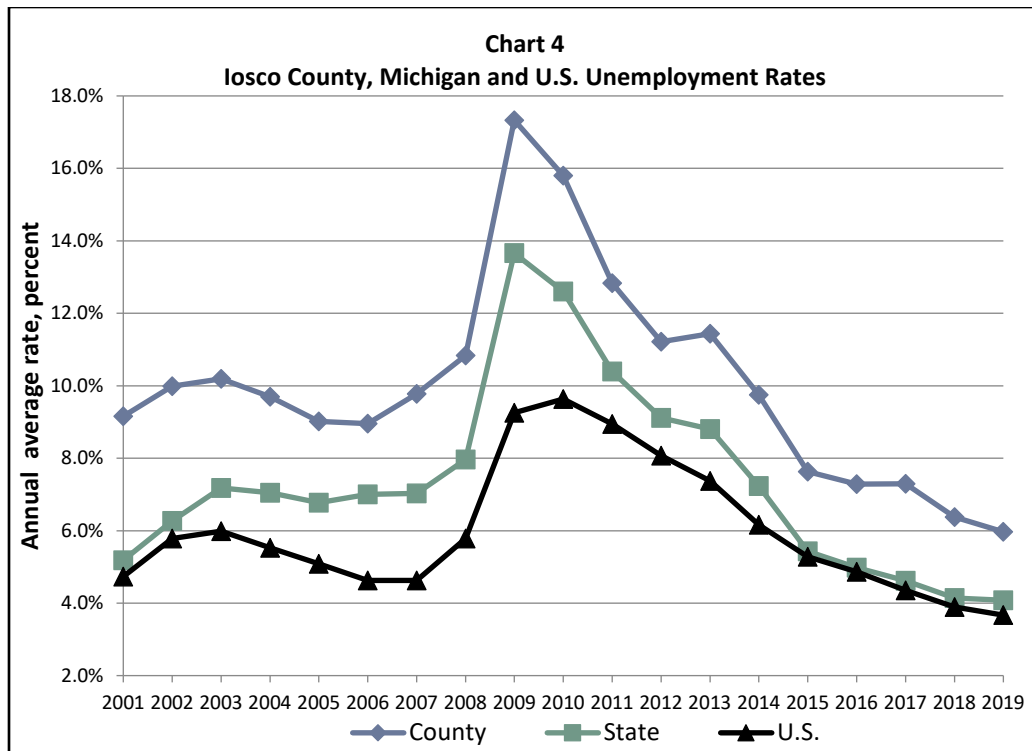
Between 2005 and 2019, Iosco County fared worse than Michigan and the U.S. in terms of residential employment change, recording a 3.5% decrease over the reporting period. Between 2010 and 2019, residential employment grew by 10.0%, compared to greater employment gains experienced at the state (12.9%) and national (13.3%) levels.

The number of employed residents in 2018 is 25.2% higher than the jobs shown in Table 1, indicating that Iosco County is a net supplier of labor to other counties.

Table 4 below and Chart 4 on the following page present Iosco County, state and U.S. unemployment rates over the past decade. The table also shows the Iosco County labor force, resident employment (from Table 3) and the number of unemployed (i.e., those not working who have actively sought employment over the previous month). Iosco County's unemployment rate has been consistently much higher than state and national averages over the last decade; it peaked at 17.3% in 2009, and has fallen by 1,130 basis points through year-end 2019. As of July 2020, the most recent unofficial, not seasonally adjusted unemployment rates for Michigan and Iosco County are 8.7% and 10.1%, respectively. These rates reflect the impact of COVID-19 and related layoffs on local employment.

Table 4 Iosco County Labor Force Statistics and Comparative Unemployment Rates						
Year	Iosco County			Unemployment Rates		
	Labor Force	Employment	Unemployment	Iosco County	Michigan	U.S.
2001	11,096	10,080	1,016	9.2%	5.2%	4.7%
2002	10,727	9,656	1,071	10.0%	6.3%	5.8%
2003	10,588	9,509	1,079	10.2%	7.2%	6.0%
2004	10,609	9,580	1,029	9.7%	7.0%	5.5%
2005	10,948	9,961	987	9.0%	6.8%	5.1%
2006	11,198	10,195	1,003	9.0%	7.0%	4.6%
2007	10,973	9,900	1,073	9.8%	7.0%	4.6%
2008	10,759	9,593	1,166	10.8%	8.0%	5.8%
2009	10,426	8,619	1,807	17.3%	13.7%	9.3%
2010	10,377	8,737	1,640	15.8%	12.6%	9.6%
2011	10,130	8,830	1,300	12.8%	10.4%	8.9%
2012	10,148	9,010	1,138	11.2%	9.1%	8.1%
2013	10,188	9,023	1,165	11.4%	8.8%	7.4%
2014	10,300	9,296	1,004	9.7%	7.2%	6.2%
2015	10,094	9,324	770	7.6%	5.4%	5.3%
2016	10,106	9,370	736	7.3%	5.0%	4.9%
2017	10,114	9,376	738	7.3%	4.6%	4.4%
2018	10,065	9,423	642	6.4%	4.1%	3.9%
2019	10,220	9,610	610	6.0%	4.1%	3.7%

Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics, Current Population Survey



Occupational Wages in the Site County

Table 5 compares occupational wages in the Northeast Lower Peninsula of Michigan nonmetropolitan area with those of Michigan and the U.S., using the Standard Occupational Classification (SOC) system. Although Iosco County is part of this area, some of these wage levels may differ from those in the county because nonmetropolitan areas are often combinations of several different labor markets. These estimates are also subject to potentially large margins of error, so a seemingly large difference may not be statistically significant. Thus, the table also indicates whether the local area's wage is significantly different from the national average. Error margins are smaller for states than for regions within those states. As a result, it is possible for a state wage that is lower than the U.S. average to be significant, while a local wage that is even lower than the state wage is insignificant. Wages in the Northeast Lower Peninsula of Michigan nonmetropolitan area in total and for most SOC groups are **below** average.

Table 5
Median Occupational Wages, Northeast Lower Peninsula of Michigan Nonmetropolitan Area, May 2019

SOC Major Occupational Group	Northeast Lower Peninsula of Michigan Nonmetropolitan Area	Michigan	U.S.
Management	\$31.84	\$48.97	\$50.80
Business and Financial Operations	\$26.49	\$31.74	\$33.57
Computer and Mathematical Science	\$26.95	\$37.01	\$42.47
Architecture and Engineering	\$30.32	\$39.92	\$39.15
Life, Physical and Social Science	\$30.31	\$28.76	\$32.77
Community and Social Services	\$19.24	\$22.54	\$22.16
Legal	\$24.10	\$34.64	\$39.34
Education, Training and Library	\$20.26	\$22.91	\$24.42
Arts, Design, Entertainment, Sports and Media	\$15.70	\$22.11	\$24.59
Health Care Practitioner and Technical	\$28.16	\$32.02	\$32.78
Health Care Support	\$12.63	\$13.94	\$13.69
Protective Service	\$22.65	\$20.00	\$19.99
Food Preparation and Servicing	\$10.76	\$11.05	\$11.65
Building and Grounds Cleaning and Maintenance	\$11.85	\$12.88	\$13.62
Personal Care and Service	\$11.00	\$11.83	\$12.61
Sales and Related	\$11.90	\$13.57	\$14.24
Office and Administrative Support	\$15.51	\$17.68	\$18.07
Farming, Fishing and Forestry	\$17.11	\$13.69	\$13.07
Construction and Extraction	\$20.06	\$23.82	\$22.80
Installation, Maintenance and Repair	\$18.63	\$22.01	\$22.42
Production	\$15.76	\$17.56	\$17.31
Transportation and Material Moving	\$13.77	\$15.36	\$15.60
All Occupations	\$15.23	\$18.60	\$19.14

Source: U.S. Bureau of Labor Statistics, Occupational Employment Statistics

Employment of Site County Residents by Industry and Occupation

Limited data are available regarding the employment of Iosco County residents by industry and occupation based on aggregated NAICS sectors and SOC occupational groups. These are five-year averages covering the 2014-2018 American Community Survey (ACS), but as in the analyses above, they can be compared to statewide and national averages to gain insight into how the county differs from these larger areas.

Employment by industry is shown in Table 6 on the next page. Although the sectors in general are consistent with those in earlier tables, one major difference is that Government employment does not appear, but Public Administration does. These are core government functions, but do not include employment in government establishments such as schools and hospitals. Those were included in Government in the earlier tables, but here are grouped with private firms in sectors such as Educational and Health Services. Occupational employment is shown in Table 7. These categories are aggregated versions of those in Tables 2 and 6. Note that total industry employment equals total occupational employment, as it must.

Table 6 Sector Employment Distribution Iosco County Residents, 2014-2018				
NAICS Sector	Employment		Location Quotient*	
	Number	Percent	vs. Michigan	vs. U.S.
Agriculture, Natural Resources and Mining	156	1.7%	143.1	92.3
Construction	554	6.0%	114.9	92.8
Manufacturing	1,688	18.3%	98.5	179.5
Wholesale Trade	59	0.6%	26.9	24.2
Retail Trade	1,359	14.7%	134.1	130.3
Transportation and Utilities	859	9.3%	216.3	177.9
Information	81	0.9%	59.0	42.3
Financial Activities	383	4.1%	76.4	63.2
Professional and Business Services	653	7.1%	74.6	61.9
Educational and Health Services	1,806	19.5%	83.5	84.6
Leisure and Hospitality	812	8.8%	92.4	90.7
Other Services, Except Public Administration	444	4.8%	103.4	98.4
Public Administration	384	4.2%	121.5	89.7
Total Employment	9,238	100.0%	100.0	100.0

Source: U.S. Census Bureau, American Community Survey

*Location quotient of 100.0 is the standard for the specific area. Quotients above 100.0 indicate higher than standard shares, while quotient below 100.0 indicate lower than standard shares.

Table 7 Occupational Employment Distribution Iosco County Residents, 2014-2018				
SOC Major Group	Employment		Location Quotient*	
	Number	Percent	vs. Michigan	vs. U.S.
Management, Business, Science and Arts	2,134	23.1%	64.0	60.9
Service	1,764	19.1%	107.9	106.7
Sales and Office	1,940	21.0%	98.6	95.0
Natural Resources, Construction and Maintenance	1,404	15.2%	192.4	170.8
Production, Transportation and Material Moving	1,995	21.6%	127.8	162.4
Total Employment	9,238	100.0%	100.0	100.0

Source: U.S. Census Bureau, American Community Survey

*Location quotient of 100.0 is the standard for the specific area. Quotients above 100.0 indicate higher than standard shares, while quotients below 100.0 indicate lower than standard shares.

One would expect the sector location quotients in Table 6 to be similar to those in Table 2, aside from the reporting of government employment in other sectors in Table 6. If a sector's location quotient in Table 2 is far higher than that in Table 6, it suggests that many jobs in the sector within Iosco County are filled by workers from other counties, while a location quotient that is far higher in Table 6 suggests that many workers living in Iosco County commute out to these jobs in other counties.

Largest Employers

Table 8 lists the 10 largest employers in Iosco County. Together, these employ more than 3,000, approximately 40% of total county employment.

Table 8 Largest Employers in Iosco County		
Employer	Industry	Employment
Kalitta Air	Aircraft Maintenance	788
St Joseph Health System	Health Care	550
Cooper Automotive Fluid System	Manufacturing	400
Walmart	Retail	250
CruseCom	Telecommunications	249
Plastic Trim International (PTI)	Manufacturing	230
Oscoda Area Schools	Education	150
Iosco Medical Care Facility	Nursing Care	140
Tendercare	Nursing Care	140
Cooper Standard Automotive	Manufacturing	105
Total		3,002

Source: Iosco County Hazard Mitigation Plan/Region 7B Michigan Works

Business and industry in Iosco County include retail, manufacturing, education, medical and other services. Iosco County is located on the northwestern end of Saginaw Bay and is a popular area for tourism and recreation. Bound by the Huron National Forest and the shores of Lake Huron, large portions of the total county area are forested or held in public ownership as national or state lands. The majority of development in the county is located along Lake Huron in the communities of Tawas City, East Tawas, Oscoda and AuSable.

Just outside Oscoda, the decommissioned Wurtsmith Air Force Base is a significant employment center in the area. Approximately 40 businesses and public agencies use the facilities and infrastructure, providing more than 1,300 jobs. These include air freight company Kalitta Air that uses the space as a maintenance facility for its 747 jets, Alpena Community College, Aune Medical Center and other aviation businesses.

In 2018, the state approved a \$1.6 million grant to support Plastic Trim's expansion. The auto parts manufacturer invested \$16 million to add 42,000 square feet of space, new technology and 210 new jobs.

Worker Adjustment and Retraining Notifications (WARN) are required in Michigan when a business with 100 or more full-time workers and will be laying off at least 50 people at a single site of employment. The Michigan Department of Labor and Economic Opportunity has not recorded any recent notices within these parameters for Iosco County, although the current spike in the county employment rate due to COVID-19 would indicate that numerous smaller layoffs have taken place.

The local media reported Kalitta Air laid off 150 workers in January 2020 due to a decline in business in air freight industry. However, announcements have been made indicating that Kalitta Air will be bringing back the 150 positions and expanding by an additional 200 positions. It is reported that these 200 new positions will primarily pay between \$30,000 and \$60,000 per year.

In addition, there have been notable recent discussions regarding the Oscoda Spaceport endeavor, which could bring an additional 200 higher-paying jobs to Oscoda. Oscoda Township was reportedly well received at the North American Space Summit with regard to the Wurtsmith Airport (OWA) and the potential for Oscoda to have a satellite launch site. It is anticipated that the 200 new jobs that are to be brought to the area will typically pay between \$65,000 and \$80,000 per year. Most of these 200 new positions will be filled with specialized employees that will be relocated from other parts of the country, thus creating population and household growth above the currently available demographic projections.

Oscoda Township economic development reported Phoenix Composites plans to invest more than \$500,000 in an expansion which will result in 20 new jobs in 2022 when the project is done.

Primary Market Area

This section analyzes employment and economic factors within the Site PMA.

Employment in the PMA

Employment by sector within the Oscoda Township Site PMA is shown in Table 9. These totals represent jobs within the PMA, not industry of employment of residents.¹ Employment for the combined Iosco and Alcona counties is shown for comparison. Also shown is a “location quotient” for PMA employment. Although this is interpreted in the same way as those in previous tables, this location quotient is calculated relative to county, not U.S., employment. Based on employment figures, Site PMA employment is concentrated in Health Care, Manufacturing and Retail Trade. Together these three sector employers account for 45.5% of all Site PMA employment.

¹ County employment totals here differ from those in Table 2 because the data is obtained from a different source and because government employment is not reported separately, aside from the public administration component.

Table 9
Sector Employment Distribution, Oscoda Township Site PMA
Compared to Iosco & Alcona Counties, 2019

NAICS Sector	Employment		PMA Percent	Location
	PMA	Both Counties	of Total	Quotient*
Agriculture, Forestry, Fishing and Hunting	79	18,180	0.6%	145.9
Mining	40	8,650	0.3%	155.3
Utilities	20	18,111	0.1%	37.1
Construction	447	165,299	3.2%	90.8
Manufacturing	2,196	553,248	15.5%	133.3
Wholesale Trade	243	296,996	1.7%	27.5
Retail Trade	2,015	614,639	14.2%	110.1
Transportation and Warehousing	1,154	96,045	8.1%	403.5
Information	150	86,714	1.1%	58.1
Finance and Insurance	270	164,033	1.9%	55.3
Real Estate and Rental and Leasing	225	97,525	1.6%	77.5
Professional, Scientific and Technical Services	240	304,858	1.7%	26.4
Management of Companies and Enterprises	40	8,678	0.3%	154.8
Administrative, Support, Waste Management and Remediation Services	357	116,484	2.5%	102.9
Educational Services	1,126	410,621	7.9%	92.1
Health Care and Social Assistance	2,234	750,140	15.8%	100.0
Arts, Entertainment and Recreation	388	133,659	2.7%	97.5
Accommodation and Food Services	1,252	415,436	8.8%	101.2
Other Services (Except Public Administration)	647	263,216	4.6%	82.5
Public Administration	1,042	220,003	7.4%	159.0
Non-classifiable	10	17,538	0.1%	19.1
Total	14,175	4,760,073	100.0%	100.0

Source: 2010 Census; ESRI; Vogt Strategic Insights

*Location quotient of 100.0 is the standard for the specific area. Quotients above 100.0 indicate higher than standard shares, while quotients below 100.0 indicate lower than standard shares.

Business Establishments in the PMA

Table 10 shows the number of business establishments in the PMA and the combined Iosco & Alcona counties. A business establishment is a single site where business is conducted; a company or organization can have multiple establishments. Establishments in the PMA are generally smaller than average, especially in Health Care, Educational Services and Wholesale Trade. Local establishments in Transportation and Warehousing and Management of Companies are larger than the average.

Table 10 Business Establishments, Oscoda Township Site PMA and Iosco & Alcona Counties, 2019				
NAICS Sector	Establishments		Employees Per Establishment	
	PMA	Both Counties	PMA	Both Counties
Agriculture, Forestry, Fishing and Hunting	19	2,862	4.2	6.4
Mining	4	376	10.0	23.0
Utilities	1	499	20.0	36.3
Construction	127	23,691	3.5	7.0
Manufacturing	67	16,092	32.8	34.4
Wholesale Trade	37	12,080	6.6	24.6
Retail Trade	252	50,133	8.0	12.3
Transportation and Warehousing	43	6,788	26.8	14.1
Information	29	7,039	5.2	12.3
Finance and Insurance	49	16,536	5.5	9.9
Real Estate and Rental and Leasing	64	15,758	3.5	6.2
Professional, Scientific and Technical Services	59	29,185	4.1	10.4
Management of Companies and Enterprises	1	421	40.0	20.6
Administrative, Support, Waste Management and Remediation Services	46	12,115	7.8	9.6
Educational Services	49	10,223	23.0	40.2
Health Care and Social Assistance	123	31,143	18.2	24.1
Arts, Entertainment and Recreation	50	7,556	7.8	17.7
Accommodation and Food Services	155	24,756	8.1	16.8
Other Services (Except Public Administration)	231	45,583	2.8	5.8
Public Administration	115	12,292	9.1	17.9
Total	1,521	325,128	9.1	13.9

Source: 2010 Census; ESRI; Vogt Strategic Insights

Commuting Modes of Site PMA Workers

Table 11 presents a distribution of commuting modes for the Oscoda Township Site PMA and the combined Iosco and Alcona counties workers age 16 and older in 2018. The largest share (80.0%) of Site PMA workers drove alone, while 11.3% carpooled.

Table 11 Commuting Patterns, Oscoda Township Site PMA and Iosco & Alcona Counties, 2014-2018				
Travel Mode	PMA		Both Counties	
	Number	Percent	Number	Percent
Drove Alone	9,880	80.0%	3,714,050	82.4%
Carpooled	1,400	11.3%	396,427	8.8%
Public Transit	17	0.1%	61,568	1.4%
Walked	338	2.7%	101,150	2.2%
Other Means	197	1.6%	56,802	1.3%
Worked at Home	513	4.2%	174,997	3.9%
Total	12,345	100.0%	4,504,994	100.0%

Source: American Community Survey (2014-2018); ESRI

Table 12 below compares travel times to work for the PMA and the combined Iosco and Alcona counties area. More than 41% of PMA workers commute less than 15 minutes. Sites within Oscoda Township are generally within a 20 minutes' drive of most of the area's largest employers, which should contribute to a project's potential marketability. A drive-time map for the subject site is on the following page.





Table 12 Travel Time to Work, Oscoda Township Site PMA and Iosco & Alcona Counties, 2014-2018				
Travel Time	PMA		Both Counties	
	Number	Percent	Number	Percent
Less Than 15 Minutes	5,097	41.3%	1,227,080	27.2%
15 – 29 Minutes	3,583	29.0%	1,665,430	37.0%
30 – 44 Minutes	1,900	15.4%	845,013	18.8%
45 – 59 Minutes	528	4.3%	320,022	7.1%
60 or More Minutes	724	5.9%	272,452	6.0%
Worked at Home	513	4.2%	174,997	3.9%
Total	12,345	100.0%	4,504,994	100.0%

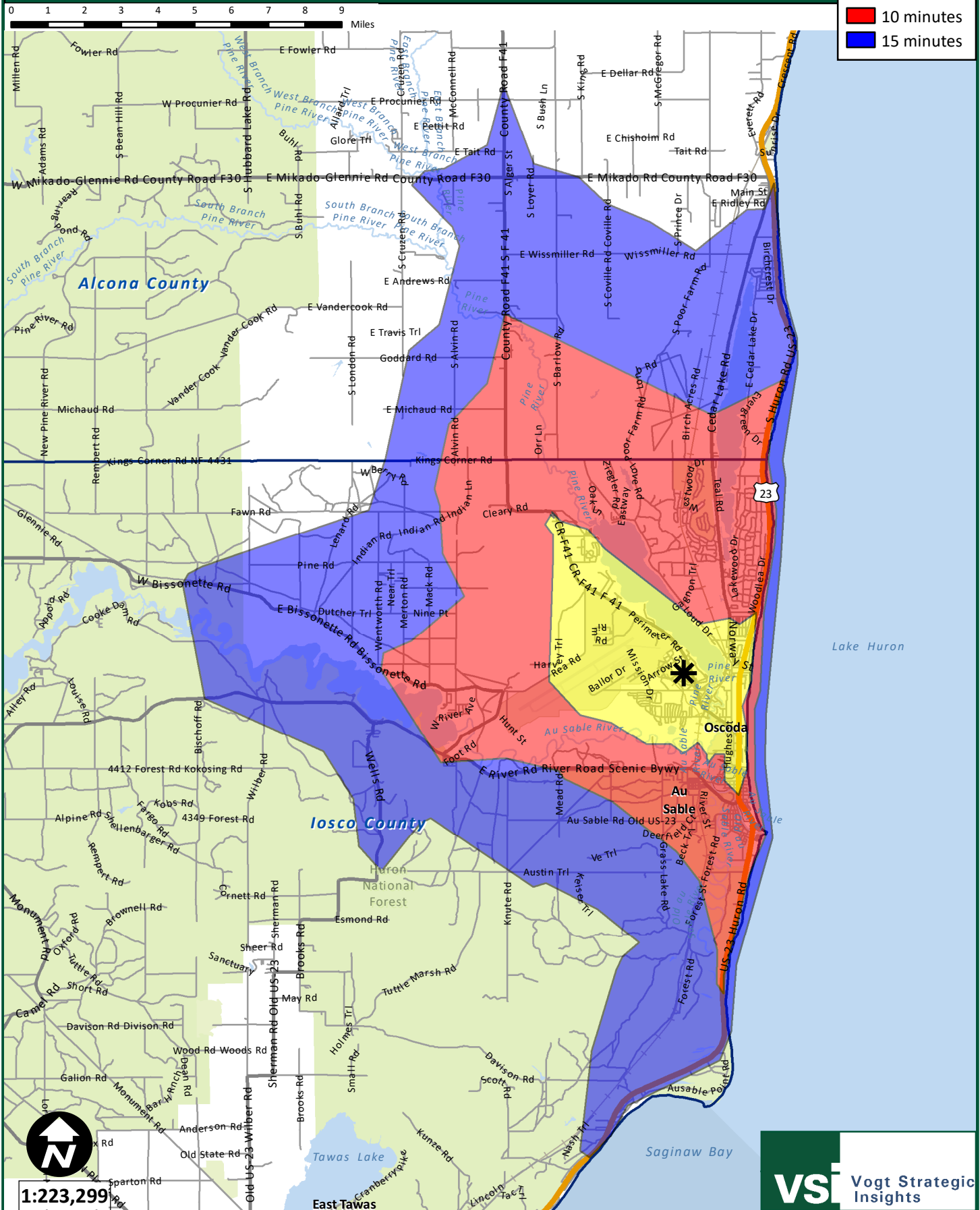
Source: American Community Survey (2014-2018); ESRI

Oscoda Township, MI

Drive Time from Site

Legend

-  Project Site
-  5 minutes
-  10 minutes
-  15 minutes



Economic Summary

Business and industry in Oscoda Township and Iosco County include retail, manufacturing, education, medical and other services. Iosco County is located on the northern end of Saginaw Bay and is a popular area for tourism and recreation. Bound by Huron National Forest and the shores of Lake Huron, large portions of the total county area are forested or held in public ownership as national or state lands. The majority of development in the county is located along Lake Huron in the communities of Tawas City, East Tawas, Oscoda and AuSable.

Iosco County underperformed both the state and the U.S. from 2001 to 2018, and continues to recover more slowly after the recession years. The net employment loss in Iosco County of 8.8% stands in contrast to a 0.3% employment loss experienced at the state level, and a national increase of 12.7%, despite a 10.0% increase during the past eight-year period.

COVID-19 Impact: The U.S. Department of Labor reported record significant and unprecedented increases in initial claims due to the impacts of the COVID-19 virus. Nearly every state providing comments cited virus impacts. States continued to cite services industries broadly, particularly accommodation and food services. Additional industries heavily cited for the increases included the health care and social assistance; arts, entertainment and recreation; transportation and warehousing; and manufacturing industries.

According to interviews with local employers, the sudden and adverse economic impact caused by the COVID-19 pandemic resulted in the most layoffs in April and May. However, the economy has been slowly improving since that time. The following table illustrates the most recent monthly unemployment estimates (not seasonally adjusted) from the U.S. Bureau of Labor Statistics.

Iosco County Unemployment Rates	
Month	Unemployment*
January 2020	8.5%
February 2020	6.9%
March 2020	6.6%
April 2020	26.3%
May 2020	20.8%
June 2020	14.7%
July 2020	10.1%

Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

*Not seasonally adjusted

Overall, based on our interviews with apartment managers and local employers, the economic impact has not yet had any notable adverse impact on the overall health of the rental housing market, as pent-up market demand continues to exist in the region for conventional apartments. In addition, the economy is recovering from the most significant adverse decline in April and May 2020.

The local media reported Kalitta Air laid off 150 workers in January 2020 due to a decline in business in the air freight industry. However, announcements have been made indicating that Kalitta Air will be bringing back the 150 positions and expanding by an additional 200 positions. It is reported that the 200 new positions will primarily pay between \$30,000 and \$60,000 per year.

There has also been notable recent discussions regarding Michigan Aerospace Manufacturers Association's (MAMA) Oscoda vertical launch Spaceport endeavor, which could bring an additional 200 higher-paying jobs to Oscoda. Oscoda Township was reportedly well received at the North American Space Summit with regard to the Wurtsmith Airport (OWA) and the potential for Oscoda to have a satellite launch site. It is anticipated that the 200 new jobs that are to be brought to the area will typically pay between \$65,000 and \$80,000 per year. Most of these 200 new positions will be filled with specialized employees that will be relocated from other parts of the country, thus creating population and household growth above the currently available demographic projections.

Oscoda Township economic development reported Phoenix Composites plans to invest more than \$500,000 in an expansion that will result in 20 new jobs in 2022 when the project is done.

Given the already existing lack of available apartment housing in Oscoda as evidenced by the high occupancy rates among existing rental housing, it will be important for conventional rental housing to be developed in order to accommodate up to 420 planned new jobs that are anticipated to be created in Oscoda Township over the next few years. Without sufficient for-sale and rental housing options, employees will be forced to reside outside of Oscoda and commute in for work. In order to ensure the continued success of a community, it is beneficial to offer a variety of housing opportunities to ensure a balanced continuum of housing to support employment.

VII. Rental Housing Supply Analysis

Overview of Rental Housing

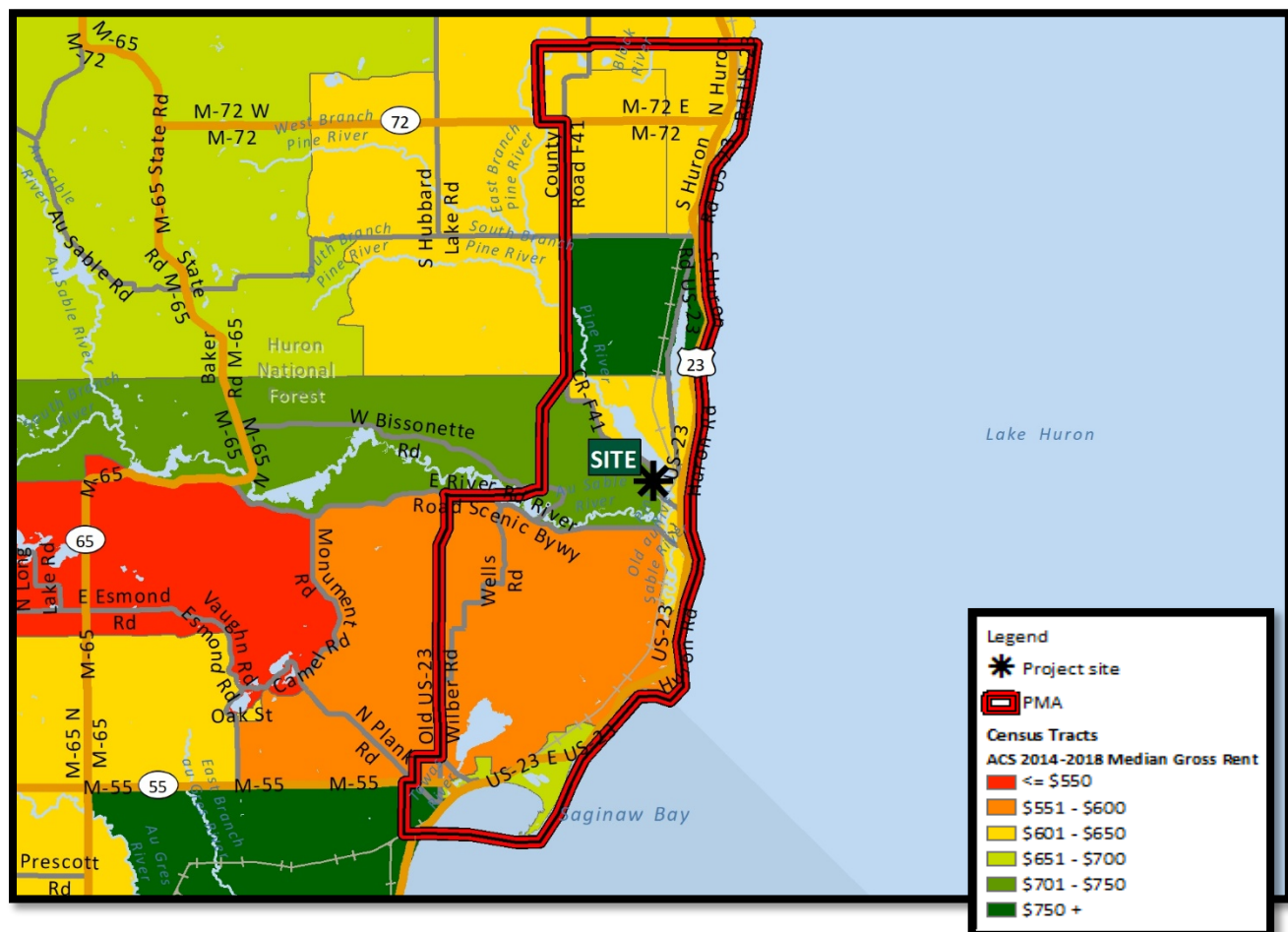
We have analyzed demographic data collected by the American Community Survey (ACS) as well as conducted an in-person survey of existing rental housing in the Primary Market Area (PMA and the surrounding region). The following section includes a discussion of ACS data that impacts the PMA, the Iosco and Alcona counties and the state of Michigan. The table below is a summary of the median gross rents regardless of bedroom size for each geographic area.

Median Gross Rent 2014 - 2018 (ACS)			
Oscoda Township	PMA	Iosco & Alcona Counties	Michigan
\$683	\$710	\$704	\$922

Source: American Community Survey; Urban Decision Group; VSI

Note: gross rent is collected rent plus the cost of all necessary utilities

The following is a thematic map illustrating the median gross rent by census tract in and around the PMA.



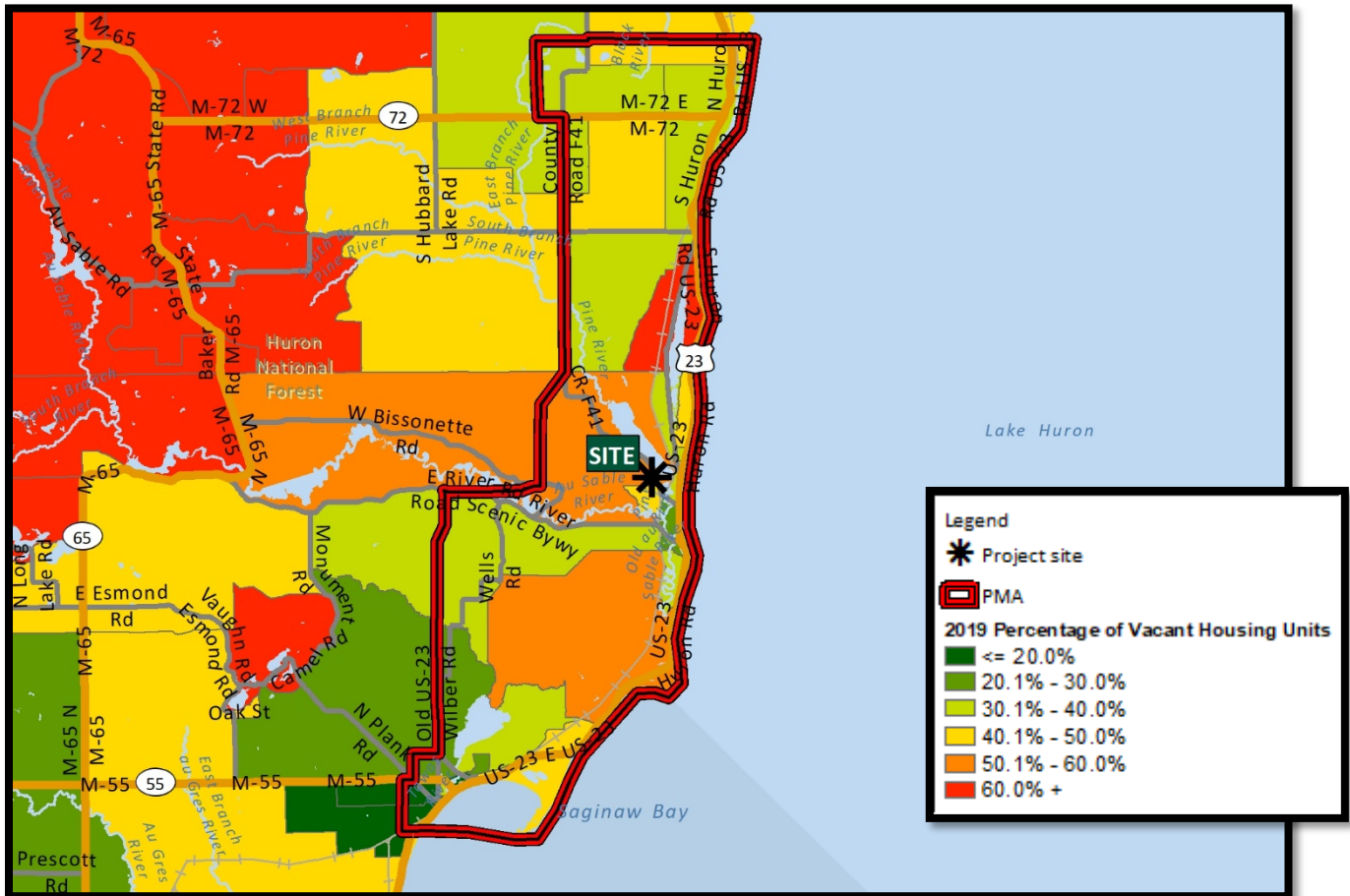
The following table summarizes the distributions of the area housing stock:

Distribution of Housing Stock							
Geographic Area	Housing Status	2010 (Census)		2019 (Estimated)		2024 (Projected)	
		Number	Percent	Number	Percent	Number	Percent
Oscoda Township	Total-Occupied	3,269	57.4%	3,246	56.7%	3,246	56.5%
	Owner-Occupied	2,600	79.5%	2,300	70.8%	2,318	71.4%
	Renter-Occupied	669	20.5%	947	29.2%	930	28.6%
	Vacant	2,429	42.6%	2,481	43.3%	2,496	43.5%
	Total	5,698	100.0%	5,727	100.0%	5,742	100.0%
PMA	Total-Occupied	8,944	61.2%	8,705	60.1%	8,652	59.5%
	Owner-Occupied	7,266	81.2%	6,445	74.0%	6,445	74.5%
	Renter-Occupied	1,678	18.8%	2,259	26.0%	2,206	25.5%
	Vacant	5,668	38.8%	5,789	39.9%	5,880	40.5%
	Total	14,612	100.0%	14,495	100.0%	14,533	100.0%
Iosco & Alcona Counties	Total-Occupied	16,846	53.5%	16,555	52.2%	16,464	51.7%
	Owner-Occupied	14,168	84.1%	13,113	79.2%	13,106	79.6%
	Renter-Occupied	2,678	15.9%	3,442	20.8%	3,358	20.4%
	Vacant	14,670	46.5%	15,161	47.8%	15,369	48.3%
	Total	31,516	100.0%	31,715	100.0%	31,832	100.0%
State of Michigan	Total-Occupied	3,872,508	85.4%	3,996,161	85.3%	4,060,494	85.1%
	Owner-Occupied	2,793,342	72.1%	2,820,151	70.6%	2,892,701	71.2%
	Renter-Occupied	1,079,166	27.9%	1,176,010	29.4%	1,167,793	28.8%
	Vacant	659,725	14.6%	687,745	14.7%	712,222	14.9%
	Total	4,532,233	100.0%	4,683,906	100.0%	4,772,716	100.0%

Source: 2010 Census; ESRI; Urban Decision Group; VSI

In 2019, Oscoda Township, the PMA and the two focus counties were all estimated to have vacancy rates ranging from 39.9% to 47.8%. This is due to the abundance of seasonal and vacation housing. While this is significantly greater than the state of Michigan as a whole, it is not uncommon along the eastern portion of the state, along Lake Huron and around various lakes and state parks in the region.

The following thematic map illustrates the housing vacancy rates by census tract block groups in and around the PMA.



As evidenced on the preceding map, there are high shares of vacant housing units throughout the PMA and surrounding region. This is not uncommon in vacation and second home areas.

The following table summarizes the distribution of the area vacant housing stock for Oscoda Township, the Site PMA, Iosco and Alcona counties and the state of Michigan.

Distribution of Vacant Housing Stock			
Geographic Area	Vacant Housing by Type	2010 (Census)	
		Number	Percent
Oscoda Township	For-Rent	134	5.5%
	For-Sale Only	199	8.2%
	Rented/Sold, Not Occupied	17	0.7%
	Seasonal, Recreational	1,905	78.4%
	Other Vacant	174	7.2%
	Total	2,429	100.0%
PMA	For-Rent	341	6.0%
	For-Sale Only	403	7.1%
	Rented/Sold, Not Occupied	62	1.1%
	Seasonal, Recreational	4,382	77.3%
	Other Vacant	480	8.5%
	Total	5,668	100.0%
Iosco & Alcona Counties	For-Rent	466	3.2%
	For-Sale Only	737	5.0%
	Rented/Sold, Not Occupied	100	0.7%
	Seasonal, Recreational	12,412	84.6%
	Other Vacant	955	6.5%
	Total	14,670	100.0%
State of Michigan	For-Rent	141,687	21.5%
	For-Sale Only	77,080	11.7%
	Rented/Sold, Not Occupied	24,662	3.7%
	Seasonal, Recreational	263,071	39.9%
	Other Vacant	153,225	23.2%
	Total	659,725	100.0%

Source: 2010 Census; ESRI; Urban Decision Group; VSI

In 2010, the “seasonal, recreational” vacancy share in Oscoda Township, the PMA and Iosco and Alcona counties was significantly greater than in the state of Michigan. As previously discussed, this is not surprising given the regions’ location along Lake Huron and the abundance of smaller lakes and park land.

Based on the 2014-2018 American Community Survey, the distribution of rental housing units by units in structure type for the Oscoda Township, the Site PMA, Iosco and Alcona counties and the state of Michigan follows:

Units in Structure	Distribution of Rental Units by Structure Type							
	Oscoda Township		PMA		Iosco & Alcona Counties		Michigan	
	Number	Percent	Number	Percent	Number	Percent		
1 Detached	345	44.0%	1,013	53.3%	1,652	55.4%	381,654	33.7%
1 Attached	66	8.4%	94	4.9%	130	4.4%	67,947	6.0%
2 to 4	150	19.1%	222	11.7%	325	10.9%	152,466	13.5%
5 to 9	61	7.8%	142	7.5%	183	6.1%	157,193	13.9%
10 to 19	48	6.1%	119	6.3%	150	5.0%	134,612	11.9%
20 to 49	18	2.3%	103	5.4%	151	5.1%	76,231	6.7%
50 Units or More	24	3.1%	77	4.1%	102	3.4%	116,934	10.3%
Mobile Home/Trailer	72	9.2%	131	6.9%	287	9.6%	44,969	4.0%
Other	0	0.0%	0	0.0%	0	0.0%	389	0.0%
Total	784	100.0%	1,901	100.0%	2,980	100.0%	1,132,395	100.0%

Source: American Community Survey (2014-2018)

Oscoda Township, the PMA and Iosco and Alcona counties have considerably higher shares of single-unit (single-family) rental structures than the state of Michigan. In addition, these focus areas have significantly lower shares of larger conventional apartments. This is further indicated in our field surveys of the area, found in Addendum A and Addendum B of this report.

Apartment Survey – Primary Market Area

We identified and personally surveyed 19 rental properties containing a total of 624 rental units within the PMA our in-person survey in September. This survey was conducted to establish the overall strength of the rental market and to identify those properties that would be theoretically most comparable to modern, new construction apartments that could potentially be supported in Oscoda Township. The surveyed apartment units have a combined occupancy rate of 99.2%, an unusually high rate for conventional rental housing. The following is a summary of all the properties surveyed in the PMA.

Surveyed Conventional Apartments (PMA)					
Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate	Under Construction
Market-rate	11	255	5	98.0%	0
Market-rate/Tax Credit/Government-Subsidized	1	48	0	100.0%	0
Tax Credit/Government-Subsidized	5	245	0	100.0%	0
Government-Subsidized	2	76	0	100.0%	0
Total	19	624	5	99.2%	0

Source: VSI Field Survey

The surveyed rental projects in the Site PMA have a combined occupancy rate of 99.2%, indicating clear and significant pent-up market demand for additional rental housing. It should be noted that of the 19 projects surveyed, only 11 are conventional rental projects, which are typically considered to be rental properties of more than 20 units per property. The remaining eight surveyed projects are considered to be non-conventional single-family homes, duplex units or smaller properties.

An ideal typical overall market occupancy rate for conventional apartments in a developed housing market similar to the PMA is approximately 95%. A 5% vacancy rate generally provides enough available rental options to allow current residents to migrate to other housing choices throughout the market. Vacancies also provide opportunities for households to migrate from outside the PMA and region. A vacancy rate of less than 5% indicates that overall market demand is exceeding the supply of available rental housing options. This is the rental environment in the Oscoda Township Site PMA.

The various surveyed apartment units are segmented by project type. Market-rate apartments are conventional apartments that operate without any government subsidies or rent/income restrictions. Tax Credit rental housing generally targets moderate-income households, often those with incomes between approximately 40% and 80% of the Area Median Income (AMI). Residents in these units must earn annual incomes of at least a certain amount in order to afford the asking rents, but not more than the maximum allowable income at 80% of AMI (adjusted for household size). Government-subsidized rental housing technically targets households with incomes below 50% of AMI. However, the majority of households living in subsidized rental housing typically earn less than 40% of AMI. The following summarizes the properties surveyed in the Site PMA.

Map ID	Project Name	Project Type	QR	Year Built/Renovated	Total Units	Vacant	Occupancy Rate	DTS
♦ 1	Oscoda Shores Apts.	TGS	B	1992	24	0	100.0%	2.2
♦ 2	Oscoda Adult Condominiums	MRR	B	1990	80	4	95.0%	0.1
3	Cowell Manor	GSS	B	1979	32	0	100.0%	17.6
4	Gull Pointe Apts.	TGS	B	1975 / 1992	50	0	100.0%	0.6
5	Huron Beach Apts.	TMG	A-	1976 / 2018	48	0	100.0%	0.1
6	9747A 8th St.	MRR	B	1960 / 2010	1	0	100.0%	1.3
7	402 W. Lake St.	MRR	B	1885 / 2013	6	0	100.0%	18.6
8	9615 Missouri St. B	MRR	B	2012	1	1	0.0%	1.5
9	8714B Pennsylvania St.	MRR	B	1960 / 2000	1	0	100.0%	1.3
10	8122 Colorado C and D	MRR	B	1960	2	0	100.0%	1.2
11	5604 Cedar Lake Rd.	MRR	B	1970	1	0	100.0%	1.8
12	Aldersgate Apts.	TGS	B	1975 / 2010	99	0	100.0%	3.9
13	Sunrise Villa Apts.	MRR	B	1956	11	0	100.0%	1.9
14	114 W. 2nd Ave.	MRR	B	1911 / 2000	1	0	100.0%	18.9
15	Bay Park Tower North	GSS	B	1981	44	0	100.0%	17.3
16	1224 Wakefield St.	MRR	B	1970	1	0	100.0%	9.4
17	Maple Tree Apts.	TGS	B+	1985 / 2009	48	0	100.0%	16.7
♦ 18	Harbor Pointe Apts.	TGS	B	1991	24	0	100.0%	16.5
19	The Villages	MRR	A	1980	150	0	100.0%	0.0

Project Type

Market-rate	Market-rate/Tax Credit/Government-subsidized
Market-rate/Tax Credit	Tax Credit
Market-rate/Government-subsidized	Tax Credit/Government-subsidized
♦ Senior Restricted	Government-subsidized

The map on the following page illustrates the location of all surveyed conventional rental projects in the PMA. Note that the color codes on the map coincide with the type of project surveyed.

Grand Rapids, MI Apartment Locations

Legend

Project Site

PMA

Apartments

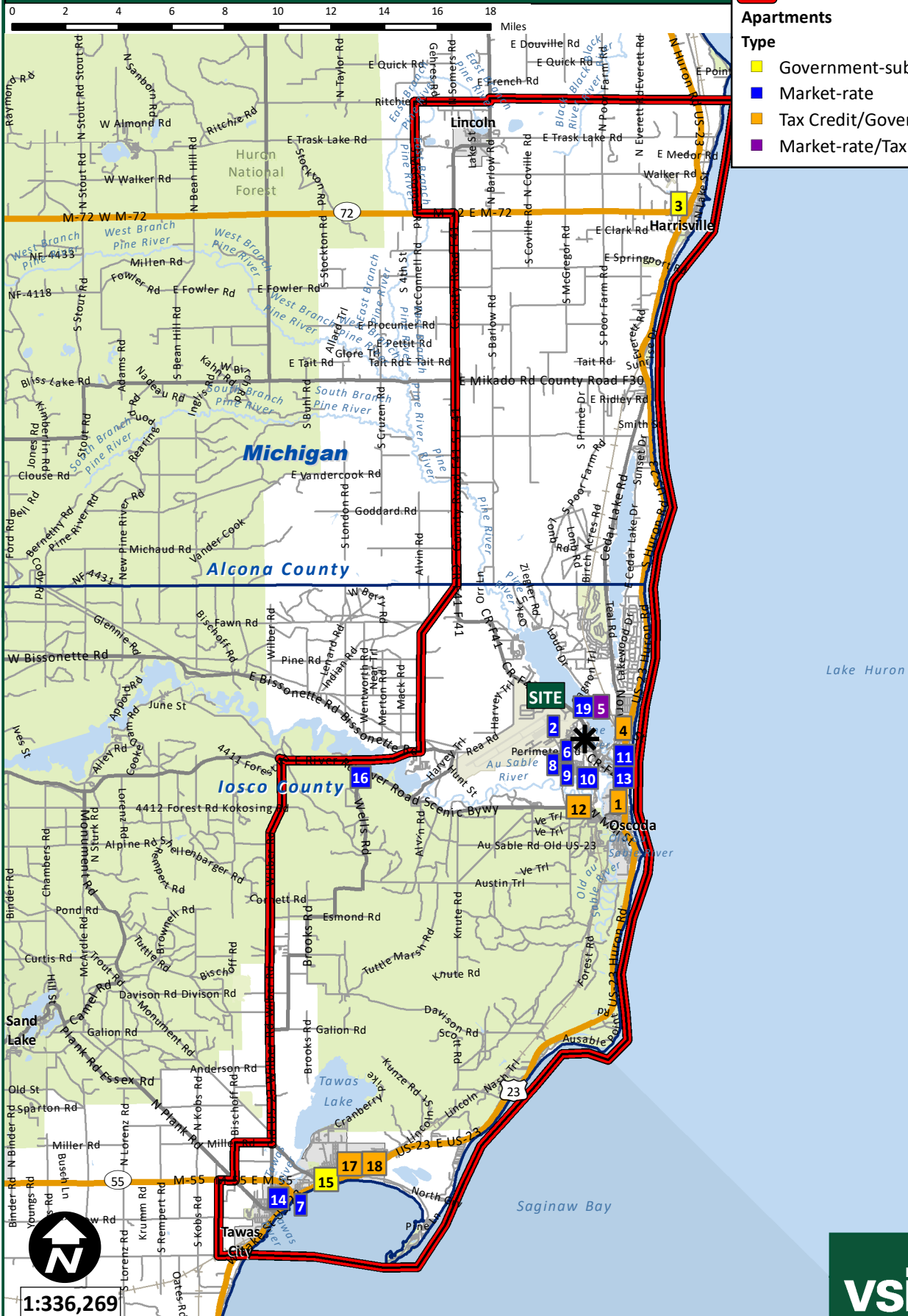
Type

Government-subsidized

Market-rate

Tax Credit/Government-subsidized

Market-rate/Tax Credit/Govt-sub



In addition to the surveyed projects in the PMA, we have also conducted a survey of conventional apartment projects in the surrounding region. This survey was conducted for illustrative purposes to determine the types and availability of conventional rental projects outside of the PMA. The surveyed apartment units in the surrounding region have a combined occupancy rate of 99.4%, a high rate for conventional rental housing. The following is a summary of all the properties surveyed in the surrounding region.

Surveyed Conventional Apartments (Surrounding Region)					
Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate	Under Construction
Market-rate	6	122	1	99.2%	0
Market-rate/Government-Subsidized	1	88	0	100.0%	0
Tax Credit/Government-Subsidized	5	156	1	99.4%	0
Government-Subsidized	12	457	3	99.3%	0
Total	24	823	5	99.4%	0

Source: VSI Field Survey

Similar to the Site PMA, the surrounding region survey also indicates significant pent-up market demand for additional conventional rental housing. The following summarizes the properties surveyed in the surrounding region. A map of the property locations is found on the next page.

Map ID	Project Name	Project Type	QR	Year Built/Renovated	Total Units	Vacant	Occupancy Rate	DTS
1	Oscoda Shores Apts.	TGS	B	1992	24	0	100.0%	2.2
2	Oscoda Adult Condominiums	MRR	B	1990	80	4	95.0%	0.1
3	Cowell Manor	GSS	B	1979	32	0	100.0%	17.6
4	Gull Pointe Apts.	TGS	B	1975 / 1992	50	0	100.0%	0.6
5	Huron Beach Apts.	TMG	A-	1976 / 2018	48	0	100.0%	0.1
6	9747A 8th St.	MRR	B	1960 / 2010	1	0	100.0%	1.3
7	402 W. Lake St.	MRR	B	1885 / 2013	6	0	100.0%	18.6
8	9615 Missouri St. B	MRR	B	2012	1	1	0.0%	1.5
9	8714B Pennsylvania St.	MRR	B	1960 / 2000	1	0	100.0%	1.3
10	8122 Colorado C and D	MRR	B	1960	2	0	100.0%	1.2
11	5604 Cedar Lake Rd.	MRR	B	1970	1	0	100.0%	1.8
12	Aldersgate Apts.	TGS	B	1975 / 2010	99	0	100.0%	3.9
13	Sunrise Villa Apts.	MRR	B	1956	11	0	100.0%	1.9
14	114 W. 2nd Ave.	MRR	B	1911 / 2000	1	0	100.0%	18.9
15	Bay Park Tower North	GSS	B	1981	44	0	100.0%	17.3
16	1224 Wakefield St.	MRR	B	1970	1	0	100.0%	9.4
17	Maple Tree Apts.	TGS	B+	1985 / 2009	48	0	100.0%	16.7
18	Harbor Pointe Apts.	TGS	B	1991	24	0	100.0%	16.5
19	The Villages	MRR	A	1980	150	0	100.0%	0.0

Project Type

Market-rate	Market-rate/Tax Credit/Government-subsidized
Market-rate/Tax Credit	Tax Credit
Market-rate/Government-subsidized	Tax Credit/Government-subsidized
Senior Restricted	Government-subsidized

Oscoda Township, MI Apartment Locations

Legend

Project Site

PMA

Alcona and Iosco Counties

Apartments

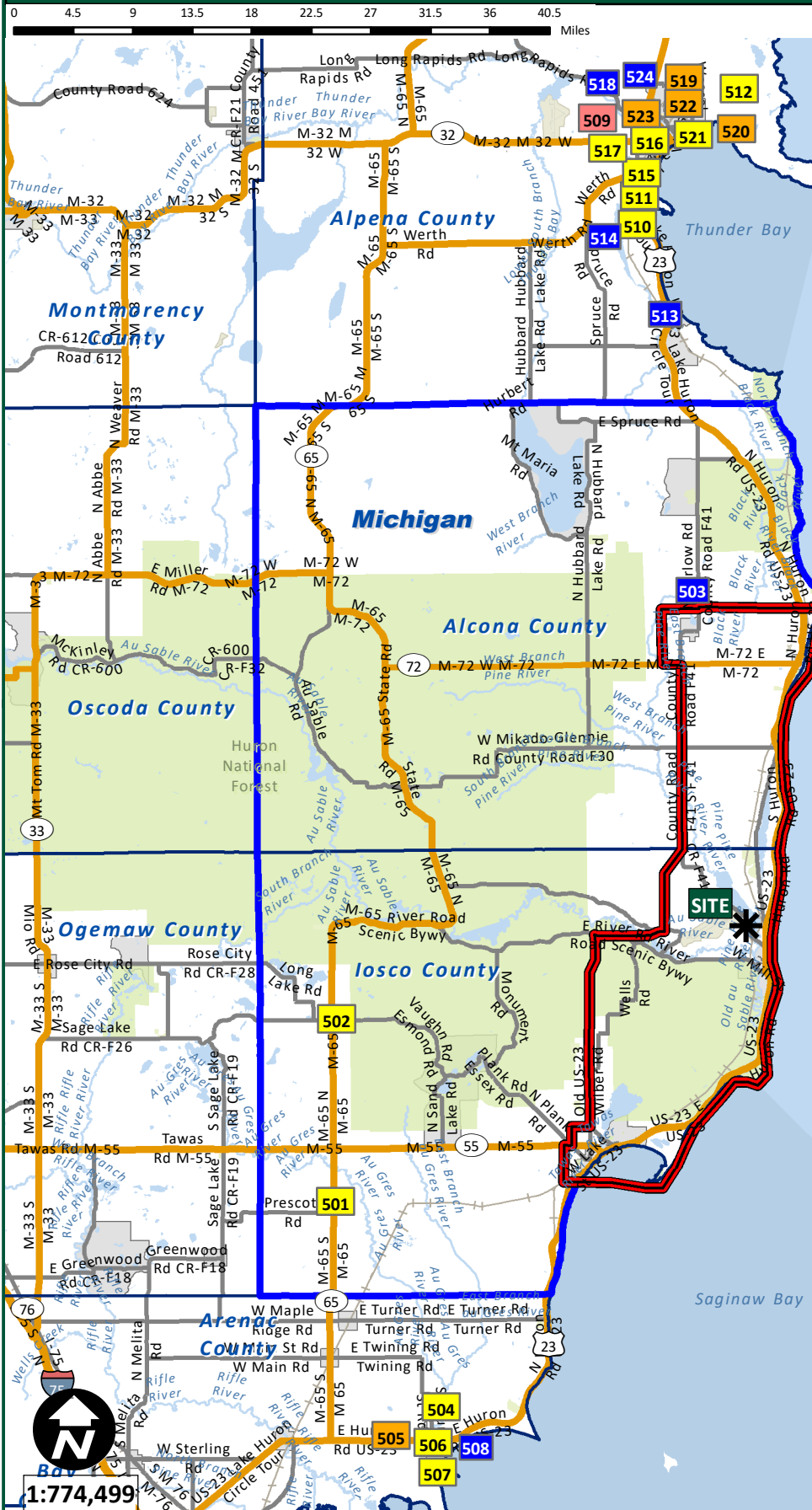
Type

Government-subsidized

Market-rate/Government subsidized

Market-rate

Tax Credit/Government-subsidized



The following table summarizes the distribution of conventional apartment units surveyed in the Oscoda Township PMA.

Site PMA Survey Detailed Summary						
Market-rate						
Bedrooms	Baths	Units	Distribution	Vacant Units	Vacancy Rate	Median Net Rent
One-Bedroom	1.0	60	23.3%	3	5.0%	\$537
Two-Bedroom	1.0	51	19.8%	1	2.0%	\$675
Two-Bedroom	2.0	10	3.9%	0	0.0%	\$850
Three-Bedroom	1.0	41	16.0%	0	0.0%	\$800
Three-Bedroom	1.5	19	7.4%	1	5.3%	\$750
Three-Bedroom	2.0	41	16.0%	0	0.0%	\$900
Three-Bedroom	2.5	15	5.8%	0	0.0%	\$950
Four-Bedroom	1.5	10	3.9%	0	0.0%	\$850
Four-Bedroom	2.5	10	3.9%	0	0.0%	\$1,000
Total Market-rate		257	100%	5	1.9%	-
Overall Median Market-rate Rent						\$746
Non-Subsidized Tax Credit						
Bedrooms	Baths	Units	Distribution	Vacant Units	Vacancy Rate	Median Net Rent
One-Bedroom	1.0	38	50.7%	0	0.0%	\$531
Two-Bedroom	1.0	37	49.3%	0	0.0%	\$605
Total Tax Credit		75	100%	0	0.0%	-
Overall Median Tax Credit Rent						\$568
Subsidized Tax Credit						
Bedrooms	Baths	Units	Distribution	Vacant Units	Vacancy Rate	-
One-Bedroom	1.0	105	54.7%	0	0.0%	-
Two-Bedroom	1.0	83	43.2%	0	0.0%	-
Three-Bedroom	1.0	4	2.1%	0	0.0%	-
Total Subsidized Tax Credit		192	100%	0	0.0%	-
Government-Subsidized						
Bedrooms	Baths	Units	Distribution	Vacant Units	Vacancy Rate	-
One-Bedroom	1.0	76	76.0%	0	0.0%	-
Two-Bedroom	1.0	16	16.0%	0	0.0%	-
Three-Bedroom	1.5	8	8.0%	0	0.0%	-
Total Subsidized		100	100%	0	0.0%	-

Source: VSI Field Survey

The median net rent for non-subsidized Tax Credit units surveyed (\$568) is notably (23.8%) lower than the median net rent for market-rate units surveyed (\$746). Typically, in a market with a well-diversified mix of product age and quality, the deviation in median net rents is greater than 10%. Note that there is an abundance of larger (three- and four-bedroom) market-rate units surveyed in the area. This is due to the presence of The Village (Map ID 19), which consists of approximately 150 privately owned duplexes and single-family homes currently operating as rentals. In general, there is a relatively small share of one- and two-bedroom market-rate rental options in the area.

Four of the five identified market-rate vacancies are found at Oscoda Adult Condominiums, which is a senior-restricted community for individuals and households age 55 and older. Excluding this project, there is just one vacancy identified in the market at the time of our survey.

The following table illustrates the distribution of conventional apartment units surveyed by year built.

Conventional Apartments by Year Built						
Year Opened	PMA			Surrounding Region		
	Projects	Units	Vacancy Rate	Projects	Units	Vacancy Rate
Before 1970	6	22	0.0%	0	0	-
1970 to 1979	4	79	0.0%	3	78	0.0%
1980 to 1989	1	150	0.0%	4	92	1.1%
1990 to 1999	1	80	5.0%	0	0	-
2000 to 2009	0	0	-	0	0	-
2010 to 2014	1	1	100.0%	0	0	-
2015	0	0	-	0	0	-
2016	0	0	-	0	0	-
2017	0	0	-	0	0	-
2018	0	0	-	0	0	-
2019	0	0	-	0	0	-
2020*	0	0	-	0	0	-
Total	13	332	1.5%	7	170	0.6%

Source: VSI Field Survey

*As of August

The conventional rental market is dominated by apartments built prior to 1980. The last time a conventional apartment community was developed in the Site PMA was in the 1990s. Thus, there is a need for additional, modern rental alternatives. In general, there is a notable lack of available apartments in the PMA and in the surrounding region, which has a non-subsidized vacancy rate of just 0.6%. As previously discussed, an ideal vacancy rate is 5%, as this provides current and potential residents with enough available rental options to allow adequate migration to other housing choices throughout the market. Overall, the demand for conventional rental housing in the PMA exceeds the available supply.

We rated each apartment property surveyed on a scale of A through F. Our rating system is described as follows, with + and - variations assigned according to variances from the following general descriptions:

- A – Upscale/high quality property
- B – Good condition and quality
- C – Fair condition, in need of minor improvements
- D – Poor condition
- F – Serious disrepair, dilapidated

All apartment projects were rated based on quality and overall appearance (i.e. aesthetic appeal, building appearance, landscaping and grounds appearance).

The following is a distribution of units, vacancies and median net rents by quality rating.

Conventional Apartments by Quality Rating and Net Rent – Site PMA							
Market-rate Properties				Median Net Rent			
Quality Rating	Projects	Total Units	Vacancy Rate	One-Br.	Two-Br.	Three-Br.	Four-Br.
A	1	150	0.0%	-	\$600	\$800	\$850
A-	1	2	0.0%	-	\$736	-	-
B	10	105	4.8%	\$537	\$675	\$879	-
Tax Credit and Government Subsidized Properties				Median Net Rent			
Quality Rating	Projects	Total Units	Vacancy Rate	One-Br.	Two-Br.	Three-Br.	Four-Br.
B	1	75	0.0%	\$531	\$605	-	-

Source: VSI Field Survey

Conventional Apartments by Quality Rating and Net Rent – Surrounding Region							
Market-rate Properties				Median Net Rent			
Quality Rating	Projects	Total Units	Vacancy Rate	One-Br.	Two-Br.	Three-Br.	Four-Br.
B	2	47	0.0%	\$500	\$576	-	-
B-	2	30	0.0%	\$381	\$567	-	-
C+	2	61	1.6%	\$415	\$475	-	-
C	1	32	0.0%	-	\$475	\$525	-

Source: VSI Field Survey

The preceding table illustrates that among the market-rate properties surveyed in the surrounding region, the highest quality projects are generally achieving the higher net rents in the market. Assuming a new high-quality market-rate apartment project in Oscoda Township, it would likely be able to achieve rents considerably higher than the rents currently being achieved in the market.

The following are photographs of a sampling of existing conventional apartment projects surveyed in the Oscoda Township Site PMA.

Example of Typical Conventional Market-Rate Apartments Located in the Site PMA



Example of Typical Conventional Market-Rate Apartments Located in the Surrounding Region



Example of Affordable (Tax Credit and/or Government-Subsidized) Apartments in the Site PMA



Example of Affordable (Tax Credit and/or Government-Subsidized) Apartments in the Surrounding Region



Non-Conventional Rentals (Single-Family Homes, Duplexes, Triplexes, Etc.)

During our in-person evaluation of Oscoda Township and the Site PMA, we surveyed 19 rental properties, of which eight are considered to be non-conventional single-family homes, duplex units or smaller properties containing less than 10 units per property. In general, these non-conventional rentals in the Oscoda Township Site PMA have similar unit sizes and rental rates to the conventional apartment properties in the area. Overall, these non-conventional rentals are primarily dominated by single-family and duplex homes built between 45 and 65 years ago that are considered to be in fair to good condition. Below are photographs of a sample of the non-conventional rentals that were surveyed that reflect the quality and types of non-conventional rentals available.

Example of Non-Conventional Single-Family Rentals



Rental Housing Conclusions

Considering the demographic trends in the Site PMA and the housing characteristics in Oscoda Township and the Site PMA, and considering the numerous large parcels located in the area and the cost to develop conventional rental housing, the highest and best use for development of market-rate multifamily rental housing appears to be for larger scale market-rate apartments. A notable amount of non-conventional (single-family, duplex, etc.) rental housing already exists in the area.

Assuming that the planned economic growth occurs in the area that is presently unaccounted for within the demographic projections, Oscoda Township will need to offer housing to meet the needs of new employees moving to the area. It will be important for Oscoda Township to offer a variety of housing opportunities, to ensure a broad continuum of housing, especially as employment opportunities in the area continue to expand. As young renters age and increase their economic position, they need to have higher quality rental opportunities. It is important for a community to offer a variety of housing choices to ensure a balanced continuum of housing. Demographically, there is a considerable opportunity among two major demographic segments across the state and nation: the millennial generation (Generation Y; echo boomers) and the empty-nester/baby boomer generation.

The inability to attract younger households early in their residential search can be detrimental to long-term population and household demographic levels, as younger households may seek housing in other nearby communities that offer the housing they desire. Research and trends are indicating that younger households today are postponing homeownership in favor of renting due to costs, lifestyle and personal debt. Specific factors contributing to this include, but are not limited to, the following:

- Easier mobility to explore employment opportunities in other cities
- Less commitment
- Discouraged to purchase as a result of recent housing and economic recession
- Rental alternatives typically have more convenient access to community services (retail, restaurants, entertainment, etc.)
- Renting offers a more leisurely and maintenance-free lifestyle
- Lack of sufficient assets to produce a down payment
- Rental alternatives offer extensive property amenities typically not associated with single-family homes (swimming pools, exercise facilities and business centers)
- Student debt

Historically, there has been a perception that multifamily housing reduces the value of owner-occupied housing units that may be within vicinity of rental housing development. Trending, however, shows the opposite effect with new construction developments that have incorporated appropriate site planning into the development design and overall integration with the greater community. Quality, new construction developments add housing choices to a market thereby increasing overall demand and desirability of the community.

This type of synergy is especially advantageous to markets in attracting younger households to not only choose residency within a community or neighborhood, but to remain in the community or neighborhood if adequate choices are available. In addition, rental housing development attracts and draws larger numbers of households to an area (than the development of a less-dense single-family neighborhood), thereby increasing the need for additional retail and commercial options, which further benefits the community.

The following is a list of “typical” amenities and features that should be considered in a new conventional apartment project in Oscoda Township.

List of “Typical” Amenities and Features (New Rental Housing)			
Unit Amenities		Project/Community Amenities	
Range	Central Air Conditioning	On-site Management	Community/Lounge Space
Refrigerator	Washer/Dryer Hookups	Laundry Facilities	Business/Computer Center
Dishwasher	Window Blinds	Fitness Room	Additional Storage
Garbage Disposal	Microwave Oven		
Open Floorplans	Balconies/Patios		

The following list are “unique” amenities and features that are often not as expensive as common upscale features to install or include in new construction apartment projects. However, they are often perceived as appealing by millennials and even active baby boomers. Thus, they can be a way for a development to set itself apart from older, more traditional apartment housing, while keeping construction costs lower and enabling the project to target “workforce” income categories.

List of “ <i>Unique</i> ” Amenities and Features (Worth Considering)			
Unit Amenities		Project/Community Amenities	
Exposed Ductwork	Concrete Counters	Yoga Studio/Flex Aerobic Space	
USB Outlets	Black Appliances	Spinning Room	
Bike Hooks/Storage	LED Lighting	Dog Walking/Washing Area	
Polished Concrete Flooring	Built-in Shelving/Storage	Community Electronic Bulletin Board and/or Social Media Page that can be Accessed in Real-time	
Programmable Thermostats			

A new multifamily rental development in Oscoda Township should at least offer the typical amenities and features. In addition, given the lack of recent conventional apartment development in and around the PMA and surrounding region, and considering the desire to attempt to attract residents from other nearby communities, we recommend unique features also be considered, assuming they are financially feasible to the overall cost. Unique features and designs will help to attract renters who currently would not consider the Oscoda Township area as a realistic housing choice.

While there is a lack of modern conventional rental housing in Oscoda Township and the surrounding region, there is certainly still notable market demand and demographic support for non-income-restricted, high-quality, conventional and non-conventional rental choices.

Additional subsidies and/or incentives may be necessary to enable a developer to provide “workforce” housing. However, the purpose of this market assessment is to evaluate the market support for additional rental housing.

Overall, based on the performance of existing area rental options compared to modern conventional rental housing that has been developed successfully in other similar-sized cities, we have estimated appropriate (and potentially achievable) net rents for new market-rate rental units in Oscoda Township in the following table. These figures can be used to begin to build a proforma to identify potential gaps in the project development process. Note that the incomes of existing and expected renter households in the Site PMA have also been considered when determining the potentially achievable/appropriate market-rate net rents.

Recommended/Appropriate Market-Rate Unit Sizes and Net Rents			
Bedrooms/Baths	Square Feet	Net Rents	Net Rent Per Square Foot
One-Bedroom/1.0-Bath	600 - 750	\$660 - \$900	\$1.10 - \$1.20
Two-Bedroom/1.0-2.0-Bath	800 - 1,000	\$800 - \$1,150	\$1.00 - \$1.15
Three-Bedroom/2.0-Bath	1,100 - 1,250	\$990 - \$1,300	\$0.90 - \$1.05

It should be noted that existing rental projects in Oscoda are generally not achieving rents as high as what is likely required to support new construction projects. As previously discussed, the current rents are being limited by the fact that the existing rental options are generally considered to be of low to fair quality and would be significantly inferior to a newly developed apartment project in the area.

VIII. Housing Support Analysis

A detailed demographic support analysis has been conducted to estimate the number and type of market-rate, multifamily rental housing units that can be supported within the Oscoda Township, Michigan. To establish the demand for new housing, we have estimated the number and type of housing units that can be supported over the next five years to 2025. Demographic and economic characteristics, along with the current supply of various housing types, have been evaluated to determine the types of units by tenure that could be supported. Specifically, calculations are provided for the following housing types:

- Workforce Apartment Units (households with incomes at 60% to 100% AMI)
- Market-Rate Apartment Units (households with incomes at 100% AMI and Higher)

VSI has evaluated the projected number of households at income levels required to afford various potential development opportunities. This provides the basis to estimate the total number of units that can be supported by households targeted for residency with incomes between 60% and 100% of Area Median Income (AMI) and more than 100% of AMI.

At the time when a specific project is proposed, it will be important to reevaluate the projected demographic trends at the anticipated year of opening of that specific project, as the demographic characteristics projected today may be different in five years as additional housing is developed and economic growth occurs. ***The demographic demand projections provide an indication of the likely overall need for conventional multifamily rental housing in the PMA, which could be supported in Oscoda Township.***

These conclusions are the intended to indicate that the number of supportable units over the next five years and not the number that could realistically be absorbed into the market in any one year. Developments need to occur over several years so the market is not saturated at any one time. Introducing an excessive amount of housing in any one year could adversely impact the value and performance of existing housing.

To ensure the continued success of a neighborhood or community, it is beneficial to offer a variety of housing opportunities to ensure a balanced continuum of housing. To that extent, it is important to evaluate the need for senior rental housing alternatives as well as “workforce” rental housing alternatives.

There are a number of sources of support for new housing. The first source is an increase in income-qualified households (based on currently available demographic projections). The second source is replacement of functionally obsolete product, which takes into consideration the already existing pent-up market demand. Functionally- obsolete product can be either occupied or vacant. Another support component involves new economic activity that stimulates additional household growth in the region that will generate additional support for new rental housing. The changing housing preferences of the emerging millennial rental market and the empty-nester baby-boomer market (moving from single-family homes) indicate market potential that current demographic projections have yet to consider.

Another component of household growth that is difficult to quantify are households that are attracted to the area when additional living alternatives are made available to them. This is essentially additional support from outside the Primary Market Area and represents those households who would never have considered a move to a location given the current supply of existing living alternatives. A new development that attracts these households would likely spur demographic growth beyond projections. Given the unknown of future development possibilities within a geographic region, it is not surprising that this growth variable is difficult to anticipate in forecasting demand for additional housing. However, it is important to acknowledge this out-of-market support component.

Rental Demographic Support Analysis

Demand Factors – Rental Housing

For this purpose of this analysis, we have considered the demographic support projected in 2025, which is the latest year for which the most accurate demographic projections are typically provided. Projections beyond this time period are highly speculative. We have considered support from renter households in the market that would income-qualify for new construction and would originate both from within the market and from outside the area based on current demographic projects (which, as previously indicated, do not consider more recently announced economic activity). The following table illustrates the forecasted distribution of renter households in the PMA for 2025 by household size and income.

Renter Household Income Range	Renter Households 2025 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	88	58	31	25	13	213
\$10,000 to \$19,999	196	75	40	32	17	360
\$20,000 to \$29,999	161	73	39	31	16	320
\$30,000 to \$39,999	139	82	44	35	18	318
\$40,000 to \$49,999	166	102	55	44	23	390
\$50,000 to \$59,999	52	37	20	16	8	132
\$60,000 to \$74,999	55	43	23	18	10	149
\$75,000 to \$99,999	60	42	22	18	9	151
\$100,000 to \$124,999	31	22	12	9	5	78
\$125,000 to \$149,999	14	10	5	4	2	36
\$150,000 to \$199,999	12	8	5	4	2	30
\$200,000 & Over	11	8	4	3	2	29
Total	985	560	298	240	124	2,206

Source: 2010 Census; ESRI; Urban Decision Group; VSI

Demographic information from this table is used in the following support calculations. In addition to these demographic statistics, we have applied various “capture rates” to estimate the number of supportable units.

Capture rates are determined in site-specific market evaluations by dividing the number of proposed subject units into the number of income-eligible households. For instance, a 100-unit apartment project would represent a 5% capture rate in an urban rental market with 2,000 income-eligible renter households ($= 100 / 2,000$). Also, a 5% capture rate would not generate such a significant number of units to cause the overall rental market to be out of balance by creating too many vacancies in older, existing product. Naturally, the overall market performance is also considered when applying potential capture rates.

Different types of rental housing concepts can achieve different capture rates. For instance, a new construction, upscale, cottage-style rental project tailored to the needs of seniors could potentially achieve a much higher capture rate in a market without any senior-specific rental competition than a moderate-quality market-rate apartment project could achieve in a market with a significant amount of competition. Therefore, we have applied different capture rates based on typically accepted standards to determine the number of supportable rental housing units.

Since the purpose of this analysis is to quantify the support potential for various types of rental housing, we have segmented the housing demand by income level. This provides an overall estimation of the total number of units that can be supported by households who can qualify for residency with incomes between 60% and 100% of AMI and more than 100% of AMI. These are the income levels most often attracted to conventional rental housing. Lower AMI levels are typically addressed by government programs through the use of rental assistance or Low-Income Housing Tax Credits. Much higher income levels are typically attracted to owner-occupied housing although lifestyle choices also impact this continuum.

Considering this analysis is to identify households with incomes necessary to support various types of conventional rental housing, we have used the 2020 four-person Iosco County income levels. It should be noted that if an affordable rental project was developed in Iosco County, the developer would have the benefit of using national non-metropolitan income limits, which are higher than the Iosco County income limits and would allow an affordable project to serve a somewhat larger base of households. However, for the purpose of this analysis, we have evaluated the Iosco County-specific incomes to more accurately determine support potential for multifamily rental housing in Oscoda Township.

2020 Iosco County (non-HUD-reported) Income Limits		
Household Size	60%	100%
One-Person	\$22,180	\$37,020
Two-Person	\$25,340	\$42,310
Three-Person	\$28,510	\$47,590
Four-Person	\$31,680	\$52,800
Five-Person	\$34,210	\$57,100
2020 Median Four-Person Household Income: \$52,800		

*Income limits are based on Iosco County median incomes, not the national non-metro incomes

“Workforce” Analysis (60% to 100% AMI)

Note the term “workforce” is used as a generic term to describe working individuals with moderate incomes that could potentially qualify for housing with incomes between 60% and 100% of AMI. The availability of “workforce” housing is becoming an important element to attracting and retaining businesses. We have evaluated the demographic support base for “workforce” housing targeting individuals and households with incomes between 60% and 100% of AMI.

For the purpose of this analysis and based on the HUD-provided Iosco County, Michigan income limits, a “workforce” rental project developed in Oscoda Township that would serve households with incomes between 60% and 100% AMI would currently primarily appeal to renter households with incomes between \$22,180 and \$52,800 (depending on household size). This assumes one- through four-person households would be attracted to a conventional rental project.

We anticipate that five-person and larger households will primarily be more attracted to non-conventional rentals, such as single-family homes, duplexes, etc. Considering the demographic support for rental housing over the next five years and the anticipated annual rent and income growth, we have assumed that households would need incomes between approximately \$25,000 and \$60,000 to qualify for this type of conventional, workforce, rental housing by 2025. This is summarized in the following table.

Project Type	“Workforce Housing” Income Range	
	Minimum	Maximum
New Construction Multifamily “Workforce” Rental Housing	\$25,000	\$60,000

A significant portion of employees and local households earn annual incomes within this range. We anticipate that up to 20% of support for a new project developed in Oscoda Township would likely originate from households currently living outside the defined Site PMA, likely from other portion of Iosco and Alcona counties. This would be represented by those households who could not previously find adequate and affordable housing.

In addition, based on the anticipated economic growth planned in the area (primarily at Kalitta Air and Space Port), we anticipate that an additional 20% of support for “workforce” housing would originate from new economic activity currently not reflected in the demographic projections. We have quantified this in the following demographic support analysis considering the size- and income-appropriate renter households projected to exist in the Site PMA in 2025.

It is estimated that 14.3% of renter-occupied housing units were built prior to 1950. An estimated 2.3% of all renter-occupied housing units lack kitchens and/or complete plumbing facilities. Considering that many of the rental units lacking kitchens and/or complete plumbing facilities were also built prior to 1950, we assume that approximately 14.5% of the existing renter-occupied housing units (or 439 of the 3,027 projected rental housing units [occupied and vacant, for-rent only vacancies – this does not consider seasonal/vacation vacancies]) in 2025 will be substandard or functionally obsolete.

The following table summarizes the support calculations for “workforce” rental housing.

“Workforce” Apartment Demographic Support Analysis (2025)			
Income Range	All Renter Households	1-, 2-, 3- & 4-Person Renter Households	Targeted Renters (\$25,000 to \$60,000)
Up to \$10,000	213	201	-
\$10,000 to \$20,000	360	344	-
\$20,000 to \$30,000	320	304	152
\$30,000 to \$40,000	318	300	300
\$40,000 to \$50,000	390	367	367
\$50,000 to \$60,000	132	124	124
\$60,000 to \$75,000	149	139	-
\$75,000 to \$100,000	151	142	-
\$100,000 to \$125,000	78	73	-
\$125,000 to \$150,000	36	33	-
\$150,000 to \$200,000	30	28	-
\$200,000 and Higher	29	27	-
Total	2,206	2,082	943
Income- and Size-Appropriate Renters			943
20% Additional Support Component From Renter Households Currently Outside the PMA			+ 236 (= [943 / 80%] – 943)
20% Additional Support Component From New Economic Activity			+ 236 (= [943 / 80%] – 943)
Projected Demographic Support Base (2025)			= 1,415
Renters Residing in Substandard Housing			+ 439
Existing Comparable Multifamily Development (Class A) Units			– 0
Total Demographic Support (2025)			= 1,854
Potentially Supportable Rental Units Based on ~7.5% to ~10% Capture Rate			= 140 to 185 units

Source: ESRI; Urban Decision Group; VSI

Applying a 7.5% to 10% capture rate to the total demographic support component results in an estimated demand for 140 to 185 additional, new, conventional multifamily “workforce” apartment units that could be supported by 2025 within Oscoda. This support figure assumes new projects offering overall combined mixes of one-, two- and potentially some three-bedroom units. Furthermore, this assumes a variety of unit designs, layouts and concepts, including at least a small share of townhouse-style units. In addition, this is for “workforce” rental units generally serving individuals and households (typically up to four persons) with incomes between approximately \$25,000 and \$60,000.

As discussed earlier, not all 185 “workforce” apartments units can be absorbed into the Oscoda market in a given year. This is the maximum number of market-rate apartments that could potentially be supported over the next five years (which equates to up to an estimated ~40 new “workforce” rental units per year, on average). These multifamily apartment units do not need to be and should not be developed at one location. Rather, a number of smaller apartment projects could be supported at different locations throughout the city, including some in the central portion of Oscoda Township. This strategy maximizes the development potential.

Market-Rate Apartments Analysis (100% AMI and Higher)

In addition to the “workforce” support analysis, we have also conducted an analysis of the demographic support base for more upscale market-rate, conventional apartments in the area. The following table summarizes the target income range.

Project Type	Market-Rate Apartment Income Range	
	Minimum	Maximum
New Construction Multifamily Rental Project	\$60,000	No Limit

It is important to note that we did not identify any new, modern, high-quality conventional market-rate apartment projects in the Site PMA. It is likely that many of the higher-income renter households in the region either chose to live in non-conventional rentals (single-family homes, duplexes, etc.) or live outside the PMA. Note that we have excluded the support component from renters currently residing in substandard housing, as it is most likely that renters in the higher income ranges. Considering the anticipated higher incomes that will likely be paid to the Space Port employees, and the fact that these employees will be more likely to relocate from other portions of the country, we have increased the share of support from economic growth for market-rate housing to 30%.

The following table summarizes the support calculations for more upscale market-rate rental housing.

Market-Rate Apartment Demographic Support Analysis (2025)			
Income Range	All Renter Households	1-, 2-, 3- & 4-Person Renter Households	Targeted Renters (\$60,000 and Higher)
Up to \$10,000	213	201	-
\$10,000 to \$20,000	360	344	-
\$20,000 to \$30,000	320	304	-
\$30,000 to \$40,000	318	300	-
\$40,000 to \$50,000	390	367	-
\$50,000 to \$60,000	132	124	-
\$60,000 to \$75,000	149	139	139
\$75,000 to \$100,000	151	142	142
\$100,000 to \$125,000	78	73	73
\$125,000 to \$150,000	36	33	33
\$150,000 to \$200,000	30	28	28
\$200,000 and Higher	29	27	27
Total	2,206	2,082	442
Income- and Size-Appropriate Renters			442
20% Additional Support Component From Renter Households Currently Outside the PMA			+ 111 (= [442 / 80%] – 442)
30% Additional Support Component From New Economic Activity			+ 189 (= [442 / 70%] – 442)
Projected Demographic Support Base (2025)			= 742
Existing Comparable Multifamily Development (Class A) Units			– 0
Total Demographic Support (2025)			= 742
Potentially Supportable Rental Units Based on ~7.5% to ~10% Capture Rate			= 60 to 75 units

Source: ESRI; Urban Decision Group; VSI

Based on this evaluation, there is potential support for up to 75 more upscale market-rate units in Oscoda Township. Similar to “workforce” housing, the area would benefit from more than one location with market-rate housing. However, given the costs of new construction as well as the importance of including project amenities that are expected in new market-rate housing, the reality is that a single site should likely be considered to maximize potential.

Overall Demographic Support Conclusions

Based on our evaluation of the rental housing market, demographic trends and economic conditions in Oscoda Township, the Site PMA and the surrounding region, we have used the following assumptions to project the demographic segments of the market that will be targeted by various housing options. The following table summarizes the estimated income ranges, target household sizes and supportable unit conclusions for “workforce” conventional apartment development and for more upscale market-rate apartment development in Oscoda Township. Note that this is the gross support potential, rather than specific development recommendations.

Potentially Supportable New Housing Units – 2025 Conclusions				
Housing Type and Targeted Age	Targeted Household Size	Minimum Income	Maximum Income	Supportable Units
“Workforce” Apartments (60% to 100% AMI)	1-through 4-Person Renter Households	\$25,000	\$60,000	~ 140 – 185 Units
Market-Rate Apartments (100% AMI and Higher)	1-through 4-Person Renter Households	\$60,000	No Limit	~ 60 – 75 Units

Demographic support and market demand exists for between 190 and 255 units of new construction, conventional, multifamily apartment housing. These overall conclusions assume that appealing and marketable site locations can be identified and developed to accommodate the different types of new multifamily rental housing units that can be supported. The development of new housing may result in some tenant displacement of a portion of the older, functionally obsolete housing alternatives in the overall market generating vacancies.

Although the pent-up market demand and potential demographic support is notable, it is unlikely that the maximum number of supportable units could be developed simultaneously, as there could be some competitive overlap between the “workforce” and the more upscale market-rate segments.

Applying the suggested potentially supportable share of units by bedroom type to the total number of supportable units, results in the following distribution of rental units within the PMA by 2025.

Potentially Supportable Apartment Units by Bedroom Type				
Bedrooms	Suggested Share of Units	Supportable “Workforce” Units	Supportable Market-Rate Units	Total Supportable Apartments Units
One-Bedroom	50% - 60%	70 to 110	30 to 45	~ 100 to 150
Two-Bedroom	40% - 50%	55 to 90	25 to 40	~ 80 to 130
Three-Bedroom	5% - 10%	10 to 20	5 to 10	~ 15 to 30
Total		~ 140 to 185	~ 60 to 75	~ 200 to 260

Note that we anticipate a smaller share of three-bedroom units in part because of the abundance of non-conventional three- and four-bedroom rentals in the area (single-family homes and duplexes). These 200 to 260 multifamily apartment units do not need to be and should not be developed at one location. Rather, a number of smaller apartment projects could be supported at different locations throughout the area, including some in the central portion of Oscoda Township. This strategy maximizes the development potential.

Obviously, the achievability of a specific development to successfully develop and absorb new rental units into the market would be dependent upon numerous factors, including an appealing building and unit designs, sufficient unit sizes and bathrooms, as well as an appealing neighborhood (site) in which the development was built. However, demographic support exists for notable additional multifamily housing development in the Oscoda Township.

Overall, the PMA has market demand and demographic support for additional new multifamily rental housing development over the next five years, especially considering the historical and projected new economic activity in Oscoda Township. New rental housing development in the area provides an opportunity for development that could provide an opportunity for development that helps to meet a portion of the demand for rental housing in the PMA. Note that if the planned economic growth does not occur to the extent anticipated, it is possible that fewer units could be supported.

Although not specifically quantified in this analysis, additional market demand and demographic support exists for the new development of lower-income affordable government-subsidized and/or Low-Income Housing Tax Credit rental housing. Often, when economic and demographic development and growth occurs, lower-paid and part-time jobs also are created in the service industry, thus increasing the need for affordable housing. In order to ensure the continued success of a community, it is beneficial to offer a variety of housing opportunities at different rent levels to ensure a balanced continuum of housing.

IX. Qualifications

The Company

Vogt Strategic Insights is a real estate research firm established to provide accurate and insightful market forecasts for a broad range client base. The principal of the firm, Robert Vogt, has more than 40 years of real estate market feasibility experience throughout the United States.

Serving real estate developers, syndicators, lenders, state housing finance agencies and the U.S. Department of Housing and Urban Development (HUD), the firm provides market feasibility studies for affordable housing, market-rate apartments, condominiums, senior housing, student housing and single-family developments.

The Staff

Robert Vogt has conducted and reviewed more than 8,000 market analyses over the past 40 years for market-rate and Low-Income Housing Tax Credit apartments as well as studies for single-family, golf course/residential, office, retail and elderly housing throughout the United States. Mr. Vogt is a founding member and the past chairman of the National Council of Housing Market Analysts (formerly known as the National Council of Affordable Housing Market Analysts), a group formed to bring standards and professional practices to market feasibility. He is a frequent speaker at many real estate and state housing conferences. Mr. Vogt has a bachelor's degree in finance, real estate and urban land economics from The Ohio State University.

Andrew W. Mazak has more than 17 years of experience in the real estate market research field. He has personally written more than 2,000 market feasibility studies in markets throughout the United States, Canada, Puerto Rico and the U.S. Virgin Islands. These studies include the analysis of Low-Income Housing Tax Credit, market-rate and government-subsidized apartments, student housing developments, farmworker housing projects, condominium communities, single-family subdivisions and senior-living developments, as well as overall community, city, county and statewide housing needs assessments. Mr. Mazak has a bachelor's degree in Business Management and Marketing from Capital University in Columbus, Ohio.

Nathan Young has more than a decade of experience in the real estate profession. He has conducted field research and written market studies in hundreds of rural and urban markets throughout the United States. Mr. Young's real estate experience includes analysis of apartment (subsidized, Tax Credit and market-rate), senior housing (i.e. nursing homes, assisted living, etc.), student housing, condominium, retail, office, self-storage facilities and repositioning of assets to optimize feasibility. Mr. Young has experience in working with the U.S. Department of Housing and Urban Development and has FHA LEAN program training. Mr. Young has a bachelor's degree in Engineering (Civil) from The Ohio State University and a Master of Business Administration from Ohio Dominican University.

Jim Beery has more than 30 years of experience in the real estate market feasibility profession. He has written market studies for a variety of development projects, including multifamily apartments (market-rate, affordable housing, and government-subsidized), residential condominiums, hotels, office developments, retail centers, recreational facilities, commercial developments, single-family developments and assisted living properties for older adults. Other consulting assignments include numerous community redevelopment and commercial revitalization projects. Mr. Beery has attended the HUD MAP Training for industry partners and received continuing education certification from the Lender Qualification and Monitoring Division. Mr. Beery has a bachelor's degree in Business Administration (Finance major) from The Ohio State University.

Jennifer Tristano has been involved in the production of more than 2,000 market feasibility studies during the last several years. While working as an editor, Ms. Tristano became well acquainted with the market study guidelines and requirements of state finance agencies as well as various U.S. Department of Housing and Urban Development programs. In addition, Ms. Tristano has researched market conditions for a variety of project types, including apartments (Tax Credit, subsidized and market-rate), senior residential care, student housing and condominium communities. Ms. Tristano graduated *summa cum laude* from The Ohio State University.

Jimmy Beery has analyzed real estate markets across the country over the past 12+ years. In this time, Mr. Beery has conducted a broad range of studies, including Low-Income Housing Tax Credit apartments, luxury market-rate apartments, student housing analysis, rent comparability studies, condominium and single-family home communities, mixed-use developments, lodging, retail and commercial space. Mr. Beery has a bachelor's degree in Human Ecology from The Ohio State University.

Tom Mowery has more than 30 years of experience in the housing industry in both the public and private sectors. Prior to joining VSI, Mr. Mowery served as a Vice President at JPMorgan Chase where he analyzed and reviewed market risk and advised on economic results and long-term viability for the national Underwriting effort within Community Development Banking (CDB). He supported \$2.5 billion within four regional portfolios of real estate properties, primarily affordable multifamily. Mr. Mowery has also worked for Arizona Department of Housing and The Danter Company. He is skilled at Market Risk Analysis, Market Study/Appraisal Review, Portfolio Monitoring, Pipeline Management, Affordable/Market-Rate Housing, Underwriting, Community Development and Market Development. Mr. Mowery holds a bachelor's degree in Business Administration and Accounting from Ohio Dominican University.

Eric Pacella has conducted real estate market research in more than 300 markets in more than 40 states since 2014. Mr. Pacella has experience evaluating a broad range of product types, including senior housing, Low-Income Housing Tax Credit apartments, market-rate apartments, subsidized housing, student housing, homeless supportive housing, single-family housing, condominium housing, mixed-use developments and commercial space. Mr. Pacella holds a Bachelor of Arts degree in Journalism from The Ohio State University.

Kyle Reiff has conducted market studies in over 40 states since joining VSI in 2012. Mr. Reiff has evaluated market conditions for a variety of project types, including Low-Income Housing Tax Credit apartments, homeless supportive housing analysis, student housing analysis, rent comparability studies, condominium and single-family home communities, mixed-use developments, lodging, citywide analysis and workforce housing analysis. Mr. Reiff has a Bachelor's Degree in Economics from The Ohio State University.

Field Staff – Vogt Strategic Insights maintains a field staff of professionals experienced at collecting critical on-site real estate data. Each member has been fully trained to evaluate site attributes, area competitors, market trends, economic characteristics and a wide range of issues influencing the viability of real estate development.

A. Field Survey of PMA Conventional Rentals

The following section is a field survey of conventional rental properties identified through a variety of sources, including area apartment guides, government agencies and our own field inspection. The intent of the field survey is to evaluate the overall strength of the existing rental market, identify trends impacting future development and to identify those properties considered most comparable to the subject site. The field survey has been organized by project type; properties are color coded to reflect this and designated as market-rate, Tax Credit, government-subsidized or a combination of these three property types. The field survey is assembled as follows:

- A color-coded map indicating each property surveyed and the project type followed by a list of properties surveyed.
- Distribution of non-subsidized and subsidized units and vacancies in properties surveyed.
- Properties surveyed by name, address, telephone number, project type, key amenities, year built or renovated (if applicable), number of floors, total units, occupancy rate, quality rating, rent incentives and Tax Credit designation. Housing Choice Vouchers and Rental Assistance are also noted here.
- A rent distribution is provided for all market-rate and non-subsidized Tax Credit units by unit type and bedroom.
- Calculations of rent per square foot (all utilities are adjusted to reflect similar utility responsibility). Data is summarized by unit type.
- The distribution of market-rate and non-subsidized Tax Credit units are provided by quality rating, unit type and number of bedrooms. The median rent by quality ratings and bedrooms is also reported. Note that rents are adjusted to reflect common utility responsibility.
- An analysis of units added to the area by project construction date and, when applicable, by year of renovation.
- Aggregate data and distributions for all non-subsidized properties are provided for appliances, unit amenities and project amenities.
- Aggregation of projects by utility responsibility (market-rate and non-subsidized Tax Credit only).
- A utility allowance worksheet.

Note that other than the property listing following the map, data is organized by project types. Market-rate properties (blue designation) are first followed by variations of market-rate and Tax Credit properties. Non-government subsidized Tax Credit properties are red and government-subsidized properties are yellow. See the color codes at the bottom of each page for specific project types.

Grand Rapids, MI Apartment Locations

Legend

Project Site

PMA

Apartments

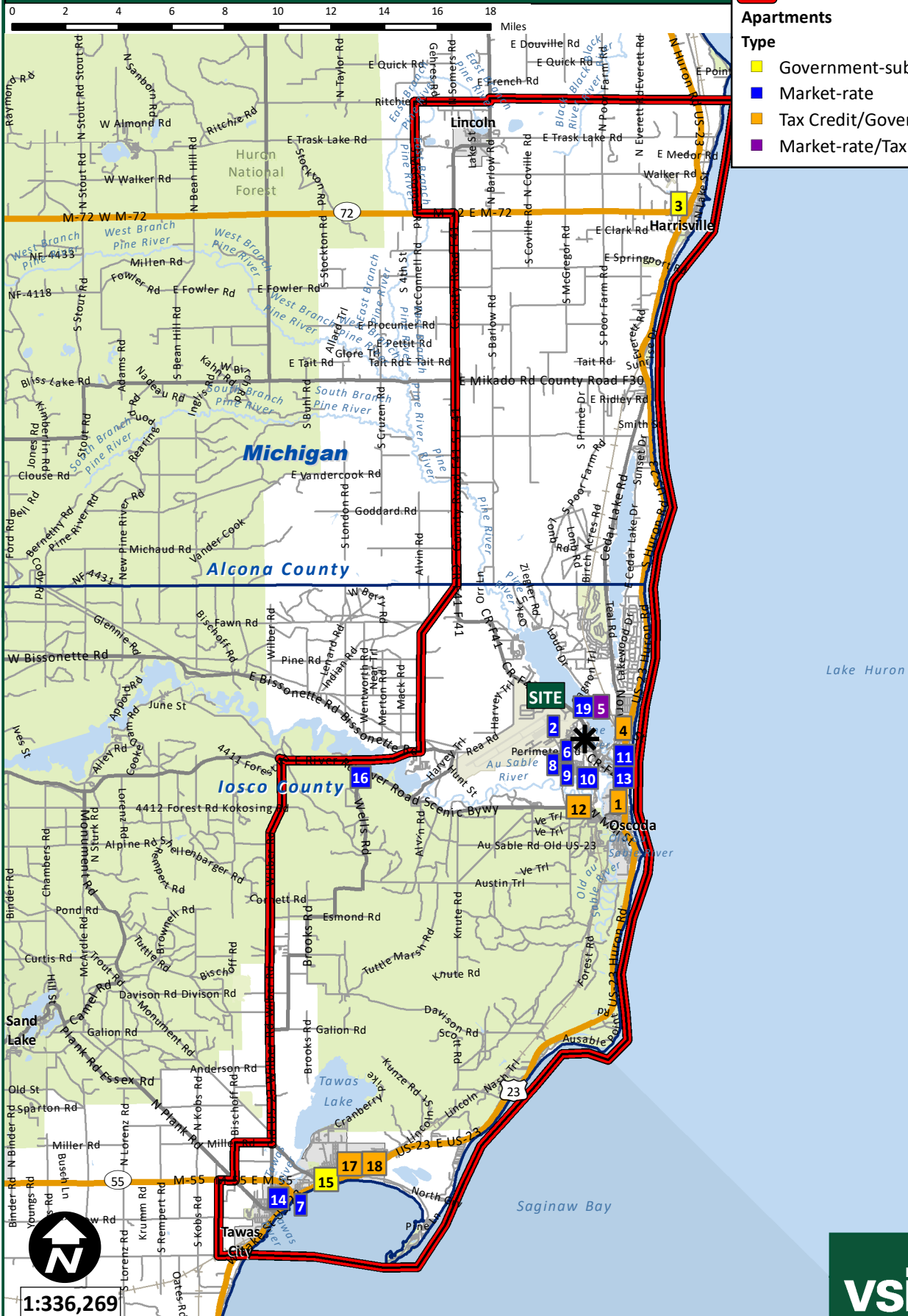
Type

Government-subsidized

Market-rate

Tax Credit/Government-subsidized

Market-rate/Tax Credit/Govt-sub



Map Identification List

Map ID	Project Name	Project Type	QR	Year Built/Renovated	Total Units	Vacant	Occupancy Rate	DTS
1	Oscoda Shores Apts.	TGS	B	1992	24	0	100.0%	2.2
2	Oscoda Adult Condominiums	MRR	B	1990	80	4	95.0%	0.1
3	Cowell Manor	GSS	B	1979	32	0	100.0%	17.6
4	Gull Pointe Apts.	TGS	B	1975 / 1992	50	0	100.0%	0.6
5	Huron Beach Apts.	TMG	A-	1976 / 2018	48	0	100.0%	0.1
6	9747A 8th St.	MRR	B	1960 / 2010	1	0	100.0%	1.3
7	402 W. Lake St.	MRR	B	1885 / 2013	6	0	100.0%	18.6
8	9615 Missouri St. B	MRR	B	2012	1	1	0.0%	1.5
9	8714B Pennsylvania St.	MRR	B	1960 / 2000	1	0	100.0%	1.3
10	8122 Colorado C and D	MRR	B	1960	2	0	100.0%	1.2
11	5604 Cedar Lake Rd.	MRR	B	1970	1	0	100.0%	1.8
12	Aldersgate Apts.	TGS	B	1975 / 2010	99	0	100.0%	3.9
13	Sunrise Villa Apts.	MRR	B	1956	11	0	100.0%	1.9
14	114 W. 2nd Ave.	MRR	B	1911 / 2000	1	0	100.0%	18.9
15	Bay Park Tower North	GSS	B	1981	44	0	100.0%	17.3
16	1224 Wakefield St.	MRR	B	1970	1	0	100.0%	9.4
17	Maple Tree Apts.	TGS	B+	1985 / 2009	48	0	100.0%	16.7
18	Harbor Pointe Apts.	TGS	B	1991	24	0	100.0%	16.5
19	The Villages	MRR	A	1980	150	0	100.0%	0.0

Project Type	Projects Surveyed	Total Units	Vacant	Occupancy Rate	U/C
MRR	11	255	5	98.0%	0
TMG	1	48	0	100.0%	0
TGS	5	245	0	100.0%	0
GSS	2	76	0	100.0%	0

Project Type

Market-rate	Market-rate/Tax Credit/Government-subsidized
Market-rate/Tax Credit	Tax Credit
Market-rate/Government-subsidized	Tax Credit/Government-subsidized
Senior Restricted	Government-subsidized

QR - Quality Rating

DTS - Drive Distance To Site (Miles)

Distribution of Units

Market-Rate						
Bedrooms	Baths	Units	Distribution	Vacant	Vacancy Rate	Median Net Rent
1	1	60	23.3%	3	5.0%	\$537
2	1	51	19.8%	1	2.0%	\$675
2	2	10	3.9%	0	0.0%	\$850
3	1	41	16.0%	0	0.0%	\$800
3	1.5	19	7.4%	1	5.3%	\$750
3	2	41	16.0%	0	0.0%	\$900
3	2.5	15	5.8%	0	0.0%	\$950
4	1.5	10	3.9%	0	0.0%	\$850
4	2.5	10	3.9%	0	0.0%	\$1,000
TOTAL		257	100.0%	5	1.9%	

Tax Credit, Non-Subsidized						
Bedrooms	Baths	Units	Distribution	Vacant	Vacancy Rate	Median Net Rent
1	1	38	50.7%	0	0.0%	\$531
2	1	37	49.3%	0	0.0%	\$605
TOTAL		75	100.0%	0	0.0%	

Tax Credit, Government-Subsidized						
Bedrooms	Baths	Units	Distribution	Vacant	Vacancy Rate	Median Net Rent
1	1	105	54.7%	0	0.0%	N.A.
2	1	83	43.2%	0	0.0%	N.A.
3	1	4	2.1%	0	0.0%	N.A.
TOTAL		192	100.0%	0	0.0%	

Government-Subsidized						
Bedrooms	Baths	Units	Distribution	Vacant	Vacancy Rate	Median Net Rent
1	1	76	76.0%	0	0.0%	N.A.
2	1	16	16.0%	0	0.0%	N.A.
3	1.5	8	8.0%	0	0.0%	N.A.
TOTAL		100	100.0%	0	0.0%	

Grand Total		624	-	5	0.8%	
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Survey of Properties

1

Oscoda Shores Apts.



5035 Cedar Lake Rd.

Oscoda, MI 48750

Phone (989) 756-3106

Contact Chris(in person)

Waitlist 6 months

Total Units 24

Vacancies 0

Occupancy 100.0%

Floors 1

Quality B

Year Built 1992

Comments

60% AMI & RD 515; RA available (21 units); Also serves disabled;
Flat fee for water, sewer & trash included in reported rents

Senior Restricted (62+)

2

Oscoda Adult Condominiums



5951 N. Skeel Ave.

Oscoda, MI 48750

Phone

Contact Kathy(in person)

Waitlist None

Total Units 80

Vacancies 4

Occupancy 95.0%

Floors 4

Quality B

Year Built 1990

Comments

Senior Restricted (55+)

3

Cowell Manor



200 N. 8th St.

Harrisville, MI 48740

Phone (989) 724-6614

Contact Reid(in person)

Waitlist 4 households

Total Units 32

Vacancies 0

Occupancy 100.0%

Floors 2

Quality B

Year Built 1979

Comments

RD 515; RA available (24 units)

4

Gull Pointe Apts.



4363 Budziak Rd.

Oscoda, MI 48750

Phone (989) 739-7451

Contact Sarah(in person)

Waitlist 2-6 months

Total Units 50

Vacancies 0

Occupancy 100.0%

Floors 1

Quality B

Year Built 1975

Renovated 1992

Comments

60% AMI & RD 515; RA available (50 units); Waitlist: 1-br/6 months & 2-br/2 months

Project Type

Market-rate	Market-rate/Tax Credit/Government-subsidized
Market-rate/Tax Credit	Tax Credit
Market-rate/Government-subsidized	Tax Credit/Government-subsidized
	Government-subsidized

5 Huron Beach Apts.

111 Pack St.	Total Units	48
Oscoda, MI 48750	Vacancies	0
Phone (989) 739-7809	Occupancy	100.0%
Contact Erica(in person)	Floors	2
Waitlist None	Quality	A-
	Year Built	1976
	Renovated	2018

Comments

Market-rate (2 units); 60% AMI & RD 515 (46 units); RA available (46 units); 1 2-br manager's unit not included in total

6 9747A 8th St.

9747A 8th St.	Total Units	1
Oscoda, MI 48750	Vacancies	0
Phone (989) 739-2050	Occupancy	100.0%
Contact Tommy(in person)	Floors	2
Waitlist None	Quality	B
	Year Built	1960
	Renovated	2010

Comments

Square footage estimated; 1 rental unit in duplex structure

7 402 W. Lake St.

402 W. Lake St.	Total Units	6
Tawas City, MI 48763	Vacancies	0
Phone (989) 359-0442	Occupancy	100.0%
Contact Name not given(in person)	Floors	1
Waitlist None	Quality	B
	Year Built	1885
	Renovated	2013

Comments**8 9615 Missouri St. B**

9615 Missouri St.	Total Units	1
Oscoda, MI 48750	Vacancies	1
Phone (850) 427-5716	Occupancy	0.0%
Contact Tim(in person)	Floors	1
Waitlist None	Quality	B
	Year Built	2012

Comments**Project Type**

■ Market-rate	■ Market-rate/Tax Credit/Government-subsidized
■ Market-rate/Tax Credit	■ Tax Credit
■ Market-rate/Government-subsidized	■ Tax Credit/Government-subsidized
	■ Government-subsidized

9**8714B Pennsylvania St.**

8714B Pennsylvania St.	Total Units	1
Oscoda, MI 48750	Vacancies	0
Phone (989) 739-2050	Occupancy	100.0%
Contact Tommy(in person)	Floors	1
Waitlist None	Quality	B
	Year Built	1960
	Renovated	2000

Comments

Renovation date estimated; 1 rental unit in duplex structure

11**5604 Cedar Lake Rd.**

5604 Cedar Lake Rd.	Total Units	1
Oscoda, MI 48750	Vacancies	0
Phone (989) 739-2050	Occupancy	100.0%
Contact Tommy(in person)	Floors	1
Waitlist None	Quality	B
	Year Built	1970

Comments

Square footage estimated

Single-Family Home**10****8122 Colorado C and D**

8122 Colorado	Total Units	2
Oscoda, MI 48750	Vacancies	0
Phone (313) 788-9447	Occupancy	100.0%
Contact Name not given(in person)	Floors	2
Waitlist None	Quality	B
	Year Built	1960

Comments**12****Aldersgate Apts.**

1100 Killmaster Dr.	Total Units	99
Oscoda Township, MI 48750	Vacancies	0
Phone (989) 739-3631	Occupancy	100.0%
Contact Melissa(in person)	Floors	2
Waitlist 4 households	Quality	B
	Year Built	1975
	Renovated	2010

Comments

60% AMI (75); HUD Section 8 (24); Does not accept HCV; Townhomes have gas heat & hot water, washer/dryer hookups & basement; Garden units have landlord-paid gas; Renovation date estimated; Phase I (75 units); Phase II (24 units)

Project Type

Market-rate	Market-rate/Tax Credit/Government-subsidized
Market-rate/Tax Credit	Tax Credit
Market-rate/Government-subsidized	Tax Credit/Government-subsidized
	Government-subsidized

13 Sunrise Villa Apts.

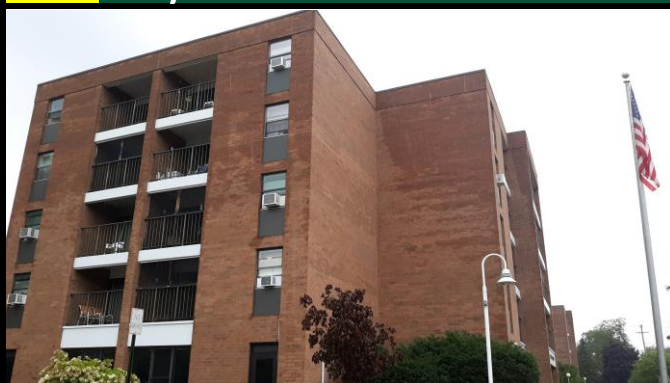
5395 US 23 Hwy.	Total Units	11
Oscoda, MI 48750	Vacancies	0
Phone (989) 942-6042	Occupancy	100.0%
Contact Name not given(in person)	Floors	2
Waitlist None	Quality	B
	Year Built	1956

Comments**14 114 W. 2nd Ave.**

114 W. 2nd Ave.	Total Units	1
Tawas City, MI 48763	Vacancies	0
Phone (810) 523-8294	Occupancy	100.0%
Contact Martin(in person)	Floors	1
Waitlist None	Quality	B
	Year Built	1911
	Renovated	2000

Comments

Renovation date estimated

15 Bay Park Tower North

109 Church St.	Total Units	44
East Tawas, MI 48730	Vacancies	0
Phone (989) 362-4963	Occupancy	100.0%
Contact James(in person)	Floors	5
Waitlist None	Quality	B
	Year Built	1981

Comments

HUD Section 8

16 1224 Wakefield St.

1224 Wakefield St.	Total Units	1
Oscoda, MI 48750	Vacancies	0
Phone (989) 739-2050	Occupancy	100.0%
Contact Tommy(in person)	Floors	1
Waitlist None	Quality	B
	Year Built	1970

Comments

Square footage & year built estimated

Single-Family Home**Project Type**

■ Market-rate	■ Market-rate/Tax Credit/Government-subsidized
■ Market-rate/Tax Credit	■ Tax Credit
■ Market-rate/Government-subsidized	■ Tax Credit/Government-subsidized
	■ Government-subsidized

17 Maple Tree Apts.

400 Grant St.	Total Units	48
East Tawas, MI 48730	Vacancies	0
Phone (989) 362-4971	Occupancy	100.0%
Contact Amanda(in person)	Floors	2
Waitlist 30 households	Quality	B+
	Year Built	1985
	Renovated	2009

Comments

40% & 45% AMI & RD 515; RA available (5 units); Accepts HCV (7 units); 5 project-based Vouchers

18 Harbor Pointe Apts.

1055 E. Lincoln St.	Total Units	24
East Tawas, MI 48730	Vacancies	0
Phone (989) 756-3106	Occupancy	100.0%
Contact Chris(in person)	Floors	1
Waitlist 6-12 months	Quality	B
	Year Built	1991

Comments**Senior Restricted (62+)**

60% AMI & RD 515; RA available (17 units); Also serves disabled; Flat fee for water, sewer & trash included in reported rents

19 The Villages

Scattered Sites	Total Units	150
Oscoda, MI 48750	Vacancies	0
Phone (989) 820-0046	Occupancy	100.0%
Contact Mark(in person)	Floors	1
Waitlist None	Quality	A
	Year Built	1980

Comments

Most do not accept HCVs; Numerous private owners

Project Type

Market-rate	Market-rate/Tax Credit/Government-subsidized
Market-rate/Tax Credit	Tax Credit
Market-rate/Government-subsidized	Tax Credit/Government-subsidized
	Government-subsidized

Collected Rents

Map ID	Garden Units					Townhouse Units			
	Studio	1-Br	2-Br	3-Br	4 Br+	1-Br	2-Br	3-Br	4 Br+
2						\$700	\$875		
5			\$736						
6								\$750	
7		\$550							
8								\$700	
9				\$850					
10								\$800	
11				\$825					
12		\$570	\$640				\$670		
13		\$600							
14						\$900			
16			\$775						
19			\$600 - \$850	\$800 - \$900				\$750 - \$950	\$850 - \$1,000

Project Type

Market-rate	Market-rate/Tax Credit/Government-subsidized
Market-rate/Tax Credit	Tax Credit
Market-rate/Government-subsidized	Tax Credit/Government-subsidized
Senior Restricted	Government-subsidized

Price Per Square Foot

One-Bedroom Units					
Map ID	Project Name	Baths	Unit Size	Net Rent	\$ / Square Foot
2	Oscoda Adult Condominiums	1	600	\$537	\$0.90
7	402 W. Lake St.	1	450	\$536	\$1.19
12	Aldersgate Apts.	1	657 - 690	\$531	\$0.77 - \$0.81
13	Sunrise Villa Apts.	1	350	\$620	\$1.77
14	114 W. 2nd Ave.	1	550	\$920	\$1.67
Two-Bedroom Units					
Map ID	Project Name	Baths	Unit Size	Net Rent	\$ / Square Foot
2	Oscoda Adult Condominiums	1	900	\$675	\$0.75
5	Huron Beach Apts.	1	735	\$736	\$1.00
12	Aldersgate Apts.	1	810 - 960	\$594 - \$605	\$0.63 - \$0.73
16	1224 Wakefield St.	1	800	\$876	\$1.10
19	The Villages	1 to 2	700 - 900	\$600 - \$850	\$0.86 - \$0.94
Three-Bedroom Units					
Map ID	Project Name	Baths	Unit Size	Net Rent	\$ / Square Foot
6	9747A 8th St.	1.5	1,800	\$899	\$0.50
8	9615 Missouri St. B	1.5	1,200	\$779	\$0.65
9	8714B Pennsylvania St.	1.5	1,200	\$999	\$0.83
10	8122 Colorado C and D	1.5 to 2	1,255	\$879	\$0.70
11	5604 Cedar Lake Rd.	1	920	\$974	\$1.06
19	The Villages	1 to 2	1,100 - 1,350	\$800 - \$900	\$0.67 - \$0.73
		1.5 to 2.5	1,400 - 1,550	\$750 - \$950	\$0.54 - \$0.61
Four Bedroom Units					
Map ID	Project Name	Baths	Unit Size	Net Rent	\$ / Square Foot
19	The Villages	1.5 to 2.5	1,500 - 1,600	\$850 - \$1,000	\$0.57 - \$0.63

Project Type

Market-rate	Market-rate/Tax Credit/Government-subsidized
Market-rate/Tax Credit	Tax Credit
Market-rate/Government-subsidized	Tax Credit/Government-subsidized
Senior Restricted	Government-subsidized

Average Net Rent Per Square Foot

Market-Rate			
Unit Type	One-Br	Two-Br	Three-Br
Garden	\$1.57	\$0.92	\$0.70
Townhouse	\$0.91	\$0.75	\$0.58

Tax Credit (Non-Subsidized)			
Unit Type	One-Br	Two-Br	Three-Br
Garden	\$0.79	\$0.73	\$0.00
Townhouse	\$0.00	\$0.63	\$0.00

Combined			
Unit Type	One-Br	Two-Br	Three-Br
Garden	\$1.03	\$0.85	\$0.70
Townhouse	\$0.91	\$0.70	\$0.58

Tax Credit Units

One-Bedroom Units						
Map ID	Project Name	Units	Square Feet	Baths	% AMI	Collected Rent
♦ 18	Harbor Pointe Apts.	24	600	1	60%	\$465 - \$641
♦ 1	Oscoda Shores Apts.	24	600	1	60%	\$487 - \$647
17	Maple Tree Apts.	20	594	1	45%	\$494 - \$535
12	Aldersgate Apts.	38	657 - 690	1	60%	\$570
4	Gull Pointe Apts.	14	648	1	60%	\$574 - \$701
5	Huron Beach Apts.	23	561	1	60%	\$575 - \$625

Two-Bedroom Units						
Map ID	Project Name	Units	Square Feet	Baths	% AMI	Collected Rent
17	Maple Tree Apts.	24	748	1	45%	\$530 - \$594
4	Gull Pointe Apts.	36	720	1	60%	\$604 - \$742
5	Huron Beach Apts.	23	735	1	60%	\$625 - \$736
12	Aldersgate Apts.	14	810	1	60%	\$640
12	Aldersgate Apts.	23	960	1	60%	\$670

Three-Bedroom						
Map ID	Project Name	Units	Square Feet	Baths	% AMI	Collected Rent
17	Maple Tree Apts.	4	798	1	40%	\$592 - \$625

Summary of Occupancies By Bedroom Type and AMHI Level																		
AMHI Level	Studio			One-Bedroom			Two-Bedroom			Three-Bedroom			Four-Bedroom			Total		
	Units	Vacant	Occ Rate	Units	Vacant	Occ Rate	Units	Vacant	Occ Rate	Units	Vacant	Occ Rate	Units	Vacant	Occ Rate	Units	Vacant	Occ Rate
60%				38	0	100.0%	37	0	100.0%							75	0	100.0%
Total				38	0	100.0%	37	0	100.0%			0.0%				75	0	100.0%

♦ - Senior Restricted

Quality Rating

Market-Rate Projects and Units								
Quality Rating	Projects	Total Units	Vacancy Rate	Median Rent				
				Studios	One-Br	Two-Br	Three-Br	Four-Br
A	1	150	0.0%			\$600	\$800	\$850
A-	1	2	0.0%			\$736		
B	10	105	4.8%		\$537	\$675	\$879	

Market-Rate Units by Bedroom, Type and Quality Rating									
Quality Rating	Garden Style Units					Townhome Units			
	Studios	One-Br	Two-Br	Three-Br	Four-Br	One-Br	Two-Br	Three-Br	Four-Br
A			20	80				30	20
A-			2						
B		17	1	2		43	38	4	

Quality Rating

Tax Credit Projects and Units								
Quality Rating	Projects	Total Units	Vacancy Rate	Median Net Rent				
				Studios	One-Br	Two-Br	Three-Br	Four-Br
B	1	75	0.0%		\$531	\$605		

Tax Credit Units by Bedroom, Type and Quality Rating									
Quality Rating	Garden Style Units					Townhome Units			
	Studios	One-Br	Two-Br	Three-Br	Four-Br	One-Br	Two-Br	Three-Br	Four-Br
B		38	14				23		

Year Built

Market-rate and Non-Subsidized Tax Credit						
Year Range	Projects	Units	Vacant	Vacancy Rate	Total Units	Distribution
Before 1970	6	22	0	0.0%	22	6.6%
1970 to 1979	4	79	0	0.0%	101	23.8%
1980 to 1989	1	150	0	0.0%	251	45.2%
1990 to 1999	1	80	4	5.0%	331	24.1%
2000 to 2009	0	0	0	0.0%	331	0.0%
2010 to 2014	1	1	1	100.0%	332	0.3%
2015	0	0	0	0.0%	332	0.0%
2016	0	0	0	0.0%	332	0.0%
2017	0	0	0	0.0%	332	0.0%
2018	0	0	0	0.0%	332	0.0%
2019	0	0	0	0.0%	332	0.0%
2020*	0	0	0	0.0%	332	0.0%
Total	13	332	5	1.5%	332	100.0 %

Year Renovated

Market-rate and Non-Subsidized Tax Credit						
Year Range	Projects	Units	Vacant	Vacancy Rate	Total Units	Distribution
Before 1970	0	0	0	0.0%	0	0.0%
1970 to 1979	0	0	0	0.0%	0	0.0%
1980 to 1989	0	0	0	0.0%	0	0.0%
1990 to 1999	0	0	0	0.0%	0	0.0%
2000 to 2009	2	2	0	0.0%	2	2.3%
2010 to 2014	3	82	0	0.0%	84	95.3%
2015	0	0	0	0.0%	84	0.0%
2016	0	0	0	0.0%	84	0.0%
2017	0	0	0	0.0%	84	0.0%
2018	1	2	0	0.0%	86	2.3%
2019	0	0	0	0.0%	86	0.0%
2020*	0	0	0	0.0%	86	0.0%
Total	6	86	0	0.0%	86	100.0 %

Note: The upper table (Year Built) includes all of the units included in the lower table.

* As of September 2020

Appliances and Unit Amenities

Appliances			
Appliance	Projects	Percent	Units*
Range	13	100.0%	332
Refrigerator	13	100.0%	332
Icemaker	0	0.0%	
Dishwasher	7	53.8%	172
Disposal	6	46.2%	81
Microwave	7	53.8%	251
Pantry	0	0.0%	
Unit Amenities			
Amenity	Projects	Percent	Units*
AC - Central	6	46.2%	171
AC - Window	1	7.7%	2
Floor Covering	13	100.0%	332
Washer/Dryer	7	53.8%	86
Washer/Dryer Hook-Up	11	84.6%	324
Patio/Deck/Balcony	11	84.6%	246
Ceiling Fan	5	38.5%	5
Fireplace	0	0.0%	
Basement	4	30.8%	4
Security	0	0.0%	
Window Treatments	13	100.0%	332
Furnished Units	1	7.7%	1
Storage	0	0.0%	
Walk-In Closets	1	7.7%	2

* - Does not include units where appliances/amenities are optional; Only includes market-rate or non-government subsidized Tax Credit.

Project Amenities

Project Amenities			
Amenity	Projects	Percent	Units
Pool	0	0.0%	
On-site Mangement	2	15.4%	77
Laundry	3	23.1%	157
Clubhouse	0	0.0%	
Community Space	1	7.7%	80
Fitness Center	0	0.0%	
Hot Tub/Sauna	0	0.0%	
Playground	2	15.4%	77
Computer/Business Center	1	7.7%	80
Sports Court(s)	0	0.0%	
Storage	0	0.0%	
Water Features	0	0.0%	
Elevator	1	7.7%	80
Security	0	0.0%	
Car Wash Area	0	0.0%	
Outdoor Areas	2	15.4%	77
Services	0	0.0%	
Community Features	0	0.0%	
Library/DVD Library	1	7.7%	80
Movie Theater	1	7.7%	80

Utility Distribution

Utility (Responsibility)	Number of Projects	Number of Units	Distribution of Units
Heat			
Landlord			
Electric	1	80	12.8%
Gas	4	185	29.6%
Tenant			
Electric	9	307	49.2%
Gas	5	52	8.3%
			100.0%
Cooking Fuel			
Landlord			
Electric	1	80	12.8%
Tenant			
Electric	13	533	85.4%
Gas	5	11	1.8%
			100.0%
Hot Water			
Landlord			
Electric	1	80	12.8%
Gas	3	179	28.7%
Tenant			
Electric	10	211	33.8%
Gas	5	154	24.7%
			100.0%
Electric			
Landlord	1	80	12.8%
Tenant	18	544	87.2%
			100.0%
Water			
Landlord	15	620	99.4%
Tenant	4	4	0.6%
			100.0%
Sewer			
Landlord	13	617	98.9%
Tenant	6	7	1.1%
			100.0%
Trash Pick Up			
Landlord	12	602	96.5%
Tenant	7	22	3.5%
			100.0%

Utility Allowance

Br	Unit Type	Heating				Hot Water		Cooking		Electric	Water	Sewer	Trash	Cable
		Gas	Electric	Steam	Other	Gas	Electric	Gas	Electric					
0	Garden	\$31	\$30		\$71	\$5	\$16	\$2	\$6	\$31	\$17	\$27	\$20	\$20
1	Garden	\$34	\$35		\$84	\$5	\$19	\$2	\$7	\$35	\$19	\$30	\$20	\$20
1	Townhouse	\$52	\$51		\$152	\$7	\$24	\$2	\$7	\$41	\$19	\$30	\$20	\$20
2	Garden	\$38	\$49		\$99	\$8	\$24	\$3	\$10	\$45	\$31	\$50	\$20	\$20
2	Townhouse	\$55	\$67		\$163	\$10	\$30	\$3	\$10	\$53	\$31	\$50	\$20	\$20
3	Garden	\$42	\$62		\$114	\$10	\$29	\$4	\$13	\$55	\$50	\$79	\$20	\$20
3	Townhouse	\$59	\$84		\$175	\$13	\$37	\$4	\$13	\$65	\$50	\$79	\$20	\$20
4	Garden	\$46	\$75		\$129	\$12	\$34	\$5	\$16	\$65	\$69	\$109	\$20	\$20
4	Townhouse	\$62	\$100		\$187	\$16	\$43	\$5	\$16	\$78	\$69	\$109	\$20	\$20

MI-Region B (1/2020)

B. Field Survey of Regional Conventional Rentals

The following section is a field survey of conventional rental properties identified through a variety of sources, including area apartment guides, government agencies and our own field inspection. The intent of the field survey is to evaluate the overall strength of the existing rental market, identify trends impacting future development and to identify those properties considered most comparable to the subject site. The field survey has been organized by project type; properties are color coded to reflect this and designated as market-rate, Tax Credit, government-subsidized or a combination of these three property types. The field survey is assembled as follows:

- A color-coded map indicating each property surveyed and the project type followed by a list of properties surveyed.
- Distribution of non-subsidized and subsidized units and vacancies in properties surveyed.
- Properties surveyed by name, address, telephone number, project type, key amenities, year built or renovated (if applicable), number of floors, total units, occupancy rate, quality rating, rent incentives and Tax Credit designation. Housing Choice Vouchers and Rental Assistance are also noted here.
- A rent distribution is provided for all market-rate and non-subsidized Tax Credit units by unit type and bedroom.
- Calculations of rent per square foot (all utilities are adjusted to reflect similar utility responsibility). Data is summarized by unit type.
- The distribution of market-rate and non-subsidized Tax Credit units are provided by quality rating, unit type and number of bedrooms. The median rent by quality ratings and bedrooms is also reported. Note that rents are adjusted to reflect common utility responsibility.
- An analysis of units added to the area by project construction date and, when applicable, by year of renovation.
- Aggregate data and distributions for all non-subsidized properties are provided for appliances, unit amenities and project amenities.
- Aggregation of projects by utility responsibility (market-rate and non-subsidized Tax Credit only).
- A utility allowance worksheet.

Note that other than the property listing following the map, data is organized by project types. Market-rate properties (blue designation) are first followed by variations of market-rate and Tax Credit properties. Non-government subsidized Tax Credit properties are red and government-subsidized properties are yellow. See the color codes at the bottom of each page for specific project types.

Oscoda Township, MI Apartment Locations

Legend

Project Site

PMA

Alcona and Iosco Counties

Apartments

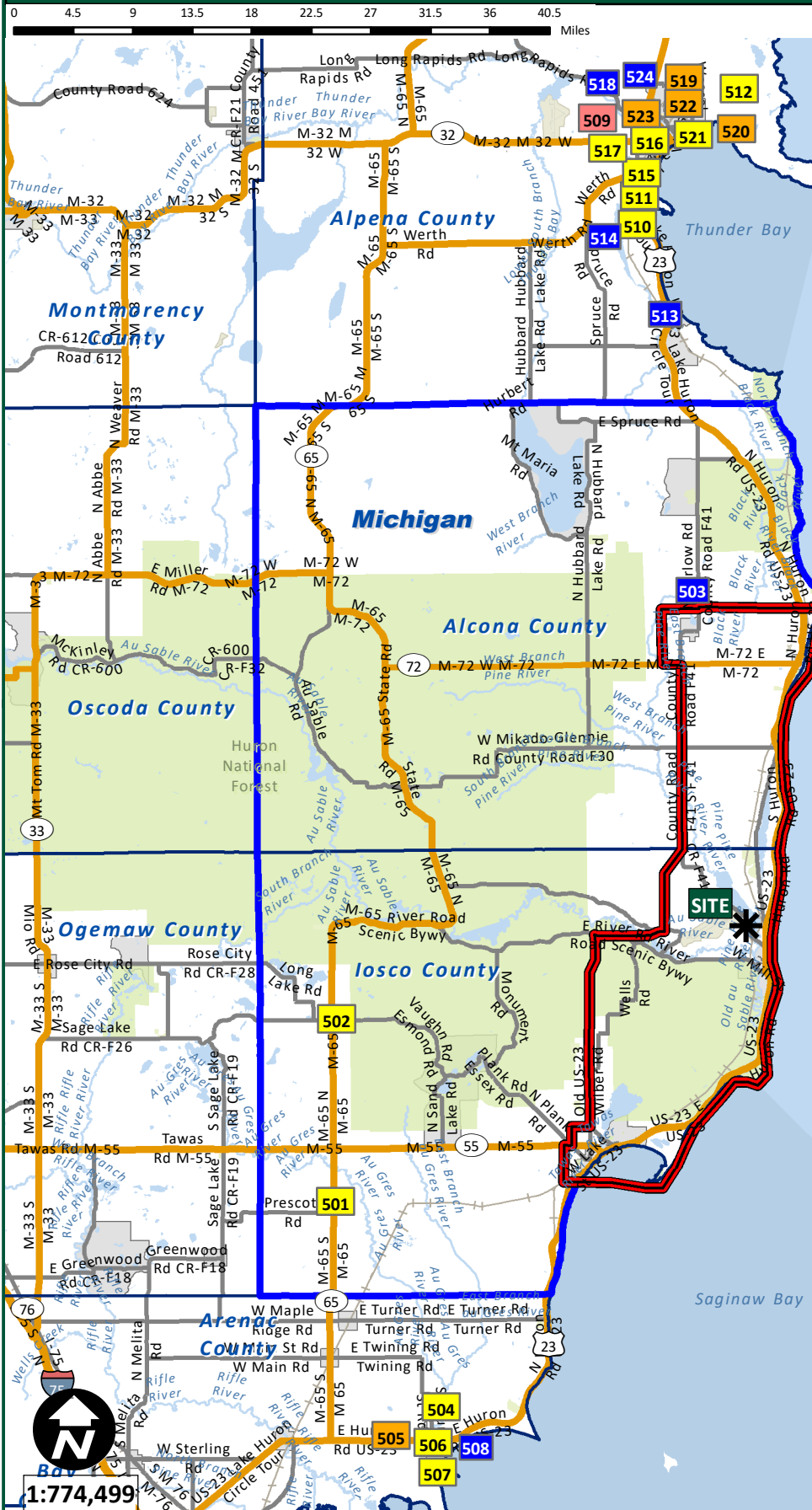
Type

Government-subsidized

Market-rate/Government subsidized

Market-rate

Tax Credit/Government-subsidized



Map Identification List

Map ID	Project Name	Project Type	QR	Year Built/Renovated	Total Units	Vacant	Occupancy Rate	DTS
501	Whittemore Square Apts.	GSS	B+	1984	24	0	100.0%	36.1
502	Hale Homestead Apts.	GSS	B	1983	24	0	100.0%	28.8
503	Lincoln Manor Apts.	MRR	B	1985	23	0	100.0%	18.7
504	Riverside Manor Apts.	GSS	B	1979	32	0	100.0%	39.0
505	Country Gardens	TGS	B+	1974 / 2002	24	1	95.8%	39.5
506	Country Gardens Apts. II	GSS	B+	1989	12	0	100.0%	39.5
507	Rousseau Apts. I	GSS	B	1986	16	0	100.0%	39.1
508	Rousseau Apts. II	MRR	B	1989	24	0	100.0%	39.1
509	Thunder Bay	MRG	C+	1979	88	0	100.0%	47.7
510	Birchwood Meadows Family	GSS	B-	1980 / 2005	56	0	100.0%	45.2
511	Birchwood Meadows Senior	GSS	B-	1980 / 2005	56	0	100.0%	45.2
512	Samaritas	GSS	B	1966 / 1989	65	0	100.0%	48.3
513	Ossineke Manor Apts.	MRR	C+	1985	13	1	92.3%	36.6
514	Paradise Acres	MRR	B-	1971	10	0	100.0%	47.4
515	Riverview Apts.	GSS	C+	1980	72	0	100.0%	46.2
516	Copping	GSS	B	1953	24	0	100.0%	46.6
517	Hidden Brook Manor	GSS	B-	1988	32	1	96.9%	48.4
518	Pinebrook Apts.	MRR	C	1982	32	0	100.0%	48.2
519	Pine Meadow Village	TGS	B-	1987	32	0	100.0%	48.3
520	Pine Meadow Village II	TGS	B-	1992	24	0	100.0%	48.3
521	Pinecrest Manor Apts.	GSS	B-	1984	44	2	95.5%	48.5
522	Springtree Apts.	TGS	B-	1994	32	0	100.0%	48.4
523	Carriage House Senior Apts.	TGS	B-	1993	44	0	100.0%	48.3
524	Town & Country	MRR	B-	1972	20	0	100.0%	48.4

Project Type	Projects Surveyed	Total Units	Vacant	Occupancy Rate	U/C
MRR	6	122	1	99.2%	0
MRG	1	88	0	100.0%	0
TGS	5	156	1	99.4%	0
GSS	12	457	3	99.3%	0

Project Type

Market-rate	Market-rate/Tax Credit/Government-subsidized
Market-rate/Tax Credit	Tax Credit
Market-rate/Government-subsidized	Tax Credit/Government-subsidized
Senior Restricted	Government-subsidized

QR - Quality Rating

DTS - Drive Distance To Site (Miles)

Distribution of Units

Market-Rate						
Bedrooms	Baths	Units	Distribution	Vacant	Vacancy Rate	Median Net Rent
1	1	64	37.6%	1	1.6%	\$500
2	1	94	55.3%	0	0.0%	\$475
2	1.5	8	4.7%	0	0.0%	\$555
3	1	4	2.4%	0	0.0%	\$525
TOTAL		170	100.0%	1	0.6%	

Tax Credit, Government-Subsidized						
Bedrooms	Baths	Units	Distribution	Vacant	Vacancy Rate	Median Net Rent
1	1	88	61.1%	0	0.0%	N.A.
2	1	56	38.9%	1	1.8%	N.A.
TOTAL		144	100.0%	1	0.7%	

Government-Subsidized						
Bedrooms	Baths	Units	Distribution	Vacant	Vacancy Rate	Median Net Rent
1	1	349	68.6%	3	0.9%	N.A.
2	1	128	25.1%	0	0.0%	N.A.
3	1	16	3.1%	0	0.0%	N.A.
3	1.5	12	2.4%	0	0.0%	N.A.
4	1	4	0.8%	0	0.0%	N.A.
TOTAL		509	100.0%	3	0.6%	

Grand Total		823	-	5	0.6%	
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Survey of Properties

501 Whittemore Square Apts.



390 E. Sherman St.
Whittemore, MI 48770
Phone (989) 756-3106
Contact Chris(in person)
Waitlist 4 households

Total Units 24
Vacancies 0
Occupancy 100.0%
Floors 1
Quality B+
Year Built 1984

Comments **Senior Restricted (62+)**
RD 515; RA available (18 units); Accepts HCV (currently none); Also serves disabled; Flat fee for water, sewer & trash included in reported rents

503 Lincoln Manor Apts.



406 S. Church St.
Lincoln, MI 48742
Phone (989) 335-1797
Contact Charlene(in person)
Waitlist None

Total Units 23
Vacancies 0
Occupancy 100.0%
Floors 1
Quality B
Year Built 1985

Comments **Senior Restricted (55+)**
Several residents receive in-home care mostly paid by Medicaid; Formerly RD 515

502 Hale Homestead Apts.



207 Ainsley St.
Hale, MI 48739
Phone (989) 739-3631
Contact Melissa(in person)
Waitlist 10 households

Total Units 24
Vacancies 0
Occupancy 100.0%
Floors 1
Quality B
Year Built 1983

Comments
RD 515; RA available (24 units); Square footage estimated

504 Riverside Manor Apts.



544 N. Main St.
Au Gres, MI 48703
Phone (989) 426-0986
Contact Lisa(in person)
Waitlist 14 households

Total Units 32
Vacancies 0
Occupancy 100.0%
Floors 2
Quality B
Year Built 1979

Comments
HUD Section 8; Waitlist: 1-br/10 households, 2-br/3 households & 3-br/1 household; 3-br square footage estimated; Management on-site 1 day a week; Some units have been renovated

Project Type

Market-rate	Market-rate/Tax Credit/Government-subsidized
Market-rate/Tax Credit	Tax Credit
Market-rate/Government-subsidized	Tax Credit/Government-subsidized
	Government-subsidized

505 Country Gardens

511-515 Court St.	Total Units	24
Au Gres, MI 48703	Vacancies	1
Phone (989) 846-4434	Occupancy	95.8%
Contact Tracey(in person)	Floors	1
Waitlist 1 household	Quality	B+
	Year Built	1974
	Renovated	2002

Comments

50% & 60% AMI & RD 515 (12 units); RD 515 (12 units); RA available (23 units); FKA Country Gardens Apts. I; Waitlist for units with RA

506 Country Gardens Apts. II

517 Court St.	Total Units	12
Au Gres, MI 48703	Vacancies	0
Phone (989) 846-4434	Occupancy	100.0%
Contact Tracey(in person)	Floors	1
Waitlist 2 households	Quality	B+
	Year Built	1989

Comments**Senior Restricted (62+)**

RD 515; RA available (11 units); Accepts HCV (1 unit); Also serves disabled; Formerly Tax Credit

507 Rousseau Apts. I

615 S. Main St.	Total Units	16
Au Gres, MI 48703	Vacancies	0
Phone (517) 351-1544	Occupancy	100.0%
Contact Denise(in person)	Floors	2
Waitlist 12 months	Quality	B
	Year Built	1986

Comments

RD 515; RA available (3 units)

508 Rousseau Apts. II

618 S. Main St.	Total Units	24
Au Gres, MI 48703	Vacancies	0
Phone (517) 351-1544	Occupancy	100.0%
Contact Denise(in person)	Floors	2
Waitlist 12 months	Quality	B
	Year Built	1989

Comments

Does not accept HCV

Project Type

■ Market-rate	■ Market-rate/Tax Credit/Government-subsidized
■ Market-rate/Tax Credit	■ Tax Credit
■ Market-rate/Government-subsidized	■ Tax Credit/Government-subsidized
	■ Government-subsidized

509 Thunder Bay

2026 N. Bagley St.
Alpena, MI 49707
Phone (989) 354-2023
Contact Ashley(in person)
Waitlist GSS: 12 months

Total Units 88
Vacancies 0
Occupancy 100.0%
Floors 2,3
Quality C+
Year Built 1979

Comments

Market-rate (48 units); HUD Section 8 (40 units)

510 Birchwood Meadows Family

2756 Grant St.
Alpena, MI 49707
Phone (989) 356-1222
Contact Wendy(in person)
Waitlist 12 months

Total Units 56
Vacancies 0
Occupancy 100.0%
Floors 1,2
Quality B-
Year Built 1980
Renovated 2005

Comments

HUD Section 8; Renovation date estimated

511 Birchwood Meadows Senior

2756 Grant St.
Alpena, MI 49707
Phone (989) 356-1222
Contact Wendy(in person)
Waitlist 6 months

Total Units 56
Vacancies 0
Occupancy 100.0%
Floors 2
Quality B-
Year Built 1980
Renovated 2005

Comments

HUD Section 8; Also serves disabled; Renovation date estimated

512 Samaritas

210 Wilson St.
Alpena, MI 49707
Phone (989) 356-6725
Contact Kelly(in person)
Waitlist None

Total Units 65
Vacancies 0
Occupancy 100.0%
Floors 3
Quality B
Year Built 1966
Renovated 1989

Comments

HUD Section 202; Also serves disabled

Project Type

Market-rate	Market-rate/Tax Credit/Government-subsidized
Market-rate/Tax Credit	Tax Credit
Market-rate/Government-subsidized	Tax Credit/Government-subsidized
	Government-subsidized

513 Ossineke Manor Apts.

1819 Nicholson Hill Rd.
Ossineke, MI 49766
Phone (989) 335-1797
Contact Charlene(in person)
Waitlist None

Total Units 13
Vacancies 1
Occupancy 92.3%
Floors 1
Quality C+
Year Built 1985

Comments

514 Paradise Acres

3988 Werth Rd.
Alpena, MI 49707
Phone (989) 354-2023
Contact Sarah(in person)
Waitlist 1 year

Total Units 10
Vacancies 0
Occupancy 100.0%
Floors 2
Quality B-
Year Built 1971

Comments

515 Riverview Apts.

315 River St.
Alpena, MI 49707
Phone (989) 354-4144
Contact Diane(in person)
Waitlist 3 years

Total Units 72
Vacancies 0
Occupancy 100.0%
Floors 2
Quality C+
Year Built 1980

Comments

Public Housing; Square footage estimated

516 Copping

909 10th Ave.
Alpena, MI 49707
Phone (989) 354-4144
Contact Diane(in person)
Waitlist 3 years

Total Units 24
Vacancies 0
Occupancy 100.0%
Floors 2
Quality B
Year Built 1953

Comments

Public Housing; Unit mix & square footage estimated

Project Type

Market-rate	Market-rate/Tax Credit/Government-subsidized
Market-rate/Tax Credit	Tax Credit
Market-rate/Government-subsidized	Tax Credit/Government-subsidized
	Government-subsidized

517 Hidden Brook Manor

500 Long Rapid Plz.	Total Units	32
Alpena, MI 49707	Vacancies	1
Phone (517) 272-2900	Occupancy	96.9%
Contact Jenn(in person)	Floors	1
Waitlist None	Quality	B-
	Year Built	1988

Comments Senior Restricted (62+)
RD 515; RA available (18 units); Accepts HCV (7 units); Also serves disabled; Square footage estimated

518 Pinebrook Apts.

1017 Long Rapids Rd.	Total Units	32
Alpena, MI 49707	Vacancies	0
Phone (989) 354-2023	Occupancy	100.0%
Contact Sarah(in person)	Floors	2
Waitlist 1 year	Quality	C
	Year Built	1982

Comments
Accepts HCV (10 units)

519 Pine Meadow Village

488 Pine Meadow Ln.	Total Units	32
Alpena, MI 49707	Vacancies	0
Phone (989) 356-1599	Occupancy	100.0%
Contact Patty(in person)	Floors	2
Waitlist 6-14 months	Quality	B-
	Year Built	1987

Comments
60% AMI & RD 515; RA available (23 units)

520 Pine Meadow Village II

490 Pinecrest St.	Total Units	24
Alpena, MI 49707	Vacancies	0
Phone (989) 356-3759	Occupancy	100.0%
Contact Patty(in person)	Floors	2
Waitlist 6-14 months	Quality	B-
	Year Built	1992

Comments
60% AMI & RD 515; RA available (21 units); Waitlist: 1-br/ 14 months & 2-br/6 months

Project Type

■ Market-rate	■ Market-rate/Tax Credit/Government-subsidized
■ Market-rate/Tax Credit	■ Tax Credit
■ Market-rate/Government-subsidized	■ Tax Credit/Government-subsidized
	■ Government-subsidized

521 Pinecrest Manor Apts.

200 Long Rapids Plz.
Alpena, MI 49707
Phone (517) 272-2900
Contact Jean(in person)
Waitlist None

Total Units 44
Vacancies 2
Occupancy 95.5%
Floors 1
Quality B-
Year Built 1984

Comments **Senior Restricted (62+)**
RD 515; RA available (13 units); Accepts HCV (6 units); Also serves disabled

522 Springtree Apts.

539 Pinecrest St.
Alpena, MI 49707
Phone (989) 356-3759
Contact Patty(in person)
Waitlist 6-14 months

Total Units 32
Vacancies 0
Occupancy 100.0%
Floors 2
Quality B-
Year Built 1994

Comments
60% AMI & RD 515; RA available (23 units)

523 Carriage House Senior Apts.

451 Pinecrest St.
Alpena, MI 49707
Phone (989) 356-3759
Contact Patty(in person)
Waitlist 6-14 months

Total Units 44
Vacancies 0
Occupancy 100.0%
Floors 2
Quality B-
Year Built 1993

Comments **Senior Restricted (62+)**
60% AMI & RD 515; RA available (34 units); Also serves disabled

524 Town & Country

985 & 995 Golf Course Dr.
Alpena, MI 49707
Phone (989) 356-3212
Contact Phil(in person)
Waitlist None

Total Units 20
Vacancies 0
Occupancy 100.0%
Floors 1,2,2.5
Quality B-
Year Built 1972

Comments

Project Type

Market-rate	Market-rate/Tax Credit/Government-subsidized
Market-rate/Tax Credit	Tax Credit
Market-rate/Government-subsidized	Tax Credit/Government-subsidized
	Government-subsidized

Collected Rents

Map ID	Garden Units					Townhouse Units			
	Studio	1-Br	2-Br	3-Br	4 Br+	1-Br	2-Br	3-Br	4 Br+
503		\$500	\$550						
508		\$595	\$625						
509		\$415	\$475						
513		\$675	\$735						
514		\$400					\$600		
518			\$475	\$525					
524			\$625						

Project Type

Market-rate	Market-rate/Tax Credit/Government-subsidized
Market-rate/Tax Credit	Tax Credit
Market-rate/Government-subsidized	Tax Credit/Government-subsidized
Senior Restricted	Government-subsidized

Price Per Square Foot

One-Bedroom Units					
Map ID	Project Name	Baths	Unit Size	Net Rent	\$ / Square Foot
503	Lincoln Manor Apts.	1	600	\$500	\$0.83
508	Rousseau Apts. II	1	650	\$554	\$0.85
509	Thunder Bay	1	640	\$415	\$0.65
513	Ossineke Manor Apts.	1	600	\$675	\$1.13
514	Paradise Acres	1	700	\$381	\$0.54
Two-Bedroom Units					
Map ID	Project Name	Baths	Unit Size	Net Rent	\$ / Square Foot
503	Lincoln Manor Apts.	1	750	\$550	\$0.73
508	Rousseau Apts. II	1	750	\$576	\$0.77
509	Thunder Bay	1	780	\$475	\$0.61
513	Ossineke Manor Apts.	1	750	\$735	\$0.98
514	Paradise Acres	1.5	1,080	\$555	\$0.51
518	Pinebrook Apts.	1	810	\$475	\$0.59
524	Town & Country	1	800	\$576	\$0.72
Three-Bedroom Units					
Map ID	Project Name	Baths	Unit Size	Net Rent	\$ / Square Foot
518	Pinebrook Apts.	1	900	\$525	\$0.58

Project Type

Market-rate	Market-rate/Tax Credit/Government-subsidized
Market-rate/Tax Credit	Tax Credit
Market-rate/Government-subsidized	Tax Credit/Government-subsidized
Senior Restricted	Government-subsidized

Average Net Rent Per Square Foot

Market-Rate			
Unit Type	One-Br	Two-Br	Three-Br
Garden	\$0.80	\$0.67	\$0.58
Townhouse	\$0.00	\$0.51	\$0.00

Tax Credit (Non-Subsidized)			
Unit Type	One-Br	Two-Br	Three-Br
Garden	\$0.00	\$0.00	\$0.00
Townhouse	\$0.00	\$0.00	\$0.00

Combined			
Unit Type	One-Br	Two-Br	Three-Br
Garden	\$0.80	\$0.67	\$0.58
Townhouse	\$0.00	\$0.51	\$0.00

Quality Rating

Market-Rate Projects and Units								
Quality Rating	Projects	Total Units	Vacancy Rate	Median Rent				
				Studios	One-Br	Two-Br	Three-Br	Four-Br
B	2	47	0.0%		\$500	\$576		
B-	2	30	0.0%		\$381	\$576		
C+	2	61	1.6%		\$415	\$475		
C	1	32	0.0%			\$475	\$525	

Market-Rate Units by Bedroom, Type and Quality Rating									
Quality Rating	Garden Style Units					Townhome Units			
	Studios	One-Br	Two-Br	Three-Br	Four-Br	One-Br	Two-Br	Three-Br	Four-Br
B		29	18						
B-		2	20				8		
C+		33	28						
C			28	4					

Year Built

Market-rate and Non-Subsidized Tax Credit						
Year Range	Projects	Units	Vacant	Vacancy Rate	Total Units	Distribution
Before 1970	0	0	0	0.0%	0	0.0%
1970 to 1979	3	78	0	0.0%	78	45.9%
1980 to 1989	4	92	1	1.1%	170	54.1%
1990 to 1999	0	0	0	0.0%	170	0.0%
2000 to 2009	0	0	0	0.0%	170	0.0%
2010 to 2014	0	0	0	0.0%	170	0.0%
2015	0	0	0	0.0%	170	0.0%
2016	0	0	0	0.0%	170	0.0%
2017	0	0	0	0.0%	170	0.0%
2018	0	0	0	0.0%	170	0.0%
2019	0	0	0	0.0%	170	0.0%
2020*	0	0	0	0.0%	170	0.0%
Total	7	170	1	0.6%	170	100.0 %

* As of September 2020

Appliances and Unit Amenities

Appliances			
Appliance	Projects	Percent	Units*
Range	7	100.0%	170
Refrigerator	7	100.0%	170
Icemaker	0	0.0%	
Dishwasher	0	0.0%	
Disposal	4	57.1%	127
Microwave	0	0.0%	
Pantry	0	0.0%	
Unit Amenities			
Amenity	Projects	Percent	Units*
AC - Central	1	14.3%	13
AC - Window	2	28.6%	44
Floor Covering	7	100.0%	170
Washer/Dryer	0	0.0%	
Washer/Dryer Hook-Up	0	0.0%	
Patio/Deck/Balcony	4	57.1%	115
Ceiling Fan	1	14.3%	48
Fireplace	0	0.0%	
Basement	0	0.0%	
Security	0	0.0%	
Window Treatments	7	100.0%	170
Furnished Units	0	0.0%	
Storage	0	0.0%	
Walk-In Closets	0	0.0%	

* - Does not include units where appliances/amenities are optional; Only includes market-rate or non-government subsidized Tax Credit.

Project Amenities

Project Amenities			
Amenity	Projects	Percent	Units
Pool	0	0.0%	
On-site Mangement	4	57.1%	113
Laundry	7	100.0%	170
Clubhouse	0	0.0%	
Community Space	1	14.3%	23
Fitness Center	0	0.0%	
Hot Tub/Sauna	0	0.0%	
Playground	2	28.6%	80
Computer/Business Center	0	0.0%	
Sports Court(s)	0	0.0%	
Storage	1	14.3%	32
Water Features	0	0.0%	
Elevator	0	0.0%	
Security	0	0.0%	
Car Wash Area	0	0.0%	
Outdoor Areas	1	14.3%	23
Services	0	0.0%	
Community Features	0	0.0%	
Library/DVD Library	0	0.0%	
Movie Theater	0	0.0%	

Utility Distribution

Utility (Responsibility)	Number of Projects	Number of Units	Distribution of Units
Heat			
Landlord			
Gas	10	298	36.2%
Tenant			
Electric	5	178	21.6%
Gas	9	347	42.2%
			100.0%
Cooking Fuel			
Landlord			
Electric	1	72	8.7%
Gas	3	60	7.3%
Tenant			
Electric	20	691	84.0%
			100.0%
Hot Water			
Landlord			
Electric	2	96	11.7%
Gas	10	291	35.4%
Tenant			
Electric	2	101	12.3%
Gas	10	335	40.7%
			100.0%
Electric			
Landlord	1	72	8.7%
Tenant	23	751	91.3%
			100.0%
Water			
Landlord	24	823	100.0%
			100.0%
Sewer			
Landlord	24	823	100.0%
			100.0%
Trash Pick Up			
Landlord	23	813	98.8%
Tenant	1	10	1.2%
			100.0%

Utility Allowance

Br	Unit Type	Heating				Hot Water		Cooking		Electric	Water	Sewer	Trash	Cable
		Gas	Electric	Steam	Other	Gas	Electric	Gas	Electric					
0	Garden	\$31	\$30		\$71	\$5	\$16	\$2	\$6	\$31	\$17	\$27	\$20	\$20
1	Garden	\$34	\$35		\$84	\$5	\$19	\$2	\$7	\$35	\$19	\$30	\$20	\$20
1	Townhouse	\$52	\$51		\$152	\$7	\$24	\$2	\$7	\$41	\$19	\$30	\$20	\$20
2	Garden	\$38	\$49		\$99	\$8	\$24	\$3	\$10	\$45	\$31	\$50	\$20	\$20
2	Townhouse	\$55	\$67		\$163	\$10	\$30	\$3	\$10	\$53	\$31	\$50	\$20	\$20
3	Garden	\$42	\$62		\$114	\$10	\$29	\$4	\$13	\$55	\$50	\$79	\$20	\$20
3	Townhouse	\$59	\$84		\$175	\$13	\$37	\$4	\$13	\$65	\$50	\$79	\$20	\$20
4	Garden	\$46	\$75		\$129	\$12	\$34	\$5	\$16	\$65	\$69	\$109	\$20	\$20
4	Townhouse	\$62	\$100		\$187	\$16	\$43	\$5	\$16	\$78	\$69	\$109	\$20	\$20

MI-Region B (1/2020)