Analysis of the

UPPER PENINSULA OF MICHIGAN HOUSING MARKET

as of December 1, 1966

A Report by the
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
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Field Market Analysis Service
Federal Housing Administration
Department of Housing and Urban Development

Foreword

As a public service to assist local housing activities through clearer understanding of local housing market conditions, FHA initiated publication of its comprehensive housing market analyses early in 1965. While each report is designed specifically for FHA use in administering its mortgage insurance operations, it is expected that the factual information and the findings and conclusions of these reports will be generally useful also to builders, mortgagees, and others concerned with local housing problems and to others having an interest in local economic conditions and trends.

Since market analysis is not an exact science, the judgmental factor is important in the development of findings and conclusions. There will be differences of opinion, of course, in the interpretation of available factual information in determining the absorptive capacity of the market and the requirements for maintenance of a reasonable balance in demand-supply relationships.

The factual framework for each analysis is developed as thoroughly as possible on the basis of information available from both local and national sources. Unless specifically identified by source reference, all estimates and judgments in the analysis are those of the authoring analyst and the FHA Market Analysis and Research Section.

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ANALYSIS OF THE UPPER PENINSULA OF MICHIGAN HOUSING MARKET AS OF DECEMBER 1, 1966

Summary and Conclusions

1. The economy of much of the Upper Peninsula (U.P.) of Michigan is based on extractive industries (copper and iron mining) as well as lumbering and wood product manufacture. Each of these industries has a history of erratic ups and downs, both nationally and in the U.P. Other important sources of employment are government, trade, and services. The latter two receive support from tourist traffic in the summer months.

2. Employment in the U.P. declined for several decades, but the decline appears to have been arrested in recent years. Nonagricultural wage and salary employment has increased each year since 1961, averaging 68,100 in 1965. During the first nine months of 1966, wage and salary employment averaged 70,700, up from 67,800 during the corresponding period in 1965. Based on expansions at copper and iron mining facilities, on expected growth in manufacturing employment in the U.P., and on anticipated trends in nonmanufacturing employment, an increment of between 1,200 and 1,800 wage and salary jobs appears to be a reasonable expectation for each of the next two years.

3. During the first nine months of 1966, unemployment averaged 7.3 percent of the civilian work force of the Upper Peninsula. Unemployment has been a long-standing problem in the U.P. The present rate, while high, represents a reduction from the recent peak of 13.8 percent in 1961. Because of the effect of seasonal factors on much of the U.P. employment, present over-all average annual unemployment may be near the structural minimum.

4. The Upper Peninsula is a low-income area. The current median income of all families in the U.P. is about $5,625, after the deduction of federal income tax, and the median after-tax income of two-or-more person renter households is $4,775. Within two years, median annual after-tax income of all families is expected to be $5,925, and renter households of two or more persons will have a median after-tax income of $5,025 annually.

5. The population of the U.P. was 318,500 persons in December 1966, reflecting an increase of about 12,550 since April 1960, or an average of 1,875 annually. The military population (uniformed military personnel and their families) of the U.P. was about 17,500 persons, up about 8,950 since April 1960. During the next two years, the total population of the U.P. is expected to increase by about 2,850 annually.

6. Households (occupied housing units) in the U.P. number about 91,550, up around 2,675 (400 annually) since April 1960. About 3,925 of the households are headed by uniformed military personnel, reflecting an increase of 2,525 since April 1960. During the next two years, the total number of households is expected to increase by about 750 annually.

7. There were 122,100 housing units in the U.P. in December 1966, reflecting a net gain of about 7,100 since the 1960 Census, an average of almost 1,075 a year. Much of the housing built since April 1960 has been under military control (a total of almost 2,325 units) or is public or student-family housing. Many of the units built were for seasonal use only. Privately-financed nonseasonal housing construction has averaged about 420 yearly since April 1960. Judging from the number of building permits issued, the pace of private housing construction appears to be accelerating. The number of housing units authorized has increased each year since 1964. The number of units authorized during the first eleven months of 1966 (380) is greater than the total for any previous year during the 1960's. Building permits reflect about 80 percent of the total private nonseasonal housing built in the U.P.

8. As of December 1, 1966, there were about 2,900 available vacant nondilapidated nonseasonal housing units in the U.P. About 1,100 of the available vacancies were for sale only, a homeowner vacancy rate of 1.6 percent, and 1,800 were available for rent, a renter vacancy rate of 7.1 percent. Both the sales and rental vacancy rates were up somewhat from the 1.4 percent and 6.9 percent, respectively, reported in the 1960 Census. The incidence of vacancy varies somewhat in different geographic regions of the U.P., however, and housing shortages exist in some areas.

9. A total of about 780 units of new privately-financed nonseasonal housing units might be absorbed annually in certain areas of the U.P. during the next two years. The total annual demand includes 630 single-family units and 150 units of multifamily housing, excluding public low-rent housing and rent-supplement accommodations. An additional 40 units of housing at the lower rents achievable with below-market-rate interest financing or assistance in land acquisition or cost might be marketed in Marquette annually. It is unlikely that the building industry of the area can supply this quantity of new housing, however, and part of the demand may be satisfied by the rehabilitation of existing units.

   Demand for single-family and multifamily housing is distributed by geographic area in the table on page 29. The forecast demand for single-family housing is expected to approximate the price range distribution shown on page 30.

ANALYSIS OF THE UPPER PENINSULA OF MICHIGAN HOUSING MARKET AS OF DECEMBER 1, 1966

Housing Market Area

The Upper Peninsula (U.P.) of Michigan is a projection of land which extends northeastward from northern Wisconsin and is bounded by Wisconsin on the west and Lakes Superior, Huron, and Michigan (see map on following page). The area of the peninsula is 16,500 square miles, about one-third of all of Michigan; it is divided into fifteen counties. For the purposes of this report, the U.P. is divided into four geographic areas, each consisting of two to six counties. These areas are: The Copper Country area of the western peninsula, defined as Houghton, Keweenaw, and Ontonogon Counties; the Southwestern area, defined as Iron and Gogebic Counties; the Central area, consisting of Alger, Baraga, Delta, Dickinson, Marquette, and Menominee Counties; and the Eastern area, defined as Chippewa, Luce, Mackinac, and Schoolcraft Counties.

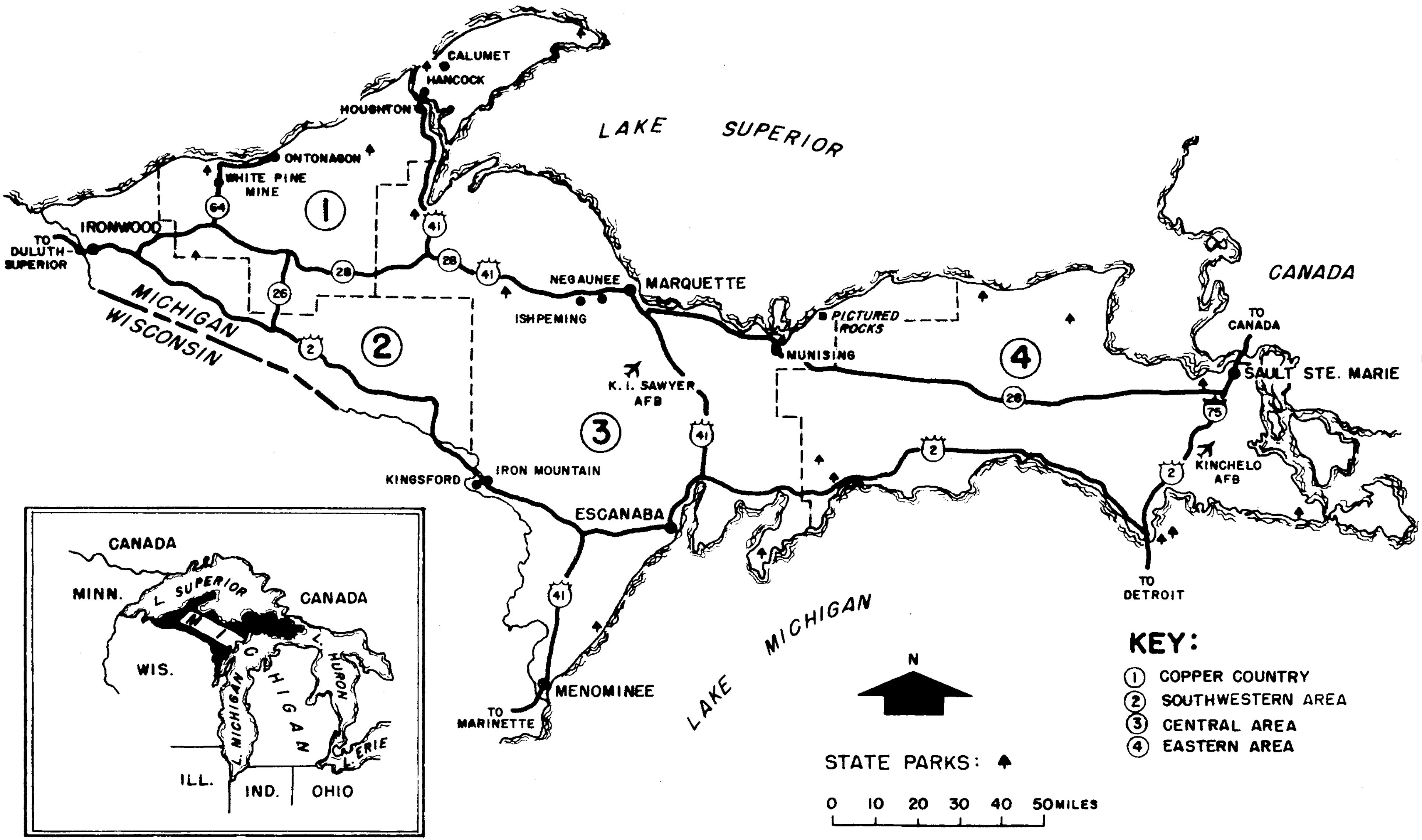
The U.P. is sparsely populated; according to the census, the total population of the peninsula was 306,000[1/] persons in April 1960, equal to just four percent of the Michigan total. The largest incorporated area is Marquette, in the Central area, which had a 1960 population of 19,800 persons. This report will include population estimates for the 13 communities whose current population is 5,000 persons or more.

The topography of the Upper Peninsula is quite flat and heavily-forested, for the most part. Much of the interior consists of marshland. There are several areas, however, in which the terrain is hilly enough to make skiing an important winter sport. The most important tourist season is the summer, when many persons take advantage of the recreational opportunities of the U.P., including 17 state parks.

The primary access route to the U.P. is Interstate 75, which traverses the easternmost segment of the peninsula, providing connections to Southern Michigan via the Mackinac Bridge and to Canada via the International Bridge to Sault Ste. Marie, Ontario. Prior to the completion of the Mackinac Bridge (in 1957), the U.P. was accessible to automobile traffic from lower Michigan by ferry only. Many U.S. and State Highways provide for intra-peninsula automobile travel and routes to Wisconsin. Commercial air passenger and freight service is available to the six largest population centers.

1/ All demographic and housing data used in this analysis refer to the total of farm and nonfarm data.

UPPER PENINSULA OF MICHIGAN



Economy of the Area

Character and History

The economic base of much of the Upper Peninsula is rooted in extractive industries (copper and iron mining) and in lumbering and wood products manufacture, but the earliest settlement of the U.P. was prompted by the expanding fur trade of the seventeenth century. Sault Ste. Marie, an early fur-trading center, is one of the oldest cities in the nation. Copper was first exploited on a large scale during the 1840's, and for a time the Copper Country of the U.P. accounted for over half the world's supply of copper. Over the years, however, the depletion of the easily-mined ores near the surface and discovery of more economically-exploitable sources of copper in the Rocky Mountain area and elsewhere in the world led to the decline of the copper-mining industry in the U.P. There have been periods of renewed activity at the mines when the world price of copper increased sufficiently to make operation again profitable (especially during war time), with or without government subsidy.

Iron ore was first mined in the Central area of the Upper Peninsula during the mid-1840's, and a little later iron mining began in the Southwestern area. The mines grew to be very important to the economy of the U.P. During more recent years, however, as the deposits with sufficient iron concentration were depleted, many mines have been closed. The construction of "pelletizing" plants in Minnesota during the early 1950's was a sharp blow to the marginal mines of the U.P. These plants concentrate the iron from low-grade ores into pellets containing a high percentage of iron. Most of the iron from the U.P. was not competitive with the new pellets, which are ideally suited for use in blast furnaces. Very few of the U.P. underground iron mines which produce ore for use "as is" are still in operation.

The plentiful timber supply has also been important to the economic history of the U.P. During the era when charcoal-fired smelters were used near the mines, vast stands of hardwoods were cut for fuel. Tree farming for lumber and pulp continues to provide substantial economic support. The greatest part of the manufacturing plants which have developed in the U.P. produce lumber and wood products and other goods dependent on the timber resources of the area.

Tourism has been a source of economic support for many years, and is most important to the Eastern area, which benefits from the presence of I-75. In recent years, student enrollment at the state universities located at Houghton and Marquette has grown quite rapidly, providing many jobs. During the late 1950's and early 1960's the number of personnel assigned to the Air Force bases located near Marquette and Sault Ste. Marie increased substantially. These installations have become important to the U.P. economy.

Employment

Current Estimate. According to the Michigan Employment Security Commission, there was an average of 82,800 nonagricultural jobs in the U.P. during the first nine months of 1966. Included were 70,700 wage and salary jobs, up 2,900 (4.3 percent) over the corresponding period in 1965.

Past Trend. Employment in the U.P. declined for several decades, but the decline appears to have been arrested in recent years. The economy of the area reacted sharply to the 1958 recession; employment dropped from an average of 73,300 wage and salary jobs in 1957 to 68,400 in 1958. Wage and salary employment declined further in 1959, and then increased somewhat to average 68,600 in 1960. The 1961 recession year marked the lowest level of wage and salary employment, an annual average of 65,800 jobs. There were increases in annual average wage and salary employment every year thereafter, to 68,100 jobs in 1965. Nonagricultural wage and salary trends since 1957 are summarized below. See table II for a detailed presentation, by industry.

Annual Average Nonagricultural Wage and Salary Employment
Upper Peninsula of Michigan, 1957-1966
(thousands)

Year	Nonagricultural wage and salary employment: Manufacturing	Nonmanufacturing: Mining	Nonmanufacturing: All other	Total[a/]	Change in total from preceding date
1957	16.8	11.4	45.1	73.3	-
1958	14.5	9.2	44.7	68.4	-4.9
1959	14.8	8.0[b/]	44.9	67.7	- .7
1960	14.9	9.4[b/]	44.2	68.6	.9
1961	13.8	8.2	43.8	65.8	-2.8
1962	14.0	8.0	44.4	66.4	.6
1963	13.6	7.6	45.4	66.5	.1
1964	13.1	7.9[b/]	45.6	66.6	.1
1965	12.8	8.2[b/]	47.0	68.1	1.5
First nine months					
1965	12.8	8.2[b/]	46.8	67.8	-
1966	13.4	8.5	48.8	70.7	2.9

a/ May not add because of rounding.
b/ An average of over 100 employees were absent from work in this industry during the year because of labor-management disputes.

Source: Michigan Employment Security Commission.

Employment in a few of the manufacturing industries increased modestly during the 1957-1965 period, but declines in others (especially lumber and wood products, chemicals and petroleum, and "all other" manufacturing) led to an over-all net loss of some 4,000 manufacturing jobs, or a reduction of almost one-fourth. The number of workers employed by the lumber and wood products industries has been declining nationally for many years. Several important firms in the other industries discontinued operations in the U.P. during the period, including chemical-manufacturing companies at Kingsford and Sault Ste. Marie in 1958, and a heating-controls manufacturer in Iron Mountain during 1962.

Although there was a net over-all decline in annual average nonmanufacturing wage and salary employment (from 56,500 in 1957 to 55,200 in 1965), the loss was concentrated in the early part of the period. The low point in nonmanufacturing wage and salary employment was reached in 1961 (52,000 jobs), and nonmanufacturing employment has increased each year since. The major cause of the over-all decline during the 1957-1965 period was a net decrease in mining employment, which dropped from 11,400 in 1957 to 8,200 in 1965, a net loss of 3,200 jobs. There were smaller declines in employment in wholesale trade, services, and transportation, communication, and utilities during the period. There were net increases in jobs in several nonmanufacturing industries during the 1957-1965 period, especially in government (up by 3,600 jobs) and in construction (1,100 jobs). The net gain of 700 jobs in federal government is a reflection of increased civilian personnel at the two Air Force bases in the U.P. Much of the increment of 1,300 state government workers resulted from the increases in faculty and staff necessary to accommodate the growth in number of students at the state universities located at Marquette and Houghton. Construction and expansion of facilities at the iron and copper mines were responsible for a large part of the net gain in construction employment during 1957-1965. Smaller increases occurred in retail trade and finance, insurance, and real estate employment during the period.

Seasonal Employment. The annual average employment figures conceal the seasonal variability of employment in the Upper Peninsula, caused, for the most part, by the climate of the area. Outdoor occupations (lumbering, construction, etc.) and unemployment related to the tourist industry (trade, services, etc.) are especially affected. As an example, during 1965 nonagricultural wage and salary jobs ranged from 63,900 jobs (in March) to 72,600 (in August), a spread of 14 percent. This characteristic has special significance in those areas of the U.P. which are heavily dependent on seasonal types of employment; e.g., during 1965, wage and salary employment in Chippewa and Mackinac Counties (Eastern area) ranged between 6,725 (February) and 9,125 (August), a spread of 36 percent. This seasonal variation in the number of jobs is compensated for in part by the inmigration of summer workers, in part by seasonal work force participation of area residents, and the remainder by changes in the number of unemployed persons.

Major Industries. There are a number of modest-sized manufacturing plants in the U.P. which employed an average of 12,800 workers in 1965, or 19 percent of all wage and salary jobs. Manufacturing employment declined from 1957 to 1965, reducing the proportion of wage and salary jobs in manufacturing; in 1957 manufacturing accounted for 23 percent of all wage and salary jobs. Aided by the establishment of a new firm manufacturing nonelectrical machinery in Gladstone, manufacturing employment during the first nine months of 1966 was 13,400, or 600 above the corresponding period in 1965. Most manufacturing employment consists of the production of lumber and wood products and other goods dependent on the plentiful supply of timber in the U.P. Except for firms of this type, the U.P. has few resources attractive to manufacturing. Further, the remote location of the area in relation to large U.S. population centers necessitates long-distance shipment of materials, often difficult during the severe winter months. In view of the history of national decline in the largest manufacturing industry of the U.P. (lumber and wood products), the future of manufacturing in the Upper Peninsula appears to be tied to local-supply types of production (food processing, etc.). There does exist some growth potential in the manufacture of wood-pulp products, however. Most of the wood cut in the U.P. for such production is presently exported to manufacturing plants in Wisconsin. It is possible that the establishment of such plants in the U.P. is economically feasible. A large paper mill is now under development at Munising (Alger County).

The main economic support of the Upper Peninsula is provided by nonmanufacturing jobs, principally in mining. The number of mining jobs declined for many years, to a 1963 low of 7,600 workers. Since 1963, there have been modest year-to-year increases in the number of mining jobs. Even at the 1963 low point, mining employment accounted for more workers than any other industry except retail trade and government. In view of the history of the mining industries of the U.P. and the fact that iron and copper are declining resources, the long-term future of mining in the U.P. is clouded. For the short term, however, the growth prospects of employment in mining appear quite good.

Employment in copper mining accounted for around 3,000 mining jobs in 1965, all in the Copper Country. In recent years, as a result of the military effort in southeast Asia and because of the increasing uses for copper, the price of the metal is up substantially. Employment in copper mining has increased, and several mines which had been marginal operations are expanding production. The White Pine Mine in Ontonagon County has been the fastest growing, although it was thought by many to be a touch-and-go proposition because of the then-current world price of copper when the owners received a Reconstruction Finance Corporation loan in 1952. Many of the iron miners of the Ironwood area of the Southwest U.P., having lost jobs at the closing iron mines of the area, have become copper miners at White Pine. A bus line has been established to carry the commuting miners to and from White Pine. The increased profitability of copper mining has stimulated exploration and a number of discoveries have been made, especially in the Calumet area of the U.P. If these findings are exploited, employment in copper mining may boom. According to local officials, however, new mines may not be opened because of the difficulties which have been experienced in filling present manpower requirements; there is an apparent reluctance to work in shafts over one mile below the surface of the earth. A proposal is current to import miners from Europe, as was done in the nineteenth century. Immigration officials have the matter under consideration.

Iron mining employment accounted for around 4,700 workers of the 1965 annual average employment in mining, about 1,300 in the Southwestern area and 3,400 in the Central area. During the mid-1950's, some of the iron companies in the U.P., cognizant of the successes of low-grade iron ore concentration in the pelletizing plants which had been built in Minnesota, invested in similar facilities. Most of the iron ores of the U.P. are not of the magnetic type, which are most easily concentrated. Among the pelletizing plants now in operation, all three of the most common methods of concentration are used (magnetic, specific gravity, and floatation). It has been the construction of these plants that has made iron mining in the U.P. a growth industry once again. The future of iron mining is most favorable in the Central area, where most of the ores of the types most readily concentrated and pelletized are located. Further decline appears to be in store for the iron mining industry in the Southwestern U.P.; one 150-employee underground mine (at Iron River) is to be closed by January 1967. The Cleveland Cliffs Iron Company, which now operates five pelletizers in the Marquette Range, is doubling capacity of the Empire Mine facility (south of Negaunee), which will create a substantial number of new jobs when it goes into operation early in 1967. The plant at the Hanna Mine north of Iron Mountain (Dickinson County) is engaged in an expansion which will add a few more employees within one year. Indications are that there will be further expansions of existing pelletizing facilities and construction of new plants.

Stone quarrying is of lesser importance. Most quarrying jobs are located in the Eastern Peninsula, where an average of 500 quarry workers were employed in 1965.

There are several nonmanufacturing employment classifications other than mining which are of basic importance to the U.P. economy. The largest of these are government, retail trade, and services. Employment in government increased by 28 percent during the 1957-1965 period, adding some 3,600 jobs. The civilian personnel strength of the Air Force bases near Marquette and Sault Ste. Marie has increased substantially since 1957. One of the bases is scheduled to be closed by October 1970, however (see section on military-connected employment).

There are several state colleges and universities in the U.P. which have grown to be important sources of state government employment. The two largest of these are Northern Michigan University (NMU), at Marquette, and the Michigan Technological University (MTU), at Houghton. NMU, especially, has experienced rapid increase in student enrollment. MTU, which has evolved from a school of mines, has had a more narrow curriculum and has attracted a special type of student body; in 1965 fewer than ten percent of all full-time students were female. Recent introduction of liberal arts degrees may lead to more rapid growth at MTU. The table below summarizes trends in student enrollment at the two universities.

Student Enrollment, 1959-1966
Northern Michigan University and
Michigan Technological University

Year	Opening fall enrollment a/ NMU b/	MTU c/
1959	1,865	3,059
1960	2,576	3,190
1961	2,851	3,289
1962	3,358	3,693
1963	3,947	3,617
1964	4,550	3,822
1965	5,560	4,664
1966	6,887	4,980

a/ Includes all full- and part-time degree credit students.
b/ Includes three branches (1966 enrollment 532).
c/ Includes branch at Sault Ste. Marie (1966 enrollment 1,000).

Sources: U.S. Department of Health, Education, and Welfare and local school administrators.

State colleges and universities now employ some 3,700 persons in the U.P., around half of whom are part-time employees. From the substantial number of students expected to be added to the enrollments of higher-learning institutions during the next two years, considerable added economic support will be furnished the host communities. The support will be in the form of demand from students and faculty for the products of local service and supply establishments as well as direct employment of area residents.

Many government workers are employed at the 17 state parks in the U.P. The newly-established Pictured Rocks National Park (in Alger County) will be an added source of government employment within the next two years.

Employment in retail trade and service is often not considered of basic importance but rather as a local secondary activity. Many of the trade and service jobs in the U.P. result from tourist traffic from outside the area, however, and do constitute basic sources of income. Over-all retail trade and service jobs have declined substantially since 1957, however, although there have been modest increases in recent years. Most of the over-all decline in trade and services employment during 1957-1965 is judged to have resulted from decreases in area population during the early part of the period, rather than a substantial decline in tourism.

Military-Connected Employment. K.I. Sawyer Air Force Base is located 16 miles south of Marquette in Marquette County. Sawyer AFB, which had served as a county airport, was activated as a military installation in 1956. The base has had a series of missions and is now under the command of the Strategic Air Command (SAC). A B-52 bomber wing of the SAC is the command unit, and an F-101 fighter interceptor wing of the Air Defense Command is a tenant of the base.

Kincheloe Air Force Base is located 23 miles south of Sault Ste. Marie in Chippewa County. Originally known as Kinross Auxiliary Air Field, the first facilities of the installation were constructed in 1941. The present name of the base was made official in 1959. The base was inactivated after World War II, and was reactivated in 1952. Kincheloe AFB is now an Air Defense Command installation, with a fighter interceptor squadron as the command unit. A B-52 wing of the SAC is a tenant unit. As a result of the planned re-alignment of the nation's air defenses, Kincheloe AFB is scheduled to be inactivated again by October 1, 1970. Kincheloe has grown to be an important source of civilian employment for the Eastern U.P., and the military contingent and their families provide a market for the goods and services of local establishments. The closing of the base will be a sharp blow to the economy of the area, especially of Sault Ste. Marie, where most of the civilian employees of the base reside. The economic impact of the base closing will not be felt, for the most part, until after the end of the forecast period of this analysis. When completed, the closing will result in the loss of over 500 civilian jobs.

The following table is a summary of the assigned strength since 1959 of K.I. Sawyer AFB and Kincheloe AFB.

Trend of Assigned Strength
K.I. Sawyer and Kincheloe Air Force Bases
1959 - 1966

Dates	K.I. Sawyer AFB Military	K.I. Sawyer AFB Civilian	Kincheloe AFB Military	Kincheloe AFB Civilian
Dec. 1959	1,268	126	1,019	128
" 1960	2,750	252	1,875	187
" 1961	4,580	305	3,642	248
" 1962	4,577	331	3,809	307
" 1963	4,254	335	4,229	335
" 1964	4,144	374	3,795	255
" 1965	3,739	382	3,604	361
July 1966	3,631	435	3,821 a/	342 a/

a/ September 1966.

Source: Department of the Air Force.

According to the base personnel officers, civilian employment is up somewhat over the most recent figures shown in the table. Operation MIX-FIX of the Air Force, whereby as many jobs as possible are transferred from military to civilian personnel, has been responsible for an increase in civilian employment at both bases. The employment figures in the table above include direct government employees only and not workers at the Base Exchange, etc. There were a total of over 400 such jobs at the bases in December 1966.

Unemployment

During the first nine months of 1966, unemployment averaged 6,800 persons, or 7.3 percent of the civilian work force of the Upper Peninsula. In the corresponding period of 1965, the rate of joblessness averaged 8.2 percent. Unemployment has been a long-standing problem in the U.P. The overall rate of 7.3 percent, while high, represents a reduction from the recent peak of 13.8 percent in 1961. The severity of unemployment varies considerably among the different geographic areas of the U.P. In 1965, annual average unemployment equaled 5.8 percent of the civilian work force in the Copper Country, 6.0 percent in the central area, 9.7 percent in the Southwestern area, and 12.3 percent in the Eastern area. As noted earlier, much of the employment in the U.P. is affected by seasonality. In those areas where seasonal employment is especially important, unemployment varies considerably through the year. In the Eastern area, the unemployment rate varied between 21.9 percent (in February) and 3.9 percent (in August) during 1965. This characteristic tends to make the over-all annual rate of unemployment chronically high.

Future Employment Prospects

Based on expansions in copper and iron mining facilities, on the expected performance of manufacturing plants in the U.P., and on anticipated trends in nonmanufacturing employment, an increment of between 1,200 and 1,800 wage and salary jobs appears to be a reasonable expectation for each of the next two years. This short-term forecast of job increase is somewhat below the rate of gain in the 1964-1966 period. However, the effect of certain factors on the rate of job creation during the past two years (especially the stepped-up military effort in southeast Asia and the large construction projects now under way at the Soo Locks and the Empire Iron Mine) have stimulated job gains to a rate which probably will not be maintained. Also, some of the work force required to fill the new jobs came from the pool of surplus labor (the unemployed), much of which has been absorbed. Although the over-all annual rate of unemployment is still quite high, given the seasonal nature of much of the employment in the U.P., it may be near the structural minimum. Several employment officers of firms in the Copper Country and Central area of the U.P. have indicated an inability to fill available positions because of manpower shortages. The number of new jobs forecast for the two-year projection period may not be realized if a sufficient work force cannot be recruited. As was noted earlier, the decision on whether or not the latest ore discoveries in the Copper Country will be exploited may hinge on the availability of labor. If workers are available and new mines are opened, the employment forecast could prove to be conservative.

About 60 percent of the increase in wage and salary employment will take place in the Central area (notably in the vicinities of Marquette and Escanaba), about 30 percent in the Copper Country, and about 10 percent in the Eastern Peninsula. Employment in the Southwest area may decline slightly.

Income

Relative to either the United States or Michigan as a whole, the Upper Peninsula is a low-income area. The 1960 Census reported a median 1959 family income of about $4,700 for the U.P., compared to about $5,650 for the U.S. and $6,250 for Michigan. The U.P. does not share in the high wages enjoyed by most of the rest of industrialized Michigan. Given higher living cost in comparison to the nation as a whole, the divergence in real incomes of U.P. families from the national standard is more marked than is apparent from the above.

The median family income in the U.P. as of December 1966, was estimated at $5,625, after the deduction of federal income tax, and the median annual after-tax income of two-or-more person renter households was $4,775. By December 1968, median annual after-tax incomes of all families is expected to be $5,925 and renter-households of two or more persons will have a median income of $5,025 annually. A percentage distribution, by income, of families is presented in table III. As may be observed from the table, 30 percent of all families and 39 percent of all renter households had annual after-tax incomes of less than $4,000 in December 1966. Only about ten percent of all families and five percent of all two-or-more person renter households had after-tax incomes of $10,000 or more.

Demographic Factors

Population

Current Estimate and Past Trend. The population of the Upper Penisula was 318,500 persons as of December 1, 1966, reflecting an increase of about 12,550 since April 1960, or 1,875 (0.6 percent[1/]) annually. The population of the U.P. has varied relatively little from around 300,000 persons since 1900. The 1960 population (306,000 persons) represented a net increase of 3,700 over the 1950 Census total of 302,300 persons. Between April 1940 and April 1950, however, the number of U.P. residents decreased by a net of about 21,300. While the over-all population of the U.P. has increased since 1950, gains have not occurred uniformly throughout the peninsula. Some areas have had population increases, while others have had a net loss in residents (see discussions of geographic areas, which follow).

The table below provides a summary of population changes in the U.P. since 1940, including a forecast to December 1968.

Changes in Population
Upper Peninsula of Michigan, 1940-1968

Date	Population	Average annual change from preceding date: Number	Percent
April 1940	323,544	-	-
April 1950	302,258	-2,129	-.7
April 1960	305,952	369	.1
December 1966	318,500	1,875	.6
December 1968	324,200	2,850	.9

Sources: 1940, 1950, and 1960 Censuses of Population.
1966 and 1968 estimated by Housing Market Analyst.

Included in the December 1966 population of the U.P. are about 17,500 military persons (defined as uniformed military personnel and members of their families). While the military population comprised only 5.5 percent of the U.P. population, this segment of the population has increased quite rapidly in recent years because of gains in assigned strength at two Air Force installations, and is responsible for most of the growth in total population. Between April 1960 and December 1966, the military population increased by about 8,950 persons, equal to

1/ All average annual changes, as used in this analysis, are derived through the use of a formula designed to calculate the rate of change on a compound basis.

71 percent of the net gain in total population. During the 1950-1960 period, the number of military personnel and their dependents increased by 7,650. Since the total population increased by only 3,700 persons during the 1950's, there was a net decline of 3,950 persons in the non-military population in that decade.

Estimated Future Population. The population forecast is based on the anticipated number of new jobs to be created during the next two years and on expected trends in work force participation of the U.P. population as well as the direction and rate of population migration (see following section). During the two-year forecast period, the population of the U.P. is expected to increase by around 5,700, or 2,850 (0.9 percent) annually, to total 324,200 in December 1968. As shown above, the estimated December 1968 population will be just 650 (0.2 percent) above that of April 1940.

Net Natural Increase and Migration. Between 1950 and 1960, the net natural increase (excess of resident births over resident deaths) of the Upper Peninsula population averaged about 3,600 annually. Since the population increased by about 370 annually during the 1950's, net out-migration amounted to over 3,225 persons yearly. During the 1940's, out-migration averaged over 5,200 annually. Since April 1960, the population gain has averaged 1,875 annually, and net natural increase has declined to only 2,875 yearly, so that the calculated net out-migration has been reduced to an average of about 1,000 persons each year (see following table). The cause of the decrease in net natural increase is a continuing decline in the number of births accompanied by increasing mortality rates of the U.P. population.

Components of Population Change
Upper Peninsula of Michigan
April 1950-December 1966

	Average annual changes[a]	
Source of change	April 1950-April 1960	April 1960-Dec. 1966
Net natural increase	3,600	2,875
Migration[b]	-3,230	-1,000
Net change	370	1,875

a/ Rounded.
b/ (-) Out-migration.

Sources: 1950-1960--U.S. Bureau of the Census, Current Population Reports.
1960-1966--1960 Census, State of Michigan Department of Health, and estimates by Housing Market Analyst.

Much of the decline in out-migration since 1960 reflects the increased in-migration of military persons to the U.P. In addition, employment gains in iron and copper mining in recent years have induced some of the out-migrants of former years to return to the U.P.

Distribution by Age. The population of the U.P. has relatively few persons in the 15-39 year age group, reflecting out-migration of young persons of working age. In 1960, some 29.9 percent of the U.P. population was in this age group compared to 33.3 percent in the nation as a whole. While there was a small net increase in the total U.P. population during 1950-1960, the number of persons aged 15 to 39 years declined from 103,600 in 1950 to 91,400 in 1960. A relatively-large proportion of the U.P. population is aged 65 years or over. Some 11.2 percent of the 1960 U.P. population was over 64 years of age, compared to 9.1 percent of the nation as a whole. In contrast to the other age groups, between 1950 and 1960, there was net in-migration of persons aged 65 or more; the number of these individuals increased from 29,100 in 1950 to 34,250 in 1960. The relatively-small proportion of the population which is in the young-adult age group tends to depress the birth rate.

Households

Current Estimate and Past Trend. Households (occupied housing units) total about 91,550 in the U.P., reflecting an increase of 2,675 since the 1960 Census, or 400 (0.5 percent) annually. During the 1950-1960 period, the number of households increased by about 265, or 0.3 percent, annually. Part of the 1950-1960 increase was a definitional increment caused by the change in census concept from "dwelling unit" in 1950 to "housing unit" in 1960, which caused an increase in the 1960 household count. Household trends for the U.P. are summarized in the following table, including a projection to December 1968.

Changes in Households
Upper Peninsula of Michigan, 1950-1968

Date	Households	Average annual change from preceding date: Number	Percent
April 1950	86,218	-	-
April 1960	88,867	265	.3
December 1966	91,550	400	.5
December 1968	93,050	750	.8

Sources: 1950 and 1960 Censuses of Housing.
1966 and 1968 estimated by Housing Market Analyst.

About 3,925 of the households are military (headed by uniformed military personnel). The number of military households reflects an increase of 2,525 since April 1960.

Estimated Future Households. During the two-year forecast period, the number of households in the U.P. is expected to increase by about 1,500, or 750 (0.8 percent) annually. While this rate of growth is modest, it is considerably above the growth rate which has prevailed since April 1960. However, the expected increase in the number of households is judged to be similar to rates of increase which have been sustained by the uninterrupted economic expansion of the past two years.

Household Size Trends. The average number of persons per household in the U.P. has been declining for many years, reflecting the out-migration of persons in the peak family-formation and child-bearing age groups. The average household size was 3.41 persons in 1950, and 3.32 persons in 1960. The decline has continued since 1960, but at a slightly lower rate. Currently, the average household size is about 3.28 persons.

Demographic Trends by Area

Discussions of population and household trends in the four delineated geographic areas of the U.P. follow. See tables IV and V for tabular treatment of the demographic changes in these areas.

Central Peninsula Area. The December 1966 population of the Central area was 167,600. The population increased almost continuously since 1950, by an average of 670 (0.4 percent) annually during the 1950-1960 decade, and by 1,825 (1.1 percent) yearly since the 1960 Census (see table IV). A substantial part of the average annual population increase since 1960 (750 persons) has resulted from increases in the number of military persons associated with K.I. Sawyer Air Force Base. Growth in student population at Northern Michigan University (at Marquette) also has contributed much of the post-censal population increase. The combined military and student population increases have accounted for over one-half of the total population gain since 1960. During the two-year forecast period, the population of the Central area will increase by about 3,700, or 1,850 (1.1 percent) annually, to a December 1968 total of 171,300 persons. Part of the population increase will result from increases in student enrollment at NMU. It is assumed that the military population will remain constant during the forecast period.

The number of households in the Central area was estimated at 47,100 as of December 1, 1966, including 1,850 military households. Increases in the total averaged 250 (0.6 percent) annually from 1950 to 1960, and 340 (0.7 percent) yearly since April 1960. About 160 of the average annual net increase since 1960 were military households. During the two-year forecast period, the number of households in the Central area will increase by about 500 (1.1 percent) annually to a December 1968 total of 48,100. Approximately one-half of the increase will be in the Marquette vicinity (including the Ishpeming and Negaunee areas) and one-fourth in the Escanaba area (including Gladstone); the Iron Mountain-Kingford, Menominee, and Munising areas will account for most of the remainder of the expected increase.

Copper Country. The December 1966 population of the Copper Country was estimated at 48,400 persons, reflecting a small net decline of 250 since April 1960. The number of residents of the Copper Country has decreased for many years, concurrent with the eroding economic base (copper mining). During the 1950-1960 period, the population decline averaged 430 (0.8 percent) annually. The reversal of the decline in copper mining has led to a halt in the population loss in recent years. The over-all population loss since 1960 is believed to have been concentrated in the 1960 to 1964 period; a small increase in population has occurred in years since 1964. Gains in student population at Michigan Technological University have caused most of the substantial increase in residents of Houghton since 1960 indicated in table IV. The dormitories of the school were outside the corporate limits of Houghton in 1960, and since have been annexed. During the next two years, the population of the Copper Country will increase by about 1,900, or 950 (2.0 percent) annually, to total 50,300 in December 1968. This population forecast is based on the assumption that at least part of the employment growth potential of the White Pine Mine and of the copper mines in the Keweenaw peninsula will be realized, and that the added workers will choose to live near their place of employment rather than commute from outside the area. Because of lack of suitable housing or by choice, many miners are now commuting from the Southwestern area to the White Pine Mine.

The number of households in the Copper Country was estimated at 14,650, reflecting a small net decline of about 120 households since April 1960. From 1950 to 1960, the number of households declined by an average of almost 100 (1.0 percent) yearly. During the next two years the household count will increase by 400, or 200 (1.4 percent) annually, to total 15,050 in December 1968. Most of the increase will occur near the White Pine Mine and in the Hancock-Houghton and Calumet areas.

Southwestern Peninsula Area. Years of decline in the economic base (iron mining) of the Southwestern area have resulted in out-migration and population decrease. The December 1966 population of the Southwestern area was 38,150, reflecting average annual decreases of 510 persons (1.3 percent) since April 1960. The 1950-1960 period, the population declined at an average of 320 (0.8 percent) annually. During the two-year forecast period of this analysis, the population of the Southwestern area will decrease slightly, by about 100 persons.

There were about 12,450 households in the Southwestern area in December 1966, a decline that has averaged 105 (0.8 percent) annually since the 1960 Census. From 1950 to 1960, the decline in households averaged about 25 (0.2 percent) yearly. The number of households is expected to remain unchanged during the next two years.

Eastern Peninsula Area. The sizes of the nonmilitary population totals for the Eastern area have changed little since 1950. All of the increase in population and number of households has been in the military segment of the population. Census data indicate that the total population of the area increased by 4,500 between 1950 and 1960. Since a military population of about 4,500 was added by the reactivation of Kincheloe AFB in 1952, the civilian population remained unchanged over the decade.

Since April 1960, the total population of the Eastern area has increased by 610 (1.0 percent) a year to a total of 64,350. Growth in the military population, which totals about 9,000 persons, averaged 675 annually during the post-censal period. Since the total population increased by just 610 annually, the nonmilitary population has decreased in number by about 65 annually.

Current plans indicate that Kincheloe AFB will be phased out beginning in mid-1969. While this will not affect population growth during the forecast period of this analysis (estimated at 100 persons annually), there will be sharp decline in population when the base is closed.

There were about 17,350 households in the Eastern area in December 1966, up an average of about 185 yearly (1.1 percent) since April 1960. During the 1950-1960 intercensal period, the number of households increased by 135 (0.9 percent) annually. About 2,075 military households were included in the December 1966 total, reflecting average annual increments of about 220 since April 1960. During the two-year forecast period of this analysis total households will increase by about 50 annually.

Housing Market Factors

Housing Supply

Current Estimate and Past Trend. There were 122,100 housing units in the Upper Peninsula of Michigan in December 1966, a net gain of 7,100 since April 1960, or an average of almost 1,075 a year. The increase reflects the construction of some 8,150 housing units (including an estimated 2,550 seasonal units) since the 1960 Census, a net increase in the number of trailer housing units, and the loss of some 1,250 units through demolition. Of the 5,600 nonseasonal units built since April 1960, almost 2,325 are at the two Air Force bases in the U.P.; 200 of the new units are in student housing projects at Michigan Technological University, and 270 units are in public housing projects. During the 1950-1960 period the net increase in the U.P. housing inventory amounted to about 1,275 units annually. A portion of the "increase" of the 1950's is a definitional increment resulting from the census change in concept from "dwelling unit" in 1950 to "housing unit" in 1960.

Seasonal Housing Units. About 21,700 of the U.P. housing units were vacant units classified as seasonal (not for year-around occupancy), equal to 18 percent of the total inventory. The number of seasonal units reflects an increase of about 3,450 units since April 1960, or an average of 520 annually. Part of the growth in the number of seasonal units represents transfers from the existing stock of nonseasonal housing as well as the construction of new units and net in-movement of house trailers.

Units in Structure. A relatively-large proportion of the housing units in the U.P. are single-unit structures, although the proportion has declined since 1960 (see following table). The construction of multifamily housing for military families, student families, and low-income and elderly households caused the decrease in the proportion of single-family housing.

Housing Inventory by Units in Structure
Upper Peninsula of Michigan, 1960 and 1966

Units in structure	April 1960 Number of units	April 1960 Percent of total	December 1966 Number of units	December 1966 Percent of total
One unit a/	100,861	87.7	105,200	86.2
Two units	8,115	7.1	9,450	7.7
Three or more units	6,016	5.2	7,450	6.1
Total	114,992	100.0	122,100	100.0

a/ Includes trailers.

Sources: 1960 Census of Housing and adjustments by Housing Market Analyst to reflect changes in the inventory since 1960.

Year Built. Over one-half (55 percent) of the housing units in the U.P. were built prior to 1930. Except for the construction of military housing and seasonal units in subsequent years, the over-all age of the housing inventory would be somewhat greater. The following table contains a percentage distribution of the U.P. housing inventory by year built.

Distribution of the Housing Inventory by Year Built
Upper Peninsula of Michigan, December 1966

Year built	Percentage distribution
April 1960-November 1966	6.7
1955-March 1960	9.5
1950-1954	7.5
1940-1949	12.0
1930-1939	9.4
1929 and earlier	54.9
Total	100.0

Note: The basic data in the 1960 Census of Housing from which the above estimates were developed reflect an unknown degree of error in "year built" occasioned by the accuracy of response to enumerators' questions as well as by errors caused by sampling.

Sources: 1960 Census of Housing adjusted by Housing Market Analyst to reflect post-censal construction and demolition of units.

Condition. Taken as a whole, the housing inventory of the U.P. is in poor condition. The 1960 Census enumerated 37,300 units which were dilapidated or lacked one or more plumbing facilities, equal to 32 percent of the housing inventory. The poor over-all condition of the housing inventory is caused partially by the number of units which are for seasonal use only; a large proportion of such units are built with minimal facilities. The proportion of the inventory which is substandard remains high, however, even if all vacant units are eliminated from consideration. It is judged that around 20 percent of all 1960 occupied housing units were dilapidated or lacked plumbing facilities.

Value and Rent. The cost of existing housing is relatively low in the U.P. as a whole. According to the 1960 Census, the median value of all owner-occupied units was about $7,400 in the U.P., compared to $12,000 in all of Michigan. The value of owner-occupied units in 1960 varied considerably among areas. The lowest median value, less than $5,000, was in the Copper Country, and the highest was in the Central area, about $9,000. The median 1960 gross rent (includes utilities) of renter-occupied units in the U.P. was also lower than in all Michigan--about $60 in the U.P. compared to $75 in the state as a whole.

The lower housing cost in the U.P. is a reflection of the age of the housing inventory and of a relative lack of demand-push price inflation in most areas. However, because of the short building season, severe weather which necessitates substantial construction, high transportation costs, and local builders whose operations are too small to benefit from economies of scale, the cost of new housing in the U.P. is quite high.

Residential Building Activity

Trends. Reports of the number of housing units authorized by building permits are available for a limited geographic portion of the U.P. only. The areas covered include every important growing area, however, and about 80 percent of all nonseasonal private housing built since 1960 was located in areas requiring building permits. Few, if any, of the permits issued reflect authorization of seasonal units. About 320 privately-financed housing units were authorized for construction in 1960. The number of units authorized declined to 240 during the 1961 recession year, rebounded to 350 in 1962, declined in the following two years to total 290 in 1964, and increased to 360 in 1965. During the first eleven months of 1966, about 380 units were authorized, more than any year in the 1960's (see table VII).

The Central area has accounted for approximately four-fifths of all privately-financed housing constructed since 1960. The Escanaba and Marquette areas have been the location of most private housing construction; the greatest part of the building permit authorizations shown in table VII for the "remainder" of the Central area were for houses located in Marquette County (especially in Chocolay and Forsyth townships).

Almost all of the privately-financed housing built in the U.P. since 1960 has been single-family units. An annual average of around ten units of housing in multifamily structures has been built, mostly small projects in Marquette, Escanaba, and Houghton.

Units Under Construction. There were about 140 units of private housing under construction in the Upper Peninsula in December 1966, excluding the conversion of a single-family residence into apartment units which is underway in Ishpeming. Around one-half of the units under construction are in or near Marquette (including Ishpeming and Negaunee). The number of units under construction was down somewhat from two months earlier, reflecting seasonal factors. Severe weather in the U.P. discourages outside construction work during the winter months.

Demolition. There have been approximately 1,250 housing units demolished in the Upper Peninsula since 1960. Many abandoned units which were reported as dilapidated in the 1960 Census have been demolished from scavaging, vandalism, and natural causes. Over 100 units have been removed from the housing inventory because of land subsidence over underground iron mine tunnels. Most of these units were located in Negaunee. Several communities in the U.P., especially those which have had a rapid decline in job opportunities and an ensuing out-migration of households, have intensified the enforcement of building codes to eliminate substandard units which have become vacant.

Northern Michigan University has plans for expansion of the physical plant of the institution into areas which are presently residential. If undertaken, the expansion will necessitate the removal of housing units. It is likely that around 120 units will be removed (mostly demolished) from the Marquette housing inventory within the two-year forecast period of this analysis. Urban renewal activities may result in the elimination of an additional number of units in Marquette, also. The right-of-way of a highway which is soon to be built in the U.P. passes through Houghton, and a few units will be removed for the new road.

Tenure of Occupancy

As shown in table VI, the proportion of the U.P. occupied housing inventory which is owner occupied decreased slightly, from 74.7 percent in 1960 to 74.3 percent in 1966. During the 1950-1960 period, the owner-occupied ratio increased from 70.4 percent in 1950. The reversal of trend was caused by the construction and occupancy since 1960 of a large number of housing units in the Central and Eastern areas for military households. The trend toward owner-occupancy has continued in the Copper Country and the Southwestern area.

Vacancy

Last Census. As of April 1960, there were 26,125 vacant housing units in the Upper Peninsula, of which about 2,650 were nonseasonal units, not dilapidated, and available for rent or for sale. As shown in table VI, 970 were available for sale only, indicating a homeowner vacancy rate of 1.4 percent, and over 1,675 were available for rent, or a renter vacancy rate of 6.9 percent. About one-half (490 units) of the vacant available for sale units and 740 of the available for rent units lacked some or all plumbing facilities. Some 18,250 of the "other" vacant units shown in table VI were classified as seasonal housing.

Postal Vacancy Survey. The results of postal vacancy surveys conducted during October and November 1966 are shown in table VIII. The surveys covered areas served by twelve of the largest post offices in the U.P. Almost 46,500 possible deliveries (excluding trailers) were enumerated by the surveys. About 1,475 vacancies were reported, or an over-all vacancy rate of 3.2 percent. Vacancies in residences numbered about 1,025, or 2.5 percent of the total number of residences reported. Only about 30 of the vacant residences were classified as "new" (never occupied). Apartment vacancies amounted to 8.0 percent of the possible deliveries to apartments enumerated.

There was substantial variation in the rate of vacancies reported by the surveys in different communities. The three northern-most Central area communities had the lowest over-all vacancy rates reported--Marquette (0.8 percent), Ishpeming (1.5 percent), and Negaunee (1.8 percent). The over-all rates in Escanaba (2.0 percent) and in Houghton (2.2 percent) were also substantially below the average of all the reporting post offices. The post offices in two communities (Sault Ste. Marie and Ironwood) reported over-all vacancy rates in excess of five percent.

It is important to note that the postal vacancy survey data are not entirely comparable with the data published by the Bureau of the Census because of differences in definition, area delineations, and methods of enumeration. The census reports units and vacancies by tenure, whereas the postal vacancy survey reports units and vacancies by type of structure. The Post Office Department defines a "residence" as a unit representing one stop for one delivery of mail (one mailbox). These are principally single-family homes, but include row houses, and some duplexes and structures with additional units created by conversion. An "apartment" is a unit on a stop where more than one delivery of mail is possible. Postal surveys omit vacancies in limited areas served by post office boxes and tend to omit units in subdivisions under construction. Although the postal vacancy survey has obvious limitations, when used in conjunction with other vacancy indicators the survey serves a valuable function in the derivation of estimates of local market conditions.

Current Estimate. On the basis of postal vacancy survey results and information gained from local sources, it is judged that there were a total of about 2,900 available vacant nondilapidated nonseasonal housing units in the U.P. as of December 1, 1966. About 1,100 of the available vacancies were for sale only, a homeowner vacancy rate of 1.6 percent, and 1,800 were available for rent, a renter vacancy rate of 7.1 percent. Both the sales and rental vacancy rates were up somewhat from the 1.4 and 6.9 percent, respectively, reported in the 1960 Census. The number of available vacancies represented a relatively-small proportion of total vacant units. Of the 29,650 "other" vacant units indicated in table VI, some 21,700 were for seasonal use only.

Approximately 500 units of the available sales vacancies and 800 units of the available rental vacancies were substandard in that they lacked one or more plumbing facilities.

As suggested by the findings of the postal vacancy survey and indicated in table VI, the rate of vacancy varies somewhat in different geographic areas of the U.P. The lowest over-all available vacancy rates are in the Central area and the Copper Country, in some parts of which a housing shortage exists. Housing construction has not kept pace with the increase in number of households in these areas. The rates of vacancy are lowest in the Marquette-Ishpeming-Negaunee and Hancock-Houghton areas. The available vacancy rates for the former three cities in aggregate are about 0.5 percent for sales housing and 2.5 percent for rental units, and in the latter two cities in aggregate the available vacancy rates are about 0.8 percent in sales housing and 3.2 percent in rental housing. The shortage of housing is especially stringent in Marquette. The state university located there reportedly has had difficulty recruiting faculty and staff because of a lack of available housing.

Although the market is not as tight as in the two areas above, vacancies are few in the Escanaba-Gladstone area. The available vacancy rates for the two cities in aggregate are about 0.9 percent for sales housing and 4.5 percent for rental housing. Available vacancies are also very few in the vicinity of the White Pine Mine, in Ontonagon village, and in Calumet. However, current empirical vacancy data are not available for these localities.

Available vacancies are somewhat more numerous in the Southwestern and Eastern areas, where the economic bases continue to diminish, causing civilian out-migration.

Sales Market

General Market Conditions. The U.P. market for new sales housing is sound in those regions where the civilian population is increasing. Supply is the main problem; an insufficient number of units has been constructed in some areas, resulting in the shortages discussed in the section above. Realtors in the areas mentioned report that the number of house listings is at the lowest level of the past ten years. Because of the more rapid rate of increase in the number of households now than in years past, it appears that the market for new sales housing is growing, especially in the vicinities of Marquette, Houghton, Escanaba, Calumet, and near the White Pine Mine. Local sources stated that inquiries from prospective buyers have never been more numerous.

Contract construction is the usual practice of homebuilders in the U.P. Some speculative activity does exist, but on such a minor scale as to be almost negligible. Most of the speculative construction takes place in the Marquette vicinity.

The high construction costs of the U.P. and low over-all family income tend to restrict most single-family construction to a rather narrow price range. The great majority of all houses built in the U.P. are priced between $14,000 and $22,000.

Subdivision Activity. Because of the growing market for sales housing, the number of subdivisions has increased. The largest active subdivision, located in southwest Marquette, will consist of around 250 lots when completed. The lots are to sell at from $2,500 to $3,500. A second Marquette subdivision, which is being developed in three sections, contains a total of around 220 lots. A 120-lot subdivision located in Escanaba is almost full. A subdivision in which about 50 houses have been built is developing near the White Pine Mine. If employment at the mine continues to increase rapidly, the subdivision could become a new town. Many other small subdivisions are situated at scattered locations in the U.P. Plans are tentative for a 200-lot development at Houghton.

Rental Market

General Market Conditions. The number of civilian renter households has been declining in the U.P. for many years. As a result, the rental market has had a diminishing base and apartment construction has been almost inconsequential.

During the immediate past, when the number of civilian households has been increasing at an accelerating rate, the rental market has firmed in several areas of the U.P.--notably Marquette, Escanaba, and Houghton. The most often heard comment, when discussing the market with persons in these localities, was to the effect that the rental market has tightened in every rent range. Vacancies are negligible in these cities, and demand has increased rents substantially since 1960. A few developers have recognized the shortage of rental housing in parts of the U.P. and reportedly are planning to construct multifamily projects of much greater size than any that has been developed in recent years.

The few small apartment projects which have been built in the U.P. since 1960 are fully-occupied. Contract rents (excludes utilities) in the projects range from $100 to $125 for one-bedroom apartments, $125 to $175 for two-bedroom units, and $135 to $165 for three-bedroom units.

Mortgage Market

Mortgage funds are available for single-family units in the U.P. at the prevailing high interest rates (six and one-half to seven percent), usually with stringent terms. Mortgagees in the U.P. have traditionally been conservative in their loan policies, although there is indication that some change toward liberalization has taken place in recent years. A down payment of at least 30 percent is usually required on a conventionally-financed house, and mortgages ordinarily have a term of no more than 15 years.

Urban Renewal

Marquette is the first city in the U.P. to undertake an urban renewal project. The Downtown Shopping Project (Mich. R-21) consists of 14 acres. The general boundaries of the area are Bluff, Front, Washington, and Fourth Streets. Present use of the area is about 75 percent commercial and 25 percent residential. Re-use is to be all commercial. Within the two-year forecast period of this analysis, about 25 housing units in the project area may be removed.

The governments of most of the other larger cities in the U.P. have expressed interest in developing urban renewal projects. Some have determined approximate boundaries of project areas and made contact with the appropriate federal agencies. However, it does not appear that the housing stock of the U.P. will be materially affected by any of these projects within the two-year forecast period of this analysis.

Military Housing

There are 1,695 units of military-controlled housing on K.I. Sawyer Air Force Base (in rural Marquette County). The units are quite new; all were built within the past eight years. Some 1,395 of the units are Capehart-type housing, and the remainder are appropriated fund, including 100 units of relocatable (semi-mobile) housing. Although the defense units assigned to the base are not at full authorized strength, vacancies in the housing units are negligible. To achieve full occupancy, some 280 families of military personnel in ranks ordinarily ineligible for military-controlled housing (grade E-4 with fewer than four years service and all lower grades) are occupying government quarters. In addition, a number of families whose head has been transferred for service in southeast Asia have been allowed to remain in on-base housing. No additions to the present housing inventory of the base are programmed. In addition to the on-base housing at K.I. Sawyer AFB, spaces are provided for 200 trailers; about 100 of the spaces are occupied.

Kincheloe AFB (in rural Chippewa County) has 1,390 units of on-base housing. All of the units were built within the past eleven years and are considered adequate. Some 995 of the units are Capehart-type housing, and the remainder are appropriated fund housing, including 200 units of relocatable housing. To achieve full occupancy of the housing, about 190 of the units are occupied by ineligible enlisted personnel and their families, and the families of a number of personnel serving in southeast

Asia have been allowed to remain in their quarters. The scheduled phase-out of Kincheloe will make the present on-base housing surplus to the needs of the Air Force. Plans are being drawn for the eventual disposition of the units. In addition to the on-base housing, there are 125 trailer spaces at Kincheloe, all of which are occupied.

Public Housing

There are 270 units of public housing in the U.P. Sault Ste. Marie has 190 of the units, 90 units of housing for low-income families and 100 units designed especially for elderly households. Sixty units, divided equally between low-income and elderly occupancy, are located in Bessemer (just east of Ironwood), and 20 units, also one-half low-income and one-half elderly, are located in Baraga (30 miles south of Houghton). Forty units of housing for the elderly are under construction in Ontonagon. All units now completed are occupied.

The low incomes and poor housing of much of the U.P. population, a large proportion of whom are elderly, has stimulated interest in further development of public housing. The Housing Assistance Administration (HAA) has approved the applications for construction of an additional 510 units of public housing in the U.P. The majority of the units (83 percent) are to be designed for elderly occupants. The largest approved project, of 140 units (all for elderly households), is located in Marquette. Hancock is the location of 86 of the approved units, Negaunee, of 60 units; and 50 of the units will be built in Calumet. The remainder of the units approved for construction (174 units) will be located in seven other smaller communities. In addition, the HAA has applications pending for 440 units, 82 percent of which would be designed for elderly occupants, to be developed in six other communities. The applications for the largest number of units are for Ironwood (140 units) and Iron Mountain (130 units).

Demand for Housing

Quantitative Demand

Based on the expected increase in the number of households during the next two years and on the anticipated net number of privately-financed housing units which will be required to accommodate households which will be dislocated by demolitions, about 780 units of new privately-financed nonseasonal housing units might be absorbed annually during the two-year forecast period, including 630 single-family units and 150 units of multifamily housing, excluding public low-rent housing and rent-supplement accommodations. This demand forecast is an estimate of the absorptive potential of the market, and is not a prediction of eventual construction activity.

Reflecting the expected accelerated rates of economic growth in the U.P., the forecast demand is considerably above the average number of new privately-financed nonseasonal housing units which have been built since April 1960 (420 annually). As shown in table VII, the rate of private housing construction has been increasing in recent years in response to the resurgence of the regional economy. The annual number of private housing unit authorizations has increased each year since 1964; the number of unit authorizations during the first eleven months of 1966 (380 units) is greater than any year during the 1960's. Building permit authorization reflects only about 80 percent of total private housing construction in the U.P. Except for certain financial and other structural restrictions (the conservative loan policy of many mortgagees, lack of experienced, high-production builders, etc.), the number of unit authorizations during 1966 would have been somewhat higher. Should the population and household growth forecast in this analysis be achieved, the required additional housing will have to be provided, therefore, by a combination of new construction and the rehabilitation of existing units in the large number of vacancies, especially better-quality seasonal units. In view of the uncertainty as to the long-term economic future of the U.P., this may not be an inappropriate solution to the short-run housing needs of the area.

The housing demand forecast for the next two years is expected to be distributed geographically as shown in the following table.

Projected Annual Demand for New Housing
Upper Peninsula of Michigan
December 1966 to December 1968

Area	Units by type of structure: Single-family	Multi-family	Total
U.P. total	630	150	780
Central area	430	100	530
Marquette vicinity[a]	260	80	340
Escanaba vicinity[b]	70	20	90
Remainder of area	100	0	100
Copper Country	200	50	250
Southwestern area	0	0	0
Eastern area	0	0	0

a/ Includes Ishpeming and Negaunee cities and the townships of Chocolay, Ishpeming, Marquette, Negaunee, Richmond, Sands and West Branch.
b/ Includes Gladstone area.

Most of the demand for 100 units of single-family housing indicated for the "remainder" of the Central area will be located in and near Iron Mountain-Kingsford and Menominee.

The annual demand for 200 units of single-family housing estimated for the Copper Country is predicated on the assumption that at least part of the planned employment increases at the White Pine Mine and the copper mines at Calumet will take place; demand created by enrollment increases at Michigan Technological University (Houghton) is also considered. The eventual geographic location of the forecast single-family demand in the Copper Country will depend on the economic feasability of location and salability of existing or new subdivisions. All of the 50 units of multifamily demand indicated for the Copper Country will be located in Hancock-Houghton.

In view of the economic prospects of the next two years in the Southwestern and Eastern areas, there appears to be a more than sufficient number of adequate vacant units available to satisfy the quantitative requirements for housing in these areas during the next two years. The closing of Kincheloe AFB (scheduled to begin in 1969) may create a serious surplus of housing in the Eastern area. It is recognized, however, that a number of additional housing units probably will be constructed in localities of each of the Southwestern and Eastern areas, principally for replacement or in response to local conditions in individual communities.

Housing at the lower rents possible with public benefits or assistance through tax abatement or aid in financing or land acquisition is possible only in areas in which there has been the required planning (workable programs) for eligibility. Only three communities have these programs in effect (Hancock, Marquette, and Ontonagon). There is an additional demand from moderate-income households in the Marquette vicinity for about 40 multifamily units annually during the next years. Should some other communities in the U.P. adopt the necessary programs to be eligible for housing of this type, a greater demand additive will result.

Qualitative Demand

Single-Family Housing. Based on current family income, on typical ratios of income to purchase price, and on recent market experience, the annual demand for 630 units of single-family housing is expected to be distributed as shown in the following table.

Annual Demand for New Single-Family Housing
Upper Peninsula of Michigan
December 1966-December 1968

Sales price	Number of units	Percent of total
Under $15,000	75	12
$15,000 - 17,499	160	25
17,500 - 19,999	150	24
20,000 - 24,999	150	24
25,000 and over	95	15
Total	630	100

The quality differentials among the different geographic areas of the U.P. will approximate the relative distribution shown in the table above, with minor variation.

Multifamily Housing. The high construction costs in the U.P. and the current relatively-stringent terms of financing[1/] make minimum gross rents (includes utilities) achievable in new apartment structures quite

1/ Calculated on the basis of a long-term mortgage (40 years) at six percent interest and 1½ percent initial annual curtail; changes in these assumptions will effect minimum rents accordingly.

high; these rents are around $105 for efficiencies, $130 for one-bedroom units, $150 for two-bedroom units, and $170 for units with three bedrooms. Most of the demand for multifamily housing in the U.P. during the next two years will be at or near these minimums.

The annual demand for 150 units of multifamily housing will be concentrated in three community areas; annual demand for 80 units will be located in the Marquette area, 50 units in Houghton, and 20 units might be absorbed annually in Escanaba. This demand will be almost equally divided between one- and two-bedroom units.

Table I

Civilian Work Force Components[a]
Upper Peninsula of Michigan, 1960-1966
(thousands)

Work force components	Annual averages 1960	1961	1962	1963	1964	1965	First nine months averages 1965	1966
Civilian work force	97.5	97.7	95.2	93.6	92.8	92.1	92.5	93.6
Unemployment	9.9	13.5	11.0	10.0	9.0	7.2	7.6	6.8
Percent unemployed	10.2%	13.8%	11.6%	10.7%	9.7%	7.8%	8.2%	7.3%
Agricultural employment	4.8	4.6	4.4	4.2	4.1	4.0	4.2	3.9
Nonagricultural employment	82.6	79.6	79.8	79.4	79.3	80.5	80.2	82.8
Wage and salary	68.6	65.8	66.4	66.5	66.6	68.1	67.8	70.7
All other nonag. empl.	14.0	13.8	13.4	12.9	12.7	12.4	12.4	12.1
Persons involved in labor-management disputes	.2	-	-	-	.4	.4	.4	-

a/ May not add to totals because of rounding.

Source: Michigan Employment Security Commission.

Table II

Nonagricultural Wage and Salary Employment by Type of Industry
Upper Peninsula of Michigan, 1957-1966

Industry	Annual averages[a]									First nine months averages[a]	
	1957	1958	1959	1960	1961	1962	1963	1964	1965	1965	1966
Wage and salary employment	73,300	68,400	67,700	68,600	65,800	66,400	66,500	66,600	68,100	67,800	70,700
Manufacturing	16,800	14,500	14,800	14,900	13,800	14,000	13,600	13,100	12,800	12,800	13,400
Lumber and wood products	5,600	4,500	4,400	4,500	4,000	4,300	4,400	4,200	4,000	4,000	3,900
Furniture and fixtures	900	900	1,000	900	900	900	900	900	900	900	900
Metal products	600	500	600	500	600	600	600	600	600	600	700
Nonelectrical machinery	1,500	1,100	1,400	1,700	1,600	1,700	1,600	1,600	1,600[b]	1,500[b]	1,900
Electrical machinery	600	500	500	400	300	300	400	300	300	300	400
Transportation equipment	100	100	100	200	200	200	200	200	200	200	200
Food and kindred products	1,600	1,500	1,500	1,300	1,300	1,300	1,200	1,200	1,200	1,200	1,200
Textiles and apparel	700	600	700	600	500	600	500	500	500	500	600
Paper and allied products	2,000	2,000	2,000	2,100	2,300	2,300	2,300	2,300	2,200	2,200	2,200
Printing and publishing	600	600	600	600	600	600	600	700	700	700	700
Chemicals and petroleum	1,500	1,300	1,200	1,200	1,000	600	600	400	300	400	400
All other manufacturing	1,200	800	900	800	600	500	300	200	200	200	300
Nonmanufacturing	56,500	53,900	52,900	53,600	52,000	52,400	53,000	53,500	55,200	55,000	57,300
Construction	3,300	3,100	3,600	3,200	3,300	3,500	4,100	3,700	4,400	4,300	4,800
Trans., comm., & utilities	5,700	5,400	5,200	4,900	4,600	4,500	4,400	4,400	4,400	4,400	4,400
Wholesale trade	2,100	1,800	2,000	2,000	2,000	2,000	1,900	1,900	1,800	1,800	1,800
Retail trade	11,300	11,200	11,400	11,400	10,900	10,900	10,900	11,200	11,500	11,400	11,900
Finance, ins., & real estate	1,600	1,600	1,600	1,700	1,700	1,800	1,900	2,000	2,100	2,000	2,100
Services	8,100	8,200	7,500	6,900	6,800	6,700	6,600	6,500	6,500	6,600	6,700
Mining	11,400	9,200	8,000[b]	9,400[b]	8,200	8,000	7,600	7,900[b]	8,200[b]	8,200[b]	8,500
Government	12,800	13,300	13,700	14,100	14,500	15,100	15,600	15,900	16,400	16,200	17,100
Federal	2,500	2,400	2,500	2,700	2,800	3,100	3,400	3,200	3,200	3,200	3,300
State	3,000	3,300	3,400	3,500	3,600	3,700	3,800	4,000	4,300	4,200	4,700
Local	7,300	7,600	7,800	8,000	8,200	8,400	8,400	8,700	8,900	8,800	9,200

a/ May not add to totals because of rounding.

b/ An average of over 100 employees were absent from work in this industry during the year because of labor-management disputes.

Source: Derived from Forms MESC 3221 provided by Michigan Employment Security Commission.

Table III

Estimated Percentage Distribution of All Families and Renter Households
By Income and Tenure After Deduction of Federal Income Tax
Upper Peninsula of Michigan, 1966 and 1968

Annual after-tax incomes	Percentage distribution 1966 All families	Percentage distribution 1966 Renter households[a]	Percentage distribution 1968 All families	Percentage distribution 1968 Renter households[a]
Under $ 2,000	10	15	9	14
$ 2,000 - 2,999	9	11	9	10
3,000 - 3,999	11	13	10	12
4,000 - 4,999	12	15	11	14
5,000 - 5,999	13	16	12	15
6,000 - 6,999	13	11	13	12
7,000 - 7,999	10	7	10	8
8,000 - 8,999	7	5	8	6
9,000 - 9,999	5	2	6	3
10,000 - 11,999	5	2	6	2
12,000 - 14,999	2	2	2	2
15,000 and over	3	1	4	2
Total	100	100	100	100
Median income	$5,625	$4,775	$5,925	$5,025

a/ Excludes one-person renter households.

Source: Estimated by Housing Market Analyst.

Table IV

Population Trends
Upper Peninsula of Michigan
1950 - 1966

Area	April 1950	April 1960	December 1966	Average annual changes[a/] 50-60	60-66
Total U. P.	302,258	305,952	318,500	369	1,875
Central area	148,754	155,455	167,600	670	1,825
Escanaba	15,170	15,391	16,150	22	110
Gladstone	4,831	5,267	5,300	44	5
Iron Mountain	9,679	9,299	9,350	-38	10
Ishpeming	8,962	8,857	9,025	-10	25
Marquette	17,202	19,824	23,400	262	540
Menominee	11,151	11,289	11,300	14	-
Negaunee	6,472	6,126	6,000	-35	-20
Kingsford	5,038	5,084	5,325	5	35
Remainder of area	70,249	74,318	81,750	407	1,125
Copper Country	52,971	48,655	48,400	-432	-40
Hancock	5,223	5,022	5,075	-20	10
Houghton	3,829	3,393	6,125	-44	410
Remainder of area	43,919	40,240	37,200	-368	-460
Southwestern area	44,745	41,554	38,150	-319	-510
Ironwood	11,466	10,265	9,800	-120	-70
Remainder of area	33,279	31,289	28,350	-199	-440
Eastern area	55,788	60,288	64,350	450	610
Sault Ste. Marie	17,912	18,722	18,600	81	-20
Remainder of area	37,876	41,566	45,750	369	630

a/ May not add to totals because of rounding.

Sources: 1950 and 1960 Censuses of Population.
1966 estimated by Housing Market Analyst.

Table V

Household Trends
Upper Peninsula of Michigan
1950 - 1966

Area	Number of households April 1950	April 1960	Dec. 1966	Average annual change[a] 1950-1960	1960-1966
Total U.P.	86,218	88,867	91,550	265	400
Central area	42,321	44,830	47,100	251	340
Escanaba	4,466	4,682	4,950	22	40
Gladstone	1,392	1,531	1,550	14	5
Iron Mountain	3,045	3,024	3,050	-2	5
Ishpeming	2,723	2,826	2,875	10	5
Marquette	4,540	5,166	5,475	63	45
Menominee	3,287	3,449	3,475	16	5
Negaunee	1,903	1,942	1,900	4	-5
Kingsford	1,511	1,549	1,625	4	10
Remainder of area	19,454	20,661	22,200	121	230
Copper Country	15,743	14,768	14,650	-98	-15
Hancock	1,579	1,598	1,600	2	-
Houghton	1,109	1,053	1,250	-6	30
Remainder of area	13,055	12,117	11,800	-94	-45
Southwestern area	13,381	13,154	12,450	-23	-105
Ironwood	3,567	3,510	3,350	-6	-25
Remainder of area	9,814	9,644	9,100	-17	-80
Eastern area	14,773	16,115	17,350	134	185
Sault Ste. Marie	4,964	5,340	5,500	38	25
Remainder of area	9,809	10,775	11,850	97	160

a/ May not add to totals because of rounding.

Sources: 1950 and 1960 Censuses of Housing.
1966 estimated by Housing Market Analyst.

Table VI

Components of the Housing Inventory
Upper Peninsula of Michigan
April 1950 - December 1966

Tenure and vacancy	Central area	Copper Country	Southwest area	Eastern area	Total U.P.
			April 1950		
Total housing inventory	47,497	19,575	14,283	20,923	102,278
Occupied housing units	42,321	15,743	13,381	14,773	86,218
Owner occupied	29,823	10,909	9,492	10,493	60,717
Percent of all occupied	70.5%	69.3%	70.9%	71.0%	70.4%
Renter occupied	12,498	4,834	3,889	4,280	25,501
Vacant housing units	5,176	3,832	902	6,150	16,060
Available vacant	664	262	132	345	1,403
Available for sale only	245	76	43	82	446
Homeowner vacancy rate	.8%	.7%	.4%	.8%	.7%
Available for rent	419	186	89	263	957
Renter vacancy rate	3.2%	3.7%	2.2%	5.8%	3.6%
All other vacant	4,512	3,570	770	5,805	14,657
			April 1960		
Total housing inventory	54,098	19,545	16,393	24,956	114,992
Occupied housing units	44,830	14,768	13,154	16,115	88,867
Owner occupied	33,341	11,048	10,403	11,614	66,406
Percent of all occupied	74.4%	74.8%	79.1%	72.1%	74.7%
Renter occupied	11,489	3,720	2,751	4,501	22,461
Vacant housing units	9,268	4,777	3,239	8,841	26,125
Available vacant	1,173	456	448	571	2,648
Available for sale only	427	183	139	222	971
Homeowner vacancy rate	1.3%	1.6%	1.3%	1.9%	1.4%
Available for rent	746	273	309	349	1,677
Renter vacancy rate	6.1%	6.8%	10.1%	7.2%	6.9%
All other vacant	8,095	4,321	2,791	8,270	23,477
			December 1966		
Total housing inventory	57,800	20,150	16,800	27,350	122,100
Occupied housing units	47,100	14,650	12,450	17,350	91,550
Owner occupied	34,850	11,050	10,150	11,950	68,000
Percent of all occupied	74.0%	75.4%	81.5%	68.9%	74.3%
Renter occupied	12,250	3,600	2,300	5,400	23,550
Vacant housing units	10,700	5,500	4,350	10,000	30,550
Available vacant	1,250	450	500	700	2,900
Available for sale only	500	200	150	250	1,100
Homeowner vacancy rate	1.4%	1.8%	1.5%	2.0%	1.6%
Available for rent	750	250	350	450	1,800
Renter vacancy rate	5.8%	6.5%	13.2%	7.7%	7.1%
All other vacant	9,450	5,050	3,850	9,300	27,650

Sources: 1950 and 1960 Censuses of Housing.
1966 estimated by Housing Market Analyst.

Table VII

Private Housing Units Authorized in Permit-Issuing Places
Upper Peninsula of Michigan, 1960-1966

Area	1960	1961	1962	1963	1964	1965	1966 a/
Total U. P.	319	241	351	316	290	364	379
Central area	262	188	270	252	222	309	305
Escanaba	46	29	28	43	32	42	30
Gladstone	13	8	12	7	4	6	17
Iron Mountain	23	19	15	13	10	25	15
Ishpeming	5	5	9	4	8	12	15
Marquette	52	22	52	34	38	54	65
Menominee	13	9	12	16	17	12	19
Negaunee	4	3	4	7	8	5	10
Kingsford	26	25	14	9	8	18	14
Remainder of area	80	68	124	119	97	135	120
Copper Country	13	22	18	17	17	14	26
Hancock	7	7	7	6	-	1	-
Houghton	-	3	3	3	8	2	16
Remainder of area	6	2	8	8	9	11	10
Southwestern area	7	3	9	15	19	11	16
Ironwood	2	-	-	2	-	-	1
Remainder of area	5	3	9	13	19	11	15
Eastern area	37	28	54	32	32	30	32
Sault Ste. Marie	31	22	14	8	6	9	12
Remainder of area	6	6	40	24	26	21	20

a/ First eleven months. Partially estimated.

Sources: U.S. Bureau of the Census, C-40 Construction Reports; local building records; and estimates by Housing Market Analyst.

Table VIII

Upper Penninsula, Michigan, Postal Vacancy Survey

November 2-9, 1966

Postal area	Total residences and apartments: Total possible deliveries	Vacant units: All	Vacant units: %	Vacant units: Used	Vacant units: New	Under const.	Residences: Total possible deliveries	Vacant units: All	Vacant units: %	Vacant units: Used	Vacant units: New	Under const.	Apartments: Total possible deliveries	Vacant units: All	Vacant units: %	Vacant units: Used	Vacant units: New	Under const.	House trailers: Total possible deliveries	Vacant: No.	Vacant: %
The Survey Area Total	46,480	1,474	3.2	1,443	31	189	40,797	1,019	2.5	990	29	171	5,683	455	8.0	453	2	18	647	13	2.0
Escanaba	5,256	106	2.0	95	11	11	4,716	89	1.9	78	11	11	540	17	3.1	17	-	-	11	7	63.6
Gladstone	2,512	105	4.2	100	5	16	2,448	86	3.5	81	5	16	64	19	29.7	19	-	-	50	2	4.0
Hancock	2,164	75	3.5	75	-	7	1,983	52	2.6	52	-	7	181	23	12.7	23	-	-	16	-	0.0
Houghton	1,686	37	2.2	36	1	3	1,358	37	2.7	36	1	3	328	-	0.0	-	-	-	37	-	0.0
Iron Mountain a/	5,304	183	3.5	173	10	15	4,843	140	2.9	131	9	13	461	43	9.3	42	1	2	5	-	0.0
Ironwood	4,093	214	5.2	214	-	2	3,817	149	3.9	149	-	2	276	65	23.6	65	-	-	11	-	0.0
Ishpeming (10-21-66)	4,009	60	1.5	59	1	38	3,755	39	1.0	38	1	24	254	21	8.3	21	-	14	23	-	0.0
Marquette (10-14-66)	6,347	53	0.8	52	1	50	5,658	31	0.5	30	1	50	689	22	3.2	22	-	-	143	1	0.7
Menominee	4,218	181	4.3	180	1	23	3,699	98	2.6	97	1	21	519	83	16.0	83	-	2	24	-	0.0
Negaunee (10-26-66)	2,144	38	1.8	38	-	17	1,686	22	1.3	22	-	17	458	16	3.5	16	-	-	78	2	2.6
Norway	1,044	31	3.0	31	-	1	910	17	1.9	17	-	1	134	14	10.4	14	-	-	3	-	0.0
Sault St. Marie																					
(11-30-66)	7,703	391	5.1	390	1	6	5,924	259	4.4	259	-	6	1,779	132	7.4	131	1	-	246	1	0.4
Main Office	6,308	350	5.5	349	1	6	5,724	254	4.4	254	-	6	584	96	16.4	95	1	-	126	1	0.8
Kinchelo AFB Br.	1,395	41	2.9	41	-	-	200	5	2.5	5	-	-	1,195	36	3.1	36	-	-	120	-	0.0

a/ Includes Kingsford

The survey covers dwelling units in residences, apartments, and house trailers, including military, institutional, public housing units, and units used only seasonally. The survey does not cover stores, offices, commercial hotels and motels, or dormitories; nor does it cover boarded-up residences or apartments that are not intended for occupancy.

The definitions of "residence" and "apartment" are those of the Post Office Department, i. e.: a residence represents one possible stop with one possible delivery on a carrier's route; an apartment represents one possible stop with more than one possible delivery.

Source: FHA postal vacancy survey conducted by collaborating postmaster(s).