Analysis of the

UPPER PENINSULA, MICHIGAN HOUSING MARKET

as of October 1, 1971

A Report by the
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
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Housing Market Analysis

Upper Peninsula, Michigan, as of October 1, 1971

Foreword

This analysis has been prepared for the assistance and guidance of the Department of Housing and Urban Development in its operations. The factual information, findings, and conclusions may be useful also to builders, mortgagees, and others concerned with local housing problems and trends. The analysis does not purport to make determinations with respect to the acceptability of any particular mortgage insurance proposals that may be under consideration in the subject locality.

The factual framework for this analysis was developed by the Economic and Market Analysis Division as thoroughly as possible on the basis of information available on the "as of" date from both local and national sources. Of course, estimates and judgments made on the basis of information available on the "as of" date may be modified considerably by subsequent market developments.

The prospective demand or occupancy potentials expressed in the analysis are based upon an evaluation of the factors available on the "as of" date. They cannot be construed as forecasts of building activity; rather, they express the prospective housing production which would maintain a reasonable balance in demand-supply relationships under conditions analyzed for the "as of" date.

Department of Housing and Urban Development
Federal Housing Administration
Economic and Market Analysis Division
Washington, D. C.

FHA HOUSING MARKET ANALYSIS - UPPER PENINSULA, MICHIGAN
AS OF OCTOBER 1, 1971

The Upper Peninsula of Michigan Housing Market Area (HMA) is defined as the 15 counties of northwestern Michigan bounded by Wisconsin on the southwest, Lake Superior on the north, Lake Michigan on the south and Lake Huron and Canada on the east. In this report, the Upper Peninsula is divided into four areas: The Eastern area being defined as the counties of Chippewa, Luce, Mackinac and Schoolcraft; the Central area as Alger, Delta, Dickinson, Marquette and Menominee Counties; the West-Central area as Baraga, Iron and Keweenaw Counties; and the Western area as Gogebic, Houghton and Ontonagon Counties.

The Eastern area is sparsely populated, and the economy of the Central area is relatively strong. The economy of the West-Central area is relatively weak, and in the Western area the effects of a history of mine closings remain to be overcome. The population of the HMA is estimated at 303,800 persons as of October 1, 1971, including 56,950 persons in the Eastern area, 158,500 persons in the Central area, 23,400 persons in the West-Central area, and 64,950 persons in the Western area. In the Eastern area approximately 15 percent of the population consists of assigned military personnel and their families and civilian civil service employees and their families associated with Kincheloe Air Force Base. In the Central area about one-eighth of the population is composed of Northern Michigan University students and their dependents and assigned military personnel and their families and civilian civil service employees and their families associated with K. I. Sawyer Air Force Base. In the Western area almost ten percent of the population is Michigan Technological University students and their dependents.

Anticipated Housing Demand

Based on current housing market conditions and anticipated population and household growth trends, there will be an annual nonsubsidized and nonseasonal demand for about 500 single-family houses, 100 multifamily units, and 525 mobile homes in the Upper Peninsula HMA during the

October 1971 to October 1973 forecast period. Of the 500 single-family homes, there is a demand for 360 homes in the Central area, 60 homes in the Eastern area, 40 homes in the West-Central area and 40 homes in the Western area. Of the 100 multifamily units, there is a demand for 75 units in the Central area, 15 units in the Eastern area and 10 units in the Western area, concentrated in one- and two-bedroom apartments renting for less than $180 a month. There has been a very rapid expansion in the utilization of mobile homes as year-round residences in the Upper Peninsula. Based on recent experience, about two-thirds of the mobile home demand will be in the Central area, one sixth in the Eastern area and one-sixth in the west. Distributions of demand for single-family houses by price class by areas are shown in table I.

Occupancy Potential for Subsidized Housing

Federal assistance in financing the cost of housing for low- or moderate-income families may be provided through a number of different programs administered by the Department of Housing and Urban Development: rent supplement payments for those occupants of Section 221(d)(3) and Section 236 housing who qualify; partial payment of interest on home mortgages insured under Section 235; partial payment of interest on project mortgages insured under Section 236; and federal assistance to local housing authorities for low-rent public housing.

The estimated occupancy potentials for subsidized housing are designed to determine the number of families who can be served under each program and the proportion of these households that can reasonably be expected to seek subsidized housing during the forecast period. Household eligibility for Section 235 and Section 236 programs is established by certification that household or family income is below established limits but sufficient to pay the minimum achievable rent or monthly payment for the particular program. To tentatively qualify for the low-rent public housing program or rent-supplement program, household income cannot exceed administratively determined income limits; there may be additional conditions for eligibility, for example, residing in substandard housing or being displaced by governmental action. Some households may be alternatively eligible for assistance under more than one of these programs or under other assistance programs using federal or state support. It is advisable, therefore, that consideration of additional housing under each program make allowance for approvals or proposals under other programs which might serve the same need. The total occupancy potential for federally assisted housing approximates the sum of the potentials for public housing and Section 236 housing (Section 235 eligible households are the same households eligible for Section 236 housing). For the Upper Peninsula HMA, the total occupancy potential is estimated at 1,000 units annually (see table II), of which about three-fourths are public housing units.

Section 235 and Section 236. These two programs provide housing assistance for the same group of low- to moderate-income families. Section 235 provides partial payment of interest on mortgages of moderately-priced sales housing for families; Section 236 provides partial payment of interest on project mortgages of multifamily rental housing and cooperative units for families and, in addition, for elderly couples and individuals. In the Upper Peninsula HMA, it is estimated that for the October 1971 to October 1973 forecast period there is an annual occupancy potential (based on regular income limits, which are 135 percent of local low-rent public housing income limits) of 200 subsidized family units utilizing either Section 235 or Section 236 or a combination of the two programs. In addition, there is an annual potential for about 50 units of Section 236 housing for elderly couples and individuals; about 20 of these 50 elderly households are alternatively eligible for low-rent public housing.

Approximately 75 units (scattered throughout the Upper Peninsula) of Section 235 housing have been insured to date, and there are about 20 homes under construction which likely will be financed under Section 235. Local sources throughout the Upper Peninsula indicate that administrative procedures for financing a Section 235 home are becoming better known and that market acceptance of these homes is improving; foreclosures have been negligible. Currently, there are no Section 236 units either in management or under construction. It is suggested that almost all the Section 235/236 potential be satisfied with Section 235 homes because of the lack of any very large concentrations of population. Table III provides a suggested distribution of Section 235/236 units, by county. It is further suggested that Section 236 projects be very small and located in Marquette, Sault Sainte Marie, Escanaba or Houghton-Hancock.

Public Housing and Rent Supplement. These two programs provide housing for essentially the same low-income households, but rent supplement eligibility requirements are generally more restrictive, the principal source of rent supplement occupants being families residing in substandard housing. For the Upper Peninsula HMA, the annual occupancy potential for public housing is estimated at 490 units for families and 280 units for the elderly. Under the more restrictive rent-supplement program, the potential for families is 285 units and the market potential among the elderly remains 255 units.

There are presently 1,495 units of low-rent public housing under management, including 1,144 units for the elderly and 351 units for families. Currently under construction are 41 units in Kingsford for the elderly, 28 units in Kingsford for families and 13 units for families at the L'Anse Reservation. In application are several hundred units for both the elderly and families. Tables IV and XIII provide further details of low-rent public housing activity in the Upper Peninsula. Table III provides a suggested distribution of family low-rent public housing among the counties of the Upper Peninsula HMA.

The Sales Market

The sales market is generally tight in the Upper Peninsula Housing Market Area, except in the West-Central area, Menominee City, Escanaba City, and perhaps other smaller communities. Most new homes are priced between $25,000 and $35,000 and are built on scattered sites outside city limits on a contract basis. Most buyers demand a full basement for storage during the severe winter weather. Local sources indicate that perhaps half of all new homes have at least some prefabricated components. The price of used housing is most often in the $15,000 to $20,000 range.

In the Eastern area, the town with the largest population is Sault Sainte Marie. Here the sales market is very tight because (1) the housing stock is very old and is not being replaced at an adequate rate and (2) Kincheloe AFB was not closed on October 1, 1970, as previously announced but was instead designated a Strategic Air Command base on July 1, 1971, which has rendered the base a relatively permanent source of housing demand. Faculty growth at Lake Superior State College has been relatively small but the housing needs of this group have been almost impossible to meet. The continued out-migration of nonmilitary households over the forecast period will loosen the sales market only marginally because on balance probably only the oldest housing will become available.

Sales volume in the past year has increased in the Marquette area and the Iron Mountain-Kingsford area, has remained relatively unchanged in the Escanaba area, and is down somewhat in the Menominee area. There are an adequate number of vacancies in Menominee while in Iron Mountain-Kingsford vacancies seem to be increasing somewhat. The tightest market in the Central area is in and around Marquette because of Northern Michigan University and K. I. Sawyer AFB. Land prices and existing home prices tend to be higher here than anywhere else in the Upper Peninsula. Many of the present military strength in the area are without their families, and there will be an increase in assigned military strength this spring.

In the West-Central area, sales volume has remained relatively constant and low over the past few years; there is a limited economic base in the area, especially since the closing of all but one iron-ore mine in Iron County. Existing homes in Iron County sell for only $6,000 to $12,000 because of the very low incomes in the area; the sales market is balanced.

Sales housing in the Western area is somewhat tight. In the Houghton-Hancock area, this has been brought about in part by growth at Michigan Technological University. Local sources in Ironwood indicate that during the past several years the amount of available, desirable, competitive sales housing has been declining as the effects of the iron-ore mine closings have been overcome by employment opportunities at the White Pine copper mine. In White Pine, there is a definite demand for sales units, but the area continues to be completely dependent on copper mining for economic support.

The Rental Market

The rental market, especially in single-family homes, is tight throughout the Upper Peninsula, except in Menominee City. The relatively high rental vacancy rates, as shown in table XI, are the result of marginally competitive units being placed on the market and units in noncompetitive locations. Several factors (relatively high labor and material costs and lack of experience building multifamily structures) have combined to result in a relatively low return on investment on multifamily dwellings in the Upper Peninsula. Typical gross monthly rents for new multifamily units are $140 to $160 for one-bedroom units and $160 to $180 for two-bedroom units.

In the vicinity of Sault Sainte Marie, in the Eastern area, the demand for rental units being exerted especially by Kincheloe AFB and marginally by Lake Superior State College remains unmet currently. The current stock of rental housing is old in Sault Sainte Marie and needs to be upgraded, especially with one-bedroom units, but there are no new rental units of either multifamily or single-family structures in existence or being built. Typical gross monthly rents in multifamily housing are roughly $100 to $120 for one-bedroom units and $130 to $140 for two-bedroom units.

In the Central area, the rental market is especially tight in Marquette because of the presence of Northern Michigan University and K. I. Sawyer AFB. There are currently assigned to the air base 100 airmen who cannot locate adequate housing at a relatively low cost for their dependents. In Menominee, the slow economy has resulted in a relatively loose rental market at present. Typical gross rents in the Central area for new multifamily housing are $140 to $160 for one-bedroom units and $160 to $180 for two-bedroom units; gross rents for older but competitive apartments average about 25 percent less except in Marquette where rents in older apartments average only about 10 percent less.

In the West-Central area, the iron-ore mine closings during the past several years resulted in available single-family rental units which were in large part absorbed by retirees, at least in the Iron River vicinity. Local sources indicate, consequently, somewhat of a demand for single-family homes at very low rents but very little demand for market rate multifamily rental units.

In the Western area, the rental market is tight because of Michigan Technological University in Houghton, and because in Ironwood, there are a substantial number of workers commuting to the mine at White Pine. In White Pine, there is a demand for rental housing from young families who have not formed strong ties in such towns as Ironwood, Ontonagon, Houghton and Hancock; an employment turnover at the mine in White Pine of about 20 percent per year also indicates a demand for rental housing in White Pine. Typical gross monthly rents in the Western area in new multifamily structures are roughly $160 for one bedroom units and $180 for two-bedroom units; gross monthly rents for older competitive apartments are $100 to $120 for one-bedroom units and $120 to $140 for two-bedroom units.

Economic, Demographic, and Housing Factors

The anticipated demand for housing in the Upper Peninsula Housing Market Area during the October 1971 to October 1973 forecast period is based on the following findings and assumptions regarding employment, income, demographic factors and housing trends.

Economic Factors. As shown on table V, nonagricultural wage and salary employment increased each year from 65,800 jobs in 1961 to 80,100 jobs in 1970. This employment increase occurred because of a net shift of jobs out of the self-employed and agricultural categories to the nonagricultural wage and salary categories and because of an increased proportion of the total population in the work force; total population actually declined slightly. Nonmanufacturing employment increased each year from 1961 through 1970 but the level of manufacturing employment declined between 1961 and 1970. About 55 percent of the total Upper Peninsula nonagricultural wage and salary jobs are in the Central area, about 22 percent in the Western area, about seven percent in the West-Central area and about 16 percent in the Eastern area.

Employment in none of the nonmanufacturing categories decreased from the 1961 level to the 1970 level, except mining, with the largest employment increments in the government, service, retail trade and construction categories. In all, nonmanufacturing employment averaged 52,000 jobs in 1961 and 67,300 jobs in 1970. Government employment increased over 70 percent between 1961 (14,500 jobs) and 1970 (24,800 jobs) while total nonagricultural wage and salary employment increased only about 22 percent over the same time period. The largest government employment increases were in state government from 1965 to 1967, in local government from 1967 to 1970, and in both state and local government in recent months. Employment growth at both Northern Michigan University and Michigan Technological University has also contributed somewhat to total government employment since 1960. Service employment growth has been relatively steady between 1962 (6,700 jobs) and 1970 (9,300 jobs) and into the first seven months of 1971, brought about in part by the tourism industry, especially in the Eastern area. Retail trade employment increased from 10,700 jobs in 1963 to 12,500 jobs in 1970. Various private and public projects have caused the level of construction employment to fluctuate significantly. Employment in the mining category declined between 1966 and 1969 because of several cutbacks and closings in iron-ore mining in the Central, West-Central and Western areas. In addition, there were a substantial number of mine workers involved in strikes in 1967 and 1968.

The level of manufacturing employment fluctuated frequently between 1961 and 1970, but the trend has been one of decline. Employment in durable goods increased somewhat, largely because of employment growth in nonelectrical machinery. Part of the 1968 to 1969 employment increase in nonelectrical machinery can be traced to the Central area, as can be a 1970 to 1971 decrease. Employment in the lumber and wood products category dipped in 1968 because of a strike. Nondurables employment decreased each year from 1960 to 1971. A plant which relocated out of the Central area in 1970 caused employment in "other nondurable goods" employment to decrease. Several plant cutbacks caused employment in "paper and allied products" to decrease between 1970 and 1971.

During the October 1971 to October 1973 forecast period, nonagricultural wage and salary employment may be expected to increase by 2,000 jobs per year. This increase is about the same as has occurred in each of the past two years. Nonmanufacturing employment can reasonbly be expected to increase by about 2,500 jobs per year, whereas manufacturing employment may lose up to 500 jobs per year, continuing an historical trend.

The 1971 median annual income, after deduction of federal income tax, of all families in the Upper Peninsula HMA is an estimated $7,125 and the median after-tax income of two-or more-person renter households is an estimated $6,050 (see table VI). In 1959 the median annual income after deduction of federal income tax of all families in the HMA was $4,250 and the median annual after-tax income of renter households of two or more persons was $3,650. Within the Upper Peninsula are significant variations in income. For example, the median after-tax income of all families in 1971 was $7,875 in the Central area compared to $5,350 in the West-Central area; that of renter households of two or more persons in 1971 was $6,700 in the Central area compared to $4,550 in the West-Central area. Detailed distributions of all families and of renter households in the Upper Peninsula HMA and four subareas by income classes for 1959 and 1971 are presented in table VI.

Demographic Factors. The population of the Upper Peninsula HMA was an estimated 303,800 persons in October 1971 (see table VII); this is a loss of about 2,150 persons since the 1960 Census in spite of strength increases at the two air force bases (see table VIII) and enrollment increases at the two universities (see table IX). There have been significant population losses since 1960 in all but the Central area. Net out-migration is occurring in all four areas, but as a proportion of an area's population net out-migration is most in the Eastern area and least in the Central area. The total population of the Upper Peninsula may reasonably be expected to decrease during the forecast period at a slightly higher rate than since 1960 because of no anticipated large increase in military strength at either air force base and because large enrollment increases are not expected at the two universities.

In October 1971, there were about 93,800 households (see table X) in the Upper Peninsula HMA: 16,700 in the Eastern area, of which about 2,025 were military and military-connected civilian; 47,750 in the Central area, of which about 1,950 were student and 2,700 were military and military-connected civilian; 8,050 in the West-Central area; and 21,300 in the Western area, of which about 1,350 were student. The average annual increase in households in the Upper Peninsula was about 430 between 1960 and 1970, of which an estimated 260 were military and military-connected civilian and 180 were student. During the October 1971 to October 1973 forecast period, the total Upper Peninsula annual household growth will be about 250. The Eastern area will lose about 150 households annually primarily because of no foreseeable military expansion; the Central area will gain an estimated 400 households annually, about one-third of which will be associated with either K. I. Sawyer Air Force Base or Northern Michigan University; the total number of households in the West-Central area is not expected to change; and in the Western area, the total number of households will remain unchanged only because student household growth is expected to equal nonstudent household losses. In all, during the forecast period, household growth in the Upper Peninsula will be relatively low because of decreased expansions at the military bases and universities.

Housing Factors. The housing inventory in the Upper Peninsula HMA totaled about 123,400 units in October 1971, including 70,750 owner-occupied units, 23,050 renter-occupied units and 29,600 vacant units (see table XI). Between April 1960 and October 1971, there was a net increase of about 8,400 housing units in the Upper Peninsula, the result of about 14,350 new units, about 600 net in-conversions to the housing stock, an estimated 8,575 units demolished and the net addition of about 2,025 mobile homes. There were about 400 units under construction in October 1971, including 300 single-family homes and 100 units in multifamily structures. Of the 300 single-family homes under construction, five are public housing units on the L'Anse Reservation and an estimated 20 units will likely be insured under the Section 235 program. Of the estimated 100 multifamily units under construction, 69 are low-rent public housing units in Kingsford and eight are public housing units on the L'Anse Reservation.

It is estimated that only about one-half the total volume of nonseasonal, nonsubsidized residential building activity is covered by building permits (see table XII). Fragmentary data suggest that new nonseasonal, nonsubsidized residential starts averaged about 500 units annually between 1960 and 1965 and from 900 to 1,000 units annually between 1966 and 1970, except for a peak of about 1,250 units during 1969. The trend of this building activity may be at least partially the result of a decline of the level of nonagricultural wage and salary employment between 1960 and 1964 and an increase in this employment level between 1965 and 1970. Partial data also indicate that the rate of construction of nonseasonal, nonsubsidized residential units in 1971 is higher than the 1970 rate.

There were about 2,950 vacant housing units available in the Upper Peninsula HMA on October 1, 1971. About 1,150 units were available for sale, a homeowner vacancy rate of 1.6 percent. An estimated 1,800 units were available for rent, a rental vacancy rate of 7.2 percent. As shown in table XI, homeowner vacancy rates ranged from a high of 2.9 percent in the West-Central area to 1.1 percent in the Central area. Likewise, rental vacancy rates varied from a low of 5.0 percent in the Central area to a high of 17.1 percent in the West-Central area. Vacancy rates in the Upper Peninsula may be misleading in that the available vacant units are often either not located reasonably near the effective demand, or are very old and not desirable as a place of residence.

According to the census, between 1960 and 1970 the total number of seasonal units declined by more than 3,000. However, it appears that perhaps as many as 5,000 new seasonal units were built during the intercensal period (500 units per year).

Table I

Estimated Annual Demand for New Single-family Nonsubsidized Housing
Upper Peninsula, Michigan, Housing Market Area
October 1971 to October 1973

Price class	HMA total	Eastern area	Central area	West-Central area	Western area
Under $22,500	105	15	65	15	10
$22,500 - 24,999	115	15	70	15	15
25,000 - 29,999	150	20	110	10	10
30,000 and over	130	10	115	-	5
Total	500	60	360	40	40

Source: Estimated by Housing Market Analyst.

Table II

Estimated Occupancy Potential for Subsidized Housing
Upper Peninsula, Michigan, Housing Market Area
October 1971 to October 1973

	Section 236[a/] exclusively	Eligible for both programs	Public housing exclusively	Total for both programs
A. Families				
1 bedroom	15	-	60	75
2 bedrooms	95	-	195	290
3 bedrooms	60	-	150	210
4+ bedrooms	30	-	85	115
Total	200	-	490[b/]	690
B. Elderly				
Efficiency	15	10	190	215
1 bedroom	15	10	70	95
Total	30[c/]	20[d/]	260[d/]	310

a/ Estimates are based on regular income limits.
b/ Approximately 285 of these families also are eligible for rent-supplement payments.
c/ Elderly couples and individuals are not eligible for Section 235 housing.
d/ All of the elderly couples and individuals also are eligible for rent-supplement payments.

Source: Estimated by Housing Market Analyst.

Table III

A Suggested Distribution of Annual Family Occupancy Potential, by County
Upper Peninsula, Michigan, Housing Market Area
October 1971 to October 1973

Area and county	Family occupancy potentials: Low-rent public housing	Family occupancy potentials: Section 235/236
Total Upper Peninsula	490 units	200 units
Eastern	120 units	45 units
Chippewa	75 percent	75 percent
Luce	5 "	5 "
Mackinac	10 "	15 "
Schoolcraft	10 "	5 "
Central	210 units	130 units
Alger	5 percent	5 percent
Delta	20 "	20 "
Dickinson	10 "	10 "
Marquette	50 "	50 "
Menominee	15 "	15 "
West-Central	50 units	-
Baraga	15 percent	-
Iron	80 "	-
Keweenaw	5 "	-
Western	110 units	25 units
Gogebic	35 percent	-
Houghton	55 "	80 percent
Ontonagon	10 "	20 "

Source: Estimated by Housing Market Analyst.

Table IV

Low-rent Public Housing Activity
Upper Peninsula, Michigan, Housing Market Area
As of October 1, 1971

	Units under management		Units under construction		Units in application	
	Elderly	Families	Elderly	Families	Elderly	Families
Total Upper Peninsula	1,144	351	41	41	1,432	653
Eastern	135	125a/	-	-	100	-
Central	567	155b/	41	28	820	440
West-Central	90	30	-	13c/	122	113
Western	352	41d/	-	-	390	100

a/ Includes 10 units on the Bay Mills Reservation.
b/ Includes 15 units on the Michigan Potawatomi Reservation near Hannahville.
c/ On the L'Anse Reservation.
d/ Includes 15 units at the Watersmeet Housing Project for the Lac Vieux Desert Indians.

Source: Primarily the Upper Peninsula Committee for Area Progress (UPCAP), Escanaba.

Table V

Labor Force, Unemployment and Employment Trends
Upper Peninsula, Michigan, Housing Market Area
1960 - July 1971 a/

	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	First 7 mos. averages 1970	1971
Total labor force	96,300	96,600	94,000	92,600	92,200	92,900	94,400	95,600	97,800	100,300	103,100	102,300	106,200
Unemployment	9,900	13,500	11,000	10,000	9,000	7,200	6,600	7,500	7,800	8,200	9,600	10,600	11,800
Percent of total labor force	10.3	14.0	11.7	10.8	9.8	7.8	7.0	7.8	8.0	8.2	9.3	10.4	11.1
Employment	86,400	83,100	83,000	82,600	83,200	85,700	87,800	88,100	90,000	92,100	93,500	91,700	94,400
Nonagricultural wage and salary	68,600	65,800	[illegible],300	66,600	67,000	69,900	72,700	73,000	75,000	78,200	80,100	78,800	80,700
Manufacturing industries	14,900	13,800	14,00[illegible]	13,400	12,900	12,700	13,300	13,400	12,800	13,800	12,900	13,200	11,800
Durable goods industries	9,000	8,200	8,500	8,[illegible]00	7,900	7,[illegible]00	8,300	8,400	8,100	9,100	8,500	8,600	7,500
Lumber and wood products	4,500	[illegible],000	4,300	[illegible]	4,0[illegible]	[illegible]600	[illegible],600	3,300	[illegible]	3,100	3,000	2,900	2,800
Furniture and fixtures	900	900	900	900	800	900	900	900	900	900	900	900	1,000
Metal industries	500	600	600	600	700	700	800	800	800	800	900	900	700
Primary metal products	500	500	500	500	600	600	700	700	700	700	800	800	700
Fabricated metal products	100	100	100	100	100	100	100	100	100	100	100	100	100
Machinery (non-electrical)	1,700	1,600	1,800	1,800	1,800	1,700	2,000	2,100	2,000	2,600	2,400	2,500	1,900
Electrical machinery	400	300	200	200	200	200	300	400	600	700	500	600	c/
Transportation equipment	200	200	200	200	200	200	300	300	400	400	300	300	300
Other durable goods	700	600	500	300	200	300	500	600	600	600	500	500	800
Nondurable goods industries	6,000	5,600	5,500	5,300	5,000	5,000	5,000	5,000	4,700	4,700	4,400	4,600	4,200
Food and kindred products	1,300	1,300	1,300	1,200	1,200	1,200	1,200	1,100	1,100	1,000	1,100	1,000	1,100
Textile mill products and apparel	600	500	600	600	500	500	500	400	300	300	300	300	b/
Paper and allied products	2,100	2,300	2,300	2,300	2,200	2,200	2,200	2,400	2,200	2,300	2,200	2,400	2,100
Printing, publishing, and allied	600	600	600	600	700	700	700	700	700	700	700	700	700
Chemicals, petroleum, and related	-	b/	b/	b/	b/	b/	b/	b/	400	b/	b/	b/	b/
Other non-durable goods	1,300	1,000	600	500	400	300	400	400	100	400	100	100	300
Nonmanufacturing industries	53,600	52,000	52,300	53,100	54,100	57,200	59,300	59,600	62,200	64,400	67,300	65,600	68,900
Construction	3,200	3,300	3,500	3,900	3,300	4,300	4,600	3,600	4,300	4,500	4,800	4,100	5,100
Trans., commun., and utilities	4,900	4,600	4,500	4,300	4,300	4,400	4,500	4,600	4,600	4,600	4,600	4,400	4,500
Wholesale trade	2,000	2,000	2,000	1,900	1,900	1,900	1,900	2,000	2,000	2,000	2,100	2,100	2,000
Retail trade	11,400	10,900	10,900	10,700	11,100	11,500	11,500	11,600	11,800	12,400	12,500	12,100	12,300
Finance, real estate, and insurance	1,700	1,700	1,800	1,900	1,900	1,900	1,800	1,900	1,900	2,000	2,000	2,000	2,300
Service	6,900	6,800	6,700	7,000	7,300	7,900	8,300	8,400	8,800	8,800	9,300	8,800	9,600
Mining	9,400	8,200	8,000	7,800	8,000	8,400	8,600	8,200	7,800	7,100	7,200	7,100	7,000
Government	14,100	14,500	15,100	15,700	16,200	16,900	18,100	19,300	21,000	22,900	24,800	25,000	26,200
Federal	2,700	2,800	3,100	3,300	3,100	3,200	3,400	3,500	3,500	3,500	3,700	3,800	4,000
State	3,500	3,600	3,700	3,800	4,200	4,500	5,300	5,900	6,200	6,200	6,100	6,200	6,700
Local	8,000	8,200	8,400	8,600	8,900	9,200	9,500	9,900	11,300	13,200	14,900	14,900	15,600
Self-employed (including domestic)	12,900	12,700	12,300	11,800	11,700	11,400	11,200	10,700	10,500	10,200	10,100	9,700	10,700
Agricultural	4,800	4,600	4,400	4,200	4,100	4,000	3,800	3,700	3,500	3,400	3,100	3,200	2,900
Workers involved in labor-management disputes	-	-	-	-	400	400	100	700	1,000	300	200	-	-

a/ Summations may not equal totals due to rounding.
b/ Employment included in other non-durable goods to avoid disclosure.
c/ Employment included in other durable goods to avoid disclosure.

Source: Michigan Employment Security Commission, Detroit.

Table VI

Family Income Characteristics
Upper Peninsula, Michigan, Housing Market Area
1959 and 1971

A. Percentage Distribution of All Families and Renter Households[a]
By Annual Income After Deduction of Federal Income Tax

Annual income	1959 All families	1959 Renter households[a]	1971 All families	1971 Renter households[a]
Under $2,000	15	19	7	9
$2,000 - 2,999	13	17	5	7
3,000 - 3,999	17	22	7	10
4,000 - 4,999	19	20	9	11
5,000 - 5,999	14	10	10	12
6,000 - 6,999	9	5	11	13
7,000 - 7,999	5	)	10	11
8,000 - 8,999	2	)	10	8
9,000 - 9,999	)	)7	7	6
10,000 - 12,499	)6	)	13	7
12,500 - 14,999	)	)	5	)6
15,000 and over	)	)	6	)
Total	100	100	100	100
Median	$4,250	$3,650	$7,125	$6,050

B. Median All Family and Renter Household[a] Incomes
After Deduction of Federal Income Tax

Locality	1959 All families	1959 Renter households[a]	1971 All families	1971 Renter households[a]
Housing Market Area	$4,250	$3,650	$7,125	$6,050
Eastern	4,375	3,750	6,825	5,800
Central	4,375	3,750	7,875	6,700
West-Central	4,225	3,625	5,350	4,550
Western	3,950	3,375	6,325	5,375

a/ Two or more person renter households.

Source: Estimated by Housing Market Analyst.

Table VII

Population Trends
Upper Peninsula, Michigan, Housing Market Area
April 1960 to October 1973

Area	April 1960	April 1970	October 1971	October 1973	Average annual changes[a/] '60-'70	'70-'71	'71-'73
Total Upper Peninsula	305,952	304,347	303,800	301,700	-160	-360	-1,050
Eastern	60,288	57,087	56,950	55,150	-320	-90	-900
Sault Sainte Marie	18,722	15,136	15,100	14,150	-360	-25	-475
Remainder	41,566	41,951	41,850	41,000	40	-65	-425
Military[b/]	1,900	6,650	7,550	7,550	475	600	-
Military-connected civilian[c/]	350	800	875	875	50	50	-
Civilian	58,038	49,637	48,525	46,725	-840	-750	-900
Central	148,304	157,518	158,500	159,500	920	650	500
Escanaba	15,391	15,368	15,300	15,300	-	-45	-
Marquette	19,824	21,967	22,200	22,500	215	150	150
Menominee	11,289	10,748	10,750	10,750	-55	-	-
Remainder	101,800	109,435	110,250	110,950	765	540	350
Student[d/]	2,500	9,000	9,500	9,900	650	330	200
Nonstudent	145,804	148,518	149,000	149,600	270	310	300
Military[b/]	4,300	8,700	9,200	9,600	440	330	200
Military-connected civilian[c/]	500	1,275	1,275	1,250	80	-	-10
Civilian	143,504	147,543	148,025	148,650	400	320	310
West-Central	26,752	23,866	23,400	22,900	-290	-310	-250
Western	70,608	65,876	64,950	64,150	-475	-620	-400
Student[e/]	3,600	6,200	6,200	6,600	260	-	200
Nonstudent	67,008	59,676	58,750	57,550	-730	-620	-600

a/ Rounded.
b/ Assigned military and their dependents.
c/ Civil service employees and their dependents.
d/ All full time students and their dependents.
e/ All full time degree-credit students and their dependents, at Houghton campus only.

Sources: 1960 and 1970 Censuses of Population; Northern Michigan University; Michigan Technological University; Kincheloe AFB; K. I. Sawyer AFB; and estimates by Housing Market Analyst.

Table VIII

Assigned Military and Civilian Civil Service Personnel
At Kincheloe and K. I. Sawyer Air Force Bases
Upper Peninsula, Michigan, Housing Market Area
1960-1971[a]

	Kincheloe A.F.B.			K. I. Sawyer A.F.B.		
Year	Assigned military	Civilian civil service	Total personnel	Assigned military	Civilian civil service	Total personnel
1960	1,295	117	1,412	2,180	195	2,375
1961	2,555	187	2,742	3,789	245	4,034
1962	3,741	243	3,984	4,616	265	4,881
1963	4,089	246	4,335	4,677	264	4,941
1964	4,069	323	4,392	4,073	251	4,324
1965	3,946	256	4,202	3,989	327	4,316
1966	3,811	278	4,089	3,589	435	4,024
1967	3,818	420	4,238	3,653	553	4,206
1968	3,651	355	4,006	3,465	456	3,921
1969	2,687	298	2,985	3,208	381	3,589
1970	2,688	314	3,002	3,620	465	4,085
1971	3,081	333	3,414	4,073	463	4,536

a/ June of each year.

Sources: 1960-1970, Department of Defense; 1971, Department of Air Force.

Table IX

Trend of Student Enrollment at
Northern Michigan University and Michigan Technological University
Upper Peninsula, Michigan, Housing Market Area
1960-1971

Year	Opening fall enrollment[a/]			Change from previous year
	NMU[a/]	MTU[b/]	Total	
1960	2,003	2,594	4,597	-
1961	2,133	2,636	4,769	172
1962	2,544	2,674	5,218	449
1963	2,890	2,717	5,607	389
1964	3,545	2,962	6,507	900
1965	4,685	3,335	8,020	1,513
1966	5,920	3,817	9,737	1,717
1967	6,249	4,039	10,288	551
1968	6,358	4,307	10,665	377
1969	6,797	4,463	11,260	595
1970	6,680	4,715	11,395	135
1971	6,758	4,699	11,457	62

a/ All full time students.

b/ All full time degree-credit students at Houghton campus only.

Sources: Northern Michigan University (Marquette) and Michigan Technological University (Houghton).

Table X

Household Trends
Upper Peninsula, Michigan, Housing Market Area
April 1960 to October 1973

Area	April 1960	April 1970	October 1971	October 1973	Average annual changes[a/] '60-'70	'70-'71	'71-'73
Total Upper Peninsula	88,867	93,155	93,800	94,300	430	430	250
Eastern	16,115	16,550	16,700	16,400	45	100	-150
Sault Sainte Marie	5,340	4,696	4,700	4,400	-65	-	-150
Remainder	10,775	11,854	12,000	12,000	110	100	-
Military[b/]	300	1,525	1,750	1,750	120	150	-
Military-connected civilian[c/]	100	250	275	275	15	15	-
Civilian	15,715	14,775	14,675	14,375	-90	-65	-150
Central	42,770	47,096	47,750	48,550	430	440	400
Escanaba	4,682	4,838	4,850	4,900	15	10	25
Marquette	5,166	5,678	5,750	5,850	50	50	50
Menominee	3,449	3,578	3,600	3,625	15	15	15
Remainder	29,473	33,002	33,550	34,175	350	370	310
Student	750	1,900	1,950	2,100	110	30	75
Nonstudent	42,020	45,196	45,800	46,450	320	400	325
Military[b/]	950	2,000	2,300	2,400	100	200	50
Military-connected civilian[c/]	150	400	400	400	25	-	-
Civilian	41,670	44,696	45,050	45,750	300	240	350
West-Central	8,199	8,088	8,050	8,050	-10	-25	-
Western	21,783	21,421	21,300	21,300	-35	-80	-
Student[d/]	650	1,350	1,350	1,500	70	-	75
Nonstudent	21,133	20,071	19,950	19,800	-105	-80	-75

a/ Rounded.
b/ Assigned military and their dependents.
c/ Civil service employees and their dependents.
d/ At Houghton campus only.

Sources: 1960 and 1970 Censuses of Housing; Northern Michigan University; Michigan Technological University; Kincheloe AFB; K. I. Sawyer AFB; and estimates by Housing Market Analyst.

Table XI

Components of the Housing Inventory
Upper Peninsula, Michigan, Housing Market Area
April 1960 to October 1971

Component	Eastern area	Central area	West-Central area	Western area	Total U.P.
			April 1960		
Total housing inventory	24,956	51,049	12,073	26,914	114,992
Total occupied units	16,115	42,770	8,199	21,783	88,867
Owner-occupied	11,614	31,724	6,576	16,492	66,406
Percent of total occupied	72.1	74.2	80.2	75.7	74.7
Renter-occupied	4,501	11,046	1,623	5,291	22,461
Percent of total occupied	27.9	25.8	19.8	24.3	25.3
Total vacant units	8,841	8,279	3,874	5,131	26,125
Available vacant	571	1,126	286	665	2,648
For sale	222	404	83	262	971
Homeowner vacancy rate	1.9%	1.3%	1.2%	1.6%	1.4%
For rent	349	722	203	403	1,677
Rental vacancy rate	7.2%	6.1%	11.1%	7.1%	6.9%
Other vacant[a]	8,270	7,153	3,588	4,466	23,477
Seasonal	6,980	5,249	2,761	3,246	18,236
			April 1970		
Total housing inventory	25,449	57,664	11,730	27,321	122,164
Total occupied units	16,550	47,096	8,088	21,421	93,155
Owner-occupied	11,670	35,288	6,611	16,532	70,101
Percent of total occupied	70.5	74.9	81.7	77.2	75.3
Renter-occupied	4,880	11,808	1,477	4,889	23,054
Percent of total occupied	29.5	25.1	18.3	22.8	24.7
Total vacant units	8,899	10,568	3,642	5,900	29,009
Available vacant	969	1,112	465	804	3,350
For sale	273	437	194	291	1,195
Homeowner vacancy rate	2.3%	1.2%	2.9%	1.7%	1.7%
For rent	696	675	271	513	2,155
Rental vacancy rate	12.5%	5.4%	15.5%	9.5%	8.5%
Other vacant[a]	7,930	9,456	3,177	5,096	25,659
Seasonal	5,401	4,679	1,860	3,069	15,009
			October 1971		
Total housing inventory	25,500	58,850	11,800	27,250	123,400
Total occupied units	16,700	47,750	8,050	21,300	93,800
Owner-occupied	11,700	35,900	6,600	16,550	70,750
Percent of total occupied	70.1	75.2	82.0	77.7	75.4
Renter-occupied	5,000	11,850	1,450	4,750	23,050
Percent of total occupied	29.9	24.8	18.0	22.3	24.6
Total vacant units	8,800	11,100	3,750	5,950	29,600
Available vacant	650	1,025	500	775	2,950
For sale	250	400	200	300	1,150
Homeowner vacancy rate	2.1%	1.1%	2.9%	1.8%	1.6%
For rent	400	625	300	475	1,800
Rental vacancy rate	7.4%	5.0%	17.1%	9.1%	7.2%
Other vacant[a]	8,150	10,075	3,250	5,175	26,650
Seasonal	5,675	4,925	1,950	3,225	15,775

a/ Includes dilapidated units (except in 1970 and 1971 when units unfit for human habitation because of exterior structural deficiencies and/or marked for demolition were not counted in the total housing inventory), seasonal units, units rented or sold and awaiting occupancy, and units held off the market for absentee owners or other reasons.

Sources: 1960 and 1970 Censuses of Housing; 1971 estimated by Housing Market Analyst.

Table XII

Estimates of New Nonsubsidized Residential Construction Activity by Year
Upper Peninsula, Michigan, Housing Market Area
1960-1970

	1960	1961	1962	1963	1964	1965	1966	1967	1968		1969		1970	
Total estimated construction activity														
Total Upper Peninsula[a/]	500	350	550	450	450	475	925	975	1,000		1,250		950	
Total construction activity authorized by building permits									S.F.[b/]	M.F.[c/]	S.F.	M.F.	S.F.	M.F.
Total Upper Peninsula	323	280	346	306	311	355	504	522	481	48	524	216	476	45
Eastern area	41	51	49	22	30	31	78	43	42	8	63	-	45	-
Manistique	N.A.	N.A.	N.A.	N.A.	N.A.	2	3	5	1	8	3	-	2	-
Saint Ignace	N.A.	4	5	1	2	N.A.	6	3	11	-	4	-	3	-
Sault Sainte Marie	31	22	14	8	6	9	12	16	10	-	9	-	10	
Remainder	10	25	30	13	22	20	57	19	20	-	47	-	30	
Central area	253	183	263	245	239	292	341	379	375	34	338	212	346	45
Breitung Township	N.A.	N.A.	N.A.	N.A.	9	15	13	30	20	-	29	-	45	-
Chocolay Township	19	12	9	15	22	19	33	56	58	-	39	4	32	2
Escanaba	46	29	28	43	32	42	30	24	43	24	40	180	38	-
Forsyth Township	N.A.	N.A.	28	34	13	12	3	12	10	-	10	-	14	-
Gladstone	13	8	12	7	4	6	18	5	7	-	11	-	8	-
Iron Mountain	23	19	15	13	10	19	16	18	18	-	16	2	16	-
Ishpeming (city & township)	10	6	19	9	26	29	36	16	18	-	12	-	9	-
Kingsford	26	25	14	9	8	18	14	27	16	-	13	-	12	
Marquette	52	22	52	34	38	54	67	53	53	-	20	18	23	41
Menominee	13	9	12	16	17	12	20	22	21	6	25	-	20	-
Munising	2	2	1	5	7	1	5	17	9	-	8	-	9	-
Negaunee	4	3	4	7	8	5	6	9	9	4	6	6	8	-
Norway	N.A.	N.A.	N.A.	N.A.	7	6	2	7	8	-	13	-	2	-
Remainder	45	48	69	53	38	54	78	83	85	-	96	2	110	2
West-Central area	12	21	15	20	24	20	41	30	34	-	65	4	38	-
L'Anse	9	5	7	7	3	6	10	7	8	-	4	-	11	-
Remainder	3	16	8	13	21	14	31	23	26	-	61	4	27	-
Western area	17	25	19	19	18	12	44	70	30	6	58	-	47	-
Hancock	7	7	7	6	-	1	-	5	8	-	7	-	24	-
Houghton	-	3	3	3	8	2	16	19	5	-	3	-	-	-
Ironwood (city & township)	2	2	-	2	-	-	8	21	3	-	30	-	8	-
Ontonagon	3	9	6	7	4	N.A.	4	8	4	-	4	-	N.A.	N.A.
Remainder	5	4	3	1	6	9	16	17	10	6	14	-	15	-

a/ Excludes roughly 500 units per year of new seasonal units.
b/ Single-family.
c/ Multifamily.

Sources: U. S. Bureau of the Census, C-40 Construction Reports; Eastern U. P. Economic Development District; Central U. P. Planning and Development District; Western U. P. Economic Development District; and estimates by Housing Market Analyst.

Table XIII

New Low-rent Public Housing Units, Date Construction Began
Upper Peninsula, Michigan, Housing Market Area
1962-1970

	1962	1963	1964	1965	1966	1967	1968	1969	1970
Total Upper Peninsula	40	–	100	90	40	116	661	230	260
Eastern	–	–	100	90	–	–	35	25	10
Bay Mills	–	–	–	–	–	–	–	–	10
Manistique	–	–	–	–	–	–	35	25	–
Sault Sainte Marie	–	–	100	[illegible]	–	–	–	–	–
Central	–	–	–	–	–	–	426	141	224
Escanaba	–	–	–	–	–	–	176	–	–
Gladstone	–	–	–	–	–	–	50	–	–
Iron Mountain	–	–	–	–	–	–	–	42	–
Kingsford	–	–	–	–	–	–	–	–	69
Marquette	–	–	–	–	–	–	140	–	116
Menominee	–	–	–	–	–	–	–	99	24
Michigan Potawatomi (Hannahville)	–	–	–	–	–	–	–	–	15
Negaunee	–	–	–	–	–	–	60	–	–
West-Central	10	–	–	–	–	–	38	64	11
Baraga	10	–	–	–	–	–	10	–	–
Iron River	–	–	–	–	–	–	–	31	–
Ojibway (L'Anse)	–	–	–	–	–	–	–	33	–
Stambauch	–	–	–	–	–	–	28	–	11
Western	30	–	–	–	40	116	162	–	15
Bessemer	30	–	–	–	–	–	–	–	–
Calumet	–	–	–	–	–	–	50	–	–
Hancock	–	–	–	–	–	86	–	–	–
Ironwood	–	–	–	–	–	–	82	–	–
Laurium	–	–	–	–	–	30	–	–	–
Ontonagon	–	–	–	–	40	–	–	–	–
Wakefield	–	–	–	–	–	–	30	–	–
Watersmeet (Lac Vieux Desert)	–	–	–	–	–	–	–	–	15

Sources: Upper Peninsula Committee for Area Progress; local housing authorities; and U. S. Department of Housing and Urban Development.

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