



Impact of Short-Term Rentals on Four Michigan Counties

Prepared by:

Anderson Economic Group, LLC

Prepared for:

Michigan Realtors®

MICHIGAN
REALTORS®

Anderson Economic Group, LLC
East Lansing | Chicago
1555 Watertower Place, Suite 100
East Lansing, MI 48823
Telephone: (517)333-6984
AndersonEconomicGroup.com



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Executive Summary

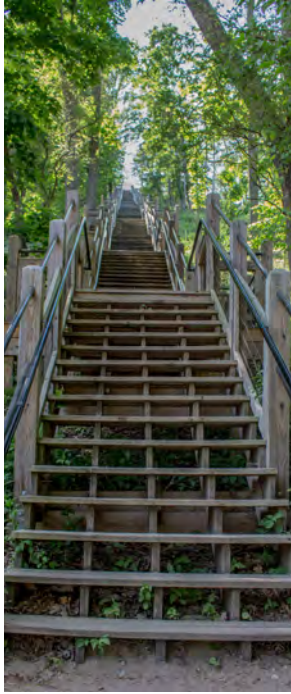
Purpose of Report

Michigan Realtors® is an advocacy and communications association for real estate professionals in Michigan. As such, the association acts as a public policy and legal advocate for private property rights, as well as a leading resource for professional development, knowledge exchange, and wide-ranging business services.

Michigan Realtors® retained Anderson Economic Group, LLC (AEG) to complete an independent, credible, and robust study on the broader impacts of short term rentals (STRs) in a select number of West and Northern Michigan communities. In particular, the study is intended to analyze (a) the impacts of short-term rentals on the housing market (including housing stock and housing prices) and (b) the economic impact of STR visitors four Michigan counties:

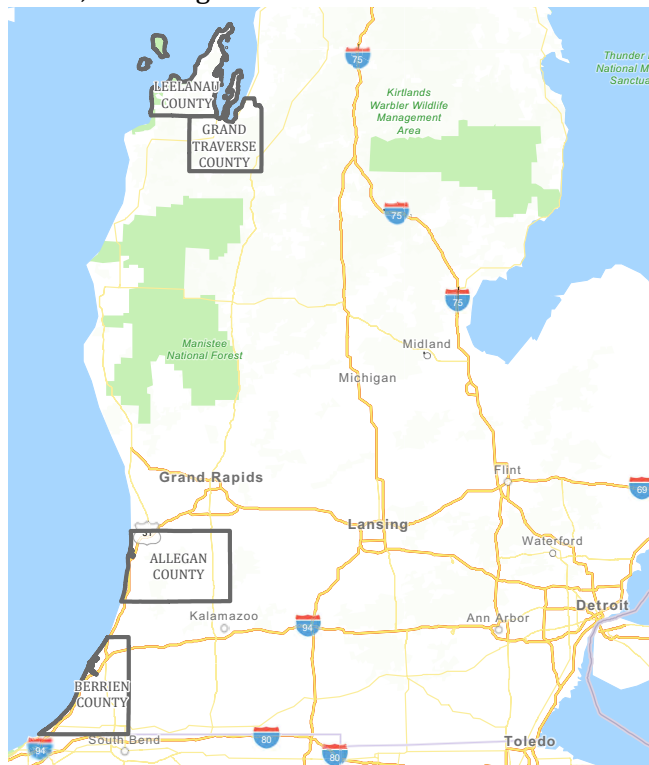
- Allegan,
- Berrien,
- Grand Traverse, and
- Leelanau.

Overview of Approach



AEG employed a rigorous, comprehensive approach to assess the broad impacts of short-term rentals in these four counties. This work involved:

1. **Extensive Data Collection.** AEG collected data related to home sales, short-term rentals, housing trends, state and regional tourism and spending data, and STR-related regulations.
2. **Informational Interviews.** Analysts conducted interviews with representatives from local Realtors® associations, local tourism boards, chambers of commerce, community development planners, STR property managers, and a county administrator to obtain relevant information about each county's economy and housing.
3. **Economic Impact of STR Visitors.** The study involved developing a custom economic impact model to quantify the net new economic activity generated by visitors staying at STRs in the four counties. The model utilized STR and tourism-related data to estimate STR visitors and related spending.
4. **Housing Market Analysis.** AEG analyzed data from the U.S. Census Bureau and other sources to conduct a housing market review of the four counties. We also used STR data from AirDNA to analyze the impact of short-term rentals on the housing stock.
5. **Effect of STRs on Property Values.** Using MLS home sales data as well as AirDNA STR data, the study examined the effect of STRs on the housing market and home sale prices in the four counties. This involved developing a model of sales price as a function of market conditions, including the distribution of short-term rentals.



Source: Anderson Economic Group

Overview of Findings

FINDING 1. Berrien, Allegan, Leelanau, and Grand Traverse counties have abundant natural beauty which have made them attractive places for people to purchase second homes and vacation homes. Seasonal homes range from nine percent to 33 percent of the housing units in these counties. These counties are also home to short-term rentals, which represent a smaller share of the housing units.

Vacation homes, second homes, and short-term rentals have long existed in Michigan, and especially in Allegan, Berrien, Grand Traverse, and Leelanau counties. These homes support recreational opportunities for their owners and expand the number and type of lodging facilities available in a community.

As these areas are popular vacation destinations, these counties have a high share of seasonal and vacation homes. Allegan, Berrien, Grand Traverse, and Leelanau counties have a higher share of vacation homes used for recreational use among their housing stock than the state overall. Vacant seasonal homes represent about 9-10 percent of the total housing units in Allegan, Berrien, and Grand Traverse counties, and about 33 percent in Leelanau County. The share of vacant seasonal homes changed little in these four counties between 2014 and 2023.

Table 1 below shows the housing stock categorized as vacant for seasonal, recreational, or occasional use in 2023 in these counties compared to the state.

TABLE 1. Vacant Seasonal Homes as a Share of Total Housing Units, 2023

Region	Number of Vacant Seasonal Homes	Share of Total Housing Units
Allegan County	4,867	9.3%
Berrien County	8,323	10.8%
Grand Traverse County	4,363	9.4%
Leelanau County	5,229	33.5%
Michigan	260,162	5.7%
Source: U.S. Census Bureau. Analysis: Anderson Economic Group.		

Not all of these seasonal homes are used as short-term rentals, and many of them continue to be used as second homes or vacation homes by their owners, which are predominantly from Michigan.

The number of short-term rentals is smaller than the number of vacant seasonal homes in all four counties. STRs represent about three percent of the total housing units in Allegan and Berrien counties, and six percent in Grand Traverse. Similar to the share of vacant seasonal homes, Leelanau County has a higher share of STRs of total housing units. Table 2

on page 4 below shows the average number of STRs listed in 2023, as well as the STRs as a share of total housing units in 2023 in the four counties.

TABLE 2. Short-Term Rentals by County, 2023

Region	Average Number of STRs (in 2023)	Share of Total Housing Units (in 2023)
Allegan County	1,762	3.4%
Berrien County	2,622	3.4%
Grand Traverse County	2,783	6.0%
Leelanau County	2,027	13.0%
<i>Note: Total housing units data available as of 2023. Average number of STR listings accounts for monthly variation in listings. STR listings include all listings regardless of property type, listing type, available days, and other characteristics. Source: U.S. Census Bureau, AirDNA. Analysis: Anderson Economic Group.</i>		

The number of short-term rentals increased in recent years in each of the four counties. STR listings increased 46% in Allegan, 72% in Berrien, 97% in Grand Traverse, and 51% in Leelanau between 2018 and 2025. See “Overview of Short-Term Rentals” on page 12 for further STRs trends.

Many of these short-term rentals are available for rent for various lengths of time throughout the year indicating that many of them are used as primary or second home by their owners. Few STRs are available at least 9 months in a year, and even fewer are listed with availability for 12 months in 2024. In all four counties, STR availability varies somewhat throughout the year, and occupancy is highest during the summer months. Table 3 below shows the number of STRs with available days in several month increments. Table 4 on page 5 indicates the average number of days per month and per year that available listings were rented, by county, during 2024. Figure 1 on page 5 shows STR days available and days rented by month, for the four counties in total. See “STR Monthly Usage” on page 15 for seasonality by county. See “Appendix A: Sources and Methodology” on page A-1 for further breakdowns in STR availability.

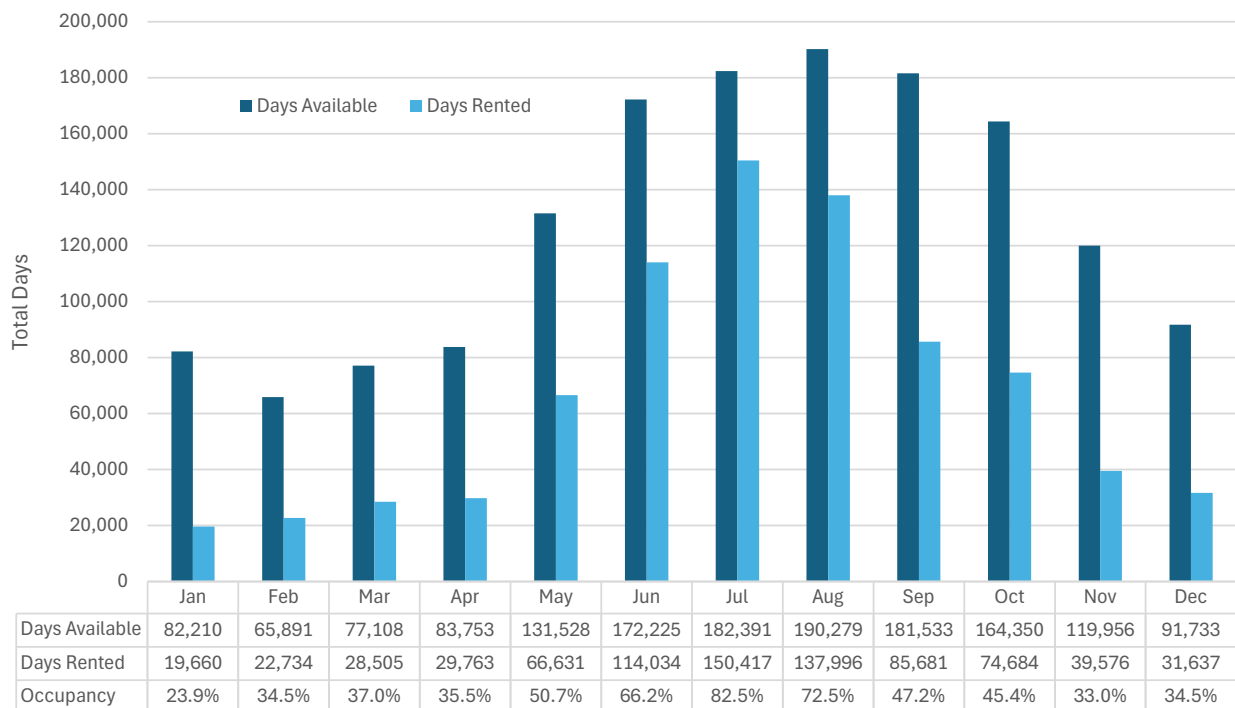
TABLE 3. Short-Term Rentals by Length of Availability, by County, 2024

Region	STR Units with Available Days, 1-6 Months	STR Units with Available Days, 1-8 Months	STR Units with Available Days, 9+ Months	STR Units with Available Days, 12 Months
Allegan County	656	966	786	378
Berrien County	1,038	1,546	1,098	485
Grand Traverse County	1,085	1,551	1,058	555
Leelanau County	904	1,251	469	206
<i>Note: Includes all STR listings regardless of type, unit size, or other characteristics. Listings with available days for 9+ months includes listings with available days in 12 months. Listings with available days 1-8 months includes 1-6 months. See Table 2 on page A-3 for further breakdowns in STR availability. Source: AirDNA (2024 STR listings) Analysis: Anderson Economic Group.</i>				

TABLE 4. Average Number of Days STRs Were Rented, by County, 2024

Region	Per Month	Full Year
Allegan County	9.0	101.0
Berrien County	8.1	89.7
Grand Traverse County	8.2	92.8
Leelanau County	7.3	84.3

*Note: Includes all STR listings with available days, regardless of type, unit size, or other characteristics.
Source: AirDNA (2024 STR listings)
Analysis: Anderson Economic Group.*

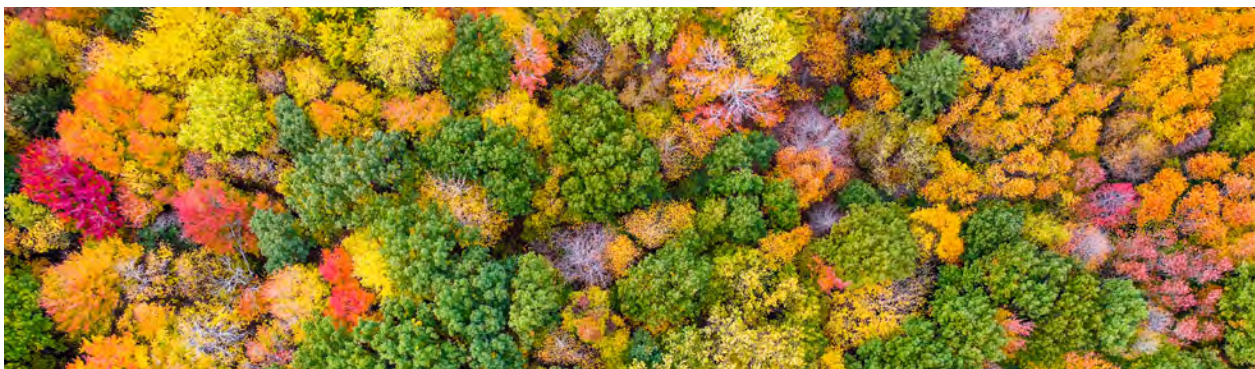
FIGURE 1. STR Days Available and Days Rented by Month, Four Counties, 2024

Note: Includes all STR units regardless of type, unit size, or other characteristics. Chart shows unit days available or rented (not units).

See Figure 3 on page 16 through Figure 6 on page 17 for individual county data.

Source: AirDNA (2024 STR listings)

Analysis: Anderson Economic Group



FINDING 2. STRs contribute to local economies by providing a range of lodging and housing types for visitors, as an alternative to traditional hotels. STRs benefited communities by accommodating about 1.2 million visitors who generate additional spending to these counties. In 2024, the total economic impact of STR visitors to Allegan, Berrien, Leelanau, and Grand Traverse counties was \$787 million.

Short-term rentals are integrated into the visitor economy and contribute to the range of lodging opportunities for visitors. While hotels and resorts remain a popular lodging options, a portion of visitors choose short-term rental units for their stay. About 1.2 million visitors stayed at STRs in the four counties in 2024. See Table 5 below.

STRs play a significant role in each county's economy, supporting visitors whose spending contributes to the economic output, wages, and job creation in each area. Spending by visitors in STRs supported 4,600 jobs and over \$185 million in earnings in the four counties in 2024. In all, STR visitors generated an economic impact of \$787 million in these counties.

"STR Visitors Economic Impact" on page 21 includes data on the types of STRs, STR visitor volume, and their economic impact in each county.

TABLE 5. Economic Impact of STR Visitors, 2024

County	STR Visitors	STR Visitor Spending	Economic Impact
Allegan	293,423	\$144,663,003	\$178,265,466
Berrien	410,660	\$194,494,118	\$262,350,869
Grand Traverse	299,777	\$151,943,330	\$221,635,219
Leelanau	189,955	\$101,408,075	\$124,970,823
Total	1,192,815	\$592,508,526	\$787,222,377
<i>See "Appendix A: Sources and Methodology" on page A-1 for sources and methodology. Analysis: Anderson Economic Group.</i>			



FINDING 3. Housing stock in Allegan, Berrien, Leelanau, and Grand Traverse counties has increased in the last ten years alongside population growth in most of these counties. While these counties have a high share of seasonal and vacation homes, less than 2.0% of the housing stock, used as short-term rentals, could be re-purposed to fill in housing gap based on housing typology and availability.

The number of housing units increased between 2014 and 2023 alongside population growth in the subject counties. However, housing has not kept up with demand for housing in these areas.

Based on specific STR availability (9+ months in a year) and housing characteristics, the portion of the housing stock in the four counties that could be converted from short-term rentals to long-term occupancy ranged from 0.8% in Allegan County to 1.7% in Grand Traverse and Leelanau counties. This suggests that STRs do not significantly take away from the existing housing stock. While some STRs may be suitable to be converted into long-term housing based on use and housing typology alone, others may not be suitable due to housing or location characteristics or owner preferences. Much of the vacant seasonal housing in these counties are second homes or vacation homes and are likely to continue to be used as such. See Table 6 below for STR estimates and the share of housing stock they comprise in each county.

Other housing measures would have to be considered by individual counties and local communities to address housing shortages. Housing studies in these communities identify measures to encourage the development of more housing types at various prices.

“Housing Market Trends” on page 32 and “STR Impacts on the Housing Stock” on page 45 discuss in great detail the housing market trends in the study counties and the analysis of the impact of STRs in the housing stock.

TABLE 6. Estimated Impact of STRs on the Housing Stock

County	Select STR Units with Available Days, 1-8 Months	Select STR Units with Available Days, 9+ Months	Select STR Units with Available Days, 12 Months	Total Comparable Units in County	STR Share of Comparable Units in County
Allegan	580	440	194	49,256	1.2% / 0.8% / 0.4%
Berrien	986	667	439	72,857	1.4% / 0.9% / 0.4%
Grand Traverse	1,014	800	439	44,108	2.3% / 1.7% / 0.9%
Leelanau	769	271	118	14,184	5.4% / 1.7% / 0.8%

Note: “Select STR units with available days” include “entire home/apartment” listings characterized as apartments, bungalows, condos, houses, lofts, studios, and townhouses, with zero to four bedrooms. “Comparable units in county” include housing units in the county with zero to four bedrooms.

Data: AirDNA (2024 STR listings); U.S. Census Bureau 5-Year Estimates (2023 housing units).

Analysis: Anderson Economic Group.

FINDING 4. Short-term rentals impacts on home prices are small, and higher STR concentrations led to higher sale prices in only one of the four counties.

Short-term rentals did not contribute to higher home prices in three of the four counties. Only in Allegan County did STRs contribute to higher prices, and the increase was a small fraction of a home's overall value. See Table 6 below for a breakdown of these impacts. Thus, additional short-term rentals do not necessarily lead to greater price appreciation. Countervailing factors include shifts in residential housing demand into neighboring areas, increases in the supply of housing, negative perceptions of STRs among long-term residents, or all of the above. As a result, local ordinances limiting STRs are unlikely to noticeably depress home sale prices or decelerate growth.

"Effects of STRs on Home Prices" on page 47 discusses in great detail the analysis of the impact of STRs on home sale prices in the study counties as well as the impact of STR ordinances on home prices.

TABLE 7. Estimated Impact of STRs on Sale Price

County	Average sale price in 2024 (inflation adjusted to 2025)	Average number of STRs near sale in 2024	Change in sale price due to STRs	Impact of STRs on average sale price
Allegan	\$418,042	11	2.7%	\$11,347
Berrien	\$394,795	15	-3.4%	-\$13,961
Grand Traverse	\$543,441	38	NS	NS
Leelanau	\$833,258	16	NS	NS
<i>NS indicates that the analysis found no significant effect on price. Data: Sales in 2018-2025 from MLS records and STR listings provided by AirDNA. Analysis: Anderson Economic Group.</i>				

Specific housing market conditions impact housing prices in these counties. Conversion of existing second homes rather than primary residences into short-term rentals could account for a minimal impact on the long-term housing market. However, housing needs assessments studies have highlighted the need for more housing in Michigan and in Allegan, Grand Traverse, and Leelanau counties.

"Broader Housing Trends" on page 43 discusses in greater detail the results of housing needs assessments covering Allegan, Grand Traverse, and Leelanau counties as well as the statewide housing plan.

FINDING 5. Vacation homes and short-term rentals are a driver of the economy of these four counties. There is a role for STRs in a healthy housing market; however, any short-term rentals ordinances should aim to maintain a healthy balance.

Short-term rentals, as any other land use, can have impacts related to noise, litter, overcrowding, disorderly conduct, traffic, congestion, parking, and safety. Some of these reflect concerns over community livability and possible impacts on other industries.

A number of communities across Allegan, Berrien, Grand Traverse, and Leelanau counties have regulated STR operations to minimize the negative community impacts while still allowing for STR use and visitors. Caps or strict limits to the number of STRs allowed to operate in certain communities may not impact significantly home sale prices. Second home owners, most of them from Michigan, operating short-term rentals several times a year may be impacted by such regulations in addition to STR investors.

Housing demand is strong in many of these communities so more housing development of various types and price points are needed. Further, counties and communities should consider modifying or expanding housing policies that would encourage residential development.

Short-term rentals accommodate about 1.2 million visitors, who generate significant spending and economic impact in the four counties. STR bans or caps in a community would result in reduced visitor spending and the related economic activity from STR visitors.

See “Overview of Short-Term Rentals” on page 12, “STR Visitors Economic Impact” on page 21, “Housing Market Trends” on page 32, and “Other STR Impacts” on page 58 for more information about STR trends, related regulations, the housing conditions, and other impacts.



**About Anderson
Economic Group**



Anderson Economic Group is a boutique research and consulting firm that was founded in 1996. The firm is headquartered in East Lansing, Michigan, and has an additional office in Chicago, Illinois.

Anderson Economic Group is one of the premier economic consulting companies in public policy and economic analysis. The experts at AEG have conducted nationally-recognized housing and tourism economic impact studies for private, public, and non-profit clients across the United States. Some examples include: Arizona housing market study; housing needs assessment for Horry and Georgetown Counties, South Carolina; the impact of the Obama Presidential Library; the economic impact of tourism in the Lansing region; national sporting events; and many others.

Work by Anderson Economic Group has been utilized in legislative hearings, legal proceedings, and public debates, as well as for major planning exercises and executive strategy discussions. For more information, please see “Appendix F. About Anderson Economic Group” on page F-1, or visit AndersonEconomicGroup.com.



Overview of Short-Term Rentals

STRs Overview

Definition and Brief History of STRs

Vacation Homes. Michigan has a long tradition of vacation homes, especially “up north” and in coastal and lakeside communities. Traditional vacation homes comprise houses, cottages, and cabins used by the owners and their family and friends for a limited length of stay throughout the year. Amidst a growing middle class in the 20th century, the number of vacation homes increased in the state.

Short-Term Rentals. STRs are generally defined as furnished homes or rooms rented for fewer than 30 days for tourism or for short-term business travel. STRs have existed for many decades across Michigan, with owners opening their homes for short-term use to alleviate accommodation pressure. This is particularly true in times of high demand, when lodging is not available or is in short supply, such as during:

- special events like concerts or conventions, when a high number of visitors converge on an area for a short time.
- large construction projects, where workers come from outside of the region to stay in the community temporarily.

In recent decades, newly developed online hosting platforms have facilitated a rise in STRs. In large part, this increase has been driven by tourists, especially during the summer season. Additional demand is generated by business travelers attending local meetings and events. Many STRs continue to serve as vacation homes for their owners, while others are operated as a business.

Online STR Platforms

The best-known STR platforms are Airbnb and Vrbo. Others include online travel agencies such as Booking.com, KAYAK, Priceline, HomeAway, and Hotels.com; hotel chains; and property management companies.

Airbnb. Established in 2007, Airbnb has grown to 5 million hosts in places across the U.S. and around the world. Airbnb has developed a technology platform that supports a global network of hosts and guests.¹

Vrbo. Established as “Vacation Rentals by Owner” in 1995, Vrbo is an online marketplace that connects travelers with property owners offering STRs. It includes more than two million homes worldwide.²

STRs in Allegan, Berrien, Leelanau, and Grand Traverse

Berrien, Allegan, Leelanau, and Grand Traverse counties have abundant natural beauty which have made them attractive places for people to purchase second homes and vacation homes.

Seasonal Homes. Given the nature of these counties as seasonal and vacation destinations, it is not surprising that these counties have a high share of seasonal and vacation homes. Not all of them are used as short-term rentals; and many continue to be used as second homes or vacation homes by their owners. Table 8 below shows the trends in vacation homes categorized as “For seasonal, recreational, or occasional use” as a portion of the total housing stock between 2014 and 2023. “Housing Market Trends” on page 32 includes a detailed assessment of the housing market in these counties.

TABLE 8. Vacant Seasonal Homes as a Share of Total Housing Units, 2014-2023

Region	2014	2018	2023	Absolute Change, 2014-2023
Allegan County	9.57%	10.09%	9.31%	-0.26%
Berrien County	11.07%	9.50%	10.79%	-0.28%
Grand Traverse County	9.44%	9.72%	9.40%	-0.04%
Leelanau County	31.18%	32.83%	33.45%	2.27%
Michigan	6.26%	6.35%	5.66%	-0.60%
Source: U.S. Census Bureau, American Community Survey, 5-Year Estimates. Analysis: Anderson Economic Group.				

Short-Term Rentals Trends. The number of short-term rentals increased in Michigan and in the study counties in recent years. The number of STRs grew faster in 2019 over 2018 and continued to increase in general at a slower pace every year through 2025 with a few exceptions. In particular, the average number of STR listings increased 46% in Allegan, 72% in Berrien, 97% in Grand Traverse, and 51% in Leelanau between 2018 and

1. Airbnb, 10-k Report, 2024.

2. Vrbo, “About,” accessed at <https://www.vrbo.com>, accessed June 2025.

2025. Table 9, Table 10, and Figure 2 below show the trends in the average number of STRs listings in each subject county.

TABLE 9. Average Number of Short-Term Rentals, 2018-2025

Region	2018	2019	2020	2021	2022	2023	2024	2025
Allegan County	1,383	1,570	1,603	1,573	1,601	1,762	1,920	2,019
Berrien County	1,834	2,211	2,330	2,322	2,348	2,622	2,996	3,148
Grand Traverse County	1,597	1,901	2,014	2,032	2,294	2,783	3,103	3,144
Leelanau County	1,384	1,629	1,732	1,734	1,792	2,027	2,123	2,086

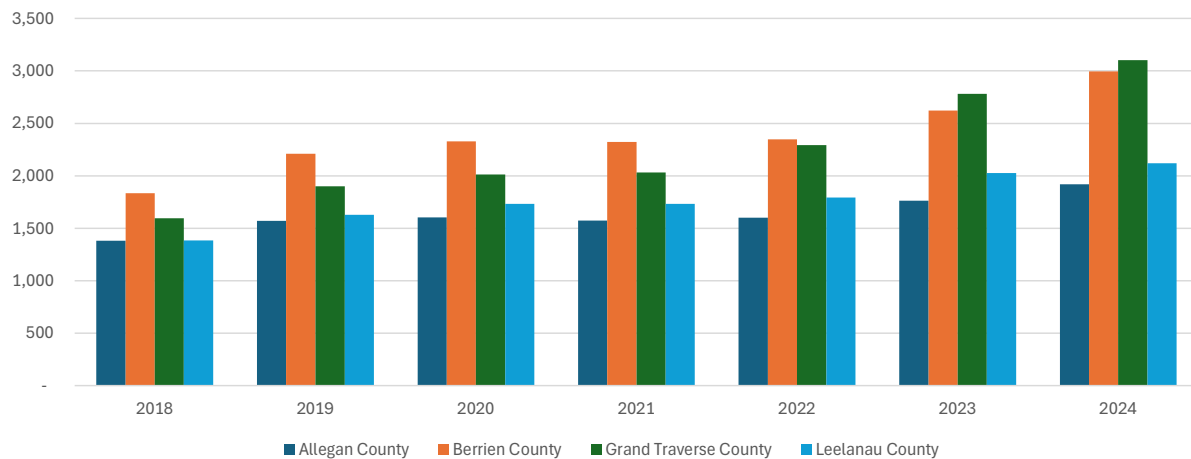
Note: average number of STRs is the average number of monthly STR listings in each respective year, accounting for variation in STR listings by month.
Source: U.S. Census Bureau, American Community Survey, 5-Year Estimates, AirDNA (STR listings)
Analysis: Anderson Economic Group.

TABLE 10. Year over Year Growth Rate, Average Number of Short-Term Rentals, 2018-2025

Region	% Chg. 2018- 2019	% Chg. 2019- 2020	% Chg. 2020- 2021	% Chg. 2021- 2022	% Chg. 2022- 2023	% Chg. 2023- 2024	% Chg. 2024- 2025	% Chg. 2018- 2025
Allegan County	14%	2%	-2%	2%	10%	9%	5%	46%
Berrien County	21%	5%	0%	1%	12%	14%	5%	72%
Grand Traverse County	19%	6%	1%	13%	21%	11%	1%	97%
Leelanau County	18%	6%	0%	3%	13%	5%	-2%	51%

Note: average STRs is the average number of monthly STR listings in each respective year, accounting for variation in STR listings by month.
Source: U.S. Census Bureau, American Community Survey, 5-Year Estimates, AirDNA (STR listings)
Analysis: Anderson Economic Group.

FIGURE 2. Average Number of STRs by Year and County



Note: average STRs is the average number of monthly STR listings in each respective year, accounting for variation in STR listings by month.
Source: AirDNA (STR listings)
Analysis: Anderson Economic Group

Table 11 on page 15 shows the share of short-term rentals in 2023 as a portion of the total housing stock in 2023 in each subject county.

TABLE 11. STRs as a Share of Total Housing Units, 2023

Region	Average Number of STRs in 2023	Total Housing Units in 2023	Share of Total Housing Units in 2023
Allegan County	1,762	52,262	3.4%
Berrien County	2,622	77,127	3.4%
Grand Traverse County	2,783	46,435	6.0%
Leelanau County	2,027	15,630	13.0%
<i>Note: average STRs is the average number of monthly STR listings in each respective year, accounting for variation in STR listings by month. Total housing units data is as of 2023. Source: U.S. Census Bureau, American Community Survey, 5-Year Estimates, AirDNA (STR listings) Analysis: Anderson Economic Group.</i>			

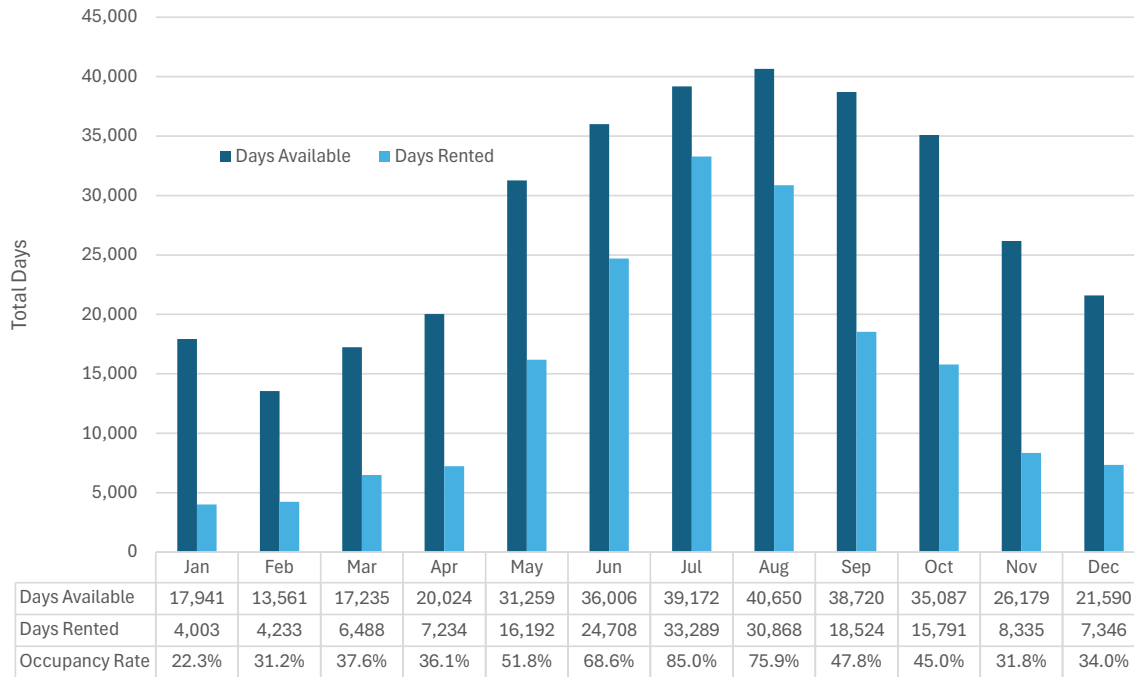
Information on the residential location of owners of short-term rentals is limited. There is no data on whether large investment firms invest in short-term rentals in Michigan and in these counties. From our discussion with local realtors and community stakeholders, it appears that most of the owners of short-term rentals in these counties are from Michigan. Many STRs represent vacation or second homes for Michigan residents. A number of STRs are owned by out-of-state owners, including from Illinois, Ohio, and Indiana.

STR Availability. Data from AirDNA indicates monthly usage of STRs in the four counties, including the number of days each month units are available and the number of days they are rented. In 2024, most STR units in the four counties were not available to rent during all 12 months. Table 12 below shows the number of STRs with available days during 2024. Units that are not available during specific months may be used by their owners during that time, or may stay unused for other reasons.

TABLE 12. Short-Term Rentals by Length of Availability, by County, 2024

Region	STR Units with Available Days, 1-6 Months	STR Units with Available Days, 1-8 Months	STR Units with Available Days, 9+ Months	STR Units with Available Days, 12 Months
Allegan County	656	966	786	378
Berrien County	1,038	1,546	1,098	485
Grand Traverse County	1,085	1,551	1,058	555
Leelanau County	904	1,251	469	206
<i>Note: Includes all STR listings regardless of type, unit size, or other characteristics. Listings with available days for 1-8 months includes listings with available days 1-6 months. Listings with available days for 9+ months includes listings with available days in 12 months. See Table 2 on page A-3 for more breakdowns of STRs by length of availability. Source: AirDNA (2024 STR listings) Analysis: Anderson Economic Group.</i>				

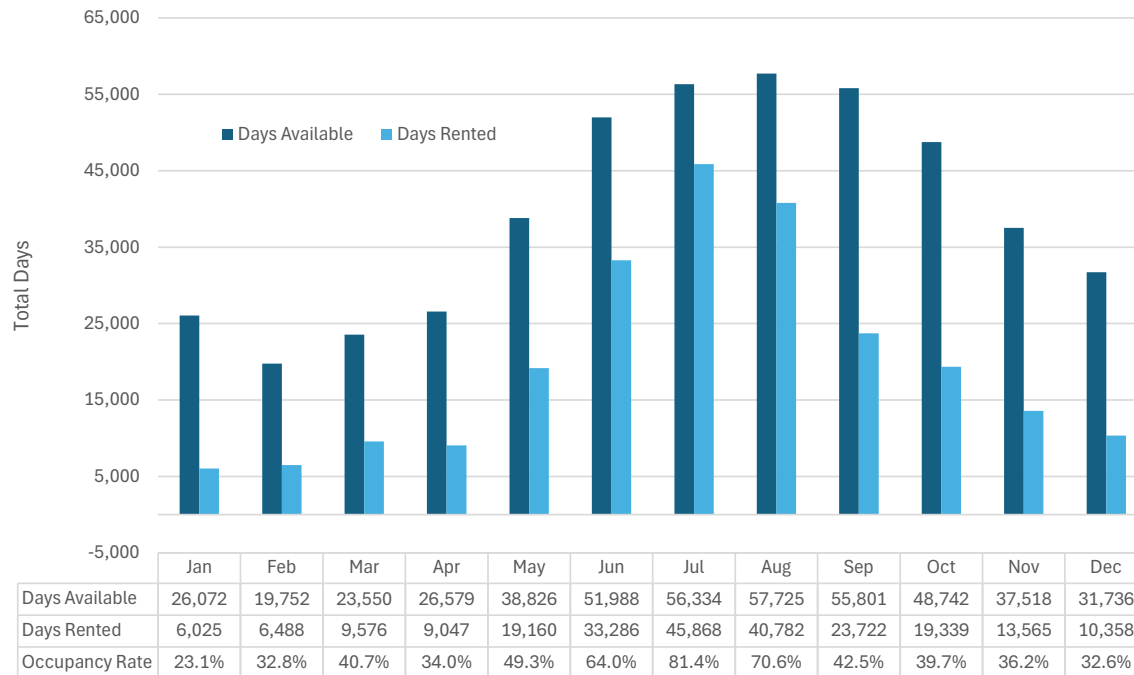
STR Monthly Usage. We can also use the monthly data from AirDNA to observe trends in availability of STRs compared with their actual usage. In each of the four counties, there are more units available during warmer months of the year than during winter months. Usage also rises during summer months, more drastically than availability. In all four counties, STRs have the highest occupancy rates in July and August, and the lowest occupancy rates in January. See Figure 3 through Figure 6 on page 17.

FIGURE 3. STR Days Available and Days Rented by Month, Allegan County, 2024

Note: Includes all STR units regardless of type, unit size, or other characteristics. Chart shows unit days available or rented (not units).

Source: AirDNA (2024 STR listings)

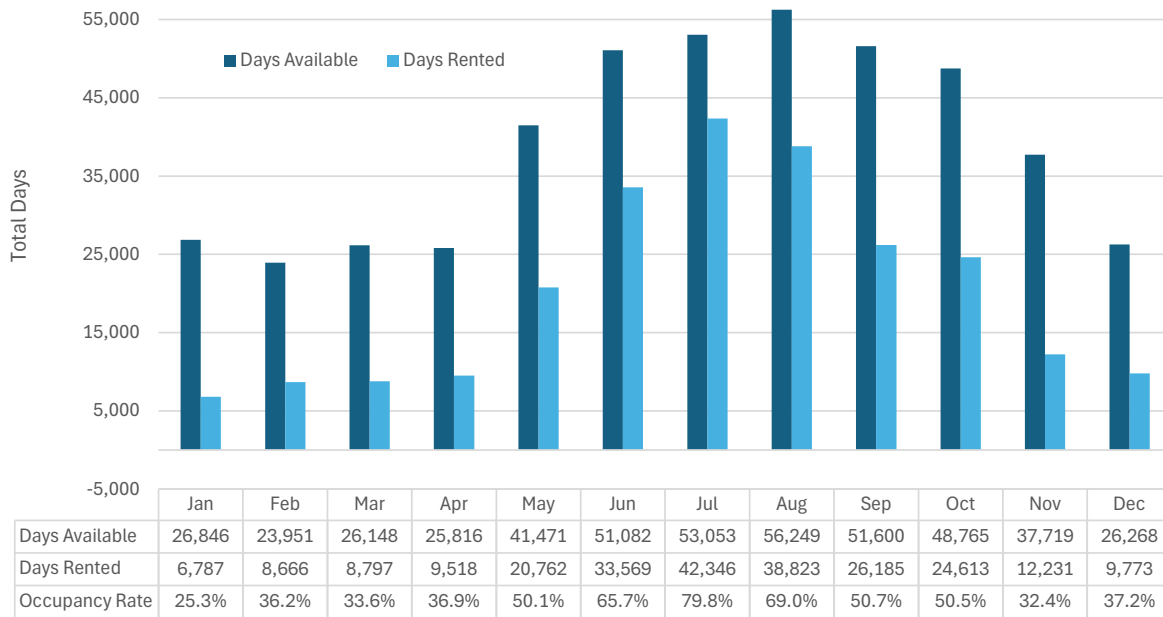
Analysis: Anderson Economic Group

FIGURE 4. STR Days Available and Days Rented by Month, Berrien County, 2024

Note: Includes all STR units regardless of type, unit size, or other characteristics. Chart shows unit days available or rented (not units).

Source: AirDNA (2024 STR listings)

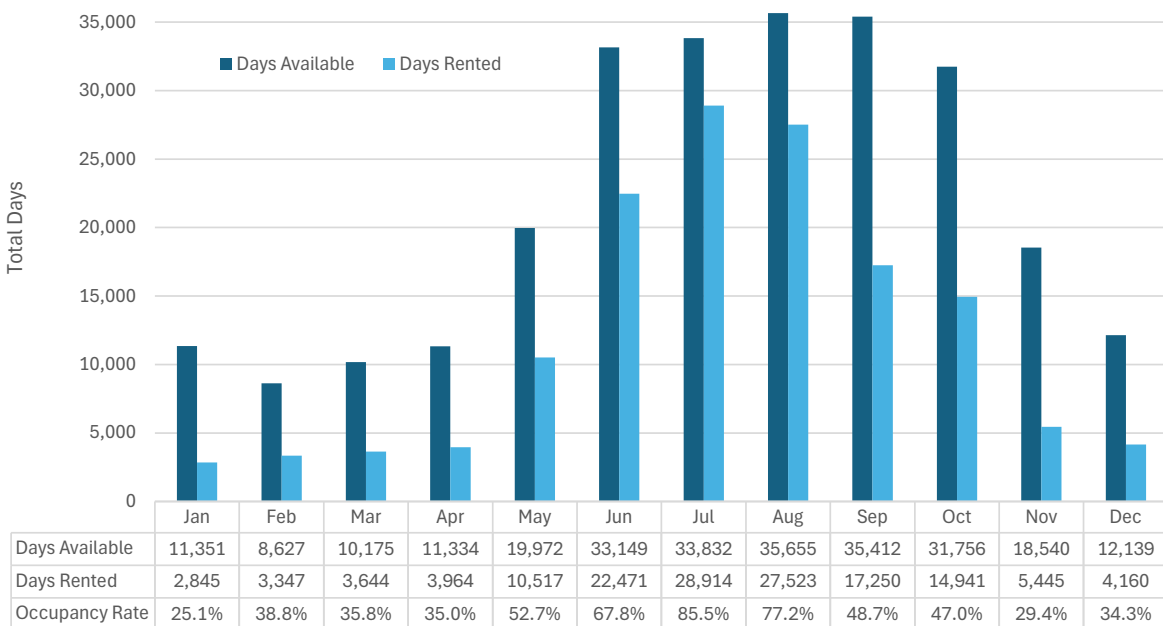
Analysis: Anderson Economic Group

FIGURE 5. STR Days Available and Days Rented by Month, Grand Traverse County, 2024

Note: Includes all STR units regardless of type, unit size, or other characteristics. Chart shows unit days available or rented (not units).

Source: AirDNA (2024 STR listings)

Analysis: Anderson Economic Group

FIGURE 6. STR Days Available and Days Rented by Month, Leelanau County, 2024

Note: Includes all STR units regardless of type, unit size, or other characteristics. Chart shows unit days available or rented (not units).

Source: AirDNA (2024 STR listings)

Analysis: Anderson Economic Group

STR-Related Regulations

With the increase in the number and use of short-term rentals, many communities have enacted ordinances that regulate short-term rentals and home sharing.

Short-term rentals have become a significant segment of the tourism industry in many Michigan communities. Because short-term rentals provide an important community benefit by expanding the number and type of lodging facilities available, many communities have accepted them.³

Reasons for STR Regulations. In general, communities recognize the economic benefit of expanding the availability of temporary lodging. These facilities support the local economy by increasing the potential number of visitors, and by providing an additional source of income to STR owners. When enacting STR regulations, communities point to:⁴

- a desire to meet economic needs while maintaining the residential character of the community,
- the need to prevent over-occupancy and overuse of septic systems,
- residents' complaints and concerns involving excessive noise, litter, disorderly conduct, overcrowding, traffic, congestion, parking, and safety at short-term rental properties,
- concerns over the growing number of single-family homes purchased by absentee investors,
- concerns over housing availability for long-term rental occupancy.

STR Regulations. Ordinances typically define short-term rentals and outline a process to:⁵

- apply for a permit or license, and register a short-term rental before advertising and operating in the community,
- limit the number of STRs in a community or zoning district,
- establish permit and renewal fees,
- indicate whether STR permits are transferable from one property owner to another,
- create a STR-related complaint process,
- require a local agent to be available,
- establish occupancy, parking, and related use requirements, and
- define requirements for tenant behavior.

3. See many of the ordinances enacted to regulate short-term rentals. See for example the Suttons Bay ordinance, accessed at https://www.leelanau.gov/townships/suttons_bay/services/short_term_rentals.php.

4. Based on AEG research of the STR-related ordinances in the subject counties. See for example the Suttons Bay ordinance, accessed at https://www.leelanau.gov/townships/suttons_bay/services/short_term_rentals.php.

5. Based on AEG research of the STR-related ordinances in the subject counties.

Allegan, Berrien, Grand Traverse, and Leelanau Regulations

The coastal counties have not implemented comprehensive, county-wide STR regulations. While a number of communities in these counties have enacted local ordinances to regulate, and in some cases limit short-term rentals, many have not specific short-term rental regulations. A number of communities cover short-term rentals within their rental ordinances.

Allegan County STR-Related Regulations

Most Allegan County townships and cities do not have specific STR regulations. A few communities have enacted ordinances regulating STRs and requiring licensing. While most do not cap the number of STRs, a few do. Saugatuck, for example, capped the number of short-term rentals at 100 while Holland capped investor-owned STRs at just 25. Some communities restrict where STRs can operate by zoning to non-residential districts.

See “Exhibit B-1. Allegan County Overview” in Appendix B, “Exhibit B-2. Summary Map of STR-Related Regulations, Allegan County” in Appendix B, and “Exhibit B-3. Summary of STR Regulations in Allegan County” in Appendix B.

Berrien County STR-Related Regulations

Most townships and cities in Berrien County have specific STR regulations. Registration and licensing are required in communities with STR regulations, though most do not cap the number of short-term rentals. Three Oaks Township is an exception, capping the number at 10% of parcels in single-family residential districts. Some communities also restrict where STRs can operate in their community, preferring commercial or certain residential districts.

See “Exhibit C-1. Berrien County Overview” in Appendix C, “Exhibit C-2. Summary Map of STR-Related Regulations, Berrien County” in Appendix C, “Exhibit C-3. Summary of STR regulations in Berrien County” in Appendix C, and “Exhibit C-3. (Cont.) Summary of STR regulations in Berrien County” in Appendix C.

Grand Traverse County STR-Related Regulations

More than a third of townships and cities in Grand Traverse County do not have specific STR regulation. Of those that do, three do not allow short-term residential dwelling rentals. Others have enacted ordinances that require STR licensing. While most communities do not cap the number of STRs, three townships have set limits: East Bay, Fife Lake, and Acme. Traverse City and Acme Township limit the operation of STRs to several commercial and agricultural districts.

See “Exhibit D-1. Grand Traverse County Overview” in Appendix D, “Exhibit D-2. Summary Map of STR-Related Regulations, Grand Traverse

County” in Appendix D, and “Exhibit D-3. Summary of STR regulations in Grand Traverse County” in Appendix D.



Leelanau County STR-Related Regulations

In Leelanau County, about one third of townships and villages do not specifically regulate STRs. Among those with regulations, Solon Township does not allow short-term rentals of residential dwellings, while most other municipalities have enacted STR regulations requiring licensing. About half do not cap the number of short-term rentals, but Bingham, Elmwood, Suttons Bay, and Cleveland townships, along with the Village of Suttons Bay do set limits for the number allowed. Traverse City and Elmwood, Suttons Bay, and Leland townships limit STRs to commercial and agricultural districts. Empire and Leland do not appear to require a permit to operate STRs in the community.

See “Exhibit E-1. Leelanau County Overview” in Appendix E, “Exhibit E-2. Summary Map of STR-Related Regulations, Leelanau County” in Appendix E, and “Exhibit E-3. Summary of STR regulations in Leelanau County” in Appendix E.



STR Visitors Economic Impact

Tourism is an important part of the economies of coastal counties in Michigan. Short-term rentals are integrated into the visitor economy and contribute to the range of lodging opportunities for visitors. Visitors who stay in short-term rentals spend money locally, like overnight visitors who stay in other accommodations. While relatively few overnight visitors, compared to all overnight visitors in these counties, use short-term rentals, their spending has positive impacts on the communities in which they stay.

In this chapter, we estimate the economic impacts of visitors who stay in short-term rentals in each of the Allegan, Berrien, Grand Traverse, and Leelanau counties.

STR Visitors Impacts

Visitors spend time in these counties for different reasons: visiting friends and family; attending various festivals and events; experiencing wineries and breweries; participating in outdoor recreation; and many other reasons.

Short-term rentals are integrated into the visitor economy and contribute to the range of lodging opportunities for visitors. While hotels and resorts remain popular lodging options, a portion of visitors to these counties choose to camp, stay with relatives, stay in their own second home, or choose short-term rental units for their stay. Short-term rentals suit the needs of large groups traveling together; families with children; visitors seeking accommodations with a kitchen or more space during their stay; and other visitor needs. Statewide in Michigan, very few visitors stay in short-term rentals during their trips.⁶

Visitors who stay in short-term rentals, like other visitors, spend money locally: they purchase groceries; patronize local restaurants, bars, and other retail establishments; attend local festivals and events; and participate in other activities. It is beneficial for communities to attract and host visitors.

About Economic Impacts

Our methodology for estimating the number of visitors in STRs in the subject counties, and their spending, is based on detailed analyses. In particular, we estimated the number of STR visitors and their lodging spending using actual data on Michigan STRs; other visitor spending and characteristics of visitors using tourism data from the State of Michigan; and economic impact multipliers from the U.S. Bureau of Economic Analysis.

We define “net economic impact” as new economic activity directly or indirectly caused by visitors staying in short-term rentals. To quantify the economic impact of the tourism industry in the subject counties, we asked, in effect, “What economic activity in each county was exclusively due to visitors in short-term rental units?” So, we include only the impacts that would not have occurred without STR visitors in these counties.



6. Depending on the region, the share of overnight visitors staying in rented cabins or cottages generally ranges from 4% to 7%. In some cases, a smaller share use this type of accommodations. See Longwoods International, “Travel USA Visitor Profile, Michigan Overnight Visitation Report,” 2023.

Summary of Visitor Impacts

In 2024, 1.2 million visitors stayed in STRs in the four counties, and generated 3.7 million visitor days. In total, STR visitors spent a total of \$665 million on goods and services in the four counties in 2024. These purchases helped support local businesses. For some industries, a portion of consumer purchases immediately leaks from the area as a result of wholesale trade and shipping costs. As a result, the full amount does not remain in the region. We estimate that \$593 million of the total visitor spending is direct net new spending in the area. We estimate that this spending generated a total economic impact of \$787 million and supported 4,604 jobs. See Table 13 below for a summary of these impacts.

TABLE 13. Summary of STR Visitor Impacts

Category	Allegan County	Berrien County	Grand Traverse County	Leelanau County	Total
Total STR Visitors	293,423	410,660	299,777	189,955	1,192,815
Total STR Visitor Days	896,269	1,256,223	906,002	661,625	3,720,118
Total STR Net New Spending	\$144,663,003	\$194,494,118	\$151,943,330	\$101,408,075	\$592,508,526
Total STR Economic Impact	\$178,265,466	\$262,350,869	\$221,635,219	\$124,970,823	\$787,222,377
Earnings Supported	\$43,971,222	\$60,052,521	\$50,393,502	\$30,847,903	\$185,265,149
Jobs Created or Maintained	1,113	1,493	1,234	765	4,604
<i>Note: We define “net economic impact” as new economic activity directly or indirectly caused by STR visitors to each county, so we include only the impacts that would not have occurred without these visitors. See “Appendix A: Sources and Methodology” on page A-1.</i> <i>Source: Anderson Economic Group</i>					

Allegan County

Allegan County is located on the west coast of Michigan. The county is surrounded by Ottawa and Kent counties to the north; Barry County to the east; Van Buren and Kalamazoo counties to the south; and Lake Michigan to the west. Popular visitor destinations in the county include the lakeside cities of Saugatuck and Douglas, as well as the Saugatuck Dunes State Park located north of Saugatuck. The city of Holland is partially inside Allegan County and partially in Ottawa County. The city of South Haven is mainly south of Allegan County, in Van Buren County, and partly inside Allegan County.

Profile of Overnight Visitors in West Michigan Region

Allegan County is within the West region of Michigan.⁷ From 2021 to 2023, total overnight trips to the West region increased by 11.1%. On

7. West region includes Allegan, Barry, Ionia, Kent, Lake, Mason, Mecosta, Montcalm, Muskegon, Newaygo, Oceana, Osceola, and Ottawa Counties.

average, visitors to the West region spend 1.8 nights in the region (3.1 average nights on their trip). Most overnight travelers visit the region with their spouse/partner and children.

In 2023, 6% of overnight visitors to the West region stayed in a rented home, condo, or apartment. Most visitors used different accommodations: 38% stayed in hotels, 27% stayed with friends/relatives, 12% stayed in motels, 10% stayed at campgrounds/RV parks, 6% stayed in a resort hotel, and 4% stayed in a bed and breakfast.

In West Michigan, the most popular main reasons for overnight leisure trips include visiting friends/family, outdoor activities, and touring. Most overnight visitors come from Michigan (55%). In addition, 10% are from Illinois, 7% from Indiana, 4% from Ohio, and 4% from California. Shopping, sightseeing, the beach/waterfront, swimming, and attending a celebration, bar or nightclub are among the most popular activities and experiences for West region overnight visitors.⁸



Allegan County STR Characteristics

In 2024, about 1,875 STR listings in the county had reservations and generated revenue for hosts.⁹ About 93% of these listings in the county are for an entire home or apartment. Among the listings for a whole home or apartment, the most common property types were houses (64%), cottages (9%), apartments (7%), and condos (6%). Unique property types included a treehouse, an island, a lodge, dome houses, and chalets. About 6% of the booked listings in Allegan County were a private room in a residential dwelling; just under 1% were hotel rooms or shared rooms.

8. Longwoods International, "Travel USA Visitor Profile, Michigan Overnight Visitation Report," 2023.

9. Data from AirDNA. Listings include Airbnb and Vrbo listings.

In Allegan County, almost 87% of reservations were made with properties that had four bedrooms or fewer. About 13% of reservations were made with properties that had five to nine bedrooms, and less than one percent were made with larger properties. For areas with few hotels or motels, STRs allow local communities to more easily accommodate visitors.

Economic Impacts of STR Visitors in Allegan County

Using data on short-term rentals in Allegan County, we estimated the number of STR visitors to the county as well as the number of visitor days. We also used this data to estimate the average cost of lodging per trip per visitor. We used data from Airbnb on Michigan guests, as well as tourism data from the State of Michigan to estimate additional expenditures. See Table 14 below.

TABLE 14. STR Visitor Net Economic Impacts, Allegan County

Category	Allegan County
Total STR Visitors	293,423
Total STR Visitor Days	896,269
Cost of Lodging per Person per Trip	\$311.30
Total STR Net New Spending	\$144,663,003
Total STR Economic Impact	\$178,265,466
Total STR Earnings Impact	\$43,971,222
Jobs Created or Maintained	1,113
<i>Notes: Cost of lodging includes cleaning fees as well as daily rates collected by STR hosts. We define "net economic impact" as new economic activity directly or indirectly caused by STR visitors to each county, so we include only the impacts that would not have occurred without visitors in the counties. See "Appendix A: Sources and Methodology" on page A-1.</i> <i>Source: Anderson Economic Group</i>	

Berrien County

Berrien County is located in the southwest corner of Michigan. The county is surrounded by Van Buren County to the northeast; Cass County to the east; the Michigan-Indiana border to the south; and Lake Michigan to the west. Popular visitor destinations in the county include the lakeside communities of Lake Michigan Beach, Benton Harbor, St. Joseph, and New Buffalo. Warren Dunes State Park is also located along the lakeshore. Berrien Springs, Niles, and numerous smaller inland communities host visitors. A number of wineries and breweries also attract visitors to the county.

Profile of Overnight Visitors to the Southwest Michigan Region

Berrien County is part of the Southwest Michigan region.¹⁰ Total overnight trips to the Southwest region of Michigan increased 9.3% from 2021 to 2023. On average, visitors spend 2.2 nights in the region (3.3

average nights on their trip). Most overnight travelers visit the Southwest region with their spouse/partner and children.

In the Southwest region, only about 4% of overnight visitors stayed in a rented home, condo, or apartment. About 37% stayed in hotels, 32% with friends or relatives, 10% in motels, 9% at resort hotels, 7% campgrounds or RV parks, and 5% stayed in their own condo/apartment/cabin/second home.

In Southwest Michigan, the most popular main reasons for leisure trips include visiting friends/family (42%), visiting a casino (14%), and touring (12%). Most overnight visitors come from Michigan (35%). About 19% of overnight visitors come from Indiana, 18% from Illinois, 6% from Ohio, and 3% from California. Shopping, sightseeing, visiting a casino, visiting the beach/waterfront, and attending a celebration, bar or nightclub are among the most popular activities and experiences for Southwest region overnight visitors.¹¹



Berrien County STR Characteristics

In 2024, about 2,700 STR listings in the county had reservations and generated revenue for hosts.¹² About 96% of these booked listings in the county are for an entire home or apartment. Among the listings for a whole home or apartment, the most common property types were houses (68%), cottages (10%), and apartments (7%). Unique property types included a shipping container, boats, and yurts. About 4% of the booked listings in Berrien County were a private room in a residential dwelling; less than 1% were hotel rooms or shared rooms.

10. Southwest region includes Berrien, Branch, Calhoun, Cass, Kalamazoo, St. Joseph, and Van Buren Counties.

11. Longwoods International, "Travel USA Visitor Profile, Michigan Overnight Visitation Report," 2023.

12. Data from AirDNA. Listings include Airbnb and Vrbo listings.

In Berrien County, almost 86% of reservations were made with properties that had four bedrooms or fewer. About 14% of reservations were made with properties that had five to nine bedrooms. The share of reservations made for larger properties is small. Despite this small share, Berrien County had the highest number of reservations in properties with 10 or more bedrooms, among the four subject counties. We also estimate that Berrien County had the highest number of reservation days in these large properties, suggesting that Berrien County is a relatively popular location for large groups of visitors.

Economic Impacts of STR Visitors in Berrien County

Using data on short-term rentals in Berrien County, we estimated the number of STR visitors to the county as well as the number of visitor days. We also used this data to estimate the average cost of lodging per trip per visitor. We used data from Airbnb on Michigan guests, as well as tourism data from the State of Michigan to estimate additional expenditures. See Table 15 below.

TABLE 15. STR Visitor Net Economic Impacts, Berrien County

Category	Berrien County
Total STR Visitors	410,660
Total STR Visitor Days	1,256,223
Cost of Lodging per Person per Trip	\$291.90
Total STR Net New Spending	\$194,494,118
Total STR Economic Impact	\$262,350,869
Total STR Earnings Impact	\$60,052,521
Jobs Created or Maintained	1,493
<i>Notes: Cost of lodging includes cleaning fees as well as daily rates collected by STR hosts. We define "net economic impact" as new economic activity directly or indirectly caused by STR visitors to each county, so we include only the impacts that would not have occurred without visitors in the counties. See "Appendix A: Sources and Methodology" on page A-1.</i> <i>Source: Anderson Economic Group</i>	

Grand Traverse County

Grand Traverse County is located in northwest Michigan. The county is surrounded by Kalkaska County to east; Wexford County to the south; Benzie County to the west; and Leelanau County and Lake Michigan to the north. Popular visitor destinations in the county include Traverse City and surrounding communities. Wineries on Old Mission Peninsula as well as the Cherry Festival are particularly big draws to the area. Smaller cities and villages, including Williamsburg, Fife Lake, and Interlochen also host visitors to the county. Interlochen Arts Camp is a draw for music, visual arts, theatre, and dance students in the summer months.



Profile of Overnight Visitors to the Northwest Michigan Region

Grand Traverse County is part of the Northwest region of Michigan.¹³ From 2021 to 2023, total overnight trips to the Northwest region increased by 5.8%. On average, visitors to the region spend 2.9 nights in the region (3.8 average nights on their trip). Most overnight travelers visit the region with their spouse/partner and children.

Across the region, about 6% of overnight visitors stayed in a rented cabin or cottage. Instead, 35% of overnight visitors stayed in hotels, 22% stayed with friends or relatives, 10% stayed at campgrounds/RV parks, 9% stayed at a resort hotel, 9% stayed in a motel, and 7% stayed in their own condo/cabin/second home.

In the Northwest region, the most popular main reasons for leisure trips include visiting friends/family, outdoor activities, and touring. Most overnight visitors come from Michigan (65%); 5% from Indiana, 5% from Illinois, 5% from Ohio, and 4% from Florida.

Shopping, sightseeing, visiting the beach/waterfront, visiting landmark/historic sights, and visiting wineries, breweries, and distilleries are among the most popular activities and experiences for Northwest region overnight visitors.¹⁴

13. NW region includes Antrim, Benzie, Charlevoix, Emmet, Grand Traverse, Kalkaska, Leelanau, Manistee Missaukee, and Wexford Counties.

14. Longwoods International, "Travel USA Visitor Profile, Michigan Overnight Visitation Report," 2023.

Grand Traverse County STR Characteristics

In 2024, almost 2,700 STR listings in Grand Traverse County had reservations and collected revenue for hosts.¹⁵ About 94% of these booked listings in the county are for an entire home or apartment. Among the listings for a whole home or apartment, the most common property types were houses (36%), condos (31%), and apartments (13%). Unique property types included a boat, a yurt, barns, and villas. About 5% of total listings in Grand Traverse County were a private room in a residential dwelling; almost 1% were hotel rooms or shared rooms.

In Grand Traverse County, over 95% of reservations were made with properties that had four bedrooms or fewer. About 5% of reservations were made with properties that had five to nine bedrooms. The share of reservations made for larger properties is very small. Among the four subject counties, Grand Traverse County had the highest number of reservations in properties with four bedrooms or fewer. Grand Traverse County also had a much higher share of condos or apartments being booked than the other subject counties.

Economic Impacts of STR Visitors in Grand Traverse County

Using data on short-term rentals in Grand Traverse County, we estimated the number of STR visitors to the county as well as the number of visitor days. We also used this data to estimate the average cost of lodging per trip per visitor. We used data from Airbnb on Michigan guests, as well as tourism data from the State of Michigan to estimate additional expenditures. See Table 16 below.

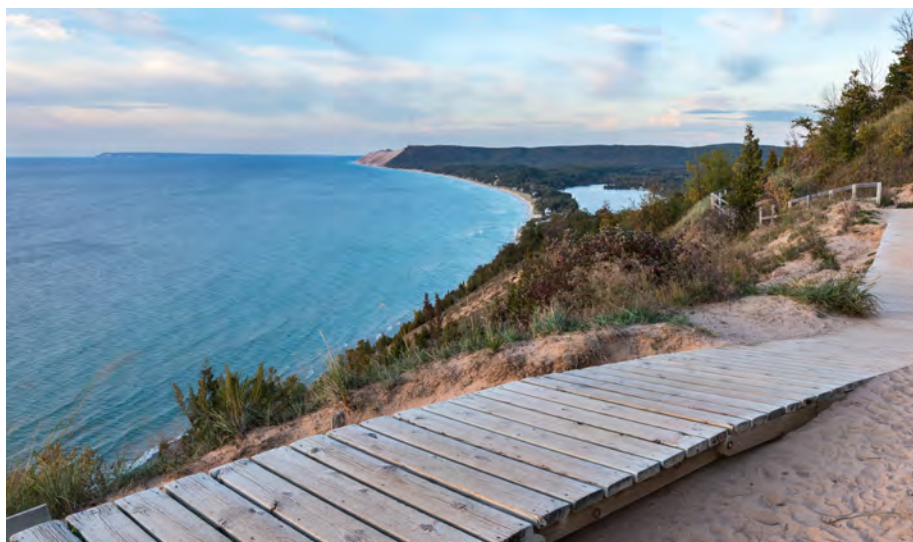
TABLE 16. STR Visitor Net Economic Impacts, Grand Traverse County

Category	Grand Traverse County
Total STR Visitors	299,777
Total STR Visitor Days	906,002
Cost of Lodging per Person per Trip	\$325.14
Total STR Net New Spending	\$151,943,330
Total STR Economic Impact	\$221,635,219
Total STR Earnings Impact	\$50,393,502
Jobs Created or Maintained	1,234
<i>Notes: Cost of lodging includes cleaning fees as well as daily rates collected by STR hosts. We define "net economic impact" as new economic activity directly or indirectly caused by STR visitors to each county, so we include only the impacts that would not have occurred without visitors in the counties. See "Appendix A: Sources and Methodology" on page A-1.</i> <i>Source: Anderson Economic Group</i>	

15. Data from AirDNA. Listings include Airbnb and Vrbo listings.

Leelanau County

Leelanau County is located in northwest Michigan, immediately northwest of Grand Traverse County. The county is surrounded by Benzie and Grand Traverse counties to the south, Antrim County to the east, and Lake Michigan to the north and west. Popular visitor destinations in the county include Northport, Suttons Bay, Glen Arbor, and historic Fishtown. Wineries on the Leelanau Peninsula and Sleeping Bear Dunes National Lakeshore are major draws. Wineries, beaches, and watersports are popular activities in Leelanau County.



Profile of Overnight Visitors to the Northwest Michigan Region

Leelanau County, like Grand Traverse County, is part of the Northwest region of Michigan.¹⁶ See “Profile of Overnight Visitors to the Northwest Michigan Region” on page 28 for overnight visitor trends in the region.

Leelanau County STR Characteristics

In 2024, almost 1,800 STR listings in Leelanau County had reservations and collected revenue for hosts.¹⁷ About 93% of these were for an entire home or apartment. Among the listings for a whole home or apartment, the most common property types were houses (60%), cottages (10%), and condos (9%). Unique property types included a boat, a train, dome houses, and a tower. About 7% of the total listings in Leelanau County were a private room in a shared unit.

In Leelanau County, over 92% of reservations were made with properties that had four bedrooms or fewer. About 8% of reservations were made with properties that had five to nine bedrooms. The share of reservations made for larger properties is very small. Among the four subject counties, Leelanau County had the lowest number of reservations in properties

16. NW region includes Antrim, Benzie, Charlevoix, Emmet, Grand Traverse, Kalkaska, Leelanau, Manistee, Missaukee, and Wexford Counties.

17. Data from AirDNA. Listings include Airbnb and Vrbo listings.

with ten bedrooms or more. On average, Leelanau County sees the longest length of stay for STR visitors among the subject counties.



Economic Impacts of STR Visitors in Leelanau County

Using data on short-term rentals in Leelanau County, we estimated the number of visitors to the county as well as the number of visitor days. We also used this data to estimate the average cost of lodging per trip per visitor. We used data from AirBNB on Michigan guests, as well as tourism data from the State of Michigan to estimate additional expenditures. See Table 17 below.

TABLE 17. STR Visitor Net Economic Impacts, Leelanau County

Category	Leelanau County
Total STR Visitors	189,955
Total STR Visitor Days	661,625
Cost of Lodging per Person per Trip	\$354.97
Total STR Net New Spending	\$101,408,075
Total STR Economic Impact	\$124,970,823
Total STR Earnings Impact	\$30,847,903
Jobs Created or Maintained	765
<i>Notes: Cost of lodging includes cleaning fees and daily rates collected by STR hosts. We define "net economic impact" as new economic activity directly or indirectly caused by STR visitors to each county, so we include only the impacts that would not have occurred without visitors in the counties. See "Appendix A: Sources and Methodology" on page A-1.</i> <i>Source: Anderson Economic Group</i>	



Housing Market Trends

This section reviews the housing market in Allegan, Berrien, Grand Traverse, and Leelanau counties. Key housing measures include population, housing units, occupied housing units, housing tenure, building permits, vacancy rates, median gross rent, and median value.

Population and Housing Trends

Population Growth

Population growth in Allegan, Berrien, Grand Traverse, and Leelanau between 2014 and 2023 underwent diverse trends. Allegan and Grand Traverse experienced the highest population growth at 7.7% and 7.6%, respectively. Leelanau’s population increased by 4%. These counties far exceeded the state-wide average of 1.6% over the same period. Berrien’s population declined 1.7%. See Table 18 below for these population trends.

TABLE 18. Population, 2014-2023

Region	2014	2018	2023	Absolute Change, 2014-2023	Relative Change, 2014-2023
Allegan County	112,266	115,250	120,913	8,647	7.7%
Berrien County	155,992	154,807	153,411	(2,581)	-1.7%
Grand Traverse County	88,981	91,746	95,757	6,776	7.6%
Leelanau County	21,739	21,639	22,607	868	4.0%
Michigan	9,889,024	9,957,488	10,051,595	162,571	1.6%

Source: U.S. Census Bureau, American Community Survey, 5-Year Estimates.
Analysis: Anderson Economic Group.

Growth in Total Housing Units

All four counties experienced an increase in housing units between 2014 and 2023, mirroring the overall trend in Michigan. Grand Traverse recorded the highest growth at 10.9%, nearly six times the Michigan average of 1.5%. Allegan followed with 5.5%, while Leelanau saw a moderate 3.7% rise. Berrien experienced minimal growth of 0.4% in housing units, consistent with its declining population. Table 19 below presents trends in total housing units for the four counties and Michigan from 2014 to 2023.

TABLE 19. Total Housing Units, 2014-2023

Region	2014	2018	2023	Absolute Change, 2014-2023	Relative Change, 2014-2023
Allegan County	49,541	50,772	52,262	2,721	5.5%
Berrien County	76,810	77,322	77,127	317	0.4%
Grand Traverse County	41,885	43,464	46,435	4,550	10.9%
Leelanau County	15,078	15,529	15,630	552	3.7%
Michigan	4,532,719	4,580,939	4,599,683	66,964	1.5%
Source: U.S. Census Bureau, American Community Survey, 5-Year Estimates. Analysis: Anderson Economic Group.					

Growth in Occupied Housing Units

Similar to trends in total housing units, the number of occupied housing units increased across all four counties between 2014 and 2023. Grand Traverse experienced the sharpest growth, with a 13.7% rise. Allegan saw growth of 7.7%, nearly matching the change in population. Berrien experienced a 5.5% increase, despite the decline in population, indicating change in household size or higher occupancy. Leelanau County experienced modest growth in occupied units, with a 3.3% increase, which is comparable to its population growth.

Table 20 below presents the trend in occupied housing units across the four counties and Michigan from 2014 to 2023.

TABLE 20. Occupied Housing Units, 2014-2023

Region	2014	2018	2023	Absolute Change, 2014-2023	Relative Change, 2014-2023
Allegan County	41,767	43,000	44,984	3,217	7.7%
Berrien County	60,320	63,908	63,651	3,331	5.5%
Grand Traverse County	34,833	37,134	39,596	4,763	13.7%
Leelanau County	9,136	9,152	9,439	303	3.3%
Michigan	3,827,880	3,909,509	4,040,168	212,288	5.5%
Source: U.S. Census Bureau, American Community Survey, 5-Year Estimates. Analysis: Anderson Economic Group.					

Growth in Total vs Occupied Housing Units

Table 21 below shows the difference between the growth of total and occupied housing units across the four counties. In nearly all counties, the growth of occupied units outpaced that of total units. This indicates that household growth has exceeded housing development, and increased the pressure on the available housing stock.

Berrien County exhibits the widest disparity, with occupied units growing 5.1 percentage points faster than total units. Grand Traverse and Allegan also record a higher growth in occupied units, by 2.8 and 2.2 percentage points respectively. Statewide, these patterns are consistent, with a negative difference of 4.1%, reinforcing the trend of demand outpacing supply of housing. In contrast, Leelanau's total housing units grew 0.3 percentage points faster than its occupied units, reflecting a potential surplus of housing.

TABLE 21. Growth in Households VS Occupied Housing Units, 2014-2023

Region	Growth in Occupied Housing Units	Growth in Total Housing Units	Difference
Allegan County	7.7%	5.5%	-2.2%
Berrien County	5.5%	0.4%	-5.1%
Grand Traverse County	13.7%	10.9%	-2.8%
Leelanau County	3.3%	3.7%	0.3%
Michigan	5.5%	1.5%	-4.1%
Source: U.S. Census Bureau, American Community Survey, 5-Year Estimates. Analysis: Anderson Economic Group.			

Vacant Housing Units

While the number of occupied housing units grew, the number of vacant housing units declined in three of the four counties between 2014 and 2023. Berrien experienced the sharpest drop, similar to the state decline rate, with a 18.3% decline. Allegan and Grand Traverse counties both experienced a decline in vacant housing units of 6.4% and 3.0% respectively between 2014 and 2023. This shows that more vacant units are now occupied, indicating the high demand for housing in these counties. Only Leelanau County experienced a modest growth in vacant units, with a 4.2% increase. These vacant units include seasonal and recreational homes.

Table 22 on page 35 presents the trend in vacant housing units across the four counties and Michigan from 2014 to 2023.

TABLE 22. Vacant Housing Units, 2014-2023

Region	2014	2018	2023	Absolute Change, 2014-2023	Relative Change, 2014-2023
Allegan County	7,774	7,772	7,278	(496)	-6.4%
Berrien County	16,490	13,414	13,476	(3,104)	-18.3%
Grand Traverse County	7,052	6,330	6,839	(213)	-3.0%
Leelanau County	5,942	6,377	6,191	249	4.2%
Michigan	704,839	671,430	559,515	(145,324)	-20.6%

*Source: U.S. Census Bureau, American Community Survey, 5-Year Estimates.
Analysis: Anderson Economic Group.*

Table 23 below shows that vacant units as a share of total housing units declined in three out of four counties. Berrien declined in the share of vacant units is slightly higher than the statewide trend with 4.0 percentage points. The share of vacant units declined in Allegan and Grand Traverse counties by 1.8 and 2.1 percentage points, respectively, indicating that more of the housing units in these counties were occupied in 2023 than before. Only Leelanau County did not experience a decline in the share of vacant units, increasing by 0.2 percentage points between 2014 and 2023.

TABLE 23. Vacant Housing Units as a Share of Total Housing Units, 2014-2023

Region	2014	2018	2023	Change, 2014-2023
Allegan County	15.7%	15.3%	13.9%	-1.8%
Berrien County	21.5%	17.3%	17.5%	-4.0%
Grand Traverse County	16.8%	14.6%	14.7%	-2.1%
Leelanau County	39.4%	41.1%	39.6%	0.2%
Michigan	15.6%	14.7%	12.2%	-3.4%

*Source: U.S. Census Bureau, American Community Survey, 5-Year Estimates.
Analysis: Anderson Economic Group.*

Housing Tenure

Trends in housing tenure varied notably across the four counties during the study period.

In Allegan, owner-occupied units grew by 13.4%, reflecting a well-performing homeowner market. The renter-occupied units, however, decreased by 17.8%, suggesting reduced rental availability. In Berrien, units that were owner-occupied increased by 6.7%, while renter-occupied housing experienced a 2.5% growth, reflecting relative stability in both markets. In comparison, Grand Traverse showed robust growth; owner-occupied units increased 14.9% and renter-occupied units grew by 9.9%. In Leelanau, owner-occupied units grew 9.5%, showing greater demand or market requirement for homeownership. Compared to that, renter-occupied units fell drastically by 33.1%. Across all four counties, the prevailing patterns is one of a stronger growth in owner-occupied housing compared to rental markets. These trends are further detailed in Table 24 on page 36.

TABLE 24. Trends in Tenure, 2014-2023

Region/Tenure	2014	2018	2023	Absolute Change, 2014-2023	Relative Change, 2014-2023
Allegan County					
Occupied housing units	41,767	43,000	44,984	3,217	7.7%
Owner-occupied	34,133	35,394	38,711	4,578	13.4%
Renter-occupied	7,634	7,606	6,273	(1,361)	-17.8%
Berrien County					
Occupied housing units	60,320	63,908	63,651	3,331	5.5%
Owner-occupied	43,397	44,588	46,311	2,914	6.7%
Renter-occupied	16,923	19,320	17,340	417	2.5%
Grand Traverse County					
Occupied housing units	34,833	37,134	39,596	4,763	13.7%
Owner-occupied	26,373	28,329	30,302	3,929	14.9%
Renter-occupied	8,460	8,805	9,294	834	9.9%
Leelanau County					
Occupied housing units	9,136	9,152	9,439	303	3.3%
Owner-occupied	7,805	8,019	8,548	743	9.5%
Renter-occupied	1,331	1,133	891	(440)	-33.1%
Source: U.S. Census Bureau, American Community Survey, 5-Year Estimates. Analysis: Anderson Economic Group.					

Vacancy**Home Owner Vacancy Rate**

The homeowner vacancy rate, as shown in Table 25 below, declined significantly across all regions between 2014 and 2023. Leelanau experienced the most pronounced drop, with homeowner vacancy rate falling from 3.2% in 2014 down to 0.6% in 2023, a decline of 2.6 percentage points. Berrien followed closely, with a 2.5 percentage points decline, from 3.4% to 0.9%. Grand Traverse County experienced a decline from a 2.1% to 0.6%, or 1.5 percentage points. In Allegan County, the vacancy rate dropped from 1.6% to 0.4%, down by 1.2 percentage points. Statewide, the home-owner vacancy rate declined from 2.2% to 0.9%, mirroring the county-level trends. This decline indicates a tightening market for homeowners across the state.

TABLE 25. Vacancy Rates, Home Owners, 2014-2023

Region	2014	2018	2023	Change, 2014-2023
Allegan County	1.6	1.2	0.4	-1.2
Berrien County	3.4	1.9	0.9	-2.5
Grand Traverse County	2.1	1.0	0.6	-1.5
Leelanau County	3.2	1.8	0.6	-2.6
Michigan	2.2	1.6	0.9	-1.3
Source: U.S. Census Bureau, American Community Survey, 5-Year Estimates. Analysis: Anderson Economic Group.				

Renter Vacancy Rate

Renter vacancy rates, as shown in Table 26 below, decreased in three of the four counties over the ten-year period from 2014 to 2023. Allegan County saw its renter vacancy rate fall from 6.8% in 2014 to 4.5% in 2023, a decline of 2.3 percentage points. Berrien County experienced the largest decline among all regions, decreasing from 10.6% to 4.1%, or 6.5 percentage points. Grand Traverse County recorded a modest decline of 2.2 percentage points, from 9.9% to 7.7%, while continuing to maintain relatively elevated vacancy rates. Leelanau County diverged from the overall regional trend, as its vacancy rate rose significantly from 19.3% in 2014 to 24.2% up to 2023, an increase of 4.9 percentage points.

Statewide, renter vacancy rate fell from 7.0% to 5.0%. The 2.0 percentage-point decline reflects the continued demand for rental housing units throughout the decade, and indicates a tightening market for renters.

TABLE 26. Vacancy Rates, Renters, 2014-2023

Region	2014	2018	2023	Absolute Change, 2014-2023
Allegan County	6.8	3.0	4.5	-2.3
Berrien County	10.6	5.2	4.1	-6.5
Grand Traverse County	9.9	7.4	7.7	-2.2
Leelanau County	19.3	30.1	24.2	4.9
Michigan	7.0	5.2	5.0	-2.0
Source: U.S. Census Bureau, American Community Survey, 5-Year Estimates. Analysis: Anderson Economic Group.				

Vacancy Status

Vacancy status, detailed in Table 27 on page 38, provides a more granular view of the evolution of the vacant housing stock across the four counties.

In Allegan County, the number of vacant homes for rent fell by 47.5% over the decade, and vacant homes for sale fell more significantly, by 72.3%. Seasonal and recreational home vacancy went up slightly by 2.6%. Berrien County recorded a similar trend, with a 62.9% reduction in rental vacancies and a 72.4% drop in vacant homes for sale. Seasonal and recreational home vacancy went down slightly by 2.1%.

In Grand Traverse County, the number of vacant homes for rent decreased by 18.4%, and unoccupied rented units fell to zero, potentially a result of high demand in the region. There was an increase of 10% in vacant homes for seasonal or recreational use, indicating a potential increase in county's attraction as a second-home location. Leelanau County followed a similar pattern; seasonal unit vacancy rose by 11.2%, while the number of vacant homes for sale declined by 79%. The number of vacant homes for rent also dipped by 11.5%.

TABLE 27. Vacancy Status, 2014-2023

Region/Tenure	2014	2018	2023	Absolute Change, 2014-2023	Relative Change, 2014-2023
Allegan County					
For rent	560	241	294	(266)	-47.5%
Rented, not occupied	76	89	36	(40)	-52.6%
For sale only	573	420	159	(414)	-72.3%
Sold, not occupied	200	339	203	3	1.5%
For seasonal, recreational, or occasional use	4,743	5,124	4,867	124	2.6%
For migrant workers	88	154	151	63	71.6%
Other vacant	1,534	1,405	1,568	34	2.2%
Berrien County					
For rent	2,024	1,072	750	(1,274)	-62.9%
Rented, not occupied	129	109	257	128	99.2%
For sale only	1,562	874	431	(1,131)	-72.4%
Sold, not occupied	593	704	336	(257)	-43.3%
For seasonal, recreational, or occasional use	8,504	7,346	8,323	(181)	-2.1%
For migrant workers	385	215	130	(255)	-66.2%
Other vacant	3,293	3,094	3,249	(44)	-1.3%
Grand Traverse County					
For rent	944	702	770	(174)	-18.4%
Rented, not occupied	150	-	-	(150)	-100.0%
For sale only	573	274	179	(394)	-68.8%
Sold, not occupied	158	200	46	(112)	-70.9%
For seasonal, recreational, or occasional use	3,954	4,225	4,363	409	10.3%
For migrant workers	-	28	8	8	-
Other vacant	1,273	901	1,473	200	15.7%
Leelanau County					
For rent	321	489	284	(37)	-11.5%
Rented, not occupied	10	-	-	(10)	-100.0%
For sale only	262	145	55	(207)	-79.0%
Sold, not occupied	21	47	107	86	409.5%
For seasonal, recreational, or occasional use	4,702	5,098	5,229	527	11.2%
For migrant workers	31	26	22	(9)	-29.0%
Other vacant	595	572	494	(101)	-17.0%
<i>Note: "Other vacant" includes units vacant due to foreclosure; personal/family reasons; legal proceedings; preparing to rent/sell; held for storage of furniture; needs repairs; currently being repaired/renovated; specific use housing; extended absence; abandoned/possibly condemned; and others.</i> <i>Source: U.S. Census Bureau, American Community Survey, 5-Year Estimates.</i> <i>Analysis: Anderson Economic Group.</i>					

TABLE 28. Vacancy Status, Michigan

Region/Tenure	2014	2018	2023	Absolute Change, 2014-2023	Relative Change, 2014-2023
Michigan					
For rent	83,475	62,902	58,335	-25,140	-30.1%
Rented, not occupied	16,325	15,809	13,471	-2,854	-17.5%
For sale only	63,630	46,792	27,620	-36,010	-56.6%
Sold, not occupied	30,714	26,461	21,872	-8,842	-28.8%
For seasonal, recreational, or occasional use	283,614	290,711	260,162	-23,452	-8.3%
For migrant workers	2,158	1,977	1,645	-513	-23.8%
Other vacant	224,923	226,778	176,410	-48,513	-21.6%
<i>Note: "Other vacant" includes units vacant due to foreclosure; personal/family reasons; legal proceedings; preparing to rent/sell; held for storage of furniture; needs repairs; currently being repaired/renovated; specific use housing; extended absence; abandoned/possibly condemned; and others.</i> <i>Source: U.S. Census Bureau, American Community Survey, 5-Year Estimates.</i> <i>Analysis: Anderson Economic Group.</i>					

Table 27 on page 38 shows that the number of vacant homes classified as "For seasonal, recreational, or occasional use" increased for three of the four counties over the last 10 years. While the absolute number of vacant homes in this category increased, the share of these units relative to the total housing stock slightly decreased over time in three out of four counties. Allegan, Berrien, and Grand Traverse counties show a decrease of 0.3, 0.3 and 0.04 percentage points respectively, indicating a stable demand for vacation homes in these counties. The share of vacant seasonal homes increased over time in Leelanau County by 2.3 percentage points. See Table 29 below.

TABLE 29. Vacant Seasonal Homes as a Share of Total Housing Units, 2014-2023

Region	2014	2018	2023	Absolute Change, 2014-2023
Allegan County	9.57%	10.09%	9.31%	-0.26%
Berrien County	11.07%	9.50%	10.79%	-0.28%
Grand Traverse County	9.44%	9.72%	9.40%	-0.04%
Leelanau County	31.18%	32.83%	33.45%	2.27%
Michigan	6.26%	6.35%	5.66%	-0.60%
<i>Source: U.S. Census Bureau, American Community Survey, 5-Year Estimates.</i> <i>Analysis: Anderson Economic Group.</i>				

Statewide, the number of vacant homes for seasonal, recreational, or occasional use decreased by 8.3 percent over the last 10 years. The share of vacant seasonal homes decreased slightly, by 0.6 percentage points. The differences between trends in the state versus the four subject counties points to the popularity of those counties for visitors. See Table 28 and Table 29 for the statewide vacancy trends.

Overall, this vacancy metric illustrates the degree to which this type of seasonal or vacation housing is available in each subject county and the draw these counties have for recreation and tourism. Given the nature of these counties as seasonal and vacation destinations, it is not surprising that the share of vacant units used for recreational use is high in these four counties. Not all of them are used as short-term rentals, and many are used as second homes or vacation homes by their owners.

Trends in Rent

Median gross rents increased substantially across all four counties between 2014 and 2023, outpacing inflation and signaling mounting pressure in the rental housing market.

Allegan County experienced a 41.2% increase, with median gross rent rising from \$754 in 2014 to \$1,065 in 2023. Berrien County also experienced similar upward movement, with median rents rising 38.8%, from \$665 to \$923. In Grand Traverse County, median gross rent rose sharply from \$857 to \$1,215, up 41.8%. Leelanau County recorded the greatest relative increase, nearly 50%, from \$821 to \$1,223. Table 30 below provides a detailed overview of median rent trends across these counties and Michigan.

TABLE 30. Median Gross Rent, 2014-2023

Region	2014	2018	2023	Absolute Change, 2014-2023	Relative Change, 2014-2023
Allegan County	\$754	\$794	\$1,065	\$311	41.2%
Berrien County	\$665	\$724	\$923	\$258	38.8%
Grand Traverse County	\$857	\$938	\$1,215	\$358	41.8%
Leelanau County	\$821	\$865	\$1,223	\$402	49.0%
Michigan	\$780	\$850	\$1,084	\$304	39.0%
Source: U.S. Census Bureau, American Community Survey, 5-Year Estimates. Analysis: Anderson Economic Group.					

Trends in Home Values

The median home values rose sharply across all counties from 2014 to 2023, reflecting the widespread home price appreciation and sustained demand for homeownership.

Allegan County recorded the greatest increase, with house prices leaping by 79.6%, from \$137,500 in 2014 to \$247,000 in 2023. Grand Traverse County followed closely, with median home value increasing 76.7%, from \$167,600 to \$296,200. In Leelanau County, median home value increased from \$239,100 in 2014 to \$406,900 in 2023, a 70.2% increase. Berrien County underwent a relatively modest expansion of 61.7%, with median home values rose from \$130,700 to \$211,400.

These substantial increases mirror broader statewide trends in home price appreciation; in Michigan, the median home value increase by 81% over the study period. Table 31 on page 41 presents detailed trends in median home values across the four counties from 2014 to 2023.

TABLE 31. Median Home Values, 2014-2023

Region	2014	2018	2023	Absolute Change, 2014-2023	Relative Change, 2014-2023
Allegan County	\$137,500	\$157,400	\$247,000	109,500	79.6%
Berrien County	\$130,700	\$146,300	\$211,400	80,700	61.7%
Grand Traverse County	\$167,600	\$194,200	\$296,200	128,600	76.7%
Leelanau County	\$239,100	\$256,300	\$406,900	167,800	70.2%
Michigan	\$120,300	\$146,200	\$217,600	\$97,400	81.0%
Source: U.S. Census Bureau, American Community Survey, 5-Year Estimates. Analysis: Anderson Economic Group.					

While the median home values have increased notably between 2014 and 2023, the share of vacant seasonal homes as a portion of total housing stock has decreased in all counties except Leelanau. Consequently, these homes represent a resilient component of the housing market in all of the regions. Table 32 demonstrates seasonal homes as a share of the total housing stock and median home values over the study period.

TABLE 32. Vacant Seasonal Homes as a Share of Total Units and Median Home Values, 2014-2023

Region/Tenure	2014	2018	2023
Allegan County			
Vacant Seasonal Homes as a Share of Total	9.57%	10.09%	9.31%
Median Home Values	\$137,500	\$157,400	\$247,000
Berrien County			
Vacant Seasonal Homes as a Share of Total	11.07%	9.50%	10.79%
Median Home Values	\$130,700	\$146,300	\$211,400
Grand Traverse County			
Vacant Seasonal Homes as a Share of Total	9.44%	9.72%	9.40%
Median Home Values	\$167,600	\$194,200	\$296,200
Leelanau County			
Vacant Seasonal Homes as a Share of Total	31.18%	32.83%	33.45%
Median Home Values	\$239,100	\$256,300	\$406,900
Michigan			
Vacant Seasonal Homes as a Share of Total	6.26%	6.35%	5.66%
Median Home Values	\$120,200	\$146,200	\$217,600
Source: U.S. Census Bureau, American Community Survey, 5-Year Estimates. Analysis: Anderson Economic Group. Note: The terms seasonal homes is used interchangeably with the homes categorized "For seasonal, recreational, or occasional use" in the American Community Survey (ACS).			

Building Permits

Building permits in Michigan's Core-Based Statistical Areas (CBSAs) between 2019 and 2025 indicate varying housing development trends.

The CBSAs covering the four counties in this study are:

- Traverse City: Grand Traverse County and Leelanau County
- Holland: Allegan County
- Niles: Berrien County

Building permits in Niles showed steady growth between 2019 and 2025, with permits increasing by 6.8% over this period. Traverse City region recorded the highest permit activity among the four county regions, with 1,232 permits issued in 2024, and 383 permits recorded by June 2025. In Holland, 423 permits were issued in 2024 and activity remains strong in 2025, with 214 permits reported through June. See Table 33 below.

TABLE 33. Total Building Permits, 2019-2023

CBSA Name	2019	2020	2021	2022	2023	2024	2025 (Till June)	Absolute Change	Relative Change
Traverse City						1,232	383		
Holland						423	214		
Niles	206	260	331	286	355	354	220	14	6.8%
Detroit-Warren-Dearborn	7,813	7,165	8,598	7,945	6,734	7,704	4,185	-3,628	-46.4%
Grand Rapids-Kentwood	4,155	3,436	3,705	4,198	3,603			-552	-13.3%
Lansing-East Lansing	1,026	1,100	1,016	973	949			-77	-7.5%
Kalamazoo-Portage	642	496	419	457	718	301	262	-380	-59.2%
Battle Creek	56	90	108	95	131	91	65	9	16.1%
Ann Arbor	815	1065	916	656	1,597	1,193	565	-250	-30.7%
Bay City	83	135	74	67	38	35	16	-67	-80.7%
Muskegon	339	268	328	548	312			-27	-8.0%
Jackson	386	159	176	141	155	334	139	-247	-64.0%
Midland	114	123	159	130	156	314	64	-50	-43.9%
Saginaw	248	245	195	175	190	141	91	-157	-63.3%
Monroe	323	367	265	266	258	237	94	-229	-70.9%
Flint	576	485	510	406	380	420	224	-352	-61.1%

Source: U.S. Census Bureau, Building Permits Survey, 1-Year Estimates.
Analysis: Anderson Economic Group.

Broader Housing Trends

As discussed above, the housing market in each studied county has its own unique characteristics that should be considered when analyzing the current and future housing needs of the respective area. Additional trends impact the housing market in these counties and elsewhere in Michigan.

Grand Traverse and Leelanau Counties. The Housing Needs Assessment study for Northern Michigan, completed in 2023, shows that “the local housing market offers a variety of products by age, quality, type and pricing, but limited availability and affordability remain challenges for most residents.” The study found a shortage of available rental and for-sale housing in the area, with a rental housing gap of over 3,569 units in Grand Traverse County and 382 in Leelanau county. The demand of for-sale housing is also strong, with an estimated gap of 7,792 housing units in Grand Traverse County and 1,953 in Leelanau County.

Based on these estimates, the study calls for leveraging resources to increase housing production in these counties, among other recommendations. It also recommended to “identify potential development sites, quantify serious housing quality issues and evaluate local housing regulations.” As part of the study, stakeholder survey indicated “that “revisiting/modifying zoning (e.g., density, setbacks, etc.)” should be considered in order to address barriers to residential development in the region.”¹⁸

Allegan County. The Housing Needs Assessment study for Allegan County, also completed in 2023, anticipates overall household growth in Allegan County through 2027. The study found “limited available inventory among multifamily rentals and pent-up demand for housing serving lower-income renter households.” The study estimated that Allegan County has an overall housing gap of 6,214 units for rental and for-sale product at a variety of affordability levels over the next five years, including a rental housing gap of 1,885 units and a for-sale housing gap of 4,329 units. Recommendations included, among others, “implementing/modifying policies to encourage or support the development of new residential units and the preservation of existing housing, particularly housing that is affordable to lower income households.”¹⁹

The study also identified that future housing developments to “provide for an adequate supply of income-appropriate permanent housing for the full-time residents and workforce of Allegan County while also providing rental housing options for the tourism industry in the area.” It also stated that “area stakeholders will need to seek an adequate balance between these two housing segments.” Barriers to housing development in the county included “the limited amount of residentially zoned land available for sale.” The study recommends that “the county and municipalities

18. Housing Needs Assessment - Northern Michigan. 2023, by Bowen National Research, accessed at <https://www.housingnorth.org/housing-data>.

19. Housing Needs Assessment, Allegan County, Michigan, 2023, by Bowen National Research, accessed at <https://alleganfoundation.org/housing/>.

should consider modifying or expanding housing policies that would encourage residential development.”²⁰

Berrien County. A housing needs assessment is currently underway in Berrien County. This will evaluate current and projected housing needs across all income levels in the county.²¹

Statewide Housing. Housing affordability continues to be a challenge across Michigan. The Statewide Housing Plan recognized that housing affordability “is a major barrier in Michigan” and directed the state and its partners to increase the supply of affordable, accessible, attainable, and workforce housing. Similarly, the Statewide Housing Plan recognizes that Michigan housing development has not kept up with demand, and that it has “a pressing need to develop, rehabilitate, and preserve housing across the state at price points for every level of income.” It also stated that “some of Michigan’s challenges include an aging population, local zoning restrictions that impact housing development, and an overall lack of affordable housing.”²²

One of the goals of the statewide plan is to “increase the supply of the full spectrum of housing that is affordable and attainable to Michigan residents.” The statewide plan also recommended “rehabilitating and weatherizing existing housing stock” and “expanding zoning practices that increase the housing supply” to supporting housing development. It further sets the goal to “develop model language for zoning amendments or overlays that remove obstacles to increasing the housing supply.”²³

Overall Economic Conditions. After the onset of the COVID-19 pandemic, prices for almost all goods and services increased in 2021 impacting the U.S. economy. Due to high inflation, the Federal Reserve started to increase interest rates in 2022. Mortgage rates also increased, reaching about 7.8% in October 2023. In the fall of 2024, in light of price increases slowing down, the Federal Reserve began to slightly cut the federal reserve rate. Mortgage rates continue to be over 6% in 2025 impacting affordability and housing demand.

20. Ibid.

21. Cornerstone Alliance, “Cornerstone Alliance Launches Countywide Housing Study to Support Business Growth, Workforce Needs, August 28, 2025, accessed at <https://cstonealliance.org/4134-2/#>.

22. Michigan’s Statewide Housing Plan, June 2022, accessed at <https://www.michigan.gov/mshda/developers/statewide-housing-plan>.

23. Ibid.

STR Impacts on the Housing Stock

As one measure of STRs impacts on the housing stock, we estimated the number of short-term rentals that, based on specific characteristics, would be suitable for long-term housing and would be likely to contribute to the housing stock in the four subject counties. We focused this analysis on short-term rental listings in 2024. We also compare the number of STR listings that could contribute to the housing stock to the total number of housing units in each county to understand their overall impact.

Overview of STR Characteristics

We filtered the 2024 STR listings in the AirDNA dataset based on the following characteristics:

Listing and Property type. We include in this assessment listings for “entire home/apartment” and those characterized as apartments, bungalows, condos, houses, lofts, townhouses, and studios.

Number of bedrooms. We assume that listings with zero to four bedrooms are suitable for a range of single individuals and typical families who may be looking for a home in the four counties.

Months listed. We estimate impacts of STRs on the housing stock using a range rather than a single number in each of the subject counties. On the conservative end, we count only STRs that had available days during all 12 months out of the year in 2024. We assume this encompasses units that are completely dedicated to serving visitors and are never used as primary housing by the owners of the unit.

To capture a wider estimate, we include STRs that had available days during nine or more months in 2024. We assume this captures units that are used minimally by owners. We also assume this may include units whose owners rely on rental income to help pay the mortgage and other costs of the unit, and may not otherwise be able to purchase the unit.

Impact on Housing Stock

Not all STR listings are suitable for long-term housing, for workforce or families. For this analysis, we exclude unusual housing types such as campers, boats, yurts, hotels, and others. We exclude units that are listed as private suites or shared rooms. We also exclude units that are clearly intended for occasional or vacation use, such as cabins or tiny houses and units unavailable for a large portion of the year.

The remaining types of units, and specifically those available for at least nine months of the year for rental use, represents a small fraction of the housing stock in each county: around 1% in all four. See Table 34 on page 46.

Maintaining a stock of affordable housing is a high priority throughout Michigan, including in these counties. Many STR units in the subject counties appear to truly be intended for occasional/seasonal use. Indeed,

a common “Michigan dream” of residents is owning a cabin or vacation home.

The estimated range of STR units that could contribute to the housing stock in these counties appears to be much smaller than the housing gap identified in recent housing needs assessments in Allegan, Grand Traverse, and Leelanau counties.

TABLE 34. Range of STR Units That Could Contribute to the Housing Stock

County/Measure	Total
Allegan County	
STR Units with Available Days, 9+ Months	440
STR Units with Available Days, 12 Months	194
Total Comparable Units in County	49,256
STR Share of Comparable Units in County	0.8% / 0.4%
<i>memo: Total housing units in county</i>	52,262
Berrien County	
STR Units with Available Days, 9+ Months	667
STR Units with Available Days, 12 Months	439
Total Comparable Units in County	72,857
STR Share of Comparable Units in County	0.9% / 0.4%
<i>memo: Total housing units in county</i>	77,127
Grand Traverse County	
STR Units with Available Days, 9+ Months	800
STR Units with Available Days, 12 Months	439
Total Comparable Units in County	44,108
STR Share of Comparable Units in County	1.7% / 0.9%
<i>memo: Total housing units in county</i>	46,435
Leelanau County	
STR Units with Available Days, 9+ Months	271
STR Units with Available Days, 12 Months	118
Total Comparable Units in County	14,184
STR Share of Comparable Units in County	1.7% / 0.8%
<i>memo: Total housing units in county</i>	15,630
<i>Source: AirDNA (2024 STR listings); U.S. Census Bureau 5-Year Estimates (2023 housing units)</i> <i>Analysis: Anderson Economic Group.</i> <i>Note: “STR units with available days” include “entire home/apartment” listings characterized as apartments, bungalows, condos, houses, lofts, studios, and townhouses, with zero to four bedrooms.</i> <i>“Comparable units in county” include housing units in the county with zero to four bedrooms.</i> <i>See Table 1 on page A-2 for further breakdowns of STR availability.</i>	



Effects of STRs on Home Prices

This section describes the relationship between short-term rentals and housing prices in the four subject counties. The proliferation of STRs has given rise to concerns about their impact on residential neighborhoods. Critics are concerned that STRs can affect neighborhood character through excessive noise, litter, overcrowding, and traffic congestion, among other potential changes. A related concern is that STRs lower the residential population in an area by replacing long-term housing with vacation rentals.

The impact of STRs can be measured through housing prices. On the one hand, by reducing the availability of residential housing, STRs can lead to higher prices. On the other hand, there may be countervailing price impacts due to changes in neighborhood quality and residential demand. Negligible impacts are also possible, particularly if vacation rentals compose only a small share of the overall housing market.

AEG examined and measured the link between STRs and prices by following several steps, which consisted of:

1. Examining comprehensive multiple listing service (MLS) data from January 2018 to May 2025. These records include prices, dates, and detailed property characteristics for each sale.
2. Measuring STR exposure by counting the number of vacation rentals in the vicinity of each home in the month prior to sale.
3. Developing a model to calculate the change in price attributable to STR exposure while controlling for the influence of property characteristics and macroeconomic dynamics on price.
4. Estimating the change in price attributable to STRs.

The MLS data covered 35,474 individual home sales. The period of 2018-2025 was chosen to align with the availability of STR data from AirDNA. The STR data covered 726,615 monthly listings. A monthly listing refers to the appearance of a property on Airbnb, Vrbo, or both, in a calendar month, regardless of the number of rented nights. Table 35 below shows the number of sales as well as average price by subject county. It also presents the number of STR listings by county as well as the overall share in the state. The analysis below examines trends and STR impacts county-by-county to better account for location-specific differences in sales patterns and geography.

TABLE 35. Sales and STR Data, 2018-2025

County	Home sales	Average sale price	Monthly STR listings	Percent of listings in Michigan
Allegan	8,471	\$343,763	147,035	3.8%
Berrien	14,757	\$329,680	215,701	5.5%
Grand Traverse	9,734	\$406,377	204,400	5.2%
Leelanau	2,512	\$605,610	159,479	4.2%
Source: Sales from MLS records and STRs from AirDNA. Analysis: Anderson Economic Group.				

Overview of Trends

Housing prices have increased substantially in each of the four subject counties. Between 2018 and 2025, prices increased 70% in Allegan County, 62% in Berrien County, 88% in Grand Traverse County, and 100% in Leelanau County. This results in an annual appreciation rate of 9% in Allegan, 8% in Berrien County, 11% in Grand Traverse County, and 12% in Leelanau County. Annual inflation during this period averaged 3.7%.

STRs increased rapidly over the same period, too. The number of monthly STR listings increased 38% in Allegan, 62% in Berrien County, 92% in Grand Traverse, and 52% in Leelanau County between 2018 and 2025.

Figures 4, 5, 6, and 7 on the next pages show distinct regional patterns in the four counties. Prices are highest in Grand Traverse and Leelanau counties, while STR concentrations are highest in Berrien and Grand Traverse counties. The figures also show that STR growth rates closely match price appreciation in Berrien and Grand Traverse, suggesting a potential relationship.

While the figures demonstrate that STRs and housing prices can exhibit similar upward trajectories, they do not reveal the precise nature of their connection. Prices and STRs could be trending together due to a common underlying factor. For example, growing public awareness of tourism destinations within the four subject counties could drive demand both for vacation rentals and for residential properties.

Furthermore, the relationship breaks down during key periods. Housing prices surged with pandemic-driven migration in 2020 while STR growth

stagnated. Conversely, STR proliferation has accelerated while home price growth has slowed since 2023. These temporal shifts underscore the need to carefully identify the effects of STRs on home prices.

FIGURE 7. Average price and number of STRs in Allegan County

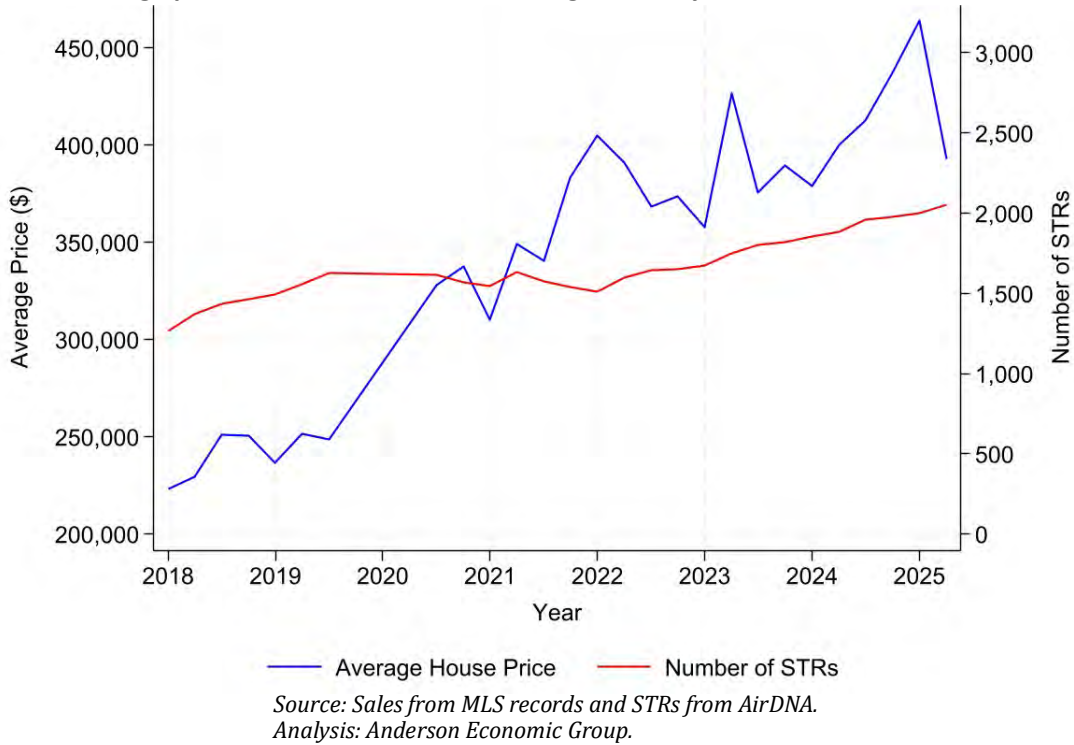


FIGURE 8. Average price and number of STRs in Berrien County

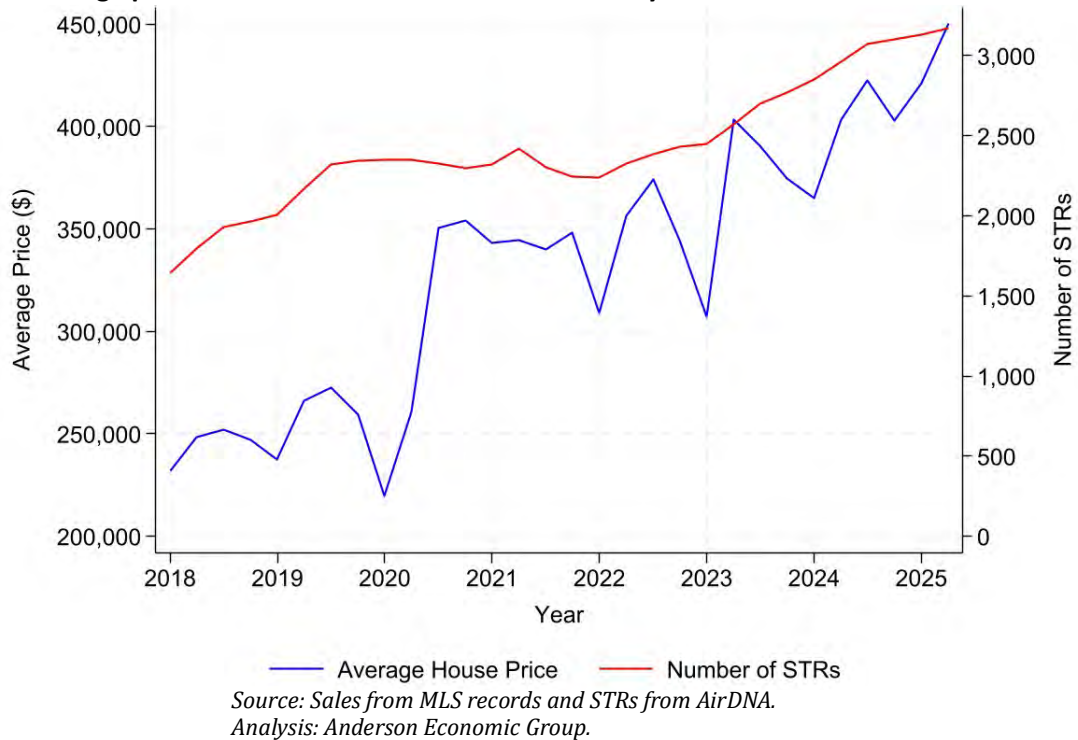
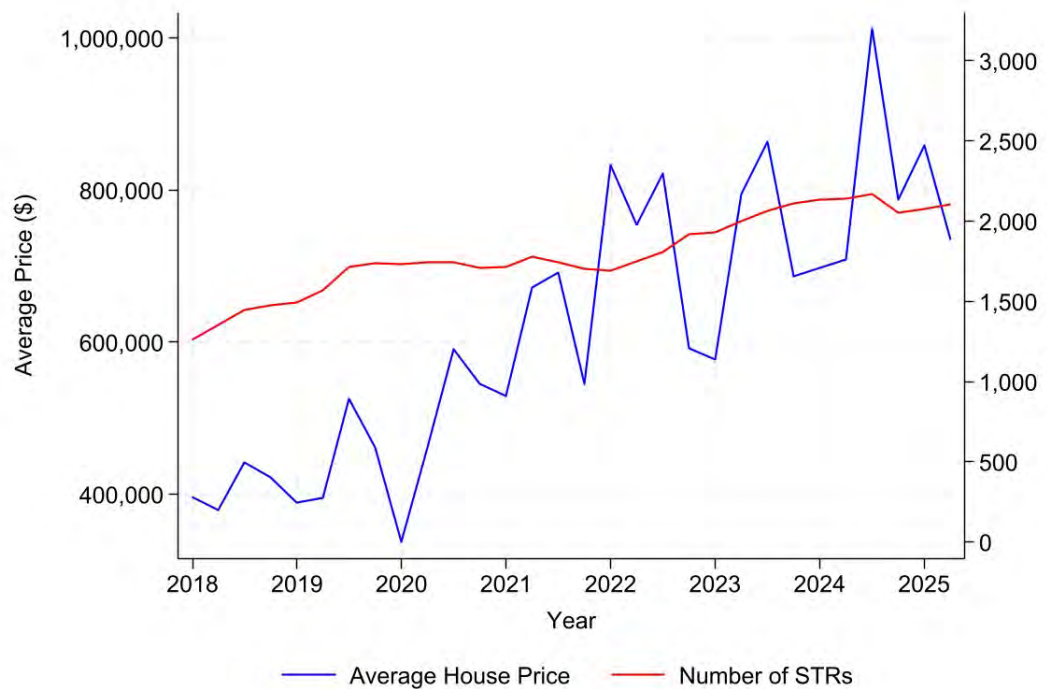


FIGURE 9. Average price and number of STRs in Grand Traverse County

Source: Sales from MLS records and STRs from AirDNA.
 Analysis: Anderson Economic Group.

FIGURE 10. Average price and number of STRs in Leelanau County

Source: Sales from MLS records and STRs from AirDNA.
 Analysis: Anderson Economic Group.

Impact of STRs on Home Prices

AEG measured impacts on housing prices by analyzing the aforementioned markets. Impacts were calculated using the change in price that could be attributable to nearby STR exposure, using a model that also accounted for the influence of property characteristics and macroeconomic dynamics. More details about the model and methodology can be found in “Appendix A: Sources and Methodology” on page A-1.

The analysis found that one study market experienced faster price appreciation due to STRs. In parts of Allegan County, home prices increased somewhat more than could be explained by other market factors, with nearby vacation rentals identified as the primary driver. Table 36 below shows the typical number of vacation rentals near a sale—which includes all STRs within one-half mile—and the expected effect on price. The typical sale in Allegan County had 11 vacation rentals nearby, with an average price impact of 3%. In other words, home prices are on average 3% higher in Allegan County due to STRs.

This implies that if an Allegan County home with no vacation rentals in its neighborhood sells for \$500,000, that a comparable home with 10 STRs in its own neighborhood would sell for \$515,000.

The analysis also found that one study market probably experienced slower price appreciation due to STRs. Parts of Berrien County experienced slightly lower prices than they would have otherwise due to concentrations of vacation rentals. One explanation is that home buyers avoid neighborhoods with high densities of vacation rentals. As long-term, residential demand shifts away from these areas, property values decline. Table 36 below shows that a typical sale in Berrien County had 15 vacation rentals nearby, with an average price impact of -3%. This means that home prices are on average 3% lower in Berrien County due to STRs.

TABLE 36. Estimated Impact of STRs on Sale Price

County	Average sale price in 2024 (inflation adjusted to 2025)	Average number of STRs near sale in 2024	Change in sale price due to STRs	Impact of STRs on average sale price
Allegan	\$418,042	11	2.7%	\$11,347
Berrien	\$394,795	15	-3.4%	-\$13,961
Grand Traverse	\$543,441	38	NS	NS
Leelanau	\$833,258	16	NS	NS
<i>NS indicates that the analysis found no significant effect on price. Data: Sales in 2018-2025 from MLS records and STR listings provided by AirDNA. Analysis: Anderson Economic Group.</i>				

There is no indication that STRs have affected home prices in Grand Traverse or Leelanau counties. Prices showed no significant increase or decrease in areas with STRs compared to areas without such activity. This does not necessarily mean that STRs have no impact on these markets.

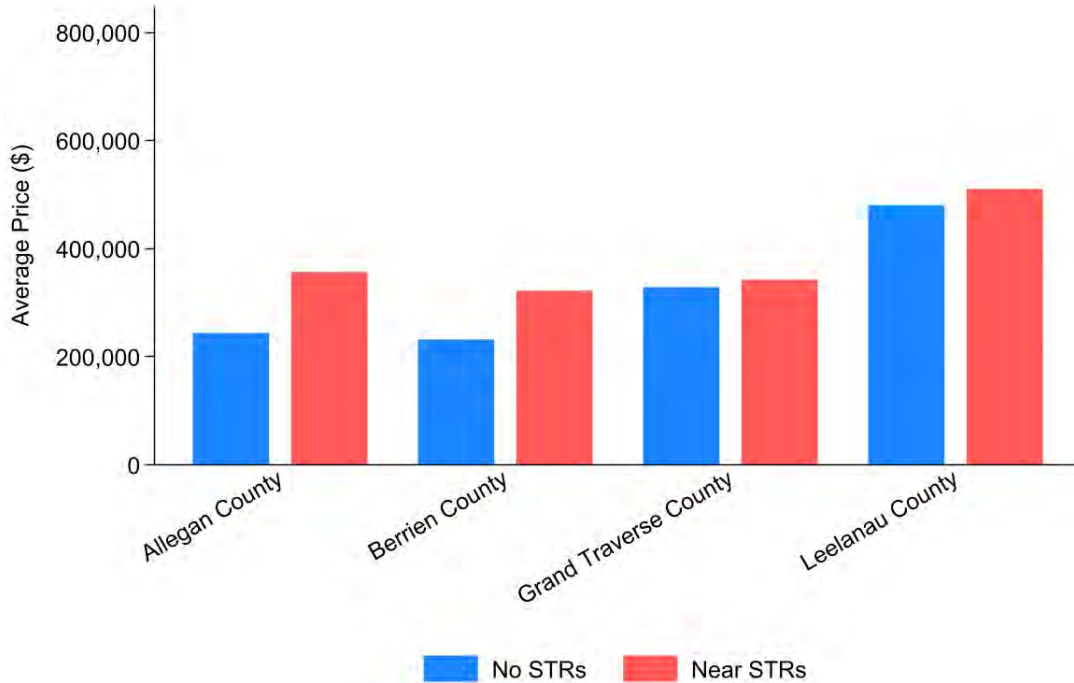
STRs could have multiple price impacts that offset each other. Other explanations are possible, too. Conversion of second homes rather than primary residences could account for a minimal impact on the long-term housing market.

These results show that the effect of STRs depends on location. Proliferation of short-term rentals do not contribute to higher prices in all markets. Impacts in the study areas are most pronounced in Allegan County. However, the impact is not large: the analysis estimates that STRs contribute approximately \$11,000 to the price of the average Allegan County home, out of an average value of about \$418,000.

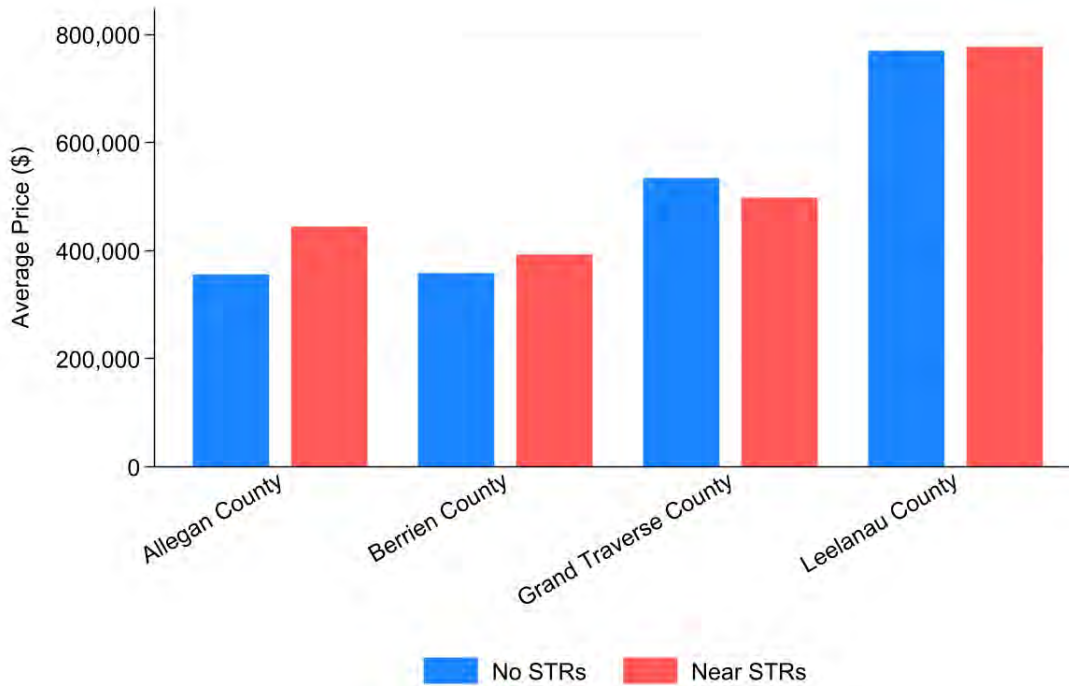
Figure 11 and Figure 12 on page 52 illustrate price statistics for homes with and without nearby STRs, in different periods. Nearby STRs are within one-half mile of a sale. Figure 11 shows average prices in 2018-2021, while Figure 12 shows average prices in 2022-2025. Two general patterns emerge. First, prices are higher around STRs in general. This is because vacation home investors tend to locate in high-priced areas. Second, prices rose about equally fast for homes near concentrations of STRs as they did for other homes.²⁴ This indicates that STRs do not have a significant influence on prices at the market level.



24. The exception is Berrien County, where prices grew slower for homes in near STRs (increase of 22%) than they did for homes not near STRs (increase of 54%). This disparity is consistent with the earlier finding that parts of Berrien County experienced lower prices due to concentrations of STRs.

FIGURE 11. Average Price in 2018-2021

Notes: Sales from MLS records and STRs from AirDNA. Homes with at least one STR within one-half mile are considered near STRs.
Analysis: Anderson Economic Group.

FIGURE 12. Average Price in 2022-2025

Notes: Sales from MLS records and STRs from AirDNA. Homes with at least one STR within one-half mile are considered near STRs.
Analysis: Anderson Economic Group.

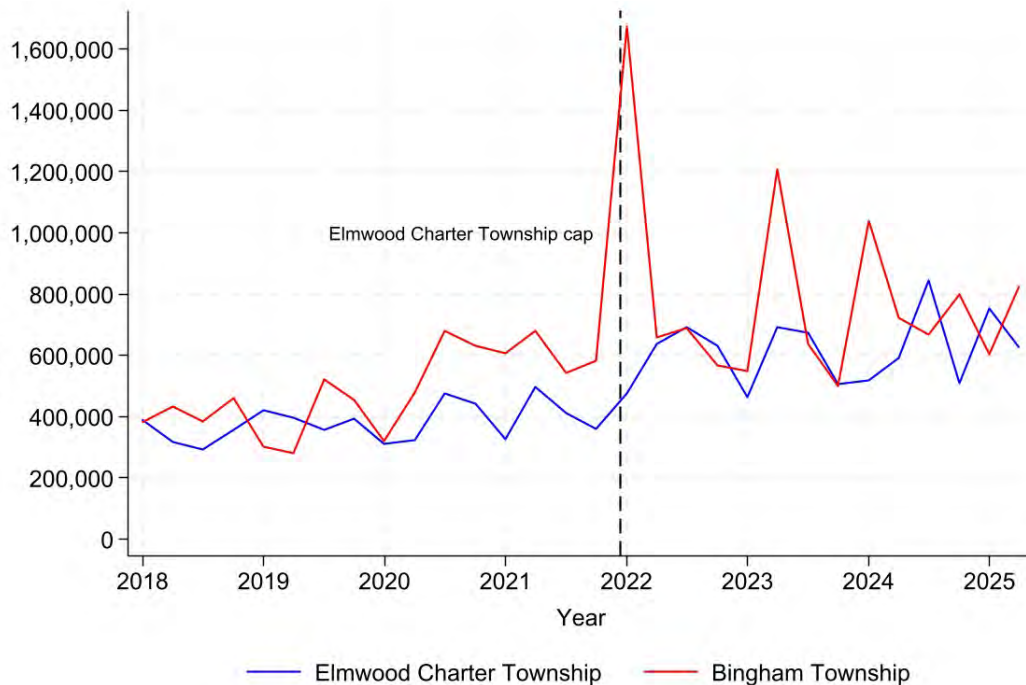
Impact of STR Ordinances on Home Prices

AEG next examined whether community ordinances restricting STRs have impacted local prices. Some communities have responded to STR concerns with ordinances that set a maximum limit or “cap” on the allowable number of vacation rentals. The goal is to keep the number below a level that harms the traditional character of the community, which is often either residential or agricultural.

Close examination indicates that past STR ordinances have had little overall impact on prices. AEG’s analysis focused on three communities with binding caps: Elmwood Charter Township, Suttons Bay Village, and the City of Saugatuck. The first two, located in Leelanau County, passed restrictive ordinances in the middle of the study period. The third, located in Allegan County, passed their ordinance more recently, in mid-2024.

Figure 13 compares prices in Elmwood to Bingham Township. Bingham was used as a comparison area because it neighbors Elmwood and both townships lie along Grand Traverse Bay. Elmwood effected their ordinance in November 2021 and met their cap in September 2022. Bingham effected their ordinance in November 2020 and had a nonbinding cap through at least 2022.²⁵ If a binding cap impacted prices, the two trend lines should have diverged in 2022, but they did not.²⁶

FIGURE 13. Price Trends in Elmwood and Bingham Townships



Source: Sales from MLS records and STRs from AirDNA.
Analysis: Anderson Economic Group.

25. S. Kopriva and R. Brady, *Short Term Rental Ordinance*, Beckett & Raeder Project Memorandum, 10-21-2022.

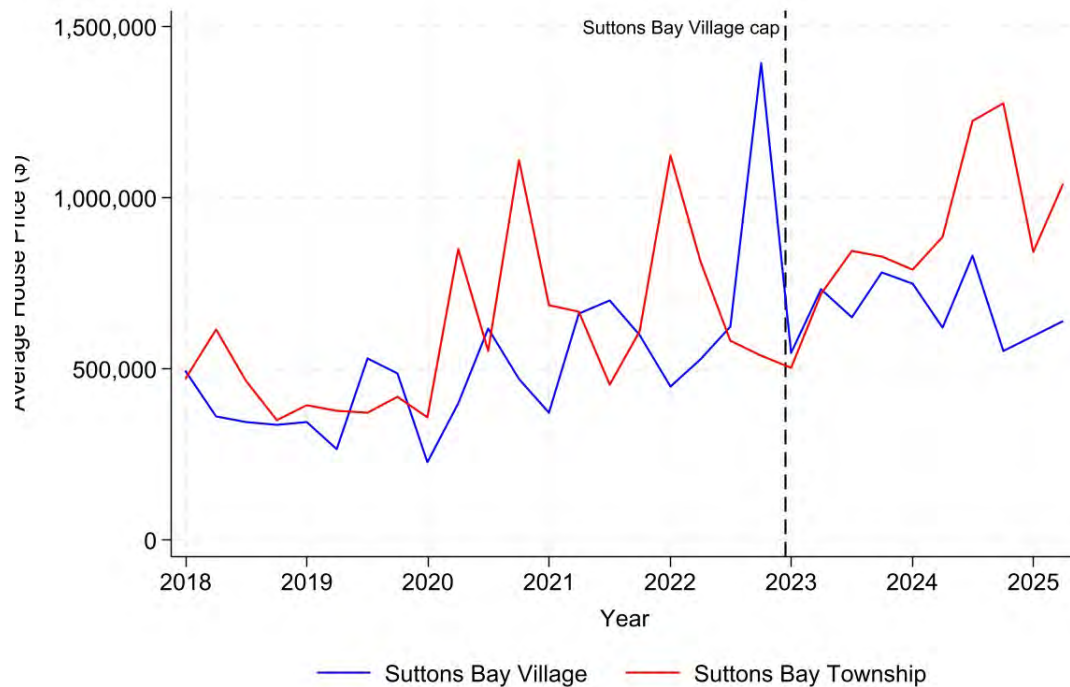
26. AEG considered an alternative comparison, including Solon Township and the rest of the county, and found the result to be similar.

A cap can be binding or nonbinding. Communities with a nonbinding cap have fewer STRs than the cap. Those with a binding cap may have a number equal to or, due to grandfathering and unpermitted STRs, somewhat higher than the cap. Binding caps have the potential to reverse STR impacts on the housing market.

Figure 14 on page 54 compares Suttons Bay Village to Suttons Bay Township. The township was used as a comparison area because it surrounds the village. The village enacted its STR ordinance in December 2023 and immediately reached its permitted cap, effectively limiting further STR growth. In contrast, the township implemented its ordinance much earlier, in 2017, with a nonbinding cap that allowed continued STR expansion.²⁷

Following the village's ordinance implementation, price trends began to diverge in 2024, with the township experiencing faster price growth than the village. This pattern is consistent with claims that STR restrictions can moderate housing price pressures. However, the delayed timing of this divergence, which occurred in 2024 rather than shortly following passage in 2023, means other factors could be causing the difference.

FIGURE 14. Price Trends in Suttons Bay Village and Township

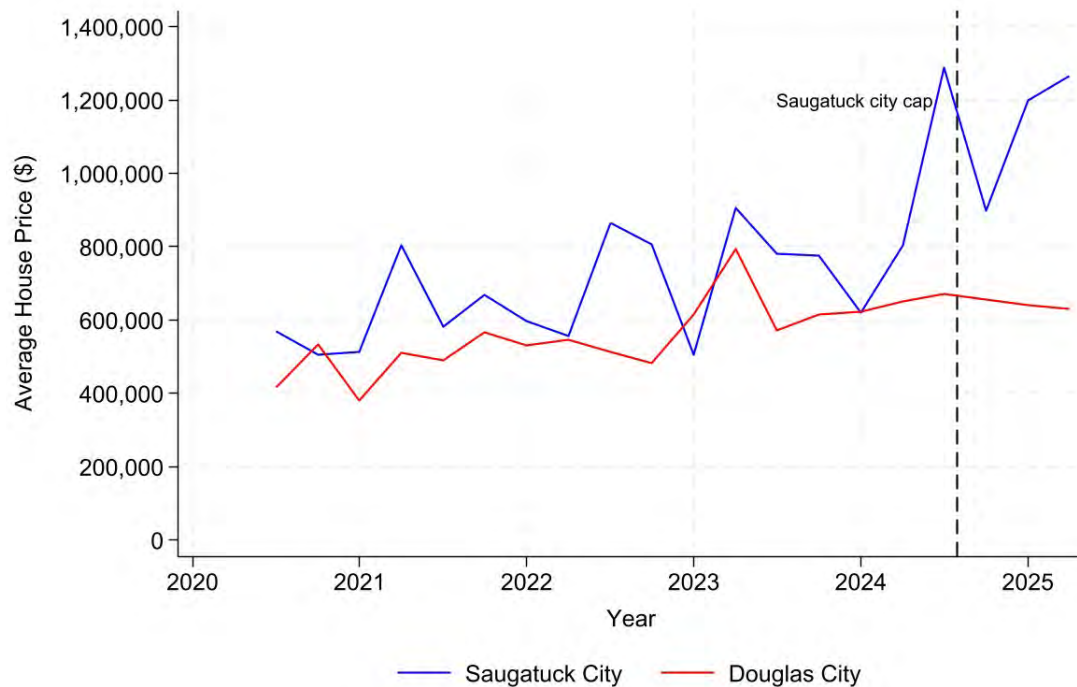


Source: Sales from MLS records and STRs from AirDNA.
Analysis: Anderson Economic Group.

27. S. Kopriva and R. Brady, *ibid.*

Figure 15 below compares the City of Saugatuck with the City of (the Village of) Douglas. These two communities lie across the Kalamazoo River from each other and both have shoreline on Lake Michigan. Saugatuck enacted its STR ordinance in August 2024 and, the following year, had only three licenses available in parts of the city.²⁸ The figure shows that prices in Saugatuck did not permanently decrease after August. Prices decreased in the second quarter of 2024 but recovered and returned to a growth trajectory in 2025.²⁹ This indicates that the Saugatuck ordinance did not lower prices.

FIGURE 15. Price trends in Saugatuck and Douglas



Source: Sales from MLS records and STRs from AirDNA.
Analysis: Anderson Economic Group.

These three case studies indicate that restrictive STR ordinances have limited impact on home prices.³⁰ The price trend in Elmwood Township was largely unchanged after reaching the STR cap. Similarly, the trend in the City of Saugatuck did not move systematically lower following adoption of a cap. Only Suttons Bay Village experienced lower prices

28. City of Saugatuck, Notice of Available Short-Term Rental Licenses, published 01-23-2025.

29. AEG considered Saugatuck Township as an alternative comparison area. Prices in the township did not grow as persistently as in the city in 2025, which further suggests that the ordinance did not lower prices.

30. Academic research indicates a limited impact of STR ordinances. For example, ordinances on average reducing 50% of STRs in Los Angeles county communities is shown to have reduced prices by 2%. See Koster, H. R., Van Ommeren, J., & Volkhausen, N. (2021). Short-term rentals and the housing market: Quasi-experimental evidence from Airbnb in Los Angeles. *Journal of Urban Economics*, 124, 103356. An effect of this magnitude could exist among the communities in the subject counties.

relative to the surrounding township. This divergence may reflect increased buyer competition in the township, where STR development remains unrestricted, compared to the village where the binding cap limited new STR opportunities. However, it is important to note that this divergence occurred one year after establishing the cap, and we cannot rule out the role of other factors in the intervening period. Regardless, the contrasting outcomes suggest that the impact of an STR ordinance will vary based on local market conditions and the design of the ordinance. Suttons Bay's eventual price moderation provides limited evidence that restrictive STR policies can affect the demand for housing, while price trends in Elmwood and Saugatuck suggest little long-run impact, if any.



Other STR Impacts

Short-term rentals, as any other land use, can have several impacts on the surrounding population. Some of these reflect concerns over community livability and possible impacts on other industries. Vacation homes and short-term rentals are a part of the economy of these counties.

Community Livability Impacts

Numerous communities point to residents' complaints and concerns when enacting STR regulations. Most of the concerns relate to short-term rental usage and STR visitors, including:

- Excessive noise,
- Litter,
- Disorderly conduct,
- Overcrowding and over-occupancy,
- Traffic and congestion,
- Over-use of septic systems,
- Parking, and
- Safety at STR properties.

Less defined but important to the local community is the “residential community character of the community.” STRs are viewed as business operations that bring visitors to the community, which are different from a residential use of a property by long-term occupants.

Most of the regulations put in place in communities across the subject counties strive to regulate the use of STRs in their communities and minimize the negative community impacts while allowing owners to accommodate STR visitors.

Impacts on Other Industries

There have been concerns of STR impacts on other industries, such as agriculture. Agriculture is an important industry in Michigan and the subject counties.³¹ There is no evidence that the presence of short-term rentals impacts agriculture in the subject counties. To the extent agricultural land is converted to another use, it is usually for long-term residential uses, such as subdivisions and apartment buildings.³² In some markets, most of the new housing developments have included covenants that restrict STRs.

Indeed, the Housing Needs Assessment study for Northern Michigan, completed in 2023, recommended communities to identify potential development sites. The study found “numerous sites that could potentially support residential development in the region.”³³ To the extent this available land is currently used for agriculture, housing development to address regional housing shortages could reduce the amount of fertile agricultural land in the region.



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31. See Regional Market Snapshots that include economic information about regions in Michigan at <https://miresearchuniversities.org/data-portfolio/regional-snapshots/>. The Niles market snapshot covers Berrien County, the Holland market snapshot covers Allegan County, and Traverse City market snapshot covers Grand Traverse and Leelanau counties.
 32. This is partly driven by aging farmers looking to sell out in metropolitan areas with strong housing demand.
 33. Housing Needs Assessment - Northern Michigan. 2023, by Bowen National Research, accessed at <https://www.housingnorth.org/housing-data>.

Appendix A: Sources and Methodology

In this appendix, we describe the data and methodology used for the analysis of the impact of STRs on local economies and housing markets in the four subject counties. The study involved extensive primary and secondary data research and analysis.

Methodology Description

Interviews

We conducted interviews with representatives from local Realtors® associations, local tourism boards, chambers of commerce, STR property managers, planners, administrators, and others. The purpose of these interviews was to review information about each subject county, including the housing market, economy, tourism, home sales, short-term rentals, and STR-related regulations. These include:

- Alan C. Jeffries, RCE, Chief Executive Officer, Aspire North REALTORS®, Northern Great Lakes REALTOR® MLS
- Connor Miller, RCE, C2EX, Government Affairs Director, Aspire North REALTORS®
- Luke A. Jeffries, RCE, Chief Executive Officer, Southwestern Michigan Association of REALTORS®
- Jon Broadbooks, Chief Executive Officer, West Michigan Lakeshore Association of REALTORS®
- Sarah Spoonholtz, Membership Director, Southwest Michigan Regional Chamber
- Nate Alger, Grand Traverse County Administrator
- John LoPorto, Public Policy Manager, Great Lakes & Smoky Mountains, Airbnb
- Yarrow Brown, Executive Director at Housing North
- Warren M. Call, President & CEO, Traverse Connect
- Whitney Waara, CDME, Chief Operating Officer, Traverse City Tourism
- Trevor Tkach, CDME, CFEE, President & CEO, Traverse City Tourism
- Rob Carson, AICP, Regional Director of Community Development at Networks Northwest
- Jess Wagner, Peninsula Properties
- Marcy Simpson, Executive Director, Visit Southwest Michigan

Housing Market Study

For our assessment of the housing market, we collected housing data from the U.S. Census Bureau for 2014, 2018, and 2013 for Allegan, Berrien, Grand Traverse, and Leelanau counties as well as the state of Michigan.

Data are from the American Community Survey 5-Year estimates, and cover population, housing units, tenure, vacancy status, and housing costs trends over a 10-year period. We analyzed changes over time and compared county trends to the state overall. We also collected building permits data to measure housing development in these counties. We then reviewed housing studies conducted recently in the subject counties to identify additional housing market conditions and recommendations stemming from these assessments.

To assess the impact of STRs in the housing stock of each county, we purchased data from AirDNA that included Airbnb and Vrbo listings throughout Michigan. We identified the listings in the four subject counties, and filtered down the listings by characteristics that are consistent with typical housing that a family or member of the workforce might purchase in these counties. Specifically, we identified the number of STR listings:

- For an entire home/apartment;
- Characterized as an apartment, bungalow, condo, house, loft, studio, or townhouse;
- Which had zero to four bedrooms;
- Which were available to rent for at least nine months during 2024.

We compared the number of listings fitting these criteria to the total number of housing units in each county to understand their impact on the housing stock. See Table A-1 on page A-2 for a breakdown of these units by county and length of availability. See Table A-2 on page A-3 for a breakdown of all STR units, regardless of type, by county and by availability.

TABLE A-1. Selected Short-Term Rentals by Length of Availability, by County, 2024

Region	STR Units with Available Days, 1-4 Months	STR Units with Available Days, 5-8 Months	STR Units with Available Days, 9-12 Months	STR Units with Available Days, 12 Months	STR Units with Available Days, 0 Months (Inactive)
Allegan County	191	389	440	194	235
Berrien County	388	598	667	273	507
Grand Traverse County	419	595	800	439	674
Leelanau County	279	490	271	118	446
<i>Note: Includes "entire home/apartment" listings characterized as apartments, bungalows, condos, houses, lofts, studios, and townhouses, with zero to four bedrooms.</i> <i>The "9-12 Months" column includes "12 Months".</i> <i>A number of STR units in the dataset appear to be inactive; we show them in the memo column.</i> <i>Source: AirDNA (2024 STR listings)</i> <i>Analysis: Anderson Economic Group.</i>					

TABLE A-2. Short-Term Rentals by Length of Availability, by County, 2024

Region	STR Units with Available Days, 1-4 Months	STR Units with Available Days, 5-8 Months	STR Units with Available Days, 9-12 Months	STR Units with Available Days, 12 Months	STR Units with Available Days, 0 Months (Inactive)
Allegan County	314	652	786	378	472
Berrien County	591	955	1,098	485	804
Grand Traverse County	610	941	1,058	555	960
Leelanau County	440	811	612	206	642
<i>Note: Includes all STR listings regardless of type, unit size, or other characteristics.</i> <i>The "9-12 Months" column includes "12 Months".</i> <i>A number of STR units in the dataset appear to be inactive; we show them in the memo column.</i> <i>Source: AirDNA (2024 STR listings)</i> <i>Analysis: Anderson Economic Group.</i>					

Economic Impact of STR Tourism

We measured the economic impact of visitors staying in short-term rentals using three steps. First, we estimated the number of visitors staying in STRs and the resulting number of visitor days in the four subject counties. Next, we estimated typical spending per visitor per trip. Finally, we modeled their economic impacts in each of the subject counties.

We used data on short term rentals from AirDNA. It includes information on available days, number of reservations and reservation days, average daily rates, cleaning fees, number of bedrooms, types of listings, and other fields. We selected properties in the four subject counties to focus our analysis.

We estimated the number of visitors in each of the subject counties using the number of listings that had reservations during the last year, and the number of bedrooms in each listing. For listings that indicate zero or "NA" bedrooms, we assumed 1.5 guests per reservation on average. For other listings, we estimated 1.75 guests per bedroom on average. To estimate the number of visitor days, we use the same assumptions per number of bedrooms, and applied them to reservation nights.

To estimate visitor spending, we collected data from the State of Michigan, Traverse City Tourism, Airbnb, and the AirDNA dataset. Data from the State of Michigan indicate tourism trends at the state and regional level, including visitor volume, visitor spending, length of stay and party size for visitors, reasons for visiting, type of accommodations, and other factors. The source of these reports is Longwoods International, and they allowed us to see general trends in statewide and regional tourism over recent years. We also analyzed data from Tourism Economics, which showed visitor spending volume and trends by county, region, and category of spending. Data from Traverse City Tourism indicates a broad breakdown of spending by category and a data point on total visitor volume in a three-

county region, which we used as a rough benchmark for Grand Traverse and Leelanau counties. Data from an Airbnb report on Michigan visitors indicated an approximate total spend per visitor, which indicated how total spending may differ between STR visitors and day visitors or other overnight visitors. Data from AirDNA indicates total revenue and cleaning fees collected from each reservation in the four subject counties, and allowed us to estimate average lodging spending per visitor.

Lastly, we estimated the economic impacts of STR visitors in each of the four counties. We used our estimates of visitors and their spending per trip to calculate total STR visitor spending. This includes spending on lodging, food and beverage, entertainment and recreation, transportation, and retail in each of the subject counties. We adjusted transportation and retail spending to account for a share of consumer spending that leaks out of the local area to cover wholesale and transportation costs. Some degree of leakage may also occur in other sectors, but is accounted for in the RIMS II economic impact multipliers used.

Economic impacts come in two forms: direct and indirect. A direct economic impact occurs when a visitor spends money at a local business, and that money then goes to pay employee wages and other business costs. Part of the direct spending for some industries, like retail, actually goes toward covering wholesale purchase and transportation costs, so not all of the money that a consumer spends is counted as a direct impact. The indirect, or induced, impacts stem from the direct impacts. When visitors spend money at local businesses, the businesses pay wages to local workers and buy goods from local vendors. This spending then continues to recirculate through the economy.

We applied county- and sector-specific multipliers to the estimated spending by STR visitors. This results in impacts that STR visitor spending have on the county's economy, including overall output, jobs supported by tourism activity, and earnings of those workers.

STR Impacts on the Housing Market

AEG measured the impact of STRs on home prices in four steps: First, we collected comprehensive multiple listing service (MLS) data from January 2018 to May 2025. Second, we measured STR exposure by counting the number of vacation rentals within a half-mile of each home in the month prior to sale. Third, we developed a model to calculate the change in price attributable to STR exposure while controlling for the influence of property characteristics and macroeconomic dynamics on price. Finally, we estimated the change in price attributable to STR demand.

The MLS data came from three realtor associations. Aspire North REALTORS provided Grand Traverse and Leelanau county sales, Southwestern Michigan Association of REALTORS provided Berrien County sales, and West Michigan Lakeshore Association of REALTORS

provided Allegan County sales. These data included information about price, sale date, address, size, year built, number of bedrooms and bathrooms, and water access, among other characteristics. Homes that sold for less than \$25,000 were dropped to avoid including non-arms-length transactions and uninhabitable properties.

STR exposure was based on the density of STRs around a sale. AEG collected STR locations from AirDNA, a company that collects and sells data on Airbnb and Vrbo listings. Listings before 2018 were dropped to avoid confounding the addition of Vrbo listings to the AirDNA database, which occurred up through 2017. Density was based on the number of STRs within 0.5 mile of each sale. We used a 0.5 mile radius for two reasons. First, a 0.2 mile radius is the minimum distance needed to reliably capture STRs in proximity to each sale, if one is present. This is because, for privacy protection, the AirDNA coordinates are anonymized such that they show where an STR is within 0.1 miles of its actual location.¹ The search radius must therefore exceed 0.2 miles. Second, research finds that the effect of STRs diminishes considerably between 0.3 and 0.6 miles.² One-half mile satisfies both conditions. STRs include the number of active and inactive listings in the month prior to sale; inactive listings were included because STRs often move from active to inactive status, and inactive listings could be considered an STR under a local ordinance.

AEG then measured the effect of STRs by fitting a model to the sales and STR data. This model expressed price as an exponential function of nearby STRs and housing characteristics. To address concerns about the potential for bias due to omitted factors correlated with STR concentrations, the parameters in the model were estimated using repeat sales and instrumental variables. The STR instruments included the average number of STRs in the other counties interacted with the average house age, size and waterfront status in the municipality of a sale. Before instrumenting, no STR effect was different from zero at an acceptable confidence level.

This methodology aligns with peer-reviewed scholarship although conclusions are different. Garcia-Lopez et al. (2020) examine the causal effect of STRs on sales prices and rental rates using instrumental variables; they find for every 100 listings in an urban neighborhood that prices increase 8.5% and rents increase 3.5%.³ Barron et al. (2021) find comparable effects based on a similar instrumental variables methodology that they apply to the entire United States.⁴ Valentin (2021) finds that sales prices decline 30% after STRs are banned, based on comparing

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1. See <https://insideairbnb.com/data-assumptions/>.
 2. See Safari, N., Zhang, L., & Komarek, T. M. (2025). The impact of short-term rental activity on house prices: evidence from coastal Virginia. *The Annals of Regional Science*, 74(1), 6.
 3. Garcia-López, M. À., Jofre-Monseny, J., Martínez-Mazza, R., & Segú, M. (2020). Do short-term rental platforms affect housing markets? Evidence from Airbnb in Barcelona. *Journal of Urban Economics*, 119, 103278.
 4. Barron, K., Kung, E., & Proserpio, D. (2021). The effect of home-sharing on house prices and rents: Evidence from Airbnb. *Marketing Science*, 40(1), 23-47.

prices inside and outside the ban area.⁵ All three papers apply methodologies that carefully identify the causal effects of STRs and account for omitted factors, and two use the same technique applied here. Safari et al. (2025) take a more basic approach but nevertheless come to a similar conclusion; they find prices on average increase about 1% for every 100 listings.⁶ Thus, peer-reviewed scholarship finds positive impacts.

AEG estimated the change in price by exponentiating the STR parameter estimate from the model multiplied by the average number of STRs around a sale in a county. Point estimates indicate that an additional STR within one-half mile of a home sale leads to a change in price of about +0.3% in Allegan County, -0.2% in Berrien County, +0.0% in Grand Traverse County, and +0.1% in Leelanau County. Only the estimate for Allegan County is significantly positive, as the Grand Traverse and Leelanau estimates are not different from zero at acceptable confidence levels. It is possible that positive impacts are present in these two counties but too small to detect in the data. Peer-reviewed scholarship indicates an increase of roughly 1% for every 100 listings in a neighborhood; an effect of this scale cannot be ruled out in three of the subject counties except in Berrien, where it is clearly negative. In fact, this pattern appears consistent with other research that finds the effect of STRs tends to be positive except in the highest-density housing markets.⁷

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5. Valentin, M. (2021). Regulating short-term rental housing: Evidence from New Orleans. *Real Estate Economics*, 49(1), 152-186.
 6. Safari, N., Zhang, L., & Komarek, T. M. (2025). The impact of short-term rental activity on house prices: evidence from coastal Virginia. *The Annals of Regional Science*, 74(1), 6.
 7. Kim, J. H., Leung, T. C., & Wagman, L. (2017). Can restricting property use be value enhancing? Evidence from short-term rental regulation. *The Journal of Law and Economics*, 60(2), 309-334.

Data Sources

We reviewed the following documents, reports, and data:

Realtors® MLS Datasets

- MLS Data for Allegan County
- MLS Data for Berrien County
- MSL Data for Leelanau County
- MLS Data for Grand Traverse County

Other Documents and Data

- AirDNA data on listings spanning 2014-2025, and monthly data on reservations and properties 2018-2024.
- “The Greater Grand Traverse Visitor Economy 2022” prepared by Tourism Economics for Traverse City Tourism in November 2023.
- “Travel USA Visitor Profile: Michigan Overnight Visitation Report” prepared by Longwoods International for Pure Michigan in 2023.
- Tourism Economic Impact County Tables prepared by Tourism Economics for the State of Michigan, 2018-2023.
- “Airbnb Economic Impact Housing Report Michigan,” prepared by AirBNB using data from 2024.
- Housing Needs Assessment - Northern Michigan. 2023, by Bowen National Research, accessed at <https://www.housingnorth.org/housing-data>.
- Housing Needs Assessment, Allegan County, Michigan, 2023, by Bowen National Research, accessed at <https://alleganfoundation.org/housing/>.
- Michigan’s Statewide Housing Plan, June 2022, accessed at <https://www.michigan.gov/mshda/developers/statewide-housing-plan>.
- Koster, H. R., Van Ommeren, J., & Volkhausen, N. (2021). Short-term rentals and the housing market: Quasi-experimental evidence from Airbnb in Los Angeles. *Journal of Urban Economics*, 124, 103356.
- Safari, N., Zhang, L., & Komarek, T. M. (2025). The impact of short-term rental activity on house prices: evidence from coastal Virginia. *The Annals of Regional Science*, 74(1), 6.
- Garcia-López, M. À., Jofre-Monseny, J., Martínez-Mazza, R., & Segú, M. (2020). Do short-term rental platforms affect housing markets? Evidence from Airbnb in Barcelona. *Journal of Urban Economics*, 119, 103278.
- Barron, K., Kung, E., & Proserpio, D. (2021). The effect of home-sharing on house prices and rents: Evidence from Airbnb. *Marketing Science*, 40(1), 23-47.
- Valentin, M. (2021). Regulating short-term rental housing: Evidence from New Orleans. *Real Estate Economics*, 49(1), 152-186.
- Short-term rental ordinances and other rental ordinances from the websites of the respective cities, villages, and townships.

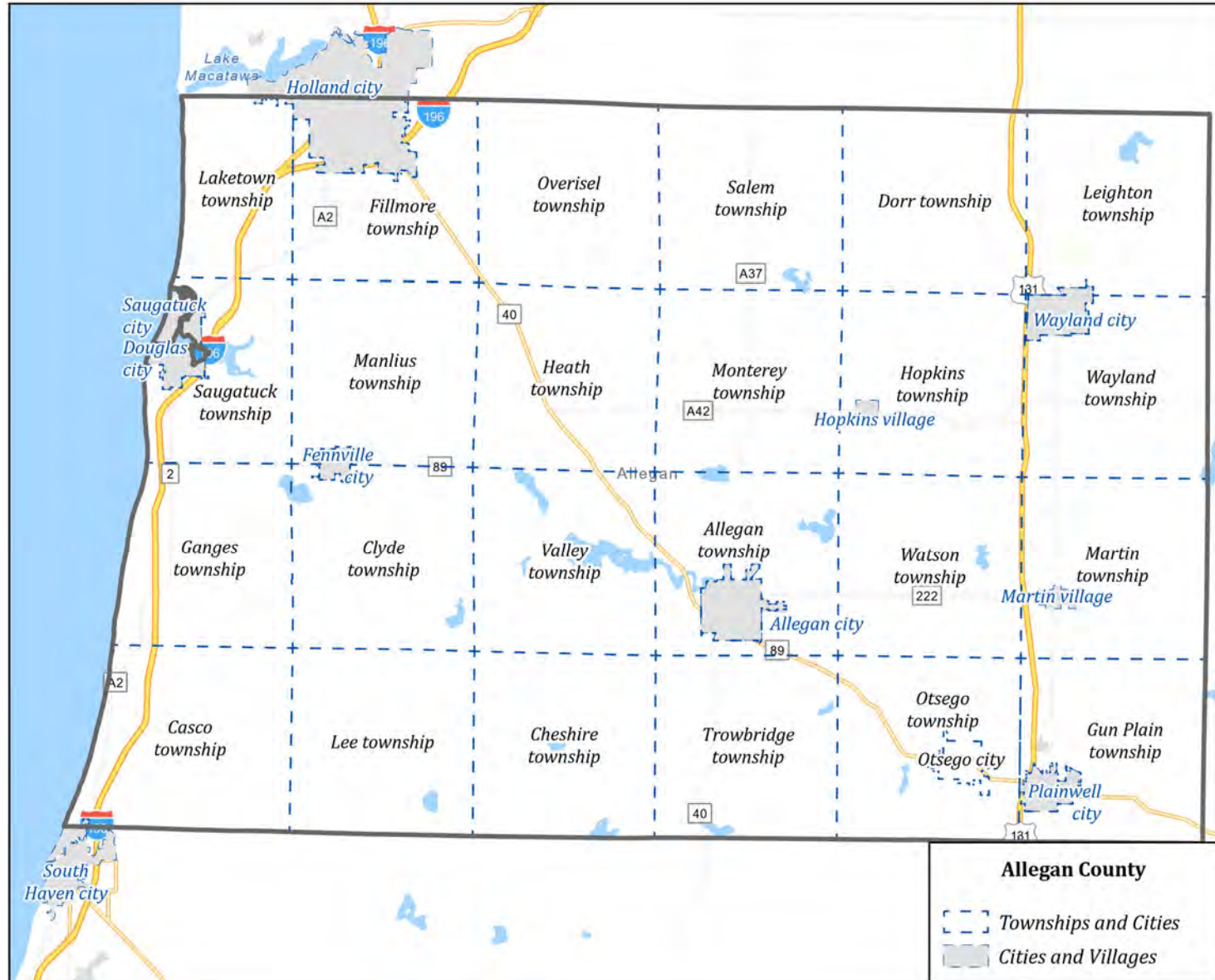
Appendix B: Allegan County Information

Exhibit B-1, “Allegan County Overview,” on page B-2.

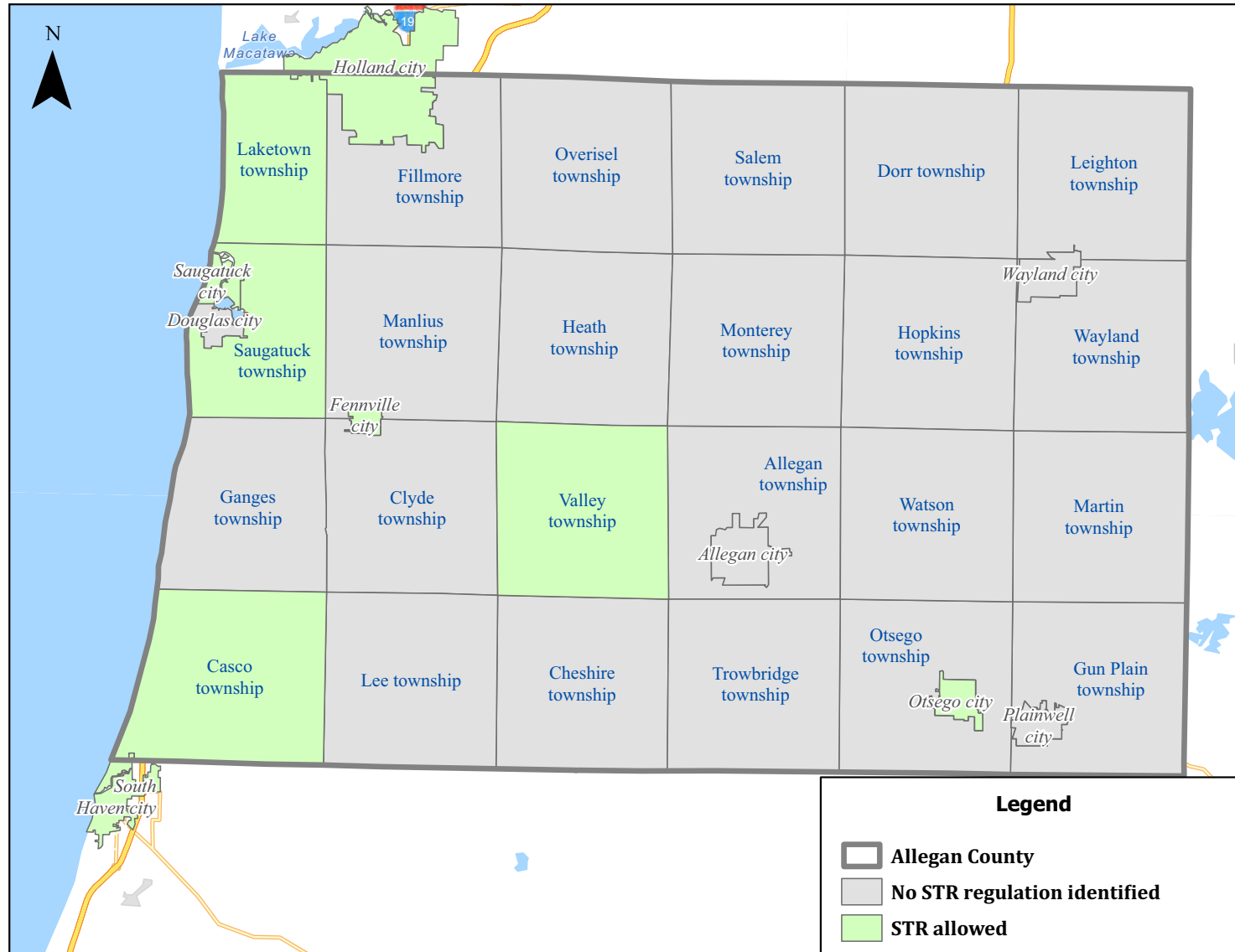
Exhibit B-2, “Summary Map of STR-Related Regulations, Allegan County,” on page B-3.

Exhibit B-3, “Summary of STR Regulations in Allegan County,” on page B-4.

Exhibit B-1. Allegan County Overview



Source: AEG research

Exhibit B-2. Summary Map of STR-Related Regulations, Allegan County

Source: AEG research of the respective communities websites, ordinances, and other documents.
 Analysis: Anderson Economic Group

Exhibit B-3. Summary of STR Regulations in Allegan County

Name	Community type	STR Regulations Status	STR Ordinance	Geographic Restrictions	Cap of Number of STRs	Other information
Allegan	Township	No STR regulation identified	NA	NA	NA	Unclear if STR are permitted
Allegan	City	No STR regulation identified	NA	NA	NA	Unclear if STR are permitted
Casco	Township	STRS allowed with license, no cap, any areas	No. 0122-2018	no	no	STRs minimum off 3 mights, once per week
Cheshire	Township	No STR regulation identified	NA	NA	NA	Unclear if STR are permitted
Clyde	Township	No STR regulation identified	NA	NA	NA	Unclear if STR are permitted
Dorr	Township	No STR regulation identified	NA	NA	NA	Unclear if STR are permitted
Douglas	City	No STR regulation identified	NA	NA	NA	Unclear if STR are permitted
Fennville	City	STRS allowed with license, no cap, any areas	NA	no	no	all long and short term rentals to have inspection every 3 years
Fillmore	Township	No STR regulation identified	NA	NA	NA	Unclear if STR are permitted
Ganges	Township	No STR regulation identified	NA	NA	NA	Unclear if STR are permitted
Gun Plain	Township	No STR regulation identified	NA	NA	NA	Unclear if STR are permitted
Heath	Township	No STR regulation identified	NA	NA	NA	Unclear if STR are permitted
Holland	City	STRS allowed with license, no cap, any areas	Code of Ordinances	yes(for investor STRs)	25	owner occupied STR allowed in any district, investor owned STRs allowed in certain districts
Hopkins	Township	No STR regulation identified	NA	NA	NA	Unclear if STR are permitted
Laketown	Township	STRS allowed with license, no cap, some areas	Ord No. 203, 2023	yes, commercial districts	no	6-month moratorium on licensing free standing STRs since May 2025
Lee	Township	No STR regulation identified	NA	NA	NA	Unclear if STR are permitted
Leighton	Township	No STR regulation identified	NA	NA	NA	Unclear if STR are permitted
Manilus	Township	No STR regulation identified	NA	NA	NA	Unclear if STR are permitted
Martin	Township	No STR regulation identified	NA	NA	NA	Unclear if STR are permitted
Monterey	Township	No STR regulation identified	NA	NA	NA	Unclear if STR are permitted
Otsego	Township	No STR regulation identified	NA	NA	NA	Unclear if STR are permitted
Otsego	City	STRS allowed with license, no cap, any areas	Ord Co. 156	no	no	rental dwellings must be registered and inspected
Overisel	Township	No STR regulation identified	NA	NA	NA	Unclear if STR are permitted
Plainwell	City	No STR regulation identified	NA	NA	NA	Unclear if STR are permitted
Salem	Township	No STR regulation identified	NA	NA	NA	Unclear if STR are permitted
Saugatuck	Township	STRS allowed with license, no cap, any areas	Rental Dwelling Ordinance, Article V	no	no	3 year permit
Saugatuck	City	STRS allowed with license, number capped, any area	Chapter 99.5 of Code; Ord. 240826-B, 2024	no	100	caps on STRs by zoning districts
South Haven	City	STRS allowed with license, no cap, any areas	Ord No. 1097, March 2025	no	no	Two types of licenses: business and personal, each with different requirements
Trowbridge	Township	No STR regulation identified	NA	NA	NA	Unclear if STR are permitted
Valley	Township	STRS allowed with license, no cap, some areas	Zoning Ord. Chapter VI and VII	yes, in nonresidential districts	no	STRs not allowed in a residential district
Watson	Township	No STR regulation identified	NA	NA	NA	Unclear if STR are permitted
Wayland	Township	No STR regulation identified	NA	NA	NA	Unclear if STR are permitted
Wayland	City	No STR regulation identified	NA	NA	NA	Unclear if STR are permitted

Source: AEG research of the respective communities websites, ordinances, and other documents.

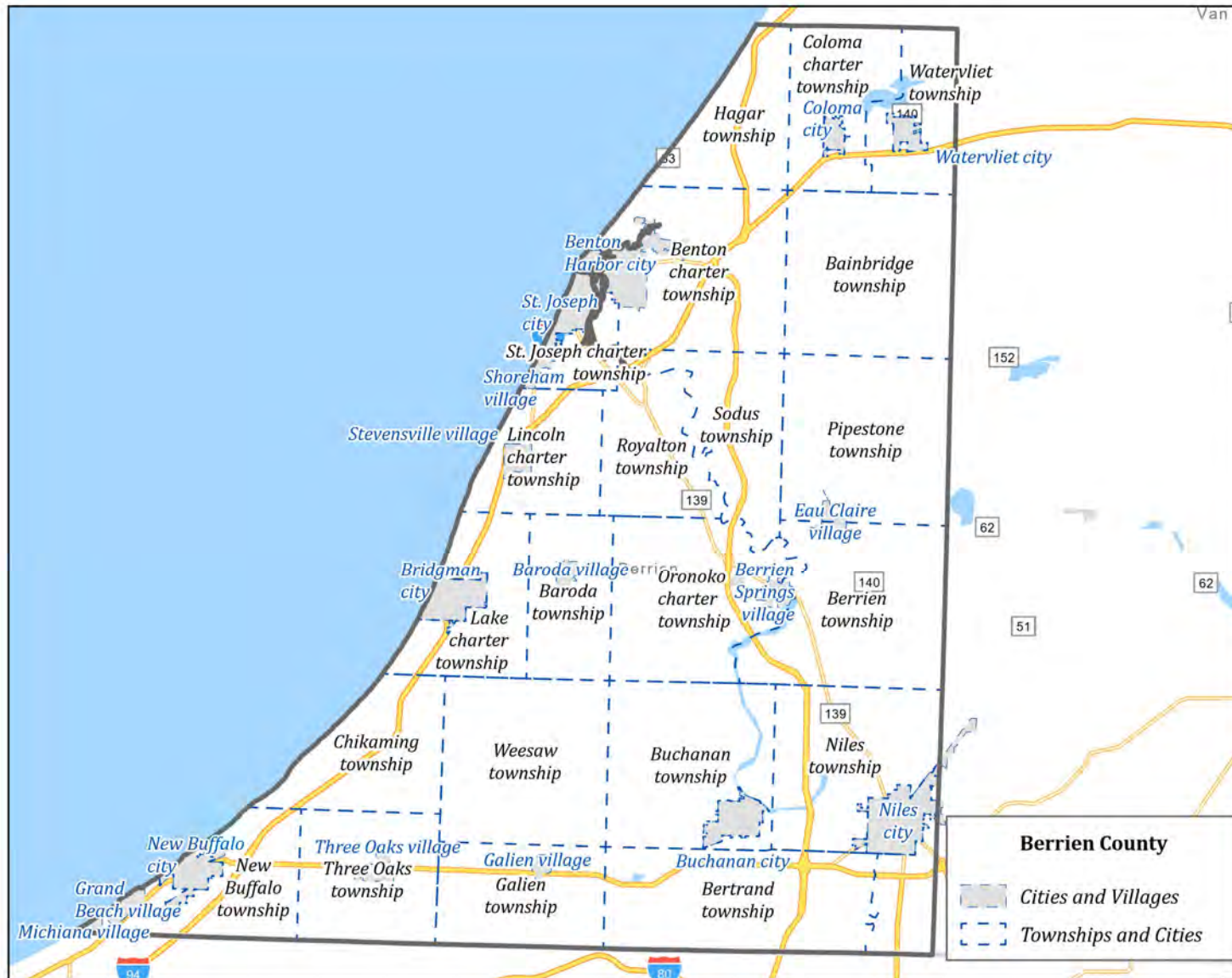
Analysis: Anderson Economic Group

Appendix C: Berrien County Information

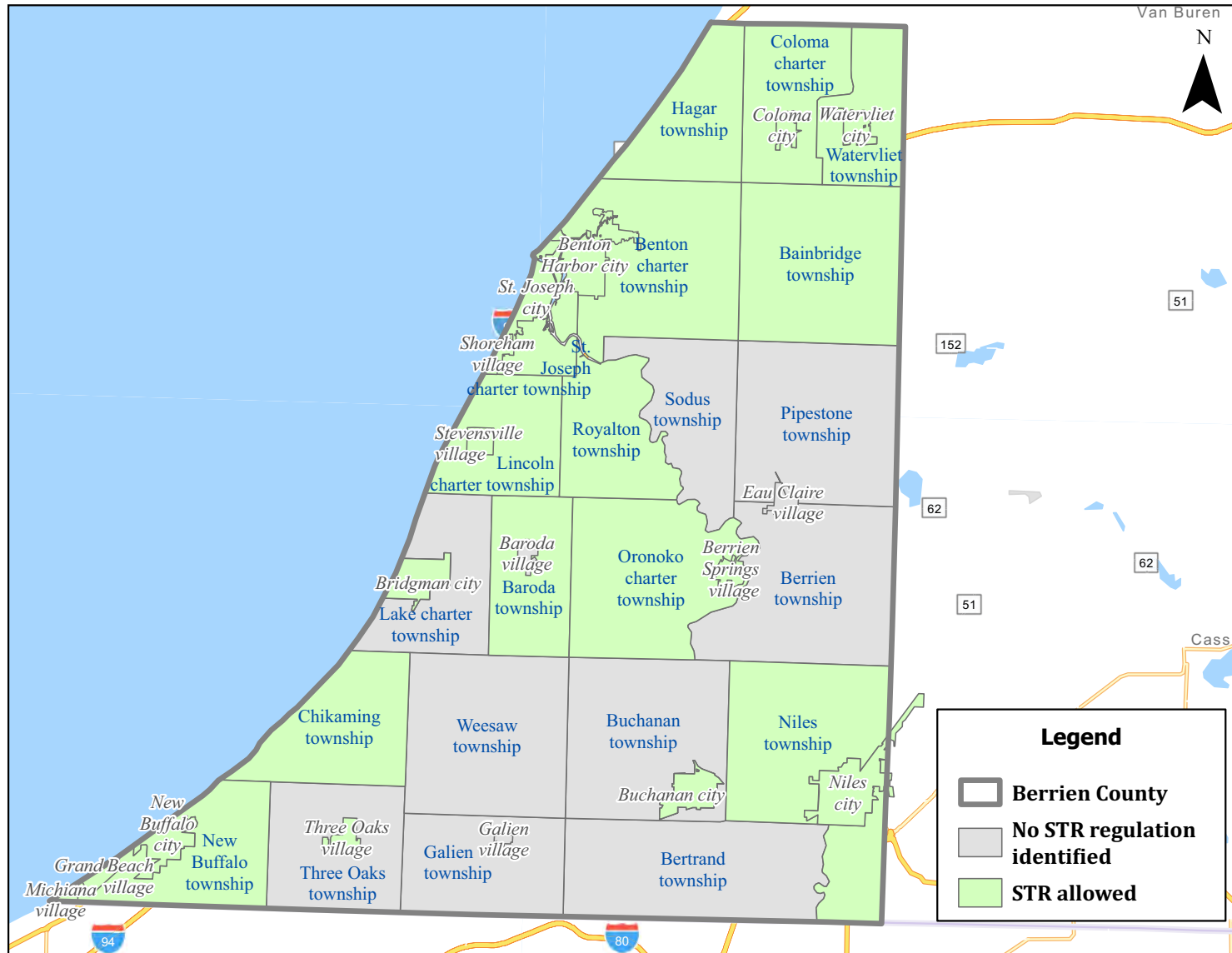
Exhibit C-1, “Berrien County Overview,” on page C-2.

Exhibit C-2, “Summary Map of STR-Related Regulations, Berrien County,” on page C-3.

Exhibit C-3, “Summary of STR regulations in Berrien County,” on page C-4.

Exhibit C-1. Berrien County Overview

Source: AEG research

Exhibit C-2. Summary Map of STR-Related Regulations, Berrien County

Source: AEG research of the respective communities websites, ordinances, and other documents.

Analysis: Anderson Economic Group

Exhibit C-3. Summary of STR regulations in Berrien County

Name	Community type	STR Regulations Status	STR Ordinance	Geographic Restrictions	Cap of Number of STRs	Other information
Bainbridge	Township	STRs allowed with license, no cap, any areas	Ord No. 45 B, 2023	no	no	Rental of a STR limited to 6 terms per calendar year
Baroda	Village	No STR regulation identified	NA	NA	NA	Unclear if STR are permitted
Baroda	Township	STRs allowed with license, no cap, some areas	Zoning Ord. Sec.13.27 Tourist Homes	Yes, in some districts	no	Tourist Homes as Special Uses in R2, AG zone, permitted in comm. Districts, per Zoning Ord.
Benton	Charter township	STRs allowed with license, no cap, any areas	Code of Ordinances Art.XI.5	no	no	registration and inspection of all rentals is required
Benton Harbor	City	STRs allowed with license, no cap, some areas	Zoning Ord	Yes, in some districts	no	Permit and inspection required for all rentals, STRs defined as “overnight accommodations.” Allowed in comm., central business, and light industrial districts.
Berrien	Township	No STR regulation identified	NA	NA	NA	Unclear if STR are permitted
Berrien Springs	Village	STRs allowed with license, no cap, any areas	Ord.386 Rental Safety Verification Program	no	no	Rental of a personal STR limited to 6 terms per calendar year, no limit for business STR
Bertrand	Township	No STR regulation identified	NA	NA	NA	Unclear if STR are permitted
Bridgman	City	STRs allowed with license, no cap, some areas	Zoning Ord.	yes, comm. Districts	no	
Buchanan	Township	No STR regulation identified	NA	NA	NA	Unclear if STR are permitted
Buchanan	City	STRs allowed with license, no cap, any areas	Ord. 2025.03/441	no	no	City not accepting new STR applications (moratorium as of 03/12/2025) while working on STR ord.
Chikaming	Township	STRs allowed with license, no cap, any areas	Ord. 141, 2018 and Ord. 156 of 2023	no	no	Registration and inspection is required
Coloma	Charter township	STRs allowed with license, no cap, any areas	STR ordinance, 2023	no	no	Registration and inspection is required
Coloma	City	STRs allowed with license, no cap, any areas	Code of Ordinances, Art. VIII	no	no	Registration and inspection of all rentals is required
Eau Claire	Village	No STR regulation identified	NA	NA	NA	Unclear if STR are permitted
Galien	Township	No STR regulation identified	NA	NA	NA	Unclear if STR are permitted
Galien	Village	No STR regulation identified	NA	NA	NA	Unclear if STR are permitted
Grand Beach	Village	STRs allowed with license, no cap, any areas	No.2022-104, amended No.2025-115	no	no	
Hagar	Township	STRs allowed with license, no cap, any areas	Ord. 70, 2022 Rental Safety Verification Ordinance	no	no	Same standards for long-term and short-term rentals
Lake	Charter township	No STR regulation identified	NA	NA	NA	Unclear if STR are permitted
Lincoln	Charter township	STRs allowed with license, no cap, any areas	Code of Ord, Art. IV	no	no	Registration and inspection of all rentals is required
Michiana	Village	STRs allowed with license, no cap, any areas	Ord. No. 2019-04	no	no	Homes must be inspected and registered

Exhibit C-3. (Cont.) Summary of STR regulations in Berrien County

New Buffalo	Township	STRs allowed with license, no cap, any areas	Ord.20190819a	no	no	Inspection required, license effective for 3 years
New Buffalo	City	STRs allowed with license, no cap, some areas	Ord. No.248, with amendments.	Yes, prohibited in R-1, R-2, R-3	no	STRs that existed in the restricted districts may continue as nonconforming uses.
Niles	City	STRs allowed with license, no cap, any areas	Code of Ordinances	no	no	Draft zoning ord states that STRs are permitted in all districts where residential properties are permitted
Niles	Charter township	STRs allowed with license, no cap, some areas	Zoning Ord, Sec.3.11, as amended May 1, 2023	Yes, in some districts	no	STRs allowed only in single-family dwellings, and in ag (AP, RP) and residential (R-1A, and R-1B) zoning districts.
Oronoko	Charter township	STRs allowed with license, no cap, any areas	Ord.No. 101 Rental Safety Verification Program	no	no	Rental of personal STR limited to 6 times per year, no limits for busines STR
Pipestone	Township	No STR regulation identified	NA	NA	NA	Unclear if STR are permitted
Royalton	Township	STRs allowed with license, no cap, any areas	Code of Ord. Art.18	no	no	STRs to be rented for a minimum of 3 days
Shoreham	Village	STRs allowed with license, no cap, some areas	Short Term Rental Ord, 1995	yes, comm. Districts	no	Permit and inspection required for all rentals
Sodus	Township	No STR regulation identified	NA	NA	NA	Unclear if STR are permitted
St. Joseph	City	STRs allowed with license, no cap, any areas	Code of Ordinances, Division 2	Yes, in some districts	no	STRs allowed in R-3, W, and D districts with Conditional Use Permit
St. Joseph	Charter township	STRs allowed with license, no cap, any areas	Code of Ord, Ch. 10	no	no	STRs for special events, as determined by twp, max of 14 days a year
Stevensville	Village	STRs allowed with license, no cap, some areas	Ord 2023	Yes, in comm. districts	no	Investor-owned STRs allowed in comm. Districts, owner-occupied STRs allowed anywhere. Permit and inspection required for all rentals
Three Oaks	Township	No STR regulation identified	NA	NA	NA	Unclear if STR are permitted
Three Oaks	Village	STRs allowed with license, with cap, some areas	Olr.210, 2017, amended Ord.No.228	yes	yes, 10%	Cap of 10% of number of developed parcels in R-1 Single Family Residential District
Watervliet	City	STRs allowed with license, no cap, any areas	Code of Ord.Art.IV	no	no	Permit and inspection required for all rentals
Watervliet	Charter township	STRs allowed with license, no cap, any areas	Code of Ord. Ch. 343	no	no	Permit and inspection required for all rentals
Weesaw	Township	No STR regulation identified	NA	NA	NA	Unclear if STR are permitted

Source: AEG research of the respective communities websites, ordinances, and other documents.

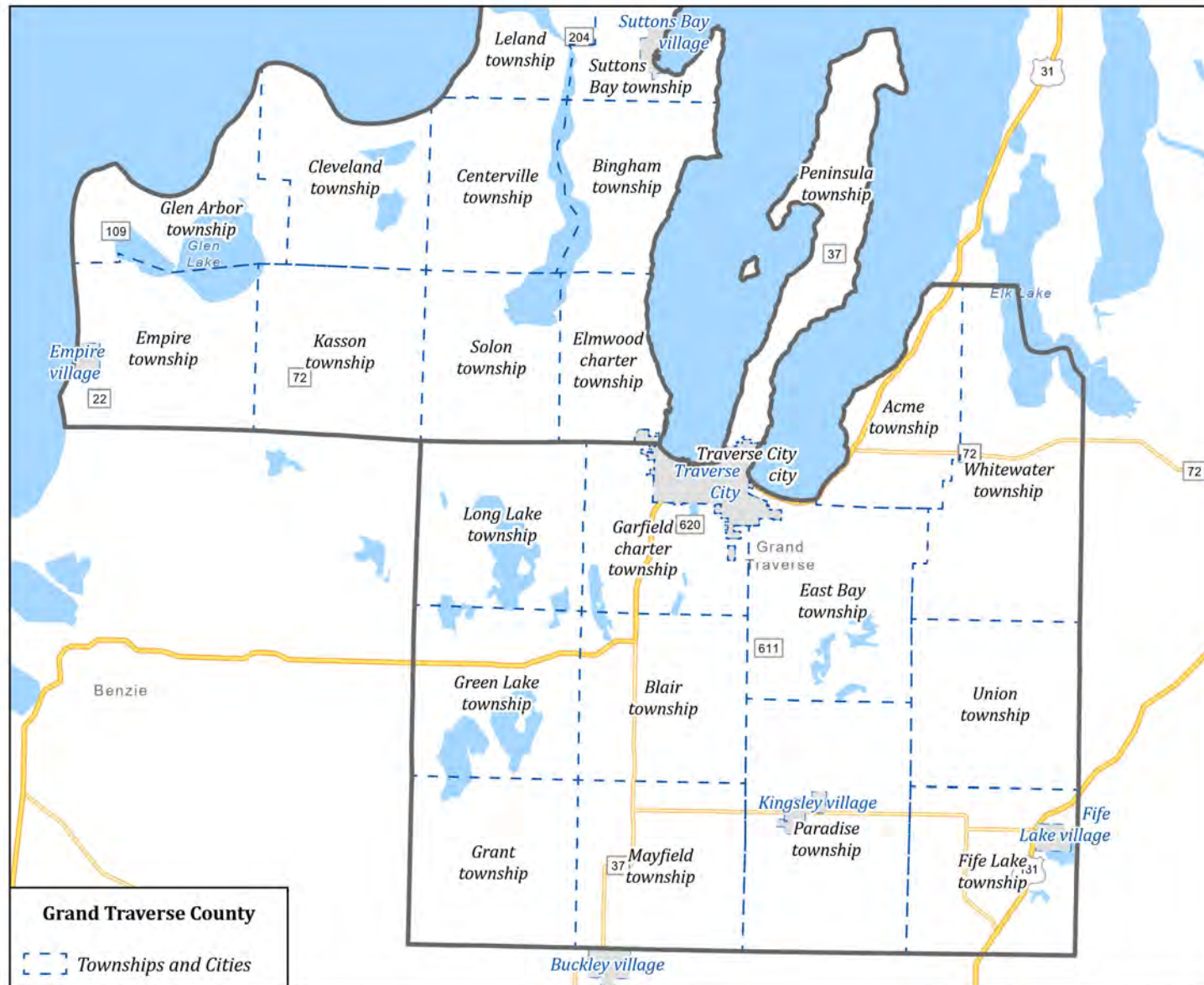
Analysis: Anderson Economic Group

Appendix D: Grand Traverse County Information

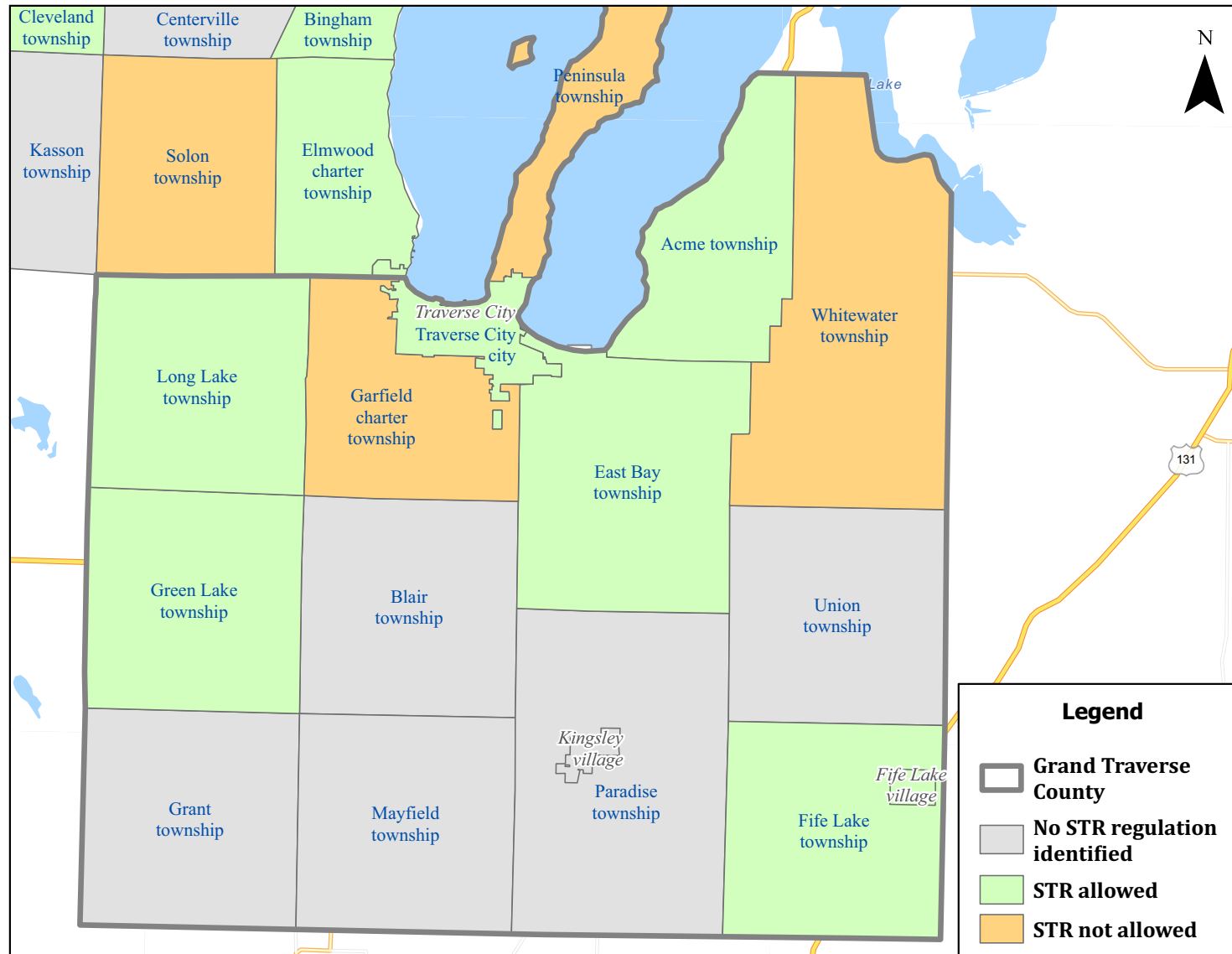
Exhibit D-1, “Grand Traverse County Overview,” on page D-2.

Exhibit D-2, “Summary Map of STR-Related Regulations, Grand Traverse County,” on page D-3.

Exhibit D-3, “Summary of STR regulations in Grand Traverse County,” on page D-4.

Exhibit D-1. Grand Traverse County Overview

Source: AEG research

Exhibit D-2. Summary Map of STR-Related Regulations, Grand Traverse County

Source: AEG research of the respective communities websites, ordinances, and other documents.
 Analysis: Anderson Economic Group

Exhibit D-3. Summary of STR regulations in Grand Traverse County

Name	Community type	STR Regulations Status	STR Ordinance	Geographic Restrictions	Cap of Number of STRs	Other information
Acme	Township	STRs allowed with license, number capped, some areas	Ord No. 2017-01, amended 2019-02	Yes, agric., comm. Districts	50	Tourist Home License, with owner presence, capped at 50.
Blair	Township	No STR regulation identified	NA	NA	NA	Unclear if STR are permitted
East Bay	Charter township	STRs allowed with license, number capped, any area	Ord No. 3 of 2023	no	145	Minimum 7 day rental for STRs
Fife Lake	Village	STRS allowed with license, no cap, any area	NA	no	no	Twp public notices states STRs are allowed
Fife Lake	Township	STRs allowed with license, number capped, any area	Resolution 2025-02-02	no	8%	STRs capped at 8% of the total number of parcels in the twp.
Garfield	Charter township	STRs not allowed	Zoning Ord no. 68	NA	NA	The Zoning Ordinance permits Bed and Breakfasts in certain districts
Grant	Township	No STR regulation identified	NA	NA	NA	Unclear if STR are permitted
Green Lake	Township	STRS allowed with license, no cap, any area	Ord No. 07122021.2	no	no	
Kingsley	Village	No STR regulation identified	NA	NA	NA	Unclear if STR are permitted
Long Lake	Township	STRS allowed with license, no cap, any area	No. 178 of 2019, amended by No.179, 180 and 188	no	no	
Mayfield	Township	No STR regulation identified	NA	NA	NA	Twp website has STR application
Paradise	Township	No STR regulation identified	NA	NA	NA	The Zoning Ordinance permits Bed and Breakfasts/Tourist Homes in certain areas.
Peninsula	Township	STRs not allowed	Zoning Ordinance	NA	NA	The Zoning Ordinance permits Bed and Breakfasts in certain districts
Traverse City	City	STRS allowed with license, no cap, some areas	Code of Ordinances Chapter 870	Yes, commercial districts	NA	Tourist Home License, with owner presence, also available
Union	Township	No STR regulation identified	NA	NA	NA	Unclear if STR are permitted
Whitewater	Township	STRs not allowed	Zoning Ordinance	NA	NA	The Zoning Ordinance permits Bed and Breakfasts in certain districts

Source: AEG research of the respective communities websites, ordinances, and other documents.

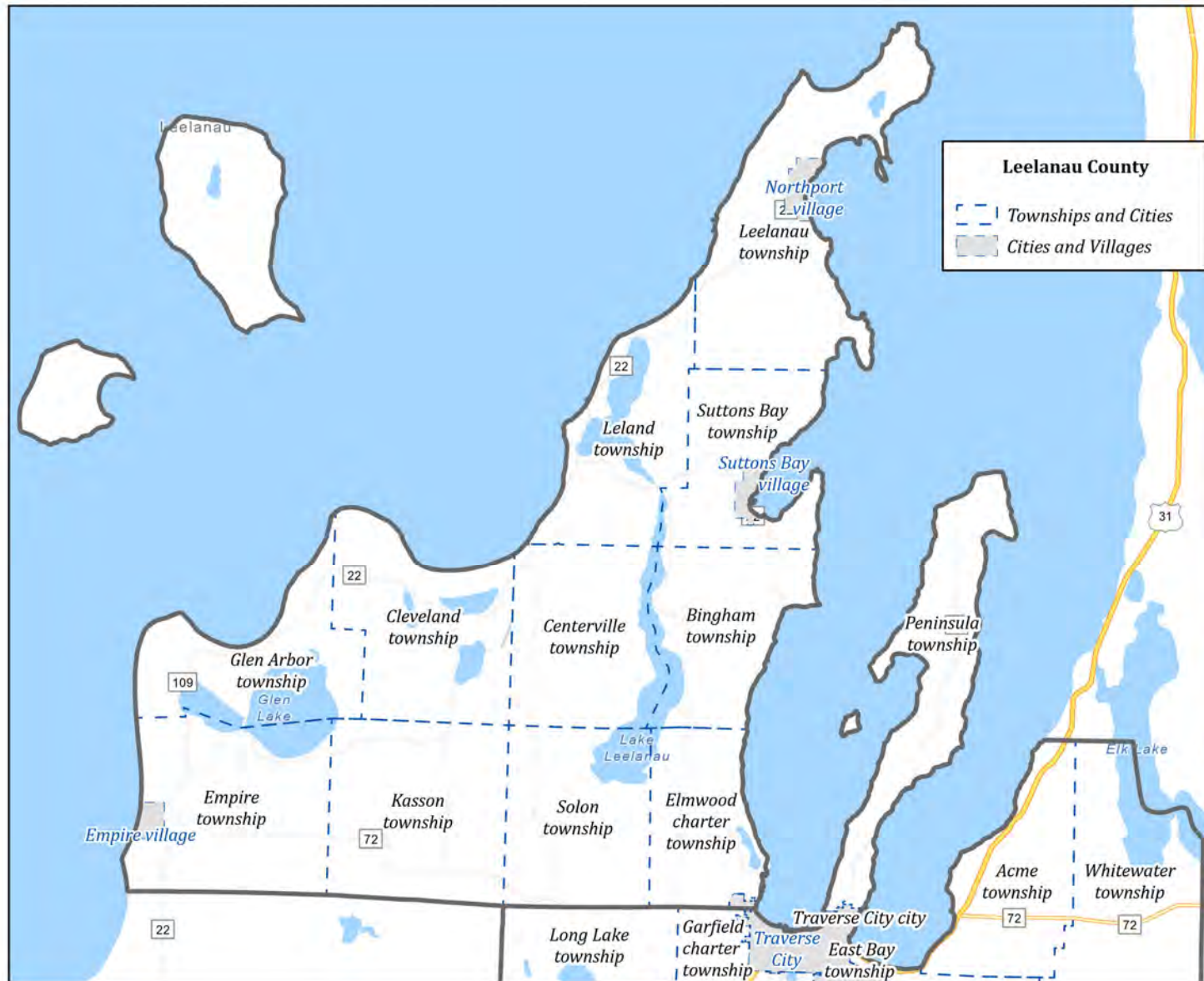
Analysis: Anderson Economic Group

Appendix E: Leelanau County Information

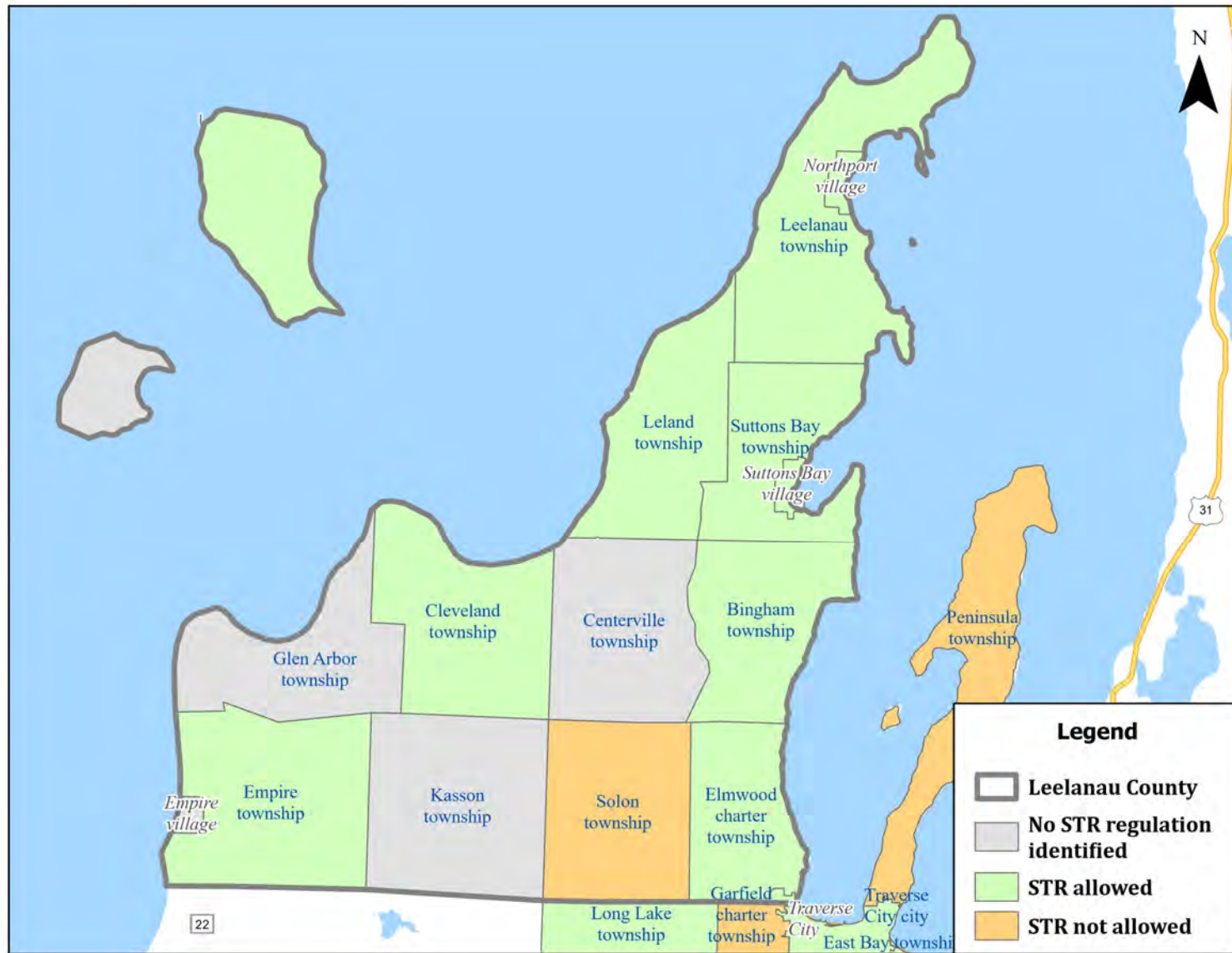
Exhibit E-1, “Leelanau County Overview,” on page E-2.

Exhibit E-2, “Summary Map of STR-Related Regulations, Leelanau County,” on page E-3.

Exhibit E-3, “Summary of STR regulations in Leelanau County,” on page E-4.

Exhibit E-1. Leelanau County Overview

Source: AEG research

Exhibit E-2. Summary Map of STR-Related Regulations, Leelanau County

Source: AEG research of the respective communities websites, ordinances, and other documents.
 Analysis: Anderson Economic Group

Exhibit E-3. Summary of STR regulations in Leelanau County

Name	Community type	STR Regulations Status	STR Ordinance	Geographic Restrictions	Cap of Number of STRs	Other information
Bingham	Township	STRs allowed with license, number capped, any area	Ord. No. 2020-1019-01	no	86	
Centerville	Township	No STR regulation identified	NA	NA	NA	Unclear if STR are permitted
Cleveland	Township	STRs allowed with license, number capped, some areas	Ord. No. 2024-0514-01	Yes, agric., res. 1, 2,3 districts	36	NA
Elmwood	Charter township	STRs allowed with license, number capped, any area	Ord. No. 2021-02, No 2022-3	no	93	wait list avalble
Empire	Village	No STR regulation identified	NA	NA	NA	Unclear if STR are permitted
Empire	Township	STRs allowed, no license required, no cap, any area	Zoning Ord amended through 09-08- 2020	no	no	no permit required
Glen Arbor	Township	No STR regulation identified	NA	NA	NA	Unclear if STR are permitted
Kasson	Township	No STR regulation identified	NA	NA	NA	Unclear if STR are permitted
Leelanau	Township	STRS allowed with license, no cap, any area	No. 3 of 2020	no	no	
Leland	Township	STRs allowed, no license required, no cap, some areas	Zoning Ord amended through 02-2016	yes, Fishtown Historic district	no	no permit required
Northport	Village	STRS allowed with license, no cap, any area	No. 111 of 2015	no	no	
Solon	Township	STRs not allowed	Zoning Ord amended through 01-04-2023	NA	NA	Per township statement
Suttons Bay	Village	STRs allowed with license, number capped, any area	Ord. No. 27, aproved November 20, 2023	no	45	Currently more STR permits issued, attrition to reach cap
Suttons Bay	Township	STRs allowed with license, number capped, some areas	Ord. No. 3 of 2023	yes, residential districts	150	
Traverse City	City	STRS allowed with license, no cap, some areas	Code of Ordinances Chapter 870	Yes, comm. districts	NA	a Tourist Home License, with owner presence, also available

Source: AEG research of the respective communities websites, ordinances, and other documents.

Analysis: Anderson Economic Group

Appendix F. About Anderson Economic Group

The Firm

Founded in 1996, Anderson Economic Group is one of the premier economic consulting companies in public policy and economic analysis, with offices in East Lansing, Michigan, and Chicago, Illinois. The experts at AEG have conducted nationally-recognized economic impact and market analysis studies for private, public, and non-profit clients across the United States. Work by Anderson Economic Group has been utilized in legislative hearings, legal proceedings, and public debates, as well as major planning exercises and executive strategy discussions.

Publications from our team include:

- *Economic Impact of Michigan's University Research Council*, since 2007.
- *Greater Lansing Visitor-Related Economic Benefits Studies*, 2024 and 2019.
- *State Economic Competitiveness Benchmarking Report*, 2020, 2021.
- *State of the Lansing Region* report, 2021 and 2025.
- *Economic & Fiscal Impact of the Sanford Underground Research Facility*, 2021 and 2022.
- *The Economic Impact of the Barack Obama Presidential Library in Chicago*, 2014.

Past clients of Anderson Economic Group include:

Governments: The government of Canada; the states of Michigan, Kentucky, North Carolina, and Wisconsin; the cities of Detroit, Cincinnati (OH), and Trenton (NJ); counties such as Oakland (MI) and Collier (FL); and authorities such as the Detroit-Wayne County Port Authority.

Businesses: (*Automotive*): Manufacturers including General Motors, Ford Motor Company, American Honda Motor Co.; dealers and dealership groups representing Toyota, Cadillac, Honda, Chrysler, Chevrolet, Mercedes-Benz, Ford, Kia, and other brands. (*Financial, Sports, & Retail*): ITC Holdings Corp., First Merit Bank, Bank of America Merrill Lynch, and Meijer, Inc. (*Food & Beverage*): National Wine & Spirits, Nestle, Labatt USA, InBev USA. (*Franchise*): US franchisees of Anheuser-Busch, Molson, Coors, Miller, Harley-Davidson, Suzuki, Avis, and others.

Nonprofit organizations: healthcare and insurance companies, such as Blue Cross Blue Shield of Michigan and Sinai Chicago, higher education institutions including Michigan State University, University of Chicago, Wayne State University, and University of Michigan; trade associations such as the Michigan Manufacturers Association, Service Employees International Union, Automation Alley, and Business Leaders for Michigan; and destination marketing offices of several major cities.

Authors

Cristina Benton

Dr. Cristina Benton is a senior consultant with Anderson Economic Group, directing the market and industry analysis practice area. Her background is in research and data analysis, geography and economic development, and urban planning.

Sara Bowers

Ms. Sara Bowers is a consultant with Anderson Economic Group. Ms. Bowers has been involved in projects that focus on the economic impacts of tourism, industries, and events and market analysis for housing, commercial real estate development, retailers and automobile dealerships. Ms. Bowers is an expert in spatial market analyses and manages the firm's Geographic Information System software.

Max Melstrom

Dr. Richard "Max" Melstrom supports Anderson Economic Group's public policy and economic analysis practice area as a part-time consultant. He specializes in economic and policy analysis, economic valuation, damage assessment, and consumer and firm decision-making.

Contributors

Tina Dhariwal

Lisa Wootton Booth

For more information about Anderson Economic Group and the authors of this report, please visit our website at AndersonEconomicGroup.com.