

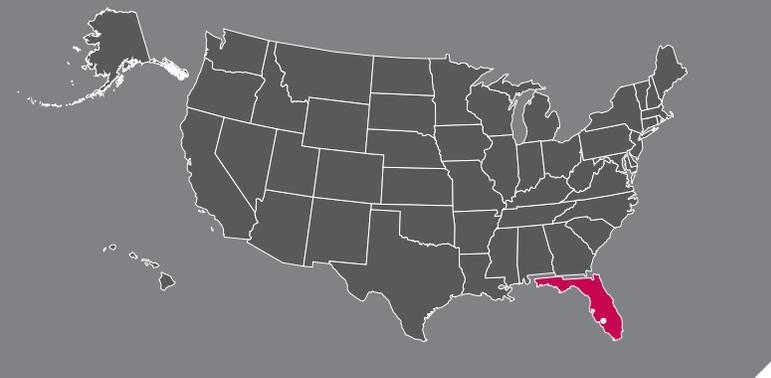
HUD PD&R Housing Market Profiles

North Port-Sarasota-Bradenton, Florida



Quick Facts About North Port-Sarasota-Bradenton

- **Current sales market conditions: soft.**
- **Current rental market conditions: soft.**
- **Current apartment market conditions: balanced.**
- **Cocoplum Village Shops opened in the city of North Port during the past year, creating more than 500 jobs.**



By T. Michael Miller | As of August 1, 2013

Overview

The North Port-Sarasota-Bradenton metropolitan area (hereafter, the North Port metropolitan area) comprises Manatee and Sarasota Counties in southwest Florida. The metropolitan area is home to some of the purest white sand beaches in the United States, including Siesta Key Beach, and it is known as the “Arts Capital of Florida.”

- As of August 1, 2013, the estimated population of the metropolitan area was 739,000, reflecting an average annual increase of approximately 11,000, or 1.5 percent, since April 2010.
- Population growth averaged 3,950 people, or 0.6 percent, annually from 2007 through 2010 as the national housing crisis affected retirees, resulting in a decline in net in-migration.
- Net in-migration, which has accounted for all the net increase in population since 2000, averaged 4,550 people a year from 2007 to 2010 and 13,200 people a year since April 2010.



Nonfarm payrolls in the North Port area showed a mixed recovery in the service sectors.

	3 Months Ending		Year-Over-Year Change	
	July 2012 (thousands)	July 2013 (thousands)	Absolute (thousands)	Percent
Total nonfarm payrolls	243.5	244.8	1.4	0.6
Goods-producing sectors	30.0	28.7	- 1.3	- 4.3
Mining, logging, and construction	15.5	14.8	- 0.7	- 4.5
Manufacturing	14.5	13.9	- 0.6	- 4.1
Service-providing sectors	213.5	216.1	2.7	1.3
Wholesale and retail trade	44.1	45.5	1.4	3.2
Transportation and utilities	4.2	4.3	0.1	1.6
Information	3.4	3.3	- 0.1	- 2.9
Financial activities	14.4	13.8	- 0.6	- 4.2
Professional and business services	31.6	33.6	2.0	6.3
Education and health services	44.6	44.2	- 0.4	- 0.9
Leisure and hospitality	35.6	35.5	- 0.1	- 0.3
Other services	10.4	10.4	0.0	0.0
Government	25.2	25.5	0.3	1.2
	(percent)	(percent)		
Unemployment rate	8.8	7.1		

Note: Numbers may not add to totals because of rounding.
Source: U.S. Bureau of Labor Statistics

Economic Conditions

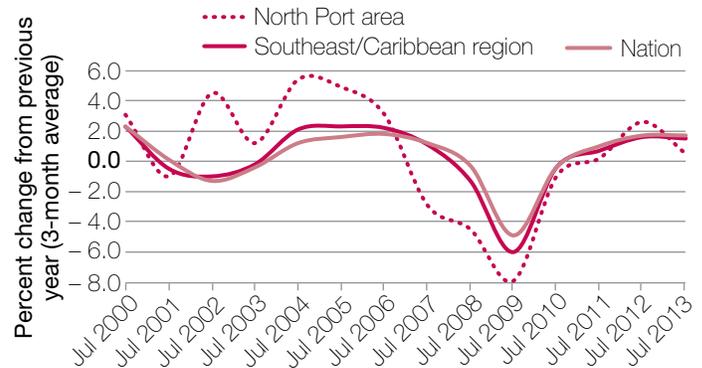
Economic conditions in the North Port metropolitan area have been improving since 2011 after a decline from 2007 through 2010.

During the 3 months ending July 2013—

- Nonfarm payrolls averaged 244,800 jobs, reflecting an increase of 1,400 jobs, or 0.6 percent, from the same 3-month period a year ago.
- The professional and business services, wholesale and retail trade, transportation and utilities, and government sectors were the only sectors reporting an increase in payrolls from the same period of 2012.
- Despite recent improvements in economic conditions, average nonfarm payrolls remain 12.5 percent below the peak recorded during the same 3-month period in 2006.
- Strong growth in employment resulted in a decline in the unemployment rate, to an average of 7.1 percent from 8.8 percent a year ago.

Cocoplum Village Shops, which staged its grand opening in November 2012, features more than 30 stores and is now the largest shopping center in the metropolitan area.

Nonfarm payroll jobs have increased since mid-2011 in the North Port area.



Note: Nonfarm payroll jobs.
Source: U.S. Bureau of Labor Statistics

Largest employers in the North Port area

Name of Employer	Nonfarm Payroll Sector	Number of Employees
Sarasota Memorial Health Care System	Government	4,000
Publix Super Markets, Inc.	Wholesale and retail trade	2,325
Bealls Inc.	Wholesale and retail trade	1,925

Note: Excludes local school districts and local governments.
Sources: Sarasota Economic Development Corporation; Bradenton Area Economic Development Corporation; Sarasota Memorial Health Care System



Sales Market Conditions

Sales housing market conditions in the North Port metropolitan area are currently soft but have improved since 2010. As of August 1, 2013, the estimated sales vacancy rate was 2.8 percent, down from 4.1 percent in April 2010. During the 12 months ending July 2013, new and existing homes sales (including single-family homes and townhomes) in the metropolitan area increased 31 percent, to approximately 16,900 homes, compared with the 12,900 homes sold during the same period a year earlier (Metrostudy, A Hanley Wood Company). During the same period, the average home sales price increased by \$31,550, or 14 percent, to \$254,900.

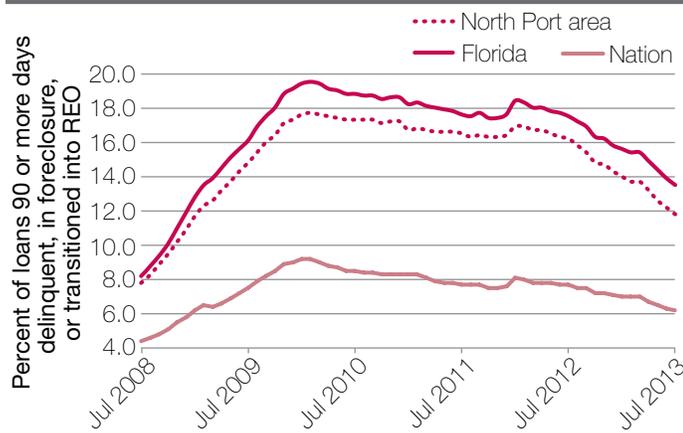
- New and existing home sales averaged 18,600 homes annually from 2005 through 2007.

New home sales prices in the North Port area started to increase in mid-2010, but existing home sales prices were in decline until late 2011.



Note: Includes single-family homes and townhomes.
Source: Metrostudy, A Hanley Wood Company

The North Port area continued to have a distressed loan rate lower than that of Florida but higher than that of the nation.

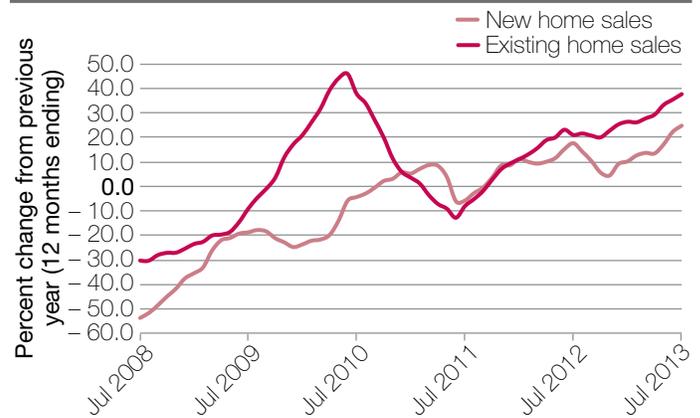


REO = Real Estate Owned.
Source: LPS Applied Analytics

- During the 12 months ending July 2013, the average sales price of a new single-family home was \$264,400, an increase of nearly 7 percent from the previous 12 months but a decrease of 23 percent from the average price of \$325,700 recorded from 2005 through 2007.
- During the 12 months ending July 2013, the number of new and existing condominium sales totaled 5,775 units, an increase of 387 percent from the previous 12-month period; during the same period, the average condominium sales price declined 8 percent, to \$218,100.
- As of July 2013, 11.8 percent of home loans in the metropolitan area were 90 or more days delinquent, were in foreclosure, or transitioned into REO (Real Estate Owned), down from 16.2 percent

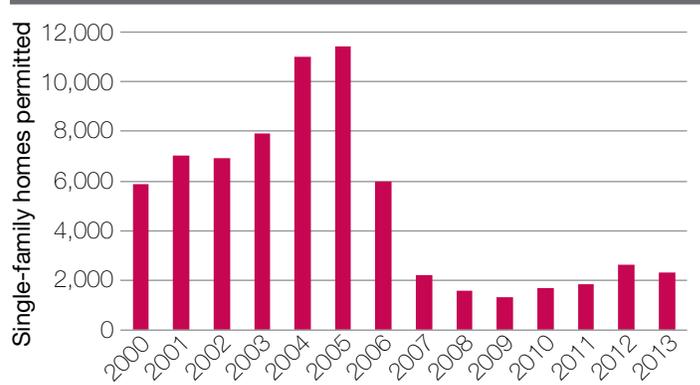
continued on page 4

New and existing home sales in the North Port area have been up since late 2011.



Note: Includes single-family homes and townhomes.
Source: Metrostudy, A Hanley Wood Company

Single-family building activity has remained low in the North Port area since 2007.



Note: Includes preliminary data from January 2013 through July 2013.
Source: U.S. Census Bureau, Building Permits Survey



continued from page 3

in June 2012. By comparison, the distressed loan percentages for Florida and the United States in July 2013 were 13.5 and 6.2 percent, respectively (LPS Applied Analytics).

Single-family home construction, as measured by the number of homes permitted, increased by 300 homes, or 39 percent, to 1,050 single-family homes permitted in the metropolitan area during the 3 months ending July 2013 compared with the number permitted a year earlier (preliminary data).

- During the 12 months ending July 2013, 3,500 homes were permitted, an increase of 56 percent compared with the 2,250 homes permitted during the previous 12 months.

- From 2007 through 2011, an average of 1,725 homes were permitted annually in the metropolitan area.
- Single-family home permitting peaked in the metropolitan area during 2004 and 2005, when an average of 11,200 homes were permitted annually.
- Lakewood Centre, in Lakewood Ranch, will begin construction of 1,000 homes in 2014 and expects to complete about 4,700 homes by 2026.

Rental Market Conditions

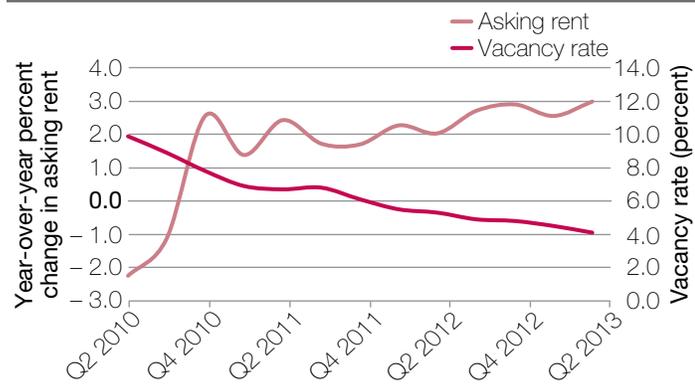
Overall rental housing market conditions in the North Port metropolitan area are currently soft, with an estimated vacancy rate of 9.0 percent; conditions in the apartment market are balanced.

- The apartment vacancy rate was 4.1 percent during the second quarter of 2013, down from 5.3 percent during the second quarter of 2012 (Reis, Inc.).
- The average apartment asking rent increased 3.0 percent, to \$931, during the second quarter of 2013 compared with the average asking rent recorded during the second quarter of 2012.
- The average apartment vacancy rate from 2009 through 2010 was 10.6 percent.
- Renter households currently comprise an estimated 29.3 percent of all households in the metropolitan area, up from 26.6 percent in 2010 and 23.2 percent in 2000.

Multifamily construction activity, as measured by the number of units permitted, increased during the past 3 months as builders responded to increased rental housing demand.

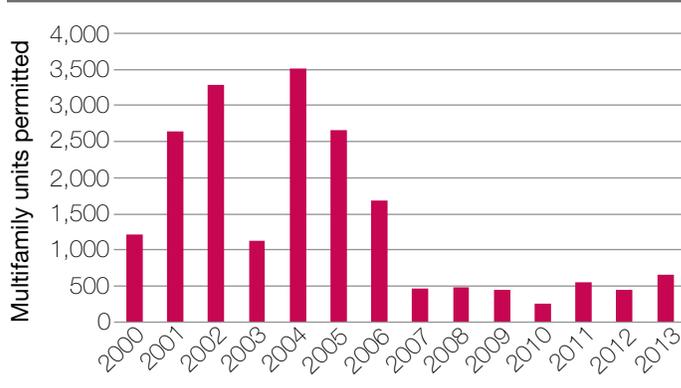
- Approximately 90 units were permitted during the 3 months ending July 2013 compared with the 65 units permitted a year ago (preliminary data).
- Since 2010, condominiums have accounted for 7 percent of all multifamily units permitted compared with 56 percent of all multifamily units permitted from 2000 through 2009.
- Since 2010, Manatee County has accounted for 76 percent of all multifamily units permitted compared with 57 percent permitted from 2000 through 2009.
- Apartment projects currently under construction include The Village at Ranch Lake Apartments, with 295 units expected to be complete in April 2014, and Creekside Apartments, with 256 units expected to be complete in July 2014.
- Lost Creek Resort Apartments, with 295 units completed in mid-2012, offers one-, two-, and three-bedroom units with rents starting at \$1,070, \$1,285, and \$1,595, respectively.

Increasing rents and declining vacancy rates reflected an improving rental market in the North Port area.



Source: Reis, Inc.

Multifamily building activity has remained low in the North Port area since 2007.



Note: Includes preliminary data from January 2013 through July 2013.

Source: U.S. Census Bureau, Building Permits Survey

