

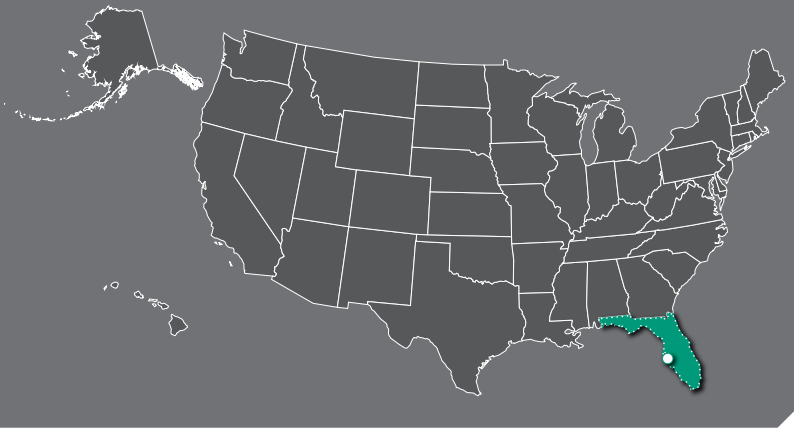
HUD PD&R Housing Market Profiles

North Port-Sarasota-Bradenton, Florida



Quick Facts About Sarasota

- Current sales market conditions: balanced
- Current rental market conditions: soft
- Sarasota County beaches and sporting events attracted 1.5 million visitors, resulting in an estimated economic impact of \$2.9 billion during the 12 months ending October 2023, including \$79.0 million from sporting events (Visit Sarasota County). Manatee County had 1 million visitors, resulting in an estimated economic impact of \$1.5 billion during 2022 (Manatee County Tourist Development Council; most recent data available).



Sarasota, Florida

By [Alex M. Remillard](#) | As of March 1, 2024

Overview

The North Port-Sarasota-Bradenton, FL Metropolitan Statistical Area (hereafter, Sarasota metropolitan area) is defined as Manatee and Sarasota Counties on the west coast of Florida. Sarasota County has a larger population than Manatee County and features 40 miles of coastline and beaches on six barrier keys, or small islands, in the Gulf of Mexico. Manatee County includes the Terra Ceia Aquatic Preserve and the rapidly growing Lakewood Ranch community. Tourism in the metropolitan area centers around the beaches and cultural institutions and is the foundation of the leisure and hospitality sector. The largest employer in the metropolitan area is the Sarasota Memorial Health Care System, which invested \$1 billion in expansions at the start of the COVID-19 pandemic and announced another \$1 billion in expansions in 2024. The expansions are partly due to rapid population growth since 2020, which has been largely made up of older adults. The proportion of adults aged 60 or older in the metropolitan area was 42 percent in 2022, up slightly from 41 percent in 2019 and much higher than the 24-percent rate for the nation (2019 and 2022 American Community Survey 1-year data).

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PD&R

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- As of March 1, 2024, the population of the metropolitan area is estimated to be 922,800, representing an average increase of 22,750, or 2.6 percent, annually since April 2020. By comparison, from July 2016 to April 2020, the average increase was 14,750, or 1.8 percent, annually (U.S. Census Bureau population estimates as of July 1; Census Bureau decennial census counts; estimates by the analyst).
- The recent population growth was entirely due to increased net in-migration, which averaged 27,950 people a year from April 2020 to March 1, 2024, up significantly from an average of 18,600 people a year from July 2016 to April 2020. During the same period, net natural decrease (resident births minus resident deaths) averaged 5,175 people annually, up from the

average decrease of 3,825 people annually from July 2016 to April 2020.

- As of July 2023, the population in Sarasota County was 469,000, greater than the population of 444,100 in Manatee County. The gap has been getting smaller because the population growth in Manatee County has been greater than in Sarasota County during the past decade. From April 2020 to July 2023, the population in Manatee County increased by an average of 12,750, or 3.1 percent, annually, up from an average of 8,025, or 2.1 percent, annually from July 2016 to April 2020. The population of Sarasota County increased by an average of 10,750, or 2.4 percent, annually, up from an average of 6,725, or 1.6 percent, annually from July 2016 to April 2020.

Economic Conditions

Economic conditions in the Sarasota metropolitan area are currently strong, but payroll growth slowed during the past year across all sectors except in the transportation and utilities sector. As of the 3 months ending February 2024, nonfarm payrolls averaged 347,400 jobs, up by 8,700 jobs, or 2.6 percent, from the same period a year ago. Payroll growth as of the 3 months ending February 2024 was slower than the increase of 15,600 jobs, or 4.8 percent, a year earlier but greater than the respective 1.9- and 1.7-percent increases for the nation and the Southeast/Caribbean region. Nonfarm

payrolls in the metropolitan area as of the 3 months ending February 2024 surpassed payroll levels during the same period in 2019 by 36,100 jobs, or 11.6 percent—well above the respective 5.1- and 8.2-percent increases for the nation and the Southeast/Caribbean region.

As of the 3 months ending February 2024—

- The education and health services sector is the largest in the metropolitan area, with 62,100 jobs. Sector jobs increased by 2,300, or 3.8 percent, compared with the same period

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Year-over-year payroll growth in the Sarasota metropolitan area was slower as of the 3 months ending February 2024 than during the same period a year earlier, but all sectors added jobs or were unchanged during the past year.

	3 Months Ending		Year-Over-Year Change	
	February 2023 (Thousands)	February 2024 (Thousands)	Absolute (Thousands)	Percent
Total Nonfarm Payrolls	338.7	347.4	8.7	2.6
Goods-Producing Sectors	48.9	50.6	1.7	3.5
Mining, Logging, & Construction	30.3	32.1	1.8	5.9
Manufacturing	18.6	18.6	0.0	0.0
Service-Providing Sectors	289.8	296.8	7.0	2.4
Wholesale & Retail Trade	57.7	59.4	1.7	2.9
Transportation & Utilities	7.9	8.3	0.4	5.1
Information	4.2	4.3	0.1	2.4
Financial Activities	18.2	18.5	0.3	1.6
Professional & Business Services	48.1	48.4	0.3	0.6
Education & Health Services	59.8	62.1	2.3	3.8
Leisure & Hospitality	49.5	50.1	0.6	1.2
Other Services	15.1	15.8	0.7	4.6
Government	29.3	29.9	0.6	2.0
Unemployment Rate	2.8%	3.3%		

Note: Numbers may not add to totals due to rounding.

Source: U.S. Bureau of Labor Statistics



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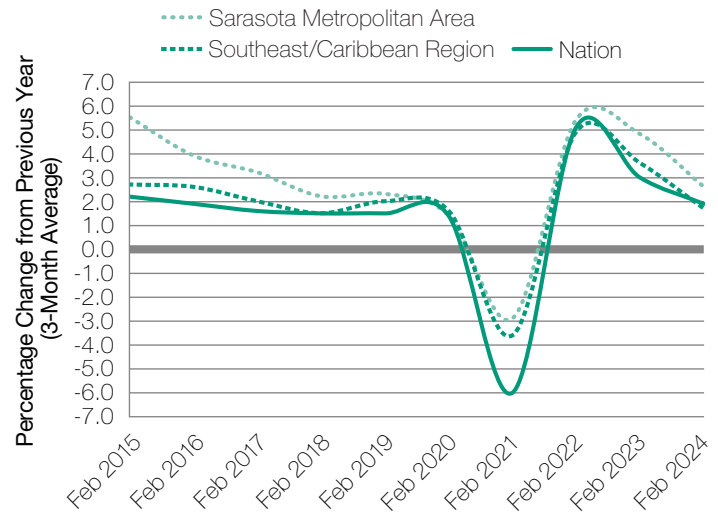
the year earlier, representing the largest payroll sector increase in the metropolitan area.

- The mining, logging, and construction sector was the fastest growing payroll sector, increasing 5.9 percent, or by 1,800 jobs, from the 3 months ending February 2023. Job growth in the sector decelerated from 7.7 percent, or 2,200 jobs, during the same period a year earlier, partly because of lower levels of rental construction during the past 12 months.
- The number of jobs in the transportation and utilities sector increased by 400, or 5.1 percent, from the 3 months ending February 2023, reversing a decrease of 400 jobs, or 4.8 percent, from the same period a year ago. The recent increase was partly due to warehouse complex expansions near the Sarasota Bradenton International Airport.
- The labor market in the metropolitan area is tight but easing. The unemployment rate averaged 3.3 percent, up from 2.8 percent during the same period a year ago and equal to the average rate during the 3 months ending February 2022. By comparison, the unemployment rate for the nation averaged 3.9 percent during the 3 months ending February 2024, up from 3.7 percent during the same period a year before.

The metropolitan area attracts both full-time residents and seasonal vacationers, and the Tourist Development Tax on short-term rentals and hotel stays helps to ease the tax burden on residents. Tourism primarily supports jobs in the leisure and hospitality sector because visitors to beaches and sporting events mostly patronize hotels and restaurants. During the fourth quarter of 2023, Sarasota County had about 309,900 visitors, including 108,400 international tourists (Visit Sarasota County). Although the number of visitors was down 13 percent, the estimated economic impact of tourism on the county during the fourth quarter of 2023 was \$639.93 million, reflecting an increase of \$23.56 million, or 4 percent, compared with the same period a year earlier. During February 2024, Manatee County had 93,300 visitors, representing an increase of 4,400 people, or 5 percent, compared with February 2023. Similarly, the estimated economic impact of tourism on the county during February 2024 was up \$13.18 million, or 6 percent, to \$227.62 million compared with the same period in 2023 (*The Islander*).

Sporting events support a substantial portion of the economy in Sarasota County. The Intercollegiate Women's Lacrosse Coaches Association Presidents Cup had an estimated impact

The rate of nonfarm payroll growth in the Sarasota metropolitan area continued to slow but was above the national and regional rates as of the 3 months ending February 2024.



Source: U.S. Bureau of Labor Statistics

Largest Employers in the Sarasota Metropolitan Area

Name of Employer	Nonfarm Payroll Sector	Number of Employees
Sarasota Memorial Health Care System	Education & Health Services	6,550
PGT Innovations	Manufacturing	1,975
Sun Hydraulics, LLC	Manufacturing	700

Note: Excludes local school districts.

Source: Sarasota County Economic Development Corporation

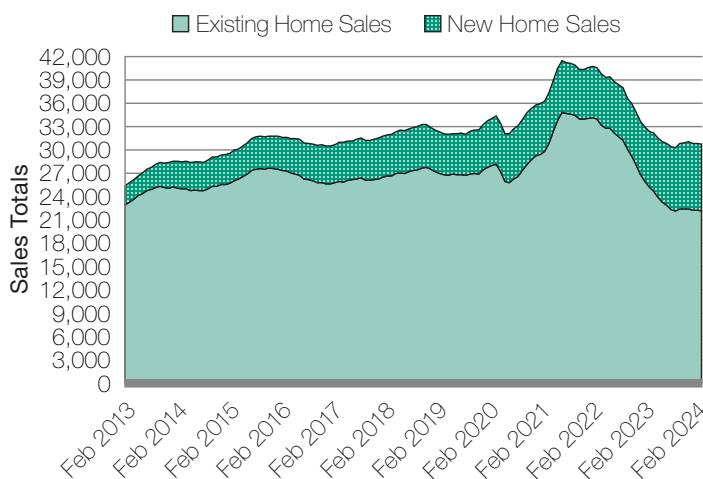
of \$14.58 million, and the International Canoe Federation Stand Up Paddling World Cup generated \$53,900 in revenue. In total, sporting events had an estimated economic impact of \$33.85 million on Sarasota County during the fourth quarter of 2023, more than triple the \$10.95 million impact during the fourth quarter of 2022 (Visit Sarasota County). This figure may continue to grow because 19 future sports bids were submitted during the fourth quarter of 2023 compared with 8 during the same period a year before (Visit Sarasota County). Meanwhile, the Premier Sports Campus in Manatee County hosted 108 events during 2022, including the U.S. Youth Soccer Association National League competition, which generated an estimated \$9.3 million, and the Lakewood Ranch Chargers Labor Day Tournament, which generated an estimated \$7.8 million (Manatee County Tourist Development Council; most recent data available).

Sales Market Conditions

The home sales market in the Sarasota metropolitan area is balanced. The estimated vacancy rate was 2.6 percent as of March 1, 2024, up slightly from 2.4 percent in April 2020. Home sales have generally followed in-migration in the metropolitan area, although the pandemic and subsequent in-migration affected the markets for existing and new homes differently. Overall sales increased during 2020 and reached a recent high in 2021 because of a rapid acceleration in existing home sales growth. Although new home sales increased rapidly during 2020, new home sales growth moderated in 2021. Overall home sales prices also increased rapidly from 2020 through mid-2023, and existing and new home prices grew at the fastest rates of the past decade during 2021 and 2023, respectively. However, during the 12 months ending February 2024, overall sales decreased as demand for existing homes eased, with the number of existing home sales at the lowest point since 2012, partly because of a decline in investor purchases. On the other hand, the number of new homes sold increased to the highest point in the past decade during the past 12 months. As of February 2024, a 5.7-month supply of homes was available for sale in the metropolitan area, up from 3.1 months a year earlier and the highest inventory in the past 6 years.

The share of mortgages that were seriously delinquent or in real estate owned (REO) status was 0.7 percent in February 2024, down from 1.3 percent in February 2023 and the recent 4.0-percent high in August 2020, during the early stages of the pandemic. The current rate was also below the 1.3-percent

Home sales in the Sarasota metropolitan area reached the highest point in a decade in 2021 and stayed elevated into 2022 before declining dramatically during the past 2 years.

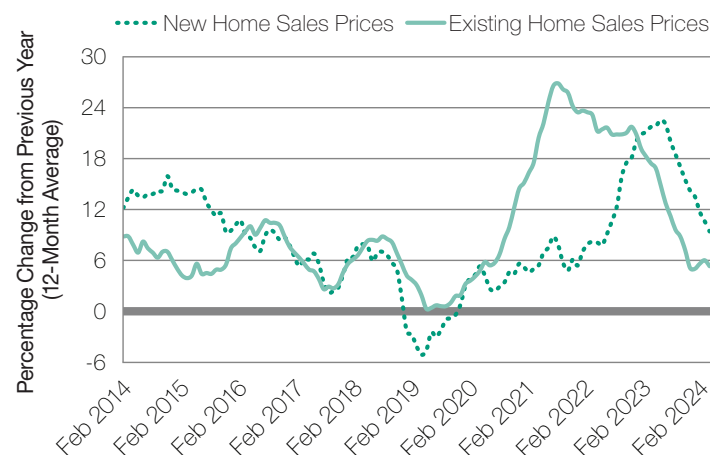


Note: Sales are for single-family homes, townhomes, and condominiums.
Source: CoreLogic, Inc., with adjustments by the analyst

prepandemic rate in February 2019. By comparison, the respective rates of 1.6 and 1.2 percent for Florida and the nation in February 2024 were down from 2.0 and 1.7 percent during February 2023. The share of mortgages that were seriously delinquent or had transitioned into REO status also reached recent highs of 6.0 and 4.4 percent for Florida and the nation, respectively, in August 2020.

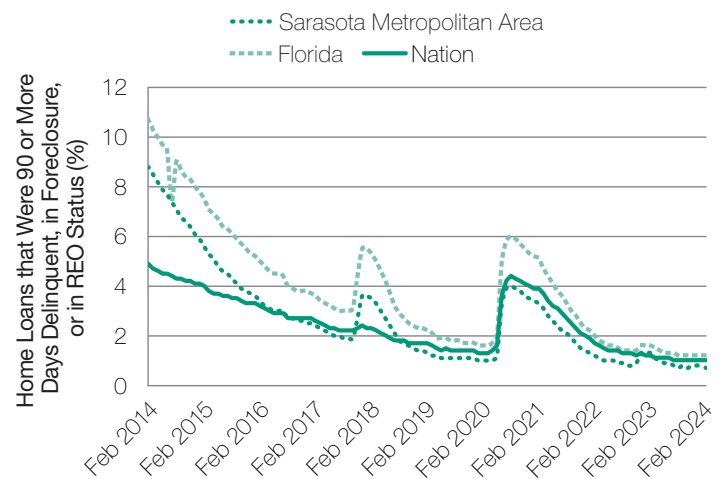
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New and existing home sales price growth slowed dramatically in the Sarasota metropolitan area during the 12 months ending February 2024 after reaching the highest rates in the past decade in 2023 for new homes and in 2021 for existing homes.



Note: Prices are for single-family homes, townhomes, and condominiums.
Source: CoreLogic, Inc., with adjustments by the analyst

The rate of seriously delinquent mortgages and REO properties in the Sarasota metropolitan area increased dramatically at the start of the pandemic before falling below prepandemic levels in 2024.



REO = real estate owned.
Source: CoreLogic, Inc.

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During the 12 months ending February 2024—

- New home sales in the metropolitan area increased 20 percent compared with the previous 12 months to 8,525, the most during a 12-month period ending in February in the past decade. By comparison, the number of new homes sold increased by 500 homes, or 8 percent, during the 12 months ending February 2023 (CoreLogic, Inc., with adjustments by the analyst).
- Existing home sales decreased 12 percent compared with the previous 12 months to 22,150, the lowest number of existing homes sold during a 12-month period ending in February since 2012, when 19,500 existing homes were sold. The recent decline continued a trend that began during the 12 months ending May 2022, when the number of existing homes sold decreased by 1,000, or 3 percent, compared with the same 12 months a year earlier.
- The average sales price of a new home increased 9 percent compared with the previous 12 months to \$589,300—well below the 22-percent increase during the previous 12 months but above the prepandemic increase of 4 percent during the 12 months ending February 2020. The average sales price of an existing home increased 5 percent to \$558,400 compared with the previous 12 months—less than one-third of the 17-percent increase during the 12 months ending February 2023.
- New home price growth was more rapid in Sarasota County compared with the previous 12 months, partly because of the completion of the luxury condominium Bayso Sarasota in December 2023. The average new home sales price in Sarasota County increased by \$92,700, or 17 percent, during that period. In Manatee County, the average sales price of a new home increased by \$25,550, or 5 percent, to \$551,400 during the same period. Manatee County led new home sales growth with an increase of 1,225 homes, or 32 percent, compared with the previous 12 months, whereas new home sales in Sarasota increased by 170, or 5 percent, during the same period.

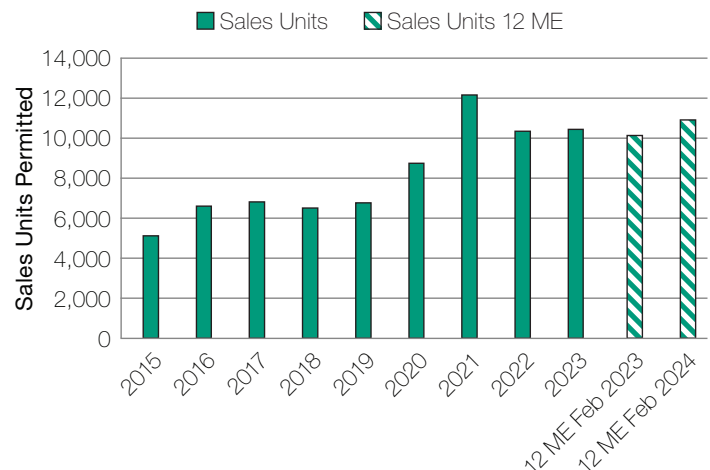
Construction of sales units in the metropolitan area, as measured by the number of single-family homes, townhomes, and condominium units permitted for sale, increased rapidly from 2020 through 2021. The number of sales units permitted decreased during 2022 but were elevated and increased during the 12 months ending February 2024 compared with the same period a year earlier. Single-family home construction during the past year was concentrated in Manatee County, where all sales units were single-family homes and townhomes, and prices grew at a moderate rate. On the other hand, condominium construction occurred only in Sarasota County during the past 2 years.

- During the 12 months ending February 2024, approximately 10,900 sales units were permitted in the metropolitan area, up

8 percent from the 10,100 units permitted during the previous 12 months (preliminary data, with adjustments by the analyst).

- During 2021, a record number of approximately 12,150 sales units were permitted, reflecting a significant increase from the average of 7,075 units a year from 2016 through 2020 (annual data, with adjustments by the analyst).
- During the 12 months ending February 2024, Manatee County accounted for 6,100 sales units, or 56 percent of the sales units permitted in the metropolitan area, but no condominiums were permitted in the county. Sarasota County accounted for the remaining 4,800 sales units permitted, including 460 condominium units.
- Bayso Sarasota, a 149-unit luxury condominium complex in downtown Sarasota, was completed in December 2023. The completion of this property is partly responsible for the higher average sales price in Sarasota County. Condominiums range in price from \$1.70 million for a two-bedroom, 1,800-square-foot unit to \$3.00 million for a three-bedroom, 2,500-square-foot penthouse, with an average price of \$1,020 per square foot.
- Evergreen and Evergreen Estates in Manatee County is a 141-unit single-family housing development near the Bradenton River that is currently under construction. Homes range in price from \$364,000 for 1,500 square feet to \$515,000 for 3,325 square feet. These prices are more in line with the average for the area, and 115 of the 141 lots have sold.

The number of sales units permitted in the Sarasota metropolitan area reached a recent high in 2021 and increased during the past 12 months compared with a year earlier.



12 ME = 12 months ending.

Note: Data include new single-family homes, townhomes, and condominiums. Sources: U.S. Census Bureau, Building Permits Survey; 2015–22—final data and estimates by the analyst; past 24 months of data—preliminary data and estimates by the analyst

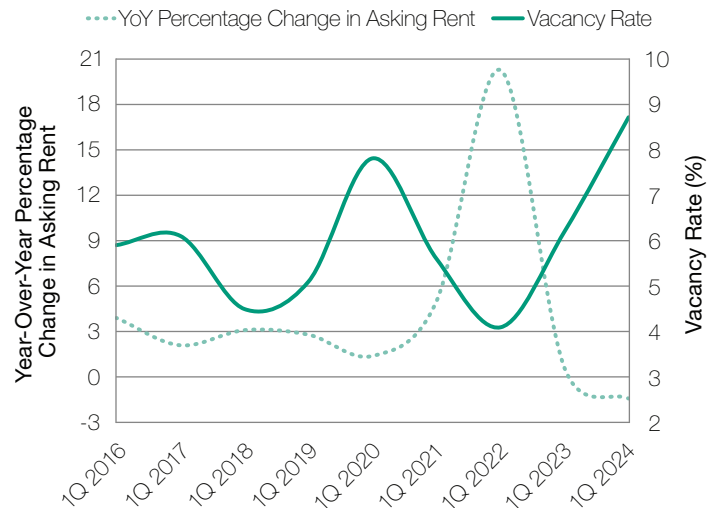
Rental Market Conditions

Rental market conditions in the Sarasota metropolitan area are soft, largely due to a wave of new rental construction that began in 2021. As of March 1, 2024, the estimated overall rental vacancy rate is 15.6 percent, reflecting an increase from 14.4 percent in April 2020. The increase in migration since the start of the pandemic and the subsequent increase in payroll growth contributed to an increased demand for rental units, reflected in declining apartment vacancy rates and rapidly increasing rents. As of the first quarter of 2022, the apartment vacancy rate declined to 4.1 from 5.6 percent during the same period a year earlier. The average apartment rent growth in the metropolitan area also reached the highest point in the past decade as of the first quarter of 2022, increasing 20 percent compared with the same period a year earlier. Since 2022, however, average rent growth has stalled and turned negative as more units came online, in-migration slowed, and vacancy rates increased above prepandemic levels.

As of the first quarter of 2024—

- The metropolitan area apartment market was soft, with a vacancy rate of 8.7 percent, partly due to the large number of units coming online in recent years. The vacancy rate increased from 6.2 percent as of the first quarter of 2023 and was higher than the prepandemic rate of 5.1 percent during the first quarter of 2019 (CoStar Group).
- The average apartment rent in the metropolitan area decreased 1 percent to \$1,932 from the first quarter of 2023. By comparison, as of the first quarter of 2019, the average apartment rent increased 3 percent compared with the same period a year earlier. The last time first quarter rents decreased year over year was in 2010, when the average rent declined 3 percent.
- Manatee County accounted for approximately 55 percent of the apartment units in the metropolitan area and had an average apartment vacancy rate of 9.1 percent, up from 7.4 percent a year earlier. The increase in the vacancy rate was greater in Sarasota County, up to 9.3 percent from 4.8 percent a year earlier, partly due to a greater number of completions than in Manatee County since the first quarter of 2023.
- Compared with the first quarter of 2023, the average apartment rent decreased 2 percent to \$2,118 in Sarasota County and 1 percent to \$1,793 in Manatee County.
- During February 2024, the average rent for a professionally managed, single-family home or townhome with two bedrooms was \$2,914, representing an increase of \$35, or 1 percent, from a year earlier (CoreLogic, Inc.). During

The average apartment rent in the Sarasota metropolitan area grew at the fastest rate in the past decade during 2022, when the apartment vacancy rate reached a recent low, but declined during the past year because the average vacancy rate reached a recent high.



1Q = first quarter. YoY = year-over-year.

Source: CoStar Group

the same period, the average vacancy rate for these properties increased slightly to 5.9 percent from 5.8 percent a year earlier. By comparison, the average rent increased by \$438, or 18 percent, as of February 2023, compared with a year earlier. Single-family homes and townhomes made up approximately 40 percent of all occupied rental units in the metropolitan area as of July 2022, higher than the national average of 31 percent (2022 ACS 1-year data).

Rental construction in the metropolitan area, as measured by the number of rental units permitted, decreased slightly during 2023 but maintained a high level of output that began in 2021. The increase in rental permitting during the past 3 years has been partly due to an increase in the number of single-family homes permitted for rent. Single-family rental permitting reached the highest point in the past decade during 2022, whereas apartment permitting reached a recent high during 2023, with many units permitted at the beginning of the year. However, both apartment and single-family rental permitting declined during the 12 months ending February 2024 compared with the previous 12 months as vacancy rates increased and the average apartment rent declined.

During the 12 months ending February 2024—

- The number of rental units permitted in the metropolitan area decreased 16 percent to 5,250 from the 6,225 units

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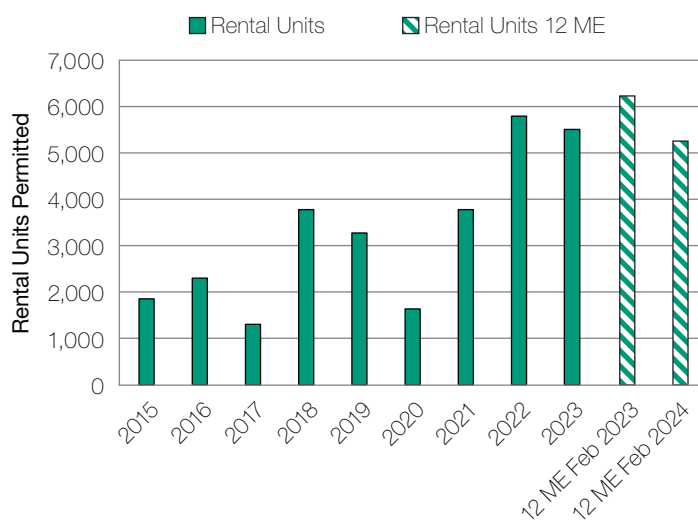
permitted during the previous 12 months (preliminary data, with adjustments by the analyst). By comparison, rental permitting averaged 2,450 units annually from 2016 through 2020.

- The number of single-family rental units permitted in the metropolitan area was down 19 percent to 620 units from the previous 12 months and was less than one-half the recent high of 1,275 units permitted during 2022. The number of single-family rentals permitted during the past 12 months represented 12 percent of the total rental units permitted in the metropolitan area compared with an average of 5 percent annually from 2016 through 2020.
- Rental construction was split almost evenly between Manatee and Sarasota Counties. Single-family rental permitting increased in Manatee County by 160 units, or 82 percent, compared with the previous 12 months. During the same period, single-family rental permitting in Sarasota County decreased by 300 units, or 53 percent. By comparison, apartment permitting in Manatee County decreased by 570 units, or 21 percent, compared with the previous 12 months, whereas apartment permitting in Sarasota County decreased only by 270 units, or 10 percent, during the same period.
- Renata, a 502-unit apartment complex under construction as part of the Lakewood Ranch planned community in Manatee County, is the largest apartment complex permitted in the past decade in the metropolitan area. Currently, 310 of the planned 500 units are available for lease, ranging from \$1,750 per month for a 740-square-

foot, one-bedroom apartment to \$2,625 per month for a 1,275-square-foot, three-bedroom apartment.

- For residents aged 55 and older, Mira at Palmer Ranch is a 232-unit apartment complex just south of downtown Sarasota that was completed in 2024. Rents for the 185 available units range from \$1,975 for a 740-square-foot, one-bedroom unit to \$2,925 for a 1,250-square-foot, two-bedroom unit.

Rental permitting in the Sarasota metropolitan area increased dramatically in 2021 and 2022 but decreased during the past 12 months as vacancy rates increased and rents declined.



12 ME = 12 months ending.

Sources: U.S. Census Bureau, Building Permits Survey; 2015–22—final data and estimates by the analyst; past 24 months of data—preliminary data and estimates by the analyst

Terminology Definitions and Notes

A. Definitions

Absorption	The net change, positive or negative, in the number of occupied units in a given geographic range.
Apartment Vacancy Rate/Average Monthly Rent	Data are for market-rate and mixed market-rate and affordable general occupancy apartment properties with five or more units, including those that are stabilized and in lease up.
Building Permits	Building permits do not necessarily reflect all residential building activity. Some units are constructed or created without a building permit or are issued a different type of building permit. For example, some units classified as commercial structures are not reflected in the residential building permits. As a result, the analyst, through diligent fieldwork, makes an estimate of this additional construction activity. Some of these estimates are included in the discussions of single-family and multifamily building permits.
Existing Home Sales	Includes resales, short sales, and real estate owned (REO) sales.
Home Sales/Home Sales Prices	Includes single-family home, townhome, and condominium sales.
Net Natural Change	Resident births minus resident deaths.
Rental Market/Rental Vacancy Rate	Includes apartments and other rental units, such as single-family, multifamily, and mobile homes.
Seriously Delinquent Mortgages	Mortgages 90 or more days delinquent or in foreclosure.

B. Notes on Geography

1.	The metropolitan statistical area definition noted in this report is based on the delineations established by the Office of Management and Budget (OMB) in the OMB Bulletin dated April 10, 2018.
2.	The HUD Southeast/Caribbean region includes Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, Puerto Rico, South Carolina, Tennessee, and the U.S. Virgin Islands.