

COMPREHENSIVE HOUSING MARKET ANALYSIS

North Port-Sarasota-Bradenton, Florida

U.S. Department of Housing and Urban Development,
Office of Policy Development and Research

As of April 1, 2025



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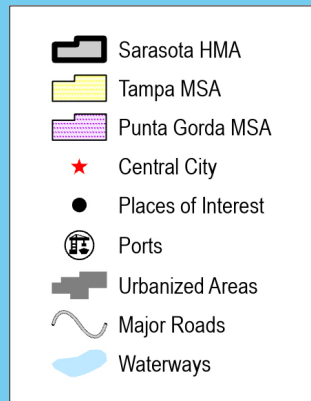
Executive Summary

Housing Market Area Description

The North Port-Sarasota-Bradenton Housing Market Area (hereafter, Sarasota HMA) is coterminous with the North Port-Sarasota-Bradenton, FL Metropolitan Statistical Area (MSA) and includes Manatee and Sarasota Counties on the Gulf Coast of Florida, south of the Tampa-St. Petersburg-Clearwater MSA. The HMA also includes SeaPort Manatee in northwest Manatee County, along the south shore of the entrance to Tampa Bay, a major deepwater shipping hub that supports a significant manufacturing base. A series of barrier islands, or keys, just off the coast are lined with public beaches, resorts, and private residences. Longboat Key is near the city of Sarasota and extends north to Bradenton Beach and Anna Maria Island in Manatee County. Casey Key extends as far south as Nokomis Beach in southern Sarasota County. Downtown Sarasota is on the mainland side of the intercoastal waterway, facing Lido and Siesta Keys. Large master-planned communities, such as Lakewood Ranch and Wellen Park, are under construction further inland, where land is more readily available for development.

The current population of the HMA is estimated at 948,000.

The HMA contains venues for the arts and cultural events and hosts many sporting events. In Manatee County, the Village of the Arts in the city of Bradenton features restaurants, art galleries and studios, and residences for artists. The Manatee Village Historical Park is an open-air museum offering educational exhibitions on the early history of the area, and the TerraNova Equestrian Center in Myakka City hosts events that include show jumping and dressage. Sarasota County is home to the John and Mable Ringling Museum of Art, which includes a museum dedicated to the history of the circus, a museum of fine art, and the Asolo Repertory Theater. The Van Wezel Performing Arts Hall, Florida Studio Theatre, and Sarasota Opera House are in downtown Sarasota near the Sarasota Art Museum. Sports fans can see the Baltimore Orioles and Atlanta Braves at spring training in Sarasota and competitions ranging from USRowing championship races to Sunshine State Outdoor Volleyball Association beach volleyball tournaments.



Tools and Resources

Find interim updates for this metropolitan area, and select geographies nationally, at PD&R's [Market-at-a-Glance tool](#).

Additional data for the HMA can be found in this report's [supplemental tables](#).

For information on HUD-supported activity in this area, see the [Community Assessment Reporting Tool](#).

Market Qualifiers

Economy



Strong but Moderating: During the past 12 months, job growth decelerated in 10 of the 11 payroll sectors compared with a year earlier, with growth only accelerating in the professional and business services sector.

Nonfarm payrolls increased to 352,400 jobs, up by 6,900 jobs, or 2.0 percent, during the 12 months ending March 2025 compared with a year earlier. The recent growth in the Sarasota HMA was faster than the 1.3-percent growth rate for the nation but slower than the increase of 13,800 jobs, or 4.2 percent, during the 12 months ending March 2024. The education and health services sector led growth, increasing by 2,900 jobs, or 4.7 percent, from a year ago. Partly offsetting the gains, the manufacturing and the leisure and hospitality sectors contracted by 200 and 900 jobs, or 1.1 and 1.8 percent, respectively. Payroll growth in the HMA is expected to continue to slow during the next 3 years, with nonfarm payrolls expected to increase an average of 1.8 percent annually.

Sales Market



Slightly Soft: Despite declines in home sales and increases in the inventory of existing homes for sale during the past 2 years, permitting of new sales units increased during the most recent 12 months.

Home sales in the HMA totaled 28,800 homes during the 12 months ending March 2025, down by 2,000 homes, or 6 percent, from the previous 12 months (Cotality, with adjustments by the analyst). The average home sales price declined by \$3,125, or 1 percent, from the year before to \$564,900 during the 12 months ending March 2025. The 12,150 homes for sale in March 2025 represented a 5.1-month supply, up from a 3.9-month supply a year earlier (Redfin, a national real estate brokerage, with adjustments by the analyst). Demand is expected for 21,450 new homes in the HMA during the next 3 years, and the 6,200 homes under construction are expected to meet a portion of the demand during the first year of the forecast period.

Rental Market



Very Soft: The overall rental vacancy rate is currently estimated at 15.9 percent, up from 14.4 percent in April 2020 and 15.3 percent in April 2010, when market conditions were also very soft.

Apartment market conditions in the HMA are also very soft, with a vacancy rate of 11.5 percent as of the first quarter of 2025, up from 8.8 percent a year earlier (CoStar Group). By comparison, the apartment vacancy rate was 3.8 percent as of the first quarter of 2022, the lowest first quarter rate in a decade. The recent elevated vacancy rates contributed to the average apartment rent declining by \$22, or 1 percent, from the year before to \$1,991 as of the first quarter of 2025, following a decline of \$17, or 1 percent, as of the first quarter of 2024. During the forecast period, demand is estimated for 1,800 rental units in the HMA; however, the 7,250 units under construction will exceed demand, and no additional rental construction is needed during the forecast period.

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3-Year Housing Demand Forecast			
Sarasota HMA	Sales Units		Rental Units
	Total Demand	21,450	1,800
	Under Construction	6,200	7,250

Notes: Total demand represents the estimated production necessary to achieve a balanced market at the end of the forecast period. Units under construction as of April 1, 2025. The forecast period is April 1, 2025, to April 1, 2028. Source: Estimates by the analyst



Economic Conditions

Largest Sector: Education and Health Services

The education and health services sector had the largest gain and fastest growth among job sectors during the 12 months ending March 2025, whereas the leisure and hospitality sector had the largest contraction.

Primary Local Economic Factors

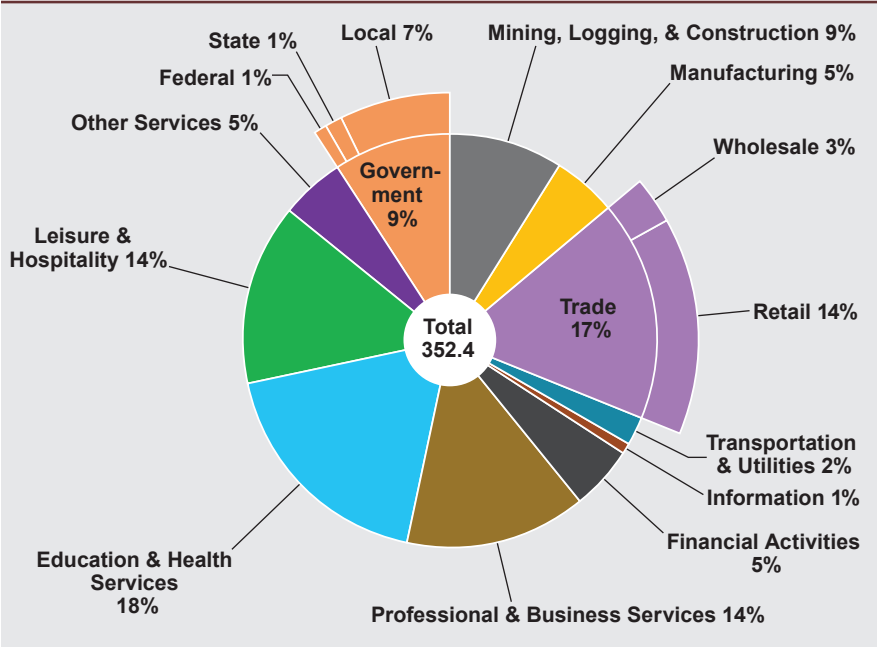
The education and health services sector has been the largest payroll sector in the Sarasota HMA since 2017 and has grown along with the population of older adults in the HMA, who create greater demand for health services.

In addition to the natural beauty and moderate weather of the Florida Gulf Coast, entertainment and recreation opportunities in the HMA attract tourists and residents, including retirees. White sand beaches, a thriving art scene, and sporting events attracted an estimated 3.5 million visitors to the HMA during fiscal year (FY) 2024 (October 1, 2023, to September 30, 2024), and tourism had an estimated economic impact of \$5.2 billion on the HMA (Visit Sarasota County; Bradenton Area Convention and Visitors Bureau). During FY 2024, the number of visitors and the economic impact of tourism declined for the first time since 2020, down 5.2 percent and 4.6 percent, respectively, from a year earlier. However, the decline followed rapid growth in the tourism industry. From FYs 2020 to 2023, the number of visitors increased an average of 11.8 percent annually, and the economic impact of tourism increased an average of 23.7 percent annually, exceeding prepandemic levels in 2021. Tourism directly supported an estimated 24,100 jobs in Sarasota County during FY 2024, mostly in the leisure and hospitality sector, with 36.8 percent of tourist spending going to local wages. Sporting events attract many visitors and contribute to tourism spending in the HMA. During FY 2024, Major League Baseball Spring Training had an estimated economic impact of \$190 million on the HMA.

SeaPort Manatee in Manatee County is the closest U.S. deepwater seaport to the Panama Canal, and it has a substantial impact on the statewide

economy despite the transportation and utilities sector accounting for just 2 percent of nonfarm payrolls in the HMA (Figure 1). SeaPort Manatee had an estimated annual economic impact of \$7.3 billion on Florida during FY 2024, up 42 percent from a year earlier (Manatee County Port Authority). Total cargo tonnage passing through the port increased to an all-time high of 11.8 million short tons during FY 2024, and the port supported an estimated 42,100 jobs throughout the state, up 7 and 13 percent, respectively, from FY 2023. The port handles products ranging from juices and agricultural products to cement and building supplies, and its capacity is expanding: two cranes were added in early 2025 and a \$2 million state grant was announced for roadway expansions at the port (SeaPort Manatee).

Figure 1. Share of Nonfarm Payroll Jobs in the Sarasota HMA, by Sector



Notes: Total nonfarm payroll is in thousands. Percentages may not add to 100 percent due to rounding. Based on 12-month averages through March 2025. Source: U.S. Bureau of Labor Statistics



Current Conditions— Nonfarm Payrolls

Economic conditions in the HMA are strong but moderating, with job growth slowing from the high rates during the recovery from the COVID-19 pandemic. During the 12 months ending March 2025, nonfarm payrolls increased by 6,900 jobs, or 2.0 percent, to 352,400 jobs following an increase of 13,800 jobs, or 4.2 percent, during the previous 12 months (Table 1). By comparison, national nonfarm payrolls increased 1.3 percent during the 12 months ending March 2025, following a 1.9-percent increase a year earlier.

Payrolls in the HMA increased in 9 of the 11 nonfarm sectors during the 12 months ending March 2025. The education and health services sector had the largest and fastest gain, increasing by 2,900 jobs, or 4.7 percent, during the 12 months ending March 2025 after increasing by 3,300 jobs, or 5.6 percent, a year earlier. The sector growth was due to rising demand for health care, partly because of a large retiree population in the HMA. The opening of a free-standing emergency room during October 2024 in West Bradenton contributed to the sector growth. The new facility is part of the Manatee Healthcare System, one of the largest employers in the HMA (Table 2). The professional and business services sector, which includes business support services for firms in other sectors, was the only sector in the HMA where job growth

Table 1. 12-Month Average Nonfarm Payroll Jobs (1,000s) in the Sarasota HMA, by Sector

	12 Months Ending March 2024	12 Months Ending March 2025	Absolute Change	Percentage Change
Total Nonfarm Payroll Jobs	345.5	352.4	6.9	2.0
Goods-Producing Sectors	50.5	50.8	0.3	0.6
Mining, Logging, & Construction	31.8	32.3	0.5	1.6
Manufacturing	18.7	18.5	-0.2	-1.1
Service-Providing Sectors	295.0	301.6	6.6	2.2
Wholesale & Retail Trade	58.7	60.0	1.3	2.2
Transportation & Utilities	8.1	8.3	0.2	2.5
Information	4.6	4.7	0.1	2.2
Financial Activities	18.7	19.0	0.3	1.6
Professional & Business Services	48.3	49.7	1.4	2.9
Education & Health Services	62.1	65.0	2.9	4.7
Leisure & Hospitality	49.3	48.4	-0.9	-1.8
Other Services	15.8	16.3	0.5	3.2
Government	29.4	30.3	0.9	3.1

Notes: Based on 12-month averages through March 2024 and March 2025. Numbers may not add to totals due to rounding. Data are in thousands.
Source: U.S. Bureau of Labor Statistics

Table 2. Major Employers in the Sarasota HMA

Name of Employer	Nonfarm Payroll Sector	Number of Employees
Sarasota Memorial Health Care System	Government	>8,000
PGT Innovations, Inc.	Manufacturing	2,550
Helios Technologies, Inc.	Manufacturing	2,500
Tropicana Products, Inc.	Manufacturing	1,650
Bealls, Inc.	Wholesale & Retail Trade	1,550
Manatee Healthcare System	Education & Health Services	1,050
Blake Medical Center	Education & Health Services	1,050

Note: Excludes local school districts.

Sources: *Sarasota Herald-Tribune*; Sarasota Memorial Health Care System; Florida Department of Transportation; GlobalData

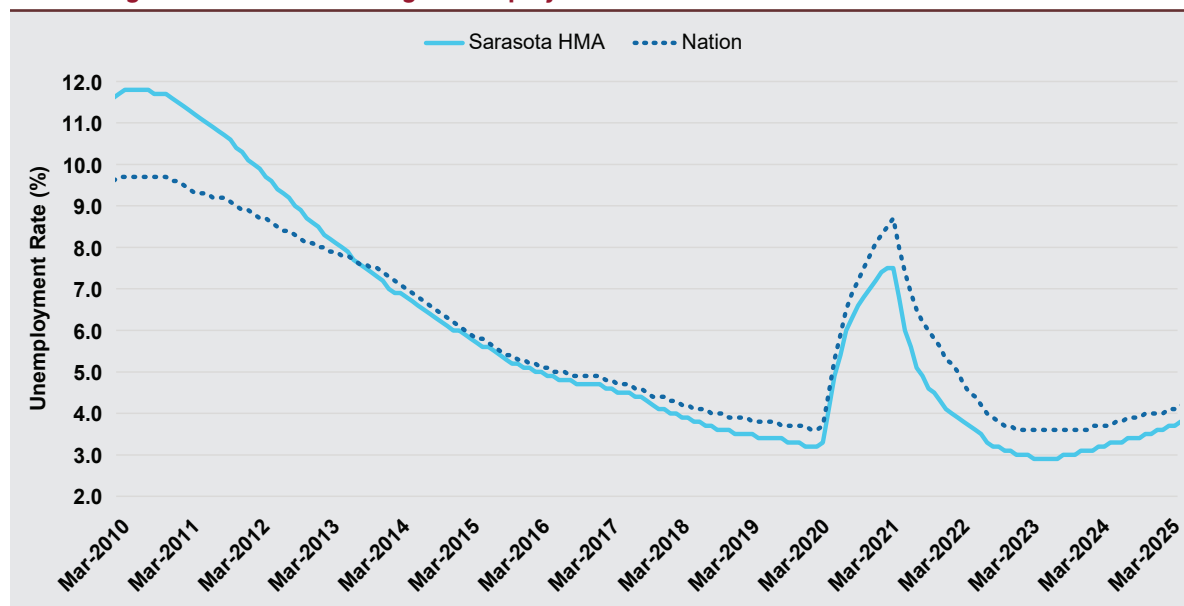
accelerated from the previous 12 months. The sector increased by 1,400 jobs, or 2.9 percent, during the 12 months ending March 2025, following an increase of 1,000 jobs, or 2.0 percent, a year earlier. Payrolls contracted in the manufacturing and the leisure and hospitality sectors during the past 12 months, down

by 200 and 900 jobs, or 1.1 and 1.8 percent, respectively. Layoffs at a PGT Innovations, Inc. plant in the city of Venice contributed to contraction in the manufacturing sector, reversing an increase of 200 jobs during the previous 12 months. Several restaurant closures during 2024 contributed to the decline in leisure and hospitality sector payrolls, following an increase of 1,400 jobs, or 2.9 percent, a year earlier.

Current Conditions— Unemployment

The unemployment rate in the HMA reached a recent high early in the pandemic, then declined rapidly through early 2023. However, the labor market has eased during the past 2 years. The unemployment rate during the 12 months ending March 2025 averaged 3.7 percent, up from 3.2 percent during the previous 12 months and the recent low of 2.9 percent during the 12 months ending March 2023, but was well below the recent high of 7.5 percent during the 12 months ending March 2021 (Figure 2). The unemployment rate for the HMA has been

Figure 2. 12-Month Average Unemployment Rate in the Sarasota HMA and the Nation



Note: Based on the 12-month moving average.
Source: U.S. Bureau of Labor Statistics

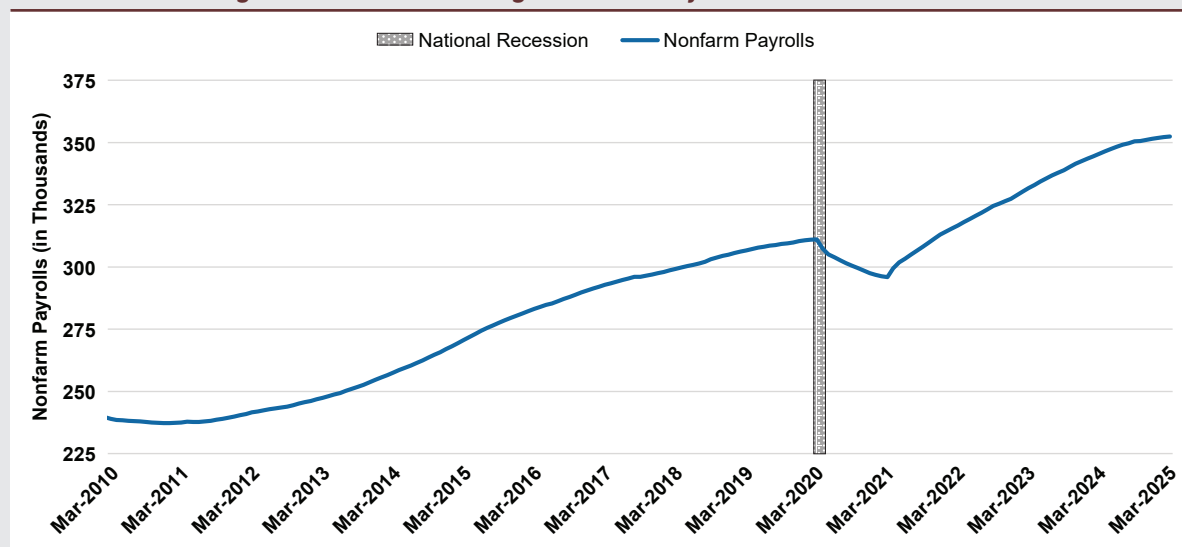
below the national rate since 2013; however, with the recent increase, the gap has narrowed. The national unemployment rate averaged 4.1 percent during the 12 months ending March 2025, up from 3.7 percent a year earlier and much lower than the recent high of 8.7 percent during the 12 months ending March 2021. By comparison, during 2019, before the pandemic, unemployment rates averaged 3.2 percent in the HMA and 3.7 percent nationally.

Economic Periods of Significance

2011 Through 2015

The economy in the HMA strengthened following the Great Recession, and nonfarm payroll growth accelerated from an increase of 2,700 jobs, or 1.1 percent, during 2011 to an increase of 13,400 jobs, or 5.0 percent, during 2015 (Figure 3). During the 5-year period, payrolls in the HMA increased by an average of 8,600 jobs, or 3.4 percent annually, significantly outpacing the average national growth rate of 1.7 percent annually. Nonfarm payrolls increased in 10 of the 11 sectors from 2011 through 2015, and the HMA recovered the total number of nonfarm jobs lost during the Great Recession by 2015. The professional and business services and the wholesale and retail trade sectors had the largest payroll gains in the HMA, increasing by annual averages of 1,800 jobs each, or 5.4 and 4.0 percent, respectively. The leisure and hospitality sector grew by an average of 1,700 jobs, or 4.5 percent annually. The mining, logging, and construction sector was the fastest growing, up by an average of 1,000 jobs, or 6.0 percent, annually. Growth in the sector was strongest in 2014 because of a massive increase in rental housing units permitted the year before (see [building permits](#)). The government sector contracted by an average of 100 jobs, or 0.3 percent, annually, partly because of layoffs in the federal government subsector during 2011.

Figure 3. 12-Month Average Nonfarm Payrolls in the Sarasota HMA



Note: Based on the 12-month moving average.

Sources: U.S. Bureau of Labor Statistics; National Bureau of Economic Research

2016 Through 2019

After the HMA economy recovered the number of jobs lost during the Great Recession, payroll growth continued at a strong rate from 2016 through 2019, although the growth slowed from the previous period. Payrolls in the HMA increased by an average of 7,500 jobs, or 2.6 percent, annually, faster than the average national growth rate of 1.6 percent annually. Average annual payroll growth slowed in 5 of the 11 sectors in the HMA compared with the previous 5 years of strong growth, and the rates of growth were unchanged in the information and the financial activities sectors. The wholesale and retail trade sector had the most significant slowdown, increasing by an annual average of 800 jobs, or 1.6 percent, less than one-half the average annual payroll increase and growth rate from 2011 through 2015. Similarly, growth slowed in the professional and business services and the leisure and hospitality sectors to respective averages of 1,000 and 900 jobs, or 2.5 and 2.1 percent, annually. The mining, logging, and construction and the education and health services sectors had the largest job gains, increasing by respective averages of 1,500 jobs each, or 6.8 and 3.0 percent, annually. Job growth in the mining, logging, and construction sector accelerated compared with the previous 5 years, partly because of elevated levels of rental housing construction during 2016, 2018, and 2019.

2020

The economy in the HMA contracted sharply during early 2020 because of public health measures implemented to combat the spread of COVID-19. From March to April 2020, nonfarm payrolls in the HMA declined by 47,200 jobs, or 15.0 percent, compared with a 13.1-percent contraction in national payrolls (monthly data, not seasonally adjusted). Although the economy began recovering in May 2020, average annual nonfarm payrolls in the HMA during 2020 were lower than a year earlier in 7 of the 11 payroll sectors. During 2020, nonfarm payrolls in the HMA were down by 12,900 jobs, or 4.2 percent, compared with 2019. The largest declines during 2020 were 7,000 jobs, or 15.2 percent, in the leisure and hospitality sector, and 2,300 jobs, or 4.3 percent, in the wholesale and retail trade sector. However, payrolls in the government sector were unchanged, and the mining, logging, and construction, the transportation and utilities, and the financial activities sectors increased 0.4, 4.6, and 1.9 percent, respectively, from a year earlier.

2021 Through 2023

The economy rebounded strongly. As of October 2021, the HMA recovered the total number of jobs lost during 2020, and payroll growth was elevated through 2023. All 11 payroll sectors in the HMA expanded from 2021 through 2023, and nonfarm payrolls were up by an average of 15,000 jobs, or 4.8 percent, annually. By comparison, national payrolls increased an average of 2.4 percent annually. The leisure and hospitality sector had the largest payroll gain in the HMA from 2021 through 2023, increasing by an annual average of 3,400 jobs, or 8.0 percent, and recovering from pandemic job losses in early 2023. The information sector had the fastest rate of payroll increase in the HMA, rising by 400 jobs, or 10.1 percent, annually. The mining, logging, and construction sector expanded rapidly from 2021 through 2023, increasing by an average of 1,600 jobs, or 5.8 percent, partly because rapid net in-migration spurred housing construction. Elevated population growth also supported growth in the professional and business services and the education and health services sectors that exceeded prepandemic rates, with respective average increases of 5.3 percent and 3.7 percent annually.

Forecast

The HMA economy is expected to continue growing during the next 3 years, but growth is expected to continue slowing, with nonfarm payrolls increasing an average of 1.8 percent annually. Strong growth is expected in the education and health services sector because BayCare Health System broke

ground on a hospital in the unincorporated community of Parrish that is slated to open in 2027. Strong growth is also expected in the government sector because the 100-bed Sarasota Memorial Hospital-North Port is expected to be complete in 2028.



Population and Households

Current Population: 948,000

Population and households increased dramatically in the Sarasota HMA after the onset of the COVID-19 pandemic, but the increases are expected to slow to prepandemic rates during the next 3 years.

Population Trends

Current Conditions

Population growth has moderated along with payroll growth since July 2022 and is currently similar to prepandemic rates. As of April 1, 2025, the population of the HMA is estimated at 948,000, up an average of 19,350, or 2.1 percent, annually since July 2022 (Table 3). During the same period, the average annual growth rate for Florida was slightly faster, at 2.2 percent, whereas the rate for the nation was slower, at 0.9 percent. Net in-migration to the HMA has averaged 23,950 people annually since July 2022 and accounted for all the population growth in the HMA. Net natural decline partially offset net in-migration but has slowed compared with the early stages of the pandemic, averaging 4,600 people annually since 2022 (Figure 4). A high proportion of older adults in the HMA contributes to the net natural decline, with relatively low birth rates and high death rates.

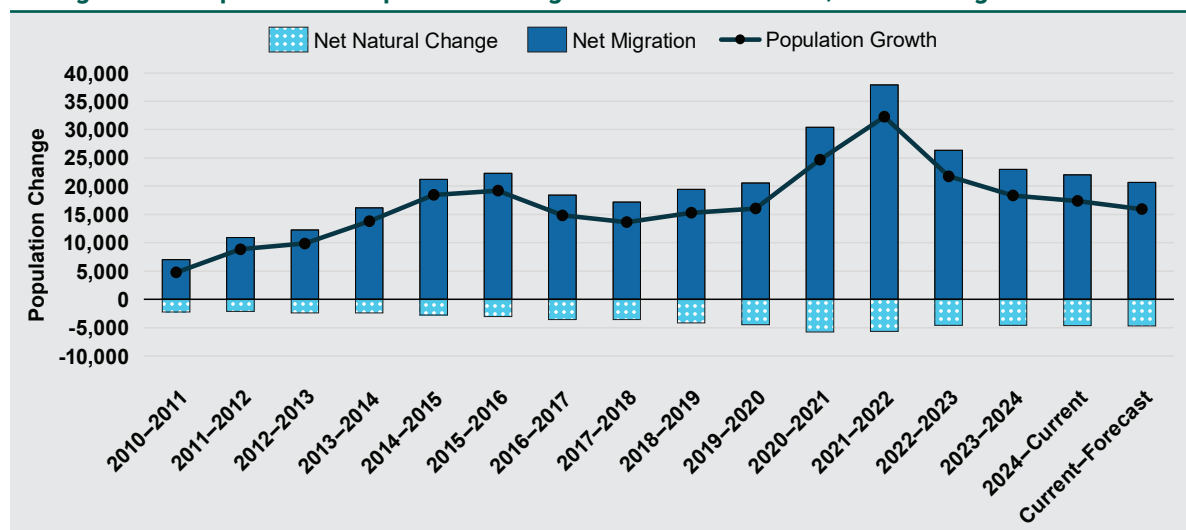
Table 3. Sarasota HMA Population and Household Quick Facts

Population Quick Facts	2020	Current	Forecast
	Population	833,716	948,000
	Average Annual Change	13,150	22,850
	Percentage Change	1.7	2.6
Household Quick Facts	2020	Current	Forecast
	Households	368,648	433,800
	Average Annual Change	5,725	13,050
	Percentage Change	1.7	3.3

Notes: Average annual changes and percentage changes are based on averages from 2010 to 2020, 2020 to current, and current to forecast. The forecast period is the current date (April 1, 2025) to April 1, 2028.

Sources: 2010 and 2020—2010 Census and 2020 Census; current and forecast—estimates by the analyst

Figure 4. Components of Population Change in the Sarasota HMA, 2010 Through the Forecast



Notes: Data displayed are average annual totals. The forecast period is the current date (April 1, 2025) to April 1, 2028.

Sources: U.S. Census Bureau; current to forecast—estimates by the analyst

2010 to 2016

The economic recovery and job gains in the HMA following the Great Recession contributed to population growth from 2010 to 2016, which accelerated throughout the period because of increasing net in-migration. From April 2010 to July 2016, the HMA population increased by an average of 12,100,

or 1.7 percent, annually, faster than the respective growth rates for the nation and Florida at 0.8 and 1.4 percent. All growth in the HMA was due to net in-migration, which averaged 14,575 people annually from 2010 to 2016 and was partially offset by average net natural decline of 2,475 people annually. Annual net in-migration more than tripled during the period and reached a prepandemic high from 2015 to 2016 of 22,250 people.

2016 to 2020

Coinciding with a slowdown in job growth that began in 2016, population growth in the HMA slowed, and the growth rate was below the prepandemic high into 2020. Despite the slowdown, population growth was strong; the population in the HMA increased by an average of 14,850, or 1.9 percent, from July 2016 to April 2020, well above the respective rates for the nation, 0.6 percent, and the state, 1.3 percent. Net in-migration to the HMA averaged 18,675 people annually from 2016 to 2020, below the prepandemic high but well above the average net in-migration levels during the early 2010s. Net natural decline continued to accelerate throughout the period and averaged 3,825 people annually.

2020 to 2022

During the 2 years following the onset of the pandemic, population growth in the Sarasota HMA accelerated to the highest rate in the past decade because a greater availability of remote work and more people retiring early contributed to increased net in-migration. From 2020 to 2022, population growth averaged 27,150 people, or 3.2 percent, annually, compared with average annual increases of 1.7 percent and 0.3 percent for Florida and the nation, respectively. Net in-migration to the HMA averaged 32,850 people annually from 2020 to 2022, up 76 percent compared with the 2016-to-2020 period. Net natural decline averaged 5,700 people annually from 2020 to 2022 and was elevated because of increased mortality associated with the pandemic and an increased proportion of older adults in the HMA.

Population by Geography

The population of Sarasota County is greater than that of Manatee County, but population growth has been faster in Manatee County since 2010.

Proximity to the Tampa-St. Petersburg-Clearwater MSA allows some Manatee County residents to work there. From 2011 to 2015, the Tampa-St. Petersburg-Clearwater MSA made up 4 percent of domestic net in-migration to the HMA, 74 percent of which was to Manatee County (American Community Survey [ACS] 5-year data). From 2010 to 2016, the population of Manatee County increased by an average of 7,450, or 2.2 percent, annually, while the population of Sarasota County increased by an average of 4,675, or 1.2 percent, annually (U.S. Census Bureau population estimates as of July 1). Population growth in Manatee County reached a prepandemic high of 3.3 percent from 2015 to 2016, and the fastest prepandemic growth rate in Sarasota County was 2.0 percent from 2014 to 2015.

From 2016 to 2020, the population of Manatee County increased by an average of 8,075, or 2.1 percent, and population growth in Sarasota County averaged 6,775, or 1.6 percent, annually. During the 2016-to-2020 period, net in-migration to the HMA from the Tampa-St. Petersburg-Clearwater MSA increased to 9 percent of domestic net in-migration to the HMA, all of which was to Manatee County (Table 4).

Table 4. Metro-to-Metro Migration Flows in the Sarasota HMA, 2016–20

Into the HMA	
New York-Newark-Jersey City, NY-NJ-PA Metro Area	2,118
Outside Metro Area within U.S. or Puerto Rico	2,073
Tampa-St. Petersburg-Clearwater, FL Metro Area	1,642
Washington-Arlington-Alexandria, DC-VA-MD-WV Metro Area	1,113
Boston-Cambridge-Newton, MA-NH Metro Area	719
Out of the HMA	
Ocala, FL Metro Area	1,141
Punta Gorda, FL Metro Area	990
Nashville-Davidson--Murfreesboro--Franklin, TN Metro Area	636
Deltona-Daytona Beach-Ormond Beach, FL Metro Area	480
Jacksonville, FL Metro Area	273

Source: U.S. Census Bureau Migration Flows, 2016–2020 American Community Survey 5-year data

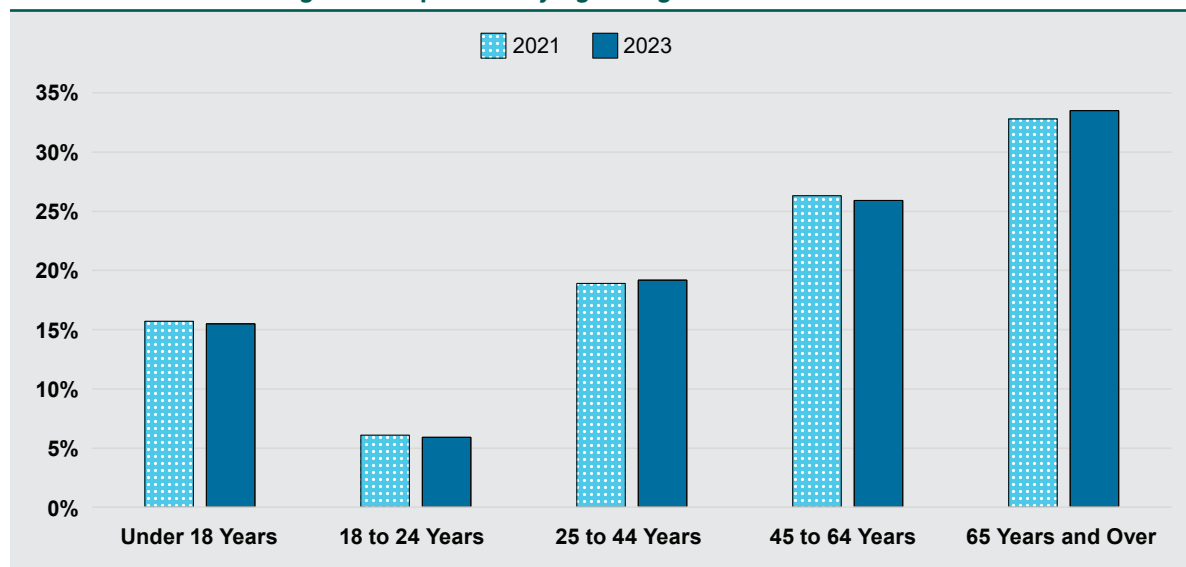


Following the start of the pandemic, population growth in both counties accelerated rapidly. From 2020 to 2022, population growth in Manatee County averaged 13,750, or 3.4 percent, annually, and in Sarasota County, it averaged 13,350, or 3.0 percent, annually. Population growth in both counties slowed beginning in 2022, after the HMA economy recovered from pandemic job losses, although the slowdown was more dramatic in Sarasota County. From 2022 to 2024, the population of Manatee County increased by 13,850, or 3.2 percent, annually compared with an average annual increase of 6,275, or 1.3 percent, in Sarasota County.

Age Cohort Trends

Residents aged 65 and older are the largest age cohort in the HMA, accounting for 33.5 percent of the population (ACS 1-year data; Figure 5). The median age in the HMA was 53.8 years as of 2023. By comparison, the median age for the nation was 39.2 years, with just 17.7 percent of the national population being 65 and older. The median age in the HMA is much higher, primarily because of the large number of retirees who migrate to the HMA. During the 2010s, adults aged 65 and older accounted for 40 percent of net in-migrants to the HMA, whereas people aged 45 and younger accounted for just 25 percent (University of Wisconsin-Madison). From 2021 to 2023, the 65-and-older cohort was the fastest growing age cohort in the HMA, increasing an average of 4.0 percent annually, up from an

Figure 5. Population by Age Range in the Sarasota HMA



Source: 2021 and 2023 American Community Survey 1-year data

average of 3.7 percent annually from 2017 to 2019 (ACS 1-year data). Although the 65-and-older cohort grew faster in the HMA than the respective national rates of 3.0 percent and 3.2 percent during the same period, COVID-19 disproportionately impacted the age group. From 2019 to 2021, the 65-and-older cohort increased an annual average of 1.7 percent nationally and just 1.2 percent in the HMA, with net natural decline partially offsetting net in-migration.

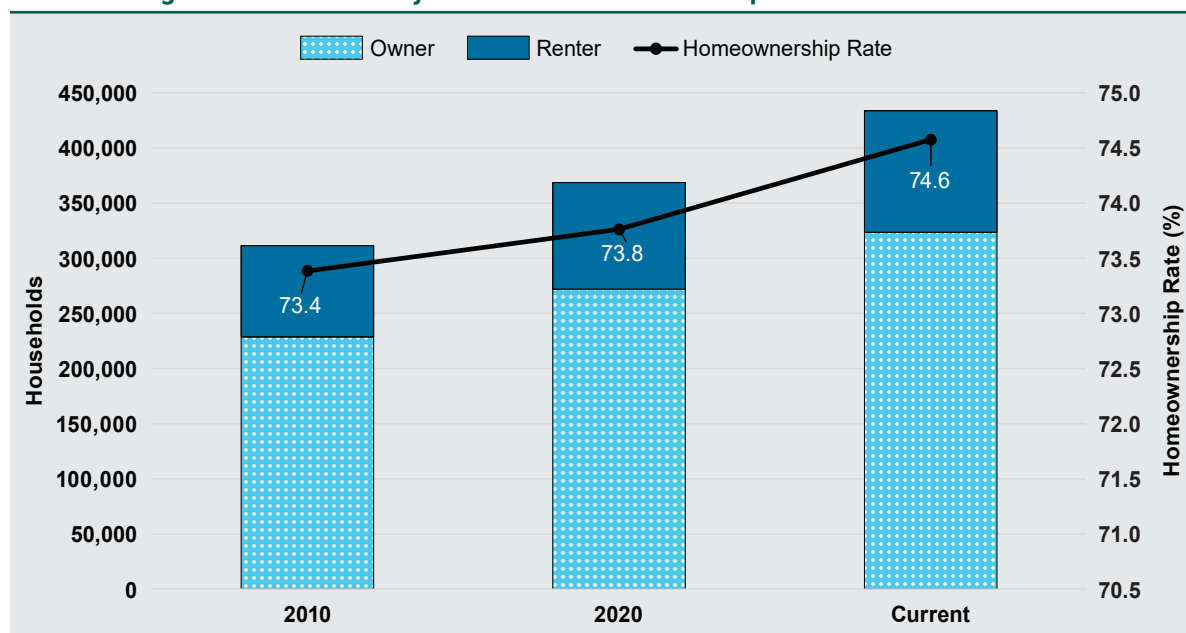
Household Trends

The number of households in the HMA grew at the same rate as the population from 2010 to 2020, averaging 1.7 percent annually. However, since 2020, household growth in the HMA has significantly outpaced population growth, partly because of an increase in the proportion of residents aged 65 and older, who tend to live in smaller households. Some residents in multiperson households also dispersed and formed new households after the onset of the pandemic, partly because of a desire for more living space. As of April 1, 2025, an estimated 433,800 households live in the HMA, up by an average of 13,050, or 3.3 percent, annually since 2020. By comparison, population growth has averaged 2.6 percent annually since 2020. Owner households account for an estimated 74.6 percent of all households in the HMA, up from 73.8 percent in 2020 (Figure 6).

Forecast

During the 3-year forecast period, the population of the HMA is expected to increase by an annual average of 16,000, or 1.7 percent, slower than the 2020-to-current period. Net in-migration is expected to slow throughout the forecast period from the current level, whereas net natural decline is expected to accelerate slightly because the number of older adults in the HMA is expected to continue to increase. The number of households in the HMA is expected to increase to 457,300 during the next 3 years, up by an average of 7,825, or 1.8 percent, annually.

Figure 6. Households by Tenure and Homeownership Rate in the Sarasota HMA



Note: The current date is April 1, 2025.

Sources: 2010 and 2020—2010 Census and 2020 Census; current—estimates by the analyst

Home Sales Market

Market Conditions: Slightly Soft

Home sales in the Sarasota HMA have been declining for 3 years, but, for the first time since 2019, home prices fell year-over-year during the 12 months ending March 2025.

Current Conditions

The home sales market in the HMA is slightly soft, with an estimated vacancy rate of 3.2 percent, up from 2.4 percent in April 2020, before conditions tightened after the start of the pandemic (Table 5). In March 2025, the 12,150 homes for sale in the HMA represented a 5.1-month supply, up from a 3.9-month supply a year earlier and well above the recent March low of 0.6 months in 2022, when the market was very tight (Redfin, a national real estate brokerage, with adjustments by the analyst). Home sales in the HMA reached recent highs during the period of strong net in-migration in 2022, but they have since declined along with a slowdown in net in-migration. The number of homes listed for sale has increased dramatically from the low of 1,525 homes in early 2022, and the average home price declined during the past 12 months, reflecting easing demand due to lower net in-migration and elevated interest rates, which added to the cost of

Table 5. Home Sales Quick Facts in the Sarasota HMA

Home Sales Quick Facts	Sarasota HMA		Nation
	Vacancy Rate	3.2%	NA
	Months of Inventory	5.1	3.2
	Total Home Sales	28,800	4,861,000
	1-Year Change	-6%	-5%
	New Home Sales Price	\$575,700	\$497,700
	1-Year Change	-2%	2%
	Resales Price	\$563,800	\$429,700
	1-Year Change	0%	7%
	Mortgage Delinquency Rate	1.4%	1.0%

NA = data not applicable.
Notes: The vacancy rate is as of the current date; home sales and prices are for the 12 months ending March 2025; and months of inventory and mortgage delinquency data are as of March 2025. The current date is April 1, 2025.
Sources: Vacancy rate—estimates by the analyst; months of inventory—Redfin, a national real estate brokerage, with adjustments by the analyst; home sales and prices—Cotality, with adjustments by the analyst; mortgage delinquency rate—Cotality

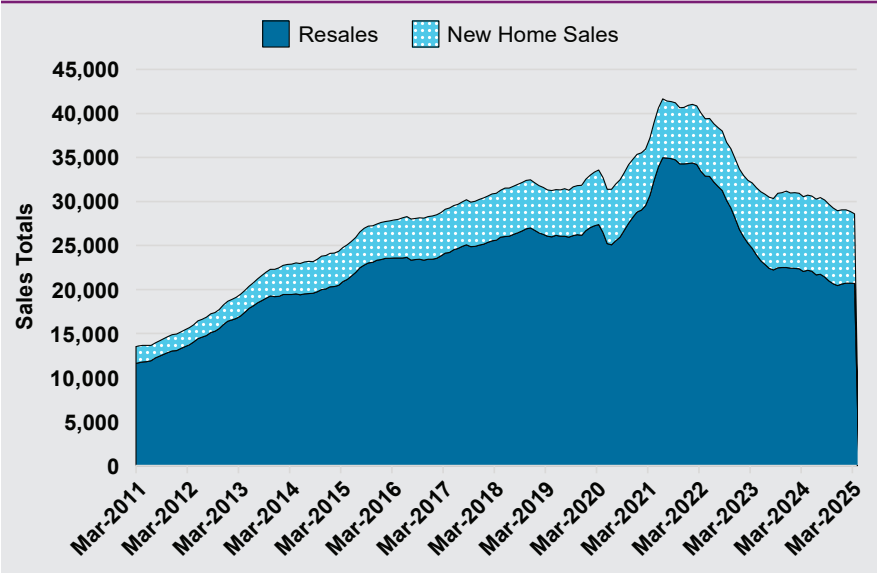
purchasing a home. The average interest rate for a 30-year, fixed-rate mortgage was 6.7 percent during March 2025, compared with 6.8 percent a year earlier and well above the 50-year March low of 3.1 percent in 2021 (Freddie Mac).

During the 12 months ending March 2025, a total of 28,800 homes sold in the HMA, down by 2,000 homes, or 6 percent, from the previous 12 months and the fewest number of homes sold during a 12-month period ending in March since 2015 (Cotality, with adjustments by the analyst). The average home price declined year over year by \$3,125, or 1 percent, to \$564,900 during the 12 months ending March 2025, representing the first decline during a 12-month period since 2019.

New Home Sales and Prices

In 2024, new home sales and prices reached the highest respective points in the past decade for 12-month periods ending in March, then declined during the most recent 12 months. During the 12 months ending March 2025, 7,900 new homes sold, down by 610 homes, or 7 percent, from the previous 12 months (Figure 7). By comparison, during the 12 months ending March 2024,

Figure 7. 12-Month Home Sales Totals by Type of Sale in the Sarasota HMA



Source: Cotality, with adjustments by the analyst



the number of new home sales increased by 1,075, or 15 percent, from a year earlier. The average new home price declined by \$12,200, or 2 percent, to \$575,700 during the 12 months ending March 2025, compared with an increase of \$43,000, or 8 percent, during the previous 12 months. New home sales accounted for 27 percent of total sales in the HMA during the most recent 12 months, above the respective averages of 14 percent from 2010 through 2019 and 20 percent from 2020 through 2023. Much of the new home construction is in areas where land and insurance costs are lower, including master-planned communities, which provide amenities and maintenance—features that appeal to older adults.

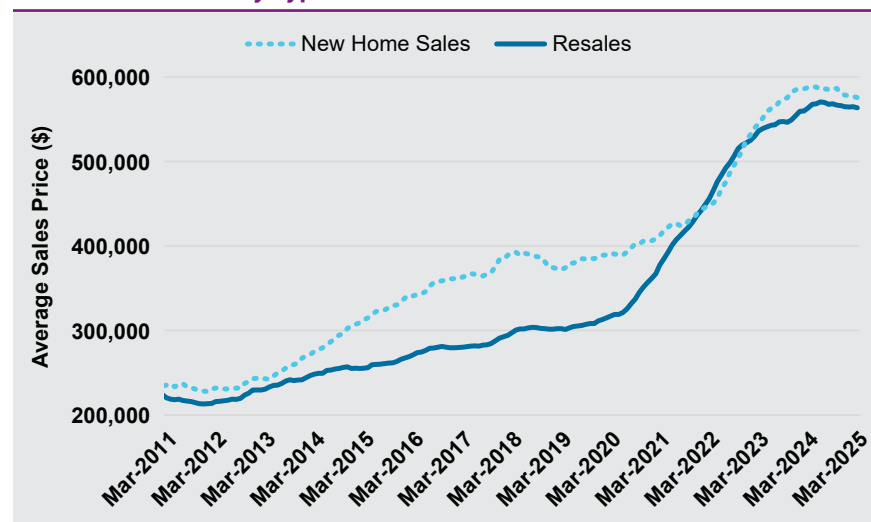
Following the Great Recession, new home sales in the HMA declined in 2011, falling by 10 homes, or 1 percent, from a year earlier to 1,875 homes. When the economy of the HMA improved and net in-migration increased rapidly from 2012 through 2016, new home sales increased by an average of 610 homes, or 21 percent, annually to 4,900 home sales. New home sales growth moderated when net in-migration slowed. From 2017 through 2019, sales increased by an average of 320 homes, or 6 percent, annually to 5,850 homes. When population growth began accelerating in 2020, new home sales rose 12 percent, but growth then slowed to an average increase of 2 percent from 2021 through 2022.

The average new home price fell to \$228,300 during 2011, down by \$8,825, or 4 percent, from 2010 (Figure 8). From 2012 through 2016, the average new home price increased rapidly along with sales, up by an average of \$26,600, or 10 percent, annually to \$361,200. The average new home price reached \$386,500 during 2019, up by an average of \$8,425, or 2 percent, annually from 2017. From 2020 through 2022, new home price growth accelerated to an average of \$46,400, or 11 percent, annually.

Resale Home Sales and Prices

Resales in the HMA have declined along with slowing net in-migration since 2022. During the 12 months ending March 2025, resales totaled 20,700 homes, down by 1,350 homes, or 6 percent, from a year earlier,

Figure 8. 12-Month Average Home Sales Price by Type of Sale in the Sarasota HMA



Source: Cotality, with adjustments by the analyst

following average annual declines of 5,700 homes, or 19 percent, during the previous 24 months. The average resale price increased by \$600, or less than 1 percent, to \$563,800 during the 12 months ending March 2025. Resale price growth averaged \$79,250, or 19 percent, annually during the 24 months ending March 2023, then decelerated to \$27,000, or 5 percent, during the 12 months ending March 2024.

Resales in the HMA increased from 2011 through 2015 by an average of 2,400 homes, or 16 percent, annually to 23,400 homes, as demand in the market recovered from the Great Recession. Sales growth moderated from 2016 through 2019, averaging less than 1,600 homes, or 3 percent, annually. Resales then accelerated along with net in-migration, increasing during 2020 and 2021 by an average of 3,825 homes, or 13 percent, annually to 34,300 homes.

Like new home prices, the average resale home price declined during 2011, decreasing from 2010 by \$15,350, or 7 percent, to \$213,000. The average resale price then steadily increased by an average of \$12,300, or 5 percent,

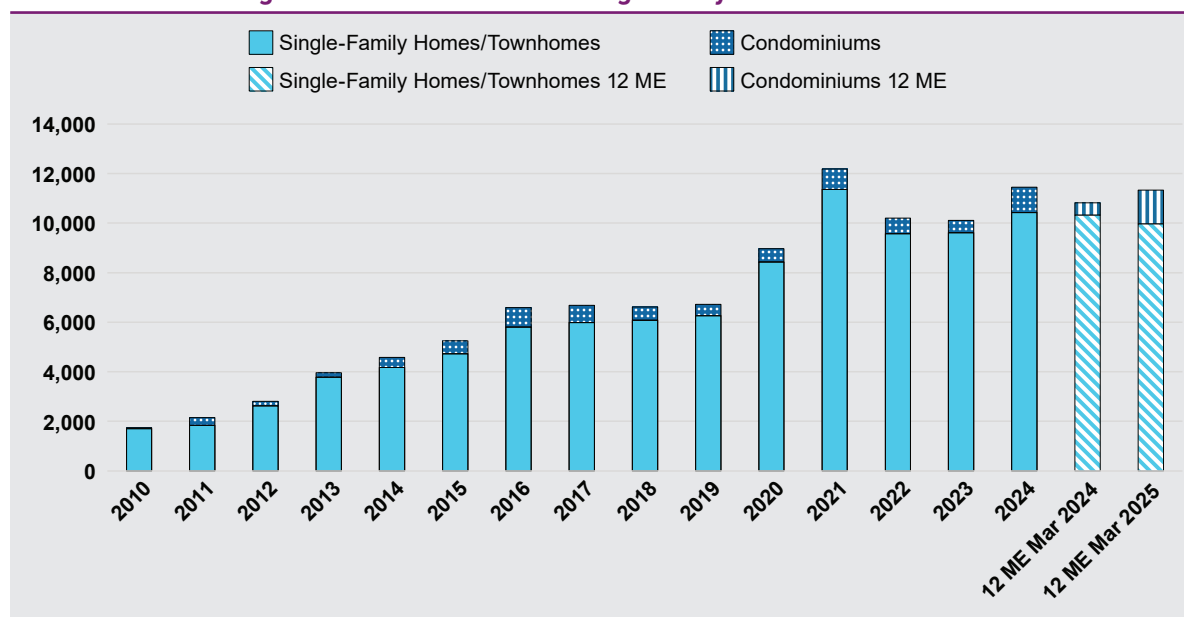
annually from 2012 through 2019. Resale price growth then accelerated, and the average resale price reached \$436,300 during 2021, up an average of \$62,350, or 18 percent, annually from 2019.

Sales Construction

Construction of sales housing in the HMA, as measured by the number of homes permitted, increased substantially at the start of the pandemic and has been elevated since (Figure 9). During the 12 months ending March 2025, the number of single-family homes and townhomes permitted declined by 350, or 3 percent, from the previous 12 months to 9,975 homes. However, the number of condominiums increased substantially to 1,375 homes during the most recent 12 months, up by 870 homes or more than double the number permitted a year earlier.

Sales construction generally followed population growth trends during the 2010s, increasing steadily through 2016, then leveling off from 2016 through 2019. The number of new homes permitted increased from 1,750 during 2010 to 6,600 during 2016, up by an average of 810 homes, or 25 percent, annually. New home construction averaged 6,675 homes from 2017 through 2019, within 1 percent of the average throughout the 3-year period. When net immigration increased and the sales market tightened, sales construction increased rapidly to 12,200 homes in 2021, up by an average of 2,725 homes, or 35 percent, from 2019.

Figure 9. Annual Sales Permitting Activity in the Sarasota HMA



12 ME = 12 months ending.

Sources: U.S. Census Bureau, Building Permits Survey; 2010–24—final data and estimates by the analyst; past 24 months of data—preliminary data and estimates by the analyst

A dramatic increase in the number of homes available for sale during 2022 contributed to slower construction activity. The number of new homes permitted averaged 10,150 homes during 2022 and 2023, 17 percent less than the peak in 2021.

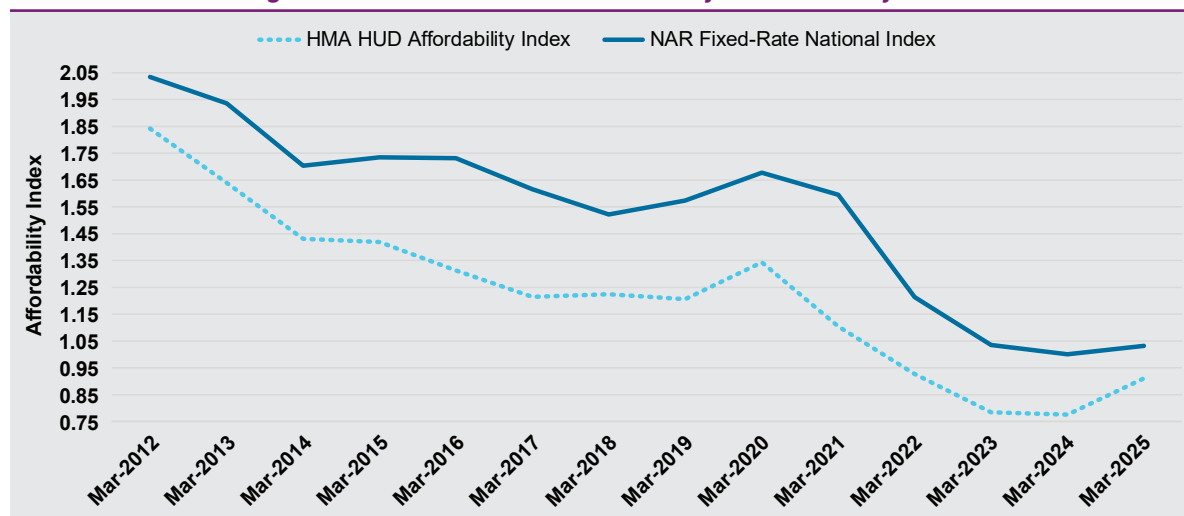
During the most recent 12 months, new single-family home construction has been slightly greater in Manatee County than in Sarasota County, accounting for 52 percent of homes permitted in the HMA. Among the new developments, Watercolor Place in Manatee County is a master-planned community with 19 completed homes and 79 available lots out of a total of 200 homes planned at buildout. Prices at Watercolor Place range from \$424,000 for a 1,575-square-foot home to \$785,300 for a 2,150-square-foot home. Wellen Park in Sarasota County is a master-planned community with 5 completed neighborhoods and 15 under development, offering homes by 14 homebuilders. Currently, 340 lots, completed homes, and condominiums are for sale in Wellen Park, ranging from \$261,000 for a 1,120-square-foot condominium in the Wellen Park Golf & Country Club to \$1.6 million for a 5,625-square-foot, two-story single-family home in the Everly neighborhood.

Housing Affordability—Sales

Homeownership in the HMA has been less affordable than in the nation overall for more than 10 years and has become less affordable since 2012. The HUD Homebuyer Affordability Index for the HMA increased slightly as of March 2025, as the HMA median income increased from the previous year, whereas the estimated cost of homeownership decreased, indicating that homes became more affordable. However, affordability reached a recent low for the HMA and the nation as of March 2024, and affordability is well below prepandemic levels (Figure 10). Similarly, for households in the 25-to-44 age cohort, homeownership was slightly more affordable as of the first quarter of 2025 compared with a year before, but affordability is also below prepandemic levels for this age group (Figure 11). The HUD First Time Homebuyer Index increased for the nation and the HMA after reaching first quarter lows in 2024.

Despite decreasing home affordability for families and first-time homebuyers, the homeownership rate in the HMA is relatively high and has increased since 2010. This increase is partially due to the presence of households with people aged 65 and older—although these households often have lower incomes than other age groups in the HMA, retirees who migrate to the HMA frequently have proceeds from the sale of a previous residence to apply toward the purchase of a home. The 25th percentile of home prices in the HMA, the home price used in the

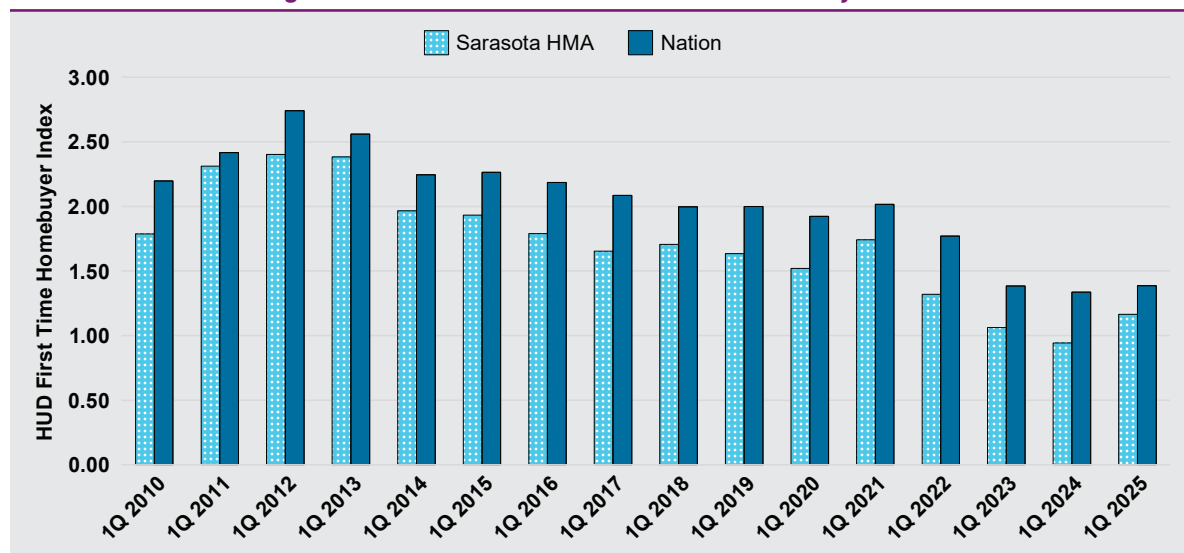
Figure 10. Sarasota HMA HUD Homebuyer Affordability Index



NAR = National Association of REALTORS®.

Sources: HUD Median Family Income data; Redfin, a national real estate brokerage; Freddie Mac; NAR

Figure 11. Sarasota HMA HUD First Time Homebuyer Index



1Q = first quarter.

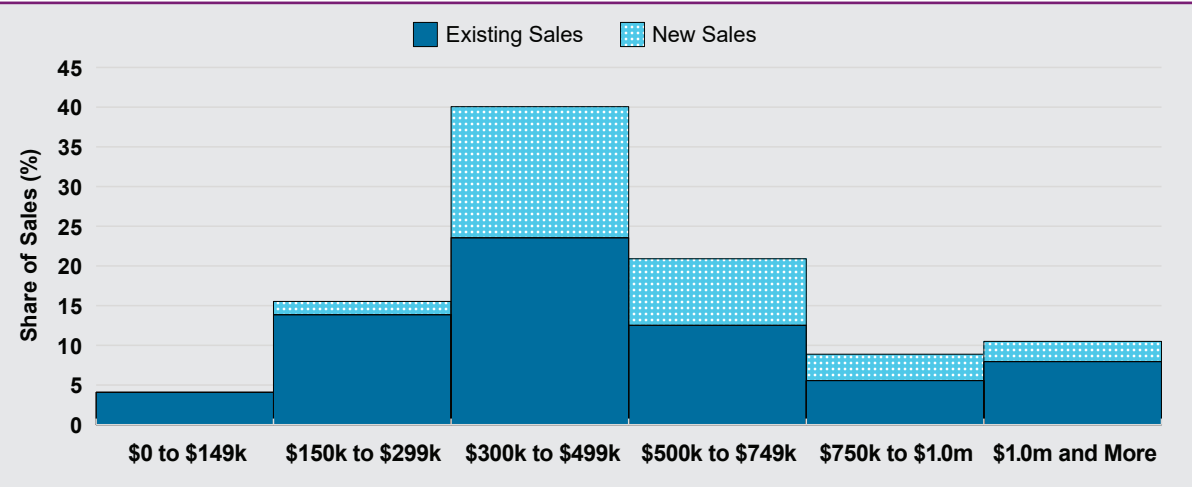
Sources: American Community Survey 1-year data; HUD Median Family Income data; Freddie Mac; Zonda

HUD First Time Homebuyer Index, is \$307,200 as of the first quarter of 2025. However, the greatest proportion of new and existing homes sold for between \$300,000 and \$500,000 during the 12 months ending March 2025, with just 5 percent of new homes selling for less than \$300,000. More existing homes were priced below the 25th percentile, with 27 percent selling for less than \$300,000; however, 20 percent sold for \$750,000 or more (Figure 12).

Forecast

Demand is expected for 21,450 new homes in the HMA during the next 3 years (Table 6). The 6,200 homes under construction will meet a portion of the demand during the first year of the forecast period. The average annual forecast demand is expected to be lower than in recent years because population growth is expected to continue slowing from recent high levels. New home construction is expected in both Sarasota and Manatee Counties, with continued expansion in areas such as Wellen Park and the city of Parrish.

Figure 12. Share of Overall Sales by Price Range During the 12 Months Ending March 2025 in the Sarasota HMA



Note: New and existing sales include single-family homes, townhomes, and condominiums.
Source: Zonda

Table 6. Demand for New Sales Units in the Sarasota HMA During the Forecast Period

Sales Units	
Demand	21,450 Units
Under Construction	6,200 Units

Note: The forecast period is April 1, 2025, to April 1, 2028.
Source: Estimates by the analyst

Rental Market

Market Conditions: Very Soft

Although the market tightened sharply during 2021, when net in-migration was very high, rental construction has dramatically outpaced absorption during the past 2 years, resulting in rising vacancy rates.

Current Conditions and Recent Trends

The rental housing market in the Sarasota HMA is very soft, with an estimated overall vacancy rate of 15.9 percent, up from 14.4 percent in 2020 (Table 7), when the market was also very soft. The rental market tightened at the start of the pandemic because rental construction slowed as population growth reached record-high levels. However, conditions have eased during the past 2 years because population growth has slowed as apartment unit completions increased. Construction of built-for-rent single-family homes increased after the onset of the pandemic but has declined from the recent high in 2022. Single-family homes accounted for 37 percent of occupied rental units in the HMA during 2023, down from 40 percent in 2021 (ACS 1-year data). By comparison, buildings with five or more units, including most apartments, accounted for 49 percent of occupied rental units, up from 42 percent in 2021.

Table 7. Rental and Apartment Market Quick Facts in the Sarasota HMA

Rental Market Quick Facts	2020 (%)	Current (%)	
	Rental Vacancy Rate	14.4	15.9
	2021 (%)	2023 (%)	
	Occupied Rental Units by Structure		
	Single-Family Attached & Detached	40	37
	Multifamily (2–4 Units)	13	10
	Multifamily (5+ Units)	42	49
	Other (Including Mobile Homes)	6	4
Apartment Market Quick Facts	1Q 2025	YoY Change	
	Apartment Vacancy Rate (%)	11.5	2.7
	Average Rent	\$1,991	-1%
	Studio	\$1,340	-1%
	One-Bedroom	\$1,792	0%
	Two-Bedroom	\$2,064	-1%
	Three-Bedroom	\$2,423	-2%

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

Notes: The current date is April 1, 2025. Percentages may not add to 100 due to rounding.

Sources: 2020 vacancy rate—2020 Census; current vacancy rate—estimate by the analyst; occupied rental units by structure—2021 and 2023 American Community Survey 1-year data; apartment data—CoStar Group

Apartment market conditions in the HMA are also very soft, with a vacancy rate of 11.5 percent as of the first quarter of 2025, up from 8.8 percent a year earlier (CoStar Group). Very tight conditions during 2021 and 2022 contributed to a large wave of rental permitting, and the supply of new units that have been coming on line during the past 2 years has outpaced absorption, resulting in the vacancy rate rapidly increasing. Elevated vacancy rates contributed to the average apartment rent declining to \$1,991 as of the first quarter of 2025, down \$22, or 1 percent, from the first quarter of 2024, following a decline of \$17, or 1 percent, the year before.

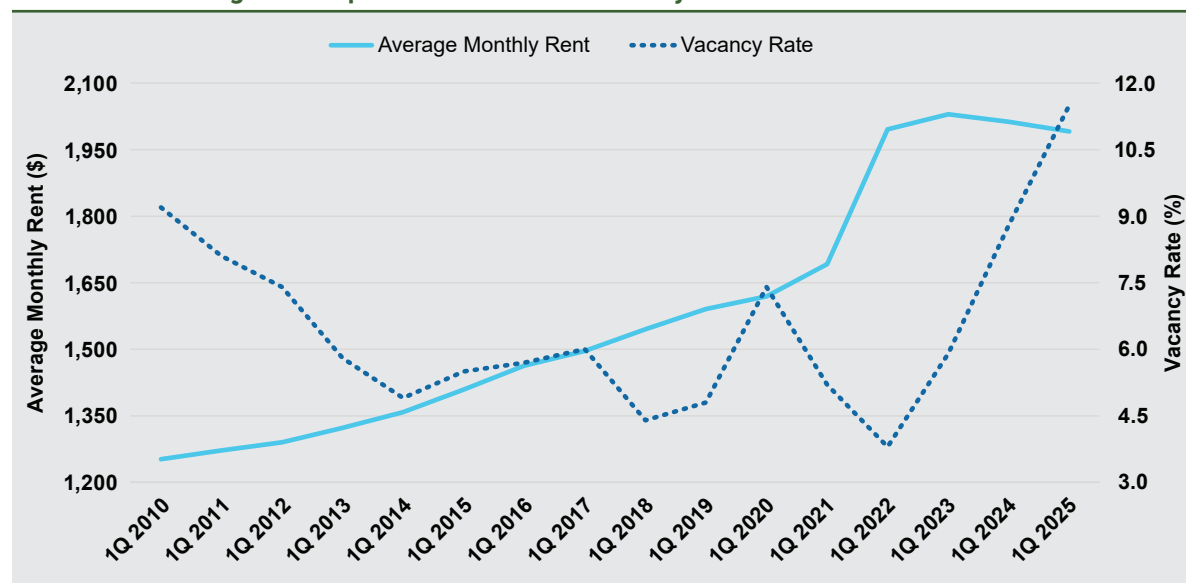
Apartment Market Trends

The apartment market in the HMA tightened during the early 2010s as the HMA population grew and demand increased. The apartment vacancy rate declined from 9.2 percent as of the first quarter of 2010, when the market was very soft, to 4.9 percent as of the first quarter of 2014, when the market was slightly tight (Figure 13). The average apartment rent increased to \$1,358 as of the first quarter of 2014, representing an average increase of \$27, or 2 percent, annually from 2010 (CoStar Group).

Tightening market conditions during the early 2010s contributed to a wave of apartment construction, and the units came on line during 2015 and 2016, shifting the market conditions to balanced. As of the first quarter of 2017, the apartment vacancy rate in the HMA was 6.0 percent. Construction slowed during 2017, but absorption was elevated, causing the apartment vacancy rate to fall to a prepandemic first quarter low of 4.4 percent in 2018 and stay low a year later, at 4.8 percent. Rent growth from 2014 to 2019 was relatively stable. The average apartment rent reached \$1,591 as of the first quarter of 2019, up an average of \$47, or 3 percent, annually from the first quarter of 2014.

Tight market conditions again led to increased apartment construction starts, and the units came on line during 2019 and 2020. The influx of new units surpassed absorption, and the vacancy rate reached 7.4 percent as of the first quarter of 2020, while growth in the average apartment rent slowed to \$28, or 2 percent, from a year earlier. Construction fell significantly during 2020, partly because of the easing market and supply chain disruptions, while net in-migration contributed to apartment absorption reaching recent high levels in 2021. The market tightened significantly, and the apartment vacancy rate fell to 3.8 percent in 2022, the lowest first quarter rate in a decade. The vacancy rate decline contributed to the average rent reaching \$1,996 as of the first quarter of 2022, up an average of \$189, or 11 percent, annually from the same period in 2020.

Figure 13. Apartment Rents and Vacancy Rates in the Sarasota HMA



1Q = first quarter.
Source: CoStar Group

Apartment Market Conditions by Geography

Manatee County accounted for 42,750 units, or 55 percent, of the CoStar Group-surveyed apartments in the HMA and had an apartment vacancy rate of 8.6 percent as of the first quarter of 2025. The apartment vacancy rate was unchanged from a year earlier but well above the recent first quarter low of 3.8 percent in 2022, when the market was very tight. As of the first quarter of 2025, the average apartment rent decreased less than 1 percent from a year earlier to \$1,844, following a 1-percent decline as of the first quarter of 2024. By comparison, as of the first quarter of 2022, the average rent in Manatee County increased by \$304, or 19 percent, from a year earlier to \$1,864. The apartment vacancy rate in Manatee County was stable during the past year because absorption has been relatively steady and has kept pace with completions.

Sarasota County accounted for 34,525 units, or 45 percent, of the surveyed apartment units in the HMA as of the first quarter of 2025, but the inventory has grown rapidly during the past year because of new construction. The vacancy rate in Sarasota County reached 15.0 percent as of the first quarter of 2025, up from 9.2 percent a year earlier and well above the recent first quarter low of 3.9 percent in 2022,

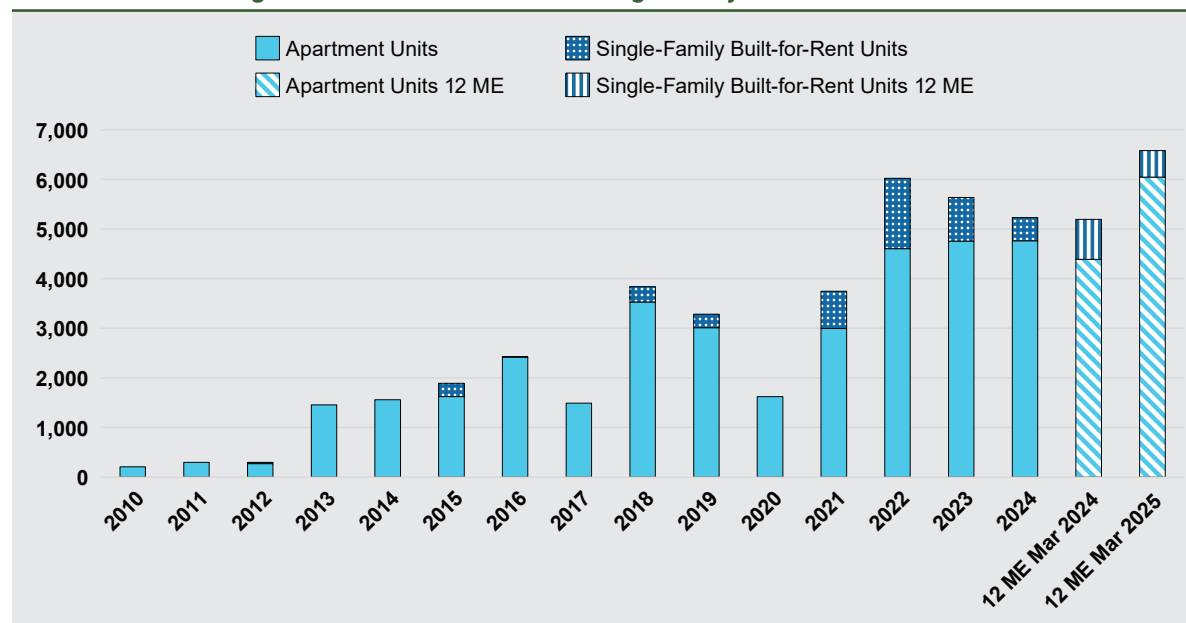
when the market was very tight. The average rent declined 2 percent to \$2,170 as of the first quarter of 2025, following a 1-percent increase a year earlier. By comparison, as of the first quarter of 2022, the average rent in Sarasota County increased by \$305, or 16 percent, from a year earlier to \$2,157. Market conditions have softened significantly in the past year because Sarasota County had 3,975 apartment completions, or 71 percent, of the HMA total, but only 1,600 units absorbed, or 52 percent, of the HMA total.

Rental Construction

Rental construction activity, as measured by the number of rental units permitted, reached a recent high during the past 12 months despite the rental market softening. During the 12 months ending March 2025, 6,575 rental units were permitted, up by 1,375 units, or 27 percent, from the previous 12 months (Figure 14). The increase was partly supported by financing through the local Resilient SRQ program, Community Development Block Grant Disaster Recovery funding that was allocated during 2024 following Hurricane Ian in 2022, and state programs like the Live Local Act, which has aimed to incentivize affordable and workforce multifamily construction since 2023.

Rental construction activity in the HMA has generally followed population growth trends since 2010. From 2010 through 2012, when population growth was low and the apartment

Figure 14. Annual Rental Permitting Activity in the Sarasota HMA



12 ME = 12 months ending.

Note: Includes apartments and units intended for rental occupancy.

Sources: U.S. Census Bureau, Building Permits Survey; 2010–24—final data and estimates by the analyst; past 24 months of data—preliminary data and estimates by the analyst

market was soft, rental permitting averaged approximately 270 units annually. Rental permitting increased significantly in 2013 as the apartment market tightened, and permitting reached 1,450 units. Rental construction activity continued to increase as net in-migration accelerated, up by an average of 320 units, or 19 percent, annually from 2014 through 2016 to 2,425 units. After a slowdown in rental construction during 2017, when 1,500 units were permitted, rental construction increased significantly in 2018 as the market tightened, averaging 3,550 units a year during 2018 and 2019, before declining to 1,625 units during 2020, partly because of high levels of rental unit deliveries. Rapid population growth from 2021 through 2023 contributed to a sharp increase in rental construction, which averaged 5,125 units annually.

Construction of single-family homes for rent increased significantly after 2020 and made up a significant portion of rental units permitted from 2021 through 2023, but permitting of units in single-family built-for-rent communities has declined significantly during the most recent 12 months. From 2010 through 2019,

single-family built-for-rent units accounted for an average of 5 percent of rental construction annually. No single-family rental units were permitted in 2020, when rental permitting decreased overall. However, from 2021 through 2023, single-family built-for-rent units accounted for 20 percent of rental construction in the HMA. The proportion declined to 8 percent during the 12 months ending March 2025, compared with 16 percent during the 12 months ending March 2024.

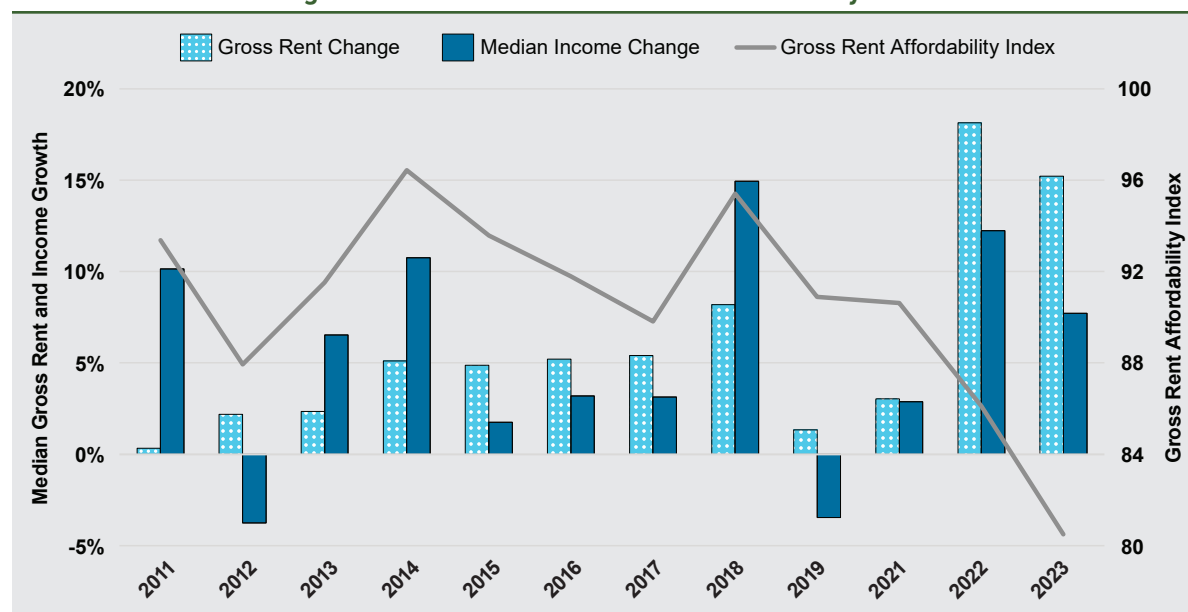
During the past 12 months, more units were completed in Sarasota County than in Manatee County, where a higher number of units are still under construction. Manatee County accounts for an estimated 57 percent, or 4,125 units, of the total rental units under construction in the HMA, compared with 3,100 units under construction in Sarasota County. The Forayna Watercolor Place is an apartment community that began leasing in March 2025 and is part of the Watercolor Place master-planned development in the city of Bradenton. The Forayna Watercolor Place offers one-, two-, and three-bedroom units, with respective monthly rents starting at \$1,694, \$2,158, and \$2,854. Also in Manatee County, the Yardly Ellenton was completed in early 2025 in the city of Palmetto. The community offers 270 built-for-rent single-family homes ranging from \$1,802 a month for a 790-square-foot, one-bedroom home to \$2,700 a month for a 1,250-square-foot, three-bedroom home.

Aura, completed in February 2025 in the city of Nokomis in Sarasota County, offers one-, two-, and three-bedroom apartment units, with respective monthly rents starting at \$1,539, \$1,814, and \$2,279.

Housing Affordability—Rental

Rental affordability in the HMA has been decreasing since 2018, and the decline has accelerated since 2022, because rent growth has consistently exceeded income growth for renter households. The HUD Gross Rent Affordability Index reached 80.5 in 2023, down from 90.6 in 2021 (Figure 15). By comparison, the index for the nation was 92.0 in 2023, down from 94.3 in 2021, signifying that the HMA has been less affordable than the nation as a whole since the onset of the pandemic. Before the pandemic, the Gross Rent Affordability Index for the HMA varied, but from 2011 through 2019, it was within a band from 87.9 to 96.4. By comparison, the index for the nation generally increased from a low of 88.8 in 2011 to a high of 96.8 in 2019.

Figure 15. Sarasota HMA Gross Rent Affordability Index



Notes: Rental affordability is for the Sarasota MSA. The Gross Rent Affordability Index differs from the HUD Rental Affordability Index published on the U.S. Housing Market Conditions website in that it is based on combined rent and utilities expenditure. Data for 2020 are not available. Source: American Community Survey 1-year data

A relatively high number of renters were cost burdened compared with the nation during the 2017-to-2021 period (Table 8). An estimated 24.5 percent of renter households in the HMA had severe cost burdens, spending 51 percent or more of their income toward rent, compared with 22.2 percent nationally. A significant portion of renter households in the HMA with incomes less than 50 percent of the Area Family Median Income had severe cost burdens, 61.8 percent, well above the national rate of 49.9 percent.

Forecast

Demand is estimated for 1,800 rental units in the HMA during the 3-year forecast period (Table 9). Demand is expected to wane slightly each year of the forecast period as net in-migration slows, but will allow a portion of the current excess supply of vacant units to be absorbed. However, the 7,250 units under construction are expected to significantly exceed the demand during the forecast period, adding to the excess supply and contributing to continued soft market conditions. To prevent further softening, developers should not plan for additional units to enter the market during the forecast period.

Table 8. Percentage of Cost Burdened Renter Households by Income, 2017–21

	Moderate to High Cost Burden: 31–50 Percent of Income Toward Housing Costs		Severe Cost Burden: 51 Percent or More of Income Toward Housing Costs	
	Sarasota HMA	Nation	Sarasota HMA	Nation
Renter Households with Income <50% HAMFI	19.6	25.9	61.8	49.9
Total Renter Households	24.3	21.7	24.5	22.2

HAMFI = HUD Area Median Family Income.
Source: Consolidated Planning/Comprehensive Housing Affordability Strategy Data, 2017–2021 American Community Survey 5-year estimates

Table 9. Demand for New Rental Units in the Sarasota HMA During the Forecast Period

Rental Units	
Demand	1,800 Units
Under Construction	7,250 Units

Note: The forecast period is April 1, 2025, to April 1, 2028.
Source: 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. A property is stabilized once the occupancy rate reaches 90 percent or at least 18 months have passed since it was changed from “under construction” to “existing” on the CoStar Group website.
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.
Cost Burdened	Spending more than 30 percent of household income on housing costs. Moderate to high-cost burden refers to households spending 31 to 50 percent of income on housing costs. Severe cost burden refers to households spending 51 percent or more of income on housing costs.
Demand	The demand estimates in the analysis are not a forecast of building activity. They are the estimates of the total housing production needed to achieve a balanced market at the end of the 3-year forecast period given conditions on the as of date of the analysis, growth, losses, and excess vacancies. The estimates do not account for units currently under construction or units in the development pipeline.
Forecast Period	4/1/2025– 4/1/2028—Estimates by the analyst.
Home Sales/ Home Sales Prices	Includes single-family home, townhome, and condominium sales.

HUD Gross Rent Affordability Index	The HUD Gross Rent Affordability index is calculated as the ratio of the median renter household income in the HMA to the income required to qualify for a median-priced rental unit in the HMA, while spending no more than 30 percent of gross income on housing costs, including rent and utilities. An index greater than 100 indicates that a household earning the median income is able to afford a unit at the median rent.
HUD First-Time Homebuyer Affordability Index	The HUD First-Time Homebuyer Affordability Index is calculated as the ratio of the median household income for the age cohort 25–44 years old in the HMA to the income required to purchase a home priced at the 25th percentile, spending no more than 30 percent of income for housing costs, including mortgage, insurance, and taxes. Data for median household income by age are not available for 2020 and 2024; in those cases, the index is calculated by applying CPI inflation factors to 2017 and 2022 data, respectively.
HUD Homebuyer Affordability Index	The HUD Homebuyer Affordability index is calculated as the ratio of the HUD median family income in the HMA to the income required to purchase the median-priced home while spending no more than 30 percent of income on housing costs, including mortgage, insurance, and taxes. An index greater than 1 indicates that a family earning the median income is able to afford a median-priced home.
Net Natural Decline	Resident deaths are greater than resident births.
Rental Market/ Rental Vacancy Rate	Includes apartments and other rental units such as single-family, multifamily, and mobile homes.
Resales	These are home closings that have no ties to either new home closings (builders) or foreclosures. They are homes that were previously constructed and sold to an unaffiliated third party.

B. Notes on Geography

1.	The metropolitan statistical area definitions noted in this report are based on the delineations established by the Office of Management and Budget (OMB) in the OMB Bulletin dated July 21, 2023.
2.	Urbanized areas are defined using the U.S. Census Bureau's 2020 Census Urban and Rural Classification and the Urban Area Criteria.



C. Additional Notes

1.	The NAHB Housing Opportunity Index represents the share of homes sold in the HMA that would have been affordable to a family earning the local median income, based on standard mortgage underwriting criteria.
2.	This analysis has been prepared for the assistance and guidance of HUD in its operations. The factual information, findings, and conclusions may also be useful to builders, mortgagees, and others concerned with local housing market conditions and trends. The analysis does not purport to make determinations regarding the acceptability of any mortgage insurance proposals that may be under consideration by the Department.
3.	The factual framework for this analysis follows the guidelines and methods developed by the Economic and Market Analysis Division within HUD. The analysis and findings are as thorough and current as possible based on information available on the as-of date from local and national sources. As such, findings or conclusions may be modified by subsequent developments. HUD expresses its appreciation to those industry sources and state and local government officials who provided data and information on local economic and housing market conditions.

D. Photo/Map Credits

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