

The State of Florida's Housing, 2002

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This publication, as well as an Appendix containing estimates of housing supply and the affordability index for each of Florida's sixty-seven counties, are available on the Internet at www.flhousingdata.shimberg.ufl.edu.

The Appendix also may be purchased from the Shimberg Center for \$15.00 to cover reproduction and mailing costs.

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1. Introduction

This study is a compendium of facts on Florida's housing. The data highlight the tremendous diversity in housing characteristics across the state, particularly between the 34 urban counties and the 33 rural counties, as well as between coastal and non-coastal counties. The characteristics of Florida's housing reflect the characteristics of the state's population. The population of the state is growing, creating a demand for additional housing, yet that growth is not distributed uniformly across the state. Growth is most often a coastal phenomenon. Further, the nature of the growth differs across the state as characterized by age, income, race, ethnicity, and county of origin.

Florida is a state in which single-family housing units dominate, but condominiums are an important source of housing in some coastal counties and manufactured housing (mobile homes) play a key role in rural counties in the interior of the state. A majority of households are homeowners, but rental housing is needed to meet the needs of young and lower income households. The data show that, relative to other areas of the country, housing prices in Florida are low. However, this is far from universal. Affordability indices indicate that housing in the state is affordable, but the indices mask affordability problems for those in lower income categories. Florida's advantage in house prices often tends to be offset by correspondingly low income levels, resulting in housing affordability problems for a substantial portion of the population of the state. Affordability problems are particularly prevalent for renter households. Finally, it is a state in which much housing has been built in recent years but the aging of portions of the stock require attention to the need for rehabilitation.

This document first discusses specific demographic patterns in the state and

their impact on the need for housing. Second, it details characteristics of the housing stock in the state. Third, it discusses the movement in house prices and the rate of appreciation in housing. Finally, it discusses issues in the affordability of housing in the state. The expectation is that the information included in this study will help readers to understand the diversity, the needs, the public policy concerns, and the opportunities of Florida's many housing markets.

2. Estimating the Impact of Florida's Changing Population on Housing Needs in the State

by Margaret S. Murray, Ph.D., Department of Urban & Regional Planning, Florida Atlantic University

2.1 Florida's Population Profile

Over the past decade the state of Florida has seen its population grow from just under thirteen million to almost sixteen million people. Long seen as a haven for retirees, during the past decade the median age of the population rose to 38.7 years from 36.3 years in 1990. Table 2-1 presents the age distribution for Florida's population in the year 2000¹. More than 6.6 million people are between the ages of 25 and 54, the prime home purchase years. The main tie between people and housing is the household (Myers, 1992). A household exists when one or more persons occupy a single housing unit. When bonds of blood, marriage or adoption relate the people in a household, they constitute a family. In Florida, there are 6,337,929 households, 4,210,760 (66.4%) are family households, 1,779,586 (28.1% of

¹ All of the data analyzed in Section 2 are from the U.S. Bureau of the Census.

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all households) are family households with children under the age of 18 and of those 437,680 (6.9% of all households) are female-headed (no husband present) households with children under 18. The average household size is 2.46 persons and the average family size is 2.98 persons.

Florida's population is predominantly White with 12,465,029 people or 78 percent. However Florida is also home to a significant Black or African American population with 2,335,505 people or 14.6 percent.² The Hispanic or Latino population grew by 70.4 percent in the past decade and now constitutes 16.8 percent (2,682,715) of Florida's population. The number of Asians has increased 78 percent from 149,856 to 266,256. One of the primary factors that impacts housing is the effect of migration and immigration on Florida's most heavily populated counties. The housing consequences of this population change are an object of interest to both the public and the policy makers alike.

A large portion of the population change is due to migration, which is made up of the intra-state movement of people from other Florida counties or the movement from other states into Florida. Another component of population change is immigration, which is the movement of

people from another country to Florida. The immigrant population tends to concentrate geographically in a limited number of urban areas in the port-of-entry states. Florida, one of the high immigration states, attracted an estimated 1,030,449 immigrants in the

Table 2-1. Florida's Population by Age

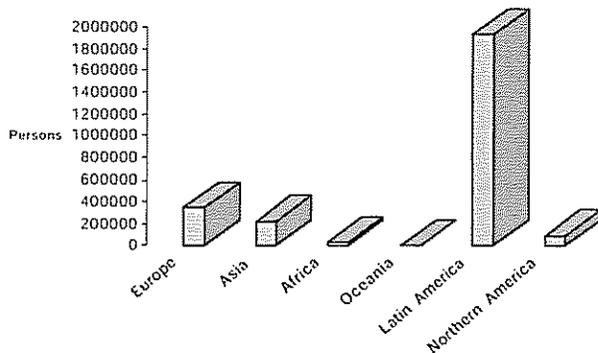
Age Group	Number	Percent
Under 5 years	945,823	5.9
5 to 9 years	1,031,715	6.5
10 to 14 years	1,057,024	6.6
15 to 19 years	1,014,067	6.3
20 to 24 years	928,310	5.8
25 to 34 years	2,084,100	13.0
35 to 44 years	2,485,247	15.5
45 to 54 years	2,069,479	12.9
55 to 59 years	821,517	5.1
60 to 64 years	737,496	4.6
65 to 74 years	1,452,176	9.1
75 to 84 years	1,024,134	6.4
85 years and over	331,287	2.1
Total	15,982,378	100.00

period between the 1990 and 2000 census. This number represents 39 percent of the total number of foreign born people living in Florida today.

The total immigrant population in Florida is extremely diverse but heavily weighted toward newcomers from Latin American countries. This diversity is illustrated in Figure 1, which identifies the region of birth for non-native-born residents of Florida in 2000. As illustrated in Figure 1, over 70 percent of the foreign born population comes from Latin America; Europe a very distant second at 14 percent.

Further investigation reveals that Cubans constitute the largest identifiable group of the Latin American population. Of the 2,682,715 people from Latin America, 833,120 or 31 percent are from Cuba. Other major groups are Mexicans, 363,925 (13.5%), and Puerto Ricans, 482,027 (18%). The remaining 1,003,643 (37%) persons are from other parts of Latin America.

Figure 1. Region of Birth of Foreign-Born Population



² Using Race alone rather than Race alone or in combination from the 2000 Census. The race data from the 1990 and 2000 Census are not directly comparable. Individuals could report only one race in 1990 but could report more than one race in 2000; plus there were other relevant changes in the 2000 Census questionnaire.

2.2 Population Change in Selected Counties

The fifteen largest counties were selected to describe the impact of Florida's changing population on housing needs in the state. These fifteen counties (see Figure 2) reflect the diverse effects of migration and immigration on housing — its cost, ownership rates, and location, and include almost every region of the state.

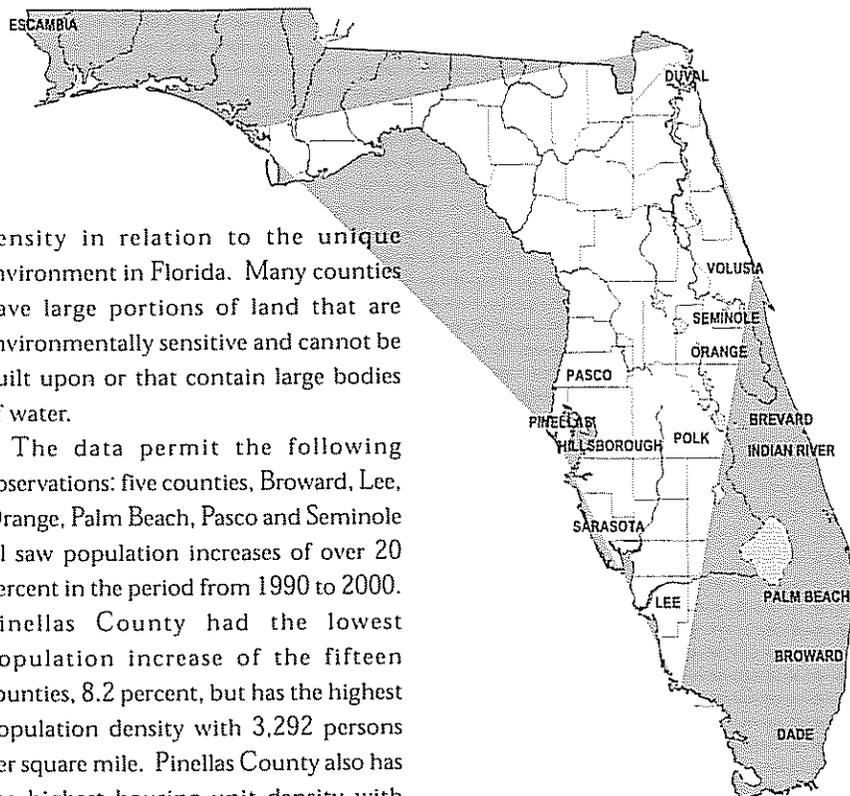
Table 2-2 provides selective census data describing population change, population density, and housing unit density per square mile in the fifteen study sites and the state. Although it is important to examine the issue of population density and housing unit density, it is also important to understand

2.3 Migration and Mobility

Population change comes about as a result of changes in any one of four components: births, deaths, in-migration, and out-migration. Population movement occurs for a variety of reasons. Two of the primary reasons are because people are looking for work or because they are dissatisfied with current housing. People also move because they want a place to retire or wish to be closer to family. Population change is also divided between mobility, the movement of people within a county or given area, and migration, generally identified as a movement that crosses a county line (Meyers, 1992).

Mobility does not cause the total population of a county to change while migration does. Our interest is primarily

Figure 2. Selected Florida Counties



density in relation to the unique environment in Florida. Many counties have large portions of land that are environmentally sensitive and cannot be built upon or that contain large bodies of water.

The data permit the following observations: five counties, Broward, Lee, Orange, Palm Beach, Pasco and Seminole all saw population increases of over 20 percent in the period from 1990 to 2000. Pinellas County had the lowest population increase of the fifteen counties, 8.2 percent, but has the highest population density with 3,292 persons per square mile. Pinellas County also has the highest housing unit density with 1,720.4 units per square mile. Other counties with a population density exceeding 1,000 persons per square mile are Broward, Duval, Miami-Dade, and Seminole.

in those new residents or those persons who did not live in the same county five years ago. Table 2-3 illustrates both mobility and migration. As this table

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demonstrates, Florida residents are very mobile. Every county had a total mobility rate of close to or above 50 percent. Note that in Table 2-3 the column headed "Total Mobility" includes all movers in the county both in-county movers and those who moved into the

county from other places as a percent of total population over the age of five years. Much of that mobility came from "In-County Movers." Also, a number of movers came from "Other Florida Counties." Orange, Pasco, and Seminole all saw more than 10 percent of their

Table 2-2. Change in Population 1990-2000 and Density Per Square Mile

County	1990 Population	2000 Population	Percent Change	Population Density per sq. mile	Housing Unit Density per sq. mile
Brevard	398,978	476,230	19.36	467.7	218.1
Broward	1,255,488	1,623,018	29.27	1346.5	614.8
Duval	672,971	778,879	15.74	1006.7	426.3
Escambia	262,798	294,410	12.03	444.5	188.2
Hillsborough	834,054	998,948	19.77	950.6	405.3
Lee	335,113	440,888	31.56	548.6	305.4
Miami-Dade	1,937,094	2,253,362	16.33	1157.9	437.9
Orange	677,491	896,344	32.30	987.8	398.2
Palm Beach	863,518	1,131,184	31.00	573.0	281.9
Pasco	281,131	344,765	22.63	462.9	233.2
Pinellas	851,659	921,482	8.20	3292.0	1720.4
Polk	405,382	483,924	19.37	258.2	120.8
Sarasota	277,776	325,957	17.35	570.3	319.2
Seminole	287,529	365,196	27.01	1184.9	477.2
Volusia	370,712	443,343	19.59	401.9	192.1
State	12,937,926	15,982,378	23.53%	296.4	135.4

Table 2-3. Mobility Rates and Origins of Movers Since 1995

County	Total Population*	From Other Mobility Rate	In-County Movers
Brevard	451,553	48.40%	25.57%
Broward	1,520,842	52.90%	27.15%
Duval	723,198	51.10%	29.74%
Escambia	276,629	52.30%	25.74%
Hillsborough	931,276	54.00%	30.02%
Lee	417,783	52.30%	24.41%
Miami-Dade	2,108,512	49.80%	32.91%
Orange	835,287	57.70%	26.22%
Palm Beach	1,069,257	50.50%	25.97%
Pasco	326,884	47.80%	18.79%
Pinellas	976,588	49.60%	27.53%
Polk	453,180	48.50%	27.62%
Sarasota	313,327	48.60%	22.32%
Seminole	341,949	53.10%	20.02%
Volusia	421,553	48.30%	23.57%

* Analysis is limited to persons over 5 years of age.

population increase come from persons moving from other Florida counties. However, Table 2-3 shows that a significant number of movers came to Florida "From Other States" or from areas outside of the U.S. as indicated in the column headed "From Elsewhere." Not surprisingly, Miami-Dade County had the smallest percentage of movers from other Florida counties or from other states but the highest percentage of movers from elsewhere outside the United States. Escambia, Lee, and Sarasota drew more than 15 percent of their movers from other states and Brevard, Pasco, and Volusia County had less than 2 percent of their movers come from elsewhere outside the U.S.

In order to assess the movement of immigrants throughout the state, the percentage of foreign-born residents that moved into a county in the 1990-2000 period can be compared with the total number of foreign born. Of the 1,030,449 immigrants that moved to Florida in the past ten years, 908,885 or 88 percent located in one of these fifteen

counties (See Table 2-4). The county that had the largest absolute increase in immigrants was Miami-Dade, but Orange and Lee had the largest proportion of foreign born entering during the decade of the 1990s with 45.80 and 44.24 percent, respectively.

It is also important to note that all immigrant groups do not share housing problems equally. Research into the housing situation of various immigrant groups finds that some immigrant groups fare better than others. Some ethnic groups receive housing assistance from religious or fraternal organizations. Another factor that affects the housing situation of immigrants is length of time in the United States. As length of time in the United States increases the housing condition of immigrants generally improves. Immigrants are frequently described as transitionally poor. Once they become acclimated to life in this country, they move up the income ladder.

2.4 Household Size and Income

For the most part, the fifteen Florida counties reflect the nationwide decline in persons per household. It is thought that this decline is the result of a variety of factors: more single persons electing to live alone or that they marry and start families later, divorce, and fewer children. Another contributing factor is that many elderly persons that outlive their spouses frequently decide to stay in the family home. Table 2-5 illustrates the change in average household size in the 1990-2000 period.

Despite this trend, there are a number of counties that show an increase in household size. Notably, these counties include Broward, Miami-Dade, Orange, Palm Beach, and Pasco. The first two of these, Broward and Miami-Dade, also had the largest

(Census) 2000

Florida Counties	From Other States	From Elsewhere
6.39%	14.54%	1.90%
9.03%	10.55%	6.13%
6.61%	12.16%	2.55%
7.45%	16.77%	2.35%
7.52%	12.45%	4.04%
6.13%	18.70%	3.09%
2.18%	4.88%	9.80%
11.65%	13.84%	6.03%
7.28%	12.92%	4.37%
13.23%	14.13%	1.62%
5.94%	13.47%	2.69%
7.91%	11.17%	2.21%
6.75%	17.04%	2.51%
16.12%	13.78%	3.21%
8.89%	13.91%	1.91%

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Table 2-4. Foreign Nationality

County	Entered 1990-2000	2000 Total	Percent of Total Entering in 1990-2000
Brevard	8,081	31,001	26.07
Broward	167,860	410,387	40.90
Duval	19,605	45,651	42.95
Escambia	3,583	10,821	33.11
Hillsborough	49,054	115,151	42.60
Lee	17,858	40,362	44.24
Miami-Dade	416,059	1,147,765	36.25
Orange	59,033	128,904	45.80
Palm Beach	81,788	196,852	41.55
Pasco	6,902	24,129	28.60
Pinellas	32,841	87,685	37.45
Polk	14,505	33,519	43.27
Sarasota	11,219	30,416	36.89
Seminole	12,005	33,285	36.07
Volusia	8,492	28,353	29.95
State	1,030,449	2,656,171	41.50

percentage of persons migrating into Florida from outside the United States.

Households are frequently made up of extended families, that is, families with a grandparent or other relative living in the same housing unit. Of the Florida population living in family households, the Census reports that 5.85 percent of the White population has another relative

living with them as compared to 13.06 percent of the Black or African American population, 9.94 percent of the Asian population, and 12.38 percent of the Hispanic or Latino population.

We next considered household size broken down between owners and renters and by race/ethnicity.³ In spite of the decline in average household size overall,

Table 2-5. Average Household Size and Change in Persons Per Household 1990-2000

County	1990	2000	Percent Change
Brevard	2.43	2.35	-3.30%
Broward	2.35	2.45	4.30%
Duval	2.54	2.51	-1.20%
Escambia	2.57	2.45	-4.70%
Hillsborough	2.51	2.51	0.00%
Lee	2.35	2.31	-1.70%
Miami-Dade	2.75	2.84	3.30%
Orange	2.56	2.61	2.00%
Palm Beach	2.32	2.34	0.90%
Pasco	2.26	2.30	1.80%
Pinellas	2.18	2.17	-0.50%
Polk	2.53	2.52	-0.40%
Sarasota	2.18	2.13	-2.30%
Seminole	2.64	2.59	-1.90%
Volusia	2.33	2.32	-0.40%

Table 2-6. Average Household Size by Race/Ethnicity and Tenure, 2000

County	White		Black		Hispanic or Latino	
	Own	Rent	Own	Rent	Own	Rent
Brevard	2.36	2.14	2.79	2.66	2.98	2.74
Broward	2.31	2.06	3.31	2.91	3.23	2.91
Duval	2.52	2.11	2.90	2.62	3.16	2.68
Escambia	2.40	2.22	2.80	2.78	2.77	2.64
Hillsborough	2.54	2.11	3.00	2.59	3.18	2.89
Lee	2.23	2.21	3.15	2.90	3.59	3.54
Miami-Dade	2.85	2.48	3.46	2.89	3.25	2.76
Orange	2.58	2.20	3.23	2.76	3.41	2.96
Palm Beach	2.22	2.08	3.37	2.99	3.32	3.33
Pasco	2.27	2.25	2.91	2.78	3.15	3.32
Pinellas	2.16	1.90	2.84	2.57	2.84	2.90
Polk	2.42	2.36	3.01	2.78	3.84	3.67
Sarasota	2.11	2.02	2.67	2.68	3.14	3.29
Seminole	2.65	2.20	3.06	2.66	3.26	2.90
Volusia	2.30	2.11	2.85	2.57	3.25	3.19

the number of persons per household looks dramatically different when disaggregated in this fashion. As shown in Table 2-6, Blacks and Hispanics almost always live in larger households than do

Whites. This comparison is particularly striking in the case of owner-occupied housing. A number of theories have been advanced to explain this difference. One theory is that certain racial or ethnic

Table 2-7. Median Household Income 1989 and 1999

County	1989	1999	Percent Change
	Median Household Income	Median Household Income	
Brevard	30,534	40,099	31.33
Broward	30,571	41,691	36.37
Duval	28,513	40,703	42.75
Escambia	25,158	35,234	40.05
Hillsborough	28,447	40,663	42.94
Lee	28,445	40,319	41.74
Miami-Dade	26,909	35,966	33.66
Orange	30,252	41,311	36.56
Palm Beach	32,524	45,062	38.55
Pasco	21,480	32,969	53.49
Pinellas	26,296	37,111	41.13
Polk	25,216	36,036	42.91
Sarasota	29,919	41,957	40.24
Seminole	35,637	49,326	38.41
Volusia	24,818	35,219	41.91
State	27,483	38,819	41.25

³ The Race/Ethnicity categories are as follows: White may be of any ethnic group including Hispanic or Latino. Black may be of any ethnic group including Hispanic or Latino. Hispanic or Latino may include both those who identify themselves as Black as well as those who identify themselves as White.

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groups prefer to live in larger extended families. Another theory is that the lower earnings of certain racial or ethnic groups necessitates the doubling up of families in order to secure adequate shelter. However, as expected in all groups, the average household size is somewhat greater in owner-occupied housing than in renter-occupied housing. There is also a strong tradition of home ownership in the United States and both federal and state policies support the ownership of housing in preference to renting. As people marry and create families, they also tend to move toward home ownership.

The ability to own a home is directly tied to both the earning power of people and to the stock of affordable housing. Table 2-7 illustrates how median household income varies over the selected counties. In 1999, Seminole county ranked highest with a median household income of \$49,326 and Volusia ranked lowest at \$35,219. However, a number of counties are shown with median household incomes in the mid-\$30,000 range. Pasco County had the greatest percentage change in income over the ten-year period with a 53.49 percent increase. Brevard County showed the smallest change with a 31.33 percent increase.

Using the popular rule-of-thumb that suggests that a housing unit is affordable if it costs no more than two-and-a-half times annual income, we can estimate the ability of households to purchase a home of median value in each of the counties. In Broward, Lee, Miami-Dade, Palm Beach, Pinellas and Sarasota, a household would have to earn more than the area median income in order to purchase a median priced home. Of these, Broward and Palm Beach counties stand out. In Broward and Palm Beach a household would have to earn more than 120 percent of area median income to purchase a median priced home. Table 2-8 provides a comparison of median house value in 1989 to median value in 1999. The largest increases in housing

value occurred in Escambia and Lee counties while Brevard and Volusia saw the smallest increases.

Poverty also affects a number of Florida families. There were an estimated 383,131 families below the poverty level in 2000. This is 9 percent of all families, virtually the same as in 1990. Of these families below the poverty level, 281,303 or 73 percent had children under 18 and, of that number, 164,596 were female-headed households. When we look at poverty levels in the 15 counties, we find that Miami-Dade has the most families below the poverty level at 14.5 percent or 80,108 families. The second highest percentage is found in Escambia County at 12.1 percent. However, due to the smaller population in Escambia, this percentage translates into a total of 9,021 families. Sarasota and Seminole counties have the lowest level of poverty, both just over 5 percent. Since passage of the Personal Responsibility and Work Opportunity Reconciliation Act in 1996 by Congress, welfare benefits were limited and many of these families constitute the working poor.

2.5 Owners and Renters

Table 2-9 presents homeownership by race/ethnicity and age. According to the 2000 Census, there are 6,337,929 occupied housing units in the state. Of those, 4,441,799 are owner-occupied and 1,896,130 are renter-occupied. The proportion of total units that are owner-occupied has increased from 67.25 percent in 1990 to slightly over 70 percent in 2000. Of the owner-occupied households 3,879,857 are White households, 380,236 are Black or African American households, 472,626 are Hispanic or Latino households, and 50,141 by Asian households. Of the housing units occupied by White householders, 74.12 percent are owner-occupied while only 50.22 percent of Black or African American householders are owners. There are both similarities and differences across race and ethnic

categories by age. As expected the percentage of very young owner-occupants is quite small with the reverse true for renters. However, beginning with householders aged 35 and over, White owner-occupants are distributed rather evenly across all age categories. Black, Hispanic and Asian owner occupants, however, are concentrated in the 35-54 year old age categories with the percentage of older owner householders trailing off significantly after 54.

The proportion of renter-occupied housing units is presented in Table 2-10. This table's organization mirrors Table 2-9. As expected, renter householders are concentrated in the younger age categories (15 to 24 and 25 to 34 years) across all race and ethnic groups.

2.6 Summary

This discussion of population and housing issues related to the recently released Census 2000 data presents a picture of Florida and the state's fifteen largest counties that is greatly different

than the one presented following the distribution of the 1990 Census. A major population change occurred in Florida in the decade between the two census collections. This change is related to both the migration of people from states outside of Florida and to the immigration of people from foreign countries, particularly from Latin America.

Understanding population change and how it impacts housing markets is crucial to developing effective housing policies. For example, examining the average household size for individual counties points to the need to consider policies that address housing large, extended families in counties undergoing heavy migration and immigration pressure. These changes in population also have implications for other aspects of society. In the future, it will be important to study the implications of this population change on schools and employment as well as housing in the state of Florida.

**Table 2-8. Median Value Owner Occupied Unit*
1989 and 1999**

County	1989	1999	Percent Change
Brevard	75,200	94,400	25.53
Broward	91,800	128,600	40.09
Duval	64,000	89,600	40.00
Escambia	57,800	85,700	48.27
Hillsborough	73,100	97,700	33.65
Lee	84,300	112,900	43.35
Miami-Dade	86,500	124,000	32.06
Orange	81,400	107,500	37.40
Palm Beach	98,400	135,200	34.92
Pasco	59,000	79,600	34.92
Pinellas	73,800	96,500	30.76
Polk	61,000	83,300	36.56
Sarasota	87,200	122,000	39.91
Seminole	91,500	119,900	31.04
Volusia	69,400	87,300	25.79
State	77,100	105,500	36.84

* Specified owner-occupied units, which are effectively single-family houses

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Table 2-9. Owner-Occupied Units by Race/Ethnicity and Age

	Florida 1990	Florida 2000	White 2000	Black 2000	Hispanic 2000	Asian 2000
Total Owner Occupied	3,453,022	4,441,799	3,879,857	380,236	472,626	50,141
Percent of Total Units:	67.25%	70.08%	74.12%	50.22%	55.81%	60.59%
Age of Householder						
Householder 15 to 24 years	1.31%	1.24%	0.83%	0.86%	2.20%	1.57%
Householder 25 to 34 years	12.28%	9.87%	9.23%	12.39%	16.25%	14.45%
Householder 35 to 44 years	17.93%	19.61%	18.64%	24.90%	26.29%	28.61%
Householder 45 to 54 years	15.51%	19.51%	18.89%	23.56%	20.28%	28.79%
Householder 55 to 64 years	17.03%	16.52%	16.62%	16.88%	15.71%	16.68%
Householder 65 to 74 years	20.89%	17.25%	18.15%	12.58%	12.62%	7.53%
Householder 75 years and over	15.05%	15.00%	17.45%	7.97%	6.64%	2.36%
Total	100.00%	100.00%	99.71%	99.15%	100.00%	100.00%

Table 2-10. Renter-Occupied Units by Race/Ethnicity and Age

	Florida 1990	Florida 2000	White 2000	Black 2000	Hispanic 2000	Asian 2000
Total Renter occupied:1,682,709	1,896,130	1,354,580	376,840	374,281	32,608	
Percent of Total Units	32.75%	29.92%	25.88%	49.78%	44.19%	39.41%
Age of Householder						
Householder 15 to 24 years	12.36%	12.11%	11.34%	13.50%	10.64%	13.92%
Householder 25 to 34 years	31.91%	26.62%	25.19%	28.92%	27.22%	39.39%
Householder 35 to 44 years	20.75%	23.43%	22.48%	25.86%	24.41%	24.01%
Householder 45 to 54 years	11.23%	15.34%	15.34%	15.75%	14.91%	13.13%
Householder 55 to 64 years	7.82%	8.36%	8.74%	7.98%	8.83%	5.35%
Householder 65 to 74 years	7.59%	6.28%	6.99%	5.01%	7.44%	2.79%
Householder 75 years and over	8.35%	7.86%	9.91%	2.99%	6.54%	1.41%
Total	100.01%	100.00%	99.99%	100.01%	99.99%	100.00%

3. Florida's Housing Supply

3.1 Data Description

To understand and analyze Florida's stock of housing, tax assessment records from the 67 county property appraisers are examined. The resulting database contains information on every parcel of land and every structure in Florida, including: parcel identification; land use code (vacant residential, single-family, condominium, etc.); total assessed value; assessed land value; year in which structure was built; square footage of the structure; parcel size; date and price of the two most recent sales; ad valorem tax jurisdiction; homestead exemption; and location of the property by section, township, and range. The sales data are for 1999, the last complete year for which data are available.

Gaps and limitations exist in these DOR data sets. In some counties, certain fields of data are not included in the records, such as sales prices more than five years ago. In other counties, one or more data fields are not included for all properties. Definitions vary somewhat across counties, so that a data field is not included in some counties if it is not directly comparable to the data available in other counties. An example of this is square footage. Also the data must be cleaned. For example, any sales that are determined to be a "non-arms-length" transaction (by the DOR transaction code) are deleted. Additionally, any observations with obvious mispricing (due to data entry error) or which are not considered a sale for purposes of the report are deleted. For example, the older of two recent sale prices for a newly constructed home is usually the sale of

the lot; a price not comparable to the sale price after the home has been constructed. Finally, data entry problems exist that have required the development of screening rules to eliminate information that falls outside reasonable boundaries. Nevertheless, the property appraiser data provides information on Florida's housing stock that is not otherwise available. For example, Census data quickly become dated because the Census is only conducted once a decade. The Census also is subject to inaccuracies in evaluating housing unit characteristics because it relies on the evaluation of the occupants for estimates of numerous variables such as property value and age. Other sources, while current and valuable, are subject to limitations of geographic coverage or amount of information available.⁴

Florida's housing stock includes single-family units, multifamily units, and mobile or manufactured units. Although all three types of housing units are represented, the housing inventory is dominated by the single-family home. About 58 percent of the state's single family housing stock is located in six major metropolitan areas: Fort Lauderdale, Jacksonville, Miami, Orlando, Tampa-St. Petersburg, and West Palm Beach-Boca Raton. Fort Lauderdale and Miami, because of their density, also have the distinction of having the most multifamily housing of any area in the state. Although not a type of structure, condominium housing is an important housing category in some areas of the state. Broward, Miami-Dade, and Palm Beach Counties alone have 58 percent of the state's condominiums. Significant concentrations of condominiums are also found in Collier, Lee, Pinellas, and Sarasota Counties.

⁴ In the National Association of Realtors (NAR) Home Sales, the median sale price of existing single-family homes, condos, and co-ops sold in each quarter are reported for the nine largest metropolitan areas in Florida. In addition, the Florida Association of Realtors (FAR) produces the Florida Home Sales Report that contains information on monthly sales volume and median sale prices for the 20 major metropolitan areas. While valuable, the NAR and FAR reports do not contain information on characteristics other than sale price and volume, and in addition are based only on MLS sales. Moreover, numerous counties are excluded.

Clearly, condominiums tend to be a coastal phenomenon. By contrast, mobile or manufactured housing is largely a rural, inland phenomenon.

Finally, an important characteristic of the existing housing stock is its age. We examine the extent to which the age of the stock exceeds 40 years. The forty-year mark is considered by some as the age at which rehabilitation and remodeling are commonly considered. Since much of Florida's housing stock was built from the 1950s forward, the housing industry needs to think in terms of meeting the coming demand for rehabilitation and remodeling. Jacksonville and Miami are two metropolitan areas with older housing stocks that need to have serious consideration given to the rehabilitation market.

The following section describes the existing single-family housing stock in Florida. Subsequent sections provide detailed information on the condominium market and the multifamily housing market. Although mobile homes account for a significant portion of residential housing units in many rural counties, we are unable to describe and discuss Florida's mobile home stock because comprehensive, accurate data are not available. Accurate data on manufactured housing (mobile homes) is difficult to obtain for several reasons. First, a mobile home is classified as real property if the owner owns both the home and the lot. It is these homes that are included in the property appraiser files. Other mobile homes, perhaps the larger share of them, are located on rented sites and carry a tag from the Division of Motor Vehicles. Further, even combining these sources results in data that are not consistent from year to year. In addition to reporting problems, possible causes of inconsistencies include units not counted

because of confusion about their status, failure to renew a tag, units placed on land and not reported to the appraiser, or uncertainty about the location of the unit (i.e. in a city or in the unincorporated portion of a county).

3.2 Single-Family Housing

Summary data by county, with aggregations to metropolitan and state totals are included in Table 3-1 (if the data were not available on the county property appraiser files for a county, a "2" is placed on the Table).

The single-family housing stock of Florida totals almost 3.7 million units and the total assessed value of these units is \$370.2 billion. Over seventy-seven percent of these units are occupied by their owner; the remainder are renter-occupied. The mean age of housing units in the state is 25 years, and the average size is 1,791 square feet. The number of single-family sales in 1999 totaled approximately 273,308, which is equal to approximately 7.4 percent of the total housing stock in this state.⁵ The median price of a 1999 sale was \$111,000. This is lower than both the 1999 new median house price in the U.S. of \$169,000 and the 1999 existing house price of \$133,300.⁶

Florida's housing is geographically concentrated. The state's 20 metropolitan areas (MSAs) are divided into "major" metropolitan areas (6 MSAs) and "other" metropolitan areas (14 MSAs). The major MSAs include Ft. Lauderdale, Miami, Jacksonville, Orlando, West Palm Beach-Boca Raton, and Tampa-St. Petersburg-Clearwater. A total of fifteen counties are in major MSAs. The 14 other MSAs include nineteen counties. A total of 34 of Florida's 67 counties are therefore found in metropolitan areas, with the remaining 33 being non-metropolitan.⁷

⁵ The number of sales depends on what classes of transactions are regarded as qualified sales. For example, the total quoted here includes only sales that were arms-length transactions.

⁶ The sources for these national prices are: new single family - U.S. Census Bureau, Survey of Construction/Housing Sales Survey; existing single family - National Association of Realtors, Existing Home Sales Survey.

These remaining 33 counties are further categorized, as shown in the Tables, into four regional groups: Northwest, Northeast, Central, and South, according to categories used by the University of Florida's Bureau of Economic and Business Research.

The totals and means for the state reported above allow for the determination of the standing of counties and metropolitan areas relative to the state, and for comparisons across counties and metropolitan areas. The six major MSAs contain over 2.1 million single-family units and these units comprise about 58 percent of the total housing stock in the state. Over one-quarter of the major MSA total, comprising almost 17 percent of the state, is found in the Tampa-St. Petersburg-Clearwater MSA (which we will refer to as Tampa Bay). The Orlando MSA has 11 percent of the state's single-family stock, the Ft. Lauderdale MSA about 9 percent, and the Miami MSA 8.4 percent. Of single county MSAs, Miami and Ft. Lauderdale have the largest numbers of single-family housing units in the state. Together, these two counties contain over 17 percent of the state's single-family units. Adding Palm Beach County results in almost 23 percent of the state's single-family stock being located in these three southeast Florida counties.

The 14 other MSAs contain 34.5 percent of the state's single-family housing stock, while the 33 non-metropolitan counties contain only about 7 percent. The non-metropolitan counties show the extremes of population densities in the state. For example, Lafayette County has fewer than 1,000 single-family units. Other counties with less than 3,000 units include Baker, Calhoun, Dixie, Gilchrist, Glades, Hamilton, Jefferson, Liberty, Madison,

and Union Counties. These 12 counties combined have only about one-half of one percent of the total single-family housing units in the state.

A total of 92,234 single family units were constructed in the state in 1999. These units increased the size of the housing stock in the state by about 2.5 percent. About 54 percent of the new units were constructed in the six large metropolitan areas, with over 16 percent in the Orlando MSA and 13 percent in the Tampa Bay MSA. Among counties in the smaller MSAs, Volusia, Lee, Polk, Brevard, Collier, and Sarasota Counties all had 3 percent or more of the state's new construction. Lee County, with 4,566 new units, exceeded the level of new construction in all of the metropolitan counties in the state except Broward, Orange, and Hillsborough. The construction numbers show growth in population in several of the smaller MSAs.

The total assessed value (the property appraiser's estimate of the value of a home for the calculation of property taxes) of single-family units in the state shows a similar pattern. The total assessed value of single family units in the state is approximately \$370.2 billion and almost 62 percent of that total is found in the major MSAs. The three southeast Florida counties—Miami-Dade, Broward, and Palm Beach—have almost 30 percent of the total assessed value. The average assessed value of a single-family housing unit in Florida is about \$100,000. Average assessed values range from over \$210,000 in Collier County (Naples MSA) to about \$44,000 in Gadsden County (Tallahassee MSA) among metropolitan counties and from a high of over \$214,000 in Monroe County to a low of about \$34,000 in Liberty County among non-metropolitan counties.

⁷ Multiple county MSAs are as follows: Daytona Beach MSA includes Flagler and Volusia Counties. Ft. Pierce-Port St. Lucie MSA includes Martin and St. Lucie Counties. Jacksonville MSA includes Clay, Duval, Nassau and St. Johns Counties. Orlando MSA includes Lake, Orange, Osceola and Seminole Counties. Pensacola MSA includes Escambia and Santa Rosa Counties. Sarasota-Bradenton MSA includes Manatee and Sarasota Counties. Tallahassee MSA includes Gadsden and Leon Counties. Tampa-St. Petersburg-Clearwater MSA includes Hernando, Hillsborough, Pasco and Pinellas Counties.

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A relative age index is constructed to compare the average age of housing units in a county or MSA to the state total. A problem with the age variable is that the age of a unit is changed if significant remodeling and renovations have been completed on a unit to reflect the date of those improvements. However, assuming that improvements to a house increase the longevity of the unit, then the improvements may represent a reasonable means to convey the age of the stock. The age variable is also not consistently recorded in all counties. Counties or MSAs with an older housing stock than Florida's average have a relative age index greater than one. Areas with a relatively young stock have an index less than one. The housing stock in the major MSAs is slightly older than the state average, as the relative age index is 1.04 and the average age is 26 years (rounded) as compared to the state's 25 year average. For the other MSAs, the index is 0.92 with an average age of 23 years, and the non-MSA counties had an age index of 0.96 with an average age of 24 years. Comparisons at these high levels of aggregation, however, mask significant differences in individual MSAs and counties. For example, with a relative age index of 0.52, Flagler County in the Daytona Beach MSA has the newest housing stock in Florida. This reflects a single-family housing stock in Flagler with an average age of 13 years. Other counties with relative age indexes of 0.75 or below include Clay, St. Johns, Osceola, and Hernando Counties among major MSA counties; Collier, Martin, and Santa Rosa Counties among the other MSAs; and Citrus and Sumter Counties in the non-metropolitan category. Many of the counties with newer housing stocks are coastal counties that have experienced rapid growth, others are suburban

counties in growing metropolitan areas. Citrus and Sumter Counties are experiencing growth related to major development targeted to retirement populations

Single-family housing stocks that are older than the state average are generally found in large urban counties or in the rural, interior counties with smaller populations. The oldest single-family stock is in Hamilton County, with a relative age index of 1.36 and a mean age of 34 years. Other non-metropolitan counties with a relative age index of 1.25 or greater include Bradford, Hamilton, Hardee, Holmes, Jackson, and Washington. Among the metropolitan counties, the oldest housing stock is found in Pinellas County with an average age of 33 years. Miami-Dade County and Duval County (Jacksonville) each had an average age of 32 years. Gadsden (31 years), Polk (30 years), and Escambia (30 years) also have relatively old housing stocks.

Similar to the relative age index, a relative size index also was constructed. This index compares the average size of units in each county or MSA to the state average (several counties include unconditioned space in the measure of unit size with resultant significantly larger size, where identifiable these counties are not reported for the square footage variable). The average size of a single-family housing unit in the state of Florida is 1,791 square feet and the averages for the major MSAs, other MSAs, and non-metropolitan areas show little variation around that average.⁸ Counties with relative size averages of 1.20 (compared to 1.0 for Florida) or greater include St. Johns and Manatee. No clear pattern emerges as to characteristics of counties with larger square footage of units.

⁸ Square footage is a field whose definition varies across the 67 county datasets.

Counties with units that are smaller than average are generally non-metropolitan counties. While a number of non-metropolitan counties had average size indices below 0.9, only a few non-metropolitan counties had relative size indices below 0.85. This index level indicates an average unit size of around 1,500 square feet. Non-metropolitan counties at or below 0.85 include Holmes, Monroe, and Taylor. Metropolitan counties at or below 0.85 were Lake, Volusia, and Marion.

Counties with the largest number of sales transactions in 1999 are, as expected, the largest counties in population. About 61 percent of the single-family transactions in the state in 1999 were in the major MSA counties, with 14.5 percent in the Tampa Bay MSA and 14.4 percent in the Orlando MSA. Among individual counties Broward was the highest with 12.1 percent of the state total while Orange had 7.5 percent and Miami-Dade had 6.9 percent of Florida's 1999 transactions. Over 24 percent of transactions in 1999 were in the three southeast Florida counties—Miami-Dade, Broward, and Palm Beach.

Over 33 percent of all sales in 1999 were in other MSA counties, while the remaining 5 percent were in the non-metropolitan counties. Sarasota and Brevard Counties each had 3.5 percent of the state's transactions in 1999, Lee County had 3.3 percent.

The turnover rate measures the percentage of total units sold in each area. Units sold as a percentage of total units in the large MSAs were 7.7 percent. The sales in other MSAs equaled 7.3 percent of total units, in the non-MSA counties they were 5.3 percent. Turnover of single-family housing units is clearly higher in MSAs than in non-MSA counties. Counties with fewer than 100

transactions were small, rural counties including Calhoun, Dixie, Gilchrist, Glades, Hamilton, Jefferson, Lafayette, Liberty, Madison, and Union (with a state low of 23 transactions).

The highest single-family median sales prices in 1999 were in Monroe (\$226,000), Collier (\$179,400), St. Johns (\$162,000), Franklin (\$148,000), Martin (\$145,000), and Palm Beach (\$140,000) Counties. Other counties with median sales prices above \$120,000 include Broward, Nassau, Miami-Dade, Lee, Manatee, Seminole, and Walton. All the counties with high median prices are coastal counties. Counties with low median prices include a number with median prices at or below \$50,000 in 1999 were: Dixie (\$50,000), Holmes (\$46,750), Lafayette (\$43,500), Liberty (\$36,500), and Washington (\$49,900).

The sales price data further illustrate the differences between urban and rural counties and between coastal and non-coastal counties. The highest mean prices in 1999 are in coastal counties, several of which are not major urban counties (for example, Collier, Franklin, and Martin). At the other extreme, counties with the lowest mean house prices are generally rural, slow growing, and located in the interior of the state.

3.3 Condominiums

The role of condominiums in providing housing in a county is another indicator of the differences in housing stock across counties. Table 3-2 contains summary information on the state's stock of condominiums. As expected, condominiums are an important source of housing in coastal counties where a number of retirees live, but not in interior counties. Summing across counties indicates that there were 1,255,741 condominium housing units in the state

Table 3-1. Single-Family Housing Stock

	Total units	% of state	% owner occupied	Total assessed value(\$mil)	% of state
Florida	3,699,921	100.0	77.4	370,230	100.0
Major Metro Areas					
Ft. Lauderdale MSA					
Broward County	332,532	9.0	80.5	39,349	10.6
Jacksonville MSA					
Clay County	35,796	1.0	84.8	3,096	0.8
Duval County	206,205	5.6	79.8	16,702	4.5
Nassau County	12,938	0.3	78.5	1,356	0.4
St. Johns County	34,184	0.9	79.7	4,875	1.3
MSA total	289,123	7.8	80.4	26,028	7.0
Miami MSA					
Miami-Dade County	310,514	8.4	78.7	37,689	10.2
Orlando MSA					
Lake County	54,923	1.5	78.2	4,673	1.3
Orange County	207,518	5.6	77.4	21,415	5.8
Osceola County	45,552	1.2	65.3	3,913	1.1
Seminole County	100,631	2.7	82.8	10,533	2.8
MSA total	408,624	11.0	77.5	40,534	10.9
Tampa-St. Petersburg-Clearwater MSA					
Hernando County	44,285	1.2	79.2	3,122	0.8
Hillsborough County	242,544	6.6	82.2	21,105	5.7
Pasco County	100,925	2.7	78.7	6,939	1.9
Pinellas County	237,562	6.4	80.6	21,714	5.9
MSA total	625,316	16.9	80.8	52,881	14.3
West Palm Beach-Boca Raton MSA					
Palm Beach County	192,595	5.2	79.1	31,527	8.5
Major MSAs subtotal	2,158,704	58.3	79.6	228,008	61.6
Other MSAs					
Daytona Beach MSA					
Flagler County	18,838	0.5	75.1	1,785	0.5
Volusia County	128,918	3.5	78.3	10,058	2.7
MSA total	147,756	4.0	77.9	11,842	3.2
Ft. Myers-Cape Coral MSA					
Lee County	122,865	3.3	70.3	14,318	3.9
Ft. Pierce-Port St. Lucie MSA					
Martin County	37,320	1.0	74.8	6,377	1.7
St. Lucie County	59,253	1.6	73.3	4,368	1.2
MSA total	96,573	2.6	73.9	10,745	2.9
Ft. Walton Beach MSA					
Okaloosa County	51,040	1.4	71.5	4,676	1.3
Gainesville MSA					
Alachua County	46,067	1.2	79.1	3,636	1.0
Lakeland-Winter Haven MSA					
Polk County	113,027	3.1	74.7	7,371	2.0
Melbourne-Titusville-Palm Bay MSA					
Brevard County	141,150	3.8	80.1	11,389	3.1
Naples MSA					
Collier County	51,702	1.4	69.5	10,895	2.9
Ocala MSA					
Marion County	64,577	1.7	77.3	4,139	1.1
Panama City MSA					
Bay County	44,029	1.2	67.1	3,174	0.9

Total just value (\$mils)	% of state	Average age	Relative age index	Average size	Relative size index	New units constructed in 1999	% of state	Number of 1999 sales	Median 1999 sale price
394,086	100.0	25	1.00	1,791	1.00	92,234	100.0	273,308	111,000
41,293	10.5	24	0.96	1,910	1.07	8,110	8.8	33,177	134,500
3,249	0.8	18	0.72	2,018	1.13	1,375	1.5	3,288	106,000
18,061	4.6	32	1.28	1,772	0.99	3,992	4.3	13,706	98,000
1,493	0.4	21	0.84	2,028	1.13	542	0.6	868	137,100
5,375	1.4	16	0.64	2,205	1.23	1,852	2.0	3,297	162,000
28,178	7.2	28	1.12	1,865	1.04	7,761	8.4	21,159	107,900
40,683	10.3	32	1.28	1,882	1.05	3,504	3.8	18,974	135,000
4,804	1.2	23	0.92	1,505	0.84	3,197	3.5	5,133	105,000
22,213	5.6	23	0.92	1,899	1.06	6,616	7.2	20,518	111,000
3,956	1.0	15	0.60	1,853	1.03	2,614	2.8	4,559	105,000
10,914	2.8	21	0.84	2)	2)	2,546	2.8	8,870	126,250
41,888	10.6	21	0.84	1,822	1.02	14,973	16.2	39,080	113,000
3,157	0.8	16	0.64	2)	2)	1,017	1.1	2,693	75,000
23,261	5.9	23	0.92	1,835	1.02	6,148	6.7	12,756	112,000
7,307	1.9	22	0.88	1,710	0.95	3,129	3.4	9,576	79,000
23,692	6.0	33	1.32	1,673	0.93	1,830	2.0	14,683	101,000
57,417	14.6	26	1.04	1,747	0.98	12,124	13.1	39,708	96,500
33,504	8.5	26	1.04	2)	2)	3,446	3.7	14,590	140,000
242,963	61.7	26	1.04	1,831	1.02	49,918	54.1	166,688	118,000
1,801	0.5	13	0.52	2,077	1.16	1,254	1.4	1,413	101,100
10,573	2.7	25	1.00	1,520	0.85	2,846	3.1	9,047	84,500
12,374	3.1	24	0.96	1,589	0.89	4,100	4.4	10,460	86,193
14,929	3.8	20	0.80	2)	2)	4,566	5.0	9,133	123,600
6,777	1.7	17	0.68	1,893	1.06	1,094	1.2	3,167	145,000
4,436	1.1	20	0.80	1,546	0.86	1,449	1.6	3,401	79,000
11,213	2.8	19	0.76	1,685	0.94	2,543	2.8	6,568	99,000
4,899	1.2	22	0.88	1,945	1.09	1,354	1.5	3,642	100,700
3,951	1.0	24	0.96	1,885	1.05	1,060	1.1	3,243	101,500
7,680	1.9	30	1.20	2)	2)	2,789	3.0	7,346	83,000
12,002	3.0	22	0.88	1,592	0.89	3,278	3.6	9,672	90,000
12,174	3.1	16	0.64	2)	2)	2,994	3.2	4,879	179,400
4,397	1.1	20	0.80	1,526	0.85	2,339	2.5	4,780	79,900
3,234	0.8	24	0.96	1,814	1.01	962	1.0	2,852	90,000

continued on next page

Table 3-1. Single-Family Housing Stock *continued*

	Total units	% of state	% owner occupied	Total assessed value(\$mils)	% of state
Pensacola MSA					
Escambia County	84,379	2.3	75.1	5,116	1.4
Santa Rosa County	34,904	0.9	77.7	3,271	0.9
MSA total	119,283	3.2	75.8	8,387	2.3
Punta Gorda MSA					
Charlotte County	52,296	1.4	72.4	4,816	1.3
Sarasota-Bradenton MSA					
Manatee County	58,161	1.6	77.6	6,474	1.7
Sarasota County	99,526	2.7	75.1	13,030	3.5
MSA total	157,687	4.3	76.0	19,505	5.3
Tallahassee MSA					
Gilchrist County	9,141	0.2	76.1	403	0.1
Levy County	59,108	1.6	75.7	5,335	1.4
MSA total	68,249	1.8	75.7	5,738	1.5
Other MSAs subtotal	1,276,301	34.5	75.1	120,633	32.6
Nonmetro County Regions					
Northwest nonmetropolitan area					
Calhoun County	2,453	0.1	75.7	90	0.0
Franklin County	5,182	0.1	44.1	540	0.1
Gulf County	4,946	0.1	56.4	355	0.1
Holmes County	3,141	0.1	74.8	122	0.0
Jackson County	9,598	0.3	73.0	407	0.1
Jefferson County	1,927	0.1	72.2	78	0.0
Liberty County	1,238	0.0	67.0	42	0.0
Wakulla County	4,441	0.1	69.4	261	0.1
Walton County	12,247	0.3	57.0	1,476	0.4
Washington County	3,925	0.1	70.2	164	0.0
MSA total	49,098	1.3	63.8	3,533	1.0
Northeast nonmetropolitan area					
Baker County	2,873	0.1	84.1	149	0.0
Bradford County	5,017	0.1	74.3	257	0.1
Columbia County	10,164	0.3	78.5	556	0.2
Dixie County	2,423	0.1	63.9	79	0.0
Gilchrist County	1,680	0.0	74.8	84	0.0
Hamilton County	1,862	0.1	72.0	71	0.0
Lafayette County	778	0.0	75.4	31	0.0
Levy County	5,944	0.2	72.2	309	0.1
Madison County	2,973	0.1	71.7	116	0.0
Suwannee County	4,927	0.1	75.4	234	0.1
Taylor County	4,677	0.1	50.1	201	0.1
Union County	1,078	0.0	76.6	43	0.0
MSA total	44,396	1.2	72.5	2,130	0.6
Central nonmetropolitan area					
Citrus County	39,352	1.1	79.4	2,558	0.7
Putnam County	15,232	0.4	73.2	834	0.2
Sumter County	12,759	0.3	77.2	824	0.2
MSA total	67,343	1.8	77.6	4,217	1.1
South nonmetropolitan area					
De Soto County	5,002	0.1	70.6	267	0.1
Glades County	1,514	0.0	55.8	83	0.0
Hardee County	3,883	0.1	76.7	165	0.0
Hendry County	4,714	0.1	71.9	271	0.1
Highlands County	26,907	0.7	71.2	1,530	0.4
Indian River County	33,216	0.9	73.4	4,142	1.1
Monroe County	22,793	0.6	54.3	4,881	1.3
Okeechobee County	6,050	0.2	71.3	369	0.1
MSA total	104,079	2.8	68.2	11,708	3.2
Regional nonmetro subtotal	264,916	7.2	70.5	21,589	5.8

1) Less than 25 observations
2) Not available

Total just value (\$mils)	% of state	Average age	Relative age index	Average size	Relative size index	New units constructed in 1999	% of state	Number of 1999 sales	Median 1999 sale price
5,801	1.5	30	1.20	1,771	0.99	1,668	1.8	4,810	92,000
3,492	0.9	18	0.72	2,005	1.12	1,559	1.7	2,625	104,000
9,293	2.4	27	1.08	1,839	1.03	3,227	3.5	7,435	96,000
5,220	1.3	20	0.80	2)	2)	2)	2)	3,634	87,900
6,946	1.8	25	1.00	2,289	1.28	2,231	2.4	5,136	122,900
14,188	3.6	25	1.00	1,701	0.95	2,750	3.0	9,672	114,300
21,135	5.4	25	1.00	1,917	1.07	4,981	5.4	14,808	118,000
409	0.1	31	1.24	1,633	0.91	85	0.1	212	69,250
5,610	1.4	23	0.92	1,608	0.90	1,202	1.3	3,950	99,000
6,019	1.5	24	0.96	1,612	0.90	1,287	1.4	4,162	97,900
128,519	32.6	23	0.92	1,728	0.96	35,480	38.5	92,614	99,000
93	0.0	31	1.24	1,611	0.90	14	0.0	64	55,000
567	0.1	29	1.16	1,605	0.90	83	0.1	282	148,000
410	0.1	22	0.88	1,631	0.91	141	0.2	240	105,000
131	0.0	33	1.32	1,480	0.83	29	0.0	120	46,750
446	0.1	32	1.28	1,704	0.95	83	0.1	294	58,000
79	0.0	30	1.20	1,750	0.98	41	0.0	55	65,000
47	0.0	31	1.24	1,571	0.88	6	0.0	31	36,500
273	0.1	20	0.80	1,618	0.90	193	0.2	229	98,000
1,577	0.4	20	0.80	1,901	1.06	573	0.6	903	130,000
174	0.0	32	1.28	1,623	0.91	71	0.1	117	49,900
3,797	1.0	26	1.04	1,701	0.95	1,234	1.3	2,335	88,000
156	0.0	27	1.08	1,681	0.94	72	0.1	126	79,000
265	0.1	32	1.28	1,668	0.93	72	0.1	192	70,000
580	0.1	28	1.12	1,814	1.01	219	0.2	528	72,950
81	0.0	29	1.16	2)	2)	11	0.0	65	50,000
85	0.0	25	1.00	1,688	0.94	39	0.0	55	71,500
72	0.0	34	1.36	1,612	0.90	29	0.0	47	53,000
33	0.0	30	1.20	1,579	0.88	19	0.0	40	43,500
319	0.1	28	1.12	1,650	0.92	94	0.1	194	59,950
117	0.0	24	0.96	1,565	0.87	28	0.0	64	55,722
255	0.1	31	1.24	1,635	0.91	99	0.1	216	60,250
205	0.1	26	1.04	1,527	0.85	75	0.1	184	57,342
45	0.0	27	1.08	1,752	0.98	22	0.0	23	1)
2,215	0.6	28	1.12	1,674	0.93	779	0.8	1,734	65,000
2,648	0.7	18	0.72	2)	2)	1,080	1.2	2,527	69,900
889	0.2	31	1.24	1,995	1.11	150	0.2	565	65,000
853	0.2	17	0.68	1,644	0.92	1,481	1.6	334	85,750
4,390	1.1	21	0.84	1,836	1.03	2,711	2.9	3,426	70,000
274	0.1	29	1.16	1,712	0.96	57	0.1	133	70,000
84	0.0	26	1.04	1,609	0.90	28	0.0	47	63,500
174	0.0	32	1.28	1,557	0.87	29	0.0	128	52,000
271	0.1	24	0.96	1,636	0.91	26	0.0	167	65,000
1,541	0.4	21	0.84	1,708	0.95	481	0.5	1,613	64,000
4,231	1.1	22	0.88	1,941	1.08	999	1.1	2,437	95,000
5,252	1.3	26	1.04	1,523	0.85	366	0.4	1,687	226,000
376	0.1	24	0.96	1,656	0.92	126	0.1	299	65,000
12,202	3.1	23	0.92	1,730	0.97	2,112	2.3	6,511	100,000
22,604	5.7	24	0.96	1,726	0.96	6,836	7.4	14,006	80,500

Table 3-2. Condominium Housing Stock

	Total units	% of state	% owner occupied	Total assessed value(\$mil)	% of state
Florida	1,255,741	100.0	47.4	113,273	100.0
Major Metro Areas					
Ft. Lauderdale MSA					
Broward County	207,929	16.6	54.4	12,533	11.1
Jacksonville MSA					
Clay County	1,101	0.1	57.3	66	0.1
Duval County	7,082	0.6	57.1	540	0.5
Nassau County	2,594	0.2	15.3	510	0.4
St. Johns County	7,685	0.6	29.1	989	0.9
MSA total	18,462	1.5	39.6	2,105	1.9
Miami MSA					
Miami-Dade County	263,251	21.0	52.1	24,177	21.3
Orlando MSA					
Lake County	2,513	0.2	57.3	181	0.2
Orange County	30,147	2.4	31.3	3,498	3.1
Osceola County	3,291	0.3	8.5	1,045	0.9
Seminole County	8,124	0.6	56.4	388	0.3
MSA total	44,075	3.5	35.7	5,112	4.5
Tampa-St. Petersburg-Clearwater MSA					
Hernando County	646	0.1	45.2	32	0.0
Hillsborough County	20,853	1.7	56.4	1,156	1.0
Pasco County	10,871	0.9	52.0	478	0.4
Pinellas County	88,027	7.0	51.5	6,097	5.4
MSA total	120,397	9.6	52.3	7,763	6.9
West Palm Beach-Boca Raton MSA					
Palm Beach County	258,440	20.6	54.9	23,988	21.2
Major MSAs subtotal	912,554	72.7	52.4	75,679	66.8
Other MSAs					
Daytona Beach MSA					
Flagler County	1,606	0.1	35.3	158	0.1
Volusia County	21,549	1.7	33.0	1,823	1.6
MSA total	23,155	1.8	33.1	1,981	1.7
Ft. Myers-Cape Coral MSA					
Lee County	51,456	4.1	31.2	5,695	5.0
Ft. Pierce-Port St. Lucie MSA					
Martin County	13,208	1.1	48.8	949	0.8
St. Lucie County	12,019	1.0	35.8	982	0.9
MSA total	25,227	2.0	42.6	1,930	1.7
Ft. Walton Beach MSA					
Okaloosa County	9,324	0.7	9.2	1,392	1.2
Gainesville MSA					
Alachua County	3,090	0.2	45.0	140	0.1
Lakeland-Winter Haven MSA					
Polk County	6,876	0.5	34.4	283	0.2
Melbourne-Titusville-Palm Bay MSA					
Brevard County	23,319	1.9	44.7	1,530	1.4
Naples MSA					
Collier County	69,251	5.5	28.6	10,142	9.0
Ocala MSA					
Marion County	6,116	0.5	64.3	337	0.3
Panama City MSA					
Bay County	10,161	0.8	9.5	931	0.8

Total just value (\$mil)	% of state	Average age	Relative age index	New units constructed in 1999	% of state	Number of 1999 sales	Median 1999 sale price
115,995	100.0	18	1.00	12,435	100.0	108,287	87,000
12,970	11.2	2)	2)	2)	2)	15,836	57,900
68	0.1	17	0.94	3	0.0	105	66,500
610	0.5	2)	2)	2)	2)	692	77,000
523	0.5	18	1.00	130	1.0	355	240,000
1,051	0.9	2)	2)	2)	2)	700	126,000
2,253	1.9	18	1.00	133	1.1	1,852	107,000
24,810	21.4	2)	2)	2)	2)	25,363	93,100
185	0.2	18	1.00	14	0.1	218	65,500
3,535	3.0	2)	2)	2)	2)	2,148	60,000
1,045	0.9	13	0.72	291	2.3	207	87,900
396	0.3	21	1.17	30	0.2	811	58,500
5,162	4.5	19	1.06	335	2.7	3,384	62,000
32	0.0	12	0.67	0	0.0	48	58,650
1,223	1.1	17	0.94	354	2.8	1,307	69,000
489	0.4	19	1.06	24	0.2	882	47,000
6,314	5.4	22	1.22	299	2.4	7,635	66,000
8,059	6.9	21	1.17	677	5.4	9,872	64,900
24,275	20.9	17	0.94	5,153	41.4	18,544	102,000
77,528	66.8	18	1.00	6,298	50.6	74,851	80,000
160	0.1	18	1.00	23	0.2	173	97,000
1,865	1.6	2)	2)	2)	2)	2,136	92,000
2,025	1.7	18	1.00	23	0.2	2,309	93,000
5,778	5.0	16	0.89	1,835	14.8	5,318	118,000
964	0.8	21	1.17	0	0.0	1,145	63,000
988	0.9	2)	2)	2)	2)	1,112	92,250
1,953	1.7	21	1.17	0	0.0	2,257	76,000
1,413	1.2	2)	2)	2)	2)	901	189,000
145	0.1	15	0.83	72	0.6	383	59,500
283	0.2	2)	2)	2)	2)	676	49,900
1,552	1.3	20	1.11	338	2.7	2,219	77,500
10,402	9.0	14	0.78	2,812	22.6	6,333	135,000
340	0.3	15	0.83	63	0.5	500	58,250
942	0.8	15	0.83	9	0.1	1,084	115,000

Table 3-2. Condominium Housing Stock *continued*

	Total units	% of state	% owner occupied	Total assessed value(\$mils)	% of state
Pensacola MSA					
Escambia County	4,276	0.3	24.2	421	0.4
Santa Rosa County	1,256	0.1	17.4	156	0.1
MSA total	5,532	0.4	22.7	577	0.5
Punta Gorda MSA					
Charlotte County	10,967	0.9	29.9	1,000	0.9
Sarasota-Bradenton MSA					
Manatee County	23,062	1.8	50.0	1,926	1.7
Sarasota County	43,250	3.4	41.3	5,811	5.1
MSA total	66,312	5.3	44.4	7,737	6.8
Tallahassee MSA					
Leon County	684	0.1	26.3	27	0.0
MSA total	684	0.1	26.3	27	0.0
Other MSAs subtotal	311,470	24.8	34.8	33,703	29.8
<u>Nonmetro County Regions</u>					
Northwest nonmetropolitan area					
Franklin County	27	0.0	7.4	2	0.0
Gulf County	36	0.0	5.6	5	0.0
Wakulla County	82	0.0	22.0	6	0.0
Walton County	7,785	0.6	7.1	1,264	1.1
MSA total	7,930	0.6	7.2	1,277	1.1
Northeast nonmetropolitan area					
Bradford County	18	0.0	88.9	1	0.0
Columbia County	46	0.0	58.7	3	0.0
Levy County	180	0.0	2.8	13	0.0
Taylor County	13	0.0	7.7	1	0.0
MSA total	257	0.0	19.1	17	0.0
Central nonmetropolitan area					
Citrus County	1,474	0.1	40.3	68	0.1
Putnam County	141	0.0	31.9	9	0.0
Sumter County	106	0.0	38.7	4	0.0
MSA total	1,721	0.1	39.5	81	0.1
South nonmetropolitan area					
De Soto County	452	0.0	42.0	26	0.0
Glades County	32	0.0	25.0	2	0.0
Hardee County	223	0.0	26.9	7	0.0
Hendry County	139	0.0	22.3	7	0.0
Highlands County	1,301	0.1	42.2	54	0.0
Indian River County	11,515	0.9	43.6	1,227	1.1
Monroe County	7,989	0.6	16.0	1,187	1.0
Okeechobee County	158	0.0	34.2	5	0.0
MSA total	21,809	1.7	33.0	2,515	2.2
Regional nonmetro subtotal	31,717	2.5	26.8	3,891	3.4

1) Less than 25 observations
2) Not available

Total just value (\$mils)	% of state	Average age	Relative age index	New units constructed in 1999	% of state	Number of 1999 sales	Median 1999 sale price
435	0.4	17	0.94	39	0.3	353	106,500
158	0.1	2)	2)	2)	2)	213	190,000
593	0.5	17	0.94	39	0.3	566	130,000
1,036	0.9	16	0.89	2)	2)	1,001	78,000
1,981	1.7	19	1.06	158	1.3	2,074	88,000
6,037	5.2	20	1.11	640	5.1	4,538	120,000
8,018	6.9	20	1.11	798	6.4	6,612	108,000
28	0.0	26	1.44	0	0.0	47	48,700
28	0.0	26	1.44	0	0.0	47	48,700
34,508	29.7	17	0.94	5,989	48.2	30,206	107,500
2	0.0	2	0.11	8	0.1	13	1)
5	0.0	14	0.78	0	0.0	3	1)
6	0.0	2)	2)	2)	2)	11	1)
1,271	1.1	2)	2)	2)	2)	1,050	175,205
1,285	1.1	9	0.50	8	0.1	1,077	170,910
1	0.0	2)	2)	2)	2)	6	1)
3	0.0	21	1.17	0	0.0	2	1)
13	0.0	10	0.56	12	0.1	18	1)
1	0.0	2)	2)	2)	2)	0	0
18	0.0	13	0.72	12	0.1	26	92,600
69	0.1	18	1.00	2	0.0	145	60,000
9	0.0	17	0.94	0	0.0	12	1)
4	0.0	2)	2)	2)	2)	2	1)
82	0.1	18	1.00	2	0.0	159	60,000
26	0.0	2)	2)	2)	2)	59	69,900
2	0.0	18	1.00	0	0.0	1	1)
7	0.0	7	0.39	10	0.1	19	1)
7	0.0	13	0.72	0	0.0	13	1)
54	0.0	19	1.06	14	0.1	104	51,000
1,253	1.1	19	1.06	102	0.8	1,109	105,000
1,220	1.1	2)	2)	2)	2)	644	170,000
6	0.0	24	1.33	0	0.0	19	1)
2,575	2.2	19	1.06	126	1.0	1,968	118,200
3,959	3.4	18	1.00	148	1.2	3,230	132,000

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Table 3-3. Multi-Family Stock with Two to Nine Units in Complex

	Total complexes	% of state	Total assessed value(\$mils)
Florida	150,816	100.0	14,743
<u>Major Metro Areas</u>			
<u>Ft. Lauderdale MSA</u>			
Broward County	19,738	13.1	2,386
<u>Jacksonville MSA</u>			
Clay County	278	0.2	26
Duval County	4,639	3.1	385
Nassau County	308	0.2	39
St. Johns County	1,788	1.2	212
MSA total	7,013	4.7	663
<u>Miami MSA</u>			
Miami-Dade County	31,916	21.2	3,716
<u>Orlando MSA</u>			
Lake County	1,126	0.7	91
Orange County	10,056	6.7	679
Osceola County	828	0.5	69
Seminole County	1,159	0.8	88
MSA total	13,169	8.7	926
<u>Tampa-St. Petersburg-Clearwater MSA</u>			
Hernando County	375	0.2	30
Hillsborough County	5,224	3.5	345
Pasco County	1,194	0.8	72
Pinellas County	13,429	8.9	1,228
MSA total	20,222	13.4	1,675
<u>West Palm Beach-Boca Raton MSA</u>			
Palm Beach County	10,820	7.2	1,050
Major MSAs subtotal	102,878	68.2	10,416
<u>Other MSAs</u>			
<u>Daytona Beach MSA</u>			
Flagler County	320	0.2	31
Volusia County	7,868	5.2	521
MSA total	8,188	5.4	552
<u>Ft. Myers-Cape Coral MSA</u>			
Lee County	5,480	3.6	494
<u>Ft. Pierce-Port St. Lucie MSA</u>			
Martin County	919	0.6	67
St. Lucie County	1,500	1.0	91
MSA total	2,419	1.6	159
<u>Ft. Walton Beach MSA</u>			
Okaloosa County	726	0.5	81
<u>Gainesville MSA</u>			
Alachua County	1,760	1.2	107
<u>Lakeland-Winter Haven MSA</u>			
Polk County	4,403	2.9	233
<u>Melbourne-Titusville-Palm Bay MSA</u>			
Brevard County	2,938	1.9	270
<u>Naples MSA</u>			
Collier County	1,878	1.2	209
<u>Ocala MSA</u>			
Marion County	1,072	0.7	69

% of state	Total just value(\$mils)	% of state	Average age	Relative age index	New complexes constructed in 1999	% of state
100.0	15,124	100.0	35	1.00	463	100.0
16.2	2,460	16.3	36	1.03	27	5.8
0.2	26	0.2	2)	2)	2)	2)
2.6	405	2.7	48	1.37	3	0.6
0.3	41	0.3	26	0.74	4	0.9
1.4	238	1.6	26	0.74	8	1.7
4.5	711	4.7	41	1.17	15	3.2
25.2	3,801	25.1	40	1.14	43	9.3
0.6	91	0.6	34	0.97	26	5.6
4.6	687	4.5	23	0.66	21	4.5
0.5	69	0.5	24	0.69	2	0.4
0.6	88	0.6	28	0.80	1	0.2
6.3	935	6.2	25	0.71	50	10.8
0.2	31	0.2	17	0.49	12	2.6
2.3	351	2.3	26	0.74	6	1.3
0.5	72	0.5	26	0.74	2	0.4
8.3	1,280	8.5	49	1.40	8	1.7
11.4	1,733	11.5	41	1.17	28	6.0
7.1	1,067	7.1	38	1.09	21	4.5
70.7	10,707	70.8	37	1.06	184	39.7
0.2	31	0.2	17	0.49	17	3.7
3.5	535	3.5	25	0.71	91	19.7
3.7	567	3.7	25	0.71	108	23.3
3.4	500	3.3	25	0.71	41	8.9
0.5	68	0.4	22	0.63	2	0.4
0.6	91	0.6	34	0.97	3	0.6
1.1	159	1.1	29	0.83	5	1.1
0.6	82	0.5	28	0.80	4	0.9
0.7	108	0.7	29	0.83	8	1.7
1.6	234	1.5	30	0.86	8	1.7
1.8	275	1.8	37	1.06	8	1.7
1.4	212	1.4	25	0.71	15	3.2
0.5	70	0.5	24	0.69	4	0.9

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Table 3-3. Multi-Family Stock with Two to Nine Units in Complex *continued*

	Total complexes	% of state	Total assessed value(\$mils)
Panama City MSA			
Bay County	754	0.5	69
Pensacola MSA			
Escambia County	1,870	1.2	136
Santa Rosa County	630	0.4	57
MSA total	2,500	1.7	192
Punta Gorda MSA			
Charlotte County	903	0.6	96
Sarasota-Bradenton MSA			
Manatee County	4,550	3.0	434
Sarasota County	2,277	1.5	262
MSA total	6,827	4.5	696
Tallahassee MSA			
Gadsden County	11	0.0	8
Leon County	2,035	1.3	168
MSA total	2,046	1.4	176
Other MSAs subtotal	41,894	27.8	3,405
<u>Nonmetro County Regions</u>			
Northwest nonmetropolitan area			
Calhoun County	3	0.0	2
Franklin County	16	0.0	4
Gulf County	3	0.0	1
Holmes County	7	0.0	1
Jackson County	61	0.0	12
Jefferson County	13	0.0	3
Liberty County	2	0.0	0
Wakulla County	17	0.0	1
Walton County	43	0.0	6
Washington County	10	0.0	3
MSA total	175	0.1	32
Northeast nonmetropolitan area			
Baker County	24	0.0	4
Bradford County	18	0.0	1
Columbia County	209	0.1	19
Dixie County	3	0.0	0
Gilchrist County	8	0.0	1
Hamilton County	17	0.0	4
Lafayette County	4	0.0	0
Levy County	67	0.0	6
Madison County	37	0.0	4
Suwannee County	44	0.0	3
Taylor County	8	0.0	2)
Union County	9	0.0	1
MSA total	448	0.3	44
Central nonmetropolitan area			
Citrus County	374	0.2	23
Putnam County	134	0.1	8
Sumter County	74	0.0	5
MSA total	582	0.4	36
South nonmetropolitan area			
De Soto County	167	0.1	10
Glades County	35	0.0	2
Hardee County	113	0.1	6
Hendry County	386	0.3	25
Highlands County	710	0.5	37
Indian River County	728	0.5	65
Monroe County	2,583	1.7	656
Okeechobee County	117	0.1	8
MSA total	4,839	3.2	810
Regional nonmetro subtotal	6,044	4.0	922

1) Less than 25 observations
2) Not available

% of state	Total just value(\$mils)	% of state	Average age	Relative age index	New complexes constructed in 1999	% of state
0.5	69	0.5	20	0.57	11	2.4
0.9	141	0.9	32	0.91	14	3.0
0.4	57	0.4	19	0.54	2	0.4
1.3	198	1.3	29	0.83	16	3.5
0.7	98	0.7	24	0.69	2)	2)
2.9	448	3.0	34	0.97	5	1.1
1.8	265	1.8	36	1.03	7	1.5
4.7	713	4.7	35	1.00	12	2.6
0.1	8	0.1	1)	1)	0	0.0
1.1	168	1.1	27	0.77	9	1.9
1.2	177	1.2	27	0.77	9	1.9
23.1	3,461	22.9	29	0.83	249	53.8
0.0	2	0.0	1)	1)	0	0.0
0.0	4	0.0	1)	1)	0	0.0
0.0	1	0.0	1)	1)	0	0.0
0.0	1	0.0	1)	1)	0	0.0
0.1	12	0.1	18	0.51	0	0.0
0.0	3	0.0	1)	1)	0	0.0
0.0	0	0.0	1)	1)	1	0.2
0.0	1	0.0	1)	1)	0	0.0
0.0	7	0.0	13	0.37	0	0.0
0.0	3	0.0	1)	1)	1	0.2
0.2	33	0.2	18	0.51	2	0.4
0.0	4	0.0	1)	1)	2	0.4
0.0	1	0.0	1)	1)	0	0.0
0.1	19	0.1	24	0.69	1	0.2
0.0	0	0.0	1)	1)	0	0.0
0.0	1	0.0	1)	1)	0	0.0
0.0	4	0.0	1)	1)	0	0.0
0.0	0	0.0	1)	1)	0	0.0
0.0	6	0.0	25	0.71	1	0.2
0.0	4	0.0	18	0.51	0	0.0
0.0	3	0.0	23	0.66	0	0.0
2)	2)	2)	2)	2)	2)	2)
0.0	1	0.0	1)	1)	0	0.0
0.3	44	0.3	25	0.71	4	0.9
0.2	23	0.2	22	0.63	5	1.1
0.1	8	0.1	32	0.91	0	0.0
0.0	5	0.0	22	0.63	1	0.2
0.2	36	0.2	24	0.69	6	1.3
0.1	11	0.1	29	0.83	0	0.0
0.0	2	0.0	25	0.71	0	0.0
0.0	6	0.0	34	0.97	0	0.0
0.2	25	0.2	30	0.86	1	0.2
0.3	37	0.2	32	0.91	1	0.2
0.4	66	0.4	30	0.86	5	1.1
4.5	688	4.6	40	1.14	11	2.4
0.1	8	0.1	29	0.83	0	0.0
5.5	843	5.6	36	1.03	18	3.9
6.3	955	6.3	33	0.94	30	6.5

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Table 3-4. Multi-Family Stock with Ten or More Units in Complex

	Total complexes	% of state	Total Assessed value(\$mil)s	% of state
Florida	13,624	100.0	26,941	100.0
Major Metro Areas				
Ft. Lauderdale MSA				
Broward County	1,800	13.2	4,391	16.3
Jacksonville MSA				
Clay County	40	0.3	133	0.5
Duval County	533	3.9	1,679	6.2
Nassau County	33	0.2	21	0.1
St. Johns County	37	0.3	142	0.5
MSA total	643	4.7	1,974	7.3
Miami MSA				
Miami-Dade County	3,945	29.0	5,157	19.1
Oriando MSA				
Lake County	109	0.8	105	0.4
Orange County	713	5.2	3,124	11.6
Osceola County	80	0.6	299	1.1
Seminole County	302	2.2	1,014	3.8
MSA total	1,204	8.8	4,542	16.9
Tampa-St. Petersburg-Clearwater MSA				
Hernando County	46	0.3	30	0.1
Hillsborough County	768	5.6	2,464	9.1
Pasco County	129	0.9	146	0.5
Pinellas County	778	5.7	1,511	5.6
MSA total	1,721	12.6	4,150	15.4
West Palm Beach-Boca Raton MSA				
Palm Beach County	768	5.6	2,054	7.6
Major MSAs subtotal	10,081	74.0	22,269	82.7
Other MSAs				
Daytona Beach MSA				
Flagler County	5	0.0	4	0.0
Volusia County	485	3.6	359	1.3
MSA total	490	3.6	363	1.3
Ft. Myers-Cape Coral MSA				
Lee County	156	1.1	434	1.6
Ft. Pierce-Port St. Lucie MSA				
Martin County	60	0.4	86	0.3
St. Lucie County	62	0.5	75	0.3
MSA total	122	0.9	162	0.6
Ft. Walton Beach MSA				
Okaloosa County	144	1.1	120	0.4
Gainesville MSA				
Alachua County	382	2.8	516	1.9
Lakeland-Winter Haven MSA				
Polk County	291	2.1	250	0.9
Melbourne-Titusville-Palm Bay MSA				
Brevard County	275	2.0	425	1.6
Naples MSA				
Collier County	93	0.7	380	1.4
Ocala MSA				
Marion County	85	0.6	109	0.4
Panama City MSA				
Bay County	126	0.9	121	0.4

Total just value(\$mils)	% of state	Average age	Relative age index	New complexes constructed in 1999	% of state
26,945	100.0	30	1.00	177	100.0
4,393	16.3	30	1.00	12	6.8
133	0.5	2)	2)	2)	2)
1,679	6.2	28	0.93	4	2.3
21	0.1	23	0.77	1	0.6
142	0.5	13	0.43	1	0.6
1,974	7.3	27	0.90	6	3.4
5,158	19.1	36	1.20	21	11.9
105	0.4	21	0.70	3	1.7
3,124	11.6	22	0.73	36	20.3
299	1.1	15	0.50	4	2.3
1,014	3.8	18	0.60	6	3.4
4,542	16.9	20	0.67	49	27.7
30	0.1	17	0.57	0	0.0
2,464	9.1	24	0.80	22	12.4
146	0.5	21	0.70	2	1.1
1,511	5.6	35	1.17	2	1.1
4,150	15.4	29	0.97	26	14.7
2,054	7.6	29	0.97	19	10.7
22,272	82.7	31	1.03	133	75.1
4	0.0	1)	1)	0	0.0
359	1.3	38	1.27	1	0.6
363	1.3	38	1.27	1	0.6
434	1.6	21	0.70	6	3.4
87	0.3	23	0.77	0	0.0
75	0.3	24	0.80	3	1.7
162	0.6	24	0.80	3	1.7
120	0.4	21	0.70	4	2.3
516	1.9	22	0.73	5	2.8
250	0.9	27	0.90	2	1.1
425	1.6	28	0.93	3	1.7
380	1.4	17	0.57	7	4.0
109	0.4	22	0.73	1	0.6
121	0.4	20	0.67	1	0.6

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Table 3-4. Multi-Family Stock with Ten or More Units in Complex *continued*

	Total complexes	% of state	Total Assessed value(\$mils)	% of state
Pensacola MSA				
Escambia County	131	1.0	241	0.9
Santa Rosa County	47	0.3	27	0.1
MSA total	178	1.3	268	1.0
Punta Gorda MSA				
Charlotte County	23	0.2	16	0.1
Sarasota-Bradenton MSA				
Manatee County	129	0.9	374	1.4
Sarasota County	207	1.5	367	1.4
MSA total	336	2.5	741	2.8
Tallahassee MSA				
Gadsden County	44	0.3	3	0.0
Leon County	325	2.4	506	1.9
MSA total	369	2.7	509	1.9
Other MSAs subtotal	3,070	22.5	4,412	16.4
<u>Nonmetro County Regions</u>				
Northwest nonmetropolitan area				
Calhoun County	3	0.0	0	0.0
Franklin County	25	0.2	5	0.0
Gulf County	4	0.0	4	0.0
Holmes County	6	0.0	3	0.0
Jackson County	14	0.1	3	0.0
Jefferson County	6	0.0	1	0.0
Wakulla County	1	0.0	1	0.0
Walton County	54	0.4	17	0.1
Washington County	3	0.0	1	0.0
MSA total	116	0.9	35	0.1
Northeast nonmetropolitan area				
Baker County	1	0.0	1	0.0
Bradford County	11	0.1	8	0.0
Columbia County	23	0.2	14	0.1
Dixie County	4	0.0	1	0.0
Gilchrist County	2)	2)	2)	2)
Lafayette County	1	0.0	1	0.0
Levy County	10	0.1	5	0.0
Madison County	5	0.0	3	0.0
Suwannee County	15	0.1	9	0.0
Taylor County	3	0.0	2)	2)
Union County	4	0.0	1	0.0
MSA total	77	0.6	42	0.2
Central nonmetropolitan area				
Citrus County	47	0.3	18	0.1
Putnam County	27	0.2	18	0.1
Sumter County	43	0.3	8	0.0
MSA total	117	0.9	44	0.2
South nonmetropolitan area				
De Soto County	33	0.2	10	0.0
Glades County	4	0.0	1	0.0
Hardee County	8	0.1	5	0.0
Hendry County	14	0.1	10	0.0
Highlands County	55	0.4	22	0.1
Indian River County	41	0.3	55	0.2
Monroe County	6	0.0	35	0.1
Okeechobee County	2	0.0	1	0.0
MSA total	163	1.2	139	0.5
Regional nonmetro subtotal	473	3.5	260	1.0

1) Less than 25 observations

2) Not available

Total just value(\$mil)	% of state	Average age	Relative age index	New complexes constructed in 1999	% of state
241	0.9	22	0.73	3	1.7
27	0.1	18	0.60	2	1.1
268	1.0	22	0.73	5	2.8
16	0.1	1)	2)	2)	2)
374	1.4	27	0.90	0	0.0
367	1.4	33	1.10	1	0.6
741	2.8	31	1.03	1	0.6
3	0.0	27	0.90	0	0.0
506	1.9	26	0.87	2	1.1
509	1.9	26	0.87	2	1.1
4,413	16.4	27	0.90	41	23.2
0	0.0	1)	1)	0	0.0
5	0.0	20	0.67	0	0.0
4	0.0	1)	1)	0	0.0
3	0.0	1)	1)	0	0.0
3	0.0	1)	1)	0	0.0
1	0.0	1)	1)	0	0.0
1	0.0	1)	1)	0	0.0
17	0.1	10	0.33	1	0.6
1	0.0	1)	1)	0	0.0
35	0.1	15	0.50	1	0.6
1	0.0	1)	1)	0	0.0
8	0.0	1)	1)	0	0.0
14	0.1	1)	1)	0	0.0
1	0.0	1)	1)	0	0.0
2)	2)	2)	2)	2)	2)
1	0.0	1)	1)	0	0.0
5	0.0	1)	1)	0	0.0
3	0.0	1)	1)	0	0.0
9	0.0	1)	1)	0	0.0
2)	2)	2)	2)	2)	2)
1	0.0	1)	1)	0	0.0
42	0.2	25	0.83	0	0.0
18	0.1	16	0.53	0	0.0
18	0.1	18	0.60	0	0.0
8	0.0	27	0.90	0	0.0
44	0.2	21	0.70	0	0.0
10	0.0	21	0.70	0	0.0
1	0.0	1)	1)	0	0.0
5	0.0	1)	1)	0	0.0
10	0.0	1)	1)	1	0.6
22	0.1	22	0.73	0	0.0
55	0.2	22	0.73	1	0.6
35	0.1	1)	1)	0	0.0
1	0.0	1)	1)	0	0.0
139	0.5	23	0.77	2	1.1
260	1.0	21	0.70	3	1.7

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in 2000. Approximately 47 percent of these units are owner-occupied, much less than the 77 percent owner-occupied percentage found in the detached single-family stock. A total of 729,620 units, or over 58 percent of condominium units in the state, are located in three southeast Florida counties: Miami-Dade, Broward, and Palm Beach. By contrast, 15 counties report no such units. All of the latter counties are non-MSA counties. In total, the non-MSA counties have 2.5 percent of the total condominiums in the state, and 86 percent of these are found in three counties: Indian River, Monroe, and Walton.

Other coastal metropolitan counties have a much smaller stock of condominium units than the three southeast counties, but condominiums still play a major role in the provision of housing in those counties. For example, Collier County's 69,251 condominium units far exceed the 51,702 single-family housing units in the county. Condominium units also exceed single-family units in Palm Beach County. Other counties with large numbers of condominiums are Lee, Manatee, Pinellas, and Sarasota.

Discussion of the characteristics of condominiums in the state is limited by the lack of data in a number of the data fields in some counties. These fields include year built, age, and price. The following description is based on the available data.

The mean age of condominium units for the state of Florida is approximately 18 years, below the 25-year average for single-family units. Some of the newest condominium stocks are located in non-metropolitan counties including Franklin, with a mean age of 2 years. Among metropolitan counties, Hernando has a mean age of 12 years for condominium units.

The number of condominium sales in the state totaled 108,287 units in 1999. Of these over 23 percent occurred in Miami-Dade County, 17 percent in Palm Beach County, and over 14 percent in Broward County. These three southeast counties accounted for about 55 percent of all condominium transactions in the state.

Median sales prices for condominiums vary widely across counties. The median price of condominium units sold in the state in 1999 was \$87,000. Counties with median prices above \$125,000 were the \$135,000 in Collier County, \$170,000 in Monroe County, \$240,000 in Nassau County, \$189,000 in Okaloosa County, \$126,000 in St. Johns County, \$190,000 in Santa Rosa County, and \$175,205 in Walton County. These are coastal counties and, with a few exceptions, are not part of major MSAs. The relatively high price of portions of the condominium stock in Florida appears to reflect the steep premium paid for the ocean accessibility that is an attribute of many condominiums in coastal settings and the retirement clientele for the units.⁹ Condominium units in the larger counties have lower median sales prices, including \$57,900 in Broward, \$69,000 in Hillsborough, \$93,100 in Miami-Dade, and \$60,000 in Orange County. While these counties have high-priced units, the medians indicate a broader market for condominium units.

3.4 Multifamily Housing

The county property appraiser data used in this report do not allow an accounting for the number of units in multifamily rental structures, as only information on the structures (parcels) is reported. It is this information that is summarized below. We divide the

⁹ Data on the average size (square footage) of the condominium stock is not reported because of numerous problems and inconsistencies with the DOR data.

multifamily stock, consistent with the appraiser data, into two categories: complexes with less than 10 units and complexes with 10 or more units.

Table 3-3 contains summary information on the state's stock of multifamily properties containing fewer than 10 units. There are about 150,000 multifamily properties that contain fewer than 10 units in the state of Florida. Approximately 68 percent of these are found in the six major metropolitan areas, with another almost 28 percent located in other metropolitan areas. Only four percent of these small multifamily complexes are found in non-MSA counties. Over 21 percent of the units in this category are found in Miami-Dade County. Only ten of the 33 non-MSA counties have more than 100 such complexes, with Monroe having over 40 percent of the non-MSA total. Other non-MSA counties with more than 100 properties were Columbia, Citrus, Putnam, DeSoto, Hardee, Hendry, Highlands, Indian River, and Okeechobee Counties. These numbers again point to the differences that are observed between the urban, coastal counties and the rural, interior counties of Florida. As with condominium units, which are also likely found in multifamily structures, it is apparent that urban and coastal counties are the predominant settings for such structures while the rural and interior counties are characterized by a largely single-family housing stock.

The mean age of multifamily complexes containing 9 or fewer units is 35 years for the state. Counties with the oldest average ages (and at least 100 properties) include Duval (48), Miami-Dade (40), Monroe (40), and Pinellas (49). Counties with more than 100 properties and a relative age index of below 0.6 (the state index is 1.0) include

Bay, Flagler, Hernando, and Santa Rosa. The latter counties have either experienced recent growth or have little multifamily stock so that their average is impacted by one or a few projects.

Table 3-4 contains information on multifamily complexes with 10 or more units. With a total of 13,624 complexes in the state, there are about 9 percent as many of these larger complexes as of complexes with less than 10 units, but these complexes undoubtedly comprise more total units than the smaller complexes. About 29 percent of these larger complexes are located in Miami-Dade County, with about 13 percent in Broward County and in the Tampa Bay MSA. The six major MSAs contain approximately 74 percent of all complexes of this type. The other MSAs contain over 22 percent of the state total, with Volusia, Alachua, and Leon Counties having more than 300 complexes. The Alachua and Leon numbers reflect the concentration of college students in those communities. Non-MSA counties contain only 3.5 percent of the state's stock of larger apartment complexes.

The average age of these larger complexes is 30 years. Miami-Dade (36 years), Pinellas (35 years), and Volusia (38 years) Counties have relatively old stocks of larger complexes. At 20 years, the Orlando MSA has the youngest stock of such complexes among the six major MSAs.

There were 177 complexes of greater than 10 units constructed in 1999. About 75 percent of this construction occurred in the six major MSAs including over 27 percent in the Orlando MSA.

3.5 Impact of Housing on the Florida Economy

There are a number of ways in which the impact of housing on the Florida economy might be measured. For example, we might examine the number of jobs created in the construction and related industries, the payroll on those jobs, or the materials cost of a housing unit. We examine two simple measures. First, in 1999 there were 273,308 sales of single family housing units (new and existing). With an average sales price of over \$100,000, these transactions total approximately \$27.5 billion in sales. This figure is the basis from which transaction fees, transfer taxes, mortgage fees, purchases of new furnishings and equipment, and other expenditures flowing into the economy are generated. Second, the total assessed value of the single family housing stock in the state was over \$370 billion in 2000. This figure is the basis for property taxes as well as a measure of the wealth of households. The figure does not include condominiums, multifamily rental structures, or mobile homes.

The Local Economic Impact Model developed by the Economics, Mortgage Finance, and Housing Policy Division of the National Association of Home Builders in Washington D.C. examines the economic impact of 1,000 new single family homes on a local economy for an average city. Using the same numbers would yield the following impact for the 92,234 new units constructed in the state in 1999: 321,172 jobs, \$11.5 billion in local income (local business owners' income and local wages and salaries), and \$1.2 billion in local taxes.

3.6 Summary

The county property appraiser data provides a wealth of data on characteristics of the housing stock across the state. The county-by-county and MSA summaries clearly show differences in the importance of single-family properties, condominiums, and multifamily properties. Also apparent are differences across the state in the age and size of units. Finally, there are significant differences in the numbers of transactions each year and in the median values of properties. The differences show that the state might be characterized as two states when thinking about the housing market, with the large urban and coastal counties at one extreme and the small, rural inland counties at the other. Location, population size and density, and growth rates are among the obvious variables that are not included in this analysis but are reflected in the housing activity across counties. For example, rapidly growing counties have a newer housing stock on average, and coastal counties have higher average property values.

4. Housing Affordability

4.1 Introduction

The affordability of housing is an important issue nationally and in the state of Florida. Households are concerned about it because affordability affects their ability to become a homeowner, as well as the size and amenities of the home they are able to purchase. Real estate salespersons and other industry participants also are concerned, because the number of households able to afford the purchase of a home is an important determinant of single-family sales activity in their local markets. Housing affordability also has become an important public policy issue, as home ownership is viewed as being an important goal for both individual and societal reasons.

Three factors are the primary determinants of the affordability of housing. These are household income, housing prices, and mortgage rates. For a household considering homeownership, an additional factor is the rate of appreciation in housing prices. This chapter begins with a discussion of historic appreciation rates for single family housing. It then investigates issues of housing affordability using a concept called cost burden.

4.2 Housing Affordability Index

The affordability of housing is a major issue nationally, and it is no different in Florida. One measure of housing affordability is the cost of homeownership, commonly conveyed through housing affordability indices.

These indices generally indicate that affordability increased substantially towards the end of the last decade, primarily as a result of lower interest rates during that period. A housing affordability index for an area brings together the price and the income elements that contribute to housing affordability. The most common index construction method is that used by the National Association of Realtors (NAR). The NAR index measures the ability of the median income household in an area to afford a median priced house. In addition to the median income and median house price in an area, index construction requires the current mortgage interest rate, assumptions about the down payment required to purchase the median price home, and the maximum percentage of household income that can be spent on housing. An index of 100 indicates the typical (median) family in the area has sufficient income to purchase a single-family home selling at the median price.¹⁰ Median house prices are calculated from the DOR county property appraiser datasets. Median household incomes come from data purchased from Claritas, Inc.

Although important, median sale prices in a county or MSA do not alone determine housing affordability. A second important factor is the income of area residents. The highest household incomes in Florida are generally in the coastal counties that also contain many high priced housing units. However, median household incomes and single-family house prices in an area are only moderately correlated — which can lead to significant differences in housing affordability across counties and MSAs.

Our index construction method can be represented by the following formula:

$$\text{Affordability Index} = \frac{\text{Median family income}}{\text{Qualifying income}} \times 100$$

¹⁰ Affordability indices are calculated by NAR only for the nine largest metropolitan areas in Florida. Moreover, most of these MSAs are recent additions to the report, and thus provide little historical information on how housing affordability has changed over time and across counties. In addition, the affordability indices published by NAR are based only on homes that have sold through the use of a Multiple Listing Service. Thus, the home sales used to calculate the median sale price may not be representative of all housing stock in the area.

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Qualifying income is defined as the income needed to qualify for a mortgage to finance an existing median-priced home. As an example, if median family income in the area is \$35,000, the median price of an existing home is \$100,000, and the mortgage interest rate is 10 percent, the calculated affordability index is 103.9:

$$\frac{\$35,000}{4 \times 12(0.80 \times \$100,000) \times 0.008776}$$

$$= \frac{\$35,000}{\$33,700}$$

$$= 103.9\%$$

The denominator is the annual mortgage payment, multiplied by 4, because the income needed to qualify for a 20 percent down, 10-percent, monthly payment loan is assumed to be four times the annual mortgage payment. This is equivalent to a household spending 25 percent of their monthly income on mortgage costs, and is consistent with the qualifying ratio used by residential mortgage lenders. The calculated index of 103.9 indicates that median household income in the area is slightly (3.9 percent) higher than that needed to qualify for the loan. The higher the calculated affordability index, the easier it is for a household in the area with median income to purchase a median-priced home.

To calculate affordability indices for each county and MSA, mortgage rates for each year are obtained from the Federal Housing Finance Board. These effective mortgage rates (points are amortized over 10 years) combine fixed and adjustable rate loans.¹¹

We calculate affordability indices (Table 4-1) for all counties in Florida and for the years for which we have sufficient data (at least 25 sales each year, as the sales provide the basis for the calculation

of a median sales price of a home). Our index calculations differ from those of the NAR because we use the property appraiser data as the source for home sales transaction prices rather than the Multiple Listing Service* used by the Realtors, and our median income is household rather than family income. Our numbers are therefore not directly comparable, but do give an indication of relative affordability across the state.

Consistently across counties and MSAs, the affordability indices show that housing affordability in Florida has improved in the 1990s (i.e. the level of the affordability index has generally increased). Florida's improved housing affordability in the 1990s is consistent with an increase in affordability at the national level. In 1990, the U.S. affordability index was 109.5. In 1999 the index had risen to 139.1. That is, the median household income in the U.S. is 39.1 percent greater than that needed to purchase a median price home (using standard financing). In Florida the median of 67 counties was 121.75 in 1989 and 140.06 in 1999 (the Florida median is not directly comparable to the national number because the Florida median is derived from the 67 county indices). Several factors account for this favorable state and national trend. First, housing prices in many Florida counties and MSAs experienced significantly more appreciation in the 1980s than has been the case in the 1990s, a period during which housing prices have generally, though not always, increased at modest rates. This pattern of price appreciation likely reflects the national recession of early 1990s and, in Florida, the decreased demand for housing as migration flows into the state slowed from the levels experienced in the 1980s.

In the calculation of an affordability index, the mortgage interest rate is a key component because of its role in

¹¹ The NAR also uses the effective mortgage rates supplied by the Federal Housing Finance Board and assumes, as we do, that the income needed to qualify for standard financing is four times the annual mortgage payment. Thus, our calculated affordability indexes are directly comparable to those calculated by NAR for the country's largest metropolitan areas.

determining the qualifying income needed to purchase the median priced house. A second reason for the increased affordability is that mortgage interest rates have declined significantly during the 1990s relative to levels in the 1980s. After averaging 9.8 percent in the 1986-1990 time period, mortgage rates fell to an average of 9.3 percent in 1991, 8.1 percent in 1992, and 7.2 percent in 1993. Mortgage rates in the 1990s remained well below their average level during the 1980s.

A third factor that has contributed to increased affordability in the 1990s is the steady increase in median household incomes. In fact, median incomes generally have increased faster than median house prices over the 1990s time period. This increase in median incomes may be a result of the aging of the population, leading to more skills and higher pay, among other factors.

In interpreting the affordability indices for each county, several caveats should be considered. First, as a result of the limited sales transactions in some smaller counties, the median sale price may vary considerably from year to year. This fluctuation in the estimated median house price produces an exaggerated variability in the calculated affordability index. Second, the calculation of the index using median house prices and incomes may mask the distribution of affordability across the various income brackets within a county or MSA. For example, if house prices in a county tend to be tightly distributed around their median value, while incomes are more widely dispersed, then affordability problems will exist at the lower income ranges that are not identified by the affordability index. Thus, standard indices based on median house prices and median incomes are only one measure of housing affordability. What the affordability indices provide is an indication of the relative change in affordability within counties over time, and the relative affordability of housing across counties.

Although counties throughout the state have generally experienced improved housing affordability in the 1990s, considerable differences exist across counties when they are compared in 1999. Table 4-2 ranks the affordability of each county. Only eight Florida counties had an affordability index below 100 in 1999. The least affordable counties [i.e., those with ranks closer to 66, only 66 counties are included because insufficient sales precluded the inclusion of Union County] included a major metropolitan county in Miami-Dade, which ranked 62nd of the 66 counties, two suburban counties in major metropolitan areas (St. Johns, ranked 60 and located in the Jacksonville MSA, and Lake, ranked 59 and located in the Orlando MSA), and coastal counties in south Florida and on the panhandle, including Collier (63), Gulf (61), Franklin (66), Monroe (65), and Walton (64). The least affordable of all counties is Franklin with an affordability index of 56.73, likely reflecting the growth in retirement and second homes in the county in the 1990s driving up the median house price. Monroe (the Florida Keys), a growth restricted county with a unique environment, is the second least affordable with an affordability index of 72.74. The index exceeds the 1999 national average of 139.1 in 34 of the 66 counties.

At the other extreme, the most affordable counties are generally rural counties in the interior of the state, mostly in the north part of the state. Liberty County is Florida's most affordable county in 1999 (index = 277.3) and has the lowest median house price in the state. Other top 10 high affordability index counties in 1999 include Lafayette, Hardee, Washington, Bradford, Taylor, Holmes, Calhoun, Baker, and Madison. These counties are inland, rural, and characterized by relatively low median house prices. It should be emphasized that most of the counties with the highest affordability indices also had fewer than 200

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Table 4-1 Affordability Index

	1989	1992
<u>Major Metro Areas</u>		
Fort Lauderdale PMSA Broward	2)	2)
Jacksonville MSA		
Clay	129.38	163.13
Duval	2)	2)
Nassau	123.90	136.11
Saint Johns	108.48	128.92
Miami PMSA Miami-Dade	87.61	105.23
Oriando MSA		
Lake	113.50	124.34
Orange	106.34	130.59
Osceola	104.30	127.23
Seminole	114.30	148.41
Tampa-St. Petersburg-Clearwater MSA		
Hernando	119.20	151.23
Hillsborough	108.83	135.01
Pasco	2)	2)
Pinellas	103.85	132.01
West Palm Beach-Boca Raton MSA Palm Beach	88.61	114.34
<u>Other Metro Areas</u>		
Daytona Beach MSA		
Flagler	87.15	116.31
Volusia	2)	2)
Fort Myers-Cape Coral MSA Lee	106.82	128.33
Fort Pierce-Port St. Lucie MSA		
Martin	89.36	113.48
Saint Lucie	115.12	168.69
Fort Walton Beach MSA Okaloosa	118.21	145.54
Gainesville MSA Alachua	2)	2)
Lakeland-Winter Haven MSA Polk	121.33	146.99
Melbourne-Titusville-Palm Bay MSA Brevard	121.75	155.77
Naples MSA Collier	93.59	102.29
Ocala MSA Marion	113.59	157.05
Panama City MSA Bay	125.00	145.96
Pensacola MSA		
Escambia	122.57	144.82
Santa Rosa	127.33	150.25

1994	1995	1996	1997	1998	1999
2)	2)	2)	2)	2)	105.29
163.40	145.75	159.29	156.64	167.99	157.18
2)	2)	2)	143.73	151.91	151.94
134.06	126.34	123.77	117.39	120.80	114.09
107.28	97.02	102.62	99.65	106.61	98.74
94.02	82.81	90.93	88.01	94.08	93.46
113.22	111.99	109.17	109.12	108.06	99.46
123.19	128.53	132.26	133.96	139.75	136.25
116.71	117.42	125.58	121.01	118.14	110.46
142.49	134.33	144.94	146.89	151.01	149.15
136.72	136.56	134.91	145.81	147.38	142.08
131.58	126.71	133.41	135.56	141.03	138.15
2)	2)	2)	2)	2)	143.48
122.76	120.42	126.60	134.10	137.50	134.58
112.23	108.71	117.78	115.29	133.70	131.14
106.34	96.61	117.51	132.55	133.64	121.40
2)	2)	2)	2)	2)	136.74
111.92	105.01	106.57	105.91	115.51	112.34
103.89	104.64	103.67	102.12	115.02	108.91
157.19	147.24	154.37	156.14	156.95	153.52
142.29	133.81	142.26	142.22	145.54	149.13
2)	113.74	115.52	113.48	116.16	113.87
139.88	137.59	139.78	144.89	156.23	147.55
151.42	147.59	150.85	148.07	148.75	147.50
98.39	88.75	97.00	94.96	98.12	93.38
127.14	125.34	133.12	132.04	136.99	136.93
149.03	136.71	143.18	139.72	140.53	143.18
158.13	163.17	147.91	136.80	142.96	137.96
138.40	126.71	138.39	131.59	136.48	134.06

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Table 4-1 Affordability Index *continued*

	1989	1992
Major Metro Areas		
Punta Gorda MSA		
Charlotte	113.40	142.44
Sarasota-Bradenton MSA		
Manatee	94.99	122.53
Sarasota	111.27	140.30
Tallahassee MSA		
Gadsden	127.54	138.78
Leon	124.47	142.58
Nonmetro County Regions		
Northwest nonmetro area		
Calhoun	156.75	186.57
Franklin	188.59	123.48
Gulf	147.19	167.16
Holmes	132.27	214.40
Jackson	132.75	151.73
Jefferson	2)	2)
Liberty	2)	2)
Wakulla	171.01	189.88
Walton	122.86	169.54
Washington	175.44	180.16
Northeast nonmetro area		
Baker	2)	176.73
Bradford	164.21	197.56
Columbia	125.29	139.15
Dixie	153.13	198.51
Gilchrist	153.88	176.60
Hamilton	2)	2)
Lafayette	2)	2)
Levy	103.20	158.35
Madison	117.59	228.77
Suwannee	2)	207.12
Taylor	172.60	199.46
Union	2)	2)
Central nonmetro area		
Citrus	102.48	154.44
Putnam	128.93	149.55
Sumter	2)	2)
South nonmetro area		
DeSoto	133.29	159.84
Glades	138.25	133.25
Hardee	160.56	254.60
Hendry	142.60	143.33
Highlands	115.03	156.50
Indian River	2)	2)
Monroe	60.57	82.24
Okeechobee	136.85	162.21

2) = data not available

1994	1995	1996	1997	1998	1999
125.44	119.95	130.38	130.01	136.12	133.09
120.35	117.24	120.23	119.24	121.14	113.06
125.65	126.25	136.04	132.73	145.64	135.67
140.95	131.23	144.20	121.45	133.20	135.20
140.80	129.89	138.15	145.44	146.67	151.97
189.40	172.54	179.84	183.06	197.40	169.09
89.85	80.74	75.87	86.53	66.21	56.73
142.22	137.28	161.99	141.61	123.98	96.12
168.14	197.92	176.34	204.04	197.12	170.48
182.76	157.28	160.45	149.20	155.15	154.75
219.79	240.65	176.37	176.65	190.74	161.02
2)	264.64	2)	2)	295.88	277.36
154.87	138.08	134.89	140.86	136.22	141.08
118.03	103.74	103.06	89.22	88.17	86.94
171.93	182.72	178.49	171.46	175.09	178.10
195.67	189.34	185.12	159.80	171.26	167.26
201.03	184.66	172.97	188.56	198.13	174.53
154.60	152.04	167.16	161.17	156.97	140.33
196.89	192.71	165.40	2)	182.43	137.65
124.43	190.33	141.26	124.33	141.92	128.29
188.93	185.09	2)	146.83	141.75	146.50
2)	2)	2)	2)	209.57	209.24
153.49	135.02	148.48	130.42	160.42	140.82
216.56	214.23	177.88	166.05	174.13	165.69
157.15	173.53	156.84	142.31	169.98	148.53
147.20	180.41	179.37	197.31	198.06	170.53
2)	2)	2)	362.84	2)	2)
148.84	134.16	143.10	153.11	146.62	132.55
146.28	155.86	157.73	167.84	172.72	153.77
2)	2)	2)	2)	150.78	107.57
182.96	171.48	158.41	173.56	150.30	139.78
141.49	142.79	187.49	162.45	149.17	131.90
252.68	210.55	219.74	199.65	200.78	179.90
157.93	150.26	146.85	165.80	189.89	159.81
149.69	130.69	134.03	140.93	159.69	146.58
146.38	145.46	147.72	151.74	170.00	165.17
73.34	64.29	70.83	68.60	74.26	72.74
145.86	144.35	159.59	145.63	152.43	150.37

Table 4-2 Affordability Index and Rank

1=highest AI (most affordable)

County	1999 Index	1999 Rank	County	1999 Index	1999 Rank
Liberty	277.36	1	DeSoto	139.78	34
Lafayette	209.24	2	Hillsborough	138.15	35
Hardee	179.90	3	Escambia	137.96	36
Washington	178.10	4	Dixie	137.65	37
Bradford	174.53	5	Marion	136.93	38
Taylor	170.53	6	Volusia	136.74	39
Holmes	170.48	7	Orange	136.25	40
Calhoun	169.09	8	Sarasota	135.67	41
Baker	167.26	9	Gadsden	135.20	42
Madison	165.69	10	Pinellas	134.58	43
Indian River	165.17	11	Santa Rosa	134.06	44
Jefferson	161.02	12	Charlotte	133.09	45
Hendry	159.81	13	Citrus	132.55	46
Clay	157.18	14	Glades	131.90	47
Jackson	154.75	15	Palm Beach	131.14	48
Putnam	153.77	16	Gilchrist	128.29	49
Saint Lucie	153.52	17	Flagler	121.40	50
Leon	151.97	18	Nassau	114.09	51
Duval	151.94	19	Alachua	113.87	52
Okeechobee	150.37	20	Manatee	113.06	53
Seminole	149.15	21	Lee	112.34	54
Okaloosa	149.13	22	Osceola	110.46	55
Suwannee	148.53	23	Martin	108.91	56
Polk	147.55	24	Sumter	107.57	57
Brevard	147.50	25	Broward	105.29	58
Highlands	146.58	26	Lake	99.46	59
Hamilton	146.50	27	Saint Johns	98.74	60
Pasco	143.48	28	Gulf	96.12	61
Bay	143.18	29	Miami-Dade	93.46	62
Hernando	142.08	30	Collier	93.38	63
Wakulla	141.08	31	Walton	86.94	64
Levy	140.82	32	Monroe	72.74	65
Columbia	140.33	33	Franklin	56.73	66
			Union	na	na

transactions in 1999. The small number of transactions is not surprising in small counties, but may be indicative of the level of competition in the market and therefore the pressure on housing prices. Also, with so few transactions, the estimated median house price is subject to more random variation from year to year, and thus likely overstates the true variation in affordability in these small counties.

4.3 Cost Burden

The affordability index indicates that housing became more affordable in Florida in the late 1990s as compared to the early part of the decade. The primary factor in increasing affordability is the decline in mortgage interest rates during the period.

However, the use of indices focuses only on the average and masks what is happening at the low end. In addition, the index reported only examines owner-occupied housing. For households of lower income, the loss of affordable housing from the stock and price increases that have exceeded the growth in incomes, among other factors, have led to a worsening problem of housing affordability. As a means of examining the number of households with a housing affordability problem, we calculate a number called "cost burden." Our estimate of the number of Florida renter households paying more than 30 percent of their income toward housing costs. The 30 percent figure corresponds to that used in federal housing programs and is a common standard used to assess housing affordability problems. Our calculation is for renter households only. While over 20 percent of the State's owner households are also cost burdened, the renter households are the target of most assistance programs historically.

Our estimate is that in the year 2002 there were about 1.9 million renter households in Florida (Table 4-3). Of these households, about 794,000 were cost burdened, representing over 41 percent of all renters. Of the households paying more than 30 percent of their income toward rent, over 300,000 (almost 38 percent) pay more than 50 percent. Most of the households paying more than 50 percent of their income toward housing costs had incomes below 50 percent of the median income for their area.

About 20 percent of the cost burdened renter households reside in Miami-Dade County. With 11.5 percent in Broward County and 6.5 percent in Palm Beach County, our estimate is that more than

Table 4-3 Cost Burden

Income: Percent of Area Median Family	All Renters	Cost Burden >30%	Cost Burden >50%
<20%	203,679	143,328	126,118
20-29.9%	150,316	118,609	91,328
30-39.9%	143,884	118,970	68,525
40-49.9%	144,200	113,109	36,349
50-60%	150,885	104,359	16,055
60+ %	1,123,762	195,468	14,118
Total	1,916,726	793,843	352,493

one-third, 38 percent, of cost burdened households are located in the three south Florida counties. An additional 15 percent of the state's cost burdened households are in the Tampa Bay metropolitan area, so that a total of 53 percent of Florida's renter households experiencing cost burden are located in four MSAs.

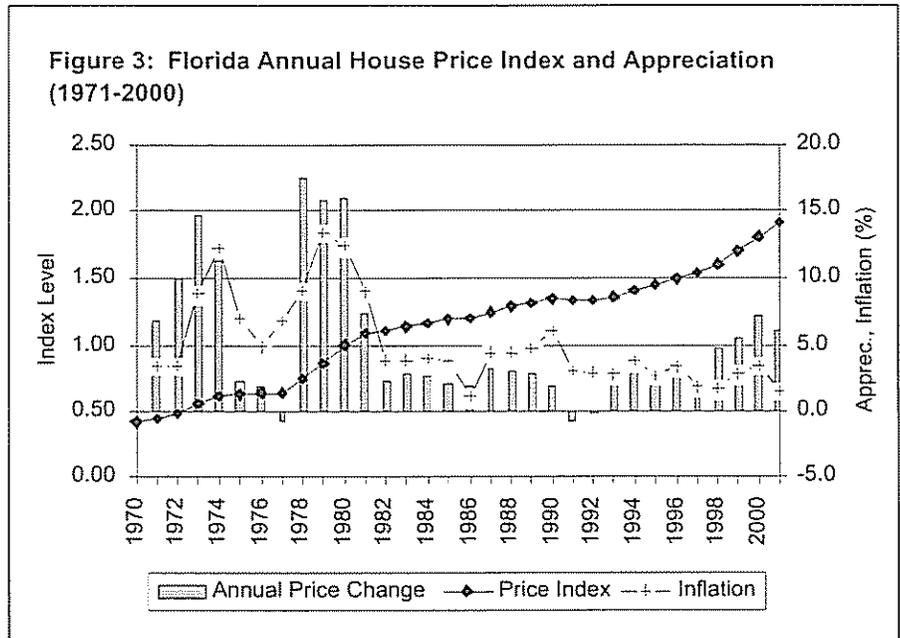
5. Florida Housing Price Trends: Market Comparisons and Forecasts

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5.1 Introduction

The value of Florida's residential real estate constitutes a sizable portion of the state's wealth, and expected changes in property values can dramatically influence the state's economy. The wealth and prosperity of most homeowners is more affected by movements in the market value of their

This report is organized as follows. In the next section, Section 5-2, Florida-wide single-family house price indices are reported for the 1971 to 2000 period and compared with changes in the consumer price index (CPI-U), the broad stock market index (S&P500), and a long-term government bond index. In Section 5-3, relative house price appreciation rates in Florida's 11 planning districts from 1981 to 2000 are compared and contrasted. In addition, house price movements in the larger urban areas are compared to the smaller, more rural areas. A comparison of relative house price appreciation among the 20 Florida MSAs is presented in Section 5-4. Section 5-5 reports average annual house price movements from 1996 to 2000 for individual counties where sufficient data are available. County transaction data were aggregated where adequate data



Note: 2001 values are preliminary. House price appreciation rates are derived from the Florida House Price Index (all counties) for years 1981 to 2001, and from the Florida House Price Index (six largest MSAs) for years 1971 to 1980. General inflation is derived from the Bureau of Labor Statistics, Consumer Price Index (CPI-U).

personal residence than by changes in the value of any other real or financial asset. The purpose of this report is to document single-family house price movements for the state of Florida.

were not available to provide reasonably reliable results. Projected house price appreciation rates are reported for the 2001 to 2010 period in Section 5-6.

5.2 Statewide Measures of Single-Family House Prices in Florida

The annual movements in the overall price of single-family housing in Florida for the last 30 years is summarized in

price appreciation averaged only 2.99 percent for the period, compared to an average inflation rate of 4.51. Thus, inflation-adjusted house price increases were negative at -1.52 percent. In fact, only in 1986 did house price appreciation exceed inflation during this decade. This characteristic continued through the first

Table 5-1. Summary of Florida House Price Appreciation, Housing Returns, Inflation, and Selected Asset Classes (1971-2000)

		Nominal House Price Apprec.	General Inflation	Real House Price Apprec.	Nominal Returns to Housing	Nominal Returns to Stocks	Nominal Returns to Bonds
1971-1980	Annual Mean	9.52	8.11	1.41	14.52	10.34	4.11
1981-1990	Annual Mean	2.99	4.51	-1.52	7.99	14.63	14.51
1991-2000	Annual Mean	3.10	2.76	0.33	8.10	18.39	11.00
1971-2000	Annual Mean	5.20	5.13	0.08	10.20	14.45	9.87
1971-2000	Std. Dev.	5.04	3.28	1.75	n.a.	16.85	12.14
2001-prelim.	Annual Mean	6.01	1.55	4.46	11.01	-11.88	3.91

Note: 2001 values are preliminary. House price appreciation rates are derived from the Florida House Price Index (all counties) for years 1981 to 2001, and from the Florida House Price Index (six largest MSAs) for years 1971 to 1980. General inflation is derived from the Bureau of Labor Statistics, Consumer Price Index (CPI-U). Returns to housing assume a five-percent long-run dividend to housing from implicit rent. Returns to stocks (S&P500) and bonds (Long-Term Government Bonds) are as reported by Ibbotson Associates (Stocks, Bonds, Bills and Inflation, 2001).

Figure 3 and Table 5-1 below. Figure 3 indicates annual house price appreciation in the state of Florida climbed as high as 17.5 percent in 1978 and experienced declines of nearly 1 percent in 1977 and 1991. In the inflationary 1970s, house prices increased dramatically and were characterized by both high levels of appreciation and volatility. During this period, annual appreciation rates averaged 9.52 percent statewide. This is contrasted with an annual inflation rate of 8.11 percent. Hence, inflation-adjusted house prices increased, on average, 1.41 percent per year ($0.0952 - 0.0811 = 0.0141$).

With the exception of 1981 (when appreciation was 7.25 percent), annual house price changes in the 1980s were relatively moderate—hovering between 1.89 and 3.02 percent. Annual house

price appreciation averaged only 2.99 percent for the period, compared to an average inflation rate of 4.51. Thus, inflation-adjusted house price increases were negative at -1.52 percent. In fact, only in 1986 did house price appreciation exceed inflation during this decade. This characteristic continued through the first half of the 1990s. However, a reversal of this trend occurred in the mid-1990s and continued through the last half of the 1990s. On average, from 1991 to 1995 Florida house prices increased at a rate of 1.53 percent per year compared to average inflation rates of 2.98 percent. In contrast, the 1996 to 2000 period saw house prices increase 4.66 percent per year, while general inflation slowed to 2.54 percent to yield a historically high inflation-adjusted rate of appreciation of 2.12 percent. This trend appears to have continued into the year 2001, where preliminary estimates indicate house appreciation rates of 6.01 percent during a period experiencing only 1.55 percent inflation.

Over the 30-year period nominal house price returns averaged approximately 10 percent per year. This

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rate includes an implicit rent of 5 percent that is necessary to compute for homeownership.¹² This rate compares favorably to average annual rates of 14.45 and 9.87 percent for stocks (S&P 500) and bonds (long-term government bonds), respectively. A wide deviation in relative returns between single-family housing, stocks, and bonds can be seen in the 10-year summaries of the 1970s, 1980s, and 1990s. It is interesting to note the preliminary 2001 annual returns are 11.01 percent for housing, compared to -11.88, 3.91, and 1.55 percent rates for stocks, bonds and the CPI, respectively—an exceptionally strong

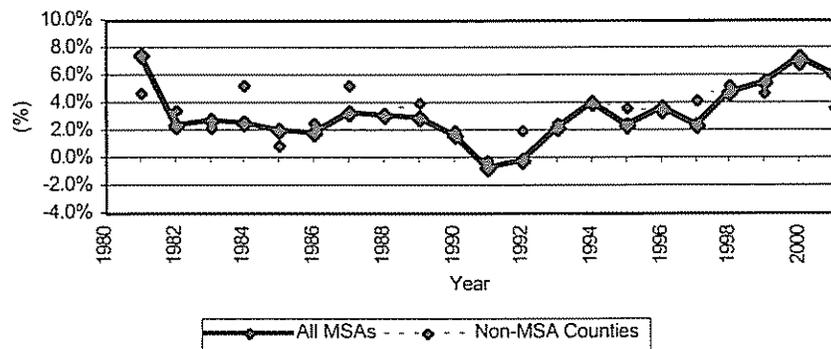
5.3 District-Level Measures of Single-Family House Price Appreciation in Florida

A comparison of annual appreciation rates for housing located in large metropolitan areas designated as Metropolitan Statistical Areas (MSAs) by the U.S. Bureau of the Census versus housing located outside of MSA designated areas is charted in Figure 4. Single-family housing located in the non-MSA counties consistently experienced higher rates of appreciation from 1986 to 1998. Only recently, in 1999 and 2000, have house prices increased at a greater rate in the M S A -

designated counties than in the smaller areas. Preliminary estimates indicate this trend continues into 2001.

Comparing house price movements among the eleven planning districts in Florida reveals some regional patterns.¹⁴ Figure 5 charts the average annual house price appreciation for two decades (1981-90 and 1991-2000) for each of the planning

Figure 4: Florida Annual House Price Appreciation MSA Counties v. Non-MSA Counties (1981-2000)



Note: 2001 values are preliminary. House price appreciation rates for "All MSA" and "Non-MSA counties" are derived from aggregate index of all 20 Florida MSAs and the aggregate index estimated for the counties not in any of the 20 Florida MSAs, respectively.

relative performance period or housing. If accurate when adjusted to reflect all activity, 2001 figures would represent the highest inflation-adjusted appreciation rate for housing since the late 1970s.¹³

¹² The implicit rent, or dividend, received by households is based on the concept that homeowners pay rent to themselves in the amount of rent they otherwise would pay to a landlord. It is generally assumed by urban and financial economists to be approximately 4 to 6 percent. Although the dividend for rental housing is generally in the range of 7 to 10 percent, occupants of owner-occupied housing generally consume more (larger) housing relative to the rent the home would command in an open market. Thus, the implied dividend (net rent / market value) they receive for renting, implicitly from themselves, is less as a percent of the value of the asset than traditional rental housing.

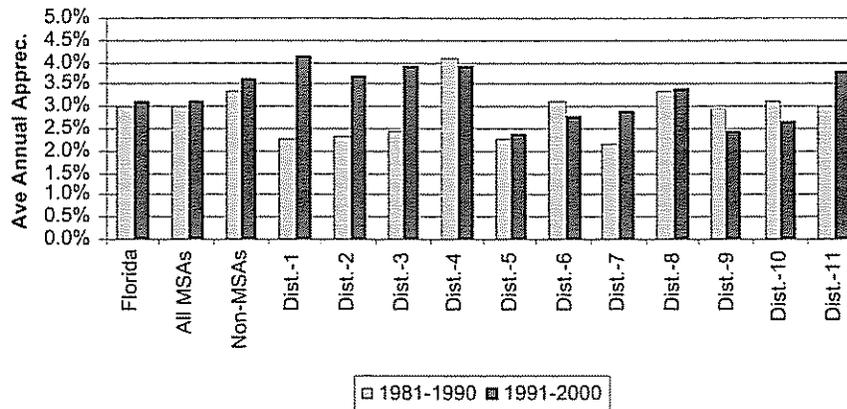
¹³ Preliminary estimates indicate that house prices, adjusted for inflation, have risen quicker during the 1997-2001 period than any other consecutive five-year period reported. Historical appreciation rates have been estimated back to 1970.

¹⁴ The counties included in each of the eleven planning districts are noted in Table 14 at the end of Section 5.

districts. Statewide annual house price appreciation averaged just over 3.0 percent both decades. However, it is clear from Figure 5 that, in general, South Florida (i.e., Districts 8, 9, 10, & 11) experienced higher rates of appreciation in the 1980s than North Florida (Districts 1, 2, 3, & 4). This trend then reversed in the 1990s.

Table 5-2 details the period trends in appreciation across the districts of the state. It is interesting to note that West Florida, Northeast Florida, and the Tampa Bay area experienced high rates of house price appreciation, relative to the state, in the early 1980s and late 1990s. The second half of the 1980s was marked by high rates of house price appreciation in South Florida, followed by high rates in West Florida and the Apalachee districts from 1991-1995. House price indices are reported for each district in Table 5-3.¹⁵ Annual rates of house price appreciation and the respective correlation of the 20-year series are noted in Tables 5-4 and 5-5. House price movements are found to be highly correlated among Districts 6, 7, 8, and 9 (i.e., through East Central, Central and Southwest Florida, including the Tampa Bay and Orlando areas), and between the districts comprising Jacksonville, Orlando, and Tampa.

Figure 5: Average Annual House Price Appreciation Florida MSAs, Non-MSAs, and Districts (1981-2000)



Note: District 1 (Bay, Escambia, Holmes, Okaloosa, Santa Rosa, Walton, and Washington Cos.), District 2 (Cathoun, Franklin, Gadsden, Gulf, Jackson, Jefferson, Leon, Liberty, and Wakulla Cos.), District 3 (Alachua, Bradford, Columbia, Dixie, Gilchrist, Hamilton, Lafayette, Madison, Suwannee, Taylor, and Union Cos.), District 4 (Baker, Clay, [adeq. data not avail. for Duval], Nassau, Putnam, and St. Johns Cos.), District 5 (Citrus, Levy, Marion, and Sumter Cos.), District 6 (Brevard, Flagler, Lake, Orange, Osceola, Seminole, and Volusia Cos.), District 7 (De Soto, Hardee, Highlands, Okeechobee, and Polk Cos.), District 8 (Hernando, Hillsborough, Manatee, Pasco, Pinellas, and Sarasota Cos.), District 9 (Charlotte, Collier, Glades, Hendry, and Lee Cos.), District 10 (Indian River, Martin, Palm Beach, and St. Lucie Cos.), and District 11 (Broward, Dade, and Monroe Cos.)

5.4 MSA-Level Measures of Single-Family House Price Appreciation in Florida

Average annual rates of appreciation are listed for five-year periods from 1981-2000 in Table 5-6, as well as the relative ranking of each MSA among the 20 MSAs with respect to house price increases. During the 1980 to 1985 period, the larger MSAs of Jacksonville and Tampa-St. Petersburg led other MSAs in house price appreciation. In the later half of the 1980s, MSAs located in the southern portion of the state, particularly MSAs such as Naples, Punta Gorda, and Ft. Myers in the southeast led the rest of the state in house price increases. The 1991 to 1995 period saw a change in this trend with relatively

¹⁵ Note that sufficient transaction data were not available to report 2001 appreciation estimates at the district, MSA, and county level; however, preliminary statewide measures are estimated and reported.

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rapid appreciation in the northwest area of Florida. During the first half of the 1990s, areas such as Panama City, Ft. Walton Beach, Pensacola, and Tallahassee

annual house price appreciation rates in three of the four five-year periods studied. In addition, most areas experienced periods of rapid growth and slow growth

Table 5-2. Average Annual Percentage Appreciation and Period Rankings by District Five-Year Periods (1981–2000)

District	1981-85 (rank)	1986-90 (rank)	1991-95 (rank)	1996-00 (rank)
Florida (All Districts)	3.43	2.58	1.57	4.67
District 1: West Florida	4.15 (3)	0.64 (11)	3.38 (2)	5.01 (3)
District 2: Apalach	3.54 (5)	0.57 (12)	3.67 (1)	4.50 (6)
District 3: North Central Florida	3.47 (6)	2.38 (5)	2.41 (4)	4.77 (5)
District 4: Northeast Florida	6.16 (1)	1.79 (9)	2.23 (5)	5.92 (1)
District 5: Withlacoochee	2.89 (7)	1.38 (10)	1.62 (7)	3.34 (11)
District 6: East Central Florida	4.11 (4)	2.30 (6)	1.01 (9)	4.43 (7)
District 7: Central Florida	2.60 (8)	1.80 (8)	1.69 (6)	4.41 (8)
District 8: Tampa	4.61 (2)	2.02 (7)	1.41 (8)	5.06 (2)
District 9: Southwest Florida	1.89 (11)	4.38 (1)	0.44 (10)	4.23 (9)
District 10: Treasure Coast	2.58 (9)	3.44 (3)	0.15 (11)	4.23 (9)
District 11: South Florida	2.23 (10)	3.79 (2)	2.47 (3)	4.89 (4)

Note: Shaded areas denote top quartile ranking. District 1 (Bay, Escambia, Holmes, Okaloosa, Santa Rosa, Walton, and Washington Cos.), District 2 (Calhoun, Franklin, Gadsden, Gulf, Jackson, Jefferson, Leon, Liberty, and Wakulla Cos.), District 3 (Alachua, Bradford, Columbia, Dixie, Gilchrist, Hamilton, Lafayette, Madison, Suwannee, Taylor, and Union Cos.), District 4 (Baker, Clay, [adeq. data not avail. for Duval], Nassau, Putnam, and St. Johns Cos.), District 5 (Citrus, Levy, Marion, and Sumter Cos.), District 6 (Brevard, Flagler, Lake, Orange, Osceola, Seminole, and Volusia Cos.), District 7 (De Soto, Hardee, Highlands, Okeechobee, and Polk Cos.), District 8 (Hernando, Hillsborough, Manatee, Pasco, Pinellas, and Sarasota Cos.), District 9 (Charlotte, Collier, Glades, Hendry, and Lee Cos.), District 10 (Indian River, Martin, Palm Beach, and St. Lucie Cos.), and District 11 (Broward, Dade, and Monroe Cos.)

outperformed all other MSAs with the exception of Miami. In the last half of the 1990s, the trend in house price appreciation looked much like the early 1980s, with Jacksonville, Tampa-St. Petersburg and Naples once again among the state's leaders.

It is interesting to note that the Naples and Miami MSAs were among the highest quartile in terms of average

in house prices relative to the other Florida MSAs. Only the Sarasota-Bradenton and Ocala MSAs were ranked in all five-year periods among the top 10 (of 20) and bottom 10, respectively.

House price indices are reported for each of the 20 MSAs, as well as the state, all MSAs, and all non-MSA areas in Table 5-7.¹⁶ Annual rates of appreciation from 1981 to 2000, constructed from the indices listed in Table 5-7, are listed in Table 5-8 for all MSAs in Florida. Table 5-9 lists the correlation coefficients estimated using the 20-year appreciation rates in Table 5-8. As with the District estimates, a strong

correlation in the movements of house prices is seen in the central part of the state among the following MSAs: Jacksonville, Daytona, Melbourne, Orlando, Lakeland and Tampa-St. Petersburg. Although the Ocala MSA is located among these MSAs the movement of house price in Ocala appears to be fairly independent of the underlying conditions affecting the other

¹⁶ Note that adequate data were not available to estimate annual appreciation rates for the Gainesville MSA. In addition, the estimated appreciation rates for the Jacksonville MSA include only Clay, Nassau, and St. Johns counties. They do not include Duval County, due to the limited data available.

MSAs. In addition, house price movements in the MSAs in the most southern areas (i.e., Miami, Ft. Lauderdale, and West Palm Beach) of the state are highly correlated, as are the Ft. Pierce, Naples, and Ft. Myers areas. Table 5-9 gives further evidence that, with some exceptions, the state's housing market can be broadly described in terms of three general markets—north, central and south.

5.5 County-Level Measures of House Price Appreciation in Florida

Estimates of house price appreciation for the 1996 to 2000 period are reported for all Florida counties, listed by district, in Tables 5-10 and 5-11. Estimates are reported for all counties having sufficient transaction information. In some districts, the small counties are grouped to provide more reliable estimates.

During the 1996 to 2000 period, annual house price appreciation rates exceeded 6 percent in three counties (areas): Monroe (7.09 percent), St. Johns (6.82 percent) and the small counties of District 2 (6.13 percent). In contrast, five areas experienced average annual appreciation rates of less than 3.25 percent: the small counties in District 7 (2.65 percent), Citrus (3.13 percent), St. Lucie (3.16 percent), Hernando (3.18 percent), and Martin (3.19 percent). Relative to other large urban counties, Pinellas, Dade, and Hillsborough experienced rapid increases in house prices of 5.97, 5.49, and 5.33 percent per year, respectively. Table 5-11 reports the estimates of annual house price appreciation for the state and county areas from 1996 through 2000.

5.6 Forecasts of State- and MSA-Level House Price Changes

Changes in population, real income, mortgage interest rates, housing starts, and price changes in previous periods are shown in this section to affect MSA house price levels. The effects of these selected explanatory variables on inflation-adjusted house price appreciation are displayed in Table 5-12. Note the inflation-adjusted price appreciation is calculated as:

$$\text{inflation-adjusted appreciation} = [(1 + \text{appreciation rate}) / (1 + \text{inflation rate})] - 1.$$

The effects of the explanatory variables on inflation-adjusted house price appreciation is estimated using a "fixed-effects" regression model that incorporates the time-series, cross-sectional, nature of the data such that

$$\text{inflation-adjusted house price appreciation} = a + \sum b X + e$$

where X denotes a vector of independent economic and demographic variables, b is the estimated regression coefficient, a is an estimated vector of coefficients corresponding to each MSA, and e is the estimation error of the regression model. The reported figures are the estimated regression coefficients.¹⁷ T-statistics, which measure the statistical significance of the explanatory variables, are reported in parentheses.

The first column of Table 5-12 contains results for the 1981 to 2000 time period using only the six largest Florida MSAs: Ft. Lauderdale, Jacksonville, Miami, Orlando, Tampa-St. Petersburg, and West Palm Beach. This sample contains 118 observations. The

¹⁷ The fixed-effects estimation procedure is equivalent to using ordinary least squares with (indicator) variables to capture the effects of being located in a particular MSA. The model dummy assumes, effectively, that the effect of the explanatory variables on house price appreciation is the same in all MSAs. Unexplained variation in appreciation, presumably due to omitted explanatory variables, is not assumed to be constant across MSAs, and is captured in intercept terms that vary across the MSAs. These MSA intercept terms are not reported here, but are available upon request.

estimated regression coefficient on the change in population is 0.826. This means that a 1-percent increase in the

the nominal mortgage rate is negatively associated with price changes. The coefficient can be interpreted as an

Table 5-3. Annual House Price Indices for Florida Districts (1980-2000)

	All FL	All MSA	Non MSA	Dist. 1	Dist. 2	Dist. 3	Dist. 4	Dist. 5	Dist. 6	Dist. 7	Dist. 8	Dist. 9	Dist. 10	Dist. 11
1980	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1981	1.072	1.074	1.047	1.069	1.074	0.993	1.141	1.061	1.066	1.073	1.100	1.077	1.084	1.066
1982	1.098	1.099	1.084	1.124	1.092	1.020	1.192	1.120	1.087	1.077	1.129	1.068	1.097	1.091
1983	1.129	1.130	1.107	1.150	1.127	1.096	1.230	1.091	1.138	1.105	1.176	1.060	1.126	1.101
1984	1.160	1.159	1.166	1.198	1.149	1.145	1.298	1.151	1.187	1.132	1.219	1.071	1.138	1.107
1985	1.183	1.183	1.176	1.230	1.146	1.093	1.343	1.149	1.219	1.138	1.246	1.071	1.150	1.114
1986	1.205	1.205	1.206	1.230	1.149	1.175	1.361	1.146	1.242	1.161	1.289	1.112	1.180	1.153
1987	1.245	1.244	1.270	1.245	1.155	1.251	1.399	1.203	1.269	1.165	1.322	1.145	1.205	1.205
1988	1.282	1.281	1.312	1.242	1.202	1.188	1.456	1.196	1.297	1.197	1.342	1.190	1.280	1.258
1989	1.321	1.318	1.365	1.252	1.224	1.255	1.488	1.231	1.338	1.234	1.369	1.277	1.326	1.307
1990	1.343	1.341	1.391	1.243	1.259	1.257	1.479	1.242	1.359	1.232	1.379	1.328	1.353	1.339
1991	1.334	1.331	1.387	1.258	1.298	1.267	1.483	1.218	1.349	1.237	1.359	1.328	1.335	1.341
1992	1.334	1.330	1.416	1.293	1.326	1.286	1.497	1.215	1.347	1.248	1.368	1.323	1.318	1.348
1993	1.363	1.359	1.451	1.345	1.331	1.337	1.549	1.244	1.371	1.285	1.398	1.318	1.334	1.405
1994	1.417	1.412	1.510	1.413	1.407	1.383	1.588	1.279	1.398	1.316	1.449	1.335	1.369	1.481
1995	1.451	1.446	1.564	1.475	1.472	1.458	1.649	1.312	1.436	1.356	1.487	1.352	1.399	1.527
1996	1.503	1.498	1.615	1.564	1.554	1.507	1.720	1.337	1.467	1.390	1.531	1.377	1.433	1.580
1997	1.541	1.533	1.682	1.631	1.584	1.575	1.793	1.381	1.508	1.431	1.578	1.417	1.475	1.619
1998	1.613	1.605	1.771	1.704	1.656	1.653	1.869	1.420	1.579	1.499	1.673	1.475	1.548	1.694
1999	1.701	1.693	1.854	1.790	1.713	1.749	2.023	1.498	1.663	1.571	1.778	1.567	1.639	1.790
2000	1.823	1.815	1.977	1.857	1.807	1.839	2.165	1.568	1.778	1.634	1.919	1.678	1.749	1.944
2001	1.930	1.924	2.050	n.a.	n.a.									

Note: 2001 values are preliminary. District 1 (Bay, Escambia, Holmes, Okaloosa, Santa Rosa, Walton, and Washington Cos.), District 2 (Calhoun, Franklin, Gadsden, Gulf, Jackson, Jefferson, Leon, Liberty, and Wakulla Cos.), District 3 (Alachua, Bradford, Columbia, Dixie, Gilchrist, Hamilton, Lafayette, Madison, Suwannee, Taylor, and Union Cos.), District 4 (Baker, Clay, [adeq. data not avail. for Duval], Nassau, Putnam, and St. Johns Cos.), District 5 (Citus, Levy, Marion, and Sumter Cos.), District 6 (Brevard, Flagler, Lake, Orange, Osceola, Seminole, and Volusia Cos.), District 7 (De Soto, Hardee, Highlands, Okeechobee, and Polk Cos.), District 8 (Hernando, Hillsborough, Manatee, Pasco, Pinellas, and Sarasota Cos.), District 9 (Charlotte, Collier, Glades, Hendry, and Lee Cos.), District 10 (Indian River, Martin, Palm Beach, and St. Lucie Cos.), and District 11 (Broward, Dade, and Monroe Cos.)

population aged 20-54 (prime home-buying years) in the urban areas is associated with a 0.826 percent increase in the inflation-adjusted price of single-family housing. The estimated coefficient on changes in real per capita income of 0.338 also indicates a positive relationship to percentage changes in real house prices. As expected, the level of

increase of 1 percent in the rate results in a reduction of the inflation-adjusted house price of 0.6 percent. The estimated coefficient on housing starts is negative, suggesting that substantial new housing supply slows house price appreciation. Finally, changes in house prices in the previous year are highly correlated with current changes. In all cases the

¹⁵ Observations were not available for all years for all MSAs (see Table 5-7).

coefficient signs are found to be consistent with expectations and statistically significant.

The second column of Table 5-12 contains the results for the 1981 to 2000 period using data for all 20 MSAs. This sample contains 380 observations.¹⁸ Relative to the regression using just the six largest MSAs, the effects of the economic variables retain their estimated signs and, generally, their magnitudes. It is noted that house price movements are more sensitive to percentage changes in population and housing starts in larger urban areas. This appears to be reasonable because large percentage changes in population and starts are not easily achieved in the more populous urban areas.

adjusted per capita income have a significantly consistent positive effect on inflation-adjusted house prices. Increases in the level of mortgage interest rates and housing starts has a consistent negative effect on appreciation. In addition, house price changes are serially correlated. These regression results are consistent with findings in the housing research literature. The relative strength and stability of the estimated coefficients, along with the explanatory power of the model, suggest that it can be used to project reasonable estimates of future house prices.

The historical regression analyses are used to forecast the average annual rates of price appreciation for each MSA over the 2001 to 2010 period. For

Table 5-4. Annual House Price Appreciation (%) for Florida Districts (1981-2000)

	All FL	All MSA	Non MSA	Dist. 1	Dist. 2	Dist. 3	Dist. 4	Dist. 5	Dist. 6	Dist. 7	Dist. 8	Dist. 9	Dist. 10	Dist. 11
1981	7.25	7.38	4.70	6.93	7.41	-0.67	14.08	6.14	6.60	7.26	9.96	7.69	8.45	6.56
1982	2.42	2.37	3.54	5.16	1.63	2.64	4.47	5.56	1.94	0.37	2.68	-0.86	1.15	2.39
1983	2.78	2.81	2.09	2.27	3.28	7.47	3.17	-2.61	4.71	2.66	4.18	-0.69	2.69	0.87
1984	2.71	2.58	5.36	4.18	1.94	4.49	5.60	5.45	4.28	2.43	3.66	1.04	0.98	0.54
1985	1.99	2.05	0.85	2.68	-0.28	-4.49	3.40	-0.17	2.77	0.52	2.20	-0.03	1.06	0.70
1986	1.89	1.86	2.57	0.02	0.26	7.43	1.34	-0.20	1.86	2.00	3.47	3.86	2.65	3.44
1987	3.29	3.19	5.28	1.19	0.51	6.53	2.84	4.93	2.17	0.36	2.50	2.93	2.13	4.51
1988	3.02	3.01	3.33	-0.23	4.10	-5.07	4.09	-0.59	2.17	2.75	1.57	3.99	6.16	4.40
1989	2.97	2.92	4.01	0.76	1.78	5.61	2.19	2.90	3.18	3.09	1.97	7.26	3.60	3.93
1990	1.74	1.73	1.92	-0.65	2.88	0.14	-0.62	0.96	1.58	-0.13	0.73	4.04	2.11	2.47
1991	-0.69	-0.72	-0.26	1.17	3.12	0.82	0.26	-1.96	-0.74	0.40	-1.41	0.00	-1.35	0.10
1992	0.00	-0.11	2.03	2.76	2.13	1.48	0.96	-0.28	-0.17	0.85	0.64	-0.43	-1.29	0.56
1993	2.19	2.17	2.53	4.02	0.38	4.02	3.46	2.44	1.78	2.96	2.23	-0.37	1.22	4.23
1994	3.92	3.91	4.02	5.12	5.73	3.42	2.51	2.76	1.98	2.40	3.62	1.30	2.61	5.41
1995	2.45	2.39	3.59	4.34	4.59	5.39	3.83	2.60	2.73	3.05	2.59	1.27	2.19	3.11
1996	3.58	3.59	3.27	6.07	5.60	3.39	4.34	1.94	2.12	2.52	2.99	1.87	2.44	3.48
1997	2.47	2.38	4.15	4.26	1.95	4.55	4.21	3.29	2.84	2.98	3.08	2.89	2.96	2.44
1998	4.69	4.66	5.30	4.48	4.51	4.90	4.25	2.83	4.68	4.73	5.98	4.07	4.91	4.63
1999	5.44	5.48	4.67	5.05	3.43	5.83	8.22	5.47	5.33	4.84	6.33	6.29	5.90	5.67
2000	7.18	7.21	6.66	3.71	5.51	5.12	7.04	4.68	6.93	4.00	7.91	7.08	6.70	8.63
2001	5.89	6.01	3.67	n.a.	n.a.									

Note: 2001 values are preliminary.

Taken together, the results of Table 5-12 are very encouraging. Increases in the number of individuals in their prime buying years and increases in inflation-

comparison, the forecasts are reported along with the average annual appreciation rates for the previous 10-year periods in Table 5-13. The

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economic data required for the forecasts comes from the *Florida Long-Term Economic Forecast, 2000* by the Bureau of Business and Economic Research

In addition, the appreciation estimates are based on the BEBR's underlying forecast of the respective economic variables, as well as the assumption that

Table 5-5. Correlation of Annual Appreciation Rates Between Districts (1981-2000)

	All FL	All MSA	Non MSA	Dist. 1	Dist. 2	Dist. 3	Dist. 4	Dist. 5	Dist. 6	Dist. 7	Dist. 8	Dist. 9	Dist. 10	Dist. 11
Florida	1													
All MSAs	1	1												
Non-MSA	0.75	0.74	1											
Dist.-1	0.46	0.46	0.4	1										
Dist.-2	0.58	0.58	0.22	0.2	1									
Dist.-3	0.1	0.09	0.4	0.14	-0.15	1								
Dist.-4	0.82	0.829	0.56	0.63	0.51	-0.08	1							
Dist.-5	0.58	0.569	0.79	0.6	0.05	0.25	0.6	1						
Dist.-6	0.89	0.88	0.7	0.42	0.36	0.21	0.79	0.52	1					
Dist.-7	0.72	0.72	0.569	0.56	0.28	0.17	0.76	0.44	0.76	1				
Dist.-8	0.93	0.939	0.69	0.55	0.5	0.18	0.87	0.55	0.91	0.79	1			
Dist.-9	0.72	0.72	0.569	-0.03	0.4	0.05	0.53	0.41	0.62	0.6	0.62	1		
Dist.-10	0.85	0.85	0.64	0.24	0.32	-0.02	0.71	0.43	0.8	0.81	0.79	0.8	1	
Dist.-11	0.79	0.8	0.52	0.14	0.79	0.03	0.58	0.33	0.52	0.4	0.66	0.66	0.569	1

Note: 2001 values are preliminary.

(BEBR) at the University of Florida. The Bureau's estimates of expected population, real per capita income, and housing starts are employed in our appreciation forecasts. Mortgage rates are assumed to average their 1991-2000 average level of 7.68 percent for the 10-year period. To report nominal appreciation, annual inflation during the 2001 to 2010 period is assumed to be 2.90 percent (the average annual 1991-2000 rate).

It is important to note that forecasting requires the assumption that the historical relations between inflation-adjusted price appreciation and the explanatory variables such as population, inflation-adjusted per capita income, housing starts, mortgage rates, and past appreciation continue into the future. Certainly, this may be only a rough approximation of the effect these variables will actually have going forward.

average interest rates and general inflation will be consistent with the past 10-year period.

Average house price appreciation rates for the state of Florida, reported in Table 5-13, are estimated to be 3.28 percent per year. Note that the projected real (adjusted for inflation) return statewide is 0.38 percent per year. In general, the highest appreciation rates are forecast for the northern portion of the state (e.g., Panama City, 4.54% per year; Ft. Walton Beach, 4.02% per year; and Jacksonville, 4.13% per year). Other MSAs that are forecast to experience substantially higher than the state average rates are Miami (4.45% per year) and Gainesville (3.68% per year). With the exception of Miami, lower than average house price increases are forecast in the southern portion of the state, (e.g., Punta Gorda, Ft. Lauderdale, and Ft. Pierce). The relative appreciation rankings among the six

major MSAs are Miami (4.45% per year); Jacksonville (4.13% per year); Orlando (3.49% per year); Tampa-St. Petersburg (3.39% per year); West Palm Beach (2.87% per year); and Ft. Lauderdale

(2.58% per year). Communities with a projected house price appreciation below 2.90 percent have a negative projected real (inflation-adjusted) return.

Table 5-6. Average Annual Percentage Appreciation and Period Rankings By MSA Five-Year Periods (1981–2000)

Metropolitan Statistical Area	1981-85 (rank)	1986-90 (rank)	1991-95 (rank)	1996-00 (rank)
Florida - (All MSAs)	3.44	2.54	1.53	4.66
Pensacola MSA (Dist. 1)	4.20 (6)	0.09 (18)	2.98 (4)	5.03 (6)
Ft. Walton Beach MSA (Dist. 1)	4.67 (3)	-0.04 (19)	3.89 (2)	4.46 (11)
Panama City MSA (Dist. 1)	3.01 (11)	0.92 (17)	4.08 (1)	4.02 (16)
Tallahassee MSA (Dist. 2)	2.81 (12)	2.07 (11)	2.71 (5)	3.67 (18)
Gainesville MSA (Dist. 3)	n.a.	n.a.	n.a.	5.05 (5)
Jacksonville MSA (Dist. 4)	7.38 (1)	1.81 (13)	2.06 (7)	5.70 (2)
Ocala MSA (Dist. 5)	2.63 (14)	1.11 (16)	1.69 (10)	3.93 (17)
Daytona Beach MSA (Dist. 6)	3.35 (7)	2.88 (8)	1.34 (12)	4.12 (14)
Orlando MSA (Dist. 6)	4.66 (4)	2.35 (10)	1.12 (14)	4.80 (8)
Melbourne-Titusville MSA (Dist. 6)	3.05 (9)	1.20 (15)	0.89 (16)	3.29 (19)
Lakeland MSA (Dist. 7)	3.15 (8)	1.48 (14)	1.98 (9)	4.22 (13)
Tampa-St.Pete. MSA (Dist. 8)	4.76 (2)	1.90 (12)	1.41 (11)	5.33 (4)
Sarasota-Bradenton MSA (Dist. 8)	3.05 (9)	2.84 (9)	2.17 (6)	4.89 (7)
Punta Gorda MSA (Dist. 9)	0.58 (19)	4.83 (2)	-0.98 (19)	4.47 (10)
Ft. Myers MSA (Dist. 9)	2.03 (17)	4.14 (3)	1.08 (15)	4.06 (15)
Naples MSA (Dist. 9)	4.51 (5)	5.90 (1)	1.26 (13)	5.74 (1)
Ft. Pierce MSA (Dist. 10)	2.30 (15)	3.20 (7)	-0.31 (18)	3.15 (20)
West Palm Beach MSA (Dist. 10)	2.69 (13)	3.40 (5)	0.60 (17)	4.74 (9)
Ft. Lauderdale MSA (Dist. 11)	1.89 (18)	3.30 (6)	2.02 (8)	4.42 (12)
Miami MSA (Dist. 11)	2.15 (16)	3.79 (4)	3.66 (3)	5.49 (3)

Notes: Shaded areas denote top quartile ranking. Pensacola MSA (Escambia and Santa Rosa Cos.), Ft. Walton Beach MSA (Okaloosa Co.); Panama City MSA (Bay County), Tallahassee MSA (Leon and Gadsden Cos.), Gainesville MSA (Alachua Co. [adeq data not avail all periods]), Jacksonville MSA (Clay, [adeq. data not avail. for Duval], Nassau, and St. Johns Cos.), Ocala MSA (Marion Co.), Daytona Beach MSA (Flagler and Volusia Cos.), Orlando MSA (Lake, Orange, Osceola, and Seminole Cos.), Melbourne-Titusville MSA (Brevard Co.), Lakeland MSA (Polk Co.), Tampa-St.Petersburg MSA (Hernando, Hillsborough, Pasco, and Pinellas Cos.), Sarasota-Bradenton MSA (Manatee and Sarasota Cos.), Punta Gorda MSA (Charlotte Co.), Ft. Myers-Cape Coral MSA (Lee Co.), Naples MSA (Collier Co.), Ft. Pierce-Port St. Lucie MSA (Martin and St. Lucie Cos.), West Palm Beach-Boca Raton MSA (Palm Beach Co.), Ft. Lauderdale MSA (Broward Co.), and Miami MSA (Dade Co.)

Table 5-7: Annual House Price Indices for Florida Metropolitan Statistical Areas

	All FL	All MSA	Non MSA	MSA 1 Pens	MSA 2 Ft.W	MSA 3 Pana	MSA 4 Tall	MSA 5 Gain	MSA 6 Jack	MSA 7 Ocal	MSA 8 Dayt
1980	1.000	1.000	1.000	1.000	1.000	1.000	1.000	n.a.	1.000	1.000	1.000
1981	1.072	1.074	1.047	1.078	1.063	1.030	1.073	n.a.	1.182	1.038	1.076
1982	1.098	1.099	1.084	1.124	1.130	1.052	1.113	n.a.	1.250	1.119	1.067
1983	1.129	1.130	1.107	1.125	1.204	1.104	1.139	n.a.	1.270	1.056	1.109
1984	1.160	1.159	1.166	1.169	1.222	1.194	1.147	n.a.	1.354	1.123	1.151
1985	1.183	1.183	1.176	1.227	1.255	1.156	1.147	n.a.	1.418	1.133	1.177
1986	1.205	1.205	1.206	1.216	1.230	1.214	1.142	n.a.	1.412	1.104	1.220
1987	1.245	1.244	1.270	1.223	1.276	1.218	1.149	n.a.	1.465	1.176	1.261
1988	1.282	1.281	1.312	1.209	1.283	1.225	1.201	n.a.	1.515	1.165	1.293
1989	1.321	1.318	1.365	1.230	1.283	1.214	1.226	n.a.	1.553	1.187	1.332
1990	1.343	1.341	1.391	1.232	1.250	1.208	1.269	n.a.	1.550	1.194	1.356
1991	1.334	1.331	1.387	1.210	1.305	1.257	1.287	n.a.	1.536	1.190	1.360
1992	1.334	1.330	1.416	1.246	1.337	1.288	1.323	n.a.	1.554	1.185	1.361
1993	1.363	1.359	1.451	1.292	1.402	1.344	1.328	n.a.	1.609	1.227	1.392
1994	1.417	1.412	1.510	1.359	1.491	1.393	1.385	n.a.	1.651	1.262	1.401
1995	1.450	1.446	1.564	1.424	1.512	1.475	1.449	n.a.	1.715	1.298	1.449
1996	1.503	1.498	1.615	1.509	1.631	1.541	1.534	1.503	1.785	1.338	1.464
1997	1.541	1.533	1.682	1.574	1.700	1.601	1.552	1.556	1.866	1.388	1.511
1998	1.613	1.605	1.771	1.663	1.733	1.684	1.604	1.629	1.943	1.420	1.569
1999	1.701	1.693	1.854	1.751	1.779	1.808	1.656	1.716	2.122	1.507	1.649
2000	1.823	1.815	1.977	1.821	1.879	1.794	1.735	1.831	2.261	1.573	1.771
2001	1.930	1.924	2.050	n.a.							

Table 5-8: Annual House Price Appreciation (%) for Florida Metropolitan

	All FL	All MSA	Non MSA	MSA 1 Pens	MSA 2 Ft.W	MSA 3 Pana	MSA 4 Tall	MSA 5 Gain	MSA 6 Jack	MSA 7 Ocal	MSA 8 Dayt
1981	7.25	7.38	4.70	7.82	6.27	3.01	7.26	n.a.	18.20	3.75	7.65
1982	2.42	2.37	3.54	4.22	6.29	2.11	3.77	n.a.	5.78	7.83	-0.87
1983	2.78	2.81	2.09	0.08	6.60	4.99	2.37	n.a.	1.61	-5.56	3.96
1984	2.71	2.58	5.36	3.91	1.52	8.13	0.66	n.a.	6.55	6.25	3.72
1985	1.99	2.05	0.85	4.96	2.65	-3.22	-0.03	n.a.	4.77	0.91	2.30
1986	1.89	1.86	2.57	-0.88	-1.95	5.07	-0.42	n.a.	-0.42	-2.56	3.67
1987	3.29	3.19	5.28	0.59	3.69	0.30	0.61	n.a.	3.76	6.56	3.32
1988	3.02	3.01	3.33	-1.17	0.57	0.61	4.57	n.a.	3.36	-0.93	2.52
1989	2.97	2.92	4.01	1.73	-0.02	-0.97	2.02	n.a.	2.53	1.89	3.09
1990	1.74	1.73	1.92	0.17	-2.51	-0.43	3.54	n.a.	-0.18	0.58	1.80
1991	-0.69	-0.72	-0.26	-1.78	4.33	4.02	1.42	n.a.	-0.89	-0.30	0.26
1992	0.0	-0.11	2.03	2.98	2.49	2.50	2.78	n.a.	1.15	-0.44	0.12
1993	2.19	2.17	2.53	3.68	4.89	4.31	0.36	n.a.	3.55	3.56	2.27
1994	3.92	3.91	4.02	5.21	6.30	3.62	4.28	n.a.	2.57	2.78	0.64
1995	2.45	2.39	3.59	4.81	1.44	5.94	4.69	n.a.	3.91	2.86	3.41
1996	3.58	3.59	3.27	5.93	7.83	4.47	5.80	n.a.	4.10	3.11	1.06
1997	2.47	2.38	4.15	4.32	4.23	3.91	1.22	3.49	4.50	3.74	3.15
1998	4.69	4.66	5.30	5.67	1.97	5.13	3.31	4.71	4.16	2.28	3.85
1999	5.44	5.48	4.67	5.29	2.68	7.39	3.25	5.36	9.20	6.14	5.11
2000	7.18	7.21	6.66	3.97	5.57	-0.80	4.79	6.65	6.56	4.39	7.41
2001	5.89	6.01	3.67	n.a.							

Note: 2001 values are preliminary.

(MSAs) (1980-2000)

MSA 9	MSA 10	MSA 11	MSA 12	MSA 13	MSA 14	MSA 15	MSA 16	MSA 17	MSA 18	MSA 19	MSA 20
Orla	Melb	Lake	Tamp	Sara	Punt	Ft.M	Napl	Ft.P	WPB	Ft.L	Miam
1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1.069	1.045	1.076	1.106	1.067	1.045	1.102	1.217	1.108	1.081	1.032	1.098
1.100	1.071	1.084	1.136	1.086	1.056	1.080	1.169	1.131	1.093	1.079	1.101
1.163	1.097	1.129	1.187	1.107	1.021	1.081	1.259	1.168	1.114	1.088	1.107
1.219	1.128	1.143	1.232	1.142	1.021	1.101	1.199	1.091	1.128	1.094	1.110
1.255	1.162	1.166	1.259	1.161	1.028	1.101	1.222	1.112	1.140	1.098	1.109
1.269	1.183	1.187	1.305	1.188	1.063	1.143	1.291	1.143	1.171	1.139	1.141
1.301	1.186	1.193	1.338	1.216	1.106	1.173	1.354	1.180	1.195	1.188	1.186
1.335	1.200	1.226	1.358	1.250	1.132	1.224	1.382	1.244	1.271	1.230	1.244
1.378	1.236	1.262	1.379	1.300	1.240	1.300	1.533	1.283	1.307	1.268	1.297
1.409	1.233	1.254	1.383	1.335	1.299	1.348	1.624	1.302	1.346	1.291	1.335
1.404	1.202	1.266	1.358	1.344	1.266	1.366	1.596	1.293	1.315	1.282	1.354
1.387	1.230	1.268	1.367	1.351	1.228	1.375	1.615	1.255	1.300	1.295	1.346
1.419	1.233	1.306	1.394	1.398	1.240	1.374	1.625	1.245	1.320	1.345	1.417
1.449	1.263	1.341	1.446	1.441	1.254	1.382	1.696	1.268	1.357	1.381	1.548
1.489	1.288	1.383	1.482	1.486	1.236	1.422	1.727	1.281	1.386	1.426	1.594
1.528	1.308	1.427	1.525	1.531	1.280	1.434	1.764	1.287	1.419	1.460	1.670
1.573	1.339	1.468	1.571	1.587	1.295	1.488	1.828	1.335	1.461	1.484	1.721
1.657	1.379	1.54	1.666	1.677	1.349	1.536	1.948	1.367	1.535	1.546	1.808
1.750	1.442	1.631	1.776	1.762	1.431	1.624	2.093	1.419	1.634	1.627	1.923
1.881	1.514	1.701	1.920	1.886	1.536	1.733	2.280	1.495	1.746	1.767	2.081
n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

Statistical Areas (MSAs) (1981-2000)

MSA 9	MSA 10	MSA 11	MSA 12	MSA 13	MSA 14	MSA 15	MSA 16	MSA 17	MSA 18	MSA 19	MSA 20
Orla	Melb	Lake	Tamp	Sara	Punt	Ft.M	Napl	Ft.P	WPB	Ft.L	Miam
6.86	4.49	7.63	10.56	6.72	4.48	10.19	21.67	10.84	8.11	3.25	9.75
2.91	2.51	0.67	2.78	1.75	0.04	-1.99	-3.95	2.01	1.07	4.51	0.33
5.79	2.42	4.23	4.43	1.98	-3.31	0.06	7.75	3.28	1.96	0.80	0.51
4.8	2.80	1.19	3.85	3.11	0.06	1.90	-4.80	-6.58	1.26	0.59	0.26
2.92	3.05	2.02	2.20	1.67	0.61	0.00	1.91	1.97	1.03	0.32	-0.09
1.17	1.76	1.77	3.60	2.37	3.46	3.80	5.65	2.79	2.71	3.74	2.89
2.52	0.29	0.50	2.54	2.34	4.06	2.62	4.91	3.17	2.05	4.30	3.97
2.6	1.16	2.80	1.51	2.77	2.35	4.37	2.11	5.44	6.38	3.59	4.90
3.19	3.02	2.97	1.53	3.97	9.52	6.23	10.88	3.10	2.89	3.05	4.22
2.25	-0.24	-0.64	0.31	2.75	4.76	3.68	5.93	1.48	2.96	1.79	2.97
-0.32	-2.54	0.92	-1.82	0.65	-2.52	1.32	-1.70	-0.66	-2.31	-0.67	1.38
-1.22	2.36	0.17	0.67	0.50	-3.02	0.70	1.17	-2.90	-1.17	0.99	-0.56
2.27	0.20	3.00	1.94	3.49	0.98	-0.12	0.61	-0.86	1.56	3.87	5.29
2.13	2.46	2.65	3.76	3.09	0.09	0.60	4.39	1.90	2.84	2.71	9.23
2.75	1.97	3.19	2.49	3.14	-1.41	2.89	1.85	0.99	2.08	3.21	2.97
2.6	1.57	3.18	2.93	3.00	3.54	0.81	2.10	0.47	2.43	2.44	4.78
2.96	2.37	2.88	2.98	3.66	1.21	3.77	3.64	3.73	2.96	1.59	3.06
5.36	3.01	4.85	6.06	5.65	4.16	3.23	6.58	2.39	5.06	4.20	5.03
5.62	4.54	5.93	6.59	5.11	6.03	5.75	7.45	3.83	6.43	5.21	6.37
7.48	4.98	4.27	8.10	7.04	7.39	6.74	8.94	5.34	6.83	8.66	8.21
n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

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Table 5-9. Correlation of Annual Appreciation Rates Between MSAs (1981-2000)

	All FL	All MSA	Non MSA	MSA 1 Pens	MSA 2 Ft.W	MSA 3 Pana	MSA 4 Tall	MSA 5 Gain	MSA 6 Jack	MSA 7 Ocal
Flor MSA	1	1								
Non MSA	0.78	0.77	1							
Pens	0.57	0.57	0.46	1						
Ft.W	0.31	0.32	0.13	0.46	1					
Pana	0.0	0.0	0.15	0.19	0.12	1				
Tall	0.57	0.57	0.32	0.45	0.36	0.01	1			
Gain	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	1		
Jack	0.76	0.76	0.53	0.71	0.37	0.1	0.51	n.a.	1	
Ocal	0.39	0.38	0.61	0.56	0.25	0.08	0.14	n.a.	0.52	1
Dayt	0.78	0.78	0.6	0.27	-0.01	0.06	0.22	n.a.	0.63	0.09
Orla	0.87	0.87	0.67	0.45	0.27	0.09	0.37	n.a.	0.68	0.27
Melb	0.74	0.74	0.64	0.66	0.17	0.03	0.35	n.a.	0.65	0.27
Lake	0.79	0.79	0.43	0.55	0.36	0.27	0.49	n.a.	0.71	0.06
Tamp	0.92	0.92	0.7	0.62	0.33	0.19	0.46	n.a.	0.8	0.28
Sara	0.91	0.91	0.76	0.55	0.13	0.06	0.48	n.a.	0.68	0.37
Punt	0.62	0.62	0.57	0.16	-0.23	-0.33	0.21	n.a.	0.31	0.35
Ft.M.	0.65	0.65	0.49	0.15	-0.23	-0.09	0.4	n.a.	0.56	0.09
Napl	0.68	0.68	0.32	0.24	0.04	-0.19	0.44	n.a.	0.54	-0.13
Ft.P.	0.65	0.66	0.27	0.14	0.16	-0.33	0.48	n.a.	0.52	-0.04
W.P.	0.89	0.89	0.66	0.35	0.01	-0.04	0.55	n.a.	0.65	0.19
Ft.L	0.7	0.7	0.71	0.23	0.09	-0.11	0.33	n.a.	0.33	0.43
Miam	0.79	0.79	0.55	0.4	0.25	0.0	0.56	n.a.	0.51	0.27

| MSA |
|------|------|------|------|------|------|------|------|------|------|------|------|------|
| 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 |
| Dayt | Orla | Melb | Lake | Tamp | Sara | Punt | Ft.M | Napl | Ft.P | W.P. | Ft.L | Miam |

1												
0.81	1											
0.61	0.71	1										
0.73	0.74	0.64	1									
0.81	0.85	0.81	0.82	1								
0.82	0.82	0.66	0.78	0.84	1							
0.48	0.45	0.39	0.32	0.41	0.68	1						
0.8	0.52	0.44	0.59	0.59	0.75	0.66	1					
0.72	0.54	0.48	0.69	0.67	0.67	0.55	0.8	1				
0.57:	0.5	0.38	0.64	0.58	0.57	0.48	0.66	0.8	1			
0.76	0.75	0.63	0.74	0.79	0.87	0.66	0.77	0.7	0.75	1		
0.49	0.5	0.48	0.38	0.57:	0.68	0.65	0.42	0.32	0.46	0.67	1	
0.53	0.47	0.35	0.65	0.62	0.78	0.59	0.63	0.65	0.62	0.76	0.61	1

Table 5-10: Average Annual Percentage Appreciation and Period Rankings By County Five-Year Periods (1996–2000)

County	1996-2000 (rank)	County	1996-2000 (rank)
Florida (All Counties)	4.67	Osceola Co. (Dist. 6, Orlando MSA)	3.79
Florida (All MSAs)	4.66	Seminole Co. (Dist. 6, Orlando MSA)	4.93
Florida (All non-MSA Counties)	4.81	Brevard Co. (Dist. 6, Melbourne MSA)	3.29
Escambia Co. (Dist. 1, Pensacola MSA)	5.05	Polk Co. (Dist. 7, Lakeland MSA)	4.22
Santa Rosa Co. (Dist. 1, Pensacola MSA)	5.06	District 7 Small Counties (Dist. 7)	2.69
Okaloosa Co. (Dist. 1, Ft. Walton Beach MSA)	4.46	Hernando Co. (Dist. 8, Tampa-St.P. MSA)	3.18
Bay Co. (Dist. 1, Panama City MSA)	4.02	Hillsborough Co. (Dist. 8, Tampa-St.Pete. MSA)	5.33
District 1 Small Counties (Dist. 1)	6.13	Pasco Co. (Dist. 8, Tampa-St.Pete. MSA)	4.01
Leon Co. (Dist. 2, Tallahassee MSA)	3.58	Pinellas Co. (Dist. 8, Tampa-St.Pete. MSA)	5.97
District 2 Small Counties (Dist. 2)	6.60	Manatee Co. (Dist. 8, Sarasota MSA)	4.98
Alachua Co. (Dist. 3)	5.05	Sarasota Co. (Dist. 8, Sarasota MSA)	4.88
District 3 Small Counties (Dist. 3)	4.64	Charlotte Co. (Dist. 9, Punta Gorda MSA)	4.47
Clay Co. (Dist. 4, Jacksonville MSA)	4.26	Lee Co. (Dist. 9, Ft. Myers MSA)	4.06
(Duval Co.) (Dist. 4, Jacksonville MSA)	n.a.	Collier Co. (Dist. 9, Naples MSA)	5.74
St. Johns Co. (Dist. 4, Jacksonville MSA)	6.82	District 9 Small Counties (Dist. 9.)	3.88
District 4 Small Counties (Dist. 4)	4.90	Indian River Co. (Dist. 10)	5.46
Citrus Co. (Dist. 5)	3.13	Martin Co. (Dist. 10, Ft. Pierce MSA)	3.19
Marion Co. (Dist. 5, Ocala MSA)	3.93	St. Lucie Co. (Dist. 10, Ft. Pierce MSA)	3.16
District 5 Small Counties (Dist. 5)	3.37	Palm Beach Co. (Dist. 10, W. Palm Beach MSA)	4.74
Volusia Co. (Dist. 6, Daytona MSA)	4.19	Broward Co. (Dist. 11, Ft. Lauderdale MSA)	4.42
Lake Co. (Dist. 6, Orlando MSA)	4.82	Dade Co. (Dist. 11, Miami MSA)	5.49
Orange Co. (Dist. 6, Orlando MSA)	4.93	Monroe Co. (Dist. 11)	7.09

Notes: Multi-county estimates may vary from MSA estimates due to small sample estimation error. Shaded areas denote top quartile return. Flagler, and Duval Cos. not estimated due to insufficient data. District 1 small cos. are Holmes, Walton, and Washington. District 2 small cos. are Calhoun, Franklin, Gadsden, Gulf, Jackson, Jefferson, Liberty, and Wakulla. District 3 small cos. are Bradford, Columbia, Dixie, Gilchrist, Hamilton, Lafayette, Madison, Suwannee, Taylor, and Union. District 4 small cos. are Baker and Putnam. District 5 small cos. are Levy and Sumter. District 7 small cos. are De Soto, Hardee, Highlands, Okcechobee. District 9 small cos. are Glades and Hendry.

Table 5-11: Annual House Price Appreciation (%) for Selected Counties (1996 - 2000)

Year	FL	Esca	Sant	Okal	Bay	D1sm	Leon	D2sm	Alac	D3sm
1996	3.58	6.02	6.2	7.83	4.47	3.01	5.93	5.92	n.a.	2.39
1997	2.47	4.35	3.86	4.23	3.91	6.71	0.84	5.74	3.49	5.87
1998	4.69	5.86	5.24	1.97	5.13	2.74	3.34	11.14	4.71	5.2
1999	5.44	5.58	4.27	2.68	7.39	8.87	3.17	4.93	5.36	6
2000	7.18	3.43	5.74	5.57	-0.8	9.34	4.63	7.88	6.65	3.73

Year	Semi	Brev	Polk	D7sm	Hern	Hill	Pasc	Pine	Mana	Sara
1996	1.37	1.57	3.18	0.87	2.05	2.31	2.99	3.41	4.65	2.15
1997	3.82	2.37	2.88	3	1.97	3.9	0.59	3.01	3.48	3.85
1998	5.66	3.01	4.85	4.52	3.94	6.44	4.46	6.29	5.17	5.88
1999	4.34	4.54	5.93	1.46	3.92	6.4	5.38	7.34	5.61	4.84
2000	9.44	4.98	4.27	3.6	3.99	7.62	6.62	9.8	6.01	7.65

Year	Clay	Duval	St.J	D4sm	Citr	Mari	D5sm	Volu	Lake	Oran	Osce
1996	2.29	n.a.	7.74	6.01	-0.07	3.11	0.83	1.36	2.34	3.43	2.95
1997	3.93	n.a.	3.95	2.31	2.31	3.74	2.92	3.01	4.87	2.25	1.72
1998	2.38	n.a.	5.79	5.78	3.58	2.28	3.18	3.9	4.24	5.62	3.83
1999	8.25	n.a.	8.61	1.74	4.27	6.14	5.08	5.29	4.79	6.4	6.15
2000	4.47	n.a.	8	8.68	5.55	4.39	4.82	7.37	7.85	6.93	4.29

Year	Char	Lee	Coll	D9sm	Indi	Mart	St.L	P.B.	Brow	Miam	Monr
1996	3.54	0.81	2.1	9.24	6.11	-0.64	1.4	2.43	2.44	4.78	5.48
1997	1.21	3.77	3.64	0.07	0.91	4.24	3.24	2.96	1.59	3.06	5.06
1998	4.16	3.23	6.58	1.98	7.2	3.03	1.91	5.06	4.2	5.03	8.05
1999	6.03	5.75	7.45	10.29	3.26	5.1	3.14	6.43	5.21	6.37	6.24
2000	7.39	6.74	8.93:	-2.2	9.83	4.23	6.13	6.829:	8.66	8.21	10.63

County Key:

FL: Florida (All Counties)

Esca: Escambia (Dist. 1)

Sant: Santa Rosa (Dist. 1)

Okal: Okaloosa (Dist. 1)

Bay: Bay (Dist. 1)

D1sm: District 1 Small Cos.

Leon: Leon (Dist. 2)

D2sm: District 2 Small Cos.

Alac: Alachua (Dist. 3)

D3sm: District 3 Small Cos.

Clay: Clay (Dist. 4)

Duval: Duval (Dist. 4)

St.J: St. Johns (Dist. 4)

Citr: Citrus (Dist. 5)

Mari: Marion (Dist. 5)

D5sm: District 5 Small Cos.

Volu: Volusia (Dist. 6)

Lake: Lake (Dist. 6)

Oran: Orange (Dist. 6)

Osce: Osceola (Dist. 6)

Semi: Seminole (Dist. 6)

Brev: Brevard (Dist. 6)

Polk: Polk (Dist. 7)

D7sm: District 7 Small Cos.

Hern: Hernando (Dist. 8)

Hill: Hillsborough (Dist. 8)

Pasc: Pasco (Dist. 8)

Pine: Pinellas (Dist. 8)

Mana: Manatee (Dist. 8)

Sara: Sarasota (Dist. 8)

Char: Charlotte (Dist. 9)

Lee: Lee (Dist. 9)

Coll: Collier (Dist. 9)

D9sm: District 9 Small Cos.

Indi: Indian River (Dist. 10)

Mart: Martin (Dist. 10)

St.L: St. Lucie (Dist. 10)

P.Bch: Palm Beach (Dist. 10)

Brow: Broward (Dist. 11)

Miam: Miami (Dist. 11)

Monr: Monroe (Dist. 11)

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Table 5-12: Explaining Past Changes in Real Single-Family House Prices Using Economic and Demographic Variables (1981-2000)

Explanatory Variable	Six Largest MSAs	All MSAs
Pct. Annual Change in Population (A	0.826 (3.81)*	0.46: (3.72)*
Pct. Annual Change in Inflation-Adjus	0.338 (5.06)*	0.335 (7.00)*
Level of Nominal Mortgage Interest R	-0.006 (-7.15)*	-0.006 (-9.53)*
Housing Starts in Previous Year as P	-1.322 (-3.21)*	-0.572 (-2.52)*
House Price Appreciation in Previous	0.452 (6.97)*	0.251 (5.58)*
No. of Observations	118.000	380.000
Adjusted Model R-Squared	0.56:	0.360

Notes: The six largest MSAs are Ft. Lauderdale, Jacksonville, Miami, Orlando, Tampa, and West Palm Beach. The figures reported are the estimated model coefficients, b, with their t-statistics in parentheses. Estimated model: House Price Appreciation = a + S bX, where b is the estimated coefficient, X the vector of explanatory variables, and a the vector of dummy variables for each of the respective MSAs. "*" indicates that the coefficient is statistically significant at the 95% confidence level. The house price appreciation equation is estimated using a "fixed-effects" model that incorporates the time-series, cross-sectional, nature of the data. This estimation procedure is equivalent to using ordinary least squares with dummy (indicator) variables to capture the effects of being located in a particular MSA. The model assumes, effectively, that the effect of the explanatory variables on house price appreciation is the same in all MSAs. Unexplained variation in appreciation, presumably due to omitted explanatory variables, is not assumed to be constant across the MSAs, and is captured in intercept terms that vary across the MSAs. These MSA intercept terms are not reported here, but are available upon request.

Table 5-13: Average Annual Percentage Appreciation and Period Rankings By MSA Ten-Year Periods (1971-00) with Ten-Year Projection (2001-10)

Metropolitan Statistical Area	1971-80 (rank)	1981-90 (rank)	1991-00 (rank)	2001-10 (rank)
Florida - (All MSAs)	9.52	2.99	3.1	3.28
Pensacola MSA (Dist. 1)	n.a.	2.14 (16)	4.01 (4)	3.63 (6)
Ft. Walton Beach MSA (Dist. 1)	n.a.	2.31 (15)	4.17 (2)	4.02 (4)
Panama City MSA (Dist. 1)	n.a.	1.96 (18)	4.05 (3)	4.52 (1)
Tallahassee MSA (Dist. 2)	n.a.	2.44 (13)	3.19 (10)	3.27 (10)
Gainesville MSA (Dist. 3)	n.a.	n.a.	n.a.	3.68 (5)
Jacksonville MSA (Dist. 4)	8.34 (6)*	4.60 (2)	3.88 (5)	4.13 (3)
Ocala MSA (Dist. 5)	n.a.	1.87 (19)	2.81 (13)	2.88 (14)
Daytona Beach MSA (Dist. 6)	n.a.	3.12 (5)	2.73 (14)	3.35 (9)
Orlando MSA (Dist. 6)	9.82 (3)	3.50 (3)	2.96 (12)	3.49 (7)
Melbourne-Titusville MSA (Dist. 6)	n.a.	2.13 (17)	2.09 (17)	3.22 (12)
Lakeland MSA (Dist. 7)	n.a.	2.32 (14)	3.10 (11)	2.99 (13)
Tampa-St.Pete. MSA (Dist. 8)	8.76 (5)	3.33 (4)	3.37 (8)	3.39 (8)
Sarasota-Bradenton MSA (Dist. 8)	n.a.	2.94 (9)	3.53 (6)	3.23 (11)
Punta Gorda MSA (Dist. 9)	n.a.	2.70 (11)	1.75 (18)	2.02 (20)
Ft. Myers MSA (Dist. 9)	n.a.	3.09 (6)	2.57 (16)	2.83 (16)
Naples MSA (Dist. 9)	n.a.	5.20 (1)	3.50 (7)	2.77 (17)
Ft. Pierce MSA (Dist. 10)	n.a.	2.75 (10)	1.42 (19)	2.72 (18)
West Palm Beach MSA (Dist. 10)	10.18 (1)	3.04 (7)	2.67 (15)	2.87 (15)
Ft. Lauderdale MSA (Dist. 11)	9.89 (2)	2.59 (12)	3.22 (9)	2.58 (19)
Miami MSA (Dist. 11)	9.73 (4)	2.97 (8)	4.57 (1)	4.45 (2)

Notes: Shaded areas denote top quartile ranking. *Data from previous report. Pensacola MSA (Escambia and Santa Rosa Cos.), Ft. Walton Beach MSA (Okaloosa Co.); Panama City MSA (Bay County), Tallahassee MSA (Leon and Gadsden Cos.), Gainesville MSA (Alachua Co.), Jacksonville MSA (Clay Nassau, and St. Johns Cos. [adeq. data not avail. for Duval]), Ocala MSA (Marion Co.), Daytona Beach MSA (Flagler and Volusia Cos.), Orlando MSA (Lake, Orange, Osceola, and Seminole Cos.), Melbourne-Titusville MSA (Brevard Co.), Lakeland MSA (Polk Co.), Tampa-St.Petersburg MSA (Hernando, Hillsborough, Pasco, and Pinellas Cos.), Sarasota-Bradenton MSA (Manatee and Sarasota Cos.), Punta Gorda MSA (Charlotte Co.), Ft. Myers-Cape Coral MSA (Lee Co.), Naples MSA (Collier Co.), Ft. Pierce-Port St. Lucie MSA (Martin and St. Lucie Cos.), West Palm Beach-Boca Raton MSA (Palm Beach Co.), Ft. Lauderdale MSA (Broward Co.), and Miami MSA (Dade Co.). 2001-2010 forecast based on model estimates reported in Table 13 using projected economic and demographic data from the Bureau of Economic and Business Research at the University of Florida.

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**Table 5-14: District, MSA and Counties Listed by
District Location (Northwest Florida to Southeast Florida)**

District	MSA	County
District 1: West Florida	Panama City	Bay
District 1: West Florida	Pensacola	Escambia
District 1: West Florida	Pensacola	Santa Rosa
District 1: West Florida	Ft. Walton Beach	Okaloosa
District 1: West Florida	Non-MSA county	Holmes
District 1: West Florida	Non-MSA county	Walton
District 1: West Florida	Non-MSA county	Washington
District 2: Apalachee	Tallahassee	Gadsden
District 2: Apalachee	Tallahassee	Leon
District 2: Apalachee	Non-MSA county	Calhoun
District 2: Apalachee	Non-MSA county	Franklin
District 2: Apalachee	Non-MSA county	Gulf
District 2: Apalachee	Non-MSA county	Jackson
District 2: Apalachee	Non-MSA county	Jefferson
District 2: Apalachee	Non-MSA county	Liberty
District 2: Apalachee	Non-MSA county	Wakulla
District 3: N. Central Florida	Gainesville	Alachua
District 3: N. Central Florida	Non-MSA county	Bradford
District 3: N. Central Florida	Non-MSA county	Columbia
District 3: N. Central Florida	Non-MSA county	Dixie
District 3: N. Central Florida	Non-MSA county	Gilchrist
District 3: N. Central Florida	Non-MSA county	Hamilton
District 3: N. Central Florida	Non-MSA county	Lafayette
District 3: N. Central Florida	Non-MSA county	Madison
District 3: N. Central Florida	Non-MSA county	Suwannee
District 3: N. Central Florida	Non-MSA county	Taylor
District 3: N. Central Florida	Non-MSA county	Union
District 4: Northeast Florida	Jacksonville	Clay
District 4: Northeast Florida	Jacksonville	Duval
District 4: Northeast Florida	Jacksonville	Nassau
District 4: Northeast Florida	Jacksonville	St. Johns
District 4: Northeast Florida	Non-MSA county	Baker
District 4: Northeast Florida	Non-MSA county	Putnam
District 5: Withlacoochee	Ocala	Marion
District 5: Withlacoochee	Non-MSA county	Citrus
District 5: Withlacoochee	Non-MSA county	Levy
District 5: Withlacoochee	Non-MSA county	Sumter
District 6: E. Central Florida	Melbourne	Brevard
District 6: E. Central Florida	Daytona Beach	Flagler
District 6: E. Central Florida	Daytona Beach	Volusia
District 6: E. Central Florida	Orlando	Lake
District 6: E. Central Florida	Orlando	Orange
District 6: E. Central Florida	Orlando	Osceola
District 6: E. Central Florida	Orlando	Seminole
District 7: Central Florida	Lakeland	Polk
District 7: Central Florida	Non-MSA county	De Soto
District 7: Central Florida	Non-MSA county	Hardee
District 7: Central Florida	Non-MSA county	Highlands
District 7: Central Florida	Non-MSA county	Okeechobee
District 8: Tampa Bay	Tampa – St. Petersburg	Hernando
District 8: Tampa Bay	Tampa – St. Petersburg	Hillsborough
District 8: Tampa Bay	Tampa – St. Petersburg	Pasco
District 8: Tampa Bay	Tampa – St. Petersburg	Pinellas
District 8: Tampa Bay	Sarasota – Bradenton	Manatee
District 8: Tampa Bay	Sarasota – Bradenton	Sarasota
District 9: Southwest Florida	Punta Gorda	Charlotte
District 9: Southwest Florida	Naples	Collier
District 9: Southwest Florida	Ft. Myers	Lee
District 9: Southwest Florida	Non-MSA county	Glades
District 9: Southwest Florida	Non-MSA county	Hendry
District 10: Treasure Coast	Ft. Pierce – Port St. Lucie	Martin
District 10: Treasure Coast	Ft. Pierce – Port St. Lucie	St. Lucie
District 10: Treasure Coast	West Palm Beach	Palm Beach
District 10: Treasure Coast	Non-MSA county	Indian River
District 11: South Florida	Ft. Lauderdale	Broward
District 11: South Florida	Miami	Dade
District 11: South Florida	Non-MSA county	Monroe

6. Conclusion

Florida's 67 counties include 34 urban counties and the 33 rural counties. The urban counties can also be divided into those that are a part of the six major metropolitan areas and fourteen other metropolitan areas. Dividing the counties in this way is useful as a means to understand Florida's housing. There are also a number of differences in housing characteristics between coastal and non-coastal counties. These housing differences reflect the differences in the characteristics of the population in different areas of the state. The population of the state is growing, but not uniformly. Different areas of the state are also characterized by differences in the distribution of households by age, income, race, ethnicity, and county of origin.

Single-family housing units dominate the state, but condominiums are an important source of housing in some coastal counties and mobile homes play a key role in rural counties in the interior of the state. Relative to other areas of the country, housing prices in Florida are low. Appreciation rates for single family housing differ across the state but have increased in recent years in most areas. Indices of affordability show that on average the affordability of housing has improved in the state in recent years. However, an affordability index masks the problems that households with incomes below the median income have in obtaining suitable housing without paying more than 30 percent of income toward housing costs.

It is difficult to derive a single number of housing need, and the 30 percent of income standard may not be an appropriate criteria to define affordability. However, even if 40 percent or 50 percent are used as the standard, it is clear that there is a substantial need in Florida. The affordability calculations also indicate that the most severe needs are for households with incomes below 30 percent of median income. This is a group that is difficult to reach with state programs, but one that becomes even more vulnerable with changes in the federal public housing program.

While housing affordability is a problem in Florida, substandard housing is less pervasive. In part, this is a reflection of a relatively young housing stock in Florida that has been built in response to the recent rapid growth of the state. There are, however, areas of older housing stock in the state that are in need of rehabilitation and the aging of the existing housing stock will lead to additional needs for rehabilitation in the coming years.

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