Florida’s Single-family Housing Supply

Florida’s housing stock includes single-family units, multifamily units, and 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. The Fort Lauderdale and Miami MSAs, 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. Clearly, condominiums tend to be a coastal phenomenon. By contrast, mobile or manufactured housing is largely a rural, inland phenomenon.
Data Description

To understand and analyze Florida’s stock of housing, tax assessment records from the 67 county property appraisers are examined. From all 67 counties, the Shimberg Center obtains data on the four major categories of residentially coded parcels. This results in a database that contains information on residential parcels of land and most residential structures 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 database contains most, but not all, residential structures. Excluded structures are: (1) residential structures located on land that is not residentially coded, such as residential structures located on land that has an agriculture coding or residential structures that have a commercial coding, (2) manufactured housing not classified as real property (this problem is discussed in more detail later in the report), and (3) structures that are not one of the four major residential land use categories examined. The data, unless otherwise noted, are for roll year 2002, the last complete year for which data are available.

Use of the individual county property appraiser data allows us to reasonably compare housing characteristics in the counties with each other. However, there are gaps and limitations in these Department of Revenue (DOR) data sets. Gaps occur because in some counties, certain fields of data are not included in the records or are missing for specific property types. For example, in many counties the year-built information or square-footage is missing for condominiums, and some counties do not report sales prices from more than five years in the past. In a few cases only one year of sales data is reported. Limitations on the data can occur for two reasons. First, only the two most recent sales prices and year of those sales are reported. Any time a parcel sells, the older of the two sales is lost. Therefore when examining the county data, there are two potential explanations for the increasing frequency of sales over time. The first is that sales really have increased over time, and the second is that this increased frequency is just a statistical anomaly due to the elimination of older records for properties selling multiple times.

A second limitation in the data is that definitions vary somewhat across counties such as in the case of square footage. Property appraisers calculate and use more than one measurement of square footage in their appraisal process. Thus, this characteristic can vary among counties and possibly over time within a county. Another reason square footage can vary is the presence of multiple buildings on a parcel, which show up in the value for square footage field. In the past, Shimberg did not report square footage values that appeared to vary from the majority of the counties. However, this year, in the interest of providing more information, we are reporting these values. However, square footage values are only calculated and reported for parcels with a single building.
Another new feature to this year’s report is the reporting of real values (in 2002 dollars) for sale prices on single-family homes, manufactured housing, and condominiums.

Another problem that has to be addressed when creating the database is that 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 or other 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.

Despite these problems, the property appraiser data provides information on Florida’s housing stock that is not otherwise available. For example, decennial Census data is dated because of delays due to its slow release and the fact that it is only conducted once a decade. The Census is also subject to inaccuracies in evaluating housing unit characteristics because it relies on the evaluation by 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.

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 manufactured housing accounts for a significant portion of residential housing units in many rural counties, we are unable to describe and discuss Florida’s manufactured housing stock because comprehensive, accurate data are not available from the property appraiser data at our disposal. Accurate data on manufactured housing is difficult to obtain for several reasons. First, a manufactured 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 manufactured housing, perhaps the larger share, is 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).

**Single-Family Housing**

The single-family housing stock of Florida totals almost 3.9 million units and the total assessed value of these units is $451.8 billion. Almost seventy-eight percent of these units are occupied by their owner; the remaining units are renter-occupied. The mean age of housing units in the state is 26 years, and the average size is 1,941 square feet. The number of single-family sales in 2001 totaled approximately 281,480, which is equal to approximately 7.2 percent of the total single-family housing stock in this state. The median price of a 2001 sale was $130,000. This is lower than both the 2001 new median house price in the U.S. of $187,500 and the 2001 existing house price of $147,800.

Florida’s housing is geographically concentrated. The state’s 21 metropolitan areas (MSAs) are divided into “major” metropolitan areas (6 MSAs) and “other” metropolitan areas (15 MSAs). The major MSAs include Ft. Lauderdale, Miami, Jacksonville, Orlando, West Palm Beach-Boca Raton, and Tampa-St. Peters-
burg-Clearwater. A total of fifteen counties are in major MSAs. The 15 other MSAs include twenty counties. A total of 35 of Florida’s 67 counties are therefore found in metropolitan areas, with the remaining 32 being non-metropolitan. These remaining 32 counties are further categorized 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 six major MSAs contain approximately 2.3 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 is referred 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 8.2 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 the these three southeast Florida counties.

The 15 other MSAs contain 35.6 percent of the state’s single-family housing stock, while the 32 non-metropolitan counties contain only 6.3 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 Calhoun, Dixie, Gilchrist, Glades, Hamilton, Jefferson, Liberty, Madison, and Union Counties. These 11 counties combined have only about one-half of one percent of the total single-family housing units in the state.

Based on property appraiser data, a total of 80,034 single-family units were constructed in the state in 2001. These units increased the size of the housing stock in the state by about 2 percent. Even excluding Broward and Hillsborough County, slightly more than 41 percent of the new units were constructed in the six large metropolitan areas, with over 20 percent in the Orlando MSA and approximately 8 percent in the Tampa Bay MSA even while excluding Hillsborough County. Among counties in the smaller MSAs, Brevard, Collier, Lee, Polk, and Sarasota all had 4.1 percent or more of the state’s new construction. Lee County, with 5,644 new units, exceeded the level of new construction in all of the metropolitan counties in the state except Orange. 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 $451.8 billion and almost 61 percent of that total is found in the major MSAs. The three southeast Florida counties—Miami-Dade, Broward, and Palm Beach—have 29 percent of the total assessed value. The average assessed value of a single-family housing unit in Florida is about $116,000. Average assessed values range from over $279,000 in Collier County (Naples MSA) to about $49,000 in Gadsden County (Tallahassee MSA) among metropolitan counties and from a high of over $271,000 in Monroe County to a low of about $37,000 in Liberty County among non-metropolitan counties.

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 27 years (rounded) as compared to the state’s 26-year average. For the other MSAs, the index is 0.88 with an average age of 23 years, and the non-MSA counties had an age index of 0.96 with an average age of 25 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 0.50, 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, Sumter, and Walton 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 and Pinellas County, with a relative age index of 1.38 and a mean age of 35 years. Other non-metropolitan counties with a relative age index of 1.25 or greater include Bradford, Hardee, Holmes, Jackson, and Putnam. Among the metropolitan counties, the oldest housing stock is found in Pinellas County with an average age of 35 years. Miami-Dade (33 years), Duval (32 years), Gadsden (32 years), Polk (30 years), and Escambia (31 years) also have relatively old housing stocks.

Counties with the largest number of sales transactions in 2001 are, as expected, the largest counties in population. Approximately 62 percent of the single-family transactions in the state in 2001 were in the major MSA counties, with 14.9 percent in the Tampa Bay MSA and 14.8 percent in the Orlando MSA. Among individual counties Broward was the highest with 12.3 percent of the state total while Orange had 7.5 percent and Miami-Dade had 6.8 percent of Florida’s 2001 transactions. Over 24 percent of transactions in 2001 were in the three southeast Florida counties—Miami-Dade, Broward, and Palm Beach.

Over 33 percent of all sales in 2001 were in other MSA counties, while the remaining 5 percent were in the non-metropolitan counties. Lee County had 4.3 percent of the state’s transactions in 2001. Brevard had 3.8 percent and, Sarasota County had 3.1 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 6.9 percent of total units; in the non-MSA counties they were 5.5 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 Liberty, Lafayette, Union, Hamilton, Madison, Gilchrist, Glades, Jefferson, Calhoun, Dixie, Holmes, Washington, Bradford, Taylor, Hardee, De Soto, Baker, and Suwannee.

The highest single-family median sales prices in 2001 were in Monroe ($280,000), Collier
($223,800), St. Johns ($177,250), and Palm Beach ($171,900) Counties. Other counties with median sales prices above $130,000 include Broward, Nassau, Martin, Miami-Dade, Walton, Manatee, Franklin, Sarasota, Seminole, Lee, Sumter, Orange, and Gulf. All the counties with high median prices are coastal counties. Counties with low median prices include a number with median prices below $60,000 in 2001: Hardee ($59,500), Hamilton ($58,250), Dixie ($55,000), and Holmes ($47,500).

As shown in figure 3.2, 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 2001 are in coastal counties, several of which are not major urban counties (for example, Collier). At the other extreme, counties with the lowest mean house prices are generally rural, slow growing, and located in the interior of the state.

### 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 summary tables and maps presented in the full report available on the Internet 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.