

### Introduction

In this Market Snapshot, **FORVIS** outlines independent living (IL) trends across Florida’s West Coast (FL West Coast), including a summary of demographics, occupancy, inventory, and demand across five core-based statistical areas on FL’s West Coast.

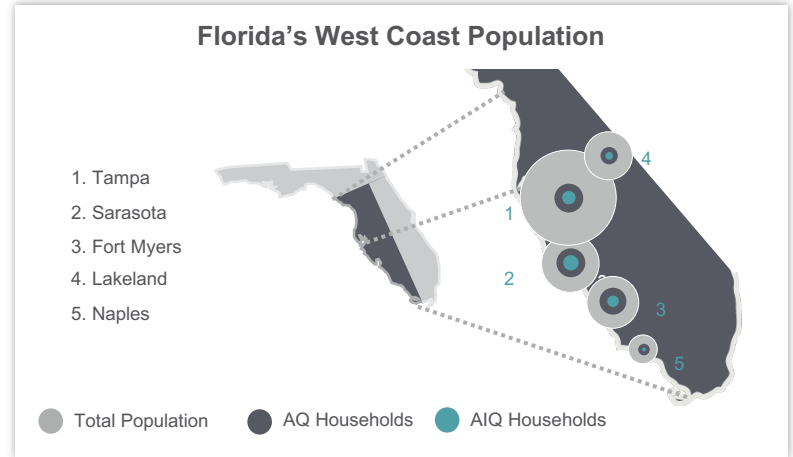
### Demographics

Two indicators of a strong market are overall population and senior population growth. FL’s total population in 2023 is approximately 22,000,000 and is home to three of the 15 fastest growing cities in the country from 2021 to 2022. The fastest growing cities on FL’s West Coast are North Port and Cape Coral (located in the Sarasota and Fort Myers CBSAs, respectively).<sup>(1, 2)</sup> By 2028, the population in FL is projected to be 5.0% higher than its current population.<sup>(1)</sup>

The map (right) and table (below) show age-qualified (AQ), age- and income-qualified (AIQ), and total populations in the five largest CBSAs on FL’s West Coast. The table below compares these demographics to FL and the U.S. and shows the 75+ population as a percent of total population and number of AIQ households as a percent of the AQ households.



A core-based statistical area (CBSA) is a geographic area comprised of metropolitan and micropolitan areas. The five largest CBSAs on FL’s West Coast profiled herein include approximately 27.6% of the total state population.<sup>(1)</sup>



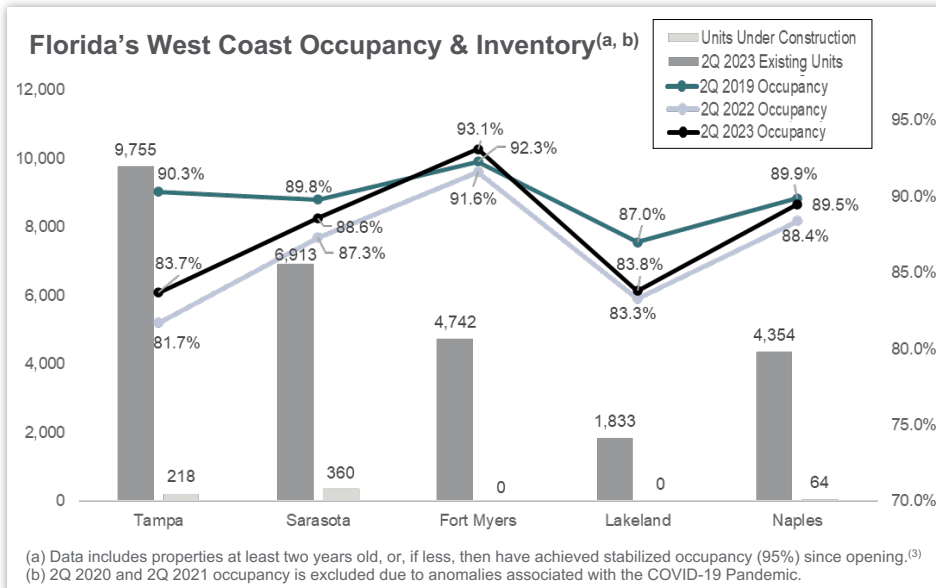
2023	Tampa	Sarasota	Fort Myers	Lakeland	Naples	FL	U.S.
Total Population	3,268,872	875,940	807,663	772,684	391,820	22,144,382	334,500,069
Age 75+ Population <sup>(a)</sup>	303,425 9.3%	145,103 16.6%	113,589 14.1%	71,920 9.3%	69,341 17.7%	2,191,784 9.9%	24,379,591 7.3%
AQ Households <sup>(b)</sup>	194,243	93,440	70,822	45,791	43,749	1,365,791	15,552,426
AIQ Households <sup>(b, c)</sup>	73,162 37.7%	48,077 51.5%	35,731 50.5%	16,521 36.1%	24,661 56.4%	572,329 41.9%	6,534,035 42.0%

(a) – Age 75+ population is shown as a percentage of total population in 2023.

(b) – For purposes of this Market Snapshot, FORVIS defines AQ households as those 75 years of age or older and AIQ households as AQ Households with an annual income \$50,000 and above.

(c) – AIQ Households are shown as a percentage of AQ Households in 2023.

Of the CBSAs profiled, Naples has the highest percentage of AIQ households (56.4%) followed by Sarasota (51.5%). By 2028, the Tampa market has the highest projected growth in AIQ households at 24.1%.



### Occupancy & Inventory Growth

Occupancy is a key indicator of an organization’s success and long-term viability. Inventory is an important indicator of market depth. When measuring market depth, it is important to consider comparable products using factors such as services offered, amenities, and price points.

The graph to the left shows the total number of existing IL units and IL units under construction for each CBSA in 2Q 2023 and compares IL occupancy in 2Q 2023 to 2Q 2022 and 2Q 2019.

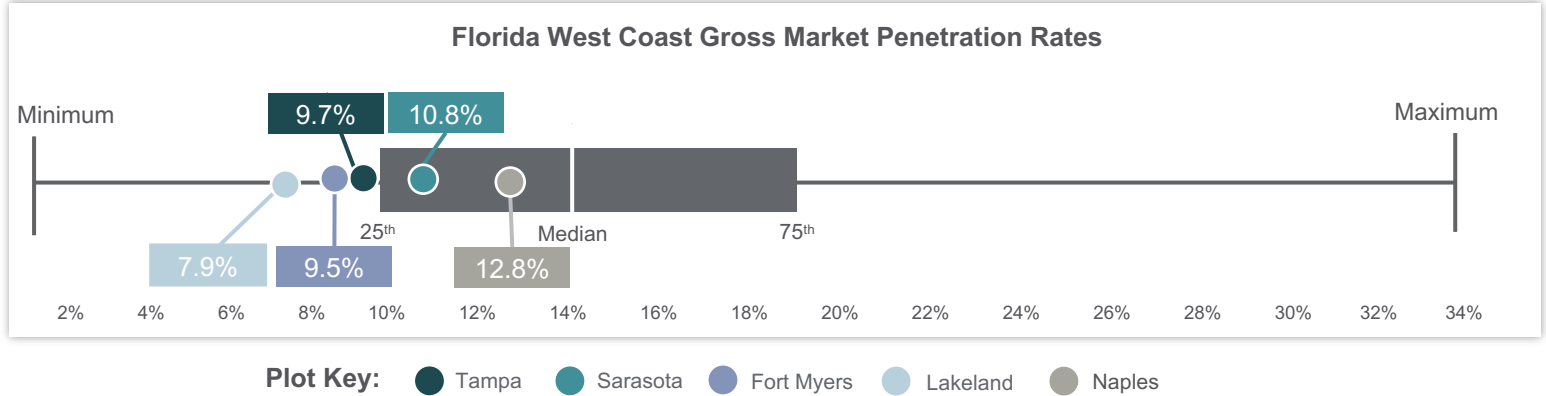
Compared to 2Q 2019, 2Q 2023 occupancy levels in the Fort Myers market are higher than pre-COVID levels by 0.8%. All other markets profiled are still in recovery compared to pre-COVID levels. Compared to 2Q 2022, occupancy increased in all markets with the greatest increase in Tampa (2.0%) followed by Fort Myers (1.5%).

As a percentage of all units, Sarasota (4.9%) has the most IL units under construction.

## Demand

Penetration rates demonstrate the degree to which a market is underserved or oversaturated. The Gross Market Penetration Rate (GMPR) is the percentage of AIQ households in the market area that would need to be captured for the entire market to achieve stabilized occupancy.

The box and whisker plot below illustrates the GMPR for the \$50,000 income qualification according to the FORVIS proprietary IL database, which includes over 200 senior housing projects across 35 states.<sup>(4)</sup> Each dot plotted on the graph represents the 2023 GMPR for the five largest CBSAs on FL's West Coast.



In the plot above, the minimum and maximum GMPR are denoted by the lines on the far left and far right, respectively. The 25<sup>th</sup> and 75<sup>th</sup> quartiles are denoted by the left side and right side, respectively, of the inner grey box. The white bar in the middle indicates the median.

The Florida West Coast Gross Market Penetration Rates for the five specified CBSAs are all below the median benchmark, an indication of potential senior housing growth opportunity in each of these markets. Penetration rates are an indicator of market demand and should be supplemented with consideration of occupancy levels, proposed projects, unit designs, community spaces, contracts, marketing plans, demographic trends, local economic conditions, awareness and acceptability of the product, and velocity of pre-sales at projects.

## Conclusion

While the senior living industry still faces challenges post-pandemic, many of FL's West Coast markets are experiencing growing demand, improving occupancy levels, and positive GMPRs. These trends may indicate opportunities for providers to explore additional service offerings across FL's West Coast.

## About FORVIS

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## Sources

- (1). Claritas, Inc. (2023, July). Senior Life Report.
- (2). U.S Census Bureau. (2023, May). Large Southern Cities Lead Nation in Population Growth.
- (3). NIC MAP Vision Q2 2019, 2022 and 2023.
- (4). FORVIS. (2023, July). Independent Living Penetration Rate Database.