



Living Beyond Our Means: Benchmarking South Florida's Affordability Crisis

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Abstract

High housing costs have become one of Florida’s defining challenges, affecting households and businesses across the state and capturing the attention of lawmakers who have enacted measures like the Live Local Act and placed Amendment 3 on the November 2026 ballot. Using the most recently available data for each measure, our paper benchmarks South Florida with the USA and nine other metropolitan statistical areas¹ across the country to address a profound question: **What financial trade-offs are inherent to cost-burdened housing status?** We examine factors associated with high living costs at both the metropolitan and state levels. Measures of economic sufficiency like the United Way’s ALICE survival budget show that in nine out of ten metropolitan statistical areas (MSAs)², households earned substantially less than the income required for basic living for two adults and two school-aged children, even though these households were not considered poor as their household income was higher than the Federal Poverty Level.³ Compared with other benchmark areas, the Miami MSA stands out as among the MSAs with the greatest affordability pressures, with the highest levels of homeowner and rental cost burdens, reflecting an imbalance between housing costs and incomes and placing households under greater financial strain than in other areas. These indicators imply that affordability pressures extend beyond housing costs, impacting broader financial decisions. Florida households also face high car insurance and property insurance rates alongside high levels of credit card debt. This suggests that rising living costs require households to make financial tradeoffs that affect both current consumption and long-term financial security.

¹ A metropolitan statistical area is delineated by the U.S. Office of Management and Budget (OMB) as a core area with a “substantial population nucleus, together with adjacent communities having a high degree of economic and social integration with that core.” Each MSA must have at least one urban area with a population of over 50,000 residents.

² U.S. Census Bureau. “[About Metropolitan and Micropolitan Statistical Areas.](#)” Census.gov, February 27, 2026.

³ The Federal Poverty Level is updated annually by the Department of Health and Human Services and is a survival budget based on family size that is used to determine eligibility for government programs like Medicaid, SNAP, and others.

Introduction

Florida, and South Florida in particular, have long been known for its mild weather, beautiful beaches, established immigrant communities, economic opportunities, and lifestyle. For decades, the area has attracted both immigrants and retirees seeking new opportunities. In recent years, high housing costs have become one of Florida's great challenges. Florida's housing affordability crisis has affected households and businesses and is now a central issue for lawmakers across the political spectrum including both gubernatorial candidates. Housing costs and the high cost of living in many areas of the state have increased dramatically, with South Florida surpassing historically high-cost metropolitan areas like the New York-Newark-Jersey City metro area. In February 2026, U.S. Bureau of Economic Analysis data indicated that South Florida's cost of living was higher than the New York Metropolitan Statistical Area⁴ (Regional Price Parity scores of 114.2 and 112.6, respectively).⁵ Housing costs appear to be a major contributor to the area's high living costs and are threatening "the safety and well-being of Floridians."⁶ Given the magnitude of this crisis, the Florida legislature has taken steps to address statewide affordability challenges, including passing the Live Local Act (Senate Bill 102) in 2023⁷ and placing a proposal to substantially reduce property taxes on primary residences (Amendment 3) on the November 2026 ballot.⁸

Beyond the housing market itself, housing affordability directly affects household financial well-being. Since 1981, the U.S. Census and the U.S. Department of Housing and Urban Development have defined "cost-burdened" as when a household pays more than 30 percent of its income on housing, and above the 50 percent threshold as "severely cost-burdened." Their use connotes and denotes financial cut points that constrain non-housing consumption.⁹ Using the most recently available public data for each metric and benchmarking South Florida to metropolitan statistical areas across the country, this paper addresses a simple but profound question: **What financial trade-offs are inherent to cost-burdened housing status?** Our paper examines the factors associated with housing cost burdens and the outcomes linked to them. Ultimately, as James Carville noted during the 1992 presidential election, "it's the economy, stupid." As housing affordability extends beyond the housing market and has broad societal implications, we explore how high housing costs may be linked to demographic changes, household financial tradeoffs, and economic outcomes. Understanding these relationships is key to evaluating how housing affordability shapes the future economic vitality of South Florida and other metropolitan regions.

⁴ U.S. Bureau of Economic Analysis, *Real Personal Income, Regional Price Parities, and Real Personal Income by State and Metropolitan Area, 2024* (Washington, DC: U.S. Department of Commerce, February 19, 2026).

⁵ Regional Price Parity (RPP) measures the relative price of goods and services in different states and metropolitan areas as a percentage of the U.S. national average. For example, a value above 100 indicates that area has a higher cost of living than the national average.

⁶ Florida Housing Coalition, *Home Matters Report 2024* (Tallahassee, FL: Florida Housing Coalition, 2024).

⁷ This law focused on increasing affordable housing units by requiring that certain construction projects set aside a minimum of 40% of units for households earning up to 120% of the Area Median Income).; Florida Senate, "[CS/SB 102: Housing \(Live Local Act\)](#)," 2023 Legislative Session, Bill History.

⁸ Esteban Leonardo Santis, "[Amendment 3: Property Tax Ballot Language Summary and Local Fiscal Impacts](#)," Florida Policy Institute, July 21, 2026.

⁹ U.S. Department of Housing and Urban Development, Office of Policy Development and Research. "[CHAS: Background](#)." HUD User.

Housing Costs and Cost Burdens

The South Florida or Miami MSA consists of Miami-Dade, Broward, and Palm Beach counties. The area's economy is marked by high housing costs and a labor market dependent on lower-wage, service-oriented jobs. Many essential jobs do not provide the earnings needed to keep pace with rising housing and other costs, potentially resulting in an affordability crisis. High housing costs are a familiar issue in South Florida, where four in ten mortgaged homeowners (43.0%) and six in ten renters (64.2%) were cost-burdened.¹⁰ Wages are not keeping up with these costs. In fact, the National Low Income Housing Coalition (NLIHC)'s 2026 report found that nationally, the average hourly wage earned by renters is \$9.89 lower than the wage needed for a two-bedroom home of \$34.73. Florida ranks tenth in the nation in the report, with a housing wage of \$37.93 for a two-bedroom rental home compared to the median hourly wage in Florida for all occupations of \$23.66. In Florida, 26 of the most common occupations pay less than the required \$37.93 hourly wage for a two-bedroom rental. This includes cashiers, security guards, bookkeepers, retail salespersons, and landscaping workers.¹¹

Housing affordability has implications that extend beyond household budgets. As the cost of living rises, residents increasingly face decisions about whether the economic, cultural, and lifestyle benefits of the region outweigh its costs. Many residents may be responding to this affordability crisis by "voting with their feet," or relocating to more affordable areas.¹² Census data show that from April 1, 2020, to July 1, 2025, while continuing to attract immigrants, Miami-Dade and Broward counties experienced a negative net domestic migration, the difference between in-migration and out-migration (-278,091 and -96,399 for Miami-Dade and Broward counties, respectively).¹³

In 2024, many Floridians relocated to states such as Georgia (with 52,371 residents in 2024 who had moved from Florida to Georgia the year prior), Texas (52,219), North Carolina (33,591), New York (28,080), and Pennsylvania (25,048).¹⁴ As many of these states have lower housing costs, this suggests that affordability may be an influencing factor in these migration decisions. IRS data show that from 2022 to 2023, incoming residents to Miami-Dade County from other states had higher adjusted gross annual individual incomes (\$83,829) than locals (\$52,582). Out-migrants leaving had the lowest income of \$47,514.¹⁵ This indicates that South Florida's affordability challenges are reshaping who can remain in, enter, or leave the region. This raises serious questions about economic accessibility, workforce retention, and South Florida's long-term demographic composition.

Given these costs and their societal impacts, we seek to understand what it means to live and not merely survive in South Florida. We view housing affordability challenges not as a static situation, but as a dynamic economic issue. Housing costs shape household finances, migration patterns, workforce participation, and other community outcomes. In the following sections, we define the

¹⁰ U.S. Census Bureau, American Community Survey, 2024-5 Year Estimates.

¹¹ National Low Income Housing Coalition, *Out of Reach 2026: The High Cost of Housing* (Washington, DC: National Low Income Housing Coalition, 2026).

¹² Charles M. Tiebout, "A Pure Theory of Local Expenditures," *Journal of Political Economy* 64, no. 5 (1956): 416–24.

¹³ U.S. Census Bureau, Population Division, "Annual and Cumulative Estimates of the Components of Resident Population Change for Counties in Florida: April 1, 2020, to July 1, 2025 (CO-EST2025-COMP-12)."

¹⁴ Sheridan Meek, "Breaking down Migration in and out of Florida," Florida Chamber of Commerce, January 31, 2024; U.S. Census Bureau, "2024 American Community Survey 1-Year Estimates: State-to-State Migration Flows."

¹⁵ Internal Revenue Service, "SOI Tax Stats : Migration Data 2022–2023."

benchmark communities, analyze income relative to the cost of living in each area, and examine the regional (metropolitan statistical area) and state-level factors associated with housing cost burden.

Benchmarking to Other Communities

Comparing South Florida to peer metropolitan statistical areas (MSAs) helps determine whether its housing affordability challenges are unique to the area or indicative of broader economic trends. The selected peer regions capture a range of demographic, economic, and geographic characteristics, including areas that compete with South Florida for residents and businesses, areas that receive migrants from Florida, and metropolitan regions with similar service-oriented economies. When available, analyses are conducted at the MSA level; otherwise, comparable state-level measures are used.¹⁶ The selected MSAs are large, urban, and demographically diverse, including MSAs with significant Black or African American populations (e.g., Baltimore and Columbia) and Hispanic populations (e.g., Houston, Los Angeles, and the Miami MSA). The comparison group includes metropolitan areas within Florida as well as regions in Tennessee, Texas, South Carolina, Nevada, Michigan, Maryland, and California. These MSAs vary by other factors including age, income levels, and educational attainment (see Table 5 in the appendix for the demographic data of these areas).

The selected MSAs include:

- Miami-Fort Lauderdale-West Palm Beach MSA in Florida (Miami-Dade, Broward, and Palm Beach counties)
- Orlando-Kissimmee-Sanford MSA in Florida (Lake, Orange, Osceola, and Seminole counties)
- Jacksonville MSA in Florida (Baker, Clay, Duval, Nassau, and St. Johns counties).
- Nashville-Davidson-Murfreesboro-Franklin MSA in Tennessee (Cannon, Cheatham, Davidson, Dickinson, Hickman, Macon, Maury, Robertson, Rutherford, Smith, Sumner, Trousdale, Williamson, and Wilson counties)
- Columbia MSA in South Carolina (Calhoun, Fairfield, Kershaw, Lexington, Richland, and Saluda counties)
- Houston-Pasadena-the Woodlands MSA in Texas (Austin, Brazoria, Chambers, Fort Bend, Galveston, Harris, Liberty, Montgomery, San Jacinto, and Waller counties)
- Las Vegas-Henderson MSA in Nevada (Clark and Nye counties)
- Detroit-Warren-Dearborn in Michigan (Lapeer, Livingston, Macomb, Oakland, St. Clair, and Wayne counties)
- Baltimore-Columbia-Towson MSA in Maryland (Anne Arundel, Baltimore City, Baltimore County, Carroll, Harford, Howard, and Queen Anne's counties)
- Los Angeles-Long Beach-Anaheim MSA in California (Los Angeles and Orange counties).

¹⁶ Peer MSAs were selected based on demographic characteristics, migration patterns, geographic diversity and industrial comparability. For simplicity, we avoided selecting MSAs that fall between two states.

Figure 1: Location of Ten Metropolitan Statistical Areas



Alternative Measures of Economic Sufficiency and the Cost of Living

Traditionally, scholars focused on the federal poverty level (FPL) to describe the economic health of an area's residents. These guidelines determine eligibility for government benefits for families below the poverty line. In 2026, the FPL for a family of four in the 48 contiguous states was \$33,000.¹⁷ Following these guidelines, poverty affects a significant portion of the local community (one in ten of South Florida's population in 2024, or 13.1%).¹⁸ However, this measure does not fully account for assets, debt, or the role of government benefits in household budgets.¹⁹ While we acknowledge the important role the poverty rate plays in understanding a local economy, we believe it is not suitable for our analysis because it does not reflect household living costs. Therefore, we look for alternative economic sufficiency measures to understand our community and the benchmarks.

Alternative economic sufficiency measures include the United Way's ALICE Income Status Tool and MIT's Living Wage Calculator. The United Way's ALICE Income Status Tool focuses on Asset Limited Income Constrained Employed households above the FPL that earn too much for public assistance but cannot cover basic expenses. Table 1 compares median household income to two alternative economic sufficiency measures for two working adults with two school-aged children for the most

¹⁷U.S. Department of Health and Human Services, "[2026 Poverty Guidelines: 48 Contiguous States](#)."

¹⁸ U.S. Census Bureau, [American Community Survey](#), 2024-5 Year Estimates.

¹⁹ Gordon M. Fisher, "[The Development and History of the U.S. Poverty Thresholds — A Brief Overview](#)," Office of the Assistant Secretary for Planning and Evaluation.

populous county in each MSA, the ALICE Income Status Tool and the MIT Living Wage Calculator.²⁰ This data is for the most populous county in each MSA as the economic sufficiency tools are available at the county level. The data presents the gaps between the household income and each of these sufficiency tools. Information in red reflects negative gaps in the difference between each county's median household income and the survival income for a family of two adults with two children in each county. In other words, the median income in areas with red gaps is lower than the corresponding sufficiency tool. Together, these two measures suggest that Federal Poverty Level of \$33,000 for a family of four underestimates the economic challenges of working households in many MSAs across the country. Many families who cannot qualify for government assistance struggle daily to afford basic costs like transportation, childcare, healthcare and others.

Table 1 reveals that in many counties associated with the benchmark MSAs, the median household income falls short of the required survival budget to maintain a basic living standard. Only one county had a positive gap between its essential budget from the United Way ALICE tool and its median household income (Harris County, Texas). Thus, nine out of the ten counties representing our MSAs had a higher median income than the survival budget. The most unaffordable of the list was Miami-Dade County (-\$25,795). This means that the average household would need an additional \$25,795 in annual income to reach the ALICE Budget and Income Status measure. For the MIT Living Wage Calculator, no county had a positive gap.²¹

²⁰ The United Way ALICE Tool is a survival budget and is significantly lower than the MIT Living Wage Calculator for 2 working adults and 2 children. The table shows totals by county for the most populous county in each MSA, as the tools are available at the county level. As such, the data reflects the most recent year for each tool/metric.

²¹ United For ALICE, "[ALICE Budget and Income Status Tool](#)"; Massachusetts Institute of Technology, "[Living Wage Calculator](#)."

Table 1: Counties by Median Household Income and Economic Sufficiency Calculators, 2024

MSA	Most Populous County	U.S. Census Median Household Income (2024)	United Way ALICE Income Status Tool Annual Total Budget (2 adults + 2 School-aged Kids, 2024)	Gap (Median Household Income and ALICE Status Tool)	MIT Living Wage Calculator Required Annual Income Before Taxes (2 Working Adults + 2 Kids, 2026)	Gap (Median Household Income and MIT Living Wage Calculator)
Baltimore-Columbia-Towson, MD MSA	Baltimore County, MD	\$91,768	\$96,756	(\$4,988)	\$112,100	(\$20,332)
Columbia, SC MSA	Richland County, SC	\$63,784	\$74,700	(\$10,916)	\$107,098	(\$43,314)
Detroit-Warren-Dearborn, MI MSA	Wayne County, MI	\$60,539	\$73,800	(\$13,261)	\$106,699	(\$46,160)
Houston-Pasadena-The Woodlands, TX MSA	Harris County, TX	\$74,983	\$72,096	\$2,887	\$102,337	(\$27,354)
Jacksonville, FL MSA	Duval County, FL	\$71,277	\$81,312	(\$10,035)	\$105,795	(\$34,518)
Las Vegas-Henderson-North Las Vegas, NV MSA	Clark County, NV	\$76,472	--	--	\$121,903	(\$45,431)
Los Angeles-Long Beach-Anaheim, CA MSA	Los Angeles County, CA	\$90,112	--	--	\$140,735	(\$50,623)
Miami-Fort Lauderdale-West Palm Beach, FL MSA	Miami-Dade County, FL	\$71,753	\$97,548	(\$25,795)	\$115,585	(\$43,832)
Nashville-Davidson--Murfreesboro--Franklin, TN MSA	Davidson County, TN	\$77,853	\$87,036	(\$9,183)	\$106,706	(\$28,853)
Orlando-Kissimmee-Sanford, FL MSA	Orange County, FL	\$79,719	\$90,348	(\$10,629)	\$112,050	(\$32,331)

Source: U.S. Census Bureau 2024 American Community Survey, 5-Year Estimates; United Way Alice Income Status Tool; MIT Living Wage Calculator

Cost Burdens and Tradeoffs

In the following pages, we define the elements of cost burden (both the factors affecting cost burden and outcomes) and rank MSAs by these at the local and state levels. The appendix presents the data underlying these rankings. Housing cost burden for homeowners is based on a combination of additional housing expenses, including mortgages, taxes, insurance, and other housing-related costs. For renters it includes monthly rent and other associated expenses.²² More importantly, housing cost burden reflects the extent to which housing expenses limit household choices. Because household budgets are often constrained, these rising costs force households to make difficult choices to survive. These trade-offs include food, utilities, retirement, insurance, childcare, child development, and even medical care. Research by Shamsuddin and Campbell concluded that “across all outcomes—food insecurity, bill-paying hardship, medical care hardship, and any hardship—housing cost burden was positively associated with material hardship.”²³ The significance of these trade-offs and outcomes are evident in the Bureau of Labor Statistics' 2024 data, which showed that total annual household expenditures in the U.S. averaged \$78,535, with housing and transportation accounting for 50.4 percent of expenditures.²⁴

MSA Level Factors and Outcomes of Housing Cost Burden

The data in Tables 2 through 4 consists of rankings created by the FIU Jorge M. Perez Metropolitan Center for each metric and each MSA and as well as the national average from 1 to 11 for MSA level data and 1 to 7 for state-level data. The areas with the highest value for a particular measure are classified as 1 to indicate the top value (greatest percentage of cost burden homeowners or renters, high insurance rates, highest Supplemental Poverty Measure, etc.). The data associated with these rankings can be found in the appendix and the reference table is indicated in the writeup of each table. Table 2 compares the MSAs by key indicators associated with housing cost burden like the percentage of cost burden for mortgaged homeowners and renters, property insurance rates, and the Supplemental Poverty Measure, which provides an alternative poverty threshold that varies by geographic area and represents the income below which a family of four is considered poor (see Table 6 in the appendix).²⁵

Compared with other metropolitan areas, the Miami MSA stands out as the most financially constrained, with the highest levels of homeowner and rental cost burdens, reflecting an imbalance between housing costs and incomes and placing households under greater financial strain than in other areas. These findings are reinforced by housing market data that shows that the median sales price for a single-family home in Miami-Dade, Broward, and Palm Beach was at least \$600,000 in March 2026²⁶, and the overall median rent in South Florida was \$1,799.²⁷ High home prices and rents,

²² U.S. Census Bureau, “American Community Survey and Puerto Rico Community Survey 2024 Subject Definitions.”

²³ Shomon Shamsuddin and Colin Campbell, 2022. “[Housing Cost Burden, Material Hardship, and Well-Being](#),” *Housing Policy Debate* 32, no. 3 (2022): 413-32. Doi:10.1080/10511482.2021.1882532

²⁴ U.S. Bureau of Labor Statistics, “[Housing and Transportation Accounted for 50 Percent of Household Spending in 2024](#),” *The Economics Daily*.

²⁵ U.S. Census Bureau, “[Supplemental Poverty Measure](#),” Census.gov, November 14, 2024; U.S. Census Bureau. “[Measuring America: How the U.S. Census Bureau Measures Poverty](#),” Census.gov, July 20, 2022; U.S. Bureau of Labor Statistics Division of Price and Number Research, *2024 Supplemental Poverty Measure Base Thresholds*; and U.S. Census Bureau, American Community Survey 2019 to 2023 5-Year Estimates (ACS; DMS number P-7533841)

²⁶ Miami Realtors, “[South Florida Market Stats](#).”

²⁷ Apartment List, “[Data & Rent Estimates](#).”

and high Supplemental Poverty Measure thresholds indicate that households in the Miami MSA face greater affordability challenges than other MSAs. This in turn increases the likelihood that South Florida households will devote larger shares of income to housing, thus leaving fewer resources for other necessities.²⁸

Table 2: Rankings of MSA Level Factors Associated with Housing Cost Burdens*

MSA Name	Ranking Cost Burden Homeowners with Mortgage	Ranking Cost Burden Renters	Ranking Yearly Median Insurance for Mortgage Household	Ranking SPM Thresholds for 2-Adult 2-Child Family Homeowners with Mortgage	Ranking SPM Thresholds for 2-Adult 2-Child Family Renters
Baltimore-Columbia-Towson, MD MSA	8	8	8	4	4
Columbia, SC MSA	11	6	9	11	11
Detroit-Warren-Dearborn, MI MSA	10	11	10	10	10
Houston-Pasadena-The Woodlands, TX MSA	5	7	2	8	8
Jacksonville, FL MSA	6	5	4	7	7
Las Vegas-Henderson-North Las Vegas, NV MSA	4	3	11	5	5
Los Angeles-Long Beach-Anaheim, CA MSA	2	4	7	1	1
Miami-Fort Lauderdale-West Palm Beach, FL MSA	1	1	1	2	2
Nashville-Davidson--Murfreesboro--Franklin, TN MSA	9	9	5	6	6
Orlando-Kissimmee-Sanford, FL MSA	3	2	3	3	3
United States	7	10	6	9	9

*Rankings calculated by FIU JPMC team from 1 for highest value to 11 for lowest value for each metric.

Source: U.S. Census Bureau, 2024 American Community Survey, 5-Year Estimates; Bureau of Labor Statistics Division of Price and Number Research, 2024 Supplemental Poverty Measure base thresholds; U.S. Census Bureau, American Community Survey 2019 to 2023 5-Year Estimates (ACS; DMS number P-7533841).

High housing costs create greater financial risks and costly trade-offs for many, affecting financial security, household stability, and quality of life. Households may respond by reducing expenditures, sharing housing costs with nonrelatives, or forgoing property insurance. Table 3 shows the rankings of the percentage of homeowners without insurance and the percentage of households with nonrelative members. The data highlights that the South Florida MSA had the highest percentage of homes without homeowners' insurance (21.2%). This is substantially higher than the next highest

²⁸ SPM is released annually and accounts for cash income, government benefits, expenses for basic needs beyond food, and unrelated children, foster children, and unmarried partners with their dependents. The federal rate for a family of two adults and two related children is \$31,812. This measure varies by state and metro area. The SPM poverty thresholds for a family of two adults with two children in 2024 for the Miami MSA were higher than FPL but lower than other alternative measures.

percentage of 15.5% for the Columbia MSA.²⁹ For the full data associated with the rankings, please see Table 7 in the appendix. This high share of uninsured homeowners (one in five) in South Florida suggests that households are responding to higher costs by foregoing insurance coverage despite the risks of living in the country's hurricane capital. Recent FEMA data points to the increasingly costly and devastating nature of hurricane seasons, with the agency providing over \$1.7 billion to Floridians for uninsured losses from Hurricanes Helene and Milton.³⁰ As more residents forgo insurance and hurricanes become costlier, the number of financially vulnerable households impacted by a major storm may increase.

For some, making ends meet in an area with high living costs may mean living with non-family members, including renting rooms to boarders. National data suggests that 8.1 million households were sharing homes with nonrelatives in 2023.³¹ In Table 3, the differing rankings suggest that households respond to affordability pressures differently across the country. In some areas like Los Angeles, they may reside with nonrelatives (the highest ranking or 14.7% of households), while South Florida residents are more likely to offset housing expenses by forgoing other costs including homeowners' insurance. For the data associated with this ranking please see Table 7 in the appendix.

Table 3: MSA-Level Cost-Burden Outcomes*

MSA Name	Ranking of % of Homes without Homeowners' Insurance	Ranking of Households with Nonrelative Members
Baltimore-Columbia-Towson, MD MSA	10	8
Columbia, SC MSA	2	10
Detroit-Warren-Dearborn, MI MSA	4	11
Houston-Pasadena-The Woodlands, TX MSA	3	9
Jacksonville, FL MSA	5	7
Las Vegas-Henderson-North Las Vegas, NV MSA	8	2
Los Angeles-Long Beach-Anaheim, CA MSA	11	1
Miami-Fort Lauderdale-West Palm Beach, FL MSA	1	4
Nashville-Davidson--Murfreesboro--Franklin, TN MSA	9	5
Orlando-Kissimmee-Sanford, FL MSA	7	3
United States	6	6

*Rankings calculated by FIU JPMC team from 1 for highest value to 11 for lowest value for each metric.

Source: U.S. Census Bureau, 2024 American Community Survey, 5-Year Estimates

²⁹ To determine the percentage of homeowners without homeowners' insurance, we followed the methodology used by LendingTree and others, identifying homeowners with and without mortgages who reported paying \$100 or less annually for property insurance as uninsured. The methodology was applied to data from the American Community Survey 2020-2024 5-Year Estimates; Maggie Davis, "Nearly 1 in 7 Homes across US Are Uninsured," LendingTree, March 2, 2026.

³⁰ Federal Emergency Management Agency, "Florida Helene and Milton Recovery Fact Sheet."

³¹ Sarah Yang, "The State of the Housing Market Has Forced Millennials to Get Creative," Sunset Magazine, August 11, 2025.

State-Level Factors and Outcomes of Cost Burden

Taxes are another burden faced in addition to housing costs. Although Florida does not levy a state personal income tax, its residents are impacted by other state and local taxes like property and sales taxes. The Economic Policy Institute measured this by comparing the average state and local tax rate for the bottom 80% with that of the top 5%. The data indicated that many of the states without a state personal income tax like Florida had the highest inequality levels possibly due to a higher sales tax burden than those with a state income tax.³² Using the most recent data available (Fiscal Year 2023), when comparing Florida with the six other states from the benchmark group, Florida ranked among the bottom tier of the seven states from the ten MSAs for state and local tax burden (\$5,141 per capita toward state and local income taxes). See Table 8 in the appendix. This is lower than the national per capita average of \$7,038, indicating that MSAs in the state have a lower tax burden. However, given other high costs these savings may be offset by housing and insurance costs.

High housing costs may affect the financial tradeoffs in other expenses that households must face including car insurance coverage and retirement savings. Households may decide to face these affordability challenges by resorting to alternative financing and cost savings. Our hypothesis is that high housing costs may contribute to residents forgoing car insurance coverage (especially if insurance rates are high), reducing retirement savings, and relying more on credit to finance their lifestyle. Table 4 shows the state rankings by the JPMC team of the metrics associated with these concepts including the percentage of uninsured motorists and the associated annual car insurance rates for full coverage, median retirement savings, retirement account prevalence, and the average credit card balance and the associated average FICO score. For the data associated with the rankings, please see Table 9 in the appendix.

Florida presents an interesting case as it has high rankings in some but not all metrics. The state is marked by the second-highest car insurance rates for full coverage (\$3,916 in 2026) and a high percentage of motorists without insurance (15.9% in 2022). Florida ranks high for retirement savings compared with the other benchmark states, suggesting that households are continuing to prioritize long-term stability despite rising costs (the third-highest ranking, or median retirement savings of \$78,000 in 2023). This is substantially lower than the second highest state for median retirement savings of the group, California with median savings of \$100,000.

The high credit card balances in Florida suggest that some Floridians may be relying on credit card debt to afford their lifestyle; however, the data does not detail the reasons households may be incurring such debt levels. Despite a high average credit card score, credit card debt levels in Florida are high (the state had the top ranking for an average credit card balance of \$7,444). This may be explained by the fact that in many of these states, residents had average credit scores of at least 700 points (California, Florida, Maryland, Nevada, and Tennessee). As housing costs have outpaced wage growth, households in South Florida may increasingly rely on debt and other financial trade-offs to bridge the gap between earnings and living expenses. If residents rely on credit to afford these high living costs, affordability may not be simply a housing supply issue but may point to a more complex problem: the need for incomes and wages that reflect actual living costs. This coincides with research from the Urban Institute, which shows that nationwide earnings have grown 43 percent

³² Economic Policy Institute, "[State and Local Taxes and Spending](#)."

since 2017, while home sale prices have increased 81 percent and rents 54 percent.³³ Taken together, these indicators suggest that affordability pressures extend beyond housing costs impacting broader financial decisions.

Table 4: State-Level Indicators Associated with Household Financial Tradeoffs

	Ranking of % of Uninsured Motorists in 2022	Ranking of Average Annual Car Insurance Cost for Full Coverage, May 2026	Ranking of Median Retirement Savings 2023	Ranking of Retirement Account Prevalence 2023	Ranking of Average FICO Score 2026	Ranking of Average Credit Card Balance 2026
California	2	3	2	2	1	5
Florida	3	2	3	5	3	1
Maryland	4	7	1	1	2	3
Nevada	7	1	5	7	5	4
South Carolina	6	5	7	4	6	6
Tennessee	1	6	4	3	4	7
Texas	5	4	6	6	7	2

*Rankings calculated by FIU JPMC team from 1 for highest value to 7 for lowest value for each metric.

Source: Insurance Information Institute, Estimated Percentage of Uninsured Motorists by State, 2017-2022; CarInsurance.com Car Insurance Rates by State in 2026; SmartAsset, Retirement by State 2026 Study; Experian, Average Credit Card Debt Increases Just 0.6% to \$6,659 in 2026

³³ Urban Institute, [“The American Affordability Tracker.”](#)

Conclusion

The affordability crisis in Florida is evident in the data and is palpable in the daily lives of Floridians. In sum, the findings point to an affordability crisis in Florida with households facing deep financial strain. These high housing costs impact overall household budgets and affect insurance costs, transportation costs, household debt and long-term retirement planning. Florida policymakers have responded with cost containment strategies. However, these policies do not truly address the affordability issue as the mismatch between median income and the cost of living continues.

Cost containment proponents focus on keeping taxes and insurance costs low in the state. In a 2024 report, The Florida Chamber Foundation posited that if policymakers can curb insurance costs, keep taxes low, and maintain access to higher education, Floridians, particularly those with college degrees, will remain.³⁴ However, given the out-migration data presented above, this may not be the case. U.S. Census migration data suggests that domestic outmigration is alive and well in South Florida. And it is growing. Our central thesis remains that the cost of living is a major factor associated with South Florida's domestic outmigration, especially when analyzed within the context of the broader expenses in this study. And while Florida's status as a tax haven may be a selling point to in-migrants with high earnings, our comparisons demonstrate that tax savings from not having a state income tax do not offset the bundle of costs facing low- and middle-income families. Our findings suggest a benefit-cost calculus that is leading many to conclude that their pocketbooks and quality of life are best served by domicile outside the Sunshine State.

Our data suggests that cost-containment strategies alone are unlikely to slow out-migration of low- to middle-income residents from the Sunshine State. Instead, Florida policymakers should address the wage structure of a service and tourism-based economy. Florida decision-makers should consider how "New South" states such as Georgia, North Carolina, and South Carolina have developed increasingly diversified their industrial base to focus on advanced manufacturing, research, and high-level services with their associated higher-wage jobs.³⁵ Given this high cost burden, our findings suggest that the American dream of homeownership is not attainable for most in South Florida without a significant change in the wage base. This cannot be done overnight, and it requires multi-sector cooperation and long-term commitment.

Our assessment is not simply about "the numbers." Non-pecuniary costs are at play as well. Automobile insurance costs in Florida underscore this point. Around sixteen percent of motorists were uninsured statewide in 2022, with evidence suggesting many are underinsured due to lack of bodily injury coverage (i.e., they are legally driving but lack coverage if they injure others). Thus, being in a car accident in South Florida entails risks for persons and property that may not be seen in other areas. Ironically, in 2021, Governor DeSantis vetoed legislation to end no-fault insurance and mandate mandatory bodily injury coverage for injuring others. Part of his veto rationale was that higher premiums would have contributed to even more uninsured motorists.³⁶

³⁴ Florida Chamber Foundation, "[Florida Chamber Foundation's Latest State-to-State Population Migration Report Highlights Florida's National Leadership and Key Opportunities for Future Growth](#)," July 29, 2024.

³⁵ Georgia Department of Economic Development, "[Manufacturing in Georgia](#)."

³⁶ Kelly Hayes, "[Gov. DeSantis Vetoes No-Fault Repeal Legislation](#)," *Florida Politics*, June 30, 2021.

The large number of uninsured homeowners pose a similar threat. In the event of a severe hurricane or other natural disaster, how resilient will a neighborhood (HOAs or condominiums as well) be if a fifth of the owners are uninsured?

Our pension numbers suggest that those in Florida with 401Ks or similar vehicles have saved at par with other jurisdictions. But these plans are generally offered by mid- to large-size employers and used by higher-income workers. However, retirement plan coverage and access are among the lowest in Florida (55.4%), suggesting that affordability pressures may limit the share of the population that can contribute to the three-legged stool of retirement (personal savings, workplace retirement, and Social Security).³⁷

Florida's 2026 FICO scores are the third highest in our comparison group, but below the national average of 714. In the current "K-shaped" economy, this is particularly stark. In May 2026, a record 48.1% of Americans had credit scores of 750 or higher, while the average for those in the downstroke declined.³⁸ The 704 score in Florida is below that of other states in the comparison group and may affect borrowing costs for many households across the state. This may result in many Floridians paying more for insurance and loans than peers elsewhere. We cannot attribute this solely to housing cost burdens. However, rising homeowners' costs including insurance costs result in additional financial pressures on Florida households.³⁹

Having discussed the factors associated with high levels of housing cost burden across the state, what is a real solution to this challenge? The state's wage structure may be the principal determinant of its affordability crisis. While the state's median household income of \$77,735 in 2024 ranks 26th, it ranks 11th highest for regional price parity, above the U.S. price parity of 100.0.⁴⁰ This squares with the significant gap between earnings and survival budgets presented earlier. It also squares with the state's high and continued reliance on low-wage leisure, hospitality, and retail employment.⁴¹

Florida policymakers have taken legislative actions to lower home and car insurance costs, and adopting Live Local may reduce housing cost burdens in coming years. But these actions are unlikely to reduce the enormous cost burdens faced by typical earners. Questions for senior public managers and elected officials include:

1. How do tax and land-use decisions incentivize the creation of high-wage, sustainable employment across the state?
2. How do K-12 and higher education sectors work with employees to provide skilled workers in high-wage jobs?
3. Does the educational sector provide ample opportunities for low-skilled, low-wage workers to retool and work their way into the middle class and foster upward mobility?

³⁷ Ruben Francis, "How Much Does Retirement Plan Coverage Vary by State and Income? An Updated Look," *Economic Innovation Group*, October 22, 2024.

³⁸ FICO, "FICO® SCORE Credit Insights Report: Average Fico Score Dips to 714."

³⁹ Ashley Miznazi, "Homeowners Insurance in Florida Increased at Double the National Rate, Report Says," *WUSF*, May 26, 2026.

⁴⁰ U.S. Bureau of Economic Analysis, "Real Personal Consumption Expenditures by State and Real Personal Income by State, 2024," news release, March 31, 2026, <https://www.bea.gov/news/2026/real-personal-consumption-expenditures-state-and-real-personal-income-state-2024>

⁴¹ U.S. Census Bureau, American Community Survey, 2024-5 Year Estimates.

Appendix

Table 5: U.S. and MSAs by Demographic Variables**

MSA Name	Total Population	Median Age	Race/Ethnicity	Median HH Income	Percent with a Bachelor's degree or higher Population 25+
Universe	Total Population	Total Population	Total Population	Households	
United States	334,922,499	38.9	Hispanic: 19.3%; White: 57.4%; Black 11.9%	\$80,734	35.7%
Baltimore-Columbia-Towson, MD MSA	2,849,436	39.0	Hispanic: 8.1%; White: 52.2%; Black 28.4%	\$99,470	44.0%
Columbia, SC MSA	849,181	37.6	Hispanic: 7.0%; White: 53.3%; Black 33.1%	\$68,359	35.4%
Detroit-Warren-Dearborn, MI MSA	4,376,828	40.3	Hispanic: 5.3%; White: 63.5%; Black: 21.2%	\$76,664	34.8%
Houston-Pasadena-The Woodlands, TX MSA	7,442,788	35.4	Hispanic: 38.2%; White: 32.8%; Black: 17.0%	\$82,168	36.0%
Jacksonville, FL MSA	1,683,960	39.3	Hispanic: 11.1%; White: 58.8%; Black: 20.1%	\$79,643	36.5%
Las Vegas-Henderson-North Las Vegas, NV MSA	2,329,548	38.5	Hispanic: 31.9%; White: 38.3%; Black:11.5%	\$76,472	27.8%
Los Angeles-Long Beach-Anaheim, CA MSA	12,974,487	38.5	Hispanic: 45.0%; White: 27.7%; Black: 6.0%	\$95,958	38.0%
Miami-Fort Lauderdale-West Palm Beach, FL MSA	6,249,291	41.8	Hispanic: 46.7%; White: 27.4%; Black 19.3%	\$76,527	36.7%
Nashville-Davidson--Murfreesboro--Franklin, TN MSA	2,079,596	36.9	Hispanic: 10.1%; White: 68.4%; Black:13.8%	\$85,447	40.9%
Orlando-Kissimmee-Sanford, FL MSA	2,793,746	38.5	Hispanic: 33.3%; White: 41.9%; Black:15.0%	\$78,533	36.7%

*Hispanic refers to Hispanic of any race, White refers to White alone, not Hispanic or Latino, and Black refers to Black alone not Hispanic or Latino.

** In subsequent tables, amounts in red are the highest values in the range (excluding the United States), while amounts in green are the lowest values.

Source: U.S. Census Bureau, 2024 American Community Survey, 5-Year Estimates

Table 6: U.S. and MSAs by the Factors of Housing Cost Burden

MSA Name	% Cost Burden Homeowners with a Mortgage	% Cost Burden Renters	Median Property Insurance for Mortgage Households (Yearly)	Supplemental Poverty Thresholds for 2-Adult 2-Child Family Homeowners with a Mortgage	Supplemental Poverty Thresholds for 2-Adult 2-Child Family Renters
Universe	Housing units with a mortgage for which selected monthly owner costs as a percentage of household income (SMOCAPI) are calculated	Rental units for which gross rent as a percentage of household income (GRAPI) are calculated	Owner-occupied housing units with a mortgage	Two Adult Two Child Family Homeowners with a Mortgage	Two Adult Two Child Family Renters
United States	28.1%	51.1%	\$1,307.25	\$39,068	\$39,430
Baltimore-Columbia-Towson, MD MSA	25.6%	51.9%	\$1,238.58	\$42,696	\$43,168
Columbia, SC MSA	24.0%	55.4%	\$1,214.80	\$35,948	\$36,216
Detroit-Warren-Dearborn, MI MSA	24.1%	50.8%	\$1,151.47	\$37,440	\$37,753
Houston-Pasadena-The Woodlands, TX MSA	29.6%	53.1%	\$2,141.22	\$39,560	\$39,937
Jacksonville, FL MSA	28.8%	55.8%	\$1,639.04	\$40,068	\$40,461
Las Vegas-Henderson-North Las Vegas, NV MSA	32.3%	57.7%	\$915.53	\$40,424	\$40,827
Los Angeles-Long Beach-Anaheim, CA MSA	41.6%	57.5%	\$1,286.87	\$49,241	\$49,910
Miami-Fort Lauderdale-West Palm Beach, FL MSA	43.0%	64.2%	\$3,178.36	\$44,782	\$45,317
Nashville-Davidson--Murfreesboro--Franklin, TN MSA	25.3%	51.4%	\$1,377.05	\$40,170	\$40,565
Orlando-Kissimmee-Sanford, FL MSA	33.3%	60.0%	\$1,906.62	\$42,696	\$43,168

Source: U.S. Census Bureau, 2024 American Community Survey, 5-Year Estimates; Bureau of Labor Statistics Division of Price and Number Research, 2024 Supplemental Poverty Measure base thresholds; U.S. Census Bureau, American Community Survey 2019 to 2023 5-Year Estimates (ACS; DMS number P-7533841).

Table 7: MSA-Level Outcomes of Housing Cost Burden: Home Insurance Levels, and Households with Nonrelative Members

MSA Name	Percent Without Home Insurance	Percent of Households with Nonrelative Members
Universe	Owner-occupied housing units	Households
United States	13.6%	11.9%
Baltimore-Columbia-Towson, MD Metro Area	10.5%	11.1%
Columbia, SC Metro Area	15.5%	10.5%
Detroit-Warren-Dearborn, MI Metro Area	15.0%	9.7%
Houston-Pasadena-The Woodlands, TX Metro Area	15.2%	10.7%
Jacksonville, FL Metro Area	14.3%	11.2%
Las Vegas-Henderson-North Las Vegas, NV Metro Area	12.4%	14.6%
Los Angeles-Long Beach-Anaheim, CA Metro Area	9.9%	14.7%
Miami-Fort Lauderdale-West Palm Beach, FL Metro Area	21.2%	12.9%
Nashville-Davidson--Murfreesboro-Franklin, TN Metro Area	11.1%	12.3%
Orlando-Kissimmee-Sanford, FL Metro Area	13.5%	13.7%

Source: U.S. Census Bureau, 2024 American Community Survey, 5-Year Estimates

Table 8: States by Per Capita State and Local Tax Collections, Fiscal Year 2023

State	Per Capita State and Local Tax Collections	State Income Tax
California	\$8,942	Yes
Florida	\$5,141	No
Maryland	\$8,139	Yes
Nevada	\$6,365	No
South Carolina	\$4,984	Yes
Tennessee	\$4,912	No
Texas	\$5,737	No

Source: Tax Foundation, 2026

Table 9: State-Level Outcomes of Housing Cost Burden: Percentage of Uninsured Motorists, Average Annual Car Insurance Cost, Median Retirement Savings, Retirement Account Prevalence, Average FICO Score, and the Average Credit Card Balance

	Percent of Uninsured Motorists in 2022	Average Annual Car Insurance Cost for Full Coverage, May 2026	Median Retirement Savings 2023	Retirement Account Prevalence 2023	Average FICO Score 2026	Average Credit Card Balance 2026
California	17.0%	\$3,444	\$100,000	61.8%	721	\$7,129
Florida	15.9%	\$3,916	\$78,000	55.4%	704	\$7,444
Maryland	15.1%	\$1,999	\$120,000	73.5%	713	\$7,358
Nevada	8.8%	\$3,963	\$70,000	55.1%	700	\$7,293
South Carolina	12.3%	\$2,417	\$50,300	56.6%	699	\$6,505
Tennessee	20.9%	\$2,235	\$74,500	60.0%	703	\$6,257
Texas	13.8%	\$3,106	\$55,000	55.2%	692	\$7,383

Source: Insurance Information Institute, Estimated Percentage of Uninsured Motorists by State, 2017-2022; CarInsurance.com Car Insurance Rates by State in 2026; SmartAsset, Retirement by State 2026 Study; Experian, Average Credit Card Debt Increases Just 0.6% to \$6,659 in 2026