

HUD PD&R Regional Reports

Region 7: Great Plains



Quick Facts About Region 7

St. Louis, Missouri

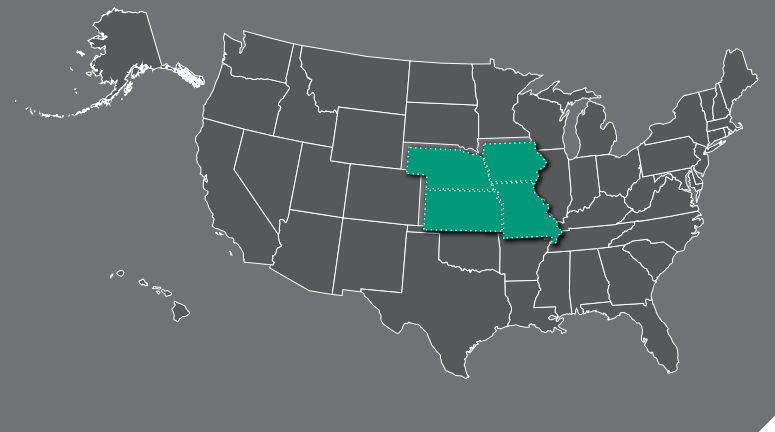
By [Heather Jones](#) | 1st Quarter 2025

Sales market conditions—

First quarter 2025: mixed (balanced to slightly soft)
Fourth quarter 2024: mixed (balanced to slightly soft)
First quarter 2024: mixed (balanced to slightly soft)

Apartment market conditions—

First quarter 2025: mixed (balanced to slightly soft)
Fourth quarter 2024: mixed (balanced to slightly soft)
First quarter 2024: mixed (balanced to slightly soft)



Overview

Although job growth slowed in the Great Plains region as of the first quarter of 2025, the economy continued to expand. Nonfarm payrolls rose by 21,500 jobs, or 0.3 percent, year over year following an increase of 59,200 jobs, or 0.9 percent, as of the first quarter of 2024. By comparison, nonfarm payrolls in the nation rose 1.3 percent as of the first quarter of 2025, down from a 1.5-percent gain as of the first quarter of 2024. Unemployment rates rose in all four states in the region but were at or below the national rate. Home sales in the region declined for the third consecutive year but at a slower rate than during the previous year and slower than the national rate of decline. Average home sales prices rose in all states in the region; however, the national rate of home price growth was higher than the rates in all states in the region. Apartment market conditions in the region ranged from balanced to slightly soft. Apartment vacancy rates decreased in four of the five metropolitan areas highlighted in this report, largely because absorption of new units surpassed deliveries. In addition, rent growth matched or exceeded the national rate of 1 percent in each of the five metropolitan areas (CoStar Group).

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- The rate of population growth in the region accelerated from 2023 to 2024, with stronger increases occurring in all four states in the region. The population increased by 97,200, or 0.7 percent, to more than 14.46 million, up from growth of 74,000, or 0.5 percent, from 2022 to 2023; however, the regional growth from 2023 to 2024 was below the 1.0-percent population growth rate for the nation.
- During the 12 months ending February 2025, new and existing home sales in the region decreased 4 percent

to 265,900 (CoStar Group). The average home price rose 5 percent to \$275,400 following a 2-percent increase during the previous 12 months.

- Among the metropolitan areas highlighted in this report, Omaha had the lowest apartment vacancy rate as of the first quarter of 2025 at 5.9 percent. The Kansas City metropolitan area had the highest average monthly rent at \$1,354.

Economic Conditions

Nonfarm payrolls in the Great Plains region averaged 7.03 million during the first quarter of 2025, representing an increase of 21,500 jobs, or 0.3 percent, from the first quarter of 2024. Three of the four states in the region added jobs during the past year, with 0.4-percent increases in Kansas and Missouri and a 0.7-percent rise in Nebraska. Payrolls in Iowa decreased 0.4 percent during the same period. All but five nonfarm payroll sectors added jobs in the region, with the largest gain and fastest growth of 36,100 jobs, or 3.2 percent, in the education and health services sector. Completions and expansions of several private medical facilities throughout the region—including a significant expansion of the new ambulatory care facility at Washington University School of Medicine in St. Louis—contributed to gains in the sector. The education and health services sector is also the fastest growing sector in the national economy, and the demand for healthcare jobs has increased due to the aging population. The government sector also had notable job growth

in the region, expanding by 19,900 jobs, or 1.7 percent. The local and state government subsectors accounted for all the growth in the government sector, increasing by 11,800 and 8,400 jobs, respectively, offset slightly by a decrease of 300 jobs in the federal government subsector.

During the first quarter of 2025, the unemployment rate for the region averaged 4.0 percent, up from the 3.5-percent rate a year ago. Unemployment rates rose in each of the four states in the region, with the largest percentage-point increase in Iowa, where the rate rose from 3.1 to 3.8 percent. In Kansas, the rate increased 0.5 percentage point to 3.9 percent, and in Missouri and Nebraska, the respective unemployment rates rose to 4.4 and 3.2 percent, up from 4.0 and 2.8 percent a year ago. Unemployment rates throughout the region were at or below the national rate, which rose to 4.4 percent as of the first quarter of 2025 from 4.1 percent a year ago.

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As of the first quarter of 2025, total nonfarm payrolls in the Great Plains region increased year over year, with gains in 6 of the 11 payroll sectors.

| | First Quarter | | Year-Over-Year Change | |
|----------------------------------|---------------------|---------------------|-------------------------|---------|
| | 2024 (Thousands) | 2025 (Thousands) | Absolute (Thousands) | Percent |
| Total Nonfarm Payrolls | 7,010.9 | 7,032.4 | 21.5 | 0.3 |
| Goods-Producing Sectors | 1,141.1 | 1,127.8 | -13.3 | -1.2 |
| Mining, Logging, & Construction | 354.1 | 355.1 | 1.0 | 0.3 |
| Manufacturing | 787.1 | 772.7 | -14.4 | -1.8 |
| Service-Providing Sectors | 5,869.8 | 5,904.6 | 34.8 | 0.6 |
| Wholesale & Retail Trade | 1,015.1 | 1,012.0 | -3.1 | -0.3 |
| Transportation & Utilities | 320.1 | 322.8 | 2.7 | 0.8 |
| Information | 101.1 | 97.7 | -3.4 | -3.4 |
| Financial Activities | 434.3 | 437.9 | 3.6 | 0.8 |
| Professional & Business Services | 808.6 | 793.4 | -15.2 | -1.9 |
| Education & Health Services | 1,135.2 | 1,171.3 | 36.1 | 3.2 |
| Leisure & Hospitality | 654.6 | 644.2 | -10.4 | -1.6 |
| Other Services | 258.2 | 262.7 | 4.5 | 1.7 |
| Government | 1,142.6 | 1,162.5 | 19.9 | 1.7 |

Note: Numbers may not add to totals due to rounding.

Source: U.S. Bureau of Labor Statistics

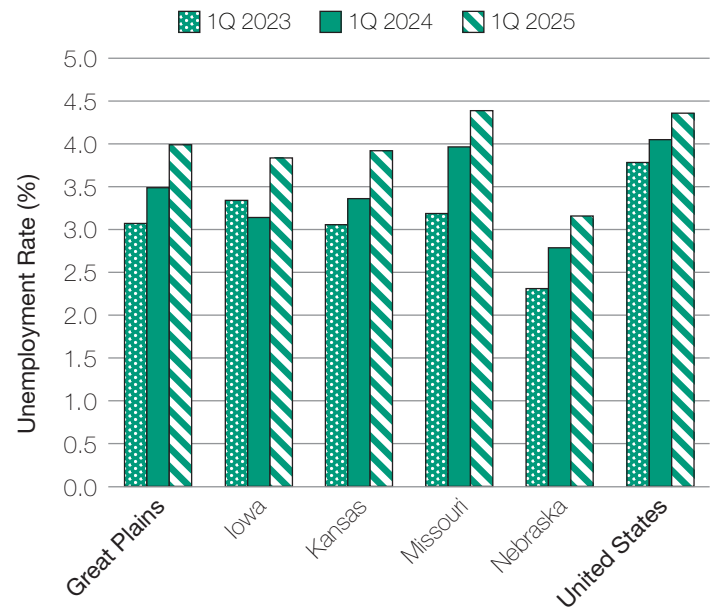


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As of the first quarter of 2025—

- The 13,200 jobs added in Missouri were the most of any state in the region, accounting for 61 percent of the regionwide increase. Nonfarm payrolls in the state rose to 2.96 million, partly because of the growth of 3,800 and 2,000 jobs, or 1.6 and 0.2 percent, respectively, in the Springfield and the Kansas City metropolitan areas.
- Job growth slowed in Nebraska, where nonfarm payrolls averaged 1.05 million, an increase of 0.7 percent from a year ago. Payrolls rose 1.3 percent the previous year, slowing from the first quarter of 2023, when the number of jobs rose 2.1 percent.
- Nonfarm payrolls in Kansas grew by 6,300 jobs, or 0.4 percent, down from a gain of 12,500 jobs, or 0.9 percent, as of the first quarter of 2024. Much of the statewide slowdown occurred in the Wichita metropolitan area, adding 600 jobs compared with 5,000 jobs a year earlier.
- Iowa was the only state that shed jobs as of the first quarter of 2025; nonfarm payrolls decreased by 5,700 jobs, or 0.4 percent, to an average of 1.57 million. This was a reversal from the first quarter of 2024, when payrolls rose by 13,600, or 0.9 percent.

As of the first quarter of 2025, the unemployment rate rose in every state in the Great Plains region, and the regional rate was below the national average.



1Q = first quarter.
Source: U.S. Bureau of Labor Statistics

Population

Population growth in the Great Plains region accelerated from 2023 to 2024, although the rate of growth was slower than in the nation during the same period. From 2023 to 2024, the population of the region rose to approximately 14.46 million (U.S. Census Bureau population estimates as of July 1). The 0.7-percent increase in the region was up from 0.5 percent from 2022 to 2023 but below the 1.0-percent figure for the nation. Net in-migration to the region increased to 80,400 people from 2023 to 2024, up from 61,200 people a year before, and net natural increase rose from 14,100 people to more than 16,700

people. International net in-migration increased to 74,500 people from 2023 to 2024, up from 61,700 the previous year. Following domestic net out-migration of 500 people from 2022 to 2023, domestic net in-migration to the region totaled 5,900 from 2023 to 2024. The acceleration in net natural increase was due entirely to a decline in the number of deaths in the region, falling from 150,100 to 145,600. Deaths in the region have decreased each year since 2022, mainly because of fewer COVID-19-related deaths.

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Population growth from 2023 to 2024 in the Great Plains region accelerated from a year earlier.

| | Population Estimate (as of July 1) | | | Percentage Change | |
|---------------------|------------------------------------|-------------|-------------|-------------------|--------------|
| | 2022 | 2023 | 2024 | 2022 to 2023 | 2023 to 2024 |
| United States | 334,017,321 | 336,806,231 | 340,110,988 | 0.8 | 1.0 |
| Great Plains Region | 14,291,804 | 14,365,816 | 14,463,025 | 0.5 | 0.7 |
| Iowa | 3,202,820 | 3,218,414 | 3,241,488 | 0.5 | 0.7 |
| Kansas | 2,937,324 | 2,951,500 | 2,970,606 | 0.5 | 0.6 |
| Missouri | 6,179,414 | 6,208,038 | 6,245,466 | 0.5 | 0.6 |
| Nebraska | 1,972,246 | 1,987,864 | 2,005,465 | 0.8 | 0.9 |

Source: U.S. Census Bureau



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From July 1, 2023, to July 1, 2024—

- With a population of 6.25 million, Missouri was the most populous state in the region; population growth in the state accelerated to 0.6 percent from 2023 to 2024, up from the 0.5-percent increase a year earlier. Net in-migration to the state rose from 29,100 to 35,850 people, and net natural change reversed compared with the previous year, from a decline of 90 to an increase of 1,525 people.
- The fastest population growth in the region was in Nebraska, where the population rose 0.9 percent, or by 17,600, to 2.01 million. Net natural increase in the state was the greatest in the region, adding 6,100 people, and net in-

migration totaled 11,500 people, entirely due to international migration of 13,000, which offset domestic net out-migration of 1,500 people.

- Population growth also accelerated in the remaining two states in the region. In Iowa, the population rose 0.7 percent to more than 3.24 million because of growth in net in-migration and net natural increase, which rose to 19,200 and 3,825 people, respectively.
- In Kansas, the population rose 0.6 percent to 2.97 million. Due to increasing international net in-migration, Kansas had net in-migration of 13,850 people, in addition to net natural increase in the state, which accelerated to 5,225 people.

Sales Market Conditions

As of the first quarter of 2025, sales market conditions in the Great Plains region were mixed, ranging from balanced to slightly soft, similar to conditions a year earlier. Relatively high mortgage interest rates limited sales demand and contributed to subdued home sales throughout much of the region during the past year. The number of home sales fell in each of the four states during the 12 months ending February 2025; however, home price growth accelerated in three of the four states in the region. The 30-year, fixed-rate mortgage rate in the United States averaged 6.8 percent during the first quarter of 2025, up slightly from an average of 6.7 percent in the first quarter of 2024 and much higher than the 2.9-percent average rate in the first quarter of 2021 (Freddie Mac). The inventory of homes available for sale in the region rose over the past year. A total of 49,050 homes were actively listed for sale in the region in March 2025, up from 45,200 in March 2024 (Redfin, a national real estate brokerage). The 9-percent increase in the region

during the past year was lower than the national increase of 15 percent, and the current regionwide level of for-sale inventory is well below a recent high for March of 61,750 active listings in 2020. For-sale inventory rose in each of the four states in the region during the past year, ranging from a 1-percent increase to 5,000 active listings in Nebraska to a 12-percent rise to 23,950 active listings in Missouri.

Home sales decreased throughout the region during the past year, although the rate of decline moderated significantly from a year ago. The number of sales in the region fell 4 percent to 265,900 homes during the 12 months ending February 2025 (Cotality, with adjustments by the analyst). Home sales declines ranged from 1 to 5 percent in the four states in the region, with the steepest decline in Kansas, where the number of homes sold was down 5 percent to 40,250. The slowest statewide decline in home sales of 1 percent was in Nebraska.

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Average home sales prices increased throughout the Great Plains region during the 12 months ending February 2025, whereas home sales declined in most major markets.

| | 12 Months Ending | Number of Homes Sold | | | | Price | | |
|--------------------------------|------------------|----------------------|---------|----------------|---------|-----------|-----------|----------------|
| | | 2024 | 2025 | Percent Change | Average | 2024 (\$) | 2025 (\$) | Percent Change |
| Iowa | February | 59,550 | 58,500 | -2 | AVG | 226,600 | 235,200 | 4 |
| Des Moines-West Des Moines, IA | February | 15,050 | 15,200 | <1 | AVG | 291,100 | 300,400 | 3 |
| Kansas | February | 42,500 | 40,250 | -5 | AVG | 311,100 | 322,900 | 4 |
| Wichita, KS | February | 13,200 | 12,150 | -8 | AVG | 256,400 | 263,200 | 3 |
| Missouri | February | 138,700 | 133,000 | -4 | AVG | 265,800 | 281,100 | 6 |
| Kansas City, MO-KS | February | 46,650 | 44,850 | -4 | AVG | 342,100 | 355,500 | 4 |
| St. Louis, MO-IL | February | 55,650 | 54,850 | -1 | AVG | 252,700 | 267,100 | 6 |
| Nebraska | February | 34,700 | 34,250 | -1 | AVG | 258,500 | 268,000 | 4 |
| Omaha-Council Bluffs, NE-IA | February | 18,200 | 17,850 | -2 | AVG | 299,500 | 308,600 | 3 |

AVG = average.

Notes: All figures are rounded. Sales and prices include new and existing single-family homes, townhomes, and condominiums.

Source: Cotality, with adjustments by the analyst



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The average home price in the region rose to \$275,400 during the 12 months ending February 2025, and the 5-percent increase was up from the 2-percent gain during the previous 12 months. Home prices increased in all four states in the region during the 12 months ending February 2025. Average home prices increased 4 percent in Iowa, Kansas, and Nebraska and 6 percent in Missouri. By comparison, home price growth in the region ranged from no change in Kansas to a 4-percent gain in Nebraska during the 12 months ending February 2024.

The number of home sales fell in four of the five metropolitan areas cited in this report during the 12 months ending February 2025, with year-over-year decreases ranging from 1 percent in St. Louis to 8 percent in Wichita. The only increase was in Des Moines, which rose less than 1 percent from the previous year. Most of the metropolitan areas had modest changes in average home prices, ranging from 3-percent increases in Des Moines, Omaha, and Wichita to a 6-percent increase in St. Louis.

Single-family homebuilding activity declined in three of the four states in the region as of the first quarter of 2025. Declining home sales and moderating price growth over the past year led the number of single-family homes permitted in the region to fall 6 percent to 6,375, with statewide losses ranging from 5 percent in Nebraska to 15 percent in Iowa. Kansas was the only state with increasing homebuilding activity, rising 12 percent from a year earlier. By comparison, as of the first quarter of 2024, single-family homebuilding in the region rose 28 percent year over year to 6,750 homes, with increases of at least 17 percent in all four states.

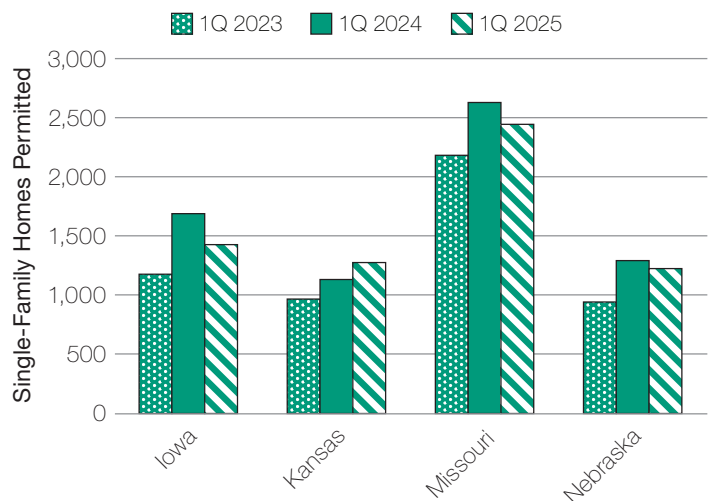
As of the first quarter of 2025 (preliminary data)—

- Single-family permitting in Iowa decreased 15 percent to 1,425 homes. The number of homes permitted in Des Moines, the largest metropolitan area in the state, fell from 860 to 790 homes.
- The 2,450 homes permitted in Missouri represented the highest statewide total in the region and a 7-percent decrease from the 2,625 homes permitted in the state a

year ago. The number of homes permitted fell in most major metropolitan areas in the state, with decreases in the St. Louis metropolitan area, from 1,100 to 980 homes, and the Missouri portion of the Kansas City metropolitan area, from 570 to 550 homes.

- In Nebraska, single-family permitting fell 5 percent to 1,225 homes. Single-family permitting in the Omaha and Lincoln metropolitan areas each fell 8 percent from the previous year, a decline from 850 to 780 homes in Omaha and from 260 to 240 homes in Lincoln.
- Kansas was the only state in the region with an increase in new home permits, with 1,275 homes permitted, up from 1,150 homes during the first quarter of 2024. An increase from 440 to 550 homes permitted in the Kansas portion of the Kansas City metropolitan area and an increase in Wichita from 310 to 380 homes contributed to the statewide gain.

The number of single-family homes permitted fell in three of the four states in the Great Plains region as of the first quarter of 2025.



1Q = first quarter.

Note: Based on preliminary data.

Source: U.S. Census Bureau, Building Permits Survey

Apartment Market Conditions

Apartment market conditions in the Great Plains region ranged from balanced to slightly soft as of the first quarter of 2025, similar to market conditions as of the first quarter of 2024. The vacancy rate fell in three of the four states in the Great Plains region, and the average asking rent increased in all states in the region. The greatest decrease in the apartment vacancy rate was in Kansas, where the rate fell from 7.4 to 7.0 percent, compared with Nebraska and Missouri, where the apartment vacancy rates fell 0.2 and 0.1 percentage point, respectively, to

6.1 and 8.8 percent. Iowa was the only state with an increase in the vacancy rate, from 6.7 to 7.1 percent, as of the first quarter of 2025. Rents continued to increase in the region, and the average asking rents were lower than the national average. The greatest increase in the average asking rent was in Kansas, rising nearly 5 percent to \$1,186 as of the first quarter of 2025. Average asking rents in Nebraska and Missouri each increased 3 percent to respective averages of \$1,214 and \$1,193. The average asking rent in Iowa increased 2 percent to \$1,069.

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Apartment vacancy rates fell in four of the five largest metropolitan areas in the Great Plains region during the past year.

| | Market Condition | Vacancy Rate | | | Average Monthly Rent | | |
|--------------------------------|------------------|--------------|-------------|-------------------------|----------------------|--------------|----------------|
| | | 1Q 2024 (%) | 1Q 2025 (%) | Percentage Point Change | 1Q 2024 (\$) | 1Q 2025 (\$) | Percent Change |
| Des Moines-West Des Moines, IA | Slightly Soft | 7.7 | 8.1 | 0.4 | 1,146 | 1,159 | 1 |
| Kansas City, MO-KS | Balanced | 8.9 | 8.0 | -0.9 | 1,309 | 1,354 | 3 |
| Omaha-Council Bluffs, NE-IA | Balanced | 6.6 | 5.9 | -0.7 | 1,206 | 1,248 | 3 |
| St. Louis, MO-IL | Slightly Soft | 10.2 | 9.7 | -0.4 | 1,244 | 1,276 | 3 |
| Wichita, KS | Balanced | 8.5 | 7.3 | -1.2 | 892 | 904 | 1 |

1Q = first quarter.

Sources: Market condition—Economic and Market Analysis Division; vacancy rate and average monthly rent—CoStar Group

Four of the five highlighted metropolitan areas had vacancy rate decreases during the past year, and rent growth was relatively steady throughout much of the region. The largest vacancy rate decreases occurred in Wichita, where the apartment vacancy rate fell from 8.5 to 7.3 percent, and in Kansas City, where the 8.0-percent vacancy rate was down from 8.9 percent a year ago (CoStar Group). The decreases in vacancy rates in both metropolitan areas were due to the absorption of apartment units outpacing the number of delivered units. Des Moines was the only metropolitan area with an increasing vacancy rate, rising from 7.7 percent to 8.1 percent as of the first quarter of 2025, and the 1,725 new units added to the inventory during the past year outpaced the absorption of 1,325 units.

Apartment rents increased across all five highlighted metropolitan areas during the past year, with 1-percent increases in Des Moines and Wichita and 3-percent increases in Kansas City, St. Louis, and Omaha. Kansas City had the highest rent in the region at \$1,354, and Wichita had the lowest at \$904. Wichita also had the lowest number of units delivered over the past 12 months, with 270 units, compared to 4,225 units delivered in the Kansas City metropolitan area during the same period.

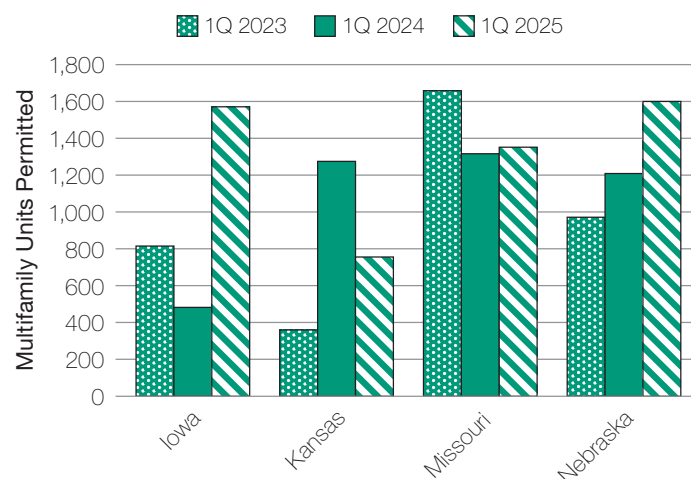
Following an increase a year ago, multifamily permitting in the region rose further during the past year, with gains in Iowa, Nebraska, and Missouri outpacing a decline in Kansas. A total of 5,300 multifamily units were permitted during the first quarter of 2025, reflecting an increase of 1,000 units, or 23 percent, from a year ago. By comparison, the number of multifamily units permitted as of the first quarter of 2024 increased 13 percent from a year earlier to 4,300 units.

As of the first quarter of 2025—

- In Iowa, the number of multifamily units permitted rose more than threefold year over year to 1,575 units. Notably, multifamily permitting rose from 100 to 1,050 units in the Des Moines metropolitan area, with much of the new development concentrated in the central and north sections of the city of Des Moines.

- In Missouri, 1,350 multifamily units were permitted, a 3-percent increase from a year ago. An increase in the St. Louis metropolitan area, where multifamily permitting rose from 360 to 480 units, contributed to the statewide increase, in addition to an increase in the Missouri portion of the Kansas City metropolitan area, which rose from 590 to 700.
- In Nebraska, a 53-percent gain in the Nebraska portion of the Omaha metropolitan area to 1,100 units was partially offset by the Lincoln metropolitan area, where the number of multifamily permits fell from 420 to 180 units. In total, the number of units permitted in the state rose 32 percent from 1,200 to 1,600.
- The only statewide decrease occurred in Kansas, where the number of units permitted fell to 760, down from 1,275 units a year ago. The decrease was largely due to a decline of 560 units, or 68 percent, to 260 homes permitted in the Kansas portion of the Kansas City metropolitan area.

Multifamily permitting rose in the Great Plains region as of the first quarter of 2025, with increases in Iowa, Missouri, and Nebraska more than offsetting a decline in Kansas.



1Q = first quarter.

Note: Based on preliminary data.

Source: U.S. Census Bureau, Building Permits Survey

Terminology Definitions and Notes

A. Definitions

| | |
|---|---|
| Absorption | The net change, positive or negative, in the number of occupied units in a given geographic range. |
| Apartment Vacancy Rate/Average Monthly Rent | Data are for market-rate and mixed market-rate and affordable general occupancy apartment properties with five or more units, including those that are stabilized and in lease up. A property is stabilized once the occupancy rate reaches 90 percent or at least 18 months have passed since the property was changed from “under construction” to “existing” on the CoStar Group website. |
| Building Permits | Building permits do not necessarily reflect all residential building activity. Some units are constructed or created without a building permit or are issued a different type of building permit. For example, some units classified as commercial structures are not reflected in the residential building permits. As a result, the analyst, through diligent fieldwork, makes an estimate of this additional construction activity. Some of these estimates are included in the discussions of single-family and multifamily building permits. |
| Existing Home Sales | Includes resales, short sales, and real estate owned sales. Resales are home closings that have no ties to either new home closings (builders) or foreclosures. They are homes that were previously constructed and sold to an unaffiliated third party. |
| Home Sales/Home Sales Prices | Includes single-family home, townhome, and condominium sales. |
| Net Natural Change | Resident births minus resident deaths. |
| Net Natural Increase | Resident births are greater than resident deaths. |

B. Notes on Geography

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| 1. | The metropolitan statistical area definitions noted in this report are based on the delineations established by the Office of Management and Budget (OMB) in the OMB Bulletin dated July 21, 2023. |
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