

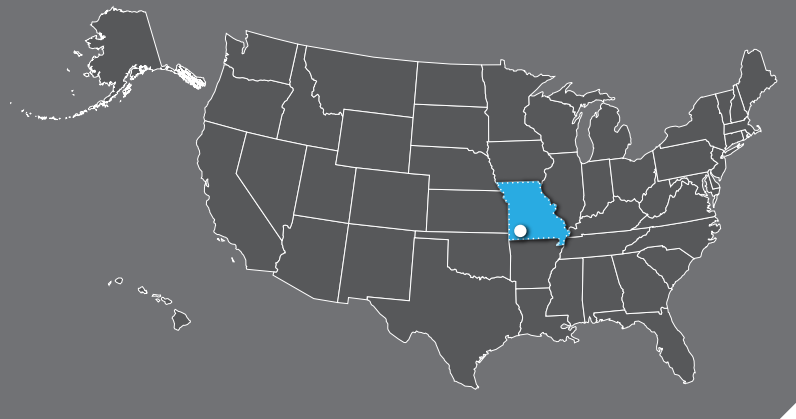
# HUD PD&R Housing Market Profiles

## Springfield, Missouri



### Quick Facts About Springfield

- Current sales market conditions: slightly tight
- Current apartment market conditions: slightly tight
- Springfield is known as the “Birthplace of U.S. Route 66,” one of the original highways in the U.S. Numbered Highway System that connected Chicago, Illinois, to Los Angeles, California. The 2,400-mile highway was an essential route for migration, particularly during the Dust Bowl and World War II, and a source of economic prosperity for the communities through which it passed.



By [Emilio Meneses](#) | As of December 1, 2024

### Overview

The Springfield, MO Metropolitan Statistical Area (hereafter, Springfield metropolitan area) is in southwest Missouri and includes Christian, Dallas, Greene, Polk, and Webster Counties. The principal city of Springfield, known as the “Queen City of the Ozarks,” is located in Greene County and is the third most populous city in Missouri. The metropolitan area is an important regional hub for health care and education. CoxHealth and Mercy Hospital Springfield, the two largest healthcare providers in the area, employ 22,550 people combined. The healthcare and social assistance industry accounts for approximately 19 percent of all nonfarm payrolls in the metropolitan area. The city of Springfield is home to several universities and colleges, including Missouri State University, Drury University, and Ozarks Technical Community College. Bass Pro Shops and O’Reilly Auto Parts, a Fortune 500 company, have their headquarters in Springfield. The metropolitan area also benefits from its proximity to outdoor attractions such as the Ozark Mountains and Fantastic Caverns. In 2023, tourism had an economic impact of \$601.3 million on the metropolitan area, an increase of more than \$70 million from 2022 (*The State Journal-Register*).

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- As of December 1, 2024, the population in the metropolitan area is estimated at 497,200, an average increase of 4,725, or 1.0 percent, a year from July 2020 (U.S. Census Bureau population estimates as of July 1; estimates by the analyst). By comparison, from July 2010 to July 2020, population growth averaged 3,900, or 0.9 percent, annually.
- Net in-migration has averaged 4,625 people annually and accounted for approximately 98 percent of total population growth since 2020, up from an average of 2,500 a year, or 64 percent, from 2010 to 2020. Partly because of the

impacts of the COVID-19 pandemic, net natural change has accounted for only 2 percent of the total population growth since 2020, down from 36 percent of the total population growth from 2010 to 2020.

- Approximately 62 percent of the total population of the metropolitan area resides in Greene County, the fourth most populous county in Missouri. From 2020 to 2023, countywide rates of population growth in the metropolitan area ranged from an average of 0.6 percent a year in Greene County to an average of 1.9 percent a year in Christian County.

## Economic Conditions

Economic conditions in the Springfield metropolitan area are stable, although job growth slowed in recent months. Nonfarm payrolls averaged 240,200 as of the 3 months ending November 2024, an increase of 2,100 jobs, or 0.9 percent, from the 3 months ending November 2023. Those gains followed an increase of 5,400 jobs, or 2.3 percent, a year ago. By comparison, the number of jobs in the Great Plains region and the nation rose 1.8 and 1.2 percent, respectively, in the past year. A rapid recovery from the COVID-19-related downturn preceded the current stable economic conditions. The metropolitan area lost 4,900 jobs, or 2.2 percent of total nonfarm payrolls, from the 3 months ending November 2019 to the 3 months ending November 2020. However, the metropolitan area recovered those losses within a year.

By comparison, nonfarm payrolls for the nation declined 6.0 percent from the 3 months ending November 2019 to the 3 months ending November 2020; the metropolitan area did not fully recover those job losses until the 3 months ending November 2022.

As of the 3 months ending November 2024—

- The education and health services sector had the largest and fastest growth, expanding by 3,100 jobs, or 6.7 percent, from a year earlier. A \$3.2 million addition to the Hulston Cancer Center at CoxHealth opened in 2022, and hiring continued into 2024.
- The transportation and utilities sector rose by 400 jobs, or 2.6 percent, from the previous year. The recent

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**As of the 3 months ending November 2024, the education and health services sector led year-over-year nonfarm payroll growth in the Springfield metropolitan area.**

	3 Months Ending		Year-Over-Year Change	
	November 2023 (Thousands)	November 2024 (Thousands)	Absolute (Thousands)	Percent
<b>Total Nonfarm Payrolls</b>	238.1	240.2	2.1	0.9
Goods-Producing Sectors	31.0	30.8	-0.2	-0.6
Mining, Logging, & Construction	11.3	11.2	-0.1	-0.9
Manufacturing	19.7	19.6	-0.1	-0.5
Service-Providing Sectors	207.1	209.4	2.3	1.1
Wholesale & Retail Trade	39.2	39.4	0.2	0.5
Transportation & Utilities	15.1	15.5	0.4	2.6
Information	3.1	3.0	-0.1	-3.2
Financial Activities	12.8	12.8	0.0	0.0
Professional & Business Services	25.9	24.7	-1.2	-4.6
Education & Health Services	46.3	49.4	3.1	6.7
Leisure & Hospitality	23.3	23.5	0.2	0.9
Other Services	10.2	10.0	-0.2	-2.0
Government	31.2	31.1	-0.1	-0.3
<b>Unemployment Rate</b>	2.5%	2.8%		

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

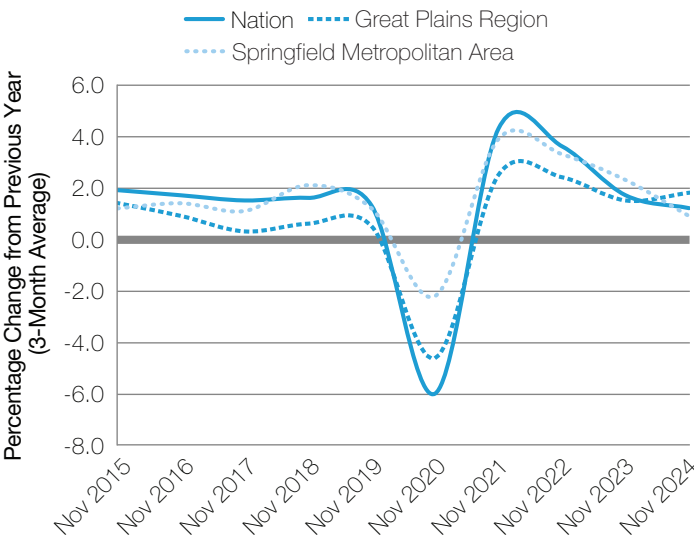
Source: U.S. Bureau of Labor Statistics



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- \$57 million expansion of Cold Zone, a leading provider of cold storage logistics solutions in the Partnership Industrial Center West, supported job growth in the sector in the past year.
- Notable losses occurred in the professional and business services and the information sectors, which declined by 1,200 and 100, or 4.6 and 3.2 percent, respectively, year over year.

The rate of job growth in the Springfield metropolitan area was less than the rates for the Great Plains region and the nation during the fourth quarter of 2024.



Source: U.S. Bureau of Labor Statistics

- The unemployment rate in the metropolitan area averaged 2.8 percent, up from 2.5 percent a year earlier but below the national rate of 4.2 percent.
- The government sector is the third largest sector in the metropolitan area. The average of 31,100 jobs in the sector as of the 3 months ending November 2024 accounted for 12.9 percent of total nonfarm payrolls. The sector is anchored by Missouri State University (MSU), the second largest university in the state, with more than 26,850 students enrolled as of the fall of 2024. MSU will likely have an even more significant impact on the local economy in the near future. The university is on track to create an estimated 1,225 jobs, assist more than 3,000 businesses, and generate \$48 million in research, operational capacity, and grant support during the next 5 years after the U.S. Economic Development Administration recognized it as a Designated University Center in 2023. Designated University Centers receive federal funds and leverage university assets to build regional economic ecosystems that support innovation and high-growth entrepreneurship.

Major Employers in the Springfield Metropolitan Area

Name of Employer	Nonfarm Payroll Sector	Number of Employees
CoxHealth	Education & Health Services	13,300
Mercy Hospital Springfield	Education & Health Services	9,250
Missouri State University	Government	2,100

Note: Excludes local school districts.

Source: Springfield Area Chamber of Commerce

Sales Market Conditions

The home sales market in the Springfield metropolitan area is slightly tight. The sales vacancy rate is currently estimated at 1.5 percent, down from 1.6 percent in 2020. The sales market tightened in late 2020 when the COVID-19 pandemic and record-low interest rates increased demand for sales housing, and for-sale inventory fell significantly. The supply of homes for sale decreased from 3.5 months of inventory in November 2019 to 1.8 months in November 2021 (Redfin, a national real estate brokerage, with adjustments by the analyst). However, the amount of inventory available for sale in the metropolitan area has subsequently trended upward as rising interest rates have slowed demand. As of November 2024, 2.9 months of for-sale inventory is available, up from 2.6 months in November 2023. As of November 2024, the average interest rate for a 30-year, fixed-rate mortgage was 6.8 percent, down from 7.4 percent a year ago but well above the 2.8-percent rate in November 2020 (Freddie Mac).

- The number of existing homes sold in the metropolitan area declined 4 percent to 9,475 during the 12 months ending November 2024, following a 20-percent decrease a year ago (Cotality). The average sales price for existing homes was \$294,000, a 4-percent increase from the 12 months ending November 2023.
- New home sales rose 6 percent from 690 during the 12 months ending November 2023 to 740 homes during the 12 months ending November 2024. The average new home price was \$339,600 during the most recent 12 months, an increase of less than 1 percent from a year ago.
- The share of seriously delinquent mortgages and real estate owned (REO) properties in the metropolitan area was 0.7 percent in November 2024, unchanged from November 2023 but well below the recent November high of 2.6 percent in 2020 (Cotality). By comparison, the national share of seriously

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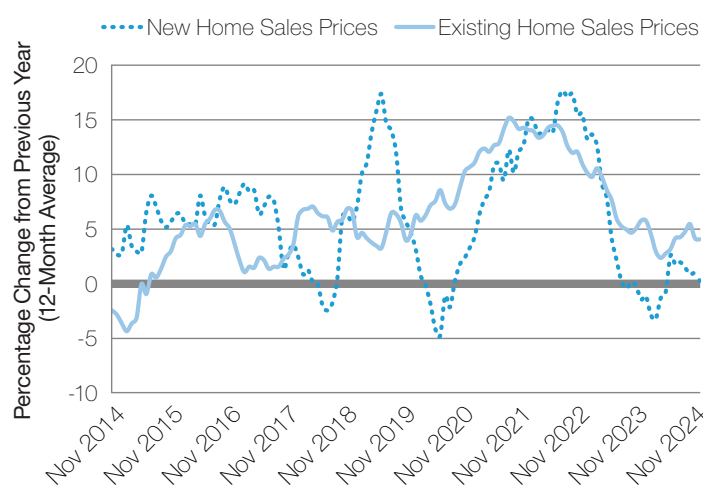


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delinquent mortgages and REO properties was 1.0 percent in November 2024, unchanged from November 2023 but significantly below the 4.1-percent rate associated with the COVID-19 pandemic in November 2020.

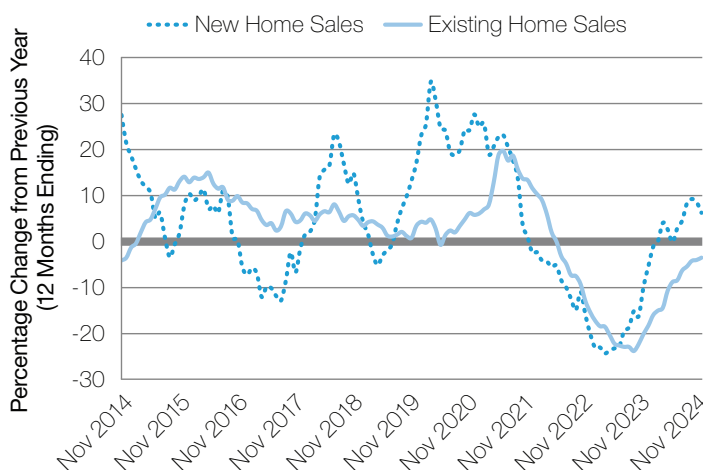
- Approximately 68 percent of all home sales in the metropolitan area were in Greene County during the 12 months ending November 2024. Average home prices in the metropolitan area ranged from a low of \$130,600 in Webster County to a high of \$343,232 in Christian County (Zonda).

Home sales price growth for new and existing homes in the Springfield metropolitan area slowed during the past 2 years.



Note: Includes single-family homes, townhomes, and condominiums.  
Source: Cotality, with adjustments by the analyst

During the past year, the decline in existing home sales in the Springfield metropolitan area slowed significantly compared with a year earlier, and new home sales increased modestly.



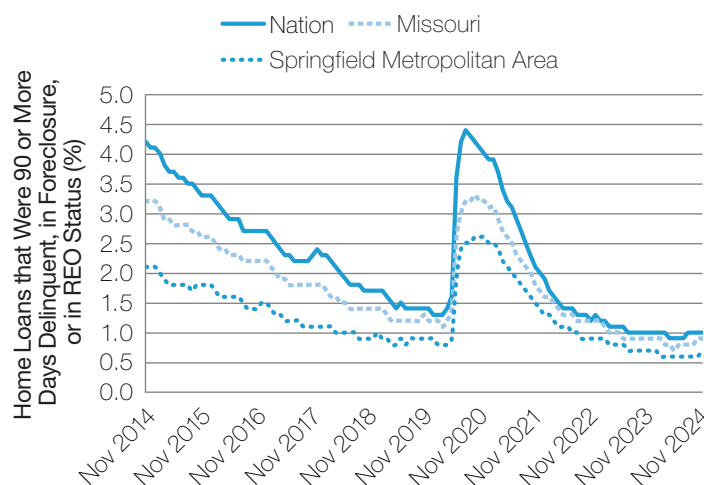
Note: Includes single-family homes, townhomes, and condominiums.  
Source: Cotality, with adjustments by the analyst

Single-family construction activity in the metropolitan area, as measured by the number of homes permitted, increased significantly in 2020 and 2021, when the sales market was tight. Easing sales market conditions contributed to a decline in permits in 2022, but homebuilding activity has since returned to relatively high levels.

- Approximately 1,700 single-family homes were permitted during the 12 months ending November 2024, up 12 percent

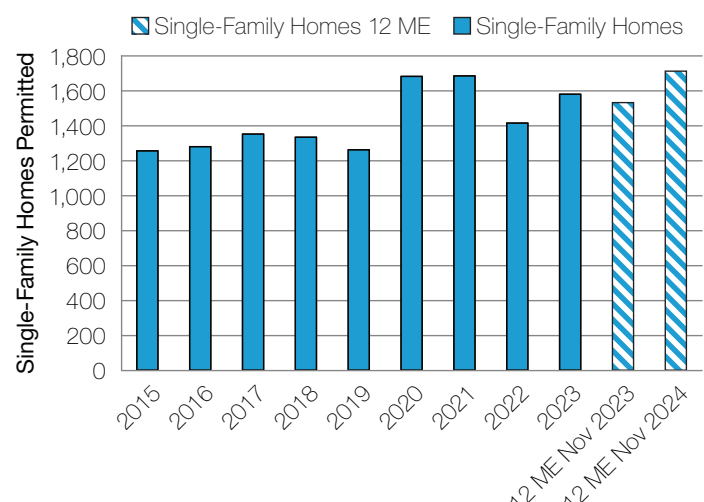
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The rate of mortgages seriously delinquent or in REO status in the Springfield metropolitan area has been below the state and national rates since at least 2014.



REO = real estate owned.  
Source: Cotality

The number of single-family homes permitted in the Springfield metropolitan area increased during the most recent 24 months.



12 ME = 12 months ending.  
Sources: U.S. Census Bureau, Building Permits Survey; 2015–23—final data and estimates by the analyst; past 24 months of data—preliminary data and estimates by the analyst

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from the previous 12 months (preliminary data, with adjustments by the analyst).

- An average of 1,300 homes were permitted annually from 2015 through 2019. From 2020 through 2021, construction activity spiked to 1,675 homes permitted each year before declining to 1,425 homes during 2022.
- Within the metropolitan area, single-family permitting activity has been heavily concentrated in Christian and Greene

Counties. The counties accounted for approximately 88 percent of all single-family homes permitted in the metropolitan area since the start of 2023.

- Recent new home construction in Greene County includes Owen Silos, an 80-home subdivision located northeast of Rivercut Golf Course off South Farm Road 139. Prices at the development start at \$340,000 for two-, three-, and four-bedroom homes ranging in size from 1,500 to 2,000 square feet.

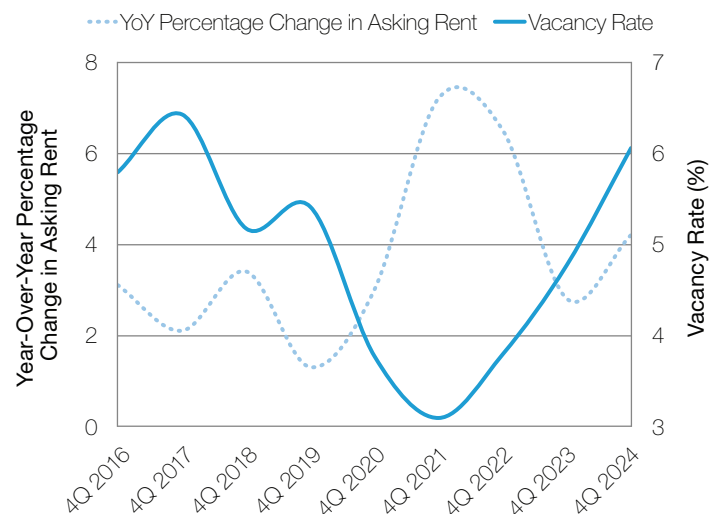
## Apartment Market Conditions

The apartment market in the Springfield metropolitan area is slightly tight. Conditions tightened significantly during 2020, with accelerating net in-migration contributing to strong rental household growth. Apartment vacancies declined sharply from 2020 to 2021, and the vacancy rate reached a low of 3.1 percent in the fourth quarter of 2021. Since then, the market has eased slightly because a significant wave of new apartments has entered the market and outpaced absorption. An estimated total of 740 units was completed during the 12 months ending November 2024, down from 930 units during the previous 12-month period. An average of 330 units were completed each year from 2020 through 2022. Only 410 units were estimated to be absorbed during the 12 months ending November 2024, down from 610 a year earlier. An average of 440 units were absorbed each year from 2020 through 2022. Although a relatively increased amount of apartment completions has put upward pressure on vacancy rates since 2023, rent growth in the metropolitan area has continued to outpace the national rate.

As of the fourth quarter of 2024—

- The apartment vacancy rate in the metropolitan area was 6.1 percent, up from 4.7 percent a year ago but well below the national average of 8.1 percent (CoStar Group). The increase in the apartment vacancy rate was primarily due to a significant number of units in lease up—the vacancy rate for stabilized apartment units was only 5.0 percent, up from 4.1 percent a year ago.
- The average apartment rent in the metropolitan area rose 4 percent to \$975 from a year ago, whereas the average rent for the nation increased only 1 percent to \$1,735. Year-over-year rent growth in the metropolitan area has exceeded the national rate in each of the fourth quarters since 2022.
- Vacancy rates were generally highest in and around the city of Springfield, where recent apartment construction has been concentrated, with lower rates in outlying areas, where development has been subdued. The apartment vacancy

**As of the fourth quarter of 2024, the apartment vacancy rate in the Springfield metropolitan area increased from a year earlier, and growth in the average rent accelerated slightly.**



4Q = fourth quarter. YoY = year-over-year.

Source: CoStar Group

rate was 9.5 percent in the CoStar Group-defined Central Springfield market area but below 3.0 percent in Polk and Webster Counties, which are located approximately 40 miles north and 50 miles east of the city of Springfield, respectively.

- Significant new apartment construction has contributed to relatively high rents in and around the city of Springfield, with lower rents concentrated in outlying parts of the metropolitan area. Average rents in the metropolitan area ranged from \$400 in Dallas County to \$1,050 in southwest Springfield.

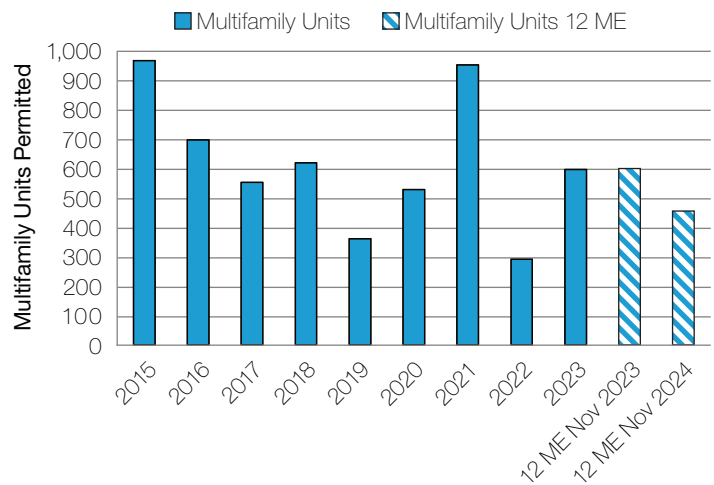
Multifamily construction activity in the metropolitan area spiked in 2021 as builders responded to tight rental market conditions and historically low interest rates. However, rising vacancy rates and elevated interest rates, the latter of which add considerable costs to financing the construction of multifamily units, have contributed to fewer units permitted since 2022.

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- Approximately 460 multifamily units were permitted during the 12 months ending November 2024, down 24 percent from 600 units during the previous 12 months (preliminary data).
- Multifamily permitting averaged 550 units annually from 2016 through 2020 and spiked to 950 units in 2021. By comparison, permitting has averaged just 440 units annually from 2022 through 2023.
- Within the metropolitan area, recent multifamily permitting activity has been heavily concentrated in Greene County. The county has accounted for 68 percent of all multifamily units permitted in the metropolitan area since the start of 2020.
- Recent multifamily construction in Greene County includes The Bend at Stone Creek Falls apartments, a 120-unit development that began lease up in March 2023. The property, located in the city of Republic approximately 15 miles from downtown Springfield, currently has rents ranging from \$778 for studio units to \$1,257 for three-bedroom units.

The number of multifamily units permitted in the Springfield metropolitan area declined after peaking in 2021.



12 ME = 12 months ending.

Sources: U.S. Census Bureau, Building Permits Survey; 2015–23—final data and estimates by the analyst; past 24 months of data—preliminary data and estimates by the analyst

## 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.
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 REO sales.
Home Sales/Home Sales Prices	Includes single-family home, townhome, and condominium sales.
Net Natural Change	Resident births minus resident deaths.
Seriously Delinquent Mortgages	Mortgages 90 or more days delinquent or in foreclosure.
Stabilized	A property is stabilized once the occupancy rate has reached 90 percent or at least 18 months have passed since the property was changed from “under construction” to “existing” on the CoStar Group website.

### B. Notes on Geography

1.	The metropolitan statistical area definition noted in this report is based on the delineations established by the Office of Management and Budget (OMB) in the OMB Bulletin dated April 10, 2018.
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