

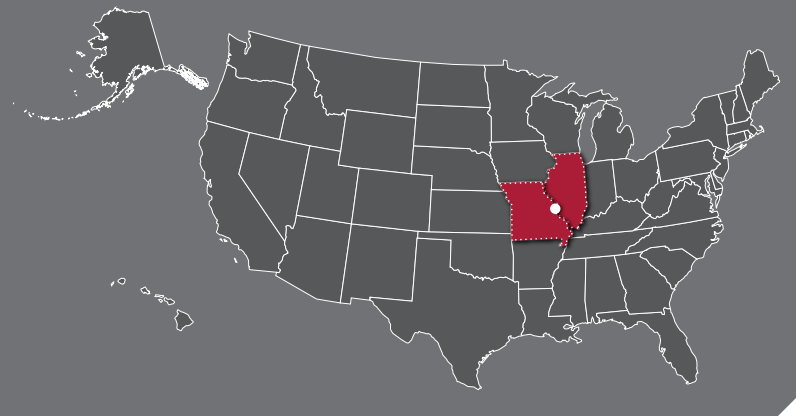
# HUD PD&R Housing Market Profiles

## St. Louis, Missouri-Illinois



### Quick Facts About St. Louis

- Current sales market conditions: slightly tight
- Current apartment market conditions: slightly soft
- The National Geospatial-Intelligence Agency is building a \$1.7 billion, 97-acre campus in the city of St. Louis named Next NGA West. Construction on the project began in 2019 and is expected to be complete in 2026, with the first of the estimated 3,000 employees starting late in 2025. The project represents the single largest federal investment ever in the St. Louis metropolitan area and has contributed to job gains in the construction industry in recent years.



By [Tomasz Kukawski](#) | As of August 1, 2025

### Overview

The St. Louis metropolitan area, near the confluence of the Mississippi and Missouri Rivers in eastern Missouri and southwestern Illinois, is known as the Gateway to the West. The Missouri portion of the metropolitan area consists of the independent city of St. Louis and the counties of Franklin, Jefferson, Lincoln, St. Charles, St. Louis, and Warren. The Illinois portion of the metropolitan area consists of Bond, Calhoun, Clinton, Jersey, Macoupin, Madison, Monroe, and St. Clair Counties. The metropolitan area is the largest in Missouri and the second largest in Illinois. The city of St. Louis, located on the western bank of the Mississippi River, is the second most populous city in Missouri after Kansas City, with a population of 279,700 as of July 1, 2024 (U.S. Census Bureau population estimates as of July 1). Home sales market conditions are slightly tight because the demand for homes outweighs the limited supply of homes for sale, despite the rising costs of homeownership. Apartment market conditions are slightly soft because absorption slowed during the past year, and the number of new rental units that entered the market remained relatively steady.

continued on page 2



continued from page 1

- As of August 1, 2025, the estimated population of the metropolitan area was 2.82 million, representing a slight decline of 820, or less than 0.1 percent, annually since April 2020. By comparison, from 2010 to 2020, population growth averaged a modest gain of 3,250 people, or 0.1 percent, annually.
- Since 2020, net natural decline has been estimated to average approximately 2,300 people annually, whereas net in-migration averaged about 1,475 people a year.

By comparison, from 2010 to 2020, net natural increase averaged 7,150, and overall population growth was limited by net out-migration, which averaged 3,900 people a year.

- The shift to net in-migration since 2020 occurred because of people moving to suburban communities in the metropolitan area. The independent city of St. Louis has had a steady decrease in population since 1950, when the population peaked at 856,800. The population of the city is estimated to have declined an average of 1.8 percent a year since 2020.

## Economic Conditions

Economic growth in the St. Louis metropolitan area stagnated during the past year, declining less than 0.1 percent, after a period of recovery and expansion following the COVID-19 pandemic-related downturn in 2020. By comparison, from 2021 through 2024, nonfarm payroll growth averaged 1.8 percent a year, whereas national job growth averaged 2.7 percent annually. During the 3 months ending July 2025, the unemployment rate in the metropolitan area averaged 4.1 percent, up slightly from 4.0 percent a year earlier. By comparison, the current national unemployment rate averaged 4.5 percent during the 3 months ending July 2025.

As of the 3 months ending July 2025—

- With a slight decline of 300 jobs from a year earlier, nonfarm payrolls totaled 1.44 million. Nonfarm payrolls in the metropolitan area are currently 11.8 percent above the

average of 1.29 million during the 3 months ending July 2020 and 2.2 percent above the average of 1.41 million during the 3 months ending July 2019, before the pandemic.

- Jobs in the education and health services sector reached a new high of 281,000 following a gain of 6,400 jobs, a 2.3-percent increase from a year earlier. The sector is the largest nonfarm payroll sector in the metropolitan area, and BJC HealthCare and Washington University in St. Louis (WUSTL) are the two largest employers in the metropolitan area, with approximately 33,800 and 21,300 employees, respectively.
- Notable job growth occurred in the mining, logging, and construction sector, which increased by 2,200 jobs, or 2.7 percent, from a year earlier to 82,400 jobs.

continued on page 3

**Nonfarm payrolls in the St. Louis metropolitan area declined less than 1 percent during the 3 months ending July 2025, with losses in six sectors outweighing gains in the remaining five sectors.**

	3 Months Ending		Year-Over-Year Change	
	July 2024 (Thousands)	July 2025 (Thousands)	Absolute (Thousands)	Percent
<b>Total Nonfarm Payrolls</b>	1,439.1	1,438.8	-0.3	0.0
Goods-Producing Sectors	198.5	199.4	0.9	0.5
Mining, Logging, & Construction	80.2	82.4	2.2	2.7
Manufacturing	118.3	117.0	-1.3	-1.1
Service-Providing Sectors	1,240.6	1,239.4	-1.2	-0.1
Wholesale & Retail Trade	200.8	196.6	-4.2	-2.1
Transportation & Utilities	62.5	62.9	0.4	0.6
Information	28.9	27.0	-1.9	-6.6
Financial Activities	94.9	95.1	0.2	0.2
Professional & Business Services	215.6	214.3	-1.3	-0.6
Education & Health Services	274.6	281.0	6.4	2.3
Leisure & Hospitality	157.1	156.4	-0.7	-0.4
Other Services	52.1	51.7	-0.4	-0.8
Government	154.1	154.5	0.4	0.3
<b>Unemployment Rate</b>	4.0%	4.1%		

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

Source: U.S. Bureau of Labor Statistics

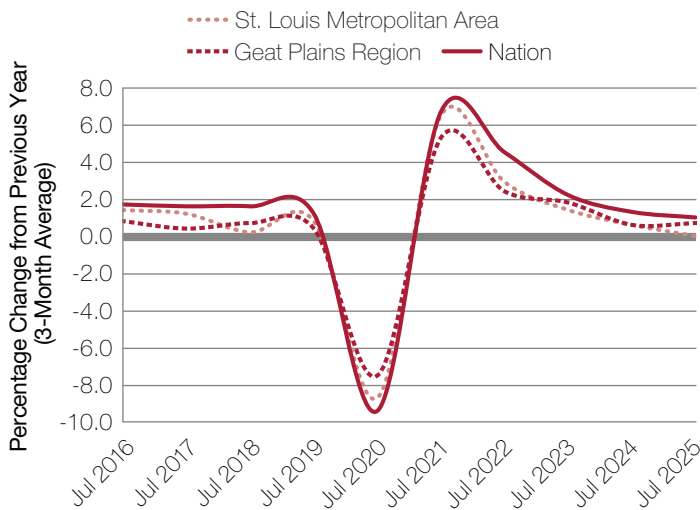


continued from page 2

A \$2 billion redevelopment of Chesterfield Mall into a mixed-use downtown area in Chesterfield, Missouri, consisting of residential units, office and retail space, and parks and entertainment venues began in October 2025, contributing to job growth in the sector.

- The wholesale and retail trade sector lost 4,200 jobs, or 2.1 percent, from a year earlier, falling to 196,600. The

**Nonfarm payrolls did not change meaningfully in the St. Louis metropolitan area during the past year, whereas jobs grew in the Great Plains Region and nationally.**



Source: U.S. Bureau of Labor Statistics

decline in the sector occurred because 2,500 and 1,700 jobs were lost in the wholesale trade and retail trade subsectors, respectively.

A strong network of universities and healthcare providers focused on bioscience, medical, and technology research attracts businesses and entrepreneurs to the metropolitan area; their investments support the local economy. With approximately 16,400 students, WUSTL was ranked the 21st Best National University by *U.S. News and World Report* in 2025. The university attracted \$978 million in research funding in 2024 and had an overall economic impact of \$9.3 billion on the local economy (WUSTL). Saint Louis University, Barnes-Jewish Hospital, and the Cortex Innovation Community (hereafter, Cortex) are near WUSTL. Cortex, an innovation hub supporting technology startups and research, consists of 574 companies that collectively employ 5,700 people. In 2024, Cortex had an economic impact of \$1.8 billion on the local economy (Cortex).

### Largest Employers in the St. Louis Metropolitan Area

Name of Employer	Nonfarm Payroll Sector	Number of Employees
BJC HealthCare	Education & Health Services	33,800
Washington University in St. Louis	Education & Health Services	21,300
Walmart Inc.	Wholesale & Retail Trade	17,000

Note: Excludes local school districts.

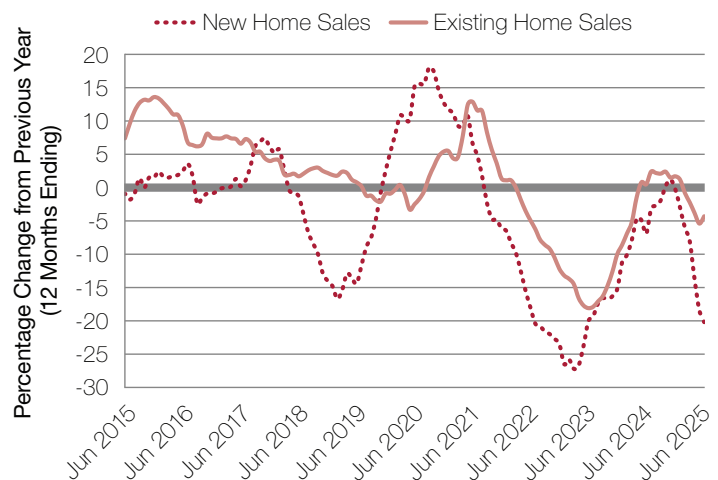
Source: *St. Louis Business Journal*

## Sales Market Conditions

The sales housing market in the St. Louis metropolitan area is currently slightly tight, with an estimated 1.0-percent vacancy rate, down from 1.6 percent in 2020. The inventory of homes available for sale remained relatively low, contributing to slightly tight market conditions. Many homeowners who purchased or refinanced when interest rates were lower are reluctant to sell if a subsequent purchase would require financing at a higher interest rate. Demand for homes remained stable despite the rapid home sales price growth during the past year and high mortgage interest rates. During the 12 months ending June 2025, new and existing home sales—including single-family homes, townhomes, and condominiums—totaled nearly 53,400, a 5-percent decrease from the 56,150 homes sold a year earlier (Cotality). The supply of homes for sale rose modestly to 2.6 months during July 2025, up from a 2.2-month supply in July 2024 (Redfin, a national real estate brokerage). The supply of homes in the metropolitan area has been below 4.0 months since 2018. In June 2025, the percentage of home loans in the metropolitan area that were seriously delinquent (90 or

continued on page 4

**Home sales fell during the 12 months ending June 2025 in the St. Louis metropolitan area, with a large percentage decline in new home sales.**



Note: Sales are for single-family homes, townhomes, and condominiums.

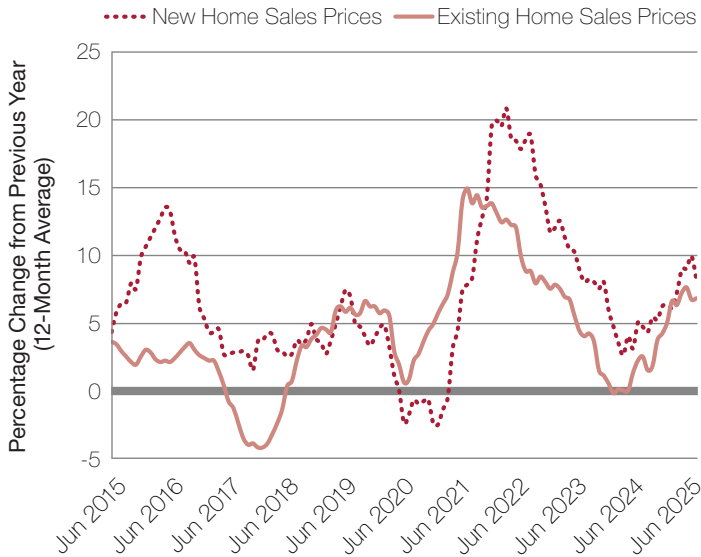
Source: Cotality



continued from page 3

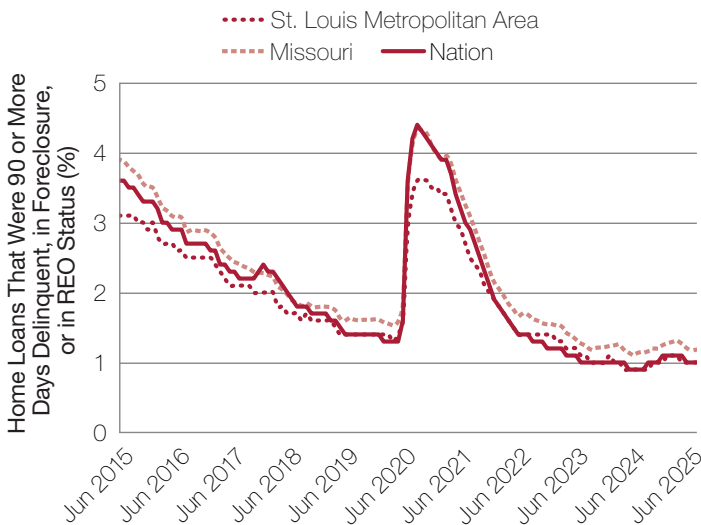
more days delinquent or in foreclosure) or had transitioned into real estate owned status was 1.0 percent, up slightly from the 0.9-percent rate a year earlier (Cotality). The rate in the metropolitan area is on par with the national rate, slightly above the 0.9-percent rate for Missouri, and lower than the 1.3-percent rate for Illinois.

### New and existing home sales price growth accelerated compared with a year earlier in the St. Louis metropolitan area.



Note: Prices are for single-family homes, townhomes, and condominiums.  
Source: Cotality

In the St. Louis metropolitan area, the percentage of home loans 90 or more days delinquent, in foreclosure, or transitioned to REO status is low and on par with the national rate.



REO = real estate owned.  
Source: Cotality

As of the 12 months ending June 2025 —

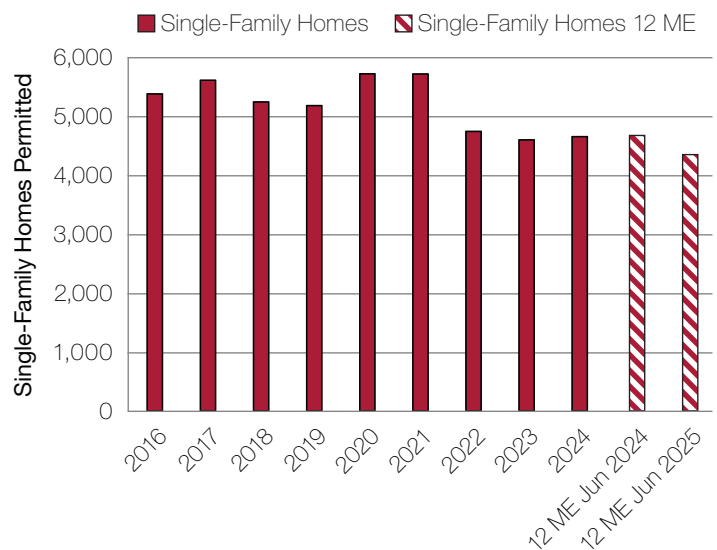
- New home sales totaled 1,825, representing a decline of 460 sales, or 20 percent, from the 12 months ending June 2024.
- The average price of a new home was \$566,100, an increase of \$42,700, or 8 percent, from the same period a year earlier.
- Existing home sales totaled 51,550, down by 2,325 sales, or 4 percent, from the previous 12 months.
- The average price for existing homes reached a high of \$265,500, representing a 7-percent increase from the average price of \$248,700 a year earlier.

Builders have curtailed production since the end of 2021 despite the low inventory of homes available for sale because rapidly rising mortgage interest rates and continued home price growth were expected to reduce demand.

- During the 12 months ending June 2025, the number of single-family homes permitted totaled 4,350, a decline of 330, or 7 percent, from a year earlier (preliminary data).
- From 2016 through 2021, construction of new single-family homes averaged 5,475 homes permitted annually before declining to an average of 4,675 homes permitted during 2022 and 2023.

continued on page 5

Single-family home construction in the St. Louis metropolitan area has declined since reaching recent highs during 2020 and 2021.



12 ME = 12 months ending.

Sources: U.S. Census Bureau, Building Permits Survey; 2016–24—final data and estimates by the analyst; past 24 months of data—preliminary data and estimates by the analyst

continued from page 4

- Approximately 29 percent of single-family homes permitted in the metropolitan area during the 12 months ending June 2025 were in St. Charles County, Missouri. By comparison, approximately 21 percent of single-family homes permitted were in the Illinois side of the metropolitan area, with most permits issued in St. Clair and Madison Counties.

## Apartment Market Conditions

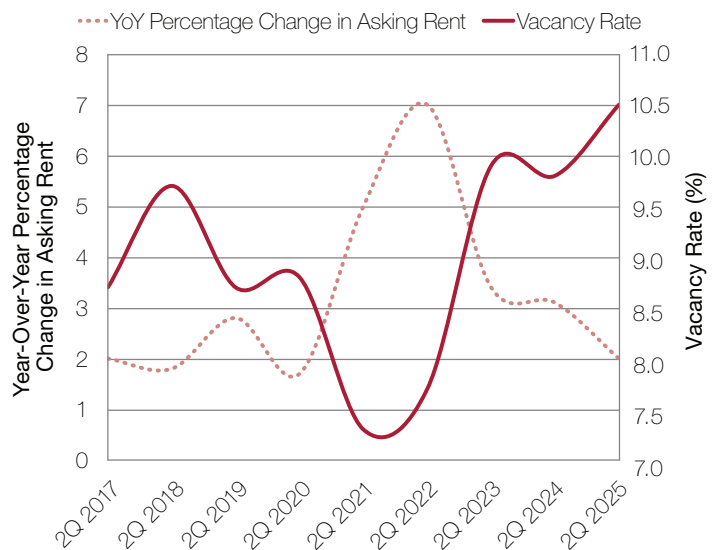
The apartment market in the St. Louis metropolitan area is slightly soft, with a 10.5-percent vacancy rate as of the second quarter of 2025, up from 9.8 percent a year earlier and above the 8.8-percent vacancy rate as of the second quarter of 2020, when the apartment market was balanced (CoStar Group). The apartment vacancy rate increased from a year ago because absorption of new units slowed substantially, whereas the number of new units entering the market remained relatively steady during the past 2 years. During the past 4 quarters, the absorption of apartment units totaled approximately 1,750, down from 2,925 a year earlier. Approximately 3,050 new apartment units entered the market during the past 4 quarters, down modestly from 3,200 units delivered a year earlier.

As of the second quarter of 2025—

- The average rent for an apartment was \$1,296, up by \$25, or 2 percent, from the second quarter of 2024. By comparison, year-over-year rent growth averaged 6 percent a year during the second quarters of 2021 and 2022 and then slowed to an average of 3 percent annually during the second quarters of 2023 and 2024.
- The average rents in the metropolitan area were \$1,028, \$1,152, \$1,374, and \$1,728 for studios and one-, two-, and three-bedroom units, respectively.
- Apartment vacancy rates in the 20 CoStar-defined market areas within the metropolitan area ranged from a low of 4.0 percent in Crawford County to a high of 23.1 percent in Downtown St. Louis. In Crawford County, the vacancy rate rose from 3.2 percent a year earlier, but conditions remained tight because of the very low supply of new rental units. In Downtown St. Louis, the rate declined slightly from 23.6 percent a year earlier, although market conditions remained soft as a result of long-term population decline.
- The average rent in the West County market area rose 2 percent from a year earlier to \$1,563 and was the highest among all areas. The fastest rent growth occurred in the Crawford County market area, where rents rose 8 percent from a year earlier to \$737. Rents in the Downtown St. Louis market area grew 1 percent, with the average monthly rent reaching \$1,279.

- The 51-home Buckingham phase of the Amberleigh community is underway in the city of Wentzville, Missouri. Homes at the development start at \$390,000. Eight homes have sold to date, and 12 lots remain available for sale.

**As of the second quarter of 2025, the apartment vacancy rate rose in the St. Louis metropolitan area, and rent growth slowed from a year earlier.**



2Q = second quarter. YoY = year-over-year.

Source: CoStar Group

Construction of new rental units, as measured by the number of units permitted, rose modestly during the past year but was substantially below the recent high in 2022.

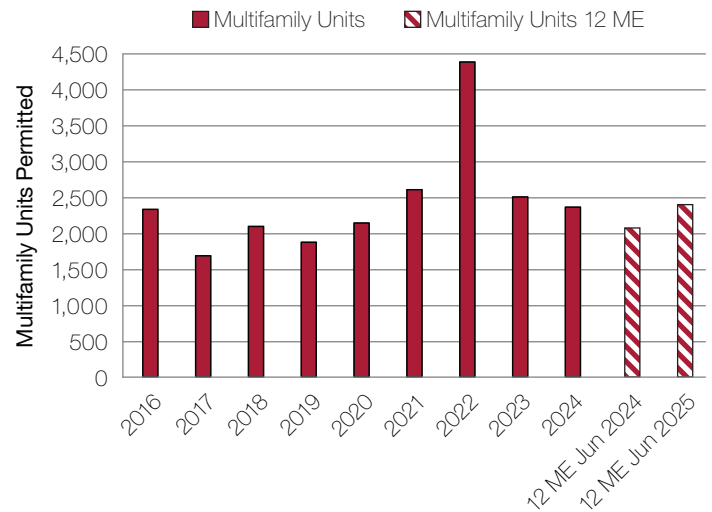
- During the 12 months ending June 2025, approximately 2,400 rental units were permitted, an increase of 16 percent from 2,075 units permitted during the same period a year ago (preliminary data).
- From 2016 through 2021, rental construction in the metropolitan area averaged 2,125 units permitted annually. During 2022, production rose sharply to 4,375 units before moderating to 2,500 rental units permitted in 2023.
- Most rental units permitted during the 12 months ending June 2025 were in Missouri, with St. Charles and St. Louis Counties accounting for approximately 33 and 12 percent of the total, respectively. Most construction on the Illinois side of the metropolitan area occurred in St. Clair County, which accounted for about 20 percent of the total production.

continued on page 6

continued from page 5

- Recently completed rental properties include the 262-unit Avenir in St. Louis County, with monthly rents ranging from \$1,950 for a one-bedroom unit to \$4,550 for a three-bedroom unit. The 240-unit Jewel Whispering Oaks in St. Clair County, Illinois, recently opened and is in lease up. Rents at the property range from \$1,324 for a one-bedroom unit to \$1,805 for a three-bedroom unit.

Following a sharp increase during 2022, rental permitting in the St. Louis metropolitan area has moderated to levels similar to the average from 2016 to 2021.



12 ME = 12 months ending.

Sources: U.S. Census Bureau, Building Permits Survey; 2016–24—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 real estate owned sales.
Home Sales/Home Sales Prices	Includes single-family home, townhome, and condominium sales.
Net Natural Decline	Resident deaths are greater than resident births.
Net Natural Increase	Resident births are greater than resident deaths.
Seriously Delinquent Mortgages	Mortgages 90 or more days delinquent or in foreclosure.

### 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 July 21, 2023.
----	--