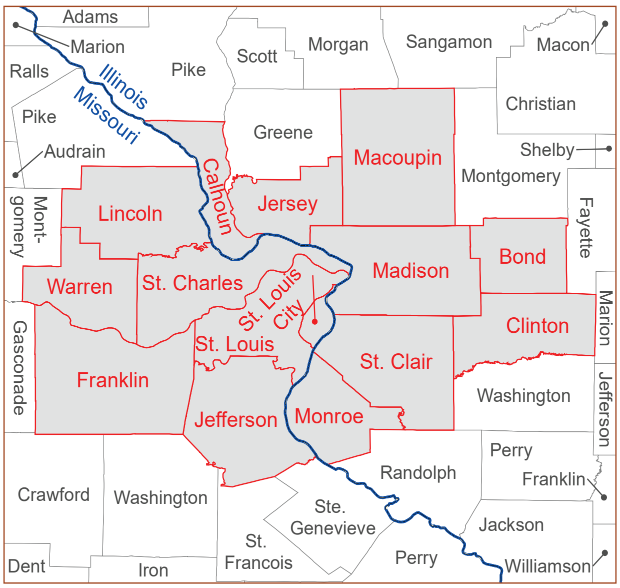
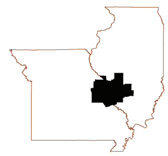
C O M P R E H E N S I V E   H O U S I N G   M A R K E T   A N A L Y S I S

St. Louis, Missouri-Illinois

U.S. Department of Housing and Urban Development | Office of Policy Development and Research | As of July 1, 2018





Housing Market Area

The St. Louis Housing Market Area (HMA) consists of 14 counties and the independent city of St. Louis. For purposes of this analysis, the HMA is divided into three submarkets: the City of St. Louis submarket; the Metro West submarket, which comprises Franklin, Jefferson, Lincoln, St. Charles, St. Louis, and Warren Counties in Missouri; and the Metro East submarket, which comprises Bond, Calhoun, Clinton, Jersey, Macoupin, Madison, Monroe, and St. Clair Counties in Illinois. The city of St. Louis is known as the gateway to the west and was the first non-European city to host the Olympic Games in 1904. Demographic, employment, and housing data for the HMA appear in Table DP-1 at the end of this report.

Summary

Economy

Economic conditions remain positive, as nonfarm payrolls totaled more than 1.38 million during the 12 months ending June 2018, an increase of 10,600 jobs, or 0.8 percent, from the previous 12 months. Nonfarm payrolls have been continuously expanding in the St. Louis HMA since 2011, marking the longest continuous expansion in the HMA since the 1990s. The unemployment rate in the HMA is currently 3.6 percent, the lowest rate recorded since 3.1 percent during 1999.

Sales Market

The sales market in the St. Louis HMA is currently balanced with an estimated 1.7-percent vacancy rate, down from 2.4 percent in 2010, because lower levels of single-family construction have allowed some of the previously vacant units to be absorbed. During the 3-year forecast period, demand is expected for 15,985 new homes (Table 1). The 1,255 homes currently under construction and a portion of the estimated 74,250 other vacant units in the HMA that may reenter the sales market will satisfy some of the forecast demand.

Rental Market

The rental housing market in the HMA is slightly soft but improving, with an estimated 9.2-percent vacancy rate, down from 10.8 percent in April 2010. The apartment market in the HMA is currently balanced, with

Market Details

a 5.9-percent vacancy rate as of the second quarter of 2018, up from 5.8 percent during the second quarter of 2017 (RealPage Inc.). Demand is estimated for 4,500 new market-rate rental units during the next 3 years. The 3,635 units currently under construction will satisfy a significant portion of that demand (Table 1).

Table 1. Housing Demand in the St. Louis HMA During the Forecast Period

	St. Louis HMA		City of St. Louis Submarket		Metro West Submarket		Metro East Submarket	
	Sales Units	Rental Units	Sales Units	Rental Units	Sales Units	Rental Units	Sales Units	Rental Units
Total demand	15,985	4,500	260	2,125	12,200	2,375	3,525	0
Under construction	1,255	3,635	35	1,550	900	1,825	320	260

Notes: Total demand represents estimated production necessary to achieve a balanced market at the end of the forecast period. Units under construction as of July 1, 2018. The forecast period is July 1, 2018, to July 1, 2021.

Source: Estimates by analyst

Economic Conditions

Because of its location on the Mississippi River, the St. Louis HMA was a major trading and manufacturing center during the late 19th and most of the 20th centuries. Since 2000, the HMA has become a center for biotechnology and healthcare services. The HMA is home to nine Fortune 500 companies, including Express Scripts Holding Company, a company that manages pharmacy benefits and delivers prescription drugs through the mail, and Monsanto, a multinational agricultural biotechnology firm.

Since 2000, job growth in the HMA has been slower than the nation, and the periods of job losses have tended to be longer than the national average. During 2000 and 2001, the local economy had a period of economic expansion, when nonfarm payrolls increased by 8,050 jobs, or 0.6 percent, annually, reaching nearly 1.33 million jobs by the end of 2001. From 2002 through 2004, nonfarm payrolls declined by an average of 5,400 jobs, or 0.4 percent, annually, to slightly more than 1.31 million jobs during 2004. During this time, the manufacturing sector led job losses, declining by an average of 6,800 jobs, or 4.3 percent, annually. In 2005, the rate of job losses in the manufacturing sector began to slow, and overall nonfarm payrolls increased from 2005 through 2007 by an average of 12,900 jobs, or 1.0 percent, annually, and reached 1.35 million nonfarm payroll jobs in 2007. The education and health services and the professional and business services sectors, which increased by an average of 4,800 and 4,700 jobs, or 2.4 and 2.6 percent, respectively led job growth during these years. The local economy again began to lose jobs during 2008 with the onset of the national economic downturn and, by 2010, nonfarm payrolls had declined to 1.28 million jobs, an average decline of 23,200, or 1.7 percent annually. The manufacturing sector was the hardest hit sector, losing an average of 9,400 jobs, or 7.4 percent, annually. The mining, logging, and construction sector had the highest rate of decline, at 10.1 percent, or 7,500 jobs, annually due, in part, to a drop in new home construction.

Economic conditions in the St. Louis HMA remain positive but have slowed during the past year. During the 12 months ending June 2018, nonfarm payrolls in the St. Louis HMA totaled more than 1.38 million, an increase of 10,600, or 0.8 percent, from the previous 12 months when nonfarm payrolls increased by 15,900, or 1.2 percent (Table 2). By comparison, from 2011 through 2015 nonfarm payrolls increased by an average of 12,700, or 1.0 percent, annually. The increase from 2011 through 2015 was due in part to a rebound in manufacturing employment; General Motors Company, which added 1,200 jobs during 2013, boosted this rebound with a $380 million expansion in Wentzeville, Missouri . Nonfarm payrolls have been continuously expanding in the St. Louis HMA since 2011, marking the longest continuous expansion in the HMA since the 1990s. The unemployment rate in the HMA is currently 3.6 percent; this is the lowest unemployment rate since 1999. Figure 1 shows annual trends in the labor force, resident employment, and the unemployment rate from 2000 through 2017.

During the 12 months ending June 2018, the education and health

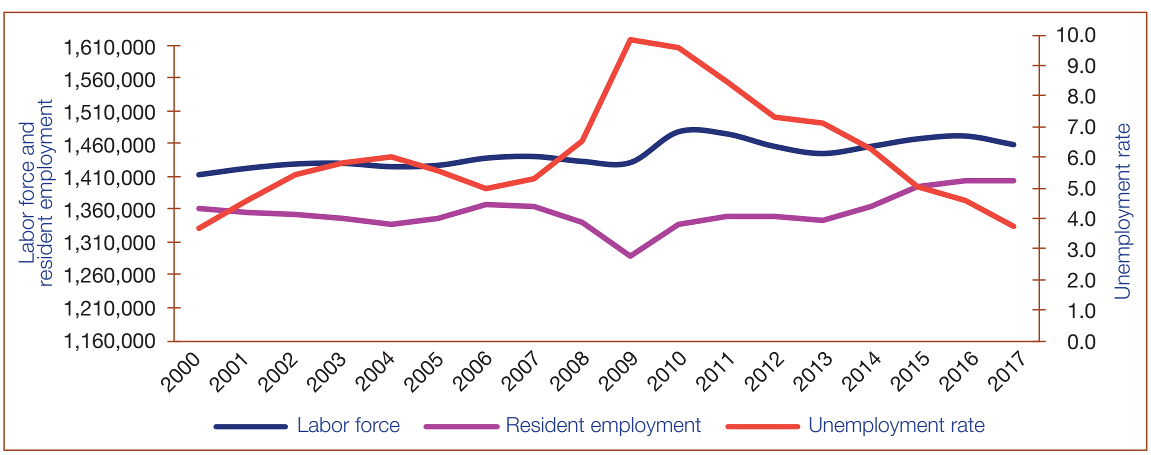
Table 2. 12-Month Average Nonfarm Payroll Jobs in the St. Louis HMA, by Sector

	12 Months Ending		Absolute Change	Percent Change
	June 2017	June 2018		
Total nonfarm payroll jobs	1,372,000	1,382,600	10,600	0.8
Goods-producing sectors	181,200	181,000	– 200	– 0.1
Mining, logging, and construction	66,700	65,600	– 1,100	– 1.6
Manufacturing	114,500	115,400	900	0.8
Service-providing sectors	1,190,800	1,201,700	10,900	0.9
Wholesale and retail trade	207,000	209,200	2,200	1.1
Transportation and utilities	50,200	51,300	1,100	2.2
Information	28,300	27,900	– 400	– 1.4
Financial activities	86,800	88,400	1,600	1.8
Professional and business services	211,500	216,200	4,700	2.2
Education and health services	248,900	254,700	5,800	2.3
Leisure and hospitality	150,000	150,600	600	0.4
Other services	50,800	52,100	1,300	2.6
Government	157,400	151,200	– 6,200	– 3.9

Notes: Numbers may not add to totals because of rounding. Based on 12-month averages through June 2017 and June 2018.

Source: U.S. Bureau of Labor Statistics

Figure 1. Trends in Labor Force, Resident Employment, and Unemployment Rate in the St. Louis HMA, 2000 Through 2017

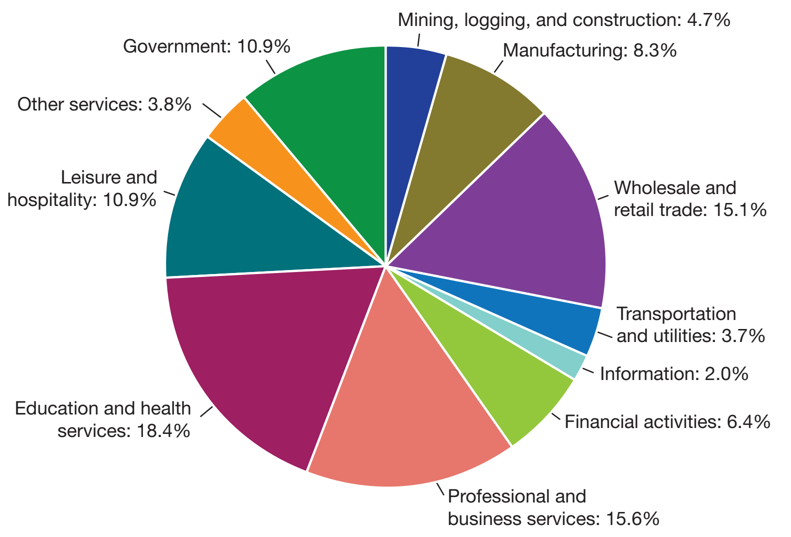


Source: U.S. Bureau of Labor Statistics services sector led job growth in the HMA, increasing by 5,800, or 2.3 percent to 254,700 jobs. Part of this expansion was the result of the new $300 million St. Elizabeth hospital opening in the city of O'Fallon, Illinois in late 2017. The education and health services sector is also the largest employment sector in the HMA, accounting for 18.4 percent of all nonfarm payroll jobs in the HMA (Figure 2). Four of the top five largest employers in the HMA are in this sector, including BJC HealthCare, the largest employer in the HMA with 28,350 employees (Table 3). Washington University in St. Louis, which as a private university is also in this sector, is the third largest employer in the HMA with 15,800 employees. Washington University in St. Louis is a top 20 ranked university by U.S. News & World Report and has nearly 15,200 students, divided evenly between undergraduates and graduate students. In 2016, the university had a $2 billion impact on the local economy, according to a study by the university. From 2000 to current, the education and health services sector has been the fastest growing employment sector in the HMA (Figure 3).

Professional and business services was the second fastest growing sector during the 12 months ending June 2018, increasing by 4,700 jobs, or 2.2 percent to 216,200. Job gains were the result of numerous expansions including KPMG, adding 175 jobs, and Nestlé, relocating 300 information technology jobs to the HMA from California. The professional and business services sector is the second largest employment sector in the HMA, accounting for nearly 16 percent of all nonfarm payroll jobs.

Part of the steady growth in nonfarm payroll jobs in the St. Louis HMA has been due to the rebound of manufacturing jobs in the HMA. From 2000 through 2010, manufacturing jobs steadily declined, but since 2011 manufacturing employment in the HMA has slowly increased. During the 12 months ending June 2018 manufacturing jobs continued the positive trend of growth, and increased by 900 jobs, or 0.8 percent from the previous 12 months. From 2011 to current manufacturing jobs have expanded by an average

Figure 2. Current Nonfarm Payroll Jobs in the St. Louis HMA, by Sector



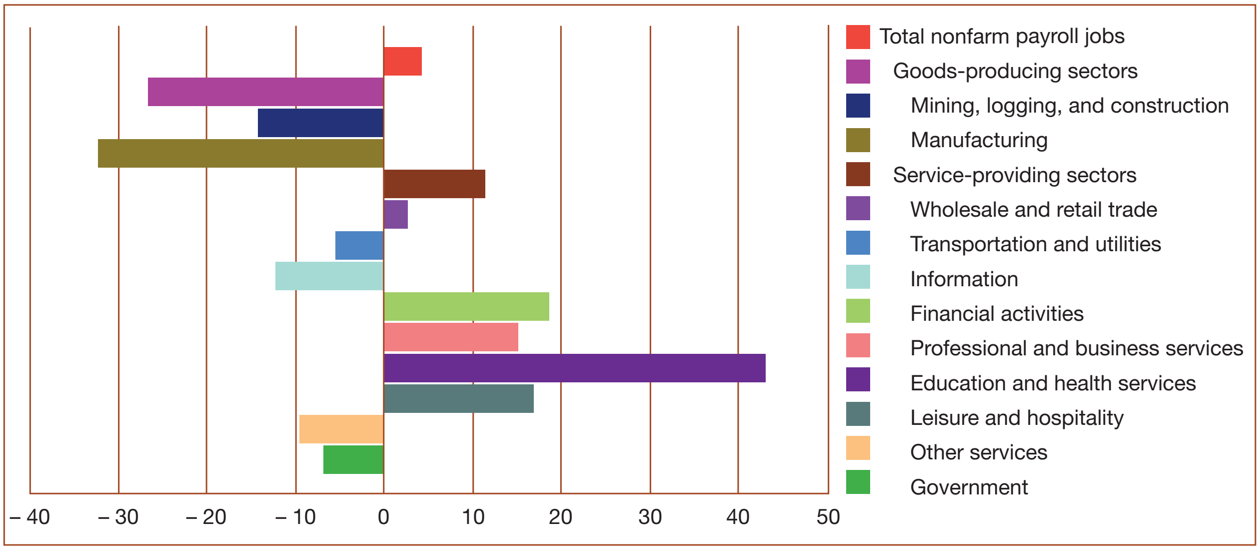
Note: Based on 12-month averages through June 2018.
Source: U.S. Bureau of Labor Statistics

Table 3. Major Employers in the St. Louis HMA

Name of Employer	Nonfarm Payroll Sector	Number of Employees
BJC HealthCare	Education & health services	28,350
Walmart	Wholesale & retail trade	22,290
Washington University in St. Louis	Education & health services	15,800
SSM Health	Education & health services	14,900
Mercy Health Systems	Education & health services	14,200
Boeing	Manufacturing	14,000
Scott Air Force Base	Government*	13,000
Schnucks	Wholesale & retail trade	9,950
U.S. Postal Service	Government	9,950
AT&T	Information	9,000

**Data includes military personnel, who are generally not included in nonfarm payroll survey data.*
Note: Excludes local school districts.
Source: St. Louis Regional Chamber

Figure 3. Sector Growth in the St. Louis HMA, Percentage Change, 2000 to Current



Note: Current is based on 12-month averages through June 2018.
Source: U.S. Bureau of Labor Statistics

of 1,000 jobs, or 0.9 percent annually. This is a turnaround from 2001 through 2010 when the manufacturing sector declined by an average of 6,300 jobs, or 4.5 percent annually. A significant factor in the turnaround in manufacturing employment is the result of expansions at Boeing, which added 700 jobs during the past year at the new composites manufacturing facility for the 777X passenger plane in addition to previous expansions in 2013 and 2016 that added more than 1,000 jobs.

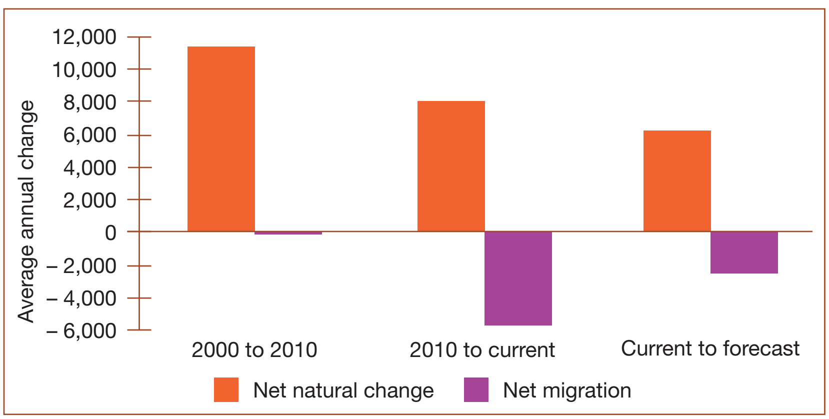
Offsetting the recent job gains was a drop in government jobs during the 12 months ending June 2018, which declined by 6,200 jobs, or 3.9 percent. Most of these job losses were concentrated in the local government sector, which declined by 5,400 jobs, or 4.5 percent. One of the largest employers in the government sector is Scott Air Force Base (AFB), which has 13,000 employees, including 7,000 full-time active duty military personnel. The base has a $4 billion annual economic impact on the local economy (2014, Center for Governmental Studies at Northern Illinois University).

Job growth is expected to remain positive during the next 3 years, but at a slightly slower pace of growth than most recent trends. Nonfarm payrolls are expected to expand by an average of 0.5 percent annually. Some announced expansions that will contribute to job growth include the opening of an Amazon fulfillment center in 2019 that is expected to add 1,500 jobs. In addition, a mobile payments company, Square, Inc., is planning to add 300 jobs in the city of St. Louis by 2020. The National Geospatial Intelligence Agency (NGIA) recently began a $1.7 billion construction project to consolidate its 3,000 people, currently scattered at several facilities in the HMA, into a new western headquarters on the north side of the city of St. Louis. The NGIA project is likely to spur further development on the north side of the city, which has been one of the area's hardest hit by population declines.

Population and Households

The population of the St. Louis HMA is currently estimated at nearly 2.81 million, an increase of 2,450, or 0.1 percent, since 2010, with net out-migration averaging 5,600 people annually. From 2000 to 2010, the population of the HMA increased by an average of 11,250, or 0.4 percent, annually with net out-migration averaging only 50 people per year. Part of the large increase in net out-migration from the HMA since 2010 is the result of net out-migration from the Metro East submarket, when net in-migration to the submarket occurred during the previous decade. Figure 4 shows components of population change from 2000 to forecast. The HMA currently has more than 1.12 million households, an increase of 1,775, or 0.2 percent, annually since 2010. The rate of household growth is well below the average of 6,975, or 0.7 percent annually from 2000 to 2010. Figure 5 shows population and household growth from 2000 through the forecast period.

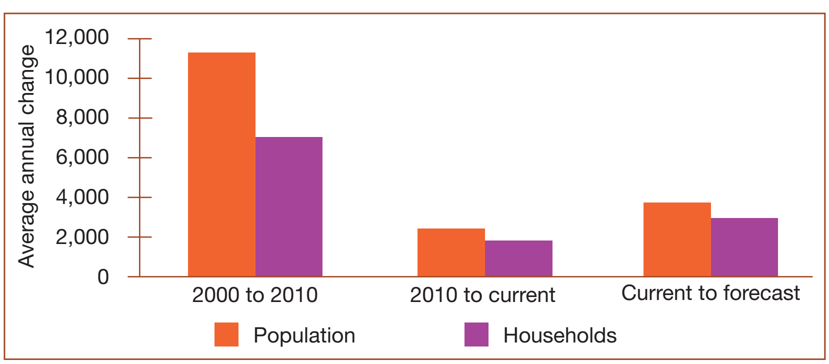
Figure 4. Components of Population Change in the St. Louis HMA, 2000 to Forecast



Notes: The current date is July 1, 2018. The forecast date is July 1, 2021.

Sources: 2000 and 2010—2000 Census and 2010 Census; current and forecast—estimates by analyst

Figure 5. Population and Household Growth in the St. Louis HMA, 2000 to Forecast



Notes: The current date is July 1, 2018. The forecast date is July 1, 2021.

Sources: 2000 and 2010—2000 Census and 2010 Census; current and forecast—estimates by analyst

The city of St. Louis has had a steady decline in population since 1950, when it was the 8th largest city in the nation, with a population of 856,796 (1950 Census). The population of the city of St. Louis is currently estimated at 306,300, declining by an average of 1,575, or 0.5 percent, annually since 2010, with net out-migration averaging 3,200 people annually. The population of the city was 348,189 in 2000 but declined by an average of 2,900, or 0.9 percent, annually to 2010, when the population was 319,294. From 2000 to 2010, net out-migration averaged 4,475 people annually.

The slowdown in population decline since 2010 is due, in part, to a slowdown in net out-migration from the city because of an increase in young professionals living in the city to be closer to work and cultural amenities. Since 2010, the number of people ages 25 to 34 residing in the city has increased, as urban living is more in demand for this age group; between 2000 and 2010, the number increased by 330, or nearly 0.6 percent, annually to 57,661. In 2016, 61,779 people between the ages of 25 and 34 were living in the city of St. Louis, an average increase of 690, or

1.2 percent annually since 2010 (2016 American Community Survey [ACS]). Currently, 138,150 households are in the city of St. Louis, an average decline of 470, or 0.3 percent annually since 2010, which is slightly less than the average decline of 500, or 0.3 percent annually from 2000 to 2010. Table DP-2 at the end of this report gives additional data on population and households in the city of St. Louis submarket.

Although the population of the city as a whole has steadily declined, the population in sections of the city has increased since 2010 because redevelopment in the central city area has attracted many young professionals. The area of growth, referred to as Central City, comprises 12 census tracts: 1162.00, 1171.00, 1174.00, 1193.00, 1255.00, 1256.00, 1257.00, 1266.00, 1273.00, 1274.00, 1275.00, and 1276.00. According to the 2010 5-year ACS, the population of the Central City area of the city of St. Louis was 43,400 but has increased by an average of 820, or 1.8 percent annually to a currently estimated level of 50,225. Currently, an estimated 24,450 households are in the Central City area, an average increase of 520, or 2.4 percent, annually since 2010. During the 3-year forecast period, the population of the city of St. Louis is expected to decline by an average of 770, or 0.3 percent, annually with the number of households declining by an average of 120, or 0.1 percent, annually. Although the city is expected to continue to lose population and households, the Central City area is expected to continue to have positive growth. During the 3-year forecast period, population growth in the Central City area is expected to average 1,100 people, or 2.2 percent annually, as young professionals continue to move into the area. The number of households in the Central City area is expected to increase by an average of 610, or 2.4 percent, annually during the next 3 years.

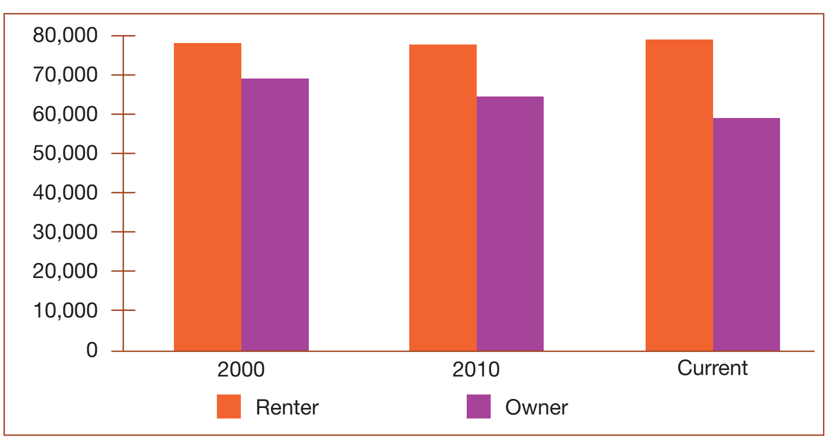
The Metro West submarket is the largest submarket in the MSA, with a population currently estimated at nearly 1.82 million, an increase of 6,225, or 0.3 percent, annually since 2010. Since 2010, net in-migration to this submarket has averaged 950 people annually, and accounted for slightly more than 15 percent of population growth. Population growth in this submarket was significantly stronger from 2000 to 2006 when population growth averaged 12,200 people, or 0.7 percent, annually. During these years, net in-migration to the submarket averaged 4,800 people annually and accounted for slightly more than 39 percent of all population growth. From 2006 to 2010, net in-migration to this submarket declined significantly, and averaged just 830 people annually. This contributed to an average population increase of just 8,800, or 0.5 percent annually. As out-migration from the city of St. Louis has declined, this has caused a decline of in-migration to the Metro West submarket, as fewer people leave the city to live in the suburbs. Currently, 714,500 households are in the Metro West submarket, an average increase of 2,825, or 0.4 percent, annually since 2010. The current rate of household growth is nearly 50 percent lower than the average increase of 5,575, or 0.8 percent, annually from 2000 to 2010. During the 3-year forecast period, the Metro West submarket is expected to be the only submarket in the HMA to have overall population and household growth. Population growth is expected to average 6,000 people, or 0.3 percent, annually, whereas the number of households will increase by an average of 3,200, or 0.4 percent, annually. Table DP-3 at the end of this report gives additional data on population and households in the Metro West submarket.

The population of the Metro East submarket is currently estimated at 686,400, an average decline of 2,100, or 0.3 percent, annually since 2010. The population decline in this submarket is the result of a recent trend of net out-migration that has averaged 3,275 people annually since 2010. The out-migration is a reversal from previous periods when the submarket had net in-migration. From 2000 to 2006, in-migration averaged 1,325 people annually, which contributed to an overall population increase that averaged 3,325 people, or 0.5 percent, annually. From 2006 to 2010, net in-migration followed a similar trend to the Metro West submarket and slowed, averaging 800 people a year, and contributed to an average population growth of 3,000 people or 0.4 percent annually. Currently, 271,700 households are in the Metro East submarket, a decline of 580, or 0.2 percent annually since 2010. From 2000 to 2010, when population growth was positive, households increased by an average of 1,900, or 0.7 percent, annually. Population and household declines are expected to continue in the Metro East submarket, but at a slightly slower pace than since 2010. During the 3-year forecast period, the population is expected to decline by an average of 1,700, or 0.2 percent, annually while the number of households is expected to decline by an average of 200, or 0.1 percent, annually. Table DP-4 at the end of this report gives additional data on population and households in the Metro East submarket.

Housing Market Trends

Sales Market—City of St. Louis Submarket

Figure 6: Number of Households by Tenure in the City of St. Louis Submarket, 2000 to Current



Note: The current date is July 1, 2018.

Sources: 2000 and 2010—2000 Census and 2010 Census; current—estimates by analyst

The sales housing market in the city of St. Louis submarket is currently soft, with an estimated vacancy rate of 3.2 percent, down from 4.8 percent in April 2010. In May 2018, 2.4 percent of all mortgage loans in the submarket were seriously delinquent (90 or more days delinquent or in foreclosure) or had transitioned into real estate owned (REO) status, which is the lowest level since April 2000 and down from 3.2 percent in May 2017 and a peak of 9.2 percent during February 2010 (CoreLogic). The homeownership rate in the submarket is currently 42.7 percent, down from 45.4 percent in 2010. Figure 6 shows the number of households by tenure in the submarket for 2000, 2010, and the current date. Housing market conditions continue to be impacted by the long-term trend of a declining population in the city, which leads to a large number of vacant and abandoned housing units. According to the 2016 ACS, nearly 21 percent of all housing units are vacant, up from slightly more than 19 percent in 2010. (The number of vacant units from the ACS includes Other Vacant Units, which are defined at the end of this report and are not included in the calculation of the sales and rental market vacancy rates.)

The number of new and existing homes sold (including condominiums, townhomes, and single-family homes) during the 12 months ending June 2018 totaled 7,375, an increase of 140, or 2 percent, from the previous 12 months. The average sales price of a home in the submarket during the 12 months ending June 2018 was $174,400, up $6,600, or nearly 4 percent, from the previous 12 months. The number of homes sold is much less than the 12,300 homes sold in 2005, which is the highest level recorded with the data available (Metrostudy, A Hanley Wood Company). Since the 2005 peak, home sales decreased by an average of 1,375 homes sold, or nearly 17 percent, to a low of 4,050 homes sold during 2011 due to worsening economic conditions and 6 consecutive years of population decline. In 2012, with the economy improving, the number of home sales started to increase by an average of 530 homes sold, or nearly 11 percent, annually to 6,675 homes sold by 2016.

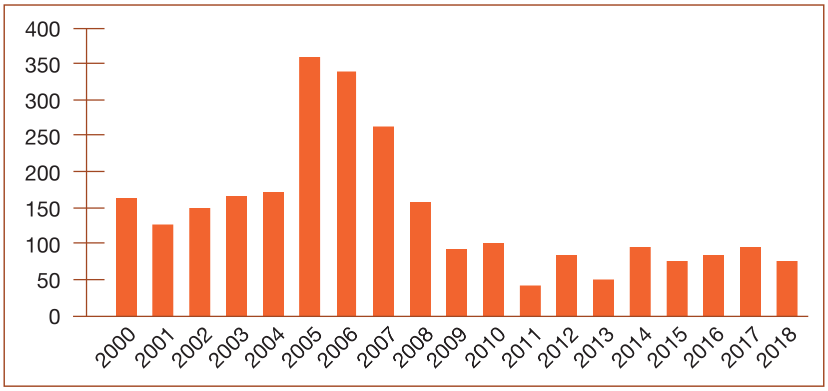
Even with declining number of sales in this submarket from 2005 through 2010, the average sales price continued to increase as higher priced homes constituted a larger percentage of sales. In 2005, the average sales price of a home was $135,200, and, by 2010, the price had increased to $162,800, for an average annual increase of $5,525, or nearly 4 percent. In 2011, prices started to decline in the submarket by an average of $17,550, or more than 11 percent, to $127,700 by 2012. In 2013, home prices began to recover with increasing demand and, by 2016, the average sales price was $166,100, an average increase of $9,600, or nearly 7 percent annually.

The Central City area tends to have greater average sales prices than the submarket as a whole because the area attracts high-income professionals. During the 12 months ending June 2018, home sales in the Central City market area totaled 2,800, an increase of 230, or slightly more than 9 percent, from the previous 12 months. The average sales price of a home in the area during the 12 months ending June 2018 was $204,000, an increase of $1,900, or 1 percent from the previous 12 months. The average price of a home is approximately 30 percent higher than elsewhere in the submarket. The average sales price of a home in the city of St. Louis during the 12 months ending June 2018, excluding sales from the central city market area, was $157,100. During the 12 months ending June 2018, homes sales in the central city area represented nearly 38 percent of total home sales in the city of St. Louis submarket, up from 35 percent in 2010 and 32 percent in 2005.

Very few single-family homes are currently under construction in the city of St. Louis submarket because no large-scale subdivisions are under construction. Single-family construction in the submarket consists of infill on vacant lots, with a significant portion of this housing being affordable housing built with charitable donations or government grants. During the 12 months ending June 2018, 120 single-family homes were permitted, up 20 percent from the 100 homes permitted during the previous 12 months (preliminary data). As the economy has improved, single-family construction has also improved from the levels during the 2011 through 2015 period, when an average of 70 single-family homes were permitted annually. An average of 320 homes were permitted annually in the submarket during the peak years of 2005 through 2007, which is double the average of any other period since 1980. Single-family construction declined to an average of 120 single-family homes from 2008 through 2010. Single-family home construction since 2011 has been similar to the historical long-run averages in the submarket. During the 1980s, single-family permitting averaged slightly less than 60 homes a year and increased to nearly 80 homes a year during the 1990s. With the submarket steadily losing population since the 1950s, large-scale, single-family development has not occurred in the city. Figure 7 shows the number of single-family homes permitted since 2000.

During the 3-year forecast period, demand is estimated for 260 new homes, all located in the Central City area of the city of St. Louis. The 35 homes currently under construction will meet part of this demand. Demand will be greatest for new homes in the $300,000 to $399,999 price range (Table 4).

Figure 7. Single-Family Homes Permitted in the City of St. Louis Submarket, 2000 to Current



Notes: Includes townhomes. Current includes data through June 2018.

Source: U.S. Census Bureau, Building Permits Survey; 2000–2016 final data and analyst estimates; 2017 preliminary data and analyst estimates

Table 4: Estimated Demand for New Market-Rate Sales Housing in the City of St. Louis Submarket During the Forecast Period

Price Range ($)		Units of Demand	Percent of Total
From	To		
135,000	199,999	30	11.0
200,000	299,999	60	23.0
300,000	399,999	110	42.0
400,000	499,999	50	19.0
500,000	and higher	15	5.0

Notes: Numbers may not add to totals because of rounding. The 35 homes currently under construction in the submarket will likely satisfy some of the forecast demand.

Source: Estimates by analyst

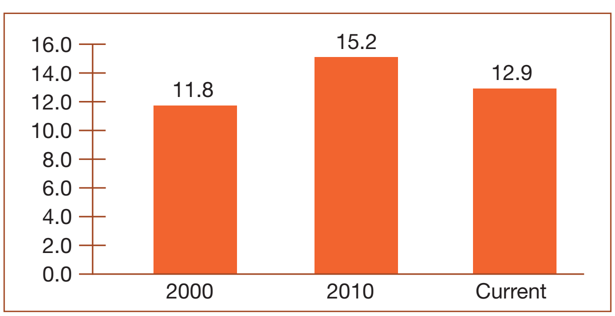
Rental Market—City of St. Louis Submarket

The rental housing market in the City of St. Louis submarket is currently soft but has been improving since 2010. The current overall rental vacancy rate is estimated at 12.9 percent, which is down from 15.2 percent in 2010 (Figure 8). The population decline in the submarket has contributed to the overall high vacancy rate, particularly among older, obsolete units in the northern parts of the submarket. The number of renter households has increased since 2010, in part, because of stricter home mortgage underwriting standards for potential homebuyers and because former homeowners have shifted to renting as a result of home foreclosures. This shift in tenure, from owner to renter, has facilitated the decline in the renter vacancy rate since 2010.

The apartment market in the city of St. Louis is currently balanced with a 6.9-percent vacancy rate during the second quarter of 2018, down from 7.2 percent during the second quarter of 2017 (RealPage Inc.). The apartment market has improved since 2010 when the vacancy rate was 8.8 percent. The average rent for an apartment in the city of St. Louis is currently $987, an increase of $52, or nearly 6 percent from 1 year earlier. Between 2010 and 2016 the average rent in the city of St. Louis increased by an average of $25, or more than 3 percent, annually.

The difference between the apartment and overall rental vacancy rates is due to the large number of structures in the submarket with two-to-four units per building. These structures tend to be older, have a higher vacancy rate, and are not included in apartment market surveys. A total of 53,100 units are in buildings with two-to-four units in a structure in the submarket, compared with 39,700 units in buildings that have five or more units in a structure. Of housing units in buildings with two-to-four units, more than 28 percent are vacant (2016 ACS).

Figure 8. Rental Vacancy Rates in the City of St. Louis Submarket, 2000 to Current



Note: The current date is July 1, 2018.

Sources: 2000 and 2010—2000 Census and 2010 Census; current—estimates by analyst

The apartment market in the Central City area is currently slightly tight, with a 5.3-percent vacancy rate, up from 4.0 percent 1 year earlier (ALN). The average rent for an apartment in the central city area is $1,130, an increase of $52, or more than 4 percent, from 12 months earlier. The absorption of apartments in the central city area has averaged slightly more than 60 units a month during the past 24 months. Since 2010, more than 3,000 market rate apartment units have been built in the Central City area, which accounts for more than 90 percent of all market rate apartment units built in the submarket since 2010. Rents for units built since 2010 in the Central City area average $1,224, $1,447, $1,940, and $2,725 for studio, one-, two-, and three-bedroom units respectively.

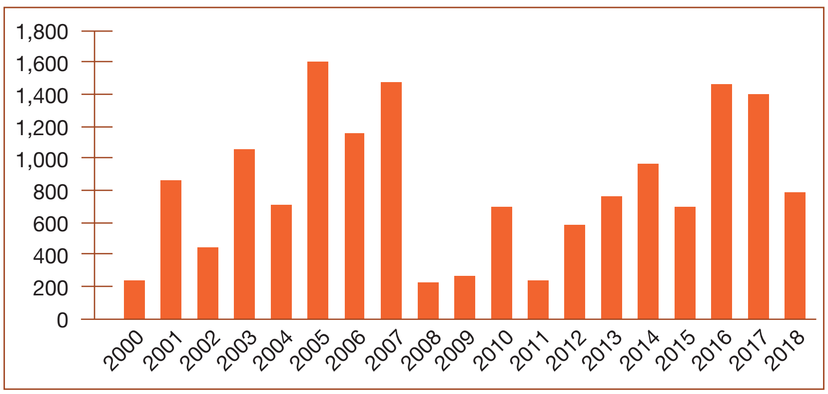
The local universities have a significant impact on the rental market in the Central City area, because many students who live off campus live in this part of the city. It is estimated that more than 20 percent of the 21,750 renter households in Central City area consist of one or more students at one of the two local universities—Washington University in St. Louis and Saint Louis University. Most students who live off campus are graduate students at the two universities whereas 75 percent of undergraduate students at Washington University in St. Louis and 52 percent of undergraduates at Saint Louis University live on campus. Central City appeals to the student population because of the availability of public transportation and greater part-time employment opportunities while attending school.

During the 12 months ending June 2018, multifamily building activity, as measured by the number of units permitted, totaled 1,550, an increase of 230, or more than 26 percent, from the previous 12 months. Multifamily production has increased recently as developers respond to increasing demand from young professionals who desire to live in the city. The most recent levels of production were a significant increase from the average of 550 units permitted annually from 2008 through 2015 (Figure 9). From 2000 through 2004, multifamily production averaged just 660 units annually, but production more than doubled from 2005 through 2007 when an average of 1,400 units were permitted annually.

Building permits for condominiums are included in the number of multifamily units permitted. From 2000 through 2004, condominium units accounted for nearly 13 percent of all multifamily units permitted during these years. From 2005 through 2007, condominium activity increased significantly and accounted for 34 percent of all multifamily units permitted. With the downturn in the housing market in 2008, condominium construction ceased with no units permitted between 2008 and 2010. Since 2011, condominium activity has been limited and has accounted for just 3 percent of all multifamily units permitted.

Some recent developments include the 87-unit Lofts at Euclid, in the city's Central West End neighborhood, which is part of the Central City area. Rents at this property range from $959 for an efficiency unit to $2,899 for a two-bedroom unit. Another ongoing

Figure 9. Multifamily Units Permitted in the City of St. Louis Submarket, 2000 to Current



Notes: Excludes townhomes. Current includes data through June 2018.

Sources: U.S. Census Bureau, Building Permits Survey; 2000–2016 final data and analyst estimates; 2017 preliminary data and analyst estimates

Table 5. Estimated Demand for New Market-Rate Rental Housing in the City of St. Louis Submarket During the Forecast Period

Zero Bedrooms		One Bedroom		Two Bedrooms		Three or More Bedrooms	
Monthly Rent ($)	Units of Demand	Monthly Rent ($)	Units of Demand	Monthly Rent ($)	Units of Demand	Monthly Rent ($)	Units of Demand
850 to 1,049	25	1,000 to 1,199	55	1,250 to 1,449	75	1,500 to 1,699	20
1,050 to 1,249	85	1,200 to 1,399	320	1,450 to 1,649	190	1,700 to 1,899	30
1,250 or more	20	1,400 to 1,599	480	1,650 to 1,849	210	1,900 to 2,099	40
		1,600 to 1,799	180	1,850 to 2,049	250	2,100 to 2,299	95
		1,800 or more	30	2,050 or more	30	2,300 or more	10
Total	130	Total	1,050	Total	740	Total	190

Notes: Monthly rent does not include utilities or concessions. Numbers may not add to totals because of rounding. The 1,550 units currently under construction will likely satisfy some of the estimated demand.

Source: Estimates by analyst

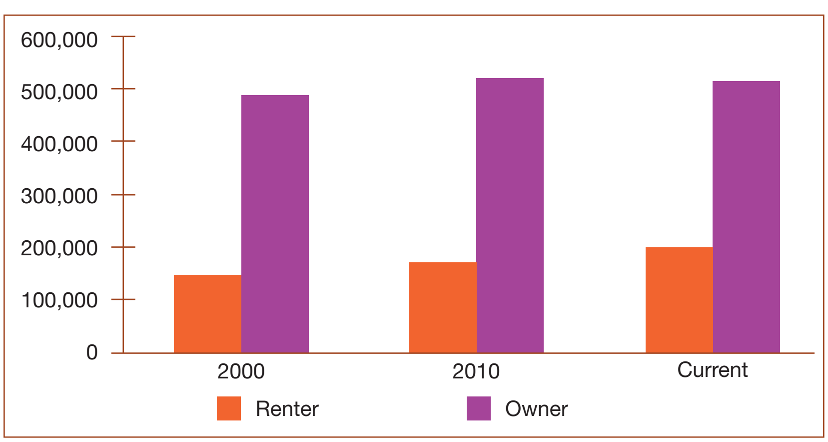
development is One Cardinal Way, a 29-story, 297-unit hi-rise apartment building overlooking Busch Stadium, home of the St. Louis Cardinals. This building will not be completed until 2020, but is currently preleasing. Rents at this property range from $1,534 for a one-bedroom unit to $5,705 for a penthouse unit with views of the game action in the stadium.

During the 3-year forecast period, demand is estimated for 2,125 market-rate rental units, which will be concentrated in the Central City area of the city of St. Louis. The 1,550 units currently under construction will satisfy demand for the first 2 years of the forecast period. Demand will be greatest for one-bedroom units in the $1,400-to-$1,599 price range (Table 5).

Sales Market—Metro West Submarket

The sales housing market in the Metro West submarket is currently balanced, with an estimated 1.4-percent vacancy rate, down from 2.2 percent in 2010. In May 2018, 1.5 percent of all mortgage loans in the submarket were seriously delinquent (90 or more days delinquent or in foreclosure) or had transitioned into REO status, which was down from 1.8 percent in May 2017 and a peak of 5.5 percent during January 2010 (CoreLogic). The homeownership rate in this submarket is currently estimated at 71.9 percent, down from 75.4 percent in 2010. Figure 10 shows the number of households by tenure in the Metro West submarket from 2000 to current.

Figure 10. Number of Households by Tenure in the Metro West Submarket, 2000 to Current



Note: The current date is July 1, 2018.

Sources: 2000 and 2010—2000 Census and 2010 Census; current—estimates by analyst

During the 12 months ending June 2018, new home sales in the Metro West submarket totaled 2,750, essentially unchanged from the previous 12 months. Even with new home sales being flat during the past 12 months, sales increased slowly from levels in 2011 when 1,725 homes sold. During 2015, new home sales totaled 2,650, an average increase of 190 sales, or 9 percent, annually since 2011. During 2005, new home sales in the Metro West submarket peaked at 7,950 and declined for the next 6 years by an average of 1,050, or nearly 23 percent, annually as the downturn in the housing market had a significant impact in the submarket.

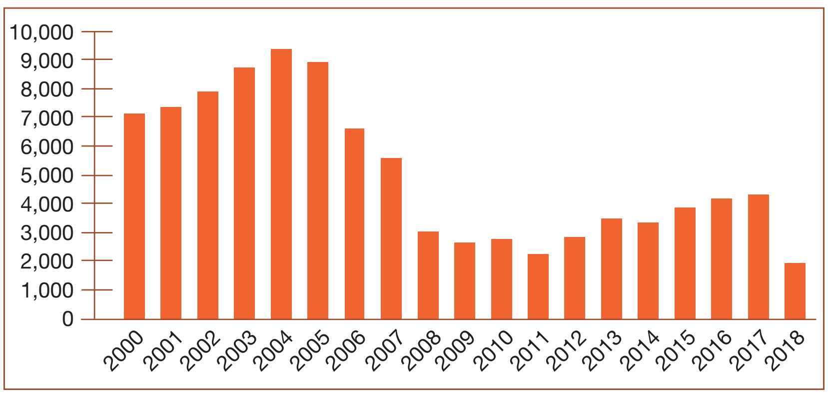
The average sales price of a new home during the 12 months ending June 2018 was $381,000, an increase of $22,200, or more than 6 percent, from the previous 12 months (Metrostudy, A Hanley Wood Company). During 2005, the average sales price of a new home in the Metro West submarket was $277,000 and increased during the next 3 years by an average of $15,000, or more than 5 percent, annually to $322,100 during 2008. During 2009, the average sales price of a new home began to decline and, by 2011, was back to $277,000, an average decline of $15,000, or nearly 5 percent, annually. During 2012, the average sales price of a new home in this submarket began to increase again and, by 2015, was up to $328,600, an average increase of $12,900, or more than 4 percent annually.

During the 12 months ending June 2018, existing home sales in the Metro West submarket totaled 38,200, an increase of 2,175, or more than 6 percent, from the previous 12 months. Existing home sales have more than doubled in this submarket since 2011, which saw 18,900 sales. By 2015, existing home sales totaled 32,700, an average increase of 3,450 sales, or nearly 15 percent, annually as the housing market recovered from the last downturn. Even with the rapid increase in existing home sales, the volume is not approaching previous peak levels as slower population and household growth limits demand. In 2005 existing home sales totaled 49,700 and declined for the next 6 years by an average of 6,150, or nearly 18 percent, annually.

During the 12 months ending June 2018, the average sales price of an existing home was $229,000, essentially unchanged from the previous 12 months. During 2005, the average sales price of an existing home was $195,300 and increased during the next 3 years by an average of $8,200, or 4 percent annually to $219,900 during 2008. During 2009, at the peak of the housing crisis, the average sale price of an existing home declined by $16,600, or nearly 8 percent to $203,300. In 2010 the average sales price began to rebound and by 2015 was up to $222,600, an average increase of $3,225, or less than 2 percent annually since the end of 2009.

New home construction, as measured by the number of single-family homes permitted, totaled 4,100 during the 12 months ending June 2018, down by 175, or 4 percent from the previous 12 months. Although production declined during the most recent 12 months, it is still an uptick from the average of 3,150 homes permitted annually from 2011 through 2015. In 2000, 7,100 single-family homes were permitted, and this total increased every year by an average of 560, or 7 percent annually, to reach a peak of 9,375 in 2004, which was a period of strong population growth in the submarket (Figure 11). Following this peak, production trended downward and reached a low in production

Figure 11. Single-Family Homes Permitted in the Metro West Submarket, 2000 to Current



Notes: Includes townhomes. Current includes data through June 2018.

Sources: U.S. Census Bureau, Building Permits Survey; 2000–2016 final data and analyst estimates; 2017 preliminary data and analyst estimates

Table 6. Estimated Demand for New Market-Rate Sales Housing in the Metro West Submarket During the Forecast Period

Price Range ($)		Units of Demand	Percent of Total
From	To		
135,000	199,999	730	6.0
200,000	249,999	1,950	16.0
250,000	299,999	4,650	38.0
300,000	399,999	2,575	21.0
400,000	499,999	1,700	14.0
500,000	and higher	610	5.0

Notes: Numbers may not add to totals because of rounding. The 900 homes currently under construction in the submarket will likely satisfy some of the forecast demand.

Source: Estimates by analyst

of 2,225 during 2011, an average decline of 1,025, or 19 percent annually as the national housing crisis and a significant slowdown in population growth impacted the area.

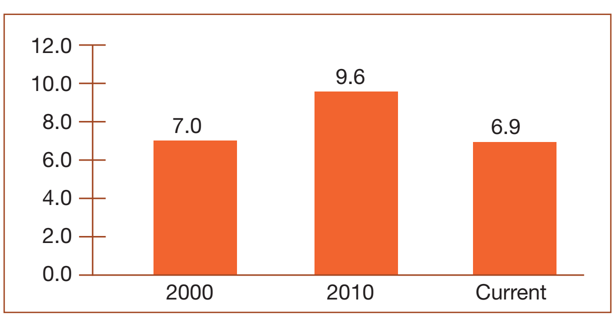
Some recent developments include the Central Park Townes, a 42-townhome development located near the St. Louis Metrolink station. Home prices start at $499,999 for a three-bedroom, two and one-half-bathroom, 2,100-square-foot townhome. This development is currently 80 percent complete and should be finished in early fall 2018. The Arbors of Bluebird Park is a 20-home development located in St. Louis County that was built out in the spring of 2018. Home prices at the Arbors of Bluebird Park start at $379,000 for a three-bedroom and two-bathroom home.

During the 3-year forecast period, demand is estimated for 12,200 new homes. The 900 homes currently under construction will satisfy a portion of that demand. Demand is expected to be greatest for homes priced from $250,000 to $299,999 (Table 6). More than 40 percent of demand for new homes is expected in St. Charles County.

Rental Market—Metro West Submarket

The overall rental housing market (including single-family homes, mobile homes, and apartments) in the Metro West submarket is balanced, with an estimated 6.9-percent vacancy rate, down from 9.6 percent in April 2010. Figure 12 shows the rental vacancy rates in the submarket from 2000 to the current date. Single-family homes have become an increasingly important part of the rental market, with 38 percent of renter households residing in single-family homes (2016 ACS 1-year data), up from 28 percent in 2010 and 25 percent in 2000. Approximately 43 percent of all renter households in the submarket live in apartments with five or more units per building.

Figure 12. Rental Vacancy Rates in the Metro West Submarket, 2000 to Current



Note: The current date is July 1, 2018.

Sources: 2000 and 2010—2000 Census and 2010 Census; current—estimates by analyst

The Metro West apartment market is currently balanced, with a 5.8-percent vacancy rate during the second quarter of 2018, up slightly from 5.6 percent during the second quarter of 2017 (RealPage Inc.). The apartment market has recovered from soft conditions in 2010, when the apartment vacancy rate was 8.2 percent, because improving economic conditions and a slowdown in construction from 2010 to 2013 allowed for vacant units to be absorbed. The average rent for an apartment in the Metro West submarket during the second quarter of 2018 was $873, an increase of $21, or more than 2 percent from the second quarter of 2017. Between 2010 and 2015, the average rent in the Metro West submarket increased by an average of $20, or nearly 3 percent annually. During the past 12 months, absorption of apartments in the Metro West submarket has averaged 230 units a month, up from 190 units a month during the previous 12 months.

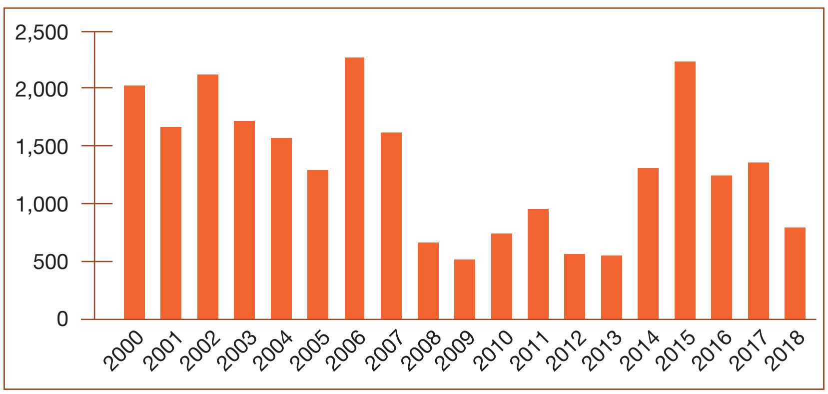
During the 12 months ending June 2018, multifamily building activity, as measured by the number of units permitted, totaled 1,150, an increase of 210, or more than 22 percent from the previous 12 months. The current level of production is a slowdown from the most recent periods. From 2014 through 2016, an average of 1,600 multifamily units were permitted annually. This was the strongest level of production since the period from 2000 through 2007 when an average of 1,775 units were permitted annually. With the onset of the economic downturn and housing crisis, multifamily construction declined by nearly 63 percent and averaged only 660 units permitted annually from 2008 through 2013. Figure 13 shows the number of multifamily units permitted from 2000 to 2018.

Since 2010, the development of housing for seniors to accommodate the aging population of baby boomers who are looking to downsize has accounted for 42 percent of apartment construction; this amount of senior housing is an increase from 23 percent of all multifamily units permitted from 2000 through 2010. Nearly all multifamily construction since 2000 in this submarket has occurred in either St. Charles or St. Louis County.

Some recent developments include the 254-unit Alinea at Town and Country apartments, which opened in late 2016. The development consists of one-, two-, and three-bedroom units with rents ranging from $1,249 to $2,549 a month. The Barton, a 229-unit property in the city of Clayton, began leasing in early 2018. This development has one-, two-, and three-bedroom units with rents ranging from $1,690 to $3,615 a month.

During the 3-year forecast period, demand is estimated for 2,375 market-rate rental units. Most

Figure 13. Multifamily Units Permitted in the Metro West Submarket, 2000 to Current



Notes: Excludes townhomes. Current includes data through June 2018.

Sources: U.S. Census Bureau, Building Permits Survey; 2000–2016 final data and analyst estimates; 2017 preliminary data and analyst estimates

Table 7. Estimated Demand for New Market-Rate Rental Housing in the Metro West Submarket During the Forecast Period

Zero Bedrooms		One Bedroom		Two Bedrooms		Three or More Bedrooms	
Monthly Rent ($)	Units of Demand	Monthly Rent ($)	Units of Demand	Monthly Rent ($)	Units of Demand	Monthly Rent ($)	Units of Demand
970 to 1,169	65	930 to 1,129	110	950 to 1,149	95	1,150 to 1,349	15
1,170 or more	30	1,130 to 1,329	550	1,150 to 1,349	280	1,350 to 1,549	20
		1,330 to 1,529	360	1,350 to 1,549	460	1,550 to 1,749	35
		1,530 to 1,729	55	1,550 to 1,749	75	1,750 to 1,949	80
		1,730 or more	55	1,750 or more	40	1,950 or more	40
Total	95	Total	1,150	Total	950	Total	190

Notes: Monthly rent does not include utilities or concessions. Numbers may not add to totals because of rounding. The 1,825 units currently under construction will likely satisfy some of the estimated demand.

Source: Estimates by analyst

of this demand will be met by the 1,825 units currently under construction in the submarket. Demand will be greatest for one-bedroom units with rents that range from $1,130 to $1,329 a month (Table 7). Nearly all of the multifamily construction will take place in either St. Louis or St. Charles County.

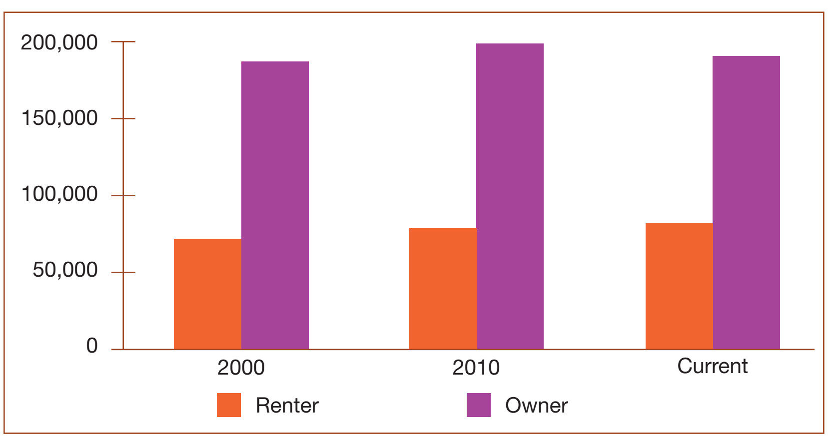
Sales Market—Metro East Submarket

The sales housing market in the Metro East submarket is currently balanced, with an estimated vacancy rate of 1.9 percent, down from 2.2 percent in April 2010. In May 2018, 2.3 percent of all mortgage loans in the submarket were seriously delinquent (90 or more days delinquent or in foreclosure) or had transitioned into REO status, which was down from 2.7 percent in May 2017 and the peak of 6.4 percent during January 2010 (CoreLogic). The current homeownership rate in the submarket is 69.8 percent, down from 71.6 percent in 2010. Figure 14 shows the number of households by tenure in the submarket for 2000, 2010, and the current date.

New home sales in the Metro East submarket totaled 500 during the 12 months ending June 2018, down by 60, or nearly 11 percent from the previous 12 months (Metrostudy, A Hanley Wood Company). New home sales have declined significantly from a peak of 2,425 homes sold during 2006 because of the national housing crisis and economic downturn, followed by population declines since 2010 that have limited demand for new housing. From 2007 through 2014, new home sales declined by an average of 250 homes, or more than 20 percent, annually, reaching a low of 390 homes sold during 2014. During 2015 and 2016, new home sales began to increase once more and, during 2016, totaled 490 homes sold, an average increase of 50 sales, or slightly more than 12 percent annually.

The average sales price of a new home during the 12 months ending June 2018 was $290,000, an increase of $2,000, or less than 1 percent from the previous 12 months. During 2006, the average sales price of a new home in the Metro East submarket was $195,000 and increased during the next 3 years by an average of $6,650, or more than 3 percent annually to $214,900 during 2008. During 2009, the average sales price of a new home declined by $10,200, or nearly 5 percent to $204,700. This was a short-lived downturn in new home prices and, during 2010, the average sales price of a new home began to increase again as a declining volume of new homes that were limited to more high-end units caused the increase in the average

Figure 14. Number of Households by Tenure in the Metro East Submarket, 2000 to Current



Note: The current date is July 1, 2018.

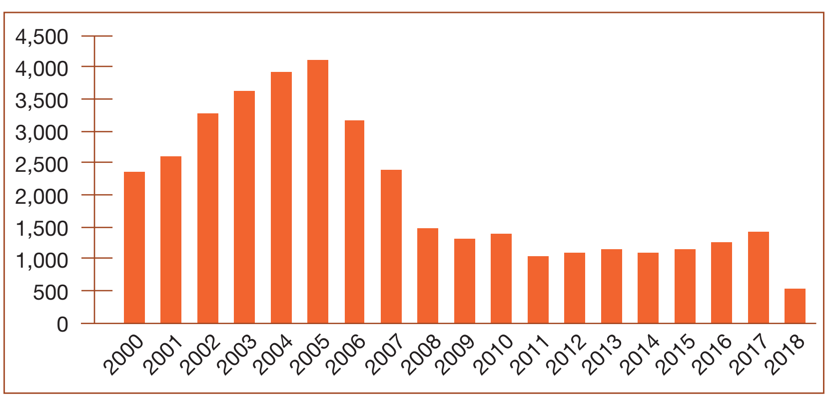
Sources: 2000 and 2010—2000 Census and 2010 Census; current—estimates by analyst sales price. During 2015, the average sales price of a new home was $273,300, an average increase of $11,450, or nearly 5 percent annually since 2009.

Existing home sales during the 12 months ending June 2018 totaled 8,800, an increase of 200 sales, or more than 2 percent from the previous 12 months. Existing sales are below the peak level of 12,000 during 2005. Following this peak in 2005, existing home sales declined during the next 6 years by an average of 1,200, or 14 percent annually as the national recession and housing crisis impacted the local market and totaled just 4,850 sales during 2011. Beginning in 2012, existing home sales began to increase again and, by 2015, totaled 7,775, an average increase of 730 sales, or nearly 13 percent annually.

The average sales price of an existing home in the Metro East submarket was $155,000 during the 12 months ending June 2018, an increase of $4,250, or nearly 3 percent from 12 months earlier. During 2005, the average sales price of an existing home was $128,700 and increased during the next 3 years by an average of $4,350, or more than 3 percent annually to reach an average price of $141,700 during 2008. With the downturn in the housing market, the average sales price declined during 2009 by $3,100, or more than 2 percent to $138,600. Existing home prices began to increase again and, by 2012, were up to $152,800, an average increase of $4,750, or more than 3 percent annually. With continued population declines in the Metro East submarket limiting demand for housing, existing home prices began to decline once more and, by 2014, the average sales price of an existing home was $141,900, an average decline of $4,450, or nearly 4 percent annually. During 2015, existing home prices began to recover and, during this year, the average sales price was $148,200, an increase of $6,350, or nearly 5 percent, as increased demand during this year put upward pressure on home prices again.

New home construction, as measured by the number of single-family homes permitted, totaled 1,175 during the 12 months ending June 2018, down by 75 homes, or 6 percent from the previous 12 months. Although production declined during the most recent 12 months, it is slightly higher than the average of 1,125 homes permitted annually from 2012 through 2015. In 2000, 2,375 single-family homes were permitted, and this total increased every year by an average of 350, or 12 percent annually to reach a peak of 4,125 in 2005. Following this peak, production trended downward and reached a low of 1,025 homes during 2011, an average decline of 510, or more than 21 percent annually as the national housing crisis impacted the area. Figure 15 shows the number of single-family homes permitted since 2000.

Figure 15. Single-Family Homes Permitted in the Metro East Submarket, 2000 to Current



Notes: Includes townhomes. Current includes data through June 2018.

Sources: U.S. Census Bureau, Building Permits Survey; 2000–2016 final data and analyst estimates; 2017 preliminary data and analyst estimates

Table 8. Estimated Demand for New Market-Rate Sales Housing in the Metro East Submarket During the Forecast Period

Price Range ($)		Units of Demand	Percent of Total
From	To		
140,000	199,999	640	18.0
200,000	249,999	1,375	39.0
250,000	299,999	1,025	29.0
300,000	499,999	390	11.0
500,000	and higher	110	3.0

Notes: Numbers may not add to totals because of rounding. The 320 homes currently under construction in the submarket will likely satisfy some of the forecast demand.

Source: Estimates by analyst

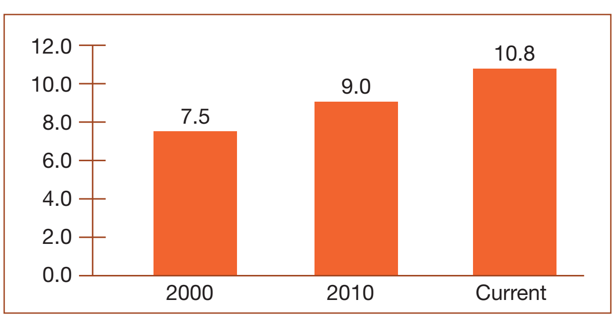
Some recent developments include the first phase of Greystone Estates, a 54-home development in St. Clair County, located near Scott AFB, which just recently began construction. Home prices in this subdivision start at $185,000 for a three-bedroom, two-bathroom 1,500-square-foot home. Rock Hill Trails, located in Madison County, recently sold all of the 49-homes planned in the first phase, which is expected to be completed later in 2018. Home prices in this subdivision start at $270,000 for a three-bedroom, two-bath 1,800-square-foot home.

During the 3-year forecast period, demand is estimated for 3,525 new homes. The 320 homes currently under construction will satisfy a portion of that demand. Demand will likely be strongest for new homes priced from $200,000 to $249,999 (Table 8).

Rental Market—Metro East Submarket

The rental market in the Metro East submarket is currently soft with a 10.8-percent vacancy rate, up from 9.0 percent in 2010. Figure 16 shows the rental vacancy rates in the submarket from 2000 to the current date. Declining population since 2010 has contributed to an increasing vacancy rate in the submarket. Approximately 45 percent of all renter households in this submarket live in single-family homes (2016 ACS), which is up from 39 percent in 2010. Renter households in buildings with five or more units account for just slightly less than 27 percent of all renter households in this submarket leading to a large disparity between overall rental and apartment vacancy rates.

Figure 16. Rental Vacancy Rates in the Metro East Submarket, 2000 to Current



Note: The current date is July 1, 2018.

Sources: 2000 and 2010—2000 Census and 2010 Census; current—estimates by analyst

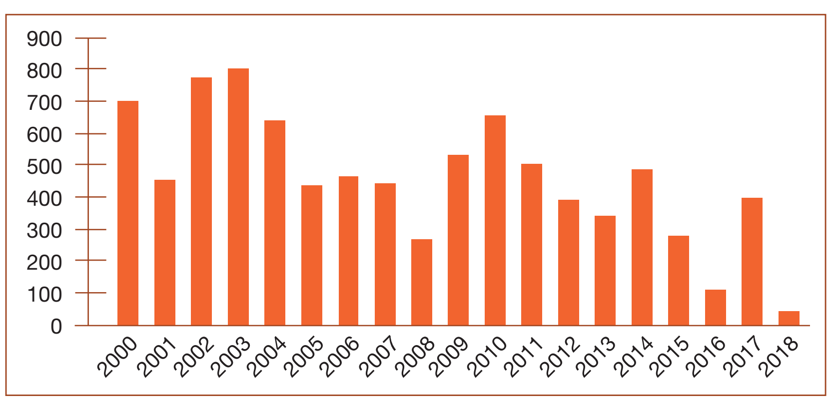
The apartment market in the Metro East submarket during the second quarter of 2018 is balanced, with a 4.3-percent vacancy rate, down from 6.0 percent during the second quarter of 2017 (RealPage Inc.). The average rent for an apartment during the second quarter of 2018 was $825, a decline of $9, or 1 percent from the second quarter of 2017. The average rent for an apartment has been declining by an average of $14, or 2 percent, annually since 2015, when the average rent for an apartment peaked at $859. The declining rents and limited production have helped to lower the apartment vacancy rate from 11.4 percent at the end of 2015. In 2010, the apartment vacancy rate was 5.8 percent and increased fairly steadily until reaching its highest level in 2015. During 2010, the average rent for an apartment was $752 and increased through 2015 by an average of $21, or nearly 3 percent annually.

Building activity, as measured by the number of multifamily units permitted, totaled 150 units during the 12 months ending June 2018, down by 90, or nearly 38 percent from the previous 12 months. Since the start of 2015, a total of 830 multifamily units have been permitted in the Metro East submarket, none of which have been new market rate general occupancy apartment units. The lack of apartment production has contributed to the declining apartment market vacancy rate, whereas the overall rental vacancy rate remains high. From 2012 through 2014, multifamily construction averaged 410 units annually, of which approximately 45 percent were market rate apartment units, with the remainder being subsidized units. The peak period for multifamily construction in this submarket was from 2000 through 2004 when an average of 670 multifamily units were permitted annually. From 2005 through 2008, production declined by more than 40 percent and averaged just 400 units annually during these years. From 2009 through 2011, multifamily production increased by 40 percent and averaged 560 units annually during these years. Figure 17 shows the number of multifamily units permitted from 2000 to the current date.

Some of the recent development in this submarket includes the 80-unit Woodland Park apartment complex, which is restricted to households at or below 50 percent of area median income. This property, which opened in 2017, has one-, two-, three-, and four-bedroom units. In the city of O'Fallon, the 232-unit Parkway Lakeside apartment complex was completed in 2012, with rents that start at $870 for a one-bedroom unit and $1,010 for a two-bedroom unit.

During the next 3 years, no additional units are needed in this submarket because of current soft conditions and an excess number of vacant units. The 260 units currently under construction will be more than sufficient to meet the demand for rental units for the foreseeable future (Table 1). The construction of additional units will only contribute to prolonging the current soft market conditions.

Figure 17. Multifamily Units Permitted in the Metro East Submarket, 2000 to Current



Notes: Excludes townhomes. Current includes data through June 2018.

Sources: U.S. Census Bureau, Building Permits Survey; 2000–2016 final data and analyst estimates; 2017 preliminary data and analyst estimates

Data Profiles

Table DP-1. St. Louis HMA Data Profile, 2000 to Current

	2000	2010	Current	Average Annual Change (%) 2000 to 2010	Average Annual Change (%) 2010 to Current
Total resident employment	1,360,089	1,336,412	1,408,000	– 0.2	0.7
Unemployment rate	3.7%	9.6%	3.6%		
Total payroll jobs	1,327,000	1,281,300	1,383,000	– 0.3	1.0
Total population	2,675,343	2,787,701	2,808,000	0.4	0.1
Total households	1,039,873	1,109,665	1,124,300	0.7	0.2
Owner households	744,315	783,729	762,300	0.5	– 0.3
Percent owner	71.6%	70.6%	67.8%		
Renter households	295,558	325,936	362,000	1.0	1.3
Percent renter	28.4%	29.4%	32.2%		
Total housing units	1,123,383	1,225,205	1,248,000	0.9	0.2
Sales vacancy rate	1.6%	2.4%	1.7%		
Rental vacancy rate	8.4%	10.8%	9.2%		
Median Family Income	$52,000	$67,900	$70,275	2.7	0.5

Notes: Median Family Incomes are for 1999, 2009, and 2016. Employment data represent annual averages for 2000, 2010, and the 12 months through June 2018.

Sources: U.S. Census Bureau; U.S. Department of Housing and Urban Development; estimates by analyst

Table DP-2. City of St. Louis Submarket Data Profile, 2000 to Current

	2000	2010	Current	Average Annual Change (%) 2000 to 2010	Average Annual Change (%) 2010 to Current
Total population	348,189	319,294	306,300	– 0.9	– 0.5
Total households	147,076	142,057	138,150	– 0.3	– 0.3
Owner households	68,939	64,425	59,050	– 0.7	– 1.1
Percent owner	46.9%	45.4%	42.7%		
Renter households	78,137	77,632	79,100	– 0.1	0.2
Percent renter	53.1%	54.6%	57.3%		
Total housing units	176,354	176,002	173,900	0.0	– 0.1
Sales vacancy rate	3.5%	4.8%	3.2%		
Rental vacancy rate	11.8%	15.2%	12.9%		

Sources: U.S. Census Bureau; U.S. Department of Housing and Urban Development; estimates by analyst

Table DP-3. Metro West Submarket Data Profile, 2000 to Current

	2000	2010	Current	Average Annual Change (%) 2000 to 2010	Average Annual Change (%) 2010 to Current
Total population	1,655,573	1,764,743	1,816,000	0.6	0.3
Total households	635,455	691,154	714,500	0.8	0.4
Owner households	488,740	521,352	513,700	0.6	– 0.2
Percent owner	76.9%	75.4%	71.9%		
Renter households	146,715	169,802	200,800	1.5	2.1
Percent renter	23.1%	24.6%	28.1%		
Total housing units	669,701	745,789	769,400	1.1	0.4
Sales vacancy rate	1.3%	2.2%	1.4%		
Rental vacancy rate	7.0%	9.6%	6.9%		

Sources: U.S. Census Bureau; U.S. Department of Housing and Urban Development; estimates by analyst

Table DP-4. Metro East Submarket Data Profile, 2000 to Current

	2000	2010	Current	Average Annual Change (%) 2000 to 2010	Average Annual Change (%) 2010 to Current
Total population	671,581	703,664	686,400	0.5	– 0.3
Total households	257,342	276,454	271,700	0.7	– 0.2
Owner households	186,636	197,952	189,600	0.6	– 0.5
Percent owner	72.5%	71.6%	69.8%		
Renter households	70,706	78,502	82,100	1.1	0.5
Percent renter	27.5%	28.4%	30.2%		
Total housing units	277,328	303,414	304,800	0.9	0.1
Sales vacancy rate	1.6%	2.2%	1.9%		
Rental vacancy rate	7.5%	9.0%	10.8%		

Sources: U.S. Census Bureau; U.S. Department of Housing and Urban Development; estimates by analyst

Data Definitions and Sources

2000: 4/1/2000—U.S. Decennial Census

2010: 4/1/2010—U.S. Decennial Census

Current date: 7/1/2018—Estimates by the analyst

Forecast period: 7/1/2018–7/1/2021—Estimates by the analyst

Demand: The demand estimates in the analysis are not a forecast of building activity. They are the estimates of the total housing production needed to achieve a balanced market at the end of the 3-year forecast period given conditions on the as-of date of the analysis, growth, losses, and excess vacancies. The estimates do not account for units currently under construction or units in the development pipeline.

Other Vacant Units: In this analysis conducted by the U.S. Department of Housing and Urban Development (HUD), other vacant units include all vacant units that are not available for sale or for rent. The term therefore includes units rented or sold but not occupied; held for seasonal, recreational, or occasional use; used by migrant workers; and the category specified as "other" vacant by the Census Bureau.

Building Permits: Building permits do not necessarily reflect all residential building activity that occurs in an HMA. 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.

For additional data pertaining to the housing market for this HMA, go to huduser.gov/publications/pdf/CMARtables_St.LouisMO_IL_18.pdf.

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This analysis has been prepared for the assistance and guidance of HUD in its operations. The factual information, findings, and conclusions may also be useful to builders, mortgagees, and others concerned with local housing market conditions and trends. The analysis does not purport to make determinations regarding the acceptability of any mortgage insurance proposals that may be under consideration by the Department.

The factual framework for this analysis follows the guidelines and methods developed by the Economic and Market Analysis Division within HUD. The analysis and findings are as thorough and current as possible based on information available on the as-of date from local and national sources. As such, findings or conclusions may be modified by subsequent developments. HUD expresses its appreciation to those industry sources and state and local government officials who provided data and information on local economic and housing market conditions.

For additional reports on other market areas, please go to huduser.gov/portal/ushmc/chma_archive.html.