**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 | 14,675 | 3,750 | 100 | 1,450 | 12,450 | 2,300 | 2,125 | 0 |
| Under construction | 1,925 | 2,745 | 45 | 970 | 1,350 | 1,325 | 530 | 450 |

*Notes: Total demand represents estimated production necessary to achieve a balanced market at the end of the forecast period. Units under construction as of October 1, 2015. A portion of the estimated 68,500 other vacant units in the HMA will likely satisfy some of the forecast demand. The forecast period is October 1, 2015, to October 1, 2018.*

*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 regional 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 in the nation as a whole, 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 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 an all-time peak of 1.35 million nonfarm payroll jobs in 2007. Job growth during these years was led by 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. The local economy again began to lose jobs during 2008 and, by 2010, nonfarm payrolls had declined to 1.28 million jobs. The number of jobs declined by an average of 23,200, or 1.7 percent, annually from 2008 through 2010. 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 have improved since the start of the economic recovery in 2011, with moderate nonfarm payroll growth averaging 9,000 jobs, or 0.7 percent, annually; however, nonfarm payrolls remain 26,600 jobs, or nearly 2 percent, below the peak level of 1.35 million recorded during 2007. This payroll expansion from 2011 through the current date marks the longest period of nonfarm payroll growth in the HMA since before the year 2000. A significant factor in the recent trend of growth is the turnaround in manufacturing employment. Since 2011, manufacturing employment has increased by an average of 1,200 jobs, or 1.1 percent, annually, partly because of expansions at the General Motors Company plant, with the most recent being the addition of a third shift in the first quarter of 2015 that added 750 jobs. By comparison, from 2001 through 2010, manufacturing employment declined by an average of 6,300 jobs, or 4.5 percent, annually.

Since 2011, the transportation and utilities sector has had the most job growth on a percentage basis, increasing 2.9 percent, or by an average of 1,400 jobs, annually. Growth in the transportation and utilities sector accelerated during the 12 months ending September 2015 and led job growth in the HMA, increasing by 4,200 jobs, or 9 percent, annually, to 50,700 jobs. Hiring resulted from The Boeing Company's opening of a research center that added 700 jobs during 2015. The research center is part of Boeing's plans to construct a 777 aircraft facility in the HMA. In addition, Mid America Logistics, a freight brokerage company, completed an expansion in 2015 that added 120 new jobs to the sector.

During the 12 months ending September 2015, nonfarm payrolls totaled more than 1.32 million jobs, an increase of 13,200, or 1.0 percent, from the previous 12 months (Table 2). The unemployment rate in the HMA is currently 5.5 percent, down from 6.6 percent a year earlier and closer to the unemployment rates that prevailed in the first half of the 2000s. Figure 1 show the trends in the labor force, resident employment, and the unemployment rate in the HMA from 2000 through 2014.

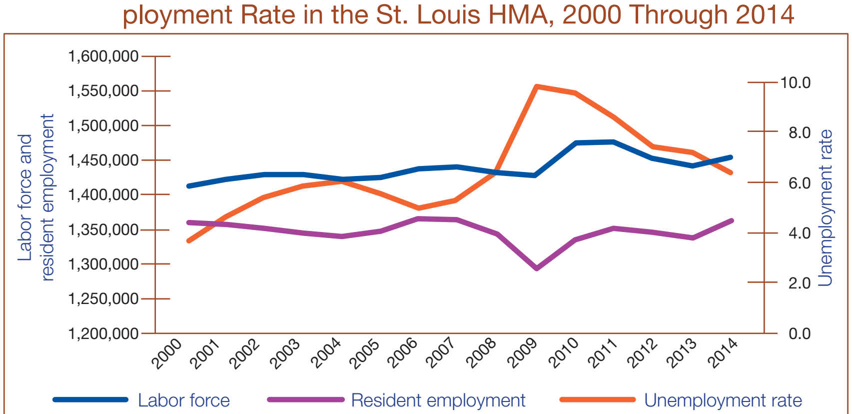
The education and health services sector is the largest employment sector in the HMA, with 232,100 nonfarm payroll jobs, which accounts for nearly 18 percent of all nonfarm payroll jobs in the HMA (Figure 2). It has also

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

| | 12 Months Ending | | Absolute Change | Percent Change |
|---|---|---|---|---|
| | September 2013 | September 2014 | | |
| Total nonfarm payroll jobs | 1,311,100 | 1,324,300 | 13,200 | 1.0 |
| Goods-producing sectors | 170,400 | 172,300 | 1,900 | 1.1 |
| Mining, logging, & construction | 58,700 | 58,500 | – 200 | – 0.3 |
| Manufacturing | 111,800 | 113,800 | 2,000 | 1.8 |
| Service-providing sectors | 1,140,600 | 1,152,000 | 11,400 | 1.0 |
| Wholesale & retail trade | 202,000 | 201,100 | – 900 | – 0.4 |
| Transportation & utilities | 46,500 | 50,700 | 4,200 | 9.0 |
| Information | 28,800 | 29,000 | 200 | 0.7 |
| Financial activities | 85,400 | 85,400 | 0 | 0.0 |
| Professional & business services | 202,500 | 205,000 | 2,500 | 1.2 |
| Education & health services | 228,300 | 232,100 | 3,800 | 1.7 |
| Leisure & hospitality | 142,500 | 146,100 | 3,600 | 2.5 |
| Other services | 45,400 | 44,800 | – 600 | – 1.3 |
| Government | 159,200 | 157,700 | – 1,500 | – 0.9 |

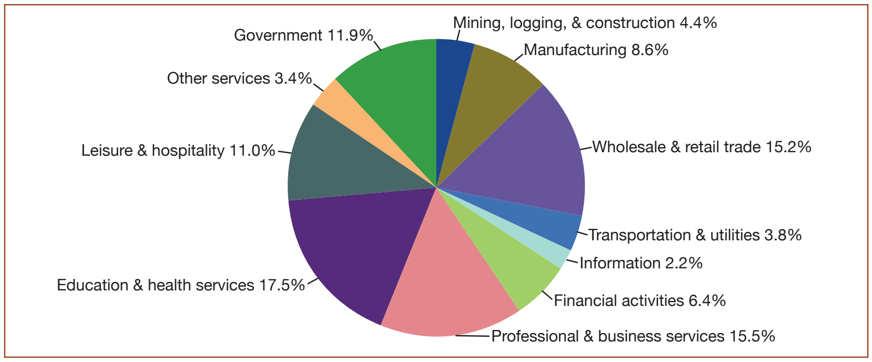
*Notes: Numbers may not add to totals because of rounding. Based on 12-month averages through September 2014 and September 2015.*
*Source: U.S. Bureau of Labor Statistics*

**Figure 1.** Trends in Labor Force, Resident Employment, and Unemployment Rate in the St. Louis HMA, 2000 Through 2014




*Source: U.S. Bureau of Labor Statistics*

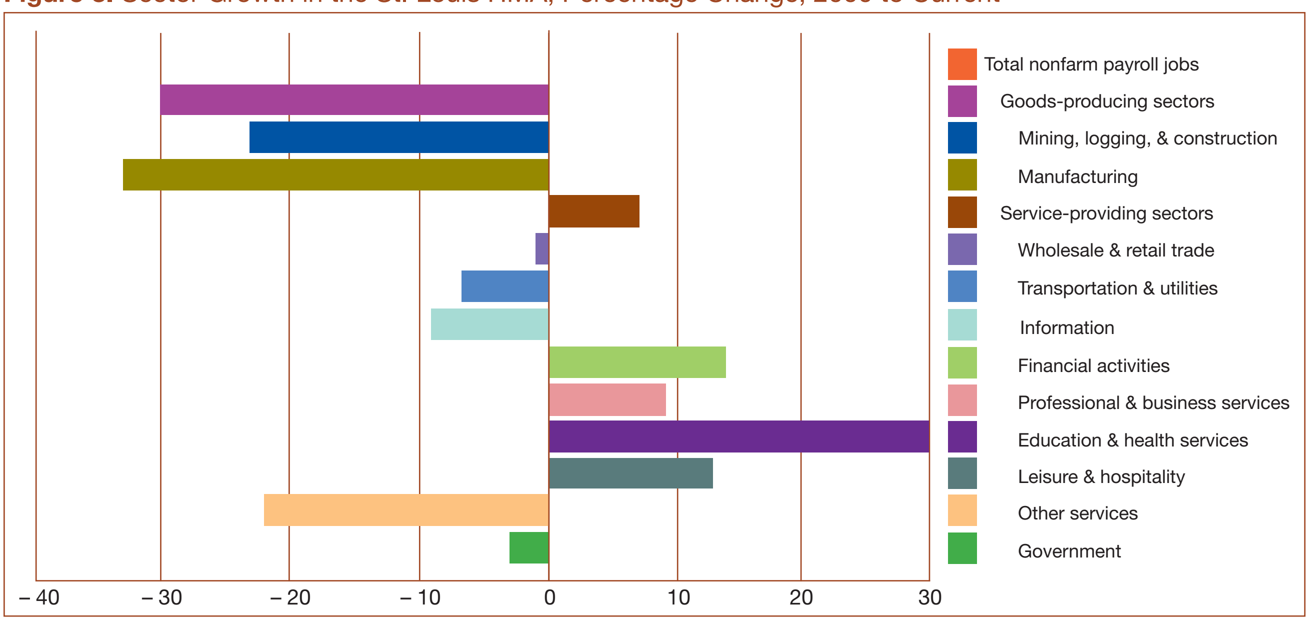
**Figure 2.** Current Nonfarm Payroll Jobs in the St. Louis HMA, by Sector




*Note: Based on 12-month averages through September 2015.*
*Source: U.S. Bureau of Labor Statistics*

been the sector with the most job growth in the HMA since 2000, increasing by an average of 3,700 jobs, or 1.8 percent, annually (Figure 3). During the most recent 12-month period, payrolls in this sector increased by 3,800 jobs, or 1.7 percent. The largest employer in the HMA, BJC HealthCare, with 24,100 employees (Table 3), is part of the sector. In fact, four out of the six largest employers in the HMA are in this sector, including Washington University in St. Louis (hereafter, Washington University), a prestigious private research university that was ranked 15th in the nation by *U.S. News & World Report* in 2015. Washington University has 14,200 employees and nearly 14,000 students, who are almost evenly divided between undergraduate and graduate students. Estimates indicate that the university had a $2 billion impact on the HMA's economy during 2014 (Washington University study). The other large university in the HMA is Saint Louis University, a private institution with nearly 8,600 undergraduate students and 4,700 graduate students. Estimates indicate that the university had a $700

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




*Notes: Current is based on 12-month averages through September 2015. During this period, total nonfarm payroll jobs showed no net change.*
*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 | 24,100 |
| The Boeing Company | Transportation & utilities | 15,000 |
| Washington University in St. Louis | Education & health services | 14,200 |
| Scott Air Force Base | Government | 13,000 |
| SSM Health | Education & health services | 12,700 |
| Mercy Health | Education & health services | 12,000 |
| Schnuck Markets, Inc. | Wholesale & retail trade | 10,800 |
| Wal-Mart Stores, Inc. | Wholesale & retail trade | 10,550 |
| McDonald's Corporation | Wholesale & retail trade | 9,500 |
| City of St. Louis | Government | 7,475 |

*Notes: Excludes local school districts. Data include military personnel, who are generally not included in nonfarm payroll survey data.*

*Source: St. Louis Economic Development Partnership*

million annual impact on the local economy (Saint Louis University 2012 study).

Scott Air Force Base (AFB), with approximately 13,000 employees, is the fourth largest employer in the HMA and the largest employer in the Metro East submarket. The AFB, located near Belleville, Illinois, has more than 5,500 active-duty military personal, 2,400 Air Force Reserve and National Guard personnel, and 5,100 civilian employees. The base has an annual economic impact of more than $2.3 billion on the local economy. Estimates indicate that the base helps create 6,450 indirect jobs, and people visiting the base occupy approximately 105,000 hotel rooms during the course of a year (Scott AFB 2012 economic impact analysis [the most recent study completed]). A $96 million addition to the U.S. Transportation Command headquarters building, where all U.S. military transportation is coordinated, was recently completed. In addition, the base is currently expanding and will get two new cyber security squadrons that will require $16 million in new infrastructure spending to accommodate 320 new troops stationed at the base in the Metro East submarket when the expansion is complete in 2016.

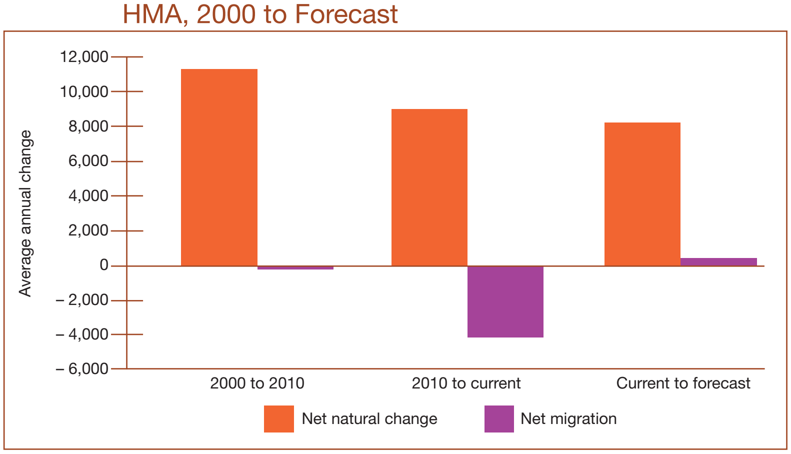
Although economic conditions in the HMA have improved overall since 2011, the number of jobs in the government sector has declined in each subsequent year. Job losses in the HMA have been greatest in the government sector recently; during the 12 months ending September 2015, this sector lost 1,500 jobs, or 0.9 percent. All these job losses were in the local and state government subsectors and were concentrated in Illinois, where an ongoing state budget impasse has also reduced funding to local governments. Payrolls in the state government subsector during the 12 months ending September 2015 declined by 1,100 jobs, or 7.1 percent, and in the local government subsector declined by 800 jobs, or 0.7 percent.

Economic growth is expected to remain positive in the St. Louis HMA during the next 3 years, with nonfarm payroll growth averaging about 1.0 percent annually. The education and health services and professional and business services sectors are expected to lead growth in the HMA. Washington University Medical Center is expanding with the construction of two new 12-story buildings that are scheduled for occupancy in 2018. Square, Inc., a mobile payments processing firm, also plans to add 200 jobs at its new office in the city of St. Louis during the 3-year forecast period. Table DP-1 at the end of this report provides additional employment data.

# Population and Households

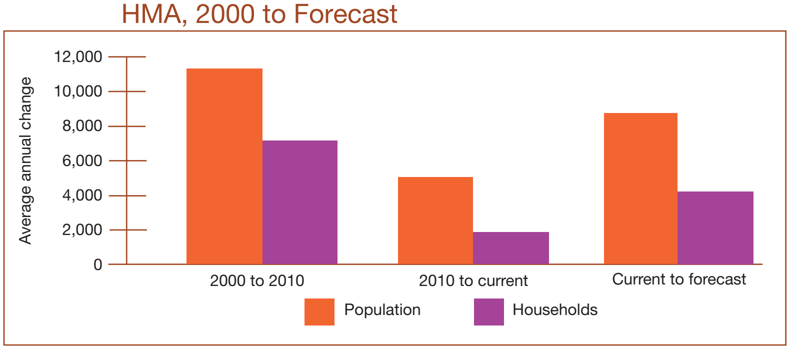
As of October 1, 2015, the population of the St. Louis HMA is an estimated 2.82 million, reflecting a gain of 4,975, or 0.2 percent, annually since April 2010 compared with an average annual increase of approximately 11,250, or 0.4 percent, from 2000 to 2010. The slowing rate of population growth is mostly attributable to increasing net out-migration since 2010 because people have relocated to find employment outside the HMA. From 2000 to 2006 (Census Bureau population estimates, as of July 1), net in-migration to the HMA was 300 people per year. Between 2006 and 2010, net out-migration averaged 550 people a year due to weakening economic conditions in the HMA, but, since 2010, the rate of out-migration has increased to 4,100 annually due, in part, to the large net out-migration from the Metro East submarket. Figure 4 shows the components of population change in the HMA.

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




*Note: The current date is October 1, 2015. The forecast date is October 1, 2018.*
*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




*Note: The current date is October 1, 2015. The forecast date is October 1, 2018.*
*Sources: 2000 and 2010—2000 Census and 2010 Census; current and forecast—estimates by analyst*

The HMA currently has 1.12 million households, indicating an average annual increase of 1,825 households, or 0.2 percent, annually since 2010. With much slower population growth in the HMA since 2010, household growth has also been much slower. From 2000 through 2010, household growth in the HMA averaged 6,975 households, or 0.7 percent, annually. Figure 5 shows population and household growth in the HMA from 2000 to the forecast date.

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 317,400, indicating an average annual decline of 340, or 0.1 percent, annually since 2010. 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. The recent slowdown in population decline is due, in part, to a slowdown in the net out-migration from the city. From 2000 to 2010, net out-migration averaged approximately 4,475 people a year, but, since 2010, net out-migration has declined by 54 percent, to 2,050 people annually. Part of the decline in net out-migration is because of an increase in the number of people ages 25 to 34 residing in the city, which, between 2000 and 2010, increased by 330, or nearly 0.6 percent, annually to 57,661. In 2014, 61,718 people between the ages of 25 and 34 were living in the city of St. Louis (2014 American Community Survey [ACS]).

Although the population of the city as a whole has steadily declined, the population in sections of the city has increased since 2000. The area of growth, referred to as Central City, comprises five ZIP Codes: 63101, 63102, 63103, 63104, and 63108. This area runs across the center part of the city of St. Louis from the Mississippi River to the boundary with St. Louis County and will be referred to herein as Central City. In 2000, the population of Central City was 47,219; by 2010, the population in this area was 52,060, indicating an increase of 480, or slightly less than 1.0 percent, annually. The Central City area of the city of St. Louis currently has an estimated population of 58,200.

Since 2010, the number of households in the city of St. Louis has declined, along with the population. The city of St. Louis currently has 141,100 households, indicating a decline of 170 households, or 0.1 percent, annually since 2010, which is slower than the decline of 500 households, or 0.3 percent, annually from 2000 to 2010. Household growth is expected to be positive during the next 3 years and increase by an average of about 100, or 0.1 percent, annually as young professionals form new households in the urban core, most prominently in Central City.

The Metro West submarket is the most populous of the three submarkets in the HMA, with a population that is currently estimated at 1.80 million. Since 2010, this submarket has been the only one in the HMA to record population growth; the population has increased by an average of 6,950, or 0.4 percent, annually. Most of the recent jobs added in the HMA have been located in this submarket, which contributed to this submarket's being the only one with net in-migration, which averaged about 1,000 people annually. Even though this submarket has been the only one with population growth and net in-migration since 2010, these rates are well below the levels recorded from 2000 to 2010. Population growth averaged 10,900 people, or 0.6 percent, annually from 2000 to 2010, with net in-migration averaging 3,275 people per year. The population in this submarket is expected to increase by an average of 8,675, or 0.5 percent, annually during the next 3 years because of anticipated continued economic growth.

The Metro West submarket currently has 706,000 households, indicating an increase of 2,700, or 0.4 percent, annually since 2010. From 2000 to 2010, the number of households increased by 5,575, or 0.8 percent, annually due to greater population growth. During the next 3 years, household growth is expected to increase by an average of 3,775 households, or 0.5 percent, annually.

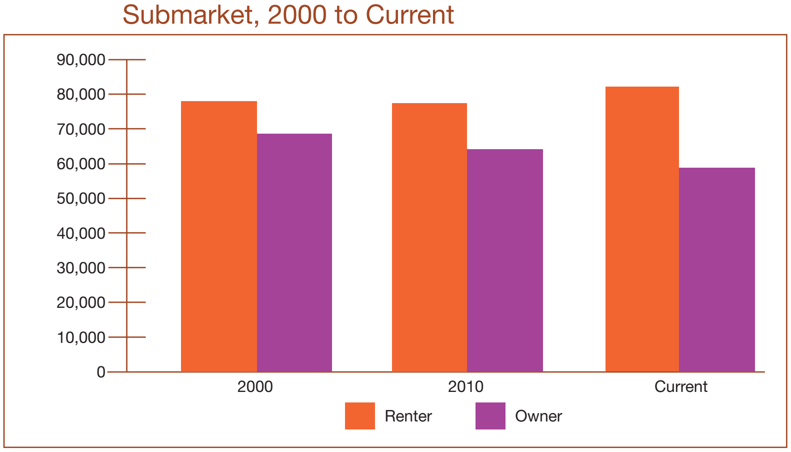
The Metro East submarket has a current estimated population of 694,300, which is a decline of 1,700, or 0.2 percent, annually since 2010. Net out-migration from this submarket has averaged 3,100 people annually since 2010, when job losses in the HMA have been most severe on the Illinois side of the HMA. This population decline is a sharp turnaround from 2000 to 2010, when population growth averaged 3,200 people, or 0.5 percent, annually, with net in-migration averaging 1,125 people per year. The submarket currently has 272,700 households, which is a decline of 680 households, or 0.2 percent, annually since 2010. This decline is a reversal from the 2000-to-2010 period, when household growth increased by an average of 1,900 households, or 0.7 percent, annually. During the next 3 years, the population in this submarket is expected to decline by an average of 100 people annually, but the number of households is expected to increase by 130 annually due to the formation of new households that are of a smaller size than the households that migrate out of the submarket. Tables DP-2 through DP-4 at the end of this report provide additional economic, demographic, and housing data for each submarket.

# Housing Market Trends

## Sales Market—City of St. Louis Submarket

The sales housing market in the City of St. Louis submarket is currently soft, with an estimated owner vacancy rate of 2.5 percent, which is down from 4.8 percent during April 2010.

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




*Note: The current date is October 1, 2015.*
*Sources: 2000 and 2010—2000 Census and 2010 Census; current—estimates by analyst*

Sales housing market conditions continue to be impacted by the long-term trend of a declining population in the city. In September 2015, 5.3 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 was down from 5.9 percent in September 2014 (Black Knight Financial Services, Inc.). The homeownership rate in the submarket is currently 41.8 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.

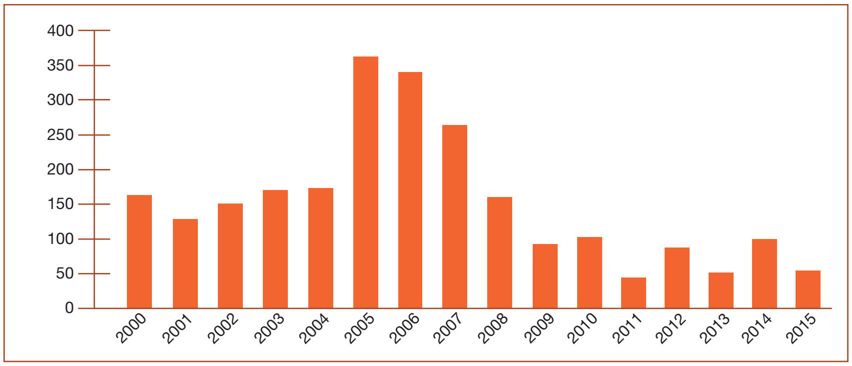
The number of new and existing homes sold (including condominiums, townhomes, and single-family homes) during the 12 months ending September 2015 totaled 7,100, an increase of 220, or more than 3 percent, from the previous 12 months. The average sales price of a home in the submarket during the 12 months ending September 2015 was $146,900, up $1,400, or nearly 1 percent, from the previous 12 months. Even with recent increases in home sales, the number of homes sold is much less than the 13,250 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 have declined due to worsening economic conditions and population declines for 6 consecutive years to a low of 5,800 homes sold during 2011, indicating an average annual decline of 1,250 homes sold, or 13 percent. The average sales price of a home in the submarket followed a similar pattern. In 2005, the average sales price of a home was $130,400, and, by 2011, the price dropped to $111,600 for an average annual decline of $3,150, or nearly 3 percent, annually. In 2012, with the economy improving, the number of home sales started to increase again, and, by 2014, 6,925 homes sold, indicating an average annual increase of 375 homes sold, or 6 percent, annually from 2012 to 2014, and the average sales price increased by an average of $11,900, or nearly 10 percent, annually during the same period.

The Central City market area of the submarket tends to have a greater average sales price then prices in the city as a whole due, in part, to population and household growth occurring in this area of the city. During the 12 months ending September 2015, 1,050 home sold in Central City, which was unchanged from the previous 12 months. The average sales price of a home in Central City was $244,000, an increase of $7,950, or more than 3 percent, from the previous 12 months. Home sales in this area peaked in 2006, with 1,925 homes sold, and then declined during the next 4 years by an average of 260 homes sold, or nearly 18 percent, annually, to 880 homes sold during 2010. As the number of homes sold in this market area declined, the average sales price increased slightly because the demand for housing in this area outpaced the available inventory. The sales price of a home increased from $216,400 during 2006 to $225,200 during 2010, indicating an average increase of $2,200, or 1 percent, annually. During 2011, both the economy and the sales market began to improve, with sales increasing to 1,050 homes sold during 2014, indicating an average increase of 40 homes sold, or nearly 5 percent, annually since 2011. At the same time, the average home sales price increased by an average of $1,900, or less than 1 percent, annually, to $232,800 during 2014.

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 city 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 September 2015, 90 single-family homes were permitted, up 20 percent from the 75 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-2013 period, when an average of 60 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.

Demand is expected to remain minimal at an estimated 100 new homes in the submarket during the next 3 years (Table 1). The 45 homes currently under construction are likely to satisfy a large portion of this demand. In addition, a portion of the 20,250 other vacant homes may come back on line and satisfy some of this demand as well. Table 4 shows estimated demand for new market-rate sales housing in the submarket by price range.

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




*Notes: Includes townhomes. Current includes data through September 2015.*
*Sources: U.S. Census Bureau, Building Permits Survey; estimates by analyst*

**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 | | |
| 90,000 | 199,999 | 45 | 45.0 |
| 200,000 | 299,999 | 10 | 10.0 |
| 300,000 | 399,999 | 10 | 10.0 |
| 400,000 | and higher | 35 | 35.0 |

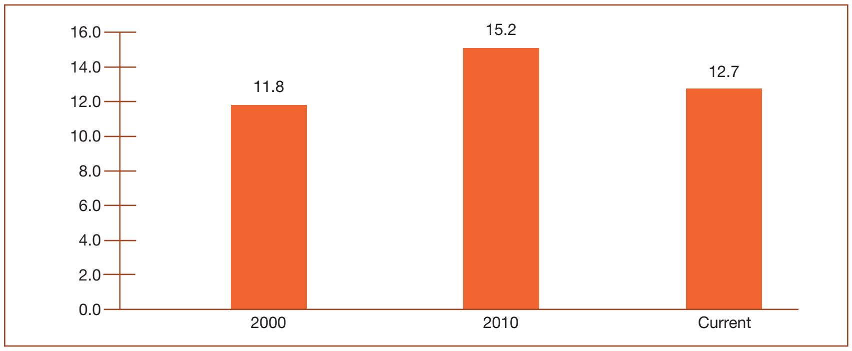
*Notes: The 45 homes currently under construction and a portion of the estimated 20,250 other vacant units in the submarket will likely satisfy some of the forecast demand. The forecast period is October 1, 2015, to October 1, 2018.*
*Source: Estimates by analyst*

## Rental Market—City of St. Louis Submarket

The rental housing market in the City of St. Louis submarket is currently soft but improving. The current overall rental vacancy rate is estimated at 12.7 percent, which is down from 15.2 percent in 2010 (Figure 8). The population decline that has been occurring in the submarket has contributed to the overall high vacancy rate, particularly among older, outdated units in the northern parts of the city. 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 is doing better than the overall rental market and is currently balanced, with a 5.5-percent vacancy rate during the third quarter

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




*Note: The current date is October 1, 2015.*
*Sources: 2000 and 2010—2000 Census and 2010 Census; current—estimates by analyst*

of 2015, down from 6.7 percent during the third quarter of 2014 (MPF Research). The apartment market has recovered from soft market conditions in 2010, when the vacancy rate was 8.6 percent, due to a decline in construction, which allowed for units to be absorbed. The average rent for an apartment in the submarket during the third quarter of 2015 was $934, indicating an increase of $41, or nearly 5 percent, from the third quarter of 2014.

The vast difference between the apartment and overall rental vacancy rates is due to the large number of structures with two, three, or four housing units per building. Buildings with five or more units in the submarket have 42,400 total housing units compared with 50,300 total units in buildings with two, three, or four units. Of the 50,300 housing units in buildings with two, three, or four units, 13,850, or nearly 28 percent of these units, are vacant (2014 ACS). The buildings with two, three, or four units tend to be older and are not captured in the apartment market surveys.

Many vacant buildings are in the northern part of the submarket, which contributes considerably to the high vacancy rate in the city as a whole. The city has an active demolition program that removes about 200 dilapidated buildings a year; local investors have been purchasing these properties in anticipation of developing the lots in this part of the submarket. The city recently agreed to sell 1,200 parcels it owns to the NorthSide Regeneration project, which has already acquired more than 800 parcels for the purpose of eventually developing a $5.4 billion project that will consist of more than 4 million square feet of retail and office space and 10,000 newly constructed housing units. Several other initiatives are also under way to redevelop housing in the northern part of the submarket. The mixed-use Crown Square Historic Rehabilitation in Old North St. Louis project, completed in 2009, consists of 27 redeveloped buildings, including 42 low-income housing tax credit units and 38 market-rate apartments. Crown Square received the 2010 HUD Secretary's Award for Excellence in Historic Preservation. Hyde Park South, a scattered-site development, received $3 million in Neighborhood Stabilization Program grants and $1 million in HOME funding, along with low-income housing tax credits, to rehabilitate 27 buildings and create 50 affordable rental units.

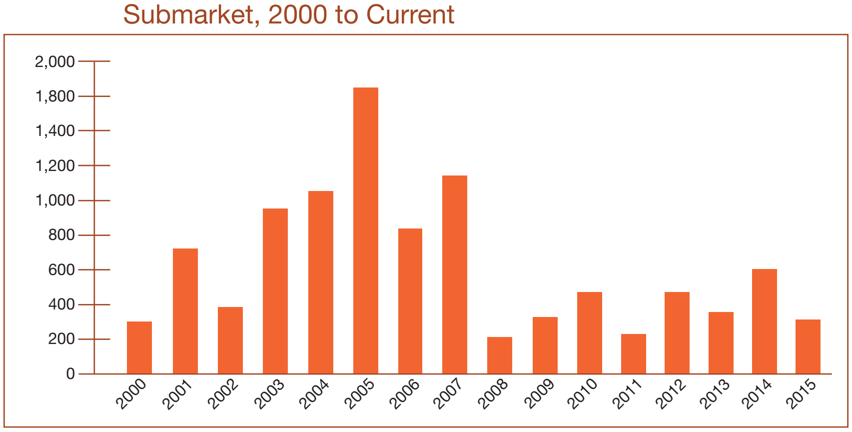
Multifamily building activity, as measured by the number of units permitted, totaled 340 in the City of St. Louis submarket during the 12 months ending September 2015, down by 410 units, or 55 percent, from the previous 12 months. The current level of production is comparable with the period from 2008 through 2013, when an average of 380 units were permitted annually. Before 2008, multifamily construction in the city was significantly greater, averaging about 1,250 units permitted a year from 2003 through 2007, with condominiums accounting for 27 percent of all multifamily construction. Since 2007, condominium construction has slowed significantly, with only 70 units permitted in total. From 2000 through 2002, multifamily construction averaged 510 units a year, with about 100 of these units being condominium units. Figure 9 shows the number of multifamily units permitted in the submarket since 2000. Since 2000, more than 75 percent of all multifamily units permitted in the submarket have been built in Central City, and the units not built in Central City have been mostly affordable units.

The local universities have a significant impact on the rental market in Central City, 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 consist of one or more students at one of the two local universities—Washington University and Saint Louis University. Most students who live off campus are graduate students at the two universities, because 75 percent of undergraduate students at Washington University and 52 percent of undergraduates at Saint Louis University live on campus. Central City appeals to the student population because the many public transportation options and restaurants in the area provide ample opportunity for nearby part-time employment while attending school.

Some recent developments in the submarket include the 278-unit Cortona at Forest Park Apartments, slightly south of the public park Forest Park and Washington University, which opened in early 2014. Rents for studio, one-bedroom, and two-bedroom apartments range from $1,050 to $2,275. The 82-unit Central West End City Apartments also opened in 2014, with rents starting at $1,000 for a studio unit, $1,200 for a one-bedroom unit, and $2,090 for a two-bedroom unit.

During the 3-year forecast period, demand is estimated for 1,450 market-rate rental units in the submarket (Table 1). The 970 units currently under construction will satisfy part of the demand. Demand is expected to be greatest for one-bedroom units that rent from $1,035 to $1,234 a month (Table 5). All the demand for new market-rate apartments is expected to be in the Central City area of the submarket.

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




*Notes: Excludes townhomes. Current includes data through September 2015.*
*Sources: U.S. Census Bureau, Building Permits Survey; estimates by analyst*

**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 Gross Rent ($) | Units of Demand | Monthly Gross Rent ($) | Units of Demand | Monthly Gross Rent ($) | Units of Demand | Monthly Gross Rent ($) | Units of Demand |
| 650 to 849 | 35 | 835 to 1,034 | 210 | 965 to 1,164 | 170 | 1,100 to 1,299 | 15 |
| 850 or more | 10 | 1,035 to 1,234 | 280 | 1,165 to 1,364 | 230 | 1,300 or more | 10 |
| | | 1,235 to 1,434 | 110 | 1,365 to 1,564 | 150 | | |
| | | 1,435 to 1,634 | 70 | 1,565 to 1,764 | 80 | | |
| | | 1,635 or more | 35 | 1,765 or more | 35 | | |
| Total | 45 | Total | 710 | Total | 660 | Total | 30 |

*Note: Numbers may not add to totals because of rounding. Monthly rent does not include utilities or concessions. The 970 units currently under construction will likely satisfy some of the estimated demand. The forecast period is October 1, 2015, to October 1, 2018.*

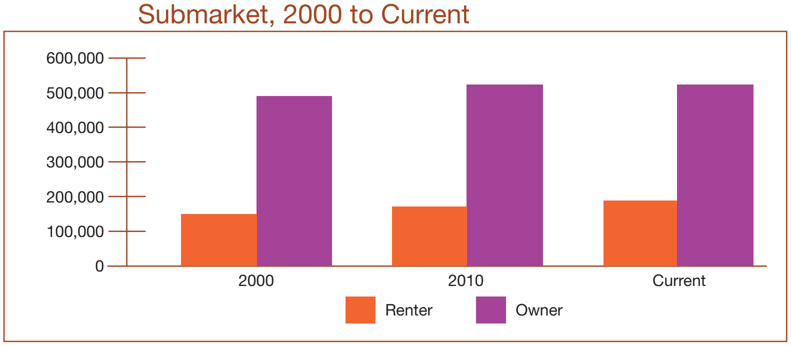
*Source: Estimates by analysts*

## Sales Market—Metro West Submarket

The sales housing market in the Metro West submarket recently improved and is currently balanced, with a vacancy rate of 1.5 percent, down from 2.2 percent in April 2010. In September 2015, 3.3 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 3.6 percent in September 2014 (Black Knight Financial Services, Inc.). The homeownership rate in this submarket is 73.7 percent, down from 75.4 percent in April 2010. Figure 10 shows the number of households by tenure in the submarket for 2000, 2010, and the current date.

During the 12 months ending September 2015, existing home sales (which includes condominiums, townhomes, and single-family homes) in the submarket totaled 7,650 homes sold, an increase of 480 homes sold, or 7 percent, from the previous 12 months (Metrostudy, A Hanley Wood Company). The average sales price of an existing home is currently $139,400, an increase of $4,925, or nearly 4 percent, from the previous 12 months. The current level of sales is nearly 40 percent less than the peak level of existing home sales of 12,650 in 2005. After peaking in 2005, the sales of existing homes declined for 6 consecutive years by an average of 4,350 homes sold, or nearly 11 percent, annually, to 25,400 homes sold in 2011, due to impacts from the housing crisis and the economic downturn. The average sales price of an existing home peaked in 2007, at $204,000, when the sales market was strong and, as the market softened, declined for 5 years by an average of $3,000, or nearly 2 percent, annually, to an average sales price of $189,000 in 2012. Recent economic improvements have provided a boost to consumer confidence locally, leading to increased sales of homes. The number of existing home sales began

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




*Note: The current date is October 1, 2015.*

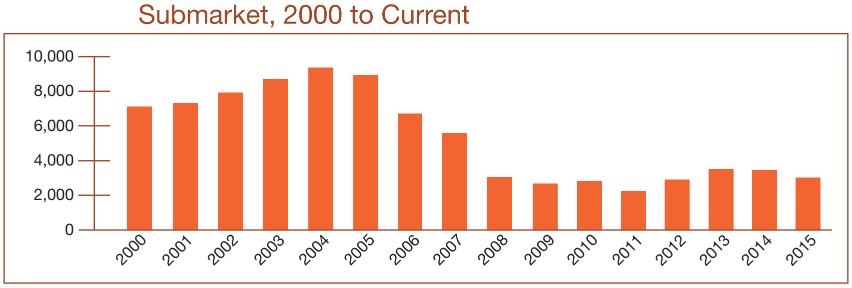
*Sources: 2000 and 2010—2000 Census and 2010 Census; current—estimates by analyst*

to increase in 2012 with an improving market and, by 2014, totaled 31,900 homes sold, indicating an average increase of 2,175 homes sold, or 8 percent, annually. After prices bottomed out in 2012, home sales prices increased with the improving market and, by 2014, the average sales price of an existing home was $209,500, indicating an average increase of $10,250, or more than 5 percent, annually.

During the 12 months ending September 2015, new home sales totaled 2,600, an increase of 180 homes sold, or more than 7 percent, from the previous 12 months. The average sales price of a new home in the submarket was $306,000, an increase of $6,700, or more than 2 percent, from the previous 12 months. New home sales have followed a very similar pattern as existing home sales and reflected overall sales market conditions. During 2005, the sale of new homes peaked, at 7,950 homes sold, and the average new home sales price peaked 3 years later in 2008, at $322,100, when new homes in the upper price ranges began to constitute a larger percentage of total new home sales. Following the peak level of sales in 2005, new home sales declined, but at a faster rate than existing home sales, for 6 consecutive years, by an average of 1,050, or more than 22 percent, annually, when the economic downturn limited the number of new home sales. Even with declining new home sales, the average sales price continued to increase for another 3 years, peaking in 2008 at $322,100, an average increase of $15,000, or 5 percent, annually from 2005. From 2009 through 2011, with the local economy losing jobs, new home prices declined and returned to the 2005 average sales price of $277,000, an average annual decline of $15,000, or 5 percent. Beginning in 2012, with improving economic conditions, new home sales totaled 2,425, an increase of 230 homes sold, or 12 percent, annually from 2011, and the average sales price increased by an average of $9,250, or more than 3 percent, annually, to $304,600.

Building activity, as measured by the number of single-family homes permitted, totaled 3,675 homes permitted in the Metro West submarket during the 12 months ending September 2015, an increase of 275 homes, or 8 percent, from the previous 12 months. With an improving economy, home construction in this submarket has begun to increase from the very low levels that existed from 2008 through 2012, when an average of 2,700 single-family homes were permitted annually (Figure 11). Even with the recent increases, the amount of single-family home construction is much less than the average of 7,675 homes permitted annually in this submarket from 2000 through 2007.

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




*Notes: Includes townhomes. Current includes data through September 2015.*
*Sources: U.S. Census Bureau, Building Permits Survey; estimates by analyst*

Recent developments include The Forest at Pevely Farms in St. Louis County, a 30-lot development that broke ground in early 2015. Home prices start at $545,000 for a three-bedroom, two-bathroom home with 2,750 square feet. Two homes are complete and another five homes are under construction. At Laurel Bluffs, a 170-lot development that began construction in St. Louis County in 2015, home prices begin at $164,000 for three-bedroom, two-bathroom homes.

Demand is estimated for 12,450 new homes in the submarket during the 3-year forecast period (Table 1). The 1,350 homes currently under construction will satisfy a portion of that demand. A portion of the 28,000 other vacant homes in the submarket may reenter the market and also satisfy some of the forecast demand. Demand is expected to be greatest for new homes in the $250,000 to $299,999 price range (Table 6). Approximately 70 percent of the demand for new homes in the submarket will be in St. Charles and St. Louis Counties.

**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 | | |
| 125,000 | 199,999 | 750 | 6.0 |
| 200,000 | 249,999 | 2,850 | 23.0 |
| 250,000 | 299,999 | 3,600 | 29.0 |
| 300,000 | 349,999 | 2,250 | 18.0 |
| 350,000 | 399,999 | 1,500 | 12.0 |
| 400,000 | 499,999 | 990 | 8.0 |
| 500,000 | 699,999 | 370 | 3.0 |
| 700,000 | and higher | 120 | 1.0 |

*Notes: The 1,350 homes currently under construction and a portion of the estimated 28,000 other vacant units in the submarket will likely satisfy some of the forecast demand. The forecast period is October 1, 2015, to October 1, 2018.*

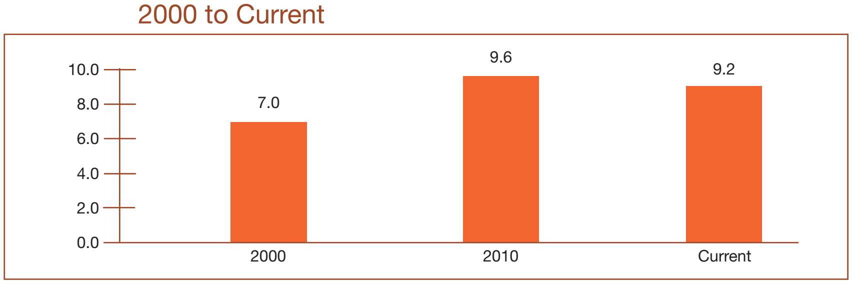
*Source: Estimates by analyst*

## Rental Market—Metro West Submarket

The overall rental housing market (including single-family homes, mobile homes, and apartment units) in the Metro West submarket is slightly soft but improving, with an estimated 9.2-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 35 percent of renter households residing in single-family homes (2014 American Community Survey [ACS] 1-year data), up from 28 percent in 2010 and 25 percent in 2000. Approximately 41 percent of all renter households in this submarket live in apartments with five or more units per building.

The apartment market in the submarket is currently balanced and has recovered from soft conditions during 2010, when the apartment vacancy rate was 8.2 percent because of improving economic conditions and a previous slowdown in construction that allowed for vacant units to be absorbed. The apartment market vacancy rate during

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




*Note: The current date is October 1, 2015.*

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

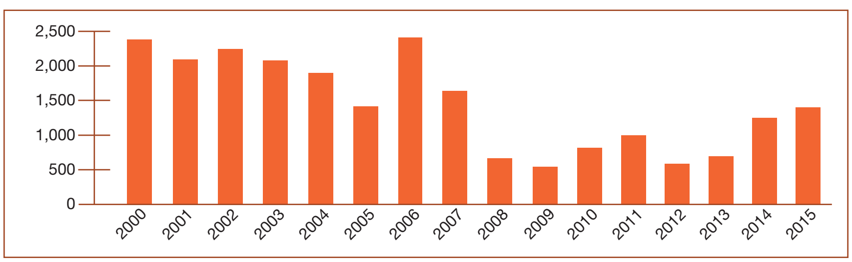
the third quarter of 2015 was 5.2 percent, down from 5.9 percent during the third quarter of 2014 (MPF Research). The average rent for an apartment during the third quarter of 2015 was $817, indicating an increase of $35, or 5 percent, from a year earlier.

Multifamily building activity, as measured by the number of units permitted, totaled 1,750 units permitted during the 12 months ending September 2015, indicating an increase of 700 units, or nearly 67 percent, from the previous year (preliminary data). From 2008 through 2013, an average of 710 units were permitted annually in this submarket, significantly less than the average of 2,000 units permitted annually from 2000 through 2007 (Figure 13). Since 2010, the development of housing for seniors to accommodate the aging population of baby boomers who are looking to downsize, has accounted for 57 percent of apartment construction; this amount of senior housing is an increase from 23 percent of all multifamily units permitted from 2000 to 2010 for units of the same type. Nearly all multifamily construction since 2000 in this submarket has occurred in either St. Charles or St. Louis County.

Some recent developments include The Reserve at Fountainview, an apartment community in St. Charles County that began leasing its 144 units in mid-2015. Rents for one-, two-, and three-bedroom units start at $925, $1,205, and $1,525, respectively. The 54-unit Jennings Place is an affordable senior independent-living community that was completed in St. Louis County in late 2014. This project consists of one- and two-bedroom apartments that are less than 1,000 square feet.

During the 3-year forecast period, demand is estimated for 2,300 new market-rate rental units (Table 1). The 1,325 units currently under construction will satisfy a portion of this demand. The greatest demand will be for two-bedroom units priced from $1,075 to $1,274 (Table 7). Nearly 90 percent of the demand for new rental units will be in St. Louis and St. Charles Counties.

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




*Notes: Excludes townhomes. Current includes data through September 2015.*
*Sources: U.S. Census Bureau, Building Permits Survey; estimates by analyst*

**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 Gross Rent ($) | Units of Demand | Monthly Gross Rent ($) | Units of Demand | Monthly Gross Rent ($) | Units of Demand | Monthly Gross Rent ($) | Units of Demand |
| 625 to 824 | 15 | 725 to 924 | 200 | 875 to 1,074 | 220 | 1,000 to 1,199 | 65 |
| 825 or more | 10 | 925 to 1,124 | 350 | 1,075 to 1,274 | 390 | 1,200 to 1,399 | 90 |
| | | 1,125 to 1,324 | 200 | 1,275 to 1,474 | 220 | 1,400 or more | 30 |
| | | 1,325 to 1,524 | 150 | 1,475 to 1,674 | 170 | | |
| | | 1,525 or more | 100 | 1,675 or more | 110 | | |
| Total | 25 | Total | 990 | Total | 1,100 | Total | 180 |

*Notes: Numbers may not add to totals because of rounding. Monthly rent does not include utilities or concessions. The 1,325 units currently under construction will likely satisfy some of the estimated demand. The forecast period is October 1, 2015, to October 1, 2018.*

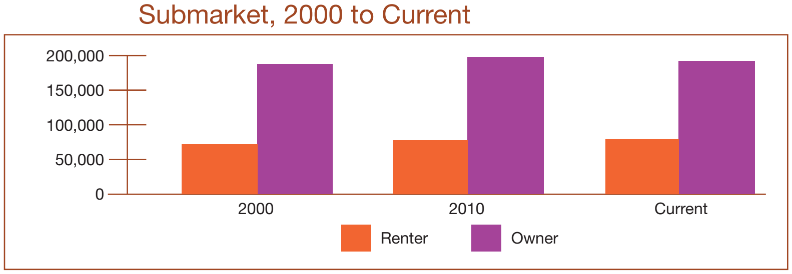
*Source: Estimates by analysts*

## Sales Market—Metro East Submarket

The sales housing market in the Metro East submarket is currently soft, with an estimated vacancy rate of 1.9 percent, down from 2.2 percent in April 2010. In September 2015, 5.5 percent of all mortgage loans in the submarket were 90 or more days delinquent, were in foreclosure, or had transitioned to REO status, which was down from 5.9 percent in September 2014 (Black Knight Financial Services, Inc.). The homeownership rate in the submarket is 70.4 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 submarket totaled 420 homes sold during the 12 months ending September 2015, an increase of 40 homes sold, or more than 9 percent, from the previous 12 months. The recent increase in the number of new home sales is the first increase since 2006, when 2,425 homes sold, which has been the peak level of sales. Following this peak, new home sales declined every year through 2014, when 380 new homes sold due to a weak economy and a declining population, indicating an average annual decline of 260 homes sold, or nearly 21 percent, annually. The average sales price of a new home in the Metro East submarket is currently $269,000, an increase of $13,900, or more than 5 percent, from the previous 12 months. Even with the declining number of sales each year, the average sales price of a new home in the submarket has continued to increase every year since 2006, when the average sales price of a new home was $208,700, which represents an average increase of more than 3 percent annually. The decline in new home sales was strongest for new homes priced at less than $250,000, which led to a greater percentage of new home sales being higher-priced homes, allowing for the average price to increase as the total number of sales declined.

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



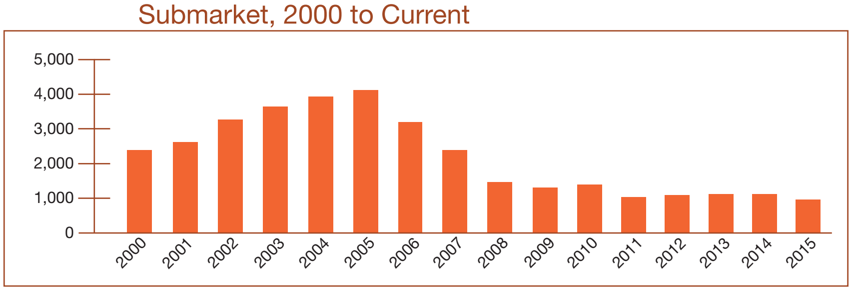

*Note: The current date is October 1, 2015.*

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

The sale of existing homes in the submarket totaled 8,600 homes sold during the 12 months ending September 2015, an increase of 1,050 homes sold, or nearly 14 percent, from the previous 12 months. Even with the recent improvement in home sales, existing home sales are well below the peak level of 12,650 homes sold in 2005. Following this peak, existing home sales declined by an average of 1,050 homes sold, or nearly 11 percent, annually when the market began to soften and totaled only 6,375 homes sold during 2011. From 2012 through 2014, the market began to improve slightly when existing home sales increased by an average of 340 homes sold, or 5 percent, annually. The average sales price of an existing home in the submarket is $140,200, an increase of $5,725, or more than 4 percent, from the previous 12 months and is the all-time peak price. In 2005, the average sales price of an existing home in the submarket was $127,200, which increased during the next 3 years by an average of $2,275, or nearly 3 percent, annually, to $134,000 in 2008. During 2009, the average sales price of an existing home declined to $129,900, a drop of $4,100, or 3 percent, from the previous year. The average sales price began to recover during 2010 and, by 2012, was $140,100, an increase of $3,400, or less than 3 percent, annually. The average sales price of an existing home began to decline once more during 2013 and, by 2014, had dropped to $133,800, indicating an average decline of $3,175, or more than 2 percent annually.

Single-family building activity, as measured by the number of homes permitted, totaled 1,075 homes permitted in the Metro East submarket during the 12 months ending September 2015, a decline of 75 homes, or nearly 7 percent, from the previous 12 months (preliminary data). This recent level of single-family construction is slightly lower than the most recent levels of production. From 2011 through 2014, an average of 1,100 homes were permitted annually (Figure 15). As the population in the submarket declines, less demand is expected for new homes. New home construction since 2011 has been below the average level of construction from 2008 through 2010, during the height of the national recession and housing crisis. An average of 1,375 single-family homes were permitted annually from 2008 through 2010. Construction of new single-family homes in the submarket peaked in 2005, with 4,100 homes permitted before declining by an average of 860 homes, or nearly 24 percent, annually in 2006 and 2007. From 2000, when 2,375 single-family homes were permitted, through 2005, single-family home construction in the submarket increased every year by an average of 350 homes, or nearly 12 percent, annually.

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




*Notes: Includes townhomes. Current includes data through September 2015.*
*Sources: U.S. Census Bureau, Building Permits Survey; estimates by analyst*

Most of the new home construction in this submarket is in communities adjacent to Scott AFB, where approximately 3,000 full-time active-duty troops live off base. The Parcs of Arbor Green in O'Fallon, Illinois, recently began its sixth and final phase with the development of the remaining 13 lots in this 174-lot subdivision. Home prices start at $319,000 for a four-bedroom home. Greystone Estates in Shiloh, Illinois, is a 170-home development, with prices starting at $160,000 for a three-bedroom home. This development began construction during 2014 and is 25 percent complete.

Demand is estimated for 2,125 new homes in the submarket during the 3-year forecast period (Table 1). The 530 homes currently under construction will meet part of the demand during the first year. A portion of the 20,250 other vacant homes in the submarket may reenter the market and satisfy some of the forecast demand. Demand is expected to be the greatest for homes priced from $250,000 to $299,000 (Table 8). New single-family home construction is expected to be strongest in St. Clair County near Scott AFB.

**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 | | |
| 120,000 | 149,999 | 130 | 6.0 |
| 150,000 | 199,999 | 380 | 18.0 |
| 200,000 | 249,999 | 430 | 20.0 |
| 250,000 | 299,999 | 490 | 23.0 |
| 300,000 | 349,999 | 340 | 16.0 |
| 350,000 | 399,999 | 210 | 10.0 |
| 400,000 | 499,999 | 110 | 5.0 |
| 500,000 | and higher | 45 | 2.0 |

*Notes: The 530 homes currently under construction and a portion of the estimated 20,250 other vacant units in the submarket will likely satisfy some of the forecast demand. The forecast period is October 1, 2015, to October 1, 2018.*

*Source: Estimates by analyst*

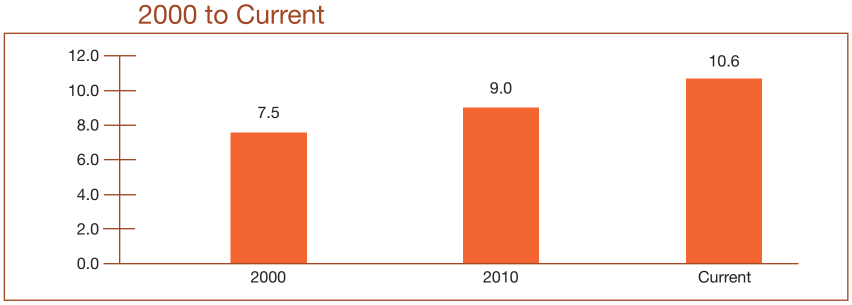
## Rental Market—Metro East Submarket

The rental housing market in the Metro East submarket is soft, with an estimated 10.6-percent vacancy rate as of October 1, 2015 (Figure 16). The current renter vacancy rate is up from 9.0 percent in 2010, resulting from a declining population in this submarket. Single-family homes account for 43 percent of all renter households in the submarket, which is up from 39 percent in 2010 and 37 percent in 2000. Duplexes, triplexes, and quadraplexes make up nearly 25 percent of the rental stock in the submarket.

The apartment market is also soft but has improved recently. The apartment vacancy rate during the third quarter of 2015 was 6.0 percent, down from 7.6 percent during the third quarter of 2014. The apartment market vacancy rate has been steadily declining since the fourth quarter of 2011, when it was 11.6 percent (MPF Research). The average rent for an apartment in the submarket during the third quarter of 2015 was $846, an increase of $23, or 3 percent, from the third quarter of 2014. Before this past year, rent increases have been minimal from the fourth quarter of 2011, when the average rent was $820, to the third quarter of 2014, when the average rent is $823.

Building activity, as measured by the number of multifamily units permitted, totaled 270 units permitted in the Metro East submarket during the 12 months ending September 2015, a decline of 350 units, or 56 percent, from the previous 12 months (preliminary data). The peak period for multifamily construction was from 2000 through 2004, when an average of 710 units were permitted annually (Figure 17). From 2005 through 2008, multifamily construction averaged 360 units permitted annually but increased to an average of 490 units annually from 2009 through 2013 due to an increase in the construction of affordable units.

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



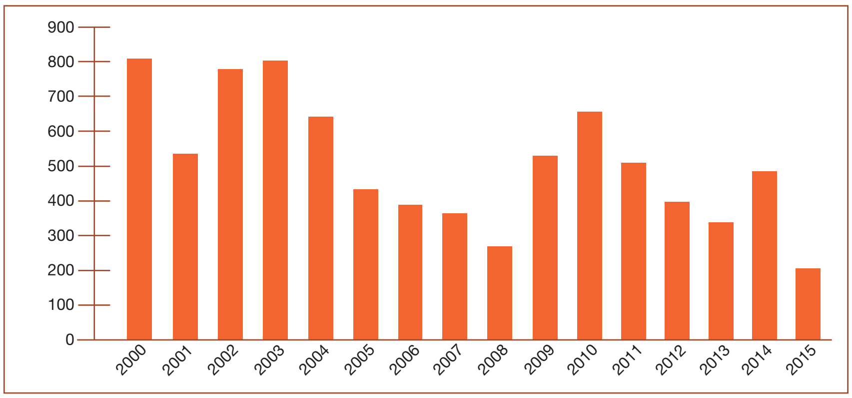

*Note: The current date is October 1, 2015.*

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

Since 2010, very few market-rate apartments have been built in the submarket, with most of the constructed units consisting of affordable units or student housing apartments near Southern Illinois University Edwardsville. Some of the most recent market-rate apartment developments in the submarket include the 216-unit Villas at Crystal Lake in the village of Swansea, with rents that start at $820 for a one-bedroom unit and $880 for a two-bedroom unit. 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 450 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 September 2015.*
*Sources: U.S. Census Bureau, Building Permits Survey; estimates by analyst*

# 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 | 1,335,862 | 1,381,000 | – 0.2 | 0.7 |
| Unemployment rate | 3.7% | 9.6% | 5.5% | | |
| Nonfarm payroll jobs | 1,327,000 | 1,281,300 | 1,324,300 | – 0.3 | 0.7 |
| Total population | 2,675,343 | 2,787,701 | 2,815,000 | 0.4 | 0.2 |
| Total households | 1,039,873 | 1,109,665 | 1,119,700 | 0.7 | 0.2 |
| Owner households | 744,315 | 783,729 | 770,900 | 0.5 | – 0.3 |
| Percent owner | 71.6% | 70.6% | 68.8% | | |
| Renter households | 295,558 | 325,936 | 348,800 | 1.0 | 1.2 |
| Percent renter | 28.4% | 29.4% | 31.2% | | |
| Total housing units | 1,123,383 | 1,225,205 | 1,241,000 | 0.9 | 0.2 |
| Owner vacancy rate | 1.6% | 2.4% | 1.7% | | |
| Rental vacancy rate | 8.4% | 10.8% | 10.4% | | |
| Median Family Income | $56,500 | $68,300 | $67,100 | 1.9 | – 0.4 |

*Notes: Numbers may not add to totals because of rounding. Employment data represent annual averages for 2000, 2010, and the 12 months through September 2015. Median Family Incomes are for 1999, 2009, and 2014. The current date is October 1, 2015.*
*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

| | | | | Average Annual Change (%) | |
|---|---|---|---|---|---|
| | 2000 | 2010 | Current | 2000 to 2010 | 2010 to Current |
| Total population | 348,189 | 319,294 | 317,400 | – 0.9 | – 0.1 |
| Total households | 147,076 | 142,057 | 141,100 | – 0.3 | – 0.1 |
| Owner households | 68,939 | 64,425 | 59,000 | – 0.7 | – 1.6 |
| Percent owner | 46.9% | 45.4% | 41.8% | | |
| Rental households | 78,137 | 77,632 | 82,100 | – 0.1 | 1.0 |
| Percent renter | 53.1% | 54.6% | 58.2% | | |
| Total housing units | 176,354 | 176,002 | 174,800 | 0.0 | – 0.1 |
| Owner vacancy rate | 3.5% | 4.8% | 2.5% | | |
| Rental vacancy rate | 11.8% | 15.2% | 12.7% | | |

*Notes: Numbers may not add to totals because of rounding. The current date is October 1, 2015.*
*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

| | | | | Average Annual Change (%) | |
|---|---|---|---|---|---|
| | 2000 | 2010 | Current | 2000 to 2010 | 2010 to Current |
| Total population | 1,655,573 | 1,764,743 | 1,803,000 | 0.6 | 0.4 |
| Total households | 635,455 | 691,154 | 706,000 | 0.8 | 0.4 |
| Owner households | 488,740 | 521,352 | 520,000 | 0.6 | 0.0 |
| Percent owner | 76.9% | 75.4% | 73.7% | | |
| Rental households | 146,715 | 169,802 | 186,000 | 1.5 | 1.7 |
| Percent renter | 23.1% | 24.6% | 26.3% | | |
| Total housing units | 669,701 | 745,789 | 760,700 | 1.1 | 0.4 |
| Owner vacancy rate | 1.3% | 2.2% | 1.5% | | |
| Rental vacancy rate | 7.0% | 9.6% | 9.2% | | |

*Notes: Numbers may not add to totals because of rounding. The current date is October 1, 2015.*
*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

| | | | | Average Annual Change (%) | |
|---|---|---|---|---|---|
| | 2000 | 2010 | Current | 2000 to 2010 | 2010 to Current |
| Total population | 671,581 | 703,664 | 694,300 | 0.5 | – 0.2 |
| Total households | 257,342 | 276,454 | 272,700 | 0.7 | – 0.2 |
| Owner households | 186,636 | 197,952 | 192,000 | 0.6 | – 0.6 |
| Percent owner | 72.5% | 71.6% | 70.4% | | |
| Rental households | 70,706 | 78,502 | 80,700 | 1.1 | 0.5 |
| Percent renter | 27.5% | 28.4% | 29.6% | | |
| Total housing units | 277,328 | 303,414 | 306,100 | 0.9 | 0.2 |
| Owner vacancy rate | 1.6% | 2.2% | 1.9% | | |
| Rental vacancy rate | 7.5% | 9.0% | 10.6% | | |

*Notes: Numbers may not add to totals because of rounding. The current date is October 1, 2015.*
*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: 10/1/2015—Analyst's estimates
Forecast period: 10/1/2015–10/1/2018—
Analyst's estimates

The metropolitan statistical area definition in this report is based on the delineations established by the Office of Management and Budget (OMB) in the OMB Bulletin dated February 28, 2013.

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 the U.S. Department of Housing and Urban Development's (HUD's) analysis, 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_StLouisMO_IL_16.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 HUD's Economic and Market Analysis Division. 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.