

Yardi® Matrix

St. Louis Gears Up

Multifamily Report Spring 2017

**Demand Outpaces
Supply**

**Health Care Leads
Job Gains**

**Transactions Reach
New High**

ST. LOUIS MULTIFAMILY

Yardi® Matrix

Market Analysis

Spring 2017

Contacts

Paul Fiorilla

Associate Director of Research

Paul.Fiorilla@Yardi.com

(800) 866-1124 x5764

Jack Kern

Director of Research and Publications

Jack.Kern@Yardi.com

(800) 866-1124 x2444

Author

Adina Marcut

Associate Editor

Healthy Employment Drives Demand

Despite a slowly declining population, St. Louis continues to see positive economic trends, driven by job gains in education and health services, leisure and hospitality, and professional and business services. Demand for apartments remains elevated, and rents are growing moderately.

The metro's universities and medical institutions produce a skilled workforce that attracts health-care and technology firms. World Wide Technology and Lodging Hospitality Management partnered to anchor a \$95 million revitalization effort at Westport Plaza, a 42-acre mixed-use development that will ultimately accommodate more than 1,200 employees. St. Louis also has a strong manufacturing base, led by Boeing and General Motors. One bright spot is Boeing's new information technology center, which is expected to create more tech jobs.

Developers ramped up apartment deliveries in 2016, when 1,370 units came online. Upcoming supply is significant, with more than 13,600 units in the pipeline, of which roughly 4,000 were under construction as of April. Investment activity continues its upward trajectory, after having reached a cycle peak in 2016, when more than \$488 million worth of multifamily properties changed hands. With continued demand expected to outpace deliveries, we anticipate rents will rise moderately, reaching a 2.6% growth rate by the end of 2017.

Recent St. Louis Transactions

Oxford Hills



City: St. Louis
Buyer: Aragon Holdings
Purchase Price: \$47 MM
Price per Unit: \$97,111

The Arlington



City: St. Louis
Buyer: FPA Multifamily
Purchase Price: \$40 MM
Price per Unit: \$140,657

The Groves



City: Florissant, Mo.
Buyer: Fireside Financial
Purchase Price: \$28 MM
Price per Unit: \$63,053

Ashwood



City: St. Charles, Mo.
Buyer: Eric J. Morgan
Purchase Price: \$27 MM
Price per Unit: \$99,323

To Subscribe

Hollie Zepke

Audience Development Specialist

Hollie.Zepke@Yardi.com

(800) 866-1124 x5389