

Yardi® Matrix

St. Louis' Swift Overhaul

Multifamily Report Fall 2017

Solid Job Gains Sustain Demand

City Core Draws New Development

Property Values Hit Post-Recession High

ST. LOUIS MULTIFAMILY

Yardi® Matrix

Market Analysis

Fall 2017

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Startup Scene Boosts Arch City Rental Market

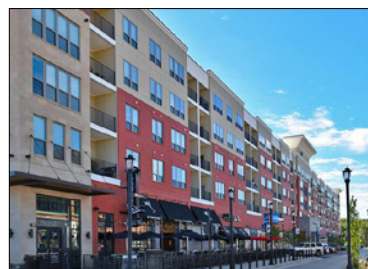
Following the path of other Midwestern metros, St. Louis is slowly transforming from an industrial center into a modern city with solid job gains in the health-care, business and technology sectors. This, in turn, has pushed up demand for both suburban office space and highly amenitized urban apartments, benefiting the multifamily market.

St. Louis added 21,100 jobs in the 12 months ending in July, more than 70% of which were in high-paying sectors. Local authorities, investors and the city's creative, skilled workforce built a vibrant startup ecosystem that drew in more than \$72 million in venture capital in the third quarter alone, according to data from PitchBook and the National Venture Capital Association. Meanwhile, the hospitality sector is adapting to the metro's growing accommodation needs. Several historic buildings in downtown St. Louis will reopen as hotels, while Loews Hotels & Co. announced plans to develop its first property in the metro as part of the \$260 million Ballpark Village expansion. The mixed-use development located in the city's core will also include residential and office components.

With more than 3,300 units under construction, St. Louis follows the national trend of renewing its well-located, urban residential stock. With demand expected to stay healthy, the new wave of supply should keep rent hikes moderate. Yardi Matrix forecasts a 1.8% rent growth for St. Louis in 2017.

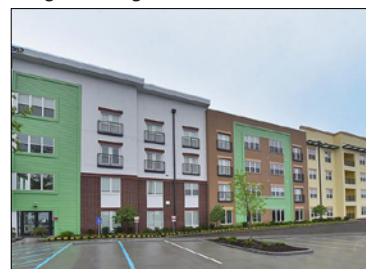
Recent St. Louis Transactions

Residences at Streets of St. Charles



City: St. Charles, Mo.
Buyer: Trilogy Real Estate Group
Purchase Price: \$60 MM
Price per Unit: \$192,557

Vanguard Heights



City: Creve Coeur, Mo.
Buyer: Strategic Properties
Purchase Price: \$39 MM
Price per Unit: \$222,222

Vicino on the Lake



City: Creve Coeur, Mo.
Buyer: BH Equities
Purchase Price: \$38 MM
Price per Unit: \$105,153

Woodhollow



City: Maryland Heights, Mo.
Buyer: Monarch Investment
Price: \$34 MM
Price per Unit: \$83,980

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