



MULTIFAMILY REPORT

# St. Louis: No Time For The Blues

May 2023

A photograph of the St. Louis skyline at dusk, featuring the Gateway Arch in the foreground and several skyscrapers in the background. The sky is a mix of purple, pink, and blue. In the foreground, there is a parking lot with several cars and a bridge structure.

**Rent Growth Remains Stable**

**Occupancy Slides, Still Above 95%**

**Construction Starts Remain High**



# ST. LOUIS MULTIFAMILY



## Fundamentals Improve As Economy Endures

St. Louis' multifamily fundamentals remained steady, though gains were moderate. Rates inched up 0.1% on a trailing three-month basis through March, to \$1,183. Meanwhile, occupancy kept up with the substantial supply expansion and decreased just 40 basis points in the 12 months ending in February, to a still strong 95.1%.

The unemployment rate stood at 2.8% in February, surpassing Illinois (4.5%) and the U.S. (3.6%) but lagging Missouri (2.6%), according to preliminary data from the Bureau of Labor Statistics. The job market—in expansion mode since September 2021—grew just 1.9%, or 20,800 positions, last year, well behind the 3.7% national figure. Two sectors contracted, losing a combined 8,200 positions, while gains were led by professional and business services (9,100 jobs) and leisure and hospitality (5,900 jobs). The latter will likely get a boost from the metro's new 22,500-seat stadium, CityPark, which was completed last November ahead of the 2023 MLS season. Several other major projects are underway, including Lighthouse Point and Gateway South.

Developers delivered just 87 units during the first quarter but had an additional 7,004 apartments under construction. Meanwhile, investors traded \$129 million in multifamily assets in 2023 through March, at an average per-unit price that climbed to \$224,862, surpassing the \$196,544 U.S. figure.

### Market Analysis | May 2023

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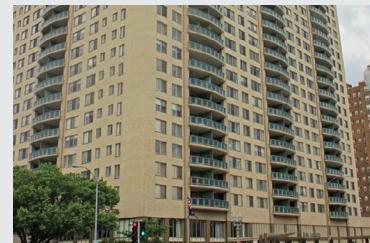
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#### Recent St. Louis Transactions

##### The View at Forest Park



City: St. Louis  
Buyer: Beitel Group  
Purchase Price: \$69 MM  
Price per Unit: \$230,003

##### Bold on Blvd



City: St. Peters, Mo.  
Buyer: Raven Capital Group  
Purchase Price: \$60 MM  
Price per Unit: \$219,174

##### Hillvale



City: St. Louis  
Buyer: Steele Properties  
Purchase Price: \$31 MM  
Price per Unit: \$212,329

##### Longacre Ponds



City: Fairview Heights, Ill.  
Buyer: Catalyst Property Solutions  
Purchase Price: \$20 MM  
Price per Unit: \$77,381