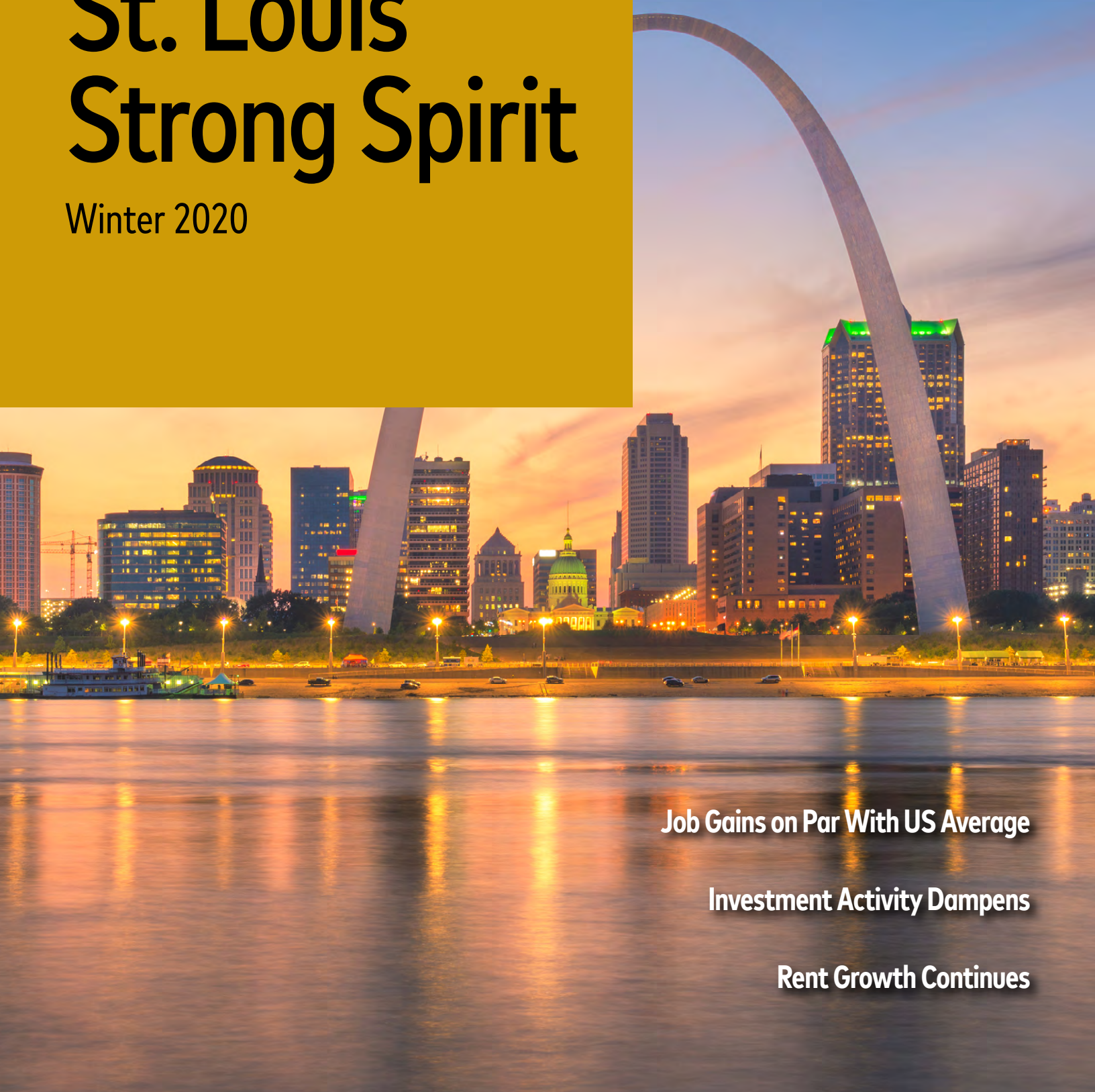


Yardi[®] Matrix

MULTIFAMILY REPORT

St. Louis' Strong Spirit

Winter 2020



Job Gains on Par With US Average

Investment Activity Dampens

Rent Growth Continues

ST. LOUIS MULTIFAMILY

Yardi® Matrix

High Rents and Strong Occupancy

Despite tepid demographic trends, St. Louis' multifamily market is healthy, boosted by strong job growth and high occupancy rates for stabilized properties. Rents have increased at a higher rate in past months—reaching an average of \$859—up 3.7% through November 2019.

Metro St. Louis gained 26,300 jobs in the 12 months ending in September, up 1.8% year-over-year. The mining, logging and construction sector saw the largest improvement with 5,800 new jobs and is expected to expand further. Several major companies have announced expansions or redevelopments in the metro including BJC Health Care/Washington University School of Medicine's campus expansion and Centene's \$770 million investment in a new structure adjacent to the existing Centene Plaza headquarters.

Multifamily sales softened in 2019 with only \$363 million in assets trading through November, compared to the \$823 million in sales recorded in 2018. The multifamily development pipeline is robust with nearly 3,000 units under construction, while a cycle high of 2,649 units was delivered in 2019 through November. Despite the increasing supply, the average occupancy rate in stabilized properties was strong—94.5% as of October.

Market Analysis | Winter 2020

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Recent St. Louis Transactions

Madison Prairie Point



City: O'Fallon, Mo.
Buyer: Investcorp
Purchase Price: \$46 MM
Price per Unit: \$123,663

The Finn



City: Hazelwood, Mo.
Buyer: Timberland Partners
Purchase Price: \$37 MM
Price per Unit: \$60,614

Madison Rockwood



City: Ballwin, Mo.
Buyer: Investcorp
Purchase Price: \$26 MM
Price per Unit: \$103,224

The Aboussie Pavilion



City: St. Louis
Buyer: Levy Affiliated
Purchase Price: \$23 MM
Price per Unit: \$85,948