

# MARKETBEAT ST. LOUIS

CUSHMAN &  
WAKEFIELD

## Multifamily Q1 2024

YoY Chg 12-Mo. Forecast

**10.8%**

Vacancy Rate



**1.5%**

Rent Growth, YOY



**\$1.37**

Effective Rent, PSF



(50+ unit developments, excluding student housing, senior housing, and military)  
Source: CoStar

### ECONOMIC INDICATORS Q1 2024

YoY Chg 12-Mo. Forecast

**1.4M**

St. Louis Employment



**3.5%**

St. Louis Unemployment Rate



**3.8%**

U.S. Unemployment Rate



Sources: BLS, Moody's Analytics, St. Louis Business Journal  
2024Q1 statistics are based on latest available data

### ECONOMIC OVERVIEW

The unemployment rate in St. Louis rose 10 basis-points (bps) to 3.5% in Q1 2024, but remains below the national average as the U.S. unemployment rate closed Q1 at 3.8%. The St. Louis labor market remains steady with non-farm employment experiencing a 120-bps increase year-over-year (YOY). Despite a challenging economic environment, there continues to be optimism that 2024 may hold the first interest rate cut by the Federal Reserve as they have opted to hold rates steady through Q1.

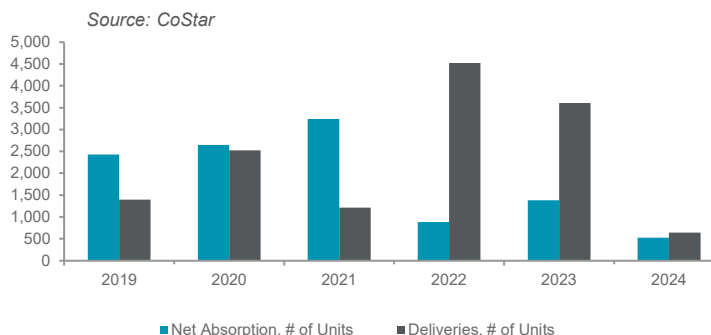
### DEMAND: Record Deliveries Drive Vacancy

The St. Louis multifamily sector recorded 525 units of positive absorption in Q1, marking the seventh straight quarter of positive absorption. St. Louis has experienced 2,786 units of positive absorption since Q1 2022, but has recorded over 8,000 new unit deliveries in that same timespan. This influx of new supply has caused overall vacancy to rise to 10.8% at the close of Q1, a 170-bps increase YOY. This also marks the first time the market has seen consecutive quarters of vacancy above 10.0% since 2006. Effective rents remain historically elevated closing Q1 at \$1.37 per square foot (psf), however annual rent growth has begun to plateau with the increased inventory in the market. St. Louis recorded YOY rent growth of 1.5% in Q1, which marks the lowest annual rent growth figure since Q2 2018.

### DEVELOPMENT: Pipeline Steadies After Record-Setting Years

St. Louis saw record-setting years of deliveries in 2022 and 2023, which resulted in over 8,000 new units and a 7.0% increase in inventory from Q1 2022-YTD. The market's development pipeline has begun to slow with 639 units delivering in Q1, and an additional 1,963 units currently under construction. At the close of Q1, 10 of the 17 multifamily submarkets are slated to record development activity in 2024. The submarkets with the most units under construction are St. Charles County (370 units), Central West End (270 units), Maryland Heights/Creve Coeur (269 units), and South St. Louis City (269 units).

### SPACE DEMAND / DELIVERIES



### OVERALL VACANCY & EFFECTIVE RENT



# MARKETBEAT ST. LOUIS

## Multifamily Q1 2024



### MARKET STATISTICS

SUBMARKET	INVENTORY (UNITS)	YTD DELIVERIES (UNITS)	YTD % INVENTORY GROWTH	UNDER CONSTR (UNITS)	NET ABSORPTION (UNITS)	VACANCY RATE	YOY VACANCY RATE CHANGE (BPS)	AVG EFFECTIVE RENT/UNIT	AVG EFFECTIVE RENT PSF	YOY % EFFECTIVE RENT GROWTH
Ballwin	6,193	0	0.0%	226	17	6.1%	270	\$1,340	\$1.39	1.9%
Central West End	8,250	143	1.8%	270	-25	10.5%	50	\$1,520	\$1.75	-0.5%
Chesterfield	4,249	0	0.0%	0	-2	13.5%	930	\$1,589	\$1.60	1.7%
Downtown CBD	4,454	148	3.4%	0	13	15.0%	10	\$1,405	\$1.53	0.3%
Downtown Clayton	1,063	0	0.0%	237	-25	8.1%	330	\$2,432	\$2.68	-1.3%
Jefferson County	10,964	0	0.0%	0	22	6.9%	220	\$1,088	\$1.25	2.2%
Kirkwood South	5,458	152	2.9%	0	13	8.7%	380	\$1,133	\$1.36	3.0%
Maryland Heights / Creve Coeur	9,984	0	0.0%	269	5	6.2%	150	\$1,296	\$1.41	0.1%
Metro East	12,090	0	0.0%	0	14	6.0%	90	\$1,180	\$1.21	4.8%
Mid-Town	3,705	196	5.6%	0	207	27.4%	1,190	\$1,175	\$1.35	-0.2%
North County	15,046	0	0.0%	0	-44	18.6%	280	\$888	\$1.00	4.2%
North St. Louis City	4,206	0	0.0%	60	-7	14.4%	160	\$820	\$0.92	-0.6%
Olivette	2,871	0	0.0%	262	57	15.8%	930	\$1,516	\$1.71	-3.7%
Richmond Heights	1,864	0	0.0%	0	-7	3.8%	-40	\$1,492	\$1.82	6.0%
South St. Louis City	6,582	0	0.0%	269	37	12.5%	-550	\$1,300	\$1.63	-1.5%
St. Charles County	19,504	0	0.0%	370	241	8.3%	-100	\$1,370	\$1.43	1.6%
University City	5,541	0	0.0%	0	10	11.8%	190	\$887	\$1.12	4.8%
<b>ST. LOUIS TOTALS</b>	<b>122,024</b>	<b>639</b>	<b>0.5%</b>	<b>1,963</b>	<b>526</b>	<b>10.8%</b>	<b>170</b>	<b>\$1,237</b>	<b>\$1.37</b>	<b>1.5%</b>

### KEY SALES TRANSACTIONS Q1 2024

PROPERTY	SUBMARKET	UNITS	PRICE   \$ UNIT
Greenway Chase	North County	312	\$34.9 M   \$111,799
3949 Lindell	Central West End	197	\$30.5 M   \$154,822

### KEY DELIVERIES Q1 2024

PROPERTY	SUBMARKET	UNITS	OWNER   DEVELOPER
The Edwin on Grand	Mid-Town	196	Pier Property Group
The James	Kirkwood South	152	High Street Residential
11th & Spruce	Downtown CBD	148	Balboa Real Estate Partners
The B on Lindell	Central West End	143	Brandonview LLC

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