MARKETBEAT
ST. LOUIS
MULTIFAMILY Q2 2025

MARKET FUNDAMENTALS

	YOY Chg	Outlook
10.7% Vacancy Rate	▲	▼
694 YTD Net Absorption, units	▼	▲
$1.47 Effective Rent, PSF	▲	▲

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

ECONOMIC INDICATORS

	YOY Chg	Outlook
1.4M St. Louis Employment	—	▲
3.9% St. Louis Unemployment Rate	▲	▲
4.2% U.S. Unemployment Rate	▲	▲

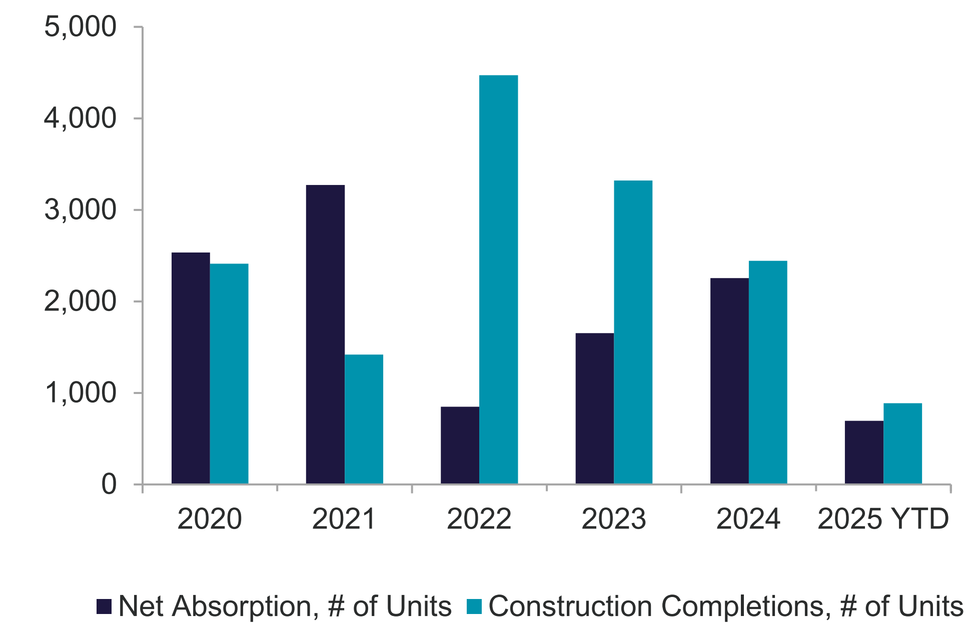
Source: BLS

ECONOMY
The St. Louis unemployment rate rose slightly through Q2, closing the quarter at 3.9%. This marks a 30-basis point (bps) increase from last quarter, but a marginal 10-bps increase year-over-year (YOY). The national average also recorded a 10-bps increase quarter-over-quarter (QOQ) and a 20-bps increase YOY. Due to uncertainty surrounding the economic impacts of tariffs, the Federal Reserve has held interest rates in a range of 4.2% to 4.5% through the first half of 2025, though it is expected that cuts will come in the second half of the year.

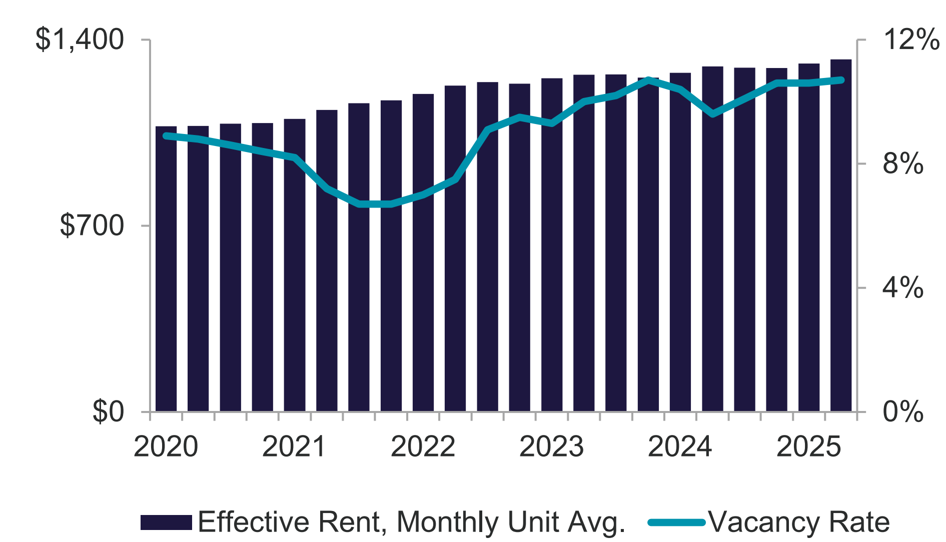
SUPPLY: ABSORPTION POSITIVE DESPITE ELEVATED VACANCY
Overall vacancy in the St. Louis multifamily sector closed Q2 at 10.7%, marking a slight 10-bps increase from last quarter. Despite the market recording 695 units of positive absorption through the first half of the year, new unit deliveries have slightly outpaced absorption in 2025 so far, with 889 new units delivered year-to-date (YTD). New supply continues to be a key driver of vacancy across the region as St. Louis has delivered 11,122 units since Q1 2022, resulting in a 9.2% increase in the region's multifamily inventory. Comparatively, the market has recorded a net absorption total of 5,451 units within this same time frame. Even though supply levels across the market remain elevated, effective asking rents have remained relatively steady, closing Q2 at $1.47 per square foot (psf). This marks nine consecutive quarters of effective rents at or above $1.40 psf.

DEVELOPMENT: CONSTRUCTION ACTIVITY CONTINUES TO SLOW
The St. Louis multifamily development pipeline recorded its lightest quarter of construction activity in over a decade, with 1,247 units under construction at the close of Q2. This marks a 50.4% decline in development activity YOY. This slowdown in construction starts is expected to keep supply levels stable and begin to drive down vacancy as the market works to absorb newly delivered units. As of Q2, development activity was spread across six of St. Louis' 17 multifamily submarkets, with the largest number of units concentrated in St. Charles County (370 units) and the Metro East (288 units). The remaining units under construction are in University City (259 units), Olivette (205 units), South St. Louis City (65 units) and Kirkwood South (60 units).

DEMAND / DELIVERIES



OVERALL VACANCY & EFFECTIVE RENT



Source: CoStar

ST. LOUIS
MULTIFAMILY Q2 2025

MARKET STATISTICS

SUBMARKET	INVENTORY (UNITS)	YTD DELIVERIES (UNITS)	YTD % INVENTORY GROWTH	UNDER CONSTRUCTION (UNITS)	YTD NET ABSORPTION (UNITS)	VACANCY RATE	YOY VACANCY RATE CHANGE (BPS)	AVG EFFECTIVE RENT / UNIT	AVG EFFECTIVE RENT PSF	YOY % EFFECTIVE RENT GROWTH
Ballwin	6,431	226	3.5%	0	50	8.0%	220	$1,484	$1.54	3.5%
Central West End	8,433	0	0.0%	0	82	11.8%	70	$1,571	$1.83	0.7%
Chesterfield	4,249	0	0.0%	0	59	7.8%	-220	$1,669	$1.69	0.6%
Downtown CBD	4,039	0	0.0%	0	-17	21.9%	-320	$1,502	$1.61	1.9%
Downtown Clayton	1,301	0	0.0%	0	66	16.3%	720	$2,549	$2.80	-2.3%
Jefferson County	11,155	0	0.0%	0	-47	5.7%	0	$1,148	$1.32	2.4%
Kirkwood South	5,458	0	0.0%	60	3	6.2%	10	$1,246	$1.49	5.7%
Maryland Heights / Creve Coeur	10,581	255	2.4%	0	174	9.2%	310	$1,373	$1.50	-2.0%
Metro East	12,345	232	1.9%	288	28	6.4%	110	$1,259	$1.30	4.1%
Mid-Town	3,873	0	0.0%	0	7	25.5%	-70	$1,215	$1.39	-0.4%
North County	14,914	0	0.0%	0	-97	19.1%	440	$974	$1.11	4.9%
North St. Louis City	4,035	0	0.0%	0	-3	12.5%	-20	$919	$1.00	3.4%
Olivette	2,990	0	0.0%	205	114	12.0%	-180	$1,717	$1.93	3.3%
Richmond Heights	1,864	0	0.0%	0	-23	5.5%	170	$1,562	$1.95	5.0%
South St. Louis City	6,602	0	0.0%	65	168	11.0%	-60	$1,431	$1.77	3.3%
St. Charles County	20,048	176	0.9%	370	123	7.6%	130	$1,457	$1.53	0.6%
University City	5,659	0	0.0%	259	8	9.2%	50	$925	$1.18	3.8%
ST. LOUIS TOTALS	**123,977**	**899**	**0.7%**	**1,247**	**695**	**10.7%**	**110**	**$1,326**	**$1.47**	**2.0%**

KEY SALES TRANSACTIONS Q2 2025

PROPERTY	SUBMARKET	UNITS	PRICE | $ UNIT
Chroma & Hue Apartments (Portfolio)	Central West End	346	$90.0 M | $260,116
The Station at St. Peters	St. Charles County	180	$36.1 M | $200,361
The Bogen Lofts	Downtown CBD	115	$15.0 M | $130,435
Timber Place Apartments	North County	64	$4.3 M | $66,500

KEY DELIVERIES Q2 2025

PROPERTY	SUBMARKET	UNITS	OWNER | DEVELOPER
The Mila	Ballwin	226	Midas Enterprises
Jasper Apartments	St. Charles County	176	Aligned Equity Group
Latitude 38	Metro East	144	Mia Rose Holdings

Source: CoStar, RCA

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