Downtown St. Louis
Residential Occupancy Report 2019

Prepared by Downtown STL, Inc.

www.downtownstl.org

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# Table of Contents

- Synopsis .................................................................................................................. 2
- Downtown Core Data ............................................................................................. 3
- Downtown Neighborhood Data ............................................................................. 4
- Downtown West Neighborhood Data ................................................................... 5
- Appendix A: Map of Downtown St. Louis ................................................................ 6
Overall Downtown Core Data

This residential occupancy report presents data from the recent housing survey conducted by Downtown STL, Inc. It focuses on the City’s Downtown and Downtown West neighborhoods, which we define as the downtown core. Although information is only collected from property managers in these two neighborhoods, this report sometimes refers to greater downtown, which is a composition of five census tracts. Appendix A provides a graphic illustration of the aforementioned neighborhood boundaries.

2019 brought some improving news to the residential market after seeing an occupancy dip and sluggish growth in 2018. This year, we were able to welcome approximately 200 new residents to Downtown, over 3 times what was added last year. Despite new product coming online, occupancy is holding steady at about 92 percent. Notable in this fact is of the buildings we received data from, the number of buildings with occupancy below 80 percent is now limited to a handful. In those buildings, special circumstances as opposed to market forces were mentioned as a reason for the occupancy. In some of our interactions with residential property managers and brokers in Downtown, a recurring theme mentioned in leasing activity is that major companies hiring in the St. Louis region are driving additional activity. This sourcing will help form Downtown STL, Inc’s strategy for the coming year in residential recruitment initiatives.

The overall steady occupancy is noteworthy considering over 300 new units have been delivered on the market since the last survey. Additionally, the new projects noted in the 2018 survey were able to lease up, which is a positive sign for these current projects underway. It is worth noting that new development announcements appear to be slowing down from years past. This is not surprising given that many in the United States believe we are approaching the end of this real estate cycle, combined with the fact that there are fewer large empty buildings to rehab in Downtown St. Louis. The silver lining is that this break should allow for more lease-up ability of all the new product coming online.

The data in this report is reflective of the Downtown residential market as of the first quarter of 2019. The numbers used to compile this data are drawn directly from the property owners or community managers of the residential properties within the downtown core. In case where an exact number is not available, an estimate is provided based on the data from previous years and current market trends. All data in this report pertaining to the Downtown core is derived from this first-hand collection of information except where noted. While all residents are counted, the properties are counted toward occupancy rates only if they have been open for leasing or sale for at least one year. This information presented within this report is deemed reliable, but no warranty or representation is made as to the accuracy thereof.
Overall Downtown Core Data

- **7,740 Total Housing Units**
  - 6,049 Rental Units
  - 1,355 Income Restricted Units
  - 4,694 Market Rate Units
  - 1,691 Condominiums

**Downtown Core Population**
- 9,829 residents in Downtown and Downtown West
- 19,525 residents in Greater Downtown (American Community Survey 5-Year Estimate, 2009-2013)

**Downtown Core Occupancy Rates**
- 92.4% Overall
- 90.5% Rental
- 89.2% Market Rate
- 94.9% Income Restricted
- 98.9% Condo

**5-year Population Growth:** 23%
**10-year Population Growth:** 72.5%
The Downtown neighborhood has seen a number of new projects open this year, bringing additional units onto the market. Many buildings did see their occupancy increase in the market, although they were offset by a few buildings losing the lion’s share of the occupancy dip.

That being said, Downtown looks to be the more active neighborhood of the two for residential development heading forward. One Cardinal Way near Ballpark Village is almost 1/3 pre-leased with completion still not expected until 2020. Also notable this year, the long-vacant Chemical Building has gotten a new redevelopment plan, this time from Restoration St. Louis, that will bring 77 new luxury apartments in addition to more hotel rooms.

**Downtown Occupancy Rates**

- **91% Overall**
- **89.5% Rental**
- **88.2% Market Rate**
- **94.0% Income Restricted**
- **98.8% Condo**

**Recent Openings**

- **Level on Locust**, 917-921 Locust St., 88 apartments
- **Peper Lofts**, 701 N. First St., 49 apartments

**Key Future Developments**

- **One Cardinal Way**, 297 apartments
- **Chemical Building**, 721 Olive St., 74 apartments
- **Front Page Lofts**, 1139 Olive St., 54 apartments
- **Gallery 512 Apartments**, 512 Locust, N/A number of units
- **Railway Exchange Building**, 600 Locust St., 600+ apartments

**Residential Unit Breakdown**

- **66.0% Market Rate**
- **18.2% Below Market Rate**
- **15.8% Condo**

**Total Inventory**

- **2,488 Market Rate Units**
- **595 Condos**
- **684 Income Restricted Units**
Downtown West had a banner year in 2019. The Monogram opened, delivering 168 new units. At last discussion, the building was well over 2/3 leased with less than a full year on the market. The building also brings with it the second grocery store in Downtown St. Louis, which will become a major anchor for that area of the neighborhood. The Beatrice has also leased up to capacity after delivering last year.

Many of the newly announced projects in the neighborhood feature hotels, with the old YMCA and the Shell building joining the Last Hotel in new product under development. Combined with planned residential developments at Jefferson Arms and the Tire Mart building, this leaves fewer historic rehab opportunities in the neighborhood. Most of the vacant buildings in the neighborhood are now located west of 18th Street, which is likely where future rehab activity will be concentrated.

**Downtown West Occupancy Rates**

- **93.7% Overall**
- **91.7% Rental**
- **90.3% Market Rate**
- **96.9% Income Restricted**
- **98.7% Condo**

**Recent Openings**

- The Monogram Lofts, 1706 Washington Ave., 168 apartments

**Key Future Developments**

- Jefferson Arms, 415 N. Tucker Blvd, 240 apartments
- Tire Mart Building Rehab, 1815 Locust St, 67 apartments

**Total Inventory**

- 2,206 Market Rate Units
- 1,096 Condos
- 671 Income Restricted Units

**Residential Unit Breakdown**

- Market Rate: 55.5%
- Below Market Rate: 27.6%
- Condo: 16.9%
Appendix A: Downtown St. Louis Map