

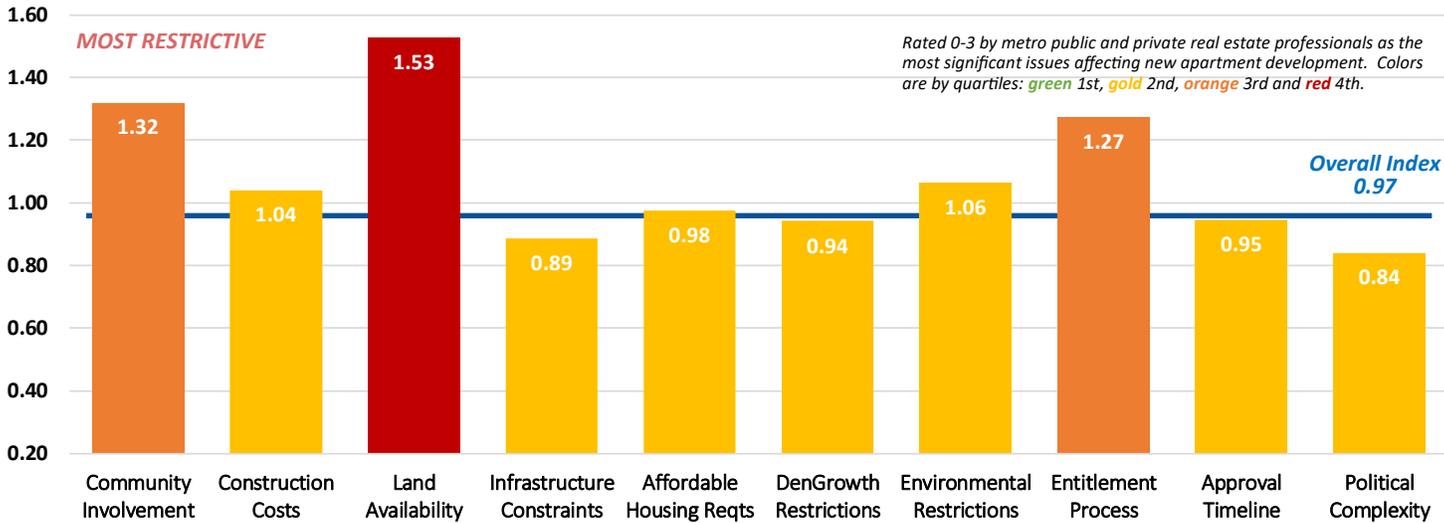
BARRIERS to APARTMENT CONSTRUCTION				ST. LOUIS
BARRIERS RANKING ¹	NEW MF DEMAND ²	HIGH RENT BURDEN ³	STAR SHARE ⁴	
20	9.3k	43%	39%	
MEDIAN RENTAL HOUSEHOLD INCOME			\$35,140	
INCOME REQUIRED FOR AVERAGE RENT ⁵			\$35,240	

MOST RESTRICTIVE APARTMENT CATEGORIES:

- LAND AVAILABILITY
- COMMUNITY INVOLVEMENT
- ENTITLEMENT PROCESS

St. Louis metro ranks near the top third for least restrictive barriers to new apartment development with an overall index of 0.97, though sustained demand for new multifamily is near the bottom of national metros. Survey respondents cite land availability as the most restrictive of the subindices, followed by community involvement driven by local opposition, community groups and lengthy public engagement. Entitlement process was noted for a difficult approval appeal process. Most other indices are near-index with specific comments on rising construction costs, infrastructure availability, density restrictions, flood zone restrictions, land use regulations and local council influence as steady barriers. Median rental incomes rank some of the lowest, just below the requirement for their average market rents of \$885. Some 43% of metro renters must pay over 35% of income on their lease.

Barriers to Apartment Construction Subindices



BARRIERS INDEX METHODOLOGY:

These NAA HAS Barriers to Apartment Construction indices were created from over 90 apartment development, process and timing questions in ten categories and sourced digitally from real estate professionals in both the public and private realms. An initial overall metro **Barriers to Apartment Construction Index** is also plotted above.

DEFINITIONS and NOTES:

- ¹**BARRIERS RANKING** is the relative ranking among 58 major metro apartment markets based upon the average index of each metro from the least restricted to the most; ranges from 1 (Albuquerque) to 58 (San Jose). Rankings consider expert responses from throughout the extended metro that includes but not isolates the urban core.
- ²**NEW MF DEMAND** is the updated total demand for new multifamily units (in thousands) through 2030 based upon the forecasted total rental housing demand 2017-2030 from the NAA-NMHC demand study by HAS: *U.S. Apartment Demand—A Forward Look (2017)*; ranges from 3,890 (Sioux Falls) to 222,589 (New York).
- ³**HIGH RENT BURDEN** refers to that share of 2017 households spending over 35% of combined household income on rent; major metro ranges from 56% and rents of \$1,370 (Miami) to 38% and rents of \$865 (Sioux Falls) with a major metro average of 43%.
- ⁴**STAR SHARE** is that share of metro rental housing stock with five or more units HAS qualified as **Second-Tier Affordable Rentals* or those non-institutional sites of typically lower unit count, lower quality and greater age, often overlooked as crucial affordable housing already in place. Using CoStar® ratings of 1-5 for sites of five units or more, STAR is the lower ratings of 1-2. This share ranges from 61% (Los Angeles) to 17% (Austin) with a major metro average of 36%.
- ⁵**INCOME REQUIRED FOR AVERAGE RENT** assumes a more conservative 30% of rental household income needed for the average metro contract rent.

