



For Immediate Release

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Economists predict 2017 St. Louis housing market is set to be one of the strongest nationwide

Key factors cited -- sustainable growth, strong wages and housing affordability

St. Louis – February 21, 2017 – In 2016, St. Louis was predicted to be one of the hottest housing markets in the country. That prediction came true. In 2017, economists project that St. Louis will sustain this momentum – powered by a solid economy in combination with balanced, affordable housing.

“What this means,” explains St. Louis REALTORS® President Barry Upchurch “is that last year we saw amazing growth, remarkable home sales and excellent investment opportunities. And our housing market, with the median home sales price sitting at \$167,000 for the year, remained affordable. This year, we will be building on that growth as we expect to see continued strong job opportunities, healthy wages and affordable housing in St. Louis.”

According to MARIS (Mid America Regional Information Systems) MLS statistical for St. Louis City and St. Louis County year-over-year – from January through December – the median sales price rose 4 percent in 2016 vs. 2015, from \$160,000 to \$167,000. Days on the market were down to double digits, sitting at 86 in 2016 as compared to 103 days in 2015. Active listings were down 1 percent at 30,300 in 2016 compared to 30,493 in 2015, and months of inventory for the year dropped from 4.3 to 3.9.

MLS data also reflect that year-over-year total sales were up 8 percent, with total homes sales sitting at 19,082 in 2016 compared to 17,738 in 2015.

“In 2016, the brisk pace of home sales in St. Louis never seemed to let up,” says St. Louis REALTORS® CEO John Gormley. “Despite having low inventory, which is a supply-demand thing, our sales volume continued to grow. And so our market never really slowed down, which is certainly remarkable for any real estate market. At some point, though, you do have to ease off the gas pedal a little to realize and reflect

on the growth that's taking place. We believe the economists are right: Continued growth in 2017, but perhaps at a slightly slower pace. And that's a good thing for St. Louis, our economy and our continued exceptional housing affordability."

If January is any indication, the St. Louis market is poised to meet the predictions of being one of the top markets in 2017 with sustainable growth, according to the latest MLS sales data compiled in the St. Louis REALTORS® Housing Report for January.

The January 2017 MLS statistics for St. Louis City and St. Louis County combined indicate that for the same month year-over-year, the median sales price for homes rose 2 percent from \$149,000 to \$151,250, a \$2,250 increase. In addition, days on the market dropped from 180 in January of 2016 to 122 days this January.

"These two indicators," Upchurch says, "mean that whether you're interested in buying or selling a home in St. Louis this year, you should know that homes are continuing to sell faster and prices are increasing, as our market continues its healthy, sustainable growth."

As part of that sustainable growth in St. Louis, economists Lawrence Yun with the National Association of REALTORS® and Bill Emmons with the Federal Reserve Bank of St. Louis cite the fact that home prices are lower in St. Louis than the national average, while wages are tracking with the national average, which they believe offers St. Louis a significant advantage. In addition, they explain that St. Louis is in a "new sustainable normal" – slower-paced growth than some parts of the U.S., but with extremely affordable home prices.

"Since we don't have a crystal ball, we don't know exactly what's in store for 2017," says Gormley. "But all indicators are that St. Louis will continue to be one of the best cities in the U.S. to work, live and buy an affordable home for you and your family. Assuming the national economy remains strong and interest rates stay relatively low, we expect to have another great year for home sales here in St. Louis. And with interest rates still relatively low but definitely on the rise, now is an excellent time for buyers and sellers to contact a St. Louis REALTOR®."

About the St. Louis Association of REALTORS® Housing Report

St. Louis REALTORS® releases a new Housing Report around the middle of each month analyzing MLS sales data from the previous month with year-over-year comparisons. Data used in these reports are courtesy of MARIS (Mid America Regional Information Systems) Multiple Listing Service.

About the St. Louis Association of REALTORS®

With more than 8,000 members, the St. Louis REALTORS® is the largest local REALTOR® organization in Missouri and the voice for real estate in greater St. Louis. The association helps members navigate a changing market, engage in the community, protect private-property rights, convert information to knowledge and provide superior tools.

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