

## RESIDENTIAL DEVELOPMENT

Permits for both single-family detached housing units and multiple-family housing units registered a sharp decline in 2011 compared to 2010. These numbers rebounded in 2012 with a total of 1,384 single-family detached housing units permitted, compared to 939 permitted in 2011, representing a 47% increase. The development of multiple-family housing units increased from 167 units in 2011 to 431 units in 2012. This represents an increase of 158% in this category. (See Table I). The large increase in multiple-family units in 2012 is attributed to 309 units permitted in the Streets of St. Charles Development at 5<sup>th</sup> Street and Interstate 70. The 2010 uptick in permits from the year before can be attributed to the federal First-Time Homebuyer Tax Credit which expired on April 30, 2010. Also of note the total of 1,106 housing units permitted in 2011 was the lowest level of residential development since 1981, when 1,115 housing units were authorized in the county.

Year	Single-Family	Multiple-Family	Total Housing Units
2000	2,980	978	3,958
2001	3,053	1,146	4,199
2002	3,228	1,841	5,069
2003	3,352	769	4,121
2004	3,643	1,362	5,005
2005	3,286	866	4,152
2006	2,533	985	3,518
2007	2,124	878	3,002
2008	1,174	426	1,600
2009	1,131	278	1,409
2010	1,185	580	1,765
2011	939	167	1,106
2012	1,384	431	1,815

Source: St. Charles County Building Code Enforcement Division

## RESIDENTIAL BUILDING PERMIT ACTIVITY BY JURISDICTION

Residential building permitting activity by the major municipalities (populations of 10,000 or greater) and the unincorporated county between 2008 and 2012 generated a total of 5,551 permits for new single-family detached homes during the five-year period. Table II displays the activity for the issuance of permits for new single-family detached homes during the years reviewed.

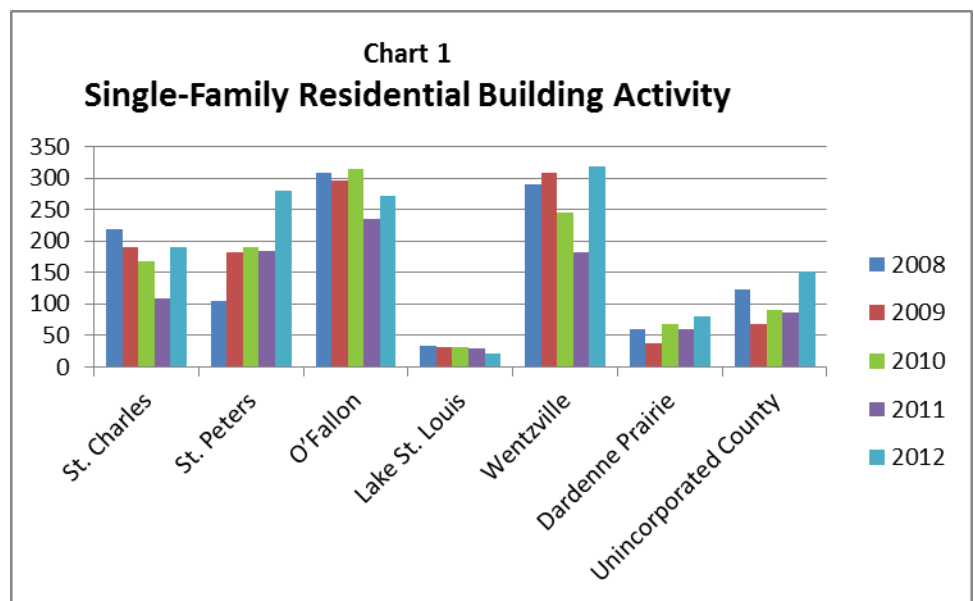
# Appendix A Background Information

## Housing

Table II Single-Family Residential Building Activity 2008 – 2012							
YEAR	St. Charles	St. Peters	O'Fallon	Lake St. Louis	Wentzville	Dardenne Prairie	Unincorporated County
2008	218	104	308	34	289	60	123
2009	191	181	295	31	309	37	68
2010	168	190	315	31	245	68	91
2011	108	183	235	29	182	59	86
2012	190	280	272	22	318	80	151
TO-TALS	875	938	1,425	147	1,343	304	519

Source: St. Charles County Building Code Enforcement Division

As the above table indicates the cities of O'Fallon and Wentzville respectively were the leaders in issuing permits for new single-family detached homes during the five-year review period. These two communities accounted for 50 percent of the permits issued over the period



reviewed. St. Charles tabulated 16 percent of the total permits, while St. Peters tallied approximately 17 percent. (See Chart 1) It should be noted that the cities of O'Fallon, St. Charles, and Wentzville also registered the largest drops in permit activity between 2010 and 2011 but numbers in 2012 have rebounded above 2010 totals everywhere but Lake St. Louis and O'Fallon.

### AVERAGE ESTIMATED CONSTRUCTION COST OF HOUSING UNITS BY COMMUNITY

The estimated average construction costs of single-family detached homes by the major communities (populations of 10,000 or greater) and the unincorporated county between 2008 and 2012 are shown in Table III. These costs do not include developed lot costs.

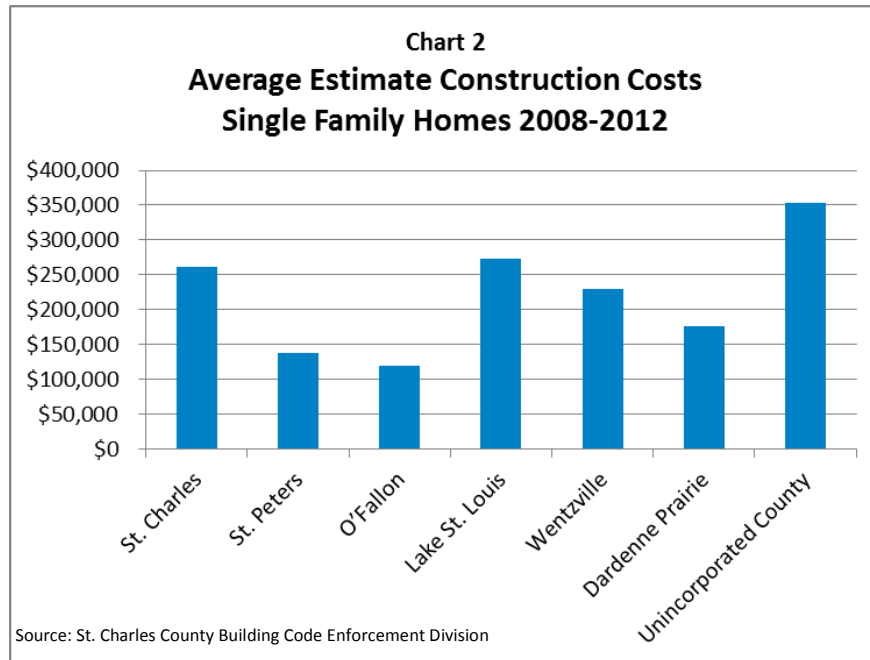
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Table III Average Estimated Construction Cost for a Single Family Home by Community 2008 – 2012							
YEAR	St. Charles	St. Peters	O'Fallon	Lake St. Louis	Wentzville	Dardenne Prairie	Unincorporated County
2008	\$275,917	\$153,077	\$122,208	\$252,647	\$225,744	\$183,667	\$354,715
2009	\$204,712	\$136,685	\$117,085	\$303,226	\$220,712	\$182,162	\$310,147
2010	\$206,071	\$132,421	\$117,423	\$324,839	\$220,980	\$170,147	\$321,538
2011	\$379,815	\$129,672	\$117,532	\$236,552	\$241,538	\$167,627	\$436,395
2012	\$243,737	\$140,821	\$120,956	\$246,818	\$240,126	\$177,000	\$342,115
<b>AVER.</b>	<b>\$262,050</b>	<b>\$138,535</b>	<b>\$119,041</b>	<b>\$272,816</b>	<b>\$229,820</b>	<b>\$176,121</b>	<b>\$352,982</b>

Source: St. Charles County Building Code Enforcement Division

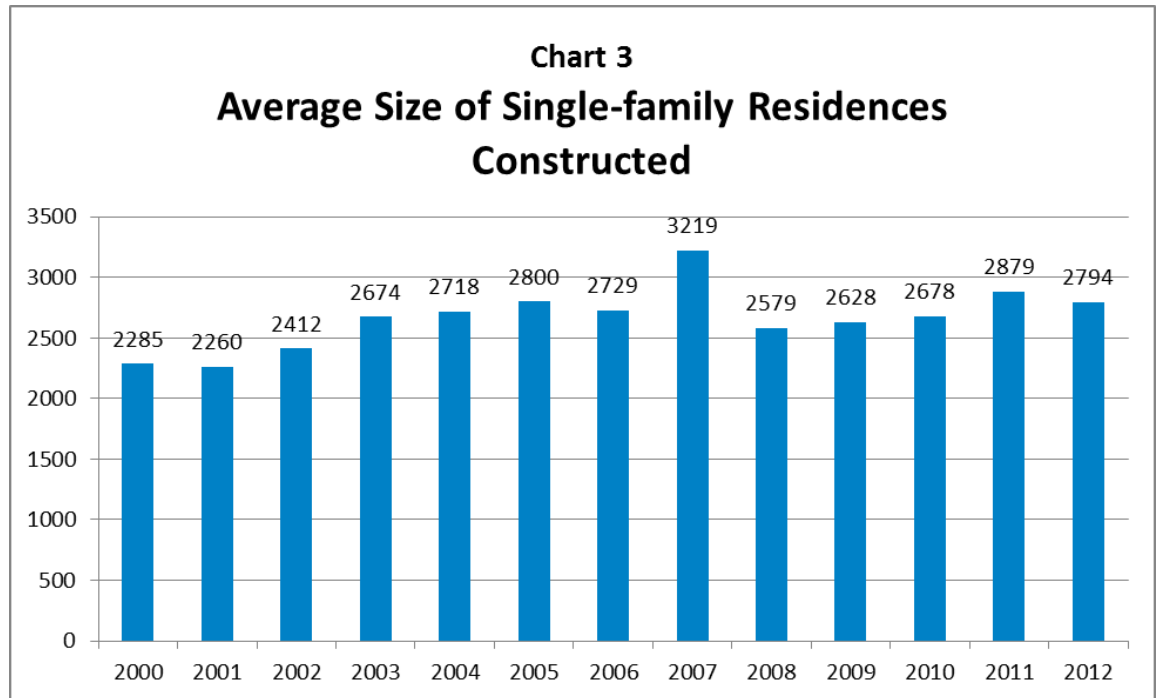
The highest estimated average construction cost for a new single-family detached home for the five- year period was \$352,982 in unincorporated St. Charles County. The second highest was the city of Lake St. Louis with \$272,816. In third and fourth place were the communities of St. Charles with an average estimated cost of \$262,050 and Wentzville with a cost of \$229,820. (See Chart 2)



### AVERAGE SIZE OF RESIDENCES CONSTRUCTED

Chart 3 depicts the average size of residences constructed in the unincorporated area of St. Charles County. The peak size was reached in 2007 with the average size of a home constructed at 3,219 square feet. In 2008 the average size dropped over 600 square feet and has been slowly

rebounding since 2008 with the average house size in 2012 of 2,794 square feet.



### RECENT TRENDS IN THE MEDIAN SALE PRICES OF HOMES

Median sale prices of new and existing residential properties in St. Charles County were examined using reported sale prices on sales transactions filed with the St. Charles County Assessor's Office. New residential properties are those being sold and occupied for the first time. Existing residential properties are those being sold and not occupied for the first time.

Recent trends in the median sale prices of new single-family detached homes in St. Charles County were evaluated for the last six years. This review illustrates a downward trend between 2007 and 2012 every year with the exception of 2010. There was a short period of increased demand for housing during 2010 largely due to the federal First-Time Homebuyer Tax Credit which expired on April 30, 2010.

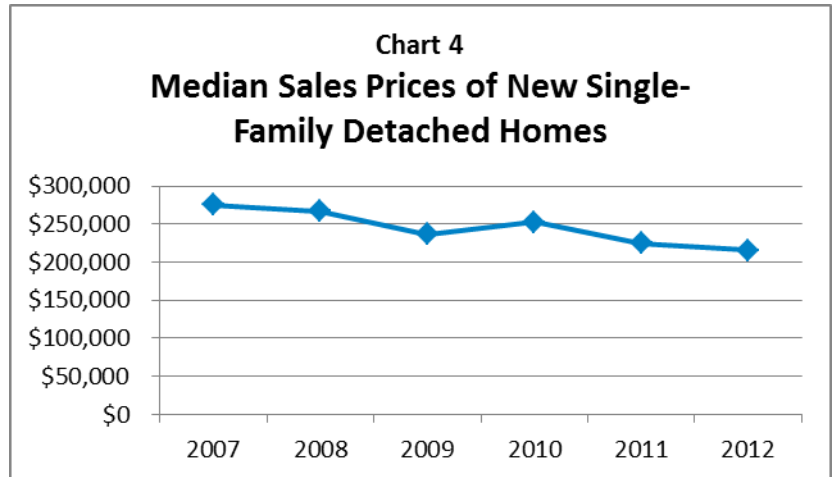
According to these records the median sale price of a new single-family detached home in 2012 was \$215,315. (See Chart 4) This represents an approximate increase of 10.6% in sale price since 2000. It is worthy to note that the median sale price of a new single-family detached home was \$252,904 in 2010 and \$224,890 in 2011 which represents an 11% decrease in price in one year. A possible reason for this trend is the large number of foreclosed homes on the market at substantially lower sale prices. Adjusting for inflation, the sale price for a new single-family detached housing unit exhibits a decrease of 17% since 2000.

Sale prices of existing single-family detached homes were also evaluated over the 11 year period. Between 2000 and 2011 the median sale price of an existing single-family detached home rose

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from \$139,822 to \$172,000. This represents an increase of 23% in median sale price during this period. However, the 2011 median sale price was 4% lower than the median sale price in 2010. Adjusting these figures for inflation reveals that existing home prices have decreased by 8% between 2000 and 2011. (See Table IV).



**Table IV  
Single-Family Detached Homes  
Median Sale Prices**

SFR Detached	2000	2000 CPI*	2010	2010 CPI*	2011	Change 2000-2011	CPI Δ 2000-2011	Change 2010-2011	CPI Δ 2010-2011
<b>New Homes</b>	\$194,701	\$259,595	\$252,904	\$244,155	\$224,870	15.5%	-13.8%	-11%	-7.2%
<b>Existing Homes</b>	\$139,822	\$186,424	\$180,000	\$175,337	\$184,500	32%	-2.7%	-2.5%	-1.3%

CPI Adjusted based on St. Louis Metro CPI  
Source: St. Charles County Assessor's Office

### SINGLE-FAMILY HOMES BY PRICE BRACKET

The median sale price represents the middle range of all sale prices. Therefore, half of the sale prices are above the number and half below. The distribution of sale prices between low and high, however, are not evenly distributed. In order to understand the distribution of single-family detached homes sold during 2011 seven brackets have been created. A comparison was made between sales during 2010 and 2011. The total number of single-family detached homes sold during 2011 was 2,398

**Table V  
2011 New and Existing Single-Family Detached Home Sales**

Price Range	2010 Sales	Percent	2011 Sales	Percent
<b>Under \$150,000</b>	731	27%	501	20.9%
<b>\$150,001 to \$200,000</b>	819	30%	744	31%
<b>\$200,001 to \$250,000</b>	528	19%	503	21%
<b>\$250,001 to \$300,000</b>	291	11%	306	12.8%
<b>\$300,001 to \$350,000</b>	128	5%	165	6.9%
<b>\$350,001 to \$500,000</b>	152	6%	133	5.5%
<b>Over \$500,000</b>	66	2%	46	1.9%
<b>Total Sales</b>	<b>2,715</b>	<b>100%</b>	<b>2,398</b>	<b>100%</b>

Source: St. Charles County Assessor's Office

compared with 2,715 in 2010 (See Table V). The largest block of home sales were in the bracket of \$150,001 to \$200,000 which totaled 744 translating into 31% of all homes sold during the year. This mirrors the 2010 figures when 819 homes, 30% of the total were sold in this bracket. Approximately 52% of all homes sold during 2011 were \$200,000 or less. Only 7.4% of single-family detached homes purchased were greater than \$350,000. Overall the sale of single-family detached homes decreased by 317 homes or approximately 11.7% from the year before. Table V does include foreclosed housing units.

### MEDIUM FAMILY INCOME

The Census Bureau's most recent estimate for median family income for St. Charles County was for 2011. The estimated median family income in the county for that year was \$83,819. A review of the estimated median family incomes of counties in the region is presented below. (See Table VI).

JURISDICTION	MEDIAN FAMILY INCOME
United States	\$64,293
Missouri	\$59,020
St. Charles County	\$83,819
St. Louis City	\$42,779
St. Louis County	\$75,106
Lincoln County	\$61,721
Jefferson County	\$65,950
Warren County	\$66,763
Franklin County	\$60,706

Sources: ACS 2007-2011 5-yr. estimate

### HOUSING COSTS

According to data from the 2011 American Community Survey the median monthly housing costs for mortgaged owners was \$1,545, non-mortgaged owners \$463, and renters \$841.

In 2011, 26 percent of owners with mortgages, 10 percent of owners without mortgages, and 42 percent of renters within St. Charles County spent 30 percent or more of household income on housing.

### HOUSING AFFORDABILITY

Estimated data from the Census Bureau revealed that between 2000 and 2011 the estimated median family income in St. Charles County rose from \$64,415 to \$83,819. This represents an approximate 30% increase in the estimated median family income during this period. Over this same period the median sales price of new homes increased 15.5% and existing homes increased by 32%. In 2011 the median price of a new home was just 2.7 times the median family income and the price of an existing home was 2.2 times the median family income. In 2000 the median family income was \$64,415 and the price of a new home was \$194,701 or 3 times the median income.

### AVERAGE HOUSEHOLD SIZE

According to the 2010 Census the average household size in St. Charles County was estimated at 2.64 persons. This compares with an estimated average of 2.58 for the United States. See Table VII for the trend in household sizes within the county since 1980.

Also the 2010 Census reported that the average household size of an

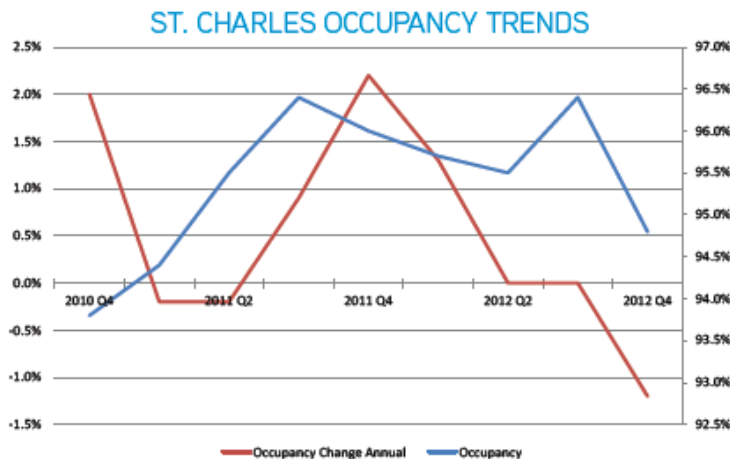
Year	Size
1980	2.91
1990	2.8
2000	2.76
2010	2.64

owner-occupied unit was 2.74 persons, while the average household size of a renter-occupied unit was 2.18.

It is anticipated by staff analysis that in a ten-year period the average household size for an owner-occupied unit will be 2.7, while that of a renter-occupied unit will remain at 2.18. The overall average household size is estimated to be 2.6.

## APARTMENT OCCUPANCY RATES

According to Colliers International, St. Charles County rental rates have dipped year-over-year with operators alternating between price increases and cuts in 2012. St. Charles County was the St. Louis region’s only submarket to record negative annual revenue change in fourth quarter 2012. Occupancy dropped 1.6 points in the fourth quarter leaving rates at 94.8%. Throughout 2012, rental rates fluctuated down 0.9% in fourth quarter to \$0.84 per sq. ft. or \$764 per unit per month. Over 300 units are expected to come online in 2013, while absorption is predicted to only be 227 units. In turn, occupancy is expected to fall to 94.3% by the end of 2013. The average rent in St. Charles County is right at the average rent in the St. Louis market of \$769.



Source: Colliers International, St. Louis Multifamily Market Report, Research & Forecast Report

## FUTURE HOUSING DEMANDS

The 2011 American Community Survey estimated a total of 134,274 occupied housing units in St. Charles County. These occupied housing units had an estimated population of 360,485. This would equate to approximately 2.68 persons per housing unit.

The projected population for St. Charles County in 2025 is 446,732. With an estimated 2.6 persons per household, a total of 171,820 occupied housing would be needed at that time. Projecting fourteen years forward from 2011 an estimated 37,456 housing units would be have to be developed to accommodate anticipated population growth.

The median age of the general population will increase in this time period which will have direct correlation on the types of housing units to be constructed. While single-family detached homes were the predominant choice in housing during the period of 2000–2010, there will be a shift toward more multi-family housing within the planning period. As more baby boomers near retirement a move toward downsizing their current housing situation will occur. In place of their present single-family detached housing will be more multi-family housing such as townhomes, villas, condo garden apartments, and retirement communities.

Due to this phenomenon, the ratio of housing developments will change to approximately 70 percent for single-family detached housing and 30 percent for multi-family housing alternatives. Given the projected need for at least 37,546 additional housing units by 2025, an estimated 26,282 single-family detached housing units and 11,264 multi-family housing units are needed.

The projected 37,546 additional housing units to be developed in the county by 2025 can be converted into acres for projecting future land use requirements. Of these 37,546 units, 26,282 single-family detached housing units are anticipated to be developed at a density of 2.7 units per acre. This would result in allocating approximately 9,734 acres for this single-family land use. The remaining 11,264 units are anticipated to be developed as multi-family units at a density of approximately eight units per acre. This would generate an estimated 1,408 acres of land allocation by 2025 for multi-family housing units.

Based upon demographics information and trends, the majority of the units (78%) will be located in the area of the county that is west of Highway 79 to the north of Interstate 70 and west of Interstate 64 to the south of Interstate 70. Of the 9,734 acres of single-family land use, 7,592 acres must be provided in the western area of the county and the remaining 2,142 acres must be provided in the eastern area. The multi-family breakdown is 1,098 acres in the western area and 310 acres in the eastern area.