Housing Value Appreciation in St. Louis

Surprising Findings for the Last Decade

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Housing Data

• UMSL Public Policy Research Center’s Real Estate Research Services
• Supported by the Des Lee Collaborative
Outline

• The importance of constant-quality
• Local single-family housing appreciation
• The flexibility of UMSL’s housing model
• Saint Louis County property tax appraisals
Have Saint Louis County housing prices appreciated faster than the national average since 2000?

1. Stronger appreciation
2. About the same
3. Weaker appreciation
Constant-Quality House Price Measure by Quarter

Source:
Case-Shiller 20 Market Housing Index, Saint Louis County Assessor’s Office, and Author’s Calculations
Constant quality matters
Unhelpful Comparison

$100,000 in 2000

$200,000 in 2006
Median and constant-quality prices tell different stories.
Constant-Quality and Median Measures of Saint Louis County House Prices

Source: Saint Louis County Assessor's Office and Author's Calculations
Constant-Quality and Median Measures of Saint Louis County House Prices

Source: Saint Louis County Assessor’s Office and Author’s Calculations
Source:
Saint Louis County Assessor’s Office, Saint Louis City Assessor’s Office, and Author’s Calculations
Appreciation varies by location.
St. Louis County Sub-Markets
with Zip Code Boundaries

Source: Census Bureau
Tiger Files and Author’s Calculations
Which sub-market is the most expensive?

1. Central
2. Northwest
3. South
4. Southwest
Constant-Quality House Price Measure by Quarter

Source: Saint Louis County Assessor’s Office, and Author’s Calculations
Which Saint Louis County Zip Code has had the greatest appreciation since 2000?

63005 (Chesterfield)
63105 (Clayton)
63123 (Affton)
63132 (Olivette)
Average Annual Appreciation by Zip Code in Saint Louis County

Source:
Census Bureau
Tiger Files, Saint Louis County
Assessor’s Office, and Author’s Calculations

Dates:
2000-01 through 2010-12
UMSL’s housing model can handle additional questions.
Foreclosures

- Foreclosure, and otherwise distressed properties sell for less
  - 25% off usual sales price
- Impact of distressed sales on the neighbors
  - 1% off usual sales price per foreclosure within the subdivision
Tax appraisals are imperfect.
Local tax appraisals vary over time.
Saint Louis County Appraisal Errors over Time

Source: Saint Louis County Assessor’s Office and Author’s Calculations
Saint Louis County Appraisal Errors over Space

Source:
Census Bureau
Tiger Files, Saint Louis County Assessor’s Office, and Author’s Calculations
Additional documents

• House price appreciation is available
  – [http://pprc.umsl.edu/base_pages/home/rers.htm](http://pprc.umsl.edu/base_pages/home/rers.htm)
  – Quarterly updates
  – Saint Louis County and Saint Louis City
  – Saint Charles County, Monroe County, Saint Clair County
Additional Topics

• Pollution abatement and cleanup
• Flood zone designation
• Subdivision and HOA design
• Public works and infrastructure investment