



MULTIFAMILY REPORT

Pittsburgh Stays Stable

October 2023

Investment Slowdown Mirrors Nation

Job Market Continues Improvement

Construction Pushes Through



PITTSBURGH MULTIFAMILY



Pittsburgh Rentals Not Rusty Yet

As a Rust Belt market, Pittsburgh has seen some lag in the development of its multifamily sector in recent decades but has experienced less oscillation than other markets lately. Last year was particularly strong for the metro, but moderation is once again the main narrative in Steel City. Pittsburgh rent growth remained flat on a trailing three-month basis as of August, while the U.S. rate saw mild improvement, at 0.2%. The metro's average occupancy in stabilized properties was 95.5% as of July, 50 basis points higher than the national figure.

Only mining, logging and construction recorded job losses in the 12 months ending in June, with the employment market adding 33,100 positions. Unemployment in the metro is showing signs of improvement. Holding at 3.7% as of July, it was 10 basis points below the Pennsylvania rate and 20 basis points lower than the national figure. Work began on the \$69 million final phase of the Hillman Library renovation, adding 500 construction and support jobs.

There was limited investment through the first eight months of 2023, as rising interest rates have limited investors' interest across many markets, capping off sales at \$51 million. With 2,485 units under construction, development is steady by the metro's mildly oscillating standards.

Market Analysis | October 2023

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Recent Pittsburgh Transactions

Bellefield Dwellings



City: Pittsburgh
Buyer: Rhodium Capital Advisors
Purchase Price: \$27.5 MM
Price per Unit: \$173,734

Mon View Heights



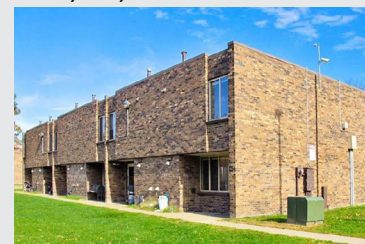
City: Pittsburgh
Buyer: Rhodium Capital Advisors
Purchase Price: \$17 MM
Price per Unit: \$52,147

Palisades Plaza



City: Pittsburgh
Buyer: Rhodium Capital Advisors
Purchase Price: \$3.3 MM
Price per Unit: \$37,078

Valley Royal Court



City: Pittsburgh
Buyer: Rhodium Capital Advisors
Purchase Price: \$3 MM
Price per Unit: \$42,253