



**MULTIFAMILY REPORT**

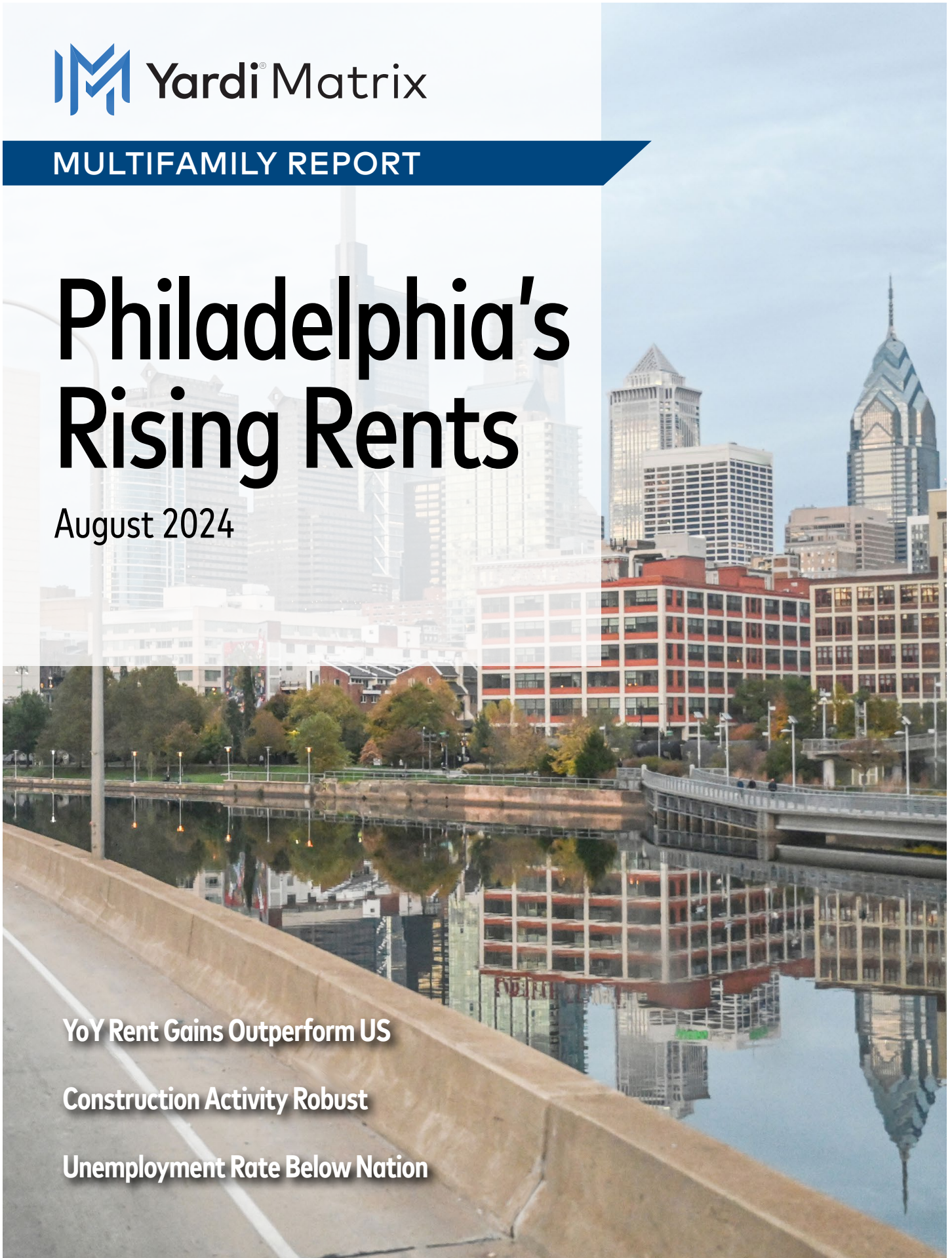
# Philadelphia's Rising Rents

August 2024

**YoY Rent Gains Outperform US**

**Construction Activity Robust**

**Unemployment Rate Below Nation**



# PHILADELPHIA MULTIFAMILY



## Philadelphia's Rental Market on an Upswing

Multifamily fundamentals in Philadelphia remain healthy. Average advertised asking rents were up 2.6% on a year-over-year basis, reaching an average of \$1,766 as of June. Meanwhile, the national average only saw a 0.6% increase, to \$1,739. On a trailing three-month basis, the metro outperformed the U.S. average yet again, as Philadelphia's average advertised asking rents climbed 0.6%. Despite contracting 30 basis points year-over-year as of May, the metro's occupancy rate in stabilized assets was still 110 basis points ahead of the 94.5% U.S. rate.

Philadelphia's unemployment rate clocked in at 3.2% as of April, according to data from the Bureau of Labor Statistics. The figure improved 50 basis points month-over-month and was significantly below the national average. The metro's employment market added 48,100 new jobs during the 12 months ending in April. This amounted to a 1.4% expansion, on par with the national rate of growth.

During the first half of the year, developers delivered a total of 3,131 units across metro Philadelphia and had an additional 16,207 units under construction. Robust construction activity will likely put pressure on the market, as Yardi Matrix expects 6,172 units to come online by year-end.

## Market Analysis | August 2024

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### Recent Philadelphia Transactions

#### Riverworks



City: Phoenixville, Pa.  
Buyer: Cantor Fitzgerald  
Purchase Price: \$90 MM  
Price per Unit: \$258,596

#### Frazer Crossing



City: Malvern, Pa.  
Buyer: Eagle Rock Properties  
Purchase Price: \$77 MM  
Price per Unit: \$212,712

#### Madison Glen Mills



City: Glen Mills, Pa.  
Buyer: Equus Capital Partners  
Purchase Price: \$70 MM  
Price per Unit: \$288,049

#### Northgate



City: Camden, N.J.  
Buyer: Hudson Valley  
Property Group  
Purchase Price: \$40 MM  
Price per Unit: \$125,000