



## MARKET AT A GLANCE



**OCCUPANCY RATE** **96.4%**  
Down **20 bps** since 3Q19



**EFFECTIVE RENT** **\$1,443**  
Up **0.7%** since 3Q19



**RENT PAYMENT TRACKER (Oct. 1-6)** **85.6%**  
Up **530 bps** since Sept. 1-6

## OCCUPANCY AND RENT TRENDS

### HEIGHTENED DELIVERIES IN PHILADELPHIA COINCIDE WITH BRISK LEASING

Apartment deliveries elevated across the Philadelphia metropolitan area over the last year, and it is likely the construction wave will persist as the availability of housing tightens. Builders brought 2,219 units online in the third quarter of 2020, part of 6,190 additions in the last year. Entering the final stretch of 2020, 61 projects are underway which could add nearly 9,000 units to inventory by year-end 2022. Apartment development remained focused near employment nodes in some of the high-rent submarkets that include Chester County and Norristown/Upper Merion/Lower Merion. On the jobs front, the economy showed signs of improvement with 242,100 positions added from April to August, bringing back 52% of the jobs shed during COVID-19 lockdowns. With the local economy in a much better place than several months ago, absorption outpaced deliveries in the third quarter, pushing up occupancy to 96.4%. During the same time, operators increased effective rent 0.5%, which averaged \$1,443 per month. Aided by the economic reopening, 85.6% of rental households made a full or partial payment by October 6, exceeding the 85.0% statewide average. In September, multifamily loans 30+ days delinquent was just 0.3% and forbearance was approved for 1.9% of outstanding loans.



# PHILADELPHIA

## MULTIFAMILY REPORT

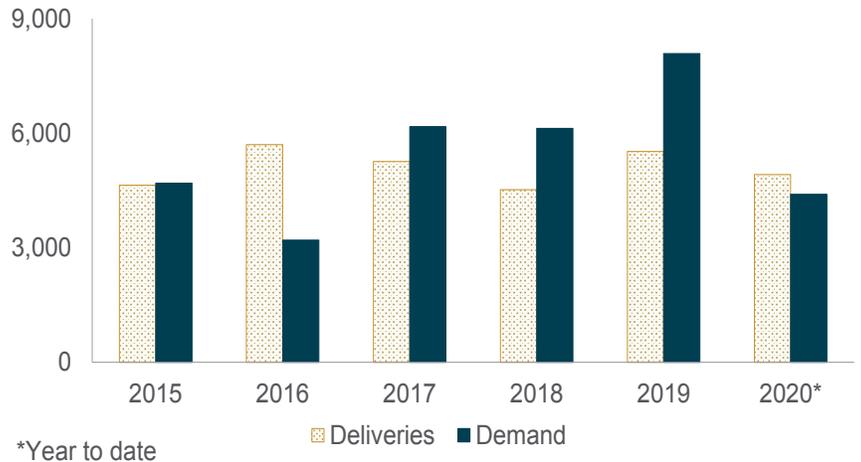
### DELIVERIES AND DEMAND



**DELIVERIES** 4,916  
Units YTD



**NET ABSORPTION** 4,398  
Units YTD



### ECONOMIC TRENDS

2019 4.2% ..... UNEMPLOYMENT\* ..... 2020 10.6%  
**640 BPS CHANGE**

2019 3.0m ..... EMPLOYMENT\* ..... 2020 2.8m  
**-7.9% CHANGE**

2019 75.3k ..... EXISTING SFH SALES\*\* ..... 2020 62.0k  
**-17.7% CHANGE**

2019 6.1m ..... POPULATION\*\* ..... 2020 6.1m  
**0.3% CHANGE**

2019 1.70% ..... 10-YEAR TREASURY\*\* ..... 2020 0.68%  
**-100 BPS CHANGE**

\*August; \*\*September



# PHILADELPHIA

## MULTIFAMILY REPORT

### SUBMARKET BREAKDOWN

SUBMARKET NAME	OCCUPANCY			EFFECTIVE RENT			NET ABSORPTION		DELIVERED UNITS	
	3Q20	Q-o-Q Change (BPS)	Y-o-Y Change (BPS)	3Q20	Q-o-Q Change	Y-o-Y Change	3Q20	Annual	3Q20	Annual
Bucks County	97.7%	60	-10	\$1,307	0.5%	1.8%	192	-27	0	0
Burlington County	97.6%	40	60	\$1,357	3.0%	5.2%	237	814	140	698
Camden/Cherry Hill	96.0%	-20	-50	\$1,372	1.3%	2.1%	-120	-56	12	149
Center City Philadelphia	93.4%	-130	-240	\$2,169	-3.6%	-3.8%	-406	-518	147	496
Central Wilmington	96.8%	90	80	\$1,227	0.9%	1.6%	320	437	158	298
Chester County	95.1%	-10	-150	\$1,567	1.1%	-1.2%	488	698	541	1,146
Delaware County	98.0%	60	70	\$1,245	2.1%	3.8%	170	186	0	0
Gloucester County	98.3%	70	120	\$1,272	1.2%	5.8%	83	139	0	0
Lower Camden County	96.8%	40	-70	\$1,175	2.1%	4.6%	72	-120	0	0
Newark	97.9%	30	50	\$1,193	1.0%	0.7%	73	94	21	21
Norristown/Upper Merion/Lower Merion	95.9%	40	70	\$1,580	0.0%	-1.4%	360	1,370	281	1,248
North Montgomery County	96.4%	50	-100	\$1,454	0.8%	-0.1%	512	549	360	904
Northeast Philadelphia	97.3%	-10	-20	\$1,144	1.0%	2.8%	-33	136	144	367
Northwest Philadelphia	97.3%	170	60	\$1,441	1.1%	-0.2%	317	109	0	0
Outer Wilmington	96.9%	120	10	\$1,207	3.3%	3.2%	286	273	114	264
Southwest Philadelphia	95.2%	40	50	\$1,624	1.3%	-0.1%	401	724	301	599
<b>TOTALS</b>	<b>96.4%</b>	<b>20</b>	<b>-20</b>	<b>\$1,443</b>	<b>0.5%</b>	<b>0.7%</b>	<b>2,950</b>	<b>4,811</b>	<b>2,219</b>	<b>6,190</b>

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