



MULTIFAMILY REPORT

# Pittsburgh Steels Its Resolve

April 2022



**Occupancy Rate Improves**

**Stock Expansion Ticks Up**

**Rent Growth Trails US Level**

# PITTSBURGH MULTIFAMILY



## Rent Growth Slows, Remains Solid

The Pittsburgh multifamily market had a largely unremarkable 2021. Although fundamentals began recovering, they remained below the national average in rent gains, inventory expansion and economic growth. On a trailing three-month basis through February, rents rose 0.3% to \$1,266, half the pace of the national rate. Meanwhile, overall occupancy rose to 96.1%, boosted primarily by the upscale segment, up by a substantial 180 basis points in the 12 months ending in January, to 95.6%.

The unemployment rate in Pittsburgh stood at 5.8% in January, according to preliminary data from the Bureau of Labor Statistics, trailing the 3.8% national rate, as well as the state (5.4%) and Philadelphia (5.3%). The job market expanded by 3.4% in the 12 months ending in December, 100 basis points below the U.S. rate. Financial activities—the only sector to gain jobs in the 12 months ending in December 2020—was the only sector to post job losses (-1,100 jobs) a year prior.

As of February, developers had 2,866 units under construction, heavily targeting the high-income renter. Last year registered a slight increase in stock expansion compared to the previous two years. Meanwhile, in 2021, transaction activity moderated (\$164 million) and amounted to half the peak volume recorded in 2020 (\$335 million). The average price per unit decreased by 22.2%.

## Market Analysis | April 2022

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### Recent Pittsburgh Transactions

#### Southside Works City



City: Pittsburgh  
Buyer: Brookfield Properties  
Purchase Price: \$90 MM  
Price per Unit: \$340,909

#### River Oaks Townhomes



City: Pittsburgh  
Buyer: AION Partners  
Purchase Price: \$21 MM  
Price per Unit: \$189,429

#### Allegheny Commons East



City: Pittsburgh  
Buyer: WNC & Associates  
Purchase Price: \$11 MM  
Price per Unit: \$80,882