

Yardi® Matrix

# Pittsburgh Steels For Future

Multifamily Report Fall 2017

**Rent Growth Trails Nation**

**Developers Target Greater Downtown**

**Tourism, Health, Education Buoy Job Market**

# PITTSBURGH MULTIFAMILY

Yardi® Matrix

## Market Analysis

Fall 2017

### Contacts

#### Paul Fiorilla

Associate Director of Research  
Paul.Fiorilla@Yardi.com  
(800) 866-1124 x5764

#### Jack Kern

Director of Research and Publications  
Jack.Kern@Yardi.com  
(800) 866-1124 x2444

### Author

#### Adriana Pop

Senior Associate Editor

## Iron City Reveals Its Strength

Compared to other metros, Pittsburgh remains an affordable place to live, with rent averaging \$1,054 as of September. Carnegie Mellon University and the University of Pittsburgh continue to provide a skilled workforce for the technology, robotics, education, health-care and financial sectors, which are pushing the city's economy forward, while also sustaining demand for multifamily units.

During the year ending in July, hiring was especially strong in leisure and hospitality: Several new hotels and restaurants opened, primarily in the city's revitalized downtown area, which is bustling with activity, a reflection of Pittsburgh's overall resurgence. And even though the population has been decreasing across the metro in recent years, residents are moving into and around the city's core, indicating a renewed interest in urban living. Education, health care and professional and business services also showed strong employment gains.

Bolstered by young professionals and empty nesters looking to downsize, demand is keeping up with new supply. This dynamic has helped in maintaining an overall occupancy rate of 95.0% as of August, unchanged from the prior year, despite the more than 2,400 units that came online in the interim. Construction is expected to accelerate in the near future, with more than 2,200 units in development and another 7,000 apartments on the drawing board, leading Yardi Matrix to predict moderate rent growth of 1.0% in 2017.

## Recent Pittsburgh Transactions

Heinz Lofts



City: Pittsburgh  
Buyer: Alterra Property Group  
Purchase Price: \$25 MM  
Price per Unit: \$94,163

Mifflin Estates/Camden Hills



City: West Mifflin, Pa.  
Buyer: BLVD Capital  
Purchase Price: \$11 MM  
Price per Unit: \$55,224

Roosevelt Arms



City: Pittsburgh  
Buyer: Gary S. Wilson  
Purchase Price: \$8 MM  
Price per Unit: \$40,893

Douglas Plaza



City: Pittsburgh  
Buyer: Belveron Partners  
Purchase Price: \$4 MM  
Price per Unit: \$16,262

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#### Hollie Zepke

Audience Development Specialist  
Hollie.Zepke@Yardi.com  
(800) 866-1124 x5389