



MULTIFAMILY REPORT

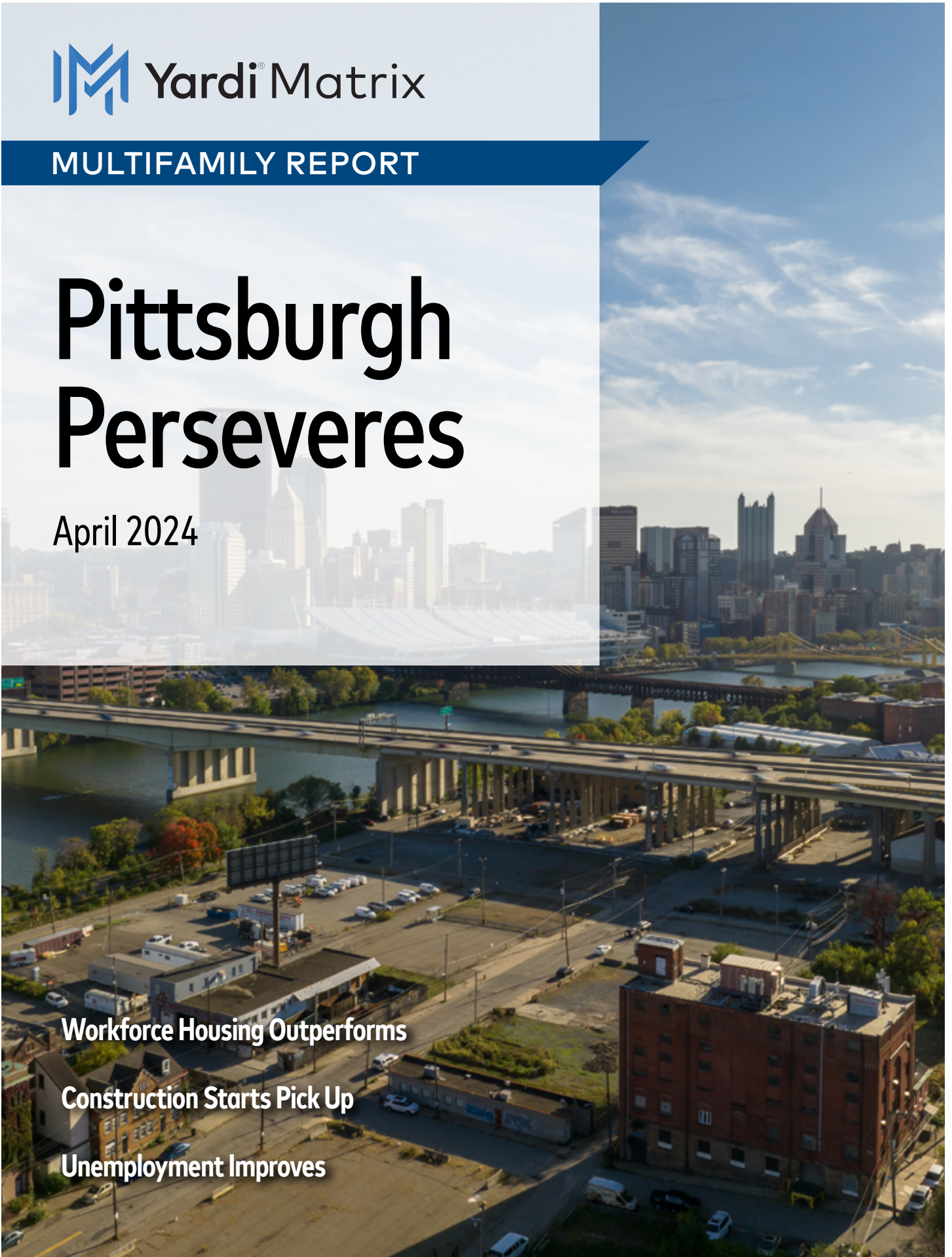
Pittsburgh Perseveres

April 2024

Workforce Housing Outperforms

Construction Starts Pick Up

Unemployment Improves



PITTSBURGH MULTIFAMILY



Pipeline Rebounds In Steel City

Pittsburgh multifamily is keeping afloat in an economic landscape that has distressed many U.S. rental markets. The metro's rents were flat on a trailing three-month basis through February, at \$1,345, while the U.S. rate was down 0.1% during the same time frame. The metro's average occupancy in stabilized properties stood at 94.8% as of February, recording an 80-basis-point decrease in 12 months.

Pittsburgh employment expanded by 1.6% last year, 40 basis points below the U.S. rate, adding 10,800 net jobs to the workforce. Education and health services added the most positions (4,900). The unemployment rate stood at 2.9% as of December, 80 basis points lower than the U.S. figure, according to preliminary data from the Bureau of Labor Statistics. A new, \$250 million biomanufacturing facility set to take shape on the 178-acre Hazelwood Green will add to the metro's life science footprint.

Developers had 3,207 units underway as of February across the metro, with an additional 15,000 apartments in the planning and permitting stages. The number of construction starts rose significantly in 2023, with 2,260 units breaking ground, a far cry from the 471 units recorded in 2022. Transaction activity in 2023 closed at just \$98.9 million, a big slide from the previous three years and also the lowest figure since 2016.

Market Analysis | April 2024

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Recent Pittsburgh Transactions

Mon View Heights



City: West Mifflin, Pa.
Buyer: Rhodium Capital Partners
Purchase Price: \$17 MM
Price per Unit: \$52,147

Cambridge Square



City: Monroeville, Pa.
Buyer: CPP Housing
Purchase Price: \$17 MM
Price per Unit: \$81,373

The Residences at South High



City: Pittsburgh
Buyer: FPA Multifamily
Purchase Price: \$14 MM
Price per Unit: \$184,211

Summit



City: Latrobe, Pa.
Buyer: MountainCreek Properties
Purchase Price: \$11 MM
Price per Unit: \$107,950