



MULTIFAMILY REPORT

Philly Regains Strength

May 2025

T3 Rent Growth Accelerates

Investment Volume Up YoY

Supply Growth Breaks Record

PHILADELPHIA MULTIFAMILY



Rent Growth Positive, Fundamentals Solid

Philadelphia's multifamily market showed strength in the first quarter of 2025, with all fundamentals on a positive track. Average advertised asking rents regained momentum and were up 0.4%, on a trailing three-month basis through March, to \$1,821—30 basis points ahead of the U.S. figure. Despite record supply growth in 2024, the market's overall occupancy for stabilized assets remained healthy, at 95.5% as of February, unchanged year-over-year.

Employment growth was slightly slower, at 0.9% year-over-year through January, just 10 basis points below the U.S. rate and down 10 basis points since December. Over the 12-month period ending in January, Philadelphia gained 46,800 net jobs. Education and health services led growth with 29,900 positions. Meanwhile, four sectors lost a combined 5,600 jobs. Ongoing large-scale projects in the metro that have made progress include the first facilities at HRP Group's \$4 billion, 1,300-acre Bellwether District in South Philadelphia, as well as a new 614-unit community at the \$6 billion redevelopment of the Navy Yard.

Developers completed 8,470 units across the metro last year, making 2024 the best year for deliveries this decade. With 16,763 units under construction as of March, along with an additional 77,000 units in the planning and permitting stages, Philadelphia will maintain its healthy supply growth.

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Recent Philadelphia Transactions

The Diamond at Phoenixville



City: Phoenixville, Pa.
Buyer: Lindy Property Management
Purchase Price: \$48 MM
Price per Unit: \$235,122

Park Towne



City: Vineland, N.J.
Buyer: Goldcrest Properties
Purchase Price: \$12 MM
Price per Unit: \$111,111

Laurelton Village



City: Williamstown, N.J.
Buyer: Limestone Living
Purchase Price: \$11 MM
Price per Unit: \$63,707

Dorado Village



City: Philadelphia
Buyer: Shift Capital
Purchase Price: \$5 MM
Price per Unit: \$61,728