Philadelphia Metro Multifamily Report

▲ 96.7%	▲ 4,024	▲ 1,407	▲ $2,006
Occupancy Rate*	Net Absorption (Units)	Completed Units	Avg. Rent Per Unit Per Month

*Stabilized Properties

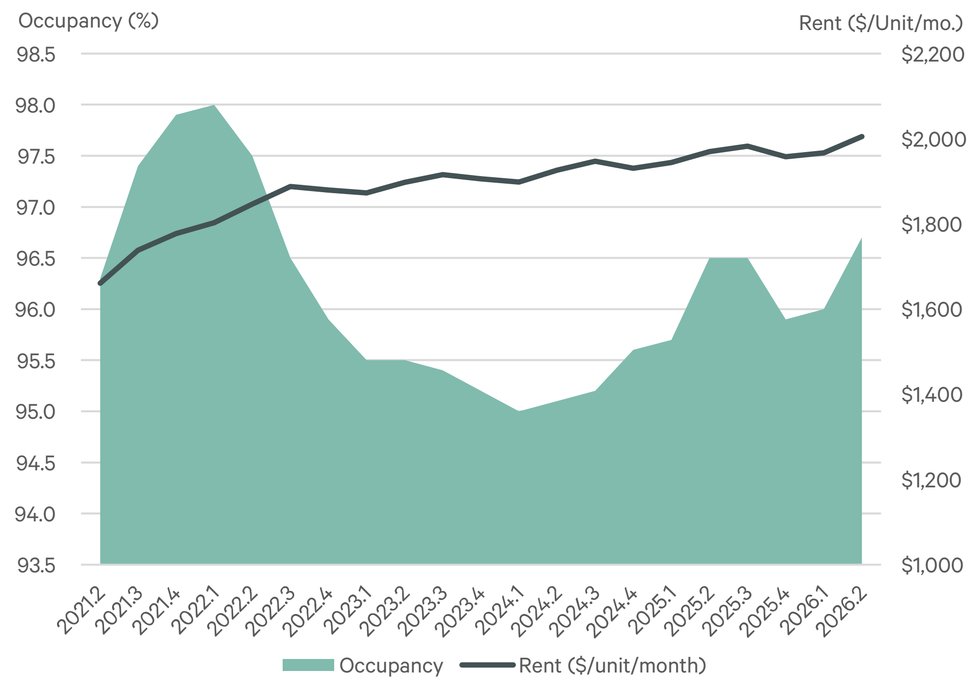
Note: Arrows indicate change from previous quarter.

Source: CBRE Econometric Advisors, .

MARKET HIGHLIGHTS

Greater Philadelphia's multifamily market continues to benefit from strong fundamentals, supported by limited suburban supply due to regulatory hurdles, community opposition, and high construction costs, alongside strong rental demand driven by elevated home prices that keep many prospective buyers in the rental market. While inflation is putting pressure on renters in Class B and C workforce housing and causing some softening in that segment, owners remain active with value-add renovations where returns justify investment. In downtown Philadelphia, healthy leasing activity, strong absorption, and a sharp decline in new development have pushed most neighborhoods toward stabilization, though areas such as Northern Liberties, Fishtown, and Kensington still require additional leasing momentum and continue to prioritize occupancy over rent growth as concessions gradually decline. Despite healthy operating performance across the region, elevated interest rates, persistent inflation, and geopolitical uncertainty have kept investment activity muted, with many owners delaying sales in anticipation of improved market conditions. Meanwhile, sellers are generally motivated by capital reallocation or loan maturities, while buyers are targeting assets at discounts to replacement cost, betting on future gains as capital markets recover.

FIGURE 1: Occupancy and Average Rent Per Unit Per Month



Source: CBRE Econometric Advisors, Q2 2026.

Market Overview

FIGURE 2: Market Statistics by Submarket

Market	Inventory (Units)	Rent Per Unit Per Month	Completions (Units)	Completions Last 12 mos	Net Absorption (Units)	Net Absorption Last 12 mos	Vacancy Rate (%)*
Total Market	357,419	$2,006	1,407	6,222	4,029	6,824	3.3
Bucks County	30,365	$1,857	0	126	62	(192)	3.0
Burlington County	24,738	$1,955	0	1,208	142	1,135	2.6
Camden/Cherry Hill	20,758	$1,983	0	60	82	(114)	3.8
Center City Philadelphia	47,841	$2,645	492	1,511	1,180	1,572	4.4
Chester County	30,149	$2,147	0	0	265	282	2.9
Delaware County	26,755	$1,677	0	0	204	105	2.1
Gloucester County	9,790	$1,856	0	73	151	159	2.2
Lower Camden County	17,590	$1,648	0	230	25	238	2.3
Norristown/Upper Merion/Lower Merion	25,000	$2,098	0	367	180	305	3.5
North Montgomery County	30,518	$1,966	0	36	134	154	3.2
Northeast Philadelphia	42,922	$1,558	699	1,500	926	1,425	3.7
Northwest Philadelphia	19,664	$1,716	33	155	359	430	3.0
Southwest Philadelphia	31,329	$1,985	183	956	319	1,325	4.7

*Stabilized Properties

Source: CBRE Econometric Advisors, Q2 2026.

FIGURE 3: Market Statistics by Building Vintage

Year Built	Avg Rent	% Rent Growth (Y-o-Y)	Occupancy Rate (%)	Occupancy Change (Y-o-Y)
Built 1960s	$1,808	3.5%	97	-0.2%
Built 1970s	$1,809	2.2%	97.2	0.2%
Built 1980s	$2,056	4.8%	97.1	0.2%
Built 1990s	$2,300	6.8%	96.9	-1.0%
Built 2000s	$2,459	5.6%	96.6	0.2%
Built 2010s	$2,322	2.5%	96.5	0.2%

Source: CBRE Econometric Advisors, Q2 2026.

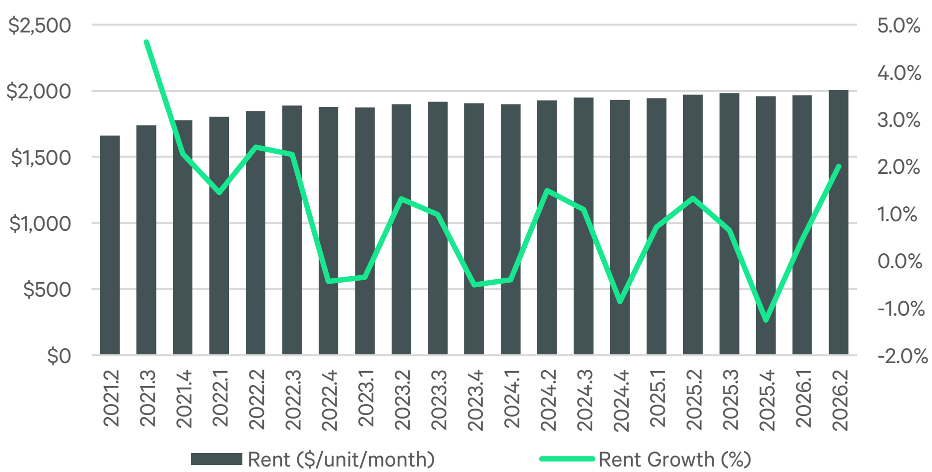
FIGURE 4: Market Statistics by Unit Type

Unit Type	Avg. Rent	% Rent Growth (Y-o-Y)
Studio	$1,488	2.7%
1 Bedroom	$1,789	3.2%
2 Bedroom	$2,299	4.5%
3 Bedroom	$3,122	5.8%

Source: CBRE Econometric Advisors, Q2 2026.

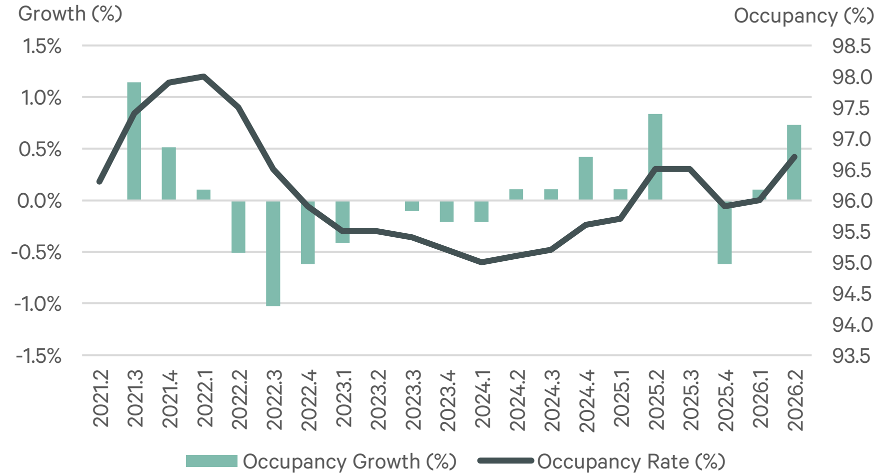
Average Rents and Occupancy

FIGURE 5: Rent Change Q-o-Q and Average Rent Trend



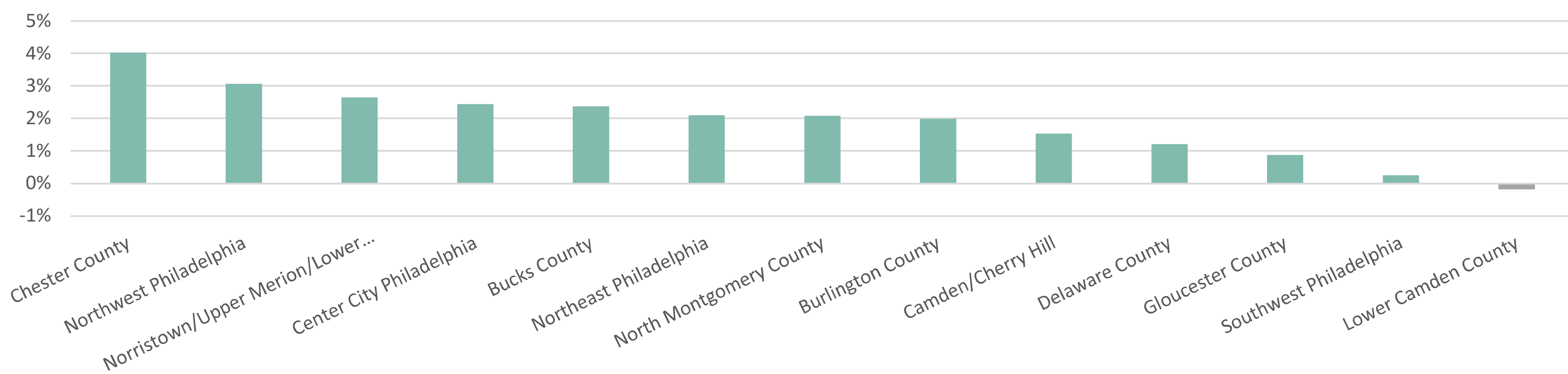
Source: CBRE Econometric Advisors, Q2 2026.

FIGURE 6: Occupancy Change Q-o-Q and Occupancy Rate Trend



Source: CBRE Econometric Advisors, Q2 2026.

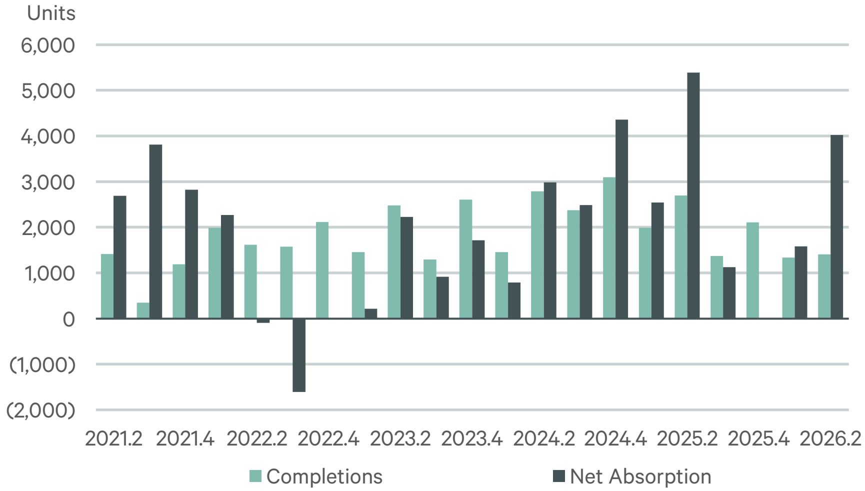
FIGURE 7: Y-o-Y Rent Growth by Submarket



Source: CBRE Econometric Advisors, Q2 2026.

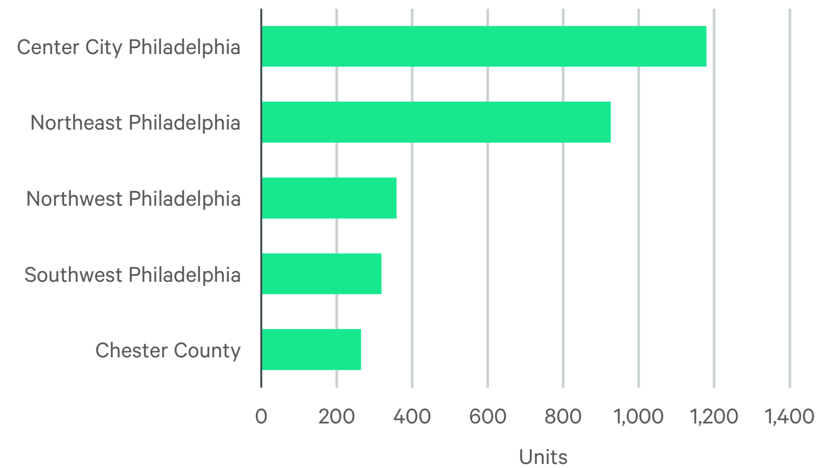
Construction, Net Absorption, and Detail by Inventory Type

FIGURE 8: Completions and Net Absorption



Source: CBRE Econometric Advisors, Q2 2026.

FIGURE 9: Top Submarkets by Net Absorption



Source: CBRE Econometric Advisors, Q2 2026.

FIGURE 10: Rent and Vacancy by Property Vintage

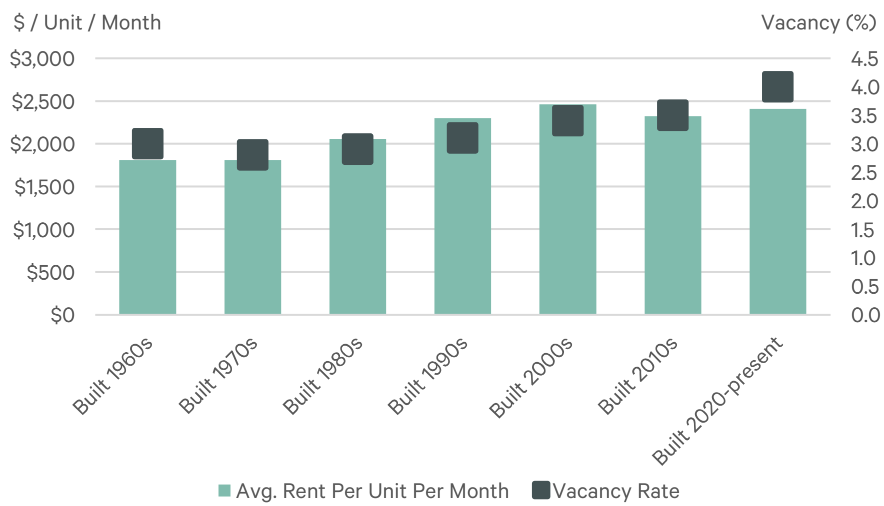
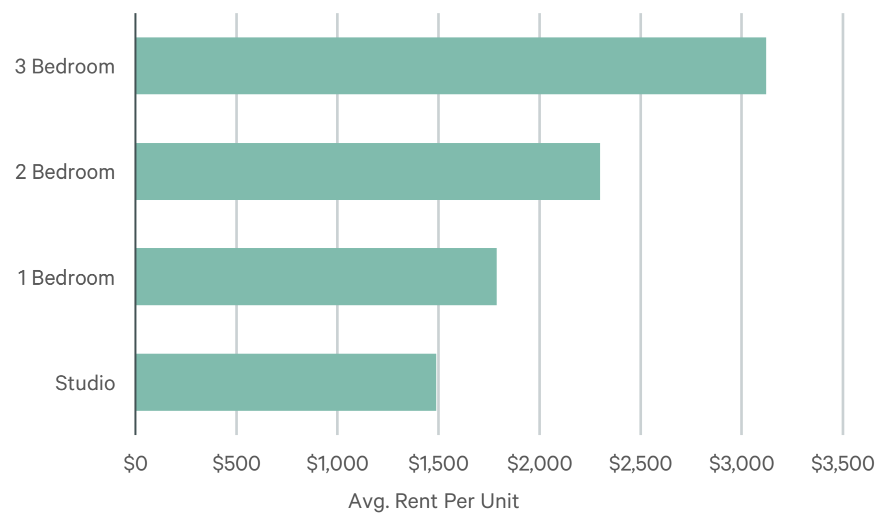
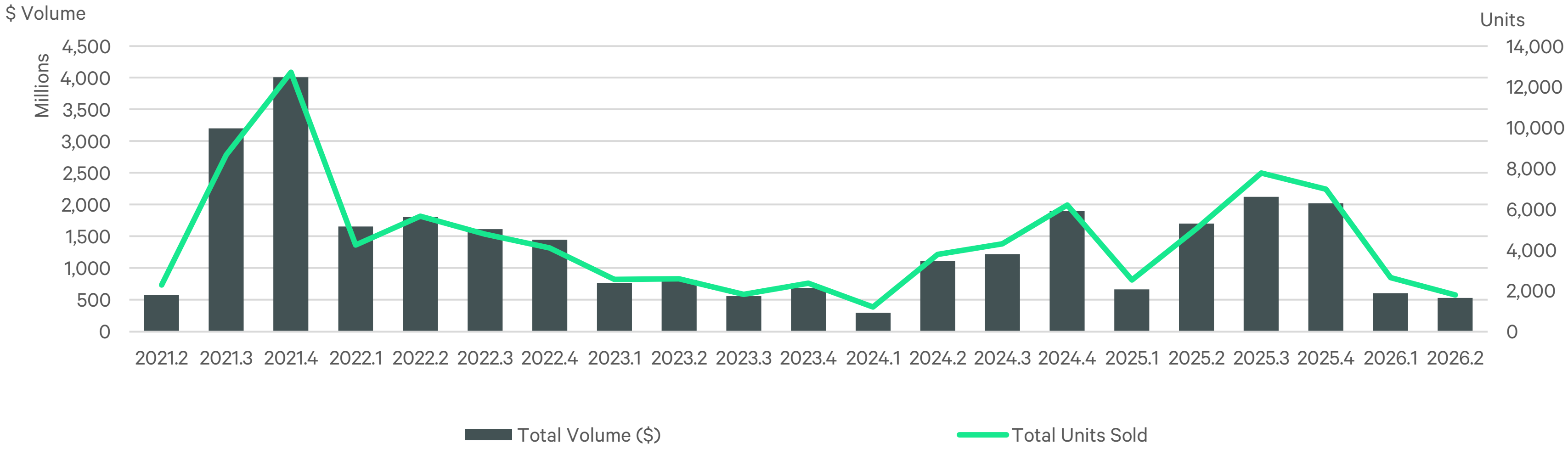


FIGURE 11: Average Rent By Unit Size



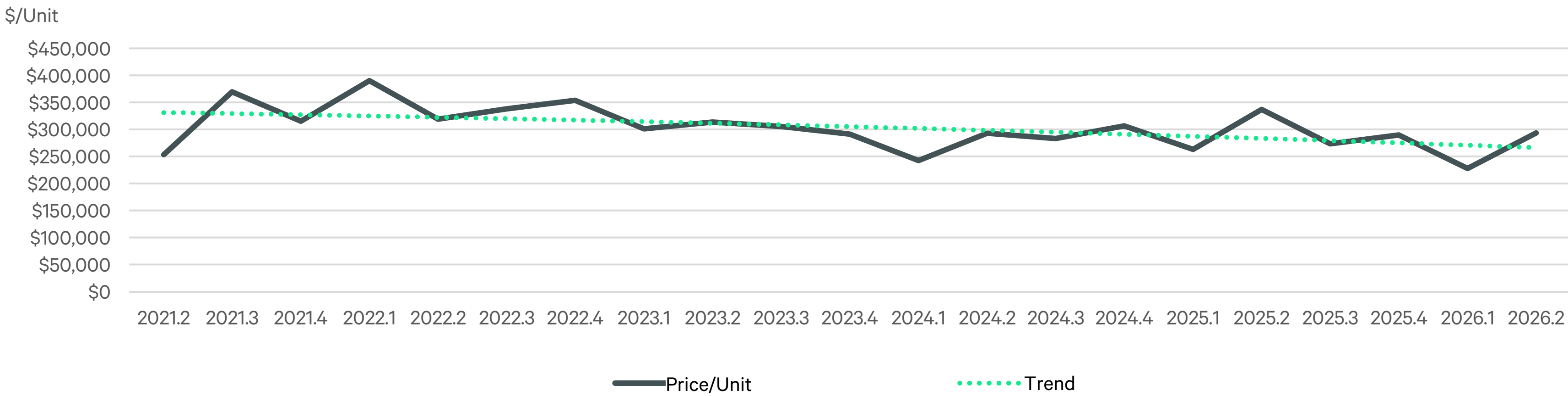
Investment Sales

FIGURE 12: Multifamily Investment Sale Volume



Source: MSCI Real Capital Analytics, Q2 2026.

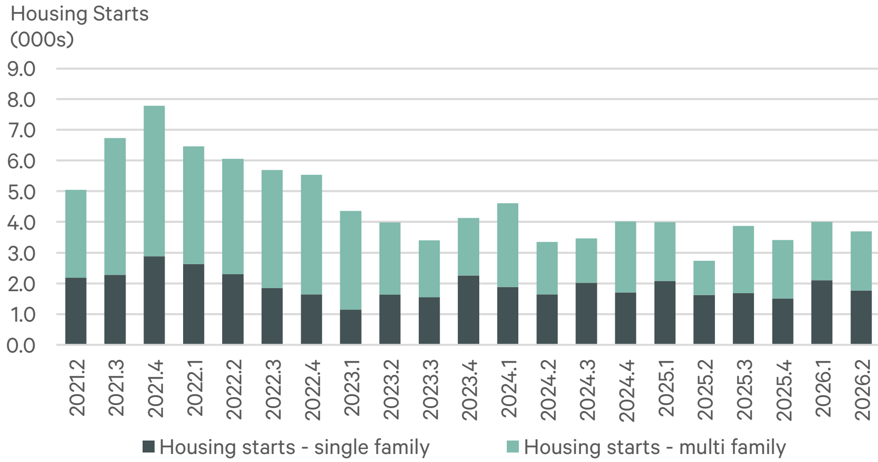
FIGURE 13: Multifamily Investment Sale Price Per Unit



Source: MSCI Real Capital Analytics, Q2 2026.

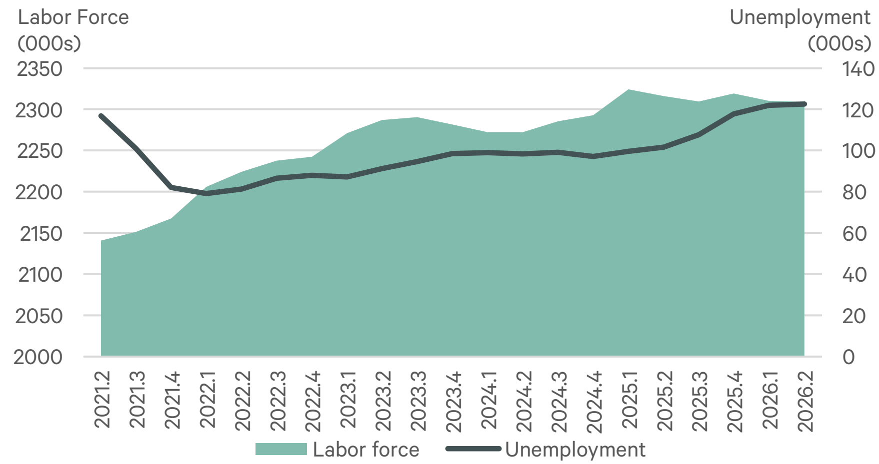
Economic Overview

FIGURE 14: Housing Starts



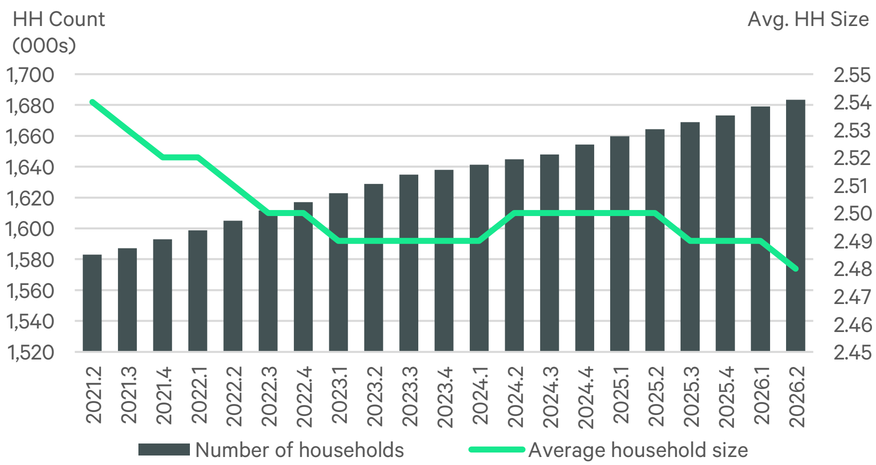
Source: Oxford Economics, Q2 2026.

FIGURE 15: Unemployment



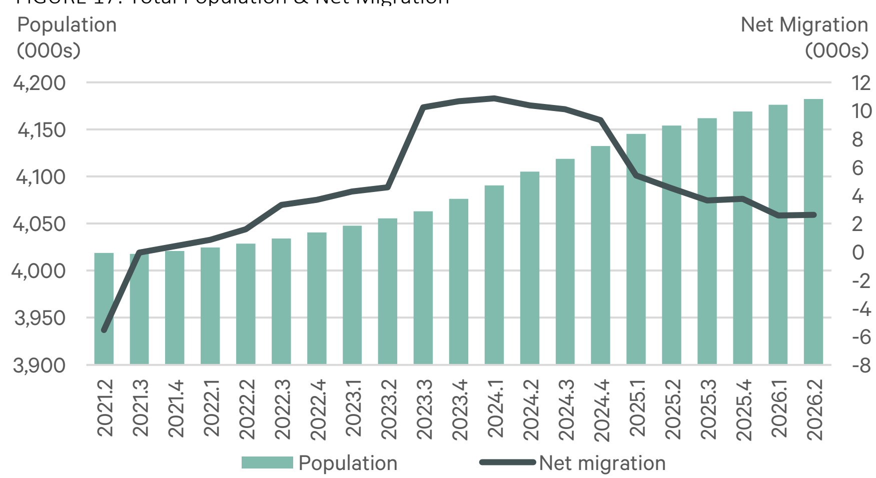
Source: Oxford Economics, Q2 2026.

FIGURE 16: Household Count & Average Size



Source: Oxford Economics, Q2 2026.

FIGURE 17: Total Population & Net Migration



Source: Oxford Economics, Q2 2026.

Contacts

Joe Gibson
Director of Research, Philadelphia
joseph.gibson@cbre.com

Aliza Kahn
Sr. Field Research Analyst
aliza.kahn@cbre.com

Spencer Yablon
Executive Vice President
spencer.yablon@cbre.com

Peter Dilullo
Senior Vice President
peter.dilullo@cbre.com

Nick Murray
Senior Associate
nick.murray@cbre.com

Adrian Sam
Associate
adrian.sam@cbre.com

CBRE Econometric Advisors

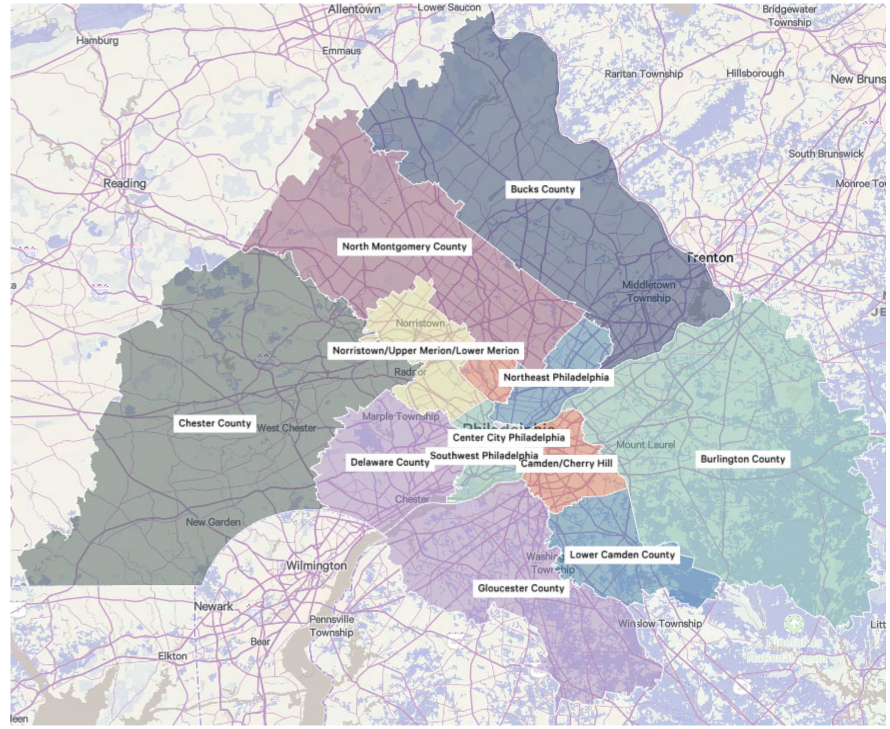
Tyler Mangin
Sr. Economist, Multifamily
tyler.mangin@cbre.com

Travis Deese
Director, Multifamily Research
travis.deese@cbre.com

Brad Megay
First Vice President
brad.megay@cbre.com

Alan Krawitz
Senior Associate
alan.krawitz@cbre.com

Marco Spigonardo
Investment Sales Manager
marco.spigonardo@cbre.com



Market Definition

The Philadelphia market consists of Burlington County, Camden County, Gloucester County, Bucks County, Chester County, Montgomery County, Delaware County, Philadelphia County.