

Market Closes 2025 On a High Note with Robust Leasing and Investment Growth

▲ 8.4%
Availability Rate

▲ \$19.64
NNN/Avg. In-Line Asking Rent

▼ \$14.63
NNN/Avg. Anchor Asking Rent

▶ 394.9 K
Shopping Center Under Construction

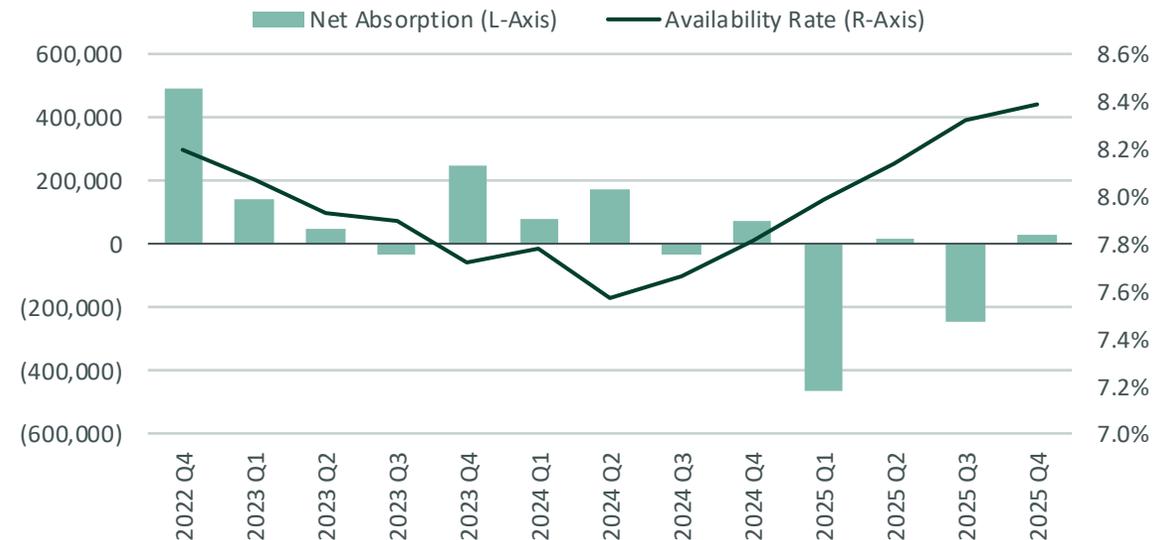
Note: Arrows indicate change from previous quarter.

In 2025, Greater Philadelphia proved to be a top expansion market for retailers despite economic uncertainty and shifting consumer trends. Strong leasing activity, redevelopment momentum, and a diverse mix of new retailers defined the year, even as inflation and evolving spending patterns posed challenges. Experiential retail, food and beverage concepts, and grocery tenants continued to lead demand and attract investor interest.

Grocery and fitness anchors drove suburban development while aggressive expansion from food and beverage operators such as Barry Bagels, PopUp Bagels, Qdoba, and Papa Johns further showcased the region’s growth potential. Giant signed a 53,000 square-foot (sq.-ft.) lease at the Shoppes at Concord in Glen Mills. Construction is slated to begin in 2026. Other tenants joining the center included Club Studio Fitness, Discount Tire, and Flagship Carwash, highlighting the importance of service-oriented retail.

King of Prussia and Southern New Jersey continued to serve as key expansion hubs. New experiential retail concepts opened at the King of Prussia mall this quarter, including Sloomoo Institute and Netflix House, while Level99 and Dick’s House of Sport announced future locations at the mall. Other new-to-market retailers that joined the mall’s roster included Eatly, Princess Polly and Sukoshi. Elsewhere in the metro area, Marlton Commons secured Chip City

FIGURE 1: Supply vs. Demand



Source: CBRE Research, 2025.

Cookies as its newest tenant, marking its fourth New Jersey site, reflecting the ongoing momentum in South Jersey’s shopping-center-rich trade areas.

Downtown, Center City storefront occupancy reached 84% in November, a 100 basis-point increase year-over-year, according to Center City District data. Pedestrian traffic also ticked up with Rittenhouse Row and Midtown Village averaging approximately 7% year-over-year growth since the beginning of 2025. Walnut Street remained the strongest corridor with 86% occupancy, while Market Street faced headwinds from closures, including Rite Aid, Wawa, and Giant Heirloom. Despite these setbacks, Center City welcomed 130 new businesses in 2025, including 27 openings announced in the fourth quarter.

Retail investment activity in the Philadelphia Metro surged in 2025, surpassing total 2024 sales by the end of the second quarter. Momentum accelerated in the fourth quarter, driven largely by aging assets positioned for redevelopment. Franklin Mall (formerly Philadelphia Mills), Concord Mall, and Plymouth Meeting Mall hit the market, with LA Partners (formerly Lubert-Adler) under contract to acquire Plymouth Meeting Mall for conversion into a mixed-use town center while retaining key retail anchors. Quarry Center in Havertown sold for over \$80 million, marking one of the region’s largest grocery-anchored transactions in recent years. MLG Realty also acquired four South Jersey centers for \$14.3 million, including a Wawa-anchored property slated for repositioning.

According to Real Capital Analytics, fourth quarter retail investment volumes in the Philadelphia Metro climbed 115% year-over-year, an impressive contrast to the 6% national decline, underscoring Greater Philadelphia’s market strength. Looking ahead, experiential retail and grocery-anchored centers will remain primary leasing and investment drivers, while mixed-use conversions will be crucial for revitalizing struggling malls and urban corridors, such as East Market Street. Adaptability and demand from a diverse tenant mix position the region for continued growth and innovation in 2026.

FIGURE 2: Significant Transactions

Retailer	Property	Transaction Size	Transaction Type	Trade Area
Adam Outlet	Collegetown Shopping Center	40,000	New Lease	Turnersville
Nordstrom	Lincoln Plaza	26,912	Renewal	Oxford Valley
The Home Depot	East Gate Square	26,000	New Lease	Mount Laurel
Mulligans Golf Simulation	Williamstown Shopping Center	8,500	New Lease	Turnersville
Delaware County Recovery	53 N Union Ave	8,000	Renewal	Upper Darby
Jabal Coffee	1524 Chestnut St	6,519	New Lease	Philadelphia
Fencing Academy of Philadelphia	Manoa Shopping Center	5,800	New Lease	Havertown
Meridee Winters School of Music	Ardmore West	4,689	New Lease	Main Line East
America's Best Contacts & Eyeglasses	Liberty Square Center	4,000	New Lease	Burlington
J.Jill	Greenville Center	3,776	New Lease	Hockessin

Source: CBRE Research, 2025.

FIGURE 4: Market Fundamentals by Trade Area

	Inventory (SF)	Availability Rate (%)	In-Line Asking Rents (NNN)	Anchor Asking Rents (NNN)	YTD O-Net Absorption	Under Construction (SF)
BUCKS COUNTY						
Bensalem	5,817,950	8.6	\$16.78	-	-13,800	0
Doylestown	676,215	2.0	-	-	11,666	0
Feasterville-Treose	1,865,831	4.5	-	-	-24,824	0
Newtown	752,601	7.8	-	-	3,490	0
Oxford Valley	5,155,376	2.7	\$11.80	-	-57,885	0
Quakertown	1,805,133	5.2	\$30.00	-	-29,085	0
Richboro	499,128	3.8	-	-	-1,446	0
Warminster	1,949,407	7.2	\$20.56	-	-28,666	0
Warrington	1,962,572	3.4	-	-	64,277	0
Bucks County Total	20,484,213	5.4	\$16.50	-	-76,273	0
CHESTER COUNTY						
Exton/Downingtown	4,952,485	14.9	\$22.59	\$9.00	-97,698	0
Kennett Square	291,836	1.3	-	-	37	0
Main Line West	1,268,388	6.0	\$22.87	\$23.75	23,148	0
Malvern	753,202	4.1	\$25.41	-	7,853	0
New Garden	1,124,888	6.7	-	-	-8,862	0
West Chester	1,236,351	7.2	\$24.57	-	102,714	0
Chester County Total	9,627,150	10.5	\$23.53	\$16.35	27,192	0

	Inventory (SF)	Availability Rate (%)	In-Line Asking Rents (NNN)	Anchor Asking Rents (NNN)	YTD O-Net Absorption	Under Construction (SF)
DELAWARE COUNTY						
Boothwyn	493,693	12.2	\$12.14	-	9,079	0
Brookhaven	547,719	6.0	-	-	-2,167	0
Chester	236,484	0.0	-	-	0	0
Concordville	1,257,805	4.1	\$22.00	-	-5,977	0
Havertown	685,984	4.0	-	-	-10,583	0
Media	956,107	26.3	\$23.00	-	10,045	0
Newtown Square	1,581,630	3.2	-	-	53,428	0
Springfield	3,413,738	3.0	\$43.44	-	91,478	0
Upper Darby	1,151,506	20.1	\$18.00	-	-61,559	0
Delaware County Total	10,324,666	7.8	\$16.32	-	83,744	0
MONTGOMERY COUNTY						
Bala Cynwyd	451,757	5.3	-	-	-911	0
Cheltenham	1,723,550	5.5	\$19.26	-	-48,346	0
Collegeville	4,013,269	5.5	\$19.82	-	-72,105	102,188
Horsham	893,599	3.7	-	-	-26	0
King of Prussia	4,512,957	3.0	-	-	65,466	0
Main Line East	1,053,929	3.9	\$35.00	-	4,883	0
Montgomeryville	6,339,484	10.0	\$21.40	-	-60,591	0

	Inventory (SF)	Availability Rate (%)	In-Line Asking Rents (NNN)	Anchor Asking Rents (NNN)	YTD O-Net Absorption	Under Construction (SF)
MONTGOMERY COUNTY (CONT.)						
Plymouth Meeting	4,845,727	7.6	\$24.14	-	-40,452	0
Pottstown	2,922,025	12.7	\$12.75	-	-182,822	0
Trooper	1,037,636	1.8	\$25.00	-	1,881	0
Willow Grove	2,947,061	12.6	\$25.77	-	52,553	0
Montgomery County Total	30,740,994	7.5	\$20.03	-	-280,470	102,188
PA Total	71,177,023	7.4	\$19.47	\$16.35	-245,807	102,188

	Inventory (SF)	Availability Rate (%)	In-Line Asking Rents (NNN)	Anchor Asking Rents (NNN)	YTD O-Net Absorption	Under Construction (SF)
BURLINGTON COUNTY						
Burlington	2,454,187	4.2	\$17.00	-	25,785	0
Delran/Cinnaminson	1,975,930	8.4	\$8.47	-	-38,590	0
Marlton	2,955,263	7.0	\$18.12	-	20,949	0
Mount Laurel	3,809,191	9.9	\$15.00	-	-60,063	0
Burlington County Total	11,194,571	7.6	\$16.77	-	-51,919	0

CAMDEN COUNTY						
Berlin	619,089	23.5	\$13.00	\$12.00	-53,284	0
Camden	313,514	2.1	\$30.00	-	6,674	0
Cherry Hill	6,367,975	8.8	\$18.05	-	-13,556	0
Voorhees	3,115,397	19.5	\$13.86	\$17.01	-170,187	0
Camden County Total	10,415,975	12.7	\$14.88	\$13.73	-230,353	0

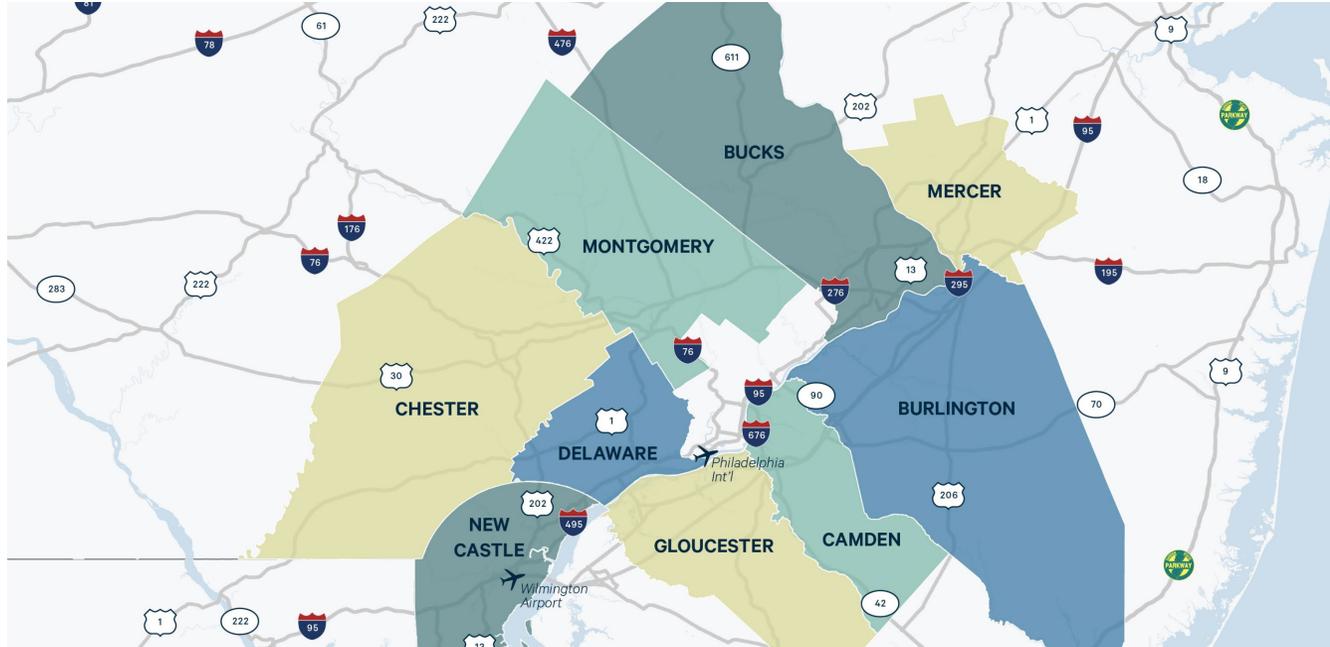
GLOUCESTER COUNTY						
Deptford	3,699,948	7.4	\$18.40	-	64,708	0
Turnersville	4,225,656	7.5	\$14.51	-	64,988	0
Gloucester County Total	7,925,604	7.5	\$16.78	-	129,696	0

	Inventory (SF)	Availability Rate (%)	In-Line Asking Rents (NNN)	Anchor Asking Rents (NNN)	YTD O-Net Absorption	Under Construction (SF)
MERCER COUNTY						
East Windsor	1,094,065	5.9	\$15.69	-	59,926	0
Hamilton	2,594,060	7.8	\$19.19	-	-444	0
Princeton	4,571,134	13.6	\$38.00	-	-165,268	292,700
Trenton	2,325,083	9.2	\$16.00	\$16.00	45,955	0
Mercer County Total	10,584,342	10.4	\$18.37	\$16.00	-59,831	292,700
NJ Total	40,120,492	9.6	\$16.34	\$14.16	-212,407	292,700

	Inventory (SF)	Availability Rate (%)	In-Line Asking Rents (NNN)	Anchor Asking Rents (NNN)	YTD O-Net Absorption	Under Construction (SF)
NEW CASTLE COUNTY						
Christiana	6,083,857	7.4	\$28.67	-	-105,455	0
Concord Pike	3,599,775	16.6	\$23.75	-	-15,254	0
Hockessin	706,396	4.0	\$22.61	-	4,090	0
Kirkwood Highway	2,088,954	6.1	\$24.25	-	-52,842	0
Newark	1,954,479	9.9	\$19.38	-	22,826	0
Wilmington	1,133,766	12.0	\$19.67	-	-60,371	0
New Castle County Total	15,567,227	9.8	\$24.00	-	-207,006	0
DE Total	15,567,227	9.8	\$24.00	-	-207,006	0

	Inventory (SF)	Availability Rate (%)	In-Line Asking Rents (NNN)	Anchor Asking Rents (NNN)	YTD O-Net Absorption	Under Construction (SF)
BY CENTER TYPE						
Community/Neighborhood Centers	69,285,930	7.5	\$19.69	\$13.55	329,454	359,888
Lifestyle/Power Centers	53,003,930	9.6	\$22.66	-	-981,885	35,000
Strip/In-Line Centers	4,574,882	7.4	\$16.89	\$23.75	-12,789	35,000
Market Total	126,864,742	8.4	\$19.64	\$14.63	-665,220	394,888

Market Area Overview



DOWNTOWN PHILADELPHIA OFFICE **SUBURBAN PHILADELPHIA OFFICE**

50 S. 16th Street
Philadelphia, PA 19102

555 E. Lancaster Avenue
Radnor, PA 19087

WILMINGTON, DE OFFICE

3711 Kennett Pike
Wilmington, DE 19807

MOUNT LAUREL NJ OFFICE

1000 Howard Boulevard
Mount Laurel, NJ 08054

ALLENTOWN, PA OFFICE

1275 Glenlivet Drive
Allentown, PA 18106

HARRISBURG, PA OFFICE

5 Capital Drive
Harrisburg, PA 17110

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