

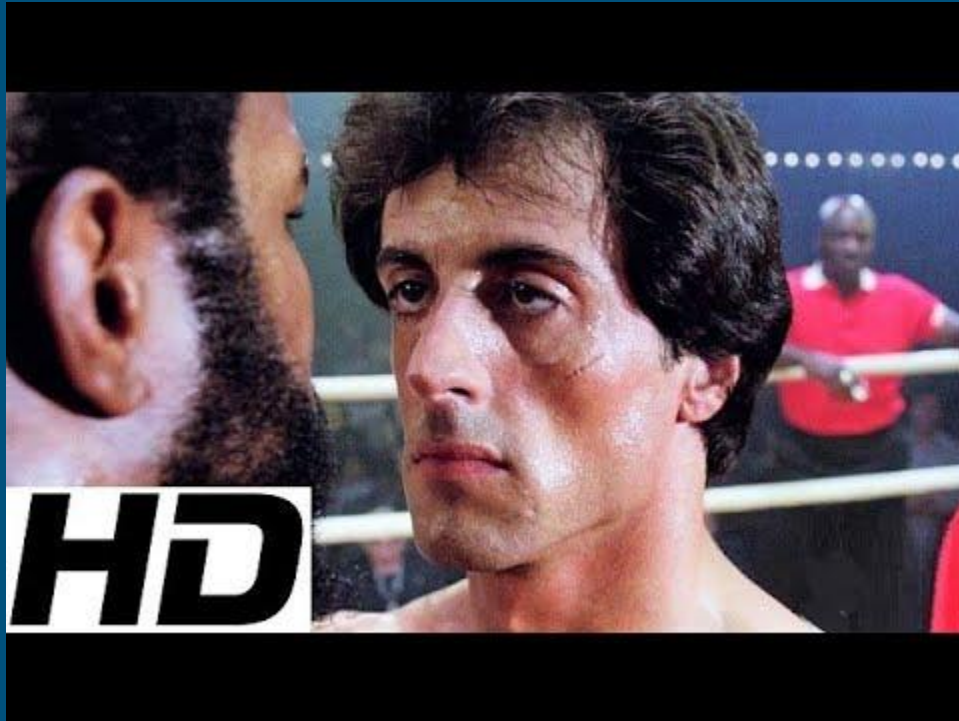


Commercial Development Forecast for Chester County, PA

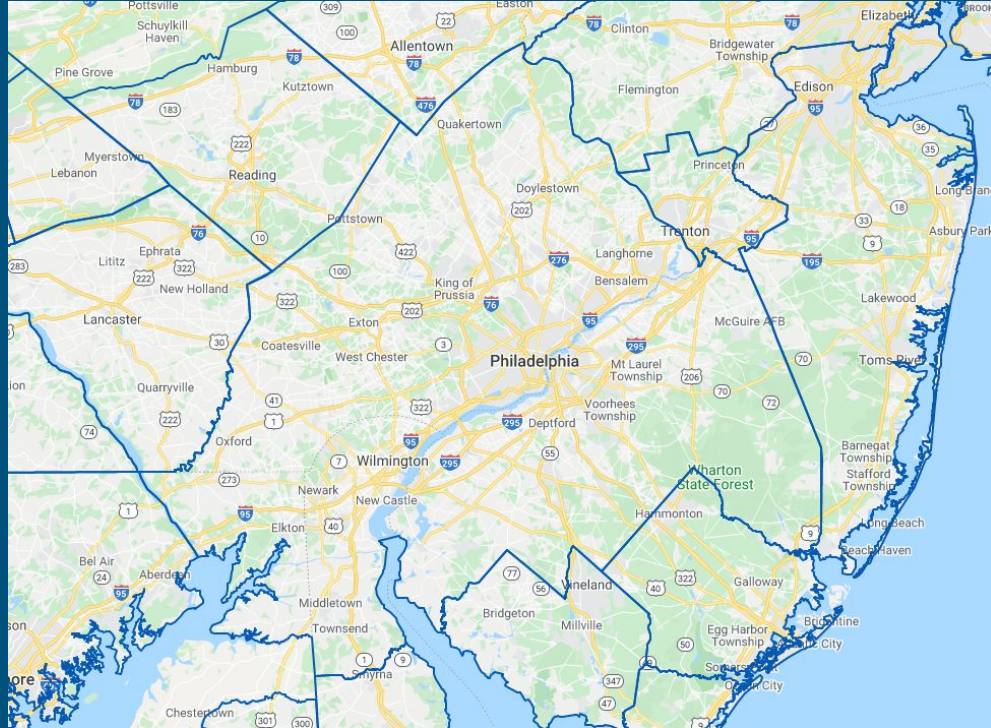
Presented for
Chester County Engineers



Chester County / Greater Philadelphia



Philadelphia according to Costar



The good, the bad, and the ugly...



Product types

Residential (multifamily, single family detached, single family attached (a/k/a rowhomes))

Industrial / flex

Retail

Office

Hospitality / speciality

The good....

Philadelphia - PA | \$54.5B Asset Value



Inventory SF	575M ↑	Market Rent/SF	\$8.49 ↑
Under Constr SF	23.3M ↑	Annual Rent Growth	11.4% ↑
12 Mo Net Absorp SF	14.8M	Market Sale Price/SF	\$91 ↑
Vacancy Rate	4.3% ↓	12 Mo Sales Vol	\$3.4B ↑

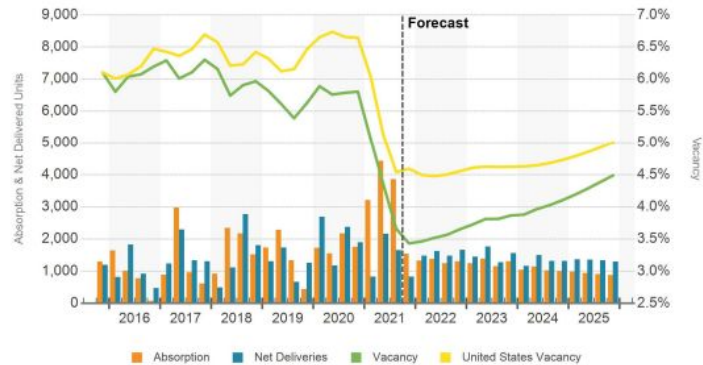
Industrial



The good...

Multifamily

ABSORPTION, NET DELIVERIES & VACANCY



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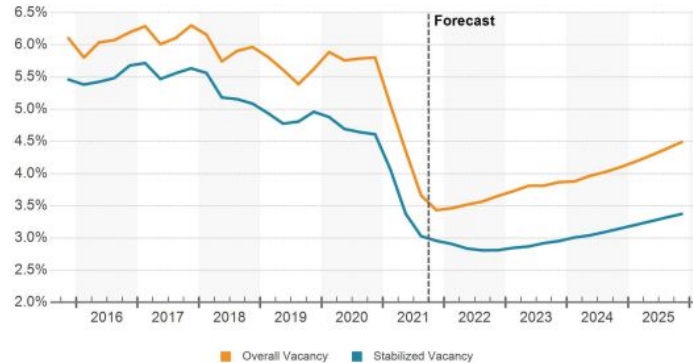


11/9/2021
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Vacancy

Philadelphia Multi-Family

OVERALL & STABILIZED VACANCY



The good...

Residential



The bad...

Office



Philadelphia - PA | \$63.5B Asset Value



Inventory SF	322M ↑	Market Rent/SF	\$26.72 ↑
Under Constr SF	3M ↑	Annual Rent Growth	1.4% ↑
12 Mo Net Absorp SF	(3.2M)	Market Sale Price/SF	\$196 ↑
Vacancy Rate	10.3% ↑	12 Mo Sales Vol	\$2.9B ↑

The ugly...

Construction costs

Entitlement process / regulations

Availability of ground / development sites

Disconnect between construction costs and rental rates

Ideas moving forward

Responsibly relax zoning standards in support of redevelopment and repositioning

Streamline entitlements process

Public transportation / infrastructure

Focus on existing infrastructure / urban centers

Incentivize development where you want it

Regional planning / approvals / entitlements

More information

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www.SwopeLees.com

610-429-0200

Link to Costar reports:

https://drive.google.com/drive/folders/1eYwnqQ5Em4Vpy0KN129_V4Da5W0HeZ0o?usp=sharing



Commercial Development Forecast for Chester County

Presenter: Charles Swope, Jr; Swope Lees Commercial Real Estate

When: Wednesday, November 10, 2021; 8:30am – 10:00am

Cost: FREE (members only)

Location: West Goshen Township Admin Building, 2nd Floor Mtg Rm, 1025 Paoli Pike, West Chester, PA 19380 (please park in the designated “training” lot)

Description: What is the outlook for commercial development across Chester County and southeastern Pennsylvania? Be prepared by learning about commercial real estate trends and hearing commentary on areas of interest from a local commercial broker.