



Philadelphia

Powered by Savills Research & Data Services

Inventory	Y-0-Y CHANGE	Vacancy Rate	Y-0-Y CHANGE	Asking Rental Rate*	Y-0-Y CHANGE	Net Absorption	Y-0-Y CHANGE	Under Construction	Y-0-Y CHANGE	Deliveries	Y-0-Y CHANGE
393.6 msf	↗	8.0 %	↗	\$12.08 psf (NNN)	↗	2.8 msf	↘	11.1 msf	↘	2.1 msf	↘
Q1 2023: 370.1 msf		Q1 2023: 4.5%		Q1 2023: \$11.32		Q1 2023: 3.5 msf		Q1 2023: 26.1 msf		Q1 2023: 2.8 msf	

*Based on all classes of available inventory

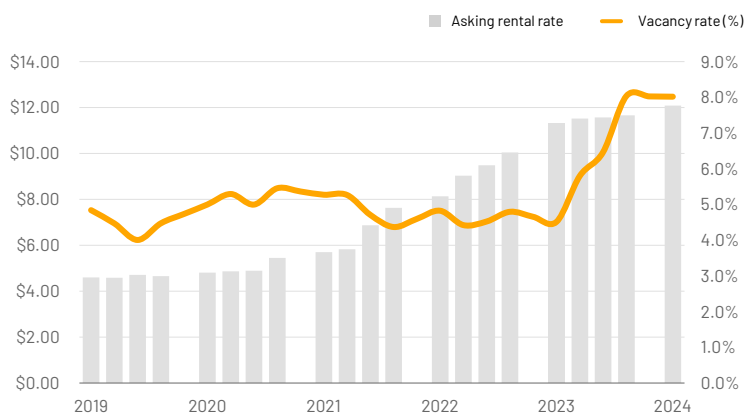
Market Trends

01 Vacancy increased 350 basis points (bps) from one year ago; Northern Delaware’s vacancy rate increased 250 bps to 6.7% due to 1.2 million square feet (msf) delivering unleased and, therefore, unoccupied.

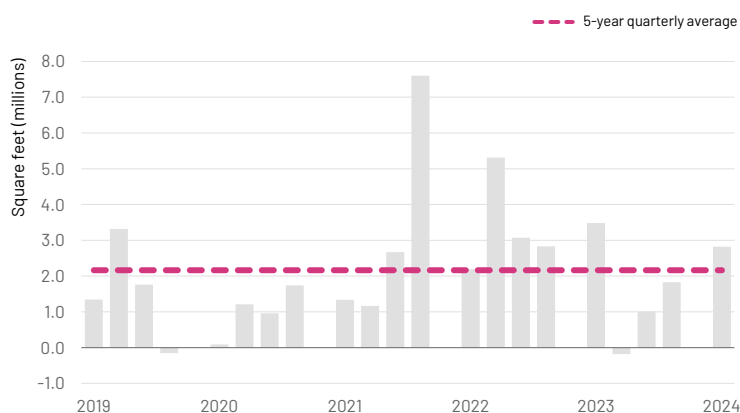
02 The overall average asking rent increased from the first quarter of 2023 by 6.7% to \$12.08 per square foot (psf); landlords of new developments are not discounting asking rents and will use concessions to attract tenants.

03 Metro construction deliveries decreased by 25.0% from one year ago to 2.1 million square feet, while properties under construction fell 58.0%; expect regional construction starts to further slow in the coming year with fewer large requirements.

Asking Rent and Vacancy



Net Absorption



Top Leases

Source: Savills Research

TENANT	SIZE (SF)	SUBMARKET	ADDRESS	TRANSACTION TYPE	INDUSTRY
Amazon	1,015,740	Northern DE	560 Merrimac Avenue	Renewal	E-commerce
Loctek	667,560	Southern NJ	1900 River Road	New Lease	Industrial Machinery & Supplies
Sylvamo North America	431,720	Southern NJ	1500 John Galt Way	Renewal	Paper & Packaging
Rivian	371,000	Southern NJ	25 N Golfwood Avenue	New Lease	Automotive
Amazon	202,908	Southern NJ	2277 Center Square Road	Renewal	E-commerce

For more information, please contact us:

savills.us

Savills Philadelphia
50 South 16th Street
Suite 2750
Philadelphia, PA 19102
+1 215 563 4000

Daniela R. Stundel
Research Manager
dstundel@savills.us

Gregg Healy
Executive Vice President,
Head of Industrial Services
ghealy@savills.us

Mark Russo
Vice President,
Industrial Research
mrusso@savills.us

Unless otherwise noted, all rents quoted throughout this report are average asking net (NNN) rents per square foot. Statistics are calculated using both direct and sublease information. Current and historical availability and rent data are subject to change due to changes in inventory.

The information in this report is obtained from sources deemed reliable, but no representation is made as to the accuracy thereof. Unless otherwise noted, source for data is Savills Research.

Copyright © 2024 Savills