

# Walter Rand Transportation Center Market Study Analysis

## Questions?

- Socio-Economic Trends
- Labor and Industry Trends



### Phase I: Market Analysis

### Phase II: Real Estate Analysis

- Real Estate Trends
- Supply/Demand Analysis



- Financial Feasibility Analysis
- Identification of the Air Rights Value for the WRTC

### Phase III: Financial and Fiscal Feasibility Analysis



- Socio-Economic Trends
- Labor and Industry Trends

Methodology:



Key Findings: Socio-Economic



Key Findings: Labor and Industry



- Real Estate
- Supply/Demand

Methodology:



Key Findings: Multi-Family



# Phase I: Market Analysis



# Methodology:

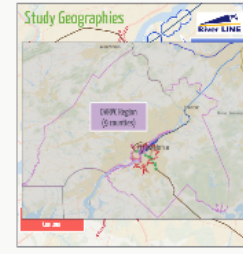
## Socio-Economic Analysis



- Half-Mile Radius (Project Area)
- 15-Minute Drive Time
- 20-Minute Rail Transit Ride
- DVRPC Region



- Population
- Households
- Education
- Age
- Income
- Housing Tenure
- Expenditures



Existing Conditions:

	2017	2018	2019	2020	2021	2022
Population	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Households	400,000	400,000	400,000	400,000	400,000	400,000
Median Household Income	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000
Unemployment Rate	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Population Growth	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Household Growth	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Income Growth	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Unemployment Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Population Density	100	100	100	100	100	100

## Labor and Industry Trends Analysis



- 20-Minute Transit Shed
- Camden County
- Philadelphia County
- DVRPC nine-county area

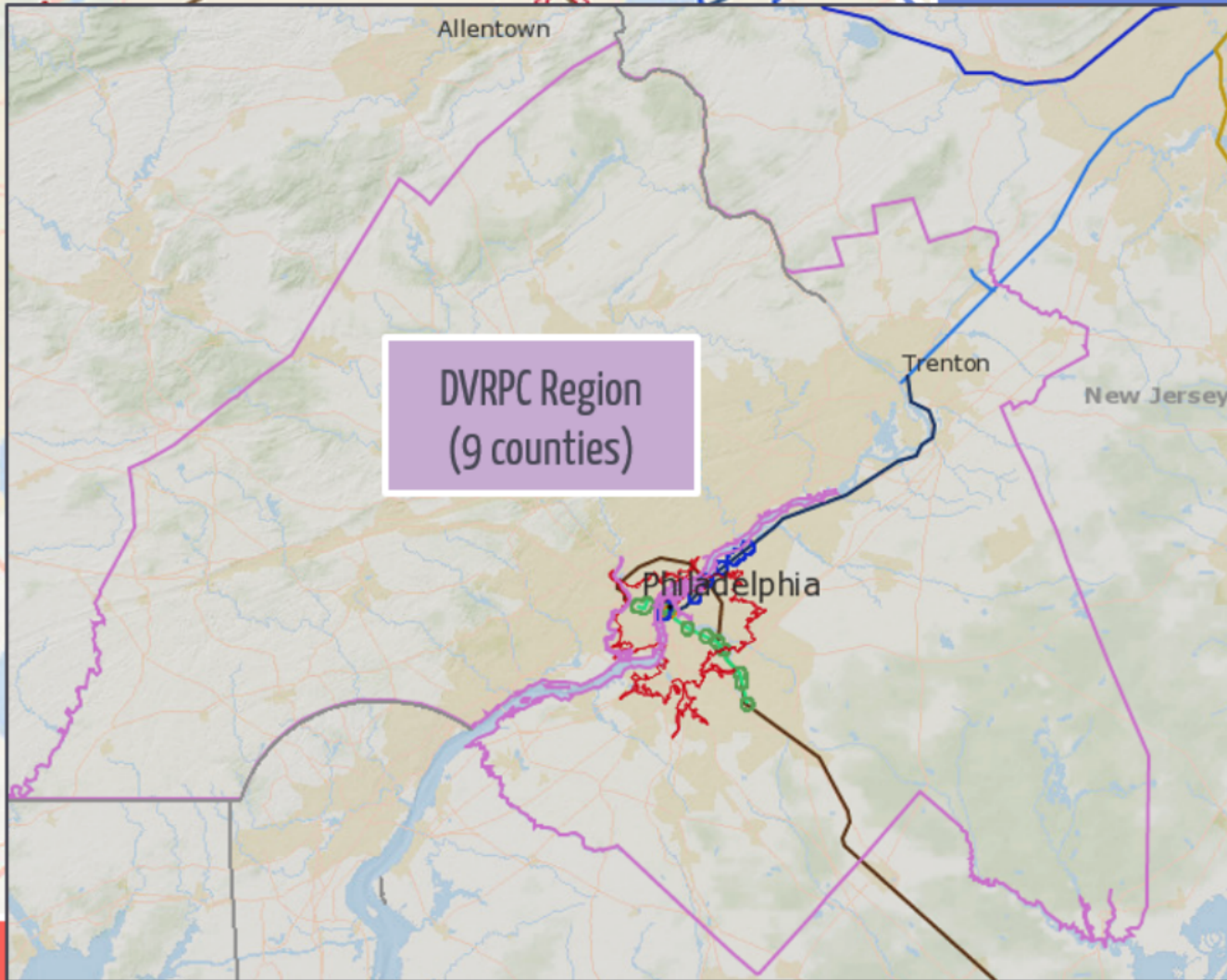


- Employment by Industry
- Unemployment
- Workers by Age
- Top Industries
- Monthly Earnings
- Employment Trends & Projections



- Regional Trends
- Market Drivers

# Study Geographies



DVRPC Region  
(9 counties)

Contour

# Existing Conditions:



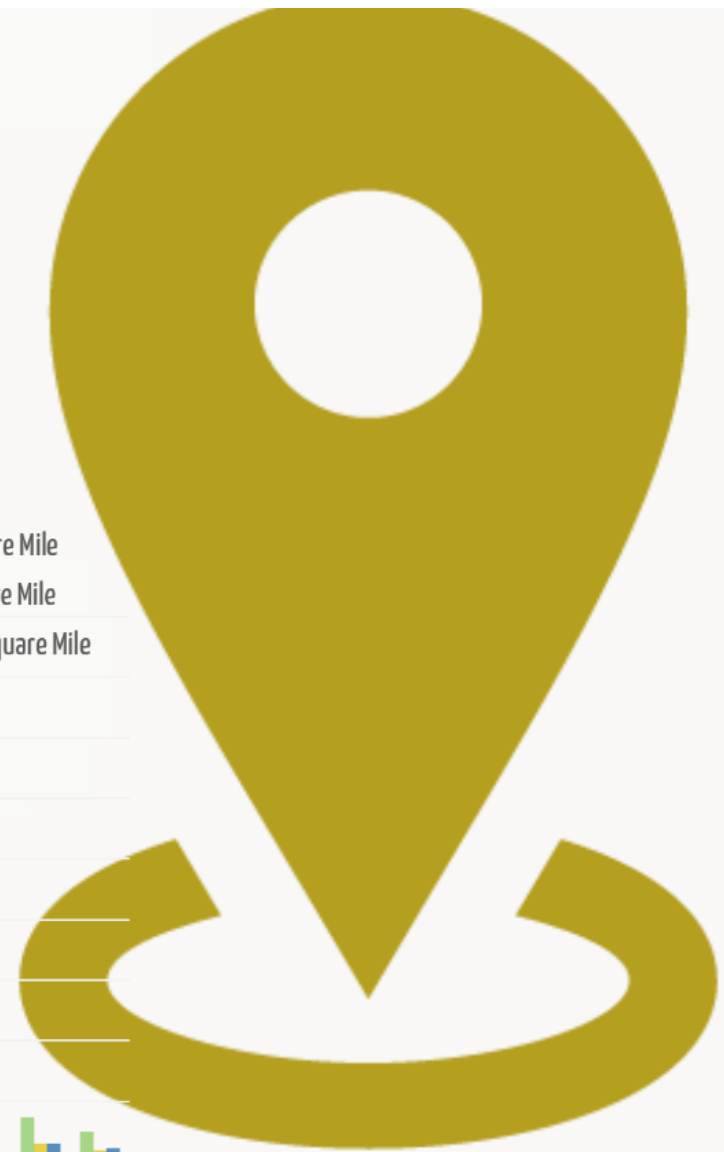
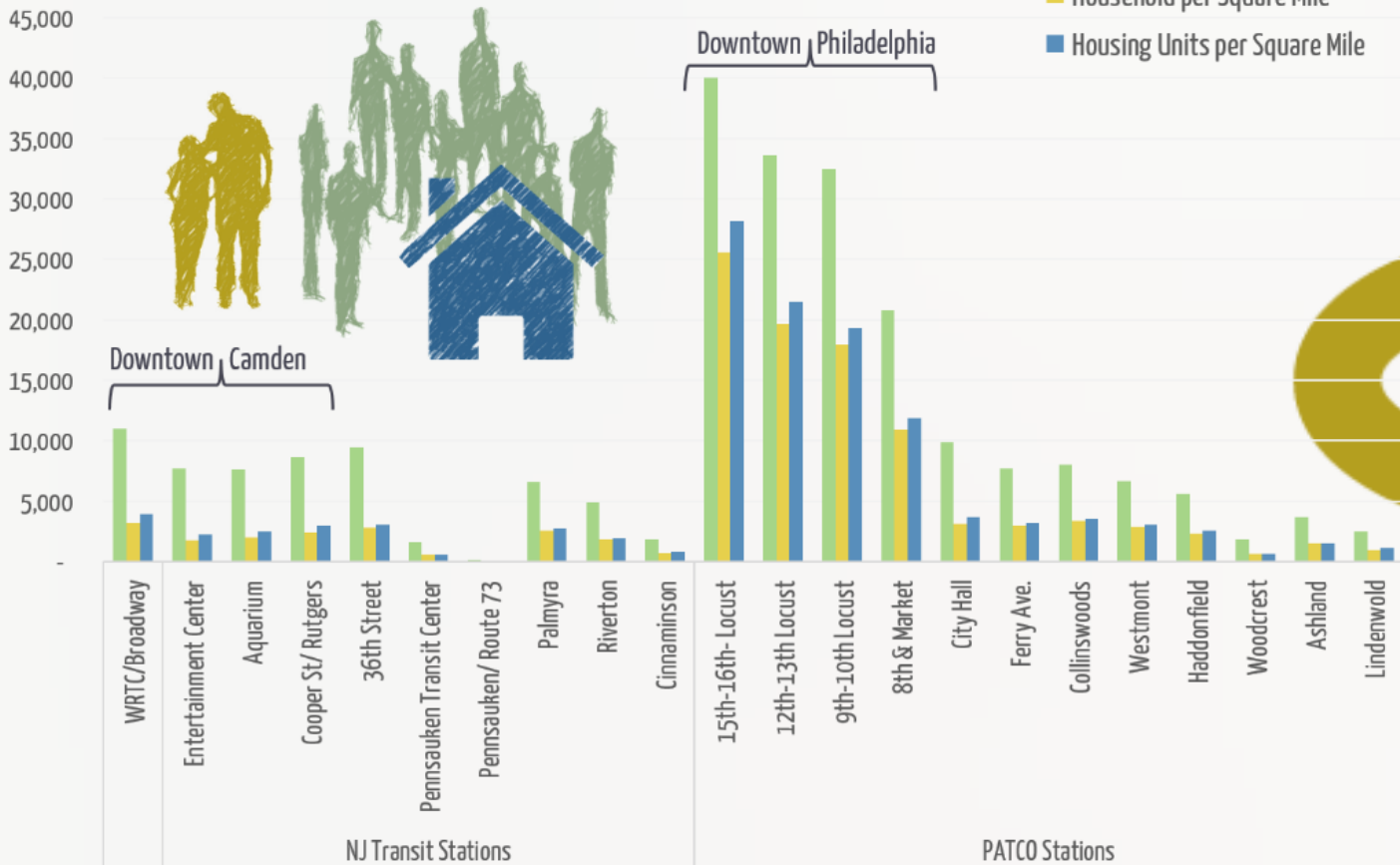
	2014	2016				
	Workers Commuting by Public Transport	Office Workers	Population	Housing Units	Households	Median HH Income
Half Mile Radius	14%	6,118	8,627	3,052	2,519	\$17,356
20-Minute Transit Shed	16%	124,728	104,554	54,451	49,824	\$58,461
15-Minute PMA	19%	225,095	579,396	266,007	242,084	\$48,102
DVRCP Region	10%	1,352,118	5,755,847	2,342,814	2,170,564	\$63,538

	2016 Density (per Square Mile)			
	Office Workers	Persons	Housing Units	Households
	Half Mile Radius	7,810	11,014	3,896
20-Minute Transit Shed	10,255	8,597	4,477	4,097
15-Minute PMA	3,371	8,678	3,984	3,626
DVRCP Region	363	1,546	629	583



# • Low densities

## Population, Households & Housing Density



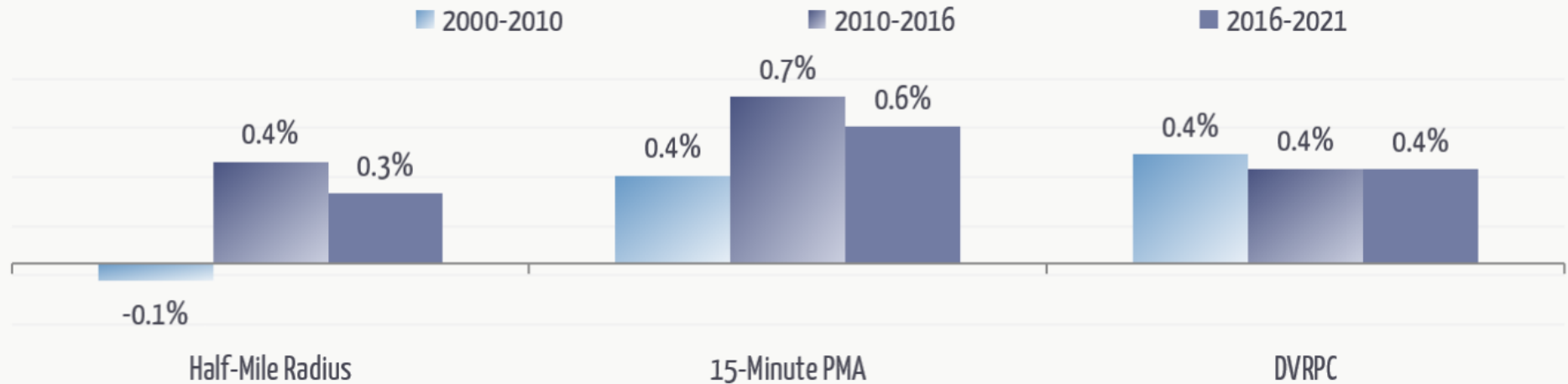
- **Despite relatively flat overall population growth, growth is expected among some age cohorts.**





# Near-Term Population Growth

## Annualized Percentage Change, Total Population

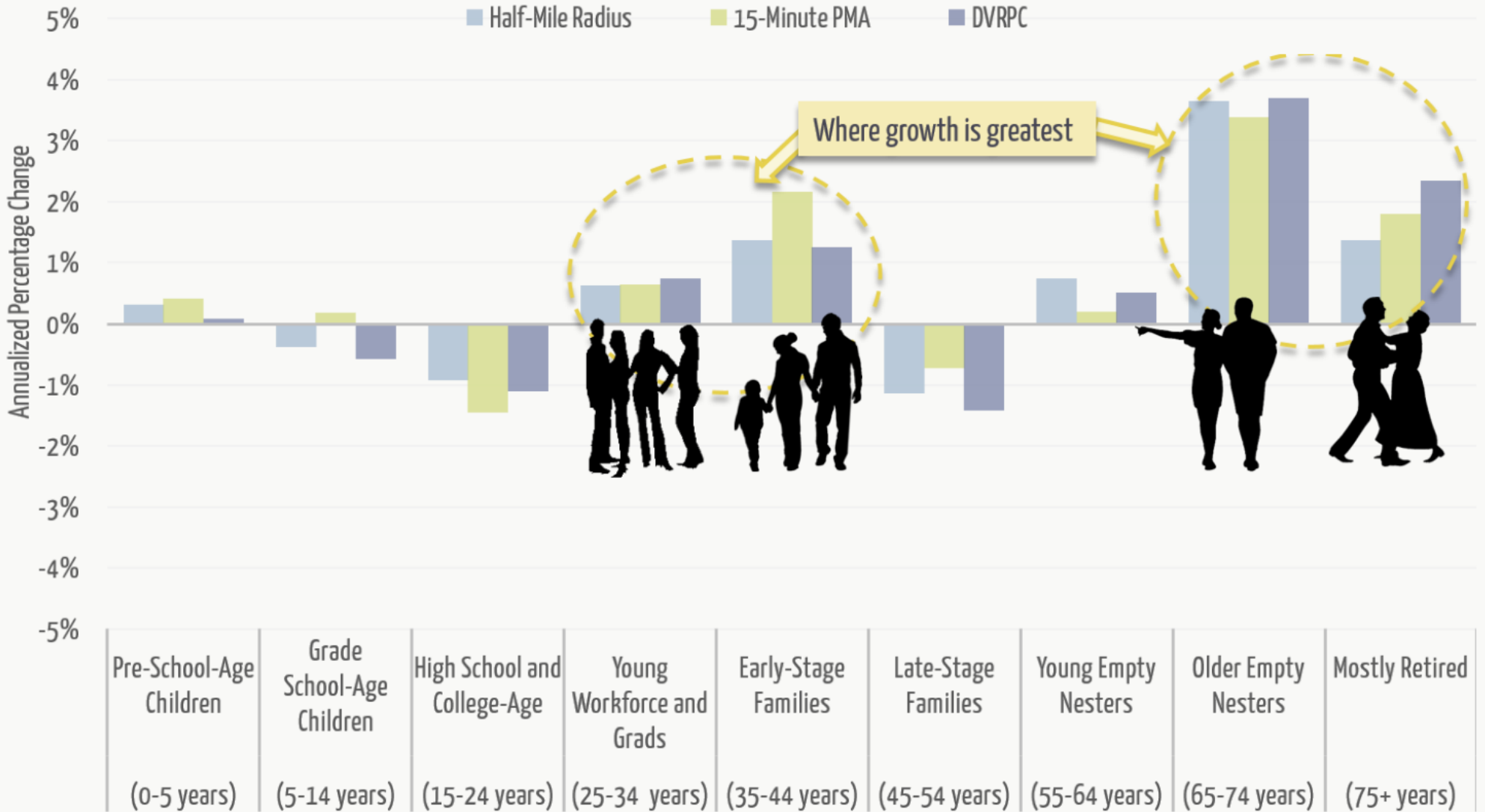


## Population by Geography

	2000	2010	2016 (Estimated)	2021 (Forecasted)	Net Change (2016-2021)
Half-Mile Radius	8,478	8,419	8,627	8,749	122
15-Minute PMA	537,602	556,738	579,396	595,498	16,102
DVRPC	5,387,404	5,626,186	5,755,847	5,865,973	110,126

Source: US Census Bureau; Esri; 4ward Planning Inc., 2017

# Age Cohort Growth, 2016-2021



Source: US Census Bureau; Esri; 4ward Planning Inc., 2017

- **65 percent of PMA households have some preference for living in multifamily housing, particularly rental.**



# Key Findings: Labor and Industry

- **Employment dominated by Govt and “Eds and Meds” Institutions**



- **Growth among Both Older and Younger Worker Segments**



- **Health Care Sector Expected to Bring New Low- to Mid-Wage Jobs**



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## Phase II: Real Estate Analysis

- Real Estate Trends
- Supply/Demand Analysis



Trends  
Industry Trends

### Key Findings: Labor and Industry

- Increased demand for... and "the..."
- Growth in... and... in...
- South... and... in...

Analysis

- Financial Feasibility
- Identification of... Rights Value for...

Phase III:  
Fiscal Feasibility

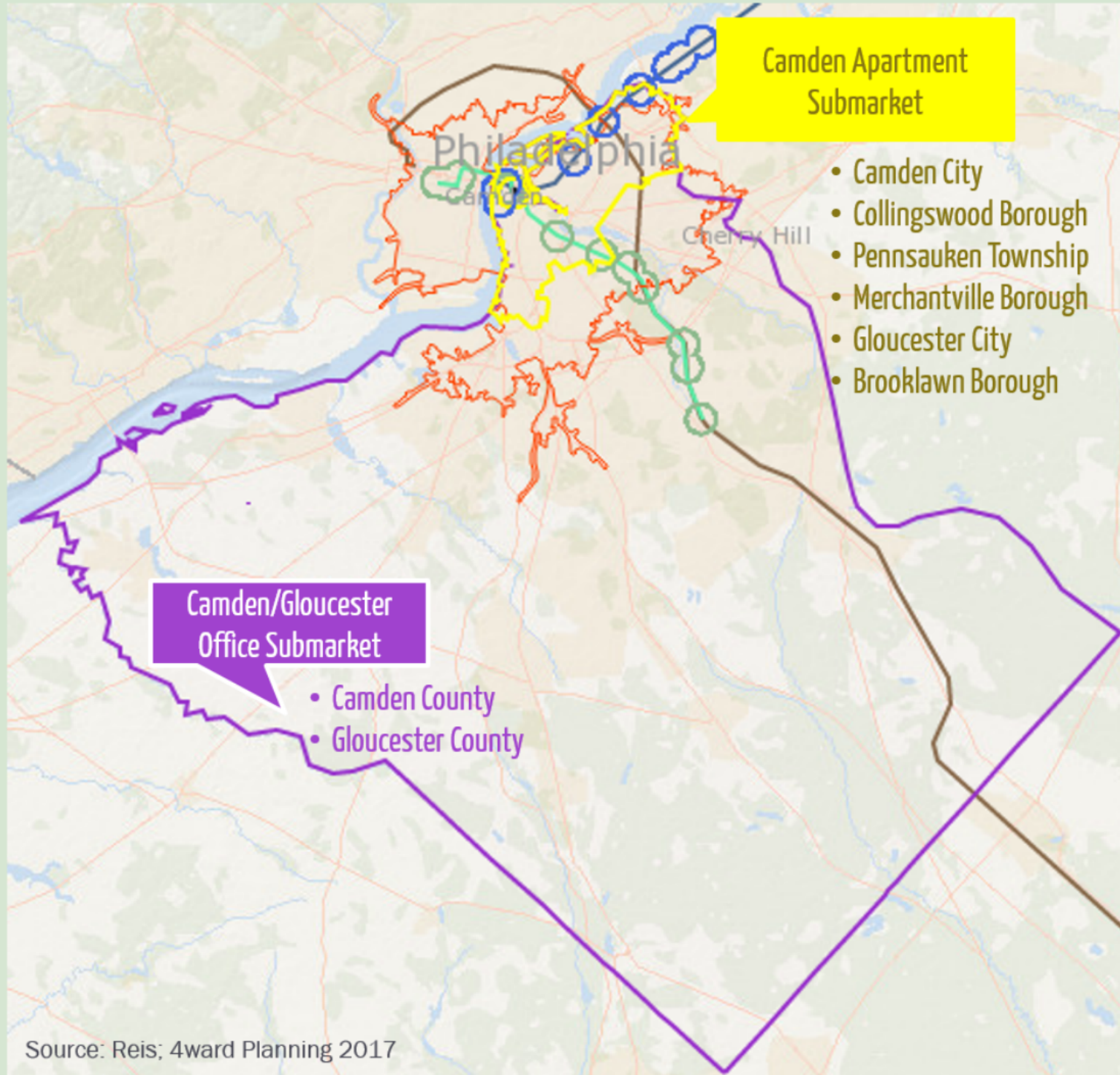




# Methodology



# Real Estate Submarkets

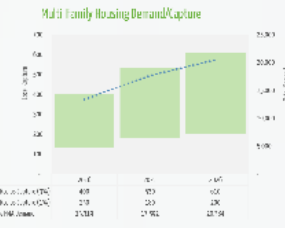


# Key Findings: Multi-family

- New multi-family residential projects



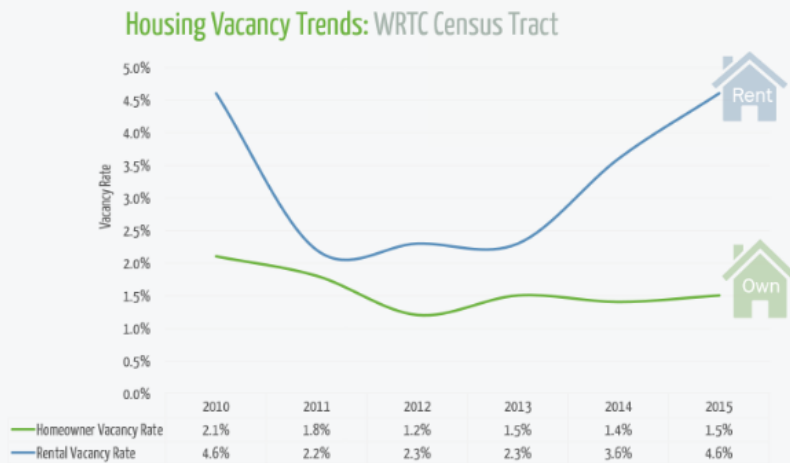
- Tight vacancy among marketable units



Demand for...

- 180 and 530 units by 2021
- 200 to 610 units by 2026

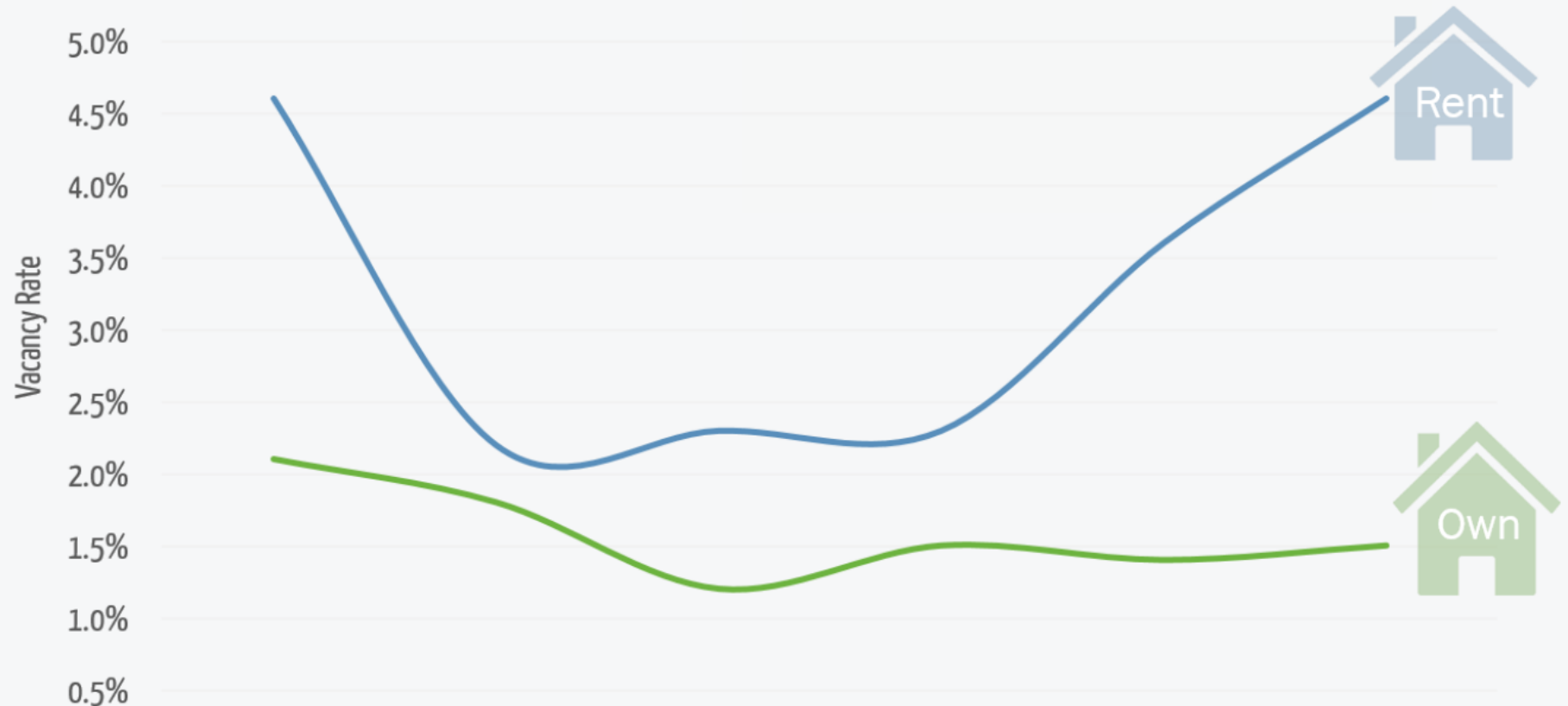
- **Tight vacancy among marketable units**



Source: American Community Survey 5-Year Estimates; 4ward Planning Inc., 2017



# Housing Vacancy Trends: WRTC Census Tract

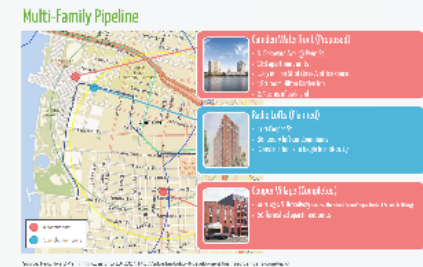
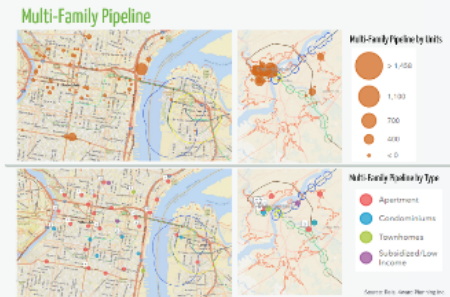


	2010	2011	2012	2013	2014	2015
Homeowner Vacancy Rate	2.1%	1.8%	1.2%	1.5%	1.4%	1.5%
Rental Vacancy Rate	4.6%	2.2%	2.3%	2.3%	3.6%	4.6%

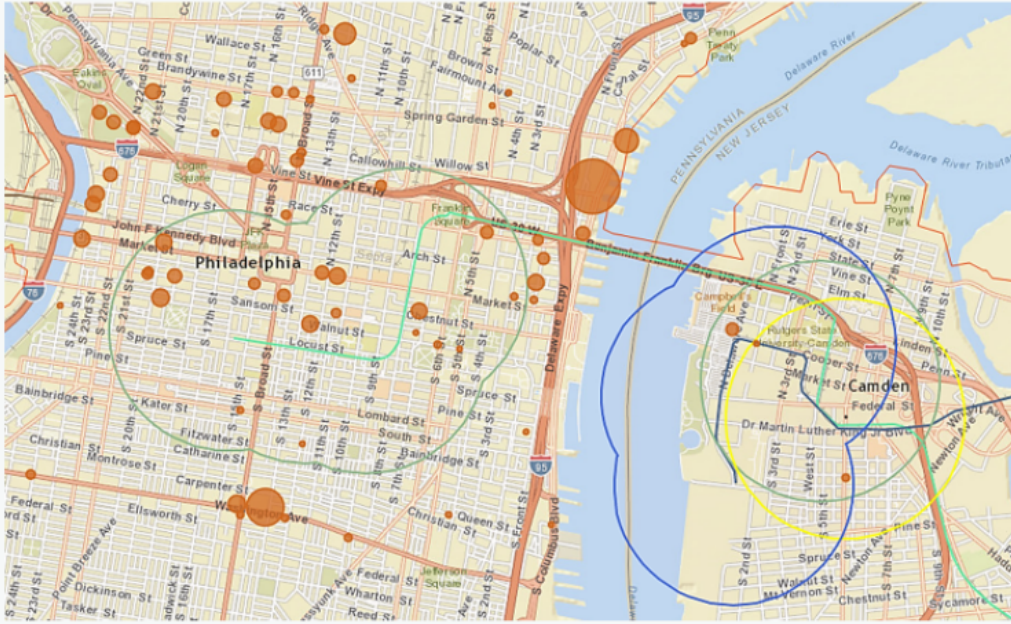
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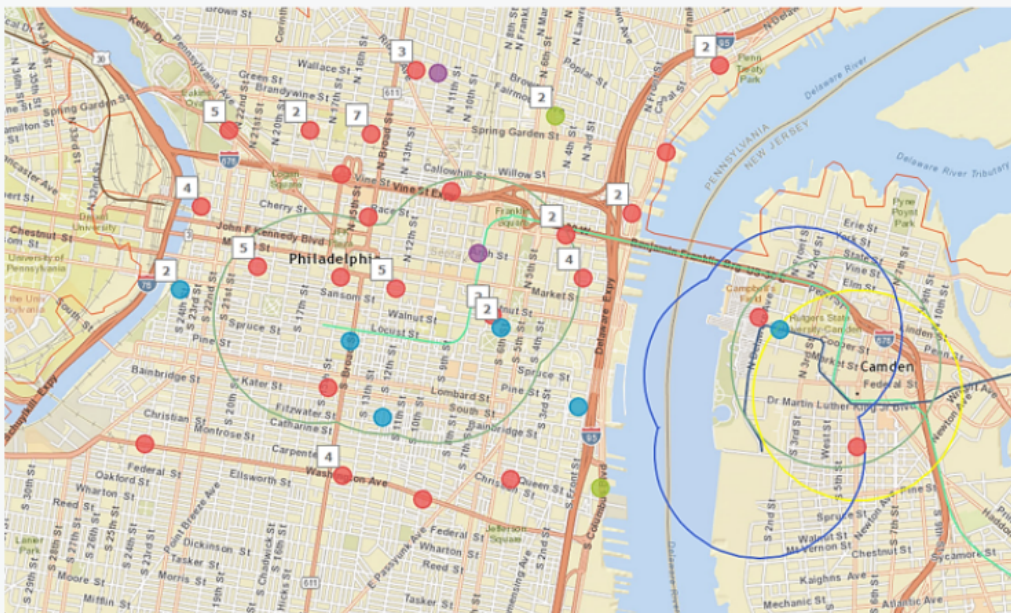
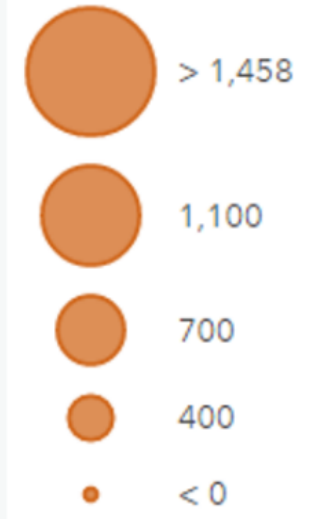
- **New multi-family residential projects**



# Multi-Family Pipeline



Multi-Family Pipeline by Units



Multi-Family Pipeline by Type



Source: Reis; 4ward Planning Inc.

# Multi-Family Pipeline



## Camden Waterfront (Proposed)

- N. Delaware Ave @ Penn St.
- 188 apartment units
- 1.45 million SF of Class A office space
- 180-room Hilton Garden Inn
- 2.5 acres of parkland



## Radio Lofts (Planned)

- 100 Cooper St.
- 86 luxury loft condominiums
- Construction is to begin in mid-2017



## Cooper Village (Completed)

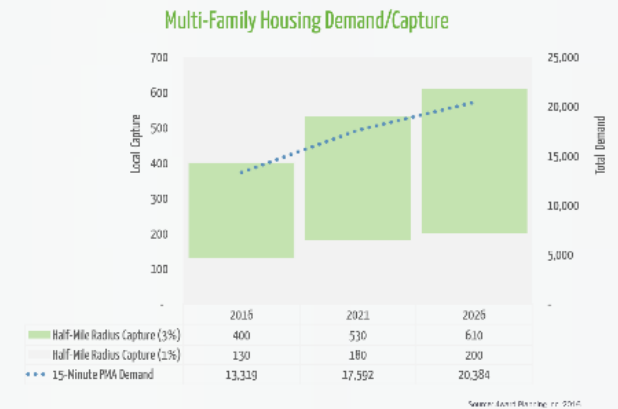
- 400-434 S. Broadway (across the street from Cooper Medical School building)
- 60 furnished apartment units



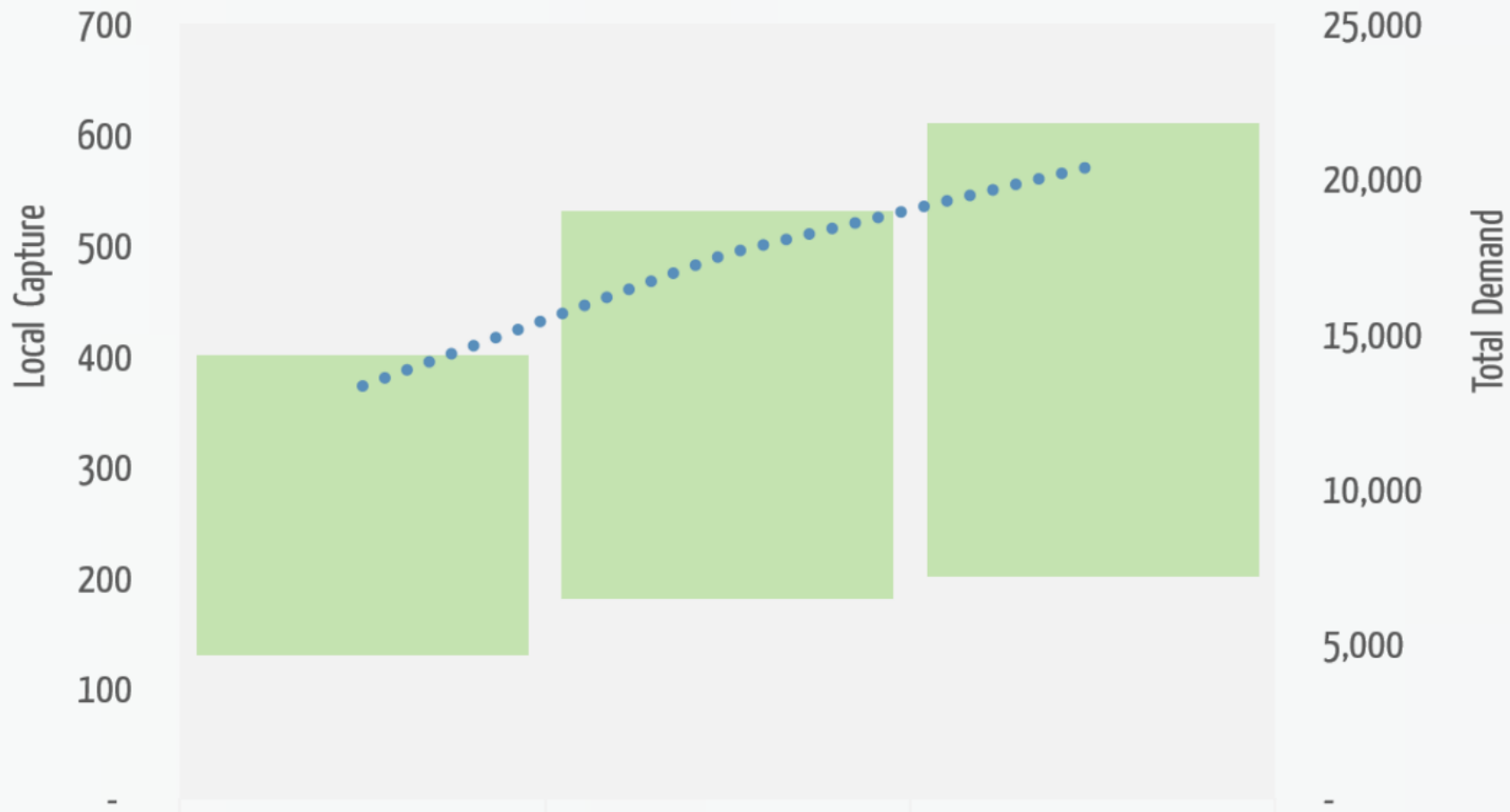
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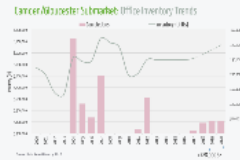
# Multi-Family Housing Demand/Capture



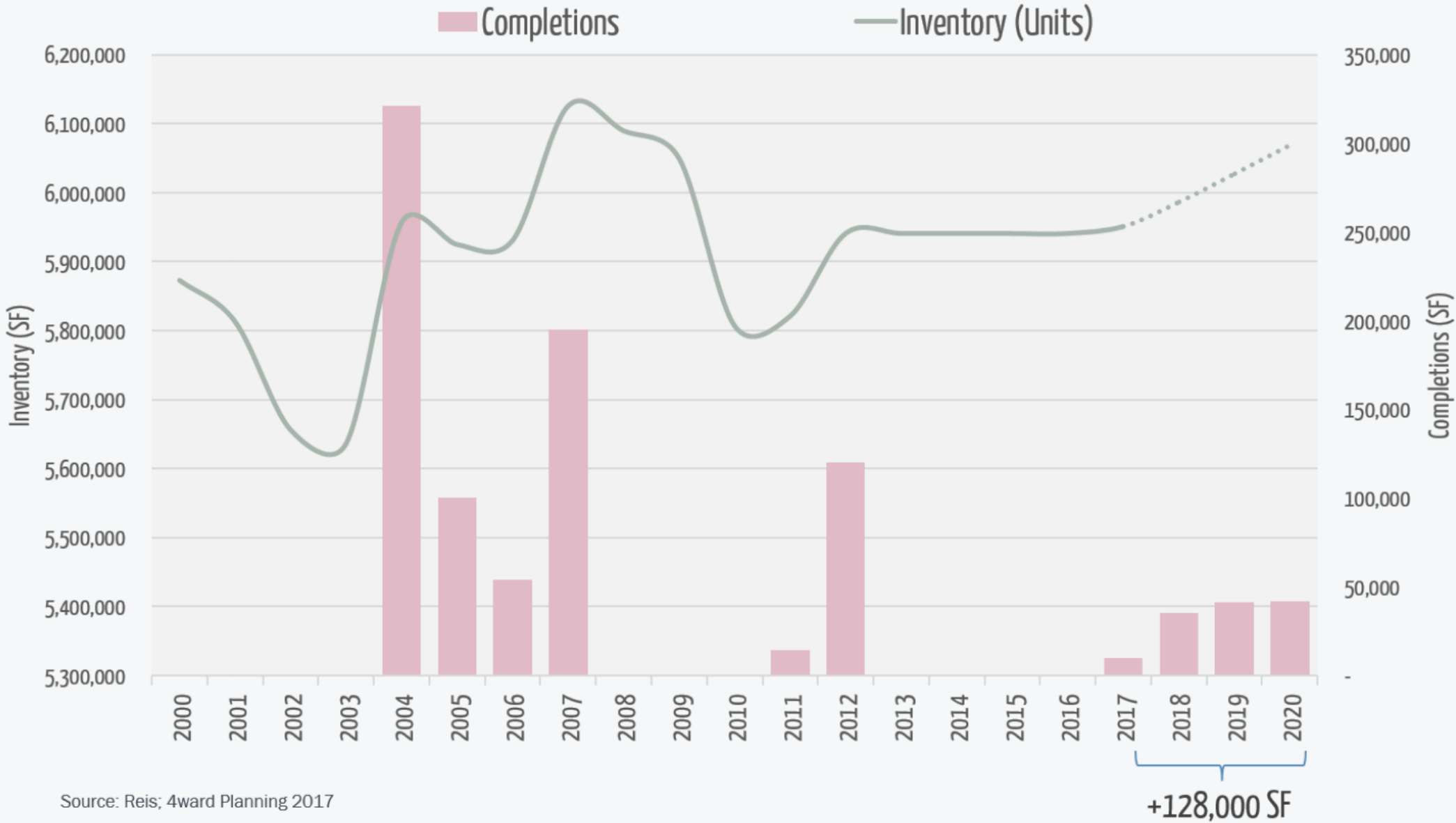
	2016	2021	2026
Half-Mile Radius Capture (3%)	400	530	610
Half-Mile Radius Capture (1%)	130	180	200
15-Minute PMA Demand	13,319	17,592	20,384



- **Relatively flat projected office inventory growth in the submarket**



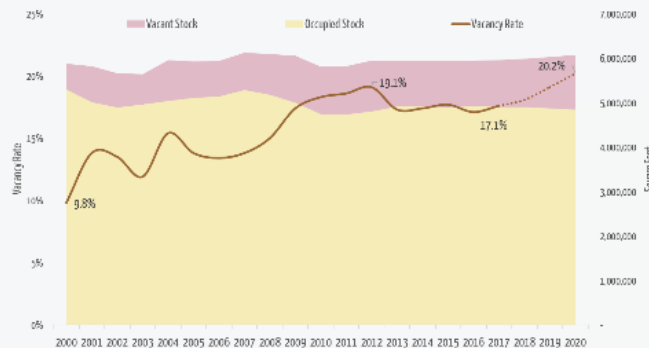
# Camden/Gloucester Submarket: Office Inventory Trends



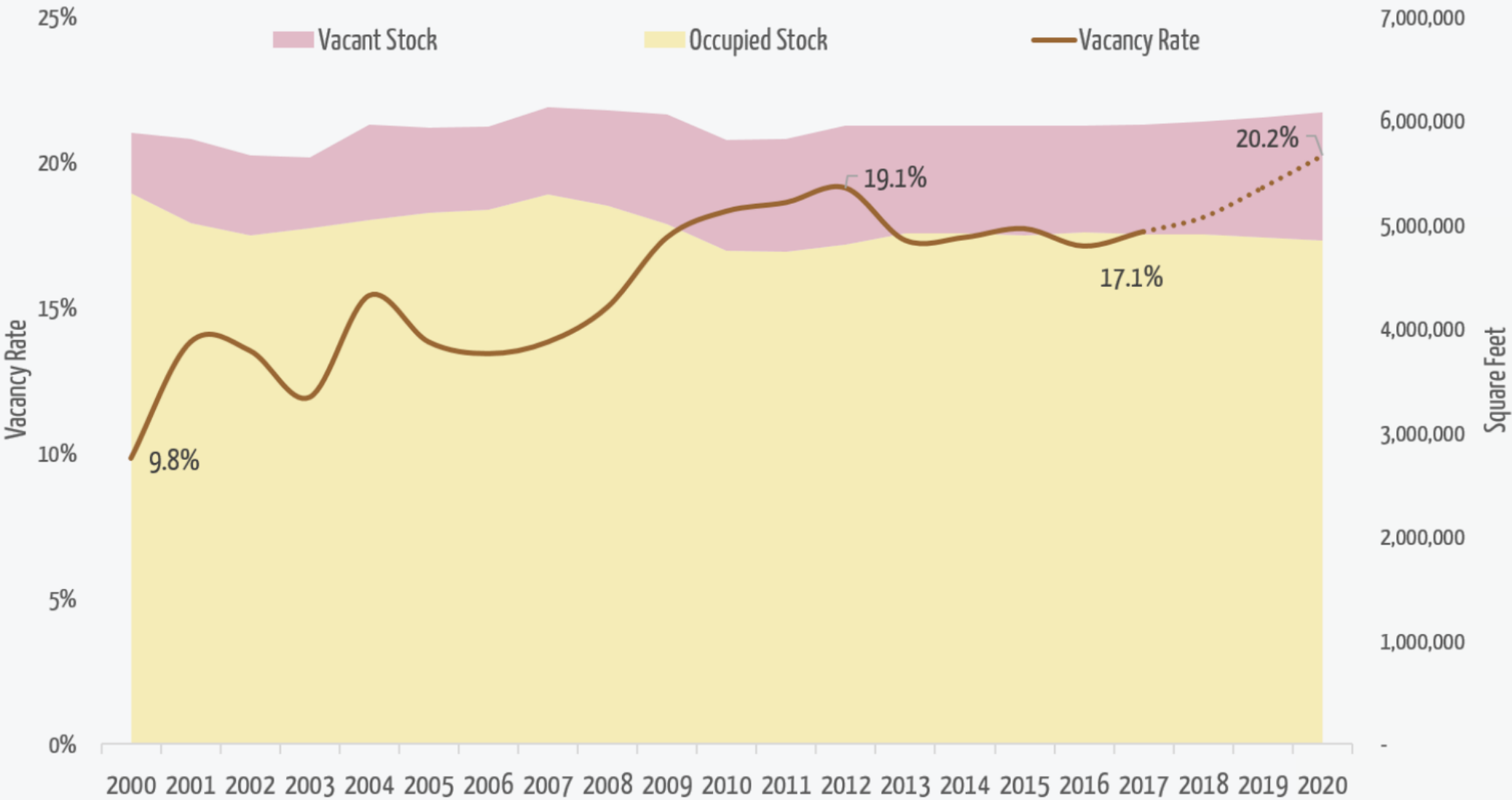
- High office vacancy rate in submarket



Camden/Gloucester Submarket: Office Vacancy



# Camden/Gloucester Submarket: Office Vacancy



- A portion of net new office demand could be captured at the WRTC site



Office Supply/Demand: 15-Minute PMA

Industry	New Jobs	New Office Workers	New Office Space Demand (SF)
Health Care and Social Assistance	6,540	3,137	470,510
Accommodation and Food Services	3,141	2,673	400,972
Professional, Scientific, and Technical Services	3,001	653	97,945
Administrative Support & Waste Services	1,444	508	76,144
Construction	1,342	252	37,752
Arts, Entertainment, and Recreation	983	233	34,999
Utilities	970	168	25,154
Transportation and Warehousing	711	164	24,645
Other Services	409	164	24,538
Manufacturing	279	121	18,219
Retail Trade	214	54	8,165
Real Estate Rental and Leasing	79	36	5,446
Educational Services	54	30	4,555
Management of Companies and Enterprises	33	28	4,151
Agriculture	3	1	109
Mining	(1)	(0)	(59)
Information	(376)	(261)	(39,153)
Public Administration	(608)	(268)	(40,194)
Finance and Insurance	(707)	(332)	(49,734)
Wholesale Trade	(1,111)	(682)	(102,232)
<b>Total</b>	<b>16,399</b>	<b>6,680</b>	<b>1,001,926</b>



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# Key Findings: Lodging

- **Downtown Camden may be attractive to potential hoteliers**



**Amenities:**  
Attractions

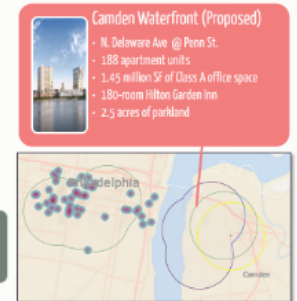
- Rodin and Co. (2016)
- Franklin Institute (2016)
- Independence Hall (2016)
- Liberty Bell (2016)
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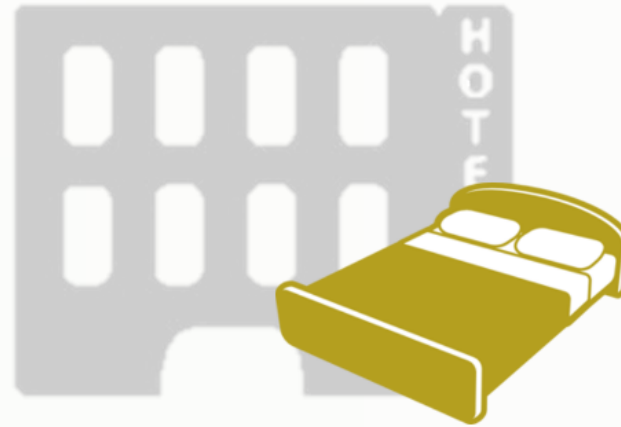
- **Lodging facilities clustered in Downtown Philadelphia**



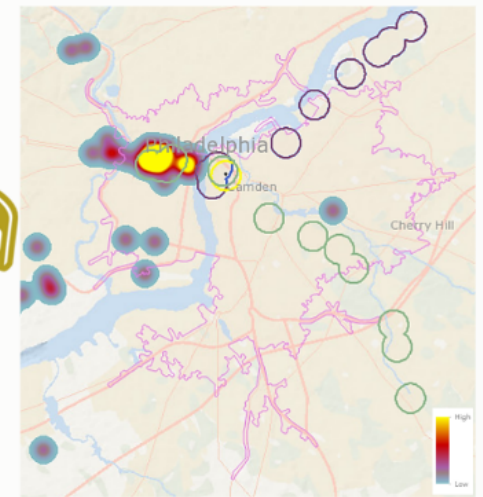
- **New Hotel being Proposed along Camden's Waterfront**



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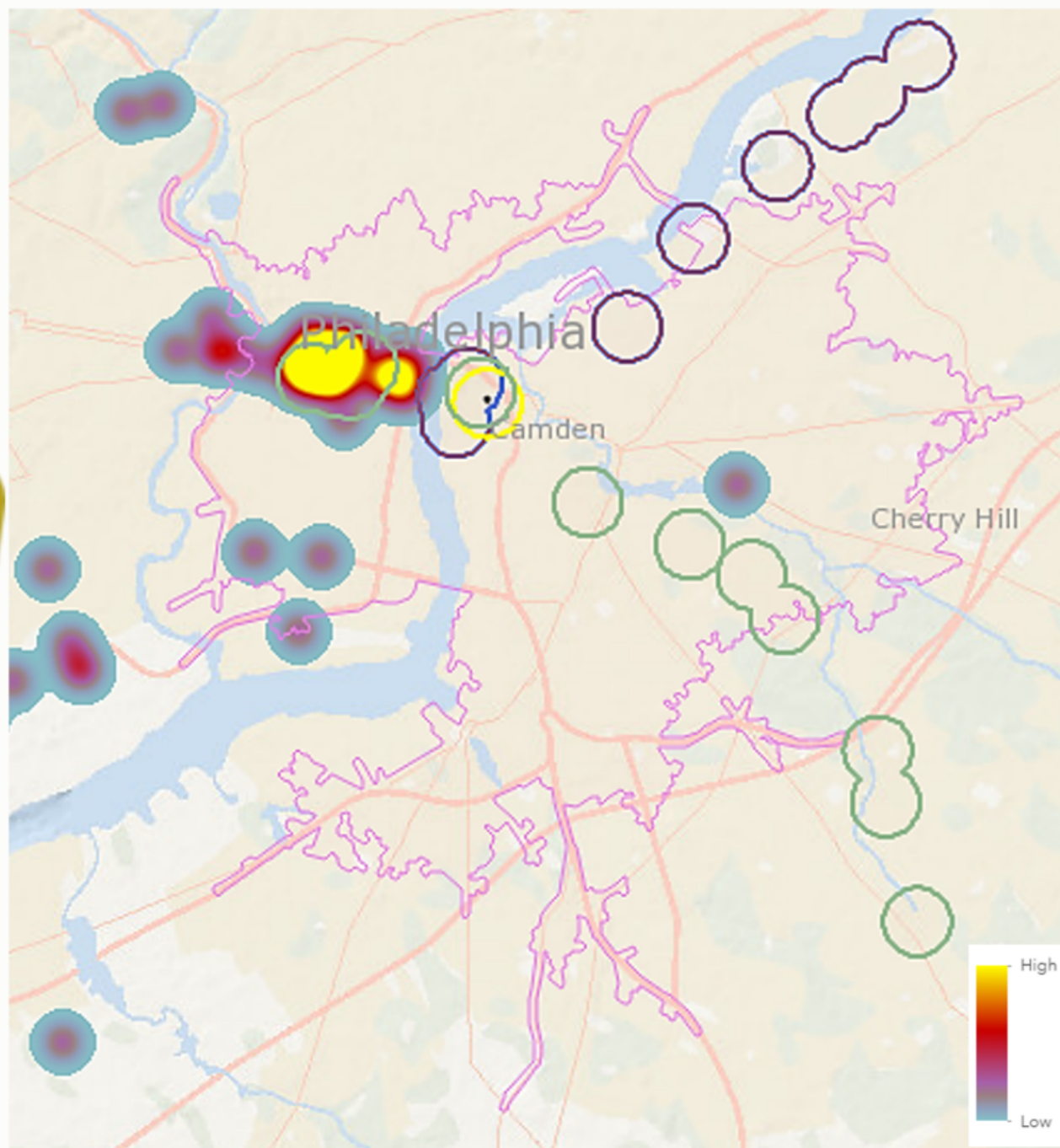


Hotels: 15-Minute PMA



Source: Philadelphia Convention & Visitors Bureau, Esri, 4ward Planning Inc., 2017

## Hotels: 15-Minute PMA



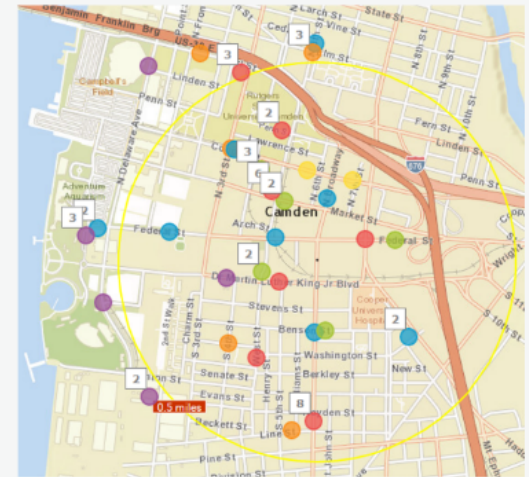
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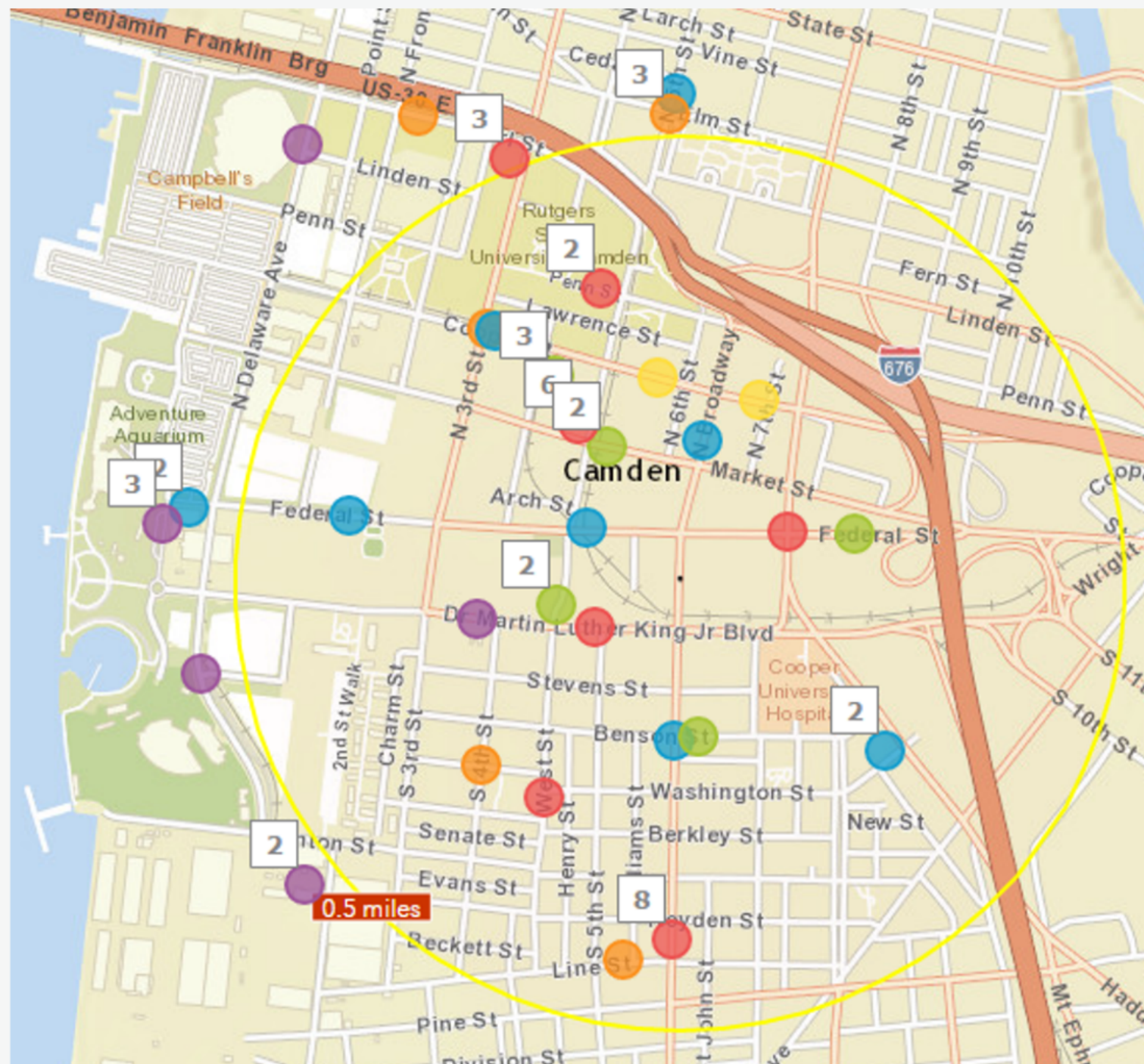
- Restaurants or Eating Establishment (22)
- Institutions and Major Employers (10)
- Government and Civic Facilities (9)
- Cultural Attractions (8)
- Parks (7)
- Schools (3)



Source: Esri, 2017

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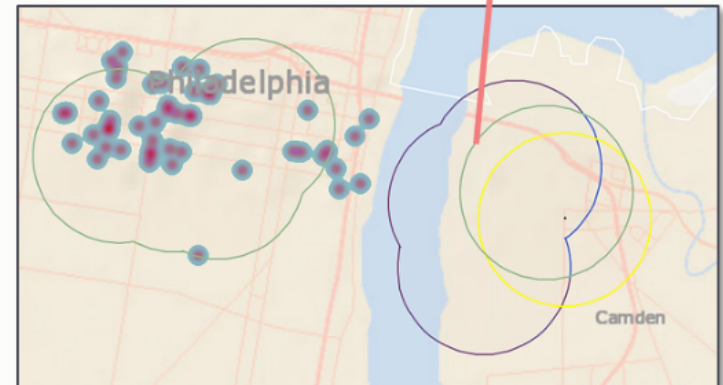


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## Analysis

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- Identification of the Air Rights Value for the WRTC

### Phase III: Financial and Fiscal Feasibility Analysis





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