

SUMMARY OF KEY MARKET FINDINGS

An assessment of the local real estate market was conducted as part of the economic development and planning study for the Haddon Avenue corridor between Vesper Boulevard and Dr. Martin Luther King Boulevard, otherwise known as the “Medical Mile” within the City of Camden. The market analysis is intended to determine the economic viability of a variety of potential new uses for sites along and adjacent to the corridor, examining market conditions within a defined Market Study Area. **Markets examined for this analysis include sales housing, market-rate and affordable rental housing, retail, and office/commercial uses.** Following are key market findings of the market analysis.

Sales Housing Market

Recent sales data and feedback from the survey distributed to employees of major employers along the Haddon Avenue corridor suggest three potential sales housing markets to explore within the corridor:

- **Larger townhomes, twins, and some very small lot single family detached homes** with garages aimed at capturing a market similar to, but somewhat more diverse than, the market captured by the Cooper Hill Town Homes development (by M&M Development) near Cooper University Hospital. This development should expect paced build-out—perhaps four to six sales annually in the initial years. There needs to be a commitment to ultimate scale (**at least 60 units overall**), to relating this development into the existing fabric of the overall neighborhood with targeted housing rehabilitation and infrastructure as the development abuts the neighborhood, and with positive access to key neighborhood open space and park amenities. These homes would be new construction within a compact area with the following sizes and price points:
 - A **1,872 SF townhome**, similar to Cooper Hill, should anticipate an initial sales price of **\$175,000**.
 - A similar **1,872 SF twin with a one car garage** could command pricing at **\$190,000 to \$195,000**.
 - A small lot **single family detached home** at **2,000 SF to 2,100 SF** with a **two-car garage** could price in the **\$210,000 to \$225,000** range.
- **Smaller two- and three-bedroom townhomes and twins**, generally priced to capture a younger market (under 45)—both current homeowners and current renters. This younger market places a strong emphasis on access to public transit; therefore, siting of this development should relate to the coming transit station. For these units, there should also be a commitment to ultimate scale (**at least 25 to 40 units overall**), also relating this development into the existing fabric of the overall neighborhood. These units would be for-sale **townhomes and twins** of about **1,300 SF to 1,500 SF** aimed at smaller households. Anticipated pricing is in the **\$135,000 to \$160,000** range initially.
- **In-fill new construction and substantial rehabilitation** of townhomes and twins targeted to an affordable market, but somewhat above the current pricing of Habitat and St. Joseph’s Carpenter Society product. On generally well-maintained blocks or where other investments are being made, there appears to be market for in-fill new construction and substantially rehabilitated homes that could sell for in the **\$110,000 to \$120,000** range for **1,300 SF townhomes and twins**.

Market-Rate Rental Housing Market

Based on growth projections and area employee demand, it would be reasonable to conclude that a segment of Camden’s projected growth could be accommodated by new market-rate multi-family housing in the Haddon Avenue corridor. It is likely that this demand could be brought to the market in phases, starting with a development of approximately **60 to 80 units**. A key site for this first phase could be the vacant parcel adjacent to Campbell’s Soup headquarters between Pine Street and Mt. Ephraim Avenue.

The development would ideally contain a mix of one- and two-bedroom apartments. Some two-bedroom units could contain two baths to better accommodate a shared apartment with roommates, potentially nearby employees. The corridor could likely accommodate an additional phase with a similar number and type of units by 2025.

Assuming one-bedroom units of 525 SF to 700 SF and two-bedroom units of 800 SF to 1,000 SF, anticipated rent levels for the northern portion of the study area are:

- One-bedroom units: \$975 to \$1,175 per month (\$1.67 to \$1.86 per SF)
- Two-bedroom units: \$1,325 to \$1,525 per month (\$1.52 to \$1.66 per SF)

For units built toward the southern end of the Market Study Area, closer to Lourdes Hospital, properties would command an estimated 90% of rents in the northern portion of the study area, or:

- One-bedroom units: \$875 to \$1,060 per month (\$1.51 to \$1.67 per SF)
- Two-bedroom units: \$1,195 to \$1,375 per month (\$1.37 to \$1.49 per SF).

Affordable Rental Housing Market

There are over 1,500 affordable rental units in and around the Market Study Area with an additional 72 proposed. Despite this supply, there are 2,626 Market Study Area renter households are paying more than 30% of their incomes on housing, likely due to the fact that household incomes are very low. As a result, **there appears to be a significant need for additional affordable rental housing in the Market Study Area.** Some of this need could be accommodated through the continued development along Haddon Avenue of mixed-use projects with a mixed-income housing element.

Retail Market

Despite an overall retail oversupply, there are several categories of leakage indicating various opportunities for retail expansion that could be met in the Haddon Avenue Retail Trade Area, including the following:

- Home furnishing stores: Approximately 7,500 SF of store space.
- Electronics stores: Approximately 7,000 SF of store space.
- Nursery/garden center: Approximately 3,000 SF of indoor store space, in addition to the likely need for additional space outdoors to accommodate plants.
- Specialty/fresh food store: Approximately 2,000 SF of store space.
- Optical store: A store of approximately 1,600 SF.
- Health and personal care store: A store of approximately 2,600 SF.
- Family clothing stores: Approximately 15,000 SF of store space.
- Jewelry store: A store of approximately 3,000 SF.
- Hobby/toy/game store: A store of approximately 1,600 SF.
- Gift store: A store of approximately 2,000 SF.
- Used merchandise store: Approximately 6,000 SF of store space.
- Pet/pet supply store: A store of approximately 1,200 SF.

Together, these retail opportunities could **total approximately 52,000 SF in store space** for the Haddon Avenue corridor. Based on the nature of these opportunities and the retail space available along the Haddon Avenue corridor, three geographic areas of focus are suggested for new retail: the key node at the intersection of Haddon and Kaighn Avenues, the closed Camden Corps Community Center, and scattered locations of vacant storefronts providing the potential for infill retail throughout the corridor.

Office Market

Area commercial brokers report that the Haddon Avenue corridor is not a robust office market and demand for office space is limited while turnover is low. However, new office/commercial development will be occurring along the corridor totaling up to 40,000 SF, which is a significant amount to enter the market at once. While at least some of the space will be dedicated to medical-related users related to the hospitals, it is unclear if the building closer to Lourdes has dedicated tenants. As a result of these market conditions and uncertainties, it is recommended that the Haddon Avenue office market be monitored to understand the absorption characteristics of the pending office space as well as the rents it commands before any new office space is developed. **Therefore, speculative office space is not a recommended use for the corridor in the near-term.**