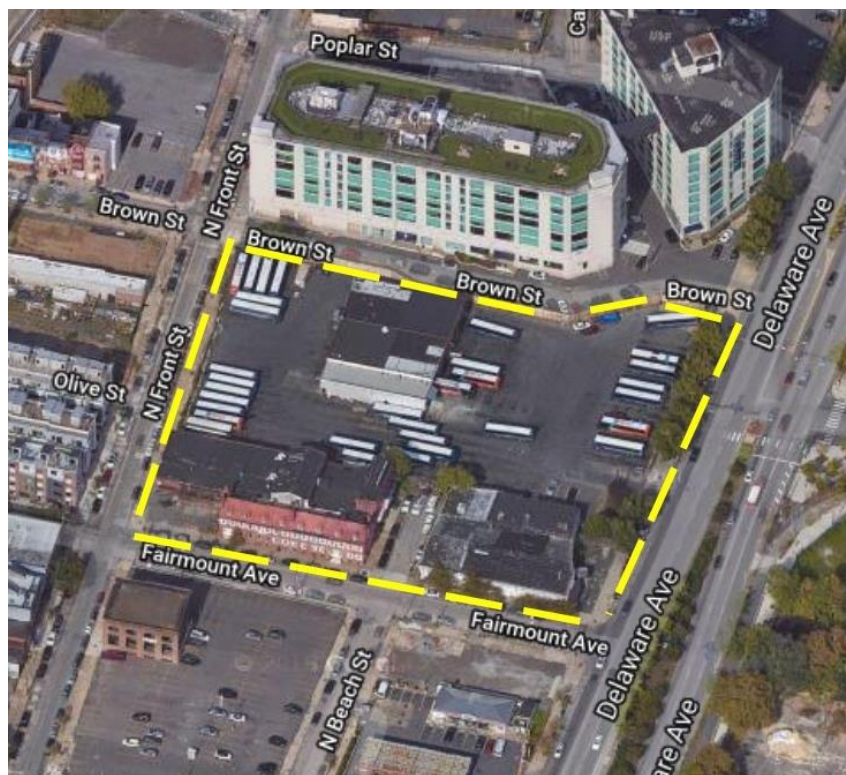


MULTI-FAMILY DEVELOPMENT SITE NORTHERN LIBERTIES

3± Acre Development Site
692 Apartment Units
400 Parking Spaces



700-03 N. DELAWARE AVENUE, 701-05 N. FRONT STREET, 711-35 N. FRONT STREET & 81-95 FAIRMOUNT AVENUE | PHILADELPHIA



MULTI-FAMILY DEVELOPMENT SITE

700-735 N. Delaware Avenue
81-95 Fairmount Avenue
701-705 & 711-13 N. Front Street
Philadelphia, Pennsylvania

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March 8, 2019

The following disclaimer applies to the this Offering Memorandum (“Memorandum”) and you are, therefore, advised to read this Disclaimer carefully before reading, accessing or making any other use of the Offering Memorandum or other information supplied in connection with the Property. The Memorandum shall not constitute an offer to sell the Property. A sale of the Property shall only take place upon the execution of an Agreement of Sale that has been signed by Buyer and Seller and all conditions and contingencies contained in the Agreement of Sale have been satisfied prior to settlement.

Your receipt of this Memorandum constitutes your acknowledgment that (i) it is a confidential Memorandum solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of the Property, (ii) you will hold it in the strictest confidence, (iii) you will not disclose it or its contents to any third party without the prior written authorization of the owner of the Property (“Owner”) or Rittenhouse Realty Advisors, and (iv) you will not use any part of this Memorandum in any manner detrimental to the Owner or Rittenhouse Realty Advisors.

This Memorandum contains select information pertaining to the Property and the Owner and does not purport to be all-inclusive or contain all or part of the information which prospective investors may require to evaluate a purchase of the Property. The information contained in this Memorandum has been obtained from sources believed to be reliable, but has not been verified for accuracy, completeness, or fitness for any particular purpose. All information is presented without representation or warranty of any kind. Such information includes estimates based on forward-looking assumptions relating to the general economy, market conditions, competition and other factors which are subject to uncertainty and may not represent the current or future performance of the Property. All references to acreages, square footages, and other measurements are approximations. This Memorandum describes certain documents, including leases and other materials, in summary form as well as photographs or drawings of the property or the space therein. These summaries, drawings and/or images may not be complete nor accurate descriptions of agreements referenced, the physical condition of the property, etc. Owner and its employees disclaim any responsibility for inaccuracies and expect prospective purchasers to exercise independent due diligence in verifying all such information. Further, Rittenhouse Realty Advisors, Owner and its employees disclaim any and all liability for representations and warranties, expressed and implied, contained in, or for omissions from, the Offering Memorandum or any other written or oral communication transmitted or made available to the recipient. The Offering Memorandum does not constitute a representation that there has been no change in the business or affairs of the property or Owner since the date of preparation of the Offering Memorandum. Analysis and verification of the information contained in the Offering Memorandum is solely the responsibility of the prospective purchaser. Additional information and an opportunity to inspect the Property may be made available to qualified prospective purchasers. You are advised to independently verify the accuracy and completeness of all summaries, information, photographs/images/drawings contained herein, to consult with independent legal and financial advisors, and carefully investigate the economics of this transaction and Property’s suitability for your needs. Any reliance on the content of this memorandum is solely at your own risk.

The Owner expressly reserves the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property, and/or to terminate discussions at any time with or without notice to you. All offer s, counteroffers, and negotiations shall be non-binding and neither Rittenhouse Realty Advisors or Owner shall have any legal commitment or obligation except as set forth in a fully executed, definitive purchase and sale agreement delivered by the Owner.

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EXECUTIVE SUMMARY

Investment Highlights

- **CMX-3 Zoning in Place:** Ability to Build 692 Apartment Units and 400 Parking Spaces
- **Development Opportunity:** 3± Acre Site with Frontage on Four Streets
- **Significant Barriers to Entry:** Few Remaining Sites of this Density for Development
- **Real Estate Tax Abatement:** 10-Year Tax Abatement Available

Terms of Sale

Offered free and clear of debt.

All cash at closing.

Pricing

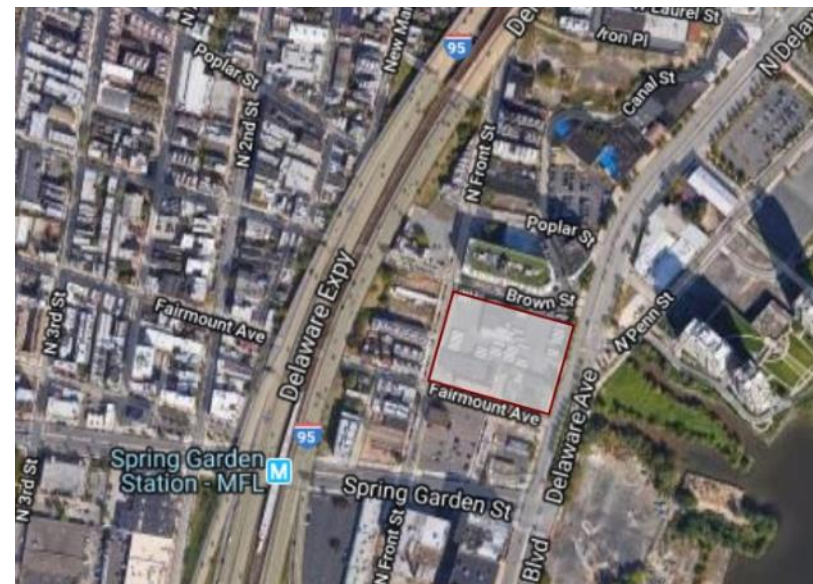
Offering Price	Lot Size		Proposed Development				
	Acres	Sq. Ft.	Total Buildings	Total Bldg. Size	Rentable Sq. Ft.	Total Units	Parking Spaces
Subject to Offer	2.97±	132,026±	6	648,750± SF	519,000	692	400

Investment Overview

Rittenhouse Realty Advisors extends to qualified investors the opportunity to acquire the fee simple interest in this **Multi-Family Development Site at 700 North Delaware**, an exciting opportunity in the Northern Liberties section of Philadelphia, one of the most vibrant and trendy areas in the City. This opportunity includes approximately 3± acres of ground and zoning in place to build 692 apartments with 400 parking spaces. The property is **Zoned CMX-3** (Community Commercial Mixed-Use). The site has **waterfront views of the Delaware River** along with a sound barrier from Interstate-95, and is just a few blocks from Frankford and Girard Avenues - which is the Gateway to Northern Liberties, Fishtown and East Kensington. The demand for high-quality rental apartments along Delaware Avenue and in Old City/Northern Liberties/Fishtown/East Kensington is extremely strong. **Occupancy in this sub-market is robust** and typically in the 95% to 100% range.

The Northern Liberties/Fishtown area has grown from a blue-collar neighborhood to the hipster hub of Philadelphia. As *VisitPhilly* explains, “has emerged as Philly’s truest harbor of artistic, culinary and musical action.” This development opportunity can be a pinnacle project in Northern Liberties with Delaware River views and easy access to everything the burgeoning Girard Avenue/Frankford Avenue corridors have to offer. It is within easy walking distance to a subway station stop, Penn Treaty Park, and The Fillmore entertainment complex. *Vogue Magazine* recently published an article entitled “**The Best Places to Eat and Drink in Philadelphia Are All in This One Neighborhood**” praising Northern Liberties/Fishtown’s resurgence as the City’s hottest culinary neighborhood. Residents enjoy unparalleled access to the best of Philadelphia’s nightlife including Frankford Hall, Fette Sau, LaColombe’s flagship location, Johnny Brenda’s, Garage, and the award-winning Wm. Mulherin’s Sons (named a top 50 restaurant in the US by *Bon Appétit*).

Significant **zoning barriers-to-entry** are a hallmark of the Philadelphia MSA. The Multi-Family Development Site at 700 North Delaware offers a unique, pre-zoned opportunity to build market-rate apartments in the thriving waterfront Northern Liberties section of Philadelphia.



FINANCIAL ANALYSIS: STABILIZED PRO FORMA

700 N. Delaware Avenue; Philadelphia

692 Apartment Units
400 Parking Spaces
519,000 Rentable SF
648,750 Total SF

Unit Mix with Rent Analysis

Unit Type	Count	Percent	Average Unit SF	Total Unit SF	Proposed Rent	Rent PSF	Total Monthly Rent
1 BR 1 BA	346	50%	650	224,900	\$2,100	\$3.23	\$726,600
2 BR 2 BA	346	50%	850	294,100	\$2,800	\$3.29	\$968,800
Total/Avg.	692	100%	750	519,000	\$2,450	\$3.27	\$1,695,400

	2020 Pro Forma	Pro Forma Assumptions & Comments
INCOME		
Apartment Income (692 Apartment Units)		
Total Rent	\$20,344,800	Total Proposed Rent per Above Rent Schedule (\$1,695,400 x 12 Months)
Less: Vacancy	(1,017,240)	5% Estimate
Net Rent	\$19,327,560	
Other Income		
Parking	\$840,000	400 Parking Spaces @ \$175/Month (400 x \$175 x 12 Months)
Water/Sewer Reimbursement	242,200	100% of Water/Sewer Expense Estimate
Misc. Income	69,200	\$100 per Apartment Unit Estimate
Total Other Income	\$1,151,400	
TOTAL INCOME	\$20,478,960	
EXPENSES		
Fixed Expenses		
Real Estate Taxes (2019 Assessed Value)	\$109,746	2019 Taxable Assessed Value x 2019 Millage Rate (\$7,840,100 x .013998)
Electric	103,800	\$150 per Apartment Unit Estimate
Water/Sewer	242,200	\$350 per Apartment Unit Estimate
Insurance	242,200	\$350 per Apartment Unit Estimate
Trash	86,500	\$125 per Apartment Unit Estimate
Elevator	72,000	\$12,000 per Elevator Estimate (6 Elevator Estimate)
24 Hour Doorman	131,400	\$15/Hour Estimate (\$15 x 24 Hours x 365 Days)
Life Safety	34,600	\$50 per Apartment Unit Estimate
Business Income & Receipts Tax	28,978	.1415% x Total Income per City of Philadelphia
Licenses & Permits	38,060	\$55 per Unit per City of Philadelphia
Total Fixed Expenses	\$1,089,483	\$1,574 per Apartment Unit
Variable Expenses		
Management Fee	\$102,395	0.5% Estimate
Payroll	1,038,000	\$1,500 per Apartment Unit Estimate
Repairs, Maintenance & Turnover	346,000	\$500 per Apartment Unit Estimate
Landscaping & Snow Removal	34,600	\$50 per Apartment Unit Estimate
Advertising & Marketing	173,000	\$250 per Apartment Unit Estimate
General & Admin	173,000	\$250 per Apartment Unit Estimate
Total Variable Expenses	\$1,866,995	\$2,698 per Apartment Unit
TOTAL EXPENSES	\$2,956,478	\$4,272 per Apartment Unit
NET OPERATING INCOME	\$17,522,482	
Capital Reserves	(\$173,000)	\$250 per Apartment Unit Estimate
NET OPERATING INCOME LESS RESERVES	\$17,349,482	

COMPETITIVE RENTAL MARKET SURVEY

Property / Address	Total Units	Year Built	One Bedroom				Two Bedroom				Occupancy Rate	Community Amenities			Unit Amenities	Utilities - Paid by			
			Proposed Rent	BA	Unit SF	Rent PSF	Proposed Rent	BA	Unit SF	Rent PSF		Parking	Fitness Center	Pool		Electric	Heat	Hot Water	C/W & Sewer
700 N Delaware Avenue Philadelphia, PA	692	N/A	\$2,100	1	650	\$3.23	\$2,800	2	850	\$3.29	N/A	400 Proposed	N/A	N/A	N/A	Tenant	Tenant	Tenant	Tenant

Competitive Rental Properties - Fishtown, Northern Liberties & Old City Neighborhoods

Property / Address	Total Units	Year Built	One Bedroom				Two Bedroom				Occupancy Rate	Community Amenities			Unit Amenities	Utilities - Paid by			
			Proposed Rent	BA	Unit SF	Rent PSF	Proposed Rent	BA	Unit SF	Rent PSF		Parking	Fitness Center	Pool		Electric	Heat	Hot Water	C/W & Sewer
The National 121 N. 2nd Street Philadelphia, PA	192	2018	\$2,125-\$2,725	1	559-979	\$3.80-\$2.78	\$2,985-\$3,405	2	954-1,043	\$3.13-\$3.26	Lease - Up	\$300/Month Attached Garage	Yes	No	Yes	Tenant	Tenant	Tenant	Tenant
Bridge on Race 205 Race Street Philadelphia, PA	146	2017	\$1,845-\$3,055	1	525-727	\$3.51-\$4.20	\$2,527-\$3,688	2	864-1,056	\$2.92-\$3.49	90%	\$350/Month	Yes	No	Yes	Tenant	Tenant	Tenant	Tenant
Penn Treaty Village 1 N. Brown Street Philadelphia, PA	256	2012	\$1,747-\$2,367	1	742-957	\$2.35-\$2.47	\$2,302-\$2,847	2	1,260-1,440	\$1.83-\$1.98	97%	Included	Yes	Yes	Yes	Tenant	Tenant	Tenant	Owner
The Piazza 1001 N. 2nd Street Philadelphia, PA	316	2007	\$1,525-\$2,175	1	622-904	\$2.45-\$2.41	\$2,145-\$2,370	2	942-1,460	\$2.28-\$1.62	91%	\$225/Month Garage \$195/Month Uncovered	Yes	No	Yes	Tenant	Tenant	Tenant	Tenant
One Water Street 250 N. Columbus Blvd. Philadelphia, PA	250	2016	\$1,780-\$2,332	1	680-900	\$2.62-\$2.59	\$1,983-\$3,979	2	946-1,448	\$2.10-\$2.75	92%	\$200/Month Across Street \$300/Month Covered	Yes	No	Yes	Tenant	Tenant	Tenant	Tenant

COMPETITIVE RENTAL MARKET SURVEY



FINANCIAL OVERVIEW

Financial Summary

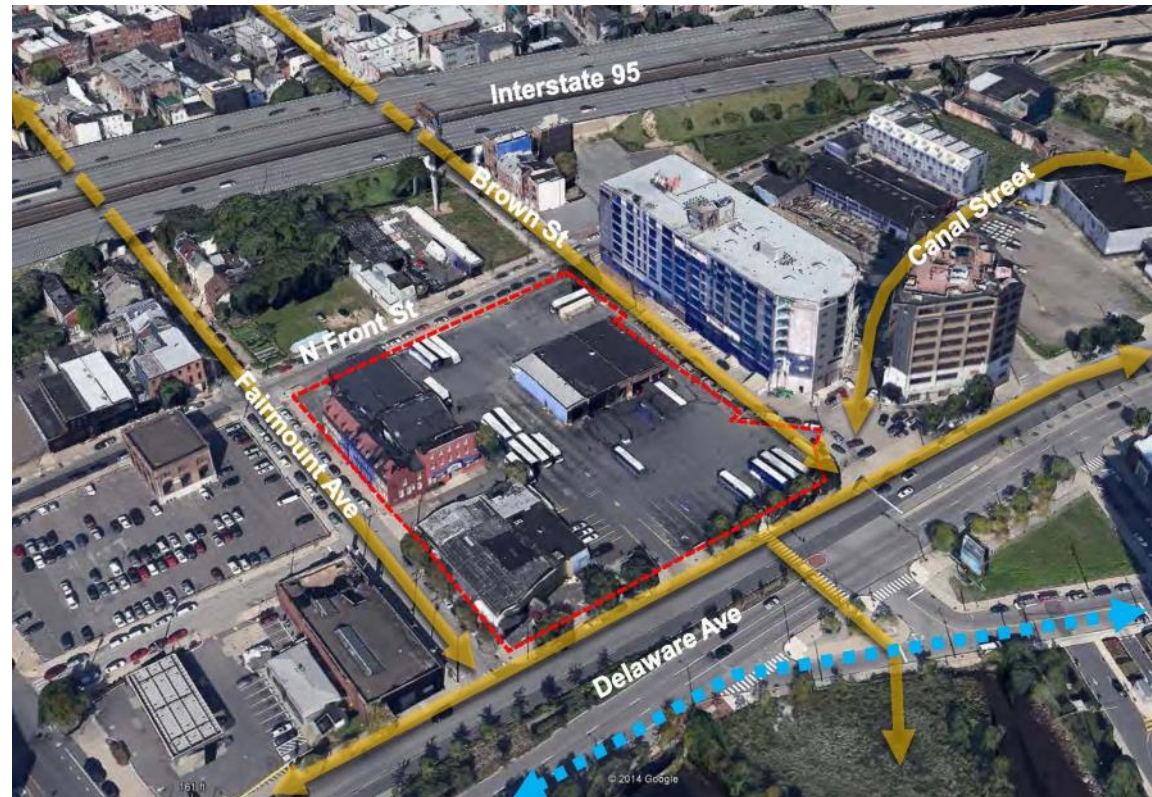
Offering Price	Subject to Offer
Lot Size	132,026± SF
Proposed Development	
Total Buildings	6
Gross Building Area	648,750± SF
Rentable Area	519,000± SF
Total Units	692
Parking Spaces	400

Financing

For current financing options available on the Multi-Family Development Site at 700 N. Delaware through the debt platform offered by Rittenhouse Capital Advisors, please contact:



George D. Johnson, Jr.
george@rittenhousecapital.com
 (O) 215.989.4443
 (M) 267.218.4411

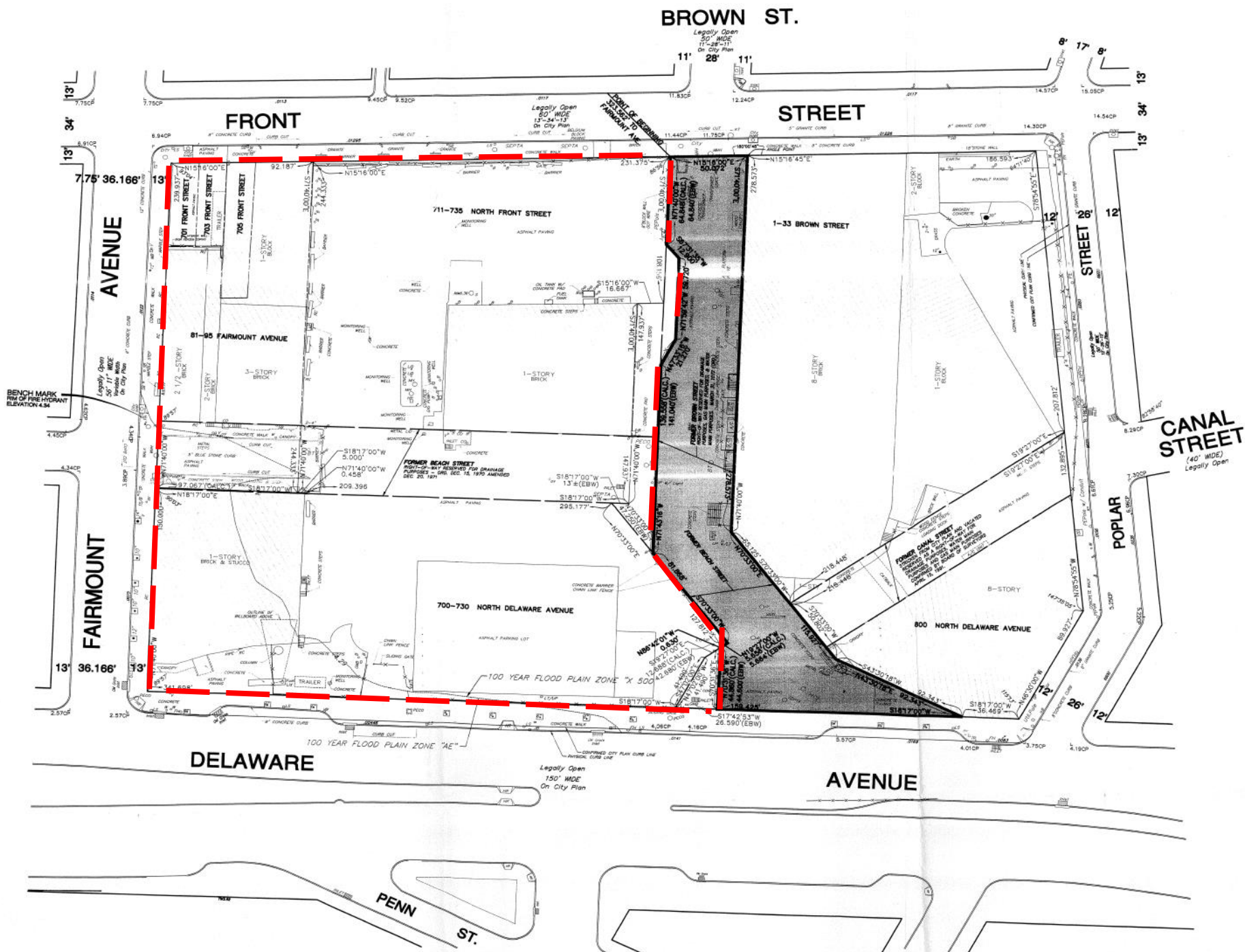


PROPERTY DETAILS

Address	Parcel No.	Lot Size		Width / Depth	Zoning
		Acres	SF		
700-730 N. Delaware Avenue	88-2020490	1.19	52,000	342 x 150	CMX-3
711-735 N. Front Street	88-4019041	1.36	59,127	235 x 250	CMX-3
81-95 Fairmount Avenue	88-2966200	0.32	16,862	128 x 35	CMX-3
705 N. Front Street	88-4448925	0.04	1,792	18 x 100	CMX-3
703 N. Front Street	88-5992560	0.03	1,097	18 x 62	CMX-3
701 N. Front Street	88-5992360	0.03	1,148	19 x 62	CMX-3
6 Parcels		2.97±	132,026±		



Not drawn to scale. For reference purposes only.



PROPERTY DETAILS

Zoning District:

CMX-3

Description:

Community Commercial and Residential Mixed Use

Uses Permitted as of Right:

Household Living; Group Living; Personal Care Home; Single-Room Residence; Passive Recreation; Active Recreation; Family Day Care; Group Day Care; Day Care Center; Educational Facilities; Fraternal Organization; Hospital; Libraries and Cultural Exhibits; Religious Assembly; Safety Services; Transit Station; Utilities and Services, Basic; Wireless Service Facility; Wireless Freestanding Tower; Building or Tower-Mounted Antenna; Business and Professional Office; Medical, Dental, Health Sole or Group Practitioner; Government Office; Building Supplies and Equipment; Consumer Goods (except Drug Paraphernalia and Guns); Food, Beverage, and Groceries; Pets and Pet Supplies; Sundries, Pharmaceuticals, and Convenience Sales; Wearing Apparel and Accessories; Animal Services; Assembly and Entertainment (except Amusement Arcade, Casino, and Pool or Billiards Room); Nightclubs and Private Clubs; Building Services; Business Support; Eating and Drinking Establishment; Financial Services (except Personal Credit Establishments); Funeral and Mortuary Services; Maintenance and Repair of Consumer Goods; On-Premise Dry Cleaning; Marina; Structured Parking; Personal Services (except Body Art Services); Radio, Television, and Recording Services; Visitor Accommodations; Commissaries and Catering Services; Personal Vehicle Repair Sales and Rental; Personal Vehicle Repair and Maintenance; Gasoline Station; Vehicle Equipment and Supplies Sales and Rental; Moving and Storage Facilities; Artist Studios and Artisan Industrial; Research and Development; Community Garden; Market or Community-Supported Farm

Uses Requiring Special Exception Approval:

Surface Parking

TYPICAL PLAN/BUILDING FORM	TYPICAL BUILDING	DIMENSIONAL STANDARDS	
		Maximum Occupied Area	Intermediate: 75% Corner: 80%
		Minimum Front Yard Depth	N/A
		Minimum Side Yard Width	8 Feet if Used for Building with Dwelling Units
		Minimum Rear Yard Depth	N/A
		Maximum FAR	500%; Up to an Additional 300% with Bonuses



The Greater Philadelphia region is an area rich in history and prosperity. As the sixth largest metropolitan center in the United States, the region offers an extensive array of cultural, educational, historical and recreational facilities. From Philadelphia's position in the center of the eastern megalopolis to its diverse economy, the Greater Philadelphia region is poised for continued growth and prosperity.

NORTHERN LIBERTIES



In recent years, Northern Liberties (“NoLibs”) has become a major enclave of young professionals, students, artists, and design professionals. Large improvement and revitalization projects have also been undertaken recently, causing a large jump in property values. The neighborhood's proximity to Center City has made it one of the city's most desirable development districts, both for commercial and residential real estate. Like most Philadelphia neighborhoods, the housing stock is primarily made up of rowhomes and townhomes, although new development in recent times has brought apartment and condominium complexes. Already a hotbed of environmentally friendly construction, NoLibs’ value was further boosted by the additions of Liberties Walk and The Piazza mixed-use complexes that reimagined overlooked industrial bones. Long established as a force, NoLibs has become an economic and cultural influence on the neighborhoods around it.

NoLibs is easily one of Philly’s best neighborhoods for eating given its walkable layout, top-notch bars, and some of the city’s most popular bruncheries and restaurants. In addition, craft beer lovers have always been fond of NoLibs’ bar scene, but more and more options are popping up for cocktail connoisseurs too. Popular venues in NoLibs include: Yards Brewing Company; Silk City; Standard Tap; N. 3rd Restaurant and Bar; Green Eggs Café; The Foodery; The Blind Pig; and Garage. The NoLibs neighborhood features an array of attractions from North Bowl, The Piazza and Liberties Walk to the Edgar Allan Poe National Historic Site and 2nd Street Festival.

Northern Liberties has always been home to a left-of-center retail lineup, a personality that has persisted throughout its evolution from up-and-comer to Philly frontrunner. The neighborhood’s artistic daredevilry, meanwhile, has been bolstered by exciting real estate opportunities for gallery owners. In addition to the Acme (former Super Fresh) supermarket that opened in August 2011 on 2nd Street between Girard and Germantown Avenues, Palm Tree Market offers an upscale quick stop for groceries and other goods along with Torch-Wood Market.

Northern Liberties’ green identity is relatively new, with intrepid neighborhood groups increasing plantings every day. Northern Liberties contains two privately owned but public parks, both established and owned by non-profits run by the neighbors. Arianna Hill Park is known as an off-leash area for dogs; the other, Liberty Lands, is a two-acre park and playground.

It is easy to get around NoLibs by foot or bike due to its convenient location around many convenience stores, shops and restaurants. Frankford Avenue is a bike-friendly road and Delaware Avenue to the east offers dedicated bike lanes. To get around the rest of the city, the most popular option is SEPTA’s Market-Frankford subway line. The line runs from Frankford in the northeast and cuts down and across the center of Philadelphia all the way to 69th street in West Philadelphia. Trolleys also stop in Northern Liberties and bring riders along Girard Avenue. Interstate-95 highway has an exit right onto Girard Avenue for easy commuting to suburbs in the northeast or down to Center City and South Philadelphia. It is roughly a 15-minute commute to Center City (City Hall area), 25 minutes to University City, and 10 minutes to Temple University via car or public transit.

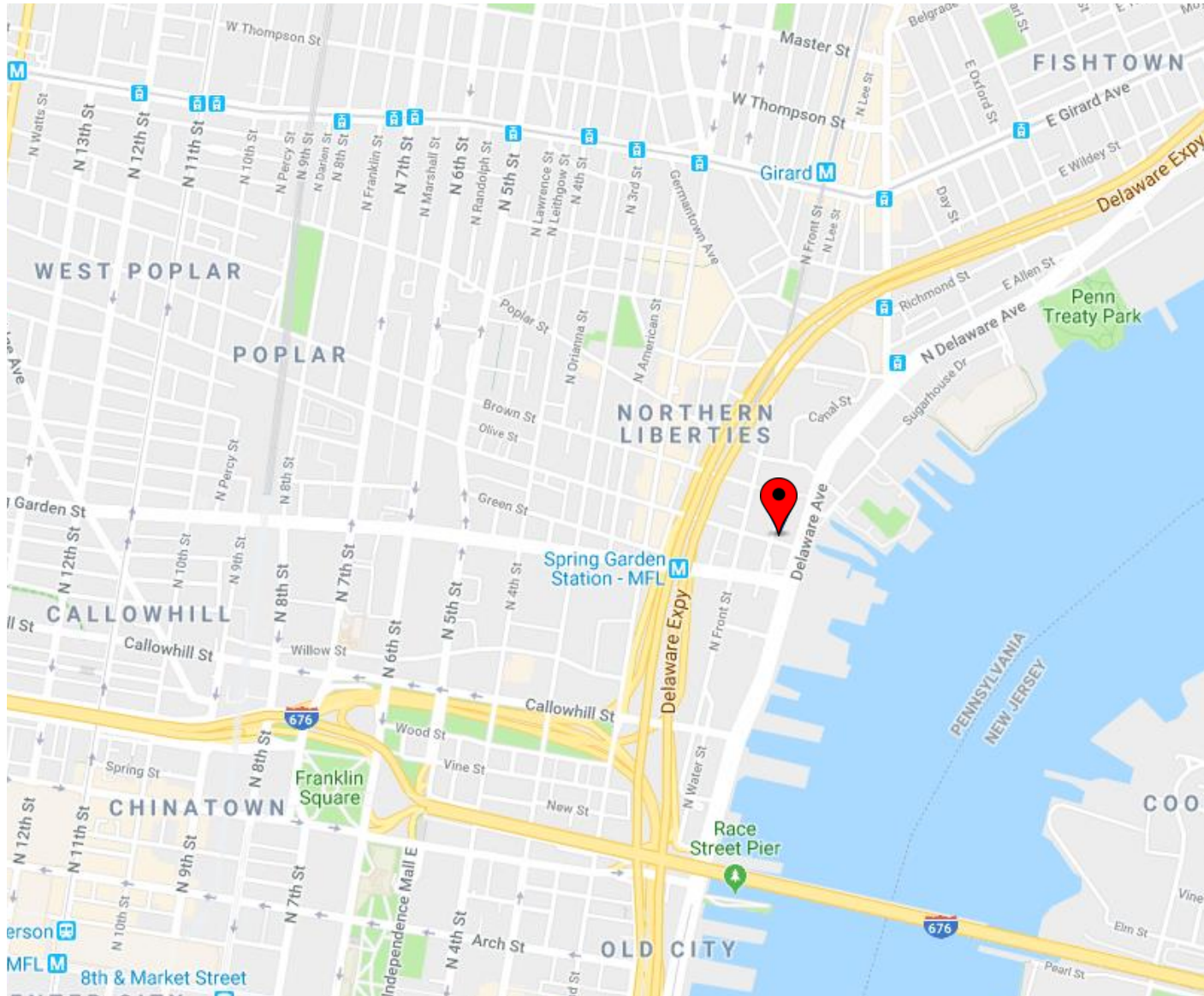
IN THE NEWS

SoNo is the redevelopment of a 220,000± old warehouse at the corner of North 5th Street and Spring Garden Street. With the opening of **Target**, the building is fully occupied with **Yards Brewery** and Philadelphia Department of Records and Archives. Initially, the building was intended to be creative office space, but was rezoned for mixed-use to have flexibility with the tenants.



BizPhilly

Philadelphia
MAGAZINE



Northern Liberties - 19123 ZIP

Population	15,167±
Median Home Value	\$327,200 National \$184,700
Median Rent	\$1,259 National \$949
Median Household Income	\$60,400 National \$55,322
Rent vs. Own	69% / 31%
Most Diverse ZIP Codes In Pennsylvania	#7 of 271
Best ZIP Codes to Live In Philadelphia	#115 of 268
Most Diverse ZIP Codes In Pennsylvania	#6 of 902
Best ZIP Codes to Live In Pennsylvania	#206 of 899

PROPOSED NEW DEVELOPMENT: TRANSFORMING PHILADELPHIA'S WATERFRONT

Plans are in the works to transform Philadelphia's central Delaware River waterfront into an authentic extension of the thriving city and vibrant neighborhoods immediately to its west. Unlike the Upper Schuylkill, which is rooted in a history of pastoral retreats and a natural preserve for the protection of the city's water supply, the Delaware River has historically been the front door of the city, a center of activity, industry, and commerce. Bounded at both the north and south ends by active port facilities, the Master Plan for the Central Delaware creates a region-serving network of parks, trails, and attractions, while also reconnecting the city's residents and visitors with the waterfront.

The Master Plan covers the waterfront area from Interstate-95 to the river, from Allegheny Avenue in the north to Oregon Avenue in the south. The project area encompasses almost six linear miles of waterfront and over 1,100 acres of property, approximately 150 acres of which are underwater.

More information available from Delaware River Waterfront Corporation's [Roadmap for Development Along the Delaware Waterfront](#)



PROPOSED NEW DEVELOPMENT: TRANSFORMING PHILADELPHIA'S WATERFRONT

Priority Sites

Phasing is a critical component of the development plan for the waterfront. The master plan proposes that development should begin at three key sites or nodes, called “**Priority Sites**,” with the idea that public sector investments should be targeted at these sites first in order to spur development in the short- to mid-term in concentrated locations. Over the long-term, development can then fill in the spaces between the priority sites. The three Priority Sites are: **Spring Garden** (Benjamin Franklin Bridge to Frankford Avenue), **Penn's Landing** (South Street to Market Street) and **Washington Avenue** (Tasker Avenue to Piers 38 and 40).



- **Festival Pier Site Redevelopment**

Proposed for redevelopment into a compact, mixed-use, residential community surrounded on three sides by the Delaware River. The buildings will be organized around a new park and public plaza that is activated at the street level by restaurants, retail activities, public events, and a linear water feature connecting the existing inlet through the plaza to the Spring Garden view corridor.



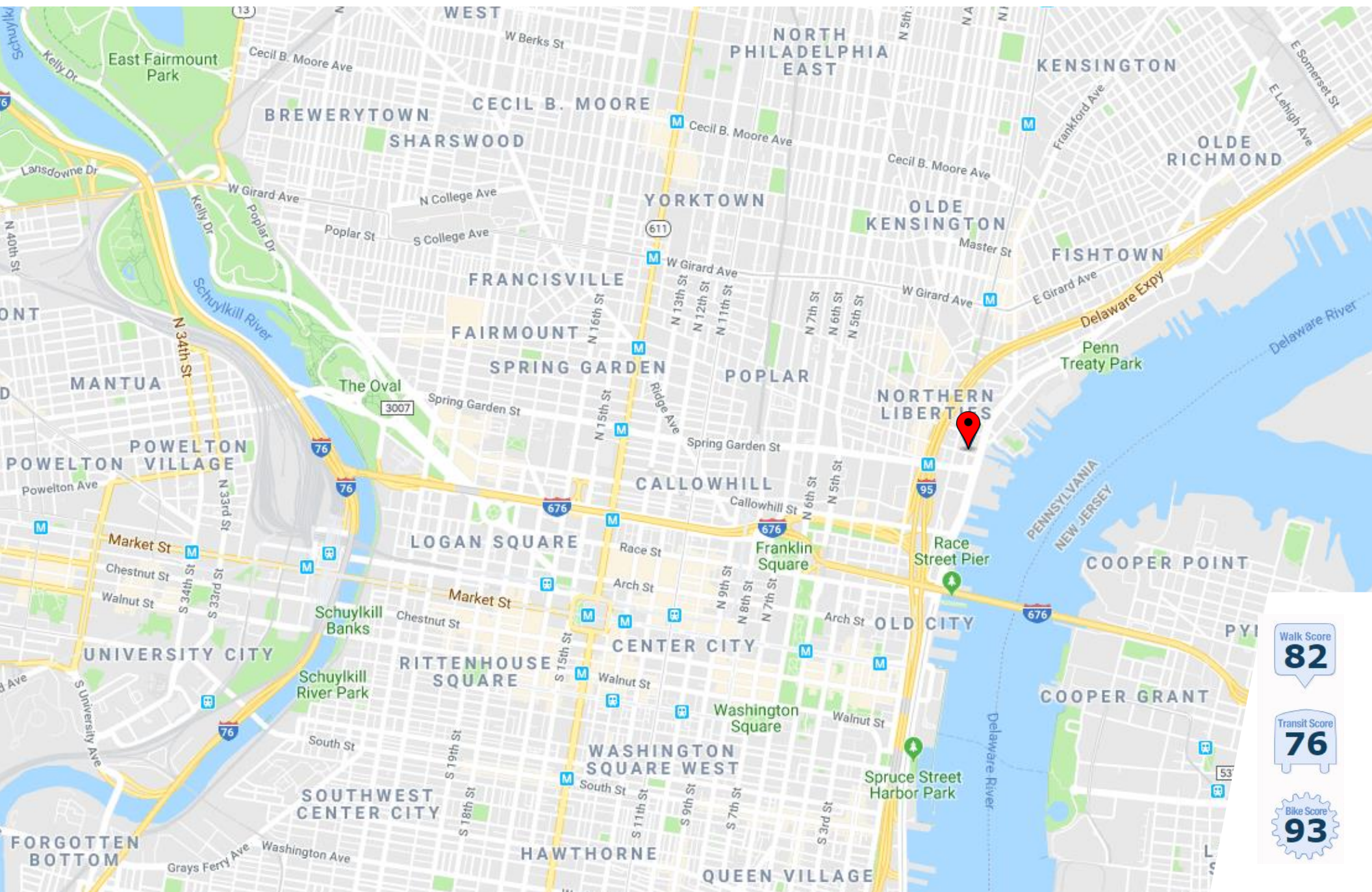
- **Mixed-Use Development in the Penn Treaty District**

The adaptive reuse of the historic Delaware Generating Station next to Penn Treaty Park, which would be acquired from PECO at the end of its remaining life and redeveloped into a vibrant mix of cultural, museum, archival, office, studio, gallery, retail, and entertainment uses.



- **Penn's Landing Park**

The new park at Penn's Landing will accommodate a multitude of quality programming, including large regional events like fireworks, ice-skating, and festivals as well as smaller events like acoustic performances and movie nights.



Walk Score
82

Transit Score
76

Bike Score
93

THE GREATER PHILADELPHIA REGION

The strength and desirability of Greater Philadelphia is characterized by its **economic diversity** and **population density**. Its location, **high concentration of educational, medical and government facilities**, and a **strong transportation network** underscore these strengths. Philadelphia boasts strong economic fundamentals. According to the US Bureau of Economic Analysis, the Gross Metropolitan Product for the Philadelphia Region is the eighth largest in the U.S. (\$405 billion). The nation's sixth largest metropolitan area and fifth largest city, Greater Philadelphia is situated in the **heart of the Northeast Corridor** and is the keystone of major north-south, east-west highway and rail networks. MSA Population is estimated to be approximately 6.4 million as of the fourth quarter 2015. The City of Philadelphia is the largest city in the Commonwealth of Pennsylvania and the second largest city on the East Coast. As of 2010-2014, the total Philadelphia population was at 1,546,920, which had grown 2% since 2000. The **median household income** within Philadelphia was at \$37,460 and had **grown by 22%** since 2000. Further, the **median house value** was at \$143,200 and had **grown by 140%** since 2000. The house value growth rate is much higher than the state average rate of 70% and is much higher than the national average rate of 47%.

The **Greater Philadelphia** market area spans nineteen counties in Southeastern Pennsylvania, Southern New Jersey and Northern Delaware. Within the Delaware Valley, the Pennsylvania metropolitan division consists of five counties in Pennsylvania and has a population of 4,008,994. The city is the seat of its own county. The adjacent counties are Montgomery to the north; Bucks to the northeast; Burlington County, New Jersey, to the east; Camden County, New Jersey, to the southeast; Gloucester County, New Jersey, to the south; and Delaware County to the west. Located at the confluence of the Delaware and Schuylkill Rivers, Philadelphia is the only consolidated city-county in Pennsylvania. Its neighborhoods are divided into large sections - North, Northeast, Northwest, West, South and Southwest Philadelphia - all of which surround Center City. Each of these large areas contains numerous neighborhoods, some of whose boundaries derive from the boroughs, townships, and other communities that made up Philadelphia County before their absorption into the city. For much of Philadelphia's history, the typical home has been the row house. A variety of row houses are found throughout the city, from Victorian-style homes in North Philadelphia to twin row houses in West Philadelphia.



POPULATION
6.4 million

5th of Top
US Cities

**GROSS METRO
PRODUCT**
\$405 billion

7th of Top
US Cities

EMPLOYMENT
3 million

5th of Top
US Cities

**PERSONAL
INCOME**
\$337 billion

5th of Top
US Cities

PHILADELPHIA REGION AS THE ECONOMIC CENTER



 The Children's Hospital
of Philadelphia®



As the **center of economic activity in Pennsylvania**, the Philadelphia area had a total gross metropolitan product of \$405 billion in 2010, the 7th largest metropolitan economy in the United States (Bureau of Economic Analysis). With a gross domestic product of \$388 billion, Philadelphia ranks 9th among world cities and 4th in the nation. The city is also the nation's 4th largest consumer media market, as ranked by the Nielsen Media Research. Greater Philadelphia has **one of the most diverse economies in the nation**, and is known for its welcoming business community with strong international connections. The region has a total land area of 4,507 square miles covering 11 counties in three states. In addition to its prime location in the center of the country's wealthiest population in the Northeast, Greater Philadelphia is also conveniently positioned just a short train ride away from the financial markets in New York and the political and regulatory center in Washington, D.C.

Philadelphia's economic sectors include information technology, manufacturing, oil refining, food processing, health care and biotechnology, tourism and financial services. Today, Philadelphia has shifted to an information technology and service-based economy with financial activities accounting for the largest sector of the metro economy. With 2.7 million payroll jobs, the Philadelphia Metro area already ranks as the **8th largest job market in the nation**. Center City, for instance, is home to the largest cluster of high-paying jobs in the region (293,700 jobs representing more than 43% of all jobs in Philadelphia), with 40% requiring a bachelor's or postgraduate degree. More specifically, Philadelphia's **fast-growing biomedical and pharmaceutical industries** have brought 14 major pharmaceutical firms and nearly 100 biotech firms to the area, Charley notes. Eight of the world's largest pharmaceutical companies are within a 50-mile radius of Philadelphia, including AstraZeneca, Bristol-Myers Squibb, GlaxoSmithKline, Janssen Biotech, Merck, and Novo Nordisk.

The city is home to the **Philadelphia Stock Exchange** and several **Fortune 500 companies**, including cable television and internet provider Comcast, insurance companies Colonial Penn, CIGNA and Lincoln Financial Group, energy company Sunoco, food services company Aramark and Crown Holdings Incorporated, chemical makers Rohm and Haas Company and FMC Corporation, pharmaceutical companies Wyeth and GlaxoSmithKline, Boeing Rotorcraft Systems, and automotive parts retailer Pep Boys. Further, the region is home to the headquarters of more than 150 national and international companies. Long-established corporations, including E.I. du Pont de Nemours and Company, Dow Chemical, Campbell Soup, NRG Energy, Unisys, SunGard Data Systems, SAP, IKON Office Solutions, Verizon, ACE USA, Shire Pharmaceuticals, Merck and Aetna/US Healthcare, Inc. have made a significant contribution to the broad economic base that provide a flourishing regional economy and positive business climate.

The **federal government** has several facilities in Philadelphia. The East Coast operations of the United States Mint are based near the historic district, and the Federal Reserve Bank's Philadelphia division is based there as well. Philadelphia is also home to the U.S. District Court for the Eastern District of Pennsylvania and the U.S. Court of Appeals for the Third Circuit. Further, the City is home to the law schools of the University of Pennsylvania, Drexel University, Temple University, Rutgers University (Camden), Villanova University, and Widener University. The headquarters of the American Law Institute is located in the city as well as the Third Circuit Court of Appeals. Ten of the 100 largest law firms in the US have their headquarters or largest office in Philadelphia.

“EDS AND MEDS” LEAD THE WAY

Healthcare and educational institutions are the main drivers of the Philadelphia economy, providing 243,000 citywide jobs (36.5% of all employment). In University City, “eds and meds” account for 81.3% of wage and salary jobs. In Greater Center City, where the office sector accounts for 31% of jobs, these institutions provide 60,600 positions, accounting for 21% of all wage and salary jobs.

Greater Philadelphia has the second-highest concentration of colleges and universities on the East Coast, producing over 66,000 new graduates every year. Notable area schools include: Temple University, the University of Pennsylvania, Drexel University, Swarthmore College, Haverford College, Bryn Mawr College, Villanova University, St. Joseph’s University, LaSalle University, Princeton University, Rutgers University, Widener University, the University of Delaware and Philadelphia University. Many of these schools received top rankings in the U.S. News and World Report annual survey. Business Week recently ranked the University of Pennsylvania’s Wharton School of Business the number four business school in the country. Philadelphia also boasts six medical schools and 26 teaching hospitals.

Greater Philadelphia contains one of the **nation’s largest concentrations of health care resources in the nation** with 120 hospitals, 200 pharmaceutical and biotech firms and 135 medical manufacturers. In addition, the area is one of the largest health education and research centers in the United States. It is an important center for medicine, a distinction that it has held since the colonial period. The city is home to the first hospital in the British North American colonies, Pennsylvania Hospital, and the first medical school in what is now the United States, at the University of Pennsylvania (Penn). The city’s largest private employer, Penn, also runs a large teaching hospital and extensive medical system. There are also major hospitals affiliated with Temple University School of Medicine, Drexel University College of Medicine, Thomas Jefferson University Hospital, and Philadelphia College of Osteopathic Medicine. Philadelphia also has three distinguished children’s hospitals: the Children’s Hospital of Philadelphia, the nation’s first pediatric hospital (located adjacent to the Hospital of the University of Pennsylvania), St. Christopher’s Hospital, and the Shriners’ Hospital. In the city’s northern section are Albert Einstein Medical Center, and in the northeast section, Fox Chase Cancer Center. The city is also home to the nation’s first school of pharmacy, the Philadelphia College of Pharmacy, now called the University of the Sciences in Philadelphia.

Today, **health care is one of the largest sectors of employment in the city**. One in five doctors practicing in the nation were trained at a Philadelphia area school, and over 100,000 have chosen to practice in or around the region. Further, with Philadelphia’s importance as a medical research center, the region supports the pharmaceutical industry. GlaxoSmithKline, AstraZeneca, Wyeth, Merck, GE Healthcare, Johnson and Johnson and Siemens Medical Solutions are just some of the large pharmaceutical companies with operations in the region. Another positive trend for the future of Philadelphia is the emergence of the **biotech sector**. In fact, “early stage” biotech companies and researchers received a huge boost when Pennsylvania recently announced that it would allocate \$100 million from its tobacco settlement funds to create three biotechnology “greenhouses,” including one in Philadelphia, to nurture and promote biotech startup companies.



Philadelphia's **educational heritage** began with the founding of the University of Pennsylvania, a world renowned Ivy League school. Today, Greater Philadelphia area is home to 101 degree-granting institutions, and ranks as **one of the nation's leading centers for higher education** with a total of 91,844 degrees and certificates awarded annually. Further, more than 20 universities in the region sponsor technology and science incubators, allowing new science and IT businesses access to university talent and equipment. Technology transfer programs, incubators and science technology centers support the development and commercialization of new products and treatments, providing state-of-the-art lab and manufacturing facilities, access to capital and other support for entrepreneurs. This provides a steady pipeline of highly-educated people who enter the workforce or launch startup companies in the Greater Philadelphia region.



ARTS & CULTURE IN PHILADELPHIA

Philadelphia is the **cultural center of the Delaware Valley** and the home to many national historical sites that relate to the founding of the United States. Independence National Historical Park is the center of these historical landmarks. Independence Hall, where the Declaration of Independence was signed, and the Liberty Bell are the city's most famous attractions attracting over 3 million visitors. Other historic sites include homes for Edgar Allan Poe, Betsy Ross, and Thaddeus Kosciuszko, early government buildings like the First and Second Banks of the United States, Fort Mifflin, and the Gloria Dei (Old Swedes') Church. Philadelphia's major science museums include the Franklin Institute, which contains the Benjamin Franklin National Memorial; the Academy of Natural Sciences; and the University of Pennsylvania Museum of Archaeology and Anthropology. History museums include the National Constitution Center, the National Museum of American Jewish History, the African American Museum in Philadelphia, the Historical Society of Pennsylvania, and Eastern State Penitentiary. Since the 1700's, Philadelphia has been a **center of excellence in the visual and performing arts**. The Philadelphia Orchestra and the Philadelphia Museum of Art (third largest in the United States) are recognized as world-class institutions. The Impressionist collection at the Art Museum combined with the Barnes Foundation form the largest collection of impressionist art outside Europe.

Named the Country's First World Heritage City Putting it On Par with Jerusalem, Cairo, Paris, and Other Cities

After being granted the status of an Observer Member of the Organization of World Heritage Cities in 2013, Philadelphia has become the first World Heritage City in the United States in 2015, formally receiving the designation through a vote taken by the XIII World Congress of the Organization of World Heritage Cities in Arequipa, Peru. The designation, held by about 260 cities, comes as the result of a two-year campaign and reflects Philadelphia's evolution into an economic and educational hub and its resilience. Being a World Heritage City is expected to enhance the City's international stature, provide a new growth engine to drive tourism and commerce in the region and create more opportunities for cultural collaboration and exchanges.



An Economic Engine for Philadelphia

Philadelphia's arts and cultural sector is a vital regional asset that supports thousands of jobs, benefits business and helps grow our economy. When you tally up the spending by arts and cultural organizations and their audiences, and how those cultural dollars ripple through our economy, the impact is profound. Cultural organizations and audiences contribute \$1.4 billion in direct expenditures. These are the dollars spent by organizations to stage performances, produce exhibits, hire accountants, and pay bills and salaries. It is also spending by audiences at local restaurants, hotels and retail shops. As those dollars make their way through the economy, they trigger additional rounds of indirect spending that add up to another \$1.9 billion in economic impact. This economic activity generates tens of thousands of jobs and benefits workers and businesses in every industry and every community. Of the roughly 44,000 full-time equivalent jobs that are supported by the sector, 7,600 are at cultural organizations and more than 36,000 are in other industries. These are jobs that provide paychecks not just to cultural staffers, but also to independent artists, designers and musicians; marketers, accountants and consultants; construction workers and contractors; and chefs, bartenders and hotel managers. The jobs that are created by arts and culture return \$1.04 billion back to our communities as household income. Arts and culture are a revenue generator for both the Commonwealth and for local governments throughout the region. Cultural fueled economic activity generates \$95 million in state taxes and \$74 million for local municipalities.

Arts, Culture and Economic Prosperity in Greater Philadelphia

TRANSPORTATION & INFRASTRUCTURE



The Philadelphia region is two hours from New York and Washington D.C. by car, six hours to the West Coast, Europe, and Latin America by plane. Philadelphia links travelers through more Amtrak stations than any other and the region has substantially lower traffic congestion than other major cities. Philadelphia is at the heart of the **Northeast Corridor Rail System**. **Amtrak's 30th Street Station** is the third busiest in the system, with more than 3.7 million annual passengers. Hourly train service to New York City and Washington, D.C. is provided, with total station volume exceeding 550 trains per week. The Acela Express is a high-speed train that provides access between Washington, D.C. and Boston through Philadelphia's 30th Street Station. New York City is only a one hour train ride from 30th Street Station. Conrail provides rail freight service via an extended network through the region. Center City Philadelphia is accessible to all surrounding Pennsylvania counties by train via the Southeastern Pennsylvania Transportation Authority (SEPTA). With approximately 50 bus and rail lines, **SEPTA** is the fourth largest mass transit system in the nation and has one of the most comprehensive bus, subway and commuter rail systems in the United States. The **PATCO** high-speed line and New Jersey Transit link the New Jersey suburbs with Center City Philadelphia and the Pennsylvania suburbs.

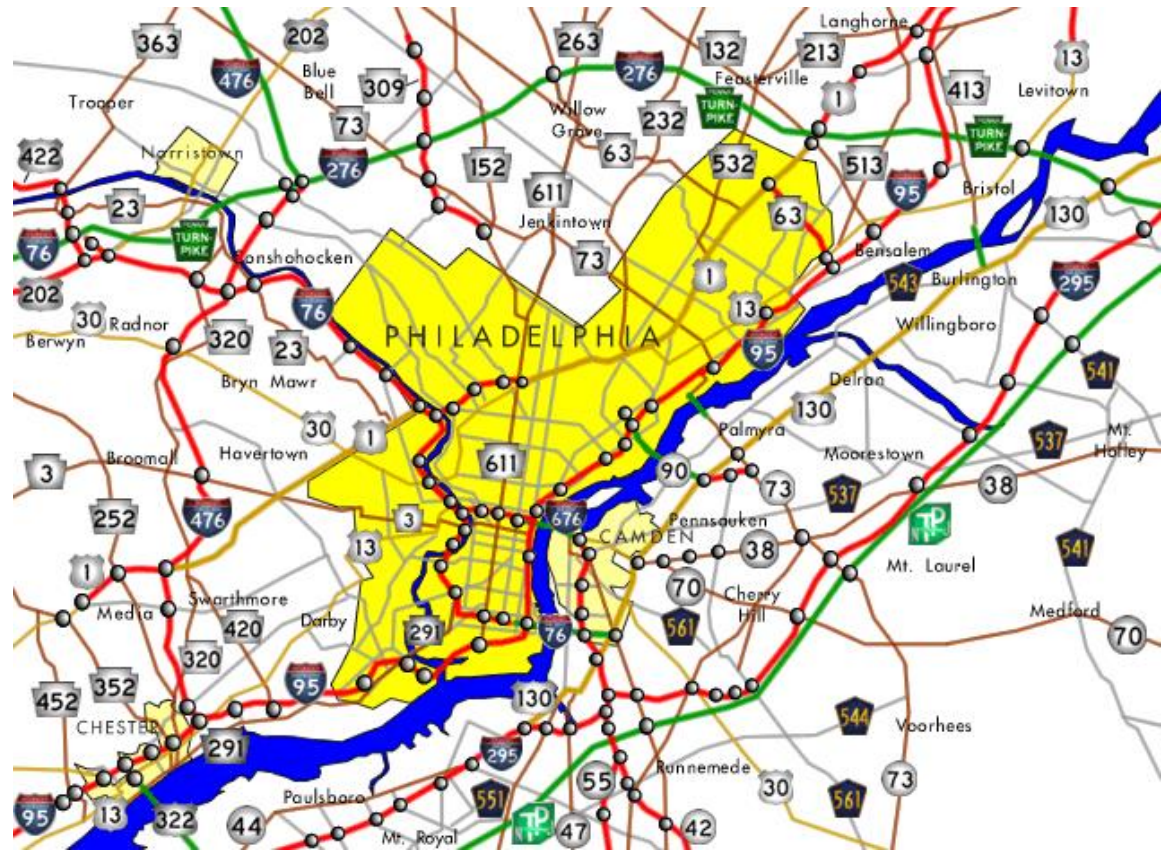
The **Port of Philadelphia** has the largest volume of tonnage on the East Coast with maritime facilities on the Delaware River in Pennsylvania, New Jersey and Delaware. The port "imports" in excess of 70 million tons of cargo per year. Philadelphia's central location and sophisticated transportation network enable distributors to provide next day/second day delivery to 65% of the United States and 67% of Canada. It is the largest importer of paper products, meat, iron, steel and winter fruit on the East Coast. The port has the largest concentration of petroleum products on the East Coast and is the fourth largest U.S. seaport for imported goods.

Philadelphia International Airport ("PHL") serves as the principal aviation gateway for the city and the region. The Airport is located just off I-95 or I-76 and can also be accessed via high speed rail operating from Amtrak's 30th Street Station. Direct flights link businesses to prime domestic and international business centers. Greater Philadelphia is two hours away by air from 50% of the U.S. population and six hours nonstop to the West Coast, Europe, and Latin America. Philadelphia International Airport continues to expand, with the recent completion of a new international terminal, designated "Terminal A West." This \$550 million project includes a 785,000 square foot, 4-level terminal incorporating large public areas for ticketing, baggage claim, concessions, and federal inspection services as well as 13 new wide-body international gates.

TRANSPORTATION & INFRASTRUCTURE

The area is crossed by **more than 2,500 miles of interstate, state and local highways and roads** that connect it to neighboring states and the rest of Pennsylvania. Principal highways in Greater Philadelphia include:

- ⇒ The Pennsylvania Turnpike, which provides east-west access, as well as northern connections via Interstate 476 (Northeast Extension) and connections to the New Jersey Turnpike
- ⇒ Interstate 95, a major north-south freeway that follows the Delaware River and passes by the Philadelphia International Airport
- ⇒ Interstate 476 (the Blue Route) which connects Interstate 95 with the Pennsylvania Turnpike as it runs north-south, continuing northward to Allentown as the Northeast Extension of the Pennsylvania Turnpike
- ⇒ Interstate 76 (the Schuylkill Expressway) which links south Philadelphia and southern New Jersey to the western suburbs through Center City
- ⇒ Interstate 676 (the Vine Street Expressway) runs through Center City Philadelphia
- ⇒ The Ben Franklin, Betsy Ross, Walt Whitman, Commodore Barry and Tacony-Palmyra bridges carry traffic between Pennsylvania and New Jersey
- ⇒ The New Jersey Turnpike runs from New York City to the Delaware state line
- ⇒ The Atlantic City Expressway is the main route for travelers to the New Jersey shore
- ⇒ Interstate 495 is an alternate express route to Interstate 95 that circles around the Wilmington area





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