

MARKET REPORT

MULTIFAMILY | **York County, PA**
Year-End 2021



High Rent Growth At 10.7%, Strongest In Central Pennsylvania Region

NATIONAL

- The apartment price index rose 19.2% year-over-year, a record for the sector, eclipsed only by the industrial index which climbed 22.1%, which is the fastest pace for this series.
- Investors spent more than \$200 billion on apartment properties in the first 10 months of 2021, almost double the activity seen to that point in 2020, and more than \$100 billion on industrial properties.
- Average National Rent Growth over 2021 tops out at 13.5%, with average rent per unit at \$1,590.

PENNSYLVANIA

- The Central PA region shows strong population growth while many other counties in PA are declining in population. Overall, the State grew by 2.4% over the last decade. Source: [Census.gov](https://www.census.gov)
- Because of continued positive population and job growth, average rent growth in Central PA has hovered just over 10% for the past year, in contrast with 8.55% in total State.
- Price per unit in Central Pennsylvania shows average Price per unit at \$105,687 for buildings over 10 units.
- Deal volume in Central PA totaled \$139 million, 27% lower than the previous three-year rolling average for Central PA.

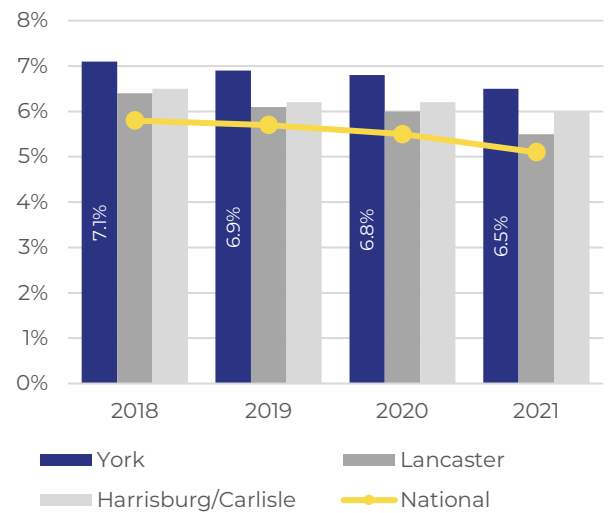
YORK COUNTY

- Average price per unit was \$80,578, which reflected a range of asset classes. Most assets traded are 'B' class garden apartments, which are in higher demand currently.
- York is a 'recession resistant' area with many major blue-collar industries supporting a diverse employment base. These diverse industries include manufacturing, warehousing and construction. The manufacturing component has accelerated during the Covid pandemic, which has created a greater need for US produced goods.
- The emphasis on production and distribution in York County has made it a strong employment base, which translates into high rent growth at 10.7%, which was the strongest in Central PA.

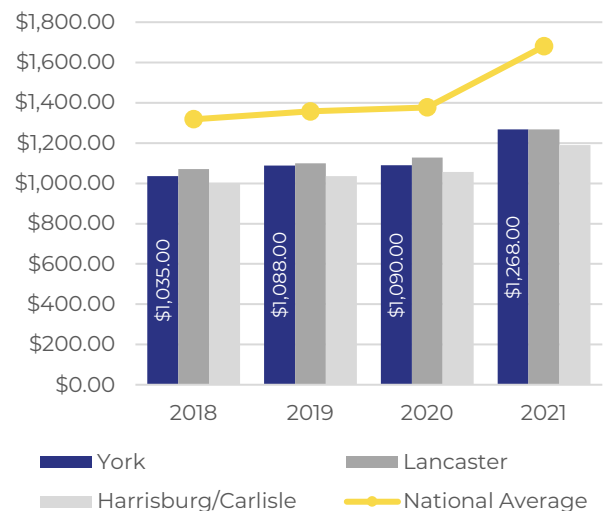
MARKET INDICATORS

Population	535,911	▲
Yearly Household Growth	0.6%	▲
Unit Demand Increase	610	▲
Units Under Construction	355	▲
Unemployment Rate	3.5%	▼

CAP RATES¹



AVERAGE RENT PER UNIT²



¹Rent.com
²CoStar

MARKET REPORT

MULTIFAMILY | Lancaster County, PA
Year-End 2021



Low CAP Rates Reflect Intense Demand For Housing, CAP Rate At 5.5%

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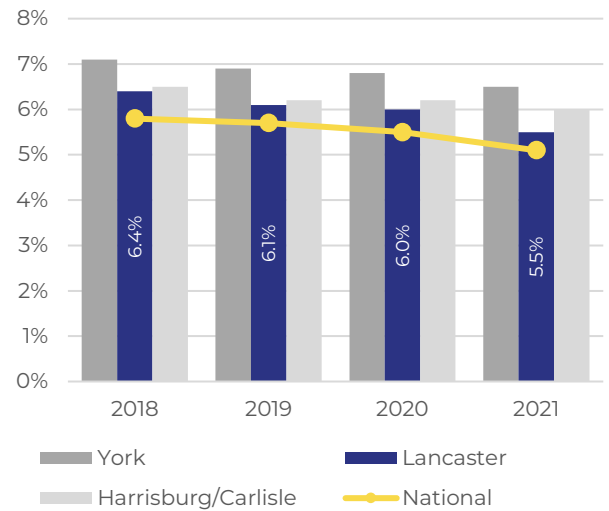
LANCASTER COUNTY

- Lancaster County had the second highest population growth rate in Central PA, at .60% yearly.
- Lancaster has the lowest CAP rates for Class A product in Central PA at 5.5%. The low cap rate is a reflection on the intense demand for one of the most sought-after counties in the state for multifamily investment.
- Lancaster has a steady base of local employers that provide an attractive place to invest with assurance that a solid job base will be present.
- Lancaster City continues its growth and revitalization, which has translated into greater and more intense demand for housing. The city has recognized the need to expand the housing base to accommodate this growth and is currently working on an update to its comprehensive plan to address the growth of the city.

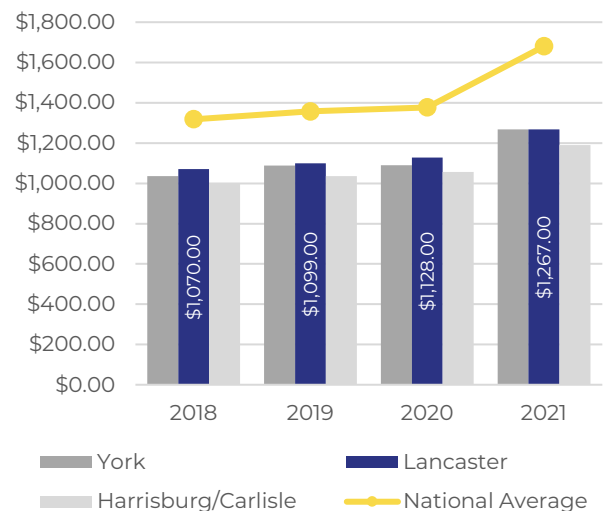
MARKET INDICATORS

Population	553,000	▲
Yearly Household Growth	0.62%	▲
Unit Demand Increase	500	▲
Units Under Construction	105	▼
Unemployment Rate	3.3%	▼

CAP RATES¹



AVERAGE RENT PER UNIT²



¹Rent.com
²CoStar

MARKET REPORT

MULTIFAMILY | **Harrisburg/Carlisle Region**
Year-End 2021



Record High Sale Prices In 2021 Suppressed CAP Rates

NATIONAL

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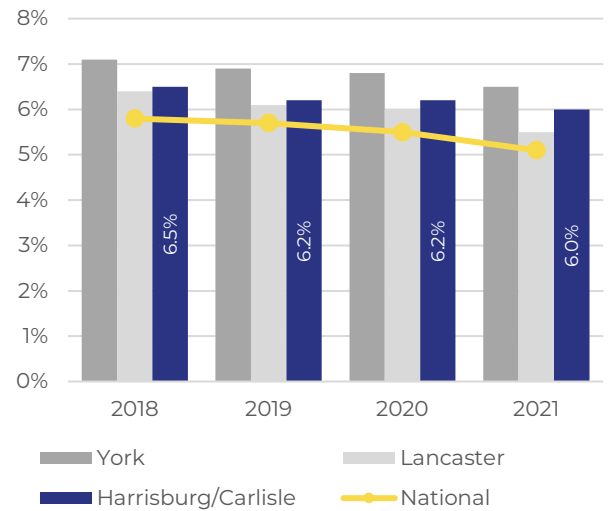
HARRISBURG/CARLISLE REGION

- Proximity to major interstates throughout Cumberland & Dauphin County make it the ideal location for many warehousing locations that serve the East Coast. The Central PA warehousing market is one of the top 10 in US for this reason.
- While the state housing demand is projected at .24% annually over the next five years, Cumberland County is forecasting housing demand growth of .88%, which is three times more than the state growth rate.
- Cumberland County is the fastest growing and has the highest average income per household in Central PA. Average household income is \$96,519 which is 7% higher than the national average. This higher income has attracted higher-end retail to the Carlisle Pike in Harrisburg. Tesla has opened a new dealership adjacent to Silver Spring Square in Mechanicsburg.
- Dauphin County is growing at twice the state rate. currently .44% annually. Dauphin County has the highest percentage of renters in Central PA at 34% of households.
- Dauphin County had the highest price per unit of \$134,491, which reflected several record high sales in the County over the past year. This brought the CAP rates down to the second lowest in the region at 6%.

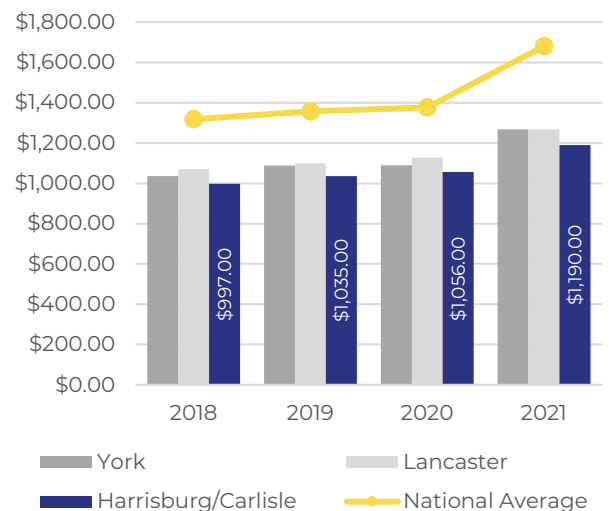
MARKET INDICATORS

Population	535,911	▼
Yearly Household Growth	0.6%	▼
Unit Demand Increase	610	▲
Units Under Construction	355	▼
Cumberland Unemployment Rate	3%	▼
Dauphin Unemployment Rate	4.1%	▼

CAP RATES¹



AVERAGE RENT PER UNIT²



¹Rent.com
²CoStar