

# MARKET REPORT

RETAIL | York County, PA | Q1 2022



## Positive Start to 2022, Strong Demand As Absorption Turns Positive And Vacancy Falls 56 Basis Points

### HIGHLIGHTS

- Positive start to the year despite potential growth barriers.
- Positive absorption in Q1 as more square feet was leased than made available.
- Vacancy fell 56 basis points to 5.1%
- Sale volume is at its highest level since Q4 2020.
- Raymour & Flanigan, a New York based furniture company, purchased the former Wolf's Furniture location at 380 N Northern Way, York for \$5.25M.

### OVERVIEW

Many factors are coalescing in 2022 to cause potential barriers for growth including federal interest rate hikes, inflation, supply chain disruption, labor shortages, and rising energy costs. All these factors weigh on consumer decisions and the ramifications will become apparent in the coming months.

Despite economic barriers, 2022 had a strong start presenting many encouraging indicators. Positive indicators include positive net absorption, increasing average lease rate, high leasing volume and declining vacancy. With growth activity tied to consumer confidence and outlook on sustained spending, we may see a drop off in activity later in the year depending on which direction sentiment goes.

After falling negative the last half of 2021, absorption flips positive as leasing activity gains momentum. More square feet was leased in Q1 than was made available.

Two leases in Q1 contributed to the higher-than-average performance for total leased square feet. 32,200 SF was leased to Fun City Trampoline Park at 1200 Greensprings Road, York and 30,447 SF was leased to Wellspan Health at Queensgate Shopping Center, York. These two transactions accounted for 59% of leased square feet in Q1.

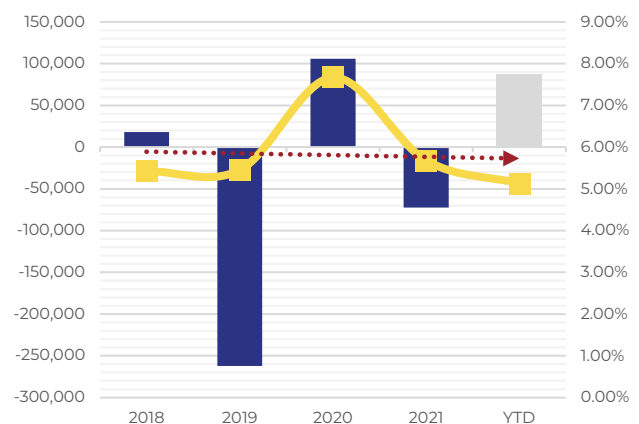
Sale volume is at its highest level since Q4 2020. Raymour & Flanigan, a New York based furniture company, purchased the former Wolf's Furniture location at 380 N Northern Way, York for \$5.25M. This transaction marks the company's entry into the York Market.

Haines Road, LLC purchased the 55,817 SF Haines Acres Shopping Center for \$6.5M. The new owner intends to update the façade with renovations beginning in late summer 2022. The center is anchored by Ollie's Bargain Outlet.

### MARKET INDICATORS

Total Inventory	28.27 MSF	▶
Sales (\$)	\$55.72M	▲
Sales (SF)	558,601 MSF	▲
Total Vacancy	5.10% (-56 bps)	▼
Total Leased (SF)	106,606 SF	▲
Average Rent	+\$1.34	▲
Average Rent <i>12-month rolling average</i>	+\$0.22	▲

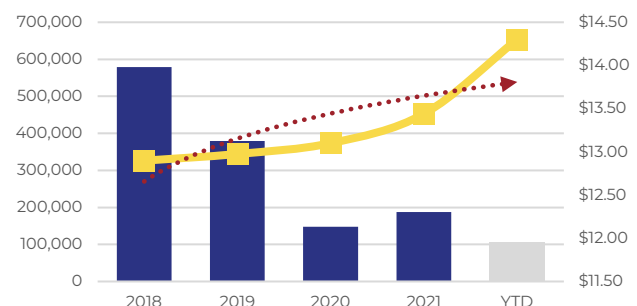
### NET ABSORPTION & VACANCY



■ Net Absorption ■ Vacancy ●●●● Vacancy Trend

\* Absorption & Vacancy for Class A, B & C

### SF LEASED & AVG LEASE RATE



■ SF Leased ■ Lease Rate PSF ●●●● Lease Rate Trend

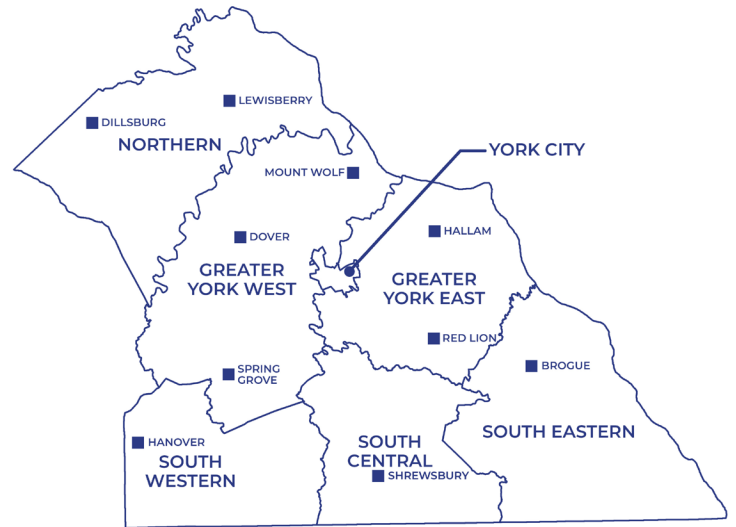
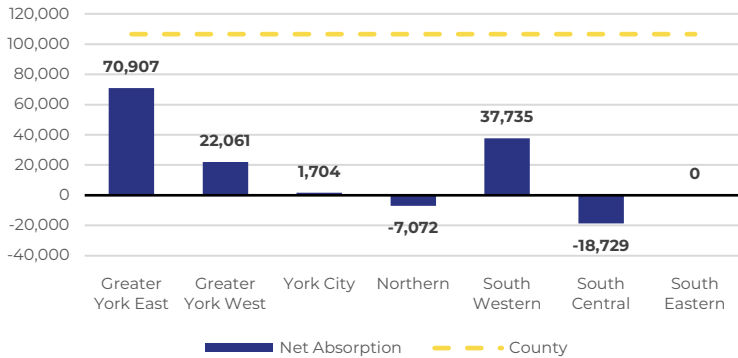
\* SF Leased includes Class A, B & C | Lease rate includes Class A & B only

# RETAIL

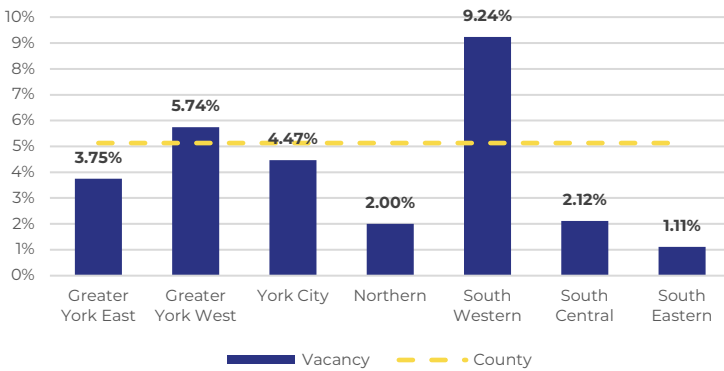
York County, PA

Q1 2022

## NET ABSORPTION BY SUBMARKET



## VACANCY BY SUBMARKET



## Key Lease Transactions Q1 2022

PROPERTY	SF	TENANT	TRANSACTION
1200 Greensprings Dr, York	32,200	Fun City Trampoline Park	New
1900-2081 Springwood Rd, York (Queensgate Town Center)	30,447	Wellspring Health	New
2799 Queen St, Dallastown	6,038	Van's Sharpening, LLC	New
1081 Carlisle St, Hanover	4,700	Healing Realms, LLC	New
300-320 Town Center Dr, York (West Manchester Town Center)	1,840	Silantra Asian Street Kitchen, LLC	New

## Key Sales Transactions Q1 2022

PROPERTY	SF	SELLER/BUYER	PRICE
1021 Haines Rd, York	55,817	Brooke Investments Co., LLC / Haines Road, LLC	\$6,500,000
380 Northern Way, York	61,440	CIM Group / York Northern Way, LLC	\$5,250,000
890 Loucks Rd, York	4,840	Principio Health Center 1, LLC / Lee 890 York, LLC	\$3,475,000
371 Eisenhower Dr, Hanover	34,854	Vereit Real Estate, LP / Hanover Eisenhower Drive, LLC	\$2,850,000
99 Lewisberry Rd, New Cumberland	8,446	Goldstone 1 / Linn Street	\$1,500,000

**DREW M. STEFFENS**

Director of Data Services

(717) 854-7065

[dsteffens@rockrealestate.net](mailto:dsteffens@rockrealestate.net)

221 W Philadelphia St, Ste 19, York, PA 17401  
 313 W Liberty St, Ste 117, Lancaster, PA 17603  
 717.854.5357 | [ROCKrealestate.net](http://ROCKrealestate.net)

