

# MARKET REPORT

MIDYEAR 2022 | Greater Hanover Area

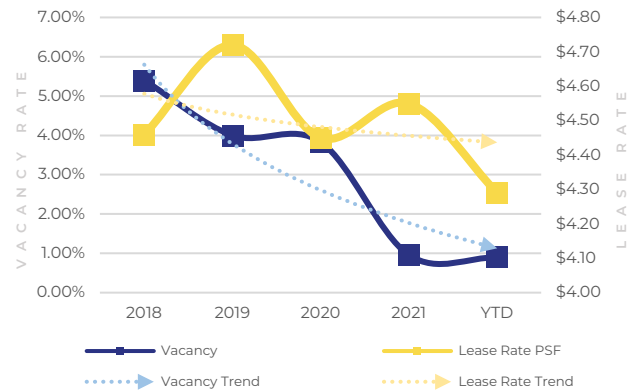


INDUSTRIAL

## ▲ 20.07 MSF Total Inventory

- The Greater Hanover Area industrial market remains very tight with vacancy less than 1% across Class A, B, and C inventory.
- Demand remains elevated and logistics operators are seeking additional space to store materials and alleviate supply chain interruptions.
- Lease activity has been minimal. It is important to note, however, that this is not due to lack of demand, but lack of supply.
- Hanover Foods at 1175 Wilson Avenue nears completion for 175,493 SF of additional refrigeration space. AquaPhoenix at 860 Gitts Run Road also nears completion of a +/- 80,000 SF warehouse expansion. Yazoo Mills, Inc. has completed constructing a 60,000 SF warehouse expansion at 800 Gitts Run Road.
- 139,500 SF of new construction is proposed for 100 Blettner Ave, Hanover.

### VACANCY & AVG LEASE RATE



OFFICE

## ▶ 1.73 MSF Total Inventory

- With vacancy just above 3%, the market is tight for available office space.
- Absorption was negative year-to-date with more square feet available than was leased. Consistently negative absorption indicates that demand is low.

### Key Remaining Vacancies



**Square Commercial Center**  
+/- 10,630 SF Available

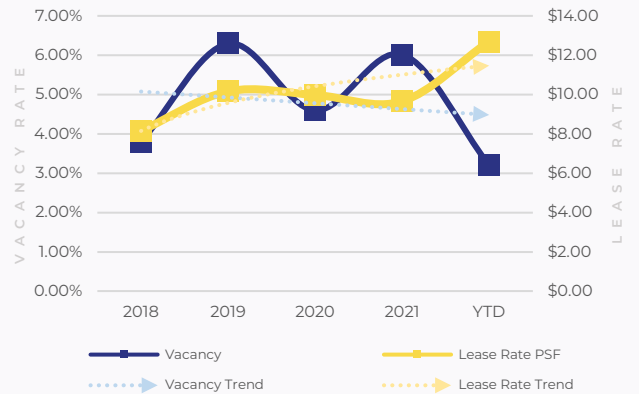


**Tanger's Hardware Bldg**  
+/- 4,980 SF Available



**Eichelberger Professional Bldg**  
+/- 2,968 SF Available

### VACANCY & AVG LEASE RATE

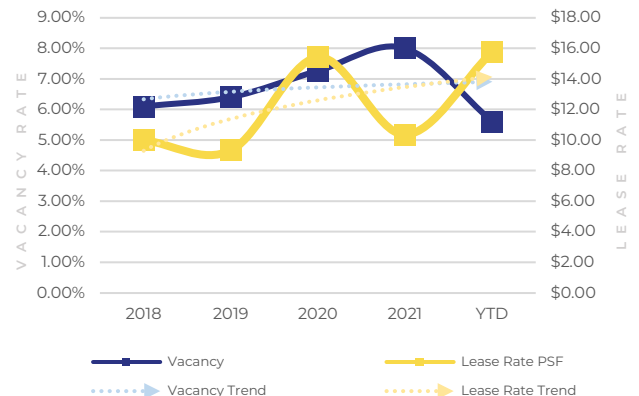


RETAIL

## ▲ 7.10 MSF Total Inventory

- The average lease rate maintains an upward trajectory. A higher ratio of Class A leases is responsible for the spikes seen in 2020 and 2022. Jersey Mike's is a recent addition to Class A space in Gateway Hanover.
- Absorption was low but positive year-to-date suggesting demand is on pace with supply. Contributing to absorption was the sale of the vacant Wolf's Furniture location along the Golden Mile to Raymour & Flanigan, a home furniture store based out of Liverpool, New York. The showroom/warehouse is 34,854 SF.
- Construction at 108 E Chestnut St, Hanover remains in progress to create a mixed-use development featuring on-site parking.
- Dick's Sporting Goods will be relocating and downsizing to join Sam's Club and Target in Gateway Hanover.

### VACANCY & AVG LEASE RATE



INDUSTRIAL

SOLD - \$968,000



**154 Enterprise Dr, New Oxford**

10,800 SF  
Seller: Joan T. Ford  
Buyer: New Hope Ministries

SOLD - \$3,300,000



**262 Church St, McSherrystown**

81,793 SF  
Seller: Eash & Gilbreath Family, LP  
Buyer: Church Street Equities, LLC

LEASED - 10,734 SF



**9 Barnhart Dr, Hanover**

Tenant: Hanover Terminal, Inc.

OFFICE

SOLD - \$1,114,000



**195 Stock St, Ste 309, Hanover (Eichelberger Professional Bldg)**

6,823 SF  
Seller: RLH Hanover Real Estate, LLC  
Buyer: BSSF Properties, LLC

LEASED - 800 SF



**100 Frederick St, Hanover**

Tenant: Farmers Insurance

LEASED - 1,600 SF



**469 Eisenhower Dr, Hanover (Hanover Crossings)**

Tenant: State Farm Insurance

RETAIL

SOLD - \$2,850,000



**371 Eisenhower Dr, Hanover**

34,854 SF  
Seller: Vereit Real Estate, LP  
Buyer: Raymour & Flanigan

LEASED - 6,700 SF



**141 Wilson Ave, Hanover**

Tenant: Jersey Mike's

LEASED - 1,522 SF



**1 York St, Hanover**

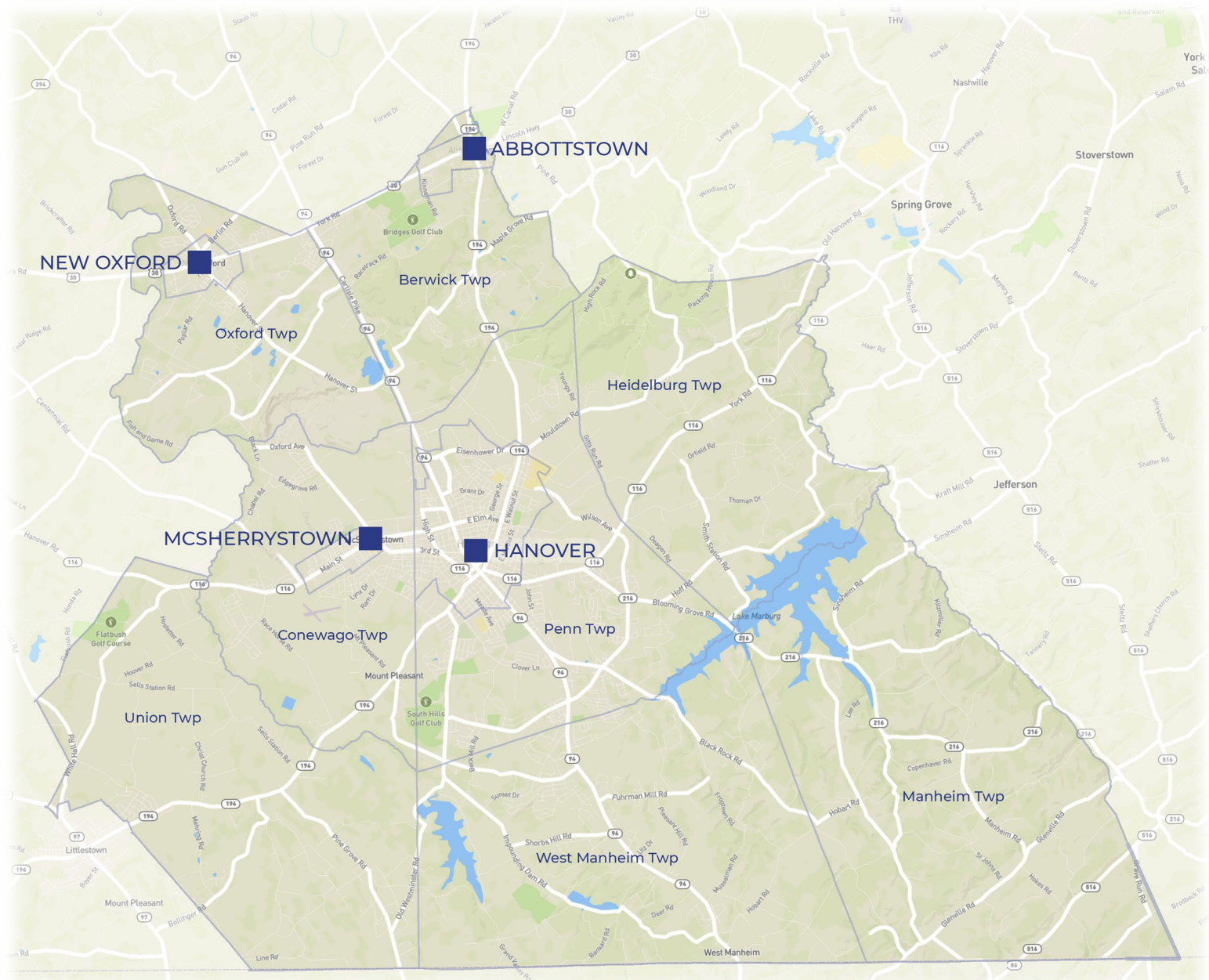
Tenant: Belle4All, LLC



## GEOGRAPHY SELECTION

For purposes of this Market Report, the Greater Hanover Area includes the Hanover Borough and surrounding communities of McSherrystown, New Oxford and Abbottstown. These communities were identified to contain businesses and consumers that identify with the Hanover Market.

Township boundaries used to define the area include Union Township, Conewago Township, McSherrystown Borough, Oxford Township, New Oxford Borough, Berwick Township, Abbottstown Borough, Penn Township, Hanover Borough, West Manheim Township, Heidelberg Township, & Manheim Township.



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