

MARKET REPORT

RETAIL | York County, PA | Q3 2022



York County Retail Unwavering to Economic Pressures

HIGHLIGHTS

- Vacancy fell 28 basis points in Q3 to 4.06%.
- Sales volume is at a five-year high exceeding \$160M year-to-date. Pennmark Management Company, Inc. purchased 31 Wilson Dr, Hanover (Gateway Hanover Shopping Center) for \$28.75M. The property is 100% occupied.
- Over 78,000 SF has been absorbed year-to-date while lease volume already exceeds total square feet leased in 2021.

OVERVIEW

York County retail is standing resolute despite economic pressure from federal interest rate hikes, inflation, supply chain disruption, labor shortages, and rising energy costs. A steady stream of leasing volume, positive absorption, decreasing vacancy and increasing lease rates are providing a positive outlook heading into the year-end.

Leasing activity remains strong with leased square feet already exceeding last year's total by 12,296 SF. Lease rates are also increasing, up 59 cents over the past twelve months. Average lease rate is \$17.39/SF year-to-date.

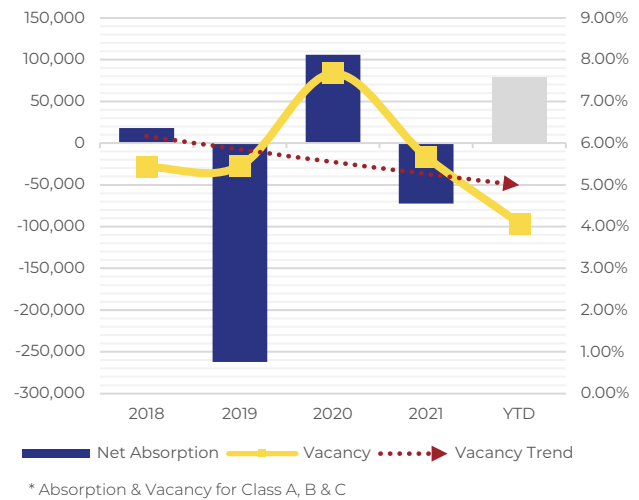
After peaking in 2020, vacancy has been on a downward trend and leasing of big box locations this year has accelerated the already plummeting vacancy rate. Interiors Home, a Lancaster based home furniture retailer, has leased 38,192 SF at Manchester Crossroads, York. Interiors Home is the second home furniture retailer to open in the market this year after Raymour & Flannigan leased 380 N Northern Way, York and 371 W Eisenhower Dr, Hanover earlier this year.

Investment in retail properties is at a five-year high with sales volume exceeding \$160M in Q3. Over the past three years, sales volume has increased 131.85% while the average sale price has increased 63.76% across all building types.

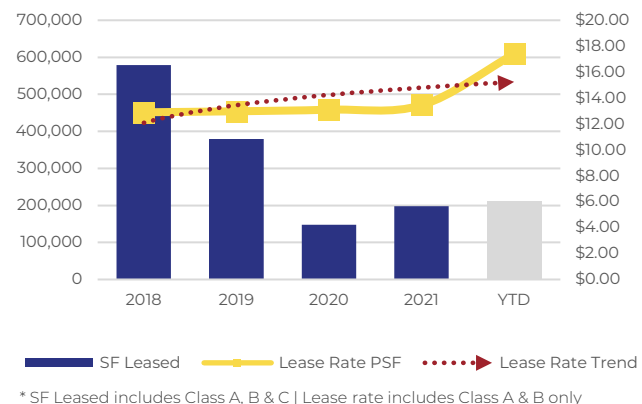
MARKET INDICATORS

Total Inventory	28.42 MSF	▶
Sales (\$)	\$57.19M	▼
Sales (SF)	312,369 SF	▼
Total Vacancy	4.06% (-28 bps)	▼
Total Leased (SF)	142,776 SF	▲
Average Rent	-\$1.36	▼
Average Rent <i>12-month rolling average</i>	+\$0.59	▲

NET ABSORPTION & VACANCY



SF LEASED & AVG LEASE RATE

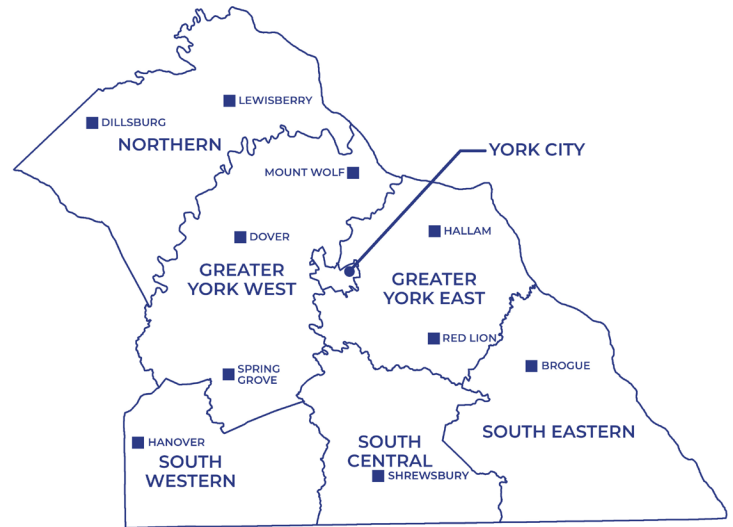
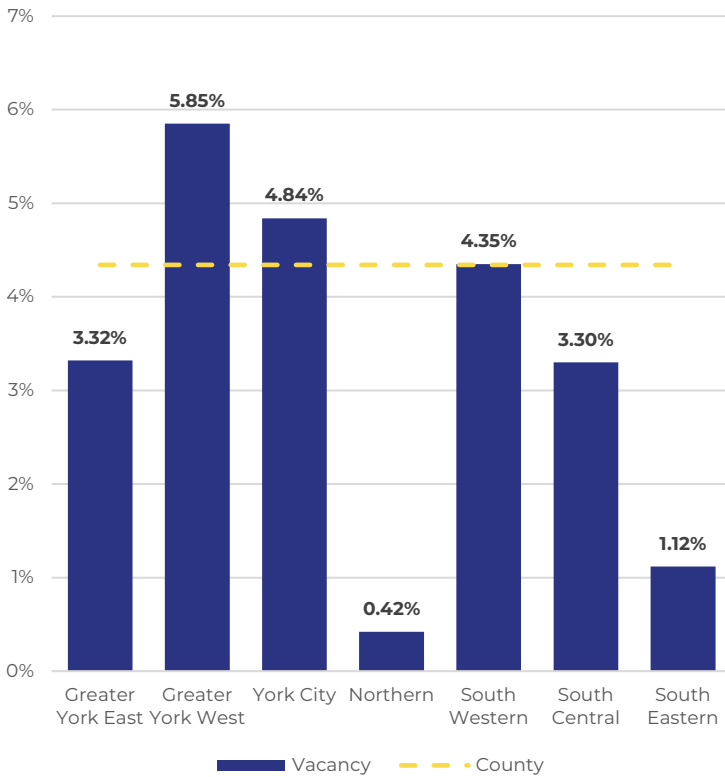


RETAIL

York County, PA

Q3 2022

VACANCY BY SUBMARKET



Key Lease Transactions Q3 2022

PROPERTY	SF	TENANT	TRANSACTION
351 Loucks Rd, York	38,192	Interiors Home	New
2811-2813 E Prospect Rd, York (Heritage Plaza)	3,375	Frontier Communications	New
2323 Carlisle Rd, York (Shiloh Village SC)	2,717	Power Train	New
2820 Whiteford Rd, York (Avalong Village)	1,845	Look Great MD	New
66-70 N Main St, Red Lion	1,000	Whisk Bath Bakery, LLC	New

Key Sales Transactions Q3 2022

PROPERTY	SF	SELLER/BUYER	PRICE
693 Lombard Rd, Red Lion	109,615	Northville Green Associates, LLC / America's Realty, LLC	\$11,500,000
30-36 S George St, York	23,200	700 Manor Drive, LP / NADG NNN FB Yor-PA	\$5,000,000
Chester Square	64,060	Chester Square Properties, LP / Chester Square, LLC	\$3,800,000
200 S George St, York	57,428	Hashempour & Sons, LLC / Redevelopment Authority of York	\$1,900,000
2510 E Market St, York	14,620	Matthew E. & Sean E Landis / CFT NV Developments, LLC	\$1,550,000

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