

# MARKET REPORT

MIDYEAR 2023 | Greater Hanover Area

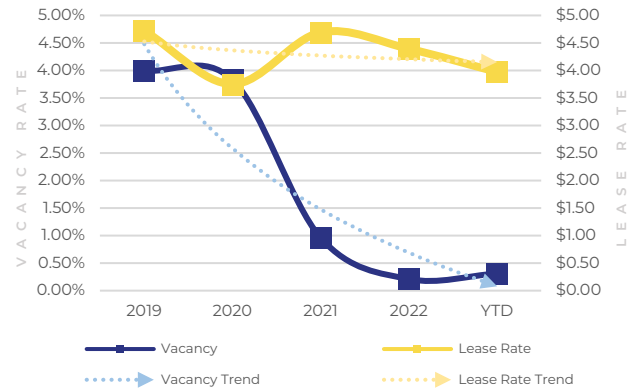


INDUSTRIAL

## ▶ 17.13 MSF Total Inventory

- Vacancy continues to fall, increasing only 10 basis points since 2022. Low vacancy is perpetuating a tight market.
- Despite lack of supply, lease rates have remained consistent hovering between \$4-5 / SF despite economic instability and market fluctuations.
- Over 500,000 SF of construction is proposed. Notably, 65 acres at 501 Ridge Ave were purchased in May 2023 for \$3.1M with plans for a 400,000 SF warehouse. A user will likely be secured before breaking ground.
- New construction in the Greater Hanover area is predominantly owner-occupied, increasing total inventory but not impacting vacancy rates. 275,493 SF was completed Q4 2022 and Q1 2023, but is all owner occupied. Similarly, an Abbottstown based food manufacturer, G&S Foods, LLC, is constructing a 350,000 SF facility at 293 Blettner Ave, Hanover with completion estimated for June 2024.

### VACANCY & AVG LEASE RATE

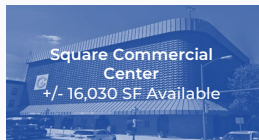
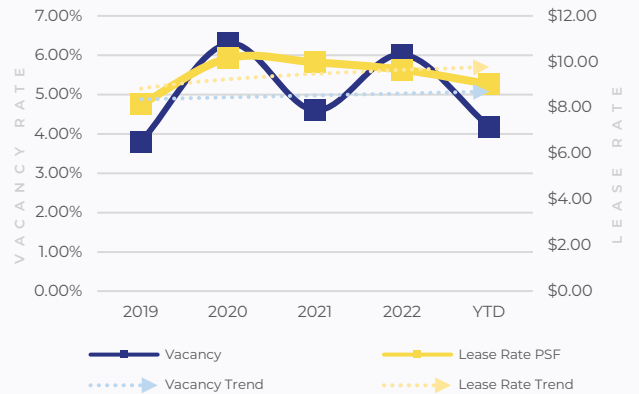


OFFICE

## ▶ 1.71 MSF Total Inventory

- Vacancy is just above 4%, consistently fluctuating between 4-6% over the past five years.
- Average lease rate remains stable despite economic pressures.
- Absorption is again negative year-to-date with more square feet made available than was leased. Consistently negative absorption indicates low demand.
- Pristine Clean leased 700 SF of office space at 100 Frederick St which is now 100% occupied and includes two medical office tenants.

### VACANCY & AVG LEASE RATE



RETAIL

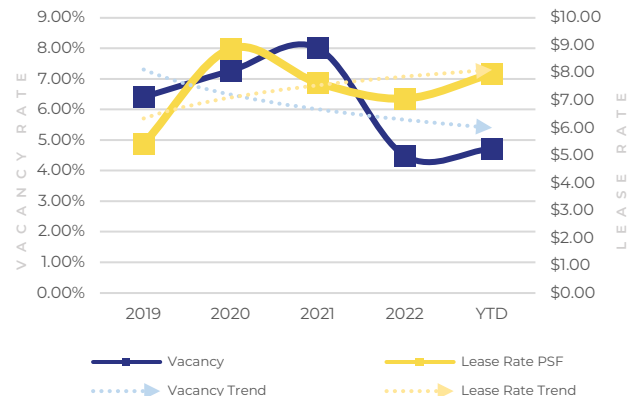
## ▶ 6.59 MSF Total Inventory

- Vacancy increased by 24 basis points but remains historically low. Significant vacancies remain at the former Bon Ton, former Dick's Sporting Goods, and North Hanover Mall elevating overall vacancy.
- Lease rates spiked in 2020 but have since leveled out, fluctuating between \$7-8 / SF over the last three years.
- Gateway Hanover shopping center is 100% occupied, but two retail pads are now available for lease. If developed, +/- 40,000 SF of retail space could be added to this location.

#### Notable Construction

- Tidal Wave Auto Spa – North Side**  
Est. Completion Q2 2024  
500 Eisenhower Drive, Hanover
- Tidal Wave Auto Spa – South Side**  
**Completed Q2 2023**  
1895 Baltimore Pike, Hanover
- Plaza Azteca**  
Est. Completion Q4 2023  
1080 Carlisle Street, Hanover

### VACANCY & AVG LEASE RATE



INDUSTRIAL

SOLD - \$3,100,000



**501 Ridge Ave, Hanover**

65 acres  
Seller: Hanover Foods Corporation  
Buyer: Ridge Ave Investments, LLC

SOLD - \$1,900,000



**1030 Wilson Ave, Hanover**

38,056 SF  
Seller: J.F. Rohrbaugh & Co., Inc.  
Buyer: KLK Properties, LLC

SOLD - \$1,358,000



**425 Poplar St, Hanover**

19,402 SF  
Seller: Robert D. Crawford, Jr. & Thomas A. Crawford  
Buyer: Hanover Real Estate Partners, LP

OFFICE

SOLD - \$560,000



**2234 Baltimore Pike, Hanover**

5,600 SF  
Seller: Thomas Lyons  
Buyer: Lindle Properties, LLC

SOLD - \$335,000



**515 Carlisle St, Hanover**

3,513 SF  
Seller: Lynn G. & Alison H. Peterson  
Buyer: CAM Holdings, LLC

SOLD - \$165,000



**240 Frederick St, Hanover**

1,452 SF  
Seller: Brent L. Morea  
Buyer: Andrea & Daniel Keller

RETAIL

SOLD - \$1,750,000



**500 Eisenhower Dr, Hanover**

1,608 SF  
Seller: FamVest XL - 500 Hanover, LLC  
Buyer: Twas Properties, LLC

SOLD - \$1,288,001



**25 & 33 Carlisle St, Hanover**

22,730 SF  
Seller: Bank of Hanover & Trust Co.  
Buyer: BMSRE LLC

LEASED - 3,200 SF



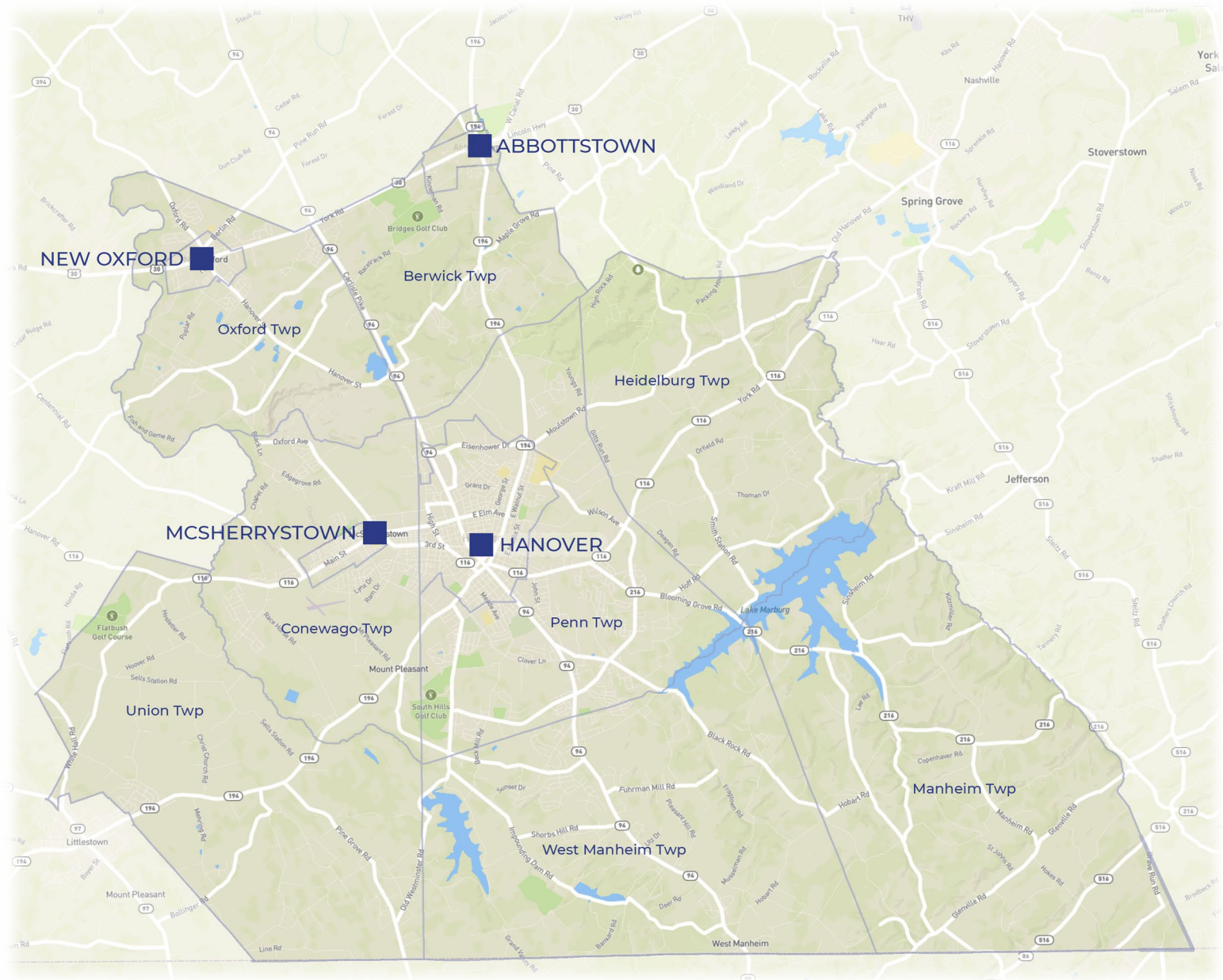
**1418-1444 Baltimore St, Hanover  
Grandview Plaza Shopping Center**

Tenant: Pippin's New & Used

## 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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