

# MARKET REPORT

RETAIL | LANCASTER COUNTY, PA | Q4 2023



INVENTORY (SF)	VACANCY RATE	SALES (\$)	SALES (SF)	LEASED (SF)	RENT CHANGE
<b>29.83M</b> ↓	<b>1.64%</b> ↓	<b>\$7.51M</b> ↓	<b>43,746</b> ↓	<b>35,822</b> ↓	<b>-\$1.37</b> ↓ <i>12-month rolling avg</i>

## Automotive Properties Dominate Sale Volume in 2023

### HIGHLIGHTS

- Automotive properties accounted for 40% of sale transactions and 47% of sale volume in 2023.
- The market is tight as vacancy remains below 2% for a second consecutive year.
- On average, lease rates have risen 3.7% over the past five years.

### OVERVIEW

Market indicators show a positive outlook in the short term as both lease volume and number of new signed leases remain consistent with prior years.

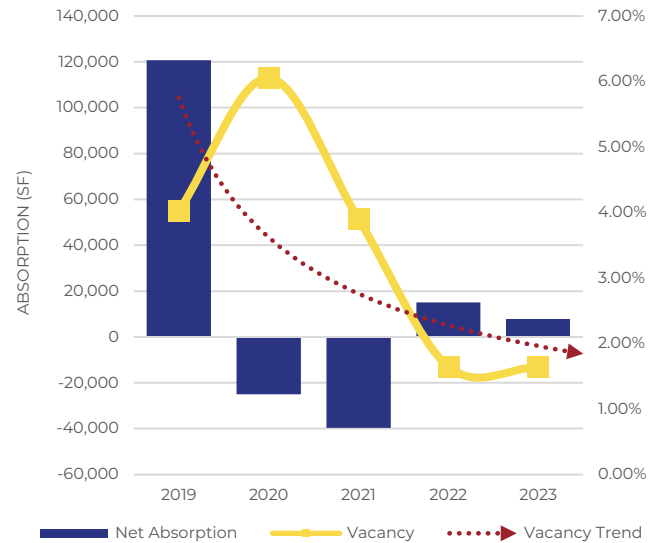
Net absorption ended the year positive as more square feet was leased than vacated. Demand remains evenly matched with supply.

Though the average lease rate could not sustain the dramatic rate of increase seen from 2021-2022, low inventory continues to exert upward pressure on lease rates. Average lease rates has increased 8% since 2021 and 13.12% over the past five years.

In-line with national trends, sale volume and average sale price decreased in 2023, an anticipated event given the dramatic spike in sales in 2022. Nationally, service-related properties, including automotive uses, continue attracting investors. In Lancaster County, automotive properties\* dominated sale volume in 2023 contributing to 40% of transactions and 47% of sale volume.

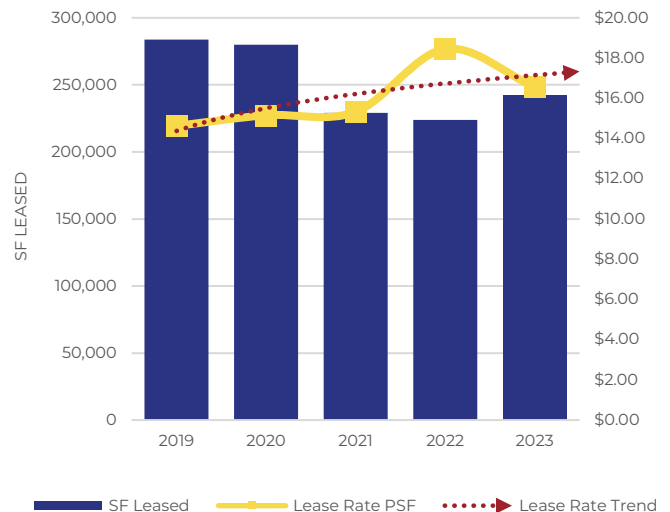
\*Includes dealerships and service/repair garages

### NET ABSORPTION & VACANCY



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

### SF LEASED & AVG LEASE RATE



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

RETAIL

LANCASTER COUNTY, PA

Q4 2023

## Key Sale Transactions

### 3141 Mount Joy Rd, Manheim

SIZE	10,758 SF
SELLER	Phillip Landis
BUYER	Mount Joy Gift & Thrift
PRICE	\$2,399,00

### 3130 Lititz Pike, Lancaster

SIZE	3,278 SF
SELLER	Buckwalter Family LP
BUYER	3110 Lititz Pike LLC
PRICE	\$1,275,000

### Bethany Rd, Ephrata

SIZE	7,198 SF
SELLER	For Kids LLC
BUYER	Lichty Enterprise LLC
PRICE	\$700,000

### 1878 Lincoln Hwy E, Lancaster

SIZE	2,085 SF
SELLER	Donut Tree LLC
BUYER	Name Withheld
PRICE	\$600,000

### 841 Rt 41, Gap

SIZE	3,144 SF
SELLER	Laura Difrancesco
BUYER	Leon Stoltzfus & John & Lydia Esh
PRICE	\$565,600

#### 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

#### EMILY KLINGLER

Research Analyst  
(717) 850-0848  
[eklingler@rockrealestate.net](mailto:eklingler@rockrealestate.net)

717.854.5357  
ROCKrealestate.net

## Key Lease Transactions

### 936 Lancaster Rd, Manheim

SIZE	12,958 SF
TENANT	Go Auto
TRANSACTION	New

### 510-512 N Reading Rd, Ephrata

SIZE	5,056 SF
TENANT	Name Withheld
TRANSACTION	New

### 922 Landis Ave, Lancaster

SIZE	4,848 SF
TENANT	Cartel Brewing & Blending
TRANSACTION	New

### 2822 Main St, Morgantown

SIZE	3,500 SF
TENANT	Name Withheld
TRANSACTION	New

### 2309 Columbia Ave, Lancaster

SIZE	2,582 SF
TENANT	Elimar's Bar & Grill
TRANSACTION	New

