

MARKET REPORT

OFFICE | YORK COUNTY, PA | Q4 2023



INVENTORY (SF)	VACANCY RATE	SALES (\$)	SALES (SF)	LEASED (SF)	RENT CHANGE
13.18M →	3.68% ↑	\$7.59M ↑	103,841 ↑	7,118 ↓	+\$0.65 ↑ 12-month rolling avg

Number of New Office Leases at Four-Year High

HIGHLIGHTS

- Although dropping to a five-year low, the rate of vacancy decrease has been slowing.
- Lease rates experienced a minimal increase from 2022.
- 36,000 SF at 1700 Westgate Dr, York (Bldg 2) is due for completion in 2024 and is pre-leased to Commonwealth Charter Academy Cyber Charter School.

OVERVIEW

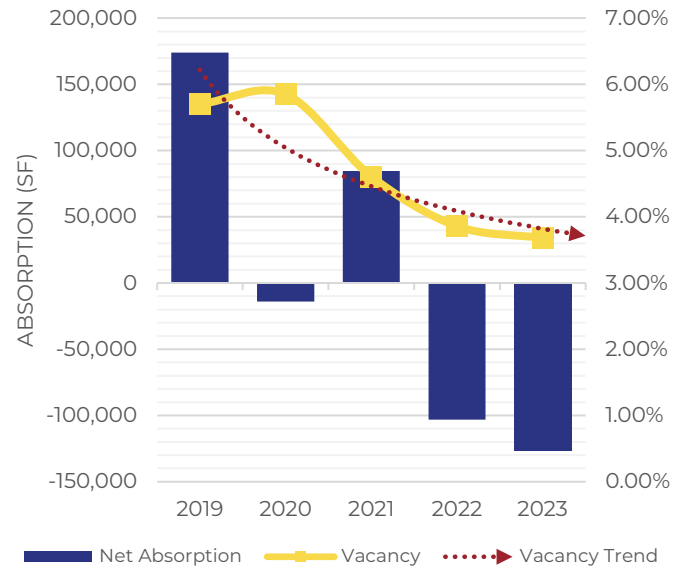
Although struggling to absorb excess space since 2022, a consistent number of signed leases, declining vacancy rate and increasing lease rates set a strong start to 2024.

The trend for local office market vacancy has run inverse to that of larger metro markets having fallen 200 basis points since 2020. Although decreasing each year since 2020, the rate of that drop has slowed.

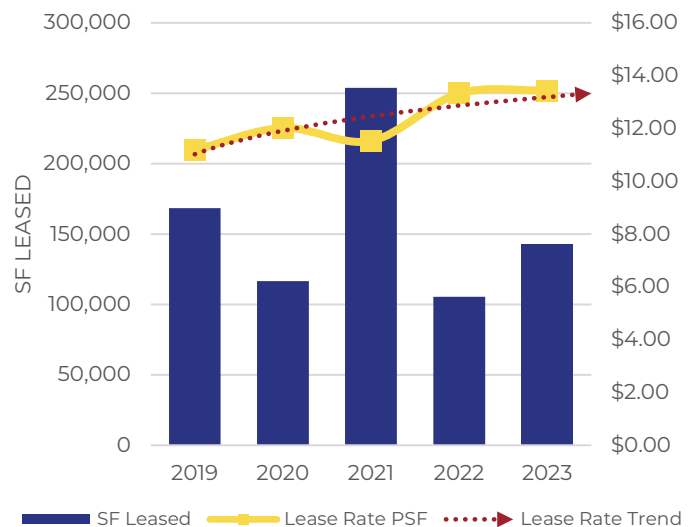
Demand remains consistent, with 2023 yielding the highest number of lease transactions over the past five years. Any vacancy increase is expected to be minimal.

Total inventory remains unchanged from Q3 2023. 36,000 SF of office is expected for completion in 2024 though it will be immediately occupied by Commonwealth Charter Academy Cyber Charter School.

NET ABSORPTION & VACANCY



SF LEASED & AVG LEASE RATE



Key Sale Transactions

3265 Farmtrail Rd, York

SIZE	34,872
SELLER	Farmtrail Holdings, LP
BUYER	Wagman Realty, LP
PRICE	\$4,100,000

2200 S George St, York

SIZE	19,795
SELLER	PeoplesBank, A Codorus Valley Company
BUYER	Yaghoub & Sheila Nikon
PRICE	\$1,280,000

1139 Baltimore St, Hanover

SIZE	5,747
SELLER	National Retail Properties
BUYER	VALUECOM17 LLC & EXETER 23634 WY LLC
PRICE	\$650,000

110 Pine Grove Commons, York

SIZE	3,197
SELLER	PGC, LLC
BUYER	First Capital Restaurant Association, Inc.
PRICE	\$435,000

85 Wyntre Brooke Dr, York

SIZE	2,862
SELLER	Robria Holdings, LLC
BUYER	Rexroth TIC
PRICE	\$425,000

Key Lease Transactions

1910 Kenneth Rd, York

SIZE	2,300
TENANT	Blossom Med Spa
TRANSACTION	Expansion

3450 Industrial Dr, York

SIZE	1,996
TENANT	Anytime Cleaning, LLC
TRANSACTION	New

127 W Market St, York

SIZE	1,009
TENANT	Golden Home Healthcare, LLC
TRANSACTION	New

18 S George St, York

SIZE	514
TENANT	Jacobson, Julius, & Harshberger
TRANSACTION	New

25 Industrial Dr, Hanover

SIZE	229
TENANT	Vitality Massage of PA
TRANSACTION	Renewal

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