

MARKET REPORT

INDUSTRIAL | YORK COUNTY, PA | Q3 2024



INVENTORY (SF)	VACANCY RATE	SALES (\$)	SALES (SF)	LEASED (SF)	RENT CHANGE
87.96M ↑	1.84% ↑	\$9.94M ↓	260,990 ↓	198,494 ↓	-\$0.03 ↓ 12-month rolling avg

E-Commerce Keeps Construction Pipeline Flowing

HIGHLIGHTS

- Vacancy increases 29 bps despite Q3 delivering the most new leases signed YTD, due to smaller spaces being leased
- Construction pipeline expected to remain active with several logistics park development projects underway
- Steady balance of supply and demand as absorption stays positive for fourth consecutive year
- LogistiCenter @ I-83 gains 342,720 SF of class A warehouse with the completion of 1090 E Boundary Ave in Spring Garden Township

OVERVIEW

Sale activity has been stable but continues to settle back into historic levels, with YOY sale volume shrinking 21% on average since 2021's peak. Average sales price dropped to \$2.3M, but this is largely due to fewer substantial transfers seen last year.

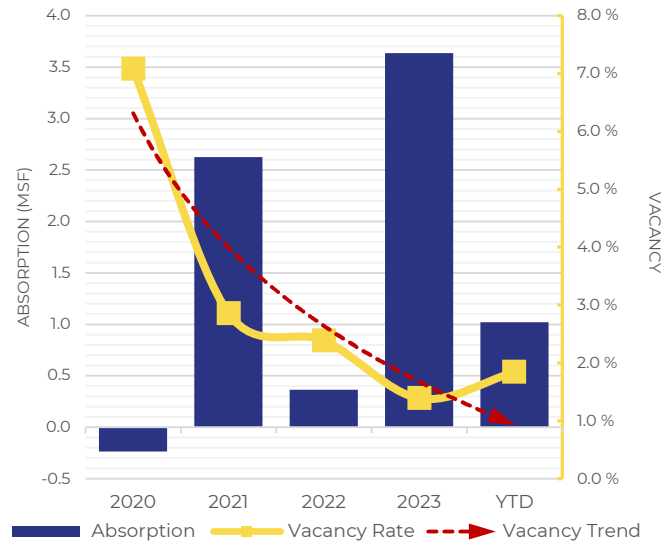
Despite fewer sales, Class A properties remain the driver of value. Only three Class A sales have occurred this year, however they account for 66% of the \$72.6M in total sales YTD. One of which sold this quarter, a 45,000 SF former steel fabrication building located at 1055 E Wellspring Rd in Hopewell Township, sold for \$4.53M (\$100.67/SF).

In contrast, this quarter has seen an uptick in leasing activity, particularly for smaller spaces between 10,000-20,000 SF. Although this shift in unit size has contributed to a small increase in vacancy to 1.84%, it is still well below the national average of 6.7%.

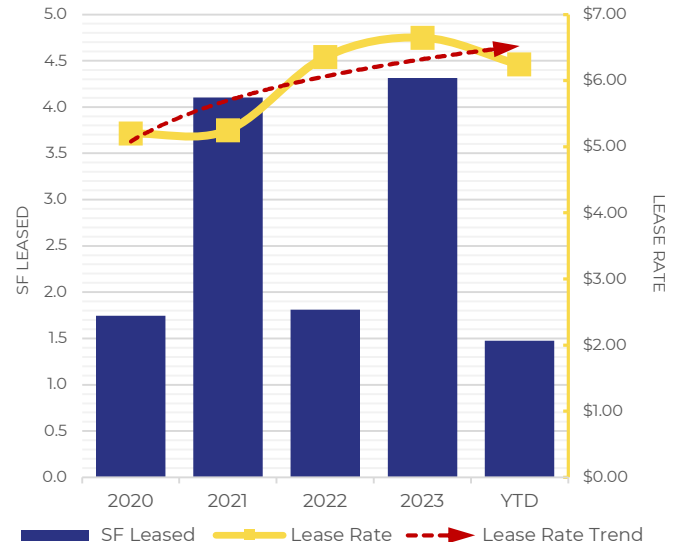
Lease rates saw a nominal decrease but likely to remain on a growth trajectory as demand for industrial space in the region continues and interest rates taper down.

The construction pipeline continues to fill with logistics warehouse development as e-commerce continues to thrive. Currently, logistic park projects account for approximately 4.34 MSF of proposed construction, and 2.96 MSF of projects already underway.

NET ABSORPTION & VACANCY



SF LEASED & AVG LEASE RATE



Project	Future Proposed (SF)	Under Construction (SF)	Est. Completion
Core5 at Codorus Creek	641,278	641,278	Q1 2025
Manchester Commerce Center	1,215,200	1,404,845	Q1 & Q4 2025
Expressway Commerce Park	673,920	673,920	Q4 2024
Logistics 83	405,000	405,000	Q1 2026

Key Sale Transactions

1055 Wellspring Rd E, New Freedom

SIZE	45,000 SF
SELLER	1055 Wellspring, LLC
BUYER	MacDal Associates, LLC
PRICE	\$4,530,000

5 Leigh Dr, York

SIZE	15,150 SF
SELLER	Connie Cummings
BUYER	Willow Springs Partners LLC
PRICE	\$1,500,000

1800-1801 W King St, York

SIZE	30,737 SF
SELLER	Andato, LLC
BUYER	LDK Realty Enterprise, LLC
PRICE	\$1,400,000

150 Orchard St, Yoe

SIZE	131,977 SF
SELLER	Beau Moran LLC
BUYER	Regen Capital LLC
PRICE	\$575,000

265 Charles St, York

SIZE	10,550 SF
SELLER	Mitchro, Inc.
BUYER	265 Charles St, LLC
PRICE	\$315,000

Key Lease Transactions

100 Redco Ave #C1, Red Lion

SIZE	25,534 SF
TENANT	Custom Molds-Plastics, Inc.
TRANSACTION	New

100 Redco Ave #C, Red Lion

SIZE	19,860 SF
TENANT	YorkTown Graphics, Inc
TRANSACTION	New

3635-3725 Board Rd, York

SIZE	17,800 SF
TENANT	Southland Insulators of PA, LLC
TRANSACTION	Renewal

125 N Park St, Dallastown

SIZE	17,600 SF
TENANT	Trans/Air Manufacturing Corp.
TRANSACTION	New

5 Leigh Dr, York

SIZE	15,150 SF
TENANT	Name Withheld
TRANSACTION	New

DREW M. STEFFENS
Director of Data Services
(717) 854-7065
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

717.854.5357
ROCKrealestate.net

