

MARKET REPORT

YEAR-END 2024 | Greater Hanover Area

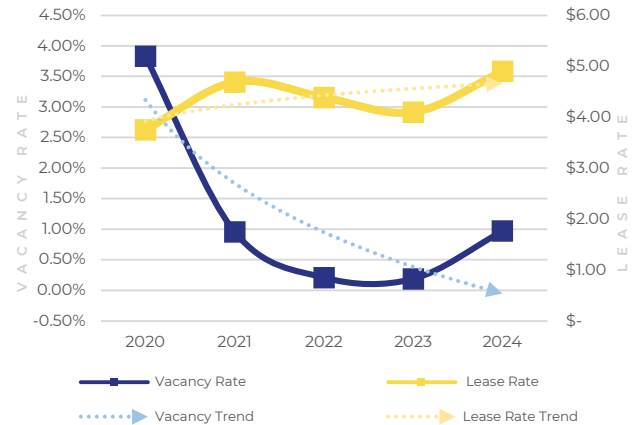


INDUSTRIAL

↑ 16.97 MSF TOTAL INVENTORY

- Lease rates improved 20% YOY and vacancy shrunk as inventory remained tight with recent construction projects being occupied upon completion.
- A ribbon cutting ceremony was held in December for Utz's new 650,000 SF distribution center at 101 Kindig Ln in Hanover. The new facility will combine operations of six smaller facilities to improve operations efficiency.
- G&S Foods also opened a new facility allowing them to consolidate and enhance their manufacturing and distribution capabilities. The 351,000 SF facility is located at 391 N Blettner Ave in Hanover.

VACANCY & AVG LEASE RATE

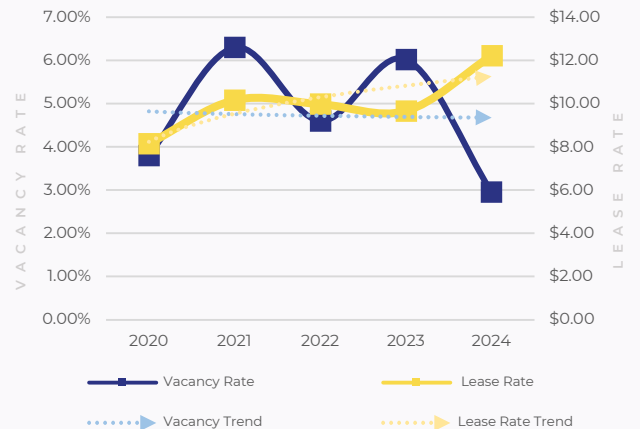


OFFICE

→ 1.73 MSF TOTAL INVENTORY

- A lack of inventory growth helped reduce vacancy another 101 bps from mid-year levels and lease rate growth improved 27% YOY after a three-year plateau.
- Sale of 1139 Baltimore St in Hanover for \$1.22M (\$212.28/SF) supplemented 23% of total sales YTD. The former MedExpress location is being renovated into Priority Paws Veterinary Urgent Care.
- Hanover Borough discussed plans to transform a vacant office building at 33 Frederick St into their new Public Administration Building, with additional plans to renovate their current location just across the street to become the new Public Safety Facility.

VACANCY & AVG LEASE RATE

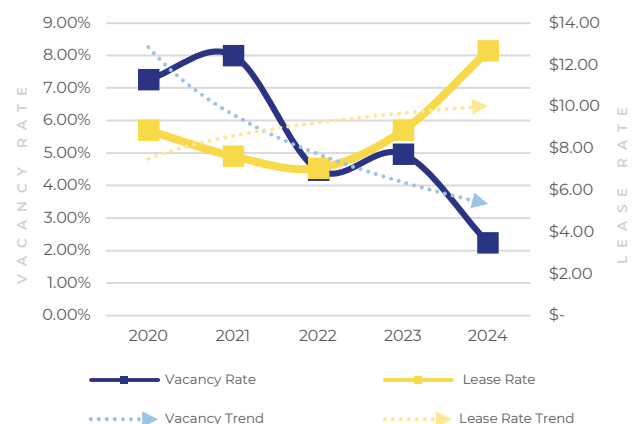


RETAIL

↓ 6.29 MSF TOTAL INVENTORY

- Class C properties accounted for 63% of total sales YTD. Several significant transactions occurred in Q3 2024 that contributed to another rise in average sale price, now 28% higher than in 2023.
- Average lease rate growth improved 43% YOY. Record low vacancy is expected to continue elevating rates within a competitive market.
- Tractor Supply Co. completed work on their new 27,119 SF store at 250 Gateway Drive in Hanover. This construction is part of the new retail development project known as Gateway East, which is the second phase of the existing Gateway Hanover Shopping Center.

VACANCY & AVG LEASE RATE



INDUSTRIAL

SOLD - \$1,500,000



6 Pine St, Hanover

19,000 SF
Seller: Kapp Advertising Services, Inc.
Buyer: Meier Supply Company Inc.

SOLD - \$425,000



125 Hanover St, New Oxford

27,000 SF
Seller: Environmentally Safe Products
Buyer: Lefler Heating & Cooling LLC

LEASED - 9,743 SF



262 Church St, Hanover

Tenant: SAY Plastics, Inc.

OFFICE

SOLD - \$1,200,000



1139 Baltimore St, Hanover

5,747 SF
Seller: ValueCom17 LLC & Exeter 23634 WY LLC
Buyer: MoWhinerProperties LLC

SOLD - \$125,000



328 Main St, McSherrystown

1,380 SF
Seller: 328 Main Street LLC
Buyer: Joseph Noel

LEASED - 940 SF



211 Kennedy Ct #5, Hanover

Tenant: Name Withheld

RETAIL

SOLD - \$2,250,000



648 Frederick St, Hanover

4,928 SF
Seller: 644 Frederick St Investors, LLC
Buyer: Capital Investment Assets, LP

SOLD - \$750,000



1137 Baltimore St, Hanover

2,400 SF
Seller: Wend Baltimore North LLC
Buyer: Keshav Krupa LLC

LEASED - 1,460 SF



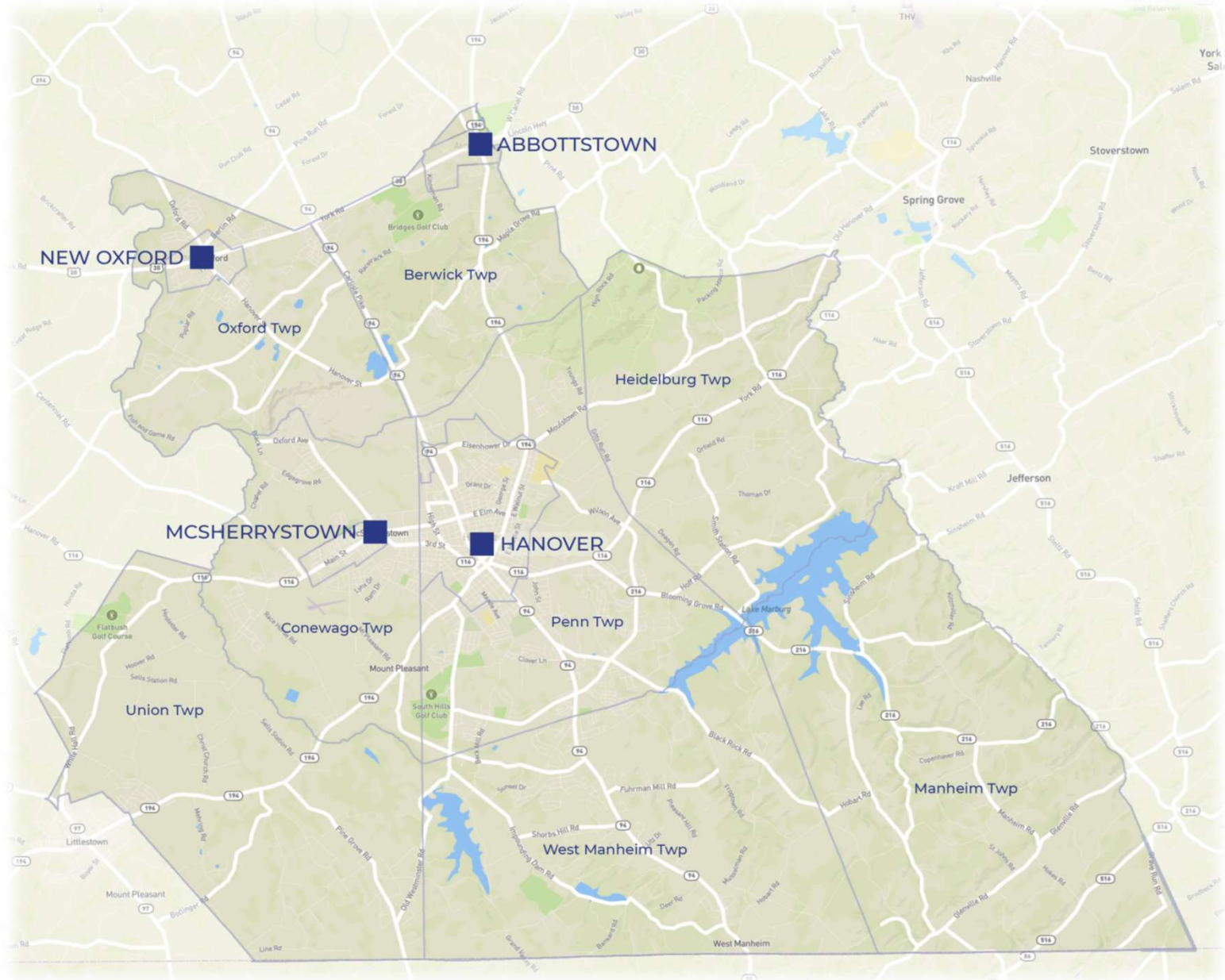
1446 Baltimore St, Hanover

Tenant: The K2C2 Agency LLC

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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