

# MARKET REPORT

RETAIL | LANCASTER COUNTY, PA | Q4 2024



INVENTORY (SF)	VACANCY RATE	SALES (\$)	SALES (SF)	LEASED (SF)	RENT CHANGE
30.23M ↑	1.36% ↓	\$13.56M ↓	84,282 ↓	35,975 ↑	-\$1.53 ↓ <i>12-month rolling avg</i>

## Automotive Properties Lead Sale Transactions for a Second Year

### HIGHLIGHTS

- BB's Grocery Outlet began work in November on a 31,200 SF warehouse expansion to enhance their Quarryville location's operational capacity
- For the first time since 2020, Class B properties took a backseat to Class C in total sales delivered
- Little new construction kept the market tight, allowing vacancy to drop for a second quarter, down 29 bps to 1.36%
- Shopping centers continued to supplement leasing activity, securing a third of newly leased space this year

### OVERVIEW

Sale activity within the sector maintained a steady momentum throughout the year to meet reliable local business demand. Class C properties dominated transactions every quarter this year and the overall median sale price for all subtypes dropped by 16% YOY. Restaurants were the only subtype to see an improvement in median sale price, rising 13% from last year.

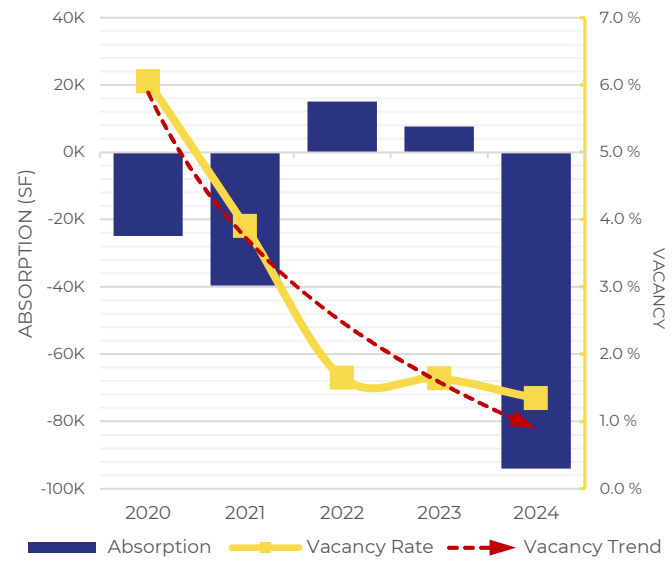
As service-oriented retail subtypes continued to thrive within the sector, automotive properties outperformed all other subtype sale transactions for a second year, delivering 32% of total sales YTD. Restaurant properties were close behind accounting for 29%.

Leasing activity recovered from the prior quarter, however overall, this year secured less leased area than the prior four years, keeping absorption low despite a marginal improvement from Q3.

Low absorption is expected to continue into the new year, as tenants continue to favor smaller spaces in both freestanding and in-line retail units.

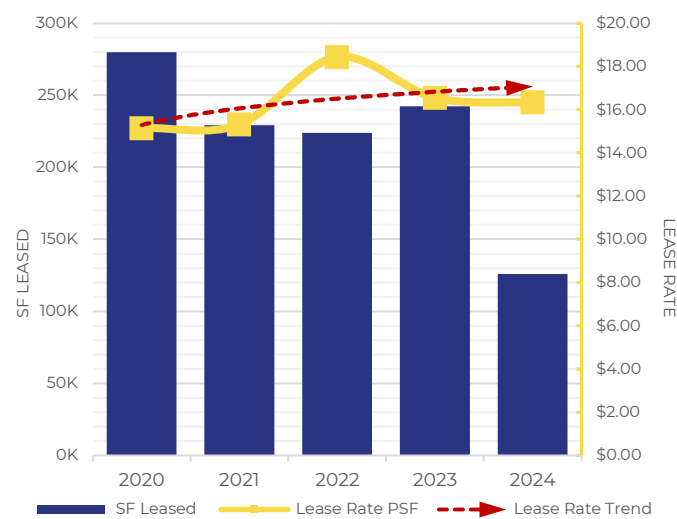
Lease rate growth stabilized with another decrease in the 12-month rolling average. However, local market conditions continued to support healthy competition within a limited inventory, and overall growth trends are expected to continue into the new year.

### 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 2024

## Key Sale Transactions

### 4407 Oregon Pike, Leola

SIZE	24,320 SF
SELLER	Preston Properties LLC
BUYER	Oregon Pike Property Holdings LLC
PRICE	\$3,500,000

### 1543 Oregon Pike, Lancaster

SIZE	7,556 SF
SELLER	Dutchshire Enterprises Inc
BUYER	Mavis Tire Supply LLC
PRICE	\$1,400,000

### 1255 Manheim Pike, Lancaster

SIZE	6,116 SF
SELLER	Carite Realty LLC
BUYER	Harrisburg Pike Holdings LP
PRICE	\$1,135,000

### 1950 W Main St, Mount Joy

SIZE	4,820 SF
SELLER	Hillcrest Holdings LLC
BUYER	Meadowbrook Realty LLC
PRICE	\$850,000

### 315 E Main St, Landisville

SIZE	6,056 SF
SELLER	Lee Jackson
BUYER	Salunga Land Development Co Inc
PRICE	\$850,000

#### For more information contact

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## Key Lease Transactions

### 313 W Liberty St, Lancaster

SIZE	10,167 SF
TENANT	Owl Hill Learning Center
TRANSACTION	Renewal

### 101 E Plum St, Elizabethtown

SIZE	7,200 SF
TENANT	Name Withheld
TRANSACTION	New

### 548 S State St, Ephrata

SIZE	3,760 SF
TENANT	Los Güeros
TRANSACTION	New

### 1360 Columbia Ave, Lancaster

SIZE	2,250 SF
TENANT	The Bread Pedaler
TRANSACTION	New

### 17 N Prince St, Lancaster

SIZE	1,900 SF
TENANT	People & Things
TRANSACTION	New

