

MARKET REPORT

INDUSTRIAL | YORK COUNTY, PA | Q1 2025



INVENTORY (SF)	VACANCY RATE	SALES (\$)	SALES (SF)	LEASED (SF)	RENT CHANGE
90.09M ↑	1.92% ↓	\$25.01M ↓	359,402 ↑	233,893 ↑	+\$0.29 ↑ 12-month rolling avg

Persistent Demand Motivated Leasing Activity

HIGHLIGHTS

- Two major acquisitions by The Lightstone Group created a spike in sale activity, and Q1 total sales exceeded \$25M
- Equilibrium between supply and demand continued to drive positive absorption into a fifth year
- Lease trends revealed higher demand for larger Class A and smaller Class B spaces
- High construction costs and market cycle concerns hindered new speculative development, but Expressway Commerce Park in Manchester Township gained 270,867 SF of Class A warehouse ready for tenant finishes

OVERVIEW

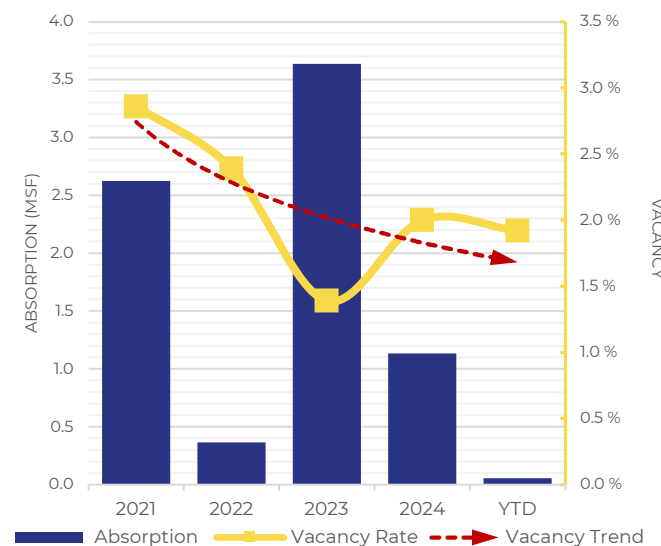
Leasing activity was formidable and in line with historic norms, balking the slowing trends seen on the national level amid tariff uncertainties. Persistent manufacturing demand also recovered average lease rates for all classes following last quarter's dip. Overall lease rates have increased 27% since 2021, and the 12-month rolling average improved 4% in Q1.

There was a notable shift in tenant preferences for larger spaces for all classes. Spaces over 10,000 SF accounted for 78% of newly leased area.

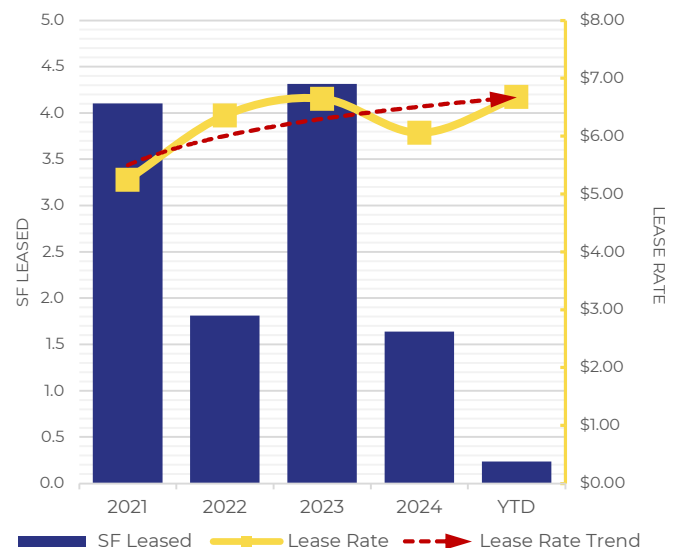
Vacancy trends within the local sector suggest the market is slower to absorb larger Class B and C spaces and smaller Class A spaces. The vacancy rate for Class A spaces under 50,000 SF is 2.3% and nearly double for Class B spaces of the same size. The inverse is true for spaces over 150,000 SF, with Class B and C spaces showing vacancy rates of 6% compared to 1.5% for Class A.

Q1 total sales spiked after The Lightstone Group acquired a value-add warehouse portfolio which included 503-509 Industrial Dr, Lewisberry and 2645 Blackthorn Ct, York. Totaling \$16.1M, the transaction added a combined 148,000 SF of partially leased Class A warehouse space to the real estate investment company's existing portfolio.

NET ABSORPTION & VACANCY



SF LEASED & AVG LEASE RATE



Key Sale Transactions

509 Industrial Dr & 2645 Blackthorne, Lewisberry

SIZE	148,000 SF
SELLER	Allegiancy US
BUYER	The Lightstone Group
PRICE	\$16,100,000

580 Industrial Dr, Lewisberry

SIZE	29,400 SF
SELLER	Mauro Miles Partnership
BUYER	Spectre Industrial LLC
PRICE	\$3,025,000

3450 Industrial Dr, York

SIZE	22,700 SF
SELLER	Susan Burnside
BUYER	Maple Donuts, Inc.
PRICE	\$1,484,000

701 Hay St, York

SIZE	109,010 SF
SELLER	Hay Street LLC
BUYER	701 Hay Street LLC
PRICE	\$1,050,000

259 W Ore St, Seven Valleys

SIZE	4,800 SF
SELLER	Coach Light Properties
BUYER	Aynlee 22 LLC
PRICE	\$650,000

For more information contact

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Key Lease Transactions

4180 Lincoln Hwy E, York

SIZE	66,600 SF
TENANT	Derr Flooring Company
TRANSACTION	New

400 Zarfoss Dr N, York

SIZE	55,800 SF
TENANT	A-Safe, Inc.
TRANSACTION	Renewal

3635-3725 Board Rd, York

SIZE	22,500 SF
TENANT	CP Converters, Inc.
TRANSACTION	Renewal

390 Zarfoss Dr N, York

SIZE	12,000 SF
TENANT	Coated Metals Group, PA LLC
TRANSACTION	New

260 Shady Ln, Manchester

SIZE	9,300 SF
TENANT	Hauck Logistics, LLC
TRANSACTION	Renewal

