

MARKET REPORT

OFFICE | YORK COUNTY, PA | Q3 2025



INVENTORY (SF)	VACANCY RATE	SALES (\$)	SALES (SF)	LEASED (SF)	RENT CHANGE
13.58M ↑	2.42% ↓	\$3.69M ↓	56,821 ↓	41,988 ↑	+\$0.21 ↑ <i>12-month rolling avg</i>

Co-Working Recalibration Seen in Leasing Trends

HIGHLIGHTS

- Q3 leasing trends shifted towards smaller, flexible offices and increased overall lease rates by 22% from Q2
- 2550 Kingston Rd in York sold for \$2.15M (\$49.77/SF) and is the largest transaction YTD. The new owners plan to complete building updates and lease out the executive offices
- Supply chain specialist BDP International, Inc. relocated to 3501 Concord Rd and will occupy over 23,000 SF of Class A office space

OVERVIEW

There was a second consecutive quarter of average sale price growth, but the overall four-year declining trend was unaltered.

Higher borrowing costs and interest rates muted sale activity in local and national markets, and it is unlikely this trend will reverse by end of year with Q3 closing amid a government shutdown.

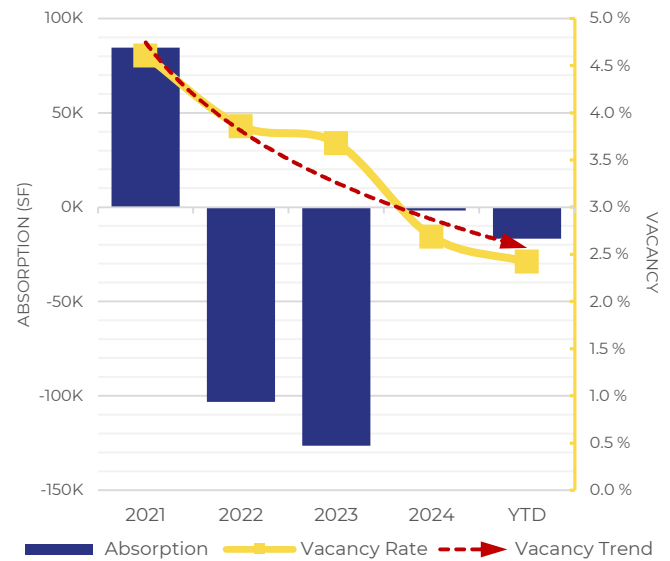
Shrinking unit sizes slowed absorption despite stable lease activity but respectively contributed to notable average lease rate growth now at \$13.56/SF.

Demand for modern flexible office space prioritized conversions, updates and expansion projects over new construction.

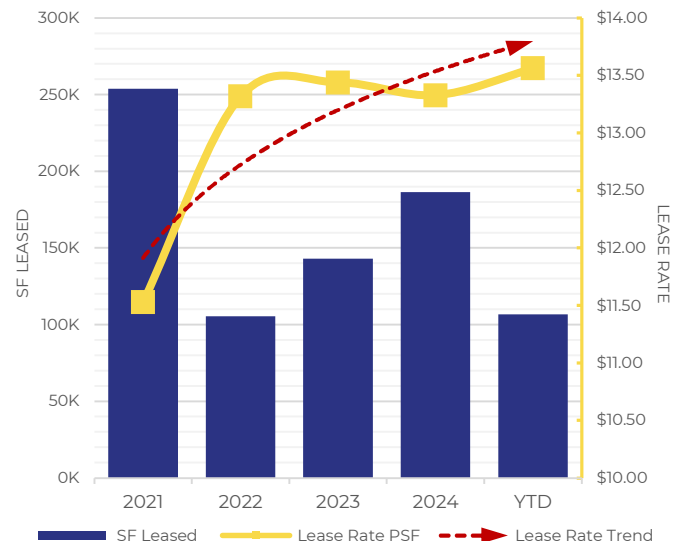
Wagman completed renovation of their new headquarters at 3265 Farmtrail Road in Manchester Township. The new, custom designed space will serve as administrative offices for multiple service lines. Embracing collaborative office trends, updates to the property included incorporating advanced technologies, adding modern amenities for staff, and new utilities systems.

The final beam was placed in the construction of WellSpan York Hospital's new surgical tower, as part of their initiative to improve and expand access and quality of advanced healthcare services to the community.

NET ABSORPTION & VACANCY



SF LEASED & AVG LEASE RATE



Key Sale Transactions

2550 Kingston Rd, York

SIZE	43,200 SF
SELLER	Arcadian Corporation NV
BUYER	2550 Kingston LLC
PRICE	\$2,150,000

300 N Baltimore St, Dillsburg

SIZE	3,932 SF
SELLER	Panco Realty LLC
BUYER	300 N Baltimore LLC
PRICE	\$555,000

1601 S Queen St, York

SIZE	5,505 SF
SELLER	MDCI Realty
BUYER	Be Above The Line, LLC
PRICE	\$520,000

835 Edgewood Rd, York

SIZE	1,312 SF
SELLER	Teldarfox, LLC
BUYER	Atlantic Theory LLC
PRICE	\$260,000

300 E Main St, Dallastown

SIZE	2,872 SF
SELLER	Gregg J & Susan M Basile
BUYER	CS Interiors LLC
PRICE	\$209,000

For more information contact

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Key Lease Transactions

3501 Concord Rd, York

SIZE	23,148 SF
TENANT	BDP International, Inc.
TRANSACTION	New

1805 Loucks Rd, York

SIZE	6,856 SF
TENANT	BAPS Auto Paint Supply
TRANSACTION	New

2641-2651 Carnegie Rd, York

SIZE	3,000 SF
TENANT	Grane Hospice Care, Inc.
TRANSACTION	New

2951 Whiteford Rd, York

SIZE	2,395 SF
TENANT	Proface Business Services, Inc.
TRANSACTION	New

2756 S Queen St, Dallastown

SIZE	1,900 SF
TENANT	Wendy Erdenbrack, CPA
TRANSACTION	Renewal

