

MARKET REPORT

INDUSTRIAL | LANCASTER COUNTY, PA | Q4 2025



Market Equilibrium Stimulated Major Absorption Recovery

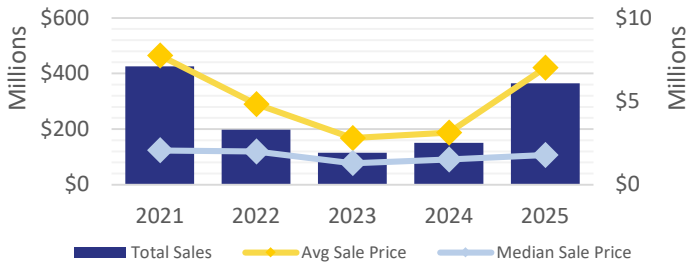
HIGHLIGHTS

- Active leasing stabilized low vacancy and recovered absorption from two-year slump
- Total sales YTD exceeded \$364M, just shy of breaking 2021's record
- Work completed on 283 Commerce Hub, a 390,576 SF Class A warehouse developed by Panattoni

OVERVIEW

Turbulent economic forces throughout the year resulted in restricted lending within most markets, but Lancaster County's strategic appeal to industrial investors, combined with constrained supply, contributed to substantial YTD growth. 2025 began and ended with several high-profile transactions that reversed a three-year decline in average sale price, up 124% overall to \$7M. Median sale prices also grew 17% YOY up to \$1.79M.

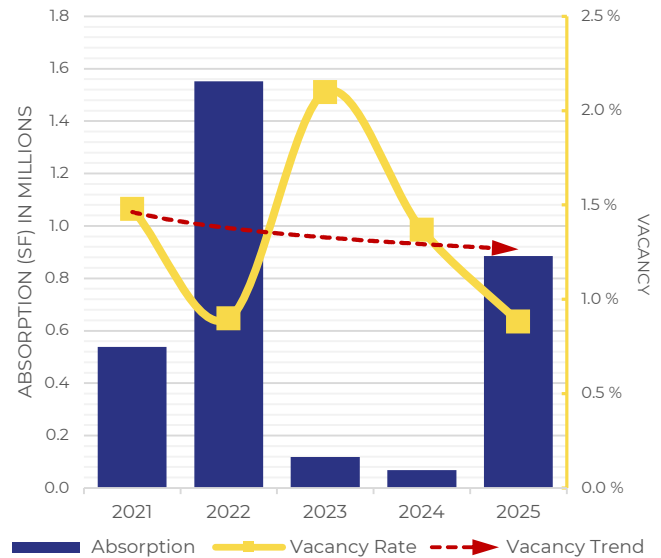
Sales over Time



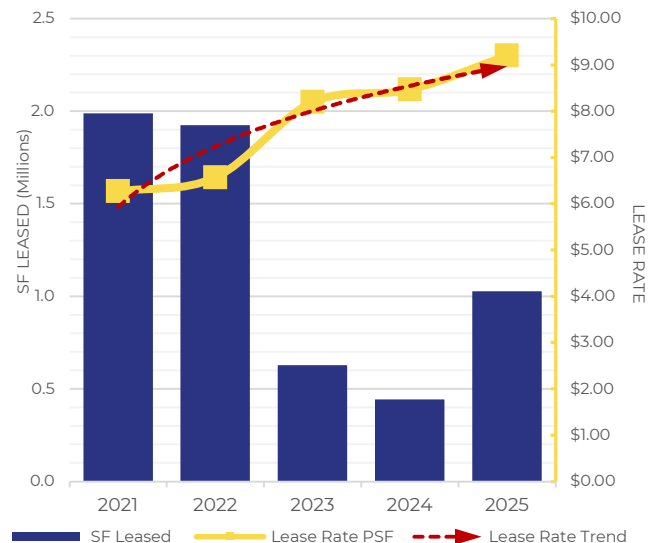
Two of the largest transactions on record since 2019 occurred in Q1 and Q4 2025. In Q4, a subsidiary of global investment management firm Invesco Ltd purchased 283 Commerce Hub, a 390,576 SF Class A warehouse at 403 S Chiques Rd for \$71.5M (\$183.06/SF). This transaction ousted the Q1 2025 \$70M sale of 216 Greenfield Ave in Lancaster as the largest sale price of the year.

Market equilibrium during the year was showcased by absorption growth, record low vacancy, and record high lease rates. Class C spaces remained top performers with stabilized average rents around \$8/SF. Class A and Class B saw YOY increases to average lease rates. Average rent for Class A spaces grew \$1.20/SF to \$9/sf, and Class B assets saw the largest YOY increase of \$1.60/SF to \$8.90/SF.

NET ABSORPTION & VACANCY



SF LEASED & AVG LEASE RATE



Key Sale Transactions

403 S Chiques Rd, Manheim

SIZE	390,576 SF
SELLER	283 Commerce Hub Venture LLC
BUYER	283 Commerce Owner LLC
PRICE	\$71,500,000

1160 E Main St, Mount Joy

SIZE	140,600 SF
SELLER	Juniata River Development Co
BUYER	Bel 63 Mount Joy LLC
PRICE	\$10,000,000

173 Deascenti Dr, Columbia

SIZE	19,409 SF
SELLER	Bob Kline
BUYER	Silver Creek Real Estate Holdings
PRICE	\$3,300,000

202 Orlan Rd, New Holland

SIZE	11,648 SF
SELLER	Fieldcrest Properties LP
BUYER	Cardinal Crest Property LLC
PRICE	\$1,725,000

64 Queen Rd, Ronks

SIZE	12,248 SF
SELLER	Wayne Esh
BUYER	Ridgeco Real Estate LLC
PRICE	\$1,559,000

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Key Lease Transactions

25 Kurtz Rd, Denver

SIZE	28,440 SF
TENANT	Name Withheld
TRANSACTION	New

181 E Stiegel St, Manheim

SIZE	21,815 SF
TENANT	Name Withheld
TRANSACTION	New

747 Flory Mill Rd, Lancaster

SIZE	19,380 SF
TENANT	Sid Harvey Industries, Inc.
TRANSACTION	New

2860 Yellow Goose Rd, Lancaster

SIZE	13,900 SF
TENANT	Name Withheld
TRANSACTION	New

308-334 W Main St, Mount Joy

SIZE	13,363 SF
TENANT	Journey Innovation LLC
TRANSACTION	New

