

# MARKET REPORT

OFFICE | YORK COUNTY, PA | Q4 2025



INVENTORY (SF)	VACANCY RATE	SALES (\$)	SALES (SF)	LEASED (SF)	RENT CHANGE
13.56M ↓	*3.26% ↑	\$2.93M ↓	30,068 ↓	15,208 ↓	+\$0.29 ↑ <i>12-month rolling avg</i>

## Vacancy Stabilized Below 4% for a Fourth Year

### HIGHLIGHTS

- While national office vacancy lingers near 20%, York County office vacancy has remained below 4% for the last four years
- Overall average unit sizes shrunk 29% and demand for smaller units < 1K SF grew average rents by 20% YOY
- Offering cost-effective options and potential for adaptive reuse, Class C properties were the only class to see improved average sale prices, up 20% from 2024

### OVERVIEW

A mixture of restricted lending, high operational costs and hybrid work models slowed Class A sale transactions through the last half of 2025. However, lower interest rates opened access to capital in Q4, with further lowering anticipated in 2026. Combined with reliable demand and stability of vacancy and lease rate growth, the 2026 recovery outlook for the local office sector is positive.

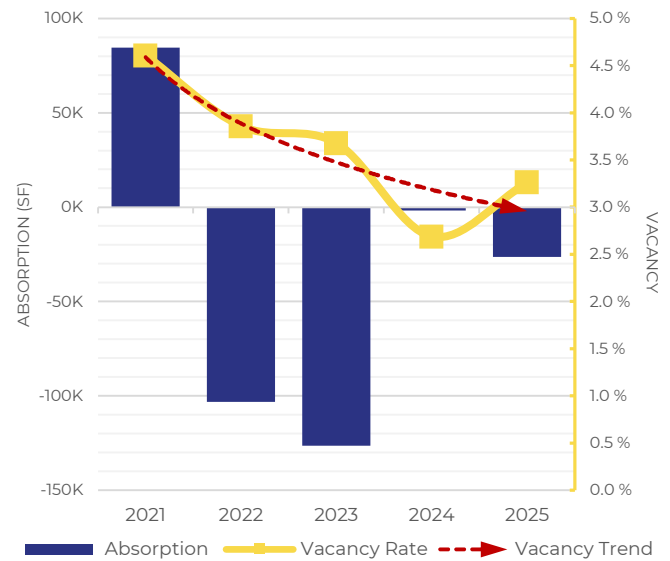
At the beginning of 2025, the average unit size for office space leased was just over 3,500 SF, but that average shrunk to just over 1,500 SF by the end of Q4. Remarkably, this was coupled with Class A average unit sizes reaching an all-time high and exceeding 8,300 SF, an impressive overall increase of 220% from 2022-2025.

While these contradictory trends coordinated to stabilize vacancy below 3% for a sixth consecutive quarter, they also hindered absorption recovery through the year. Class A assets represent the majority of inventory but account for less than 20% of new leases signed each year. Comparatively, nearly 70% of new leases signed and 64% of current vacant space is Class B.

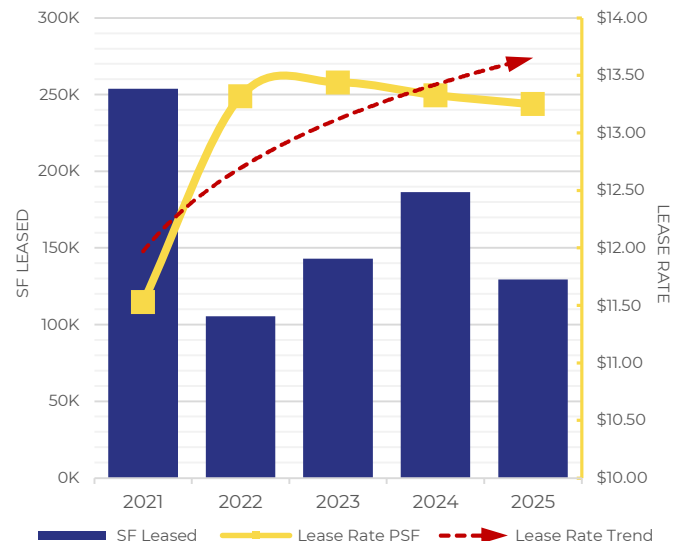
This abundance of smaller, Class B offices has historically fueled leasing activity and made local markets ideal for co-working models which thrive on cost-effectiveness and flexibility. Over the last five years, units less than 1K SF have gained a notable foothold within leasing, with substantial growth in average lease rates of 146% since 2020, and 28% just in the last year.

\*Vacancy has been retroactively updated to reflect the most accurate office vacancy rate as of February 2026

### NET ABSORPTION & VACANCY



### SF LEASED & AVG LEASE RATE



## Key Sale Transactions

### 1205 E Market St, York

SIZE	7,806 SF
SELLER	Shadowfax Corporation
BUYER	PA Child Corporation Inc.
PRICE	\$650,000

### 1512 E Market St, York

SIZE	4,200 SF
SELLER	KKMS Inc.
BUYER	Area Holdings LLC
PRICE	\$375,000

### 1550 E Market St, York

SIZE	2,551 SF
SELLER	Hamberger White Accountants
BUYER	Cody Gehman
PRICE	\$360,000

### 221-1WBc W Philadelphia, York

SIZE	3,253 SF
SELLER	Comcast
BUYER	PA PennMar Properties
PRICE	\$275,000

### 2214 S Queen St, York

SIZE	1,280 SF
SELLER	Dr. Craig Bradley
BUYER	R&R Sweet Home Investments
PRICE	\$225,000

#### For more information contact

**EMILY KLINGLER**  
Research Analyst  
(717) 850-0848  
[eklingler@rockrealestate.net](mailto:eklingler@rockrealestate.net)

221 W Philadelphia St, Ste 19, York, PA 17401  
313 W Liberty St, Ste 117, Lancaster, PA 17603

717.854.5357  
ROCKrealestate.net

## Key Lease Transactions

### 190 E Canal Rd, York

SIZE	6,500 SF
TENANT	Name Withheld
TRANSACTION	New

### 195 Leader Heights Rd, York

SIZE	2,054 SF
TENANT	Aesthetic Professionals LLC
TRANSACTION	New

### 2797 S Queen St, Dallastown

SIZE	1,800 SF
TENANT	York PA Caregiving, LLC
TRANSACTION	New

### 1422 W Market St, York

SIZE	1,200 SF
TENANT	Name Withheld
TRANSACTION	New

### 2550 Kingston Rd, York

SIZE	1,133 SF
TENANT	Holcomb Associates Inc.
TRANSACTION	New

