

# MARKET REPORT

YEAR-END 2025 | Greater Hanover Area

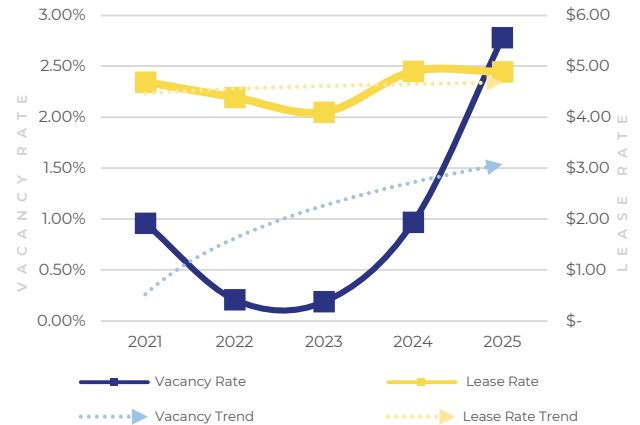


INDUSTRIAL

## ↑ 17.3 MSF TOTAL INVENTORY

- Active leasing throughout the second half of the year was offset by a combination of smaller leased unit sizes and over 339K SF of vacant space added to the market. Vacancy spiked 177 bps from the first half of the year up to 2.78%.
- Average lease rates and average sale prices YTD remained stabilized by reliable local demand and lack of new inventory.
- Yazoo Mills announced a \$14M investment to build a 107,000 SF manufacturing facility in Hanover. Described in their press release as the most modern paper tube plant in North America, the facility will include high-speed production lines and advanced technology to improve overall capacity.

### VACANCY & AVG LEASE RATE

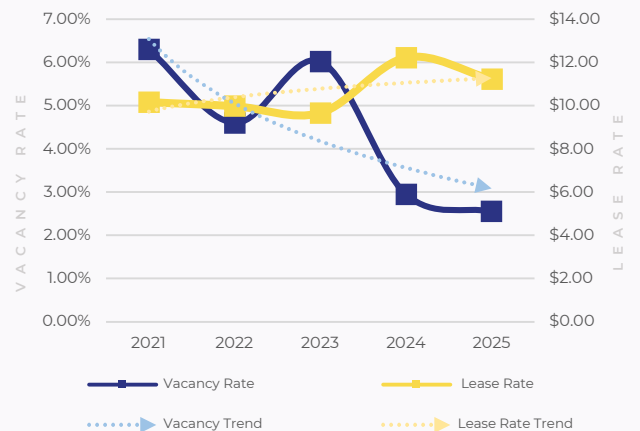


OFFICE

## ↑ 1.81 MSF TOTAL INVENTORY

- Vacancy increased from the first half of the year, up 33bps to 2.55%, following a larger 10,000 SF medical office vacancy within the Hillside Medical Center at 250 Fame Avenue in Hanover.
- Average lease rates continued to stabilize after spiking from 2023-2024. Although average rates declined 18% YOY to \$11.22/SF, they remained above historic levels on an upward trajectory.
- Sale volume YTD fell short of prior years' performance with \$2.65M in total sales. Average sale prices declined for Class A and B assets but increased 26% YOY for Class C properties.

### VACANCY & AVG LEASE RATE

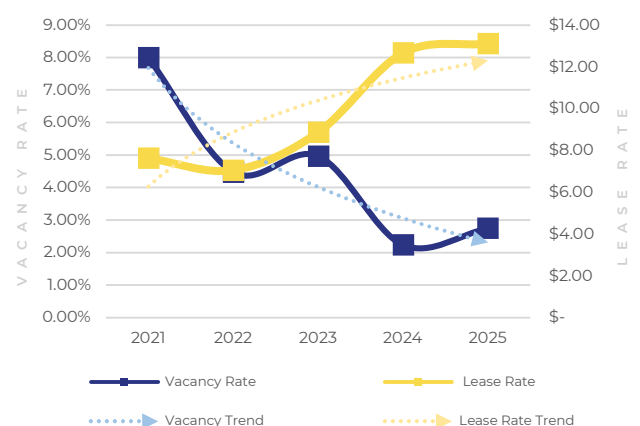


RETAIL

## → 6.48 MSF TOTAL INVENTORY

- YTD sale totals exceeded \$20M, more than 2023 and 2024 combined. Class A sale totals reached \$12M and contributed to a second year of growth for average sale prices, up to \$1.2M.
- Overall average unit sizes have gradually increased 15% YOY on average since 2020. Average rent rates stabilized just over \$13/SF on their upward trend maintained by active leasing within a limited inventory.
- Warehouse Gourmet Bistro & Brewpub in Hanover held a ribbon cutting ceremony in August for the opening of their latest event space and art gallery expansion.
- Following a critical structural failure, North Hanover Mall was officially condemned in November.

### VACANCY & AVG LEASE RATE



INDUSTRIAL

SOLD - \$1,300,000



**670 Gitts Run Rd, Hanover**

9,000 SF  
Seller: Burkentine Shop, LLC  
Buyer: Cooper Property Rentals, LLC

SOLD - \$470,000



**18 Centennial Ave, Hanover**

10,578 SF  
Seller: Peter Velencia, Jr.  
Buyer: Aiello's Rentals LLC

LEASED - 3,855 SF



**4685 Shaffers Church Rd, Glenville**

Tenant: Hanover Glass & Mirror, LLC

OFFICE

SOLD - \$525,000



**340 Lumber St, Littlestown**

8,424 SF  
Seller: William Seibert  
Buyer: BTG Investments LLC

SOLD - \$399,900



**335 Broadway, Hanover**

5,190 SF  
Seller: Ismile Properties  
Buyer: S&K Real Estate Holdings LLC

LEASED - 1,344 SF



**100 Penn St, Hanover**

Tenant: Name Withheld

RETAIL

SOLD - \$1,885,000



**110 Eisenhower Dr, Hanover**

14,280 SF  
Seller: Smith Wesley Clarke Et Al  
Buyer: Greenholt Property Holdings LLC

SOLD - \$745,000



**1307 Baltimore St, Hanover**

4,300 SF  
Seller: William Prin  
Buyer: Hutch & Kama Investments LLC

LEASED - 4,500 SF



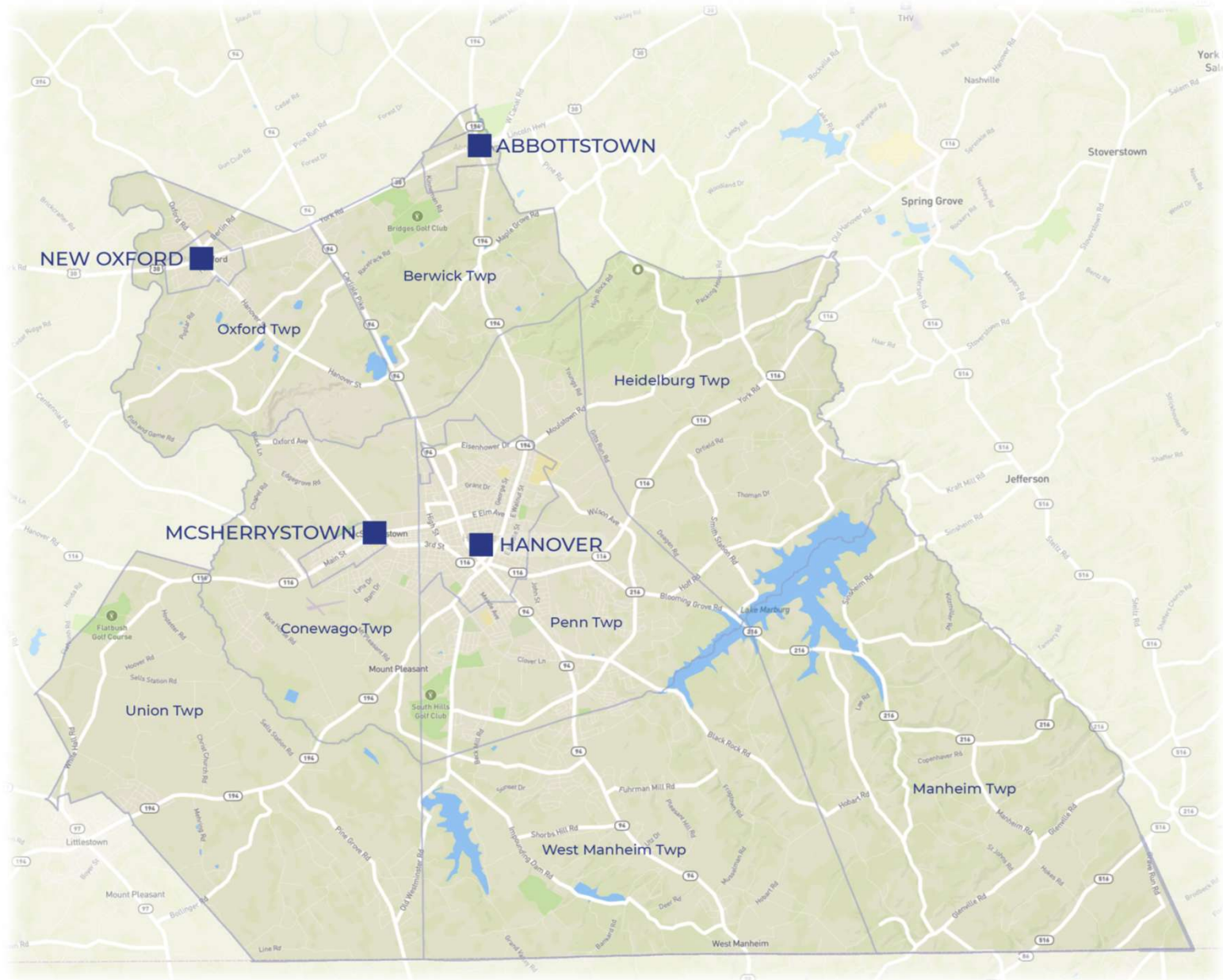
**910 York St, Hanover**

Tenant: Seth Eisenhart

## GEOGRAPHY SELECTION

For purposes of this Market Report, the Greater Hanover Area includes the Hanover Borough and surrounding communities of McSherrystown, New Oxford and Abbottstown. These communities were identified to contain businesses and consumers that identify with the Hanover Market.

Township boundaries used to define the area include Union Township, Conewago Township, McSherrystown Borough, Oxford Township, New Oxford Borough, Berwick Township, Abbottstown Borough, Penn Township, Hanover Borough, West Manheim Township, Heidelberg Township, & Manheim Township.



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