MARKET REPORT

RETAIL | **LANCASTER COUNTY, PA** | Q1 2026

ROCK COMMERCIAL REAL ESTATE
25 Years. Built on Trust.

INVENTORY (SF)	VACANCY RATE	SALES ($)	SALES (SF)	LEASED (SF)	RENT CHANGE
30.65M ↑	1.40% ↑	$18.43M ↑	121,928 ↑	33,071 ↑	+$1.88 ↑
					12-month rolling avg

Growth Trends Demonstrated Continued Market Resilience

HIGHLIGHTS

- Voters in a recent poll declared Lancaster City's shopping district to be the most envied in the state, attributed to its unique collection of retail culture and local businesses *
- Regional investor confidence was maintained and Q1 marked the fourth consecutive quarter with sale totals exceeding $18M
- Vacancy rose 20 bps to 1.4% following an influx of vacant retail spaces within shopping centers

OVERVIEW

Several major sales, including national franchise brands, demonstrated steadfast investor confidence within the sector. After recovering last year, overall average sale prices were maintained at $1.3M. And median sale prices jumped up to $1.1M as they entered the second year of their growth trajectory.

Accounting for over half of Q1 sale totals, automotive service property sales exceeded $8.5M, and raised average sale prices for these properties beyond $1.4M. This included the February sale of a Mavis Discount Tire in East Hempfield Township for $2.78M ($458.83/SF).

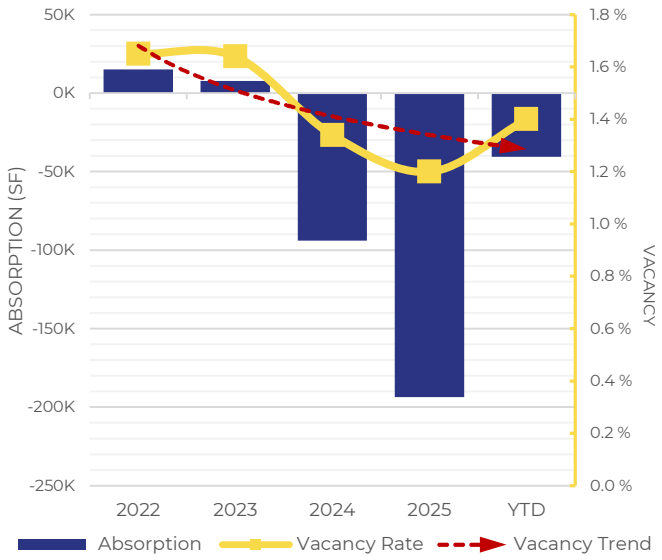
Investment sales of fast-food franchises including Dunkin', KFC and Long John Silvers placed restaurant properties in second place with over $6M in total sales for Q1. This activity held average sale prices for restaurants at $1.5M for a second quarter.

Reliable demand fueled leasing activity and secured over 30K SF of newly leased area in Q1. Notably, a 12,330 SF service garage at 444 S Prince St set a record as the largest automotive service lease in the last five years.

Competition within a low-vacancy market contributed to a notable increase to overall average rents to over $19/SF. This growth was most significant for storefront retail spaces, which also accounted for a third of new leases signed in Q1.

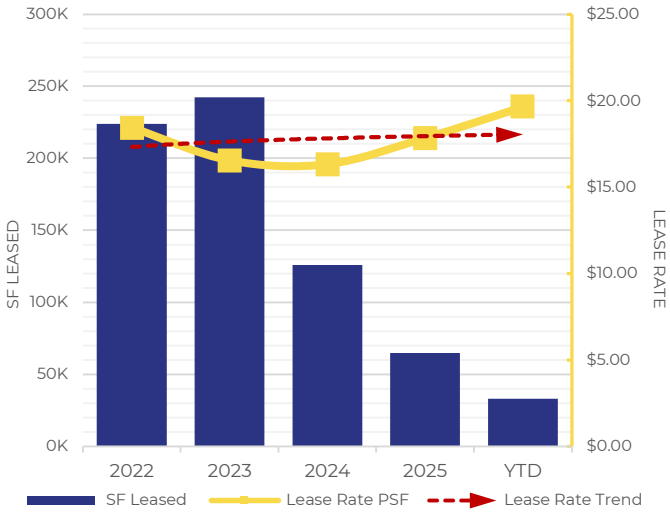
* https://www.cpbj.com/central-pa-city-named-voted-most-envied-shopping-spot-in-state/

NET ABSORPTION & VACANCY



* Absorption & Vacancy for Class A, B & C

SF LEASED & AVG LEASE RATE



* SF Leased includes Class A, B & C | Lease rate includes Class A & B only

RETAIL

LANCASTER COUNTY, PA

Q1 2026

Key Sale Transactions

1655 Columbia Ave, Lancaster

SIZE	6,048 SF
SELLER	Lancaster AMA Realty Ventures
BUYER	BAR Residential Group LLC
PRICE	$2,775,000

1282 Manheim Pike, Lancaster

SIZE	13,986 SF
SELLER	1282 Manheim Pike LLC
BUYER	Ciocca York Real Estate LLC
PRICE	$2,350,000

1989 Lancaster Pike, Peach Bottom

SIZE	21,653 SF
SELLER	Holtwood Properties LLC
BUYER	MD Properties of PA LLC
PRICE	$1,800,000

1906 Columbia Ave, Lancaster

SIZE	2,944 SF
SELLER	RP Four LP
BUYER	Keshav Krupa LLC
PRICE	$1,700,000

2333 Rockvale Rd, Lancaster

SIZE	3,335 SF
SELLER	MP Lancaster LLC
BUYER	Hampshire Pike LLC
PRICE	$1,650,000

Key Lease Transactions

444 S Prince St, Lancaster

SIZE	12,330 SF
TENANT	Name Withheld
TRANSACTION	New

1023 Ranck Mill Rd, Lancaster

SIZE	4,120 SF
TENANT	Name Withheld
TRANSACTION	New

137-141 Locust St, Columbia

SIZE	3,700 SF
TENANT	Name Withheld
TRANSACTION	New

4201-4243 Oregon Pike, Ephrata

SIZE	3,056 SF
TENANT	Name Withheld
TRANSACTION	New

903 Nissley Rd, Lancaster

SIZE	2,289 SF
TENANT	Name Withheld
TRANSACTION	New

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