MARKET REPORT

OFFICE | **LANCASTER COUNTY, PA** | Q3 2026

ROCK COMMERCIAL REAL ESTATE
25 Years. Built on Trust.

INVENTORY (SF)	VACANCY RATE	SALES ($)	SALES (SF)	LEASED (SF)	RENT CHANGE
16.72M →	3.71% ↑	$18.3M ↑	192,826 ↓	16,699 ↓	+$1.21 ↑
					12-month rolling avg

Flex Offices Gain Market Traction with Sale Activity

HIGHLIGHTS

- As part of a larger plan to tap into Lancaster's expanding market, WSFS Financial Corp (dba WSFS Bank and Bryn Mawr Trust) leased 4,700 SF of Class A office space in Granite Run Corporate Center
- Video production company Cutting Edge Media sold their 34,000 SF flex office at 1595 S Mount Joy St in Elizabethtown for $1.75M ($51.47/SF)

OVERVIEW

Average and median sale prices continued their second year of growth, most notably for flex office properties which have seen substantial increases in average sale prices and transaction totals in the last two years. Three July sales totaling over $7M brought prices for flex office properties to a record high of $1.8M.

By class, average sale prices have improved YOY for all asset classes. As of Q3 2026, Class C properties managed to gain a marginal lead on Class B office properties, with average sale prices sitting just under $985K.

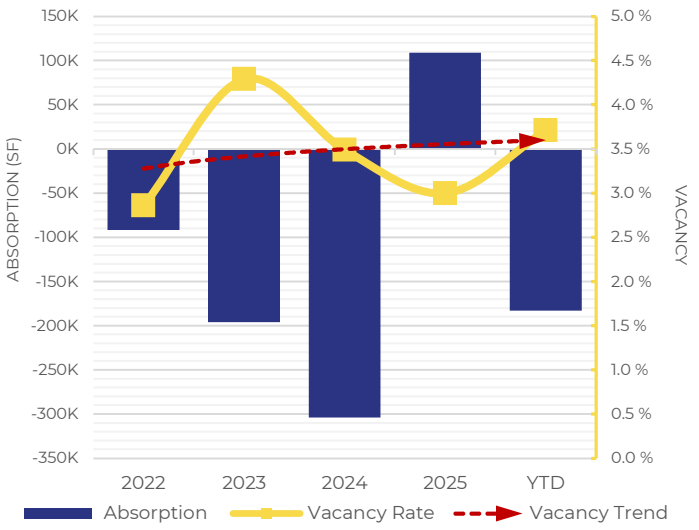
Leasing activity softened compared to last quarter's spike and the average lease rate YTD lowered 4% to $14.62/SF. Broken down by subtype, leasing trends reveal notable stability for medical and professional offices.

This stability reflects sustained demand for professional business services and healthcare, which have been reliable drivers of employment growth in the regional labor market.*

Average medical office lease rates have risen 58% since 2022 and hovered closely to $18/SF since 2024. Professional office leasing trends indicate prolonged stability rather than notable growth, with average lease rates holding near $15/SF for four consecutive years.

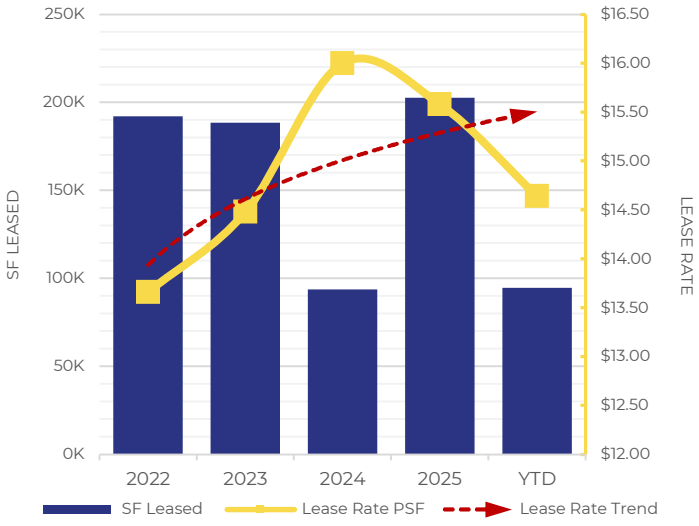
*https://www.edclancaster.com/insights/2026/06/q2-2026-economic-intelligence-report-for-lancaster-county

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

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Q3 2026



Key Sale Transactions

1009 E Main St, Mount Joy	
SIZE	15,818 SF
SELLER	Elliott Bay Medical Properties Holdings IV
BUYER	MOB Main Street LLC
PRICE	$6,010,956

835-875 Houston Run Dr, Gap	
SIZE	61,309 SF
SELLER	Linville Hill Christian School
BUYER	Beyond Abundance LLC
PRICE	$3,500,000

22 Denver Rd, Denver	
SIZE	13,425 SF
SELLER	David Loose
BUYER	34 Denver Rd LLC
PRICE	$1,850,000

1595 S Mount Joy St, Elizabethtown	
SIZE	34,000 SF
SELLER	CEM Properties LLC
BUYER	Melcon Investments Inc.
PRICE	$1,750,000

802 N Duke St, Lancaster	
SIZE	11,680 SF
SELLER	Donald & Darla Broderick
BUYER	Mother Owned Businesses LLC
PRICE	$1,700,000

Key Lease Transactions

1415 E Oregon Rd, Lititz	
SIZE	2,460 SF
TENANT	Name Withheld
TRANSACTION	New

240 N Seventh St, Akron	
SIZE	2,400 SF
TENANT	Name Withheld
TRANSACTION	New

1837 William Penn Way, Lancaster	
SIZE	2,200 SF
TENANT	Name Withheld
TRANSACTION	New

90 Good Dr, Lancaster	
SIZE	1,829 SF
TENANT	Name Withheld
TRANSACTION	New

32-C E Roseville Rd, Lancaster	
SIZE	1,726 SF
TENANT	Name Withheld
TRANSACTION	New

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