

COMMERCIAL REAL ESTATE REPORT Q4 2023

Allentown-Bethlehem-Easton, PA-NJ Metro Area

Select a Metro Area
Allentown-Bethlehem-Easton, PA-NJ

Demographics and Economy

Demographics

0.7%	30.9%	0.3%	Net Migration in Pennsylvania
population growth (2022)	share of renters (2022)	renter household formation (2022)	951 (2023)
U.S.: 0.4%	U.S.: 34.8%	U.S.: 2.4%	-14,010 (2022)

Economy

7.1%	6,200	1.6%	9.0%
GDP growth (2022)	12-month job creation (December 2023)	1-year job growth (December 2023)	1-year wage growth (December 2023)
U.S.: 9.1%		U.S.: 1.7%	U.S.: 3.8%
\$52,700	3.9%	12.3%	International Migration in Pennsylvania
Average wage per year (December 2023)	unemployment rate (November 2023)	share of workers teleworking (2022)	25,776 (2023)
U.S.: \$61,120	U.S.: 3.7%	U.S.: 17.9%	25,721 (2022)

Commercial Real Estate by Sector

1. Office

Demand for office space is **stronger than nationwide** as this area has a faster absorption of office space. As a result, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Mo	Market Rent Growth 12 Mo	Market Rent/SF	Vacancy Rate
2023 Q4	22,643	320,411	1.1%	\$22	7.4%
2022 Q4	-109,231	626,518	3.6%	\$21	8.0%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
2023 Q4	32,096,812	0	164,105	\$26.53M	11.6%
2022 Q4	31,932,707	-36,508	347,512	\$111.05M	11.0%

2. Multifamily

Demand for multifamily space is **weaker than nationwide** as this area has a slower absorption of multifamily space. Despite weaker conditions, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Absorption Units	Absorption Units 12 Months	Market Asking Rent Growth 12 Months	Market Asking Rent/Unit	Market Effective Rent/Unit	Vacancy Rate
2023 Q4	14	444	2.1%	\$1,588	\$1,580	3.7%
2022 Q4	59	988	5.5%	\$1,555	\$1,547	3.8%
	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo		Market Cap Rate	
2023 Q4	35,396	25	426		6.8%	
2022 Q4	34,970	163	1,728		6.3%	

3. Retail

Demand for retail space is **stronger than nationwide** as this area has a faster absorption of retail space. Despite strong conditions, rent prices rose slower than nationwide and vacancy rate is higher in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	-107,730	348,249	2.3%	\$17	4.5%
2022 Q4	100,682	80,424	3.0%	\$16	4.8%
	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF	
2023 Q4	51,203,714	8.8%	\$41.47M	\$141	
2022 Q4	50,998,954	8.9%	\$43.27M	\$112	

4. Industrial

Demand for industrial space is **stronger than nationwide** as this area has a faster absorption of industrial space. As a result, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	640,804	3,819,677	7.7%	\$9	4.7%
2022 Q4	3,502,236	7,708,850	10.3%	\$8	3.9%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
2023 Q4	164,912,915	1,559,590	5,456,958	6.6%	\$84.18M
2022 Q4	159,455,957	2,795,875	7,181,728	6.2%	\$519.46M

Sources: NAR analysis on data from the U.S. Census Bureau, U.S. Bureau of Labor Statistics, Bureau of Economic Analysis, CoStar

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COMMERCIAL REAL ESTATE REPORT Q4 2023

Erie, PA Metro Area

Select a Metro Area
Erie, PA Metro Area

Demographics and Economy

Demographics

-0.5%	30.3%	-6.0%	Net Migration in Pennsylvania
population growth (2022)	share of renters (2022)	renter household formation (2022)	951 (2023)
U.S.: 0.4%	U.S.: 34.8%	U.S.: 2.4%	-14,010 (2022)

Economy

6.8%	900	0.7%	1.5%
GDP growth (2022)	12-month job creation (December 2023)	1-year job growth (December 2023)	1-year wage growth (December 2023)
U.S.: 9.1%		U.S.: 1.7%	U.S.: 3.8%
\$46,090	4.0%	8.1%	International Migration in Pennsylvania
Average wage per year (December 2023)	unemployment rate (November 2023)	share of workers teleworking (2022)	25,776 (2023)
U.S.: \$61,120	U.S.: 3.7%	U.S.: 17.9%	25,721 (2022)

Commercial Real Estate by Sector

1. Office

Demand for office space is **stronger than nationwide** as this area has a faster absorption of office space. As a result, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Mo	Market Rent Growth 12 Mo	Market Rent/SF	Vacancy Rate
2023 Q4	5,513	76,210	1.5%	\$16	2.0%
2022 Q4	-11,201	100,818	4.8%	\$15	2.7%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
2023 Q4	10,654,389	0	0	\$0.38M	11.2%
2022 Q4	10,654,389	0	0	\$2.12M	10.7%

2. Multifamily

Demand for multifamily space is **weaker than nationwide** as this area has a slower absorption of multifamily space. Despite weaker conditions, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Absorption Units	Absorption Units 12 Months	Market Asking Rent Growth 12 Months	Market Asking Rent/Unit	Market Effective Rent/Unit	Vacancy Rate
2023 Q4	-3	-10	4.8%	\$1,080	\$1,077	2.5%
2022 Q4	-2	165	5.2%	\$1,031	\$1,028	2.1%
	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo		Market Cap Rate	
2023 Q4	6,839	0	12		8.3%	
2022 Q4	6,827	0	149		7.6%	

3. Retail

Demand for retail space is **weaker than nationwide** as this area has a slower absorption of retail space. As a result, rents rose slower than nationwide. However, vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	46,382	-7,009	1.9%	\$11	3.8%
2022 Q4	13,512	57,289	2.8%	\$11	3.7%
	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF	
2023 Q4	20,785,932	9.1%	\$4.69M	\$193	
2022 Q4	20,785,932	9.2%	\$19.73M	\$108	

4. Industrial

Demand for industrial space is **weaker than nationwide** as this area has a slower absorption of industrial space. As a result, rents rose slower than nationwide. However, vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	-116,819	-175,358	5.4%	\$6	2.3%
2022 Q4	71,910	187,209	7.8%	\$5	1.5%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
2023 Q4	28,377,392	0	50,000	9.9%	\$6.83M
2022 Q4	28,327,392	0	0	9.3%	\$5.09M

Sources: NAR analysis on data from the U.S. Census Bureau, U.S. Bureau of Labor Statistics, Bureau of Economic Analysis, CoStar

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COMMERCIAL REAL ESTATE REPORT Q4 2023

Harrisburg-Carlisle, PA Metro Area

Select a Metro Area
Harrisburg-Carlisle, PA Metro Area

Demographics and Economy

Demographics

1.2%	32.8%	14.9%	Net Migration in Pennsylvania
population growth (2022)	share of renters (2022)	renter household formation (2022)	951 (2023)
U.S.: 0.4%	U.S.: 34.8%	U.S.: 2.4%	-14,010 (2022)

Economy

7.1%	9,300	2.6%	7.5%
GDP growth (2022)	12-month job creation (December 2023)	1-year job growth (December 2023)	1-year wage growth (December 2023)
U.S.: 9.1%		U.S.: 1.7%	U.S.: 3.8%
\$55,960	3.1%	17.1%	International Migration in Pennsylvania
Average wage per year (December 2023)	unemployment rate (November 2023)	share of workers teleworking (2022)	25,776 (2023)
U.S.: \$61,120	U.S.: 3.7%	U.S.: 17.9%	25,721 (2022)

Commercial Real Estate by Sector

1. Office

Demand for office space is **stronger than nationwide** as this area has a faster absorption of office space. Despite strong conditions, rent prices rose slower than nationwide. However, vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Mo	Market Rent Growth 12 Mo	Market Rent/SF	Vacancy Rate
2023 Q4	107,748	565,198	0.0%	\$18	7.9%
2022 Q4	-4,322	-12,941	0.2%	\$18	9.3%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
2023 Q4	37,962,837	0	57,658	\$32.42M	11.2%
2022 Q4	37,905,179	0	299,418	\$43.07M	10.5%

2. Multifamily

Demand for multifamily space is **stronger than nationwide** as this area has a faster absorption of multifamily space. As a result, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Absorption Units	Absorption Units 12 Months	Market Asking Rent Growth 12 Months	Market Asking Rent/Unit	Market Effective Rent/Unit	Vacancy Rate
2023 Q4	57	811	2.3%	\$1,285	\$1,278	5.1%
2022 Q4	119	215	3.5%	\$1,257	\$1,250	4.8%
	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo	Market Cap Rate		
2023 Q4	31,620	22	963	6.7%		
2022 Q4	30,657	193	781	6.1%		

3. Retail

Demand for retail space is **weaker than nationwide** as this area has a slower absorption of retail space. As a result, rents rose slower than nationwide and vacancy rate is higher in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	181,649	152,885	2.7%	\$17	4.7%
2022 Q4	181,570	588,332	3.0%	\$16	4.8%
	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF	
2023 Q4	38,245,018	7.6%	\$12.10M	\$194	
2022 Q4	38,119,505	7.6%	\$98.10M	\$151	

4. Industrial

Demand for industrial space is **stronger than nationwide** as this area has a faster absorption of industrial space. As a result, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	366,548	1,685,462	7.8%	\$8	4.0%
2022 Q4	1,386,252	4,874,624	10.5%	\$7	2.7%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
2023 Q4	113,404,424	45,000	3,250,786	7.0%	\$124.82M
2022 Q4	110,153,638	835,173	2,944,657	6.5%	\$49.90M

Sources: NAR analysis on data from the U.S. Census Bureau, U.S. Bureau of Labor Statistics, Bureau of Economic Analysis, CoStar

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COMMERCIAL REAL ESTATE REPORT Q4 2023

Philadelphia-Camden-Wilmington, PA-NJ-DE-MD Metro Area

Select a Metro Area
Philadelphia-Camden-Wilmington...

Demographics and Economy

Demographics

0.2%	33.1%	2.8%	Net Migration in Pennsylvania
population growth (2022)	share of renters (2022)	renter household formation (2022)	951 (2023)
U.S.: 0.4%	U.S.: 34.8%	U.S.: 2.4%	-14,010 (2022)

Economy

7.8%	78,700	2.6%	2.2%
GDP growth (2022)	12-month job creation (December 2023)	1-year job growth (December 2023)	1-year wage growth (December 2023)
U.S.: 9.1%		U.S.: 1.7%	U.S.: 3.8%
\$62,160	3.7%	18.6%	International Migration in Pennsylvania
Average wage per year (December 2023)	unemployment rate (November 2023)	share of workers teleworking (2022)	25,776 (2023)
U.S.: \$61,120	U.S.: 3.7%	U.S.: 17.9%	25,721 (2022)

Commercial Real Estate by Sector

1. Office

Demand for office space is **stronger than nationwide** as this area has a faster absorption of office space. Despite strong conditions, rent prices rose slower than nationwide. However, vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Mo	Market Rent Growth 12 Mo	Market Rent/SF	Vacancy Rate
2023 Q4	643,296	-1,208,407	0.2%	\$27	11.0%
2022 Q4	-750,335	-2,357,326	1.8%	\$27	10.3%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
2023 Q4	329,824,514	862,893	1,161,740	\$248.92M	9.5%
2022 Q4	328,662,774	258,657	404,389	\$427.53M	8.9%

2. Multifamily

Demand for multifamily space is **stronger than nationwide** as this area has a faster absorption of multifamily space. As a result, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Absorption Units	Absorption Units 12 Months	Market Asking Rent Growth 12 Months	Market Asking Rent/Unit	Market Effective Rent/Unit	Vacancy Rate
2023 Q4	1,632	6,169	2.3%	\$1,694	\$1,679	6.9%
2022 Q4	-301	1,941	3.6%	\$1,656	\$1,645	5.3%
	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo	Market Cap Rate		
2023 Q4	357,843	2,827	12,558	6.0%		
2022 Q4	345,285	1,894	6,981	5.4%		

3. Retail

Demand for retail space is **weaker than nationwide** as this area has a slower absorption of retail space. As a result, rents rose slower than nationwide and vacancy rate is higher in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	483,435	1,062,905	0.2%	\$22	4.2%
2022 Q4	640,872	1,853,531	2.4%	\$22	4.3%
	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF	
2023 Q4	342,989,016	7.1%	\$253.50M	\$221	
2022 Q4	342,492,154	7.0%	\$499.80M	\$189	

4. Industrial

Demand for industrial space is **stronger than nationwide** as this area has a faster absorption of industrial space. As a result, rent prices rose faster than nationwide. However, vacancy rate is higher in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	2,625,529	6,950,907	7.8%	\$11	6.9%
2022 Q4	3,333,599	9,224,372	12.7%	\$10	4.7%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
2023 Q4	621,707,667	7,057,772	21,718,543	7.2%	\$225.75M
2022 Q4	599,989,124	3,913,499	10,932,179	6.7%	\$754.88M

Sources: NAR analysis on data from the U.S. Census Bureau, U.S. Bureau of Labor Statistics, Bureau of Economic Analysis, CoStar

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COMMERCIAL REAL ESTATE REPORT Q4 2023

Pittsburgh, PA Metro Area

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Pittsburgh, PA Metro Area

Demographics and Economy

Demographics

-0.2%	29.5%	3.1%	Net Migration in Pennsylvania
population growth (2022)	share of renters (2022)	renter household formation (2022)	951 (2023)
U.S.: 0.4%	U.S.: 34.8%	U.S.: 2.4%	-14,010 (2022)

Economy

7.5%	10,800	0.9%	0.4%
GDP growth (2022)	12-month job creation (December 2023)	1-year job growth (December 2023)	1-year wage growth (December 2023)
U.S.: 9.1%		U.S.: 1.7%	U.S.: 3.8%
\$52,890	3.5%	17.4%	International Migration in Pennsylvania
Average wage per year (December 2023)	unemployment rate (November 2023)	share of workers teleworking (2022)	25,776 (2023)
U.S.: \$61,120	U.S.: 3.7%	U.S.: 17.9%	25,721 (2022)

Commercial Real Estate by Sector

1. Office

Demand for office space is **weaker than nationwide** as this area has a slower absorption of office space. As a result, rents rose slower than nationwide. However, vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Mo	Market Rent Growth 12 Mo	Market Rent/SF	Vacancy Rate
2023 Q4	-575,328	-1,778,615	0.0%	\$22	11.8%
2022 Q4	-321,479	-771,228	1.9%	\$22	10.5%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
2023 Q4	142,730,483	0	4,935	\$13.51M	10.3%
2022 Q4	142,725,548	85,475	862,668	\$47.70M	9.7%

2. Multifamily

Demand for multifamily space is **weaker than nationwide** as this area has a slower absorption of multifamily space. Despite weaker conditions, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Absorption Units	Absorption Units 12 Months	Market Asking Rent Growth 12 Months	Market Asking Rent/Unit	Market Effective Rent/Unit	Vacancy Rate
2023 Q4	206	1,482	1.0%	\$1,292	\$1,278	5.9%
2022 Q4	-345	-218	5.2%	\$1,279	\$1,269	5.6%
	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo		Market Cap Rate	
2023 Q4	104,275	240	1,930		7.7%	
2022 Q4	102,345	224	829		6.9%	

3. Retail

Demand for retail space is **weaker than nationwide** as this area has a slower absorption of retail space. Despite weaker conditions, rent prices rose faster than nationwide. However, vacancy rate is higher in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	189,857	424,595	5.3%	\$17	4.1%
2022 Q4	260,427	481,163	2.3%	\$17	4.2%
	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF	
2023 Q4	158,697,524	7.2%	\$27.55M	\$135	
2022 Q4	158,489,502	7.3%	\$162.83M	\$111	

4. Industrial

Demand for industrial space is **stronger than nationwide** as this area has a faster absorption of industrial space. Despite strong conditions, rent prices rose slower than nationwide. However, vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	1,478,469	2,839,904	-1.2%	\$8	5.3%
2022 Q4	693,017	2,099,729	4.9%	\$8	5.2%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
2023 Q4	225,851,140	1,692,051	3,234,333	8.2%	\$22.77M
2022 Q4	222,616,807	688,821	1,451,984	7.4%	\$76.84M

Sources: NAR analysis on data from the U.S. Census Bureau, U.S. Bureau of Labor Statistics, Bureau of Economic Analysis, CoStar

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COMMERCIAL REAL ESTATE REPORT Q4 2023

Reading, PA Metro Area

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Reading, PA Metro Area

Demographics and Economy

Demographics

0.3%	27.9%	-1.4%	Net Migration in Pennsylvania 951 (2023)
population growth (2022) U.S.: 0.4%	share of renters (2022) U.S.: 34.8%	renter household formation (2022) U.S.: 2.4%	-14,010 (2022)

Economy

7.1%	800	0.4%	13.0%
GDP growth (2022) U.S.: 9.1%	12-month job creation (December 2023)	1-year job growth (December 2023) U.S.: 1.7%	1-year wage growth (December 2023) U.S.: 3.8%
\$62,760	3.7%	12.2%	International Migration in Pennsylvania 25,776 (2023)
Average wage per year (December 2023) U.S.: \$61,120	unemployment rate (November 2023) U.S.: 3.7%	share of workers teleworking (2022) U.S.: 17.9%	25,721 (2022)

Commercial Real Estate by Sector

1. Office

Demand for office space is **stronger than nationwide** as this area has a faster absorption of office space. As a result, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Mo	Market Rent Growth 12 Mo	Market Rent/SF	Vacancy Rate
2023 Q4	5,631	-31,543	1.1%	\$20	6.1%
2022 Q4	520	-66,043	3.5%	\$20	5.9%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
2023 Q4	13,615,296	0	-10,952	\$5.79M	10.3%
2022 Q4	13,626,248	0	-113,300	\$18.60M	9.8%

2. Multifamily

Demand for multifamily space is **weaker than nationwide** as this area has a slower absorption of multifamily space. Despite weaker conditions, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Absorption Units	Absorption Units 12 Months	Market Asking Rent Growth 12 Months	Market Asking Rent/Unit	Market Effective Rent/Unit	Vacancy Rate
2023 Q4	-16	54	2.7%	\$1,325	\$1,320	3.7%
2022 Q4	-24	-41	4.5%	\$1,290	\$1,286	2.3%
	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo	Market Cap Rate		
2023 Q4	10,159	0	200	7.2%		
2022 Q4	9,959	0	0	6.6%		

3. Retail

Demand for retail space is **stronger than nationwide** as this area has a faster absorption of retail space. As a result, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	188,239	249,694	3.6%	\$14	3.9%
2022 Q4	-32,235	471,064	3.5%	\$13	4.5%
	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF	
2023 Q4	25,722,121	7.4%	\$13.73M	\$147	
2022 Q4	25,628,044	7.6%	\$10.16M	\$72	

4. Industrial

Demand for industrial space is **weaker than nationwide** as this area has a slower absorption of industrial space. Despite weaker conditions, rent prices rose faster than nationwide. However, vacancy rate is higher in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	-109,091	336,014	7.6%	\$7	8.2%
2022 Q4	316,339	2,083,111	10.3%	\$7	6.4%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
2023 Q4	62,049,912	0	1,567,285	8.0%	\$7.50M
2022 Q4	60,482,627	2,468,707	3,397,085	7.4%	\$75.90M

Sources: NAR analysis on data from the U.S. Census Bureau, U.S. Bureau of Labor Statistics, Bureau of Economic Analysis, CoStar

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COMMERCIAL REAL ESTATE REPORT Q4 2023

York-Hanover, PA Metro Area

Select a Metro Area
York-Hanover, PA Metro Area

Demographics and Economy

Demographics

0.5%	24.1%	6.2%	Net Migration in Pennsylvania
population growth (2022)	share of renters (2022)	renter household formation (2022)	951 (2023)
U.S.: 0.4%	U.S.: 34.8%	U.S.: 2.4%	-14,010 (2022)

Economy

7.7%	3,300	1.7%	2.4%
GDP growth (2022)	12-month job creation (December 2023)	1-year job growth (December 2023)	1-year wage growth (December 2023)
U.S.: 9.1%		U.S.: 1.7%	U.S.: 3.8%
\$52,280	3.1%	12.8%	International Migration in Pennsylvania
Average wage per year (December 2023)	unemployment rate (November 2023)	share of workers teleworking (2022)	25,776 (2023)
U.S.: \$61,120	U.S.: 3.7%	U.S.: 17.9%	25,721 (2022)

Commercial Real Estate by Sector

1. Office

Demand for office space is **stronger than nationwide** as this area has a faster absorption of office space. As a result, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Mo	Market Rent Growth 12 Mo	Market Rent/SF	Vacancy Rate
2023 Q4	9,284	-42,336	1.4%	\$19	3.0%
2022 Q4	25,085	167,953	3.8%	\$19	2.5%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
2023 Q4	9,929,730	0	10,000	\$1.49M	10.7%
2022 Q4	9,919,730	16,000	34,000	\$14.27M	10.2%

2. Multifamily

Demand for multifamily space is **stronger than nationwide** as this area has a faster absorption of multifamily space. As a result, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Absorption Units	Absorption Units 12 Months	Market Asking Rent Growth 12 Months	Market Asking Rent/Unit	Market Effective Rent/Unit	Vacancy Rate
2023 Q4	85	375	4.0%	\$1,405	\$1,394	7.5%
2022 Q4	-28	-7	1.4%	\$1,350	\$1,341	4.2%
	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo			Market Cap Rate
2023 Q4	11,765	40	793			7.0%
2022 Q4	10,972	0	21			6.5%

3. Retail

Demand for retail space is **weaker than nationwide** as this area has a slower absorption of retail space. Despite weaker conditions, rent prices rose faster than nationwide. However, vacancy rate is higher in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	-24,671	73,443	3.8%	\$15	5.7%
2022 Q4	102,972	332,308	3.4%	\$15	5.9%
	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF	
2023 Q4	25,814,203	7.9%	\$9.44M	\$99	
2022 Q4	25,771,103	7.8%	\$41.45M	\$108	

4. Industrial

Demand for industrial space is **stronger than nationwide** as this area has a faster absorption of industrial space. As a result, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	-74,148	2,380,517	6.9%	\$7	3.5%
2022 Q4	85,136	2,056,521	9.9%	\$6	2.2%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
2023 Q4	82,797,102	54,025	3,487,626	7.6%	\$120.60M
2022 Q4	79,309,476	10,000	1,665,768	7.3%	\$15.65M

Sources: NAR analysis on data from the U.S. Census Bureau, U.S. Bureau of Labor Statistics, Bureau of Economic Analysis, CoStar

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