

COMMERCIAL REAL ESTATE REPORT Q3 2022

Allentown-Bethlehem-Easton, PA-NJ Metro Area

Demographics and Economy

Demographics

0.4%	31.3%	3.8%	49.1%
population growth (2020-2021) U.S.: 0.7%	share of renters (2021) U.S.: 34.5%	renter household formation (2021) U.S.: 2.6%	share of inbound moves (Jan-Sept 2022)

Economy

-2.9%	17,400	4.7%	-2.8%
GDP growth (2021) U.S.: 5.9%	12-month job creation (September 2022)	1-year job growth (September 2022) U.S.: 3.9%	1-year wage growth (September 2022) U.S.: 4.8%
\$47,590	3.3%	16.7%	49.3%
Average wage per year (September 2022) U.S.: \$49,100	unemployment rate (September 2022) U.S.: 3.5%	share of workers teleworking (2021) U.S.: 17.9%	inbound businesses moves (Jan-Sept 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 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
Q3 2022	181,951	715,430	1.9%	\$21	7.9%
Q3 2021	-4,452	-323,223	0.5%	\$20	9.0%

	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
Q3 2022	31,014,382	0	384,020	\$34,781,100	9.8%
Q3 2021	30,630,362	0	3,064	\$20,947,900	9.6%

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
Q3 2022	387	917	6.7%	\$1,526	\$1,519	3.2%
Q3 2021	59	679	11.1%	\$1,430	\$1,426	1.4%

	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo	Market Cap Rate
Q3 2022	33,963	386	1,540	5.8%
Q3 2021	32,423	0	381	5.8%

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
Q3 2022	-279,128	-16,730	1.9%	\$16	5.2%
Q3 2021	-23,967	-189,062	1.7%	\$16	5.4%

	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF
Q3 2022	49,195,115	8.9%	\$101,726,024	\$146
Q3 2021	49,334,406	8.9%	\$71,846,024	\$139

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 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
Q3 2022	1,983,062	4,927,503	11.5%	\$8	4.5%
Q3 2021	3,438,202	10,637,304	8.5%	\$7	4.5%

	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
Q3 2022	157,637,226	1,578,917	5,092,571	5.8%	\$246,413,632
Q3 2021	152,544,655	3,087,706	8,881,295	5.8%	\$55,851,212

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

The National Association of REALTORS® is America's largest trade association, representing more than 1.5 million members, including NAR's institutes, societies and councils, involved in all aspects of the real estate industry. NAR membership includes brokers, salespeople, property managers, appraisers, counselors and others engaged in both residential and commercial real estate. The term REALTOR® is a registered collective membership mark that identifies a real estate professional who is a member of the National Association of REALTORS® and subscribes to its strict Code of Ethics. Working for America's property owners, the National Association provides a facility for professional development, research and exchange of information among its members and to the public and government for the purpose of preserving the free enterprise system and the right to own real property. NATIONAL ASSOCIATION OF REALTORS® RESEARCH GROUP The Mission of the NATIONAL ASSOCIATION OF REALTORS® Research Group is to produce timely, data-driven market analysis and authoritative business intelligence to serve members, and inform consumers, policymakers and the media in a professional and accessible manner.

To find out about other products from NAR's Research Group, visit www.nar.realtor/research-and-statistics

500 New Jersey Avenue, NW Washington, DC 20001 202.383.1000



COMMERCIAL REAL ESTATE REPORT Q3 2022

Erie, PA Metro Area

Demographics and Economy

Demographics

-0.5%	31.9%	8.4%	53.0%
population growth (2020-2021) U.S.: 0.7%	share of renters (2021) U.S.: 34.5%	renter household formation (2021) U.S.: 2.6%	share of inbound moves (Jan-Sept 2022)

Economy

-3.6%	3,200	2.6%	5.9%
GDP growth (2021) U.S.: 5.9%	12-month job creation (September 2022)	1-year job growth (September 2022) U.S.: 3.9%	1-year wage growth (September 2022) U.S.: 4.8%
\$43,993	3.9%	12.2%	36.0%
Average wage per year (September 2022) U.S.: \$49,100	unemployment rate (September 2022) U.S.: 3.5%	share of workers teleworking (2021) U.S.: 17.9%	inbound businesses moves (Jan-Sept 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 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
Q3 2022	49,614	146,917	2.2%	\$14	2.7%
Q3 2021	-2,182	-35,907	1.8%	\$14	4.1%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
Q3 2022	10,651,189	0	0	\$6,157,500	9.7%
Q3 2021	10,651,189	0	0	\$585,000	9.7%

2. Multifamily

Demand for multifamily space is **weaker than nationwide** as this area has a slower absorption of multifamily space. As a result, rents rose slower than nationwide. However, 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
Q3 2022	3.0	12.0	5.4%	\$984	\$982	2.2%
Q3 2021	2.0	184.0	2.8%	\$934	\$931	2.4%
	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo	Market Cap Rate		
Q3 2022	6,392	0	0	7.3%		
Q3 2021	6,392	0	90	7.3%		

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
Q3 2022	32,872	60,759	3.3%	\$11	3.8%
Q3 2021	55,422	-5,637	1.8%	\$11	4.1%
	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF	
Q3 2022	20,573,415	8.9%	\$10,360,246	\$98	
Q3 2021	20,573,415	8.5%	\$8,807,933	\$73	

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
Q3 2022	110,518	236,321	8.1%	\$5	1.8%
Q3 2021	28,662	286,864	5.8%	\$5	2.6%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
Q3 2022	27,006,191	0	0	8.6%	\$5,083,790
Q3 2021	27,006,191	0	0	8.5%	\$6,844,197

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

The National Association of REALTORS® is America's largest trade association, representing more than 1.5 million members, including NAR's institutes, societies and councils, involved in all aspects of the real estate industry. NAR membership includes brokers, salespeople, property managers, appraisers, counselors and others engaged in both residential and commercial real estate. The term REALTOR® is a registered collective membership mark that identifies a real estate professional who is a member of the National Association of REALTORS® and subscribes to its strict Code of Ethics. Working for America's property owners, the National Association provides a facility for professional development, research and exchange of information among its members and to the public and government for the purpose of preserving the free enterprise system and the right to own real property. NATIONAL ASSOCIATION OF REALTORS® RESEARCH GROUP The Mission of the NATIONAL ASSOCIATION OF REALTORS® Research Group is to produce timely, data-driven market analysis and authoritative business intelligence to serve members, and inform consumers, policymakers and the media in a professional and accessible manner.

To find out about other products from NAR's Research Group, visit www.nar.realtor/research-and-statistics

500 New Jersey Avenue, NW Washington, DC 20001 202.383.1000



COMMERCIAL REAL ESTATE REPORT Q3 2022

Harrisburg-Carlisle, PA Metro Area

Demographics and Economy

Demographics

0.7%	29.7%	-10.7%	46.4%
population growth (2020-2021) U.S.: 0.7%	share of renters (2021) U.S.: 34.5%	renter household formation (2021) U.S.: 2.6%	share of inbound moves (Jan-Sept 2022)

Economy

-3.2%	17,700	5.2%	8.6%
GDP growth (2021) U.S.: 5.9%	12-month job creation (September 2022)	1-year job growth (September 2022) U.S.: 3.9%	1-year wage growth (September 2022) U.S.: 4.8%
\$52,978	2.8%	19.8%	35.1%
Average wage per year (September 2022) U.S.: \$49,100	unemployment rate (September 2022) U.S.: 3.5%	share of workers teleworking (2021) U.S.: 17.9%	inbound businesses moves (Jan-Sept 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. Despite weak conditions, 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
Q3 2022	-385,070	-49,299	2.2%	\$18	9.4%
Q3 2021	-186,297	-600,259	2.3%	\$18	8.6%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
Q3 2022	36,924,030	0	299,418	\$30,825,980	9.4%
Q3 2021	36,624,612	18,000	104,948	\$31,505,450	9.3%

2. Multifamily

Demand for multifamily space is **weaker than nationwide** as this area has a slower absorption of multifamily space. As a result, rents rose slower than nationwide. However, 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
Q3 2022	76	99	4.5%	\$1,251	\$1,245	4.1%
Q3 2021	22	518	8.5%	\$1,197	\$1,194	2.5%
	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo	Market Cap Rate		
Q3 2022	29,716	335	588	5.7%		
Q3 2021	29,128	0	289	5.6%		

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
Q3 2022	332,286	470,167	2.5%	\$16	5.4%
Q3 2021	-56,464	-473,112	1.9%	\$16	6.1%
	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF	
Q3 2022	34,919,301	7.7%	\$295,586,752	\$193	
Q3 2021	34,659,903	7.6%	\$27,917,432	\$131	

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
Q3 2022	752,803	4,507,741	11.7%	\$7	3.3%
Q3 2021	1,029,537	5,086,352	8.6%	\$6	5.7%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
Q3 2022	107,563,454	1,336,480	2,109,484	6.1%	\$47,774,484
Q3 2021	105,453,970	0	817,238	6.0%	\$78,225,176

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

The National Association of REALTORS® is America's largest trade association, representing more than 1.5 million members, including NAR's institutes, societies and councils, involved in all aspects of the real estate industry. NAR membership includes brokers, salespeople, property managers, appraisers, counselors and others engaged in both residential and commercial real estate. The term REALTOR® is a registered collective membership mark that identifies a real estate professional who is a member of the National Association of REALTORS® and subscribes to its strict Code of Ethics. Working for America's property owners, the National Association provides a facility for professional development, research and exchange of information among its members and to the public and government for the purpose of preserving the free enterprise system and the right to own real property. NATIONAL ASSOCIATION OF REALTORS® RESEARCH GROUP The Mission of the NATIONAL ASSOCIATION OF REALTORS® Research Group is to produce timely, data-driven market analysis and authoritative business intelligence to serve members, and inform consumers, policymakers and the media in a professional and accessible manner.

To find out about other products from NAR's Research Group, visit

www.nar.realtor/research-and-statistics

500 New Jersey Avenue, NW Washington, DC 20001 202.383.1000



COMMERCIAL REAL ESTATE REPORT Q3 2022

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

Demographics and Economy

Demographics

-0.2%	32.7%	-1.4%	50.4%
population growth (2020-2021) U.S.: 0.7%	share of renters (2021) U.S.: 34.5%	renter household formation (2021) U.S.: 2.6%	share of inbound moves (Jan-Sept 2022)

Economy

-2.6%	107,200	3.7%	6.3%
GDP growth (2021) U.S.: 5.9%	12-month job creation (September 2022)	1-year job growth (September 2022) U.S.: 3.9%	1-year wage growth (September 2022) U.S.: 4.8%
\$60,935	3.4%	23.6%	44.6%
Average wage per year (September 2022) U.S.: \$49,100	unemployment rate (September 2022) U.S.: 3.5%	share of workers teleworking (2021) U.S.: 17.9%	inbound businesses moves (Jan-Sept 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 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
Q3 2022	-731,217	-893,576	0.4%	\$27	10.3%
Q3 2021	250,743	-3,378,057	1.0%	\$27	10.2%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
Q3 2022	323,126,386	445,206	-627,877	\$259,293,968	7.9%
Q3 2021	323,754,263	917,533	1,482,551	\$484,181,408	7.8%

2. Multifamily

Demand for multifamily space is **weaker than nationwide** as this area has a slower absorption of multifamily space. As a result, rents rose slower than nationwide. However, 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
Q3 2022	1,211	3,839	5.5%	\$1,628	\$1,618	4.4%
Q3 2021	3,783	13,195	8.8%	\$1,543	\$1,536	3.7%
	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo	Market Cap Rate		
Q3 2022	340,065	2,675	6,382	5.1%		
Q3 2021	333,728	1,714	6,639	5.2%		

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
Q3 2022	424,925	2,049,619	-0.2%	\$21	4.5%
Q3 2021	-38,950	-1,246,379	0.3%	\$21	5.2%
	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF	
Q3 2022	335,205,511	7.0%	\$824,906,880	\$180	
Q3 2021	335,344,394	7.0%	\$569,715,264	\$185	

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
Q3 2022	1,296,078	7,449,691	12.4%	\$10	4.6%
Q3 2021	8,636,731	14,549,298	11.5%	\$9	4.1%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
Q3 2022	588,871,263	3,599,611	10,891,904	6.3%	\$941,920,384
Q3 2021	577,979,359	6,477,781	8,387,115	6.4%	\$1,437,485,824

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

The National Association of REALTORS® is America's largest trade association, representing more than 1.5 million members, including NAR's institutes, societies and councils, involved in all aspects of the real estate industry. NAR membership includes brokers, salespeople, property managers, appraisers, counselors and others engaged in both residential and commercial real estate. The term REALTOR® is a registered collective membership mark that identifies a real estate professional who is a member of the National Association of REALTORS® and subscribes to its strict Code of Ethics. Working for America's property owners, the National Association provides a facility for professional development, research and exchange of information among its members and to the public and government for the purpose of preserving the free enterprise system and the right to own real property. NATIONAL ASSOCIATION OF REALTORS® RESEARCH GROUP The Mission of the NATIONAL ASSOCIATION OF REALTORS® Research Group is to produce timely, data-driven market analysis and authoritative business intelligence to serve members, and inform consumers, policymakers and the media in a professional and accessible manner. To find out about other products from NAR's Research Group, visit www.nar.realtor/research-and-statistics



COMMERCIAL REAL ESTATE REPORT Q3 2022

Pittsburgh, PA Metro Area

Demographics and Economy

Demographics

-0.6%	28.8%	-6.4%	47.4%
population growth (2020-2021) U.S.: 0.7%	share of renters (2021) U.S.: 34.5%	renter household formation (2021) U.S.: 2.6%	share of inbound moves (Jan-Sept 2022)

Economy

-4.2%	32,300	2.9%	5.8%
GDP growth (2021) U.S.: 5.9%	12-month job creation (September 2022)	1-year job growth (September 2022) U.S.: 3.9%	1-year wage growth (September 2022) U.S.: 4.8%
\$52,391	3.4%	21.1%	46.9%
Average wage per year (September 2022) U.S.: \$49,100	unemployment rate (September 2022) U.S.: 3.5%	share of workers teleworking (2021) U.S.: 17.9%	inbound businesses moves (Jan-Sept 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 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
Q3 2022	5,097	-310,987	0.4%	\$22	10.9%
Q3 2021	-70,901	-1,832,818	0.3%	\$22	10.1%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
Q3 2022	143,164,082	638,360	958,814	\$114,889,048	8.7%
Q3 2021	142,205,268	18,357	507,223	\$40,621,500	8.6%

2. Multifamily

Demand for multifamily space is **weaker than nationwide** as this area has a slower absorption of multifamily space. As a result, rents rose slower than nationwide. However, 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
Q3 2022	44	774	5.5%	\$1,263	\$1,257	4.8%
Q3 2021	1,098	2,622	5.9%	\$1,197	\$1,190	4.4%
	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo	Market Cap Rate		
Q3 2022	100,818	51	1,281	6.3%		
Q3 2021	99,537	786	1,225	6.4%		

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. 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
Q3 2022	280,335	450,352	2.5%	\$16	4.3%
Q3 2021	275,659	-380,192	2.6%	\$16	4.5%
	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF	
Q3 2022	157,457,543	7.3%	\$145,554,080	\$108	
Q3 2021	157,288,440	7.3%	\$121,860,584	\$135	

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 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
Q3 2022	1,043,485	2,603,083	8.9%	\$9	5.3%
Q3 2021	1,180,554	2,060,540	8.0%	\$8	5.9%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
Q3 2022	214,705,716	646,702	1,371,055	6.8%	\$70,133,824
Q3 2021	213,334,661	508,898	2,085,889	6.6%	\$84,670,952

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

The National Association of REALTORS® is America's largest trade association, representing more than 1.5 million members, including NAR's institutes, societies and councils, involved in all aspects of the real estate industry. NAR membership includes brokers, salespeople, property managers, appraisers, counselors and others engaged in both residential and commercial real estate. The term REALTOR® is a registered collective membership mark that identifies a real estate professional who is a member of the National Association of REALTORS® and subscribes to its strict Code of Ethics. Working for America's property owners, the National Association provides a facility for professional development, research and exchange of information among its members and to the public and government for the purpose of preserving the free enterprise system and the right to own real property. NATIONAL ASSOCIATION OF REALTORS® RESEARCH GROUP The Mission of the NATIONAL ASSOCIATION OF REALTORS® Research Group is to produce timely, data-driven market analysis and authoritative business intelligence to serve members, and inform consumers, policymakers and the media in a professional and accessible manner.

To find out about other products from NAR's Research Group, visit

www.nar.realtor/research-and-statistics

500 New Jersey Avenue, NW Washington, DC 20001 202.383.1000



COMMERCIAL REAL ESTATE REPORT Q3 2022

Reading, PA Metro Area

Demographics and Economy

Demographics

0.2%	28.3%	0.1%	51.6%
population growth (2020-2021) U.S.: 0.7%	share of renters (2021) U.S.: 34.5%	renter household formation (2021) U.S.: 2.6%	share of inbound moves (Jan-Sept 2022)

Economy

-3.4%	4,300	2.5%	11.2%
GDP growth (2021) U.S.: 5.9%	12-month job creation (September 2022)	1-year job growth (September 2022) U.S.: 3.9%	1-year wage growth (September 2022) U.S.: 4.8%
\$55,142	3.5%	13.1%	60.9%
Average wage per year (September 2022) U.S.: \$49,100	unemployment rate (September 2022) U.S.: 3.5%	share of workers teleworking (2021) U.S.: 17.9%	inbound businesses moves (Jan-Sept 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. Despite weak conditions, 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
Q3 2022	82,218	13,832	1.9%	\$20	6.3%
Q3 2021	-50,788	-107,697	1.0%	\$20	6.3%

	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
Q3 2022	13,452,677	0	24,155	\$30,177,000	8.7%
Q3 2021	13,428,522	0	188,562	\$17,326,000	9.0%

2. Multifamily

Demand for multifamily space is **weaker than nationwide** as this area has a slower absorption of multifamily space. As a result, rents rose slower than nationwide. However, 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
Q3 2022	-18	-75	4.4%	\$1,287	\$1,282	2.3%
Q3 2021	-3	85	8.4%	\$1,232	\$1,229	1.5%

	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo	Market Cap Rate
Q3 2022	9,620	0	0	6.3%
Q3 2021	9,620	0	0	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
Q3 2022	82,033	657,916	2.6%	\$13	4.5%
Q3 2021	10,126	-26,939	2.0%	\$13	7.3%

	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF
Q3 2022	23,898,417	7.5%	\$22,149,398	\$139
Q3 2021	23,895,498	7.5%	\$33,549,230	\$115

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
Q3 2022	952,410	3,471,675	11.4%	\$6	3.9%
Q3 2021	2,487,140	4,903,646	8.8%	\$6	6.0%

	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
Q3 2022	55,795,854	478,494	2,418,487	6.9%	\$76,047,760
Q3 2021	53,377,367	587,100	1,327,836	7.1%	\$7,749,000

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

The National Association of REALTORS® is America's largest trade association, representing more than 15 million members, including NAR's institutes, societies and councils, involved in all aspects of the real estate industry. NAR membership includes brokers, salespeople, property managers, appraisers, counselors and others engaged in both residential and commercial real estate. The term REALTOR® is a registered collective membership mark that identifies a real estate professional who is a member of the National Association of REALTORS® and subscribes to its strict Code of Ethics. Working for America's property owners, the National Association provides a facility for professional development, research and exchange of information among its members and to the public and government for the purpose of preserving the free enterprise system and the right to own real property. NATIONAL ASSOCIATION OF REALTORS® RESEARCH GROUP The Mission of the NATIONAL ASSOCIATION OF REALTORS® Research Group is to produce timely, data-driven market analysis and authoritative business intelligence to serve members, and inform consumers, policymakers and the media in a professional and accessible manner.

To find out about other products from NAR's Research Group, visit

www.nar.realtor/research-and-statistics

500 New Jersey Avenue, NW Washington, DC 20001 202.383.1000



COMMERCIAL REAL ESTATE REPORT Q3 2022

York-Hanover, PA Metro Area

Demographics and Economy

Demographics

0.5%	22.9%	-11.3%	48.3%
population growth (2020-2021) U.S.: 0.7%	share of renters (2021) U.S.: 34.5%	renter household formation (2021) U.S.: 2.6%	share of inbound moves (Jan-Sept 2022)

Economy

-3.8%	7,000	3.9%	7.9%
GDP growth (2021) U.S.: 5.9%	12-month job creation (September 2022)	1-year job growth (September 2022) U.S.: 3.9%	1-year wage growth (September 2022) U.S.: 4.8%
\$52,079	2.8%	13.0%	47.7%
Average wage per year (September 2022) U.S.: \$49,100	unemployment rate (September 2022) U.S.: 3.5%	share of workers teleworking (2021) U.S.: 17.9%	inbound businesses moves (Jan-Sept 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 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
Q3 2022	533	175,437	1.8%	\$20	2.6%
Q3 2021	36,968	39,867	1.8%	\$19	4.1%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
Q3 2022	9,587,540	18,000	36,000	\$5,445,000	9.0%
Q3 2021	9,551,540	0	0	\$22,322,144	8.9%

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
Q3 2022	29	-22	5.9%	\$1,343	\$1,337	3.2%
Q3 2021	11	330	11.0%	\$1,268	\$1,265	2.6%
	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo	Market Cap Rate		
Q3 2022	10,853	5	37	6.0%		
Q3 2021	10,816	32	244	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
Q3 2022	77,724	230,486	2.4%	\$15	6.5%
Q3 2021	33,434	161,169	1.6%	\$14	7.4%
	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF	
Q3 2022	24,675,310	7.9%	\$21,292,000	\$99	
Q3 2021	24,675,310	7.8%	\$25,540,368	\$89	

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
Q3 2022	1,719,608	3,152,026	11.3%	\$6	2.3%
Q3 2021	1,910,678	2,951,741	8.9%	\$6	4.3%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
Q3 2022	78,550,096	1,172,020	1,630,768	6.9%	\$32,155,000
Q3 2021	76,919,328	2,181,309	3,143,287	6.9%	\$97,077,208

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

The National Association of REALTORS® is America's largest trade association, representing more than 1.5 million members, including NAR's institutes, societies and councils, involved in all aspects of the real estate industry. NAR membership includes brokers, salespeople, property managers, appraisers, counselors and others engaged in both residential and commercial real estate. The term REALTOR® is a registered collective membership mark that identifies a real estate professional who is a member of the National Association of REALTORS® and subscribes to its strict Code of Ethics. Working for America's property owners, the National Association provides a facility for professional development, research and exchange of information among its members and to the public and government for the purpose of preserving the free enterprise system and the right to own real property. NATIONAL ASSOCIATION OF REALTORS® RESEARCH GROUP The Mission of the NATIONAL ASSOCIATION OF REALTORS® Research Group is to produce timely, data-driven market analysis and authoritative business intelligence to serve members, and inform consumers, policymakers and the media in a professional and accessible manner.

To find out about other products from NAR's Research Group, visit

www.nar.realtor/research-and-statistics

500 New Jersey Avenue, NW Washington, DC 20001 202.383.1000

