**OVERVIEW:**

The Lehigh Valley is located in eastern Pennsylvania. The third largest in the state, this region is well situated, just 95 miles to New York City and 53 miles north of Philadelphia. The Lehigh Valley offers all of the amenities and more than its large urban neighbors.

Several factors make the Lehigh Valley an excellent location for business and industry. What fuels the growth in this region is experience in the area’s 11 institutions of higher learning and its nationally recognized health care facilities.

Due to its excellent highway infrastructure, rail service and the presence of an International airport, the Lehigh Valley market remains an attractive one to importers, exporters, manufacturers and high-tech companies. Developers are enticed to this area because of its abundant vacant land and favorable taxes.

An enterprising and diversified economy has led to higher income jobs, a growing and thriving population and tremendous commercial and industrial growth in this region. Some of the world’s top companies call this area their home; Air Products and Chemicals, Inc; B. Braun Medical, Inc; Crayola and Olympus America; just to name a few.

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**LEHIGH VALLEY SUBMARKETS**

1. Airport Area
2. West End Area
3. Route 33 Corridor
4. Saucon Area
5. Downtowns
CLASS A & B OFFICE

Availability Report:
Existing RBA: 11,443,045 sq. ft.
Leased: 9,944,006 sq. ft.
Leased Percentage: 86.9%
Available: 1,499,039 sq. ft.
Available Percentage: 13.1%

Rental Rate Report:
Direct Gross Rent
Office Range: $8.15-$28.33/yr
Office Average: $17.65/yr

INDUSTRIAL

Availability Report:
Existing RBA: 56,801,599 sq. ft.
Leased: 52,143,868 sq. ft.
Leased Percentage: 91.8%
Available: 4,657,731 sq. ft.
Available Percentage: 8.2%

Rental Rate Report:
Direct Net Rent
Industrial Range: $2.50-$10.30/yr
Industrial Average: $4.15/yr

RETAIL

Availability Report:
Existing RBA: 16,173,913 sq. ft.
Leased: 15,203,478 sq. ft.
Leased Percentage: 94.0%
Available: 970,435 sq. ft.
Available Percentage: 6.0%

Rental Rate Report:
Direct Net Rent
Retail Range: $6.15-$26.43/yr
Retail Average: $14.50/yr
Top Transactions of 2013

Sale

2350-2360 MacArthur Road  
Submarket: Whitehall  
Sale Date: 3.2013  
Acres: .61  
Property Type: Retail  
Agent: John Crampsie, SIOR

5001 Crackersport Road  
Submarket: Allentown  
Sale Date: 9.16.2013  
Square Feet: 104,000  
Property Type: Warehouse  
Agent: Mike Adams

1550 Pond Road  
Submarket: Allentown  
Sale Date: 4.3.2013  
Square Feet: 145,000  
Property Type: Office  
Agent: Matt Dorman

2597 Schoenersville Road  
Submarket: Bethlehem  
Sale Date: 12.18.2013  
Square Feet: 50,036  
Property Type: Medical Office  
Agent: Frank Smith, CCIM, CPM

Lease

Riverside Business Center  
Submarket: Whitehall  
Tenant: Reed City Power Line Supply Co  
Square Feet: 28,625  
Bldg. Type: Flex  
Agent: John Crampsie, SIOR

Lot #82, Spillman Drive  
Submarket: Bethlehem  
Tenant: Curtiss-Wright  
Square Feet: 183,750  
Bldg. Type: Manufacturing  
Agent: Mike Adams

3700 Glover Road  
Submarket: Easton  
Tenant: Grand River Ironsands  
Square Feet: 181,000  
Bldg. Type: Industrial/Flex  
Agent: Mike Adams

1550 Pond Road  
Submarket: Allentown  
Tenant: Paychex  
Square Feet: 18,000  
Bldg. Type: Office  
Agent: Matt Dorman

Absorption (Net): The change in occupied space in a given time period.

Available Square Footage: Net rentable area considered available for lease; excludes sublease space.

Average Asking Rental Rate: Rental rate as quoted from each building’s owner/management company. For office space, a full service rate was requested; for retail, a triple net rate requested; for industrial, a NN basis.

Building Class: Class A product is office space of steel and concrete construction, built after 1980, quality tenants, excellent amenities & premium rates. Class B product is office space built after 1980, fair to good finishes & wide range of tenants. Space currently available for lease directly with the landlord or building owner.

Market Size: Includes all existing buildings (office, office condo, office loft, office medical, all classes and all sizes, both multi-tenant and single-tenant, excluding owner-occupied buildings) within each market.

Overall Vacancy: All unoccupied lease space, either direct or sublease.

SF/PSF: Square foot/per square foot, used as a unit of measurement.

Sublease: Arrangement in which a tenant leases rental property to another, and the tenant becomes the landlord to the subtenant.

Sublease Space: Total square footage being marketed for lease by the tenant. Sublease space is not considered in the overall occupancy or absorption numbers - only direct leases are included.

Sublease Vacancy: Space currently available in the market for sublease with an existing tenant within a building acting as the landlord.