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.
CLASS A & B OFFICE

Availability Report:
- Existing RBA: 12,422,598 sq. ft.
- Leased: 10,671,012 sq. ft.
- Leased Percentage: 85.9%
- Available: 1,751,586 sq. ft.
- Available Percentage: 14.1%

Rental Rate Report:
- Direct Gross Rent
  - Office Range: $8.15-$28.33/yr
  - Office Average: $17.85/yr

INDUSTRIAL

Availability Report:
- Existing RBA: 59,704,156 sq. ft.
- Leased Percentage: 93.2%
- Available Percentage: 6.8%

Rental Rate Report:
- Direct Net Rent
  - Industrial Range: $2.50-$10.30/yr
  - Industrial Average: $4.18/yr

RETAIL

Availability Report:
- Existing RBA: 16,199,090 sq. ft.
- Leased: 15,210,946 sq. ft.
- Leased Percentage: 93.9%
- Available: 988,144 sq. ft.
- Available Percentage: 6.1%

Rental Rate Report:
- Direct Net Rent
  - Retail Range: $6.15-$26.43/yr
  - Retail Average: $14.35/yr
Top Transactions of 2014

Sale

5690 Lower Macungie Road  
Submarket: Macungie  
Sale Date: 3.2014  
Property Type: Industrial  
Agent: Mike Adams

95 Highland Avenue  
Submarket: Bethlehem  
Sale Date: 7.2014  
Property Type: Distressed Office  
Agent: John Crampsie, SIOR

1243 Easton Road  
Submarket: Warrington  
Sale Date: 2.2014  
Square Feet: 20,000  
Property Type: Distressed Office + Pad Site  
Agent: John Crampsie, SIOR

951 Marcon Boulevard  
Submarket: Allentown  
Sale Date: 4.2014  
Square Feet: 22,836  
Property Type: Office  
Agent: Matt Dorman + John Crampsie, SIOR

3155 Schoenersville Road  
Submarket: Bethlehem  
Sale Date: 1.2014  
Square Feet: 42,000  
Property Type: Medical Office  
Agent: Frank Smith, CCIM, CPM

Lease

2202 Hangar Place LP  
Submarket: Allentown  
Tenant: The Wasserstrom Company  
Square Feet: 66,495  
Bldg. Type: Industrial  
Agent: Frank Smith, CCIM, CPM

6584 Ruch Road  
Submarket: Bethlehem  
Tenant: Winside Industrial Group  
Square Feet: 14,400  
Bldg. Type: Industrial  
Agent: Mike Adams

200 Cascade Drive (2 transactions)  
Submarket: Allentown  
Tenant: WEL & Davis Bottling Company  
Square Feet: 66,928 & 52,000  
Bldg. Type: Industrial/Flex  
Agent: Mike Adams

Two City Center  
Submarket: Allentown  
Tenant: Cenduit LLC  
Square Feet: 13,509  
Bldg. Type: Office  
Agent: Mike Adams

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.