MARKET IN MINUTES
Savills Research

Q2 2022 - Industrial

Lehigh Valley

savills

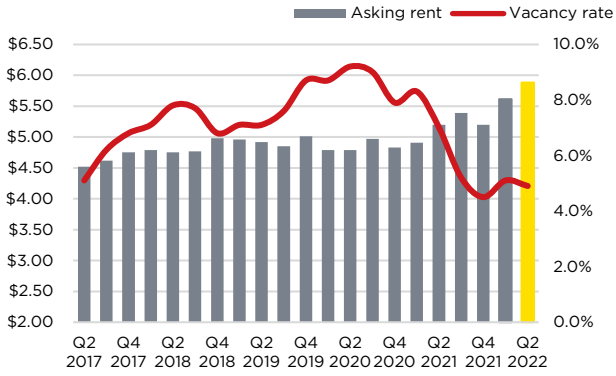
KEY STATISTICS

Inventory	y-o-y Change	Vacancy Rate	y-o-y Change	Quarterly Net Absorption	y-o-y Change	Under Construction	y-o-y Change	Deliveries	y-o-y Change	Asking Rental Rate	y-o-y Change
157.5 MSF	▲	4.9 %	▼	2.1 MSF	▼	9.2 MSF	▼	1.9 MSF	▼	$5.88 PSF	▲
Q2 2021: **149.3 MSF**		Q2 2021: **7.0%**		Q2 2021: **4.6 MSF**		Q2 2021: **10.6 MSF**		Q2 2021: **2.8 MSF**		Q2 2021: **$5.20**	

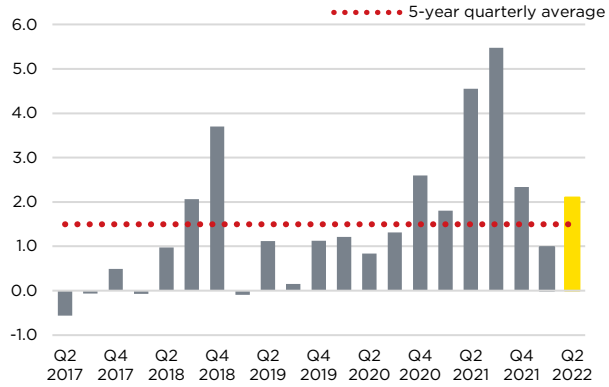
Market Trends

- Warehouse vacancy in Lehigh Valley remains tight at 4.9% — a 210-basis point decline from Q2 2021. However, headwinds point to a decrease in consumer confidence amid fears of a recession point which could curtail retailer expansion.
- Year over year, the average asking rental rate increased by 13.1% to $5.88 per square foot (psf). New construction commands rents north of $9.00 psf but has yet to reach to the teens.
- Sales volume slowed dramatically from the $262 million transacted in the first quarter. The only property to trade hands was 600 Brighton St in Bethlehem for $18 million.

ASKING RENT AND VACANCY



NET ABSORPTION



TOP LEASING TRANSACTIONS

Tenant	Square Feet	Address	Transaction Type
Samsung	750,000	41 Martha Drive Bethel, PA	Renewal
Volvo Logistics	580,000	3041 Schoeneck Road Macungie, PA	Renewal
NFI Industries Inc.	414,923	West Hills Fogelsville, PA	Renewal
ABB	340,695	1000 Carson Court Palmer Twp, PA	New
Kuehne & Nagel	246,253	4275 Fritch Drive Bethlehem, PA	Renewal

Source: Savills Research

For more information, please contact us:

Daniela Stundel
Research Manager
Philadelphia
dstundel@savills.us

Mark Russo
Director,
Head of Industrial Research
mvrusso@savills.us

Gregg Healy
Executive Vice President,
Head of Industrial Services
ghealy@savills.us

savills.us

About Savills Inc.

Savills helps organizations find the right solutions that ensure employee success. Sharply skilled and fiercely dedicated, the firm's integrated teams of consultants and brokers are experts in better real estate. With services in tenant representation, workforce and incentives strategy, workplace strategy and occupant experience, project management, and capital markets, Savills has elevated the potential of workplaces around the corner, and around the world, for 160 years and counting.

For more information, please visit Savills.us and follow us on LinkedIn, Twitter, Instagram and Facebook.

Unless otherwise noted, all rents quoted throughout this report are average asking net (NNN) rents per square foot. Statistics are calculated using both direct and sublease information. Current and historical vacancy and rent data are subject to change due to changes in inventory.

The information in this report is obtained from sources deemed reliable, but no representation is made as to the accuracy thereof. Unless otherwise noted, source for data is Savills Research.

Copyright © 2022 Savills