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HARRISBURG COMMERCIAL

# real estate REPORT

## Seeing Green

Adoption of wind and solar energy in commercial real estate is booming, but renewables still have a long road ahead.

By Nicholas Leider



database to determine which market sectors are leading adoption of renewables, examine geographical differences in use, and address difficulties in metering for green energy.

In the past decade, overall adoption of renewables is encouraging, with properties reporting on-site renewable energy increasing nearly tenfold, from 264 in 2009 to 2,447 in 2019. These properties now make up nearly 1 percent of all properties benchmarked by the U.S. Environmental Protection Agency study.

“As a whole, the cost has been declining, and, in some cases, on-site renewable energy is cost-competitive. But evaluating each individual case depends on many factors such as physical structure, local or regional incentives, and others,” says Craig Haglund, ENERGY STAR program manager – CRE and multi-family, at the U.S. Environmental Protection Agency.

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Sustainability has been a buzzword in CRE for years, but different property sectors are starting to harness the power of green energy. Late last year, the U.S. Environmental Protection Agency released, “Commercial Buildings and Onsite Renewable Energy,” a report in the agency’s Data Trends series that details the development of green energy, specifically solar and wind power, in commercial real estate. The U.S. Environmental Protection Agency examined more than 263,000 properties in its

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## New Listings



### NEW Commercial Lease - 3460 Paxton Street, Harrisburg

- Former Planet Fitness and CJ Tires located on heavily traveled Paxton Street, directly across from the Harrisburg Mall
- Don't miss this opportunity to lease this prime real estate
- Large warehouse/storage area with a drive-in door, front office or retail space and sprinklers



### NEW Office Sale - 235 N. Enola Road, Enola

- Former branch bank on corner parcel along N. Enola Road
- Good parking, visibility and flexible floorplan allow for many redevelopment opportunities
- Two drive-thru lanes and one ATM lane with 980 SF canopy



### NEW Office Sale - 2120 Fisher Road, Mechanicsburg

- Unique office building for sale with easy access to Route 15 & PA Turnpike
- Space is functional with many windows and skylights throughout so that every space gets natural light
- The large landscaped lot creates a nice setting
- Main floor has credit tenant until September 2023



### NEW Comercial Lease - 1421 N. Third Street, Harrisburg

- Great lease opportunity in completely renovated and updated building
- Located in the heart of the thriving Midtown Harrisburg area
- Neighbors include HACC Technology & Trade Campus, Susquehanna Art Museum, Midtown Cinema, Broad Street Market, Midtown Scholar Bookstore, and many more



### NEW Office Sale - 217 State Street, Harrisburg

- Fantastic investment opportunity on State Street in Harrisburg
- Steps from the Capitol building
- Beautifully renovated property with luxury vinyl floors, updated bathrooms, and two kitchenettes
- Perfect property for your commercial or residential needs

## Industrial Listing



### Lease - 5060 Ritter Road, Suite B2, Mechanicsburg

- Approximately 2,000 SF office and 3,000 SF warehouse space with visibility from Route 15
- The office area consists of private offices, an open working area, break room and conference room
- The warehouse has a drive-in door and over 19' of clear height
- Variety of users could be acceptable for this space



"CRE companies continue to explore or invest in on-site renewable energy projects, indicating confidence in the business and environmental case for those installations....When it comes to simply purchasing green energy, however, it can often just be flat-out cheaper than some traditional fossil fuels like coal. The cost to produce has fallen quite a bit, even before some incentives are factored in."

Most sites only produce less than 25 percent of electricity needs through these renewable sources, but the growth in adoption and improving cost efficiencies are encouraging trends for the market. Specifically, the industrial/warehousing sector is a bright spot; the properties that do harness wind and solar energy produce, on average, 51 percent of their needed electricity.

**"Most sites only produce less than 25 percent of electricity needs through these renewable sources, but the growth in adoption and improving cost efficiencies are encouraging trends for the market."**

Self-storage is another bright spot, with those sites producing 60 percent of electricity from renewables.

"A major driver for installation of on-site renewable energy systems is the physical structure of industrial properties," Haglund says. "Large, flat roof space (such as those on warehouses) is ideal for cost-effective installation."

Conversely, multifamily and retail properties face challenges in adoption due to smaller, more varied structures.

"It's possible that the roof space issue is having the inverse effect here as it has on the warehouse industry," Haglund says. "The business case for rooftop solar in the multifamily setting is not as clear-cut. A common financial approach to solar is to simply rent out your roof space to a solar installer, but this only works if you have enough roof space. One reason for optimism, though, is that there is industry interest. Additionally, multifamily companies are getting increasing pressure from investors to develop ESG policies."

Of course, while these renewables saw strong growth in the decade leading up to 2019, COVID-19 has since seismically shifted CRE. The industry retains an appetite for sustainability, but the immediate effects of the pandemic might be troublesome for owners, operators, and developers.

"We can't say for sure, but based on anecdotal evidence, the ability to pursue projects of any kind has been sidelined by other priorities," Haglund says. "Although, this same anecdotal evidence suggests that many organizations do not appear to have slowed progress on achieving their environmental- and sustainability-related goals, including pursuit of renewable energy projects."

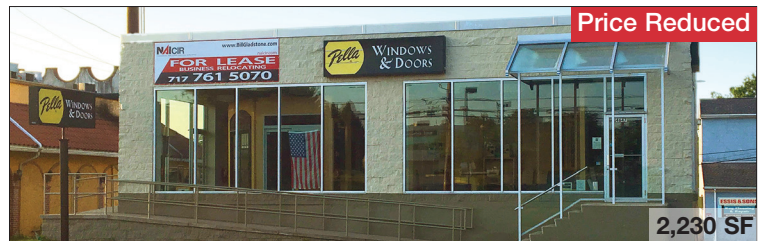
One other roadblock to wider acceptance of wind and solar energy is the difficulty in determining the cost effectiveness of green energy. "Utility-provided data that includes only net consumption — either because of net meters or utility billing practices — makes it difficult for owners and managers to

## Commercial Listings



### **Sale - 453 Jonestown Road, Jonestown**

- Over 2 acres of commercial land located just moments from Route 72 and Route 22
- Two-story home on the property could be utilized or removed for a redevelopment opportunity
- Excellent access and visibility from heavily traveled Jonestown Road



### **Lease - 4647 Jonestown Road, Harrisburg**

- 2,230 SF available in this popular retail site
- Freestanding, updated building with great curb appeal and visibility on highly traveled street
- Bright, open floorplan on first floor



### **Sale/Lease - 5129 E. Trindle Road, Mechanicsburg**

- Brand new retail or office space along Trindle Road
- Great visibility and parking
- The 4,000+/- SF is an open shell - ready for your finishing touches



### **Sale - 25 & 33 Carlisle Street, Hanover**

- 30,112 SF stunning landmark in the Borough of Hanover
- This former bank building was beautifully constructed with great attention to detail and has been well-maintained
- The adjacent (and connecting) office building is also included in the sale



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benchmark their energy performance because they don't know how much energy their building is using," the report states. "What are the barriers, and how can they be overcome? To assess a building's energy performance, you must know all its energy use, regardless of the source."

Haglund understands CRE professionals want to know the impact of energy sources on the bottom line, which is crucial in assessing the cost implications of different energy sources.

"The adage 'you can't manage what you don't measure' applies here," he says. "It is very important to accurately measure all the renewable energy flows — amount generated, amount used on-site, and amount exported — so that building operators can track and manage efficiency and the renewable energy contribution. CRE professionals should make sure that their renewable energy systems have meters that can track the renewable energy flows separately and not just the net amount."

Regardless of the obstacles that remain — whether due to COVID-19 or the maturation of the renewable energies industry — the future remains bright for environmentally friendly, sustainable power.

"We anticipate that green energy procurement — both on- and off-site — will continue to grow dramatically over the next decade," Haglund says. "Substantial ramp-up in renewable energy capacity is essential to achieving carbon goals." ■

#### About the Author:

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#### Lease - 2008 - 2010 Market Street, Camp Hill

- Prime office/commercial space in the heart of Camp Hill Borough
- This updated, clean space has direct frontage on Market Street and is within walking distance to local restaurants and retail
- Renovations to the space included opening the floorplan, adding stylish lighting and kitchen appliances, updating the restroom fixtures, HVAC and roof

## Office Listings



#### Lease - 1335 N. Front Street, Harrisburg

- Functional first floor office space includes four offices, a work room, reception area, kitchen, and two bathrooms
- Grand windows overlook beautiful Susquehanna River in downtown Harrisburg
- Parking available in a lot on the next block for the first floor tenant
- Conveniently located minutes from I-81 and I-83



#### Lease - 30 E. Shady Lane, Enola

- Medical/professional office suite available at fiercely competitive rate in a convenient location
- Property has recently been renovated and is well-maintained
- Current tenant has out-grown the space and has vacated



#### Lease - 4823 E. Trindle Road, Mechanicsburg

- Professional office space for lease in a highly visible, conveniently located building
- Space is available for lease on the first floor and the ground level and these areas can be leased together or separately
- Expansive lot with abundant on-site parking



# Office Listings



## Lease - 5275 E. Trindle Road, Mechanicsburg

- Corner office suite available which offers functionality and usability
- The professional office space features executive sized offices, large conference room(s) lining the perimeter, private in-suite restrooms and two entrances
- Space can be left as one large suite or made into two suites; Suite A - 2,318 RSF and Suite B - 4,133 RSF
- Watch video tour online



## Sale/Lease - 510 N. Front Street, Wormleysburg

- Great views of the City Skyline and the Susquehanna River in this move-in ready and up to date office building
- Private office/conference room with river views and other private offices are also available
- Second floor storage or conference area not included in square footage but could be useful



## Sublease - 3 Kennedy Street, Lancaster

- This 2,875 SF former bank has modern features and an intelligent layout for a variety of users
- The design includes 3 drive-thru lanes (1 ATM), 4 private offices, conference room, and a break room
- Located just minutes from the Route 30 interchange at Greenfield and Old Philadelphia Pike and Route 222



## Lease - 415 Market Street, Harrisburg

- Suites ranging from 266 - 4,453 SF on the second and third floors
- Located in Enterprise Zone; permits professional offices, personal services and other common office use
- In walking distance to all the downtown restaurants, amenities, and Riverfront Park
- Call about rent promotion details



## Lease - 4386 Sturbridge Drive, Harrisburg

- Class A office space for medical or professional use
- Space in shell condition, ready to accept a build-out designed to suit tenant
- Located along Route 39 with access to amenities such as lodging, eateries, gas, banking and all major transportation corridors



## Lease - 1029 Mumma Road, 2nd Floor, Lemoyne

- Attractive office building with 2nd floor space available
- Property has been well-maintained, features modern upgrades and has ample on-site parking
- Convenient location along the West Shore business corridor with quick access to all major business hubs on both East and West Shores



# Office Listings



200 - 1,490 SF

## Lease - 800 N. Third Street, Harrisburg

- Prominent downtown office building across from the State Museum and one block from the Capitol Complex
- Perfect location for attorneys and associations
- On-site parking available to tenants at below market rates
- Furnished suites available



11,505 SF

## Sale - 28 E. Main Street, New Kingstown

- 11,505+/- SF of flex space in Silver Spring Township with General Industrial Zoning
- Property had many uses over the years - Harley Davidson bike shop, Tae Kwon Do school, offices and storage
- Many options on this 1.77+/- acre site
- Income producing tenant occupying 70% of the space



4,454 SF

## Sale - 200 S. Progress Avenue, Harrisburg

- Don't miss out on the wonderful opportunity to own prime real estate on this desirable street in Harrisburg
- The office is currently being used as a longtime counseling practice but has many different possibilities
- The layout is flexible and consists of a waiting area, several private offices and a second floor that could potentially be rented out separately



Price Reduced

1,330 SF

## Lease - 300 N. 2nd Street, Suite 704, Harrisburg

- Seventh floor (sublease) office space available in this downtown high-rise with excellent access to Harrisburg amenities
- The building boasts a marble and glass entranceway
- The suite has a waiting area, large conference room, private office, a storage area, kitchenette, and all furniture is included in the rent



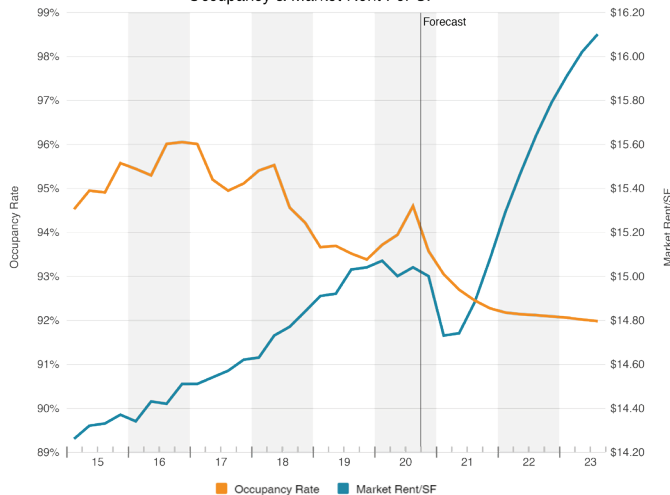
18,617 SF

## Lease - 1665 Roosevelt Avenue, York

- Join OSS Health at their brand new location on Roosevelt Avenue, just off Route 30 and moments from I-83
- Approximately 14,438 USF available on the second floor with stunning views of York County
- Excellent opportunity for tenant to help design and customize their new facility to meet their unique space needs

## Retail - Greater Harrisburg Area

### Occupancy & Market Rent Per SF



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## Investment Listing



### Sale - 905 E. Chocolate Avenue, Hershey

- 15 unit Travel Inn ideally located off E. Chocolate Avenue with excellent roadside visibility and moments from Hershey attractions
- This facility is made up of 2 buildings consisting of 10 exterior guest rooms, 5 apartments and a spacious on-site manager's suite with three bedrooms, living area and kitchen
- The Hershey Travel Inn has been renovated over the years and also has solid revenue history for many years

## Featured Land



### Sale - Kim Acres Drive & Aspen Drive, Mechanicsburg

- 1.03 Acre of land in a rapid growth area with a lot of new development
- Great for office and professional uses situated just off the PA Route 114/US Route 15 interchange
- Area is populated with affluent, upper middle class neighborhoods and is continuing to expand
- Perfect location for an all-night diner or small restaurant with Messiah College and Messiah Village being so close to this location

## Land Listings

Location	Acres	Zoning	Type
940 E. Main Street, Palmyra, Lebanon County	TBD	Highway Commercial	Lease
1700 Quentin Road, Lebanon, Lebanon County	TBD	General Commercial	Lease
Kim Acres Drive & Aspen Drive, Mechanicsburg, Cumberland County	1.03	Highway Commercial	Sale
370 W. Main Street, Leola, Lancaster County	1.3 - 2.8	General Commercial	Sale/Lease
<b>Price Reduced</b> - 1301 Eisenhower Boulevard, Harrisburg, Dauphin County	1.77	ML-Light Industrial	Sale
453 Jonestown Road, Jonestown, Union Township	2.05	Commercial	Sale
<b>Pending</b> - 7700 Derry Street, Harrisburg, Dauphin County	2.12 (lot 4)	Commercial District General	Sale
<b>Price Reduced</b> - I-81 and W. Trindle Road, Carlisle, Cumberland County	2.18 (2 parcels)	Commercial Highway	Sale
<b>SOLD</b> - 7700 Derry Street, Harrisburg, Dauphin County	2.3 (lot 8)	Commercial District General	Lease
<b>Price Reduced</b> - 1345 Eisenhower Boulevard, Harrisburg, Dauphin County	4.46	ML-Light Industrial	Sale
<b>Price Reduced</b> - Kriner Road, Chambersburg, Franklin County	4.64	Commercial Industrial	Sale
<b>Price Reduced</b> - 755-759 Kriner Road, Chambersburg, Franklin County	4.73 - 7.83	Commercial Industrial	Sale/Lease
W. Suncrest Drive and Spring Road, Carlisle, Cumberland County	4.87 (4 parcels)	Commercial/Light Industrial	Sale
<b>Pending</b> - Peters Mountain Road & River Road, Halifax, Dauphin County	5.1	None	Sale
700 S. Baltimore Street, Dillsburg, York County	5.23 - 57.5	Agricultural - Conservation (AC)	Sale
Eisenhower Boulevard, Harrisburg, Dauphin County	5.39	Commercial General	Sale
Cherry Street (Lot #9) & Walnut Street, Highspire, Dauphin County	7.77	Residential Low Density	Sale
Route 441 and Orchard Drive, Harrisburg, Dauphin County	8.34	Single Family Residential District	Sale
<b>Price Reduced</b> - 730 Limekiln Road, New Cumberland, York County	8.64	Commercial Business	Sale
Carlisle Pike (Route 11) Waterford Square, Mechanicsburg, Cumberland County	8.78 (8 lots)	Community Commercial (C2)	Sale
Hanshue Road, Tract 2, Hummelstown, Dauphin County	9.42	Residential Agriculture	Sale
Eisenhower Blvd & Highspire Road, Harrisburg, Dauphin County	10.0	Commercial District General	Sale
<b>Price Reduced</b> - Allentown Boulevard, Harrisburg, Dauphin County	17+	Commercial Highway (CH)	Sale

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## Check Out Our Recent Deals

*Visit [www.billgladstone.com](http://www.billgladstone.com) to view listings and deals not included in this issue.*



**LEASED - 301 Chestnut Street, Suite G2, Harrisburg**  
**BlendIM, LLC** has leased 1,062+/- SF of office space in the City of Harrisburg. BlendIM is a full service digital marketing agency. Learn more at [www.blendim.com](http://www.blendim.com). The Bill Gladstone Group of NAI CIR represented both the buyer and seller in the transaction.



**LEASED - 800 N. Third Street, Suite 402, Harrisburg**  
**Heart Dominion LLC DBA Grassfire Consulting** leased an office suite in Harrisburg. A lobbyist will be occupying the space. Nick Martin of the Bill Gladstone Group of NAI CIR handled the transaction.



**SOLD - 127 Kim Acres Drive, Mechanicsburg**  
**Dillsburg Pride, LLC** purchased this 2,550+/- SF single story building in Mechanicsburg from a banking institution. The Bill Gladstone Group of NAI CIR represented both the buyer and seller in the transaction.