



# 301

RAILROAD AVENUE  
SHIREMANSTOWN, PA

- Central PA Multi-Tenant Industrial Investment Opportunity
- Fully Leased With 3.94% Average Escalations
- Significant Discount to Replacement Cost
- Committed and Diversified Tenant Roster





# THE OPPORTUNITY

**Jones Lang LaSalle Americas Inc.** (“JLL”) as exclusive advisor to Owner, is pleased to present for sale **301 Railroad Avenue** (the “Property”) located in Shiremanstown, Pennsylvania. The Property is a functional 254,449 square foot, multi-tenant distribution facility situated on 14 acres. 301 Railroad Avenue offers a new investor the opportunity to acquire a well maintained, cash flowing asset in one of the best performing industrial markets in the country.

The Property is located immediately off the Capital Beltway (Route 581) and is situated 3.9 miles north of I-83 and 5.1 miles south of I-81. The Property’s strategic position offers seamless and immediate access to the most vital east-west and north-south highways in the Eastern & Central Pennsylvania industrial market.

301 Railroad Avenue is fully leased to four tenants with 2.3 years of weighted average lease term. The average tenure of the tenants at the property is 6.7 years, with 72% of leased area having executed a renewal within the last 24 months, demonstrating a commitment to the Property as well as the strength of the submarket.

## PROPERTY OVERVIEW

<b>Address</b>	301 Railroad Avenue Shiremanstown, PA
<b>Acreage</b>	14.19 Acres
<b>Building Size</b>	254,449 SF
<b>Year Built / Renovated</b>	1963 / 2020
<b>Clear Height</b>	24'
<b>Truck Court Depth</b>	130'
<b>Loading Doors</b>	27 Dock Doors
<b>Drive-In Doors</b>	1 Drive-In Door
<b>Car Parking</b>	82 Parking Spaces

**254,449**  
SQUARE FEET

**4**  
TENANTS

**6.7 YEARS**  
AVERAGE TENANT  
TENURE

**2.3 YEARS**  
WEIGHTED AVERAGE  
LEASE TERM

**\$7.05 PSF**  
AVERAGE IN-PLACE  
RENT

**16.14%**  
% BELOW  
MARKET

Tenant	Size (SF)	% of Property	Tenure at Property	Remaining Term	Annual Escalations	In-Place Rent PSF	Market Rent PSF	% Below Market
<b>Donald B. Rice Tire Company</b>	8,900	3.5%	2.3 Years	2.9 Years	3.48%	\$12.75	\$12.75	-
<b>Paint Sundries Solutions</b>	74,552	29.3%	9.1 Years	1.7 Years	3.89%	\$7.96	\$8.25	3.52%
<b>Performance Radiator Pacific</b>	62,332	24.5%	8.8 Years	0.4 Years	-	\$4.75	\$8.25	42.42%
<b>VGM Group</b>	108,665	42.7%	4.3 Years	3.8 Years	4.00%	\$7.28	\$8.25	11.76%

# INVESTMENT HIGHLIGHTS

## STRONG CASH FLOW WITH 3.94% AVG. ANNUAL ESCALATIONS

301 Railroad Avenue provides an investor with the exceptional opportunity to acquire **attractive cash flow from a diversified tenant roster.**

- **Fully leased** to four tenants with **2.3 years of WALT** and **3.94% average annual escalations.**
- Tenant base features a diverse range of industries, mitigating exposure to one industry, with an average tenure of 6.7 years.
- Committed tenant roster with 2 out the 4 in-place tenants (72% of RSF) having executed fair market value renewal options within the last 24 months.
  - As for the remaining tenants: Performance Radiator (25% of RSF) has expressed interest in negotiating a renewal; and Rice Tire Company (3% of RSF), executed a new deal in July 2023.

### Tenancy Overview



#### Rice Tire Company

8,900 SF

**New Deal Executed: Jul-23**

In-Place Rent: \$12.75 PSF

Avg. Annual Increases: 3.48%



#### Paint Sundries Solutions

74,552 SF

**Renewal Executed: Sep-23**

In-Place Rent: \$7.96 PSF

Avg. Annual Increases: 3.89%



#### VMG Group

108,665 SF

**Renewal Executed: Oct-23**

In-Place Rent: \$7.28 PSF

Avg. Annual Increases: 4.00%



#### Performance Radiator Pacific

62,332 SF

**Lease Expiration: Mar-26**

In-Place Rent: \$4.75 PSF (42% Below Market)

Expressed Interest in Renewal





# FUNCTIONAL DISTRIBUTION FACILITY WITH RECENT CAPITAL INVESTMENT

- Property features a 24-foot clear height, 27 dock doors, ESFR fire protection, LED Lighting and ample car parking.
- Originally constructed in 1963 and expanded in 1972, with upgrades and renovations occurring between 2018 and 2020 to modernize the facility.
- Within the last 5-years, current ownership has completed a **full roof replacement on 61% of the roof**.
- Flexible multi-tenant layout offering **varying unit sizes from 62,000 to 108,000 SF**, complete with demising walls and individual office spaces.

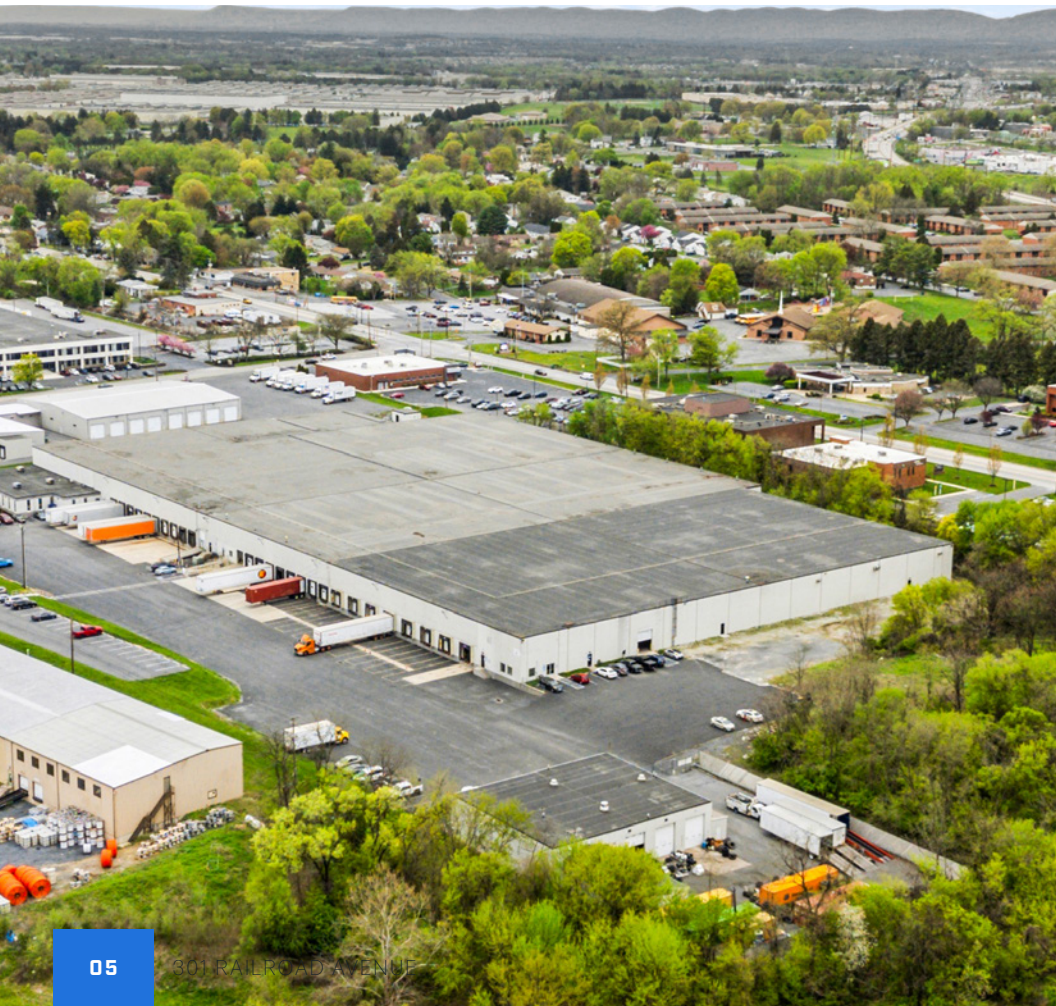




## HAMDEN TOWNSHIP OFFERS LOWEST TAXES IN CENTRAL PA

**301 Railroad Avenue is located in Hamden Township which offers the lowest real estate taxes in the Central PA market.**

- 2024-25 total county, municipal, and school tax rate of 0.0148.
- Surrounding properties located in differing townships, such as the immediately adjacent Camp Hill Borough, have real estate tax rates of 0.0257, **almost double the tax rate in Hamden Township.**
- Ownership has the opportunity to push rents as tenants benefit from the lower operating costs afforded to them.



## PRICING AT A DISCOUNT TO REPLACEMENT COST

301 Railroad Avenue is being offered at a **significant discount to replacement cost.**

- Given the combination of land values in Central Pennsylvania currently in the range of \$30 - \$40 per buildable square foot and the rising costs of construction, replacement value in the market has soared.
- **In March 2025, Silver Spring Logistics Park in Mechanicsburg traded at \$38 per FAR.**
- **Core Central PA saw benchmark pricing for Class A product in 2024:**
  - » 560 Busser Road closed in December at \$152 PSF.
  - » 1495 Harrisburg Pike was sold in November at \$164 PSF.
  - » Core5 at Lytle Farms was sold in July at \$163 PSF.

**± \$35 PSF**  
**LAND VALUE**

**± \$115 PSF**  
**CONSTRUCTION COSTS**

**± \$150 PSF**  
**EST. REPLACEMENT COST**



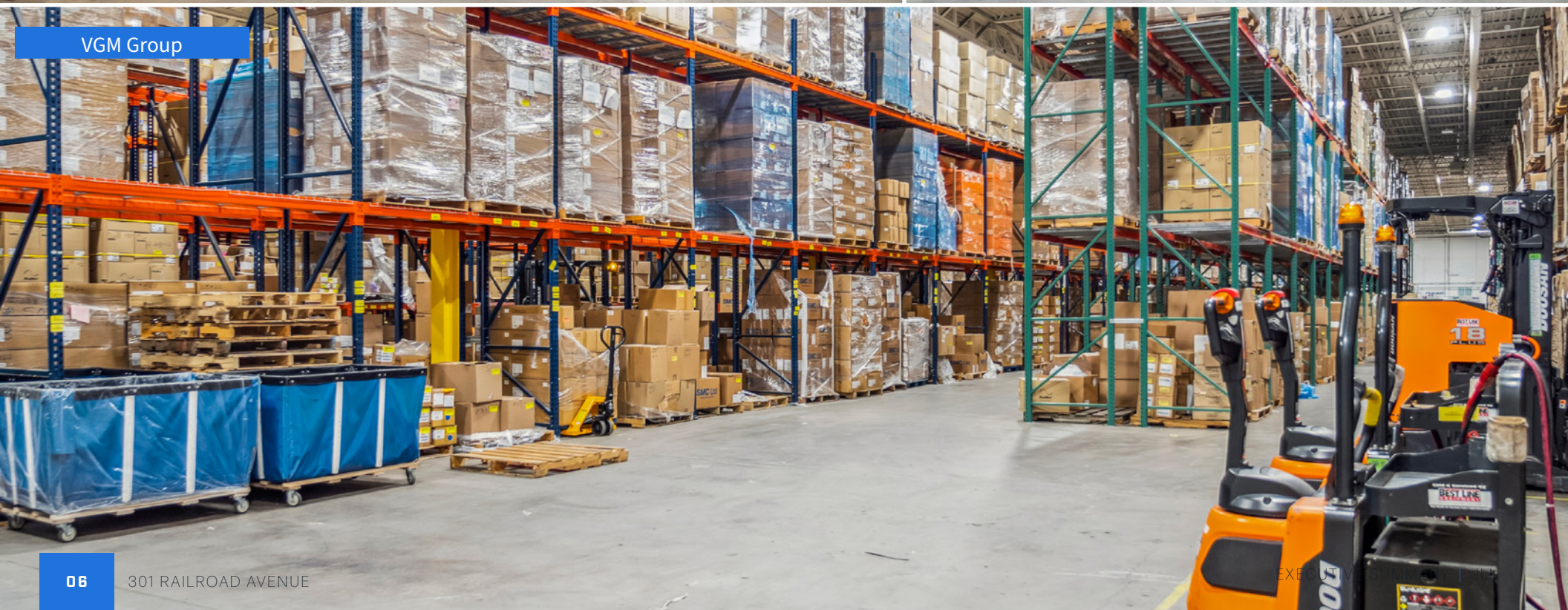
Performance Radiator



VGM Group



VGM Group





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## FINANCIAL ANALYSIS

## JLL INDUSTRIAL CAPITAL MARKETS NORTHEAST

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