

Real Estate Matters

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On July 14, High Real Estate Group LLC (HREG), the Pennsylvania Department of Transportation (PennDOT), county and township officials, as well as local stakeholders broke ground on a multimodal transportation project that will help alleviate traffic congestion and improve safety on a key highway corridor in Lancaster County.

However, this event was more than just another groundbreaking celebration. It was a chance to recognize the many groups that played an integral part of bringing this project to fruition. This project is a unique example of public-private collaboration serving the greater community.

“The Walnut Street Extension Project demonstrates the potential

Walnut Street Extension Breaks Ground



Left to right: Lancaster Co. Commissioners John Trescot, Ray D’Agostino; Brett Ennis, Ryan Emerson, PA Dept. of Community & Economic Dev.; Jason Stouffer, Kinsley Construction; Mark Fitzgerald, Pres. & COO, High Real Estate Group; Tony Seitz, V.P. of Development, High Associates Ltd.; Mike Keiser, Acting Dep. Sec. of Highway Administration, PennDOT; John Blowers, Chair, East Lampeter Twp. Board of Supervisors.

when government, the private sector and local residents work together to solve a transportation-safety issue while preserving precious farmland, creating jobs and ensuring recreational opportunities for county residents and visitors,” said Mark Fitzgerald, President and COO, High Real Estate Group LLC.

The nearly \$22 million project will add a 1.2-mile, two-lane roadway connecting Greenfield, a growing, mixed-use commercial and residential development, to U.S. Route 30, one of the busiest thoroughfares in the county.

“It’s a testimony to what Lancaster County can achieve when we work together towards a worthwhile goal,” said Tony Seitz, Vice President of Development, High Associates. “When you identify common goals and objectives and work together with state and local government agencies, you can deliver a much better project and something that aligns with the public interest.”

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Rendering of new roundabout and sculpture at Walnut Street Extension Project, Greenfield Lancaster, Pa.

President's Message

Community advancement has been an important part of High's business philosophy since Sanford H. High founded High Welding Company in 1931. The High Companies and High Foundation have a long tradition of contributing to Central Pennsylvania and the communities in which we do business.



Corporate giving, donation of time and talent from High co-workers, along with the generosity of the High Family, contributes significant investments in agencies that provide vital support and services to individuals and families. To increase the impact of these philanthropic activities, High Companies and High Foundation are aligned with a common

goal to support people in their paths to personal stability—a Bridge to Opportunity.

High Companies' strategic focus areas

- Increase capacity of [career and technical education](#)
- Promote [rational career exploration](#) for students, parents, and teachers
- [Excite students early on](#) about STEM career paths
- Develop viable, sustainable paths out of poverty via "good jobs"

Beyond those areas above, we continue to maintain a significant amount of broad support across many areas that connect with specific community needs and co-worker interests.

Focus area of High Foundation

- Eliminate poverty by supporting organizations focused on systemic change
- Contribute capital gifts to nonpolitical nonprofit organizations in

- Education
- Social services
- Cultural enrichment
- Invest in projects and organizations that improve Lancaster City's aesthetics, culture and art, and in projects that lead to economic vibrancy

Guided by [The High Philosophy](#), the High companies balance our commitments to people, planet, and prosperity. With our dedication to investing in our business and community, we are strengthening our capabilities and deepening our roots to be your business partner of choice.

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Pediatric Center Opens

The site of a former Toys "R" Us store found a new way to serve children when Penn State Health Children's Lancaster Pediatric Center opened its doors on Monday, June 27.

The new center, with its bright, cheerful interior is located adjacent to The Crossings at Conestoga Creek and is Lancaster County's largest outpatient center for children. With 47,000 square feet, it has 46 exam rooms and offers a full spectrum of care for children from infancy through age 18.

The site became available when a Toys "R" Us affiliate vacated the building in June 2018 after the chain retailer declared bankruptcy. High Associates purchased the property in May 2019, and construction on the new pediatric center began in spring 2021. High Construction Company was the general contractor, Greenfield Architects Ltd. designed the exterior, and the interior was designed by IKM Inc. of Pittsburgh. "It's the adaptive reuse of an existing, older building that continues to serve kids but now in a different way," said Bill Boben, Senior Vice President of Sales and Leasing, High Associates.



Completion of the new center, conveniently located at the intersection of Harrisburg Pike and Rt. 30, will ensure that the youngest residents of Lancaster County and surrounding areas have convenient access to primary and specialty care services for many years to come.

Walnut Street Extension Breaks Ground continued from page 1

That may sound pretty straight forward, but it isn't something that happens quickly or easily. It takes a lot of work and commitment to do the right thing for the greater good. The first step is getting to know the players on all sides of the table and forging relationships with the key stakeholders. Next, you need to identify the challenges, opportunities and short- and long-term goals. Establishing a clear vision and the right strategy early on is the key to success – and that's what was done here. This

“PennDOT understands that community support and collaboration equal success when it comes to transportation projects.”

project is a prime example of how public-private partnerships can be successful, and can be used as a model for other projects in Lancaster County and beyond.

“PennDOT understands that community support and collaboration equal success when it comes to transportation projects. This long-awaited improvement will ease congestion, promote economic growth and improve multimodal connectivity in the region,” said PennDOT Acting Deputy Secretary for Highway Administration Mike Keiser. “PennDOT is proud to be a partner in advancing this worthy project.”

During weekday commuter peak hours, the Walnut Street Extension is anticipated to divert approximately 500 to 600 vehicles per hour from the adjacent Greenfield Road corridor. The interchange at Route 30/Greenfield Road will see a reduction in peak-hour traffic by an estimated 30%.

This project will also spur additional economic development in East Lampeter Township and Greenfield, which will generate an estimated 2,676 direct and indirect jobs through future industrial, office, commercial, higher education and residential uses that will be served by the project.

The plan also calls for a new 167-foot-long, 54-foot-wide steel bridge and construction of a section of the Greater Lancaster Heritage Pathway (GLHP) just to the east of the new road. The 1.2-mile paved GLHP trail will accommodate pedestrians and bicyclists and will be constructed in a manner consistent with the Lancaster Active Transportation Plan.

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To celebrate the history of this area, about a dozen goats from Amazing Grazing, LLC, a local livestock company, were on hand for the ceremony.

“The East Lampeter Township Board of Supervisors has been a supporter of the private-public partnership which has brought this vital multimodal infrastructure project to fruition,” stated John Blowers, chair of the East Lampeter Township Board of Supervisors. “Upon completion, this project will be a vital commuter and recreational link for a growing live-work-play center of Lancaster County. This project will also serve as an eastern segment of a regional recreation facility that will positively impact economic development, redevelopment and tourism in Lancaster County’s central urban growth area.”

The project site is defined by existing state-owned right-of-way, the so-called “Goat Path,” which PennDOT acquired and planned for roadway construction decades ago. When the four-lane-highway construction in the “Goat Path” was first proposed 30 years ago, it was opposed by Lancaster’s Amish farm community. In collaboration with East Lampeter Township, HREG leaders and PennDOT officials were able to address the concerns of the Amish community, earn their trust, and ensure there would be no opposition on the part of the Amish community.

Construction is expected to be completed by November 2023. HREG, after coordination with PennDOT, awarded the project to Kinsley Construction. Upon completion, PennDOT will own and maintain the state roadway.

Greenfield Developments

Isaac's Has a Fresh Look

Greenfield Isaac's Craft Kitchen & Brewery, located in The Shoppes at Greenfield, has a new look and expanded dining areas.

The restaurant, working with [High Associates Construction Services](#), went through a redesign in the fall of 2021, with expansion and renovations taking place in early 2022.

The expanded area, formerly occupied by Four Seasons Nails, includes a bar featuring craft beers by Isaac's, brewed in downtown Lancaster. There is also a new outdoor dining area with ample seating and a pergola constructed by the High team.

Four Seasons Nails also has a newly renovated suite located in the same building.



New Tenant and New Technology Coming to Greenfield

TyreFlow Environmental, Inc. will be moving into the old R.R. Donnelley space and bringing with them new technologies in the world of tire upcycling. TyreFlow's mission is to change the way waste tires are managed in North America and around the world. With a focus on eliminating the long-standing waste problem,

they use an upcycling process to turn scrap rubber into materials that can be reused without sacrificing performance or quality. According to the [TyreFlow website](#), there are approximately 350 million scrap tires generated in North America per year—with only 25% being recycled into other products. TyreFlow's goal is to turn the other 75% into highly-engineered sustainable materials. Each facility they build – like the one at Greenfield – will save an estimated 420,000 tons of CO2 emissions per year.

High Associates Construction Services is in

the process of renovating the building to create a two-story office space, which will be contained within the warehouse. The \$2M project is expected to be completed by the end of the year.



Making the Most of Due Diligence

What is due diligence and why is it important in your commercial real estate transaction?

By: Heather M. Kreiger, CCIM – Brokerage Advisor with High Associates Ltd.

Purchasing commercial real estate can be a great strategy for businesses and investors, but how do you know that a building or a piece of land are going to be a good investment based on your strategy? This is where doing your due diligence (or in simpler terms – doing your homework) comes into play. Having a due diligence period incorporated into commercial real estate contracts is a critical piece that is highly recommended for any buyer to take advantage of.

In this article, we are going to discuss the importance of due diligence, some items to be mindful of in commercial real estate contracts, as well as the typical items that can be included in a due diligence period.

What is “due diligence” and why is it important in my commercial real estate transaction?

Due diligence, as it relates to commercial real estate, is defined as the reasonable steps taken by a person or company to verify that the condition, permitted use, insurability, environmental condition, boundaries, certifications, deed restrictions, zoning classification, and other property features are satisfactory for the buyer’s purchase of the real estate. Due diligence helps give the buyer confidence that their investment is being made with eyes wide open. It should also provide the buyer peace of mind by allowing them to explore physical, legal, and financial aspects of a property that may be impactful to their investment’s bottom line.

In most real estate contracts, due diligence is a contingency of the Purchase Agreement. The due diligence time frame will vary from transaction to transaction and will be dependent upon multiple considerations including the type of property, whether there are existing buildings that will be used versus a property that will need to be redeveloped, any previous environmental concerns, or change of use and other zoning or municipal challenges. On average for existing buildings, a typical due diligence contingency can range between 15 to 45 days, whereas land or properties that will require re-development may see due diligence periods that are 180 days or more.

During the due diligence period, the buyer has the right to any number of inspections, investigations, and document reviews to help determine the suitability of the property for the buyer’s needs. If during that period the buyer is not satisfied with the results of their investigations, then they will have the ability to negotiate new terms with the seller or terminate the transaction and have their deposit monies returned.

NOTE: It is important for buyers to review all real estate contracts and documents with their attorneys prior to signing so that the buyer is fully aware of their responsibilities in the contract and the

dates associated with each contingency.

What are the typical items involved in due diligence?

The items on a buyer’s due diligence checklist will largely depend upon the type of property they are purchasing and what their investment strategy is. Typical due diligence items may include, but are not limited to:

1. **BUILDING** – physical, structural, and mechanical systems inspections (e.g., roof, HVAC, electrical, structural, etc.).
2. **GOVERNMENTAL** – zoning, permitted uses, occupancy requirements, building and land development permits and requirements, government notices, special assessments, and code violations.
3. **ENVIRONMENTAL** – environmental studies previously conducted on the property which could include Phase I and Phase II reports, mold abatement reports, underground storage tanks testing and closure reports, appraisals, soil tests, boring reports, foundation reports, termites, and radon inspections.
4. **LEGAL** – inspection of most recent title policy, most recent American Land Title Association (ALTA) surveys, engineering plans, land development plans, deed restrictions, covenants, easements, and reservations, and any pending litigations potentially affecting the property.
5. **FINANCIAL** – if a buyer is purchasing real estate with tenants in place, they will want to review all current leases together with any amendments, as well as written statements that all tenants are in good standing with rents and terms and that there are no oral agreements in place (also known as Estoppel Certificates). Other financial items for a buyer to review during due diligence include a rent roll showing the tenants the basic terms of their leases, an accounting of all tenant security deposits, a copy of tax bills for the past three years, utility bills for the past two to three years, a list of all service contracts on the property, and any repair and maintenance records available.

A commercial real estate purchase can be a large investment for you and your company. Making sure that you are utilizing your due diligence time wisely is highly recommended so that you know you are getting the most of your dollars being spent.



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Enhancing Owner Returns Through Resident Satisfaction

*By: Brad Mowbray, Sr. Vice President & Managing Director –
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Over the last few years, High Real Estate Group has been hard at work updating apartment designs to be more aligned with the needs and desires of today's renters. New interior layouts provide a modern look and feel to invoke a sense of home. Recreational spaces, such as pools and fitness centers, provide opportunities for fun and a sense of community. Car charging stations contribute to environmental sensitivity while planning for more electric vehicles in the future. Updated floorplans with dens, built-in desks, conference rooms or private work booths cater to remote workers.

Properties like Barrcrest, Greenview Terrace, and Village Green have seen major improvements in recent years. Interior upgrades include new stainless-steel appliances, flooring, cabinets and countertops, lighting, and paint. Exterior landscaping, along with new siding, roofing, and paint have improved

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Enhancing Owner Returns Through Resident Satisfaction continued from page 6

overall curb appeal. Creative utilization of existing space has also allowed High Associates to add new resident amenities to the properties.

At Greenview Terrace, an old garage and leasing office was converted into a new fitness center. A new pool, 17 garage units, and 11 storage lockers were added for residents to use.

Barrcrest saw upgrades such as a new fitness center, updated social room, and a leasing office in the lobby of one of the buildings to bring the facility's management team closer to residents.

Meanwhile, at Village Green, washers and dryers were added to each unit and the existing community laundry rooms were converted to tenant storage and bike rooms. A pool and playground were also added to provide additional recreational options for residents.

These are just a few examples of how High Associates has taken steps to enhance resident satisfaction. A full suite of amenities can help build community within the property and provide residents the opportunity to create lasting relationships with one another.



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