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For our latest thinking on what matters to you in real estate, please visit www.highassociates.com.

The site of a former Toys R Us store will find a new way to serve children when it opens next year as the [Penn State Health Lancaster Pediatric Center](#). The leading healthcare provider is constructing Lancaster County’s largest outpatient center for children at The Crossings at Conestoga Creek. In 2020, Penn State Health ranked among the nation’s best hospitals for children

Penn State Health Kicks Off Lancaster Pediatric Center



Guests of a preview event gathered in April outside a former Toys R Us that will be transformed into the Penn State Health Lancaster Pediatric Center.

in multiple specialties for the tenth consecutive year. Attracting a tenant of this stature to be the “front door” for [The Crossings](#) was a top priority for High Real Estate Group and is in keeping with High’s vision for the Main Street-oriented, mixed-use development.

A prominent feature of Lancaster City’s western gateway, the 47,000-square-foot facility will offer a full spectrum of care for children from infancy through age 18. This includes 20 medical and surgical pediatric specialty services such as cardiology, *continued on page 4*

Armstrong Flooring Inc. Tech Center Opens

[Armstrong Flooring, Inc.](#) celebrated the opening of its new Technical Center in Greenfield in March. The facility is a 33,000-square-foot building housing approximately 60 employees from the company’s new product development, innovation, and engineering teams. The Technical Center is the first of three buildings located in Greenfield that Armstrong Flooring will occupy in 2021. In addition, the global producer of innovative residential and commercial flooring products will move its headquarters into two adjacent buildings this summer totaling 58,000 *continued on page 4*



(L to R): Tom Wallace, Business Development Director, The Lancaster Chamber; Mark Fitzgerald, President & COO, High Real Estate Group LLC; Michel Vermette, President and CEO, Armstrong Flooring, Inc.; Anita Kelly, Associate Project Manager; Kayla Lowrie, R&D Manager; and, Michelle Kinna, Project Manager, Armstrong Flooring; Tom Baldridge, President & CEO, The Lancaster Chamber; Dong Tian, Director, Front End Innovation, Armstrong Flooring.

President's Message

As the pandemic recovery begins to take shape, now is a good time to think about your real estate strategy and how you might move forward. As a full-service real estate firm, **High Real Estate Group** provides in-house expertise in a broad range of areas including development, brokerage, design, and construction. Whether it's time for you to lease, buy, build, or sell, we are in a unique position to provide you with the optimal real estate solution.



Many businesses evolve and succeed by moving within our corporate centers as they

grow. Some begin in single-person executive offices and then lease a series of larger spaces. Others work with us to design and build a facility via a build-to-suit-to-lease process. Larger firms take this approach to create a custom facility and avoid the capital expense of ownership through leasing.

Master-planned corporate centers offer flexibility to help you grow, amenities that support your efforts to recruit and retain employees, and an address that enhances your image. In Lancaster, **Greenfield** takes this offering to a new level with a community-oriented approach that includes organized activities to appeal to commercial and industrial tenants and other stakeholder groups.

Thinking about your strategy, here are questions to consider:

- Am I currently in the very best facility and location to reach my business objectives?
- Would I be able to recruit a higher quality work force if I moved my business?
- Could I better serve my customers in a custom-designed facility?

Helping you grow and reach your strategic goals through smart real estate solutions is what we do at High Real Estate Group. What can we do for you?

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Meet Screen-free in Your Executive Office

By Lori Dively, Office Manager, Executive Offices at Rossmoyne

If you're feeling trapped by too many online meetings, consider getting out of your house and into an executive office. In-person human interactions have been and always will be a primary driver of successful business relationships. While COVID drove many to remote work, now, thanks to vaccines, the pandemic is fading. As it does, an executive office can help you re-engage face-to-face and grow your business.

Across the U.S., there are more than 4,000 of these shared spaces offering an ideal venue for getting back together with clients and team members for meetings, team building, onboarding, and collaboration.

Property managers take your safety seriously, ensuring adequate opportunity for social distancing and minimizing the risk of viral transmission. Measures taken include improved air filtration and HVAC UV sterilization, hands-free faucets, hand sanitizing stations, plexiglass guards, traffic control, and daily cleaning.

You can be up and running in just a few days with professional guest reception and telephone answering services, business supplies, copy/fax equipment, wireless internet, postal pick up and drop off, janitorial services, utilities, and even coffee all



included in the monthly rental. Add in easy highway access, nearby hotels, banks, daycare centers, and restaurants, and you have everything you need to do business.

With six-month and one-year lease options, as well as longer-term leases, it's the ultimate in flexible office space.

Lori Dively manages High Associates' Executive



Offices at Rossmoyne, a shared office space near Harrisburg, Pa. High Associates also operates the Executive Offices at Greenfield in Lancaster, Pa.

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"The Executive Offices have plenty of room for me and my guests to maintain social distancing without compromising safety. While many businesses suffered during COVID, we were able to continue and prosper."

Gary Meanor, Equitable Advisors

As COVID Recedes, Hospitality Slowly Regains Its Footing

By David Aungst, President, High Hotels Ltd.

The hotel industry in the United States came off a record-breaking year in 2019 with the highest occupancy rate in history, only to have approximately 25 percent of the country's hotels temporarily closed in a matter of weeks last spring. Millions of jobs were lost as the pandemic dealt a devastating blow with permanent repercussions.

With COVID-19 vaccinations and continued government support, overall, the economy is recovering and with it, the outlook for hotels is improving slowly.

GDP grew by an annualized 6.4 percent during the first quarter, following 4.3 percent growth in the fourth quarter, and slightly beating the forecast of 6.1 percent. This is positive for our industry



“At High Hotels we’re seeing encouraging signs as the guests we serve begin to book more leisure travel.”

because historically, hotel performance tracks closely with GDP growth. RevPAR, or revenue per available room, reflects the percentage of rooms sold (occupancy) multiplied by how much was charged for those rooms (average daily rate). In April, RevPAR reached 73.1 percent of the comparable 2019 level which offered an encouraging signal that the worst days were behind, and that recovery was taking hold.

Large urban centers are feeling the biggest impact. But small city/suburban markets that people can easily reach by vehicle are doing better. At [High Hotels](#) we’re seeing encouraging signs as the guests we serve begin to book more leisure travel. As vaccination rates continue to climb and government restrictions subside, small events have picked up, as well. We have also begun to welcome some of our business travelers once again albeit at reduced levels. As an owner/operator,

our cleaning strategies and Hilton and Marriott brand initiatives ensure safe guest experiences and meetings.

It will be 2023 or 2024 before RevPAR returns to 2019 levels. While many hoteliers will shutter their properties permanently or convert them to other uses, we remain committed to this business, to integrating even more deeply into our communities, and building relationships through government and business organizations.

David Aungst oversees High Hotels Ltd. which owns and operates fifteen award-winning Hilton- and Marriott-branded select-service and extended-stay hotels in Pennsylvania, New Jersey, and New York



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Penn State Health Kicks Off Lancaster Pediatric Center continued from page 1



This rendering shows the exterior of the Penn State Health Lancaster Pediatric Center, a 47,000-square-foot facility to be constructed at the intersection of Harrisburg Pike and Route 30 in Manheim Township.

neurology, ophthalmology, and more.

When it opens in spring 2022, Lancaster Pediatric Center will have 46 private exam and consultation rooms, with 16,000 square feet of shell space for future expansion. The center will

employ 40 people, including physicians and staff.

[High Construction Company](#) is the general contractor. [Greenfield Architects Ltd.](#) designed the exterior, and the interior was designed by [IKM Inc.](#) of Pittsburgh.

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square feet, providing flexible office space for approximately 200 corporate office employees. The new corporate campus will feature a beautiful 5,000-square-foot design showroom.

[Greenfield Architects Ltd.](#) was the lead architect; [Spiezele](#)

[Architecture Group](#) of Hamilton Township, N.J. provided interior design; and, [High Associates Ltd.](#) oversaw the development process and provided construction services. High Associates, which maintains Greenfield, manages the facility.

Introducing Villages at Greenfield

High Associates Ltd. is adding 92 homes to the existing 279-home Eastwood Village manufactured housing community on approximately 21 acres in Greenfield. [Villages at Greenfield](#) is the fifth expansion of the land-lease community, which is maintained and managed by High Associates. Buyers may choose from three to four ENERGY STAR®-certified one-floor home models with designer kitchens, deluxe bathrooms, covered front porch, and the option to add a garage or shed. Prices start in the low \$200,000s.



How to Find a Great Location for Your Retail Business

By Powell Arms, Senior Vice President and Managing Director - Retail Division, High Associates Ltd.

Every retail business needs to understand its target customers, where they live, and how they shop and spend. With that in mind, the next task is to find the greatest concentration of these target customers and locate where there are enough of them to generate the sales needed for success.

Here are three to ensure you have the best location to support your business plan.

1. Identify your customer and where they shop

There are online subscription services that can help you map out your customers based on demographic, psychographic, income, and other data. Use them to explore not only where they live, but what roads they travel and where they shop.

Consider the kinds of trips they may make to and from work, by city centers and shopping malls, or to attractions and other destinations or metropolitan areas.

Once you know where your customers live, think about how and where you can best serve them. For example, if your business is a convenience store with fuel, a busy intersection or thoroughfare might be ideal. Necessity consumer services such as haircuts could be well-suited to a [grocery-anchored neighborhood shopping center](#). Discretionary fashion apparel might work well in an enclosed regional mall or downtown area.

What about traffic to drive business? If you could benefit from or even depend upon a major retailer who attracts thousands of shoppers, a community shopping center or regional shopping center might be the best choice. If your product or service is in demand in the morning (such as a cup of coffee) or the afternoon (picking up and dropping off dry cleaning) you might better serve your customers on a major traffic route to a concentration of workplaces. It's important to consider traffic patterns before, during, and after COVID restrictions.

2. Evaluate your competitive environment

If your business is unique, such as a specialty store or boutique without competitors, where you locate your business can be less critical to your success. If you are sufficiently differentiated from your competitors through either price or service, you could target a larger market in a location together with other businesses like yours. If you choose a shopping center, consider what location best serves your business model. A free-standing out-parcel works well for drive-through stores and restaurants. In-line shop



space next to a category-dominant retailer like a grocery, home improvement, sporting goods, electronics, or department store makes sense for retailers relying on everyday foot traffic with customers being able to consolidate trips.

3. Measure your true occupancy cost

In general, retail locations with higher sales opportunity command a higher occupancy cost—that is, rent, common area maintenance, insurance, and real estate taxes. While it is always critical to have good visibility, access, and parking the true test of a location is its occupancy cost as percent of sales.

You will pay more for a stronger location that has the potential to generate higher sales for your business. However, what might seem like a high rent location could let you do twice the sales of a lower rent location. The higher your sales, the lower your occupancy cost as a percentage of sales. That, in turn, leads to enhanced profitability for your business.

Powell Arms guides High Real Estate Group's retail development and asset management efforts, focused on the mid-Atlantic region, and lead teams in site selection, development activity, leasing, financing, and operations.



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Three Principles of Continuous Improvement that General Contractors Overlook

By Rick Stoudt, President, High Construction Company

Once had a seasoned project manager become very disgruntled with a client who was constantly complaining about him and his style of management. I asked him to describe a successful construction project. He said that if we as the general contractor are on time and at or below budget, the client should be ecstatic. It was no surprise that he never mentioned the owner, the architect, the end user, or any other project stakeholder.

It was obvious to me that this project manager was always going to do it “his” way, which was in his mind the “right” way. His mental model allowed no room for discussion, even when it raised flags with the customer.

In my experience this viewpoint is not unusual. Customer focus that’s routine for most businesses is often non-existent in the construction industry. Especially among smaller construction companies, a “do it the same way” philosophy of on-time, on-budget while turning a deaf ear to the client can be self-limiting and self-defeating.

“Customer focus that’s routine for most businesses is often non-existent in the construction industry.”

If you subscribe to the notion that the [client’s construction experience](#) is important, then you always want to improve the process and look for new and innovative ways of delivering a project. This doesn’t mean reinventing every time. It’s just a different way of looking at a project. Improve the experience, and hence also also improve the budget and schedule.

So here, in no particular order, are three principles that we practice every day at [High Construction Company](#) in our pursuit of continuous improvement.

1. Openly communicate. Steven Covey had it right: “Seek *continued on page 7*



Three Principles of Continuous Improvement that General Contractors Overlook continued from page 6

first to understand, then to be understood.” Effective communication is not a one-time thing, it’s an ongoing endeavor that takes patience and practice. Moreover, one size does not fit all. What worked with one project, with one client, may not be fine for the next.

- 2. Prioritize information.** Based on your understanding of the client, anticipate the kinds of questions and decisions that will be most important. Recognize that the client has bestowed upon you the privilege of working on the project. Therefore, always place the client’s interests first, and know what you need to realize their vision. Their success is your success.
- 3. Be persistent.** Anybody who does this job well knows that it’s hard work. And however long you have worked in the industry, you will be tested. Prepare yourself to be challenged. Aspire to be one of those who stays on top of things, has the answers and ideas, and always pushes for one more improvement.

How can you execute these principles? Depending on the client’s goals or the makeup of the team, perhaps video conferencing for project meetings. Consider a web-based management system that allows each member to observe, work, and review, the project budget or schedule 24/7. Real-time monitoring such as a [camera feed](#) could be a way to make a big difference in client satisfaction.

“Based on your understanding of the client, anticipate the kinds of questions and decisions that will be most important.”

“Aspire to be one of those who stays on top of things, has the answers and ideas, and always pushes for one more improvement.”

These are all quite simple things that can improve processes and, with practice, can become ingrained as a working philosophy. Perhaps a weekly or twice weekly, call to review RFIs (think of all the paperwork saved!). Allow each team member to become a part of the answer and solution. Might not this improve schedule? If you adopt continuous improvement as a philosophy for your clients, it will soon become a way of life. We can all learn something new every day, no matter what our experience level is or our age. Making continuous improvement and dropping the words “that’s the way we always do it” will make the construction process more exciting, more challenging and, yes, often lead to “under budget and ahead of schedule.”

Rick Stoudt oversees High Construction Company, which provides commercial construction, design-build, and general contracting services in Pennsylvania, New York, New Jersey, Delaware, Maryland, and Virginia.



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