

YoY Chg      12-Mo. Forecast

**6.7%**  
Vacancy Rate



**29.2K**  
Net Absorption, SF



**\$13.21**  
Asking Rent, PSF



(Overall, All Property Classes)

**ECONOMIC INDICATORS Q2 2023**

YoY Chg      12-Mo. Forecast

**98.3K**  
Binghamton Employment



**3.0%**  
Binghamton Unemployment Rate\*



**3.6%**  
U.S. Unemployment Rate\*\*



Source: \* NYS Department of Labor and Statistics  
\*\*BLS, Moody's Analytics

**ECONOMY: Economic Indicators Are Positive**

The economy of the Binghamton MSA has continued to improve as evidenced by the decrease in the unemployment rate year-over-year (YOY) from 3.2% to 3.0% and an increase in private sector employment of just under one point. The index of consumer sentiment has continued to climb over the year with the Upstate New York measurement remaining higher than the national index. Activity in the Broome County housing market has slipped during the second quarter in tandem with statewide and national trends, with the median sales price of homes falling 4.7%. In contrast, the median price of homes sold in Tioga County, the more rural portion of the MSA, rose 7.1% YOY. Development in the multi-family sector continues to grow across all rental categories from affordable housing to luxury apartments, with at least six new projects in the pipeline.

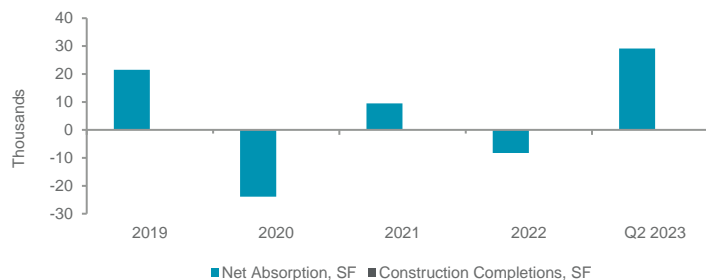
**MARKET OVERVIEW: Office Market Begins Slow Recovery**

Activity in the Binghamton office market improved in the second quarter with four new leases signed and two office buildings sold. These transactions resulted in a positive turn in absorption of 29,151 square feet (sf). The vacancy rate improved to 6.7% - 10 basis points (bps) lower YOY. Lease rates overall dropped very slightly YOY from \$13.71 per square feet (psf) to \$13.21 psf. The two office building sales at 15,756 sf and 20,000 sf indicate a positive trend of re-occupancy of functional space.

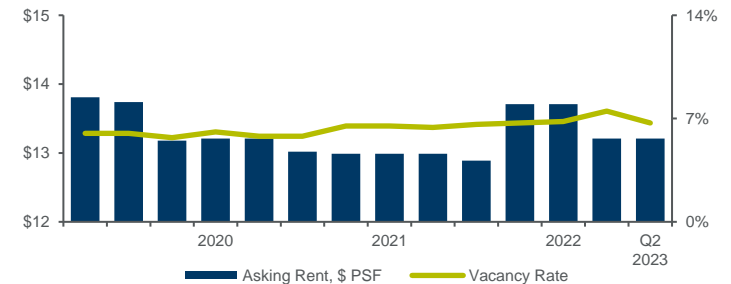
**OUTLOOK: National Trends Impact Local Market**

While the Binghamton market has been relatively unaffected by the national post-COVID-19 trends including working from home and office downsizing, the impact of these cultural shifts is inescapable. The first trend to noticeably impact the relatively small Binghamton office market is the revival of the office to residential conversion juggernaut that spurred economic development in the Central Business District (CBD) beginning over a decade ago. The conversion of office buildings to student housing was a major factor in Binghamton's economic revival. Currently, the purchase and pending conversion of a partially occupied 75,000 sf office building in the CBD to market rate housing shows promise of increasing housing options in the City, but further constricts the already narrow urban office market. A second trend, major office downsizing, will be felt in the fourth quarter with the already announced closure of the 90,000 sf IBM offices at the company's birthplace in Endicott, bringing to an end a major high-tech presence in the market for almost one hundred years.

**SPACE DEMAND / DELIVERIES**



**OVERALL VACANCY & ASKING RENT**



## MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	SUBLET VACANT	DIRECT VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	YTD LEASING ACTIVITY (SF)	UNDER CNSTR (SF)	OVERALL AVG ASKING RENT (ALL CLASSES)*	OVERALL AVG ASKING RENT (CLASS A)*
BNG- CBD	1,681,543	142,368	142,368	8.2%	2,641	2,641	2,641	0	\$13.17	\$13.17
BNG- Northeast	93,420	13,200	13,200	14.1%	0	1,152	0	0	N/A	N/A
BNG- Northwest	1,225,514	87,670	87,670	7.2%	26,510	6,510	10,091	0	\$12.63	\$12.63
BNG- Southeast	327,783	0	0	0%	0	0	0	0	N/A	N/A
BNG- Southwest	933,910	46,470	46,470	5.0%	0	10,083	1,210	0	\$14.50	14.50
NON-CBD TOTAL	2,580,627	147,340	147,340	5.7%	26,510	17,745	11,301	0	\$15.39	\$15.39
<b>BINGHAMTON TOTALS</b>	<b>4,262,170</b>	<b>285,971</b>	<b>285,971</b>	<b>6.7%%</b>	<b>29,151</b>	<b>20,386</b>	<b>13,942</b>	<b>0</b>	<b>\$13.21</b>	<b>\$13.21</b>

\*Rental rates reflect weighted average NNN rates

## KEY LEASE TRANSACTIONS YTD 2023

PROPERTY	SUBMARKET	TENANT	SF	TYPE
609 Main St, Endicott, NY	BNG-NW	IMA	4,500 SF	Lease
31 Lewis St, Binghamton, NY	BNG-CBD	Bernier Carr And Associates	2,641 SF	Lease
200 Plaza Dr, Vestal, NY	BNG-SW	Syracuse Time & Alarm	1,210 SF	Lease

\*Renewals not included in leasing statistics

## KEY SALES TRANSACTIONS YTD 2023

PROPERTY	SUBMARKET	SELLER / BUYER	SF	PRICE / \$PSF
338 Grand Ave, Johnson City, NY	BNG-NW	Mothers and Babies Network of SCNY/ Feinberg, Jeffrey	20,000	\$600,000/ \$30 PSF
401 Main St, Johnson City, NY	BNG-NW	JC 401 Main LLC / 401 Main Bldg. LLC	15,756	\$1,400,000/ \$88.85 PSF
825 Vestal Pkwy, Vestal, NY	BNG- SW	Serendipity Acres LLC / Gillen Nolan & Matthew LLC	8,430	\$475,000 / \$56.34 PSF

## MAUREEN WILSON, CCIM, SIOR

Vice President Business Development

+1 607 754 5990 x 323

[mwilson@pyramidbrokerage.com](mailto:mwilson@pyramidbrokerage.com)

## ELEASE STEWART

Director of Marketing, Research, and Social Media

+1 607 754 5990 x 321

[estewart@pyramidbrokerage.com](mailto:estewart@pyramidbrokerage.com)

[pyramidbrokerage.com.com](http://pyramidbrokerage.com.com)

Independently Owned and Operated / A Member of the  
Cushman & Wakefield Alliance

©2023 All rights reserved. The information contained within this report is gathered from multiple sources believed to be reliable. The information may contain errors or omissions and is presented without any warranty or representations as to its accuracy.