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## 2<sup>nd</sup> QUARTER 2014 ECONOMIC DEVELOPMENT REPORT

Summarized below are the 2<sup>nd</sup> Quarter 2014 Economic Development Survey results for Downtown Syracuse. If you have any questions, please contact Adria Finch at (315) 470-1958 or [afinch@downtownsyracuse.com](mailto:afinch@downtownsyracuse.com).

### PRODUCT SUMMARY

		Class A*	Class B	Class C	Armory Square	Retail
Leased (sf)		2,352,206	2,122,573	230,026	210,616	600,154
Sublet (sf)		47,635	0	0	0	7,749
Available (sf)		283,706	395,726	125,326	20,856	204,829
Total (sf)		2,683,547	2,518,299	355,352	231,472	812,983
Occupancy		89.43%	84.29%	64.73%	90.99%	74.81%
Vacancy		10.57%	15.71%	35.27%	9.01%	25.19%
Change in Vacancy	Quarter	(0.47%)	(0.14%)	0%	1.14%	0.15%
	Year to Date	(1.73%)	(6.67%)	2.01%	(0.43%)	3.88%
Net Absorption (sf)	Quarter	12,499	3,355	0	(2,634)	(1,222)
	Year to Date	46,278	(5,633)	0	(2,634)	(9,158)

\* Class A buildings include 414,892 sf in Franklin Square

### SUMMARY BY USE

#### Class A\*

- This group consists of 22 properties representing over 2.6 million sf of office space.
- The vacancy rate decreased 0.47% this quarter, from 11.04% at the close of the 1<sup>st</sup> Quarter 2014 to 10.57% at the close of the 2<sup>nd</sup> Quarter 2014.
- Buildings with the largest amount of office space available are AXA Towers (80,098 sf) and One Park Place (45,000 sf).

- Tenant activity this quarter includes: The Tech Garden, Centolella and Lynn, D'Elia & Temes absorbed 10,109 sf in AXA Towers, 100 Madison Street; The American Heart Association absorbed 6,000 sf in the Atrium Building, 2 Clinton Square; Liverpool Martial Arts absorbed 890 sf in the White Memorial Building, 100 E. Washington Street.
- Rent Range = \$15.50 to \$21.00 psf; Average rent = \$18.15 psf

### Class B

- This group consists of 41 properties representing over 2.5 million sf of office space.
- The vacancy rate decreased 0.14% this quarter, from 15.85% at the close of the 1<sup>st</sup> Quarter 2014 to 15.71% at the close of the 2<sup>nd</sup> Quarter 2014.
- Buildings with the largest amount of office space available are the 500 Building (60,733 sf) and Onondaga Tower (45,000 sf).
- Tenant activity this quarter includes: Belvedere Group absorbed 4,900 sf in 344 W. Genesee Street; Zimmer Law Firm absorbed 1,343 sf in the University Building, 120 E. Washington Street; Bergmann Associates absorbed 1,000 sf and Barth, Sullivan & Behr absorbed 1,000 sf in the Syracuse Building, 224 Harrison Street; Health e Connections absorbed 1,300 sf and Scottrade vacated 1,500 in the State Tower Building, 109 S. Warren Street; Whelan and Curry vacated 3,200 sf in the Hills Building, 217 Montgomery Street.
- Rent Range = \$9.00 to \$18.00; Average rent = \$13.34 psf

### Class C

- This group consists of 35 properties representing over 355,000 sf of office space.
- The vacancy rate was unchanged this quarter and remained at 35.27% at the close of the 2<sup>nd</sup> Quarter 2014.
- Buildings with the largest amount of office space available are 351 S. Warren Street (25,000 sf) and the 499 Building (21,000 sf).
- Rent Range = \$3.75 to \$14.40 psf; Average rent = \$10.46 psf

### Class AS (Armory Square)

- This group represents all buildings within the Armory Square district, consisting of 23 occupied properties representing over 231,000 sf of office space.
- The vacancy rate increased 1.14% this quarter from 7.87% at the close of 1<sup>st</sup> Quarter 2014 to 9.01% at the close of the 2<sup>nd</sup> Quarter 2014.
- Buildings with the largest amount of office space available are the Millpond Landing Building (8,456 sf) and the Seneca Building (4,000 sf.)
- Tenant activity this quarter includes: Barber Financial absorbed 482 sf, Joseph Courcy absorbed 575 sf, Market Metrics vacated 225 sf, and Salt City Financial vacated 1,066 sf in Millpond Landing, 327 W. Fayette Street, Hennessey Courcy vacated 750 sf in the Piper Philips Building; Tier One vacated 900 sf of the Bentley Settle Building, 120 Walton Street.
- Rent Range = \$6 to \$16 psf; Average rent = \$12.13 psf

### Retail

- Retail space in downtown Syracuse accounts for over 812,000 sf of property.
- The vacancy rate increased 0.15% this quarter from 25.04% at the close of 1<sup>st</sup> Quarter 2014 to 25.19% at the close of 2<sup>nd</sup> Quarter 2014.
- New businesses this quarter include: Indie Kids (264 W. Jefferson Street); La Piazza (201 Walton Street); Accents of Armory Square (121 Walton Street); Ecetera (191 Walton Street)
- Closed businesses this quarter include: Kandied Kernal (325 S. Clinton Street);

For more information on real estate in Syracuse's Central Business District, please visit:

<http://www.downtownsyracuse.com/business/real-estate/>