



Industrial Q2 2022

3.7%

Vacancy Rate

YoY
Chg12-Mo.
Forecast

100K

Net Absorption, SF



\$4.70

Asking Rent, PSF



Overall, Net Asking Rent

ECONOMIC INDICATORS
Q2 2022

102.3K

Binghamton, NY
EmploymentYoY
Chg12-Mo.
Forecast

3.2%

Binghamton, NY
Unemployment Rate

3.6%

U.S.
Unemployment Rate

Source: New York State DOL
<https://dol.ny.gov/system/files/documents/2022/06/press-release-2-may-2022.pdf>

Economy: Economic Indicators Are Uneven

The economic health of the Binghamton market has continued to improve as tracked by the increase in employment and the drop in the unemployment rate. At 3.2%, the Binghamton MSA unemployment rate is significantly better than the overall New York State rate and closely mirrors the national rate of 3.6% for May 2022. Private sector employment has increased 2.4% year over year. Other economic indicators, following national and statewide trends, are not as positive. While indexes of consumer sentiment have dropped significantly at all levels in the second quarter, the Upstate New York measurement now at 51.1 closely tracks a national index at 50.0, well below the breakeven point between optimism and pessimism. Activity in the housing market has slipped more rapidly than statewide and national deceleration trends with closed sales down 14.6% in Broome County year over year, on a median price increase of 17.1%. The market continues to tighten, with the month's supply of inventory down 15% in May from a year earlier

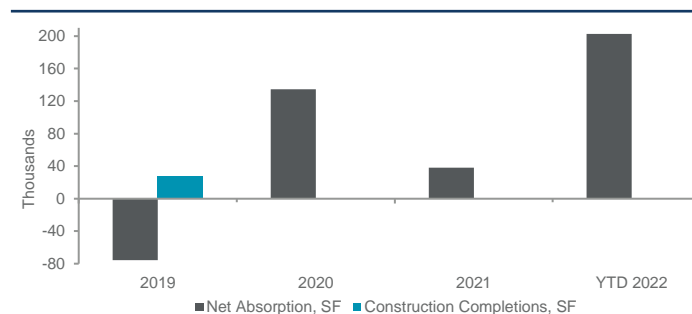
Market Overview: Industrial Vacancy Drops to New Low

The absorption of over 90,000 square feet of warehouse space in the first quarter and the sale of the last vacant manufacturing building of 65,000 square feet in the second quarter plus the lease of the remaining 14,000 square feet of flex space in the Kirkwood Industrial Park has reduced industrial vacancy to new lows. In addition, a 200,000 square foot former industrial building in the CBD sold for multi-family development, and a 100,000 square foot class C warehouse was purchased by a recycling company. This activity, combined with inventory adjustments for long term vacancies that have become functionally obsolete has reduced available industrial space by over 500,000 square feet and dropped vacancy from 6.8% to 3.7% at the end of the second quarter. Vacancy in the manufacturing sector stand at 2.1%, while warehouse/ distribution has fallen to 1.8%, with no high bay, class A warehouse space available in the market. Office service and flex space accounts for the bulk of the vacancy at 16.3%

Outlook for the Market: Market Growth Depends on New Industrial Development

Not only are current availabilities limited, but development opportunities are also constrained by the limited number of shovel ready sites. There are only three sites in the immediate market and one on the periphery that offer fifteen to twenty acres for the development of a sizeable industrial facility and all are under consideration, but no definitive projects have been proposed. Fortunately, there are also opportunities to repurpose space at the former mall in Johnson City, a long vacant plaza in Endicott and a brownfields industrial building in Binghamton. In addition, the Agency is still pursuing development of a new industrial park. It is critical for public and private partnerships to break through the current constraints on industrial growth in the market.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT





Industrial Q2 2022

MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	OVERALL VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	UNDER CNSTR (SF)
BNG- CBD	3,657,772	0	0%	0	17,500	0
BNG- Northeast	575,838	3,367	0.6%	0	0	0
BNG- Northwest	7,151,607	524,271	7.3%	0	78,125	0
BNG- Southeast	5,163,286	109,729	2.1%	99,850	99,850	500,000
BNG- Southwest	847,095	1,600	0.2%	0	7,120	0
NON-CBD TOTAL	13,737,826	638,967	2.6%	0	185,095	0
BINGHAMTON TOTALS	17,395,598	638,967	3.7%	99,850	202,595	500,000

CLASSES	INVENTORY (SF)	OVERALL VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	CNSTR COMPLETIONS (SF)	OVERALL WEIGHTED AVG NET RENT
Warehouse / Distribution	5,760,913	102,329	1.8%	20,000	91,125	0	\$4.75
Office Service / Flex	2,188,228	335,061	15.3%	14,100	21,220	0	\$6.80
Manufacturing	9,446,457	201,577	2.1%	65,750	70,250	0	\$4.50

*Rental rates reflect weighted NNN asking \$psf/year. **Statistics Not Reflective of U.S. MarketBeat Tables

KEY SALES TRANSACTIONS Q1 and Q2 2022

PROPERTY	SUBMARKET	SELLER / BUYER	SF	PRICE/\$ PSF
650 Conklin Road Binghamton, NY	BNG-SE	Maines / Nick Shaddock	100,000	\$750,000 / \$7.50 PSF
53 Shaw Road Conklin, NY	BNG-SE	Oceans Steel Corporation / Steelmark Inc	65,750	\$2,000,000 / \$30.41 PSF
323 Chaumont Drive Endwell, NY	BNG-NW	Odiemang LLC / Ming Yin Zhang	11,452	\$169,000 / \$14.75 PSF

MAUREEN DEJURE WILSON, CCIM, SIOR

Vice President – Business Development

+1 607-754-5990 / Mwilson@pyramidbrokerage.com

ELEASE STEWART

Director of Marketing & Research

+1 607 754 5990 Estewart@pyramidbrokerage.com

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KEY LEASE TRANSACTIONS Q1 and Q2 2022

PROPERTY	SUBMARKET	TENANT	RSF	TYPE
100 Oakdale Road Johnson City, NY	BNG-NW	Rogers Trucking	62,125	Direct
27 Link Drive Binghamton, NY	BNG-SE	GridOne Solutions	14,100	Direct
100 Oakdale Road Johnson City, NY	BNG-NW	DS Services of America	11,055	Direct
450 Commerce Road Vestal, NY	BNG-SW	Horizons Solutions	7,120	Direct

*Renewals not included in leasing statistics