

# CoStar Office Statistics

Year-End 2016

## Syracuse Office Market



**CoStar**<sup>TM</sup>  
The knowledge market

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## Methodology

The CoStar Office Statistics, unless specifically stated otherwise, calculates office statistics using CoStar Group's entire database of existing and under construction office buildings in each metropolitan area. Included are office, office condominium, office loft, office medical, all classes and all sizes, and both multi-tenant and single-tenant buildings, including owner-occupied buildings. CoStar Group's global database includes approximately 95.6 billion square feet of coverage in 4.4 million properties. All rental rates reported in the CoStar Office Report have been converted to a Full Service equivalent rental rate.

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**CoStar Group, Inc.**

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## Terms & Definitions

**Availability Rate:** The ratio of available space to total rentable space, calculated by dividing the total available square feet by the total rentable square feet.

**Available Space:** The total amount of space that is currently being marketed as available for lease in a given time period. It includes any space that is available, regardless of whether the space is vacant, occupied, available for sublease, or available at a future date.

**Build-to-Suit:** A term describing a particular property, developed specifically for a certain tenant to occupy, with structural features, systems, or improvement work designed specifically for the needs of that tenant. A build-to-suit can be leased or owned by the tenant. In a leased build-to-suit, a tenant will usually have a long term lease on the space.

**Buyer:** The individual, group, company, or entity that has purchased a commercial real estate asset.

**Cap Rate:** Short for capitalization rate. The Cap Rate is a calculation that reflects the relationship between one year's net operating income and the current market value of a particular property. The Cap Rate is calculated by dividing the annual net operating income by the sales price (or asking sales price).

**CBD:** Abbreviation for Central Business District. (See also: Central Business District)

**Central Business District:** The designations of Central Business District (CBD) and Suburban refer to a particular geographic area within a metropolitan statistical area (MSA) describing the level of real estate development found there. The CBD is characterized by a high density, well organized core within the largest city of a given MSA.

**Class A:** A classification used to describe buildings that generally qualify as extremely desirable investment-grade properties and command the highest rents or sale prices compared to other buildings in the same market. Such buildings are well located and provide efficient tenant layouts as well as high quality, and in some buildings, one-of-a-kind floor plans. They can be an architectural or historical landmark designed by prominent architects. These buildings contain a modern mechanical system, and have above-average maintenance and management as well as the best quality materials and workmanship in their trim and interior fittings. They are generally the most attractive and eagerly sought by investors willing to pay a premium for quality.

**Class B:** A classification used to describe buildings that generally qualify as a more speculative investment, and as such, command lower rents or sale prices compared to Class A properties. Such buildings offer utilitarian space without special attractions, and have ordinary design, if new or fairly new; good to excellent design if an older non-landmark building. These buildings typically have average to good maintenance, management and tenants. They are less appealing to tenants than Class A properties, and may be deficient in a number of respects including floor plans, condition and facilities. They lack prestige and must depend chiefly on a lower price to attract tenants and investors.

**Class C:** A classification used to describe buildings that generally qualify as no-frills, older buildings that offer basic space and command lower rents or sale prices compared to other buildings in the same market. Such buildings typically have below-average maintenance and management, and could have mixed or low tenant prestige, inferior elevators, and/or mechanical/electrical systems. These buildings lack prestige and must depend chiefly on a lower price to attract tenants and investors.

**Construction Starts:** Buildings that began construction during a specific period of time. (See also: Deliveries)

**Contiguous Blocks of Space:** Space within a building that is, or is able to be joined together into a single contiguous space.

**Deliveries:** Buildings that complete construction during a specified period of time. In order for space to be considered delivered, a certi-

cate of occupancy must have been issued for the property.

**Delivery Date:** The date a building completes construction and receives a certificate of occupancy.

**Developer:** The company, entity or individual that transforms raw land to improved property by use of labor, capital and entrepreneurial efforts.

**Direct Space:** Space that is being offered for lease directly from the landlord or owner of a building, as opposed to space being offered in a building by another tenant (or broker of a tenant) trying to sublet a space that has already been leased.

**Existing Inventory:** The square footage of buildings that have received a certificate of occupancy and are able to be occupied by tenants. It does not include space in buildings that are either planned, under construction or under renovation.

**Flex Building:** A type of building designed to be versatile, which may be used in combination with office (corporate headquarters), research and development, quasi-retail sales, and including but not limited to industrial, warehouse, and distribution uses. A typical flex building will be one or two stories with at least half of the rentable area being used as office space, have ceiling heights of 16 feet or less, and have some type of drive-in door, even though the door may be glassed in or sealed off.

**Full Service Rental Rate:** Rental rates that include all operating expenses such as utilities, electricity, janitorial services, taxes and insurance.

**Gross Absorption:** The total change in occupied space over a given period of time, counting space that is occupied but not space that is vacated by tenants. Gross absorption differs from leasing Activity, which is the sum of all space leased over a certain period of time. Unless otherwise noted Gross Absorption includes direct and sublease space.

**Growth in Inventory:** The change in size of the existing square footage in a given area over a given period of time, generally due to the construction of new buildings.

**Industrial Building:** A type of building adapted for such uses as the assemblage, processing, and/or manufacturing of products from raw materials or fabricated parts. Additional uses include warehousing, distribution, and maintenance facilities. The primary purpose of the space is for storing, producing, assembling, or distributing product.

**Landlord Rep:** (Landlord Representative) In a typical lease transaction between an owner/landlord and tenant, the broker that represents the interests of the owner/landlord is referred to as the Landlord Rep.

**Leased Space:** All the space that has a financial lease obligation. It includes all leased space, regardless of whether the space is currently occupied by a tenant. Leased space also includes space being offered for sublease.

**Leasing Activity:** The volume of square footage that is committed to and signed under a lease obligation for a specific building or market in a given period of time. It includes direct leases, subleases and renewals of existing leases. It also includes any pre-leasing activity in planned, under construction, or under renovation buildings.

**Market:** Geographic boundaries that serve to delineate core areas that are competitive with each other and constitute a generally accepted primary competitive set of areas. Markets are building-type specific, and are non-overlapping contiguous geographic designations having a cumulative sum that matches the boundaries of the entire Region (See also: Region). Markets can be further subdivided into Submarkets. (See also: Submarkets)

**Multi-Tenant:** Buildings that house more than one tenant at a given time. Usually, multi-tenant buildings were designed and built to accommodate many different floor plans and designs for different

tenant needs. (See also: Tenancy).

**Net Absorption:** The net change in occupied space over a given period of time. Unless otherwise noted Net Absorption includes direct and sublease space.

**Net Rental Rate:** A rental rate that excludes certain expenses that a tenant could incur in occupying office space. Such expenses are expected to be paid directly by the tenant and may include janitorial costs, electricity, utilities, taxes, insurance and other related costs.

**New Space:** Sometimes called first generation space, refers to space that has never been occupied and/or leased by a tenant.

**Occupied Space:** Space that is physically occupied by a tenant. It does not include leased space that is not currently occupied by a tenant.

**Office Building:** A type of commercial building used exclusively or primarily for office use (business), as opposed to manufacturing, warehousing, or other uses. Office buildings may sometimes have other associated uses within part of the building, i.e., retail sales, financial, or restaurant, usually on the ground floor.

**Owner:** The company, entity, or individual that holds title on a given building or property.

**Planned/Proposed:** The status of a building that has been announced for future development but not yet started construction.

**Preleased Space:** The amount of space in a building that has been leased prior to its construction completion date, or certificate of occupancy date.

**Price/SF:** Calculated by dividing the price of a building (either sales price or asking sales price) by the Rentable Building Area (RBA).

**Property Manager:** The company and/or person responsible for the day-to-day operations of a building, such as cleaning, trash removal, etc. The property manager also makes sure that the various systems within the building, such as the elevators, HVAC, and electrical systems, are functioning properly.

**Quoted Rental Rate:** The asking rate per square foot for a particular building or unit of space by a broker or property owner. Quoted rental rates may differ from the actual rates paid by tenants following the negotiation of all terms and conditions in a specific lease.

**RBA:** Abbreviation for Rentable Building Area. (See also: Rentable Building Area)

**Region:** Core areas containing a large population nucleus, that together with adjacent communities have a high degree of economic and social integration. Regions are further divided into market areas, called Markets. (See also: Markets)

**Relet Space:** Sometimes called second generation or direct space, refers to existing space that has previously been occupied by another tenant.

**Rentable Building Area:** (RBA) The total square footage of a building that can be occupied by, or assigned to a tenant for the purpose of determining a tenant's rental obligation. Generally RBA includes a percentage of common areas including all hallways, main lobbies, bathrooms, and telephone closets.

**Rental Rates:** The annual costs of occupancy for a particular space quoted on a per square foot basis.

**Sales Price:** The total dollar amount paid for a particular property at a particular point in time.

**Sales Volume:** The sum of sales prices for a given group of buildings in a given time period.

**Seller:** The individual, group, company, or entity that sells a particular commercial real estate asset.

**SF:** Abbreviation for Square Feet.

**Single-Tenant:** Buildings that are occupied, or intended to be occupied by a single tenant. (See also: Build-to-suit and Tenancy)

**Sublease Space:** Space that has been leased by a tenant and is being offered for lease back to the market by the tenant with the lease obligation. Sublease space is sometimes referred to as sublet space.

**Submarkets:** Specific geographic boundaries that serve to delineate a core group of buildings that are competitive with each other and constitute a generally accepted primary competitive set, or peer group. Submarkets are building type specific (office, industrial, retail, etc.), with distinct boundaries dependent on different factors relevant to each building type. Submarkets are non-overlapping, contiguous geographic designations having a cumulative sum that matches the boundaries of the Market they are located within (See also: Market).

**Suburban:** The Suburban and Central Business District (CBD) designations refer to a particular geographic area within a metropolitan statistical area (MSA). Suburban is defined as including all office inventory not located in the CBD. (See also: CBD)

**Tenancy:** A term used to indicate whether or not a building is occupied by multiple tenants (See also: Multi-tenant) or a single tenant. (See also: Single-tenant)

**Tenant Rep:** Tenant Rep stands for Tenant Representative. In a typical lease transaction between an owner/landlord and tenant, the broker that represents the interests of the tenant is referred to as a Tenant Rep.

**Time On Market:** A measure of how long a currently available space has been marketed for lease, regardless of whether it is vacant or occupied.

**Under Construction:** Buildings in a state of construction, up until they receive their certificate of occupancy. In order for CoStar to consider a building under construction, the site must have a concrete foundation in place. Abbreviated UC.

**Vacancy Rate:** A measurement expressed as a percentage of the total amount of physically vacant space divided by the total amount of existing inventory. Under construction space generally is not included in vacancy calculations.

**Vacant Space:** Space that is not currently occupied by a tenant, regardless of any lease obligation that may be on the space. Vacant space could be space that is either available or not available. For example, sublease space that is currently being paid for by a tenant but not occupied by that tenant, would be considered vacant space. Likewise, space that has been leased but not yet occupied because of finish work being done, would also be considered vacant space.

**Weighted Average Rental Rate:** Rental rates that are calculated by factoring in, or weighting, the square footage associated with each particular rental rate. This has the effect of causing rental rates on larger spaces to affect the average more than that of smaller spaces. The weighted average rental rate is calculated by taking the ratio of the square footage associated with the rental rate on each individual available space to the square footage associated with rental rates on all available spaces, multiplying the rental rate by that ratio, and then adding together all the resulting numbers. Unless specifically specified otherwise, rental rate averages include both Direct and Sublet available spaces.

**Year Built:** The year in which a building completed construction and was issued a certificate of occupancy.

**YTD:** Abbreviation for Year-to-Date. Describes statistics that are cumulative from the beginning of a calendar year through whatever time period is being studied.

## Syracuse's Vacancy Increases to 8.8%

### Net Absorption Negative (170,247) SF in the Quarter

The Syracuse Office market ended the fourth quarter 2016 with a vacancy rate of 8.8%. The vacancy rate was up over the previous quarter, with net absorption totaling negative (170,247) square feet in the fourth quarter. Vacant sublease space remained unchanged in the quarter, ending at 55,439 square feet. Rental rates ended the fourth quarter at \$13.76, a decrease over the previous quarter. There was 68,500 square feet still under construction at the end of the quarter.

### Absorption

Net absorption for the overall Syracuse office market was negative (170,247) square feet in the fourth quarter 2016. That compares to positive 114,595 square feet in the third quarter 2016, positive 256,405 square feet in the second quarter 2016, and positive 66,479 square feet in the first quarter 2016.

Tenants moving into large blocks of space in 2016 include: Barclay Damon Law Firm moving into 64,068 square feet at 125 E Jefferson St; Seneca Data moving into 14,715 square feet at 6040 Tarbell Rd; and Bluerock Energy moving into 13,767 square feet at 125 E Jefferson St.

The Class-A office market recorded net absorption of negative (3,925) square feet in the fourth quarter 2016, compared to positive 66,485 square feet in the third quarter 2016, negative (15,563) in the second quarter 2016, and positive 37,303 in the first quarter 2016.

The Class-B office market recorded net absorption of negative (139,288) square feet in the fourth quarter 2016, compared to positive 31,198 square feet in the third quarter 2016, positive 220,225 in the second quarter 2016, and positive 2,142 in the first quarter 2016.

The Class-C office market recorded net absorption of negative (27,034) square feet in the fourth quarter 2016 compared to positive 16,912 square feet in the third quarter 2016, positive 51,743 in the second quarter 2016, and positive 27,034 in the first quarter 2016.

### Vacancy

The office vacancy rate in the Syracuse market area increased to 8.8% at the end of the fourth quarter 2016. The vacancy rate was 8.5% at the end of the third quarter 2016, 8.6% at the end of the second quarter 2016, and 9.3% at the end of the first quarter 2016.

Class-A projects reported a vacancy rate of 10.0% at the end of the fourth quarter 2016, 9.9% at the end of the third quarter 2016, 12.0% at the end of the second quarter 2016, and 11.5% at the end of the first quarter 2016.

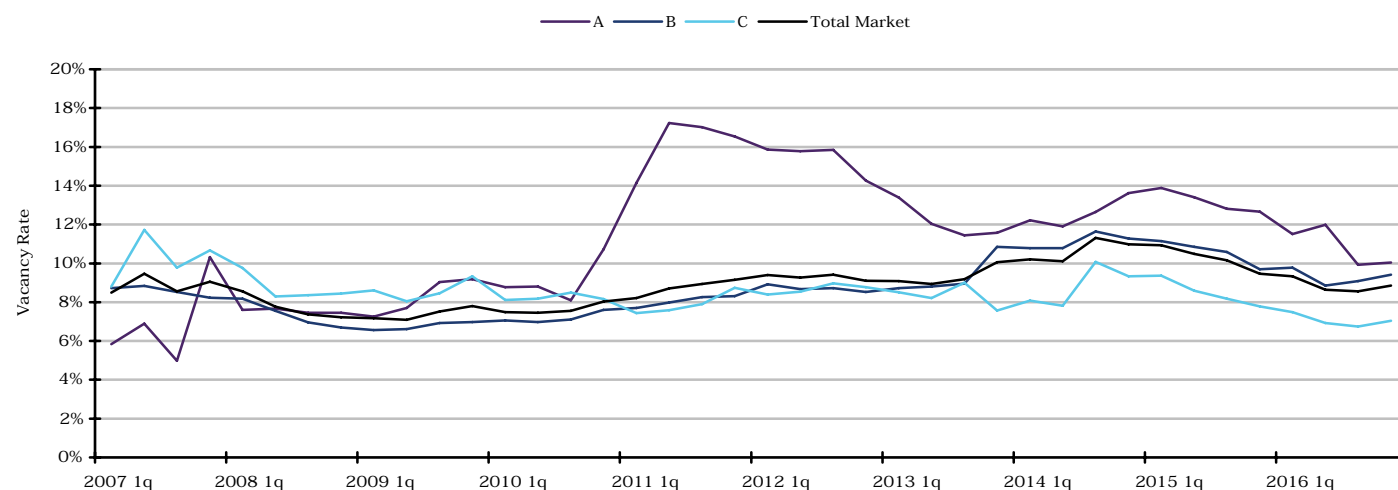
Class-B projects reported a vacancy rate of 9.4% at the end of the fourth quarter 2016, 9.1% at the end of the third quarter 2016, 8.9% at the end of the second quarter 2016, and 9.8% at the end of the first quarter 2016.

Class-C projects reported a vacancy rate of 7.0% at the end of the fourth quarter 2016, 6.7% at the end of third quarter 2016, 6.9% at the end of the second quarter 2016, and 7.5% at the end of the first quarter 2016.

### Largest Lease Signings

The largest lease signings occurring in 2016 included: the 64,068-square-foot lease signed by Barclay Damon Law Firm at 125 E Jefferson St in the Syracuse CBD market; the 14,715-square-foot deal signed by Seneca Data at 6040 Tarbell Rd

## Vacancy Rates by Class 2007-2016



Source: CoStar Property®

in the SE Outer Onondaga County market; and the 13,767-square-foot lease signed by Bluerock Energy at 125 E Jefferson St in the Syracuse CBD market.

### Sublease Vacancy

The amount of vacant sublease space in the Syracuse market stayed the same at 55,439 square feet since the end of the first quarter 2016.

Syracuse’s Class-A projects reported vacant sublease space of 48,737 square feet for the previous four quarters.

Class-B projects reported vacant sublease space of 6,702 square feet for the previous four quarters.

### Rental Rates

The average quoted asking rental rate for available office space, all classes, was \$13.76 per square foot per year at the end of the fourth quarter 2016 in the Syracuse market area. This represented a 3.7% decrease in quoted rental rates from the end of the third quarter 2016, when rents were reported at \$14.29 per square foot.

The average quoted rate within the Class-A sector was \$16.60 at the end of the fourth quarter 2016, while Class-B rates stood at \$13.72, and Class-C rates at \$11.23. At the end of the third quarter 2016, Class-A rates were \$16.24 per square foot, Class-B rates were \$14.99, and Class-C rates were \$10.59.

### Deliveries and Construction

During the fourth quarter 2016, no new space was completed in the Syracuse market area. This compares to two buildings totaling 90,565 square feet that were completed in the third quarter 2016, two buildings totaling 10,000 square

feet completed in the second quarter 2016, and 23,510 square feet in two buildings completed in the first quarter 2016.

There were 68,500 square feet of office space under construction at the end of the fourth quarter 2016.

Some of the notable 2016 deliveries include: 101 Richmond Ave, an 82,553-square-foot facility that delivered in third quarter 2016 and is now 62% occupied, and 270 Township Blvd, a 13,510-square-foot building that delivered in first quarter 2016 and is now 100% occupied.

The largest projects underway at the end of fourth quarter 2016 were Southern Tier High Technology Incubator at 124 Hawsley St, a 37,000-square-foot building with 33% of its space pre-leased, and Harbor West Commons at 405-450 W Kirkpatrick St, a 14,000-square-foot facility that is 6% pre-leased.

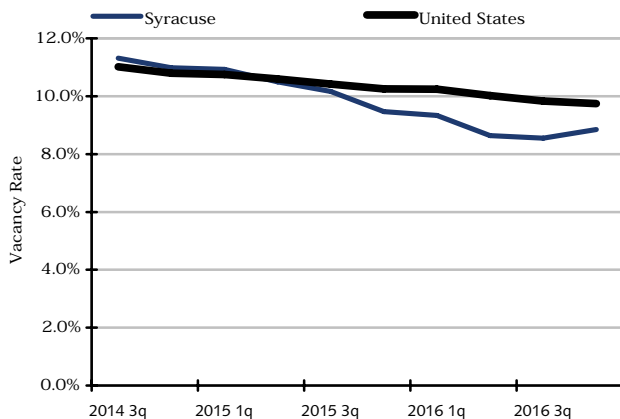
### Inventory

Total office inventory in the Syracuse market area amounted to 35,517,075 square feet in 2,116 buildings as of the end of the fourth quarter 2016. The Class-A office sector consisted of 3,216,667 square feet in 20 projects. There were 1,076 Class-B buildings totaling 23,028,040 square feet, and the Class-C sector consisted of 9,272,368 square feet in 1,020 buildings. Within the Office market there were 58 owner-occupied buildings accounting for 992,301 square feet of office space.

*Reports compiled by: Emily Thompson, CoStar Research Manager*

## U.S. Vacancy Comparison

Past 10 Quarters



Source: CoStar Property®

## CoStar Submarkets

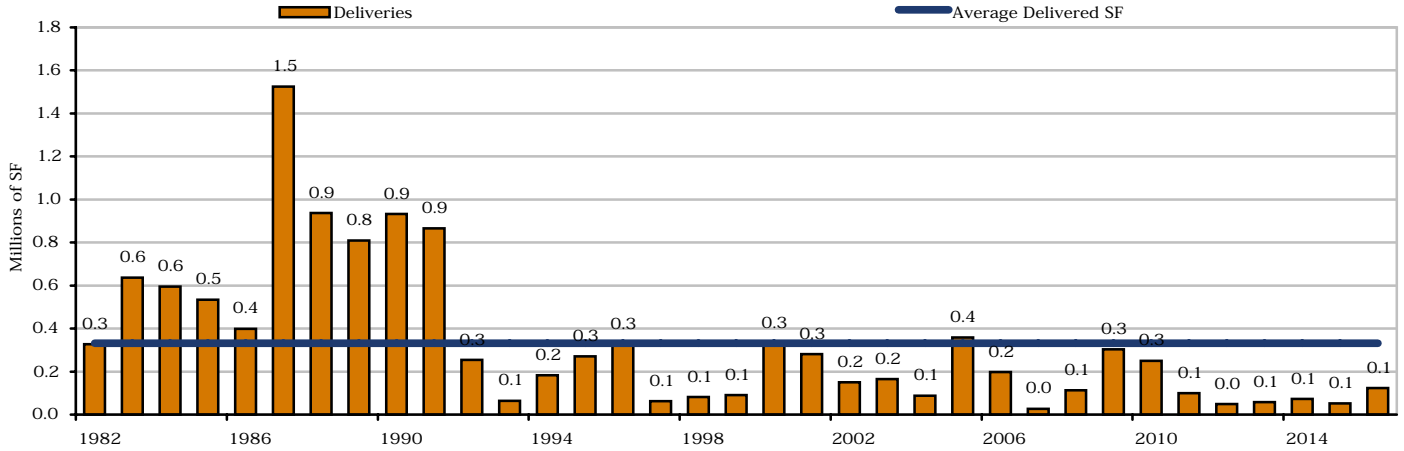
In analyzing metropolitan areas, CoStar has developed geographic designations to help group properties together, called Markets, Submarket Clusters and Submarkets. Markets are the equivalent of metropolitan areas, or areas containing a large population nucleus, that together with adjacent communities have a high degree of economic and social integration. Markets are then divided into Submarket Clusters, which are core areas within a metropolitan area that are known to be competitive with each other in terms of attracting and keeping tenants. Markets are then further subdivided into smaller units called Submarkets, which serve to delineate a core group of buildings that are competitive with each other and constitute a generally accepted competitive set, or peer group.

Submarket Clusters
Binghamton
Greater Syracuse
Madison County
NE Outer Onondaga County
Oswego County
SE Outer Onondaga County
Syracuse CBD
W Outer Onondaga County
Watertown



## Historical Deliveries

1982 - 2016



Source: CoStar Property® \* Future deliveries based on current under construction buildings.

## CONSTRUCTION ACTIVITY Markets Ranked by Under Construction Square Footage

Market	Under Construction Inventory				Average Bldg Size	
	# Bldgs	Total RBA	Preleased SF	Preleased %	All Existing	U/C
Binghamton	2	39,500	14,710	37.2%	15,302	19,750
Greater Syracuse	2	24,000	7,540	31.4%	18,132	12,000
NE Outer Onondaga County	1	5,000	5,000	100.0%	11,933	5,000
Oswego County	0	0	0	0.0%	7,052	0
Watertown	0	0	0	0.0%	13,214	0
Madison County	0	0	0	0.0%	9,289	0
SE Outer Onondaga County	0	0	0	0.0%	16,278	0
Syracuse CBD	0	0	0	0.0%	74,245	0
W Outer Onondaga County	0	0	0	0.0%	6,839	0
<b>Totals</b>	<b>5</b>	<b>68,500</b>	<b>27,250</b>	<b>39.8%</b>	<b>16,785</b>	<b>13,700</b>

Source: CoStar Property®

## Recent Deliveries

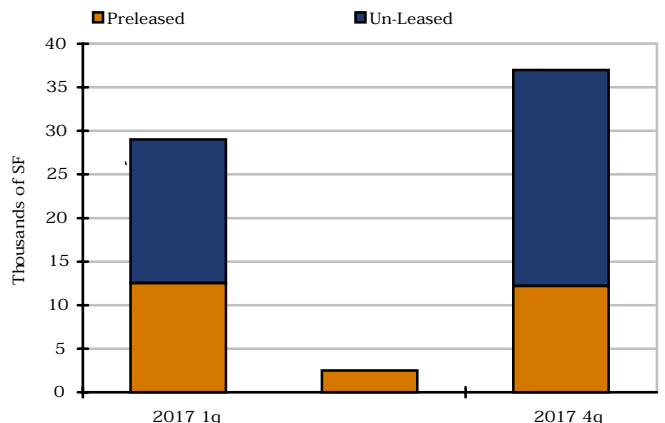
Leased & Un-Leased SF in Deliveries Since 2012



Source: CoStar Property®

## Future Deliveries

Preleased & Un-Leased SF in Properties Scheduled to Deliver



Source: CoStar Property®

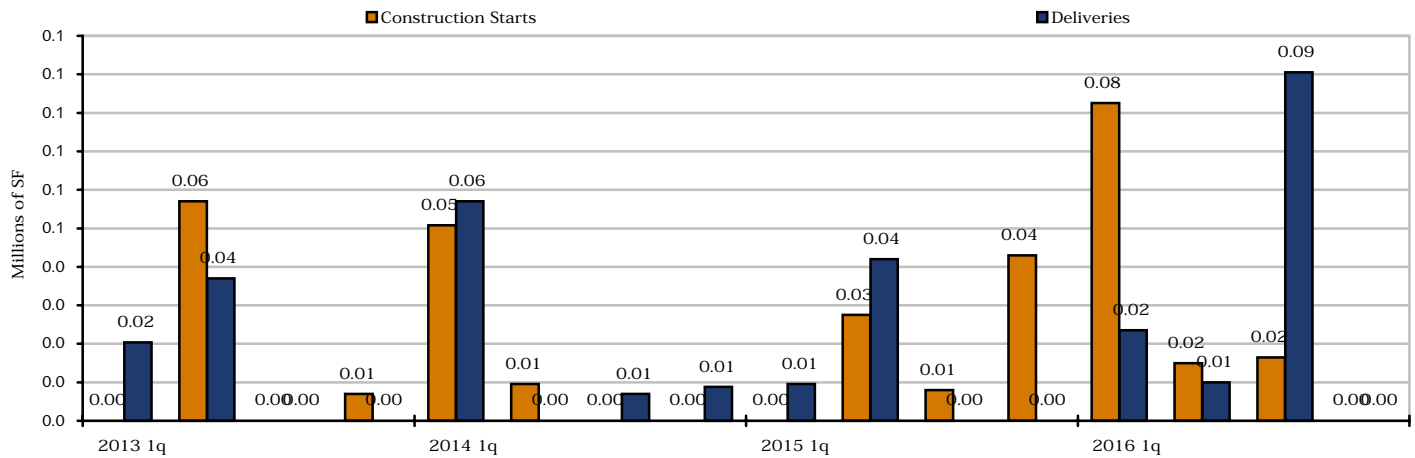
# Syracuse Office Market



Inventory & development

## Historical Construction Starts & Deliveries

Square Footage Per Quarter Starting and Completing Construction



Source: CoStar Property®

## RECENT DELIVERIES BY PROJECT SIZE Breakdown of Year-to-Date Development Based on RBA of Project

Building Size	# Bldgs	RBA	SF Leased	% Leased	Avg Rate	Single-Tenant	Multi-Tenant
< 50,000 SF	5	41,522	41,522	100.0%	\$0.00	8,012	33,510
50,000 SF - 99,999 SF	1	82,553	52,008	63.0%	\$14.00	0	82,553
100,000 SF - 249,999 SF	0	0	0	0.0%	\$0.00	0	0
250,000 SF - 499,999 SF	0	0	0	0.0%	\$0.00	0	0
>= 500,000 SF	0	0	0	0.0%	\$0.00	0	0

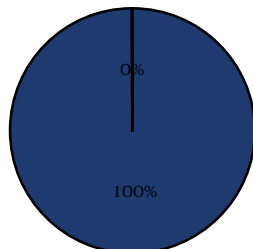
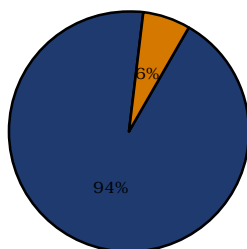
Source: CoStar Property®

## Recent Development by Tenancy

Based on RBA Developed for Single & Multi Tenant Use

2016 Deliveries

Currently Under Construction



■ Multi ■ Single

■ Multi ■ Single

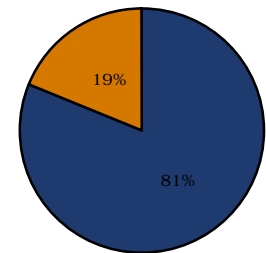
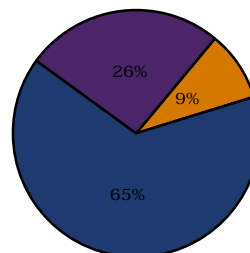
Source: CoStar Property®

## Existing Inventory Comparison

Based on Total RBA

By Class

By Space Type



■ Class A ■ Class B ■ Class C

■ Multi ■ Single

Source: CoStar Property®

## Select Year-to-Date Deliveries

Based on Project Square Footage

1. 101 Richmond Ave	2. 270 Township Blvd	3. 5110 W Genesee St
Submarket: <b>Greater Syracuse</b>	Submarket: <b>W Outer Onondaga County</b>	Submarket: <b>W Outer Onondaga County</b>
RBA: <b>82,553</b>	RBA: <b>13,510</b>	RBA: <b>10,000</b>
# Floors: <b>6</b>	# Floors: <b>1</b>	# Floors: <b>3</b>
Class: <b>B</b>	Class: <b>B</b>	Class: <b>B</b>
Occupied: <b>62%</b>	Occupied: <b>100%</b>	Occupied: <b>100%</b>
Quoted Rate: <b>\$14.00</b>	Quoted Rate: <b>N/A</b>	Quoted Rate: <b>N/A</b>
Grnd Brk Date: <b>First Quarter 2016</b>	Grnd Brk Date: <b>Second Quarter 2015</b>	Grnd Brk Date: <b>Second Quarter 2015</b>
Deliv Date: <b>Third Quarter 2016</b>	Deliv Date: <b>First Quarter 2016</b>	Deliv Date: <b>First Quarter 2016</b>
Leasing Co: <b>CBRE   Syracuse</b>	Leasing Co: <b>Cameron Group LLC</b>	Leasing Co: <b>RealtyUSA</b>
Developer: <b>Palucci Engineering PC</b>	Developer: <b>Cameron Group LLC</b>	Developer: <b>Zausmer Frisch Associates</b>
Architect: <b>Macknight Architects</b>	Architect: <b>Unknown</b>	Architect: <b>Zausmer Frisch Associates</b>
<b>4. 6739 Myers Rd</b>	<b>5. 100 W Utica St</b>	
Submarket: <b>SE Outer Onondaga County</b>	Submarket: <b>Oswego County</b>	
RBA: <b>8,012</b>	RBA: <b>6,000</b>	
# Floors: <b>1</b>	# Floors: <b>2</b>	
Class: <b>B</b>	Class: <b>B</b>	
Occupied: <b>100%</b>	Occupied: <b>100%</b>	
Quoted Rate: <b>N/A</b>	Quoted Rate: <b>N/A</b>	
Grnd Brk Date: <b>Third Quarter 2015</b>	Grnd Brk Date: <b>Fourth Quarter 2015</b>	
Deliv Date: <b>Third Quarter 2016</b>	Deliv Date: <b>Second Quarter 2016</b>	
Leasing Co: <b>DeFrancisco &amp; Falgiatano Law Firm</b>	Leasing Co: <b>Century 21 Galloway Realty</b>	
Developer: <b>DeFrancisco &amp; Falgiatano Law Firm</b>	Developer: <b>Greg Furlong</b>	
Architect: <b>Unknown</b>	Architect: <b>Unknown</b>	

## Select Top Under Construction Properties

Based on Project Square Footage

1. Southern Tier High Technology Incubator	2. Harbor West Commons	3. 440 James St
Submarket: <b>Binghamton</b>	Submarket: <b>Greater Syracuse</b>	Submarket: <b>Greater Syracuse</b>
RBA: <b>37,000</b>	RBA: <b>14,000</b>	RBA: <b>10,000</b>
# Floors: <b>3</b>	# Floors: <b>2</b>	# Floors: <b>2</b>
Class: <b>B</b>	Class: <b>B</b>	Class: <b>B</b>
Preleased: <b>33%</b>	Preleased: <b>6%</b>	Preleased: <b>67%</b>
Quoted Rate: <b>Negotiable</b>	Quoted Rate: <b>\$17.75</b>	Quoted Rate: <b>\$12.00</b>
Grnd Brk Date: <b>Fourth Quarter 2015</b>	Grnd Brk Date: <b>Third Quarter 2016</b>	Grnd Brk Date: <b>Second Quarter 2016</b>
Deliv Date: <b>Fourth Quarter 2017</b>	Deliv Date: <b>First Quarter 2017</b>	Deliv Date: <b>First Quarter 2017</b>
Leasing Co: <b>Southern Tier High Technology</b>	Leasing Co: <b>Montreal Construction Co.</b>	Leasing Co: <b>Sutton Real Estate Company</b>
Developer: <b>Unknown</b>	Developer: <b>Montreal Construction Co.</b>	Developer: <b>Unknown</b>
Architect: <b>Unknown</b>	Architect: <b>Unknown</b>	Architect: <b>Unknown</b>
<b>4. NYS Linemen's Training Facility</b>		
Submarket: <b>NE Outer Onondaga County</b>		
RBA: <b>5,000</b>		
# Floors: <b>1</b>		
Class: <b>B</b>		
Preleased: <b>100%</b>		
Quoted Rate: <b>N/A</b>		
Grnd Brk Date: <b>Second Quarter 2016</b>		
Deliv Date: <b>First Quarter 2017</b>		
Leasing Co: <b>New York State Linemans</b>		
Developer: <b>Unknown</b>		
Architect: <b>Unknown</b>		

## Syracuse Office Market



Figures at a Glance

## Class A Market Statistics

Year-End 2016

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Binghamton	2	109,579	0	0	0.0%	0	0	0	\$16.00
Greater Syracuse	0	0	0	0	0.0%	0	0	0	\$0.00
Madison County	0	0	0	0	0.0%	0	0	0	\$0.00
NE Outer Onondaga County	0	0	0	0	0.0%	0	0	0	\$0.00
Oswego County	0	0	0	0	0.0%	0	0	0	\$0.00
SE Outer Onondaga County	10	958,088	51,228	51,228	5.3%	11,022	0	0	\$19.75
Syracuse CBD	8	2,149,000	223,226	271,963	12.7%	73,278	0	0	\$15.74
W Outer Onondaga County	0	0	0	0	0.0%	0	0	0	\$0.00
Watertown	0	0	0	0	0.0%	0	0	0	\$0.00
<b>Totals</b>	<b>20</b>	<b>3,216,667</b>	<b>274,454</b>	<b>323,191</b>	<b>10.0%</b>	<b>84,300</b>	<b>0</b>	<b>0</b>	<b>\$16.60</b>

Source: CoStar Property®

## Class B Market Statistics

Year-End 2016

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Binghamton	272	4,828,957	635,361	635,361	13.2%	5,282	0	39,500	\$13.31
Greater Syracuse	169	4,403,381	228,743	228,743	5.2%	(26,604)	82,553	24,000	\$13.22
Madison County	32	412,059	3,400	3,400	0.8%	2,600	0	0	\$11.18
NE Outer Onondaga County	151	2,482,909	166,644	166,644	6.7%	89,748	0	5,000	\$14.42
Oswego County	39	335,100	9,150	9,150	2.7%	9,100	6,000	0	\$10.82
SE Outer Onondaga County	190	3,738,910	253,116	257,679	6.9%	(19,997)	8,012	0	\$15.02
Syracuse CBD	67	4,980,735	763,668	765,807	15.4%	46,264	0	0	\$12.70
W Outer Onondaga County	93	725,567	81,564	81,564	11.2%	8,482	27,510	0	\$18.39
Watertown	63	1,120,422	18,966	18,966	1.7%	(598)	0	0	\$18.48
<b>Totals</b>	<b>1,076</b>	<b>23,028,040</b>	<b>2,160,612</b>	<b>2,167,314</b>	<b>9.4%</b>	<b>114,277</b>	<b>124,075</b>	<b>68,500</b>	<b>\$13.72</b>

Source: CoStar Property®

## Class C Market Statistics

Year-End 2016

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Binghamton	202	2,345,371	311,669	311,669	13.3%	29,612	0	0	\$7.20
Greater Syracuse	159	1,543,760	68,208	68,208	4.4%	(3,084)	0	0	\$13.10
Madison County	53	377,513	12,900	12,900	3.4%	1,913	0	0	\$12.48
NE Outer Onondaga County	143	1,025,340	131,789	131,789	12.9%	2,611	0	0	\$13.79
Oswego County	90	574,598	7,778	7,778	1.4%	10,539	0	0	\$8.69
SE Outer Onondaga County	151	1,016,424	44,241	44,241	4.4%	7,780	0	0	\$9.55
Syracuse CBD	31	740,233	41,147	41,147	5.6%	21,137	0	0	\$10.57
W Outer Onondaga County	78	443,894	6,053	6,053	1.4%	(2,353)	0	0	\$19.87
Watertown	113	1,205,235	28,626	28,626	2.4%	500	0	0	\$15.09
<b>Totals</b>	<b>1,020</b>	<b>9,272,368</b>	<b>652,411</b>	<b>652,411</b>	<b>7.0%</b>	<b>68,655</b>	<b>0</b>	<b>0</b>	<b>\$11.23</b>

Source: CoStar Property®

## Total Office Market Statistics

Year-End 2016

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Binghamton	476	7,283,907	947,030	947,030	13.0%	34,894	0	39,500	\$11.18
Greater Syracuse	328	5,947,141	296,951	296,951	5.0%	(29,688)	82,553	24,000	\$13.18
Madison County	85	789,572	16,300	16,300	2.1%	4,513	0	0	\$12.26
NE Outer Onondaga County	294	3,508,249	298,433	298,433	8.5%	92,359	0	5,000	\$14.22
Oswego County	129	909,698	16,928	16,928	1.9%	19,639	6,000	0	\$10.08
SE Outer Onondaga County	351	5,713,422	348,585	353,148	6.2%	(1,195)	8,012	0	\$14.84
Syracuse CBD	106	7,869,968	1,028,041	1,078,917	13.7%	140,679	0	0	\$13.51
W Outer Onondaga County	171	1,169,461	87,617	87,617	7.5%	6,129	27,510	0	\$18.68
Watertown	176	2,325,657	47,592	47,592	2.0%	(98)	0	0	\$17.68
<b>Totals</b>	<b>2,116</b>	<b>35,517,075</b>	<b>3,087,477</b>	<b>3,142,916</b>	<b>8.8%</b>	<b>267,232</b>	<b>124,075</b>	<b>68,500</b>	<b>\$13.76</b>

Source: CoStar Property®



# Syracuse Office Market

Figures at a Glance

## Class A Market Statistics

Year-End 2016

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %		# Blds	Total RBA	# Blds	Total RBA	
2016 4q	20	3,216,667	274,454	323,191	10.0%	(3,925)	0	0	0	0	\$16.60
2016 3q	20	3,216,667	270,529	319,266	9.9%	66,485	0	0	0	0	\$16.24
2016 2q	20	3,216,667	337,014	385,751	12.0%	(15,563)	0	0	0	0	\$16.70
2016 1q	20	3,216,667	321,451	370,188	11.5%	37,303	0	0	0	0	\$16.15
2015 4q	20	3,216,667	358,754	407,491	12.7%	4,410	0	0	0	0	\$16.39
2015 3q	20	3,216,667	363,164	411,901	12.8%	19,346	0	0	0	0	\$15.70
2015 2q	20	3,216,667	382,510	431,247	13.4%	15,226	0	0	0	0	\$16.13
2015 1q	20	3,216,667	387,165	446,473	13.9%	(8,432)	0	0	0	0	\$16.14
2014	20	3,216,667	407,173	438,041	13.6%	(15,211)	1	57,000	0	0	\$16.87
2013	19	3,159,667	362,984	365,830	11.6%	85,047	0	0	1	57,000	\$18.14
2012	19	3,159,667	450,877	450,877	14.3%	71,826	0	0	0	0	\$17.58
2011	19	3,159,667	522,703	522,703	16.5%	(183,887)	0	0	0	0	\$18.56
2010	19	3,159,667	338,816	338,816	10.7%	67,713	1	128,000	0	0	\$17.06
2009	18	3,031,667	278,529	278,529	9.2%	36,250	1	96,000	1	128,000	\$19.08
2008	17	2,935,667	218,779	218,779	7.5%	84,237	0	0	0	0	\$16.28
2007	17	2,935,667	303,016	303,016	10.3%	(131,516)	0	0	0	0	\$15.43

Source: CoStar Property®

## Class B Market Statistics

Year-End 2016

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %		# Blds	Total RBA	# Blds	Total RBA	
2016 4q	1,076	23,028,040	2,160,612	2,167,314	9.4%	(139,288)	0	0	5	68,500	\$13.72
2016 3q	1,077	23,098,023	2,091,307	2,098,009	9.1%	31,198	2	90,565	5	68,500	\$14.99
2016 2q	1,075	23,007,458	2,031,940	2,038,642	8.9%	220,225	2	10,000	5	142,565	\$14.45
2016 1q	1,073	22,997,458	2,242,165	2,248,867	9.8%	2,142	2	23,510	5	137,565	\$14.35
2015 4q	1,071	22,973,948	2,220,797	2,227,499	9.7%	130,970	0	0	6	78,522	\$13.70
2015 3q	1,072	23,057,948	2,425,767	2,442,469	10.6%	35,341	0	0	4	35,522	\$14.77
2015 2q	1,073	23,084,948	2,474,108	2,504,810	10.9%	106,686	1	42,000	3	27,510	\$14.30
2015 1q	1,072	23,042,948	2,538,794	2,569,496	11.2%	37,476	1	9,546	1	42,000	\$14.43
2014	1,071	23,033,402	2,566,724	2,597,426	11.3%	(171,895)	2	15,800	2	51,546	\$13.85
2013	1,070	23,114,304	2,461,519	2,506,433	10.8%	(500,346)	4	57,400	1	7,000	\$13.99
2012	1,068	23,073,620	1,935,803	1,965,403	8.5%	(949)	4	49,689	4	57,400	\$14.33
2011	1,064	23,023,931	1,890,925	1,914,765	8.3%	(73,022)	6	99,313	7	70,089	\$14.16
2010	1,058	22,924,618	1,733,982	1,742,430	7.6%	(43,594)	6	107,652	4	78,041	\$12.30
2009	1,052	22,816,966	1,547,161	1,591,184	7.0%	105,769	10	197,616	4	80,052	\$9.37
2008	1,043	22,633,912	1,438,606	1,513,899	6.7%	446,131	9	107,306	8	155,616	\$13.18
2007	1,034	22,526,606	1,761,785	1,852,724	8.2%	134,107	2	24,400	6	88,228	\$11.34

Source: CoStar Property®

## Total Office Market Statistics

Year-End 2016

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %		# Blds	Total RBA	# Blds	Total RBA	
2016 4q	2,116	35,517,075	3,087,477	3,142,916	8.8%	(170,247)	0	0	5	68,500	\$13.76
2016 3q	2,117	35,587,058	2,987,213	3,042,652	8.5%	114,595	2	90,565	5	68,500	\$14.29
2016 2q	2,115	35,496,493	3,011,243	3,066,682	8.6%	256,405	2	10,000	5	142,565	\$14.38
2016 1q	2,113	35,486,493	3,257,648	3,313,087	9.3%	66,479	2	23,510	5	137,565	\$14.15
2015 4q	2,111	35,462,983	3,300,617	3,356,056	9.5%	172,888	0	0	6	78,522	\$13.78
2015 3q	2,112	35,546,983	3,545,479	3,612,944	10.2%	91,900	0	0	4	35,522	\$14.24
2015 2q	2,113	35,573,983	3,650,379	3,731,844	10.5%	175,983	1	42,000	3	27,510	\$14.14
2015 1q	2,113	35,551,983	3,793,791	3,885,827	10.9%	26,745	1	9,546	1	42,000	\$14.14
2014	2,112	35,542,437	3,839,430	3,903,026	11.0%	(351,540)	3	72,800	2	51,546	\$13.90
2013	2,110	35,566,339	3,522,289	3,575,388	10.1%	(391,054)	4	57,400	2	64,000	\$14.37
2012	2,109	35,621,655	3,204,711	3,239,650	9.1%	67,467	4	49,689	4	57,400	\$14.10
2011	2,105	35,571,966	3,233,588	3,257,428	9.2%	(310,306)	6	99,313	7	70,089	\$14.17
2010	2,099	35,472,653	2,839,361	2,847,809	8.0%	146,899	9	250,486	4	78,041	\$12.60
2009	2,090	35,222,167	2,700,199	2,744,222	7.8%	67,307	12	302,737	7	222,886	\$10.92
2008	2,079	34,933,992	2,448,061	2,523,354	7.2%	741,558	10	113,031	9	164,737	\$12.61
2007	2,070	34,823,393	3,063,374	3,154,313	9.1%	(170,402)	3	26,488	7	93,953	\$11.73

Source: CoStar Property®

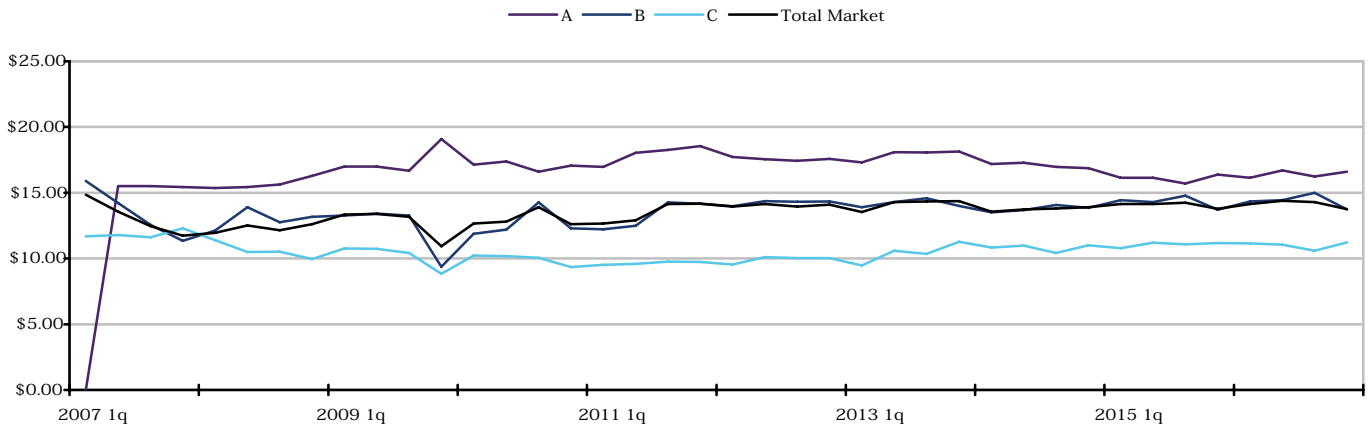
# Syracuse Office Market



Leasing Activity

## Historical Rental Rates

Based on Full-Service Equivalent Rental Rates

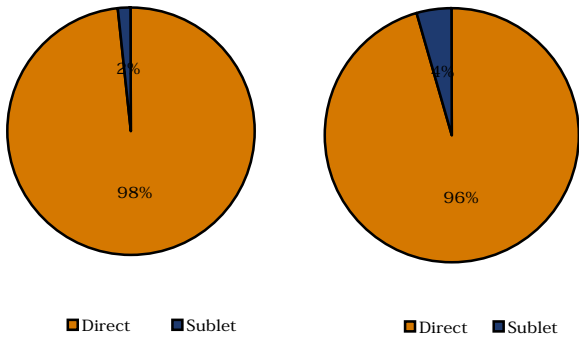


Source: CoStar Property®

## Vacancy by Available Space Type

Percent of All Vacant Space in Direct vs. Sublet

Syracuse United States

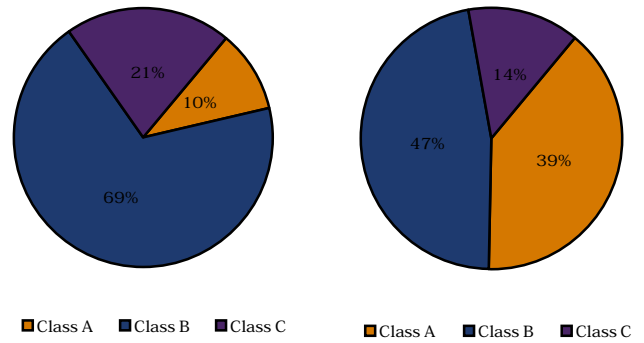


Source: CoStar Property®

## Vacancy by Class

Percent of All Vacant Space by Class

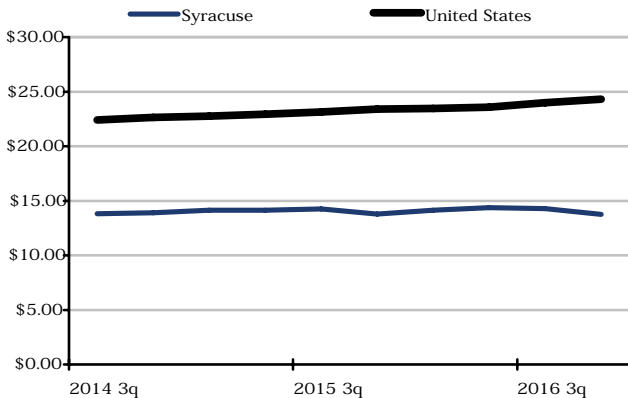
Syracuse United States



Source: CoStar Property®

## U.S. Rental Rate Comparison

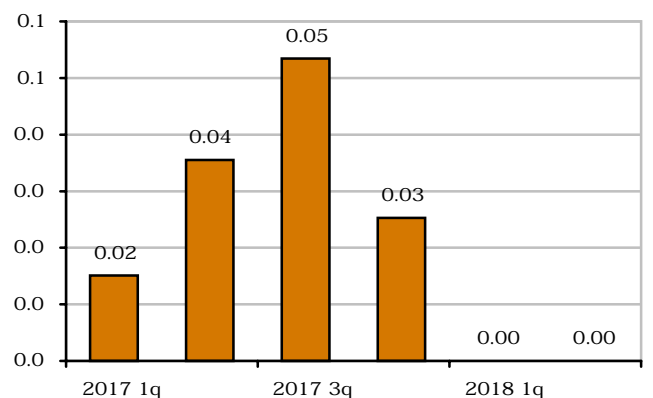
Based on Full-Service Equivalent Rental Rates



Source: CoStar Property®

## Future Space Available

Space Scheduled to be Available for Occupancy\*



\* Includes Under Construction Spaces Source: CoStar Property®



# Syracuse Office Market

Leasing Activity

## Select Top Office Leases Based on Leased Square Footage For Deals Signed in 2016

Building	Submarket	SF	Qtr	Tenant Name	Tenant Rep Company	Landlord Rep Company
1 125 E Jefferson St	Syracuse CBD	64,068	2nd	Barclay Damon Law Firm	Unknown	CBD Brokerage
2 5801 E Taft Rd	SEOuterOnondagaCounty	43,000	4th	Unknown	Cornerstone REO	Cornerstone REO
3 110 W Fayette St	Syracuse CBD	17,668	2nd	Unknown	Unknown	COR Brokerage, Inc.
4 6040 Tarbell Rd	SEOuterOnondagaCounty	14,715	1st	Seneca Data	Unknown	Pemco Group Leasing
5 125 E Jefferson St	Syracuse CBD	13,767	3rd	Bluerock Energy	Unknown	CBD Brokerage
6 6666 Manlius Center Rd	SEOuterOnondagaCounty	12,000	3rd	Unknown	Unknown	COR Brokerage, Inc.
7 323 James St	Syracuse CBD	11,000	1st	Unknown	Unknown	323-25 James St LLC
8 17 Technology Pl	SEOuterOnondagaCounty	10,000	1st	VAST	Unknown	Pyramid Brokerage Company
9 110 W Fayette St	Syracuse CBD	9,679	2nd	Unknown	Unknown	COR Brokerage, Inc.
10 31 Lewis St	Broome County	9,000	1st	Insurance Office of America	Direct Deal	Frank & Lynn Whitney
11 1010 James St	Greater Syracuse	8,700	4th	Unknown	Interfaith Works Of Center	Interfaith Works Of Center
12 110 W Fayette St	Syracuse CBD	8,553	2nd	Unknown	Unknown	COR Brokerage, Inc.
13 801 Valley Plz	Broome County	7,973	3rd	Learning Ladder	Unknown	CBRE   Syracuse
14 101-103 E Water St	Syracuse CBD	7,000	1st	Unknown	Unknown	Monohan Development Corporation
15 6601 Kirkville Rd	SEOuterOnondagaCounty	5,025	3rd	Unknown	Unknown	Pyramid Brokerage Company
16 1 Adler Dr	SEOuterOnondagaCounty	5,010	4th	Unknown	Unknown	Oliva Real Estate Company
17 6601 Kirkville Rd	SEOuterOnondagaCounty	5,000	3rd	Unknown	Unknown	Pyramid Brokerage Company
18 5786 Widewaters Pky	SEOuterOnondagaCounty	4,919	4th	Unknown	Unknown	JF Real Estate, Inc.
19 290 Elmwood Davis Rd	NEOuterOnondagaCounty	4,600	3rd	Unknown	Unknown	Thruway Court Of Tallahassee LLC
20 5794 Widewaters Pky	SEOuterOnondagaCounty	4,563	4th	Unknown	Unknown	JF Real Estate, Inc.
21 225 W Jefferson St	Syracuse CBD	4,506	3rd	Unknown	Unknown	Washington Street Partners
22 8136 Oswego Rd	NEOuterOnondagaCounty	4,200	1st	Unknown	Unknown	JF Real Estate, Inc.
23 34 Chenango St	Broome County	4,000	2nd	Unknown	Unknown	Low-Dar, Inc.
24 220 S Warren St	Syracuse CBD	3,700	3rd	Disciplined Capital Management	Unknown	Washington Street Partners
25 5015 Campuswood Dr	SEOuterOnondagaCounty	3,568	1st	Emblem Health	Unknown	Mike Barney Management
26 101-103 E Water St	Syracuse CBD	3,500	2nd	Unknown	Unknown	Monohan Development Corporation
27 810 W Genesee Street Rd	WOuterOnondagaCounty	3,246	1st	Kraetz Physical Therapy	SoulesDunnAssociates;LindaRoche	Soules Dunn Associates
28 200 Gateway Park Dr	NEOuterOnondagaCounty	3,200	3rd	Unknown	Unknown	Anderson Partners LLC
29 500 Plum St	Greater Syracuse	3,145	2nd	Turner Construction	Unknown	CBD Brokerage
30 110 W Fayette St	Syracuse CBD	3,035	2nd	Unknown	Unknown	COR Brokerage, Inc.
31 100 Grange Pl	Cortland County	3,000	1st	Unknown	Unknown	NYStateGrange;DavidYamanRealty

Source: CoStar Property®

\* Renewal

# Syracuse Office Market

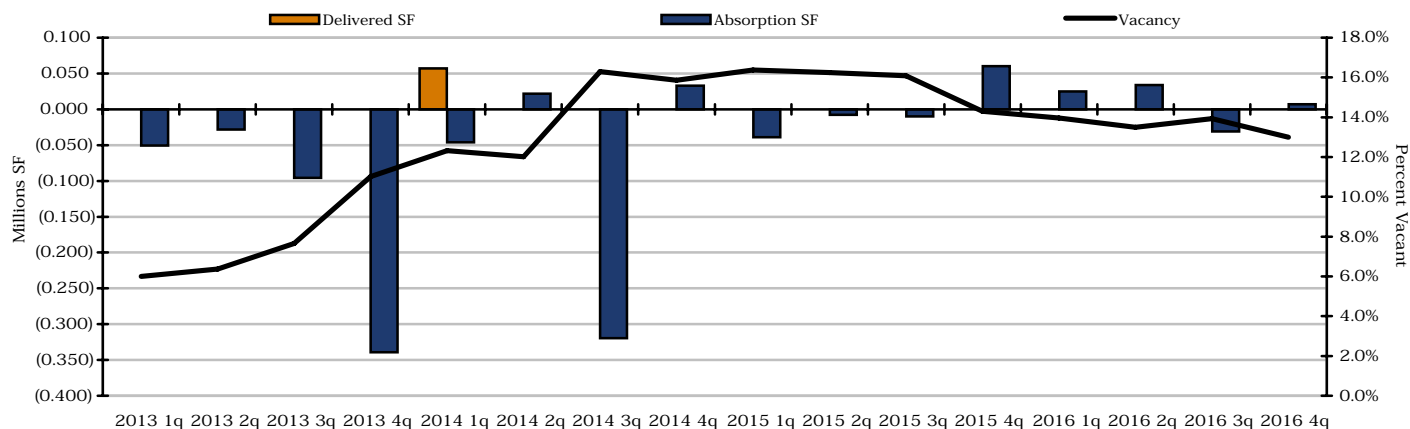


## Binghamton Market

Market Highlights - Class "A, B & C"

### Deliveries, Absorption & Vacancy

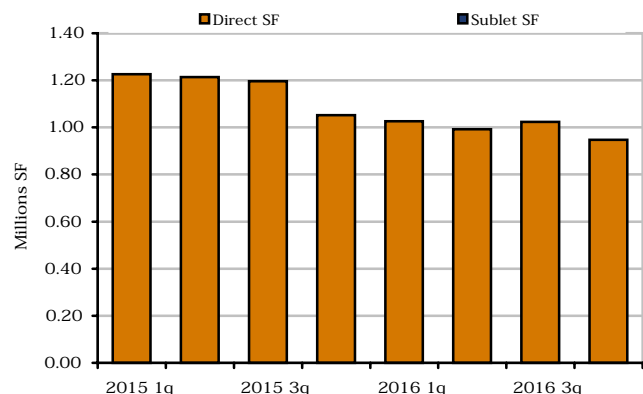
### Historical Analysis, All Classes



Source: CoStar Property®

### Vacant Space

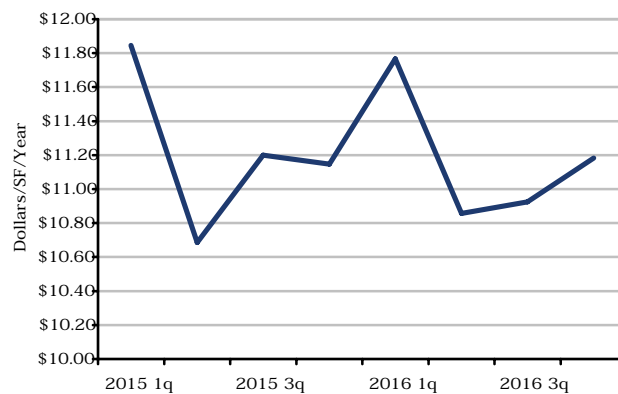
#### Historical Analysis, All Classes



Source: CoStar Property®

### Quoted Rental Rates

#### Historical Analysis, All Classes



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 4q	476	7,283,907	947,030	13.0%	6,868	0	0	2	39,500	\$11.18
2016 3q	477	7,353,890	1,023,881	13.9%	(31,125)	0	0	2	39,500	\$10.92
2016 2q	477	7,353,890	992,756	13.5%	34,005	0	0	1	37,000	\$10.86
2016 1q	477	7,353,890	1,026,761	14.0%	25,146	0	0	1	37,000	\$11.77
2015 4q	477	7,353,890	1,051,907	14.3%	60,156	0	0	1	37,000	\$11.15
2015 3q	478	7,437,890	1,196,063	16.1%	(9,882)	0	0	0	0	\$11.20
2015 2q	479	7,464,890	1,213,181	16.3%	(7,637)	0	0	0	0	\$10.69
2015 1q	480	7,484,890	1,225,544	16.4%	(38,898)	0	0	0	0	\$11.85
2014 4q	480	7,484,890	1,186,646	15.9%	32,770	0	0	0	0	\$13.34
2014 3q	480	7,484,890	1,219,416	16.3%	(319,536)	0	0	0	0	\$11.94
2014 2q	480	7,484,890	899,880	12.0%	21,952	0	0	0	0	\$11.98
2014 1q	480	7,484,890	921,832	12.3%	(46,015)	1	57,000	0	0	\$12.63
2013 4q	479	7,427,890	818,817	11.0%	(339,260)	0	0	1	57,000	\$13.76
2013 3q	480	7,523,890	575,557	7.6%	(95,886)	0	0	1	57,000	\$12.38
2013 2q	480	7,523,890	479,671	6.4%	(28,181)	0	0	1	57,000	\$12.55
2013 1q	480	7,523,890	451,490	6.0%	(50,537)	0	0	0	0	\$10.46

Source: CoStar Property®





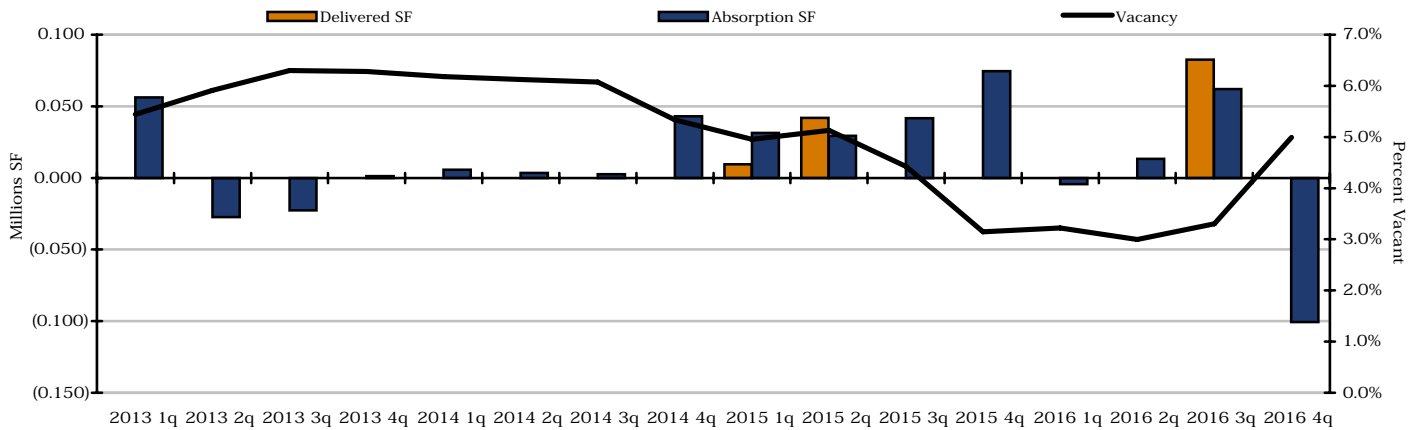
# Syracuse Office Market

Greater Syracuse Market

Market Highlights - Class "A, B & C"

## Deliveries, Absorption & Vacancy

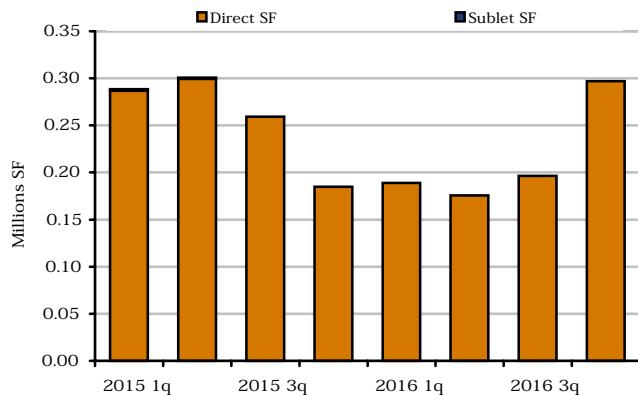
### Historical Analysis, All Classes



Source: CoStar Property®

## Vacant Space

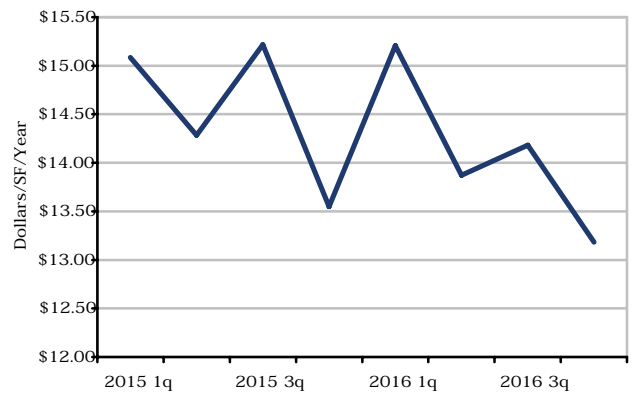
### Historical Analysis, All Classes



Source: CoStar Property®

## Quoted Rental Rates

### Historical Analysis, All Classes



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 4q	328	5,947,141	296,951	5.0%	(100,680)	0	0	2	24,000	\$13.18
2016 3q	328	5,947,141	196,271	3.3%	61,924	1	82,553	2	24,000	\$14.18
2016 2q	327	5,864,588	175,642	3.0%	13,396	0	0	2	92,553	\$13.87
2016 1q	327	5,864,588	189,038	3.2%	(4,328)	0	0	1	82,553	\$15.21
2015 4q	327	5,864,588	184,710	3.1%	74,561	0	0	0	0	\$13.55
2015 3q	327	5,864,588	259,271	4.4%	41,596	0	0	0	0	\$15.22
2015 2q	327	5,864,588	300,867	5.1%	29,463	1	42,000	0	0	\$14.29
2015 1q	326	5,822,588	288,330	5.0%	31,438	1	9,546	1	42,000	\$15.08
2014 4q	325	5,813,042	310,222	5.3%	43,030	0	0	2	51,546	\$12.81
2014 3q	325	5,813,042	353,252	6.1%	2,587	0	0	2	51,546	\$12.98
2014 2q	325	5,813,042	355,839	6.1%	3,552	0	0	2	51,546	\$12.72
2014 1q	325	5,813,042	359,391	6.2%	5,615	0	0	1	42,000	\$13.57
2013 4q	325	5,813,042	365,006	6.3%	1,208	0	0	0	0	\$12.15
2013 3q	325	5,813,042	366,214	6.3%	(22,680)	0	0	0	0	\$12.40
2013 2q	325	5,813,042	343,534	5.9%	(27,305)	0	0	0	0	\$12.93
2013 1q	325	5,813,042	316,229	5.4%	56,159	0	0	0	0	\$11.38

Source: CoStar Property®

# Syracuse Office Market

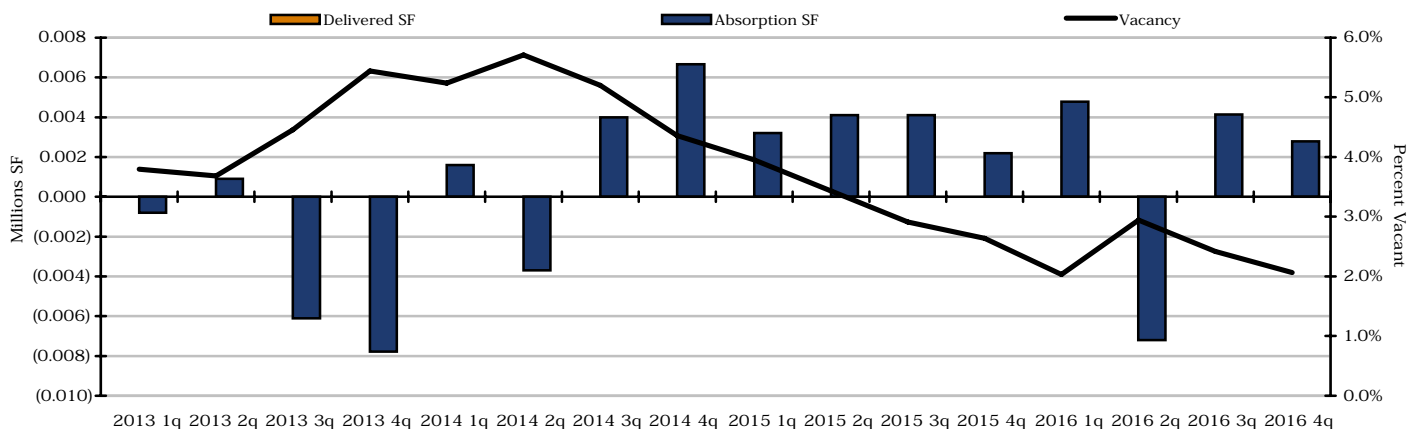


## Madison County Market

Market Highlights - Class "A, B & C"

### Deliveries, Absorption & Vacancy

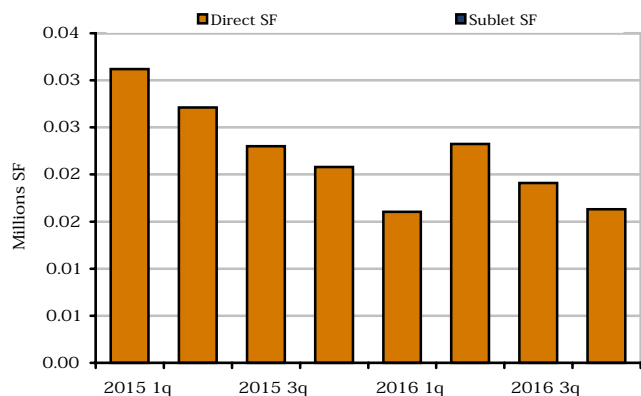
### Historical Analysis, All Classes



Source: CoStar Property®

### Vacant Space

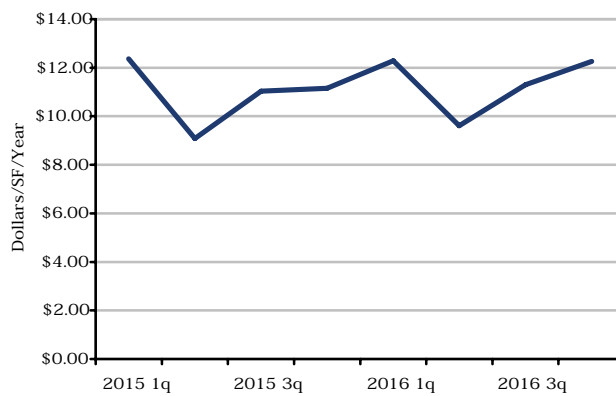
### Historical Analysis, All Classes



Source: CoStar Property®

### Quoted Rental Rates

### Historical Analysis, All Classes



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 4q	85	789,572	16,300	2.1%	2,790	0	0	0	0	\$12.26
2016 3q	85	789,572	19,090	2.4%	4,145	0	0	0	0	\$11.30
2016 2q	85	789,572	23,235	2.9%	(7,202)	0	0	0	0	\$9.61
2016 1q	85	789,572	16,033	2.0%	4,780	0	0	0	0	\$12.29
2015 4q	85	789,572	20,813	2.6%	2,188	0	0	0	0	\$11.15
2015 3q	85	789,572	23,001	2.9%	4,100	0	0	0	0	\$11.03
2015 2q	85	789,572	27,101	3.4%	4,100	0	0	0	0	\$9.09
2015 1q	85	789,572	31,201	4.0%	3,200	0	0	0	0	\$12.36
2014 4q	85	789,572	34,401	4.4%	6,670	0	0	0	0	\$10.96
2014 3q	85	789,572	41,071	5.2%	4,000	0	0	0	0	\$10.86
2014 2q	85	789,572	45,071	5.7%	(3,700)	0	0	0	0	\$9.83
2014 1q	85	789,572	41,371	5.2%	1,600	0	0	0	0	\$11.36
2013 4q	85	789,572	42,971	5.4%	(7,782)	0	0	0	0	\$9.91
2013 3q	85	789,572	35,189	4.5%	(6,100)	0	0	0	0	\$8.99
2013 2q	85	789,572	29,089	3.7%	900	0	0	0	0	\$9.62
2013 1q	85	789,572	29,989	3.8%	(800)	0	0	0	0	\$9.79

Source: CoStar Property®



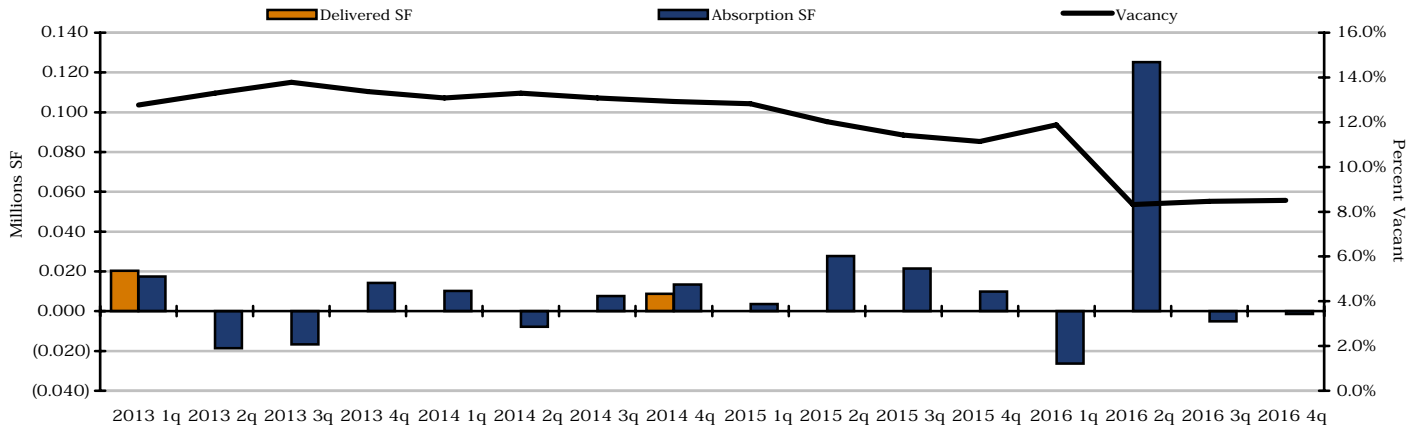
# Syracuse Office Market

## NE Outer Onondaga County Market

Market Highlights - Class "A, B & C"

### Deliveries, Absorption & Vacancy

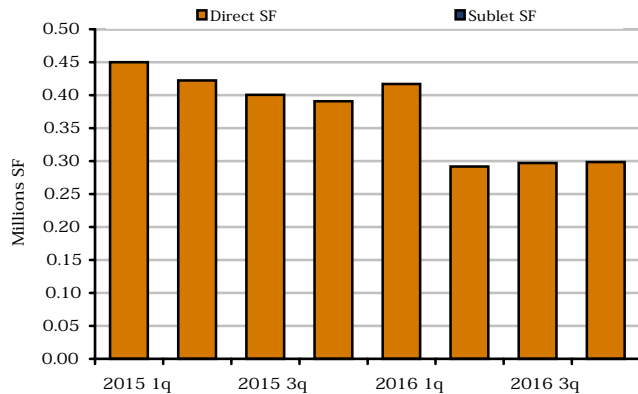
### Historical Analysis, All Classes



Source: CoStar Property®

### Vacant Space

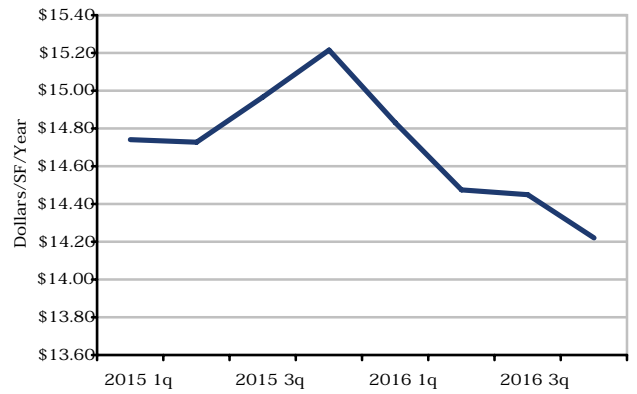
#### Historical Analysis, All Classes



Source: CoStar Property®

### Quoted Rental Rates

#### Historical Analysis, All Classes



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 4q	294	3,508,249	298,433	8.5%	(1,420)	0	0	1	5,000	\$14.22
2016 3q	294	3,508,249	297,013	8.5%	(5,146)	0	0	1	5,000	\$14.45
2016 2q	294	3,508,249	291,867	8.3%	125,210	0	0	1	5,000	\$14.47
2016 1q	294	3,508,249	417,077	11.9%	(26,285)	0	0	0	0	\$14.83
2015 4q	294	3,508,249	390,792	11.1%	9,788	0	0	0	0	\$15.21
2015 3q	294	3,508,249	400,580	11.4%	21,511	0	0	0	0	\$14.97
2015 2q	294	3,508,249	422,091	12.0%	27,757	0	0	0	0	\$14.73
2015 1q	294	3,508,249	449,848	12.8%	3,552	0	0	0	0	\$14.74
2014 4q	294	3,508,249	453,400	12.9%	13,400	1	8,800	0	0	\$14.80
2014 3q	293	3,499,449	458,000	13.1%	7,578	0	0	1	8,800	\$14.59
2014 2q	293	3,499,449	465,578	13.3%	(7,886)	0	0	1	8,800	\$14.88
2014 1q	293	3,499,449	457,692	13.1%	10,170	0	0	1	8,800	\$14.96
2013 4q	293	3,499,449	467,862	13.4%	14,251	0	0	0	0	\$15.37
2013 3q	293	3,499,449	482,113	13.8%	(16,688)	0	0	0	0	\$15.14
2013 2q	293	3,499,449	465,425	13.3%	(18,678)	0	0	0	0	\$15.21
2013 1q	293	3,499,449	446,747	12.8%	17,411	3	20,400	0	0	\$15.33

Source: CoStar Property®

# Syracuse Office Market

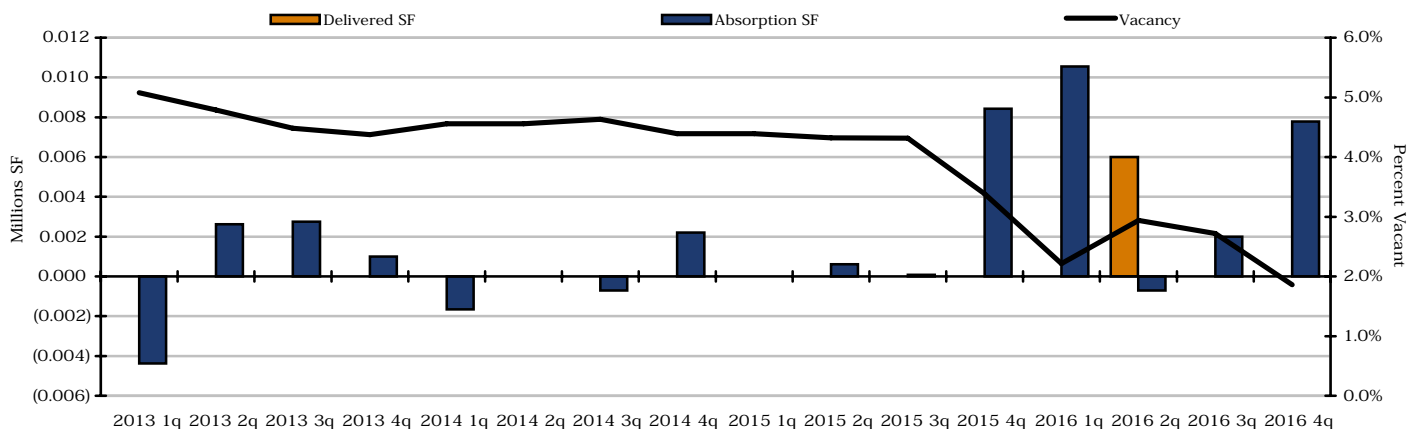


## Oswego County Market

Market Highlights - Class "A, B & C"

### Deliveries, Absorption & Vacancy

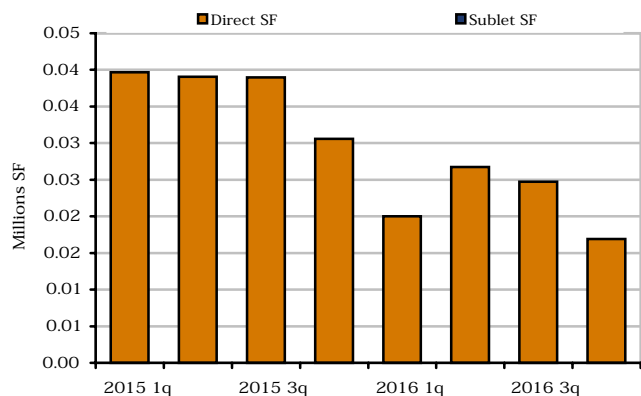
### Historical Analysis, All Classes



Source: CoStar Property®

### Vacant Space

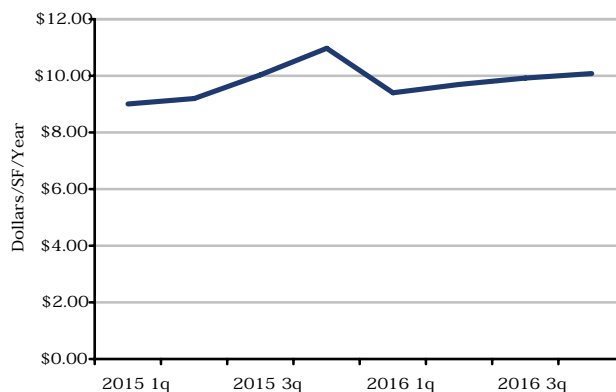
#### Historical Analysis, All Classes



Source: CoStar Property®

### Quoted Rental Rates

#### Historical Analysis, All Classes



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 4q	129	909,698	16,928	1.9%	7,789	0	0	0	0	\$10.08
2016 3q	129	909,698	24,717	2.7%	2,000	0	0	0	0	\$9.92
2016 2q	129	909,698	26,717	2.9%	(700)	1	6,000	0	0	\$9.69
2016 1q	128	903,698	20,017	2.2%	10,550	0	0	1	6,000	\$9.40
2015 4q	128	903,698	30,567	3.4%	8,422	0	0	1	6,000	\$10.97
2015 3q	128	903,698	38,989	4.3%	78	0	0	0	0	\$10.04
2015 2q	128	903,698	39,067	4.3%	611	0	0	0	0	\$9.19
2015 1q	128	903,698	39,678	4.4%	0	0	0	0	0	\$9.00
2014 4q	128	903,698	39,678	4.4%	2,200	0	0	0	0	\$9.44
2014 3q	128	903,698	41,878	4.6%	(700)	0	0	0	0	\$9.44
2014 2q	128	903,698	41,178	4.6%	0	0	0	0	0	\$7.84
2014 1q	128	903,698	41,178	4.6%	(1,658)	0	0	0	0	\$8.17
2013 4q	128	903,698	39,520	4.4%	1,000	0	0	0	0	\$8.88
2013 3q	128	903,698	40,520	4.5%	2,750	0	0	0	0	\$8.70
2013 2q	128	903,698	43,270	4.8%	2,623	0	0	0	0	\$7.63
2013 1q	128	903,698	45,893	5.1%	(4,368)	0	0	0	0	\$7.52

Source: CoStar Property®



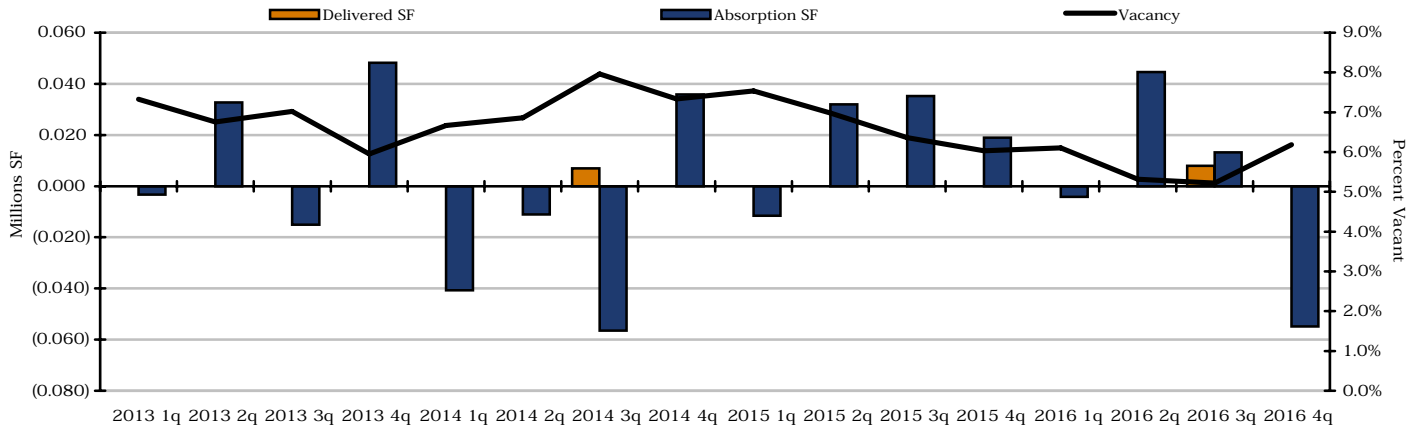
# Syracuse Office Market

SE Outer Onondaga County Market

Market Highlights - Class "A, B & C"

## Deliveries, Absorption & Vacancy

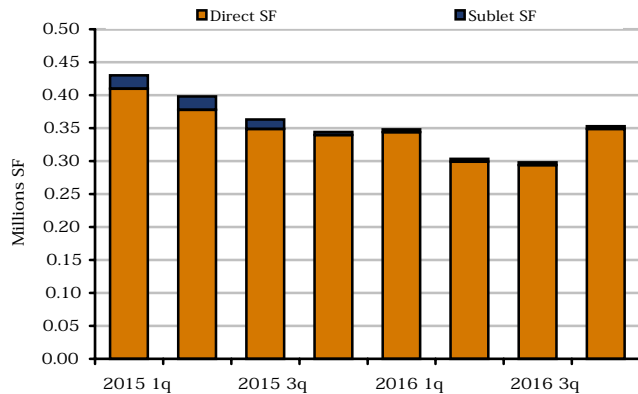
### Historical Analysis, All Classes



Source: CoStar Property®

## Vacant Space

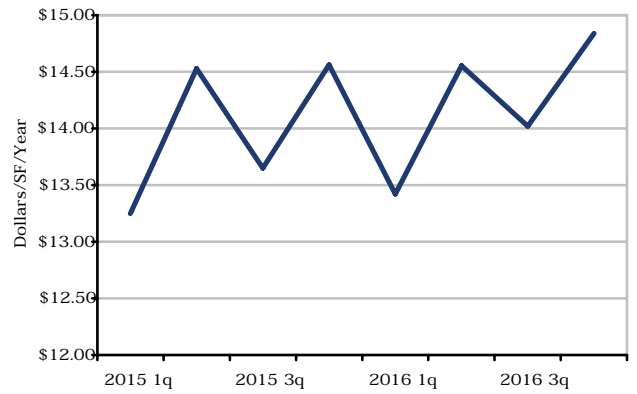
### Historical Analysis, All Classes



Source: CoStar Property®

## Quoted Rental Rates

### Historical Analysis, All Classes



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 4q	351	5,713,422	353,148	6.2%	(54,857)	0	0	0	0	\$14.84
2016 3q	351	5,713,422	298,291	5.2%	13,236	1	8,012	0	0	\$14.02
2016 2q	350	5,705,410	303,515	5.3%	44,558	0	0	1	8,012	\$14.55
2016 1q	350	5,705,410	348,073	6.1%	(4,132)	0	0	1	8,012	\$13.42
2015 4q	350	5,705,410	343,941	6.0%	18,973	0	0	1	8,012	\$14.56
2015 3q	350	5,705,410	362,914	6.4%	35,245	0	0	1	8,012	\$13.65
2015 2q	350	5,705,410	398,159	7.0%	32,037	0	0	0	0	\$14.53
2015 1q	350	5,705,410	430,196	7.5%	(11,586)	0	0	0	0	\$13.25
2014 4q	350	5,705,410	418,610	7.3%	35,828	0	0	0	0	\$14.70
2014 3q	350	5,705,410	454,438	8.0%	(56,490)	1	7,000	0	0	\$13.97
2014 2q	349	5,698,410	390,948	6.9%	(11,104)	0	0	1	7,000	\$14.51
2014 1q	349	5,698,410	379,844	6.7%	(40,753)	0	0	1	7,000	\$13.05
2013 4q	349	5,698,410	339,091	6.0%	48,187	0	0	1	7,000	\$16.11
2013 3q	350	5,712,126	400,994	7.0%	(15,048)	0	0	0	0	\$15.04
2013 2q	350	5,712,126	385,946	6.8%	32,728	0	0	0	0	\$15.83
2013 1q	350	5,712,126	418,674	7.3%	(3,295)	0	0	0	0	\$13.83

Source: CoStar Property®

# Syracuse Office Market

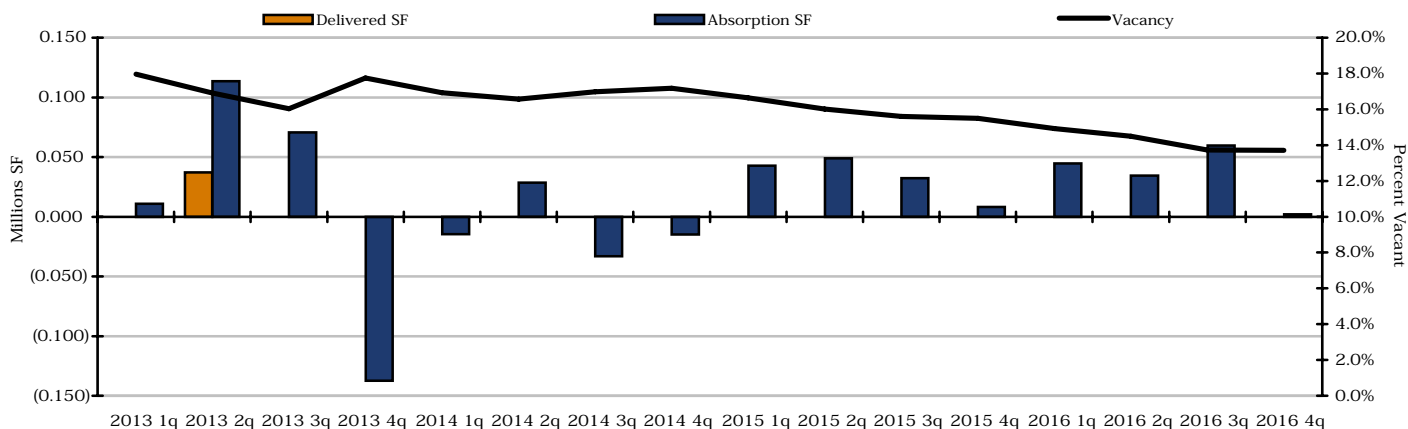


## Syracuse CBD Market

Market Highlights - Class "A, B & C"

### Deliveries, Absorption & Vacancy

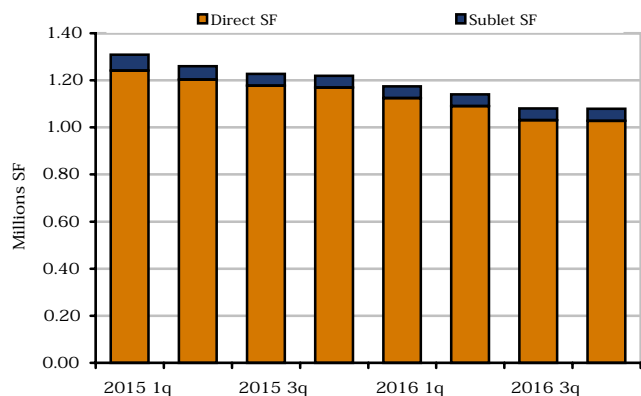
### Historical Analysis, All Classes



Source: CoStar Property®

### Vacant Space

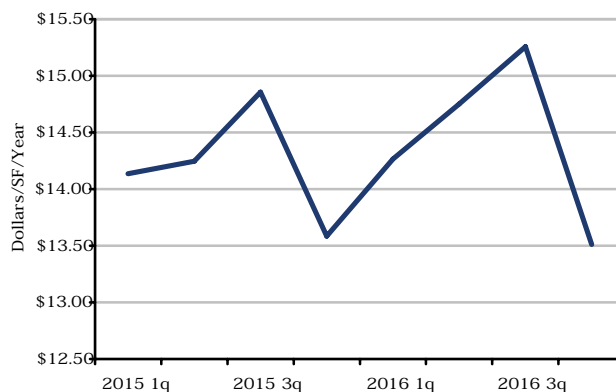
#### Historical Analysis, All Classes



Source: CoStar Property®

### Quoted Rental Rates

#### Historical Analysis, All Classes



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 4q	106	7,869,968	1,078,917	13.7%	1,953	0	0	0	0	\$13.51
2016 3q	106	7,869,968	1,080,870	13.7%	59,571	0	0	0	0	\$15.26
2016 2q	106	7,869,968	1,140,441	14.5%	34,570	0	0	0	0	\$14.75
2016 1q	106	7,869,968	1,175,011	14.9%	44,585	0	0	0	0	\$14.26
2015 4q	106	7,869,968	1,219,596	15.5%	8,200	0	0	0	0	\$13.59
2015 3q	106	7,869,968	1,227,796	15.6%	32,228	0	0	0	0	\$14.86
2015 2q	106	7,869,968	1,260,024	16.0%	48,978	0	0	0	0	\$14.25
2015 1q	106	7,869,968	1,309,002	16.6%	42,635	0	0	0	0	\$14.13
2014 4q	106	7,869,968	1,351,637	17.2%	(14,853)	0	0	0	0	\$13.65
2014 3q	106	7,869,968	1,336,784	17.0%	(33,145)	0	0	0	0	\$14.25
2014 2q	106	7,869,968	1,303,639	16.6%	28,461	0	0	0	0	\$13.71
2014 1q	106	7,869,968	1,332,100	16.9%	(14,692)	0	0	0	0	\$13.53
2013 4q	107	7,966,670	1,414,110	17.8%	(137,452)	0	0	0	0	\$14.20
2013 3q	107	7,966,670	1,276,658	16.0%	70,582	0	0	0	0	\$14.81
2013 2q	107	7,966,670	1,347,240	16.9%	113,422	1	37,000	0	0	\$14.19
2013 1q	106	7,929,670	1,423,662	18.0%	10,777	0	0	1	37,000	\$14.07

Source: CoStar Property®



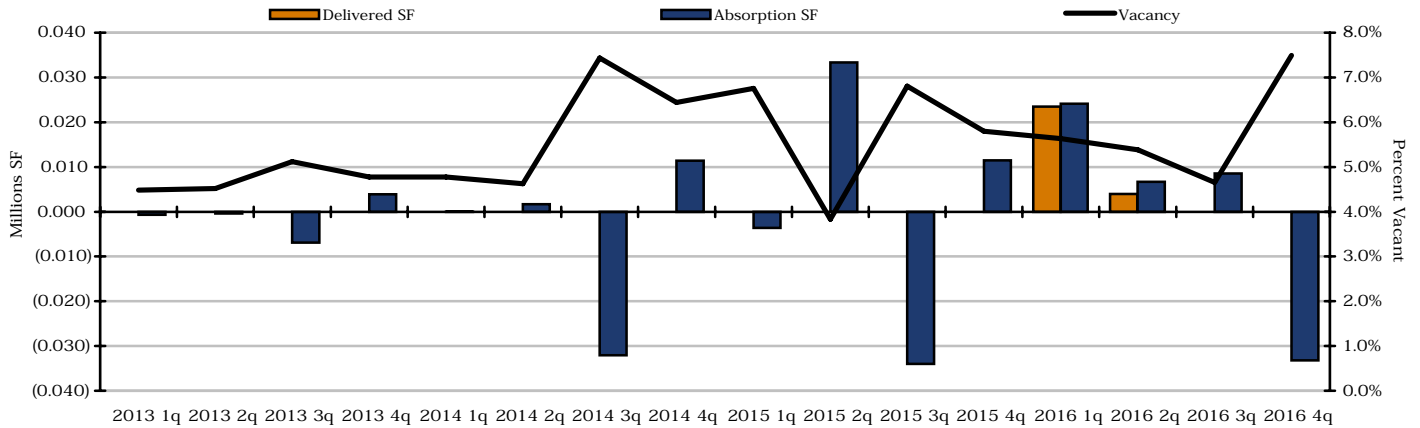
# Syracuse Office Market

## W Outer Onondaga County Market

Market Highlights - Class "A, B & C"

### Deliveries, Absorption & Vacancy

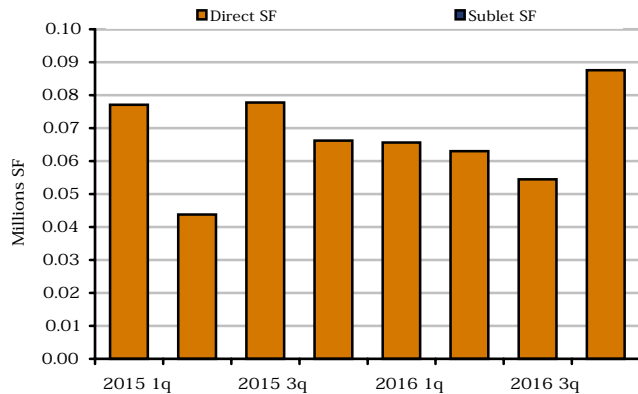
### Historical Analysis, All Classes



Source: CoStar Property®

### Vacant Space

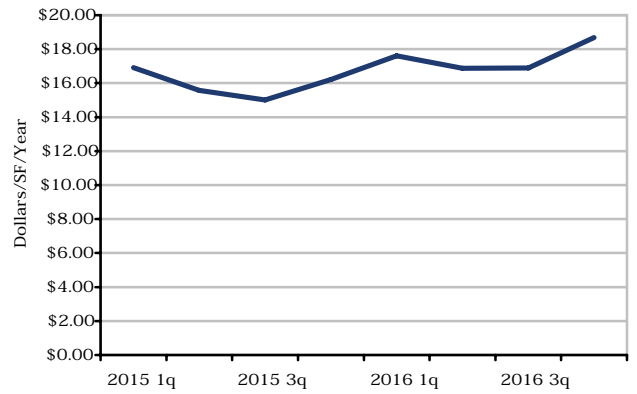
#### Historical Analysis, All Classes



Source: CoStar Property®

### Quoted Rental Rates

#### Historical Analysis, All Classes



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 4q	171	1,169,461	87,617	7.5%	(33,190)	0	0	0	0	\$18.68
2016 3q	171	1,169,461	54,427	4.7%	8,565	0	0	0	0	\$16.89
2016 2q	171	1,169,461	62,992	5.4%	6,650	1	4,000	0	0	\$16.87
2016 1q	170	1,165,461	65,642	5.6%	24,104	2	23,510	1	4,000	\$17.60
2015 4q	168	1,141,951	66,236	5.8%	11,500	0	0	3	27,510	\$16.22
2015 3q	168	1,141,951	77,736	6.8%	(33,976)	0	0	3	27,510	\$15.00
2015 2q	168	1,141,951	43,760	3.8%	33,363	0	0	3	27,510	\$15.58
2015 1q	168	1,141,951	77,123	6.8%	(3,596)	0	0	0	0	\$16.92
2014 4q	168	1,141,951	73,527	6.4%	11,383	0	0	0	0	\$15.21
2014 3q	168	1,141,951	84,910	7.4%	(32,064)	0	0	0	0	\$12.42
2014 2q	168	1,141,951	52,846	4.6%	1,693	0	0	0	0	\$12.13
2014 1q	168	1,141,951	54,539	4.8%	8	0	0	0	0	\$14.77
2013 4q	168	1,141,951	54,547	4.8%	3,907	0	0	0	0	\$13.53
2013 3q	168	1,141,951	58,454	5.1%	(6,871)	0	0	0	0	\$13.59
2013 2q	168	1,141,951	51,583	4.5%	(374)	0	0	0	0	\$12.30
2013 1q	168	1,141,951	51,209	4.5%	(673)	0	0	0	0	\$13.91

Source: CoStar Property®

# Syracuse Office Market

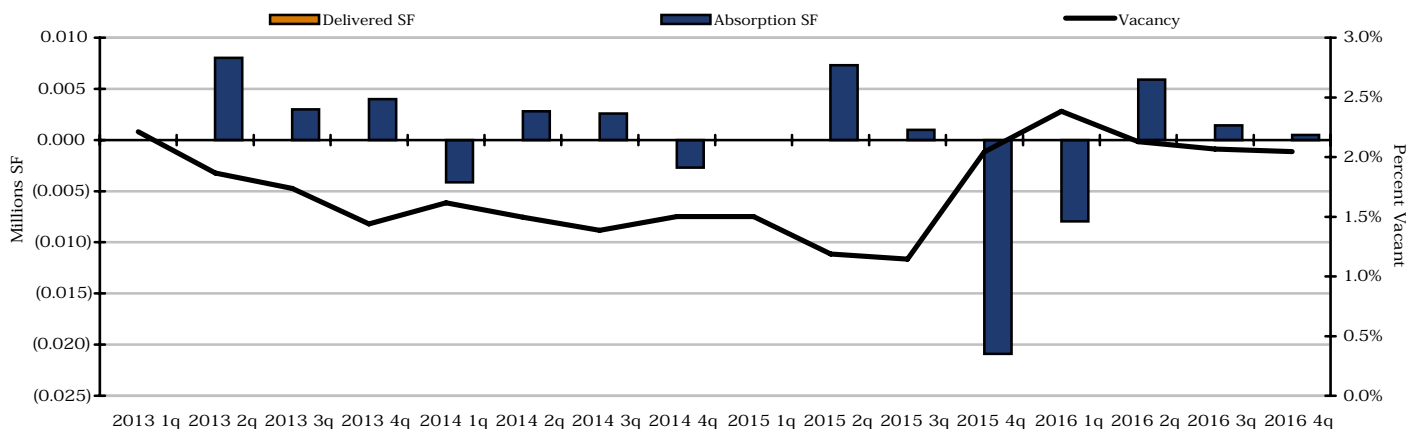


## Watertown Market

Market Highlights - Class "A, B & C"

### Deliveries, Absorption & Vacancy

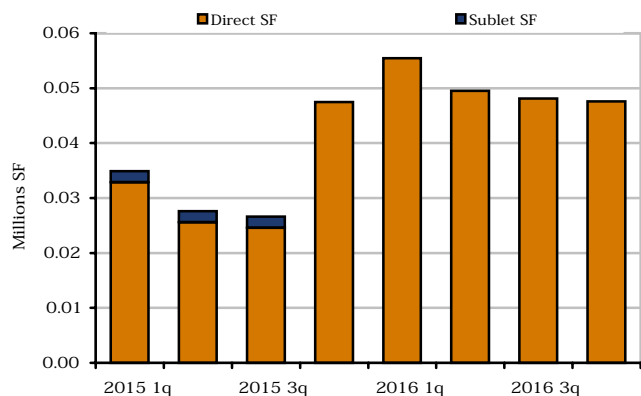
### Historical Analysis, All Classes



Source: CoStar Property®

### Vacant Space

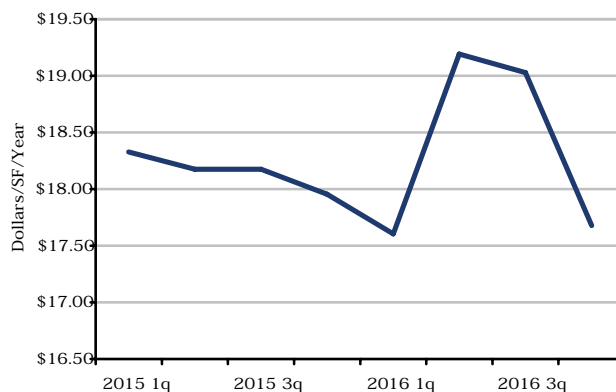
### Historical Analysis, All Classes



Source: CoStar Property®

### Quoted Rental Rates

### Historical Analysis, All Classes



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 4q	176	2,325,657	47,592	2.0%	500	0	0	0	0	\$17.68
2016 3q	176	2,325,657	48,092	2.1%	1,425	0	0	0	0	\$19.03
2016 2q	176	2,325,657	49,517	2.1%	5,918	0	0	0	0	\$19.19
2016 1q	176	2,325,657	55,435	2.4%	(7,941)	0	0	0	0	\$17.61
2015 4q	176	2,325,657	47,494	2.0%	(20,900)	0	0	0	0	\$17.95
2015 3q	176	2,325,657	26,594	1.1%	1,000	0	0	0	0	\$18.17
2015 2q	176	2,325,657	27,594	1.2%	7,311	0	0	0	0	\$18.17
2015 1q	176	2,325,657	34,905	1.5%	0	0	0	0	0	\$18.33
2014 4q	176	2,325,657	34,905	1.5%	(2,695)	0	0	0	0	\$19.47
2014 3q	176	2,325,657	32,210	1.4%	2,600	0	0	0	0	\$16.56
2014 2q	176	2,325,657	34,810	1.5%	2,800	0	0	0	0	\$16.59
2014 1q	176	2,325,657	37,610	1.6%	(4,146)	0	0	0	0	\$13.53
2013 4q	176	2,325,657	33,464	1.4%	4,000	0	0	0	0	\$19.58
2013 3q	177	2,328,657	40,464	1.7%	3,000	0	0	0	0	\$15.84
2013 2q	177	2,328,657	43,464	1.9%	8,019	0	0	0	0	\$12.53
2013 1q	177	2,328,657	51,483	2.2%	0	0	0	0	0	\$12.48

Source: CoStar Property®