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COVERING THE ENTIRE STATE OF NEW YORK

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Upstate apartment market attracting national attention

Throughout the '90s apartment investors were preoccupied with a myriad of opportunities centered mostly around the major cities of the U.S. With a herd mentality, investors heard about all the cheap properties in Houston after its comeback from the real estate crash of the mid '80s.

Investors heard about Atlanta as the place to be. They heard about the tight, safe and secure market places of California, and they heard about the hot tech areas of Seattle and the like. Until now they never heard about Upstate N.Y. above the thundering din of the herd.

After more than a decade of watching these markets benefit from all the attention, I am pleased to say things are changing. The second



and third tier cities of the Rust Belt once below the radar of national investors are now in their sights and I am beginning to hear the sound of hoof beats. Why? Three things happened that have led to the emergence of Upstate New York as a viable if not hot investment destination.

One, the stock market plunge of two years ago sent money fleeing into other investment vehicles.

Two, CDs, money mar-

kets, and savings accounts are paying a paltry 1% to 2% which means that money held in these accounts though safe, is effectively rotting in my opinion.

Three, due to one and two there is now a tremendous amount of investment dollars looking for a home. This money has already soaked up properties in the traditionally aforementioned hot cities which have sent cap rates and return on invested cash in these locations to record lows.

Not that apartment performance in this area has significantly improved in recent months, but by comparison apartment investments in our marketplace are looking very tasty right now and will for some years to come. It also does not hurt that word of the DestiNY USA mall here in Syracuse is now mak-

ing its way around the country. Projected to be the largest mall in the country and tourist destination as well, it is already generating a lot of excitement from speculative investment from as far as the West Coast.

As an apartment brokerage specialist I am secure in the knowledge that even in recessionary times like we are now enduring I will always be very busy.

Offices, warehouses and retail stores may go vacant due to economic cutbacks which will negatively impact these investment, but people always have to live someplace. Apartments in any economy have proven to be the safest and most resilient form of real estate investment.

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