

Camden's office market is on the rise as vacancies decline and rents increase

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When Sporttrade, a startup that has developed an app that provides a trading exchange for sports bets, went looking for its first office that would also serve as its headquarters, the company debated whether to have two locations.

It knew one would be in New Jersey, a leader in the sports betting industry and has a regulation that requires a certain number of employees to be located in the state. Sporttrade has 50 employees throughout the region and the company had to figure out if and where it would have a second office. That issue was resolved when it toured space at Two Aquarium Drive in the city of Camden.

“We found the waterfront spot and as we walked into the space, we saw the views,” said [Alex Kane](#), CEO of Sporttrade. “You could catch yourself daydreaming looking at the water and Center City.”

While Camden does some of the best views of the Philadelphia skyline, locating its headquarters in 8,000 square feet in the city provides Sporttrade other benefits. “We can still attract Philadelphia talent and it allows us to stay regulatory compliant,” Kane said. “It’s the best of both worlds.”

The company also expects to eventually tap into a new economic incentive program called the New Jersey Economic Recovery Act.

Sporttrade is among those firms that have moved to Camden and made office space scarce in the city. The vacancy rate in Camden is in the single digits — compared with the county where it stands at more than 18%, according to Cushman & Wakefield data — and rents are on the rise and higher than they have ever been. At Bridgeview, rents are \$26.50 a square foot and at the Ferry Terminal building they are in the low \$30s a square foot. In most cases, they range between \$28 to \$35 a square foot, according to Cushman & Wakefield.

“I keep raising rents at One Port Center,” said [Anne Klein](#), executive managing director at Newmark. “I had one suite available and two prospects for it. There’s a strong market for smaller office space in Camden.”

This is an unprecedented time for Camden’s office market and reasons vary for why space is as tight as it is. Some firms want to be in Camden to do government work and find the proximity to City Hall necessary and space less expensive than in Cherry Hill. The waterfront, which has seen an infusion in recent years of new development — from build-to-suit office buildings, a hotel and apartments — has also attracted companies.

“I think tenants were too scared of Camden until they were able to redevelop the waterfront,” Klein said.

Some firms may also be positioning themselves for to apply for the new state incentive program that provides companies with various funds if they meet certain job growth and other requirements.

“We haven’t seen the impact of that yet but it seems like activity is picking up in Camden,” said [Kirk Miller](#), senior director with Cushman & Wakefield. “There aren’t a tremendous amount of options in Camden. We have companies that want to go to Camden but we can’t find anything.”

That said, the demand hasn’t sparked discussions of any new office developments but space may eventually come to the market that could accommodate some of the demand.

“With all of these build-to-suits, how much of that might be available from phantom space as companies come back and decide they don’t all of the space they took,” Miller said. “We will know about that in a few months and perhaps into next year.”

The space Sporttrade took is a little bigger than it needs but Kane anticipates the company growing. Last month, the company indicated it had raised \$36 million from investors and intends to use the funding to expand into new states, hire additional staff and market its sports betting app that is scheduled to be released in New Jersey later this year. In the meantime, the company is getting its new offices fit out and expects to move in September.

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