

MARKETBEAT

ROCHESTER INDUSTRIAL REPORT

A CUSHMAN & WAKEFIELD ALLIANCE RESEARCH PUBLICATION



2Q10

AT A GLANCE

- Monroe County released a low interest loan program for small manufacturers. The county will lend manufacturers 10% of equipment costs up to \$100,000 at 1% interest. The program is designed to help smaller manufacturers deal with the expensive costs of equipment purchases. The program may also be incentive to get manufacturers to move to Monroe County.
- Garden Trends Inc, a local seed company purchased their 48,530-square foot building on Paul Road in the Southwest market. The company who was previously leasing the building opted to purchase the building in May.
- The Rochester industrial market has remained fairly steady over the second quarter of 2010. The overall vacancy rate climbed slightly to 11.7%, up only 0.1% from the end of the first quarter. As the market begins to rebound companies are beginning to assess their needs and starting to become interested about what the market can offer to improve their situation.

ECONOMIC INDICATORS

National	2009	2010F	2011F
GDP Growth	-2.4%	3.1%	3.9%
CPI Growth	-0.3%	1.8%	2.1%
Regional			
Unemployment	7.9%	8.2%	8.2%
Employment Growth	-1.9%	0.7%	0.6%

BEAT ON THE STREET

"The industrial market seems to be heading in the right direction, vacancy rates are starting to decrease, and companies are starting to realize the potential for their businesses within the market. Rochester provides many strong opportunities for companies looking to grow, or to improve their current position."

—Ryan O'Rourke, Director, Marketing & Research

MARKET HIGHLIGHTS

SIGNIFICANT 1Q10 NEW LEASE TRANSACTIONS

BUILDING	TENANT	SF	PROPERTY TYPE
89 South Main Street	Sandman	16,700	W/D
156 University Avenue	Rochester Housing Authority	11,441	W/D
1555 Lyell Avenue	TSY	9,000	W/D

SIGNIFICANT 2Q10 SALE TRANSACTIONS

BUILDING	BUYER	SF	PURCHASE PRICE
355 Paul Road	Garden Trends Inc	48,530	\$2,949,000
691 Exchange Street	Nordon	41,222	\$1,081,950
80 Excel Drive	MACAUTO USA	14,950	\$620,000

SIGNIFICANT 2Q10 CONSTRUCTION COMPLETIONS

BUILDING	MAJOR TENANT	SF	COMPLETION DATE
N/A			

SIGNIFICANT PROJECTS UNDER CONSTRUCTION

BUILDING	MAJOR TENANT	SF	COMPLETION DATE
Advantech Headquarters	Advantech Industries	120,000	8/10

MARKET STATISTICS

MARKET/ SUBMARKET	INVENTORY	OVERALL VACANCY RATE	DIRECT WEIGHTED AVERAGE NET RENTAL RATE*			
			HT	MF	OS	W/D
City	30,074,001	7.2%	\$7.25	\$5.50	N/A	\$3.00
Suburban	42,635,173	14.5%	\$7.25	\$5.50	N/A	\$3.00
TOTAL	72,709,174	11.7%	\$7.25	\$5.50	N/A	\$3.00

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*Market terms & definitions based on BOMA and NAIOP standards.

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