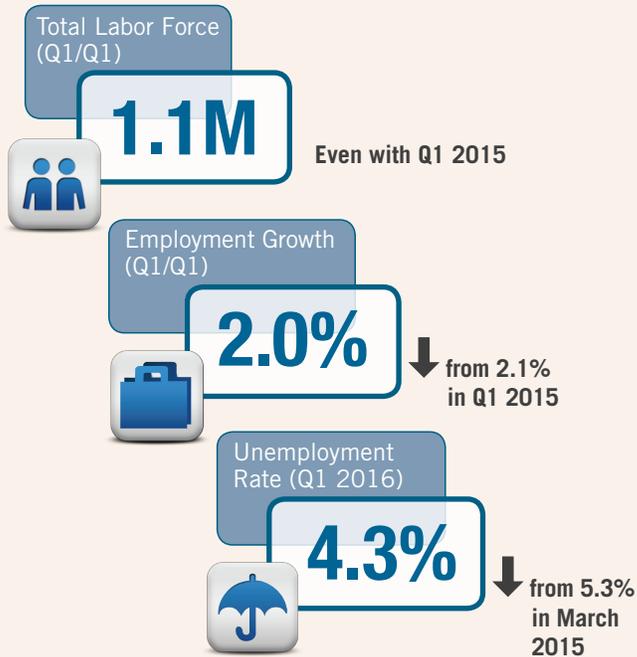


# QUARTERLY ECONOMIC REPORT

MAY 2016



1st Qtr Hudson Valley News & Notes

**Laurence P. Gottlieb**  
President and CEO  
Hudson Valley Economic Development Corp.

## Hudson Valley Labor Market Maintains Positive Trajectory

The first quarter of 2016 saw continuing improvements in the Hudson Valley labor market. While the overall labor force in the region has decreased by 55,400 in the past year, overall unemployment is down to 4.3 percent, a decrease of a full percentage point from the first quarter of 2015. Sullivan, Dutchess and Ulster counties experienced the largest decreases in unemployment as compared to the first quarter of 2015, with Dutchess County seeing a substantial drop (1.3 percentage points.)

Overall job creation in the Hudson Valley is also on the rise, with 19,000 new jobs reported across the region over the 12-month period ending in March 2016. This represents a 2.5 percent increase in area jobs. Natural resources, mining and construction remains the region's key driver of job growth. Its 17.1 percent growth rate is the fastest on record since 1991.

### Job Gains (last 12 months) & Industry Drivers

#### WESTCHESTER

**+8,531** jobs (March 2015: +8,950)  
Professional/Business Services, Natural Resources/  
Mining, Education/Health Services



#### ORANGE-ROCKLAND

**+5,273** jobs (March 2015: +3,690)  
Education/Health Services, Leisure/Hospitality,  
Government



#### SULLIVAN-ULSTER

**+1,050** jobs (March 2015: +3,690)  
Education/Health Services, Professional/Business  
Services, Other Services



#### DUTCHESS-PUTNAM

**+1,800** jobs (March 2015: +950)  
Education/Health Services, Government,  
Manufacturing



**Total Jobs +16,654**  
(March 2015: +15,091)

#### Other news of note:

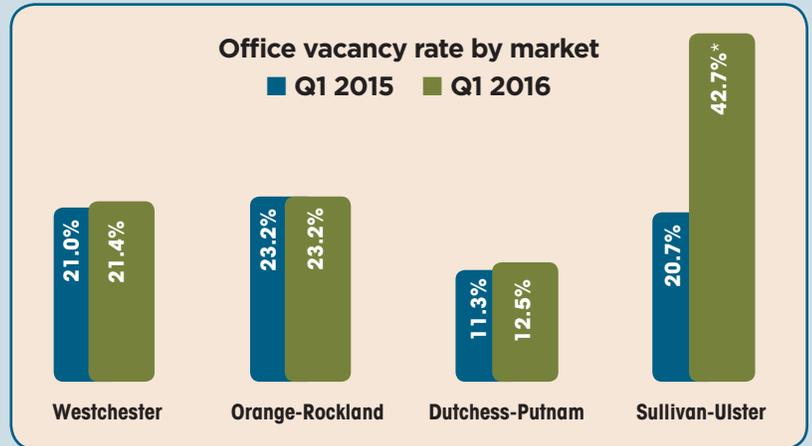
- Fareri Associates, based in Greenwich, Conn., announced plans to invest \$1.2 billion in the development of the North 60 site in Valhalla, Westchester County. The project is slated to include a biotechnology research facility, a children's science center, medical offices, a hotel, retail stores and restaurants.
- A lot is happening in health care. St. Luke's Cornwall Hospital in Newburgh announced a strategic partnership with Montefiore Health System to provide stronger health care services to Orange County residents. New York-Presbyterian Lawrence Hospital in Bronxville opened a new \$60 million, 40,000-square-foot cancer facility in March, featuring onsite radiation treatment, infusion stations and a pharmacy, allowing for more comprehensive cancer treatment services. Westchester Medical Center announced plans for a \$230 million expansion of its Valhalla campus, in the form of a 280,000-square-foot ambulatory care pavilion geared toward outpatient health care services. A major expansion and renovation at Nyack Hospital will include a new 16,300-square-foot addition to its emergency facilities, as well as modifications to 23,300 square feet of existing space.

## Overview

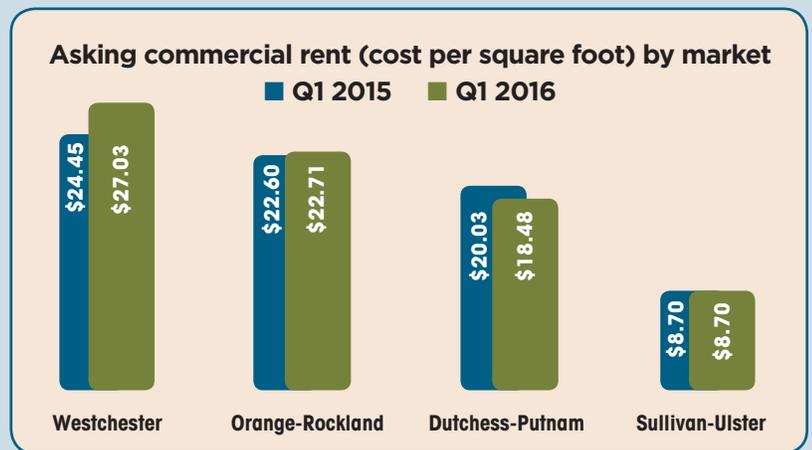
- Westchester experienced some major tenant move-outs in 2015, but 2016 has already seen, and is expected to see continued renewals from existing tenants, as well as increases in health care transactions.
- The Dutchess-Putnam and Orange-Rockland markets seem to remain stable, indicating a healthy economic environment.
- The largest jump in vacancy rates took place in Sullivan and Ulster counties, where there was an increase from 20.7 percent in Q1 2015 to 42.7 percent in Q1 2016.

## Things to watch

- Columbia Hospital signed a 20-year deal for 50,000 square feet of space at 15 N. Broadway in White Plains.
- In February, it was disclosed that the Ritz Carlton office building (65,600 square feet) will be sold for \$20.7 million.
- Sullivan County, which has experienced a drop in vacancy and low asking rents, is launching an economic and social improvement initiative. Spearheaded by the Sullivan County Legislature, it is an effort to improve the health and wealth of county residents over the next five years. If implemented, the business climate in Sullivan County could drastically change for the better.



\* One-time lease expiration at a major location.



## About Hudson Valley Economic Development Corporation (HVEDC)

HVEDC is the leading economic development agency for the seven-county region of Westchester, Putnam, Dutchess, Rockland, Orange, Ulster and Sullivan counties. The public-private partnership markets the region as a prime business location to corporate executives, site selection consultants and real estate brokers. HVEDC created the branding and promotional efforts for industry cluster initiatives Hudson Valley 3D Printing, the Hudson Valley Food & Beverage Alliance, NY BioHud Valley, Hudson Valley EDs & MEDs and Hudson Valley PLAY. For more information or to review available business sites, visit HVEDC's website or contact CEO Laurence P. Gottlieb.

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## About JLL Research

JLL's research team delivers intelligence, analysis, and insight through market-leading reports and services that illuminate today's commercial real estate dynamics and identify tomorrow's challenges and opportunities. Our 300 professional researchers track and analyze economic and property trends and forecast future conditions in over 60 countries, producing unrivaled local and global perspectives. Our research and expertise, fueled by real-time information and innovative thinking around the world, creates a competitive advantage for our clients and drives successful strategies and optimal real estate decisions.

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