

# HVEDC - JONES LANG LASALLE

# QUARTERLY ECONOMIC REPORT

October 2013



## Hudson Valley Labor Market



Total Labor Force (August)

**1.2M**

↑ from 1.1M in EOY 2012



Employment Growth (Q3/Q3)

**1.4%**

↑ from 1.3% in 2012



Unemployment Rate (August)

**6.6%**

↓ from 7.4% in 2012



**Laurence P. Gottlieb**  
President and CEO  
HVEDC

## Hudson Valley Continues Job Growth

This past quarter, the Hudson Valley experienced a healthy degree of employment growth at 1.4 percent, with a total labor force of about 1.2 million workers — up slightly from the end of last year. This growth was about equal to what the region saw in the second quarter.

Among counties, Westchester gained the most jobs in the third quarter as 7,765 were added, with the areas of professional services, education and health care seeing the biggest increase. Westchester eclipsed Rockland-Orange with the strongest overall employment growth rate at 1.8 percent in the third quarter over a year ago.

### Other news of note:

- The Mid-Hudson Regional Economic Development Council has included the Hudson Valley Advanced Manufacturing Center at the State University of New York at New Paltz as a top priority project recommended for state funding. The funding for this HVEDC-led initiative will allow SUNY New Paltz to construct a 7,500-square-foot facility on campus and purchase additional 3D printing equipment.
- Mediacom Communications – the eighth-largest cable company in the U.S. – held its grand opening in late September for its new \$43.9 million complex in Orange County. The new 110,000-square-foot office building is home to Mediacom's 300-person corporate staff, which includes 50 full-time positions added since June.
- The Hudson Valley is emerging as a major hub for world-class craft breweries, distilleries, wineries and cider farms. HVEDC's Hudson Valley Food & Beverage Alliance is hosting its first Beer, Wine and Spirits Summit from 7:30 to 10:30 a.m. Oct. 31 at The Culinary Institute of America. Contact Gina Domenico at [gdomenico@hvedc.com](mailto:gdomenico@hvedc.com).

Job Gains (last 12 months)  
& Industry Drivers

**WESTCHESTER COUNTY**  
**+ 7,765** jobs  
Professional and business services; education and healthcare



**ROCKLAND-ORANGE**  
**+ 3,889** jobs  
Education and healthcare; leisure and hospitality



**DUTCHESS-PUTNAM**  
**+ 1,074** jobs  
Leisure and hospitality; trade, transportation and utilities



**SULLIVAN-ULSTER**  
**+ 160** jobs  
Trade, transportation and utilities; leisure and hospitality



# Hudson Valley Q3 2013

## Overview

- Vacancy rates were slightly elevated for all submarkets when compared with the second quarter.
- The Orange-Rockland submarket maintains the lowest vacancy rate but increased slightly to 14.7 percent in the third quarter of 2013.
- The vacancy rate declined the most since year-end 2012 in the Dutchess-Putnam submarket due to the sales of 600 and 640 Auditorium Drive to Linuo Solar Group for full occupancy.
- Westchester County recorded just more than 300,000 square feet transacted, down nearly 50 percent from the second quarter.

## Things to watch

- Commercial rental rates were up in all submarkets with the exception of Dutchess-Putnam.
- There has been a recent firming in rental rates in spite of an elevated vacancy, which could indicate the start of a shift toward a neutral market.
- More than 1 million square feet in office-building repurposing continues to help firm supply-side fundamentals. There is the possibility of a mass rezoning along the Westchester Avenue/Interstate 287 Corridor that could lead to more conversions.
- The Orange-Rockland submarket bottomed, but transactions are still dominated by renewals.

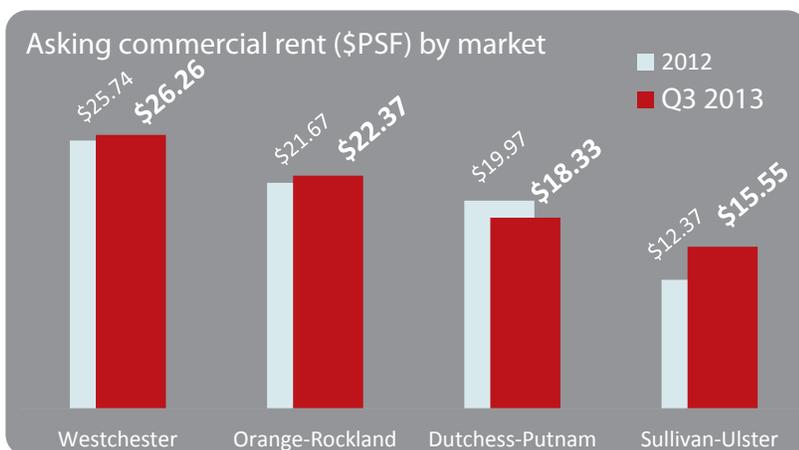
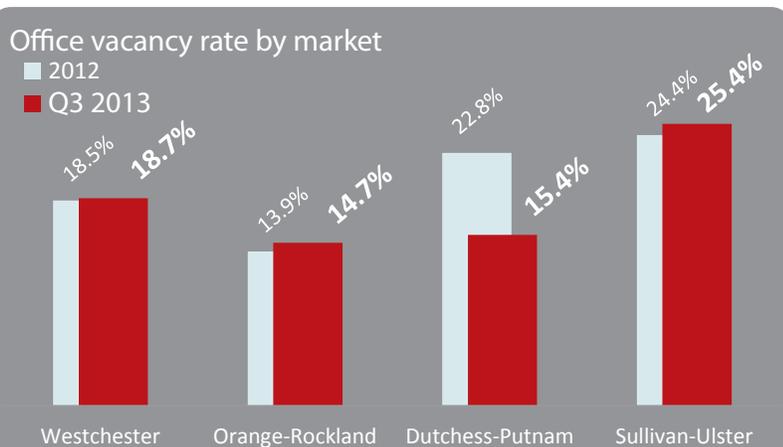
## About Hudson Valley Economic Development Corporation (HVEDC)

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 and NY BioHud Valley. For more information or to review available business sites, visit [www.hvedc.com](http://www.hvedc.com) or call CEO Laurence P. Gottlieb at 845-220-2244.

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## About Jones Lang LaSalle Research

Jones Lang LaSalle'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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