

# Quarterly Economic Report

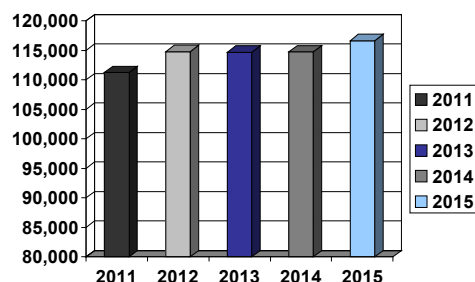
Rochester Area Economic Development, Inc. (RAEDI)

Fourth Quarter, 2015

## Total Employment Up At Year-End

Nonagricultural wage and salary employment for the Rochester MSA grew over the last year at a rate of 1.7 percent. The gain of 1,900 jobs brought the total employment figure up to 116,626 from last year's December level of 114,726. Both service providing and goods producing reported increases for the year.

Total Employment Fourth Quarter



## Rochester MSA Employment Past 5 Years

	<u>Dec.</u> <u>2011</u>	<u>Dec.</u> <u>2012</u>	<u>Dec.</u> <u>2013</u>	<u>Dec.</u> <u>2014</u>	<u>Dec.</u> <u>2015</u>
<b>Total Employment</b>					
Nonfarm	111,249	114,801	114,664	114,726	116,626
<b>Goods Producing</b>					
Construction, Mining, Logging	3,441	3,590	3,841	4,065	4,200
Manufacturing	11,189	11,259	10,711	10,831	10,786
<b>Service Providing</b>					
Wholesale Trade	2,712	2,808	2,746	2,694	2,868
Retail Trade	12,226	12,580	12,732	12,419	12,668
Transportation/Warehousing	2,680	2,712	2,861	2,913	2,824
Information	1,707	1,725	1,935	1,985	1,993
Financial Activities	2,636	2,746	2,832	2,699	2,673
Professional/Business Services	5,358	5,721	5,813	5,682	5,555
Educational/Health	44,224	45,774	45,257	45,260	47,117
Leisure/Hospitality	9,301	9,611	9,763	9,890	9,379
Other Services	3,593	3,928	3,715	3,731	3,810
Government	12,182	12,347	12,458	12,655	12,753

Source: Minnesota Department of Employment & Economic Development

## Unemployment

The Rochester MSA unemployment rate decreased by .2 percent from one year ago ending at 2.9 percent for the 2015 year. The Rochester average remains well below the state and U.S. averages of 3.7 and 4.8 percent respectively.

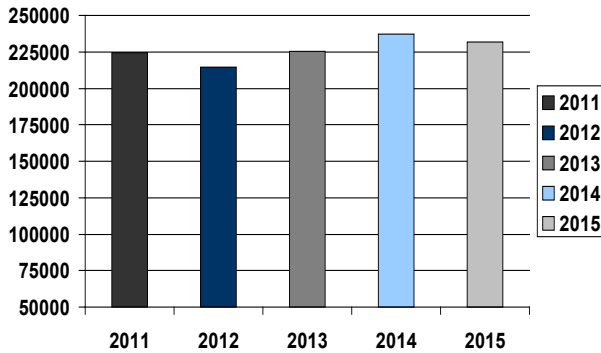
The December labor force figure of 117,401 represents a increase of .6 percent from the December 2014 figure of 116,698.

## Unemployment Rates Past 5 Years Fourth Quarter- Rochester MSA

<u>Rochester</u>	<u>Minnesota</u>	<u>United States</u>
2011 4.8%	2011 5.8%	2011 8.3%
2012 4.5%	2012 5.4%	2012 7.6%
2013 3.8%	2013 4.6%	2013 6.5%
2014 3.1%	2014 3.6%	2014 5.4%
2015 2.9%	2015 3.7%	2015 4.8%

Source: Minnesota Department of Employment & Economic Development

### Airport Passenger Traffic Annual Comparison



### Quarterly Airport Traffic

The Rochester International Airport serviced 231,966 passengers during 2015. This is a decrease of 2.4 percent over 2014 (237,341), and an increase of 2.8 percent over 2013 (225,560).

Air cargo shipments were up 9.5 percent from a year ago.

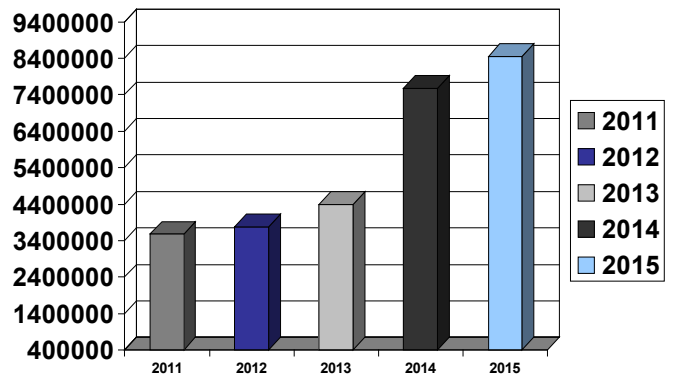
*Source: Airport Manager*

### Hotel/Motel Sales Tax - City of Rochester

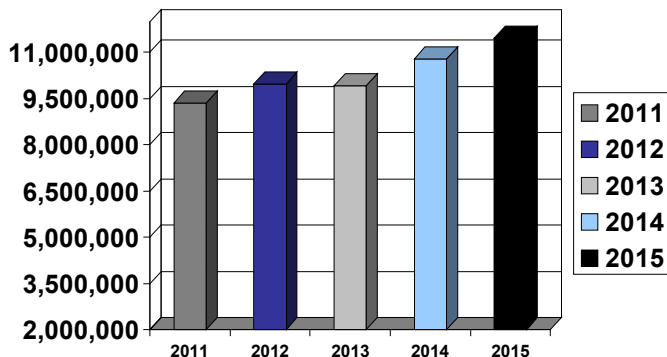
Dec 2010-Nov 2011	\$3,579,634.47
Dec 2011-Nov 2012	\$3,772,918.83
Dec 2012-Nov 2013	\$4,399,969.76
Dec 2013-Nov 2014	\$7,582,701.64
Dec 2014-Nov 2014	\$8,441,798.12

*Source: City of Rochester Finance Department*

### Hotel/Motel Sales Tax – Past 5 Years



### Net Sales Tax – Past 5 Years

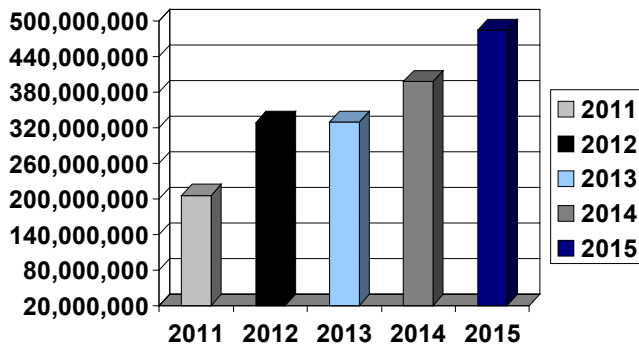


### Net Sales Tax - City of Rochester

Dec 2010-Nov 2011	\$ 9,350,033.62
Dec 2011-Nov 2012	\$ 9,977,258.93
Dec 2012-Nov 2013	\$ 9,903,189.71
Dec 2013-Nov 2014	\$10,759,923.16
Dec 2014-Nov 2015	\$11,446,003.73

*Source: City of Rochester Finance Department*

## Fourth Quarter Commercial & Residential Valuation Comparison



## Commercial and Residential Building Permits Past 5 Years

	<u>Valuation</u>	<u>Total Permits</u>
2015	\$484,095,237	2,383
2014	\$397,772,603	2,358
2013	\$329,111,548	2,232
2012	\$329,039,136	2,141
2011	\$205,584,912	1,928

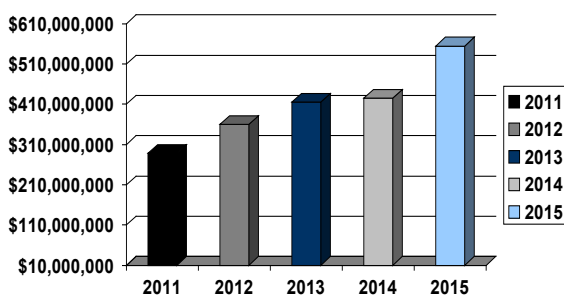
Source: Building Safety - City of Rochester

## Fourth Quarter Building Activity

Commercial and residential building permits issued for 2015 totaled \$484,095,237. Permit totals were up 21.7 percent from a year ago, 47 percent over 2013, 47.1 percent over 2012 and 135.5 percent over 2011.

Permits over \$1 million during fourth quarter 2015 included: new 3-story 15,510 sq ft bank (West Bank), partial phase footing & foundation for new 96-unit 3-story apartment building (The Pines Apartments), restoration & change of use to existing building (Conley Building), partial phase structural steel & roof with precast concrete for new 96,467 Pepsi warehouse, alterations to PACU at St. Mary's, new 3-story 99,983 sq foot, 67-unit apartment building (Eastwood Ridge), new 130,000 sq ft 5-story 84-unit apartment building (501 on 1st Apartments), and a new 15-unit 3-story apartment building (Oliver Apartments).

## Annual MLS Sales Comparison



## Home Sales Fourth Quarter - Past 5 Years

	<u>Total Sales</u>	<u>Average Sold Price</u>	<u>Units Sold</u>
2015	\$554,558,045	\$209,341	2,651
2014	\$425,200,005	\$197,951	2,148
2013	\$415,276,440	\$187,061	2,220
2012	\$366,902,970	\$175,191	2,042
2011	\$298,836,293	\$174,859	1,651

Source: SE Minnesota Association of Realtors

## 2015 Home Sales

Sales of single family homes in Rochester were \$554,558,045 in 2015. This represents increases of 30.4 percent over 2014, 33.5 percent over 2013, 42.3 percent over 2012, and 51.2 percent over 2011.

The average home in Rochester sold for \$209,341 during fourth quarter 2015, and the median sale price was \$175,900. There were 2,651 units sold and the average time on the market was 65 days.

Source: SE Minnesota Association of Realtors

# RAEDI

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