

Quarterly Economic Report

Rochester Area Economic Development, Inc. (RAEDI)

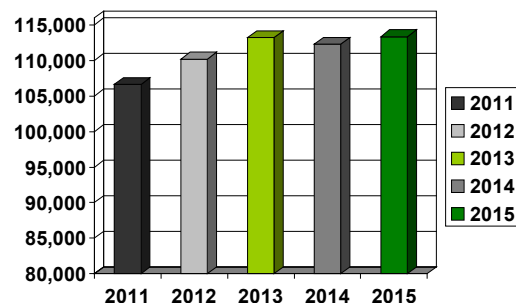
First Quarter, 2015

Total Employment

Nonagricultural wage and salary employment for the Rochester MSA increased by .94 percent over the last year. The gain of 1,056 jobs brought the total employment figure to 113,334 from the March 2014 level of 112,278. Both Goods Producing and Service Providing reported gains in the last year.

Beginning in first quarter 2015, the federal government defined the Rochester Metropolitan Statistical Area (MSA) as four counties including Dodge, Wabasha, Olmsted and Fillmore.

Total Employment First Quarter



Rochester MSA Employment Past 5 Years

	<u>March 2011</u>	<u>March 2012</u>	<u>March 2013</u>	<u>March 2014</u>	<u>March 2015</u>
Total Employment	106,642	110,207	113,220	112,278	113,334
Goods Producing					
Construction, Mining, Logging	2,778	3,051	3,207	3,402	3,656
Manufacturing	10,922	11,277	11,112	10,808	10,668
Service Providing					
Wholesale Trade	2,637	2,740	2,739	2,500	2,528
Retail Trade	11,241	11,505	12,066	11,832	11,814
Transportation/Warehousing	2,557	2,539	2,738	2,826	3,014
Information	1,584	1,683	1,744	1,998	2,037
Financial Activities	2,791	2,626	2,792	2,746	2,759
Professional/Business Services	5,096	5,253	5,794	5,702	5,557
Educational/Health	42,763	44,163	45,550	44,792	44,878
Leisure/Hospitality	8,762	9,426	9,450	9,571	9,995
Other Services	3,561	3,789	3,842	3,590	3,662
Government	11,950	12,155	12,186	12,461	12,766

Source: Minnesota Department of Employment & Economic Development

Unemployment

The Rochester MSA unemployment rate dropped by .5 percent from a year ago, ending first quarter at 4.2 percent. The rates for January and February were both 4.1 percent. The Rochester average remains below the state and U.S. averages of 4.5 and 5.6 percent respectively.

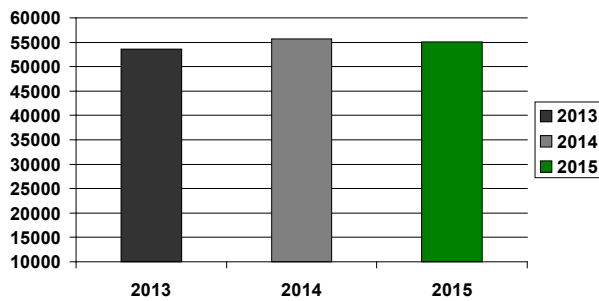
The March labor force figure of 118,740 represents an increase of 1.5 percent from the March 2014 figure of 117,017.

Unemployment Rates Past 5 Years First Quarter- Rochester MSA

	<u>Rochester</u>		<u>Minnesota</u>		<u>United States</u>
2011	6.2%	2011	7.3%	2011	9.2%
2012	5.3%	2012	6.4%	2012	8.4%
2013	4.7%	2013	5.7%	2013	7.6%
2014	4.7%	2014	5.4%	2014	6.8%
2015	4.1%	2015	4.5%	2015	5.6%

Source: Minnesota Department of Employment & Economic Development

Airport Passenger Traffic First Quarter Comparisons



Quarterly Airport Traffic

The Rochester International Airport serviced 55,110 passengers during the first quarter of 2015. This represents a decrease of 1.0 percent over first quarter 2014 (55,670 passengers) and an increase of 2.8 percent over first quarter 2013 (53,610 passengers). Passenger totals for January, February and March were 17,763, 16,910 and 20,437 respectively.

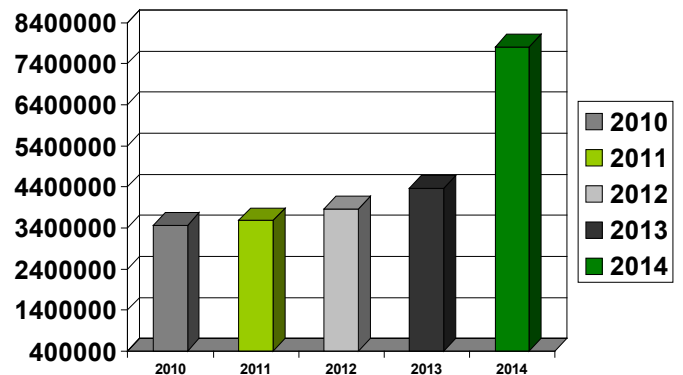
Air cargo shipments were up 30.6 percent from first quarter 2014.

Hotel/Motel Sales Tax - City of Rochester

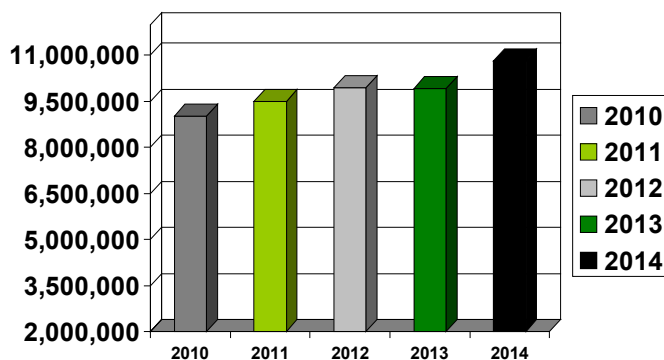
January-December 2010	\$3,470,107.94
January-December 2011	\$3,580,870.38
January-December 2012	\$3,861,170.81
January-December 2013	\$4,360,232.58
January-December 2014	\$7,803,499.46

Source: City of Rochester Finance Department

Hotel/Motel Sales Tax – Past 5 Years



Net Sales Tax – Past 5 Years

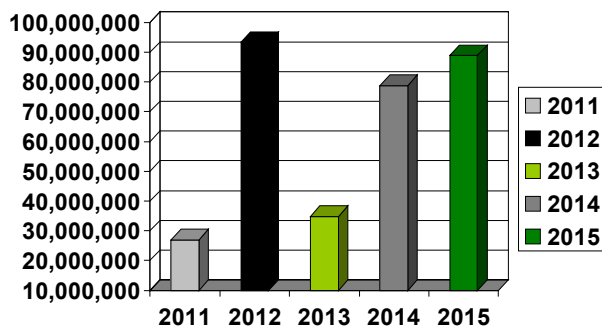


Net Sales Tax - City of Rochester

January-December 2010	\$ 9,017,186.56
January-December 2011	\$ 9,502,999.53
January-December 2012	\$ 9,943,196.65
January-December 2013	\$ 9,911,917.35
January-December 2014	\$10,799,977.98

Source: City of Rochester Finance Department

First Quarter Commercial & Residential Valuation Comparison



Commercial and Residential Building Permits First Quarter Past 5 Years

	<u>Valuation</u>	<u>Total Permits</u>
2015	\$88,896,262	439
2014	\$78,794,798	397
2013	\$34,887,102	386
2012	\$93,279,555	435
2011	\$27,004,268	318

Source: Building Safety - City of Rochester

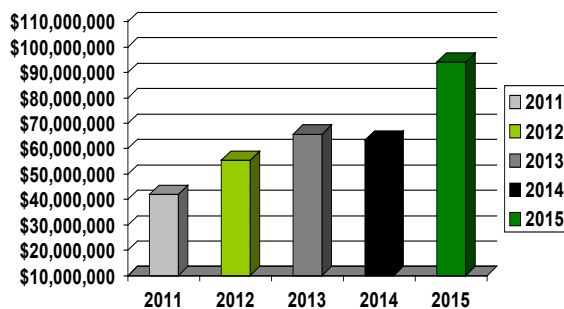
First Quarter Building Activity

Commercial and residential building permits issued for first quarter 2015 totaled \$88,891,262. This represents increases of 12.8 percent over first quarter 2014 and 154.8 percent over 2013, a decrease of 4.7 percent over 2012, and an increase of 229.2 percent over 2011.

Permits over \$1 million for first quarter 2015 included: alterations for second level offices at Mayo Support Center, mechanical air handling units for Mary Brigh East (Mayo), alterations for neurology renovations at Mayo, six story expansion for elevators and weapons screening at Olmsted County Government Center, 10 dwelling unit 2-story apartments, and a 144 dwelling unit (The Boulders of Rochester).

Source: Rochester Building Safety Department

First Quarter MLS Sales



Home Sales First Quarter - Past 5 Years

	<u>Total Sales</u>	<u>Average Home Price</u>	<u>Units Sold</u>
2015	\$94,217,283	\$206,164	457
2014	\$63,420,012	\$179,152	354
2013	\$65,718,705	\$179,559	366
2012	\$55,533,054	\$165,770	335
2011	\$41,985,968	\$165,952	253

Source: SE Minnesota Association of Realtors

First Quarter Home Sales

First quarter sales of single family homes in Rochester were \$94,217,283. This represents increases of 48.6 percent over first quarter 2014, 43.4 percent over 2013, 69.6 percent over 2012, and 124.4 percent over 2011.

The average home in Rochester sold for \$206,164 during the first quarter of 2015, and the median sale price was \$160,000. There were 457 units sold during the first quarter and the average time on the market was 95 days.

Source: SE Minnesota Association of Realtors

RAEDI

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