

Quarterly Economic Report

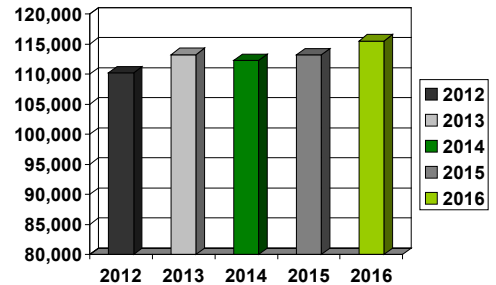
Rochester Area Economic Development, Inc. (RAEDI)

First Quarter, 2016

Total Employment

Nonagricultural wage and salary employment for the Rochester MSA increased by 1.9 percent over the last year. The gain of 2,194 jobs brought the total employment figure to 115,528 from the March 2015 level of 113,334. Both Goods Producing and Service Providing reported gains in the last year.

Total Employment First Quarter



Rochester MSA Employment Past 5 Years

	March <u>2012</u>	March <u>2013</u>	March <u>2014</u>	March <u>2015</u>	March <u>2016</u>
Total Employment	110,207	113,220	112,278	113,193	115,528
Goods Producing					
Construction, Mining, Logging	3,051	3,207	3,402	3,596	3,879
Manufacturing	11,277	11,112	10,808	10,678	10,625
Service Providing					
Wholesale Trade	2,740	2,739	2,500	2,705	2,966
Retail Trade	11,505	12,066	11,832	11,875	12,292
Transportation/Warehousing	2,539	2,738	2,826	2,846	2,711
Information	1,683	1,744	1,998	1,982	1,965
Financial Activities	2,626	2,792	2,746	2,634	2,661
Professional/Business Services	5,253	5,794	5,702	5,661	5,463
Educational/Health	44,163	45,550	44,792	45,298	47,221
Leisure/Hospitality	9,426	9,450	9,571	9,669	9,351
Other Services	3,789	3,842	3,590	3,774	3,744
Government	12,155	12,186	12,461	12,460	12,650

Source: Minnesota Department of Employment & Economic Development

Unemployment

The Rochester MSA unemployment rate dropped by .2 percent from a year ago, ending first quarter at 3.9 percent. The rates for January and February were both 3.9 percent. The Rochester average remains below the state and U.S. averages of 4.6 and 5.1 percent respectively.

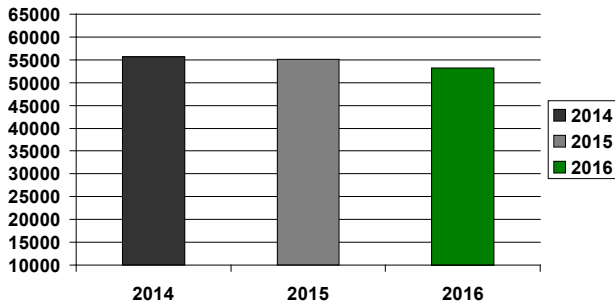
The March labor force figure of 120,703 represents an increase of 2.3 percent from the March 2015 figure of 117,940.

Unemployment Rates Past 5 Years First Quarter- Rochester MSA

	<u>Rochester</u>	<u>Minnesota</u>	<u>United States</u>
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%
2016	3.9%	2016 4.6%	2016 5.1%

Source: Minnesota Department of Employment & Economic Development

Airport Passenger Traffic First Quarter Comparisons



Quarterly Airport Traffic

The Rochester International Airport serviced 53,234 passengers during the first quarter of 2016. This represents a decrease of 3.4 percent over first quarter 2015 (55,110 passengers) and 4.4 percent over first quarter 2014 (55,670 passengers). Passenger totals for January, February and March were 18,414, 15,983 and 18,837 respectively.

Air cargo shipments were up .9 percent from first quarter 2015.

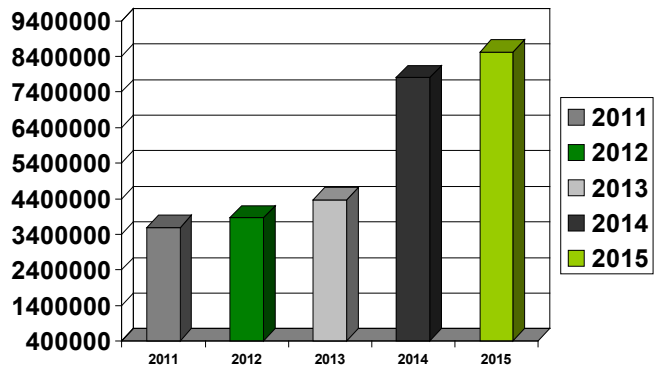
Source: Airport Manager

Hotel/Motel Sales Tax - City of Rochester

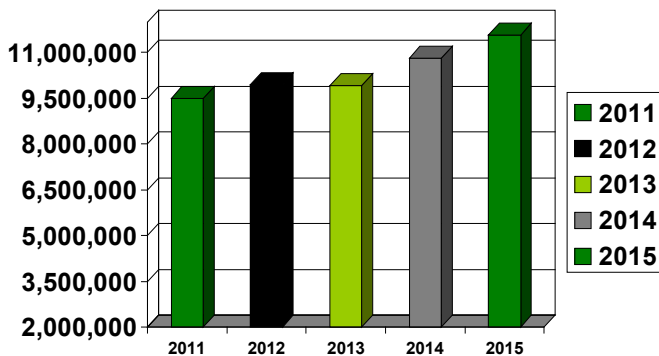
January-December 2011	\$3,580,870.38
January-December 2012	\$3,861,170.81
January-December 2013	\$4,360,232.58
January-December 2014	\$7,803,499.46
January-December 2015	\$8,526,725.96

Source: City of Rochester Finance Department

Hotel/Motel Sales Tax – Past 5 Years



Net Sales Tax – Past 5 Years

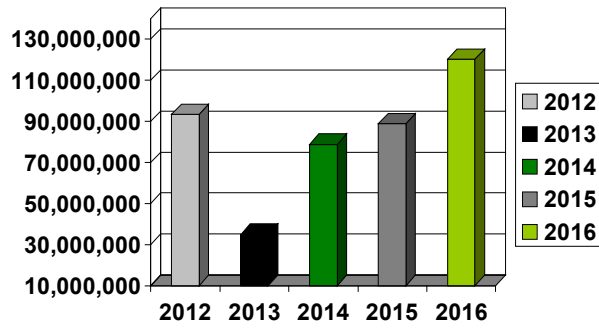


Net Sales Tax - City of Rochester

January-December 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
January-December 2015	\$11,559,610.62

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>
2016	\$120,241,049	455
2015	\$ 88,896,262	439
2014	\$ 78,794,798	397
2013	\$ 34,887,102	386
2012	\$ 93,279,555	435

Source: Building Safety - City of Rochester

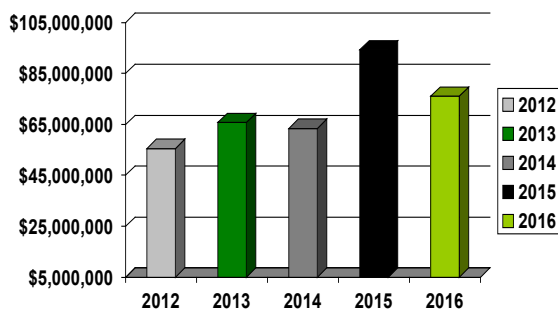
First Quarter Building Activity

Commercial and residential building permits issued for first quarter 2016 totaled \$120,241,049. This represents increases of 35.3 percent over first quarter 2015, 52.6 percent over 2014, 244.6 percent over 2013, and 28.9 percent over 2012.

Permits over \$1 million for first quarter 2016 included: St. Mary's east corridor, radiology alterations at St. Mary's, 96 unit 3-story Pine Apartments, new 12,914 square foot mezzanine and walls for garden center (Menards-North), mechanical, plumbing and electrical modifications for data center (Mayo-Epic-Enterprise Data Center), new 58x113 2-story daycare (New Horizon Academy), new 3-story Garden North Apartments (buildings A&B), alterations to hotel rooms for floors 2-7 (Hilton Garden Inn), and alterations for genome remodel at Mayo Clinic.

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>
2016	\$76,057,613	\$208,377	365
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

Source: SE Minnesota Association of Realtors

First Quarter Home Sales

First quarter sales of single family homes in Rochester were \$76,057,613. This represents a decrease of 19.3 percent over first quarter 2015, and an increase of 19.9 percent over 2014, 15.7 percent over 2013, and 37 percent over 2012.

The average home in Rochester sold for \$208,377 during the first quarter of 2016, and the median sale price was \$169,900. There were 365 units sold during the first quarter and the average time on the market was 100 days.

Source: SE Minnesota Association of Realtors

RAEDI

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