

# MID-YEAR 2024

## INDUSTRIAL MARKET REPORT

GREATER CAPITAL REGION, NEW YORK



**STANDBROKERAGE**  
COMPANY  
4 Executive Park Drive  
Albany, NY 12203  
standardbrokerageco.com

**TYLER CULBERSON, SIOR**

President & Principal Broker  
M: (518) 857-0586  
O: (518) 618-0590, ext. 402  
E: [tculberson@standardbrokerageco.com](mailto:tculberson@standardbrokerageco.com)

**DANIEL SLOTE, SIOR**

Associate Real Estate Broker  
M: (518) 322-9752  
O: (518) 618-0590, ext. 404  
E: [dslote@standardbrokerageco.com](mailto:dslote@standardbrokerageco.com)

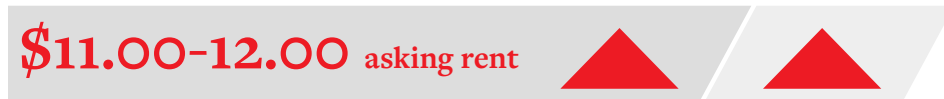
**SHAUN MCDONNELL**

Licensed Real Estate Salesperson  
M: (203) 209-5095  
O: (518) 618-0590, ext. 403  
E: [smcdonnell@standardbrokerageco.com](mailto:smcdonnell@standardbrokerageco.com)

# GREATER CAPITAL REGION

The Capital Region has 1.1 million people living in eight counties. The region spans 5,336 square miles, making it about the size of Connecticut. In addition to being the home of New York's capital city (Albany), the region is a major talent generator with 23 higher education institutions. Key regional industry clusters include: Cleantech, Life Sciences, Advanced Electronics/Semiconductors,

R&D/Commercialization, Logistics and Distribution, Software-IT/Digital Gaming. Located at the intersection of two major interstate highways (I-87 and I-90) – and with New York City, Boston and Montreal a three-hour drive away – the region is a prime logistics and distribution hub that serves companies such as Amazon, Target, Golub Corp. and Hannaford.



- According to Costar, the Capital Region vacancy was listed as 2.1% and projected to increase to 3.0% across all industrial classes. This represents the lowest it has been in recent history. Historically low vacancy rates have continued to push lease and sales rates significantly higher, despite the economic uncertainties. Year over year increases have exceeded 2.5%.
- Well located new construction of 25,000 SF or greater have asking base rents generally starting at \$10.50 per SF NNN with some over \$11.00 per SF NNN. The strongest demand for Industrial space continues to be found across the core markets of Albany, Rensselaer, Saratoga and Schenectady counties while the more rural counties experience growth in bulk distribution centers.

## Accessibility

- Close proximity to major metros.
- More than \$4 billion in truck freight originating from the region is annually shipped throughout the U.S.
- Albany is the nexus of CSX, Norfolk Southern and Canadian Pacific rail lines.
- The Port of Albany is North America's northernmost, year-round inland port.
- The Port of Coeymans is the Northeast's premier bridge assembly, construction, resource and disaster recovery hub.
- More than 1.5 million travelers annually board planes at Albany international Airport, which serves a dozen airlines and offers about two dozen non-stop destinations.\*
- More than 800,000 travelers annually pass through the Albany-Rensselaer Station – Amtrak's ninth busiest station.\*



### HIGHWAYS

- NY Thruway (I/87/I-90)
- Adirondack Northway (I/87)



### AIR SERVICE

Albany International Airport



### PORT FACILITIES

- Port of Albany
- Port of Coeymans



### RAIL SERVICE

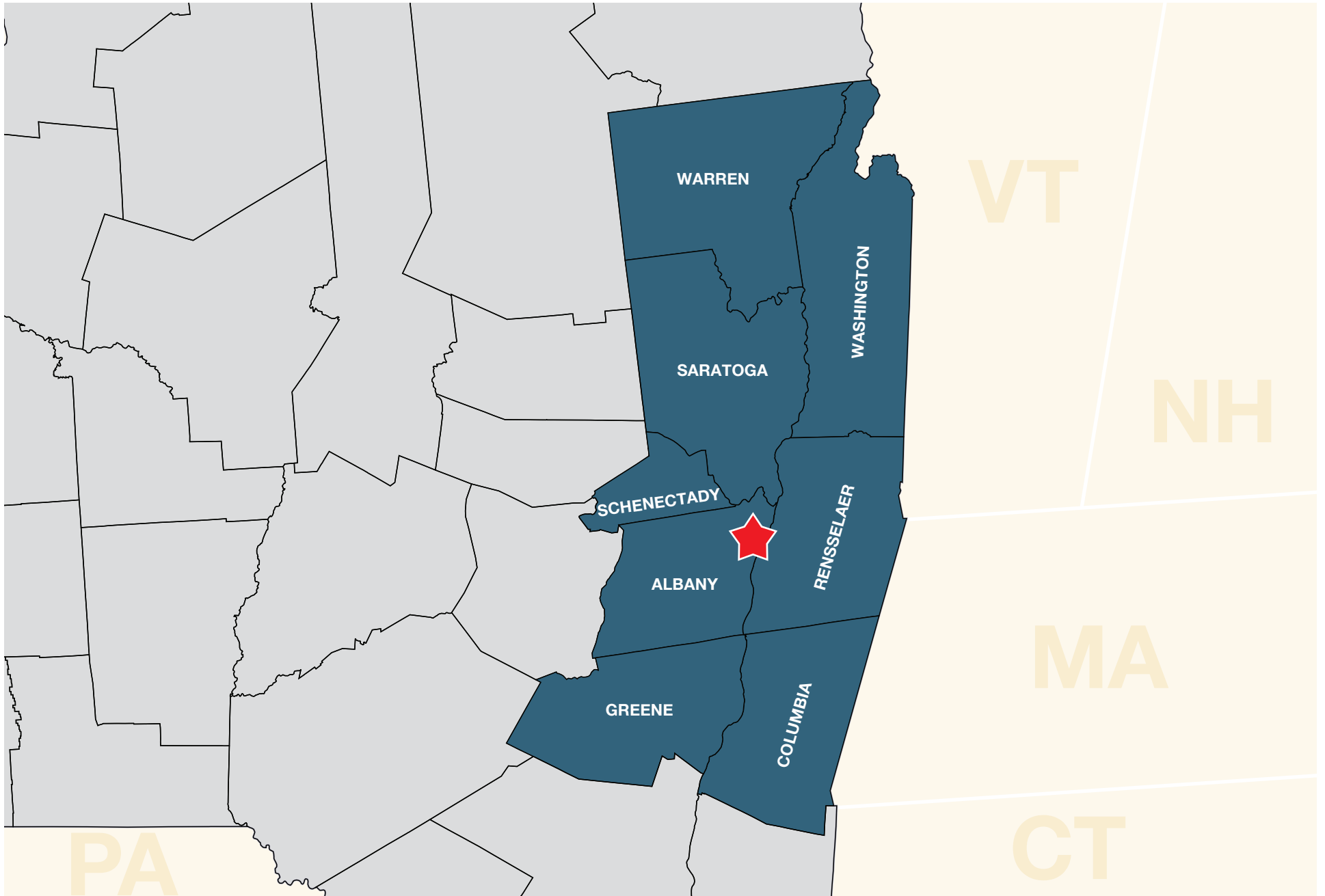
- CSX Corp.
- CP Rail Systems
- Amtrak



### BUS SERVICE

Capital District Transportation Authority

# GREATER CAPITAL REGION COUNTIES



# SARATOGA COUNTY SUBMARKET

## Market Recap

- Saratoga County has been hampered by larger vacancies the past few years but also achieves some of the highest rents in the Capital Region. The vacancy rate is currently 6.4% while the average asking lease rate is \$9.00 per square foot.

## Recent News

- Quad Graphics announced the permanent closure of its 1 million square foot production facility in the W.J. Grande Industrial Park in Saratoga Springs. The facility was recently listed for sale and is expected to be fully shuttered in the coming months.
- Essity, the international consumer products company, announced that it would be shuttering three facilities in Upstate New York. A production facility in South Glens Falls was closed immediately while a converting facility in

Greenwich and distribution center in Saratoga Springs are winding down operations and will close before year end. The closures will impact a total of 300 employees across the three locations.

- G&G Industrial Lighting is nearing completion on their 10,000 SF expansion after recently acquiring a vacant building on Hermes Road in Malta. The \$5.1 million project will allow the company to consolidate operations under one roof and is expected to create 15 additional jobs. The company has seen extensive growth in the past 5 years and this new location will allow for further expansion.

## What We're Watching

- Soleno, a leading pipe and drainage equipment manufacturer, is nearing completion of a 50,000 square foot production facility in Saratoga Springs. The new production facility will cover 22 acres and be the first U.S. plant for the Canadian

firm. The state-of-the-art center is expected to be operational in the Fall.

- Construction has continued at the Synergy Tech Park in Clifton Park. MJ Properties has been delivering buildings ranging from 32,000 square feet to 150,000 square feet in multiple phases. In addition, the developer is expected to deliver 50,000 square feet at their Tabor Road property.
- Global Foundries has been awarded significant funding for a new facility as part of the CHIPS Act. The funding from the federal government as well as state government will total almost \$2 billion dollar and will allow GF to construct a new state of the art fab on the Malta campus. In addition, this funding will provide an expansion and modernization of the existing facility.

## Noteworthy Transactions



### SALE

4 Enterprise Ave., Clifton Park  
25,245 SF  
\$3,350,000 (\$133 PSF)  
March 2024



### SALE

14 Solar Drive., Clifton Park  
22,275 SF  
\$1,800,000 (\$81 PSF)  
June 2024



### LEASE

11B Solar Drive, Clifton Park  
24,000 SF  
Tenant: Rowland J. Down  
Q1 2024



### LEASE

66 Duplainville Rd., Saratoga Springs  
50,000 SF  
Tenant: Soleno Inc.  
Q1 2024

# SCHENECTADY COUNTY SUBMARKET

## Market Recap

- The Schenectady County market has remained relatively steady over the past few years. The vacancy rate is slightly below the market average at 2.5%. The asking rents are the lowest in the market, currently averaging \$5.65. While at the low end for the region, this market has still seen tremendous rent growth over the past 5 years.

## Recent News

- Ellis Medicine announced the closure of an 82 bed nursing home on the 18-acre McClellan Street campus. There has been discussions about selling the entire campus and this was said to have been in the works for several years. Ellis has 3,300 employees and 700 medical staff across four campuses with nearly 450 beds.

## What We're Watching

- Construction of the 80,000 SF Adirondack Aquatic Center is expected to commence in 2025 with a tentative opening scheduled for 2027. The \$41 million facility is a joint venture between SUNY Schenectady and the Capital Region Aquatic Center. The project has had extensive funds pledged for the development, including \$5 million in funding from the American Rescue Plan Act.
- A new \$50 million Mohawk Harbor event center broke ground this spring. The 97,178 square foot multi-purpose event center features 2,200 seat ice hockey rink with a capacity expanding to 3,600 for trade shows, conventions, and special events. The project received \$12 million in state funding and will be the new home of the Union College men's and women's hockey teams.
- Adirondack Beverages has announced another expansion at the Glenville Business & Technology Park. The company has recently

added a new substation and production lines with an eye on further expansion of their existing 1 million square feet of space. The company has received local and state grants to assist with the expansion and it is expected to create 60 new jobs.

- BJ's Wholesale is pushing forward with approvals for a new 102,500 square foot storeroom at 880 Duaneburg Road in Rotterdam. The new construction would be less than 4 miles from their existing location on West Campbell Road near the ViaPort Rotterdam Mall. The new location would also feature 8 gas pump islands which their current facility lacks due to environmental restrictions.

## Noteworthy Transactions



**SALE**

1155 Princetown Rd., Schenectady  
11,212 SF  
\$680,000 (\$61 PSF)  
March 2024



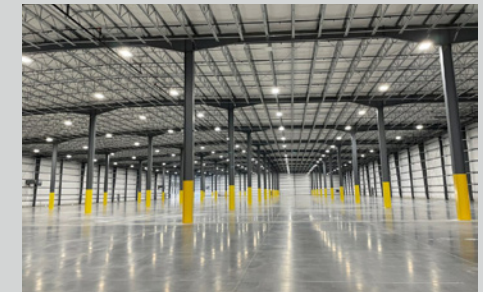
**SALE**

705 Corporation Park, Schenectady  
120,000 SF  
\$3,900,000 (\$33 PSF)  
January 2024



**SALE**

1155 Princetown Rd., Schenectady  
42,820 SF  
\$1,500,000 (\$35 PSF)  
April 2024



**LEASE**

17 Rotterdam Corporate Park, Rotterdam  
200,000 SF  
CTDI

# ALBANY COUNTY SUBMARKET

## Market Recap

- The Albany County submarket has remained one of the strongest in the Capital Region. The vacancy rate is approximately 1.5% and reflects around 40% of the overall Capital Region inventory.
- New construction has been steady within the county. The Lincoln Business Park in Watervliet being developed by Luizzi Companies continues to deliver space with several more buildings under construction or in the planning stages. In addition, the 80,000 sf of flex space on Simmons Lane in Menands is nearing completion.
- The Capital Region has been challenged by plant closures over the past 12 months. Within Albany County, Comfortex announced the closure of their ±100,000 SF manufacturing facility in the Town of Colonie. This property has been in continuous operation since the 1990's. The parent company, Hunter Douglas,

is shuttering the facility and will relocate the operation to Mexico, in a cost cutting effort.

## Recent News

- **42 Corporate Circle, Albany:** FYE took occupancy of their newly constructed 75,000 SF warehouse in October 2023 and is now looking to sublease the space. The Class A new construction was built adjacent to FYE's existing headquarters as part of their plans to consolidate various divisions into one location. They are now actively marketing the entire building for sublease.

## What We're Watching

- **48 Corporate Circle, Albany:** This Class A new construction is being developed by Hoffman Enterprises. The walls were recently tilted, and the building is expected to be delivered late 2024 or early 2025.

- **Albany Nanotech Complex (NY CREATES), Albany:** The Albany Nanotech Complex announced plans for another expansion project that would create world class cleanroom facilities. This is in addition to the already underway construction of the \$495 Million NanoFab Reflection project which includes 50,000 SF of clean rooms, a parking garage, and other support facilities.
- **Plug Power:** Fuel cell manufacturing firm Plug Power announced a significant real estate portfolio shuffle. The company is consolidating all of the Capital Region operations into their new 350,000 SF facility while vacating several office and warehouse spaces in the market including 8 British American Blvd and 968 Albany Shaker Road. Their new facility in Slingerlands was completed in 2022.

## Noteworthy Transactions



### SALE

12 Access Rd., Albany  
23,150 SF  
\$2,100,000 (\$91 PSF)  
March 2024



### SALE

10 Northway Lane, Latham  
12,340 SF  
\$2,250,000 (\$182 PSF)  
June 2024  
(cross dock facility)



### SALE

465 Saratoga St., Cohoes  
193,445  
\$5,530,000  
February 2024  
(part of business acquisition)



### LEASE

4 Anderson Drive, Albany  
12,491 SF  
United Rentals

# RENSELAER COUNTY & AUXILIARY SUBMARKETS (COLUMBIA, GREENE, WARREN AND WASHINGTON COUNTIES)

## Market Recap

- Rensselaer County has remained resilient despite the general uptick in vacancy across the county. The average vacancy rate for the overall submarket is currently 2.55%, which is lower than the overall market. Asking rents continue to edge higher and are currently at \$9.16 PSF.

## Recent News

- **Quakenbush Building, Troy:** The Rensselaer County IDA purchased the 44,000 SF office building in Downtown Troy for \$3.9 million. The goal of the purchase is to bring more technology workers downtown. The property was approaching foreclosure after the prior owner defaulted on \$3.75 million in debt. The goal is to make the facility part of a technology hub downtown through partnerships with RPI, Hudson Valley Community College as well as other groups in the region.

## What We're Watching

- **Route 9 Corridor, Schodack:** Construction continues along the Route 9 corridor in Schodack to bring public water service to the entire road to as far south as Interstate 90. The project has progressed steadily with construction expected to take around 2 years from start to finish. The addition of municipal water along this stretch of road will enable continued commercial growth along a road that has seen extensive development in the past 5 years.
- **Regeneron** has continued to expand through various construction projects at its main production facility in East Greenbush. In addition to Rensselaer County expansion, the firm recently purchased a 142,364 SF office building in Menands across the river with plans for extensive renovations to create a modern office and manufacturing support facility.
- **Essity:** Tissue manufacturing company Essity announced the closure of three facilities throughout the Capital Region including a South Glens Falls paper mill and converting facility in Greenwich.
- **F.W. Webb:** The plumbing supply company is under contract on vacant land at 377 Corinth Road in Queensbury to develop a new distribution center for the market. The site is located along the busy commercial corridor off Exit 18 of Interstate 87.
- **Dollar General:** The discount retailer is under contract on a 170,000 SF food distribution facility across the street from its current dry goods facility in Amsterdam. The facility will operate as a cold storage operation for the companies DG Fresh division.
- **AngioDynamics:** The international healthcare device manufacturer AngioDynamics announced the closure of two facilities in Warren County. The Queensbury and Glens Falls facilities will be fully shuttered by the second half of 2025. This closure is expected to impact 350 jobs between the two facilities.

## Noteworthy Transactions



**LEASE**  
1200 Route 9, Schodack  
14,000 SF  
August 2024  
HERC Rentals



**SALE**  
709 Route 9, Schodack  
72.7 acre Development Site  
Under Contract  
Scannell Properties



**SALE**  
1 Van Bergen Lane, Coxsackie  
333,386 SF  
\$20.5 million (\$62/SF)  
Winstanley Enterprises

## ABOUT STANDARD BROKERAGE COMPANY

### Our Story

Standard Brokerage Company (SBC) was launched in 2024 as boutique firm with the goal of being the preeminent commercial real estate firm in the industrial sector. SBC was founded by Tyler Culberson, SIOR who has over 16 years' experience with over \$1 billion in transactional volume completed. The goal, to leverage the team's collective industry experience, utilizing a data driven, client centric approach to provide the optimal outcomes in every transaction.

### Who We Are

We are a full service commercial real estate company that is focused on analytics and market knowledge for optimal client outcomes in the industrial sector across Upstate New York. Our focus is on providing first class data and analysis in the markets we serve to guide our clients in making the most informed real estate and business decisions. These data points include detailed semi-annual market reports showing recent transaction along with pipeline reports outlining future inventory. The team has over 60 years of combined experience across brokerage, capital markets, development, valuations, and marketing with the sole focus of helping our clients achieve their goals.



#### **TYLER CULBERSON, SIOR**

*President & Principal Broker*

M (518) 857-0586  
O (518) 618-0590, ext. 402  
E [tculberson@standardbrokerageco.com](mailto:tculberson@standardbrokerageco.com)



#### **DANIEL SLOTE, SIOR**

*Associate Real Estate Broker*

M (518) 322-9752  
O (518) 618-0590, ext. 404  
E [dslote@standardbrokerageco.com](mailto:dslote@standardbrokerageco.com)



#### **SHAUN MCDONNELL**

*Licensed Real Estate Salesperson*

M (203) 209-5095  
O (518) 618-0590, ext. 403  
E [smcdonnell@standardbrokerageco.com](mailto:smcdonnell@standardbrokerageco.com)



#### **TYLER CULBERSON, SIOR**

*President & Principal Broker*

M: (518) 857-0586  
O: (518) 618-0590, ext. 402  
E: [tculberson@standardbrokerageco.com](mailto:tculberson@standardbrokerageco.com)

#### **DANIEL SLOTE, SIOR**

*Associate Real Estate Broker*

M: (518) 322-9752  
O: (518) 618-0590, ext. 404  
E: [dslote@standardbrokerageco.com](mailto:dslote@standardbrokerageco.com)

#### **SHAUN MCDONNELL**

*Licensed Real Estate Salesperson*

M: (203) 209-5095  
O: (518) 618-0590, ext. 403  
E: [smcdonnell@standardbrokerageco.com](mailto:smcdonnell@standardbrokerageco.com)