

# 2023 YEAR IN REVIEW

## INDUSTRIAL MARKET REPORT

CAPITAL REGION, NEW YORK



**STANDBROKERAGE**  
COMPANY  
4 Executive Park Drive  
Albany, NY 12203  
[standardbrokerageco.com](http://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)

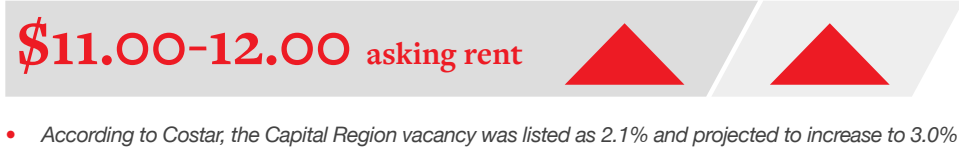
**DANIEL SLOTE, SIOR**  
Associate Real Estate Broker  
M: (518) 322-9752  
O: (518) 618-0590, ext. 404  
E: [dslote@standardbrokerageco.com](mailto:dslote@standardbrokerageco.com)

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

# THE 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

## Wadsworth Center

The state is in the final planning stages of a new Office Campus at a cost of \$1.7 billion. The building is expected to span 27 acres and allow for the consolidation of five current facilities throughout Albany and Guilderland. The project is expected to be completed by 2030. Gilbane Inc. and Turner Construction Co. will complete the construction of what is expected to be one of the premier public health laboratories in the world.



## Micron

Micron Technology plans to spend up to \$100 billion over the next 20 years building a computer chip complex in the Syracuse suburb of Clay, NY. While located outside of the immediate Capital Region, this investment continues the Upstate New York trend of investment in high industries including Cree and GlobalFoundries, as well as benefiting the supply chain and construction markets in the immediate area. The campus is expected to be comprised of 7.2 million square feet of chip fabrication and clean room production areas. The first phase is expected to bring in 3,000 jobs with construction starting in 2024.



## GlobalFoundries

Site work has begun on a portion of the 800 acres purchased by GlobalFoundries in the Luther Forest Technology campus in Saratoga County. The project is expected to cost \$6 - \$8 billion for the second chip manufacturing facility in the park. Once completed, it will add 1,000 jobs. In addition, GlobalFoundries recently announced a partnership with Lockheed Martin to produce next generation chips for defense systems.



## Port of Albany

Work is currently underway to support the Port of Albany's expansion to create facilities for the production of offshore wind towers. The project will transform 80 acres in the town of Bethlehem into more than 600,000 square feet of manufacturing space across four buildings. The total investment is expected to be more than \$350 million and once completed, will create 300 full time jobs in addition to the 500 development and construction jobs. Preliminary site work is currently underway including clearing of trees and the creation of access roads.

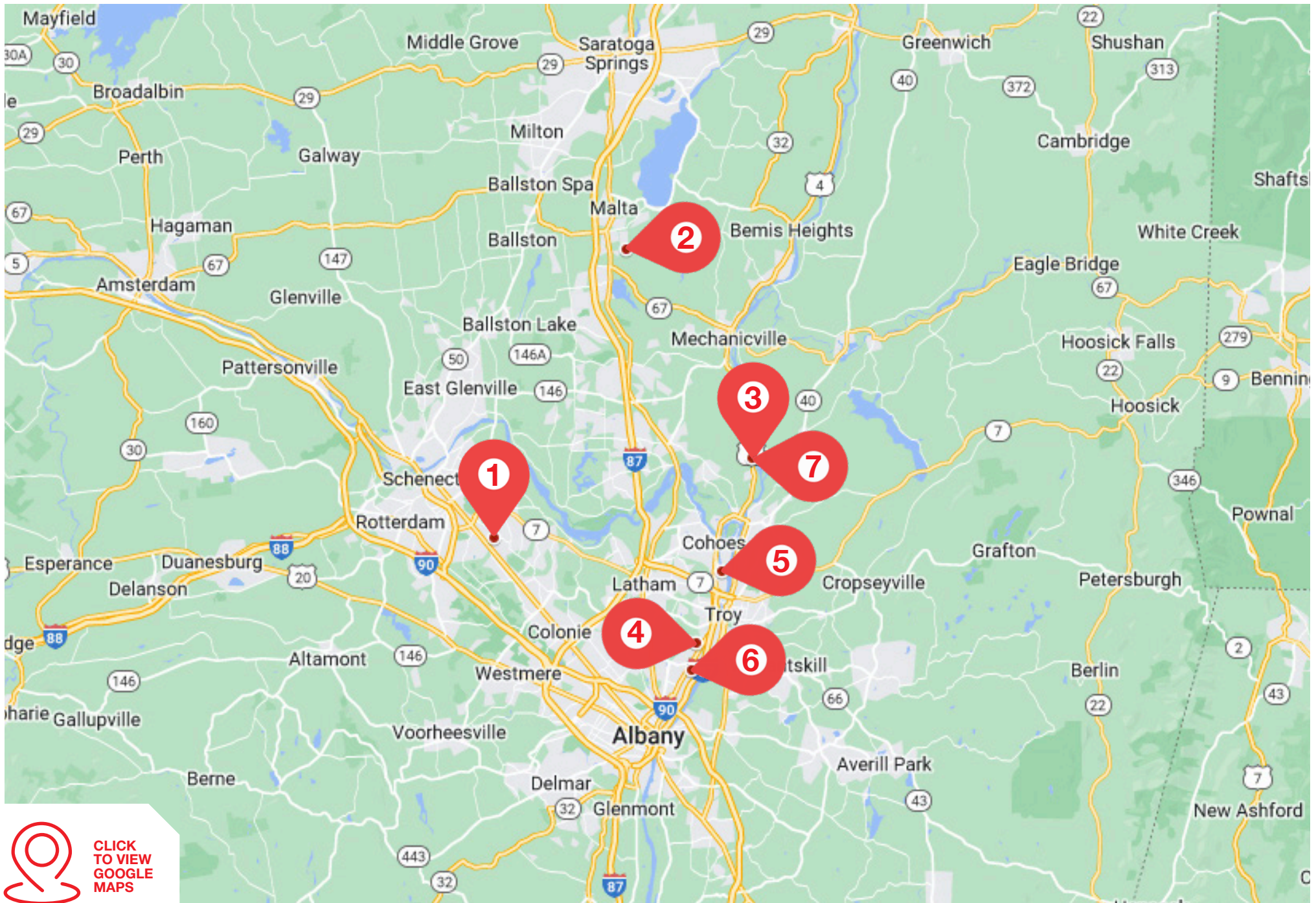
## Regeneron

In 2020, the pharmaceutical company announced a \$1.8 billion expansion in which the company plans to add to its research, preclinical manufacturing, and support facilities. The project includes 900,000 square feet of space across eight buildings in addition to three parking structures and a central utility plant. The expansion is on schedule to be completed over the course of six years in two phases.

## NY Creates/Albany NanoTech Complex







Governor Hochul announced a \$10 billion partnership to bring Next Generation research and development center to the NY CREATES' Albany Nanotech Complex. This partnership includes significant private investment from firms like IBM, Micron, Applied Materials, ASML, Tokyo Electron and other industry leaders that will integrate cutting edge chipmaking technology into their R&D efforts. The project will create at least 700 new jobs and retain thousands of existing jobs. The Albany NanoTech Complex will build a 50,000 SF cleanroom space as part of the initial expansion. Construction is expected to be completed by the end of 2025.

## 2023 INDUSTRIAL LEASES



CLICK  
TO VIEW  
GOOGLE  
MAPS

## 2023 INDUSTRIAL LEASES

	ADDRESS	MUNICIPALITY	COUNTY	USER	SQ. FT.	CLASS	RATE/SF	NOTES
	1. 480 Balltown Road	Niskayuna	Schenectady	Metropolitan Warehouse & Delivery	25,900	B	\$6.12	Tenant took space as is for a 7 year term.
	2. 10A Stonebreak Road	Malta	Saratoga	Blue Triton	90,000	A	\$5.50	New construction PEMB within the Arnoff Logistics Center.
	3. 430 Hudson River Road	Waterford	Saratoga	A Projects USA	40,346	B	\$5.50	Recently updated Class B distribution space
	4. 20 Pennsylvania Ave.	Watervliet	Albany	Cargill	90,000	A	\$8.50	New construction in the Lincoln Industrial Park. Asking rent was \$9.50, however, the tenant required minimal office build out (under 2,000 SF which reduced rent.
	5. 100 Cohoes Ave	Green Island	Albany	Johnstone Supply	45,000	A	\$11.65	New construction with ±6,000 SF of office/showroom area as part of the tenant's fit up.
	6. 339 Broadway	Menands	Albany	Extreme Moulding	35,000	C	\$5.50	

2023 INDUSTRIAL LEASES

ADDRESS	MUNICIPALITY	COUNTY	USER	SQ. FT.	CLASS	RATE/SF	NOTES
---------	--------------	--------	------	---------	-------	---------	-------









7. 428 Hudson River Rd.	Waterford	Saratoga	Centrotherm	120,000	B	\$5.35	Tenant signed 5-year term after the landlord made capital improvements including repairing the walls, roof, and painting the exterior.
-------------------------	-----------	----------	-------------	---------	---	--------	--

**TOTAL SF:  
446,246**




## 2023 INDUSTRIAL SALES

	ADDRESS	MUNICIPALITY	COUNTY	USER	SQ. FT.	CLASS	PRICE/SF	NOTES
	1. 10 Hermes Road	Malta	Saratoga	G&G Lighting	23,134	C	\$56.19	Building is to be extensively renovated after closing and have a 15,000 SF addition constructed.
	2. 588 Broadway	Schenectady	Schenectady	FW Webb	22,116	A	\$122.08	FW Webb extensively renovated the space to provide a large showroom area with retail visibility as well as a company billboard with I-890 visibility.
	3. 10 Skyward Drive	Sarartoga Springs	Saratoga	SKS & Green Mountain Electric Supply	143,083	A	\$127.19	Class A industrial building in the Grande Industrial Park.
	4. 64 Railroad Ave.	Colonie	Albany	ProSource	14,400	B	\$76.38	Neighboring user purchased the property to expand their presence along Railroad Ave.
	5. 1086 Troy Schenectady Road	Latham	Albany	Mabey's Moving and Storage	36,752	B	\$74.833	Mabey's plans on converting the former office building into an indoor self storage facility.
	6. 400 South Pearl	Albany	Albany	Equal Vision Records	56,032	B	\$97.09	Purchaser was attracted to the building for accessibility to bus line and urban center location.



## 2023 INDUSTRIAL SALES

ADDRESS	MUNICIPALITY	COUNTY	USER	SQ. FT.	CLASS	PRICE/SF	NOTES
 7. 4 McCrea Hill Rd.	Ballston Spa	Saratoga	Native Partners	19,952	B	\$116.53	Purchased by an investor group with plans of building out a pickle ball facility.
				<b>TOTAL SF:</b> <b>315,469</b>		--	--



## PLANNED NEW CONSTRUCTION

ADDRESS	MUNICIPALITY	COUNTY	DEVELOPER	SQ. FT.	CONSTRUCTION	RENTAL RATE/SF	DELIVERY	NOTES
1. 113 Tabor Rd.	Halfmoon	Saratoga	MJ Properties	50,000	Pre-Engineered Metal	\$10.50	Recently Completed	
2. Synergy Tech Park	Clifton Park	Saratoga	MJ Properties	300,000	Pre-Engineered Metal	\$10.00	Ongoing	Part of the 200 acre Synergy Tech Park which includes a recently constructed 155,000 SF UHAUL self storage facility.
3. 7 Lincoln Ave.	Watervliet	Albany	Luizzi Companies	30,000	Pre-Engineered Metal	TBD	Recently Completed	Multi-phase development.
4. 48 Corporate Circle	Albany	Albany	Local Developer	93,000	Tilt-Up Concrete	\$9.00	Q4 2024	
5. 1375 River Rd.	Selkirk	Albany	Burt Crane	28,000	Pre-Engineered Metal	\$10.50	Recently Completed	Phase 1 construction completed.
6. State Highway 5S	Florida	Montgomery	Winstanley	800,000	Tilt-Up Concrete	TBD	BTS	Construction has not yet commenced.
7. 15 Liebich Lane	Mechanicville	Saratoga	Local Developer	60,000	Pre-Engineered Metal	\$9.00	Ongoing	Phase 1 construction completed.
8. 10B Stonebreak Road	Malta	Saratoga	Local Developer	50,000	Pre-Engineered Metal	TBD	Q4 2024	
9. 200 West Yard Road	Selkirk	Albany	Adirondack Capital	115,000	Pre-Engineered Metal	\$10.00	Q1 2025	Fully approved site plan.
10. Route 30A	Schoharie	Schoharie	Highbridge	540,000	Pre-Engineered Metal	TBD	TBD	Fully approved site plan.

**TOTAL SF:  
2,066,000**



**TYLER CULBERSON, SIOR**  
President & Principal Broker  
M: (518) 857-0586  
O: (518) 618-0590, ext. 402  
E: tculberson@standardbrokerageco.com

**DANIEL SLOTE, SIOR**  
Associate Real Estate Broker  
M: (518) 322-9752  
O: (518) 618-0590, ext. 404  
E: dsloate@standardbrokerageco.com

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