

2024 YEAR IN REVIEW

INDUSTRIAL MARKET REPORT

GREATER CAPITAL REGION, NEW YORK



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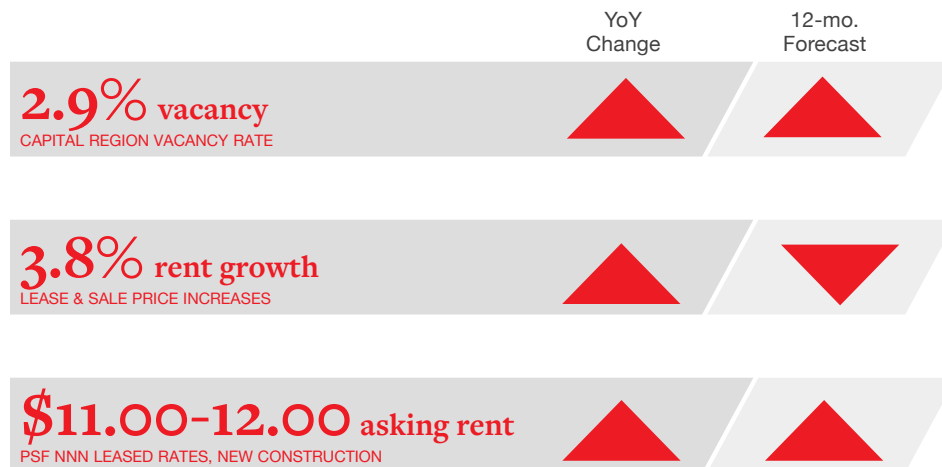
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GREATER CAPITAL REGION

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 2.9% 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 3.8%.
- 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

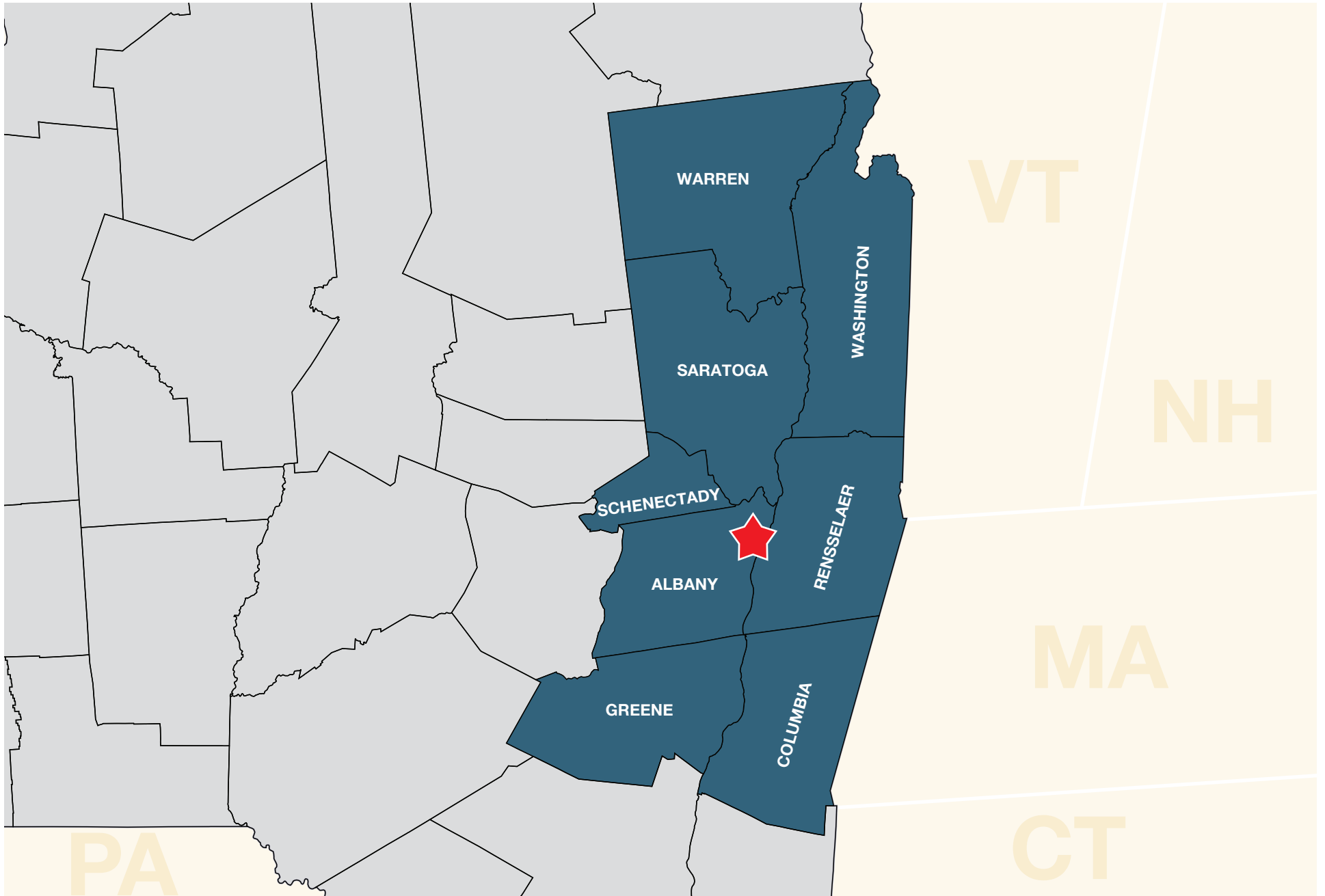
- CSX Corp.
- CP Rail Systems
- Amtrak



BUS SERVICE

Capital District Transportation Authority

GREATER CAPITAL REGION COUNTIES



ALBANY COUNTY SUBMARKET

Market Recap

- The Albany County submarket has remained one of the strongest in the Capital Region. The vacancy rate is approximately 1.9% and reflects around 40% of the overall Capital Region inventory. Asking rents have continued to climb with current rates up approximately 3.8% year-over-year.
- 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 multi-building Lear Jet Lane flex park in Latham was completed. The 54,000-sf park is partially occupied and features suites ranging from 3,000 – 12,000 SF.
- The Capital Region has been challenged by plant closures in 2024. 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. In addition, Norlite announced that it would temporarily be shutting down core operations at the controversial Cohoes facility.

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.
- The **U.S. Department of Commerce** announced several projects in the Capital Region would be the recipient of CHIPS Act funding including a \$825 million investment at the Albany Nanotech Complex to establish the first location for a National Semiconductor Technology Center. In addition, Global Foundries was awarded \$1.5 billion for various projects in the Capital Region.

What We're Watching

- **48 Corporate Circle, Albany:** This Class A new construction is being developed by Hoffman Enterprises. The core and shell are largely completed with interior fit up pending a lease with a specific tenant.
- **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. This project is in addition to the recent CHIPS Act funding for a semiconductor research center.
- **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/SF)
March 2024



SALE

337 New Karner Rd.,
Albany
83,350 SF
\$6,400,000 (\$76.79/SF)
September 2024



SALE

236 Broadway, Menands
53,663 SF
\$2,500,000 (\$47 PSF)
The Mailworks



SALE

130 Railroad Ave., Albany
40,368 SF
Under Contract - Asking
\$1.5 Million
TBD



LEASE

1375 River Rd., Selkirk
16,965 SF
RESA Power



LEASE

4 Anderson Dr., Albany
12,491 SF
United Rentals

SARATOGA COUNTY SUBMARKET

Market Recap

- Saratoga County has been hampered by larger vacancies the past few years but this figure has been helped with the recent sale of the 1 million SF former Quad Graphics building in Saratoga Springs. The vacancy rate is currently 3.2% and average asking lease rate is \$9.40 per square foot.

Recent News

- The 1 million square foot former **Quad Graphics** facility was sold to **Regeneron Pharmaceuticals** for \$42.5 million in September 2024. Regeneron plans on using the space for production support after a massive renovation to the 1985 constructed facility.
- **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** completed 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 in November and is expected to create 15 additional jobs in the coming months. 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, recently completed a 50,000 square foot production facility in Saratoga

Springs. The new production facility covers 22 acres and is the first U.S. plant for the Canadian firm. The state-of-the-art center had its grand opening in September.

- 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. Recently signed 100,000 SF lease.
- **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

56 Duplainville Rd., Saratoga Springs
\$42.5 Million - \$42.02 PSF
1,011,415 SF
September 2024
Regeneron Pharmaceuticals



SALE

2 Liebich Lane, Halfmoon
374,842
\$50 Million - \$133.39 PSF
June 2024
Sale/Leaseback - Sysco Corporation



LEASE

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



SALE

14 Solar Dr., Clifton Park
22,275 SF
\$1,800,000 (\$81 PSF)
June 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 2.1%. The asking rents are the lowest in the market, currently averaging \$5.57. 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. The facility was sold to local developers for redevelopment. As part of the sale, Ellis Medicine relocated several finance and back office employees to existing office space in downtown Schenectady. 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. Construction is already underway for the 100-room Hyatt House Hotel just north of the event center. Opening is expected in the Fall of 2025 for the hotel.
- **Adirondack Beverages** has announced another expansion at the Glensville 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

2145 Technology Dr., Schenectady
21,879 SF
\$2,200,000 (\$100 PSF)
Thompson & Johnson Equipment



SALE

51 Opus Blvd., Schenectady
27,690 SF
TBD Price
IRR Supply Centers Inc.



LEASE

17 Rotterdam Corporate Park, Rotterdam
200,000 SF
CTDI

RENSSELAER COUNTY & OTHER SUBMARKETS

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 2.10%, which is lower than the overall market. Asking rents continue to edge higher and are currently at \$9.54 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

RENSSELAER COUNTY

- **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.

WARREN COUNTY

- **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 has started construction 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.
- **AngioDynamics:** After previously announcing plans to cease operations in Upstate New York, the medical device company entered into a sale-leaseback of two of their facilities in Warren County. In addition, the company announced that it will continue operations in a reduced capacity for the foreseeable future at these two locations.

MONTGOMERY COUNTY

- **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.

Noteworthy Transactions



SALE/LEASE

1200 Route 9, Schodack
14,000 SF
\$2,275,000 (\$162 PSF)
Ironhorn Enterprises



SALE

14 Hoefler Ave., Ilion
1 Million SF
Under Contract - Asking \$10 Million



SALE

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



SALE/LEASEBACK

603 Queensbury Ave.,
Queensbury
\$5,500,000 (\$52 PSF)
AngioDynamics



SALE/LEASEBACK

8 Glens Falls Tech Park,
Glens Falls
\$1,150,000 (\$49 PSF)
AngioDynamics

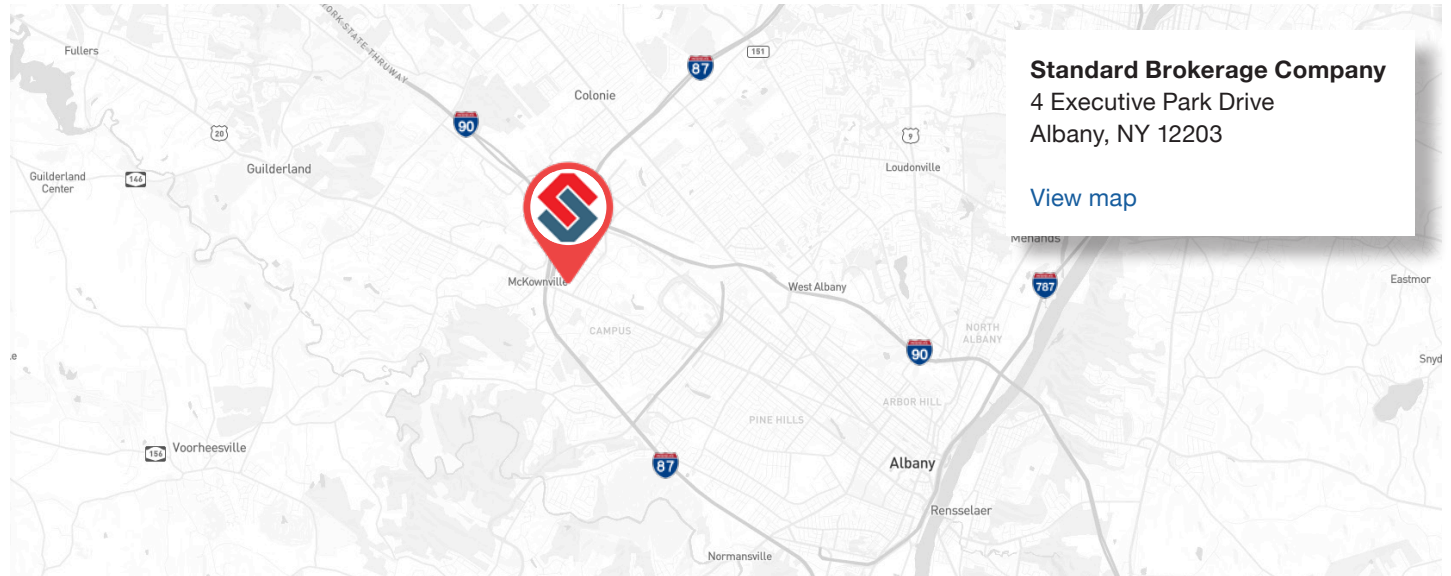
ABOUT STANDARD BROKERAGE COMPANY

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.



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