



Commercial and industrial industry changing in Upstate

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The commercial and industrial real estate industry has been changing rapidly here in Upstate N.Y. The state, in the past and present, has been plagued with increasing bureaucracy on a state and local level, as well as taxes, which has driven a great number of businesses from us, to the southern U.S., as well as to European, Asian and Central American economies. The unfortunate result has been dramatic decline in real job growth here, with declines having been the norm for the past decade.

Hopefully that is changing. Our firm, specializing in commercial and industrial properties here in Upstate, has found a somewhat dramatic increase in two significant areas. First, new-to-the-area retail businesses have been aggressively seeking sites, even in smaller communities here. This has often meant that those retailers, including restaurant chains, have been happy with their business in larger communities, such as Syracuse, Albany and Rochester, and are now looking outward to expansion into the smaller communities. That type of expansion is usually a result of profitable business in the larger communities, which is particularly encouraging.

Secondly, there has been increased interest in industrial space. We previously had significant square footage available, to lease, in local industrial buildings. That is no longer the case, with increasing saturation of the industrial space. The result now is that there is minimal available space, for manufacturing, as well as distribution facilities. We have found out there have been two significant reasons; first, many local industrial operations, that had begun as "starter" or incubator businesses, have grown, sometimes dramatically, and have outgrown their initial location.

Next, many larger manufacturing and distribution companies have found Upstate Central N.Y., to be in the very center of their customer base. Consequently, Upstate distribution facilities have helped reduce transportation costs for them. Also, because of the loss of several major manufacturers over the past years, newer manufacturers have found an excellent source of skilled labor. That has helped provide a quality product, with excellent, dedicated, employees. We're looking for this trend to continue in our area for the foreseeable future.

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