

Quarterly Economic Report

Rochester Area Economic Development, Inc. (RAEDI)

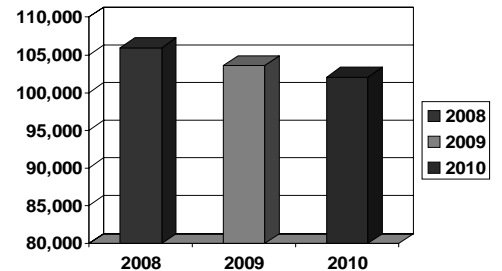
Fourth Quarter, 2010 - Revised

Total Employment

Nonagricultural wage and salary employment for the Rochester MSA finished the year with a loss of 1,522 jobs, an decrease of 1.5 percent over 2009. Both Goods Producing and Service Providing lost 597 and 925 jobs respectively in the last year.

For the quarter, the Rochester MSA reported a decrease of 208 jobs. The loss brought total employment to 102,013 from the September level of 102,221. Employment totals for October, November and December were 102,529, 102,481 and 102,013 respectively.

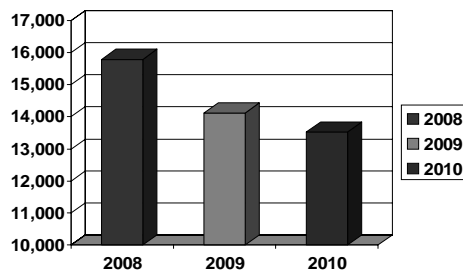
Total Employment Annual Comparison



Goods Producing

The Goods Producing sector experienced a decrease in employment during the last 12 months with a loss of 597 jobs or 4.2 percent. Manufacturing lost 324 jobs while Natural Resources/Construction/Mining decreased by 273 jobs.

Goods Producing Employment

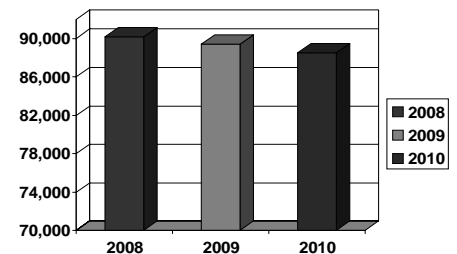


For the quarter, Goods Producing experienced a seasonal slowdown with a loss of 424 jobs. Employment totals for October, November and December were 14,057, 13,852 and 13,510.

Service Providing

Service Providing lost 925 jobs in the last 12 months for a decrease of 1.0 percent. Educational & Health Services reported the largest loss of 438 jobs while Leisure/Hospitality and Financial Activities lost 235 and 144 jobs respectively.

Service Providing Employment



During fourth quarter, the Service Providing sector increased by 496 jobs for a growth rate of six-tenths of one percent. Three of the eight sectors showed employment growth during the quarter. Trade, Transportation and Utilities, and Government reported the largest gain in the fourth quarter by adding 478 and 434 jobs respectively. Service providing totals for October, November and December were 90,698, 90,885 and 90,668 respectively.

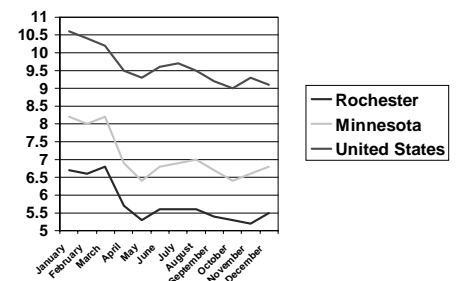
Unemployment Rate

The Rochester unemployment rate increased by one-tenth of one percent ending the fourth quarter rate at 5.5 percent. The Rochester average remains well below the state and U.S. averages of 6.8 and 9.1 percent. During the past 12 months, the average unemployment rate for Rochester was 5.8 percent.

The December labor force figure of 106,538 represents a decrease of eight-tenths of one percent from the September figure of 107,465.

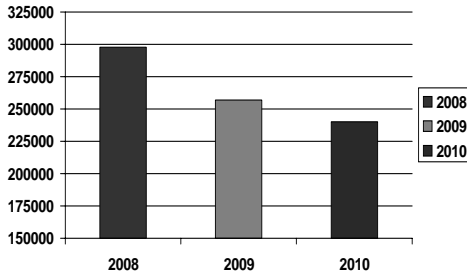
Source: Minnesota Department of Employment and Economic Development

Unemployment Rate January – December 2010



Fourth Quarter

Airport Passenger Traffic Annual Comparison



Quarterly Airport Traffic

The Rochester Airport serviced 240,237 passengers during the 2010 year. This represents a decrease of 6.6 percent over 2009 (257,202 passengers) and a decrease of 19.3 percent over 2008 (297,857 passengers).

For the quarter, air cargo shipments were up 16 percent from fourth quarter 2009. *Source: Airport Manager*

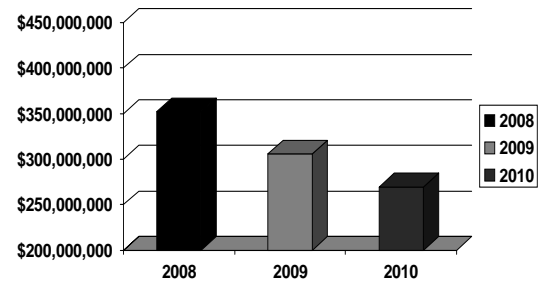
Home Sales in Rochester

The Rochester real estate market's fourth quarter sales for single family homes totaled \$57,761,498, down 16.7 percent from fourth quarter 2009. Total sales for the 2010 year were \$269,339,883.

As the change in sales volume indicates, the Rochester real estate market continues to adjust to fewer buyers and increased market time. Mortgage rates continue to remain low. The average time a house stayed on the market during fourth quarter was 146 days. The average sale price was \$177,876.

Source: Southeast Minnesota Assoc. of Realtors

Annual MLS Sales Comparison



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This report is published quarterly and is available through our website at raedi.com or by calling the Rochester Area Economic Development, Inc. office at (507) 288-0208.

Fourth Quarter Building Activity

Commercial and residential building permits issued for fourth quarter totaled \$35,939,524. For the 2010 year, permit valuation totaled \$199,855,733, up 22.8 percent from 2009 (\$162,778,307), and down 26.7 percent from 2008 (\$272,812,191).

- Source: Rochester Building Safety Department

Annual Commercial & Residential Valuation Comparison

