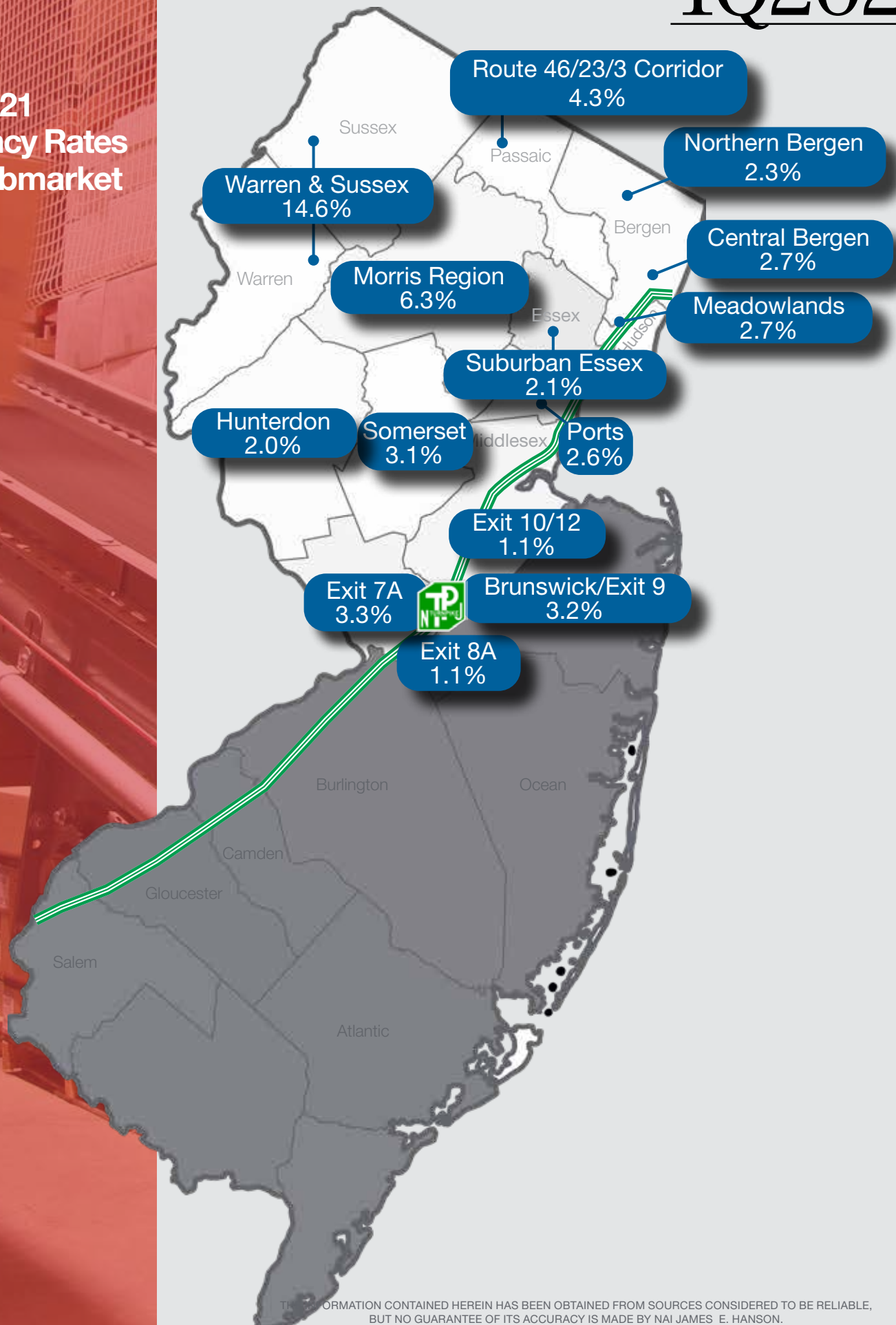


INDUSTRIAL

Northern & Central NJ 1Q 2021 Report



1Q 2021 Vacancy Rates by Submarket



County Overview

	Total RBA	Total Vacant Available SF	Total Vacant Available %	Total Net Absorption	Total SF Leased	RBA Under Construction	Total Average Asking Rate
Northern & Central NJ Overall	682,349,166	18,435,776	2.7%	1,581,238	7,403,086	10,566,519	\$9.79
Middlesex	205,146,335	2,249,527	1.1%	1,141,017	3,505,594	3,453,962	\$8.86
Bergen	90,464,987	2,797,662	3.1%	356,643	671,993	614,777	\$10.83
Hudson	80,969,265	2,112,816	2.6%	404,122	572,295	996,347	\$12.91
Essex	64,803,277	1,140,122	1.8%	133,553	392,241	1,523,265	\$10.13
Union	62,796,813	1,663,487	2.6%	(176,867)	662,578	1,320,943	\$9.46
Passaic	56,368,218	2,451,467	4.3%	(1,138,117)	472,562	130,212	\$9.99
Morris	39,056,550	2,368,194	6.1%	43,205	298,308	103,500	\$7.91
Mercer	33,496,350	911,456	2.7%	40,526	5,000	1,229,973	\$7.67
Somerset	31,226,508	965,295	3.1%	613,546	794,125	419,762	\$9.12
Warren	8,182,636	1,349,479	16.5%	113,305	0	511,200	\$9.46
Hunterdon	6,805,509	135,850	2.0%	7,200	0	29,978	\$6.43
Sussex	3,032,718	290,421	9.6%	43,105	28,390	232,600	\$7.35
Orange, NY	30,068,725	896,862	3.0%	94,638	482,597	1,876,124	\$6.32
Rockland, NY	15,533,339	551,340	3.5%	172,422	209,966	16,000	\$9.39

Submarket Overview

	Total RBA	Total Vacant Available SF	Total Vacant Available %	Total Net Absorption	Total SF Leased	RBA Under Construction	Total Average Asking Rate
Ports	136,917,934	3,501,306	2.6%	(135,858)	911,918	3,333,419	\$9.90
Exits 10/12	111,913,235	1,180,945	1.1%	797,793	1,417,351	2,164,455	\$8.94
Meadowlands	94,363,936	2,591,861	2.7%	328,280	789,052	446,919	\$13.09
Exit 8A	70,639,955	769,610	1.1%	254,242	1,657,783	953,595	\$10.47
Route 46/23/3 Corridor	56,024,819	2,406,897	4.3%	(1,120,549)	454,323	130,212	\$9.90
Exit 7A	43,909,972	1,445,407	3.3%	37,754	30,700	1,389,848	\$8.06
Morris Region	37,258,994	2,365,838	6.3%	30,705	295,025	103,500	\$7.88
Somerset	30,987,146	953,295	3.1%	604,755	794,125	419,762	\$9.14
Central Bergen County	25,444,026	694,287	2.7%	226,945	226,495	459,773	\$10.35
Suburban Essex	22,828,606	477,494	2.1%	63,918	288,782	215,221	\$9.55
Brunswick/ Exit 9	22,593,145	715,811	3.2%	88,982	430,460	335,912	\$8.52
Northern Bergen County	21,827,433	508,065	2.3%	237,889	104,382	0	\$10.16
Warren & Sussex	11,215,354	1,639,900	14.6%	156,410	28,390	743,800	\$6.80
Hunterdon	6,805,509	135,850	2.0%	7,200	-	29,978	\$6.43

THE INFORMATION CONTAINED HEREIN HAS BEEN OBTAINED FROM SOURCES CONSIDERED TO BE RELIABLE, BUT NO GUARANTEE OF ITS ACCURACY IS MADE BY NAI JAMES E. HANSON.

1Q2021 vs. 1Q2020



0.10%
Vacancy Rate



\$1.13
Asking Rate



1,179,461 SF ↑
Leasing Activity

TOP 5 Transactions LEASED

220,000 SF | 174 Delawanna Ave., Clifton
Weee!, Inc.

125,806 SF | 925 Paterson Plank Rd., Secaucus
AuerPAK

107,107 SF | 116 Lehigh Dr., Fairfield
Ingram Micro, Inc.

102,224 SF | 66-96 E. Union Ave., E. Rutherford*
FroDo Baking Company

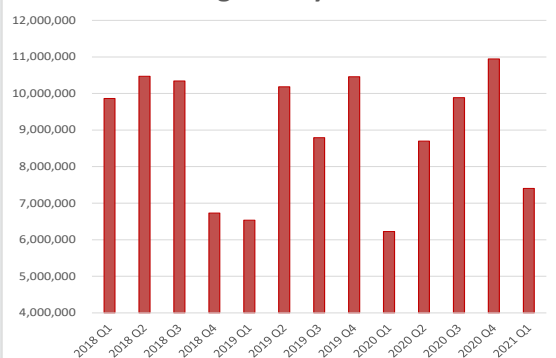
100,301 SF | 101 Railroad Ave., Ridgefield
LY Berditchev

*NAI Hanson Transaction

Northern & Central NJ
Average Asking Rate vs. Vacant Available Rate



Northern & Central NJ
Leasing Activity SF Total



Leasing Activity

- Leasing activity is up 1.1 million square feet compared to the first quarter of 2020.
- Average asking rates continue to rise. Compared to a year prior, rates are up \$1.13 per square foot and compared to two years prior, rates are up \$1.54 per square foot.
- The vacancy rate still remains low and it is down 0.1% from a year prior, the rate is down 0.7% from two years prior.
- NAI Hanson facilitated the transactions at 550 Huyler Street in South Hackensack and 450 Barell Avenue in Carlstadt. Parts Authority leased 27,500 square feet at 550 Huyler Street and Gneiss leased 25,210 square feet at 450 Barell Avenue.

Sale Activity

- There was just over 4 million square feet sold this quarter excluding portfolio sales.
- The average sales price per square foot was \$125.99, which is down \$18.74 per square foot from the previous quarter.
- 1000-1108 Jefferson Avenue was the top sales transaction for the quarter. Elion Partners purchased the 202,000-square-foot building from The Seyon Group and Wheelock Street Capital for \$29,325,780 million or \$145 per square foot.
- NAI Hanson facilitated the sale of 66-96 Union Avenue, a 102,224-square-foot building in East Rutherford, from Caravan Ingredients to Duke Realty for an undisclosed amount.

TOP Transactions SOLD

202,000 SF | \$29,325,780
1000-1108 Jefferson Avenue, Elizabeth
Buyer: Elion Partners
Seller: The Seyon Group, Wheelock

188,343 SF | \$27,580,325
\$27,580,325 105 Ave A, Bayonne
Buyer: IMCO
Seller: WPT Industrial REIT

160,575 SF | \$23,514,071
99 Ave A, Bayonne
Buyer: IMCO
Seller: WPT Industrial REIT

154,788 SF | \$24,194,435
190 S Wood Ave, Iselin
Buyer: GIC
Seller: LBA Realty

120,760 SF | \$23,700,000
111 Bauer Drive, Oakland
Buyer: Exeter
Seller: David Ekstein

102,224 SF | \$24,500,000*
66-96 E. Union Ave, E. Rutherford
Buyer: Duke Realty
Seller: Caravan Ingredients

*NAI Hanson Transaction



66-96 E. Union Ave, E. Rutherford



Under Construction

Address	Size (SF)	Completion	Developer	Submarket
42 Military Ocean Terminal., Bayonne	1,500,000	3Q2021	Lincoln Equities Group	Ports
3 Sigle Lane, South Brunswick	1,166,030	3Q2021	Heller Industrial Parks	Exit 8A
343 Half Acre Rd., Cranbury	953,595	1Q2021	Alfieri LLC	Exit 8A
3000 Valley Brook Ave., Lyndhurst - Bldg. A	932,168	1Q2023	Russo Development/ Forsgate Industrial Partners	Meadowlands
225 Elm St., Perth Amboy	921,085	2Q2021	Duke Realty Corporation	Exit 10/12
173-268 Doremus Ave., Newark	873,743	3Q2021	The Morris Companies	Ports
1365 Lambertson Rd., Hamilton Twp.	845,078	2Q2021	Hilco Global	Exit 7A
Tremley Point Rd., Linden (8 bldgs)	840,203	1Q2021	F. Greek Dev. & Advance Realty	Ports
11 C Court S., Edison	699,600	4Q2021	2020 Acquisitions	Exit 10/12
39 Strykers Rd., Phillipsburg	511,200	3Q2021	J.G. Petrucci Company	Warren & Sussex
148 Princeton-Hightstown Rd., E. Windsor - Bldg. A	406,669	2Q2022	Black Creek Group	Exit 7A
Baekeland Ave., Middlesex	400,000	2Q2021	Rockefeller Group	Exit 10/12
1365 Lambertson Rd., Hamilton Twp.	384,895	2Q2021	Hilco Global	Exit 7A
3000 Valley Brook Ave., Lyndhurst - Bldg. B	344,110	1Q2023	Russo Development/ Forsgate Industrial Partners	Meadowlands
2701 Route 3 East, Secaucus	325,856	4Q2021	Clarion Partners	Meadowlands
481 Blackhorse Ln., North Brunswick	245,232	2Q2021	Adler Development	Brunswick/Exit 9
148 Princeton-Hightstown Rd., East Windsor	167,500	4Q2021	Black Creek Group	Exit 7A
49 Rutherford St., Newark*	185,917	3Q2021	CenterPoint Properties	Ports
330 S Randolphville Rd., Piscataway - Bldg B	151,748	2Q2021	Transwestern Devel. Co.	Exit 10/12
330 S Randolphville Rd., Piscataway - Bldg. A	146,505	2Q2021	Transwestern Devel. Co.	Exit 10/12
2555 Kuser Rd., Hamilton	145,950	1Q2021	Scannell Properties	Exit 7A
357 Wilson Ave., Newark	142,479	2Q2022	Prologis	Ports
5 Dedrick Pl., West Caldwell - Bldg. A	134,453	3Q2021	Link Logistics/Hampshire	Suburban Essex

Under Construction - Continued

Address	Size (SF)	Completion	Developer	Submarket
26-56 Jefferson St., Passaic	111,111	3Q2021	IDI Logistics	Route 46/23/3 Corridor
85 New Brunswick Ave., Woodbridge	101,425	2Q2021	Woodmont Industrial Partners	Exit 10/12
590 Belleville Tpke., Kearny - Bldg. 3	100,700	3Q2021	Alessi Organization	Meadowlands
590 Belleville Tpke., Kearny - Bldg. 4	91,000	2Q2021	Alessi Organization	Meadowlands
210 Clay Ave., Lyndhurst	90,614	3Q2021	Branca Properties	Meadowlands
590 Belleville Tpke., Kearny - Bldg. 2	100,215	1Q2021	Alessi Organization	Meadowlands
120 Raskulinecz Rd., Carteret	84,628	2Q2021	Link Logistics/Hampshire Co	Exit 10/12
5 Dedrick Pl., West Caldwell - Bldg. B	80,768	3Q2021	Link Logistics/Hampshire Co	Suburban Essex
120 Frontage Rd., Newark	75,900	4Q2021	The S. Hekemian Group	Ports
701 12th St., Carlstadt/Wood-Ridge	64,390	3Q2021	Link Logistics	Meadowlands
200 Federal Blvd., Carteret - Bldg. B	54,062	2Q2021	Link Logistics/Hampshire Co	Exit 10/12
750 Jersey Ave., New Brunswick	51,180	3Q2021	Wick Companies LLC	Brunswick/Exit 9
200 Federal Blvd., Carteret - Bldg. A	50,802	2Q2021	Link Logistics/Hampshire Co	Exit 10/12

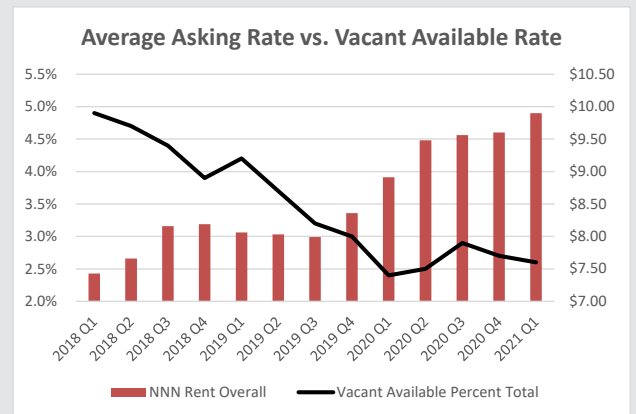
*NAI Hanson is handling the leasing.

Recently Completed

Address	Size (SF)	Leased	Tenant(s)	Submarket
2205 Route 27, Edison	900,022	100%	Amazon	Exit 10/12
353 Half Acre Rd., Cranbury	870,950	100%	Crate & Barrel	Exit 8A
150 Old New Brunswick Rd., Piscataway	622,230	100%	Bob's Discount Furniture	Brunswick/Exit 9
39 Edgeboro Rd., East Brunswick	513,240	100%	Fedex	Brunswick/Exit 9
Tremley Point Rd., Linden	480,740	100%	N/A	Ports
250 Gregg St., Lodi	200,385	100%	Amazon	Central Bergen
5905 West Side Ave., North Bergen	113,623	100%	Western Carriers	Ports
200 Gregg St., Lodi	90,000	100%	Amazon	Central Bergen
864-888 Magnolia Ave., Elizabeth	30,184	100%	Mam Takin	Ports

Ports Market Snapshot

Market Size	136,917,934 SF
Vacant Availability (SF)	3,501,306 SF
Vacant Availability (%)	2.60%
1Q21 Leasing Activity	911,918 SF
Total 2021 Leasing Activity	911,918 SF
Average Asking Rate	\$9.90 PSF
1Q2021 Net Absorption	(135,858) SF
Total 2021 Net Absorption	(135,858) SF
Under Construction	3,333,419 SF
Delivered	0 SF



1Q2021 vs. 1Q2020

 **0.2%**
Vacancy Rate ↑

 **\$0.99**
Asking Rate ↑

 **100,042 SF**
Leasing Activity ↑

Trends

“ For companies hoping to capitalize on the robust logistics infrastructure found in the New York City area, there is no location better positioned than the Ports submarket. However, the market’s maturity and density coupled with tremendous demand have led to a lingering shortage of Class-A industrial space throughout the region that shows no signs of abating. ”

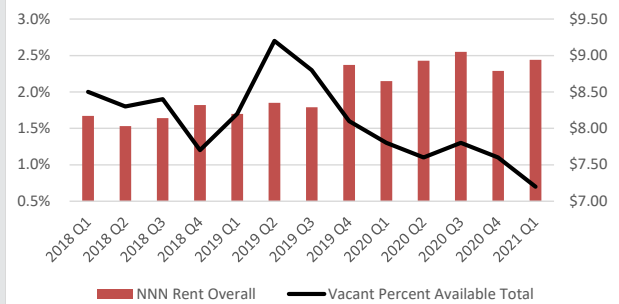
- Russell Verducci, SIOR

Exit 10/12 Market Snapshot

Market Size	111,929,144 SF
Vacant Availability (SF)	764,106 SF
Vacant Availability (%)	0.7%
1Q21 Leasing Activity	1,420,279 SF
Total 2021 Leasing Activity	1,420,279 SF
Average Asking Rate	\$8.94 PSF
1Q2021 Net Absorption	(304,638) SF
Total 2021 Net Absorption	(304,638) SF
Under Construction	2,164,455 SF
Delivered	0 SF



Average Asking Rate vs. Vacant Available Rate



EXIT 10/12

1Q2021 vs. 1Q2020

 **0.60%**
Vacancy Rate ↓

 **\$0.29**
Asking Rate ↑

 **670,513 SF**
Leasing Activity ↑

Trends

“All time low vacancy rates along with all time high in rates have created an extremely tight market. We continue to set new highs on rental rates and this shows no signs of abating anytime soon.”

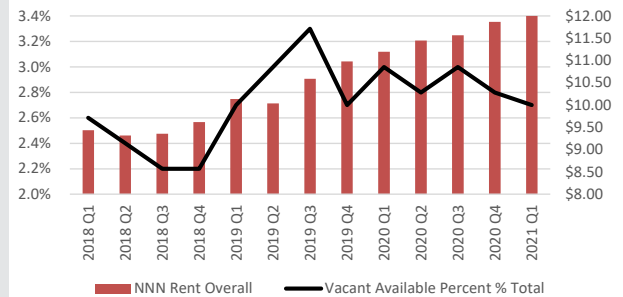
- Barry Cohorsky, SIOR

Meadowlands Market Snapshot

Market Size	94,363,936 SF
Vacant Availability (SF)	2,591,861 SF
Vacant Availability (%)	2.7%
1Q21 Leasing Activity	789,052 SF
Total 2021 Leasing Activity	789,052 SF
Average Asking Rate	\$13.09 PSF
1Q2021 Net Absorption	328,280 SF
Total 2021 Net Absorption	328,280 SF
Under Construction	446,919 SF
Delivered	0 SF




Average Asking Rate vs. Vacant Available Rate



1Q2021 vs. 1Q2020

 **0.30%**
Vacancy Rate ↓

 **\$1.89**
Asking Rate ↑

 **359,271 SF**
Leasing Activity ↓

Trends

“ The Meadowlands submarket so far in 2021 continues to see strong demand from both tenants and buyers leading to continued rising rents and sale prices. Due largely to the growth of e-commerce, there do not appear to be any signs of a downturn in the demand for industrial properties in this submarket.”

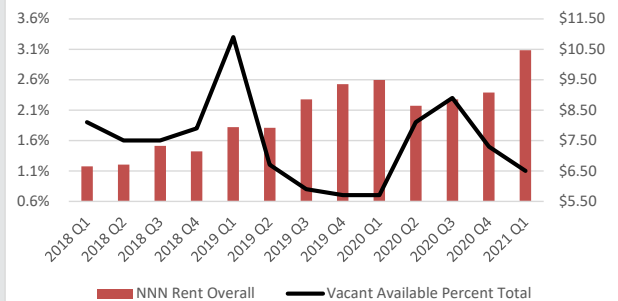
- Thomas Vetter, SIOR

Exit 8A Market Snapshot

Market Size	70,639,955 SF
Vacant Availability (SF)	769,610 SF
Vacant Availability (%)	1.1%
1Q21 Leasing Activity	1,657,783 SF
Total 2021 Leasing Activity	1,657,783 SF
Average Asking Rate	\$10.47 PSF
1Q2021 Net Absorption	254,242 SF
Total 2021 Net Absorption	254,242 SF
Under Construction	953,595 SF
Delivered	0 SF



Average Asking Rate vs. Vacant Available Rate




EXIT 8A

1Q2021 vs. 1Q2020

 **0.40%**
Vacancy Rate ↑

 **\$0.98**
Asking Rate ↑

 **422,643 SF**
Leasing Activity ↑

Trends

“ The Exit 8A market continues to be very tight. Vacancies are around one percent and rents are hitting new highs monthly. Buildings which come available are getting leased before the current tenants vacate. These are the lowest vacancy rates and the highest rental rates in the 8A sub-market in my 35+ years in the business. ”

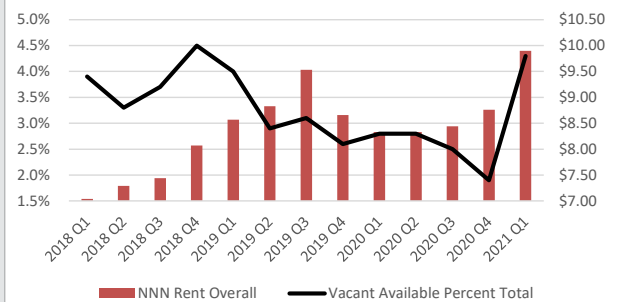
- Ken Lundberg, SIOR

Routes 46, 23, 3 Market Snapshot

Market Size	56,024,819 SF
Vacant Availability (SF)	2,406,897 SF
Vacant Availability (%)	4.3%
1Q21 Leasing Activity	454,323 SF
Total 2021 Leasing Activity	454,323 SF
Average Asking Rate	\$9.90 PSF
1Q2021 Net Absorption	(1,120,549) SF
Total 2021 Net Absorption	(1,120,549) SF
Under Construction	130,212 SF
Delivered	0 SF



Average Asking Rate vs. Vacant Available Rate



1Q2021 vs. 1Q2020

 **1.50%**
Vacancy Rate ↑

 **\$1.57**
Asking Rate ↑

 **5,450 SF**
Leasing Activity ↑

Trends

“The industrial market is strong in this area and demand is high. Vacancy rates are on average below 5% and in some of the submarkets along this corridor hovering as low as 3%. The going market rate for space is between \$10-\$12 per square foot.”

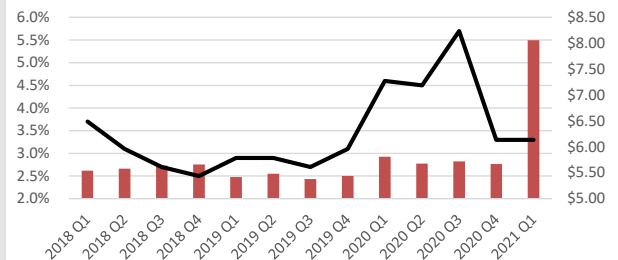
- Andrew Somple, SIOR

Exit 7A Market Snapshot

Market Size	43,909,972 SF
Vacant Availability (SF)	1,445,407 SF
Vacant Availability (%)	3.3%
1Q21 Leasing Activity	37,754 SF
Total 2021 Leasing Activity	37,754 SF
Average Asking Rate	\$8.06 PSF
1Q2021 Net Absorption	37,754 SF
Total 2021 Net Absorption	37,754 SF
Under Construction	1,389,848 SF
Delivered	29,443 SF



Average Asking Rate vs. Vacant Available Rate



EXIT 7A

1Q2021 vs. 1Q2020

 **1.30%**
Vacancy Rate ↓

 **\$2.25**
Asking Rate ↑

 **18,122 SF**
Leasing Activity ↓

Trends

“Exit 7A has seen one of the most dramatic increases in rental rates since last quarter due to a significant lag between the current high demand and lack of new space delivered into the market. With nearly 1.3 million square feet under construction in the market right now, I expect to see some degree of leveling off of pricing over the next year but anticipate supply to remain well behind demand in this market for some time.”

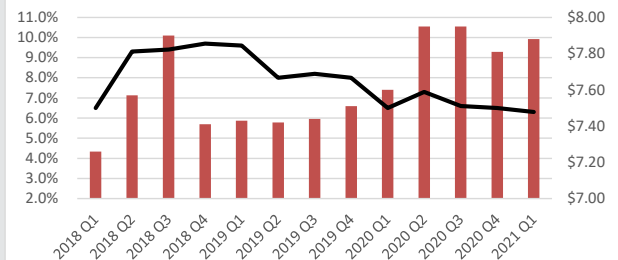
- Chris Todd

Morris Region Market Snapshot

Market Size	37,258,994 SF
Vacant Availability (SF)	2,365,838 SF
Vacant Availability (%)	6.3%
1Q21 Leasing Activity	295,025 SF
Total 2021 Leasing Activity	295,025 SF
Average Asking Rate	\$7.88 PSF
1Q2021 Net Absorption	30,705 SF
Total 2021 Net Absorption	30,705 SF
Under Construction	103,500 SF
Delivered	24,600 SF



Average Asking Rate vs. Vacant Available Rate



1Q2021 vs. 1Q2020

 **0.20%**
Vacancy Rate ↓

 **\$0.28**
Asking Rate ↑

 **602,707 SF**
Leasing Activity ↓

Trends

“ Rents are at an all-time high as supply of available space is sparse. This has spurred developers to consider new ground up construction. ”

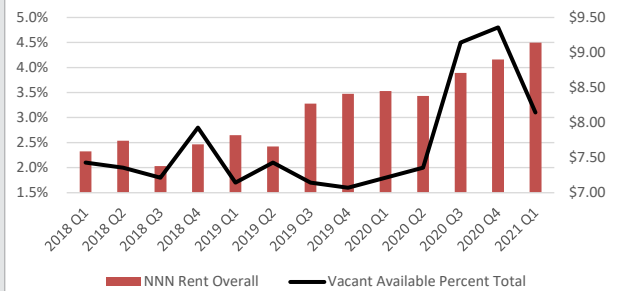
- Scott Perkins, SIOR

Somerset Market Snapshot

Market Size	30,987,146 SF
Vacant Availability (SF)	953,295 SF
Vacant Availability (%)	3.1%
1Q21 Leasing Activity	794,125 SF
Total 2021 Leasing Activity	794,125 SF
Average Asking Rate	\$9.14 PSF
1Q2021 Net Absorption	604,755 SF
Total 2021 Net Absorption	604,755 SF
Under Construction	419,762 SF
Delivered	0 SF



Average Asking Rate vs. Vacant Available Rate



SOMERSET

1Q2021 vs. 1Q2020

 **1.30%**
Vacancy Rate ↑

 **\$0.69**
Asking Rate ↑

 **513,905 SF**
Leasing Activity ↑

Trends

“ Similarly to many other secondary markets, the Somerset industrial market has benefited significantly of late from the lack of supply in neighboring areas. I expect developers will increasingly take a closer look at industrial construction in the area as they look for opportunities to tap into high demand in the region. ”

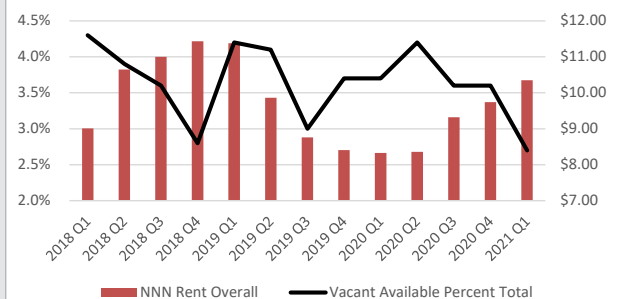
- Mike Walters, SIOR

Central Bergen Market Snapshot

Market Size	25,444,026 SF
Vacant Availability (SF)	694,287 SF
Vacant Availability (%)	2.7%
1Q21 Leasing Activity	226,495 SF
Total 2021 Leasing Activity	226,495 SF
Average Asking Rate	\$10.35 PSF
1Q2021 Net Absorption	226,945 SF
Total 2021 Net Absorption	226,945 SF
Under Construction	459,773 SF
Delivered	0 SF




Average Asking Rate vs. Vacant Available Rate



1Q2021 vs. 1Q2020

 **1.00%**
Vacancy Rate ↓

 **\$2.02**
Asking Rate ↑

 **148,741 SF**
Leasing Activity ↓

Trends

“ The Central Bergen Market continues to see exponential growth in both lease and sale prices. Quick access to the consumer is the number one thing on most companies' minds right now, and this market's location relative to the City is unbeatable via the George Washington Bridge. ”

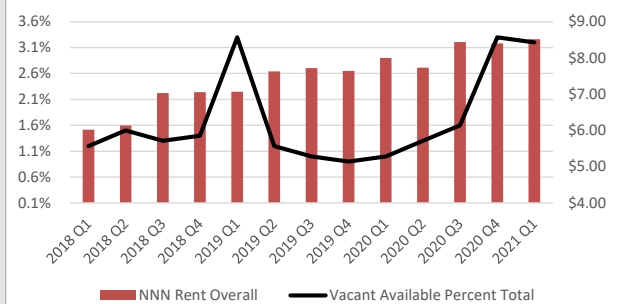
- Lorenzo Lambiase

Brunswick/Exit 9 Market Snapshot

Market Size	22,593,145 SF
Vacant Availability (SF)	715,811 SF
Vacant Availability (%)	3.2%
1Q21 Leasing Activity	430,460 SF
Total 2021 Leasing Activity	430,460 SF
Average Asking Rate	\$8.52 PSF
1Q2021 Net Absorption	88,982 SF
Total 2021 Net Absorption	88,982 SF
Under Construction	335,912 SF
Delivered	67,200 SF




Average Asking Rate vs. Vacant Available Rate



1Q 2021 vs 1Q 2020

 **2.20%**
Vacancy Rate ↑

 **\$0.52**
Asking Rate ↑

 **273,910 SF**
Leasing Activity ↑

Trends

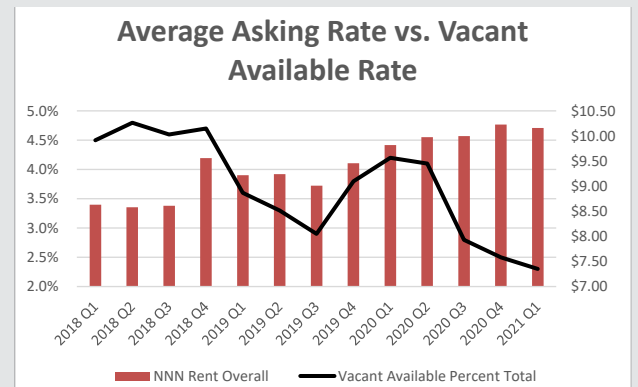
“ The Exit 9 submarket is a viable option for users targeting a central N.J. distribution facility. As available space remains limited in nearby markets, such as Edison, the approximately 350,000 square feet of new development targeted for delivery in 2021 will certainly be welcomed. ”

- Eric Demmers

NORTHERN BERGEN

Northern Bergen Market Snapshot

Market Size	21,827,433 SF
Vacant Availability (SF)	508,065 SF
Vacant Availability (%)	2.3%
1Q21 Leasing Activity	104,382 SF
Total 2021 Leasing Activity	104,382 SF
Average Asking Rate	\$10.16 PSF
1Q2021 Net Absorption	237,889 SF
Total 2021 Net Absorption	237,889 SF
Under Construction	0 SF
Delivered	0 SF



1Q 2021 vs 1Q 2020

 **1.90%**
Vacancy Rate ↓

 **\$0.34**
Asking Rate ↑

 **11,484 SF**
Leasing Activity ↓

Trends

“ The Northern Bergen County submarket has benefitted from the tight supply in neighboring markets as tenant demand in the area has reached its cycle high with new tenants touring the market regularly. ”

- Pat Lennon

- Lease Administration
- Planned Maintenance Programs
- Security Analysis
- Risk Management
- Energy Conservation Strategies
- Accounting Services
- Construction Management Services
- Facility Audits



NAI Hanson Management currently manages
over 6.5 million square feet.

OFFICE



INDUSTRIAL



RETAIL



“Since NAI Hanson Management has taken over the Meadowlands portfolio, it has gone from one of the most challenging properties to one of the most smoothly and efficiently run properties.”

- L&B Realty Advisors, LLP

INDUSTRIAL

NAI James E. Hanson
COMMERCIAL REAL ESTATE SERVICES, WORLDWIDE

1Q2021

Industrial Market Update

The world's largest commercial real estate network.

43± Countries

300± Offices

5,100± Market Leaders

NAI James E. Hanson is the largest independently owned commercial real estate firm in the State with over 65 years of experience in the New Jersey industrial market and has one of the largest industrial teams. NAI Hanson currently holds 11 SIOR designations, the most SIORs over any other commercial real estate firm in the State.

For more information, please contact:

William C. Hanson, SIOR
President
201 488 5800 x145
whanson@naihanson.com

FOLLOW US!



Member of NAI Global with 300 Offices Worldwide

195 North Street, Suite 100 • Teterboro, NJ 07608 | 201 488 5800
10 Lanidex Plaza W., Parsippany, NJ 07054 | 973 463 1011 • naihanson.com