

COMMERCIAL REAL ESTATE SERVICES, WORLDWIDE

2022 INDUSTRIAL REPORT

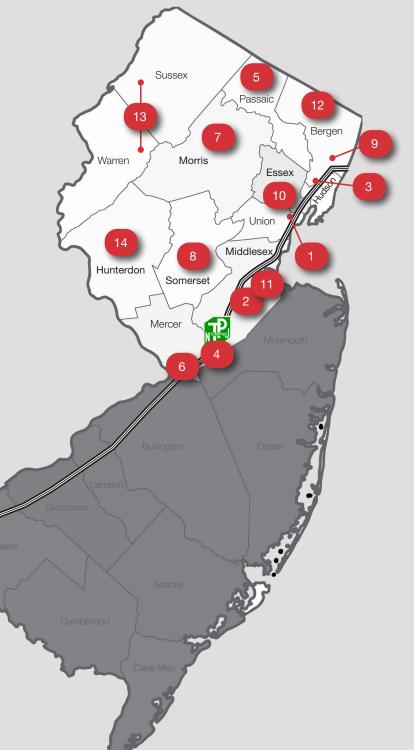
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James E. Hanson	
MMERCIAL REAL ESTATE SERVICES, WORLDWIDE	

#SUBMARKETVACANCY1PORTS1.9%2EXIT 10/121.3%3MEADOWLANDS1.9%4EXIT 8A0.3%

5 46/23/3 CORRIDOR 1.6%	
6 EXIT 7A 2.9%	
7 MORRIS REGION 2.6%	
8 SOMERSET 1.5%	
9 CENTRAL BERGEN 2.7%	
10SUBURBAN ESSEX1.5%	
11 BRUNSWICK/EXIT 9 1.0%	
12 NORTHERN BERGEN 2.3%	
13WARREN & SUSSEX7.0%	
14HUNTERDON1.4%	





Market Statistics

County	Total RBA	Total Vacant Available SF	Total Vacant Available %	Total Net Absorption	Total SF Leased	RBA Under Construction	Average Asking Rate
Northern & Central NJ	692,913,228	12,247,050	1.8%	107,412	4,326,012	16,545,117	\$11.91
Middlesex	209,980,503	1,902,228	0.9%	(216,655)	1,159,904	4,953,367	\$11.94
Bergen	90,508,110	2,103,134	2.3%	86,551	731,560	1,821,911	\$13.19
Hudson	81,520,874	1,777,907	2.2%	(146,981)	59,546	2,219,751	\$16.36
Essex	66,732,756	915,554	1.4%	139,481	258,589	895,289	\$12.02
Union	64,421,811	1,186,783	1.8%	(172,910)	233,172	2,277,717	\$11.96
Passaic	56,314,519	859,331	1.5%	306,779	375,815	0	\$12.66
Morris	39,400,277	994,546	2.5%	(64,826)	975,609	63,440	\$10.20
Mercer	34,421,466	1,109,790	3.2%	54,787	174,218	2,041,383	\$7.92
Somerset	30,712,732	453,662	1.5%	246,878	275,420	850,041	\$10.17
Warren	8,725,095	724,870	8.3%	(184,300)	23,571	1,408,200	\$6.92
Hunterdon	6,890,886	99,078	1.4%	32,655	32,655	0	\$10.11
Sussex	3,284,199	120,167	3.7%	25,953	25,953	14,018	\$8.12
Orange, NY	32,130,433	1,836,867	5.7%	141,674	141,674	3,370,170	\$9.05
Rockland, NY	15,804,287	656,275	4.2%	(106,345)	34,027	23,000	\$14.90

Submarket	Total RBA	Total Vacant Available SF	Total Vacant Available %	Total Net Absorption	Total SF Leased	RBA Under Construction	Average Asking Rate
Ports	140,096,316	2,656,646	1.9%	(59,452)	300,822	4,639,584	\$16.55
Exits 10/12	113,571,535	1,433,821	1.3%	(101,977)	189,682	3,170,504	\$13.75
Meadowlands	94,977,926	1,840,588	1.9%	223,295	364,689	1,922,611	\$16.40
Exit 8A	73,493,180	233,949	0.3%	61,952	720,623	1,539,963	\$14.13
Route 46/23/3 Corridor	55,925,786	870,827	1.6%	300,279	325,279	0	\$12.63
Exit 7A	45,077,655	1,321,812	2.9%	289,042	310,250	3,476,203	\$8.67
Morris Region	37,652,606	974,450	2.6%	(53,326)	975,609	63,440	\$10.20
Somerset	30,712,732	453,662	1.5%	246,878	275,420	850,041	\$10.17
Central Bergen County	25,819,911	687,512	2.7%	(138,859)	327,021	0	\$12.44
Suburban Essex	23,298,047	358,461	1.5%	(41,817)	105,118	652,473	\$12.91
Brunswick/ Exit 9	22,915,788	234,458	1.0%	(176,630)	249,599	242,900	\$11.47
Northern Bergen County	21,290,260	479,051	2.3%	(14,356)	57,746	0	\$11.60
Warren & Sussex	12,009,294	845,037	7.0%	(158,347)	23,571	1,422,218	\$7.44
Hunterdon	6,890,886	99,078	1.4%	32,655	32,655	0	\$10.11

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2022 INDUSTRIAL REPORT

Top Transactions

Top SALE Transactions

581,000 SF | \$110,400,000 Chimney Rock Road, Bridgewater Buyer: SREIT Seller: Terreno Realty

212,239 SF | \$62,000,000 329 New Brunswick Avenue, Rahway Buyer: EverWest RE Investors

Seller: Tryad Group

171,269 SF | \$55,100,000

539 Route 130, Hamilton Buyer: CommercialEdge Information Seller: Penwood Real Estate Investment Management & Metrix Real Estate Services

117,340 SF | \$27,500,000*

100 Demarest Drive, Wayne Buyer: Centerpoint Properties Seller: 100 Demarest LLC

Top LEASE Transactions

248,611 SF

1165 Cranbury South Road South Brunswick Yami

83,085 SF

2 Bell Drive Ridgefield Bollore, Inc

67,567 SF

621 ÚS Highway 1 North Brunswick Pro Tapes & Specialties

58,000 SF*

230 W Crescent Avenue Allendale Elgen Manufacturing

*NAI Hanson Transaction

TOP 10 ADDRESS CONSTRUCTION PROJECTS	SIZE (SF)	COMPLETION	DEVELOPER	SUBMARKET
1000-2000 Rand Blvd	1,408,200	3Q22	Bridge Development Partners	Warren & Sussex
904 Cranbury South River Rd	1,281,000	3Q22	JV Brookfield & Sansone Group	Exit 8A
1289 Rahway Ave	1,215,238	4Q22	The Morris Companies	Exit 10/12
505 State Route 33	1,000,000	3Q22	Crow Holdings	Exit 7A
3000 Valley Brook Ave	932,168	3Q23	JV Forsgate & Russo	Meadowlands
42 Military Ocean Term	886,256	4Q22	Lincoln Equities Group LLC	Port
1365 Lamberton Rd	845,078	3Q22	Hilco Global	Exit 7A
700 Linden Logistics Way	735,220	4Q22	JV Greek Dev. & Advance Realty	Port
200 Linden Logistics Way	516,600	2Q23	JV Greek Dev. & Advance Realty	Port
300 Salt Meadow Rd	479,700	3Q22	Crow Holdings Industrial	Exit 10/12

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140,096,316 SF	Average Asking Rent vs Vacant Available Rate
2,656,646 SF	\$16.00
1.9%	\$14.00
300,822 SF	\$10.00
1,399,309 SF	\$6.00 2019 Q2 2019 Q3 2019 Q4 2020 Q1 2020 Q2 2020 Q3 2020 Q4 2021 Q1 2021 Q2 2021 Q3 2021 Q4 2022 Q1 2022 Q3
\$16.55 PSF	NNN Rent OverallVacant Available %
(59,452) SF	• After breeching the \$16.00 per square foot in early 2021, average asking rents continu
998,492 SF	 \$2.30 Asking Rate The Ports su has the highest asking rates in Northern Neulast year.
4,639,584 SF	 Leasing volume was down considerably ye year, but it is important to note that with a v rate under 2.0%, there is not much space to the space of the
1,194,400 SF	Leasing Activity Leasing Activ
	2,656,646 SF 1.9% 300,822 SF 1,399,309 SF \$16.55 PSF (59,452) SF 998,492 SF 4,639,584 SF

ning the \$16.00 per square foot mark , average asking rents continued to r, jumping by more than \$2.00 per over the last year. The Ports submarket nest asking rates in Northern New

4.0% 3.5% 3.0% 2.5% 2.0% 1.5% 1.0% 0.5% 0.0%

ume was down considerably year-over,s important to note that with a vacancy 2.0%, there is not much space to lease. drop in activity, year-to-date absorption se to 1.0 million square feet.



N	Market Size	113,571,535 SF	Average Asking Rent vs Vacant Available Rate
	Vacant Available	1,433,821 SF	\$15.00 \$14.00 \$13.00 2.5%
	Vacant Available (%)	1.3%	\$12.00 \$11.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00 \$10.00
	2Q2022 Leasing Activity	189,682 SF	\$9.00 \$8.00 0.5%
	Total 2022 Leasing Activity	1,682,257 SF	\$7.00 \$6.00 2019 Q2 2019 Q3 2019 Q4 2020 Q1 2020 Q2 2020 Q3 2020 Q4 2021 Q1 2021 Q2 2021 Q3 2021 Q4 2022 Q1 2022 Q2 0.0%
E	Average Asking Rate	\$13.75 PSF	NNN Rent OverallVacant Available % Trends
	2Q2022 Net Absorption	(101,977) SF	• Average asking rents have risen consistently for the last 13 quarters, finishing 2Q2022 at \$13.75
- 10	Total 2022 Net Absorption	(539,285) SF	 \$1.50 Asking Rate
	Under Construction	3,170,504 SF	 The vacancy rate finished the quarter at 1.3%, staying under the 2.0% mark, where it has remained since 3Q2019. Currently, there are more 3.2 million square feet under construction
	Delivered	151,708 SF	2,394,194 SF Leasing Activity 1 more 3.2 million square feet under construction in the submarket with nearly all of it expected to deliver before the end of the year.
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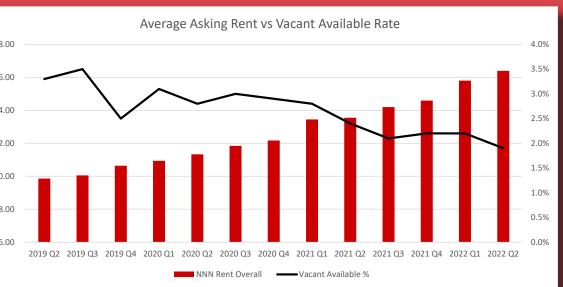
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NJJames E. Hanson

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Market Size	94,977,926 SF	Average Asking Rent vs Va
Vacant Available	1,840,588 SF	\$16.00
Vacant Available (%)	1.9%	\$14.00
2Q2022 Leasing Activity	364,689 SF	\$10.00
Total 2022 Leasing Activity	2,230,165 SF	\$6.00 2019 Q2 2019 Q3 2019 Q4 2020 Q1 2020 Q2 2020 Q3 2020 Q4
Average Asking Rate	\$16.40 PSF	NNN Rent Overall
2Q2022 Net Absorption	223,295 SF	• At
Total 2022 Net Absorption	539,228 SF	\$2.85 Asking Rate
Under Construction	1,922,611 SF	• NA 45
Delivered	490,461 SF	32,621 SF pro
2.00		



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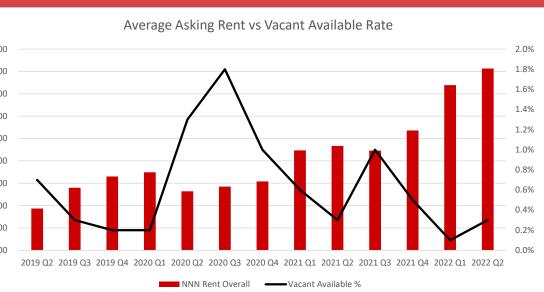
- t \$16.40 per square foot, the Meadowlands second only to the Ports submarket for the ighest asking price. Average rates have moved teadily higher over the last several years and nore than doubled since 2017.
- JAI James E Hanson was involved in the sale of 55 Barell Avenue in Carlstadt. The 26,112-square oot building sold for \$6.0 million in May. The property was purchased by Southpeak Group rom SNS Rugs. NAI Hanson Management was ecently awarded the management of the property.



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2022 INDUSTRIAL REPORT

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Market Size	73,493,180 SF	\$15.00
Vacant Available	233,949 SF	\$14.00
Vacant Available (%)	0.3%	\$12.00 \$11.00 \$10.00
2Q2022 Leasing Activity	720,623 SF	\$9.00
Total 2022 Leasing Activity	1,586,067 SF	\$7.00 \$6.00 2019 Q2 2019 Q3 2019 Q4 2020
Average Asking Rate	\$14.13 PSF	
2Q2022 Net Absorption	61,952 SF	0.%
Total 2022 Net Absorption	128,290 SF	\$3.46 Asking Rate
Under Construction	1,539,963 SF	2,703,088 SI
Delivered	0 SF	Leasing Activity



Trends

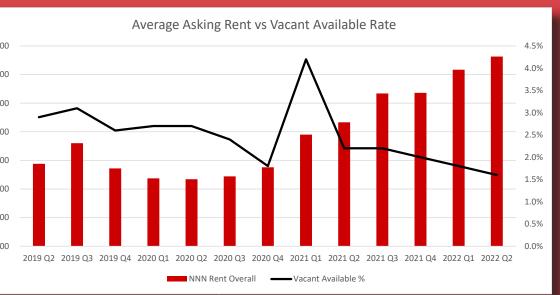
- The overall vacancy rate was steady year-• over-year, finishing at 0.3%. Exit 8A has the lowest vacancy rate of any submarket, with only 233,949 square feet available to lease. The submarket currently has 1.5 million square feet of new product under construction, with 904 Cranbury Road South accounting for 1.2 million square feet.
- Average asking rates marked another record high, closing the quarter at \$14.13 per square foot, up by more than 32.0% year-over-year.



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	55,925,786 SF	Average Asking Ren \$13.00
Vacant Available	870,827 SF	\$12.00
Vacant Available (%)	1.6%	\$10.00
2Q2022 Leasing Activity	325,279 SF	\$8.00
Total 2022 Leasing Activity	678,739 SF	\$7.00 \$6.00 2019 Q2 2019 Q3 2019 Q4 2020 Q1 2020 Q2 2020 Q
Average Asking Rate	\$12.63 PSF	NNN Rent Ov
2Q2022 Net Absorption	300,279 SF	0.6% Vacancy Rate
Total 2022 Net Absorption	46,552 SF	\$2.30 Asking Rate
Under Construction	0 SF	233.085 SF
Delivered	205,350 SF	233,085 SF Leasing Activity



Trends

- The overall vacancy rate fell steadily over the last four quarters, finishing 2Q2022 at 1.6%. As a result, asking rates crossed the \$12.00 per square foot mark for the first time, ending the quarter at \$12.63 per square foot.
- The largest sale recorded, in terms of price, during the second quarter was 100 Demarest Drive in Wayne for \$27.5 million. NAI James E Hanson was involved in the transaction, where CenterPoint Properties purchased the property from 100 Demarest LLC.



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REPORT

Market Size	45,077,655 SF	Average Asking Rent vs Vacant Available Rate
Vacant Available	1,321,812 SF	\$10.00 \$9.00 \$8.00
Vacant Available (%)	2.9%	\$7.00 \$6.00
2Q2022 Leasing Activity	310,250 SF	\$5.00 \$4.00
Total 2022 Leasing Activity	930,696 SF	\$3.00 \$2.00 2019 Q2 2019 Q3 2019 Q4 2020 Q1 2020 Q2 2020 Q3 2020 Q4 2021 Q1 2021 Q2 2021 Q3 2
Average Asking Rate	\$8.67 PSF	NNN Rent Overall
2Q2022 Net Absorption	289,042 SF	• Average asking rents fin year at \$8.67 per square
Total 2022 Net Absorption	926,861 SF	\$0.72 Asking Rate \$\$ square foot t the same to the sam
Under Construction	3,476,203 SF	 In one of the most notal quarter, 539 Route 130 \$55.1 million. The property Amazon, was purchased by Amazon,
Delivered	654,999 SF	101,914 SF Leasing Activity 1 Leasing Activity
		EXIT 7A
		NORTH THRU TRAFFIC NEXT EXIT 7 MILES NEXT EXIT 7 MILES

020 Q4 2021 Q1 2021 Q2 2021 Q3 2021 Q4 2022 Q1 2022 Q2 rends Average asking rents finished the first half of the year at \$8.67 per square foot, up from \$7.95 per square foot t the same time last year. Over the last three years, rates are up by just over \$3.00

6.0%

5.0%

4.0%

3.0%

2.0%

1.0%

0.0%

In one of the most notable sales during the guarter, 539 Route 130 in Hamilton, sold for \$55.1 million. The property which is fully leased by Amazon, was purchased by CommercialEdge Information from developers Penwood Real Estate Investment Management and Metrix Real Estate.

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COMMERCIAL REAL ESTATE SERVICES, WORLDWIDE

ABOUT US

REAL ESTATE PROFESSIONALS

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Agents

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E HIGHEST OF ANY CRE FIRM IN NJ

Consistently

Top "Power

Broker" by

Costar Group

ranked as

SIOR

Superior

research

MILLION - VALUE OF

TRANSACTIONS IN 2021

TRANSACTIONS IN 2021

capabilities

293

information

management and market

NAI GLOBAL

$43 \pm$ Countries $300 \pm$ Offices $5,100 \pm$ Market Leaders

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For more information, please contact:

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