Northwest Bergen
Industrial Market 2015 Overview

Is the global property market overheating? What does that mean for us?

Low interest rates and the search for yield have been one of the driving forces in commercial real estate properties’ appeal to investors. The intense demand has driven values to record highs, causing concern that the current rate of growth is unsustainable. Property sellers who have recently brought their buildings to market have been amply rewarded. Most buildings in the Northwest Bergen Industrial market are now selling close to or over $100 per square foot, a number which had never been reached in the past.

The northwest Bergen submarket sales were highlighted by the sale of 1595 MacArthur Boulevard, Mahwah. The approximately 120,000 square foot warehouse facility sold for submarket high of $111 per square foot. There are currently several buildings under contract at numbers even higher.

On the leasing side of the market velocity cooled down when compared to 2014 but the vacancy rate remained almost .5% below the 2014 average. Low vacancy rates demonstrate the strength of the current market.

Looking ahead to 2016, the sales market should continue to rise with several major sales expected to close in the first quarter as institutional investors look towards increasing their presence in the market. Expect vacancy rates in the area to remain low and possibly push below the 2015 average as large chunks of space come off the market.

Another item of note is that the Northwest Bergen market could see its’ first Class A industrial development, in recent memory. The proposed 271,195 square foot distribution building, located in Mahwah, would feature 36’0” clear ceiling heights, 46 tailgates, ample car and trailer parking and should be breaking ground shortly.

Trends for 2015

- **Vacancy Rate**
- **Leasing**
- **Asking Rate**
- **Net Absorption**

Numbers are compared to the previous year.
Significant Lease Transactions

100 Corporate Drive, Mahwah
44,491 sf - 6 year lease

5 Thornton Road, Oakland
47,036 sf - 5 year deal

1595 MacArthur Blvd, Mahwah
119,264 sf - 10 year lease

Significant Sale Transactions

1595 MacArthur Blvd, Mahwah
119,264 sf industrial facility
Sold for $111 psf

41 Orchard St, Ramsey
15,000 sf warehouse
$74 psf

26 Park Way, Upper Saddle River
41,845 sf FDA approved warehouse
Sold for $100 psf

Current Available Properties

211 Island Rd, Mahwah
32,547 sf available for lease
Entire 108,000 sf available for purchase

70-82 McKee Dr, Mahwah
2 tailgates & drive-in loading
Available immediately

50 Spring St, Ramsey
70,000 sf (div)
4 tailgates & drive-in loading

Please feel free to contact us if you would like any or all of the following:

• Additional information on the current industrial/flex leasing environment.
• Additional information on the properties featured here or any available property in the Northern NJ area.
• To meet with us to determine how we can assist you with your real estate needs.

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