Meadowlands 1Q’16
Industrial Report

At a Glance…

- There are currently 1,006 industrial and flex buildings with 20,000+ sf in the Meadowlands submarket.
- Vacancy is currently 6.5%.
- Average asking rates are currently $6.65 psf nnn.

Leasing Activity

Leasing dropped dramatically in the first quarter of 2016 registering over 220,000 square feet. Vacancy rose from the fourth quarter of 2015 and ended the first quarter of 2016 at 6.7% while net absorption remained positive at 349,442 square feet. Average asking rates rose from $6.44 per square foot nnn in the fourth quarter of 2015 to $6.66 per square foot nnn in the first quarter of 2016. Average asking rates are currently $6.65 per square foot nnn.

Top lease transactions for the quarter included 31,680 square feet at 600 Secaucus Road in Secaucus; 28,056 square feet at 205 Chubb Avenue in Lyndhurst; 16,617 square feet at 1270 Valley Brook Avenue in Lyndhurst; and 15,000 square feet at 100 Metro Way in Secaucus.

Sales Activity

NAI Hanson represented Sitex Group in the sale of 1 Palmer Terrace in Carlstadt. A Chinese company, Loftex Logistics, purchased the 53,152 square foot property for $12,500,000 or $235 per square foot. The new building was under contract before construction started. Loftex plans to occupy in April 2016.

1 Lladro Drive in Moonachie also sold this quarter. TIAA-CREF purchased the property from Principal Real Estate Investors. The 216,049 square foot single tenanted building was purchased for $30,309,000. Office Star Products remains as the tenant until November 2025.

Top Transactions for 1Q’16

SALES
1 Lladro Drive, Moonachie
216,049 sf sold for $30,309,000
Buyer: TIAA-CREF
Seller: Principal Real Estate Investors

1 Palmer Terrace, Carlstadt
53,152 sf sold for $12,500,000
Buyer: Loftex Logistics
Seller: Sitex Group
*NAI Hanson represented the seller

LEASES
31,680 sf- 600 Secaucus Rd., Secaucus
28,056 sf- 205 Chubb Ave., Lyndhurst
16,617 sf- 1270 Valley Brook Ave., Lyndhurst
15,000 sf- 100 Metro Way, Secaucus
Chinese textile company buys Carlstadt warehouse

1 Palmer Terrace in Carlstadt was originally purchased in 2013 by Sitex Group. The property was originally office and Sitex purchased the 7.5 acre property with plans of constructing a warehouse in the booming Meadowlands market. A Chinese textile company, Loftex Logistics, put the property under contract before construction of the new warehouse started. This will be their first distribution center in the United States. Tom Vetter and Jeff DeMagistris represented Sitex.

“We will continue to see quick absorption of new, quality industrial assets within the Meadowlands submarket due to very little land available for development, its close proximity to New York City and the emergence of e-commerce,” Vetter made in a statement to The Record on February 24, 2016.

New Construction/Under Construction

1 Eastern Rd., Kearny- 230,000 sf (delivering 1Q2017)
125 North St., Teterboro- 220,883 sf (delivering 4Q2016)
50 Cable Dr., Kearny- 189,540 sf (delivering 4Q2016)
38 Porete Ave., North Arlington- 139,255 sf (delivering 2Q2017)
1 County Rd., Bldg A, Secaucus- 105,000 sf (delivering 2Q2017)
1 County Rd., Bldg B, Secaucus- 100,000 sf (delivering 4Q2016)

NAI Hanson Availabilities

<table>
<thead>
<tr>
<th>Location</th>
<th>Available Space</th>
<th>Office Space</th>
<th>Ceiling Height</th>
<th>Loading</th>
</tr>
</thead>
<tbody>
<tr>
<td>482 Barell Avenue, Carlstadt</td>
<td>36,652 sf</td>
<td>2,400 sf</td>
<td>16’</td>
<td>6 docks</td>
</tr>
<tr>
<td>60 Romanelli Avenue, South Hackensack</td>
<td>21,500 sf</td>
<td>3,000 sf</td>
<td>14’</td>
<td>1 dock</td>
</tr>
<tr>
<td>80 Triangle Boulevard, Carlstadt</td>
<td>36,750 sf</td>
<td>5,000 sf</td>
<td>16’9”</td>
<td>2 docks</td>
</tr>
<tr>
<td>456 Nordhoff Place, Englewood</td>
<td>151,000 sf</td>
<td>7,000± sf</td>
<td>15’</td>
<td>10 docks</td>
</tr>
<tr>
<td>450 Murray Hill Parkway, East Rutherford</td>
<td>±24,000 sf</td>
<td>2,130 sf</td>
<td>14’6”</td>
<td>3 docks</td>
</tr>
<tr>
<td>506 Route 46 W., Teterboro</td>
<td>30,538 sf</td>
<td>n/a</td>
<td>16’-20’</td>
<td>2 docks</td>
</tr>
</tbody>
</table>

All information comes from sources deemed reliable from NAI James E. Hanson.
Meadowlands Team

Tom and Jeff represent several prominent Meadowlands landlords including The Hampshire Companies, Sitex Realty Group and Safer Development. In the past **12 months**, they have completed **27 transactions**. They are members of NAR, SIOR, The Hackensack Meadowlands Chamber of Commerce, The Coalition of Commercial Real Estate Associations and the Liberty Board of Realtors.

If you are interested in selling your property, or just want to know what it’s worth, call Tom or Jeff at 201-488-5800.

For more information:

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About Us

NAI James E. Hanson is committed to providing the highest quality commercial real estate services and has been since it was founded in 1955.

We primarily cover Northern New Jersey and Southern New York, but have expanded our coverage into the counties of Somerset, Hunterdon and Sussex, as well as eastern Pennsylvania.

Our staff 60+ includes:

- 10 SIOR designees (highest in NJ)
- 3 CCIM designees
- 3 MSRE designees (NYU graduates)

We are a part of NAI Global, a managed network of **6,700** professionals with **375** offices in **55** countries and is one of the largest commercial real estate service providers worldwide.

- #1 Global CRE Provider (Based on coverage by # of offices)
- #1 Network (Based on performance – Watkins and CRE Service Providers Survey)
- #1 Global Broker of the Year (Private Equity Real Estate Magazine)
- #1 Instructor of the Year SIOR
- #1 Network (Based on transaction volume)
- #3 Brokerage Organization (Based on RE Forum’s Forum 100)
- Top Tier Brokerage Organization (National Real Estate Investor)