Upper Parkway Fall 2016
Office Report
The Upper Parkway consists of Montvale, Park Ridge and Woodcliff Lake. Several key statistics of this submarket are highlighted below:

<table>
<thead>
<tr>
<th></th>
<th>Existing Inventory</th>
<th># of Buildings</th>
<th>Total Availability</th>
<th>Availability Rate</th>
<th>Quoted Rental Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class A</td>
<td>2,632,069 SF</td>
<td>19</td>
<td>761,844 SF</td>
<td>28.9%</td>
<td>$25.12 PSF</td>
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<tr>
<td>Class B</td>
<td>2,270,242 SF</td>
<td>41</td>
<td>509,922 SF</td>
<td>22.4%</td>
<td>$20.23 PSF</td>
</tr>
</tbody>
</table>

Submarket Clusters
- Bergen Central:
- Bergen East:
- Bergen North:
- Meadowlands:

Submarkets
- Route 208 Corridor
- GW Bridge
- Route 4/17
- Hackensack
- Route 46 Corridor
- Teaneck/Ridgefield
- Western Bergen
- North Central Bergen
- Palisades
- Upper Parkway
Redevelopment & Recent Transactions

Rendering of The Shoppes at DePiero Farm - 225,000 ± square foot retail center

225 Summit Avenue, Montvale - 145,000 ± sf sale

5 Paragon Drive, Montvale - 70,000 ± sf lease

100 Paragon Drive, Montvale - 83,000 ± sf lease

75 Chestnut Ridge Road, Montvale - 60,000 ± sf sale
Change is slowly occurring in the Upper Parkway. Office buildings are being traded, leased and/or designated as redevelopment projects:

- Memorial Sloan Kettering has purchased 225 Summit Avenue, Montvale. The 145,000 ± office building is currently being renovated and, once complete, will be a state-of-the-art outpatient cancer treatment center.
- The redevelopment of DePiero’s, a 28-acre tract of farm land to a 225,000 ± square foot retail center - 140,000 ± square foot Wegman’s along with 85,000 ± square feet of retail which includes Ulta, Starbucks, Chipotle and others.
- Flight Centre Travel Group has signed a 70,000 ± square foot long-term lease at 5 Paragon Drive, Montvale.
- Sharp Electronics has signed an 83,000 ± square foot long-term lease at 100 Paragon Drive, Montvale.
- KPMG has purchased 75 Chestnut Ridge Road, a 60,000 ± square foot office building. Their “leading-edge design and state-of-the-art technology” renovation plans for the building will also include parking lot expansions, construction of a new 109,953 ± square foot office building (attached to the former Winebow building) and two (2) three-story parking garages.

Historically, change brings both opportunity and opposition. To state the obvious, change is inevitable. It is counter-intuitive to believe that holding on to the past is somehow beneficial to a municipality and its inhabitants. Paving the way for developers to redevelop a handful of office buildings is the sensible and prudent choice. In this way, office stock that remains will not only live to fight another day but can actually flourish.

Forty years ago, it was a “save our cornfields” mentality: 50 Tice Boulevard, Woodcliff Lake – a thriving Class A office building - was once a cornfield. The same can be said for 400 Chestnut Ridge Road, Woodcliff Lake. In more recent times, the Saddle River Grand – a luxury residential development – was once an apple orchard. Tice’s Corner – a thriving retail lifestyle center - was once a farm.

Predictably, today there are opponents to any redevelopment of the Mercedes Benz property exhibited by lawns signs that read, “save our corporate parks”. The market decides what needs to happen, not a select group of people within a given community. Referencing the Wegman’s redevelopment in Montvale, the challenge is the opposition to and fear of the project. Municipalities must manage the expectations of those that are scared with the possibility of something bigger and better coming in. It required a leap of faith on the part of many to convert a 100-year old farm to a 225,000 square foot Wegman’s and retail center.

Wegman’s and Memorial Sloan Kettering alone have the potential to truly rejuvenate not only the areas immediately surrounding them, but the entire municipality and submarket.

Whether the new kids on the block are slated to become retail, medical, office or multifamily, it almost doesn’t matter. A municipality’s future lies not in blocking their way, but welcoming their arrival.

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

- Additional information on the current office leasing environment.
- Additional information on the properties featured here or any available property within Bergen County’s 12 submarkets.
- To meet with us to determine how we can renegotiate your current lease for you.