



New Jersey industrial market report

Q2 2022

**AVISON
YOUNG**

Industrial market trends

01

Low availability

Over 20 MSF of industrial space is under construction in Q2. Occupier demand has risen, meeting the increase in supply delivering to the market. Vacant space remains historically low at 2.6% even with heightened development activity.

02

New frontiers opening up

Site and market selection is continually guided by demographic trends to capture and retain skilled workforce cohorts. Site selection is directed by selecting spaces accessible by major arterial roads and highways.

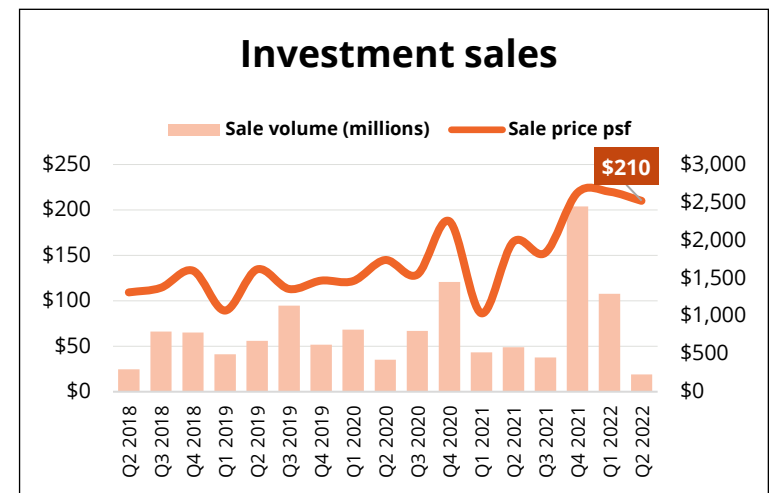
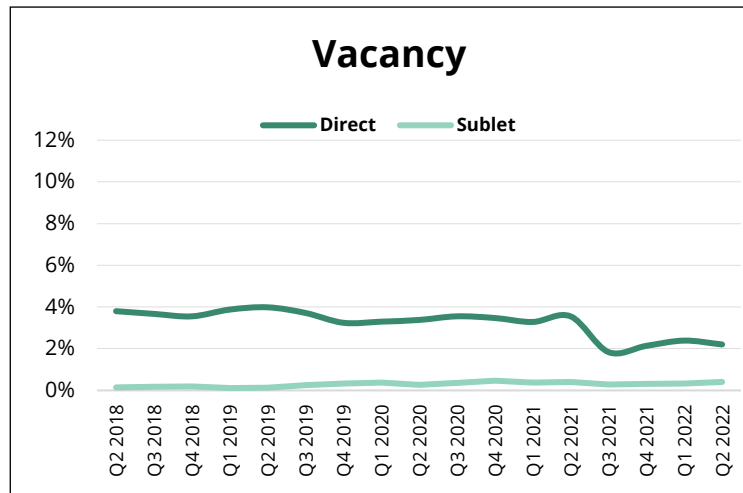
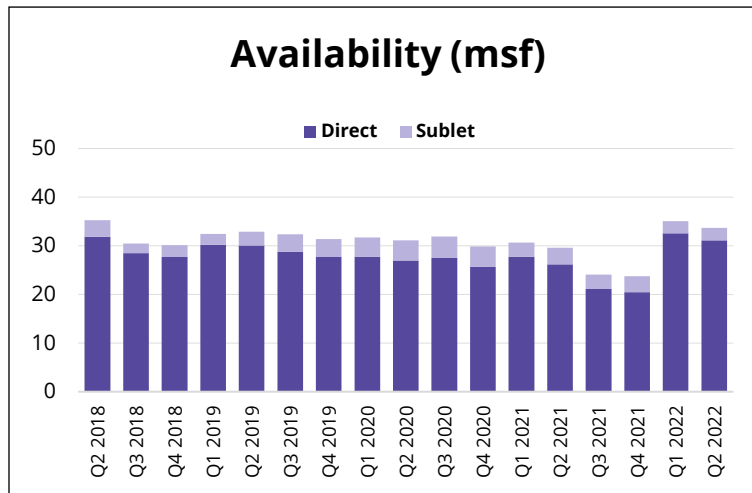
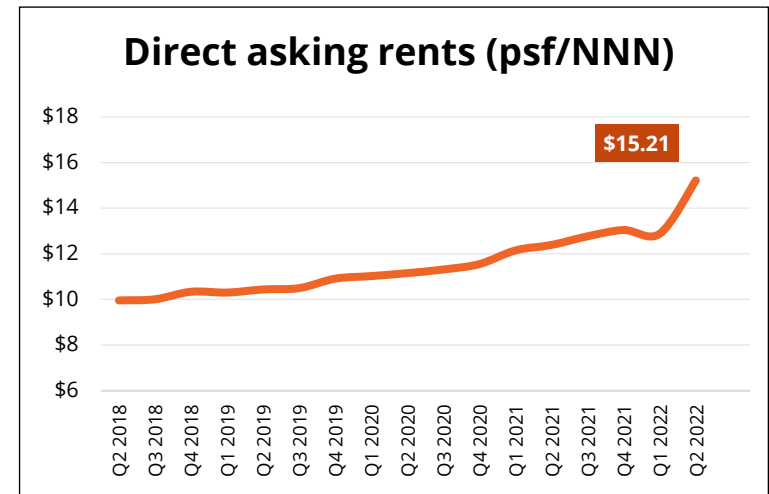
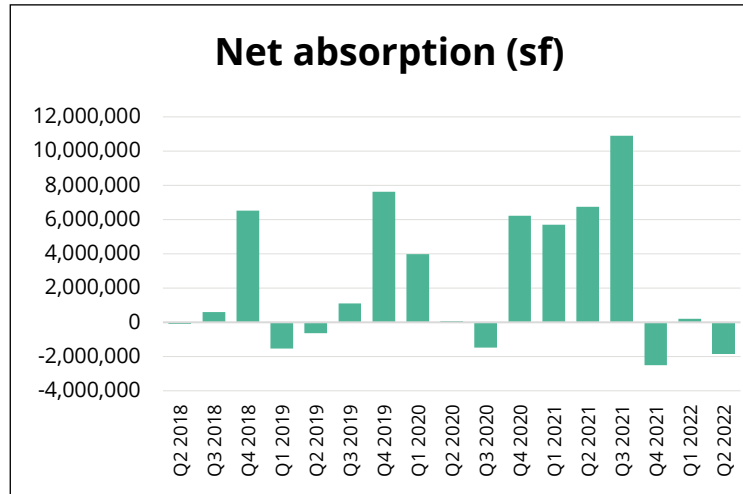
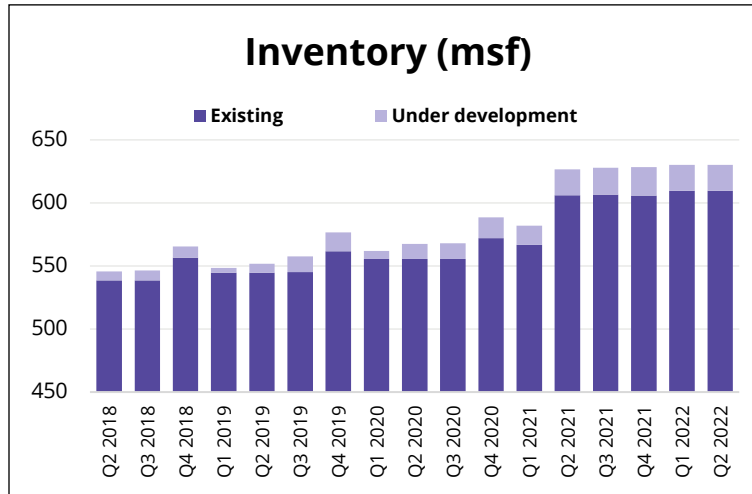
03

Stable rent growth

Market rents have been propelled sharply due to the shortage of available space paired with heightened occupier demand. Market rents are likely to increase at a less dramatic pace than over the last two years as existing supply is absorbed and as new inventory is delivered.



Industrial market indicators



Industrial market activity

Recent leasing activity

Tenant name	Industry	Address	Type	Sign date	Size	Deal type	Lease type
Keurig Dr Pepper	Food & beverage production	100 W Manor Way, Robbinsville	Distribution	March 2022	905,000	New	Direct
List Logistics	Logistics, distribution, delivery	703 Bartley Chester Rd, Mount Olive	Distribution	June 2022	844,373	New	Direct
Best Buy	Retail	1 Jebara Way, Monroe Township	Warehouse	March 2022	293,420	New	Direct
Yamibuy.com	Logistics, distribution, delivery	1165 Cranbury S River Rd, South Brunswick	Warehouse	May 2022	248,611	Renewal	Direct
JD.com	Consulting, research, accounting	1570 S Washington Ave, Piscataway	Warehouse	April 2022	216,892	New	Direct

Recent sales activity

Buyer	Address	Sale date	Sale price	Sale price psf	Type	Seller
Global Infrastructure Partners	800 Cottontail Ln, Somerset	March 2022	\$240,747,496.70	\$257	Flex	CyrusOne
EverWest Real Estate Investors	329 New Brunswick Ave, Rahway	May 2022	\$62,000,000	\$292	Warehouse	Tryad Group
Sitex Group	7001 Anpesil Dr, North Bergen	March 2022	\$51,250,000	\$250	Warehouse	Pelvil Realty
Thor Equities	24 River Rd, Bogota	March 2022	\$50,000,000	\$216	Warehouse	Bogota Estates
Jacob Gold Realty	601 Lehigh Ave, Union	May 2022	\$26,000,000	\$206	Manufacturing	Drake Real Estate Partners

Notable Development

Name	Address	Delivery	Size	Type	Available sf	Developer(s)
Medline Industries	494 Route 16, Montgomery	Q3 2023	1,300,000	Distribution	0	Blackstone, Carlyle Group
Brookfield Monroe	918 Cranbury S River Road, Monroe	Q3 2022	1,215,238	Distribution	1,215,238	Brookfield Asset Management
Bridge Point 78	1000 Rand Blvd, Phillipsburg	Q3 2022	1,248,176	Distribution	1,248,176	Bridge Industrial
Avenel Distribution Center	1289 Rahway Ave, Avenel	Q4 2022	1,215,238	Distribution	1,215,238	Morris Companies

Industrial market stats by submarket

By Submarket	Inventory (sf)	Total %	Availability		Net Absorption		SF Under
			W / D	Flex	2Q22	YTD	Construction
Bridgewater	11,564,379	3.72%	5.20%	5.20%	199,000	-15,100	54,600
Eastern Essex	2,677,530	1.93%	0.88%	0.88%	-32,880	-20,880	358,586
Eastern Morris	10,679,975	7.26%	6.28%	6.28%	-92,167	-145,221	0
Exit 7A Market	12,308,056	0.71%	0.00%	0.00%	0	0	437,269
Exit 8	5,450,007	32.92%	34.28%	34.28%	0	166,000	1,520,430
Exit 8A Market	70,576,417	5.14%	5.36%	5.36%	-4,848	121,529	1,406,189
Exit 9	17,581,160	3.73%	4.09%	4.09%	-85,720	-133,745	337,174
Exit 10 Route 440	50,396,227	1.65%	1.75%	1.75%	-191,106	-186,643	0
Exit 12 Market	16,650,537	14.66%	15.70%	15.70%	127,715	-500,338	2,652,233
Fairfield	19,410,428	2.90%	3.51%	3.51%	-49,518	-137,800	0
GWB Market	5,752,188	4.37%	2.17%	2.17%	-49,786	-42,350	0
Hudson Waterfront	7,785,445	15.17%	19.32%	19.32%	-60,000	-126,596	704,432
Hunterton	4,487,055	1.71%	2.51%	2.51%	0	108,130	0
Kearny Industrial	15,720,529	1.38%	1.55%	1.55%	96,530	-74,957	100,700
Linden Market	12,514,309	14.88%	17.37%	17.37%	-105,000	151,426	2,096,589
Meadowlands Market	24,940,537	4.23%	4.69%	4.69%	170,201	-137,469	1,874,401
Monmouth	8,135,472	2.71%	4.08%	4.08%	243,459	199,602	0
North East Bergen	3,014,148	0.50%	0.41%	0.41%	-1,200	9,012	0
Ocean	6,457,235	3.34%	3.10%	3.10%	-25,690	73,890	0
Old Bridge/Sayreville	5,506,533	0.36%	0.76%	0.76%	0	-20,000	0
Orange County	21,709,582	9.07%	10.71%	10.71%	-100,859	156,610	3,358,170
Paterson	9,144,417	11.31%	15.62%	15.62%	77,000	-321,400	0
Piscataway	34,796,033	5.26%	5.18%	5.18%	-314,296	66,839	1,230,640
Port Elizabeth & Newark	32,668,945	2.17%	2.00%	2.00%	-308,949	802,101	314,107
Port Jersey	14,127,987	5.09%	4.58%	4.58%	-61,760	-62,060	1,414,619
Princeton	7,296,600	24.32%	37.90%	37.90%	-201,444	66,331	1,351,548
Rockland County	10,258,923	8.15%	10.97%	10.97%	-78,235	-96,977	0
Route 17	6,333,321	10.64%	13.56%	13.56%	-342,847	-300,598	0
Route 24 Corridor	6,927,584	8.81%	10.45%	10.45%	4,990	-96,037	0
Route 46/Route 3	18,092,033	2.39%	1.63%	1.63%	-114,506	3,815	0
Secaucus	28,928,160	6.75%	6.64%	6.64%	-174,885	62,919	0
Southern Somerset	94,639	0.00%	0.00%	0.00%	0	0	0
Sussex	1,342,087	1.85%	2.80%	2.80%	28,273	6,841	0
Trenton	2,327,988	15.89%	20.15%	20.15%	-180,000	-415,350	0
Union	17,195,874	5.45%	3.62%	3.62%	-122,902	-685,081	0
Warren	5,526,135	34.44%	40.25%	40.25%	-184,300	-259,300	1,248,176
West Newark	11,249,321	4.94%	4.64%	4.64%	142,589	64,001	100,337
Western Bergen	15,166,679	3.22%	3.62%	3.62%	-61,702	27,644	0
Western Morris	14,897,053	3.29%	2.48%	2.48%	-27,228	-474	63,440
Market Total	609,481,078	5.9%	6.4%	7.6%	-1,882,071	-1,691,686	20,623,640

Industrial market stats by product type

By Product Type	Inventory (sf)	Availability	2Q Absorption	YTD Absorption	SF Under Construction	Available Sublease
Warehouse / Distribution	474,093,193	6.4%	-2,344,496	-2,199,083	20,623,640	2,441,227
Flex / Manufacturing	135,387,885	7.6%	267,762	345,570	560,910	96,719
Market Total	609,481,078	6.0%	-2,076,734	-1,853,513	21,184,550	2,537,946

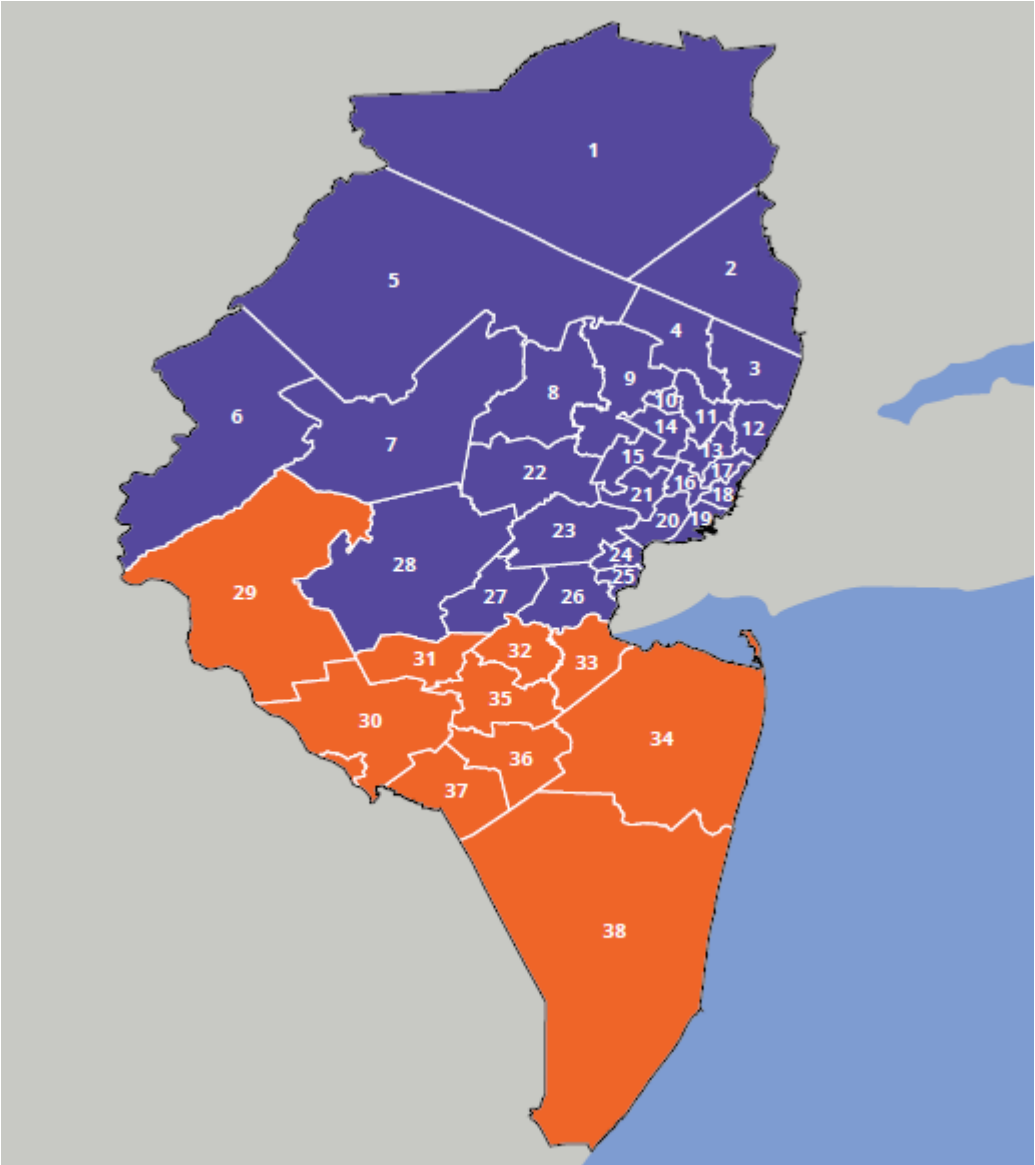
Submarket map



New Jersey industrial submarkets map

MAP KEY

Northern NJ		Central NJ	
1. Orange County	11. West Bergen	21. West Newark	29. Hunterdon
2. Rockland County	12. GW Bridge	22. Route 24 Corridor	30. Princeton
3. North East Bergen	13. Meadowlands Market	23. Union	31. Southern Somerset
4. Route 17	14. Route 46/Route 3	24. Linden	32. Exit 9
5. Sussex	15. Eastern Essex	25. Exit 12	33. Old Bridge
6. Warren	16. Kearny Industrial	26. Exit 10 Route 440	34. Monmouth
7. Western Morris	17. Secaucus	27. Piscataway	35. Exit 8A
8. Eastern Morris	18. Hudson Waterfront	28. Bridgewater	36. Exit 8
9. Fairfield	19. Port Jersey		37. Exit 7A
10. Paterson	20. Port Elizabeth		38. Ocean



For more market insights
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