


SIGNIFICANT LEASE DEALS

Address	Submarket/City	Square Feet	Tenant
1 Costco Way	Exit 8A/Monroe Twp	611,320	Geodis
117 Interstate Blvd	Exit 8A/So. Brunswick	593,695	N/A
2 Brick Yard Rd	Exit 8A/Cranbury	444,466	Performance Team

SIGNIFICANT BUILDING SALES

Address City	Sale Value Type of Sale	PPSF Cap Rate	SF Class	Buyer Seller
150 Milford Rd Princeton Ind/Highstown	\$56,100,000 Redevelopmnt	\$91.22 -	615,000 Class B	Dermody Properties, Inc. Conair Corporation
400 Ridge Rd, Bldg 5 Western Rt 287/Piscataway	\$59,512,500 Investment	\$150.00 -	396,750 Class A	SHI International Corp Rockefeller Group
140-142 Carter Dr Exit 10/Edison	\$26,500,000 Investment	\$121.56 -	218,000 Class B	Liberty Property Trust Samar Distributors

LARGEST DELIVERIES


Address	Submarket/City	SF	Developer
171 River Rd, Bldg 4	Piscataway	468,900	Rockefeller Group
400 Ridge Rd, Bldg 5	Piscataway	396,750	SHI Intr'l/Rockefeller
15 Applegate Dr Bldg B	Robbinsville	295,200	Matrix Development


LARGEST UNDER CONSTRUCTION

Address	Submarket/City	SF	Delivery Date
Tremley Point Rd Bldgs A-H	Linden	4,074,109	2020
942 Memorial Pk, Bld 1,3,4,5,6,7	Phillipsburg	3,848,254	2019-2022
429 Delancy St, Bldg 1	Newark	661,741	Q4 2019

TOTAL INDUSTRIAL MARKET STATISTICS

	Vacancy Rate	Avg. SF Rental Rates GRS	Net SF Absorption	SF Inventory	SF Under Construction
Q2 2019	4.20%	\$9.10	1,283,618	843,814,765	11,222,874
Q1 2019	4.10%	\$8.86	579,430	841,834,339	13,895,843
Q4 2018	4.10%	\$8.70	1,171,327	840,745,819	7,790,087
Q3 2018	3.90%	\$8.42	5,727,461	838,335,573	10,069,959
Q2 2018	4.20%	\$8.33	4,690,818	834,406,437	8,901,979


1,283,618 NET ABSORPTION
SF


4.2% VACANCY
35,254,447SF


\$4.70 AVG. ASKING RATE
PSF GROSS


1,980,426 DELIVERIES
11 Buildings


11,222,874 UNDER
CONSTRUCTION
19 Buildings

MICHAEL MALMSTONE, R.E. Analyst

NNJ industrial market remains steadfast with positive rental growth and record low lease up time of 6.4 months. Net absorption more than doubled QoQ. 7.6MM SF was leased averaging 22k SF, up 12+% from Q1. Even with a slight slow down of leasing, landlords of Class B space continue to push \$10+ PSF NNN rents in core markets. The largest leases are being signed around the Ports, Exits 10 & 11 and the Western Rt 287 sub-markets, all of which contain the most newly delivered Class A space. Sales volume dropped 28% to \$779MM, with cap rates unwavering from Q1 at 6.5%. Pricing did appreciate 8% YoY to \$122 PSF. Institutional buyers are seeking urban infill sites for redevelopment, such as Newark in addition to portfolios of mid-sized buildings in secondary markets like Fairfield.