



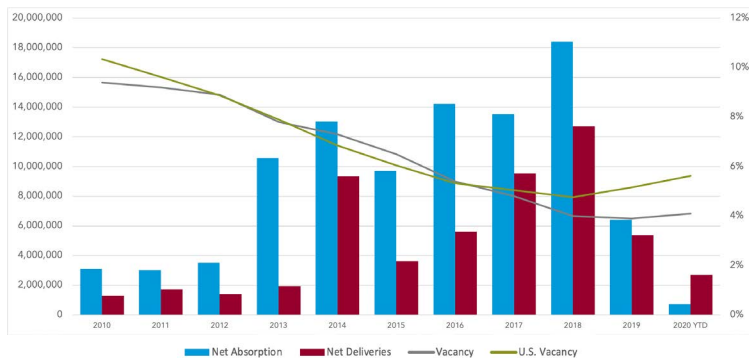
INDUSTRIAL MARKET OVERVIEW

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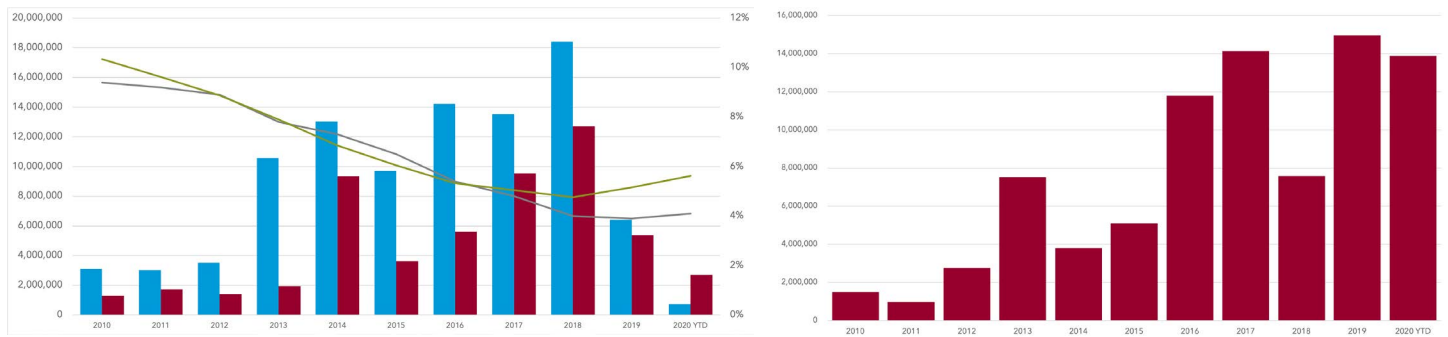
The NNJ industrial market remains bullish. 6.8MM SF was leased, up 20% QoQ, averaging 27k SF in 171 days respectively. Net absorption finished at 372k SF, just 12% of the 5-year rolling average. Vacancy continues to post near all-time lows at 4.0%. Availability is 6.7%, 20 bps lower QoQ. Amazon signed a record 11 leases totaling 3.2MM+ SF, averaging 292k SF, down from their historic average of 407k SF over 22 leases. Sales volume finished \$394MM, the lowest in 4 years. Cap rates decompressed 80 bps to 8.1% although pricing is now at record highs, up 7% QoQ to \$118 PSF. 13.9MM SF of product is under construction, with 11% pre-leased. 34MM additional SF is proposed.

MARKET INDICATORS	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019
▼ Net Absorption	373,242 SF	1,185,263 SF	2,396,872 SF	1,844,943 SF	1,819,519 SF
▲ Vacancy Rate	4.0%	3.9%	3.9%	4.1%	4.2%
▲ Avg NNN Asking Rate	\$9.27 PSF	\$9.02 PSF	\$8.87 PSF	\$8.70 PSF	\$8.53 PSF
▼ Under Construction	13,874,153 SF	14,522,313 SF	14,960,157 SF	8,138,611 SF	5,645,673 SF
▲ Inventory	840,213,707 SF	838,828,350 SF	837,521,595 SF	837,120,283 SF	835,964,623 SF

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
50 Veronica Ave Somerset, NJ	926,392 SF	\$164,000,000 \$177.03 PSF	CalPERS The Carlyle Group	Class A
3 Applegate Dr Robbinsville, NJ	200,000 SF	\$22,586,627 \$112.93 PSF	Black Creek Group Bohren's Moving & Storage, LLC	Class B
1201 Valley Brook Ave Lyndhurst, NJ	180,000 SF	\$40,000,000 \$222.22 PSF	Sitex Group Jos. L. Muscarelle, LLC	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
343 Half Acre Rd Cranbury, NJ	953,595 SF	Alfieri, LLC	Amazon	E-Commerce
601 Randolph Rd Franklin Township, NJ	616,032 SF	Bridge Development Partners, LLC	Amazon	E-Commerce
942 Memorial Parkway Phillipsburg, NJ	419,459 SF	Bridge Development Partners, LLC	Mark Anthony Brewing	Beverage/Retailer/ Wholesaler