



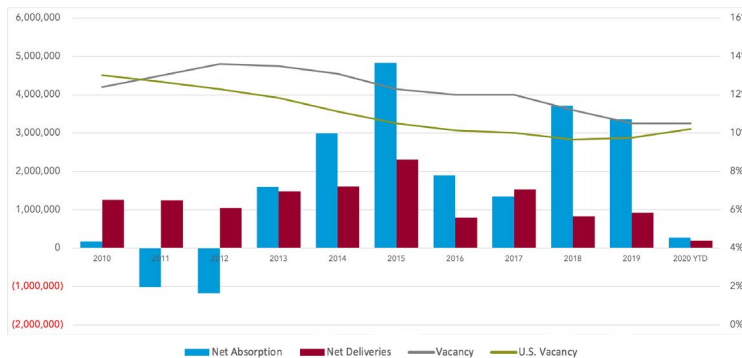
### OFFICE MARKET OVERVIEW

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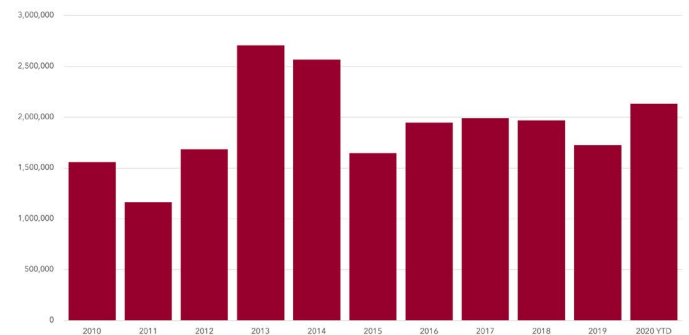
NNJ Office market sees steadfast demand for medical space. Net absorption hit a 3-year low at 332 inked leases, the lowest since at least 1997. The average lease size shrank 3.7% to 4,016 SF. Lease-up time grew by 36 days to 264 days. Available space grew 80 bps to 14.6%. COVID-19 caused NJ unemployment to spike 311% QoQ to 15.2% as of May. All investment fundamentals shrank in Q2. Sales volume finished at the lowest in 8 years, down nearly 80% QoQ to \$280MM from Q1's all-time high \$1.4B. Pricing averaged \$113 PSF, down 49% QoQ. Cap rates rose 20 bps to 7.1%. GW Bridge and the Meadowlands sub-markets foster the most under-construction product at 375k SF and 750k SF respectively.

MARKET INDICATORS	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019
▼ Net Absorption	17,383 SF	766,060 SF	35,696 SF	898,375 SF	1,803,190 SF
◀▶ Vacancy Rate	10.40%	10.40%	10.50%	10.50%	10.70%
▲ Avg GRS Asking Rate	\$26.66 PSF	\$26.42 PSF	\$26.20 PSF	\$26.00 PSF	\$25.88 PSF
▲ Under Construction	2,137,057 SF	1,606,468 SF	1,726,749 SF	1,778,455 SF	1,565,029 SF
▲ Inventory	376,222,488 SF	376,213,077 SF	376,028,574 SF	375,870,827 SF	375,832,827 SF

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
420-430 Mountain Ave New Providence, NJ	302,903 SF	\$28,950,000 \$95.58 PSF	Signature Acquisitions EverWest Real Estate Investors, LLC	Class A
1 Centennial Ave, Bldgs B & C Piscataway, NJ	245,169 SF	\$23,500,000 \$95.85 PSF	Ira Russack Innovest Properties	Class A
10 Mountainview Rd Upper Saddle River, NJ	207,730 SF	\$20,000,000 \$96.28 PSF	Viewstar LLC Moshe Gold	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
340 Mount Kemble Ave Morristown, NJ	200,000 SF	Onyx Equities, LLC	CITI Bank	Banking
4 Gateway Ctr Newark, NJ	176,431 SF	Onyx Equities, LLC	McCarter & English, LLP	Law Firms
1415 Wyckoff Rd Wall, NJ	157,511 SF	Lexington Realty Trust	New Jersey Resources Corp	Agriculture, Mining, Utilities