



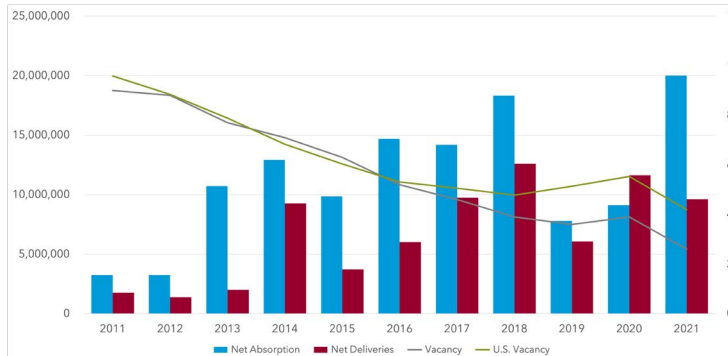
INDUSTRIAL MARKET OVERVIEW

MICHAEL MALMSTONE, *Real Estate Analyst*

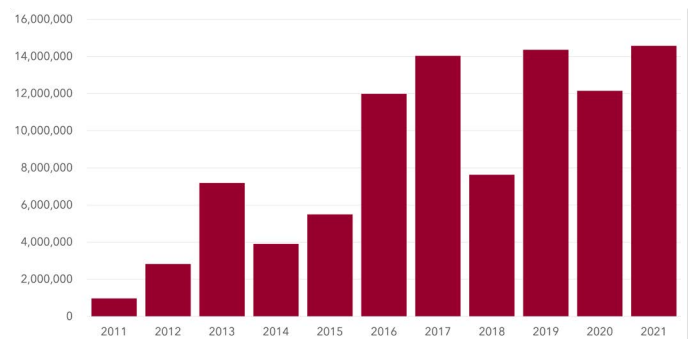
Q4 saw record rents at \$11.17 PSF NNN, the 11th consecutive quarter of growth, 2.5% QoQ and 18.1% YoY. Starting rents only 99.2% of asking rate. Rent increases breaching 4%, even on class B space. 5.5MM SF was leased, averaging 5.5 months on the market. Net absorption clocked 5.7MM SF, 170% of the 5-year average. Vacancy and availability both finished at historic lows of 2.6% and 5.3% respectively. Sales volume at all-time high of \$1.75B, up 31% QoQ. Cap rates tightened 70 bps to 5.9%, while pricing grew 40% to \$202 PSF. 14.6MM SF is under construction and 38.5MM SF is approved for development, some for the first time in tertiary markets like Hunterdon and Somerset Counties and further down the I-95 Corridor.

MARKET INDICATORS	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020
▼ Qtrly Net Absorption SF	5,720,556	6,912,508	5,480,465	1,890,584	3,214,217
▼ Vacancy Rate	2.6%	2.9%	3.3%	3.7%	3.9%
▲ Avg NNN Asking Rate PSF	\$11.17	\$10.90	\$10.31	\$10.04	\$9.46
▼ SF Under Construction	14,577,515	16,898,454	16,900,081	14,843,724	12,156,243
▲ Inventory SF	865,519,191	861,644,919	858,389,299	856,561,056	855,887,578

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
703 Bartley Chester Road Flanders, NJ	1,427,979 SF	\$157,000,000 \$109.95 PSF	Saadia Group LLC Square Mile Capital	Class B
21-11 State Route 208 Fair Lawn, NJ	824,024 SF	\$146,500,000 \$177.79 PSF	Mondelez International Greek Development	Class B
1 Cory Road Morristown, NJ	296,000 SF	\$55,000,000 \$185.81 PSF	The Opper Group Taconic Partners & Nuveen	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
47-49 Station Road Cranbury, NJ	929,038 SF	RREEF Property Trust	Volkswagen	Motor Vehicles
100 West Manor Way Robbinsville, NJ	905,000 SF	Principal Financial Group	Keurig Green Mountain	Manufacturing
257 Prospect Plains Road Cranbury, NJ	781,300 SF	Blackstone Group	Petco	Misc Retail Stores

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