



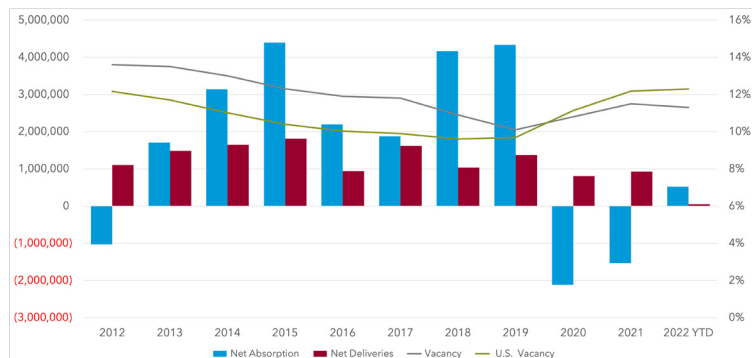
OFFICE MARKET OVERVIEW

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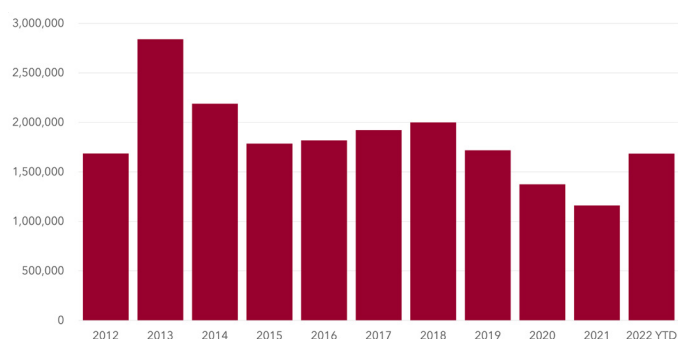
Q1 leasing velocity picked up with 688 inked deals averaging 4,657 SF, of which five were 100k+ SF with three in Jersey City alone. Lease-up time fell to 11.4 months. Availability and vacancy shrank to 15% and 11.3% respectively. Rental rates at a record high of \$27.57 PSF gross. Net absorption grew to 522k SF, the 3rd consecutive positive quarter of COVID times and 155% of the 5-year average. NJ unemployment fell 50 bps to 4.6%. Sales volume grew 17% to \$1.1B, as did pricing, by 78% to an all-time high of \$278 PSF. Cap Rates decompressed 20 bps to 7.1%. 1.7MM SF is under construction. 18.5MM SF is approved, 1.7MM SF being medical. Investor demand for medical office remains steady.

MARKET INDICATORS	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
▲ Qtrly Net Absorption SF	521,851	125,212	399,155	(767,152)	(1,288,504)
▼ Vacancy Rate	11.3%	11.5%	11.5%	11.5%	11.3%
▲ Avg GRS Asking Rate PSF	\$27.57	\$27.35	\$27.18	\$27.05	\$26.78
▲ SF Under Construction	1,684,228	1,160,507	1,104,757	1,296,645	1,212,003
▲ Inventory SF	380,321,735	380,270,983	380,194,983	379,984,095	379,726,790

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
55 Corporate Drive Bridgewater, NJ	674,340 SF	\$261,000,000 \$387.05 PSF	AVG Partners The Necessity Retail REIT, Inc.	Class A
111 River Street Hoboken, NJ	567,639 SF	\$210,000,000 \$369.95 PSF	SJP Properties Veris Residential, Inc.	Class A
70 Hudson Street Jersey City, NJ	431,281 SF	\$300,000,000 \$695.60 PSF	Spear Street Capital & PFA Pension Vision Prop LLC/Hana Alternative Asset	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
30 Hudson Street Jersey City, NJ	178,000 SF	Goldman Sachs & Co. LLC	Undisclosed	Undisclosed
210 Hudson Street Jersey City, NJ	130,000 SF	Veris Residential, Inc.	Collectors Universe, Inc.	Retailer
52-74 Speedwell Avenue Morristown, NJ	120,000 SF	Scotto Properties	Valley National Bank	Finance and Insurance

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