



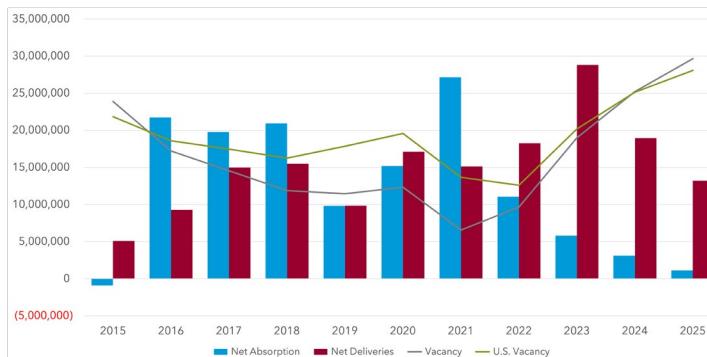
INDUSTRIAL MARKET OVERVIEW

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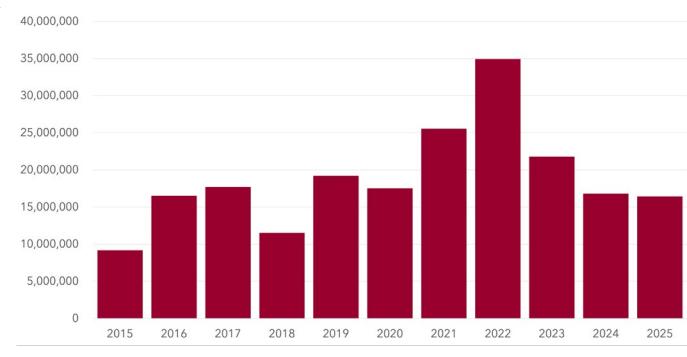
The NJ Industrial market saw demand concentrated in Class A properties as tenants have more leverage, especially in overbuilt submarkets. Rental growth dipped by 2% overall. Effective taking rents show the largest discount off sticker price, especially in tertiary located Class A space, with landlords offering more free rent, now averaging 4.5 months. Nearly all the largest leases signed were by logistics users. Leasing fell notably QoQ, now at 72% of the 5-year average at 8.8MM SF leased; in 6 months on average. 25 leases over 100k SF were signed; 20 leases totaling 864k SF or 10% of all inked space were subleases, more than doubling QoQ. Available sublet space remains at all-time highs at 15MM SF, 27% of which in Exit 8A alone. Net absorption clocked 1.9MM SF more than doubling QoQ. Sales volume grew substantially to \$1.2B, 80% of the 5-year average. Average pricing fell 12% to \$187 PSF while average cap rates compressed 200 bps down to 6.4% as the Fed lowered its target rates by 50 bps twice, ending at 3.50%-3.75% in December. 71MM SF is proposed.

MARKET INDICATORS	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024
▲ Qtrly Net Absorption SF	1,149,180	890,127	(83,623)	(829,353)	3,119,880
▲ Vacancy Rate	7.8%	7.7%	7.5%	7.2%	6.8%
▼ Avg NNN Asking Rate PSF	\$13.30	\$13.44	\$13.48	\$13.46	\$13.52
▼ Sale Price PSF	\$186.63	\$211.06	\$260.73	\$207.90	\$193.59
▼ Cap Rate	6.4%	8.4%	7.4%	6.7%	7.0%
▲ Under Construction SF	16,423,926	13,424,345	15,315,084	16,180,349	17,884,406
▲ Inventory SF	1,068,528,050	1,066,075,715	1,062,577,307	1,059,666,659	1,055,302,357

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
130 Interstate Boulevard Monroe, NJ	603,092 SF	\$144,200,000 \$239.10 PSF	WPT Capital Advisors LLC Terreno Realty	Class A
1000 Coopertown Road Delanco, NJ	385,000 SF	\$74,900,000 \$194.55 PSF	Artemis Real Estate Partners Provender Ptnrs/Cerebrus Capital	Class A
650 Liberty Avenue Union, NJ	364,739 SF	\$55,000,000 \$150.79 PSF	Interglobo Oak Street Real Estate Capital	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
101 Middlesex Center Boulevard Monroe, NJ	751,450 SF	IDI Logistics	Williams Sonoma	Consumer Retail
100 Crossings Drive Burlington, NJ	750,787 SF	US Elogistics	Clarion Partners	Transportation/ Warehousing
515 Monmouth Road Jackson, NJ	617,156 SF	Gigacloud Technology	Brookfield Properties	E-commerce



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