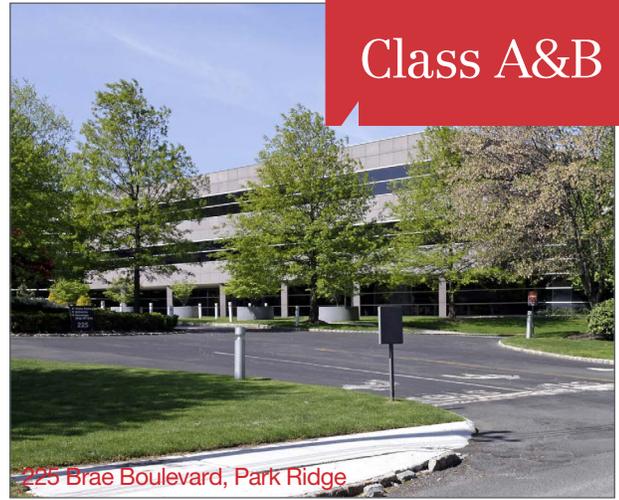


Northern & Central New Jersey 4Q'19 Office Report

Class A&B

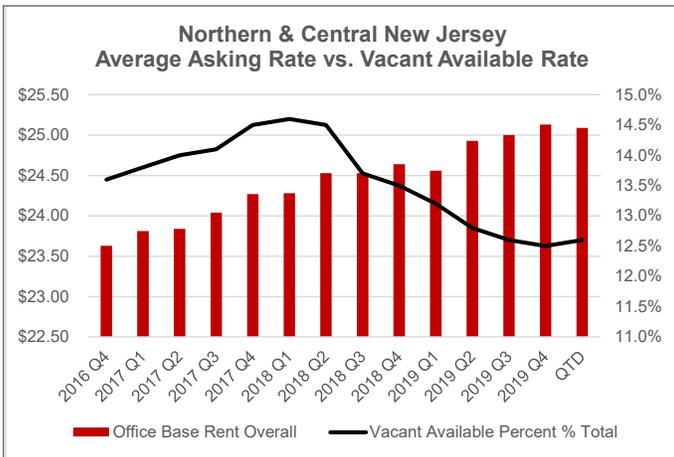


225 Brae Boulevard, Park Ridge

The Northern and Central New Jersey Class A and B office market consists of 233,843,670 square feet. Average asking rates ended the quarter at \$25.13 per square foot. Rates are up \$0.49 per square foot compared to the fourth quarter of 2018 and are up \$0.86 per square foot from the fourth quarter of 2017. Vacancy has been slowly declining and ended the quarter at 12.5%. Compared to a year prior, the rate is down 1% and compared to two years prior, the rate is down 2%.

Among the top lease transactions were Promotion in Motion leasing 110,945 square feet at 225 Brae

Boulevard in Park Ridge, which was the top transaction in Bergen County for 2019; DSV Air & Sea leasing 97,500 square feet at 200 Wood Avenue South in Iselin; and Bohler Engineering leasing 42,650 square feet at 30 Independence Boulevard in Warren.



Top renewals included Pershing LLC, a subsidiary of BNY, renewing 408,449 square feet at 95 Christopher Columbus Drive in Jersey City; Samsung Electronics America renewing 233,505 square feet at 85 Challenger Road in Ridgefield Park; and Reckitt Benckiser renewing 135,191 square feet at 399 Interpace Parkway in Parsippany.



The top sale transaction for the quarter and for 2019 was 401, 411 and 433 Hackensack Avenue in Hackensack, also known as Continental Plaza. Lionstone Capital purchased the 647,947 square foot complex for \$123,000,000 or \$189.83 per square foot from a joint venture between Capstone Realty Group and JD Companies. Capstone and JD Companies purchased

the properties 3 years prior for \$63,000,000 and repositioned the buildings and restaurant pad. Amenities include a conference center, cafeteria and fitness center. At the time of sale, the property was 97.9% leased.

Northern & Central New Jersey 4Q'19 Office Report

Class A&B

County Overview:

County	Total RBA	Total Vacant Available SF	Total Vacant Available %	Total Net Absorption	Total SF Leased	RBA Under Construction	Total Average Asking Rate
Northern & Central NJ Overall	233,843,670	29,141,390	12.5%	(133,632)	2,744,808	1,332,861	\$25.13
Morris	36,552,976	6,759,455	18.5%	116,599	404,720	64,000	\$26.16
Essex	32,291,764	3,923,849	12.2%	(31,007)	172,404	165,000	\$25.62
Bergen	32,149,534	3,363,400	10.5%	(26,784)	686,237	463,750	\$26.25
Middlesex	30,270,821	3,610,456	11.9%	12,395	342,390	60,000	\$23.53
Hudson	26,522,792	3,654,445	13.8%	284,966	472,014	375,000	\$32.35
Somerset	24,706,475	3,669,562	14.9%	(673,254)	216,674	0	\$22.29
Mercer	23,895,937	1,937,293	8.1%	209,819	148,000	0	\$25.49
Union	13,150,289	873,086	6.6%	(124,191)	260,509	205,111	\$24.69
Passaic	8,179,496	913,671	11.2%	(1,034)	8,000	0	\$19.27
Hunterdon	5,062,688	392,553	7.8%	98,859	33,860	0	\$16.63
Sussex	637,533	43,620	6.8%	0	0	0	\$11.56
Warren	423,365	0	0.0%	0	0	0	\$19.75
Rockland, NY	4,046,881	572,399	14.1%	(26,936)	20,680	49,368	\$22.63
Orange, NY	3,322,428	408,531	12.3%	14,383	0	0	\$16.58

Significant Lease Transactions:

Tenant	Address	Size (SF)	County
Pershing LLC (Renewal)	95 Christopher Columbus Dr., Jersey City	408,449	Hudson
Samsung Electronics America (Renewal)	85 Challenger Rd., Ridgefield Park	233,505	Bergen
Reckitt Benckiser (Renewal)	399 Interpace Pkwy., Parsippany	135,191	Morris
Promotion in Motion	225 Brae Blvd., Park Ridge	110,945	Bergen
DSV Air & Sea	200 Wood Avenue S, Iselin	97,500	Middlesex
Bohler Engineering	30 Independence Blvd., Warren	42,650	Somerset
Choice Home Warranty	2147 State Route 27 S, Edison	36,000	Middlesex
Venture One Real Estate	250 Pehle Ave., Saddle Brook	26,800	Bergen
US Food and Drug Administration (Renewal)	10 Waterview Blvd., Parsippany	25,050	Morris

Significant Sale Transactions:

Address	Size (SF)	Price	Buyer	Seller
401, 411 & 433 Hackensack Ave., Hackensack	647,947	\$123,000,000	Lionstone Capital	Capstone Realty Group JV JD Companies
5 Wood Hollow Rd., Parsippany	330,631	\$29,250,000	PAG Investments	Mack-Cali Realty Corporation
3 University Dr., Hackensack	227,989	\$16,620,000	Mountain Development Corp.	Normandy Real Estate Partners

All information comes from sources deemed reliable from NAI James E. Hanson. Numbers are based on buildings 20,000 + sf