

New Jersey

Office market snapshot | Q3 2024

The flight-to-quality continues in New Jersey; of the 45 msf currently available only 4.3 msf is trophy. In suburban New Jersey submarkets, of the total inventory, only 1.6% is available trophy space. Asking rents and availability remain mostly unchanged. Year-to-date there have been 10 leases signed of 75k sf or greater, the most notable being Samsung's move to the former Unilever headquarters in Englewood Cliffs whilst Unilever themselves are relocating to 111 River St, Hoboken. Avison Young represented the owner of 200 Crossing Blvd in Bridgewater as Brother International renewed their 79k sf lease.

6.0 msf

Leasing activity year-to-date

Year-over-year leasing activity is down 11.7% and 24.6% below the five-year average.

\$32.12_{+TE}

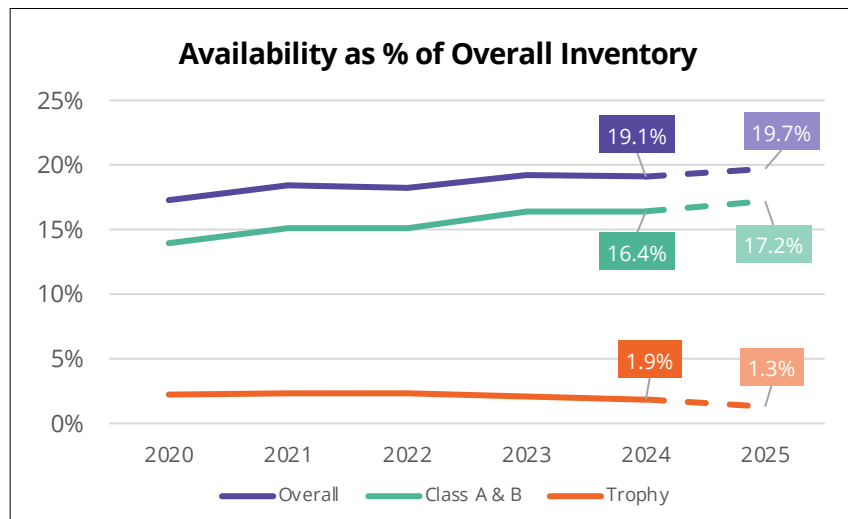
Average asking rental rate

The average asking rental rate has increased by 2.3% year-over-year.

19.1%

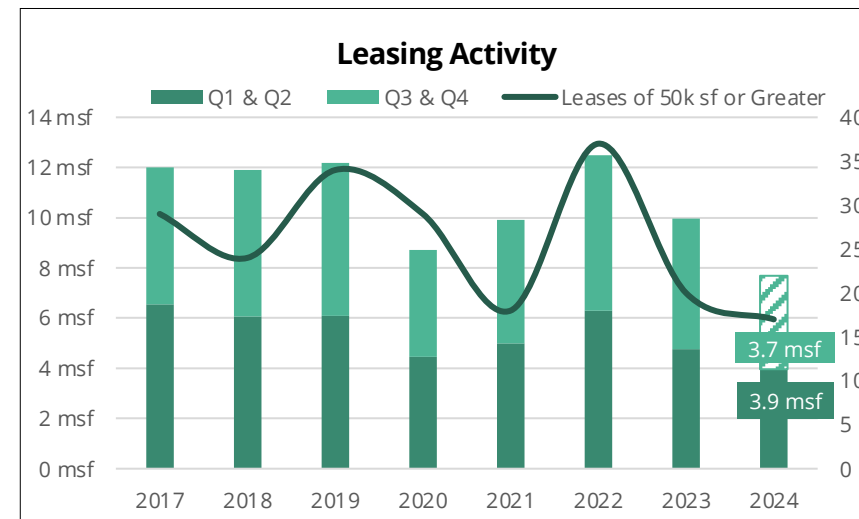
Total availability %

The total availability rate has remained unchanged year-over-year.



The 4.3m sf of available trophy space represents 1.9% of the total office inventory. It is expected the available trophy space will continue to be leased up.

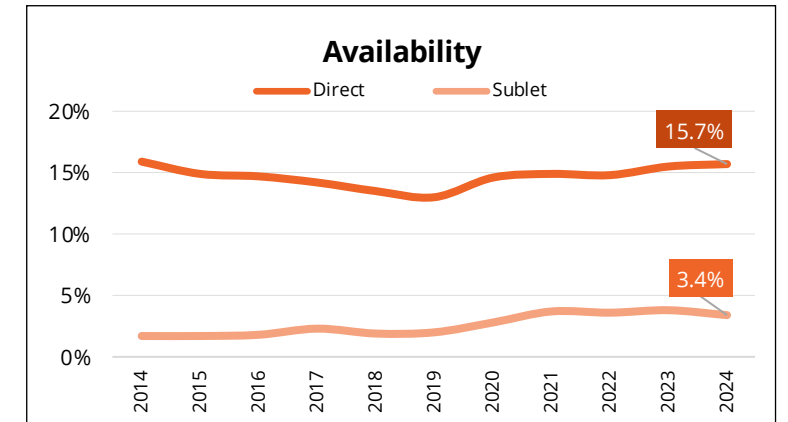
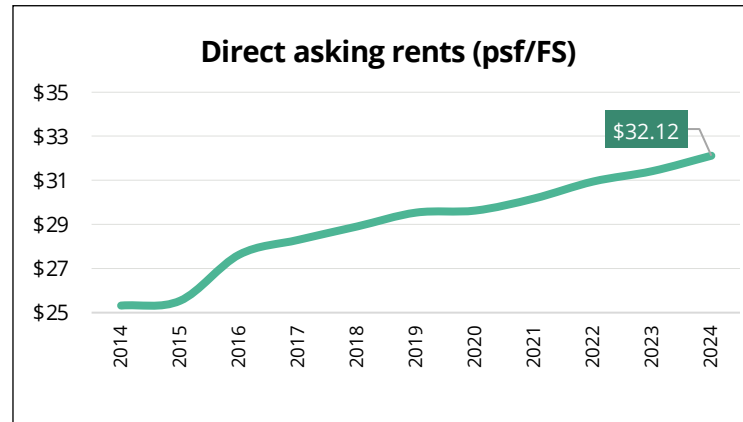
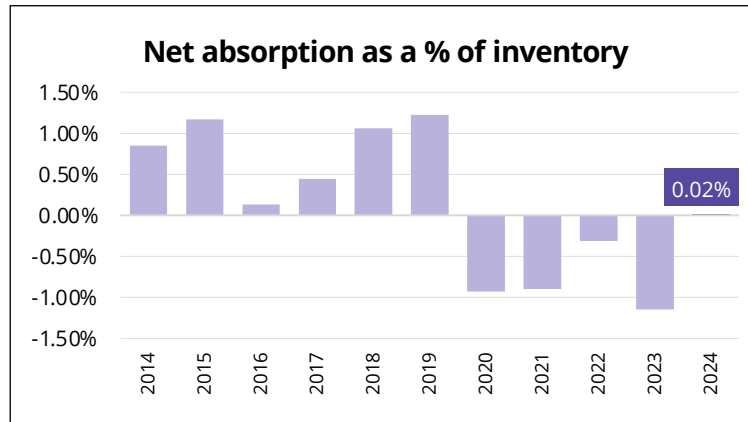
Note: Office buildings 20k sf and up are considered in statistics
Source: AVANT by Avison Young, CoStar



17 leases of 50k sf or greater have been signed year-to-date. The annual average of leases 50k sf or greater signed since 2017 is 27.

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Recent leasing activity

Tenant	Address	Size (sf)	Lease type
Fidelity	499 Washington Blvd., Newark	78,828	Direct
Regeneron	300 Warren Corporate Center Dr., Warren	52,902	Direct
JPMorgan Chase	545 Washington Blvd., Newark	85,306	Direct
Brother International	200 Crossing Blvd., Bridgewater	78,828	Renewal

Recent sales activity

Buyer	Address	Sale price	Sale price psf	Seller
Blackstone	2 Hilton Ct., Parsippany	\$15,333,000	\$84.44	Onyx Equities
Rockford Holdings Group	100 Tormee Dr., Tinton Falls	\$14,750,000	\$188	W.P. Carey
Faropoint	12 Daniel Rd., Fairfield	\$13,960,000	\$140	Sagard
Ebin New York	9 Sylvan Way, Parsippany	\$10,250,898	\$181.96	Cardinal Point Management

Note 1: Deals highlighted in purple indicate Avison Young represented one of the parties in the transaction

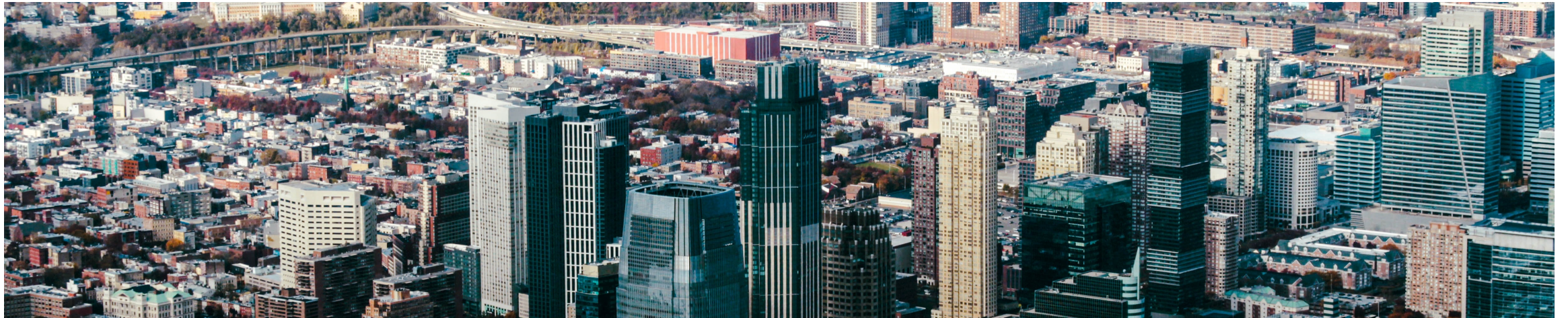
Source: AVANT by Avison Young, Compstack, CoStar

New Jersey office market stats

By Submarket	Existing Inventory	Deliveries sf (YTD)	Under development sf	Direct availability	Sublet availability	Total availability	Net absorption sf (YTD)	Net absorption % of inventory (YTD)	Annual direct asking rent psf FS
Northern New Jersey	161,453,075	0	410,537	16.3%	3.3%	19.6%	(304,575)	(0.2%)	\$32.41
Central Bergen	10,341,359	0	0	11.3%	1.6%	12.9%	64,783	0.6%	\$28.11
Greater Parsippany	18,100,741	0	0	22.5%	5.0%	27.5%	(685,439)	(3.8%)	\$28.23
GSP/Route 3	4,105,915	0	0	11.1%	4.1%	15.3%	(85,136)	(2.1%)	\$29.70
GW Bridge	7,760,931	0	0	11.9%	1.9%	13.0%	7,459	0.1%	\$30.47
I-24 West Corridor	7,768,804	0	0	23.8%	5.5%	29.3%	(373,714)	(4.8%)	\$35.86
Meadowlands	6,152,116	0	0	16.9%	4.0%	20.9%	8,222	0.1%	\$30.79
Morristown	5,985,422	0	260,750	13.4%	3.8%	17.2%	71,152	1.2%	\$30.73
Newark	21,157,527	0	0	11.7%	4.5%	16.2%	29,874	0.1%	\$29.29
North Central Bergen	3,996,474	0	0	17.2%	5.8%	23.0%	163,405	4.1%	\$28.84
Route 17 North Corridor	5,338,711	0	0	4.4%	0.2%	4.7%	38,763	0.7%	\$28.30
Route 23/Wayne	8,546,719	0	0	11.6%	2.2%	13.8%	39,863	0.5%	\$22.57
Route 78 East	7,946,314	0	0	15.7%	0.3%	16.0%	720,853	9.1%	\$31.09
Route 78 West	14,680,901	0	0	19.4%	4.4%	23.2%	(551,882)	(3.8%)	\$28.58
Suburban West Essex	6,328,420	0	0	25.4%	0.2%	25.6%	274,628	4.3%	\$28.04
Sussex	780,865	0	0	0.0%	0.0%	0.0%	-	0.0%	{Null}
Union	6,059,261	0	0	9.5%	1.0%	10.6%	36,481	0.6%	\$22.67
Waterfront	24,232,605	0	149,787	22.8%	5.6%	28.3%	(111,436)	(0.5%)	\$44.96
Western I-80 Corridor	2,169,990	0	0	14.6%	0.6%	15.2%	47,549	2.2%	\$25.74
Central New Jersey	79,358,219	0	402,000	15.1%	3.1%	18.2%	60,714	0.1%	\$30.86
Eastern Middlesex	827,303	0	0	12.4%	0.0%	12.4%	19,232	2.3%	\$20.39
Edison/ Woodbridge	9,649,697	0	0	20.7%	3.2%	24.0%	(121,187)	(1.3%)	\$37.97
Greater Monmouth	13,985,060	0	0	9.0%	2.3%	11.3%	(118,101)	(0.8%)	\$28.16
Hunterdon	4,692,341	0	0	31.9%	0.0%	31.9%	208,943	4.5%	\$27.99
Lower Route 287	12,984,314	0	350,000	9.2%	1.5%	10.7%	78,180	0.6%	\$22.52
Ocean County	2,435,000	0	52,000	8.1%	0.1%	8.3%	16,900	0.7%	\$28.62
South Middlesex	8,787,574	0	0	15.2%	2.2%	16.7%	134,585	1.5%	\$31.27
Trenton	25,484,769	0	0	13.8%	5.2%	19.0%	(133,542)	(0.5%)	\$30.21
Warren County	512,161	0	0	1.7%	4.5%	6.1%	(24,296)	(4.7%)	\$19.54
New Jersey Total	240,811,294	0	812,537	15.7%	3.4%	19.1%	(243,861)	(0.1%)	\$32.12

New Jersey office market stats by class

Class	Existing inventory sf	Deliveries sf (YTD)	Under development sf	Direct availability	Sublet availability	Total availability	Average Asking Rent (FS)
Trophy	21,474,588	0	760,537	12.6%	7.5%	20.1%	\$43.9
Class A	113,658,827	0	0	21.3%	4.7%	26.0%	\$32.79
Class B	89,316,854	0	52,000	12.6%	1.7%	14.2%	\$28.06
Class C	32,335,319	0	0	6.7%	0.1%	6.8%	\$24.4
Market total	240,811,294	0	812,537	15.7%	3.4%	19.1%	\$32.12



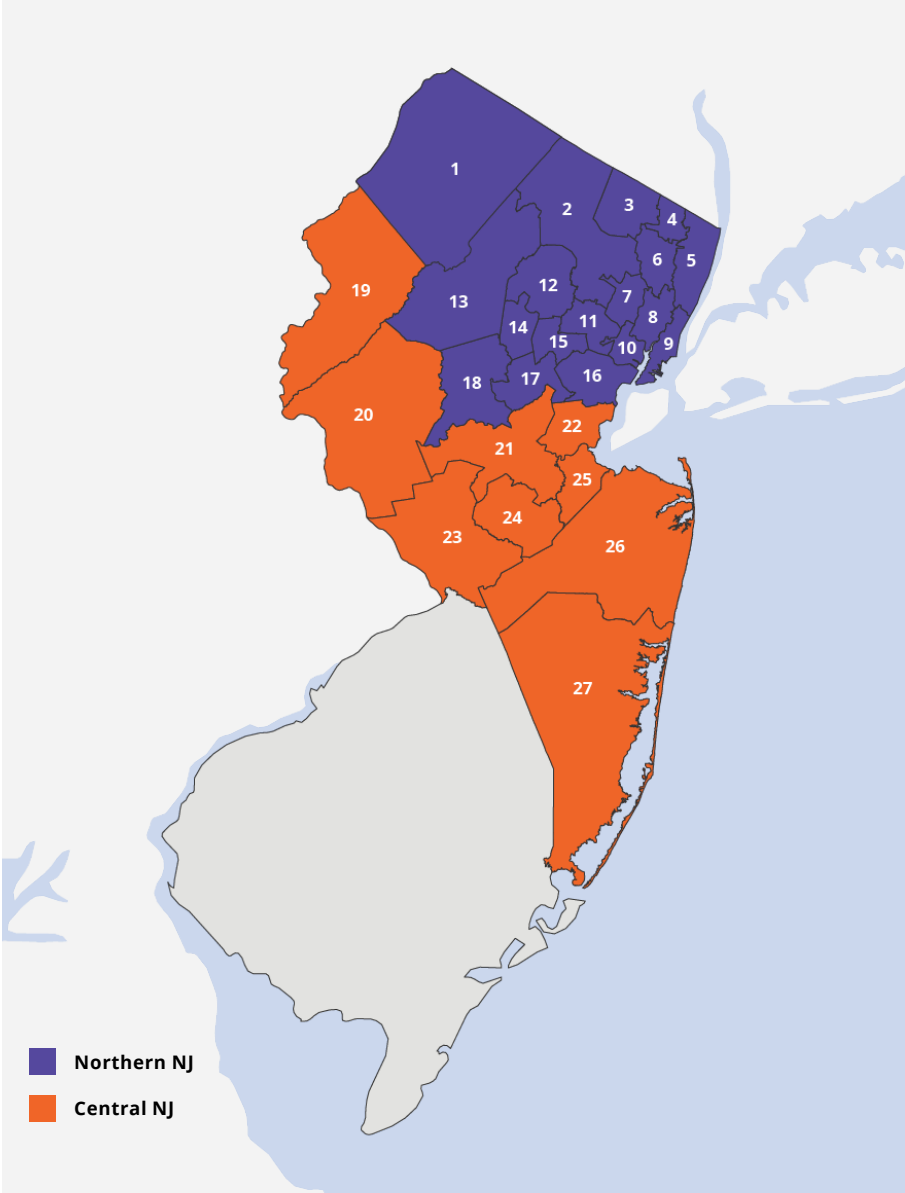
New Jersey Office Submarkets

Northern New Jersey

- 1. Sussex
- 2. Route 23/Wayne
- 3. Route 17/North Corridor
- 4. North Central Bergen
- 5. GW Bridge
- 6. Central Bergen
- 7. GSP/Route 3
- 8. Meadowlands
- 9. Waterfront
- 10. Newark
- 11. Suburban West Essex
- 12. Greater Parsippany
- 13. Western I-80 Corridor
- 14. Morristown
- 15. I-24 West Corridor
- 16. Union
- 17. Route 78 East
- 18. Route 78 West

Central New Jersey

- 19. Warren County
- 20. Hunterdon
- 21. Lower Route 287
- 22. Edison Woodbridge
- 23. Trenton
- 24. South Middlesex
- 25. Eastern Middlesex
- 26. Greater Monmouth
- 27. Ocean County



For more market insights and
information visit **avisonyoung.com**

Eric Stone

Principal, Managing Director
eric.stone@avisonyoung.com
1 (973) 753 1096

Jordan Katz

Analyst, Market Intelligence
jordan.katz@avisonyoung.com
1 (973) 898-6362