[BIT]elligence

NJ Industrial Highlights

Q3 2026

YTD LEASING ACTIVITY

37.5 MSF

Up 34.9% year-over-year

AVG. ASKING RENT

$16.24 NNN/SF

Down 1.5% year-over-year

YTD NET ABSORPTION

+5.7 MSF

Up from negative 0.1 MSF year-over-year

AVAILABILITY RATE

10.2%

20 BPS improvement quarter-over-quarter

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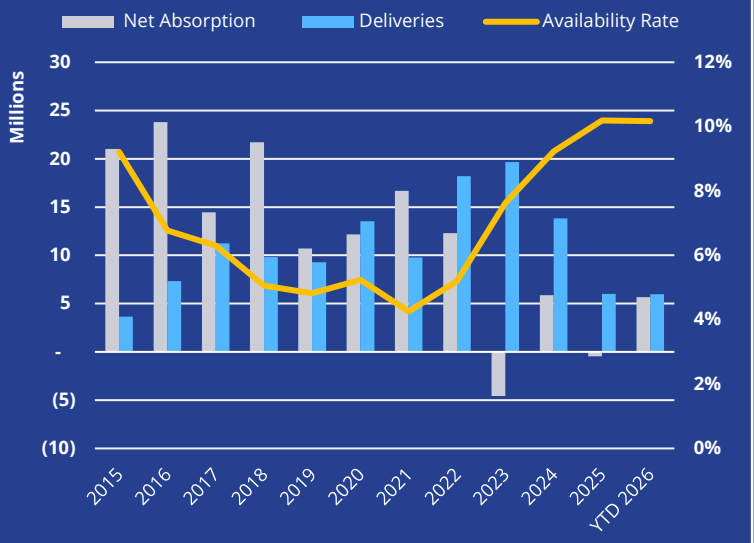
Occupier Demand: Second-Best Pace on Record

Year-to-date leasing activity, which accounts for both new leases and renewals, reached 37.5 MSF, up 34.9% year-over-year and second only to 2021 since tracking began in 2002. Quarterly volume has now topped 10 MSF for three consecutive quarters, a run last seen from Q4 2020 through Q2 2021, at the height of the pandemic-era boom. Q3 2026 added 12.3 MSF of leasing activity, and Exit 8A lead the state at 1.9 MSF leased during Q3, up 168.8% year-over-year. Big box transactions kept the momentum: 12 leases of 250,000 SF or more signed in Q3 for 5.0 MSF, up from 9 in the prior quarter.

E-commerce and parcel operators wrote the quarter's headlines. TikTok Shop committed to 712,084 SF across two Old Bridge buildings, Amazon took 426,275 SF in Jersey City, and CIRRO backfilled 611,320 SF at 1 Costco Drive in Monroe.

Pricing has held firm as taking rents averaged $15.64/SF NNN year-to-date, up 6.3% from 2025, even as asking rents eased.

Historical Net Absorption, Deliveries, & Availability Rate

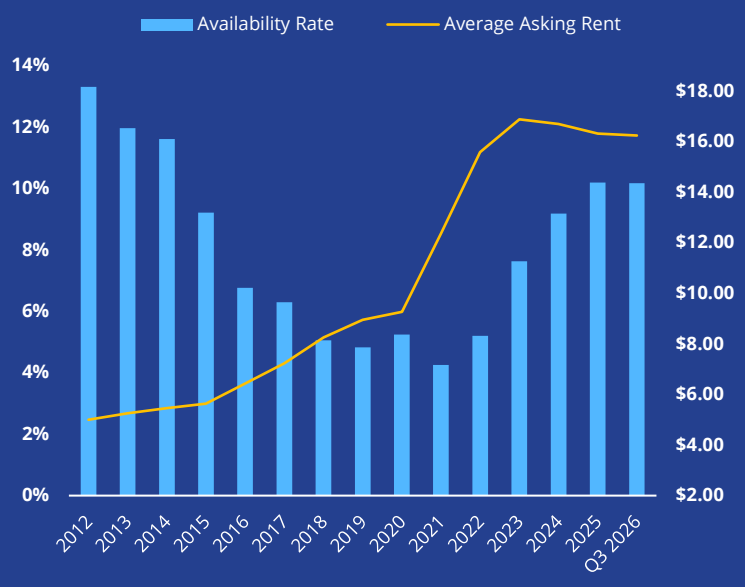


Supply & Net Absorption

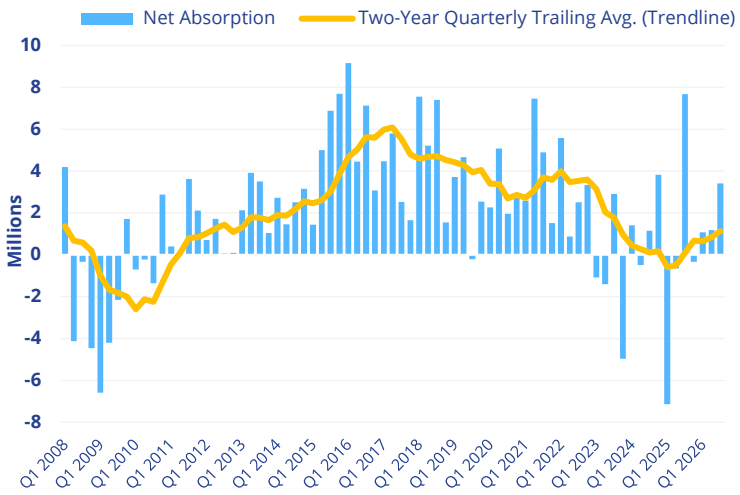
Net absorption climbed to positive 3.4 MSF in Q3 2026, the strongest quarter in a year and the third straight positive print, lifting the year-to-date total to 5.7 MSF against negative 116,430 SF at this point in 2025. Central NJ absorbed 2.4 MSF, led by Exit 8A (+861,556 SF), Exit 9 (+649,668 SF) and Exit 10 (+586,151 SF). Occupancy gains in Northern NJ totaled 1.0 MSF as Port North (+671,882 SF) nearly doubled its Q2 gain and the Morris Region gained 468,311 SF.

Availability fell 20 bps to 10.2%, its second straight quarterly decline, and sits 70 bps below the Q2 2025 peak. Exit 7A (27.2%) is the exception, after Lifetime Brands, Mystic Logistics and Falken Tire put 1.2 MSF of Robbinsville space on the market.

Historical Availability Rate and Average Asking Rent



Quarterly Net Absorption Trend



Market Overview

Occupiers are absorbing space faster than it is arriving. Three straight quarters of positive net absorption have pulled availability off its peak, and year-to-date leasing has already surpassed the full-year 2025 volume. The gains are broad: Exit 9 availability fell to 8.0% from 14.6% a year ago as TikTok Shop filled two Old Bridge buildings, Exit 8A tightened 350 bps to 11.2%, and the Morris Region dropped 150 bps to 10.0%. Pricing is converging across the state. Northern NJ asking rents eased 5.9% year-over-year to $16.98/SF while Central NJ rose 0.6% to $15.74/SF, cutting the North-Central premium to $1.24/SF.

Construction Activity

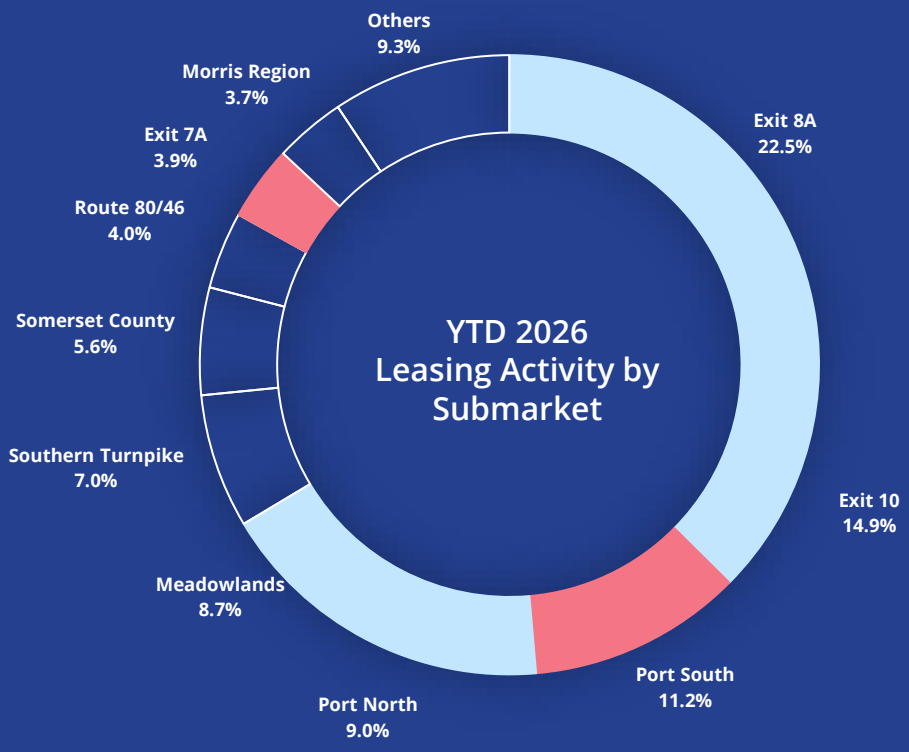
9.0 MSF is under construction across 43 projects, 89% of it still available. Exit 10, Exit 9 and the Morris Region hold more than half of the pipeline, and six projects totaling 1.1 MSF broke ground in Q3, including 379,000 SF at 241 Route 17 North in Maywood.

Q3 delivered 1.8 MSF across 11 buildings. Supply and demand are in balance with year-to-date net absorption of 5.7 MSF nearly matching the 6.0 MSF delivered. Another 4.8 MSF is scheduled for Q4.

Submarket Overview

Exit 8A, Exit 10 and Port South account for nearly half of year-to-date leasing. Exit 8A alone has leased 8.4 MSF YTD, up 169.4% year-over-year, while Exit 9 has cut availability by 660 bps since Q3 2025.

Port North and the Meadowlands have absorbed 2.3 MSF year-to-date, 40% of the state total, and Meadowlands leasing is up 13.2% year-over-year.



Outperforming Submarkets
Underperforming Submarkets

Submarket	Total Inventory	Availability Rate	Industrial Asking Rent	RBA Under Construction	YTD Net Absorption	YTD Leasing Activity
Sussex County	1,806,223	2.9%	$14.50	0	(31,928)	65,440
Northern Bergen	17,447,507	6.5%	$16.88	0	395,105	889,888
Central Bergen	10,852,938	7.5%	$19.67	379,000	(13,563)	257,626
Meadowlands	**74,578,001**	**10.1%**	**$17.13**	**101,768**	**1,101,775**	**3,277,306**
Route 80/46	63,864,390	7.0%	$15.91	250,240	(67,211)	1,510,989
Port North	**96,681,251**	**10.3%**	**$19.08**	**76,912**	**1,189,268**	**3,392,181**
Port South	**44,889,648**	**13.6%**	**$18.80**	**277,803**	**(290,691)**	**4,199,162**
Suburban Essex	15,682,680	5.8%	$15.41	0	(6,679)	225,954
Morris Region	37,055,462	10.0%	$16.26	1,378,870	832,541	1,386,733
Route 23 North	651,765	15.9%	$13.00	0	(25,623)	87,626
Warren County	**10,928,513**	**34.3%**	**$13.18**	**0**	**(659,012)**	**35,906**
Route 78/Union	22,844,060	5.1%	$15.52	0	55,330	170,255
Somerset County	29,749,394	12.6%	$16.38	572,386	(869,804)	2,099,657
Hunterdon County	5,258,856	4.4%	$12.76	0	31,390	8,750
Exit 10	**84,551,873**	**7.9%**	**$16.12**	**1,929,683**	**1,134,651**	**5,590,431**
Exit 9	**24,904,364**	**8.0%**	**$16.30**	**1,789,643**	**1,370,515**	**1,312,505**
Exit 8A	**78,595,953**	**11.2%**	**$15.14**	**100,000**	**2,945,947**	**8,441,483**
Princeton	11,374,233	9.5%	$13.69	284,400	(94,088)	142,012
Exit 7A	**18,519,014**	**27.2%**	**$14.09**	**412,777**	**(1,301,814)**	**1,463,419**
Monmouth County	17,148,291	10.6%	$13.59	948,997	(213,367)	194,922
Southern Turnpike	36,207,734	6.9%	$14.00	458,535	146,583	2,628,259
Ocean County	11,029,158	10.0%	$14.86	0	30,127	112,769
NJ Overall	**714,621,308**	**10.2%**	**$16.24**	**8,961,014**	**5,659,452**	**37,493,273**

Select Notable Lease Transactions



RENEWAL

LG Electronics

926,392 SF

50 Veronica Avenue | Somerset, NJ

SUBMARKET: Somerset County



NEW LEASE

CIRRO

611,320 SF

1 Costco Drive | Monroe, NJ

SUBMARKET: Exit 8A



RENEWAL

G-III Apparel Group

583,000 SF

140 Docks Corner Rd | Jamesburg, NJ

SUBMARKET: Exit 8A



NEW LEASE

Amazon

426,275 SF

145 Industrial Dr | Jersey City, NJ

SUBMARKET: Port North



NEW LEASE

TikTok Shop

408,970 SF

400 Fairway Lane | Old Bridge, NJ

SUBMARKET: Exit 9

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