

# MARKET WATCH

## Fourth Quarter 2023



Worldwide Real Estate Services

### Economic Indicators

Unemployment Rate, National	3.7%	↓
Unemployment Rate, New Jersey	4.8%	↑
National Median Existing Home Price	\$382,600	↓
Consumer Confidence Index	110.7%	↑
10 Year Treasury Yield	3.88%	↓
WTI Crude Oil Price	\$71.89	↓

### NJ Market Update: Mixed Bag

**NJ Markets Facing Headwinds:** New Jersey's retail real estate market remains attractive despite facing headwinds. Even though there are historically low vacancy rates and record-high rents, fueled by a strong consumer base and high incomes, the market is on track for its weakest year since 2012, with only \$409 million in sales so far and Morristown being the center of activity.

**Industrial Completions Exceeding Supply and Demand:** The NJ industrial real estate market faces challenges with new project completions exceeding demand and an e-commerce slow-down leading to a 30% decline in leasing activity. However, there are pockets of strength, especially in larger industrial areas like Linden. These areas are attracting tenants seeking sizable properties close to the Port of Newark.

**High Vacancy rates in Northern New Jersey:** The New Jersey office market continues to struggle with a long-standing imbalance between supply and demand. Leasing activity dropped 6% in the past year, and the average lease size decreased by 8%. This has resulted in a high vacancy rate (25.5 million square feet available), particularly in Northern New Jersey, ranking it among the top 15 nationally. Newark, Parsippany, and Northern Somerset County hold the most available space, with a tenant base leaning heavily towards insurance companies. Weakening market fundamentals have also led to declining sales activity, with only \$53 million in sales recorded in the last quarter.

### Northern New Jersey Key Performance Indicators

	Office	Industrial	Retail
Average Market Rate (PSF)	\$28.09	\$15.73	\$23.32
Average Vacancy Rate	14.1%	4.3%	4.1%
Net Absorption	(2,300,000)	(748,000)	929,000
Total Inventory (Million SF)	157.0	259.0	136.0

### Select Sitar Transactions - 4Q 2023

The sale of a 23,649 sq. ft. office building at 10 Neptune Boulevard in Neptune, New Jersey by Monmouth Realty Ventures, LLC to 10 Neptune Blvd, LLC. The sales price was \$3,350,000. William Sitar Jr. and Andrew Burachinsky were the brokers in this transaction.

The leasing of 13,040 sq. ft. of office space at 1 Corporate Place South in Piscataway, New Jersey by Rutgers, the State University of New Jersey from 52 Paterson Partners, LLC. Robert Bogash and Douglas Sitar were the brokers in this transaction.

The leasing of 6,548 sq. ft. of office space at 1 Highland Avenue in Metuchen, New Jersey by Proud Moments MSO, LLC from Highland Main Acquisition, LLC. Douglas Sitar, Gregg Nowell and Robert Bogash were the brokers in this transaction.

The sale of a 6,400 sq. ft. office investment property at 6 Moyse Place in Edison, New Jersey by Rufolo Property Management at Moyse, LLC to Ashok Krish. The sales price was \$1,360,000. Robert JanTausch and Douglas Sitar were the brokers in this transaction.

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### Large Blocks of Absorption

Office		
Nokia Bell Labs	360,000 SF	110 Plaza, New Brunswick
Jefferies	60,000 SF	101 Hudson Street, Jersey City
NJM Insurance Group	51,226 SF	1 Sylvan Way, Parsippany
Industrial		
GRM	387,744 SF	2520 Route 130, Dayton
US Elogistics	269,362 SF	1620 River Road, Burlington
CVS	217,986 SF	134 Van Keuren Avenue, Jersey City
Retail		
Urban Air Adventure Park	134,280 SF	808 W. Route 46, Parsippany
Crate and Barrel	80,475 SF	3321-3371 Highway 1, Lawrenceville
Tommy's Tavern	72,000 SF	12-42 The Promenade, Edgewater

### Average Sales Prices

	Office PSF	Industrial PSF	Retail PSF	Multi Family Per Unit
Northern New Jersey	\$185	\$200	\$213	\$229,000
Trenton	\$147	\$161	\$191	\$240,000
Atlantic City	\$137	\$82	\$159	\$130,000
Vineland	\$106	\$65	\$167	\$103,000
Ocean City	\$146	\$109	\$214	\$104,000

### Net Absorption, SF

(Past 12 Months)

	Office	Industrial	Retail
Northern New Jersey	(2,300,000)	(748,000)	929,000
Trenton	(634,000)	690,000	215,000
Atlantic City	30,600	(93,700)	99,600
Vineland	18,900	(60,700)	24,600
Ocean City	16,600	10,200	(16,700)

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FEATURED LISTINGS

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## MEDICAL/GENERAL OFFICE **FOR SALE**

343 Princeton Hightstown Road  
East Windsor, NJ 08512

Please contact:  
Office: 732.283.9000

Luan "Lun" Kichen  
Cell: 908.902.8788

Robert Bogash  
Cell: 732.319.4680



## OFFICE **FOR LEASE**

2 North Avenue  
Cranford, NJ 07016

Please contact:  
Office: 732.283.9000

William Sitar Jr.  
Cell: 973.202.9119

Douglas Sitar  
Cell: 732.859.2144



## MULTIFAMILY **FOR SALE**

2538 Belmar Boulevard  
Wall Township, NJ 07719

Please contact:  
Office: 732.283.9000

Ronald Schrader Jr.  
Cell: 732.859.1781

1481 Oak Tree Road, Iselin, NJ 08830  
732-283-9000  
[www.sitarcompany.com](http://www.sitarcompany.com)

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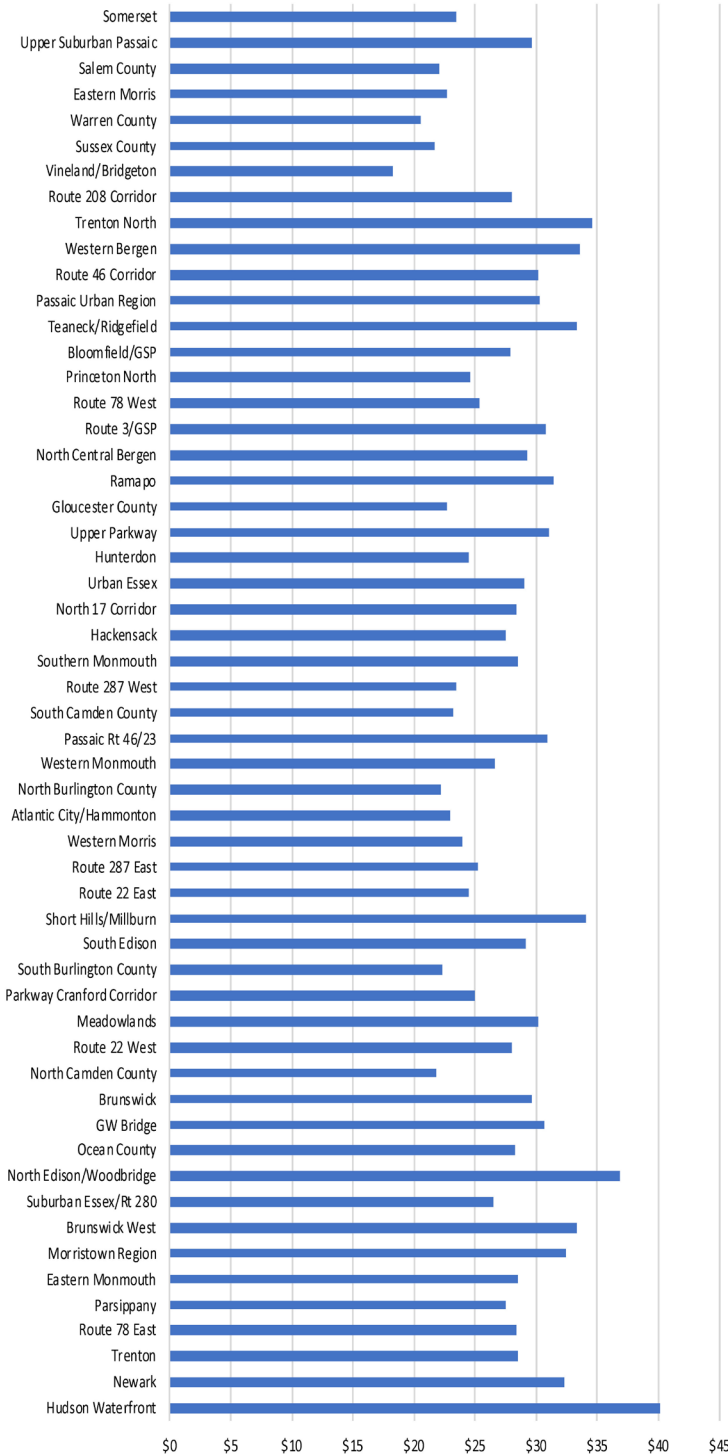
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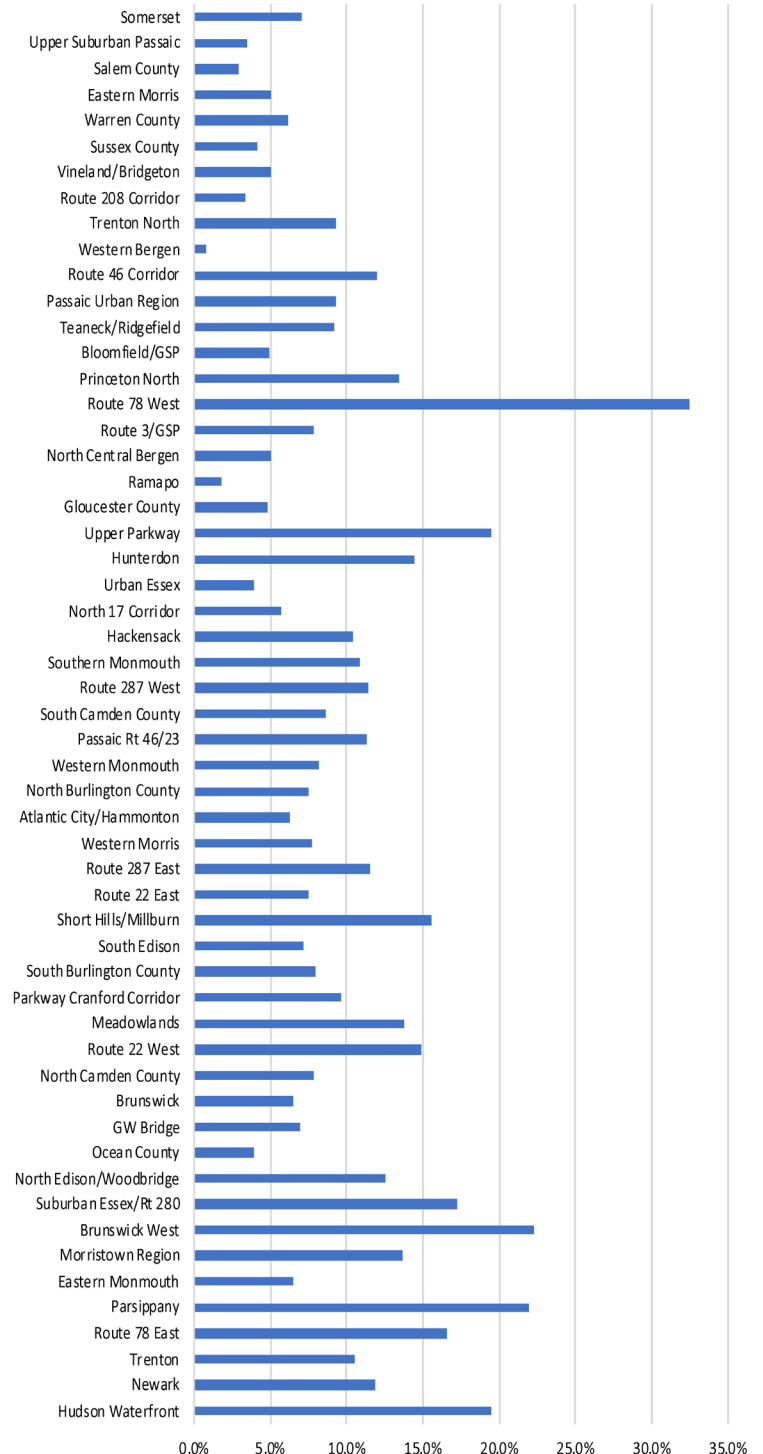


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Office: Quoted Rates by Submarket



Office: Vacancy Rates by Submarket



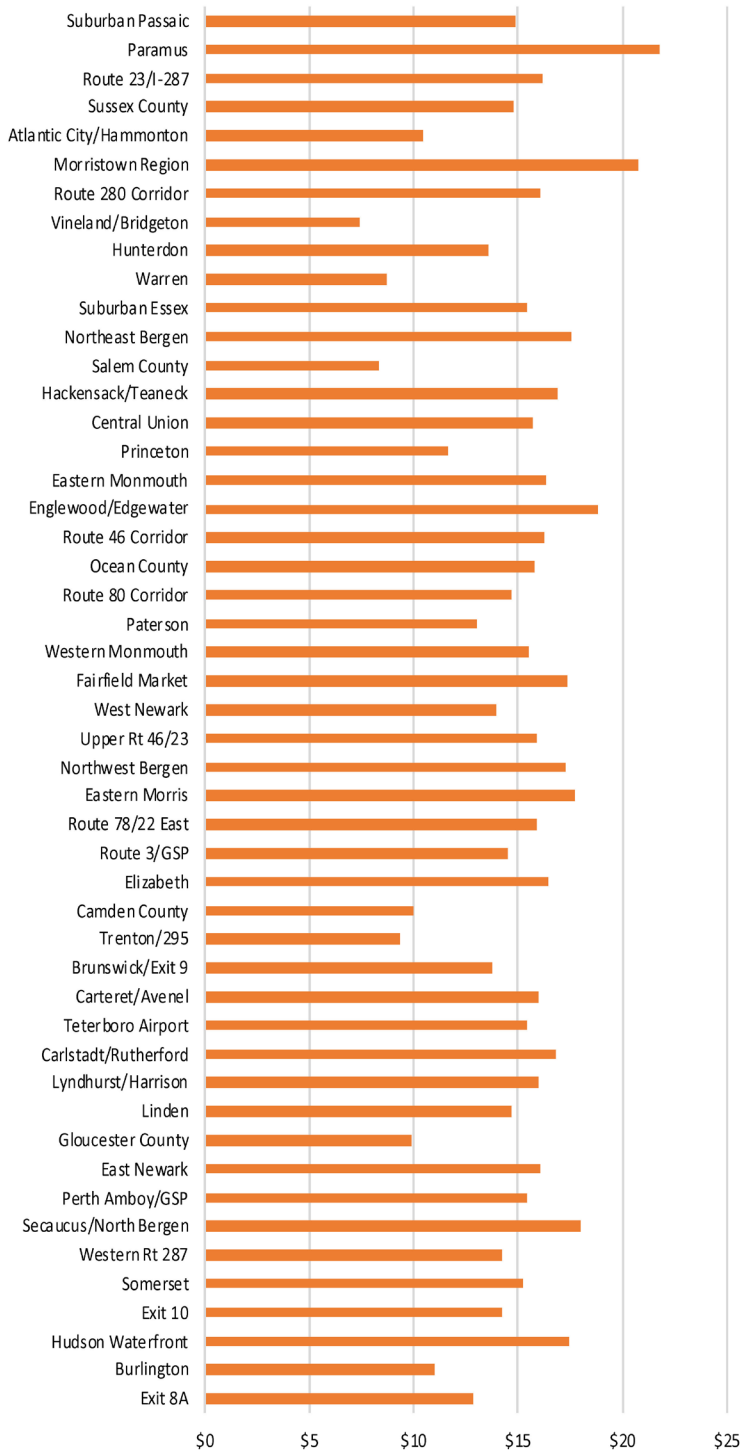
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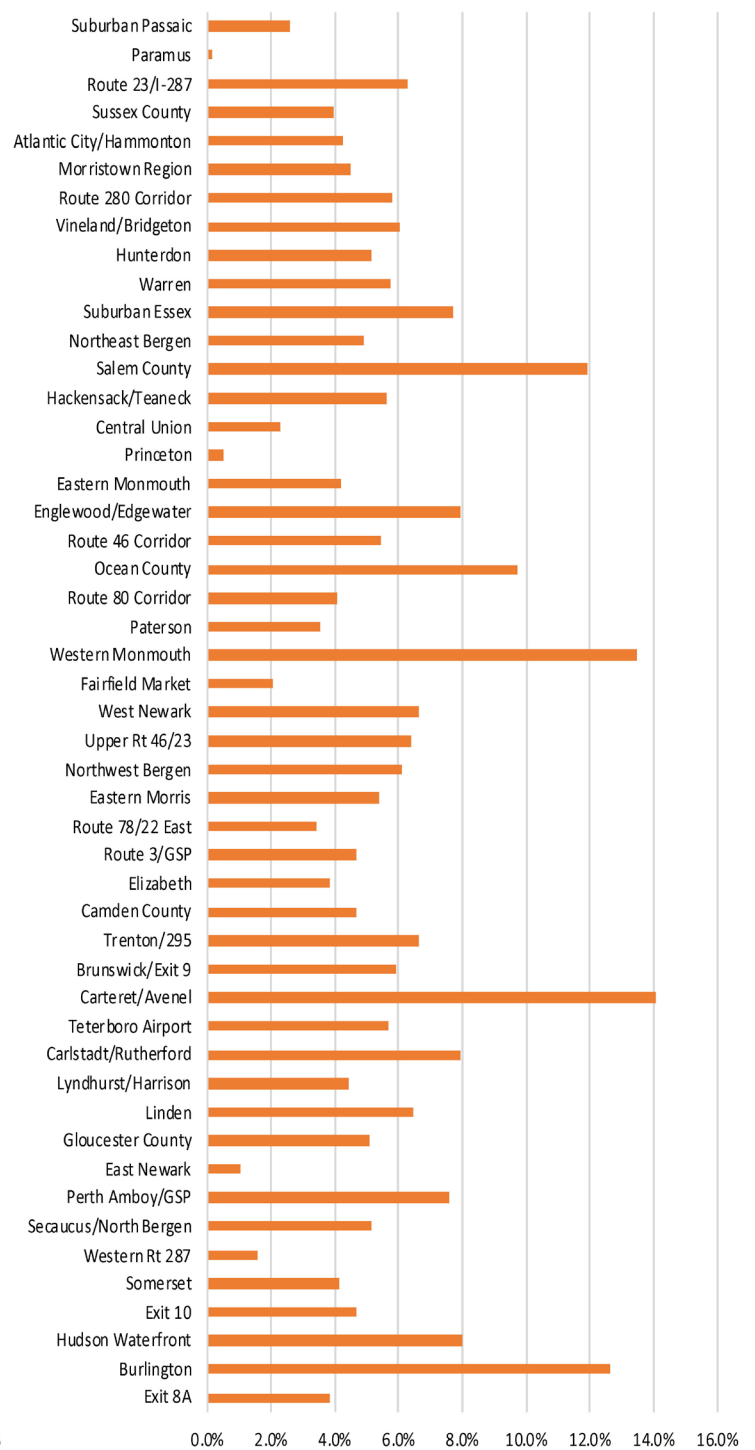


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### Industrial: Quoted Rates by Submarket



### Industrial: Vacancy Rates by Submarket



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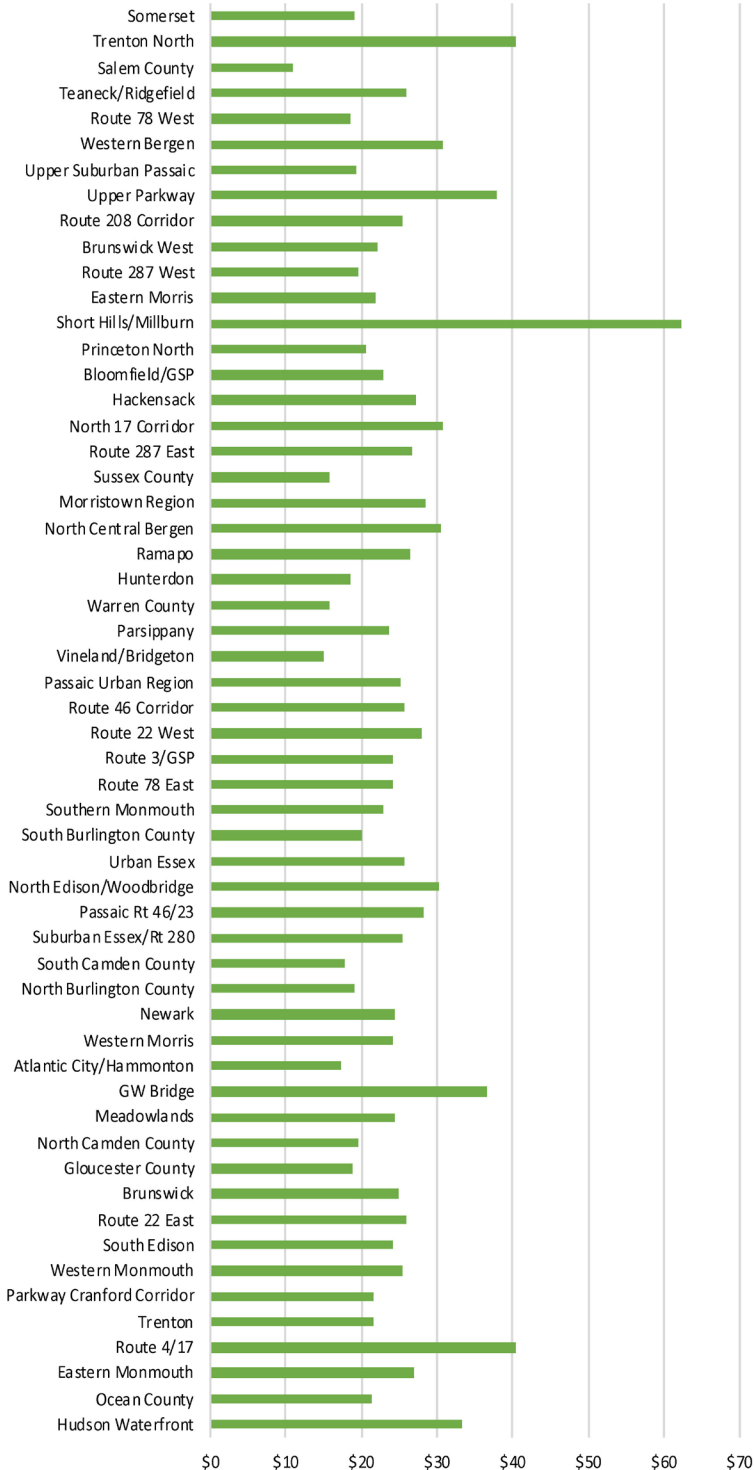
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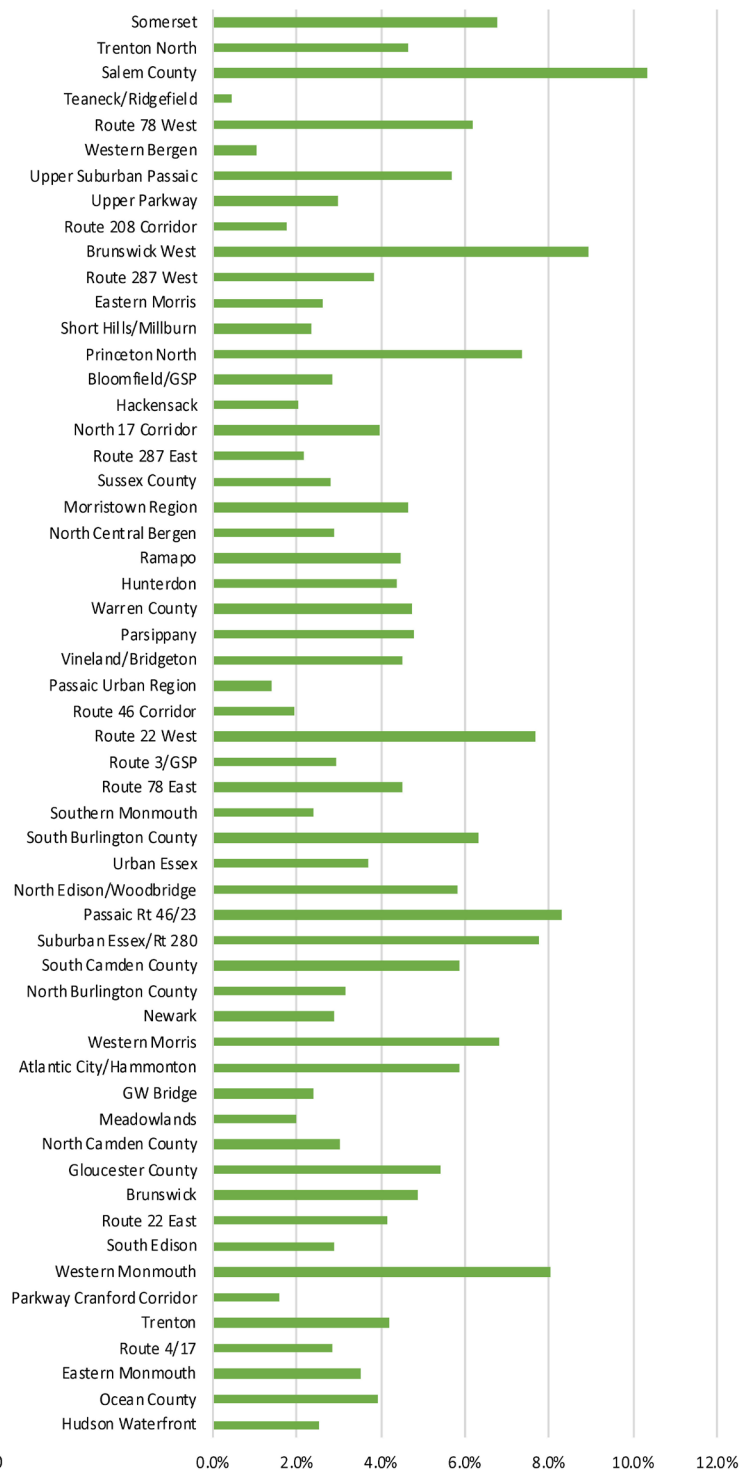


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### Retail: Quoted Rates by Submarket



### Retail: Vacancy Rates by Submarket



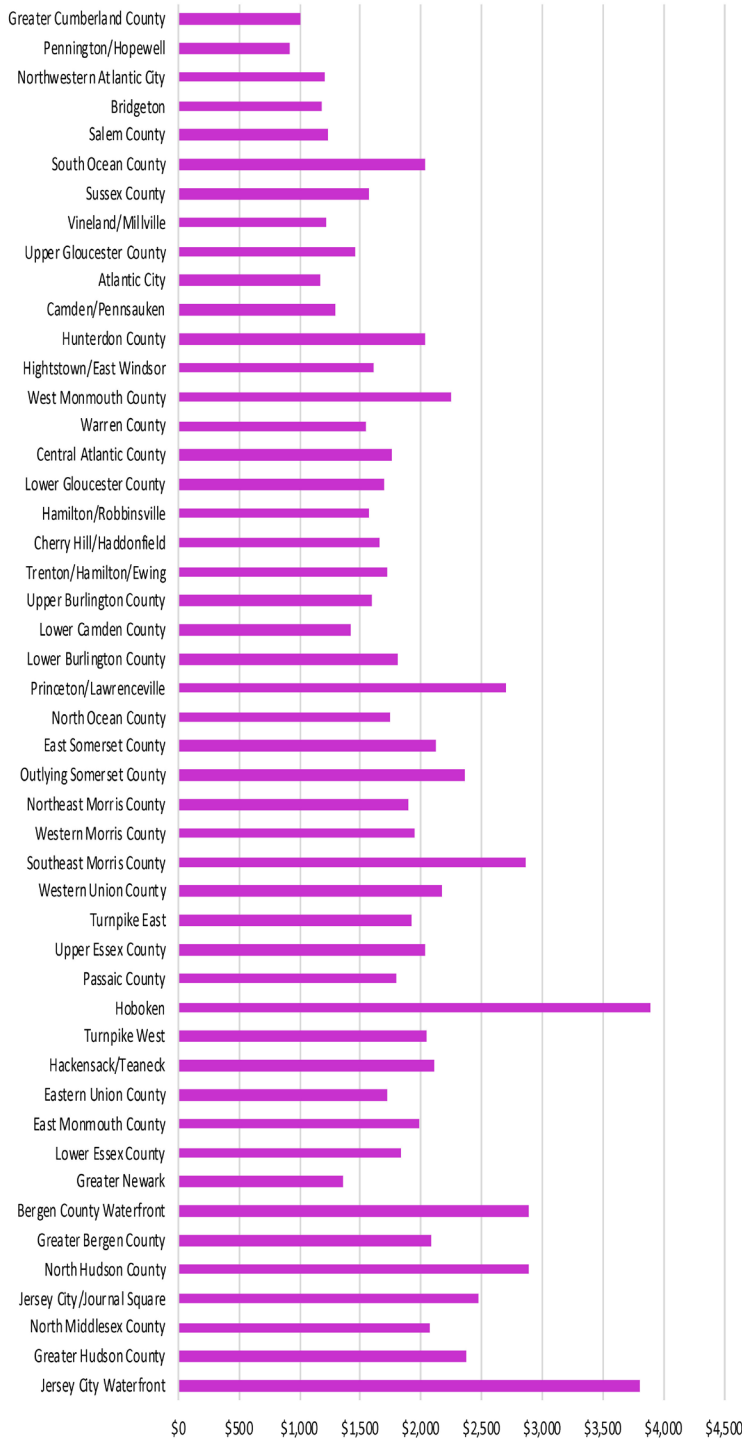
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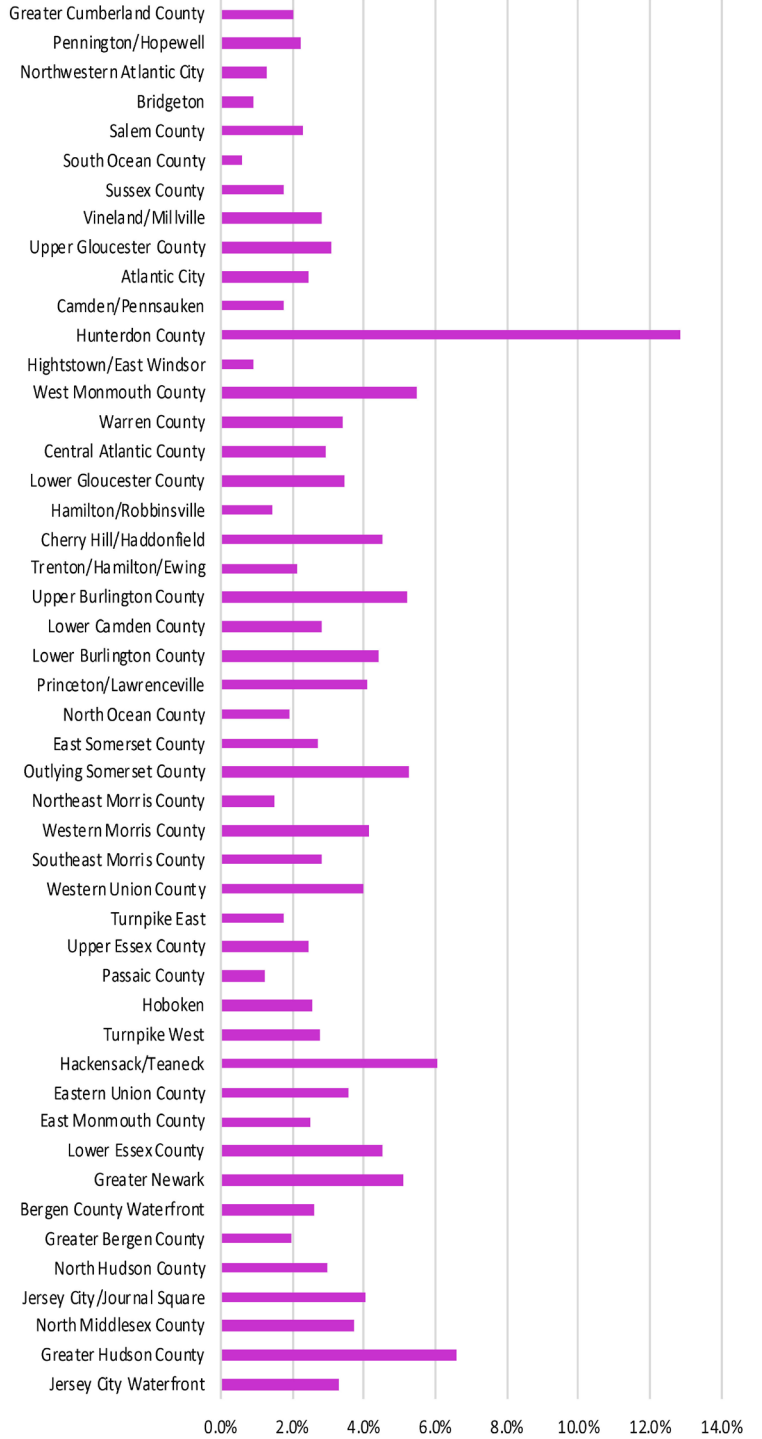


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### Multi-Family: Quoted Rates by Submarket



### Multi-Family: Vacancy Rates by Submarket



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### About Sitar Realty Company

One of the greatest strengths of the Sitar Realty Company is our ability to offer experience and expertise in all forms of real estate brokerage. Among our specialties are office and industrial leasing and sales, property disposition, consulting for acquisitions, investments, joint ventures and asset management. We are active in tenant representation as well as owner representation for exclusive agencies. Our intimate knowledge of the New Jersey real estate market has often meant a shorter lease-up period for exclusive properties. Most of our brokerage activity takes place in the New Jersey and New York metropolitan area and Pennsylvania. Yet, our repeated success with corporations seeking space in other states has assured these firms of the Sitar Realty Company's strong brokerage network throughout the country. Time is critical in today's market. Whether the requirement is 2,000 or 800,000 square feet, Sitar Realty Company's personnel utilize the resources available to fulfill the requirement thoroughly and professionally. From site selection through data analysis, advice, negotiation, and closing, Sitar Realty Company offers a turnkey solution to each transaction. Our goal is to provide the vital services our clients need and expect in an expeditious and comprehensive manner.

### Sitar Realty Company Services

- Commercial Brokerage Leasing and Sales
- Investment Services
- Property Tax Consulting & Appeals
- Property Management Services
- Rent Receiver Services
- Award-Winning Research
- Consulting and Advisory
- IRA Real Estate
- Residential Division



### Corporate Mission

Our mission is to provide the finest, most professional real estate services to our clients, exceeding their expectations and delivering total satisfaction. Our approach maximizes the value of real estate while minimizing client costs. We combine creativity, real estate specialists, total market expertise, and integrity to achieve comprehensive solutions to real estate needs. Our salespeople have access to reliable resources and the latest technology and support systems available in the industry.

Our vision is to create an environment of constant improvement, resulting in an ever-increasing quality of our services. We will continuously seek to improve every activity and process in the company. We believe that as good as we are today, we must be better tomorrow. Our drive to improve is both continuous and relentless. We strive to be the unsurpassed standard of comparison.

Our commitment is to listen to the voice of the client, understanding their perspective to implement the real estate plan, and to satisfy their needs at a cost that represents real value. We at Sitar Realty Company believe that the complexities of real estate demand a total approach to client needs and space requirements combining ever-improving creativity and multi-functional skills. Our initiatives meet this challenge three ways: in-depth needs assessment, timely information, and dynamic solutions that create long-term value.

We believe the only real test of performance is the quality of services that we provide to the clients we represent. Over the long term, we must consistently exceed their expectations.

Finally, and perhaps most importantly, we will conduct ourselves in an exemplary manner with all our clients and customers, both large and small, thereby creating long-term relationships with them, whether the service is brokerage, consulting, market research, or corporate investments.

### Sitar Realty Company Locations

Sitar Realty Company specializes in servicing all real estate markets in New Jersey. The Company is headquartered in Middlesex County, New Jersey with an additional office located in Monmouth County, NJ.

1481 Oak Tree Road, Iselin, NJ 08830  
Tel: 732-283-9000 Fax: 732-283-3103

503 Washington Blvd., Sea Girt, NJ 08750  
Tel: 732-449-2000 Fax: 732-449-2828

### TCN Worldwide

In 2011, Sitar Realty Company was selected to become a member of TCN Worldwide. TCN Worldwide is comprised of more than 5,000 commercial real estate professionals serving more than 200 markets worldwide. With \$58.6 billion in annual transactions and over 445 million square feet of space under management, TCN Worldwide ranks as one of the largest service providers in the industry. As a member of the TCN worldwide system, we are able to provide corporate real estate services to our clients in national and international markets utilizing the best local expertise.

The data collected herein has been derived from Dept. of Labor, Dept. of Commerce, The Federal Reserve, CoStar, Sitar Realty Company, U.S. Census Bureau of Labor Statistics, Port Authority of NY & NJ and NJEDA. Data may not reflect what was previously reported due to new information coming available. The information gathered is deemed reliable, but no warranty or representations are made as to the accuracy thereof and is submitted subject to any errors or omissions. The ideas and opinions expressed in this market report reflect the views of Sitar Realty Company.

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