

MARKET WATCH

Third Quarter 2024



Worldwide Real Estate Services

Economic Indicators

Unemployment Rate, National	4.1%	—
Unemployment Rate, New Jersey	4.7%	↑
National Median Existing Home Price	\$404,500	↓
Consumer Confidence Index	98.7%	↓
10 Year Treasury Yield	3.81%	↓
WTI Crude Oil Price	\$68.75	↓

Northern New Jersey Key Performance Indicators

	Office	Industrial	Retail
Average Market Rate (PSF)	\$29.15	\$15.94	\$24.90
Average Vacancy Rate	13.3%	5.4%	4.0%
Net Absorption	(1,200,000)	119,000	681,000
Total Inventory (Million SF)	155.0	259.0	138.0

Select Sitar Transactions - 3Q 2024

The sale of a 6-unit apartment building at 404 Fourth Avenue in Asbury Park, New Jersey from Ludlow Apartments, LLC to Ludlow Partners. The sales price was \$2,100,000. Ron Schrader Jr. was the broker in this transaction.

The sale of a 14,000 sq. ft. office building at 11 Dundar Road in Springfield, New Jersey from Rufolo Property Management at Dundar, LLC to LVNC Holdings, LLC. The sales price was \$1,800,000. Bob JanTausch and Doug Sitar were the brokers in this transaction.

The leasing of 6,966 sq. ft. of office space at 1325 Route 34 in Wall, New Jersey by J. Fletcher Creamer & Son from 1325 Highway 34, LLC. Gregg Nowell and Bill Sitar Jr. were the brokers in this transaction.

The sale of a 3,454 sq. ft. office building at 408 Rahway Avenue in Woodbridge, New Jersey from RSI Bank to Christian Valdez. The sales price was \$1,350,000. Bill Sitar Jr. and Ron Schrader Jr. were the brokers in this transaction.

NJ CRE Market Overview: Key 2024 Trends

In the **Industrial** sector, vacancy rates have risen to 5.4%, largely due to a growing supply of large-format spaces. In contrast, small-bay industrial spaces near logistical hubs remain in high demand, particularly for last-mile distribution. Rent growth has decelerated from 14% last year to 4.3% but is expected to stabilize in 2025, favoring well-located, smaller properties close to ports.

The **Office** market faces ongoing challenges with a 13.3% vacancy rate as tenants reduce their footprints and prioritize flexible spaces. Redevelopment is emerging as a key strategy, particularly for suburban offices, with over 2.2 million square feet removed this year for conversions, mainly to multifamily housing. Suburban rent declines further underscore the sector's transformation as more landlords explore adaptive reuse.

Retail stands out with strong fundamentals, maintaining a low vacancy rate of 4% and limited new construction. High consumer demand has led to record leasing activity, keeping rents on an upward trajectory with projected annual growth over 3%. Well-located retail spaces remain highly competitive, and supply constraints continue to support value growth.

In **Multifamily**, tenant demand has hit record levels with 6,000 units absorbed in 2024, yet new luxury supply is putting pressure on vacancy rates, now at 10% in the high-end segment. Mid-tier properties are performing well with lower vacancies and consistent demand, making them a more stable investment. Rent growth is steady at 1.5%–1.7% and is projected to accelerate in 2025 as supply and demand rebalance.

Takeaway: Investors should focus on high-demand locations and adaptable assets. Industrial and retail remain strong, while mid-tier multifamily and redeveloped office properties present resilient options in a shifting market.



By: Jack MacCutcheon
Sitar Sales Associate

Jack specializes in the retail sector of commercial real estate. Known for his strategic acumen and unwavering commitment to excellence,

Jack has a profound understanding of market dynamics and a track record of insightful analysis. He can be reached at 732-515-0915 or emailed at maccutcheon@sitarcompany.com.

1481 Oak Tree Road, Iselin, NJ 08830
732-283-9000
www.sitarcompany.com

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Large Blocks of Absorption

Office		
Samsung	321,207 SF	700 Sylvan Avenue, Englewood Cliffs
Unilever	111,000 SF	111 River Street, Hoboken
JP Morgan Chase & Co.	85,306 SF	545 Washington Boulevard, Jersey City
Industrial		
Lecangs	845,280 SF	1900 River Road, Burlington
US E-Logistics	806,200 SF	1183 Florence Columbus Road, Mansfield
Undisclosed	412,320 SF	1170 Florence Columbus Road, Mansfield
Retail		
Walmart	121,222 SF	2299 N. 2nd Street, Millville
Parky's	100,000 SF	400 W Route 38, Moorestown
Symphony Center in Jersey City	44,000 SF	151 Bay Street, Jersey City

Average Sales Prices

	Office PSF	Industrial PSF	Retail PSF	Multi Family Per Unit
Northern New Jersey	\$177	\$197	\$218	\$233,000
Trenton	\$148	\$156	\$189	\$239,000
Atlantic City	\$128	\$78	\$166	\$129,000
Vineland	\$112	\$65	\$161	\$99,900
Ocean City	\$136	\$109	\$220	\$97,800

Net Absorption, SF (Past 12 Months)

	Office	Industrial	Retail
Northern New Jersey	(1,200,000)	119,000	681,000
Trenton	(525,000)	(925,000)	148,000
Atlantic City	11,700	79,200	214,000
Vineland	(1,300)	80,700	(4,900)
Ocean City	(4,700)	(40,800)	(19,800)

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FEATURED LISTINGS

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BREWERY BUSINESS FOR SALE

730 Federal Avenue
Kenilworth, NJ 07033

Please contact:
Office: 732.283.9000

John Cranley
Cell: 908.370.9808

Robert Bogash
Cell: 732.319.4680



MIXED USE FOR SALE

1900 Highway 35
Wall Township, NJ 07762

2409 Old Mill Road
Spring Lake Heights, NJ 07762

Please contact:
Office: 732.283.9000

Ronald Schrader Jr.
Cell: 732.859.1781

Thomas Deveney
Cell: 732.275.7846



APPROVED SELF STORAGE FOR SALE

2065 New Jersey 37
Manchester Twp., NJ 08759

Please contact:
Office: 732.283.9000

William Sitar Jr.
Cell: 973.202.9119

Andrew Burachinsky
Cell: 973.462.7098

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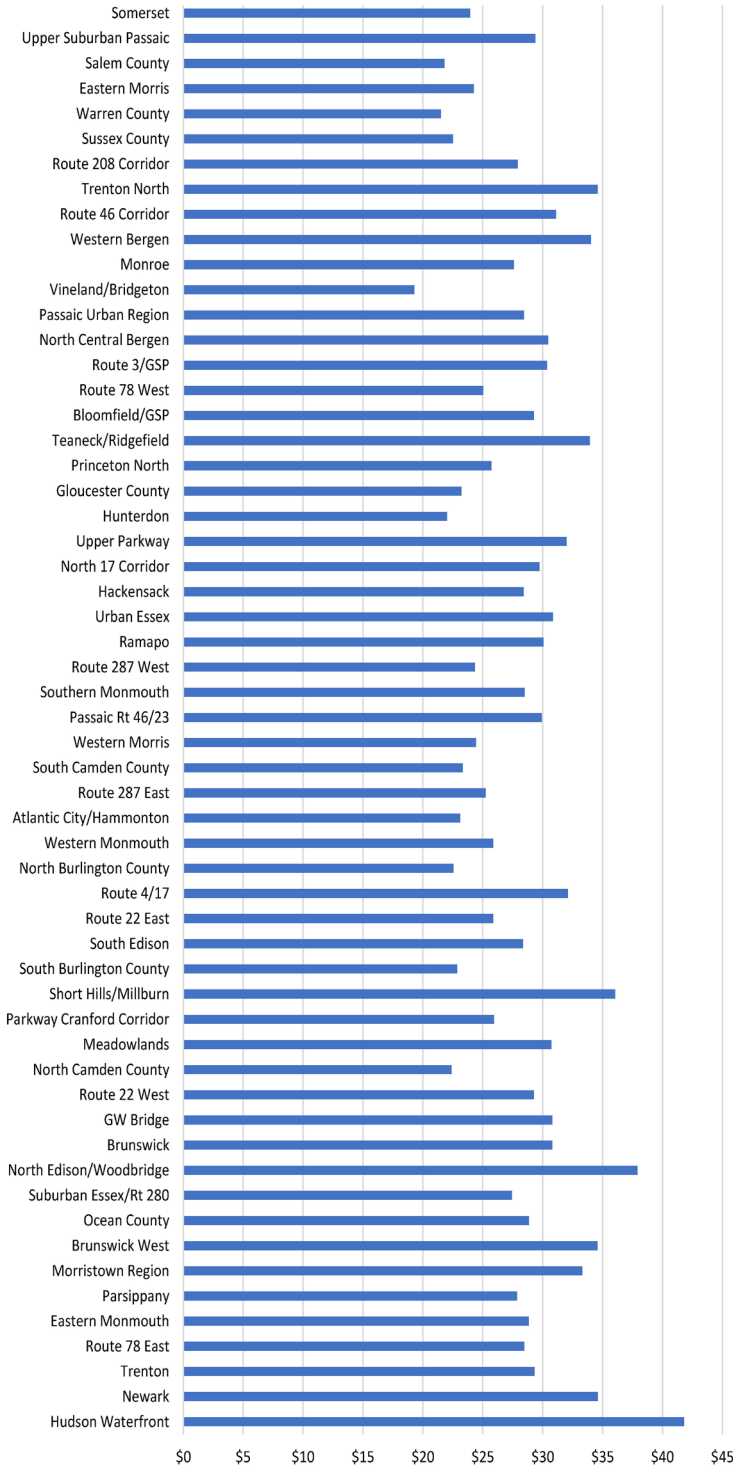
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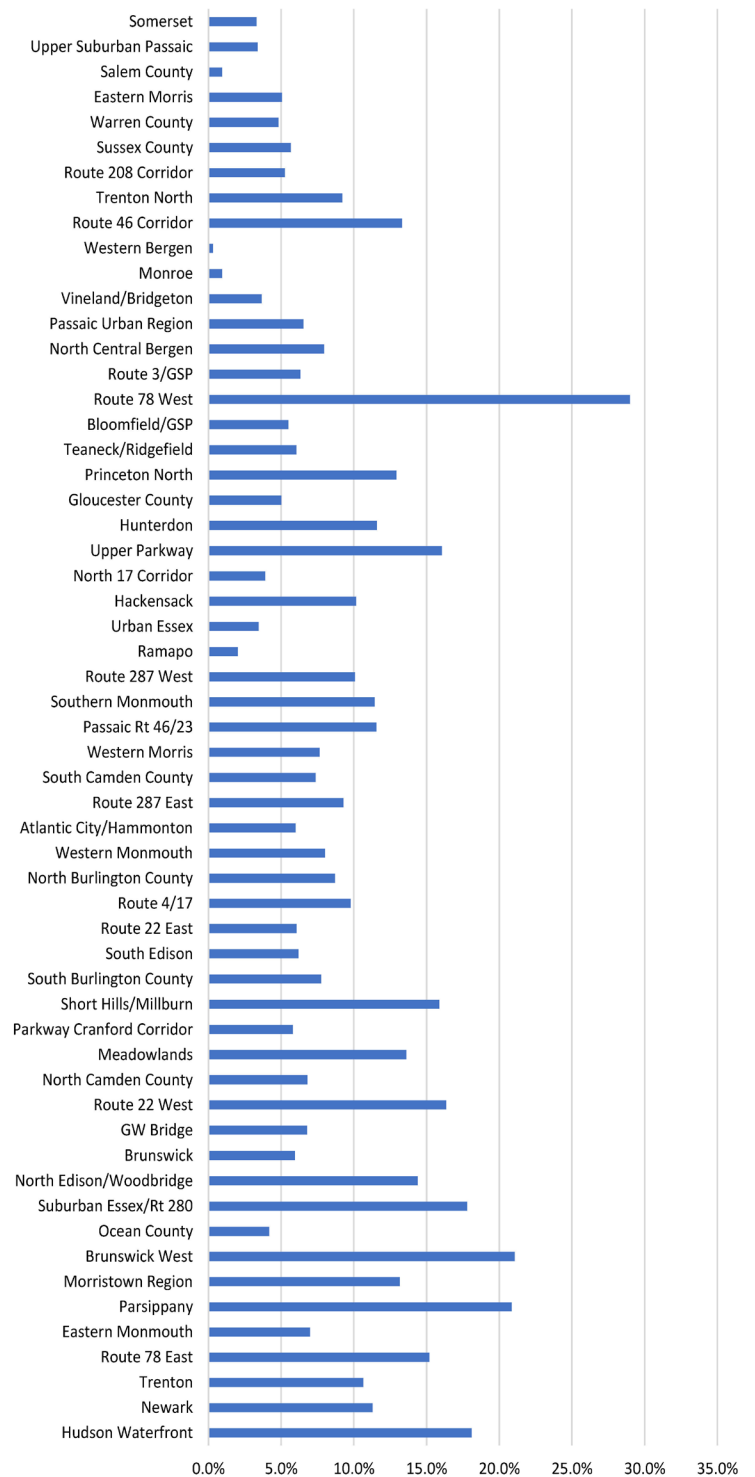


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Office: Quoted Rates by Submarket



Office: Vacancy Rates by Submarket



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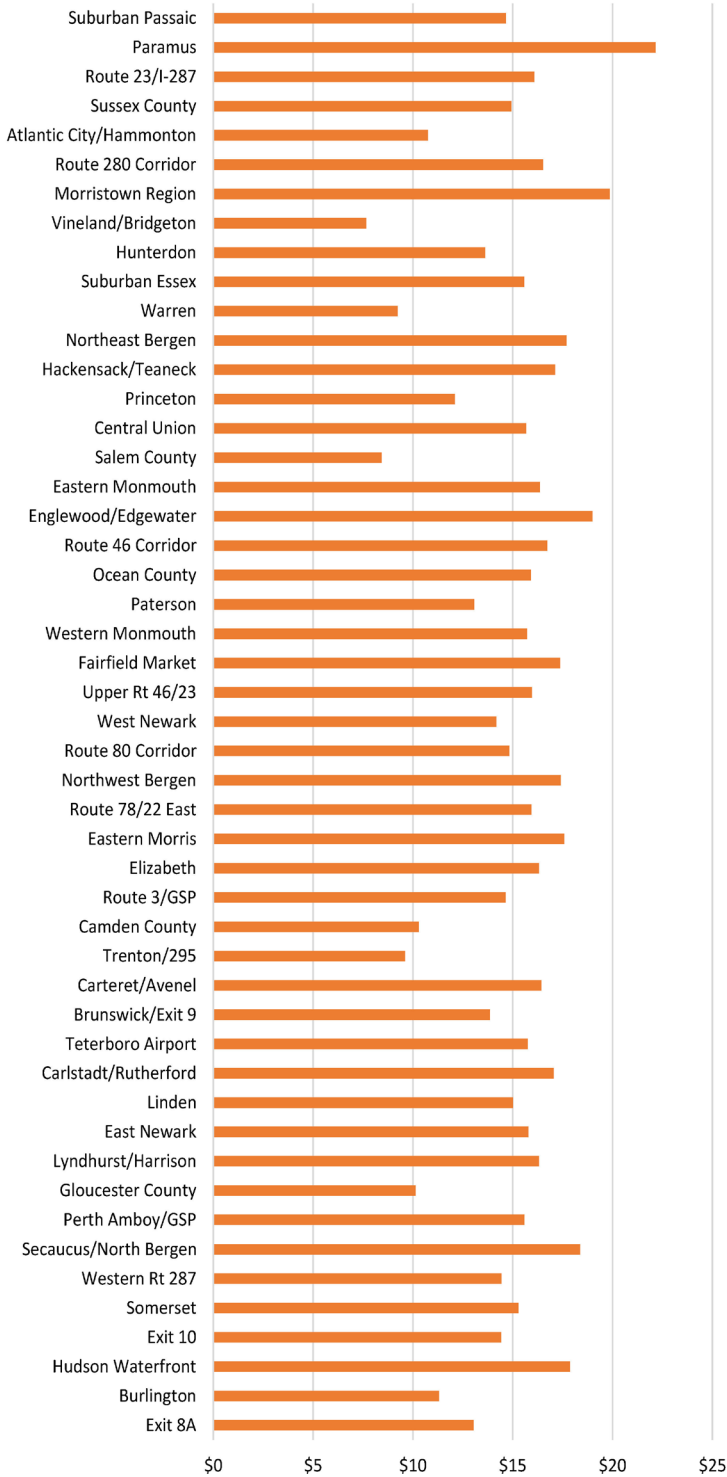
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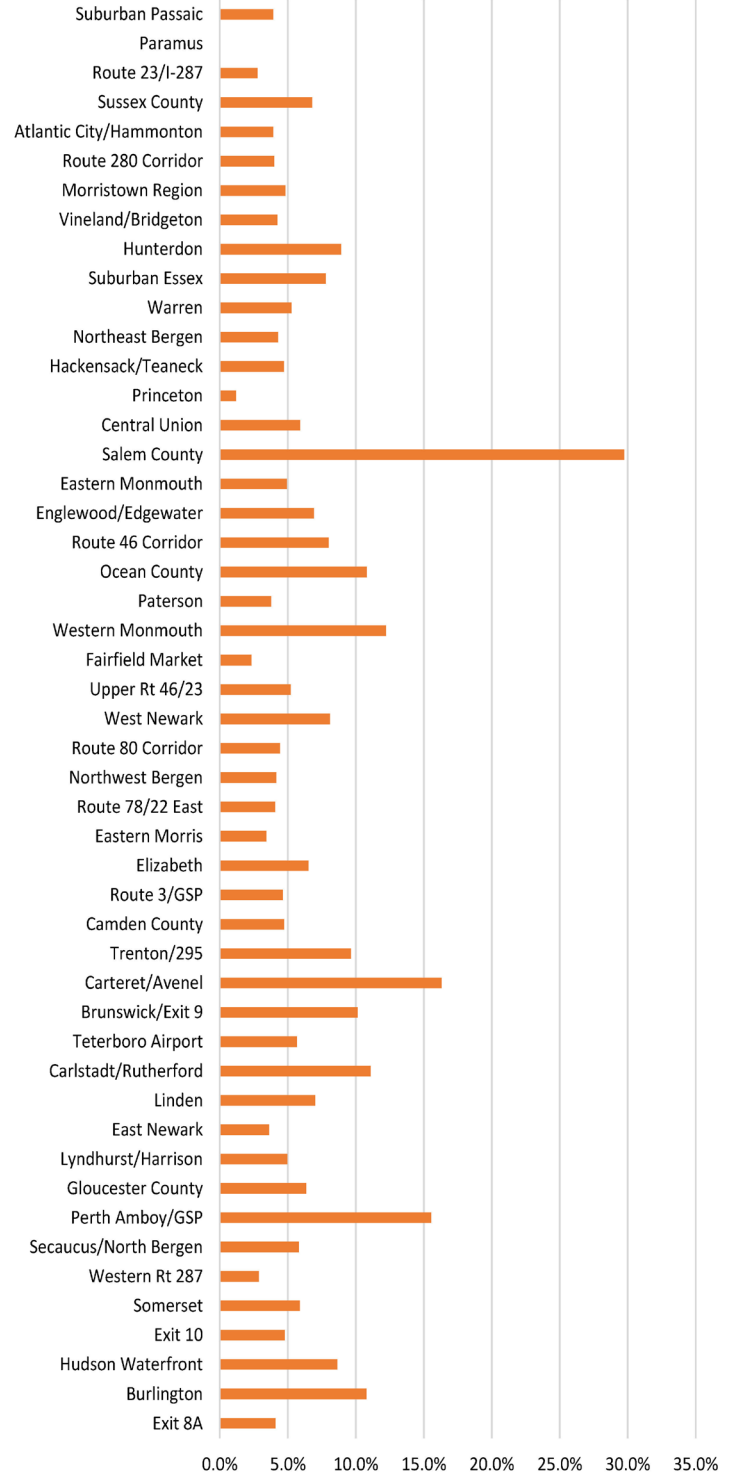


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Industrial: Quoted Rates by Submarket



Industrial: Vacancy Rates by Submarket



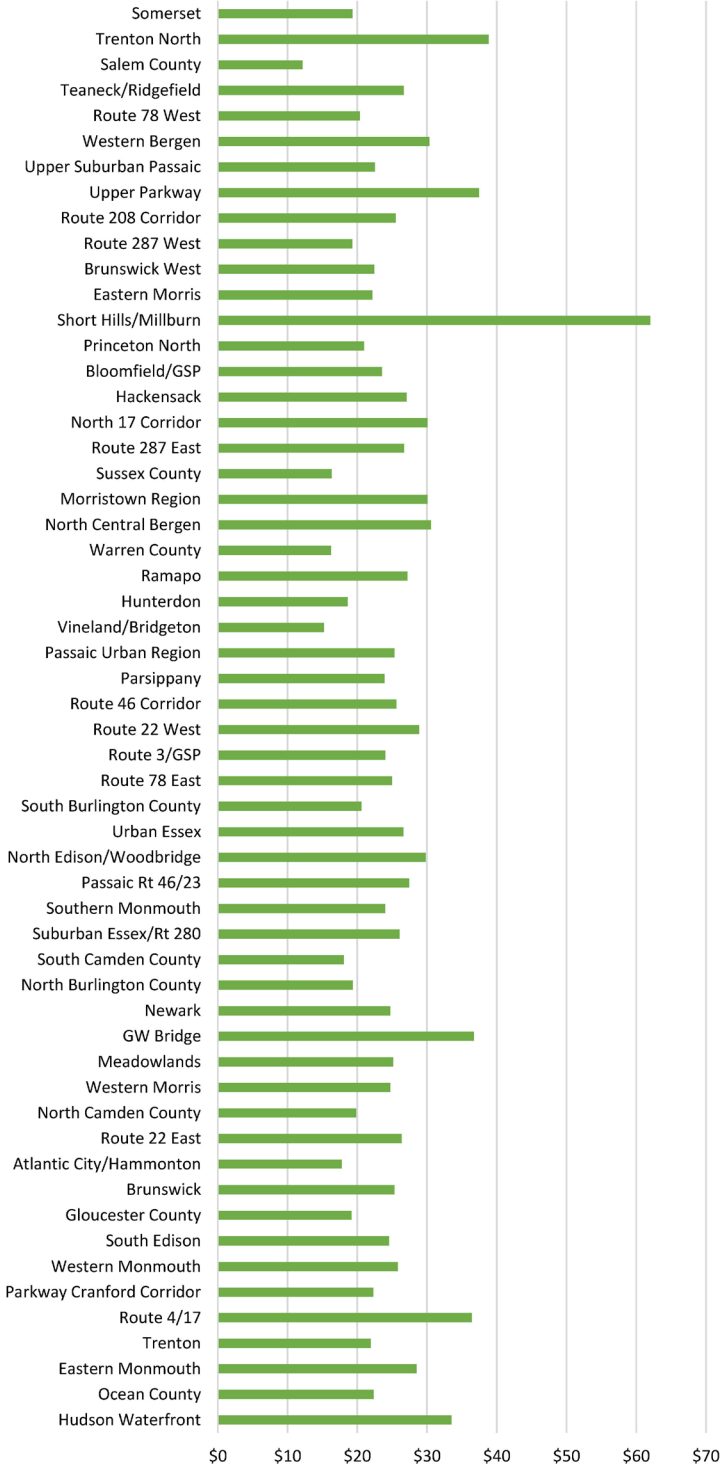
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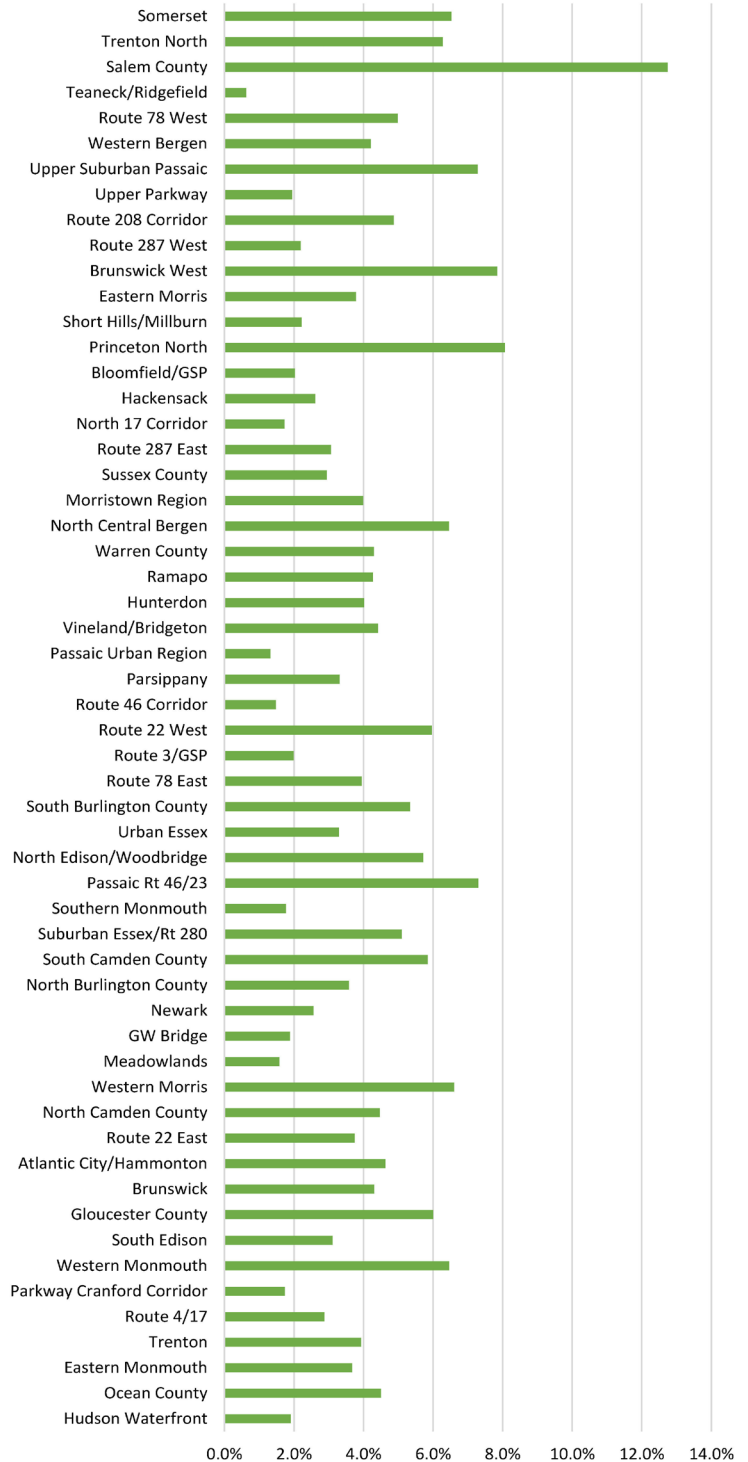


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Retail: Quoted Rates by Submarket



Retail: Vacancy Rates by Submarket



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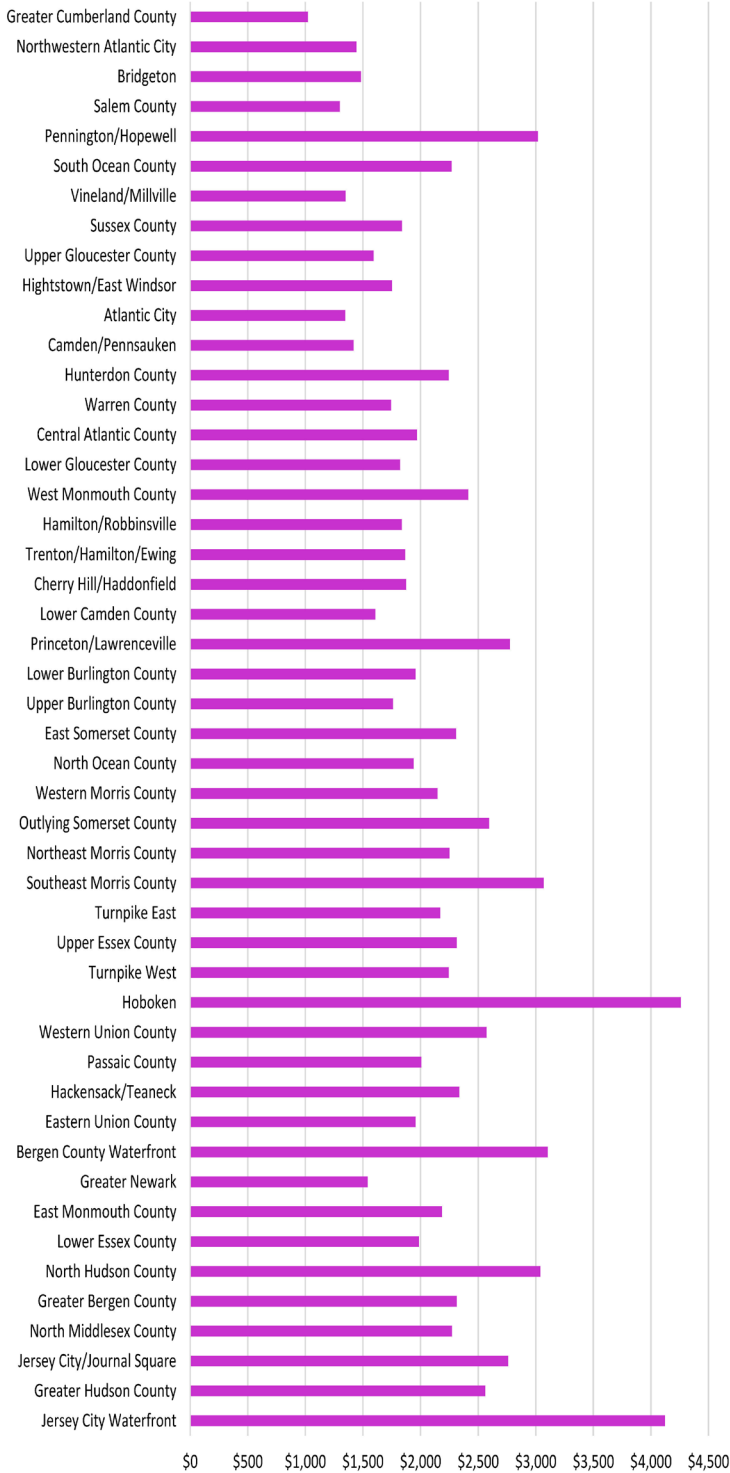
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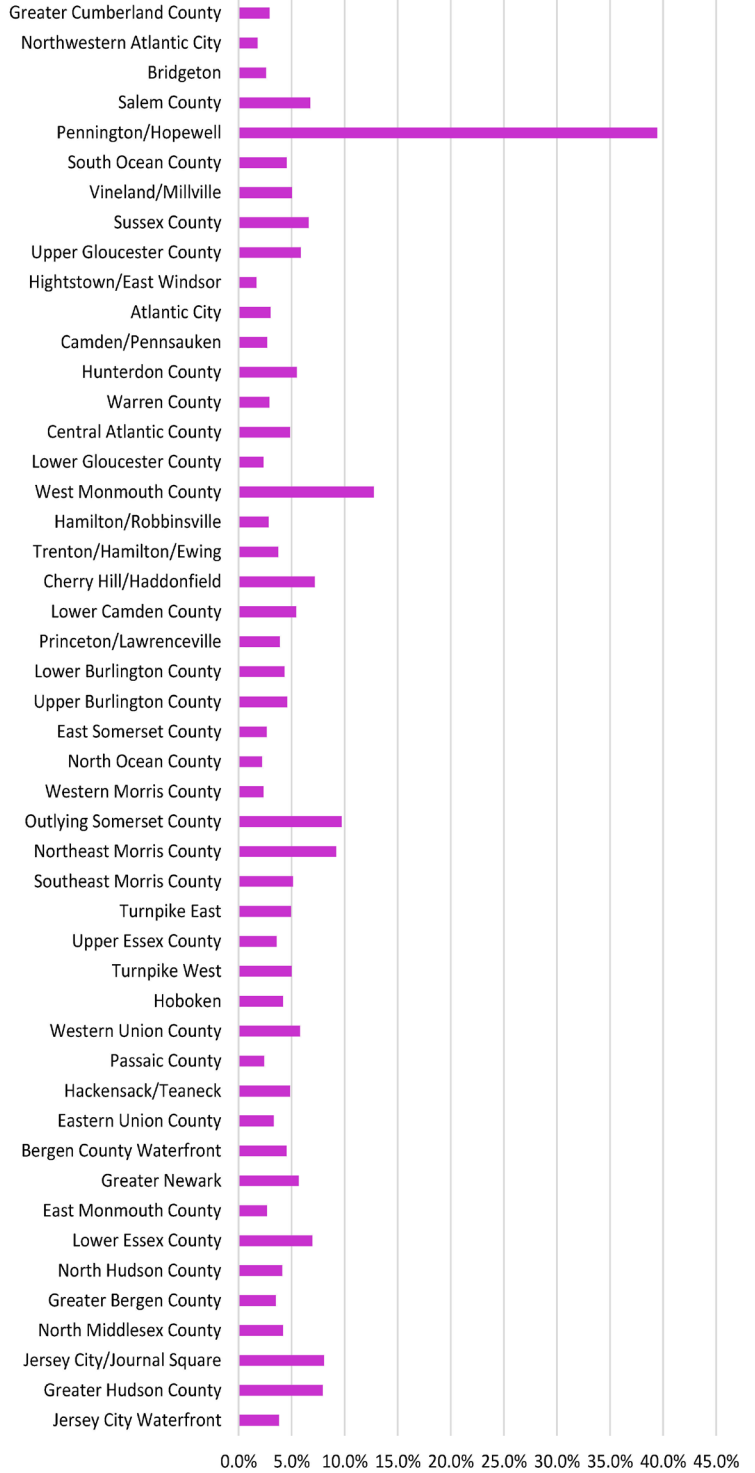


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Multi-Family: Quoted Rates by Submarket



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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