

MARKET WATCH

First Quarter 2025



Worldwide Real Estate Services

Economic Indicators

Unemployment Rate, National	4.2%	↑
Unemployment Rate, New Jersey	4.7%	↑
National Median Existing Home Price	\$403,500	↓
Consumer Confidence Index	92.9%	↓
10 Year Treasury Yield	4.23%	↓
WTI Crude Oil Price	\$71.97	↓

Northern NJ Real Estate Market: Q1 2025 - Navigating Uncertainty

The first quarter of 2025 in Northern New Jersey's commercial real estate market is defined by a delicate balance of resilience and vulnerability, with tariffs and broader economic uncertainties casting a shadow over the promising growth trends.

The **industrial sector** is experiencing a period of adjustment, with owners facing the dual challenge of supply-side pressures and wavering demand. Vacancy rates have risen to 5.5%, and rent growth has moderated to 4.2%. The lingering effects of tariffs are contributing to this hesitancy, as businesses reassess their supply chains and warehousing needs, creating uncertainty in leasing decisions. While there are indicators of a potential demand rebound, the market remains sensitive to shifts in trade policies and their impact on logistics and distribution. This has led to a cautious approach among both tenants and developers, with a clear hesitancy to make long-term commitments amid fears of further economic disruption.

The **retail sector**, while currently healthy, is also navigating the headwinds of economic uncertainty. Space availability remains low, at 4.6% of total inventory, and rent growth is strong at 5.9%. However, there's a growing apprehension about consumer spending in the face of potential price increases due to tariffs and a general economic slowdown. Retailers are proceeding cautiously with expansion plans, and there's a noticeable hesitancy among consumers to make discretionary purchases. This uncertainty is creating a bifurcated market, with essential retail and discount stores performing relatively well, while luxury and non-essential retail face a more challenging environment.

The Northern New Jersey **office market** in Q1 2025 is demonstrating resilience with some positive momentum. Total space listed as available is decreasing for the second consecutive quarter, signaling a reduction in surplus inventory. While the office vacancy rate is 12.7%, the market is supported by resilient asking rents, with the metro average at \$29.32 per square foot.

Northern New Jersey's commercial real estate market in Q1 2025 is characterized by a mix of positive trends and significant uncertainties. While certain sectors demonstrate resilience, the shadow of tariffs and economic instability is influencing decision-making across the board. The industrial market is cautiously optimistic, the office market is focused on adaptation, and the retail market is closely monitoring consumer sentiment.

Northern New Jersey Key Performance Indicators

	Office	Industrial	Retail
Average Market Rate (PSF)	\$29.32	\$16.25	\$26.00
Average Vacancy Rate	12.7%	4.2%	4.0%
Net Absorption	1,500,000	1,500,000	283,000
Total Inventory (Million SF)	151.0	260.0	138.0

Select Sitar Transactions - Q1 2025

The renewal of a 60,400 sq. ft. lease by Sofive, Inc. for a recreational facility at 2 Palmer Terrace in Carlstadt, New Jersey. Bill Sitar, Jr. was the broker in this transaction.

Over 12,000 sq. ft. of new leasing activity and 16,000 sq. ft. of renewal activity at 242 Old New Brunswick Road in Piscataway, New Jersey. Rob Bogash and Doug Sitar were the brokers in these transactions.

The sale of a 6,000 sq. ft. retail building at 203 Route 22 East in Green Brook, New Jersey from Mosseri Enterprises, LLC to 203 RT 22, LLC. The sales price was \$1,430,000. Robert Giordano was the broker in this transaction.



By: Joseph Hayford
Sales Associate

Joe joined Sitar Realty Company in 2023 and specializes in industrial and multifamily sectors of commercial real estate.

He can be reached at 571-337-6058 or emailed at hayford@sitarcompany.com.

MARKET WATCH

First Quarter 2025



Worldwide Real Estate Services

Large Blocks of Absorption

Office		
BlackRock, Inc.	175,200 SF	1 University Square, Princeton
State of New Jersey	68,870 SF	401 White Horse Road, Voorhees
Biocentriq	56,745 SF	201 College Road E, Princeton
Industrial		
Nestle	405,256 SF	1115 West Middlesex, Port Reading
Undisclosed	400,950 SF	4259 US-130, Edgewater Park
Shaw Floors	338,721 SF	30 Sigle Lane, Dayton
Retail		
Cube Smart	93,742 SF	877 St. Georges Avenue, Woodbridge
Hobby Lobby	50,000 SF	479-505 Route 70, Brick
Undisclosed	49,500 SF	10006 Mantua Pike, Woodbury Heights

Average Sales Prices

	Office PSF	Industrial PSF	Retail PSF	Multi Family Per Unit
Northern New Jersey	\$175	\$206	\$230	\$246,000
Trenton	\$157	\$156	\$189	\$252,000
Atlantic City	\$126	\$82	\$155	\$142,000
Vineland	\$109	\$66	\$159	\$114,000
Ocean City	\$140	\$115	\$217	\$96,000

Net Absorption, SF (Past 12 Months)

	Office	Industrial	Retail
Northern New Jersey	1,500,000	1,500,000	283,000
Trenton	874,000	1,300,000	134,000
Atlantic City	(46,900)	(177,000)	27,000
Vineland	(3,700)	735,000	58,700
Ocean City	15,000	(37,000)	45,500

MARKET WATCH

First Quarter 2025

Sitar
Realty Company
Since 1978

FEATURED LISTINGS

Worldwide Real Estate Services



INDUSTRIAL FOR SALE

488-500 Mulberry Street
Newark, NJ 07114

Please contact:
Office: 732.283.9000

Bill Sitar Jr.
Cell: 973.202.9119

Brian Murphy
Cell: 732.539.3098

Tatiane Ubagai
Cell: 917.403.9381



RETAIL/OFFICE FOR LEASE

20 Jackson Street
Freehold, NJ 07728

Please contact:
Office: 732.283.9000

Douglas Sitar
Cell: 732.859.2144

Robert Bogash
Cell: 732.319.4680



MULTI-FAMILY FOR SALE

543-573 West 8th Street
Plainfield, NJ 07060

Please contact:
Office: 732.283.9000

Bill Sitar Jr.
Cell: 973.202.9119

Brian Murphy
Cell: 732.539.3098

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

ALL INFORMATION FURNISHED REGARDING PROPERTY FOR SALE, RENTAL OR FINANCING IS FROM SOURCES DEEMED RELIABLE, BUT NO WARRANTY OR REPRESENTATION IS MADE AS TO THE ACCURACY THEREOF AND SAME IS SUBMITTED SUBJECT TO ERRORS, OMISSIONS, CHANGES OF PRICE, RENTAL OR OTHER CONDITIONS, PRIOR SALE, LEASE OR FINANCING OR WITHDRAWAL WITHOUT NOTICE.

TCN
WORLDWIDE
REAL ESTATE SERVICES

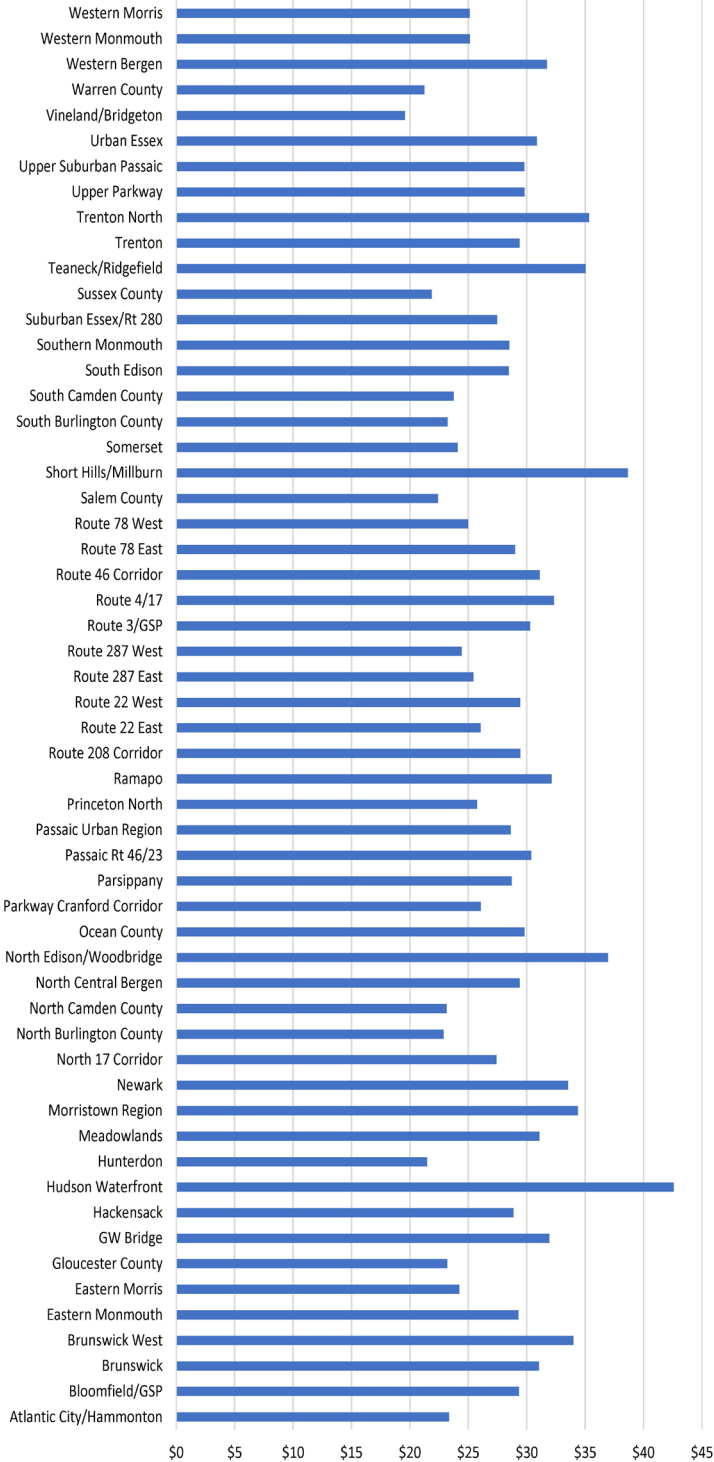
MARKET WATCH

First Quarter 2025

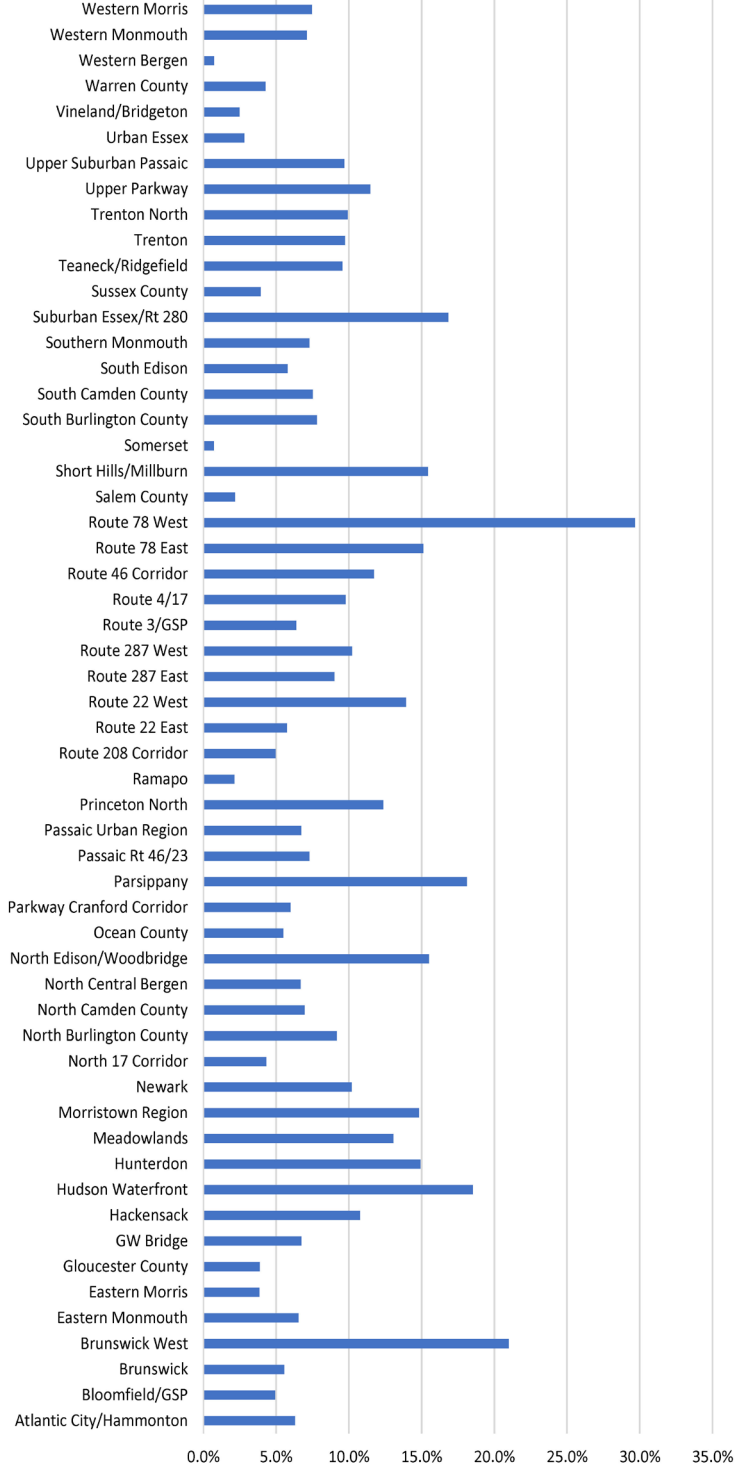


Worldwide Real Estate Services

Office: Quoted Rates by Submarket



Office: Vacancy Rates by Submarket



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

ALL INFORMATION FURNISHED REGARDING PROPERTY FOR SALE, RENTAL OR FINANCING IS FROM SOURCES DEEMED RELIABLE, BUT NO WARRANTY OR REPRESENTATION IS MADE AS TO THE ACCURACY THEREOF AND SAME IS SUBMITTED SUBJECT TO ERRORS, OMISSIONS, CHANGES OF PRICE, RENTAL OR OTHER CONDITIONS, PRIOR SALE, LEASE OR FINANCING OR WITHDRAWAL WITHOUT NOTICE.



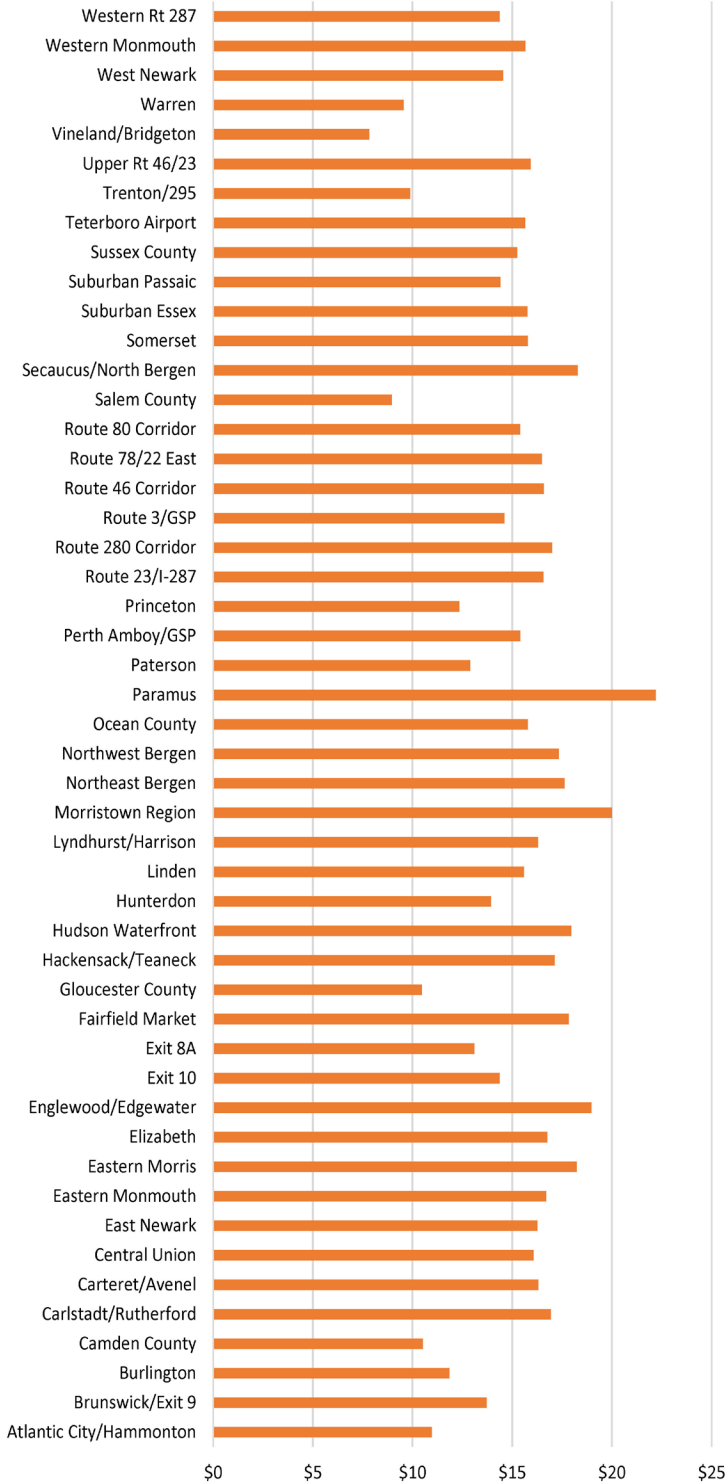
MARKET WATCH

First Quarter 2025

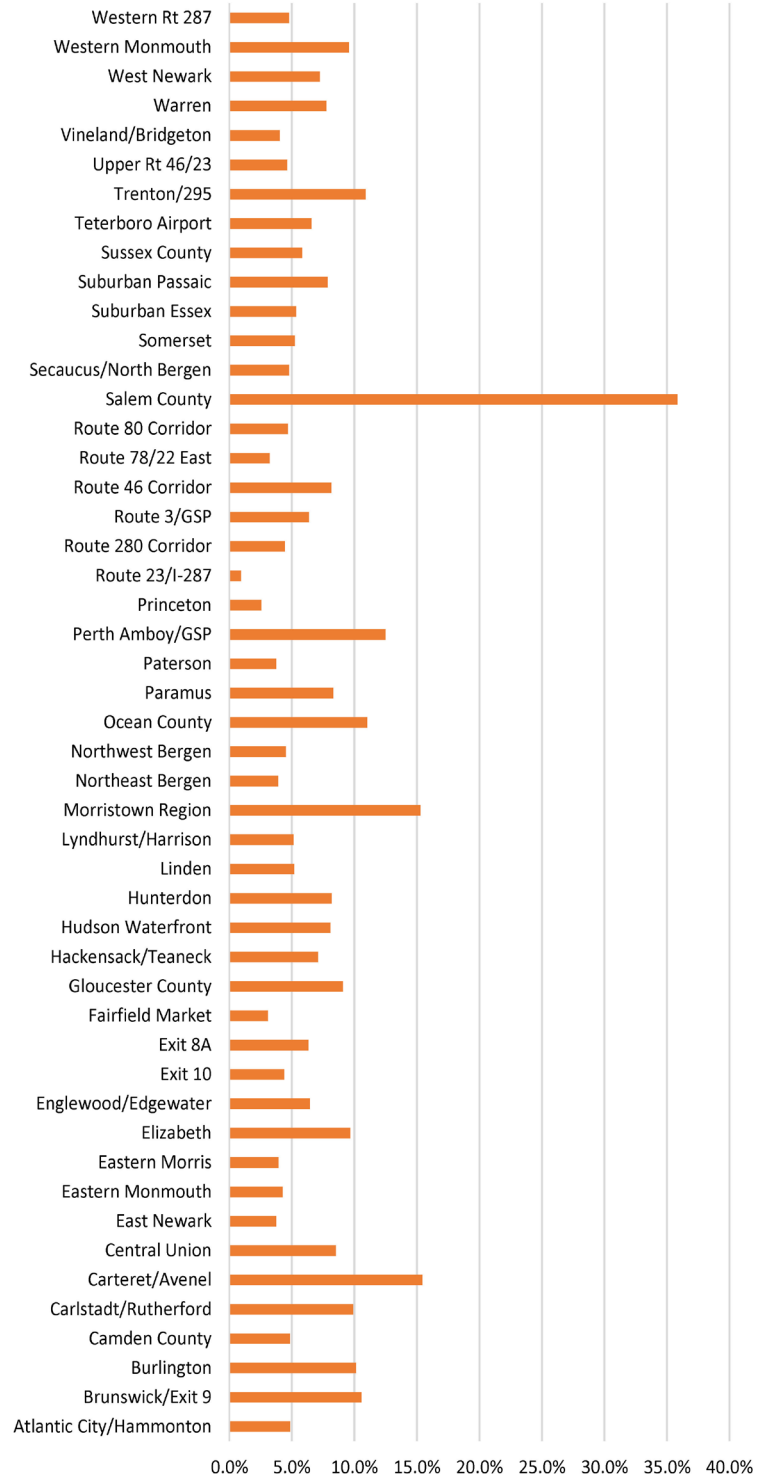


Worldwide Real Estate Services

Industrial: Quoted Rates by Submarket



Industrial: Vacancy Rates by Submarket



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

ALL INFORMATION FURNISHED REGARDING PROPERTY FOR SALE, RENTAL OR FINANCING IS FROM SOURCES DEEMED RELIABLE, BUT NO WARRANTY OR REPRESENTATION IS MADE AS TO THE ACCURACY THEREOF AND SAME IS SUBMITTED SUBJECT TO ERRORS, OMISSIONS, CHANGES OF PRICE, RENTAL OR OTHER CONDITIONS, PRIOR SALE, LEASE OR FINANCING OR WITHDRAWAL WITHOUT NOTICE.



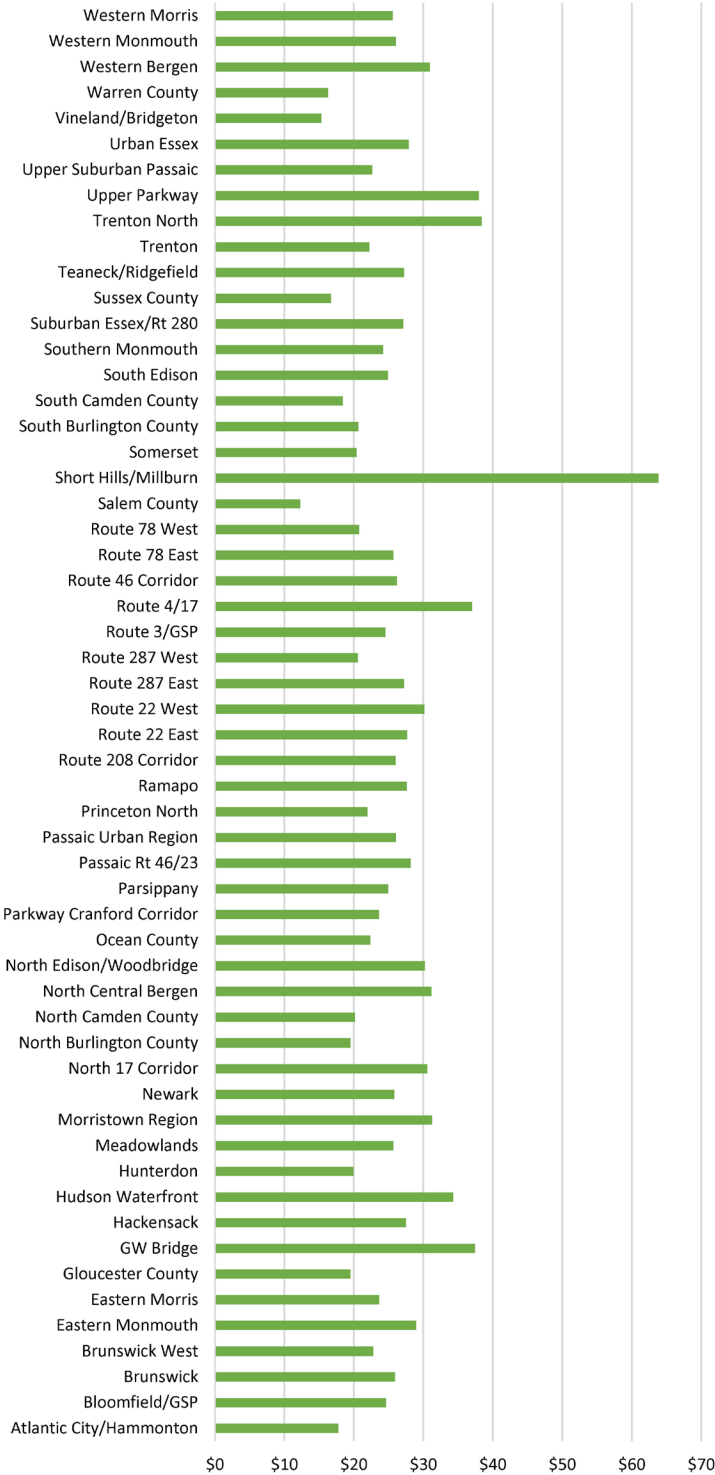
MARKET WATCH

First Quarter 2025

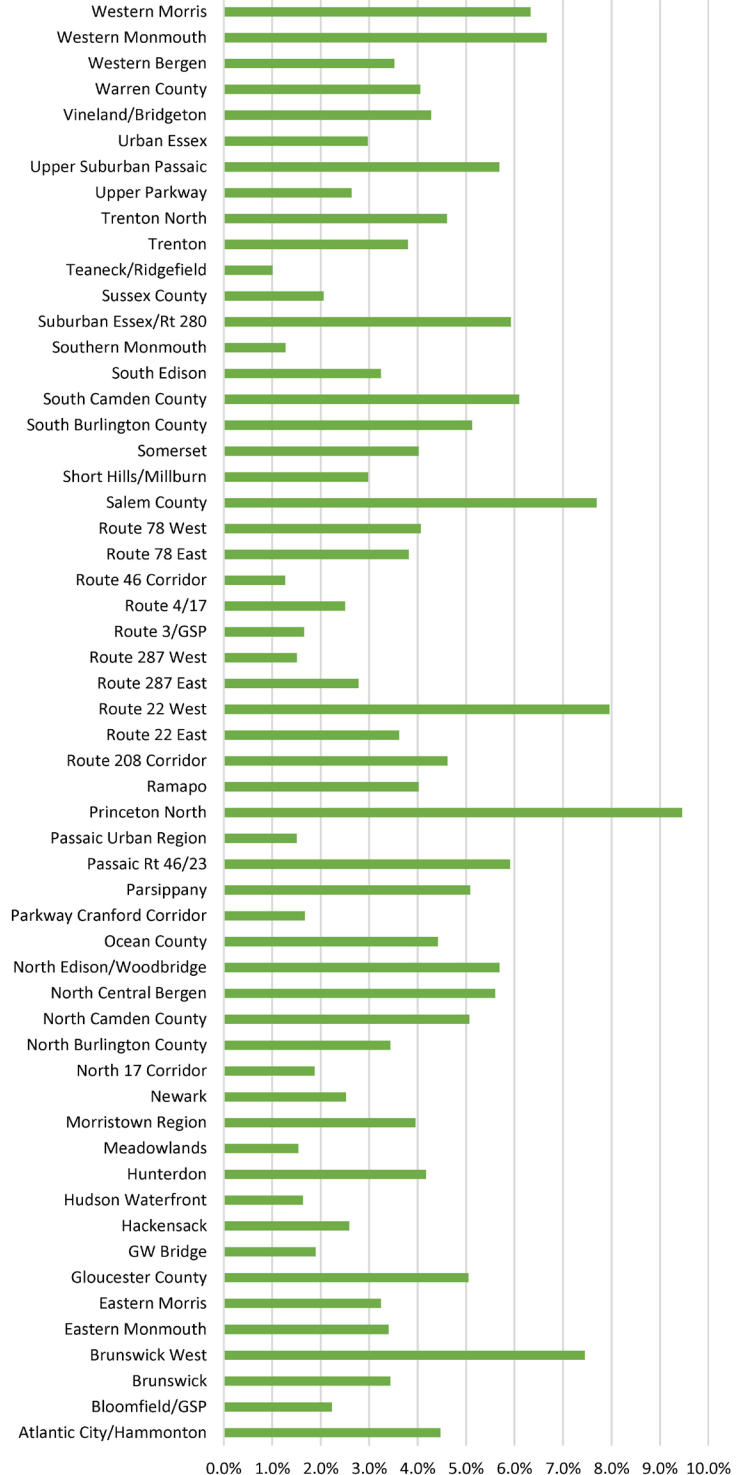


Worldwide Real Estate Services

Retail: Quoted Rates by Submarket



Retail: Vacancy Rates by Submarket



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

ALL INFORMATION FURNISHED REGARDING PROPERTY FOR SALE, RENTAL OR FINANCING IS FROM SOURCES DEEMED RELIABLE, BUT NO WARRANTY OR REPRESENTATION IS MADE AS TO THE ACCURACY THEREOF AND SAME IS SUBMITTED SUBJECT TO ERRORS, OMISSIONS, CHANGES OF PRICE, RENTAL OR OTHER CONDITIONS, PRIOR SALE, LEASE OR FINANCING OR WITHDRAWAL WITHOUT NOTICE.



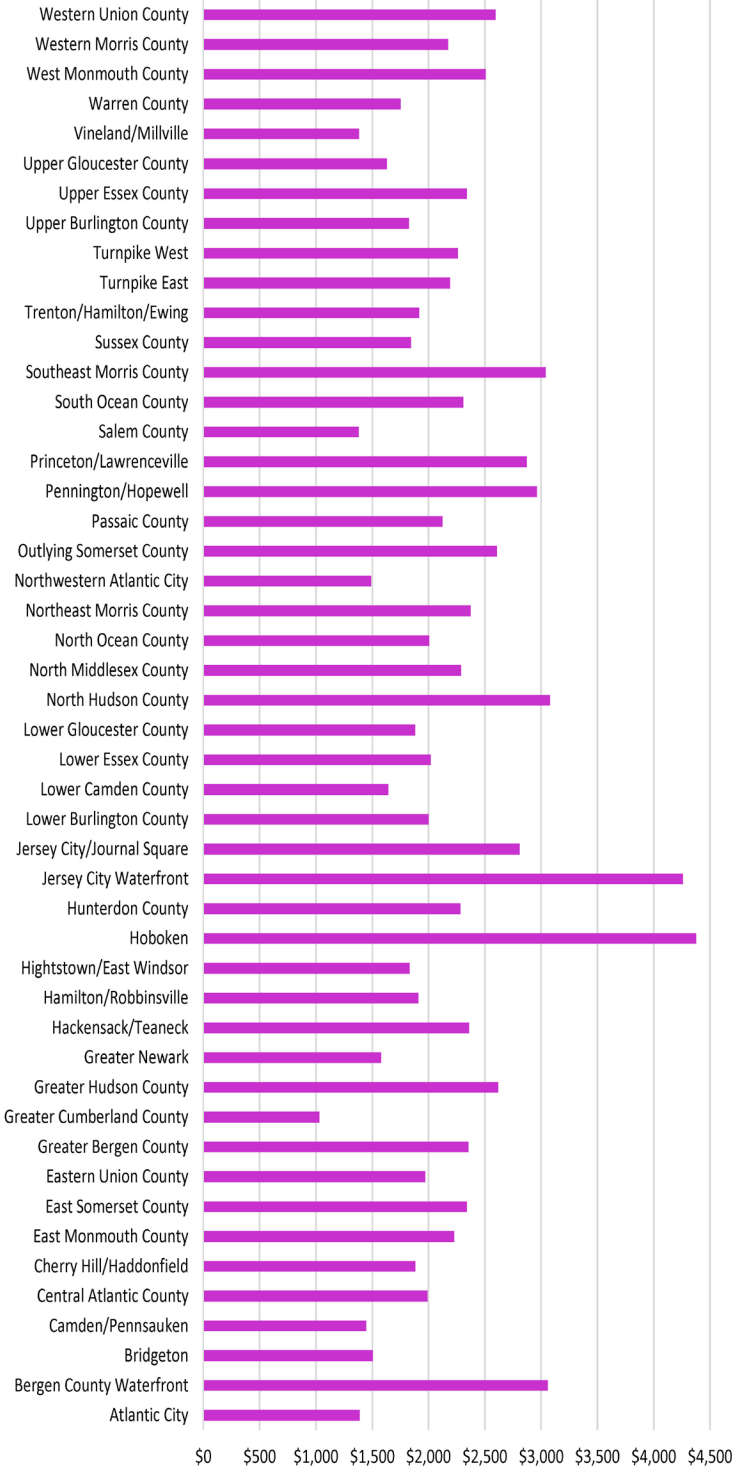
MARKET WATCH

First Quarter 2025

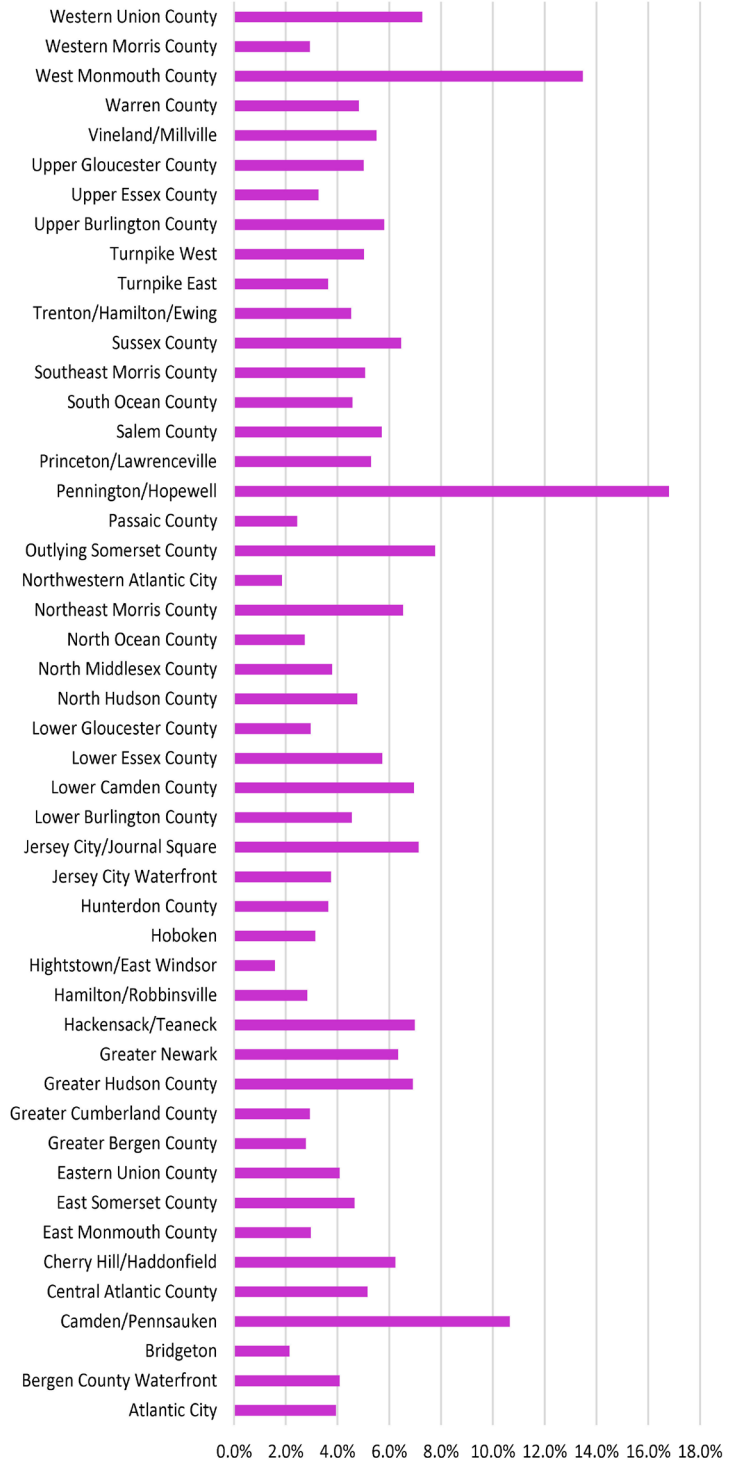


Worldwide Real Estate Services

Multi-Family: Quoted Rates by Submarket



Multi-Family: Vacancy Rates by Submarket



MARKET WATCH

First Quarter 2025

Sitar
Realty Company
Since 1978

Worldwide Real Estate Services

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

2520 Hwy. 35, Unit 101, Manasquan, NJ 08736
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.

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

ALL INFORMATION FURNISHED REGARDING PROPERTY FOR SALE, RENTAL OR FINANCING IS FROM SOURCES DEEMED RELIABLE, BUT NO WARRANTY OR REPRESENTATION IS MADE AS TO THE ACCURACY THEREOF AND SAME IS SUBMITTED SUBJECT TO ERRORS, OMISSIONS, CHANGES OF PRICE, RENTAL OR OTHER CONDITIONS, PRIOR SALE, LEASE OR FINANCING OR WITHDRAWAL WITHOUT NOTICE.

TCN
WORLDWIDE
REAL ESTATE SERVICES