

2014 SUMMER

Meadowlands
Market Report

NAI James E. Hanson
Commercial Real Estate Services, Worldwide.



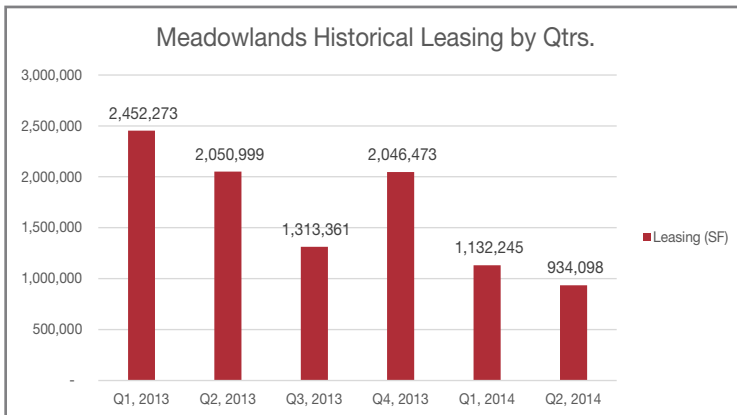
AT A GLANCE...

- There are currently 1,024 buildings with 20,000+ sf in the Meadowlands Submarket
- The total rentable square feet (RBA) is 91.6 million sf with 7.5 million sf available for lease
- Vacancy in 2Q 2014 was 8.9%, an increase from 8.2% in 2Q 2013
- There was 2.6 million sf leased to date in 2014
- The Meadowlands Submarket demands the highest average asking rental rates due to its proximity to New York City, with rates currently at \$6.42 psf NNN.

LEASING ACTIVITY

There is currently 7.5 million sf available for lease in the Meadowlands, representing a 8.2% vacancy rate. There is currently 511,367 sf of net absorption after experiencing negative net absorption in the first two quarters of 2014.

During the first half of the year, there were 87 lease transactions for spaces exceeding 20,000 sf. One of the largest leases was at 100 Meadowlands Parkway. Ferguson Enterprises, a major plumbing supplier, leased 450,318 sf, which was previously occupied by Panasonic Corp. who has since relocated to Newark.



SIGNIFICANT LEASE TRANSACTIONS

Ferguson Enterprises - 450,318 sf
100 Meadowlands Parkway, Secaucus

Icon Eyewear, Inc. - 135,162 sf
5 Empire Blvd., South Hackensack

Cathay Home - 50,000 sf (Hanson deal)
90 Triangle Blvd., Carlstadt

S.W. Anderson - 47,266 sf (Hanson deal)
506 Route 46 W., Teterboro

Move 4-U - 33,000 sf (Hanson deal)
50 Amor Avenue, Carlstadt

SALES ACTIVITY

There were 14 sale transactions in the first half of the year. One of the largest transactions was the sale of 2501 71st Street in North Bergen, a 861,459 sf building that was purchased by Florida State Board of Admin./L&B Realty Advisors, LLP for \$91.4 million in April. Other transactions included 5901-5903 W. Side Avenue in North Bergen, a 609,756 sf building that was purchased by Bergen Logistics and 1 Emerson Lane in Secaucus, a 340,016 sf building that was purchased by Century 21 Department Stores for \$29 million. 1 Emerson Lane is currently the headquarters for Syms, who has a leasehold agreement.



SIGNIFICANT SALES TRANSACTIONS

1 Emerson Lane, Secaucus
340,016 sf sold for \$29,000,000
Buyer: Century 21 Department Stores

2501 71st Street, North Bergen
861,459 sf sold for \$91,375,000
Buyer: Florida State Board of Admin/L&B Realty Advisors

Barrell Avenue, Carlstadt (Hanson deal)
148,780 sf sold for \$7,000,100 (5 building portfolio)
Buyer: Sitex Group

2500 83rd Street, North Bergen
326,023 sf sold for \$11,000,000
Buyer: Sitex Group

5901-5903 W Side Avenue, North Bergen
609,756 sf sold for \$18,000,000
Buyer: Bergen Logistics

25 E. Union Avenue, Rutherford
135,292 sf sold for \$14,000,000
Buyer: JPMorgan Investment Management, Inc.

PROJECTS UNDERWAY

An update on the **American Dream** and **Teterboro Landing** Projects:

Construction on the **American Dream** project is underway to start working on the facade of the building. As depicted in the renderings, the exterior will be white and gray. Other new details have been revealed such as a 20 story “drop ride” and a 639,000 sf indoor amusement park and water park. The water park will have 80 foot high glass walls, allowing drivers to see in and park goers to see out. Other features include an indoor ski and snowboard park, bungee jumping and a performing arts center.



Rendering of American Dream

Triple Five, who has over 35 years of experience with developing and managing retail properties including the Mall of America, is still on target for a fall 2016 opening date. They have also expressed interest in another phase eventually starting such as a hotel or business meeting place.

Talks continue in regards to opening up a resort casino district with hotels and gaming options as part of the Meadowlands Regional Chamber Vision Place.

Teterboro Landing, is on track to be completed this year. Walmart and Costco are confirmed anchor tenants, while BJ’s Restaurant and Brew House, Habit Burger, Texas Roadhouse and Panera Bread are other possible candidates. The project includes 422,000 sf of retail and restaurant, 151,040 sf of light industrial and 8,960 sf of office space. This project is receiving a \$19 million state tax break.



Rendering of Teterboro Landing

HANSON AVAILABILITIES

One Palmer Terrace - Carlstadt

New construction for sale or lease
 Available Space: 53,000 sf Build-to-suit offices
 Ceiling Height: 32’ Loading: 5 loading docks
 1 drive-in

482 Barell Avenue - Carlstadt

Available Space: 35,636 sf Office: 2,400 sf
 Ceiling Height: 16’ Loading: 6 loading docks

472 Barell Avenue - Carlstadt

Available Space: 39,832 sf Office: 5,188 sf
 Ceiling Height: 21’ Loading: 3 loading docks
 2 drive-ins

175 Broad Street - Carlstadt

Available Space: 58,000 sf Office: 12,000 sf
 Ceiling Height: 14’ Loading: 5 loading docks
 1 drive-in

86-110 Orchard Street - Hackensack

Available Space: 23,700 sf Office: 1,500± sf
 Ceiling Height: 14’-25’ Loading: 2 loading docks
 1 drive-in



60 Romanelli Avenue - South Hackensack

Available Space: 22,500 sf Office: 3,000 sf
 Ceiling Height: 14’ Loading: 1 loading dock
 1 drive-in

495 Barell Avenue - Carlstadt

Available Space: 23,000 sf Office: 2,500 sf
 Ceiling Height: 16’ Loading: 3 loading docks

ABOUT US

NAI James E. Hanson is committed to providing the highest quality commercial real estate services in and has been since it was founded in 1955.

We primarily cover Northern New Jersey and Southern New York, but have expanded our coverage into the counties of Somerset, Hunterdon and Sussex, as well as eastern Pennsylvania.

Our staff 50+ includes: **10** SIOR designees (highest in NJ)
3 CCIM designees
2 MSRE designees (NYU graduates)

We are a part of NAI Global, a managed network of **6,700** professionals with **375** offices in **55** countries and is one of the largest commercial real estate service providers worldwide.



- Ranked #1 Network by Watkins Research Survey
- Named Global Broker of the Year by Private Equity Real Estate magazine
- Ranked #1 Network and #3 Overall Corporate Services Provider in Watkins Research Group Survey of Corporate Real Estate Executives.
- Ranked #4 on Lipsey's Top 25 Real Estate Brands
- Ranked #6 on National Real Estate Investor magazine's Top 25 Brokerage Organizations.

MEADOWLANDS TEAM

Tom and Jeff represent several prominent Meadowlands landlords including The Hampshire Companies, Sitex Group and Safer Development. In the past **12 months** they have completed **35 transactions** and have leased/sold over **700,000 square feet**. They are members of NAR, The Hackensack Meadowlands Chamber of Commerce, The Coalition of Commercial Real Estate Associations and the Liberty Board of Realtors.



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