

# Northern New Jersey

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## Plateauing vacancy supported by encouraging absorption trend

Vacancy in the Northern New Jersey industrial market remained unchanged from Q2 2025, holding firm at 7.2%. Signs of plateauing and even downward movement in vacancy are beginning to appear in the data. Two submarkets, Exit 12 and Exit 7A/Trenton, which still have some of the highest submarket vacancy rates across the broader market, saw considerable declines in Q3 2025, with vacancy falling 270 basis points (bps) in Exit 12 and 210 bps in Exit 7A/Trenton. Leading the positive momentum was relatively strong net absorption, with quarterly net absorption measuring 1.2 million square feet (msf) in Q3 2025. Evidence of such demand in each respective submarket is reflected in several of the largest quarterly transactions, as Sino Investment and BroadRange Logistics each committed to nearly 500,000 square feet (sf) of leases this quarter.

## Logistics & Distribution/3PL leasing surges as containers keep moving

The Port of New York and New Jersey continues to rebound from 2024, as 5.2 million twenty-foot equivalent units (TEUs) were handled through July, just below the record-setting levels of 2022. The industry sector most poised to benefit from such container volumes is logistics & distribution/third-party logistics (3PL), and leasing transactions in Q3 2025 reflect this trend. In fact, for Q3 2025 leasing activity over 100,000 sf, logistics & distribution/3PL occupiers accounted for 50% of total quarterly activity.

## Construction activity continues to slow as warehouse moratoriums head to November ballot

As the New Jersey governor election approaches this November, support for moratoriums on warehouse development has been voiced. Coinciding with the upcoming election is a slowdown in development activity across the market, which ended Q3 2025 with 6.7 msf of new product underway. If moratoriums are enacted, an inherently supply-constrained market is expected to push forward with reduced development, tightening vacancy and reigniting rent growth—trends that occupiers are not eager to see.

## Key Statistics

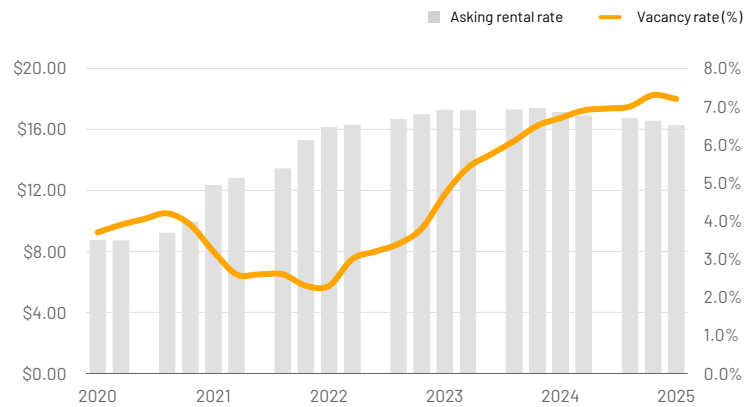
	Q3 2024	Q3 2025	Y-0-Y
Inventory	674.4 msf	688.9 msf	+14.5 msf
Vacancy Rate	6.7%	7.2%	+50 bps
Asking Rental Rate	\$17.12	\$16.28	-4.9%
Net Absorption YTD	0.7 msf	3.5 msf	+2.8 msf
Deliveries YTD	9.9 msf	6.0 msf	-3.9 msf
Under Construction	6.9 msf	6.7 msf	-0.2 msf

## Outlook

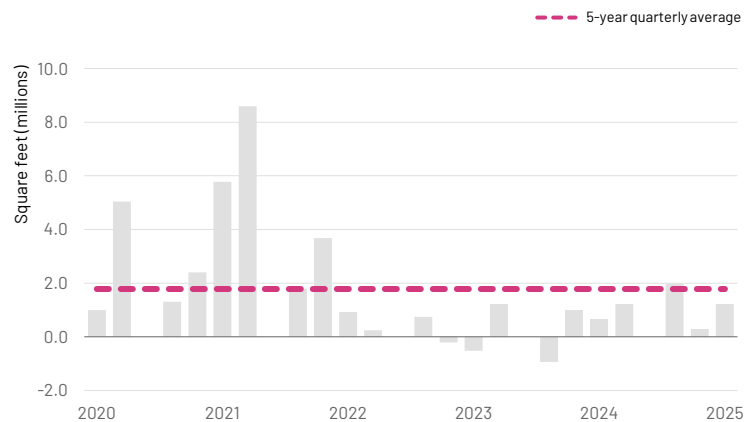
- 01** With what is shaping up to be a busy year at the Port of New York and New Jersey, continued demand is expected from the logistics & distribution/3PL industry
- 02** Public pushback or enacted moratoriums would create a policy barrier to supply, leading to long-term vacancy compression and renewed rent growth

- 03** Sublease availability was nearly unchanged from Q2 2025, signaling—along with positive absorption—that market vacancy may be cresting

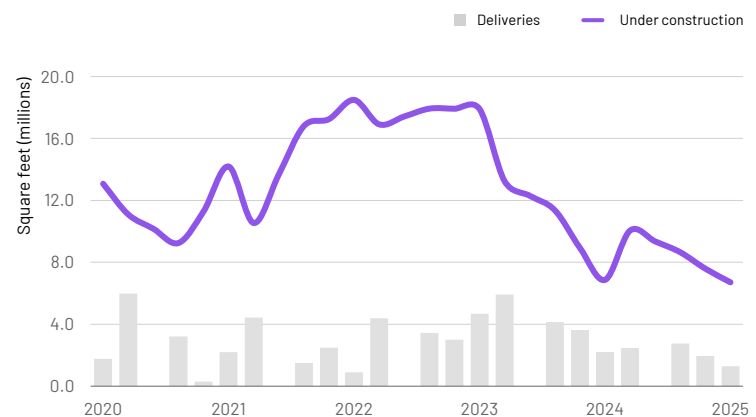
## Asking Rent and Vacancy



## Net Absorption



## Deliveries and Under Construction



## Top Leases

Source: Savills Research

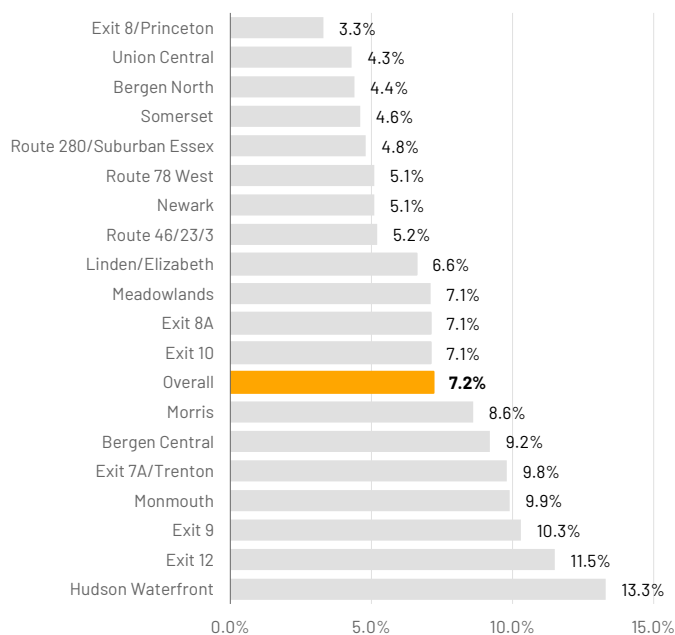
TENANT	SIZE (SF)	SUBMARKET	ADDRESS	TRANSACTION TYPE	INDUSTRY
Sino Investment	480,420	Exit 7A/Trenton	16 Applegate Drive	New Lease	Logistics & Distribution/3PLs
BroadRange Logistics	479,700	Exit 12	500 Salt Meadow Road	New Lease	Logistics & Distribution/3PLs
NIWO Logistics	296,064	Exit 8A	117 Interstate Boulevard	New Lease	Logistics & Distribution/3PLs
TWTH Express	255,069	Hudson Waterfront	169 Pulaski Street	New Lease	Logistics & Distribution/3PLs
JCR Logistics	220,695	Monmouth	505 State Route 33	Sublease	Logistics & Distribution/3PLs

## New Developments

OWNER/DEVELOPER	SIZE (SF)	SUBMARKET	ADDRESS	DEVELOPMENT TYPE	STATUS
Forsgate Industrial Partners & Russo Development	1,218,409	Meadowlands	2000 Valley Brook Avenue - A & B	Build-to-suit	Under Construction
Russo Development	600,000	Morris	45 State Route 10	Speculative (pre-leased)	Under Construction
Brookfield Properties	450,000	Route 78 West	5 Edge Road - Alpha 78	Speculative (available)	Under Construction
Prologis	436,900	Somerset	395 Elizabeth Avenue	Speculative (available)	Under Construction
Brookfield Properties	426,275	Hudson Waterfront	145 Industrial Drive	Speculative (available)	Delivered Q3 2025

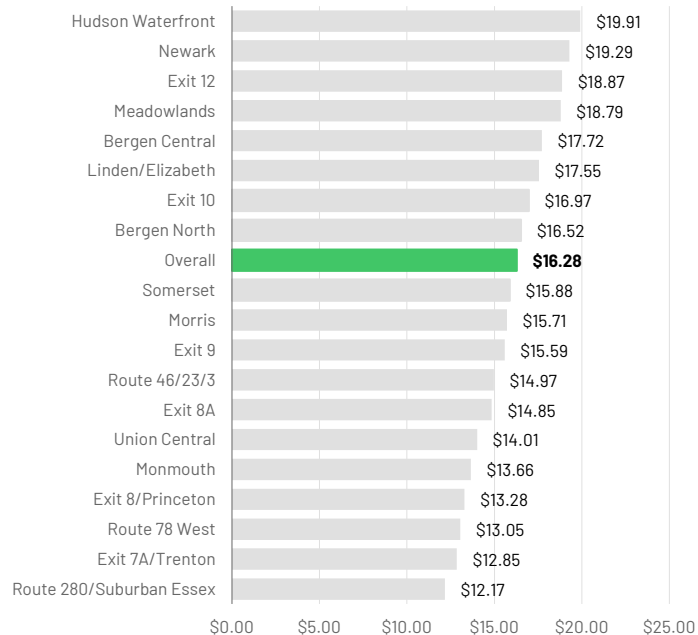
## Vacancy Rate Comparison (%)

NORTHERN NEW JERSEY SUBMARKETS



## Rental Rate Comparison (\$/sf)\*

NORTHERN NEW JERSEY SUBMARKETS



\*based on all classes of available inventory

## Northern New Jersey Q3 2025 - Industrial

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Unless otherwise noted, all rents quoted throughout this report are average asking net (NNN) rents per square foot. Statistics are calculated using both direct and sublease information. Current and historical availability and rent data are subject to change due to changes in inventory.

The information in this report is obtained from sources deemed reliable, but no representation is made as to the accuracy thereof. Unless otherwise noted, source for data is Savills Research.

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