

Northern New Jersey

Office – Q2 2026

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Leasing holds steady as renewals anchor activity

Northern New Jersey recorded 1.4 million square feet (msf) of office leasing in Q2 2026, matching Q1 and 21.9% below the five-year quarterly average of 1.9 msf. Volume has now trailed the five-year average for five consecutive quarters, reflecting selective demand and few large transactions. Seven of the quarter's 10 largest leases were renewals, some with expansion components, led by Englewood Health's 203,000-square-foot (sf) transaction at 910-940 Sylvan Avenue and ACE American Insurance's 117,280-sf renewal at 10 Exchange Place. All ten occurred in Class A buildings. The two largest new leases—Withum's 42,577-sf lease at 101 Crawfords Corner Road and the New York Jets' 28,400-sf lease at 5 Giralda Farms—were plug-and-play subleases, underscoring demand for move-in-ready space and lower upfront costs.

Inventory reduction supports only modest availability decline

Overall availability edged down 10 basis points (bps) quarter over quarter to 22.8%, while Class A availability held at 25.5%. The limited improvement despite continued inventory reduction points to selectivity of demand. The market contracted to 146.7 msf, down 2.5 msf year over year, reflecting the removal of properties like 5 Woodhollow Road in Parsippany and 1 Giralda Farms in Madison. Both assets traded during Q2 and are slated for alternative uses—industrial redevelopment at 5 Woodhollow and multifamily redevelopment at 1 Giralda Farms. As owners reassess office properties based on location, redevelopment potential and alternative-use economics, the market's competitive inventory continues to consolidate around buildings best positioned to attract current tenant demand.

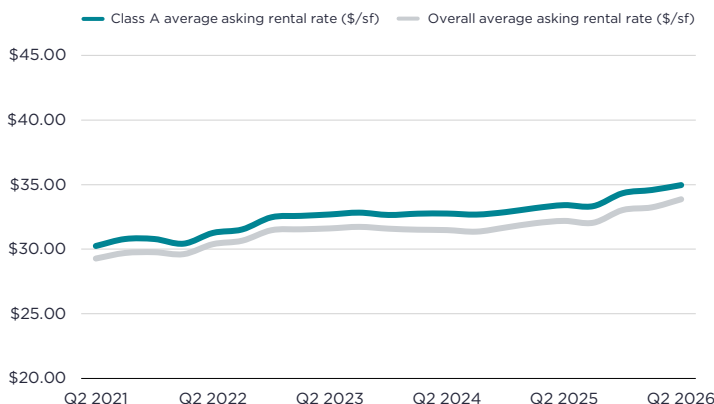
Asking rent growth reflects changing inventory mix

Average asking rents grew in Q2, with overall rents reaching \$33.87 per square foot (psf), up 5.2% on the year, and Class A rents increasing 4.6% to \$34.96 psf. The gains occurred despite subdued leasing and little change in availability, suggesting growth remains largely compositional. As lower-rent buildings leave the market, remaining inventory is increasingly weighted toward higher-priced product.

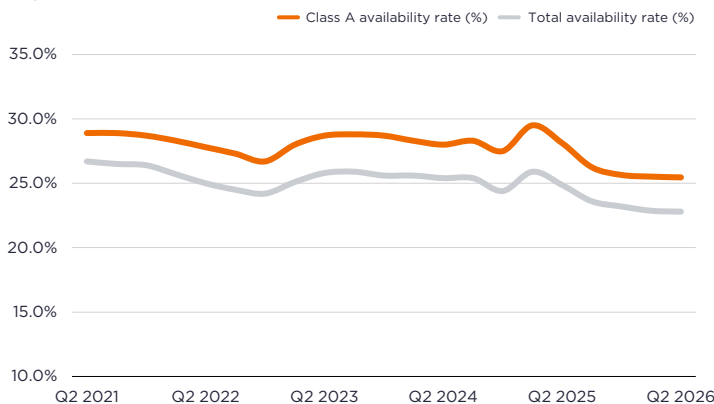
KEY STATISTICS

	Q2 2025	Q2 2026	Y-O-Y
Inventory	149.2 msf	146.7 msf	-2.5 msf
Availability rate	24.9%	22.8%	-210 bps
Asking rental rate	\$32.19	\$33.87	+5.2%
Class A asking rental rate	\$33.41	\$34.96	+4.6%
Quarterly leasing activity	1.6 msf	1.4 msf	-0.2 msf
Available sublease space	6.2 msf	5.5 msf	-0.7 msf

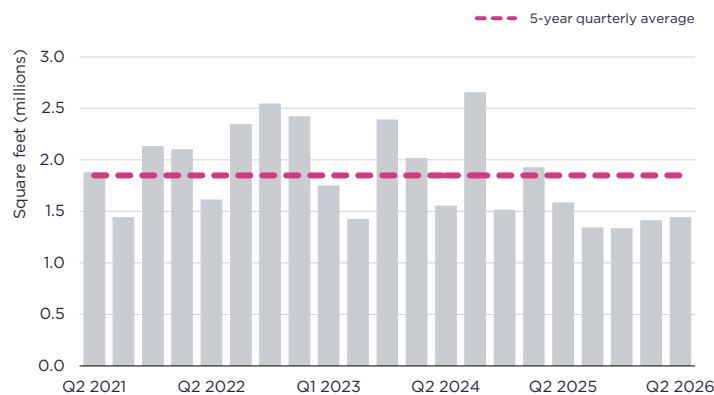
ASKING RENT



AVAILABILITY



LEASING ACTIVITY



Outlook

- 01** Several sizable requirements, including activity in the Waterfront submarket, could lift leasing during the second half of 2026, though timing remains uncertain.
- 02** Renewals are expected to remain prominent among large transactions, while relocating tenants continue to favor move-in-ready options.

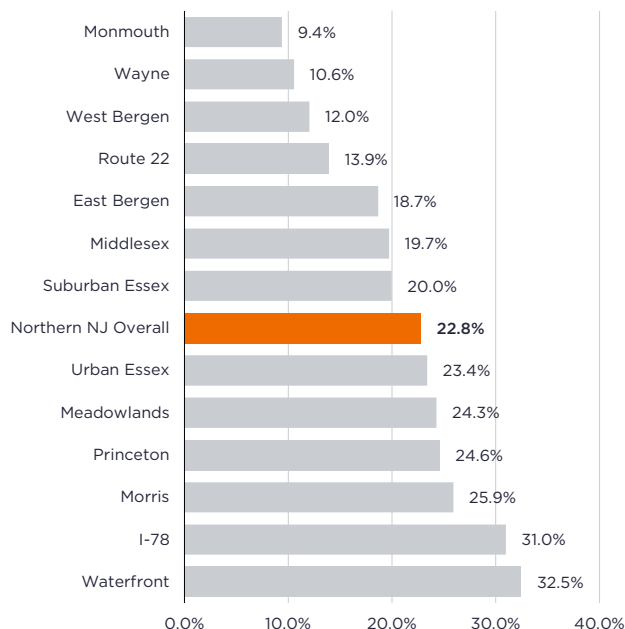
- 03** Continued office conversions and redevelopment should reduce inventory, with rent growth driven more by changing composition than broad-based appreciation.

NOTABLE LEASES

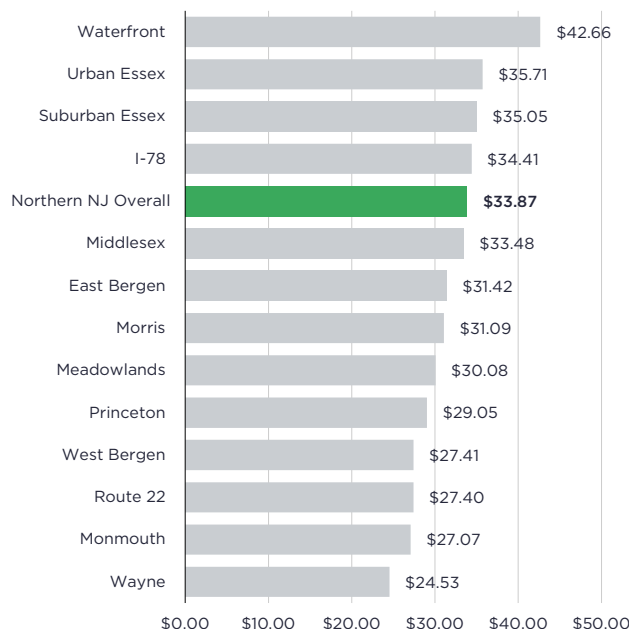
*Sublease **Direct + Sublease components

Tenant	Industry	Submarket	Address	Size (SF)	Transaction type
Englewood Health	Healthcare	East Bergen	910-940 Sylvan Avenue, Englewood Cliffs	203,000	Renewal & Expansion**
ACE American Insurance	Financial Services & Insurance	Waterfront	10 Exchange Place, Jersey City	117,280	Renewal
PNC Bank	Financial Services & Insurance	Middlesex	2 Tower Center Boulevard, East Brunswick	91,915	Renewal
Celldex Therapeutics	Life Sciences	I-78	53 Frontage Road, Hampton	65,995	Renewal & Expansion
Withum	Business, Professional & Consulting Services	Monmouth	101 Crawfords Corner Road, Holmdel	42,577	New Location*
Greenbaum, Rowe, Smith & Davis LLP	Legal Services	Middlesex	99 Wood Avenue S, Iselin	40,084	Renewal
Hackensack Meridian Health	Healthcare	Monmouth	3499 US Highway 9, Freehold	38,000	Renewal & Expansion
CoreWeave	Technology, Advertising, Media & Information	Suburban Essex	290 W Mount Pleasant Avenue, Livingston	31,000	Renewal & Expansion
New York Jets	Personal Services & Recreation	Morris	5 Giralda Farms, Madison	28,400	New Location*
Cipla USA	Life Sciences	I-78	184 Liberty Corner Road, Warren	26,891	New Location

AVAILABILITY RATE COMPARISON (%) NORTHERN NEW JERSEY SUBMARKETS



RENTAL RATE COMPARISON (\$/SF) NORTHERN NEW JERSEY SUBMARKETS



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Unless otherwise noted, all rents quoted throughout this report are average asking gross (full service) 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. Copyright © 2026 Savills