CUSHMAN & WAKEFIELD

TRI-STATE
INDUSTRIAL CORRIDOR:

NY — NJ — PA

START

INTERACTIVE REPORT
YEAR-END 2025

Cushman & Wakefield Research
Year-End 2025 Statistics

VANTAGE POINT

CUSHMAN & WAKEFIELD

OVERVIEW
PORT OF NY/NJ
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LONG ISLAND
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KEY TAKEAWAYS

- A critical hub for warehouse and logistics operations.
- The busiest corridor on the eastern seaboard, strengthens the region's logistics market.
- Attracts major retailers seeking to capitalize on the high purchasing ability and demand for fast delivery services.

Cushman & Wakefield Research
Year-End 2025 Statistics

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OVERVIEW

KEY DEMO & ECONOMIC FACTS

BASED ON FIVE-HOUR DRIVE FROM PORT OF NY/NJ

60.3M POPULATION

52.0% POPULATION 25-64

0.8% 5-YEAR PROJECTED GROWTH

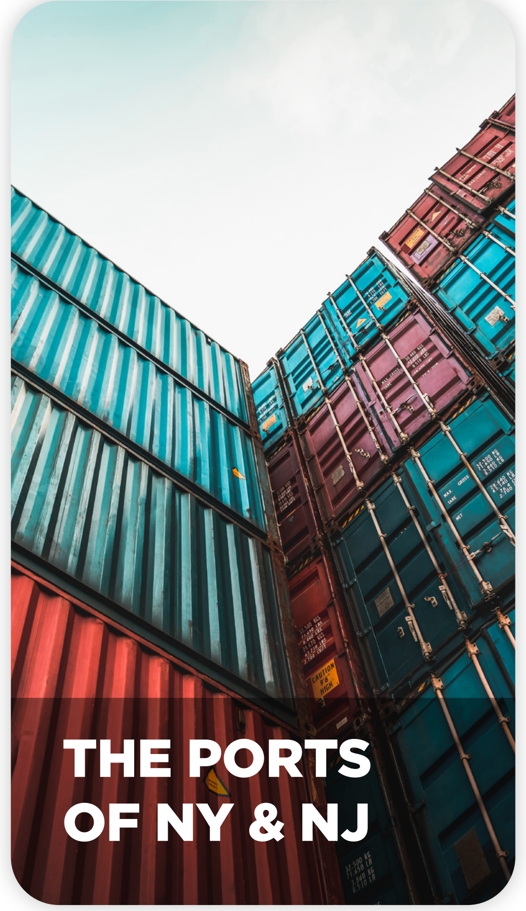
4.4% UNEMPLOYMENT RATE

27.9M TOTAL EMPLOYMENT

THE NEW YORK, NEW JERSEY, AND PENNSYLVANIA INDUSTRIAL CORRIDOR region stands as one of the most pivotal hubs in the nation for warehouse and logistics operations, with New York, New Jersey, and Pennsylvania strategically situated at its center. The region covers some of the most densely populated metropolitan areas in the United States, including New York City, Boston, Washington D.C., and Philadelphia, where consumer demand for goods and products has consistently demonstrated remarkable strength over the years, despite the current headwinds.

Extending from Boston down Interstate 95 to Washington D.C., and encompassing additional areas west of the interstate, the Northeast I-95 market is home to some of the nation's most prominent logistics markets. The region derives much of its strength from its proximity to the Port of New York and New Jersey, which ranks as the busiest port on the entire eastern seaboard. Notably, 60 million people reside within a five-hour drive from the Port of NY/NJ, constituting a substantial 17.6% of the national population.

Further underscoring the region's significance is its robust economic power, characterized by an average household income of $137,553, surpassing the national average by 13.7%. This heightened purchasing ability is compelling evidence, prompting major retailers to enter and expand their operations within this market. They seek to harness the region's affluence, driven by the population's disposable income and persistent demand for next-day and same-day merchandise deliveries.



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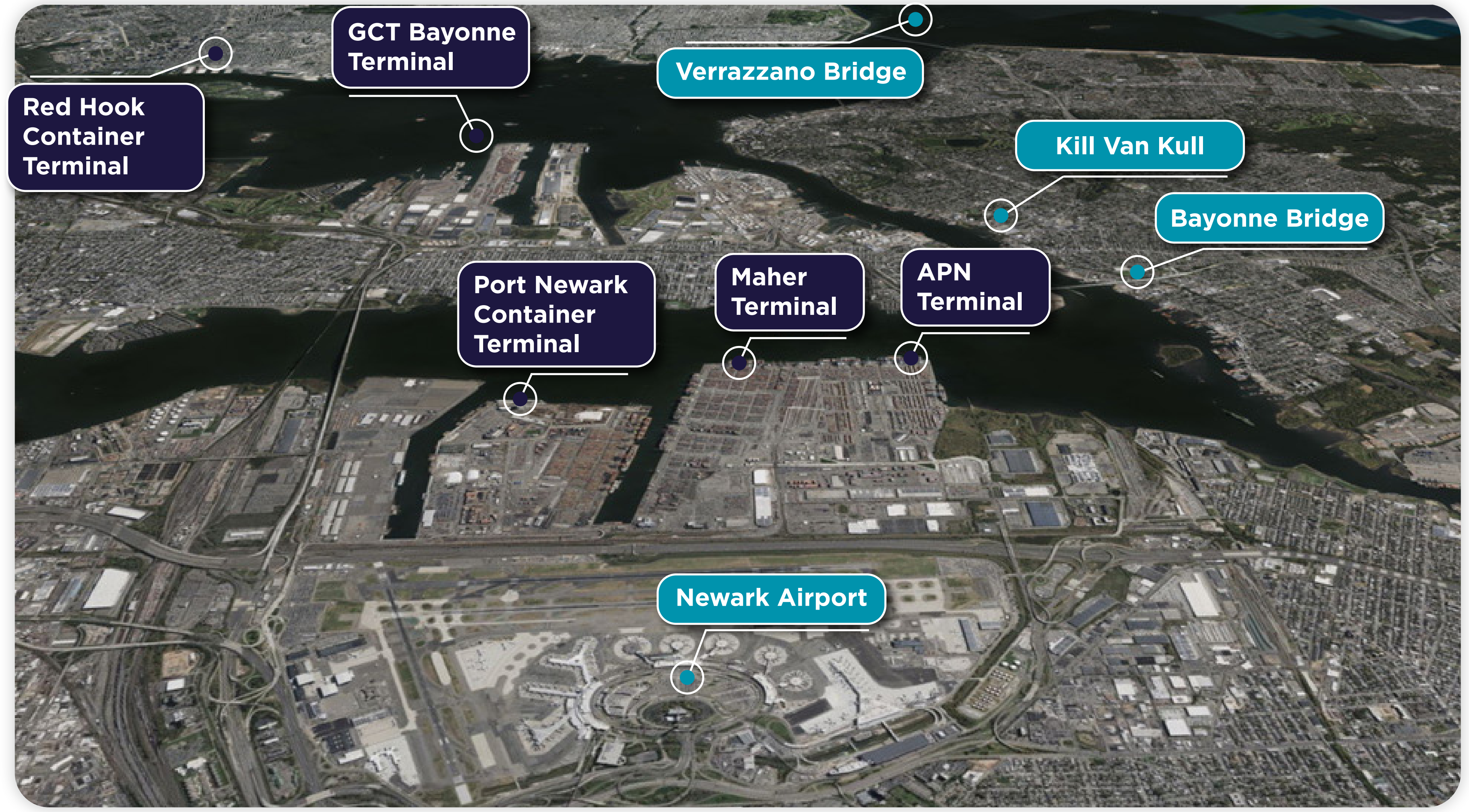
PORT OF NY/NJ

YEAR-END 2025 TRI-STATE INDUSTRIAL REPORT

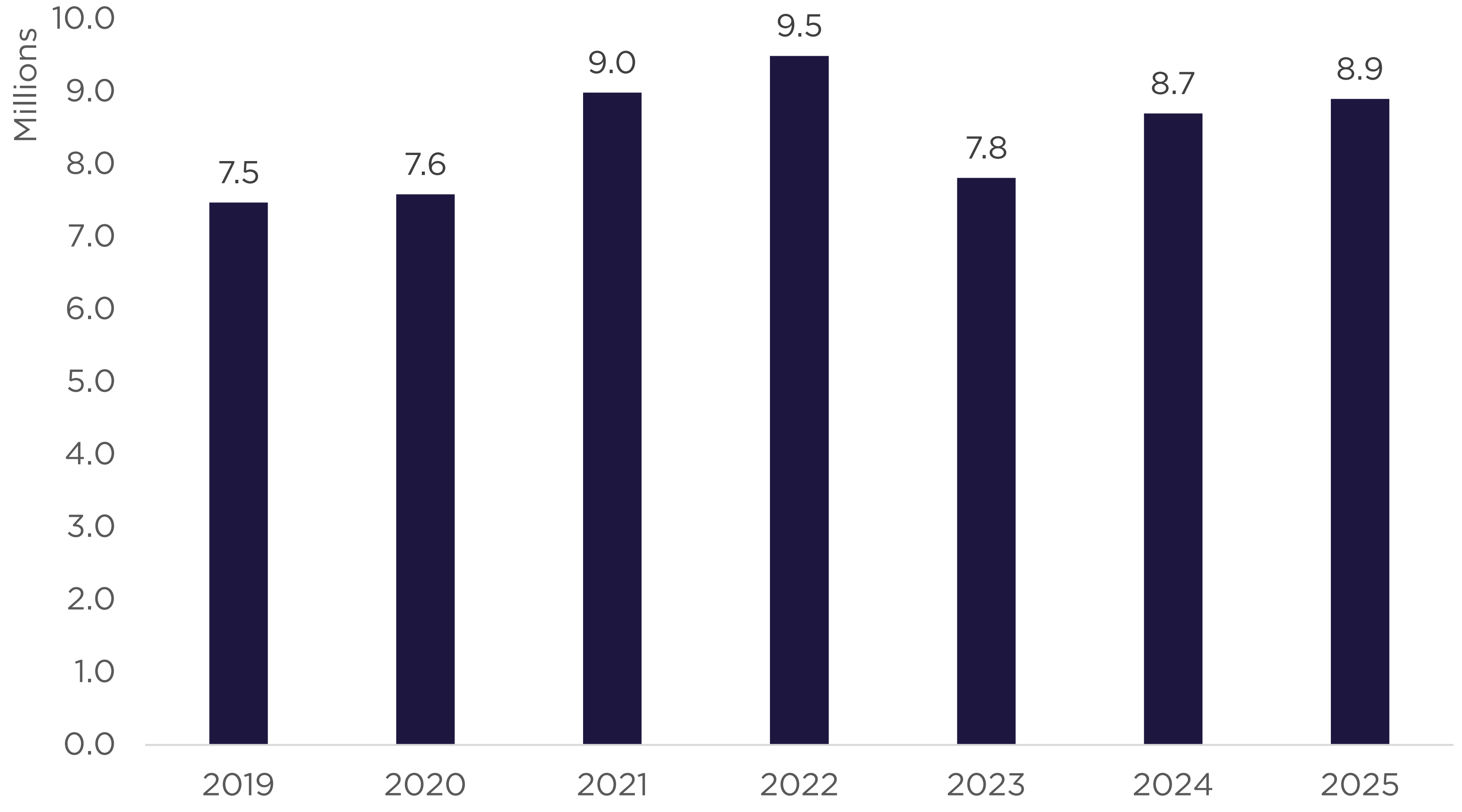
8.9M TEUs
2025 VOLUME IS UP 2.3% FROM 2024

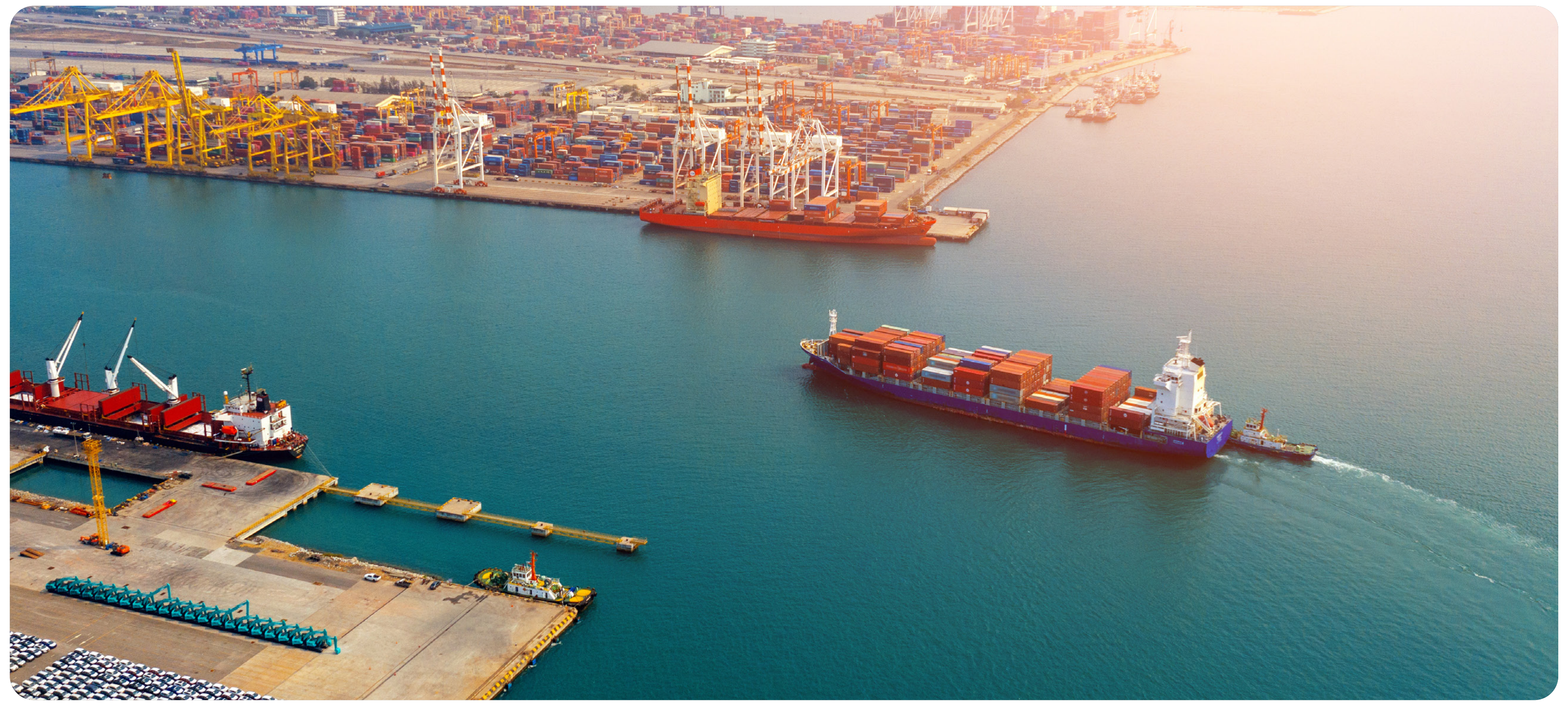
3RD BUSIEST
2025 ENDED AS THE PORTS 3RD BUSIEST YEAR ON RECORD

THE PORT OF NY/NJ has consistently been the busiest port on the East Coast, serving as a key gateway. With six container terminals and multiple cargo rail lines, the Port of NY/NJ services one of the world's wealthiest and most dense consumer base. The Port has the largest 250-mile radius population of any port in North America, with over 60 million people making up one-third of the country's GDP.



PORT OF NY/NJ 2019-2025
TWENTY FOOT EQUIVALENT (TEUs) VOLUME





KEY DRIVERS

- Consistently the busiest port on the East Coast, serving as a key gateway.
- The Port has the largest 250-mile radius population of any port in North America.
- The port is a significant demand driver for many industrial markets.

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TRI-STATE CORRIDOR: NY/NJ/PA

YEAR-END 2025 TRI-STATE INDUSTRIAL REPORT

1.5 BSF INVENTORY

8.6% VACANCY RATE

7.3 MSF 2025 NET ABSORPTION

THE NY/NJ/PA INDUSTRIAL CORRIDOR has experienced significant fundamental shifts, reflecting broader economic trends and evolving market dynamics. Existing inventory grew at a slightly slower pace in 2025, increasing by 1.8% year-over-year (YOY), compared to a 2.6% expansion in 2024, as the development pipeline continued to decelerate. Over the past five years, however, the region's inventory has grown by 27.7%, exceeding 1.5 billion square feet (sf), with over 256 million square feet (msf) of new space delivered.

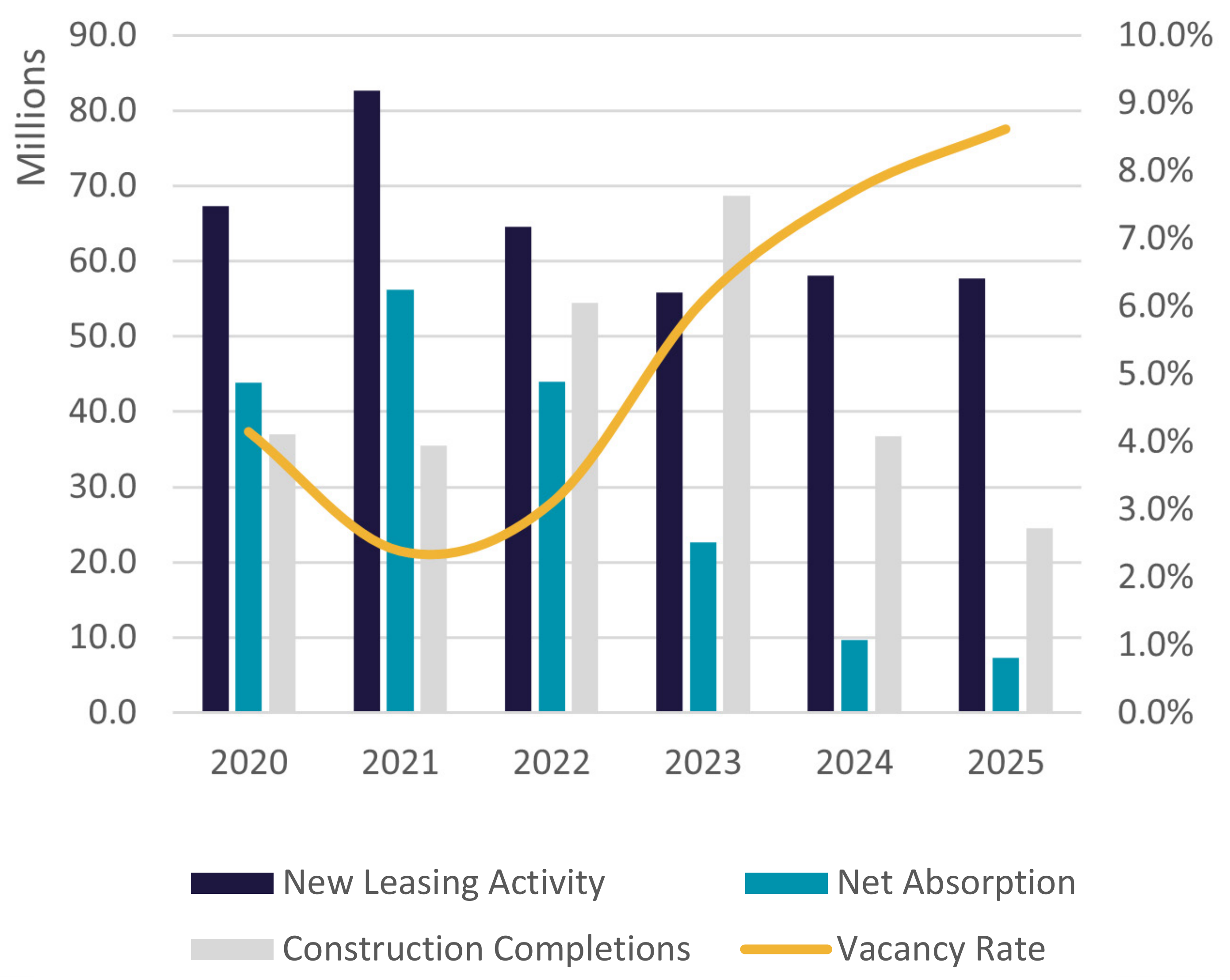
The vacancy rate rose by 90 basis points (bps) YOY to 8.6%, fueled by a slight softening in leasing activity and an uptick in large blocks of space becoming available. As a result, vacant space surged to 131.4 msf, a sharp increase from the 115.4 msf recorded at the end of 2024. Increases in new supply are expected to temper heading into 2026, as construction completions have dropped by 33.3% from the previous year. Only 32.7 msf of space remains under construction across the region, signaling a continued slowdown in new developments

Net absorption, which measures a market's ability to accommodate new supply, concluded the year in positive territory, although it fell to its lowest level since the pandemic began in 2020. While the region averaged 35.3 msf of net absorption annually from 2020 to 2024, it recorded 7.3 msf in 2025. Positive net absorption was observed in five out of the eight markets, with two—Southern NJ (3.4 msf) and Philadelphia (2.6 msf)—absorbing over 2.0 msf of space.

As a result, leasing activity decreased by a modest 0.6% YOY to 57.8 msf, the second lowest total since 2020. Activity was driven largely by demand from third-party logistics (3PL) providers, food & beverage, and retailers/wholesalers. In New Jersey, Asian-supplied 3PLs captured 54.6% of the 3PL demand, with 78.8% (4.5 msf) transacted in Class A warehouse and distribution properties. Central New Jersey led overall leasing activity with 14.3 msf in 2025, followed by the PA I-81 & I-78 Corridor with 13.8 msf. Philadelphia also saw a surge in demand, recording 6.4 msf in new leases—nearly five times higher than full-year 2024.

The NY/NJ/PA Industrial Corridor has demonstrated resilience and growth over the past few years, despite challenges such as rising vacancy rates and slowing tenant demand. Strategic construction projects and significant sale transactions reflect continued confidence in the region's long-term potential, underscoring its position as a key industrial hub.

INDUSTRIAL TRI-STATE CORRIDOR: LEASING ACTIVITY, NET ABSORPTION, & COMPLETIONS



KEY DRIVERS

- Exhibited ongoing market adjustments, returning to normalized levels of pre-pandemic demand.
- The region has demonstrated resilience and growth despite challenges in the market.
- Proximity to NYC, four major airports, and Port of NY/NJ.

Cushman & Wakefield Research
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	Number of Buildings	Existing Inventory	Vacant Square Footage	Vacancy Rate	YTD New Leasing Activity	YTD Renewals	YTD Net Absorption	SF Under Construction	YTD Construction Completions
2020	10,066	1,192,643,612	49,540,427	4.2%	67,357,653	21,721,743	43,871,445	38,533,146	36,992,616
2021	10,389	1,257,861,583	30,076,720	2.4%	82,650,239	24,894,443	56,151,578	65,230,184	35,455,677
2022	10,657	1,336,578,470	41,443,515	3.1%	64,591,947	26,547,339	43,950,797	74,648,584	54,462,317
2023	11,076	1,459,172,922	88,751,619	6.1%	55,802,524	26,194,646	22,669,869	40,591,532	68,685,819
2024	11,234	1,496,846,819	115,396,346	7.7%	58,083,407	26,042,285	9,711,731	28,077,181	36,769,422
2025	11,333	1,523,390,305	131,358,284	8.6%	57,762,873	22,892,393	7,343,301	32,677,934	24,518,049

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CONSTRUCTION OVERVIEW

YEAR-END 2025 TRI-STATE INDUSTRIAL REPORT

32.7 MSF
UNDER CONSTRUCTION
UP FROM 28.2 MSF DURING MIDYEAR 2025

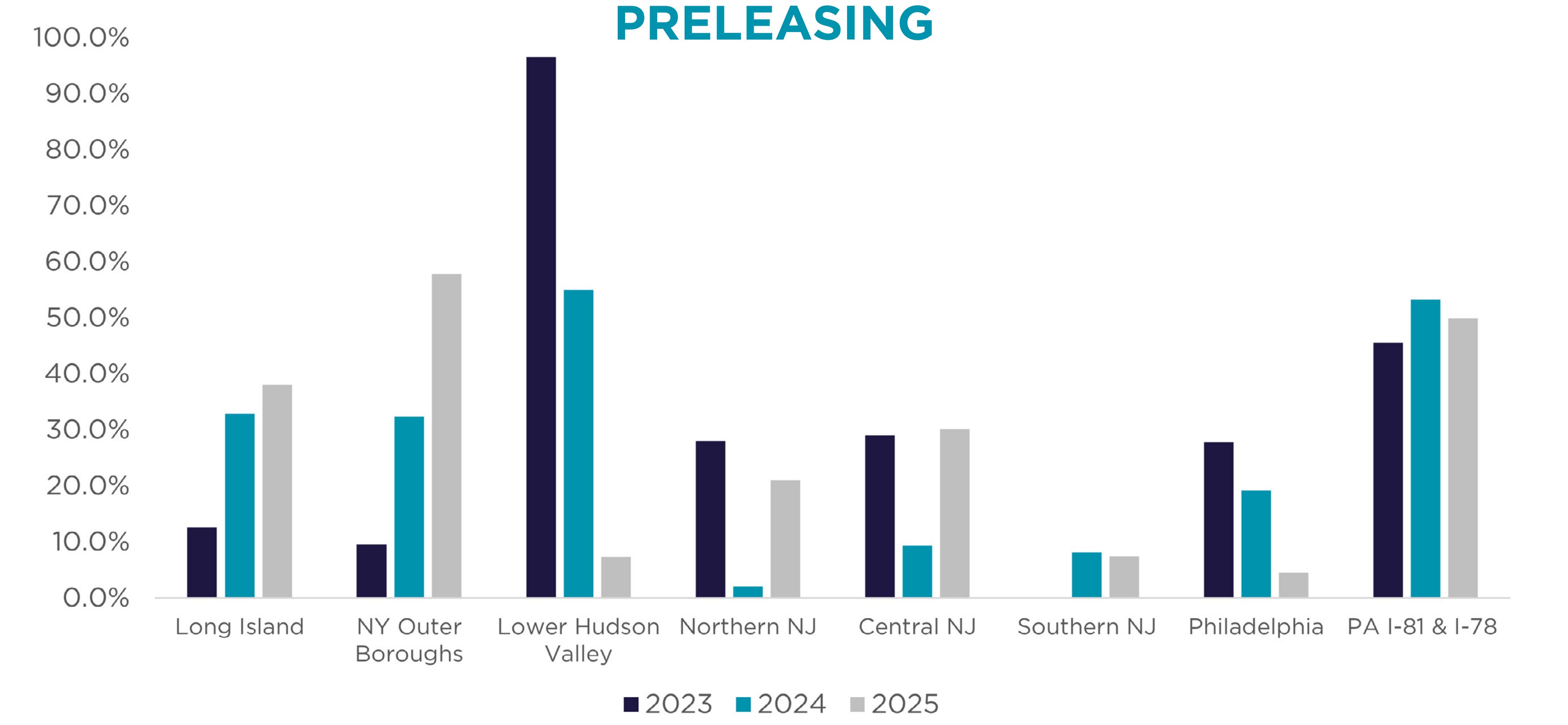
6 OUT OF 8
MARKETS
SHOWED PRE-LEASING RATES UNDER 50%

29.8%
OF THE UNDER CONSTRUCTION INVENTORY IS IN THE PA I-81/I-78 CORRIDOR

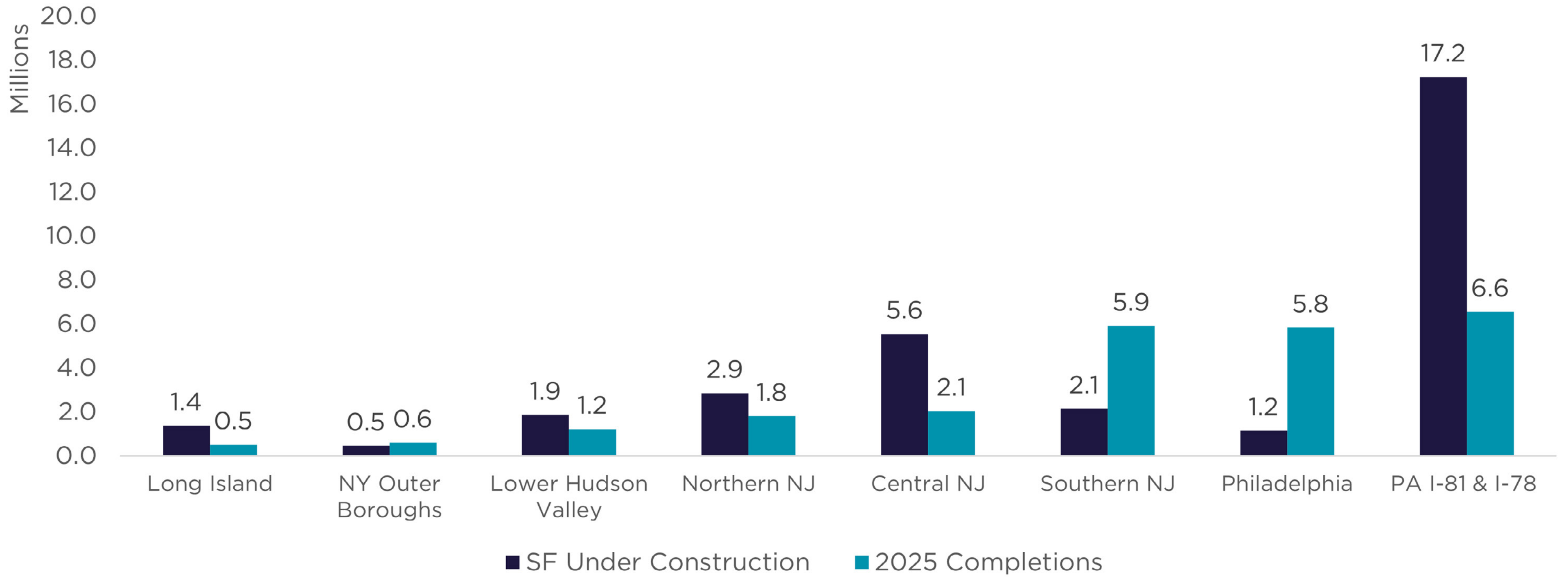
THE PACE OF NEW CONSTRUCTION COMPLETIONS in the NY/NJ/PA Industrial Corridor continued to moderate throughout 2025, totaling 24.5 msf of new product delivered. This followed a softer 2024, which introduced 36.7 msf of space. Furthermore, 32.7 msf of projects remain under construction, distributed across 97 sites. Preleasing rates rose substantially in several markets, most notably the NY Outer Boroughs and Central NJ; however, the Lower Hudson Valley and Philadelphia markets penned noticeable decreases. Although preleasing rates are low in a few markets, myriad deliveries have been successfully leased within several months after completion, suggesting that despite subdued initial demand, there remains strong tenant interest for built Class A product.

The PA I-81 & I-78 Corridor led the region in development activity by a rather significant margin, with 37 projects totaling 17.2 msf under construction by the end of 2025, followed by Central New Jersey, which recorded 25 projects totaling 5.6 msf. Northern New Jersey also remained active, with 10 projects. The industrial corridor has been managing a surge of new construction that began in 2021 and 2022, when around 50.0 msf of new projects broke ground each year. This momentum eased in 2023, with 31.9 msf of new starts, and slowed further in 2024, with just 22.5 msf of new starts. By the end of 2025, construction starts had improved over the prior year to 29.8 msf as a wave of new speculative and build-to-suit projects entered the pipeline, substantially concentrated in the PA I-81 & I-78 Corridor. This will surely test the market's ability to absorb the new supply as market fundamentals continue to shift amid economic adversities.

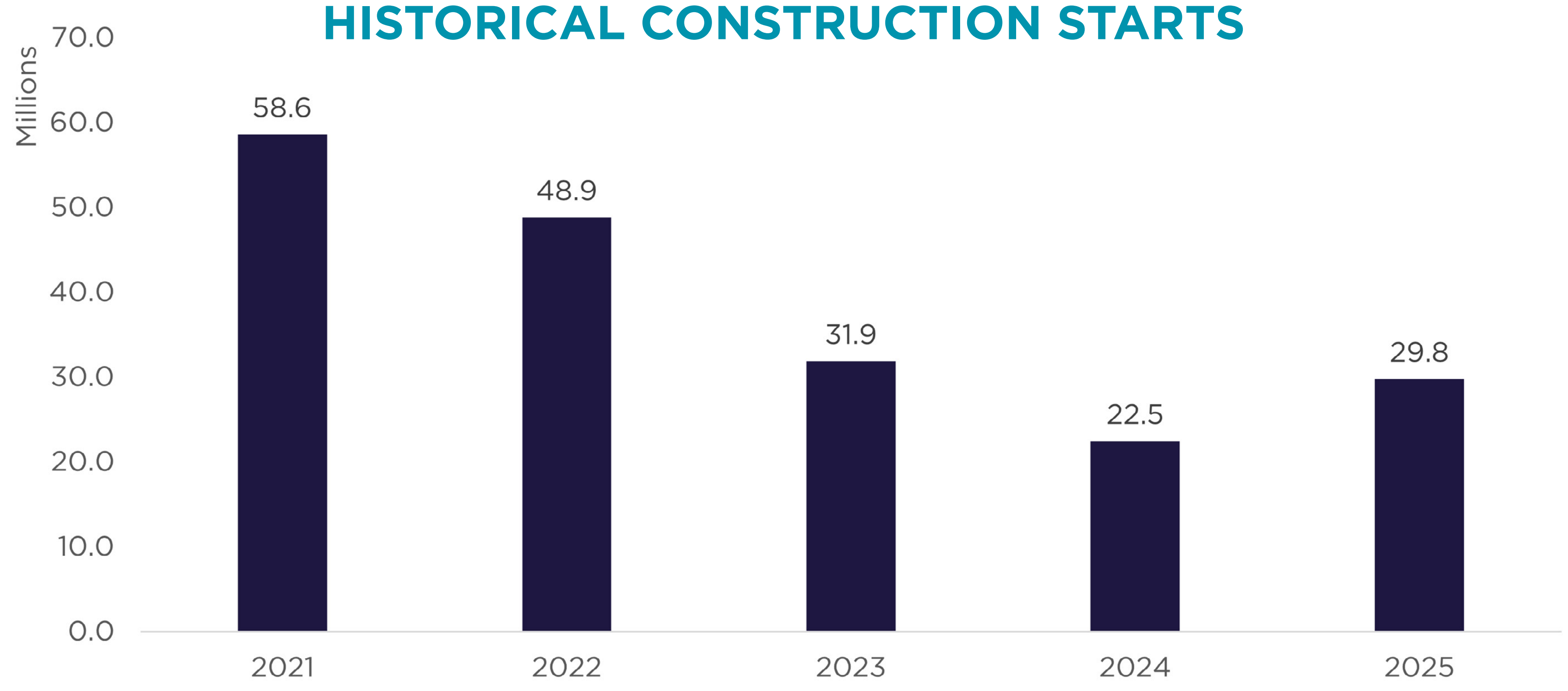
INDUSTRIAL TRI-STATE CORRIDOR: **PRELEASING**



INDUSTRIAL TRI-STATE CORRIDOR: **UNDER CONSTRUCTION VS. COMPLETIONS**



INDUSTRIAL TRI-STATE CORRIDOR: **HISTORICAL CONSTRUCTION STARTS**



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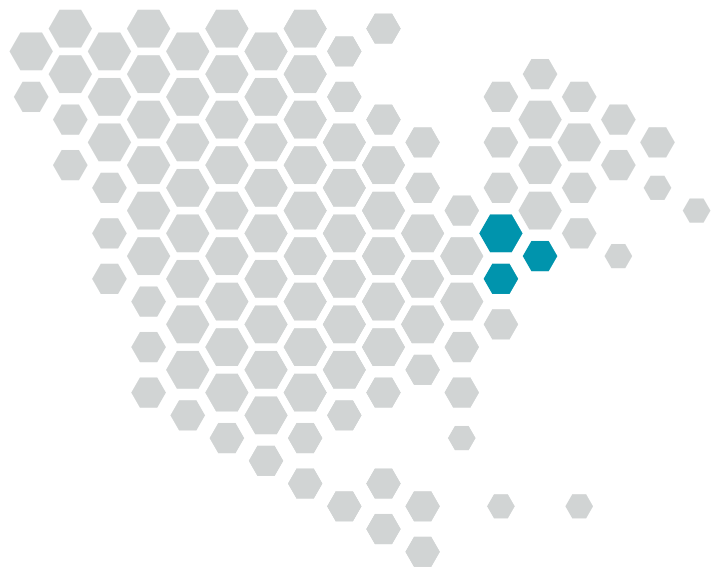

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REGIONAL MAP

YEAR-END 2025 TRI-STATE INDUSTRIAL REPORT

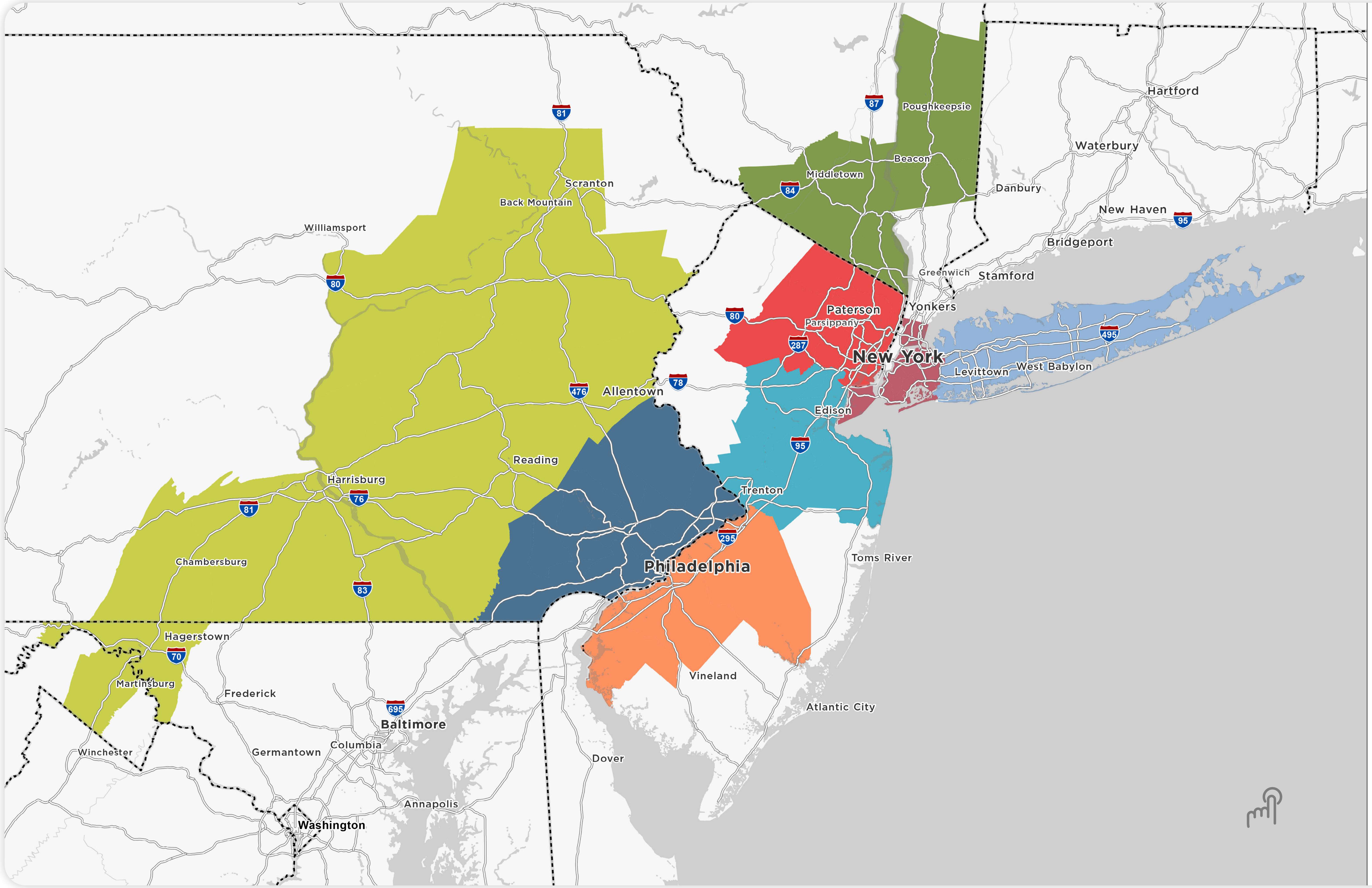
27.7% INVENTORY GROWTH FROM 2020

440+ BPS VACANCY RATE CHANGE FROM 2020

24.5 MSF 2025 CONSTRUCTION COMPLETIONS

15.2% DECREASE IN SF UNDER CONSTRUCTION FROM 2020

57.8 MSF 2025 LEASING ACTIVITY DECREASED 0.6% FROM 2024



MAP

LOCATION LEGEND

- NORTHERN NEW JERSEY
- CENTRAL NEW JERSEY
- SOUTHERN NEW JERSEY
- LONG ISLAND
- NEW YORK OUTER BOROUGHS
- PHILADELPHIA
- PA I-81/I-78/I-81S
- LOWER HUDSON VALLEY

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LONG ISLAND

YEAR-END 2025 TRI-STATE INDUSTRIAL REPORT

104.4 MSF INVENTORY

5.3 % VACANCY RATE

701,725 SF YTD NET ABSORPTION

$18.95 PSF ASKING RENT

3.1 MSF YTD NEW LEASING ACTIVITY

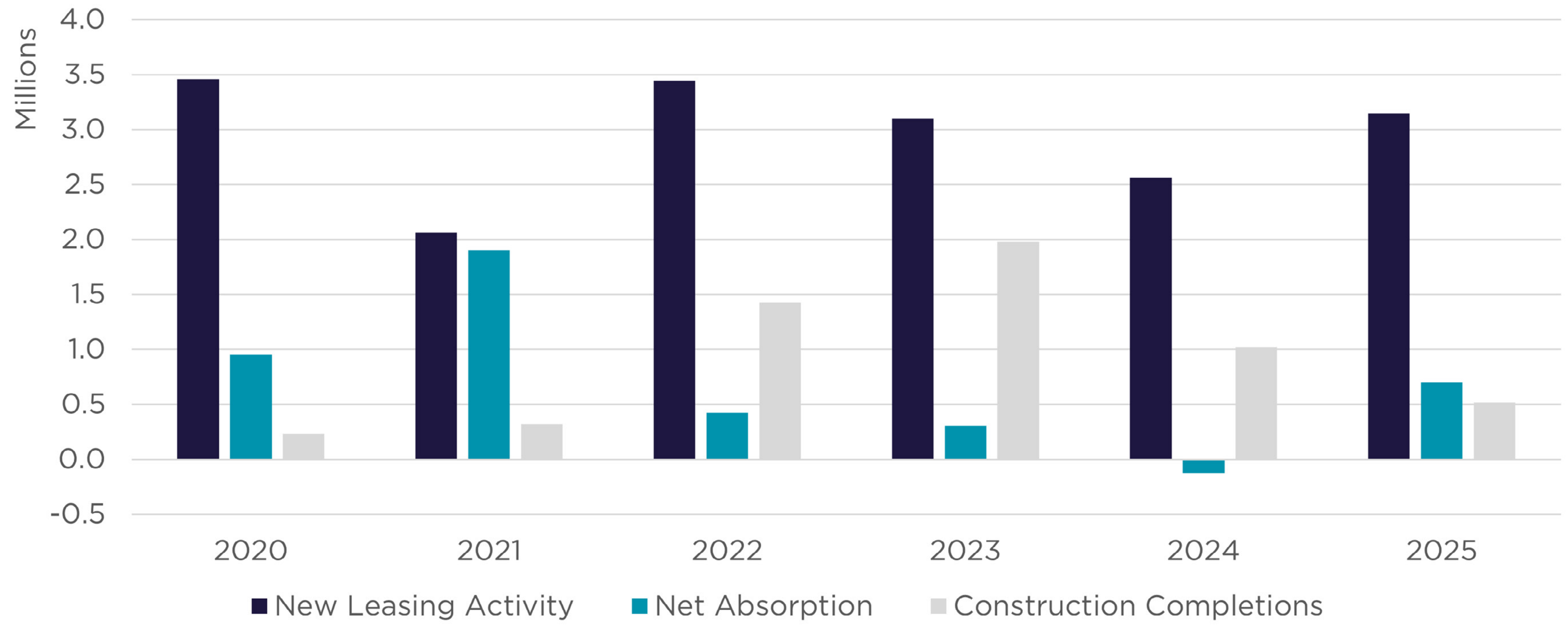
THE LONG ISLAND INDUSTRIAL MARKET benefits from its strategic location and proximity to the greater New York Metro Area. Transportation and connectivity play a vital role in attracting tenants to this market, with an emphasis on the Long Island Rail Road—the busiest commuter railroad in North America—and the Long Island Expressway (I-495)—the main thoroughfare spanning the entire island running east to west.

Long Island's population of 2.9 million makes it one of the densest suburbs in the country. This allows companies to not only benefit from proximity to an affluent consumer base, but also access to a robust labor force to employ.

New leasing activity surged during the pandemic as tenants prioritized modern facilities with higher ceiling heights, more docks, and additional trailer parking. Demand picked up in the second half of 2025 as new supply slowed down, resulting in positive net absorption in 2025.

The overall vacancy rate has ticked up higher from its lowest point in 2021; however, vacancy trended downward in 2025. Speculative developments continue to complete, though the pipeline has decelerated, with more sites opting for build-to-suits. Additionally, new construction projects have put upward pressure on asking rents, which have seen immense growth since 2019.

LONG ISLAND:
LEASING, NET ABSORPTION & COMPLETIONS



KEY DRIVERS

- Affluent and dense suburban market with high barriers to entry
- Growing Class A inventory due to significant institutional investment
- Proximity to NYC, airports and Port of NY

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Year-End 2025 Statistics

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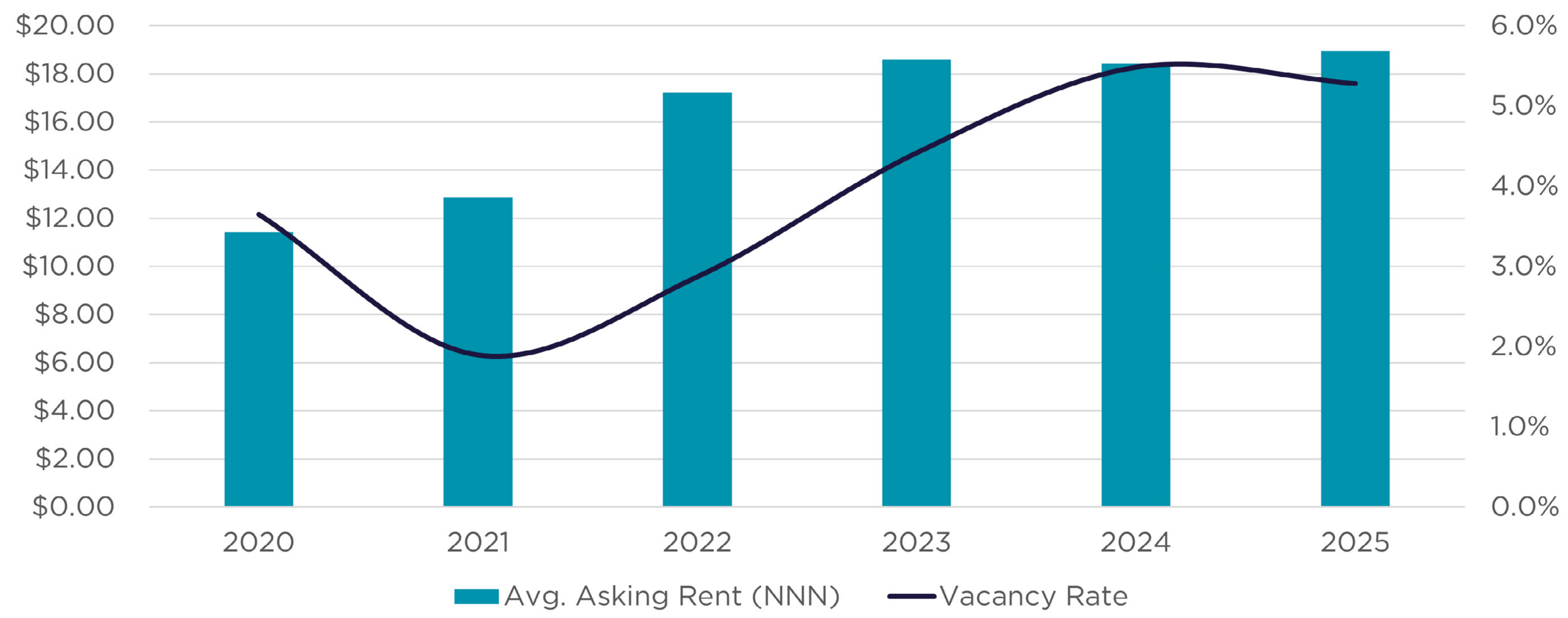
SUBMARKET STATISTICS Q4 2025

VIEW MORE DATA

Submarket	Inventory (SF)	Vacancy Rate	Avg. Asking Rents (NNN)
Western Nassau County	11,339,087	6.5%	$22.82
Central Nassau County	4,747,332	2.4%	$17.38
Eastern Nassau County	15,627,212	5.8%	$20.42
Western Suffolk County	22,846,344	3.6%	$18.79
Central Suffolk County	35,184,778	4.8%	$18.86
Eastern Suffolk County	14,658,890	8.5%	$16.24
Totals	**104,403,643**	**5.3%**	**$18.95**

*Asking rents are NNN and the submarket average

LONG ISLAND:
VACANCY RATE VS. AVERAGE ASKING RENT



NEW YORK CITY OUTER BOROUGHS

YEAR-END 2025 TRI-STATE INDUSTRIAL REPORT

132.3 MSF INVENTORY

6.2 % VACANCY RATE

-756,959 SF YTD NET ABSORPTION

$28.65 PSF ASKING RENT

2.6 MSF YTD NEW LEASING ACTIVITY

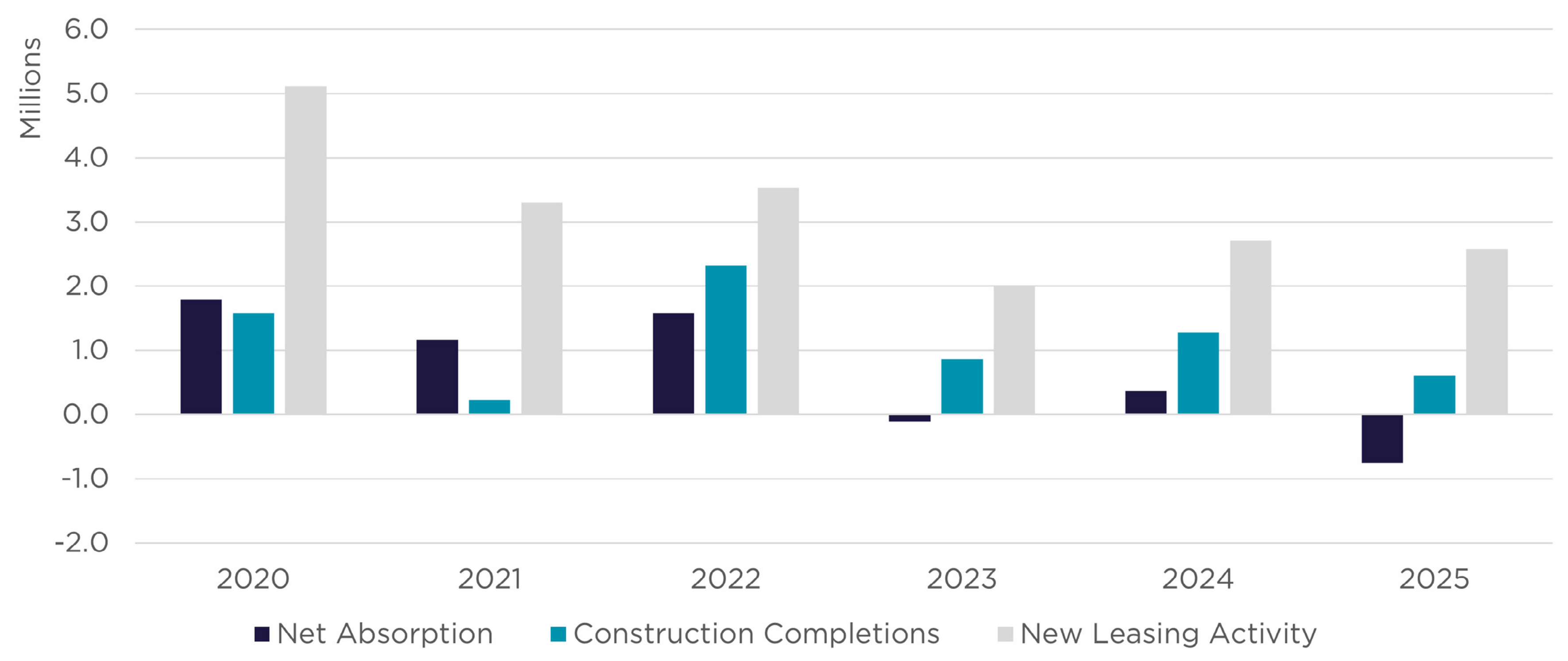
THE NEW YORK CITY OUTER BOROUGHS INDUSTRIAL MARKET benefits heavily from its location, with the New York City area being the largest metro in the Northeast. It contains a population of 9.6 million and a labor force of 4.6 million, including an affluent consumer base and a skilled labor pool. Additionally, numerous highways and bridges enhance its connectivity to the greater metropolitan area, attracting tenants that require direct access to Manhattan, JFK and LaGuardia Airports, and the Port of New York and New Jersey.

Demand picked up significantly during the pandemic as major e-commerce and logistics companies expanded within the market. Due to increasing economic headwinds, leasing activity has begun to normalize to pre-pandemic levels. Tenants are focusing more heavily on industrial outdoor storage (IOS) and low-coverage sites to fulfill their parking requirements as finding traditional warehouses with parking is extremely scarce in this market.

Average asking rents continue to soar, remaining the highest in the country, as speculative new construction warehouses put upward pressure on pricing. The overall vacancy rate elevated to a new peak as space continued to enter the market, leading to negative net absorption for 2025.

Developers continue to invest heavily into the industrial market, expanding overall inventory in the region. Currently, 0.5 msf is under construction, and 6.9 msf has been completed since 2020, though a significant portion of state-of-the-art logistics space still remains vacant.

NEW YORK OUTER BOROUGHS: LEASING, NET ABSORPTION & COMPLETIONS



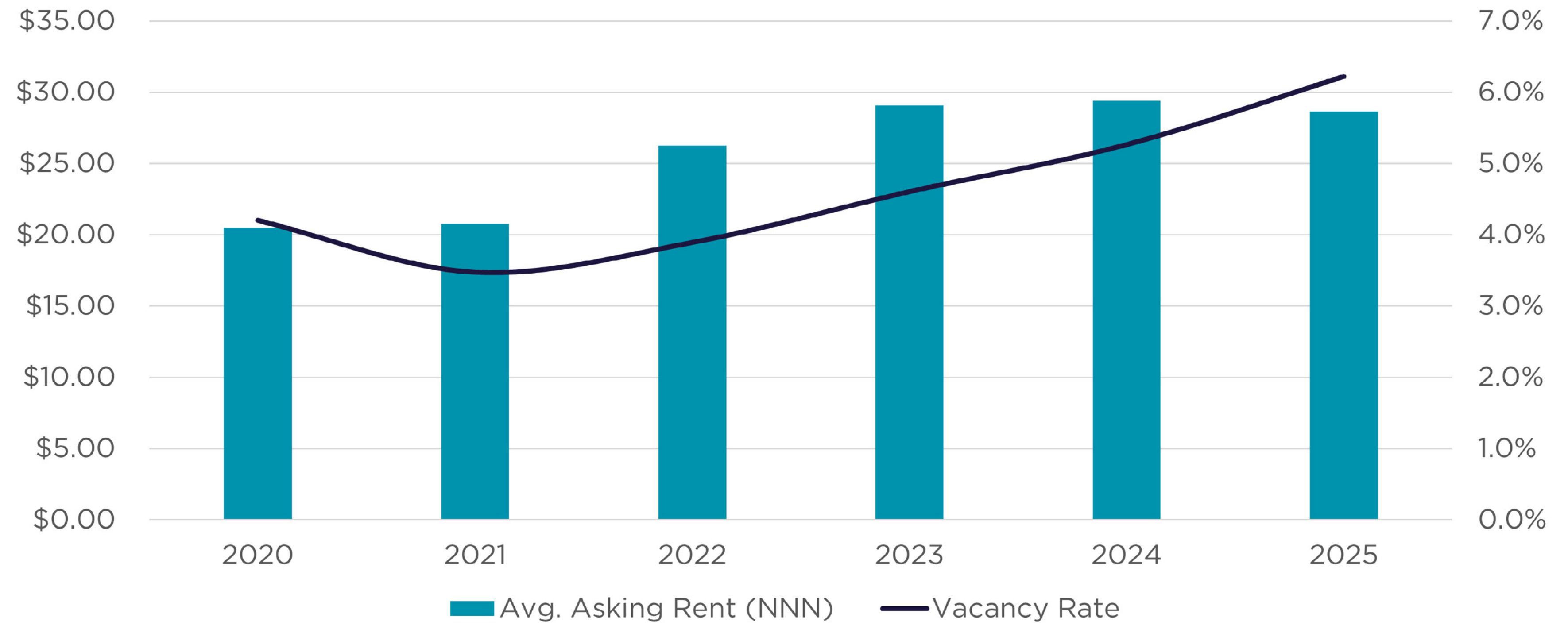
SUBMARKET STATISTICS Q4 2025

VIEW MORE DATA

Submarket	Inventory (SF)	Vacancy Rate	Avg. Asking Rents (NNN)
Bronx	19,799,710	9.7%	$32.41
Brooklyn	50,268,710	3.9%	$27.48
Queens	54,991,048	5.7%	$30.73
Staten Island	7,282,345	17.0%	$20.65
Totals	**132,341,813**	**6.2%**	**$28.65**

*Asking rents are NNN and the submarket average

NEW YORK OUTER BOROUGHS: VACANCY RATE VS. AVERAGE ASKING RENT



KEY DRIVERS

- Largest metropolitan area in the northeast
- Immediate proximity to Manhattan, JFK, LaGuardia and the Port of NY/NJ
- Growing development pipeline with an emphasis on multistory warehouses

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LOWER HUDSON VALLEY

YEAR-END 2025 TRI-STATE INDUSTRIAL REPORT

53.6 MSF INVENTORY

12.3% VACANCY RATE

-308,528 SF YTD NET ABSORPTION

$12.97 PSF ASKING RENT

1.2 MSF YTD COMPLETIONS

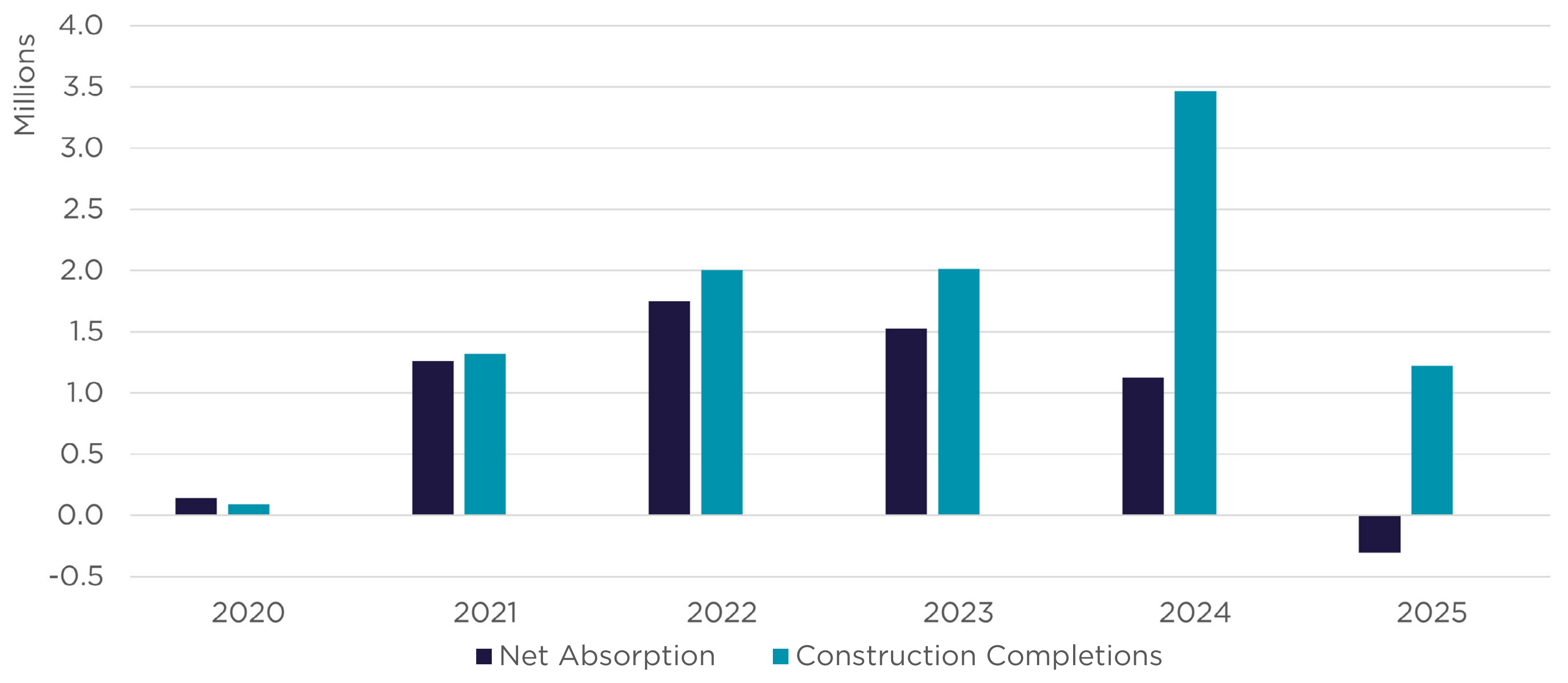
THE LOWER HUDSON VALLEY INDUSTRIAL MARKET in New York, defined as properties 50,000 sf and greater in Orange, Rockland, Putnam and Dutchess counties, is comprised of 333 buildings totaling 53.6 msf. Much of the inventory is concentrated in Orange County, which accounts for 54.0% of the existing industrial product.

A jump in the supply of new space and softer tenant demand shaped overall performance. New deliveries added 1.2 msf of mostly vacant space to the market. Coupled with negative 74,466 sf of net absorption in the fourth quarter, the vacancy rate jumped 220 bps to an all-time high of 12.3%.

Demand was concentrated within the Rockland County submarket, which accounted for 462,798 sf of occupancy gains. But, with the delivery of new vacant space, the vacancy rate increased 570 bps to 12.0% YOY. The Dutchess County submarket also posted occupancy gains during the year, with 97,436 sf of positive net absorption, thus lowering the vacancy rate in the submarket by 90 bps to 1.4%. At 25.3%, the Putnam County submarket ended 2025 with the highest vacancy rate in the Lower Hudson Valley industrial market, which is due to the vacant delivery of 618,000 sf at 201 Pugsley Road in Brewster at the end of 2024.

At the end of the fourth quarter, six warehouse and distribution projects totaling 1.9 msf were under construction, down 24.4% from 2024. Construction starts slowed in the fourth quarter, with only one 50,000-sf project breaking ground at 540 Landmark Drive in Congers. With the ease of development in the market, this should allow for the absorption of existing vacancies available for lease.

LOWER HUDSON VALLEY: NET ABSORPTION & COMPLETIONS



KEY DRIVERS

- Available land for development
- Access to skilled labor pool
- Affluent consumer base

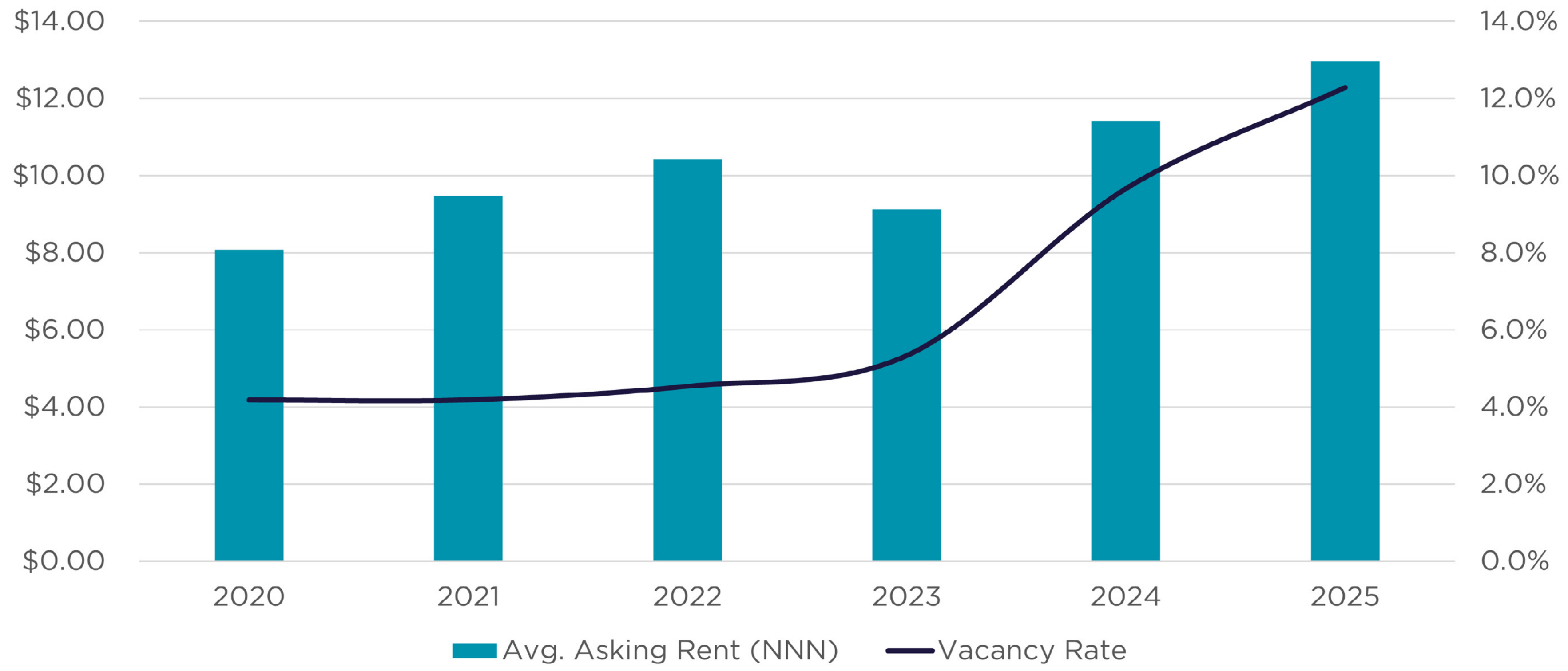
SUBMARKET STATISTICS Q4 2025

VIEW MORE DATA

Submarket	Inventory (SF)	Vacancy Rate	Avg. Asking Rents (NNN)
Orange County	28,933,638	15.1%	$11.15
Rockland County	12,156,126	12.0%	$17.66
Putnam County	2,449,544	25.3%	$16.00
Dutchess County	10,028,610	1.4%	$12.62
Totals	**53,567,918**	**12.3%**	**$12.97**

*Asking rents are NNN and the submarket average

LOWER HUDSON VALLEY: VACANCY RATE VS. AVERAGE ASKING RENT



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NORTHERN NEW JERSEY

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259.7 MSF INVENTORY

9.4% VACANCY RATE

1.4 MSF YTD NET ABSORPTION

$18.24 PSF ASKING RENT

10.5 MSF YTD NEW LEASING ACTIVITY

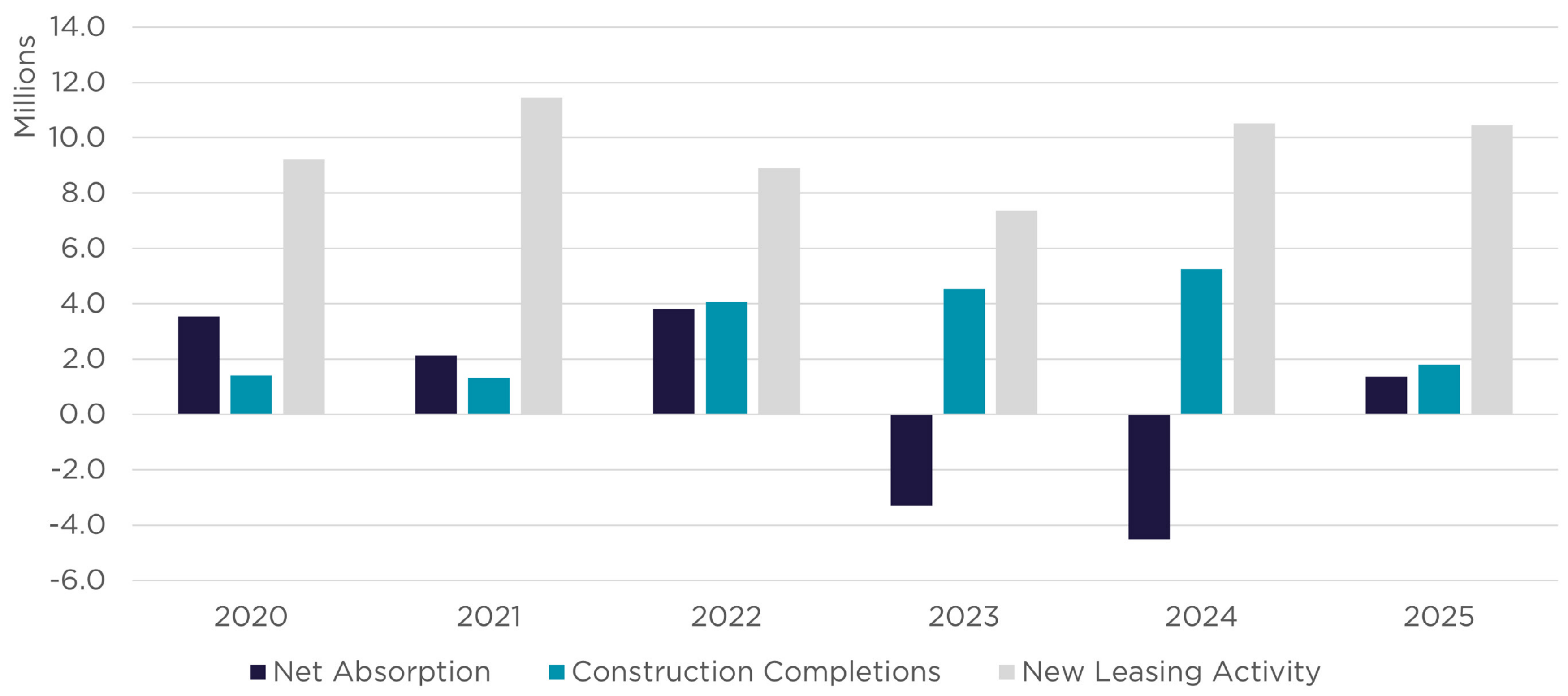
THE NORTHERN NEW JERSEY INDUSTRIAL MARKET offers a strategic advantage due to its proximity to major ports and Newark Liberty International Airport. This prime location provides businesses with access to one of the most densely populated and affluent consumer markets globally, while also being well-connected to some of the state's busiest transportation routes.

The market benefits from the Port Region submarket, which is one of the most mature submarkets in New Jersey and has seen demand for space increase as cargo volumes and ship sizes grew in response to heightened consumer demand.

Steady demand persisted throughout the year, with Northern New Jersey recording 1.4 msf of positive occupancy growth. However, this level of absorption was not enough to offset the volume of new supply entering the market, resulting in increased competition among landlords. Many owners are responding by continuing to offer incentive packages to remain competitive and attract tenants.

The rise in newly available space has expanded tenant options across the region. Looking ahead, a slowdown in construction starts, combined with steady demand at the Port of New York and New Jersey—may help bring vacancy down, particularly if existing inventory continues to be absorbed steadily.

NORTHERN NEW JERSEY:
LEASING, NET ABSORPTION & COMPLETIONS



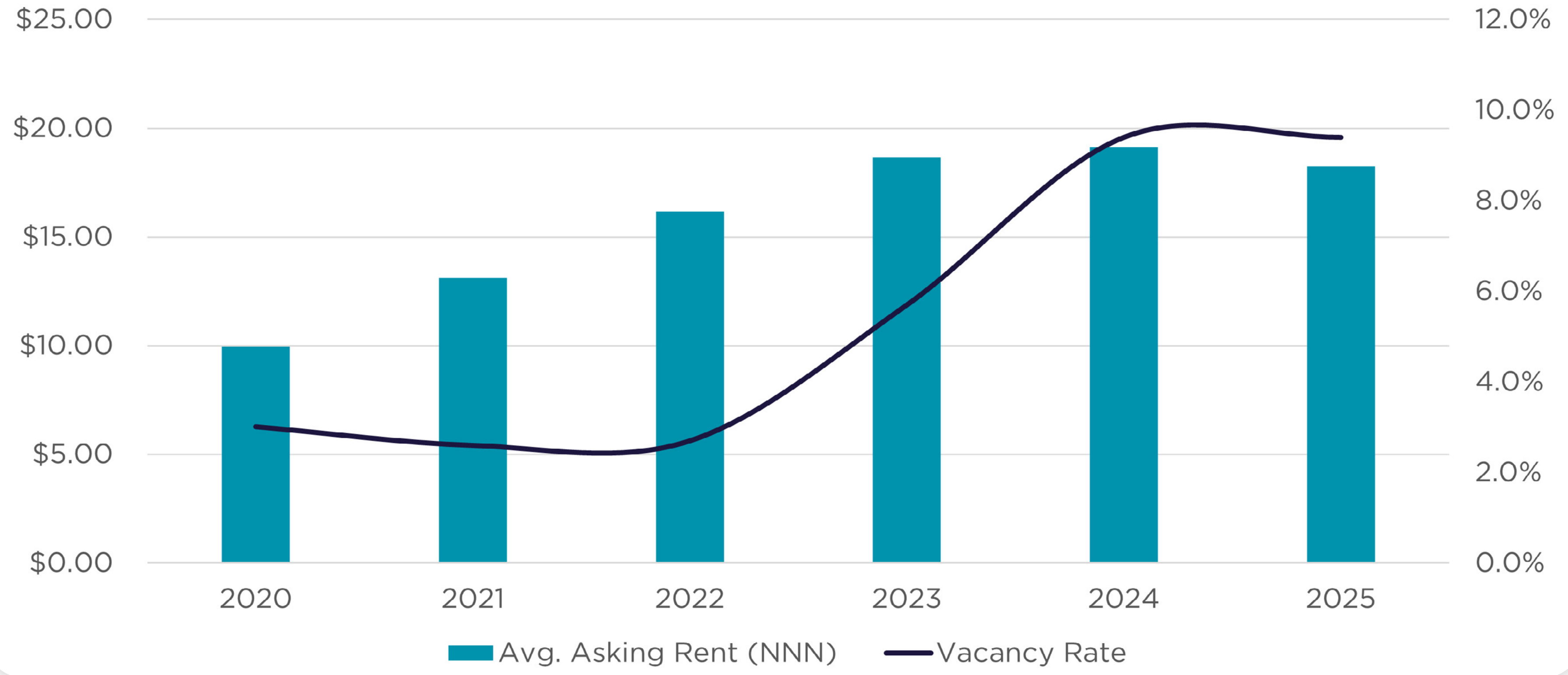
SUBMARKET STATISTICS Q4 2025

VIEW MORE DATA

Submarket	Inventory (SF)	Vacancy Rate	Avg. Asking Rents (NNN)
Northern Bergen	9,592,756	6.9%	$18.13
GW Bridge Market	2,848,303	8.7%	$22.66
Central Bergen	14,916,286	9.7%	$15.56
Meadowlands	73,605,028	9.2%	$18.33
Port Region	83,348,256	11.4%	$19.41
Suburban Essex	6,552,248	6.8%	$16.99
Greater I-80 Corridor	60,108,007	7.1%	$16.46
Route 23 North	290,980	19.9%	$13.00
Morristown Market	7,153,915	13.4%	$18.16
Route 23 Corridor	1,288,691	7.7%	$18.00
Totals	**259,704,470**	**9.4%**	**$18.24**

*Asking rents are NNN and the submarket average

NORTHERN NEW JERSEY:
VACANCY RATE VS. AVERAGE ASKING RENT



KEY DRIVERS

- Accessible to the affluent population base of the metropolitan New York area
- Home to the Port of New York and New Jersey & Newark Liberty International Airport
- Robust highway network, offering immediate access to interstates and river crossings. I-95/I-78/I-287/I-80/Route 440/Route 1&9/Holland Tunnel/Bayonne & Verrazono Bridges

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CENTRAL NEW JERSEY

YEAR-END 2025 TRI-STATE INDUSTRIAL REPORT

298.1 MSF INVENTORY

9.8% VACANCY RATE

-1.2 MSF YTD NET ABSORPTION

$15.90 PSF ASKING RENT

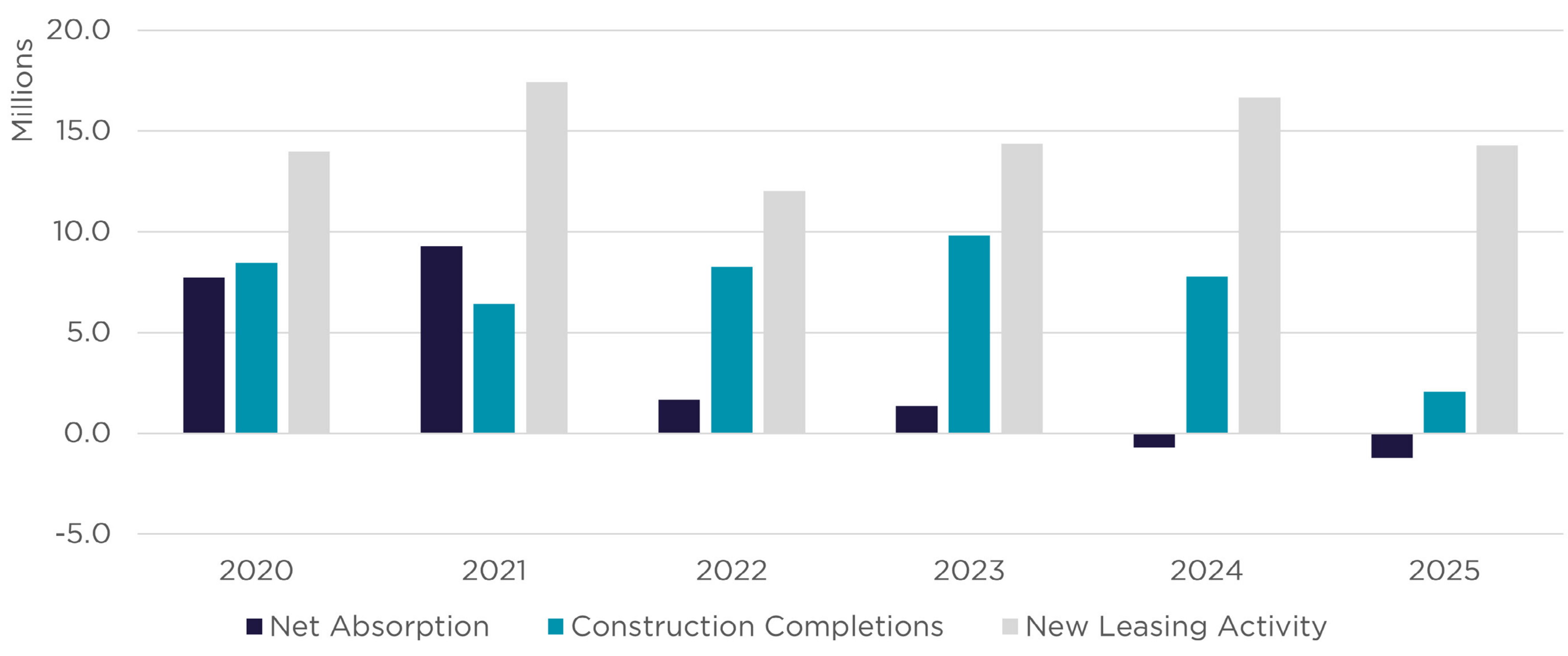
14.3 MSF YTD NEW LEASING ACTIVITY

CENTRAL NEW JERSEY'S STRATEGIC LOCATION within the Northeast distribution corridor makes it a top choice for companies looking to establish large warehouse and distribution facilities. This preference is driven by the region's extensive highway network, which offers seamless and efficient access to the entire Northeast corridor, stretching from Boston in the north to Washington, D.C., in the south.

Tenant demand remained steady in Central New Jersey, with the bulk of the demand being concentrated along the Turnpike Corridor. This was evident in the second half of 2025, as new leasing activity displayed a resurgence, and accounted for 52.6% of overall leasing activity during the year.

With the introduction of new sublease supply and vacant new deliveries this year, the vacancy rate rose in 2025. Amid rising competition, owners and developers have worked to maintain current market pricing while enhancing concession packages—such as offering additional free rent—to attract tenants. Some landlords have also chosen to subdivide larger blocks of space to stimulate activity and better align with demand. Together, these strategies highlight the sector's efforts to remain competitive and adapt to evolving market conditions.

CENTRAL NEW JERSEY:
LEASING, NET ABSORPTION & COMPLETIONS



KEY DRIVERS

- Centrally positioned at the core of the I-95 Corridor, midway between Boston and Washington D.C
- Substantial concentration of Class A big-box warehouse facilities
- Access to exceptional labor pool

Cushman & Wakefield Research
Year-End 2025 Statistics

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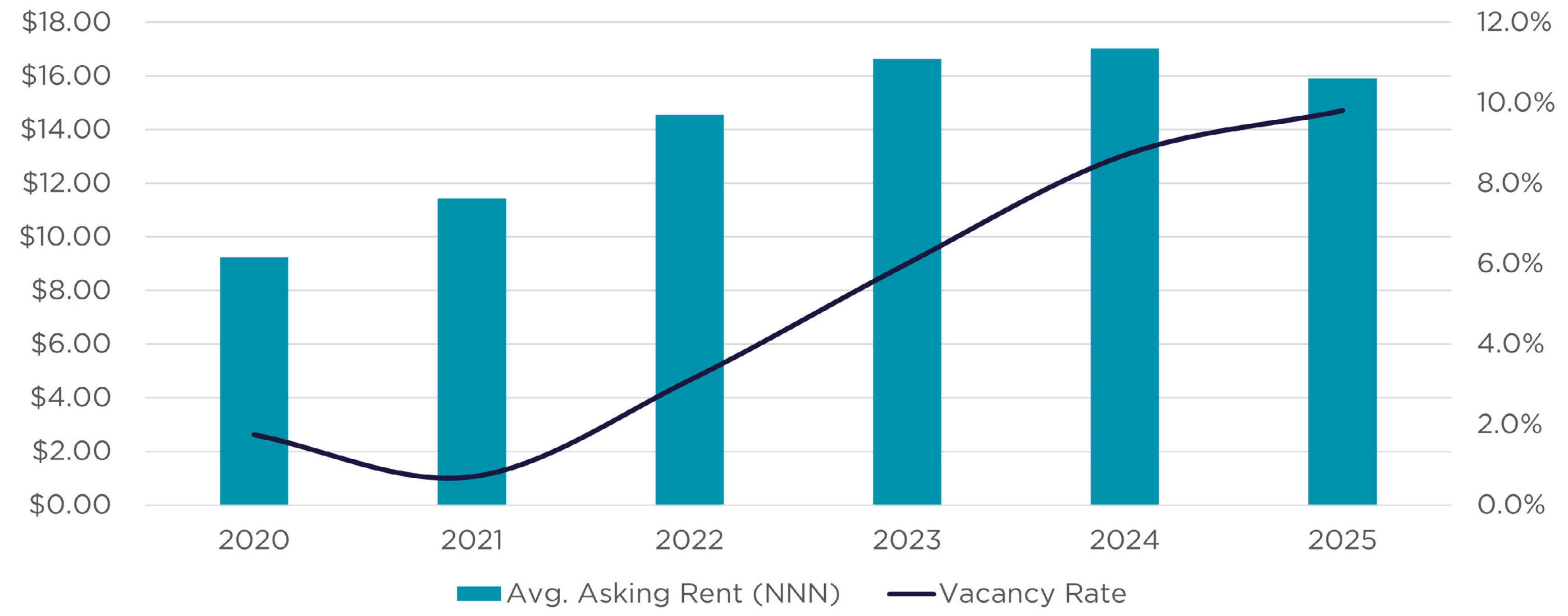
SUBMARKET STATISTICS Q4 2025

VIEW MORE DATA

Submarket	Inventory (SF)	Vacancy Rate	Avg. Asking Rents (NNN)
Port South	37,272,922	11.8%	$18.13
Central Union	13,169,603	5.5%	$16.81
Route 24 Corridor	1,793,786	2.7%	$12.14
Somerset/I-78 Corridor	23,860,423	5.6%	$15.77
I-287/Exit 10	85,209,377	7.6%	$16.86
Exit 9	23,060,450	12.4%	$16.55
Exit 8A	75,198,767	11.8%	$15.05
Greater Princeton	4,203,397	9.3%	$12.23
Exit 7A/8	24,140,847	13.3%	$13.08
Monmouth County	10,171,741	9.2%	$13.52
Totals	**298,081,313**	**9.8%**	**$15.90**

*Asking rents are NNN and the submarket average

CENTRAL NEW JERSEY:
VACANCY RATE VS. AVERAGE ASKING RENT



SOUTHERN NEW JERSEY

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109.8 MSF INVENTORY

11.8% VACANCY RATE

3.4 MSF YTD NET ABSORPTION

$12.10 PSF ASKING RENT

7.2 MSF YTD NEW LEASING ACTIVITY

THE SOUTHERN NEW JERSEY REGION, comprised of Burlington, Camden, Gloucester, and Salem counties, is a major American economic hub centered upon a thriving industrial market.

Southern New Jersey has expanded into a robust warehouse and distribution business region along the East Coast. With convenient access to the New York, Philadelphia, and Washington, D.C. metropolitan areas, the region's transportation network affords businesses an ample customer base.

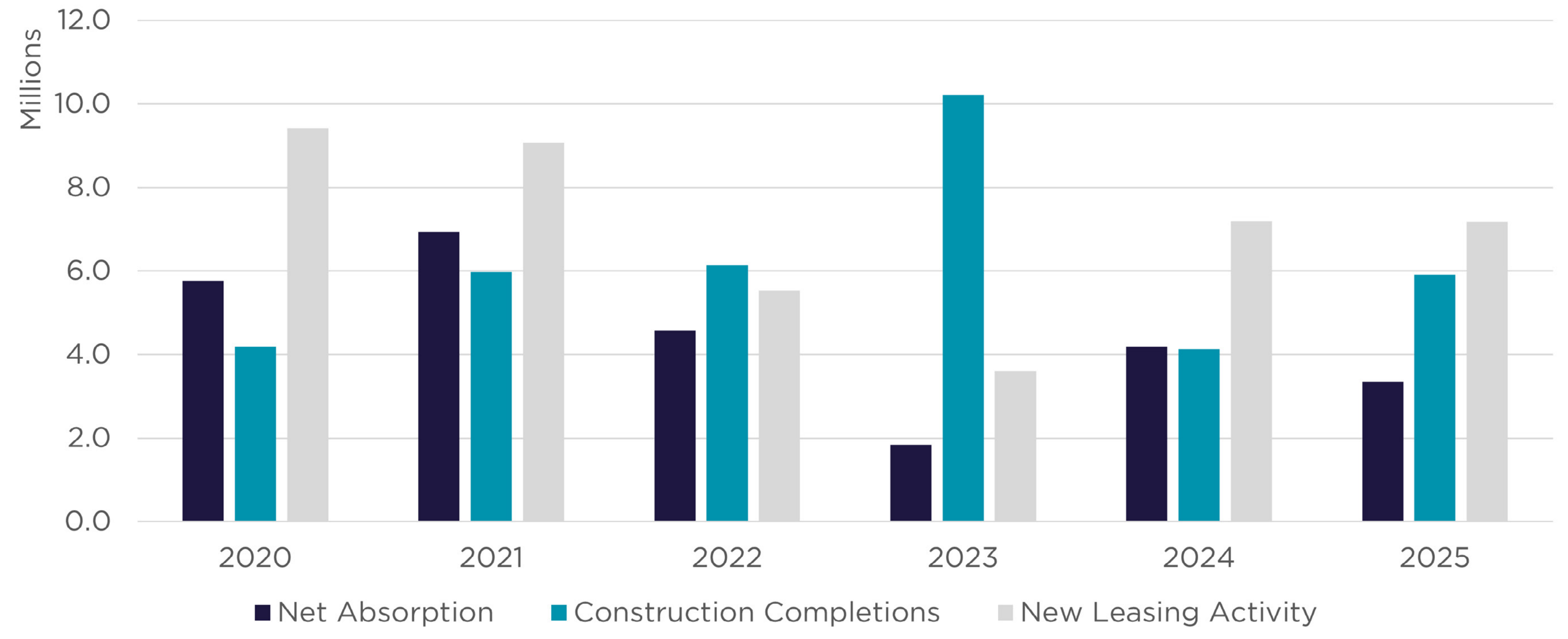
As the COVID-19 pandemic drove demand for e-commerce space to new highs, the 2020 and 2021 leasing periods saw record new tenant occupancy, and though economic and political challenges have presented hurdles to tenants seeking space, Southern New Jersey's 2025 total leasing activity was nearly exactly that of 2024's.

Construction completions as of the end of 2025 surpassed 2024's annual total by nearly half again, adding nearly 6.0 msf of new product to Southern New Jersey's inventory.

The construction pipeline in Southern New Jersey has contracted significantly since year-end 2024, with expected future deliveries shrinking by 62.0% as construction starts stabilized.

Rental rates are due to remain stable over the following year, as construction deliveries even out and tenants in the market regain confidence.

SOUTHERN NEW JERSEY :
LEASING, NET ABSORPTION & COMPLETIONS



KEY DRIVERS

- Substantial concentration of Class A big-box warehouse facilities
- Access to skilled labor pool

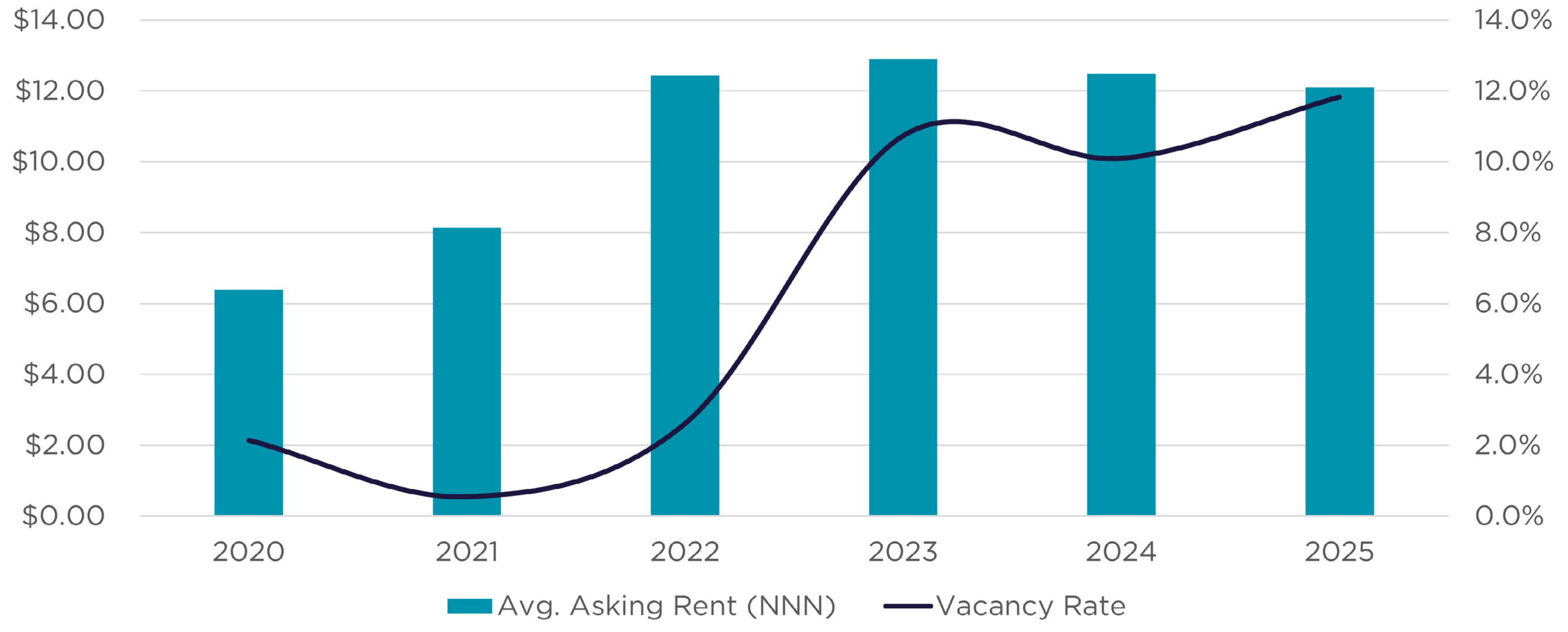
SUBMARKET STATISTICS Q4 2025

VIEW MORE DATA

Submarket	Inventory (SF)	Vacancy Rate	Avg. Asking Rents (NNN)
Burlington County	55,204,357	7.0%	$13.32
Camden County	13,679,369	7.3%	$12.05
Gloucester County	29,180,275	11.1%	$11.82
Salem County	11,680,083	41.7%	$11.45
Totals	**109,744,084**	**11.8%**	**$12.10**

*Asking rents are NNN and the submarket average

SOUTHERN NEW JERSEY:
VACANCY RATE VS. AVERAGE ASKING RENT



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KEY DRIVERS

- Access to four seaports
- Complex highway network offers logistical advantages
- Labor access

Cushman & Wakefield Research
Year-End 2025 Statistics

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PHILADELPHIA

YEAR-END 2025 TRI-STATE INDUSTRIAL REPORT

107.7 MSF INVENTORY

10.6% VACANCY RATE

2.6 MSF YTD NET ABSORPTION

$13.45 PSF ASKING RENT

6.4 MSF YTD NEW LEASING ACTIVITY

PHILADELPHIA and its surrounding suburban counties represent a centerpiece of American culture, history, and business. The city proper is the sixth-largest city in the United States, and is serviced by a vast interconnected transit network, allowing for the efficient transportation of laborers and goods alike.

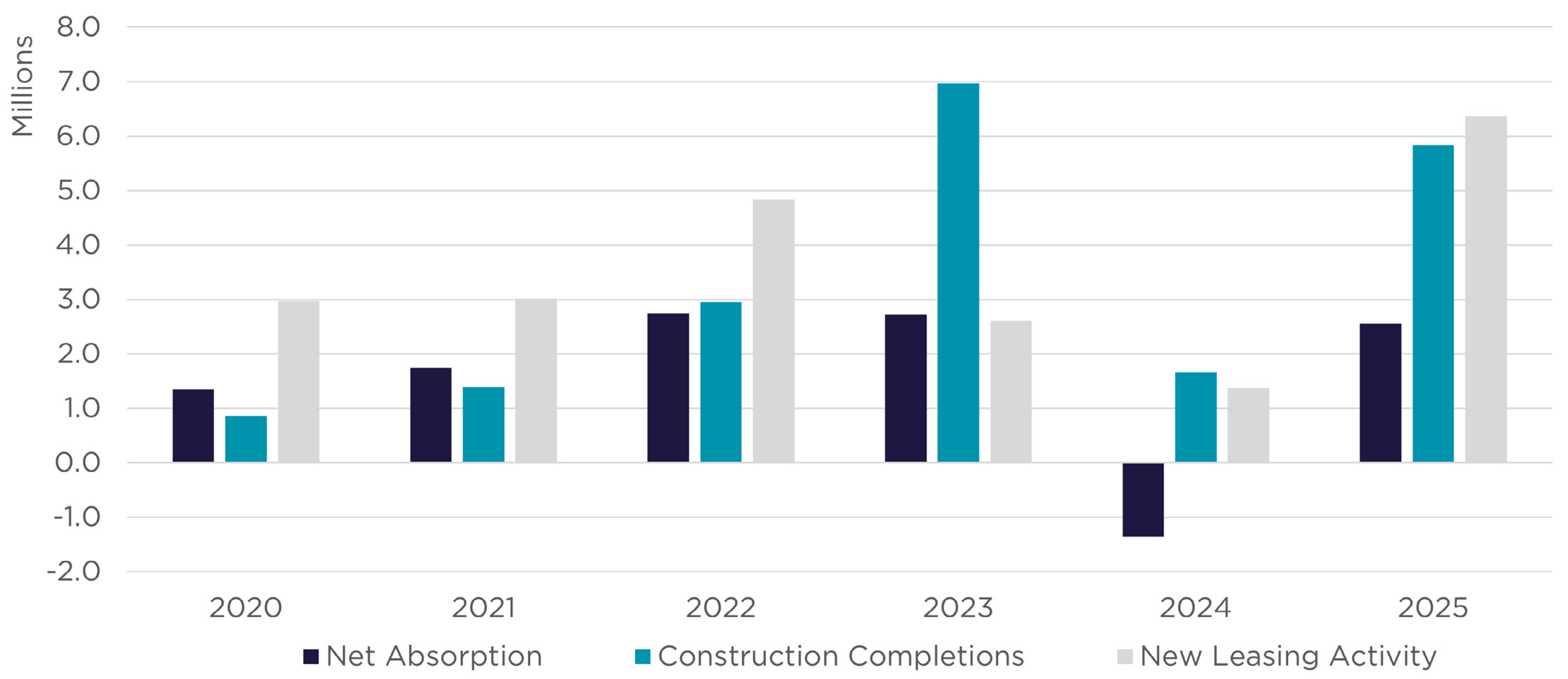
Regional absorption in the Southeastern Pennsylvania region has expanded greatly relative to year-end 2024's negative total, rising to 2.6 msf as of the end of 2025. Various tenants have occupied new space as they reconsider their locations in the market.

Construction completions as of year-end 2025 surpassed 2024's annual total by a factor of more than 3.5, concluding the year with 5.8 msf of new product. This will likely affect vacancy rates moving forward, as a substantial amount of premium available space comes online.

Southeastern PA leasing activity in 2025 nearly quintupled over 2024's total, settling at 6.4 msf. This total marks a five-year high in new leasing activity in the Philadelphia region.

Weighted average asking rents have risen steeply since year-end 2024, penning a 9.9% increase since that time and settling at $13.45 psf.

PHILADELPHIA:
LEASING, NET ABSORPTION & COMPLETIONS



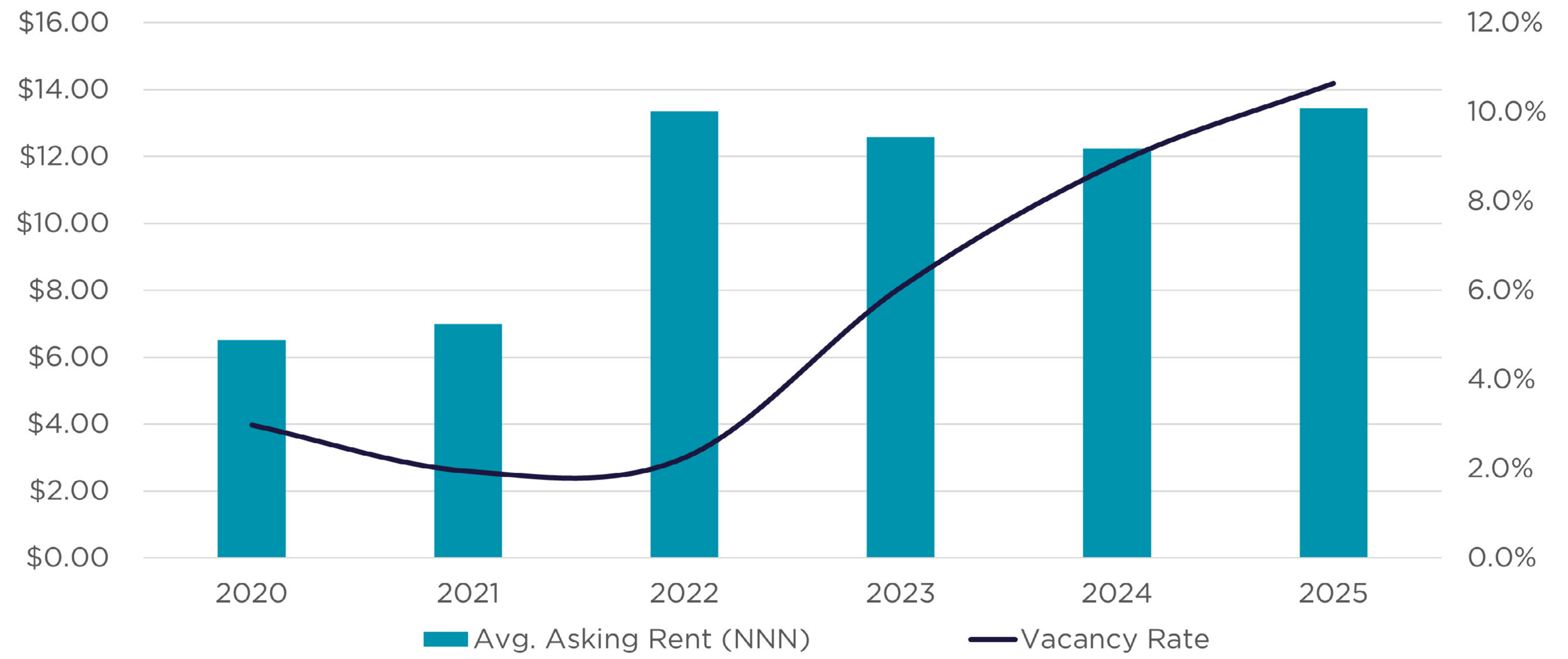
SUBMARKET STATISTICS Q4 2025

VIEW MORE DATA

Submarket	Inventory (SF)	Vacancy Rate	Avg. Asking Rents (NNN)
Philadelphia County	29,385,776	14.1%	$15.16
Lower Bucks County	26,712,468	10.8%	$12.77
Upper Bucks County	9,166,653	5.5%	$11.43
Montgomery County	24,432,903	7.8%	$11.23
Chester County	9,919,512	11.2%	$12.03
Delaware County	8,035,883	11.3%	$14.68
Totals	**107,653,195**	**10.6%**	**$13.45**

*Asking rents are NNN and the submarket average

PHILADELPHIA:
VACANCY RATE VS. AVERAGE ASKING RENT



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PA I-81/I-78

YEAR-END 2025 TRI-STATE INDUSTRIAL REPORT

457.9 MSF INVENTORY

7.2% VACANCY RATE

1.7 MSF YTD NET ABSORPTION

$8.95 PSF ASKING RENT

13.8 MSF YTD NEW LEASING ACTIVITY

Encompassing a significant area of land spanning from northeast Pennsylvania down to northern Maryland and northeast West Virginia, **THE I-81/I-78** Corridor represents a thriving and supply-rich industrial market with access to vast segments of the Eastern Seaboard.

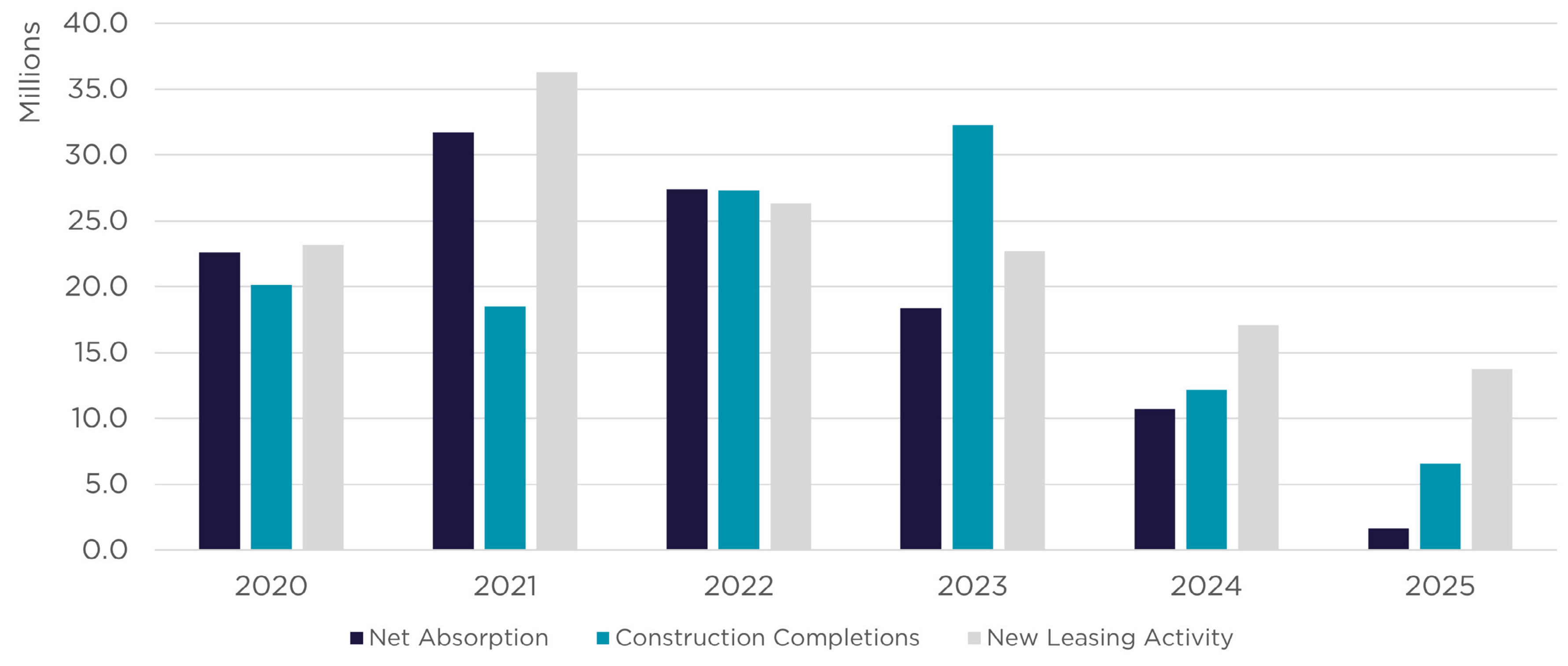
The region has expanded due to the powerful transportation arteries which run through its core. Granting the geography convenient access to the labor force and customer base of three states, the Corridor is one of the top industrial markets in the country.

Annual leasing activity in 2025 exhibited a decrease relative to 2024 – dipping by 19.3% since YOY - with Central PA and I-81S recording the highest square footage totals.

The region's overall average vacancy rate rose by 90 bps since year-end 2024 to 7.2%, as both leasing activity and absorption dipped since the year prior.

The region's under-construction pipeline soared YOY by 163.4% as developers regained confidence in the future of the market amidst challenging economic circumstances.

PA I-81/I-78:
LEASING, NET ABSORPTION & COMPLETIONS



KEY DRIVERS

- Large population concentration
- Available land for development
- Direct access to several international airports

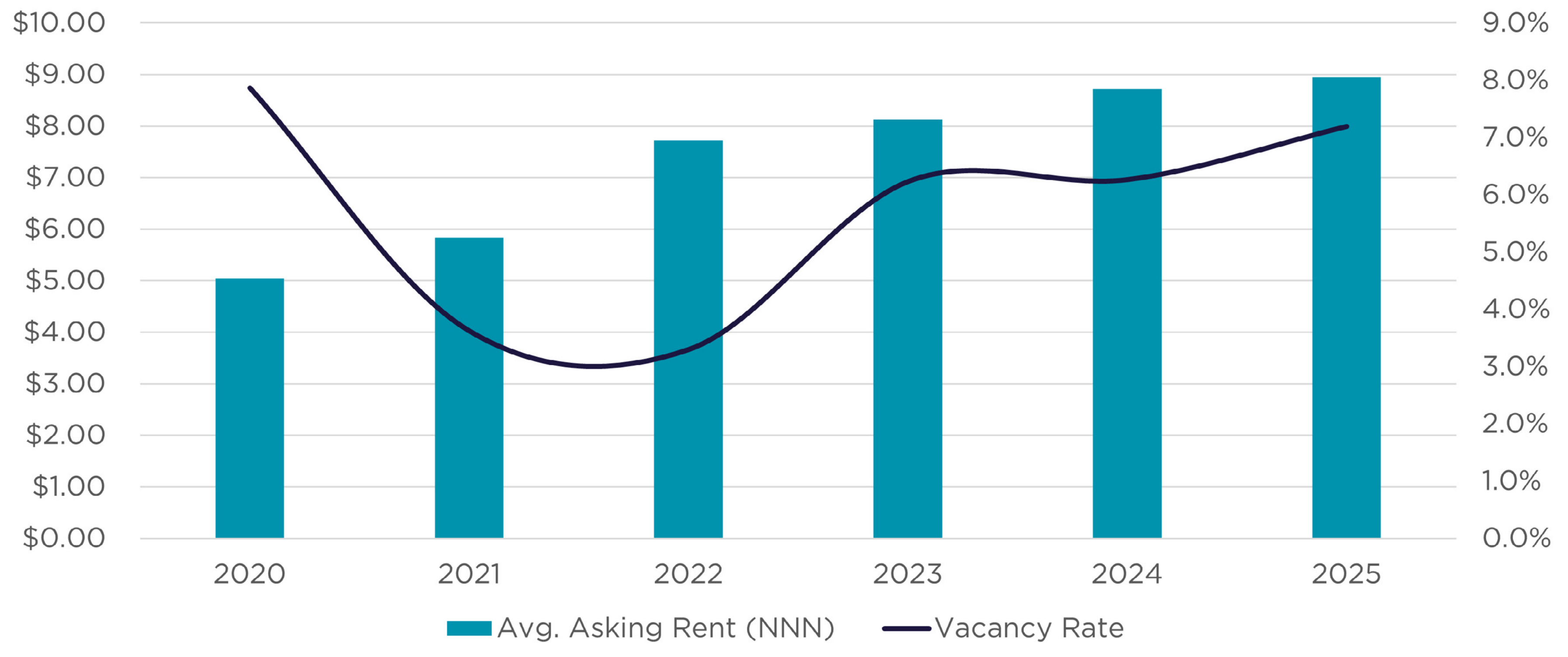
SUBMARKET STATISTICS Q4 2025

VIEW MORE DATA

Submarket	Inventory (SF)	Vacancy Rate	Avg. Asking Rents (NNN)
Lehigh Valley	107,906,703	8.0%	$11.78
Northeastern PA	86,364,149	4.8%	$7.58
Central PA	139,501,431	5.9%	$8.63
Split	58,889,364	9.6%	$8.39
I81S	65,232,222	9.6%	$6.95
Totals	**457,893,869**	**7.2%**	**$8.95**

*Asking rents are NNN and the submarket average

PA I-81/I-78:
VACANCY RATE VS. AVERAGE ASKING RENT



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YEAR-END 2025 TRI-STATE INDUSTRIAL REPORT

THE NEW YORK, NEW JERSEY, AND PENNSYLVANIA INDUSTRIAL CORRIDOR demonstrated resilience in the face of market headwinds during 2025. Low preleasing activity and recent tenant move-outs have contributed to an increase in overall supply, while economic pressures have slightly softened tenant demand. Despite these challenges, rental rates are expected to remain stable, with landlords continuing to offer incentives like free rent, early occupancy, and moving allowances to help mitigate vacancy.

The region's performance aligned with other major industrial hubs nationwide. While net absorption stayed positive in 2025, demand softened, mirroring trends on the West Coast. Rental rates have held steady in the corridor, in contrast to the declines seen in the Western region. Additionally, strong terminal activity at the Port of New York and New Jersey continued to drive demand, bolstered by the area's dense population base.

Looking ahead, expect steady growth for the region through 2026 and 2027. The PA I-81 & I-78 Corridor is expected to lead rent increases, with projected gains of 2.6% in 2026 and 3.4% in 2027. Although vacancy rates have ticked up in the short term, demand is anticipated to rebound, supporting further occupancy growth. Despite recent challenges, the corridor is well-positioned for sustained growth.

KEY TAKEAWAYS

- The Tri-State Industrial Corridor remained resilient in 2025, with stable rental rates and increased landlord incentives despite rising supply and economic headwinds.
- Strong port activity and robust demographics continue to support demand, while the region is well-positioned for sustained growth heading into 2026.

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