

2023
Q2



Bronx INDUSTRIAL LEASING Q2 | MARKET REPORT | 2023

Q2 Takeaways

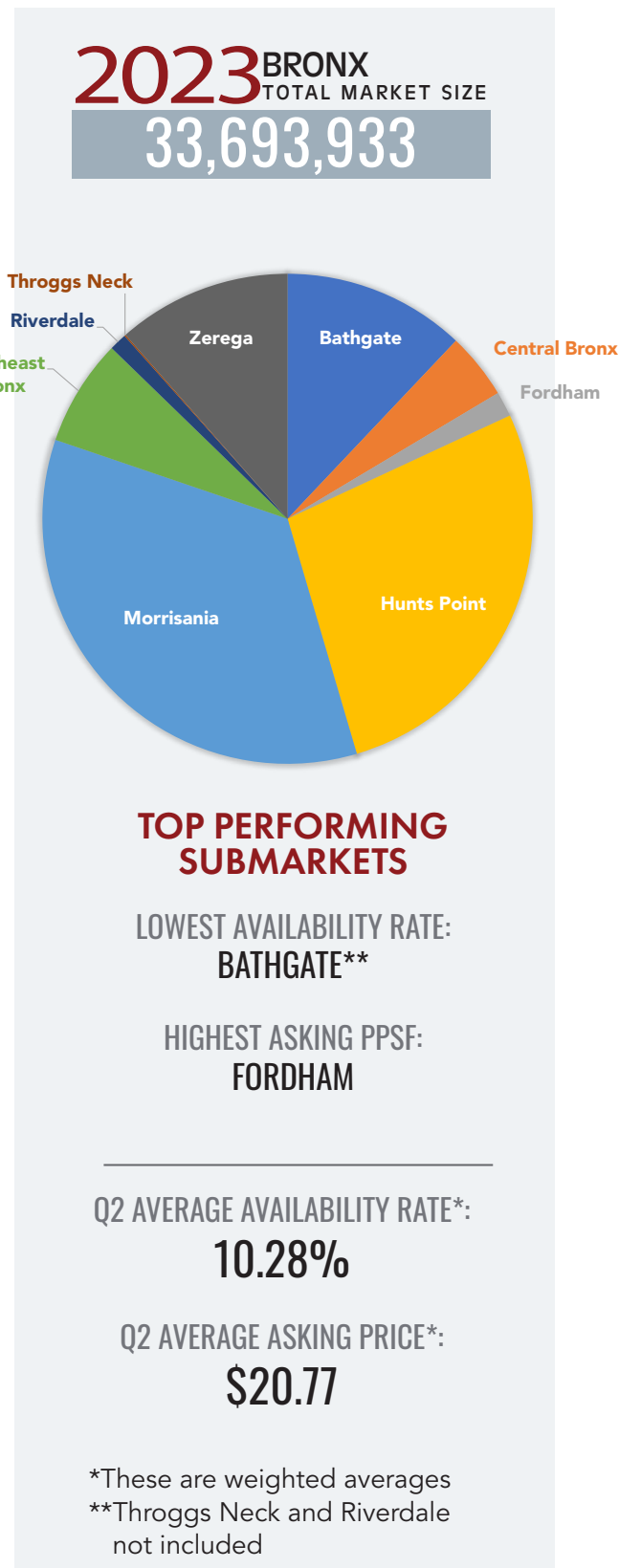
- After months of growth, the overall industrial market size shrunk due to redevelopment initiatives.
- Overall availability went down by over 1% quarter over quarter.
- A few big blocks of space remain available in the Borough with speculation for more in the months ahead.

SUMMARY

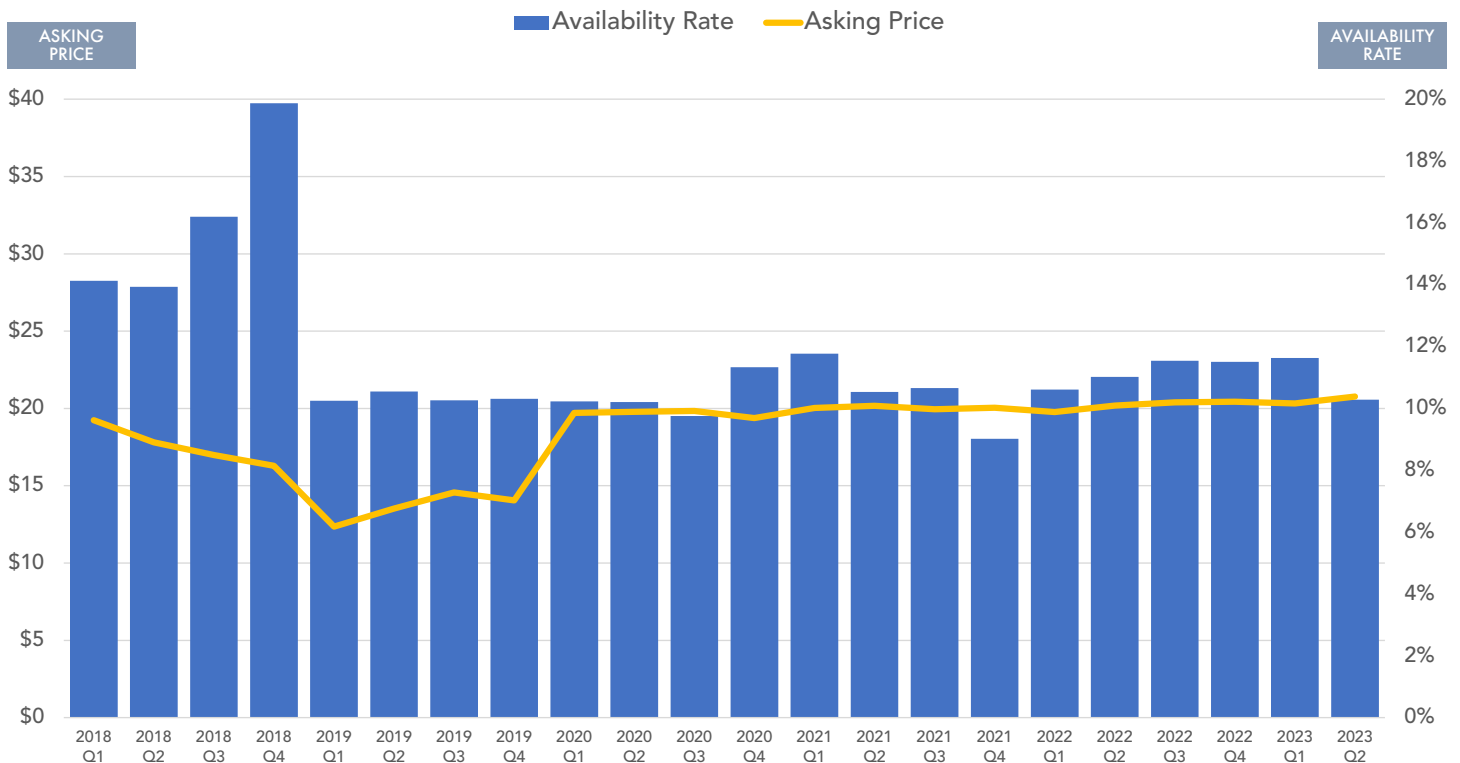
The biggest news concerning The Bronx's industrial market for the 2nd quarter was the shrinking of the overall market size. After a long period of sustained growth propelled by the emergence and success of e-commerce and the need for last-mile distribution, for the first time in years, there was a decrease in building supply.

The shrinking building supply did (albeit superficially) move the supply down by over 1%, but concerns about the viability of the big block availability in multistory buildings like 2505 Bruckner and the Bronx Logistics Center do persist. Who are the users of these buildings if they are not leased or sold to Amazon?

The quarter's leasing activity was driven by small users and no significant large blocks have come to the market. As the market continues to cool, we anticipate a relatively flat availability rate in the months ahead, however, one big lease could shake that all up as we all wait with bated breath to see who the takers for the large blocks of space will be.

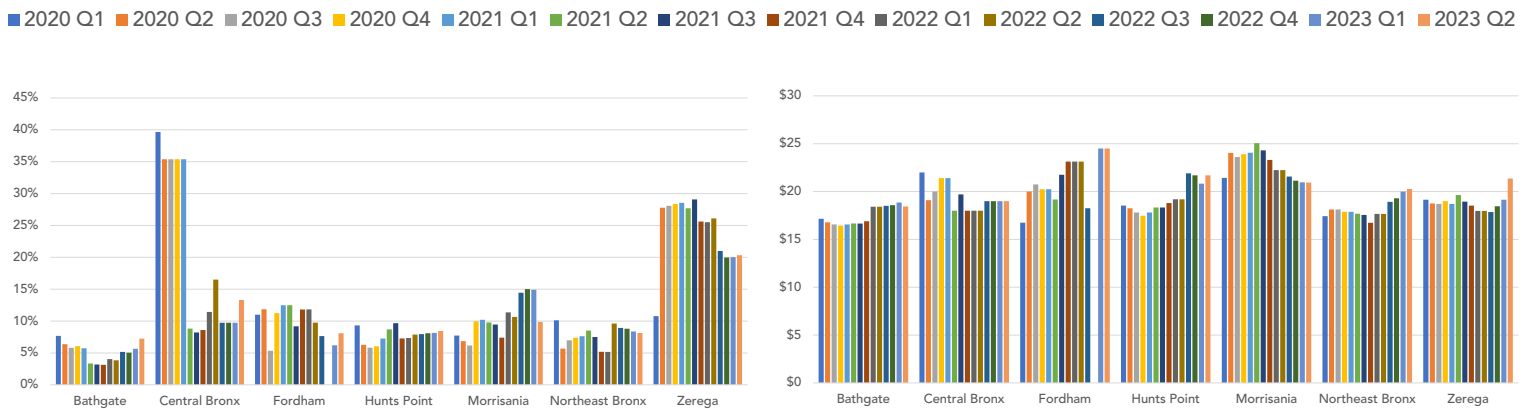


AVAILABILITY RATE AND ASKING PRICE TRENDS

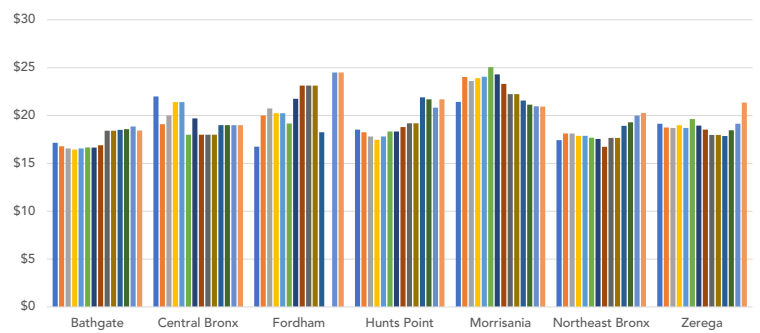


OVERALL AVAILABILITY RATE and ASKING PRICES 2018-2023 QTR OVER QTR

2020 to 2023 YE AVAILABILITY RATE BY SUBMARKET



2020 to 2023 YE ASKING PRICE BY SUBMARKET



AVAILABILITY RATE TRENDS



QUARTER
OVER
QUARTER
DECREASE

10.28%
Q2 BRONX
OVERALL
AVAILABILITY
RATE



YEAR
OVER
YEAR
DECREASE

ASKING PRICE TRENDS



QUARTER
OVER
QUARTER
INCREASE

\$20.77
Q2 BRONX
AVERAGE ASKING
PRICE



YEAR
OVER
YEAR
INCREASE

*Throggs Neck and Riverdale did not have significant availability.

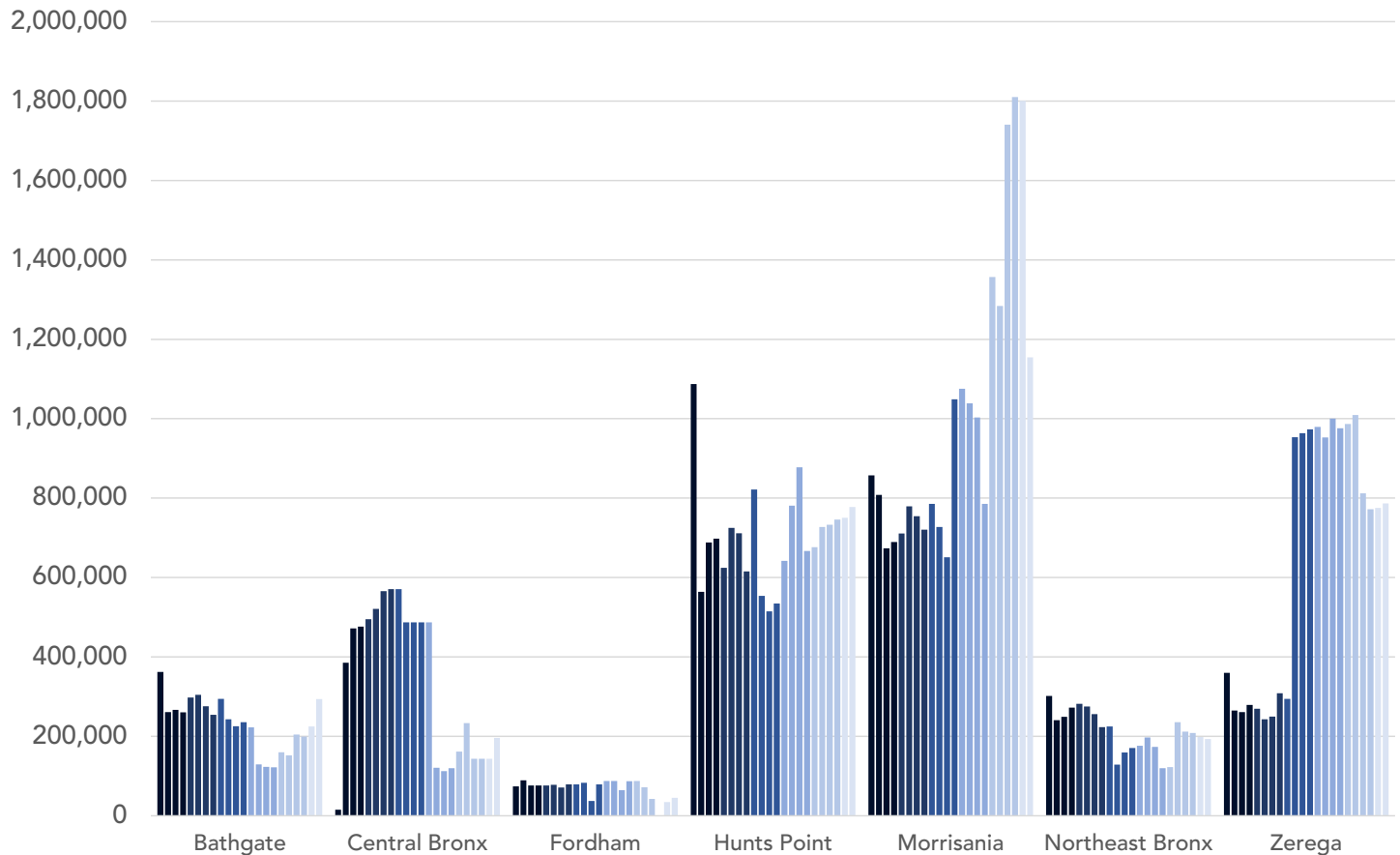
Rental rates are quoted on a gross basis using a formula for net costs*

TOTAL AVAILABILITY

BRONX SUBMARKETS 2018-2023 QTR OVER QTR

AVAILABLE SF

■ 2018 ■ 2019 ■ 2020 ■ 2021 ■ 2022 ■ 2023



*Throggs Neck and Riverdale did not have significant availability.

HIGHEST AVAILABILITY RATE:
Zerega

HIGHEST ASKING PPSF:
Fordham

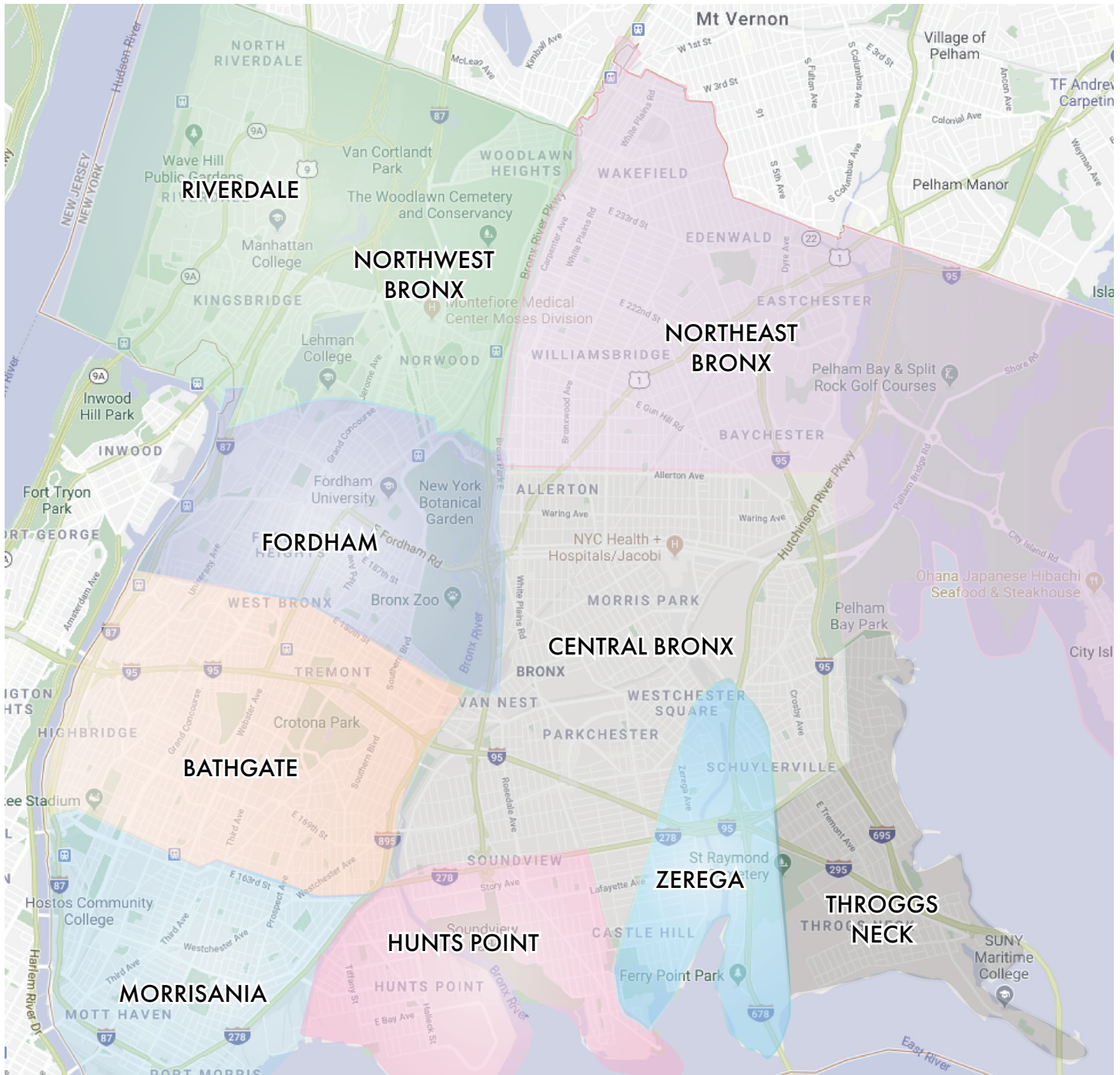
MOST AVAILABLE SF:
Morrisania

LOWEST AVAILABILITY RATE:
Bathgate

LOWEST ASKING PPSF:
Bathgate

LEAST AVAILABLE SF:
Fordham

Rental rates are quoted on a gross basis using a formula for net costs*





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