

COMMERCIAL REAL ESTATE REPORT Q4 2023

Atlantic City-Hammonton, NJ Metro Area

Select a Metro Area

Atlantic City-Hammonton, NJ Metr.

Demographics and Economy

Demographics

0.2%	30.0%	-13.6%	Net Migration in New Jersey
population growth (2022)	share of renters (2022)	renter household formation (2022)	4,632 (2023)
U.S.: 0.4%	U.S.: 34.8%	U.S.: 2.4%	-26,970 (2022)

Economy

8.6%	3,000	2.3%	9.3%
GDP growth (2022)	12-month job creation (December 2023)	1-year job growth (December 2023)	1-year wage growth (December 2023)
U.S.: 9.1%		U.S.: 1.7%	U.S.: 3.8%
\$47,630	6.1%	9.9%	International Migration in New Jersey
Average wage per year (December 2023)	unemployment rate (November 2023)	share of workers teleworking (2022)	49,298 (2023)
U.S.: \$61,120	U.S.: 3.7%	U.S.: 17.9%	38,635 (2022)

Commercial Real Estate by Sector

1. Office

Demand for office space is **stronger than nationwide** as this area has a faster absorption of office space. As a result, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Mo	Market Rent Growth 12 Mo	Market Rent/SF	Vacancy Rate
2023 Q4	-6,463	30,381	1.2%	\$23	6.2%
2022 Q4	20,934	20,017	3.8%	\$23	6.6%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
2023 Q4	7,611,058	0	0	\$0.50M	10.3%
2022 Q4	7,611,058	6,000	6,000	\$7.08M	9.8%

2. Multifamily

Demand for multifamily space is **weaker than nationwide** as this area has a slower absorption of multifamily space. Despite weaker conditions, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Absorption Units	Absorption Units 12 Months	Market Asking Rent Growth 12 Months	Market Asking Rent/Unit	Market Effective Rent/Unit	Vacancy Rate
2023 Q4	-15	-18	4.5%	\$1,604	\$1,597	4.1%
2022 Q4	18	-99	8.3%	\$1,535	\$1,529	2.7%
	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo			Market Cap Rate
2023 Q4	10,466	120	133			6.8%
2022 Q4	10,333	0	0			6.2%

3. Retail

Demand for retail space is **stronger than nationwide** as this area has a faster absorption of retail space. Despite strong conditions, rent prices rose slower than nationwide and vacancy rate is higher in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	164,143	104,447	2.9%	\$17	5.0%
2022 Q4	-164,011	-20,100	3.1%	\$17	5.4%
	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF	
2023 Q4	18,443,971	7.4%	\$2.72M	\$45	
2022 Q4	18,406,285	7.4%	\$13.60M	\$78	

4. Industrial

Demand for industrial space is **weaker than nationwide** as this area has a slower absorption of industrial space. As a result, rents rose slower than nationwide. However, vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	49,125	-95,909	5.7%	\$10	4.3%
2022 Q4	65,023	98,633	10.0%	\$10	3.2%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
2023 Q4	9,500,263	0	0	8.1%	\$0.35M
2022 Q4	9,500,263	21,600	216,300	7.6%	\$1.83M

Sources: NAR analysis on data from the U.S. Census Bureau, U.S. Bureau of Labor Statistics, Bureau of Economic Analysis, CoStar

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COMMERCIAL REAL ESTATE REPORT Q4 2023

Trenton-Princeton, NJ Metro Area

Select a Metro Area

Trenton-Princeton, NJ Metro Area

Demographics and Economy

Demographics

-1.4%	36.3%	-1.0%	Net Migration in New Jersey
population growth (2022)	share of renters (2022)	renter household formation (2022)	4,632 (2023)
U.S.: 0.4%	U.S.: 34.8%	U.S.: 2.4%	-26,970 (2022)

Economy

10.0%	10,700	3.7%	-1.2%
GDP growth (2022)	12-month job creation (December 2023)	1-year job growth (December 2023)	1-year wage growth (December 2023)
U.S.: 9.1%		U.S.: 1.7%	U.S.: 3.8%
\$66,390	4.1%	18.9%	International Migration in New Jersey
Average wage per year (December 2023)	unemployment rate (November 2023)	share of workers teleworking (2022)	49,298 (2023)
U.S.: \$61,120	U.S.: 3.7%	U.S.: 17.9%	38,635 (2022)

Commercial Real Estate by Sector

1. Office

Demand for office space is **weaker than nationwide** as this area has a slower absorption of office space. Despite weak conditions, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Mo	Market Rent Growth 12 Mo	Market Rent/SF	Vacancy Rate
2023 Q4	-53,052	-568,790	1.0%	\$29	10.2%
2022 Q4	-296,879	-767,520	3.2%	\$29	8.5%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
2023 Q4	31,906,050	0	1,533	\$10.40M	10.2%
2022 Q4	31,904,517	0	-999,383	\$50.00M	9.6%

2. Multifamily

Demand for multifamily space is **weaker than nationwide** as this area has a slower absorption of multifamily space. Despite weaker conditions, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Absorption Units	Absorption Units 12 Months	Market Asking Rent Growth 12 Months	Market Asking Rent/Unit	Market Effective Rent/Unit	Vacancy Rate
2023 Q4	-37	11	2.4%	\$2,019	\$2,001	3.9%
2022 Q4	42	879	6.2%	\$1,972	\$1,964	2.9%
	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo		Market Cap Rate	
2023 Q4	20,302	0	221		5.9%	
2022 Q4	20,081	0	49		5.2%	

3. Retail

Demand for retail space is **stronger than nationwide** as this area has a faster absorption of retail space. Despite strong conditions, rent prices rose slower than nationwide and vacancy rate is higher in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	1,556	170,939	3.3%	\$22	4.2%
2022 Q4	120,477	18,563	4.0%	\$22	4.8%
	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF	
2023 Q4	22,088,000	8.0%	\$66.39M	\$112	
2022 Q4	22,064,881	8.1%	\$35.75M	\$163	

4. Industrial

Demand for industrial space is **stronger than nationwide** as this area has a faster absorption of industrial space. Despite strong conditions, rent prices rose slower than nationwide. However, vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	-297,616	708,615	6.2%	\$10	5.2%
2022 Q4	374,214	1,826,960	10.3%	\$9	5.2%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
2023 Q4	43,943,948	154,846	753,121	6.4%	\$5.03M
2022 Q4	43,190,827	1,332,548	2,202,547	6.1%	\$72.33M

Sources: NAR analysis on data from the U.S. Census Bureau, U.S. Bureau of Labor Statistics, Bureau of Economic Analysis, CoStar

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