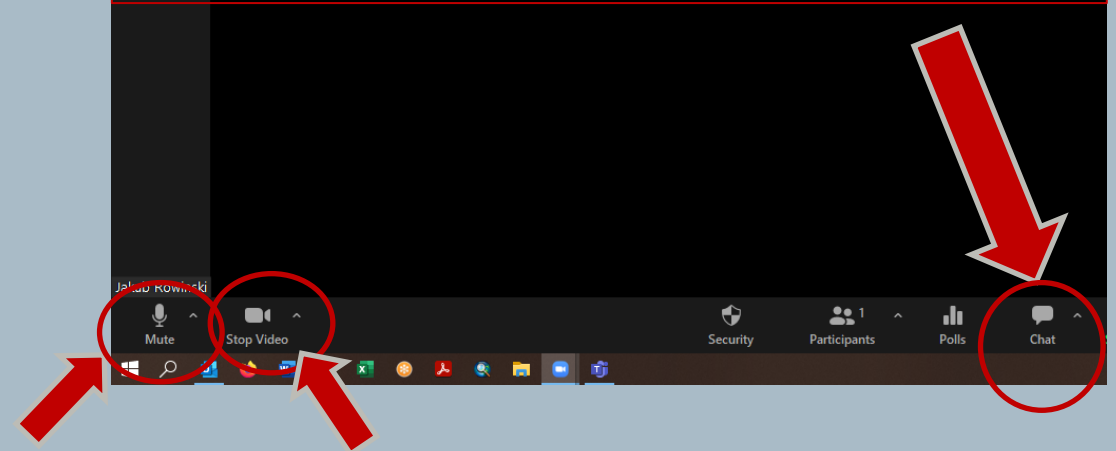


December 12 Freight Initiatives Committee Agenda

- Roll Call of Members
- Approval of Minutes
- Update on NJTPA Freight Division Activities
- Annual Industrial Real Estate Update
 - William Waxman, Vice Chairman, Cushman and Wakefield
 - Steven Beyda, Senior Vice President of Acquisitions, Woodmont Industrial Partners
 - Jesse Harty, Senior Vice President and Market Officer for New Jersey and New York, Prologis
- Two-Minute Reports on Freight Activities from Committee Members
- Next Meeting: Tuesday, February 21, 2023 – Annual Trucking Industry Update
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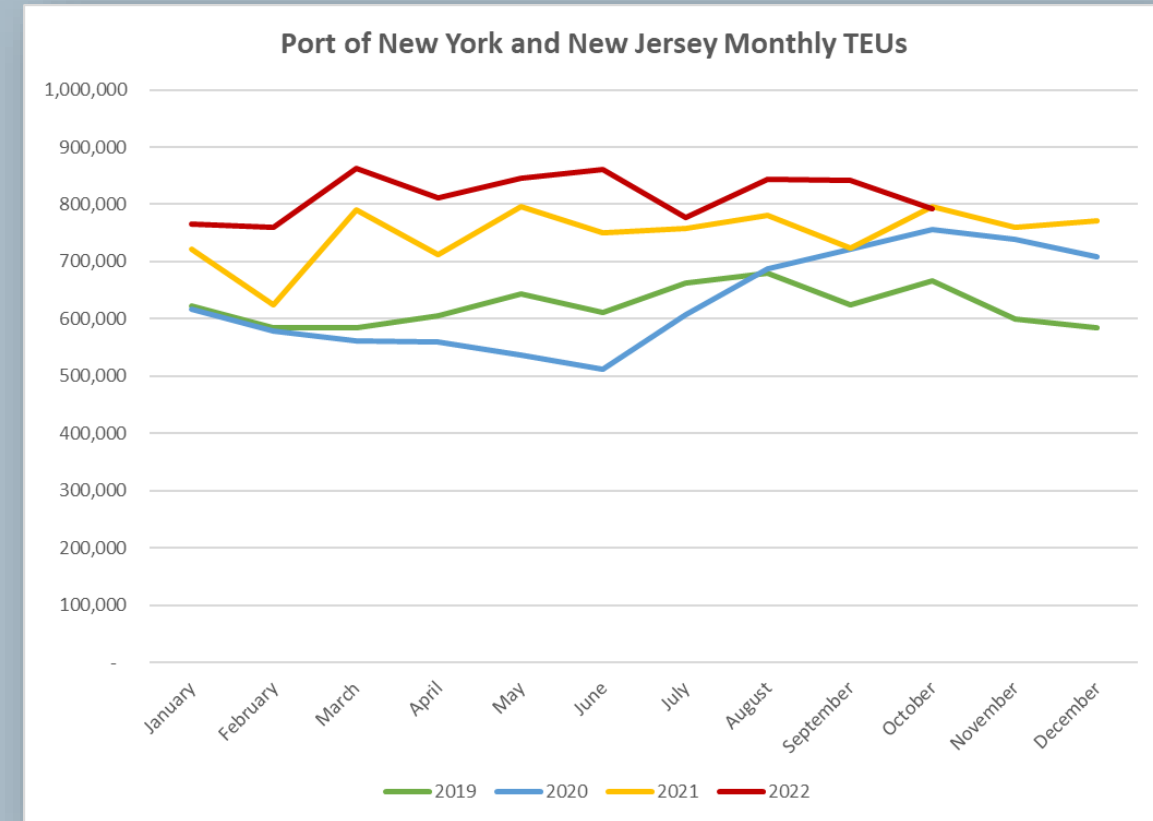
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NJTPA Freight Division Update

- Held November 15 Workshop on Effective Practices for Enhancing Last Mile Workforce Accessibility Options to Freight Facilities for the MAP Forum Multi-State Freight Working Group

For the workshop presentations and recordings, please go to: <https://map-forum-njtpa.hub.arcgis.com/pages/freight>

- Continuing work to enhance and update our Goods Movement Strategies for Communities webtool.



Source: Port Authority of New York and New Jersey

NJTPA Freight Division Studies

Freight Rail Grade Crossing Assessment Update

- Deployed Miovision at Select Grade Crossings
- Completing Data Collection Task
- Scoring and Prioritizing of Grade Crossings Underway

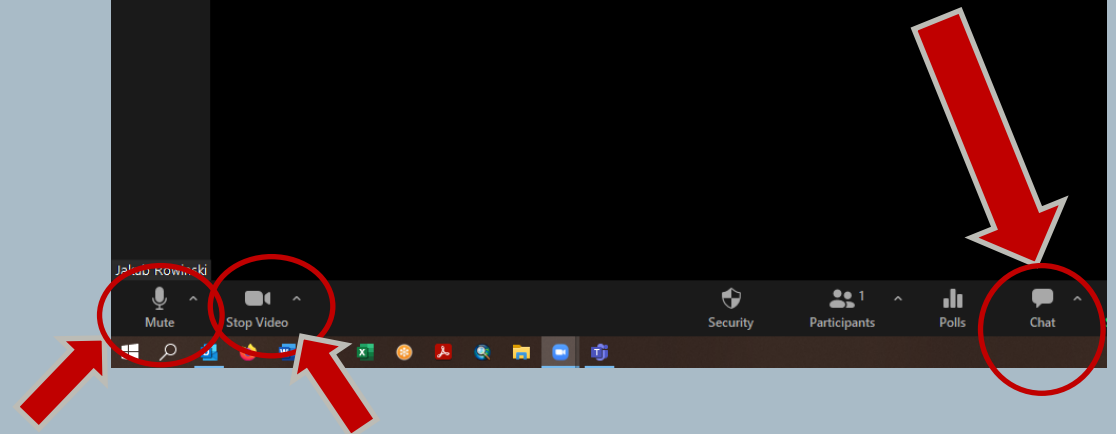
FY2021 Freight Concept Development Program Studies

- Completed Value Engineering Studies for Bound Brook and Roxbury Projects
- Finalizing Preliminary Preferred Alternatives (PPAs) for Both Studies
- Ongoing Stakeholder Coordination

December 12 FLC Presentations

- William Waxman, Vice Chairman, Cushman and Wakefield
- Steven Beyda, Senior Vice President of Acquisitions, Woodmont Industrial Partners
- Jesse Harty, Senior Vice President and Market Officer for New Jersey and New York, Prologis

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FREIGHT INITIATIVES COMMITTEE

PRESENTED BY:
BILL WAXMAN, VICE CHAIR
CUSHMAN & WAKEFIELD

DOMINANT

MARKET DRIVER

TYPES OF TENANTS

LAST MILE / E-COMMERCE



RETAIL & DISCOUNT RETAIL



HOME GOODS & CONSUMER PRODUCTS



AUTOMOTIVE



3PLS & FULFILLMENT

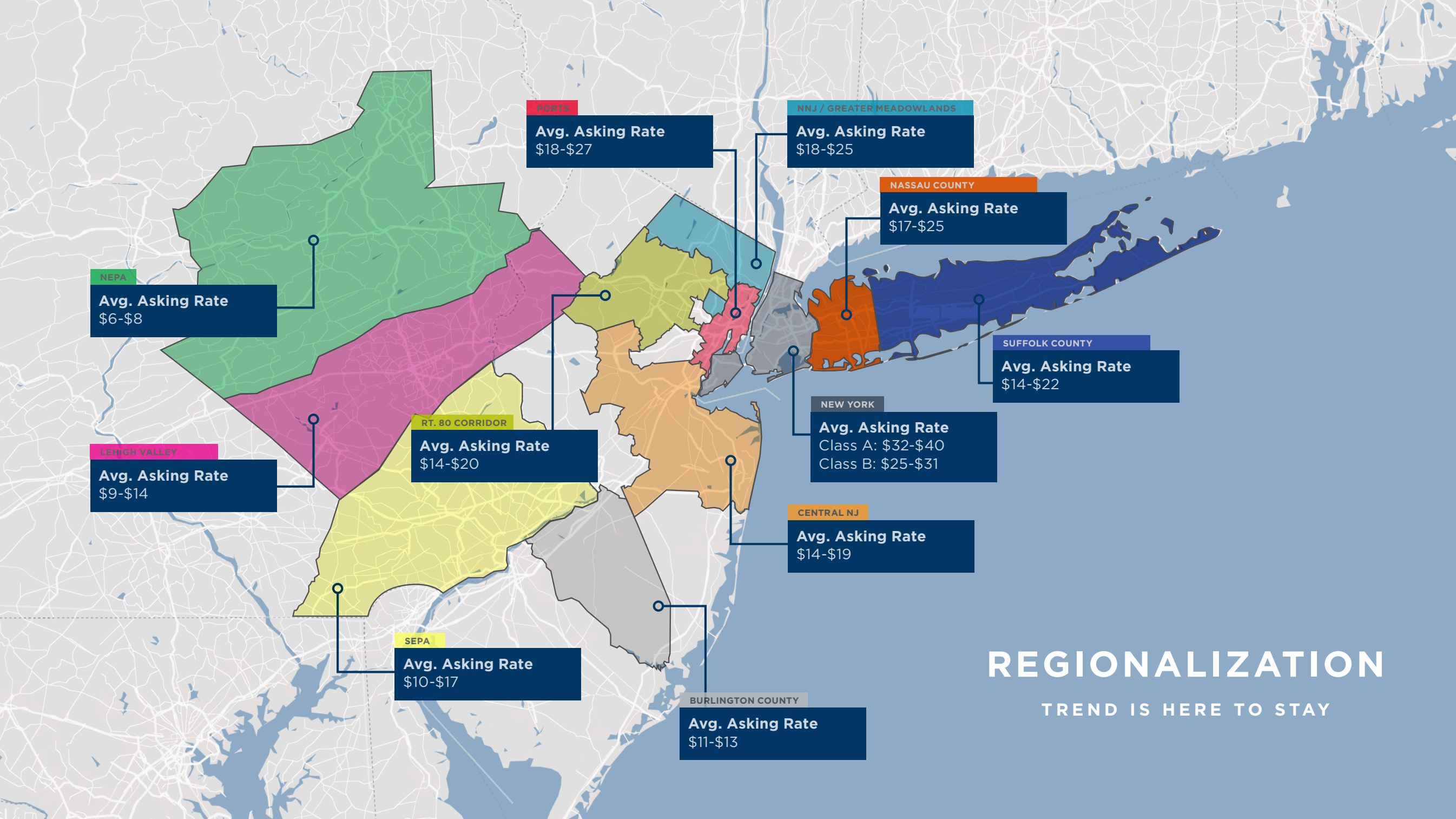


COLD CHAIN
FOOD & BEVERAGE



LIFE SCIENCES





REGIONALIZATION

TREND IS HERE TO STAY



OFFICE



7.8M SF

OF OFFICE CONVERTED TO
INDUSTRIAL IN NNJ & CNJ



RETAIL



300K SF

OF RETAIL CONVERTED TO
INDUSTRIAL IN CNJ



OUTLOOK

FOR INDUSTRIAL

WHAT DIRECTION IS INDUSTRIAL HEADED?



RENT \$'S



VACANCY

+/-
140M

REGIONAL
PIPELINE



THANK YOU

FOR MORE INFO:

Bill Waxman, SIOR

Vice Chair

+1 201 394 9989

bill.waxman@cushwake.com



NJTPA Freight Initiatives Industrial Redevelopment

STEVEN I. BEYDA

SENIOR VICE PRESIDENT INDUSTRIAL ACQUISITION

WOODMONT INDUSTRIAL PARTNERS

DECEMBER 12, 2022

Agenda

1. WIP Background
2. Industrial Market Overview
3. Commercial to Industrial – What?
4. Commercial to Industrial – Why?
5. Commercial to Industrial – Where?
6. Commercial to Industrial – When?
7. Commercial to Industrial – How?
8. 400 Atrium





WIP Background

Section 1

Woodmont Properties - WIP

- Woodmont Properties - Privately held real estate developer based out of Fairfield NJ
- >50 years track record
- Focus on Multi-family, Industrial, Senior Living, and Hospitality
- NY/NJ/PA, GA, FL, TX
- WIP - Industrial arm of Woodmont Properties
- In development:
 - 11.5MM SF
 - 58 buildings
 - 500k SF under construction
- 1.6MM SF under management
- In house resources for all stages of development

A blurred industrial setting featuring a conveyor belt in the foreground with several white cardboard boxes. In the background, there are large yellow and blue industrial tanks or containers, and a person in an orange safety vest is visible on the right side. The overall scene is out of focus, emphasizing the industrial environment.

Industrial Market Overview

Section 2

Industrial Market Overview

- Over 1 billion SF
- Less than 1.2% vacancy across NJ
- 15-20MM SF new construction delivered each year (\pm 2-3MM is demolished each year)
- Rents growing >15% annually
- Construction costs up >20%
- Record low vacancy fails to slow leasing velocity, resulting in the second highest H1 in history.
- Inventory levels trend higher as supply chains shift from “Just in Time” to “Just in Case”.
- E-Commerce users accounted for up to 30% of leasing activity in 2020 but down to 10% in 2022
- E-Commerce users have transitioned to more traditional 3PL models
- Cap rates on the rise as the flow of capital is constrained
- Public sentiment and regulatory changes are making new development even more challenging

Top 3 industrial trends

1.

Despite macroeconomic headwinds, the leasing environment remains exceedingly landlord favorable.

2.

The push for risk mitigation and supply chain resiliency continues to drive demand to record levels across a range of industries.

3.

Supply remains constrained due to record low vacancy and prolonged construction timelines on under development product.



Commercial to Industrial – What?

Section 3

Commercial to Industrial Projects





Commercial to Industrial – Why?

Section 4

Why Commercial to Industrial?

#1 Consumer market in North America

e-Commerce

Last mile / Last-touch centers

Land constrained

User demand far outpacing supply

Modern amenities

Proximity to labor

Logistical advantages

Aging inventory

Port location

Work from home

Overbuilt office market



Commercial to Industrial – Where?

Section 5

Where Commercial to Industrial?

Well located industrial / office parks / submarkets

Proximate to major highways

Close to strong labor

Avoid local residential roadways

Parcel shape

Topography

Wetlands

Environmental



Commercial to Industrial – When?

Section 6

When Commercial to Industrial?

Zoned as of right vs variances

Environmental due diligence

Backlog of construction materials

Utilities (Water / Sewer)

Tenant Rollover - Buyouts

Subject to or As-Is Where-is

Engineering / Design

Demolition

Traffic studies



Commercial to Industrial – How?

Section 7

How Commercial to Industrial?

Approvals

Environmental remediation

Modern construction design

Engineering / Design

Demolition

Traffic studies

Leasing



400 Atrium Drive - Somerset

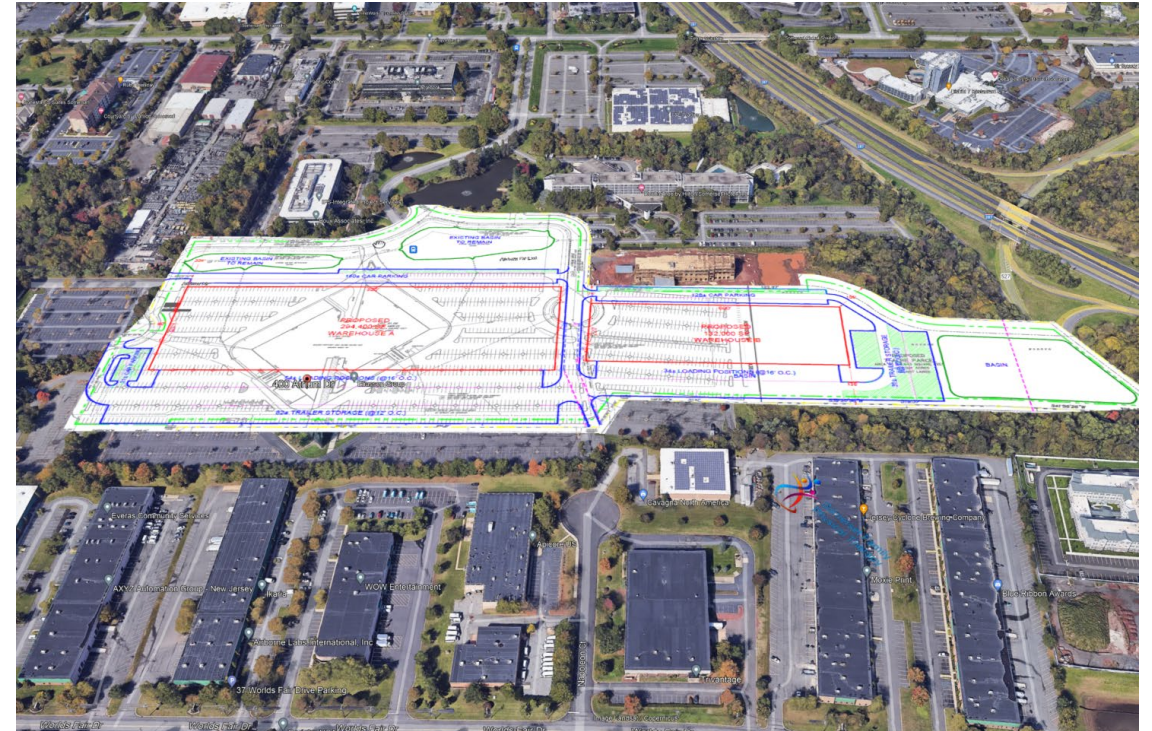
Section 8

400 Atrium Drive - Somerset

Existing Office



Proposed Industrial





Freight Initiatives Committee/Annual Industrial Update Meeting Prologis (Landlord) Perspective

Jesse Harty, SVP – Market Officer
December 2022

Prologis At-A-Glance

1983

Founded

\$188B

Assets under management

100

Global most sustainable
corporations

1.2BSF

On four continents

PLD

NYSE, S&P 500 member

5,421

Buildings

A3/A

Credit rating

6,300

Customers

Note: A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.
Data as of October 3, 2022, inclusive of Duke Realty.

Trends: Landlord Side

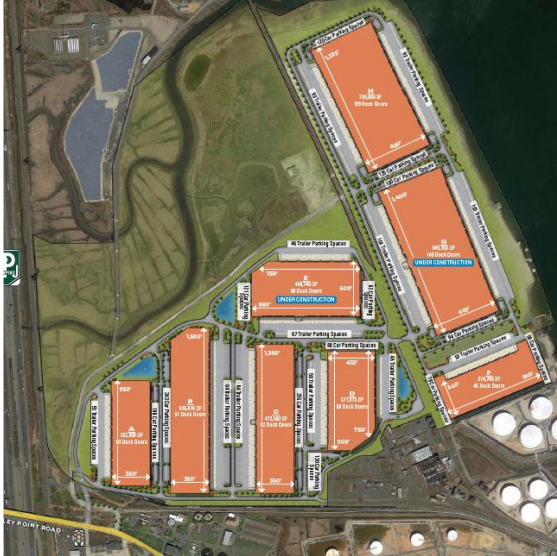
- Port and Population drive NJ industrial
- Leasing and Capital Markets have diverged
- Record setting rents continue spurred by unsatiable user demand
- Record setting low vacancy
- Land prices have decreased
- Building values = TBD
- New Jersey is now one market, not just South, Central and North
- Bigger buildings the better with 40' clear and ample car / trailer parking
- Fleet Management / Trailer Parking Uses
- Repurposing other property types in industrial
- Labor, Labor, Labor....

Prologis' Community Workforce Initiative (CWI)

- Prologis collaborates with local workforce programs to provide mentorship, skills training, internships and job placement services for people interested in pursuing careers in logistics, distribution and transportation.
- Through CWI partnerships, we are helping our customers address labor needs and expand their talent pipelines.
- In addition to serving our customers, the initiative is structured to enhance local economies and help create career opportunities in the communities where we do business.
- For New Jersey, Newark Alliance/CareerWorks was selected as one of 15 communities across the US to launch and implement the Prologis Community Workforce Initiative.
 - 226 enrolled in the program
 - 102 placed in jobs

Development in New Jersey

Total Under Construction: 43.6M SF | Total Available Under Construction: 38.4 M SF



Linden Logistics Center

- Advance and Greek
- Linden / Exit 12
- 8 buildings / 4.1M SF
- 840K SF, 480K SF & 735K SF – Completed
- 473K SF, 372K SF, 517K SF & 333K SF – Under Construction



Kingsland Meadowlands

- Forsgate and Russo
- Lyndhurst / Exit 16W
- 5 buildings / 2.8M SF

Prologis Development:

- 151 Maywood Avenue
 - 379K SF (I-80 & Rte 17 / Maywood)
- 7 New Hook Road
 - 1.1M SF (Bayonne / Exit 14)
- 357 Wilson Avenue
 - 143K SF (Newark / Exit 14)
- 112 West Park Drive
 - 191K SF (Mt. Laurel / Exit 4)
- 198 Democrat Road
 - 574K SF (East Greenwich / Exit 2)
- 601 E 10th Street
 - 374K SF (South Philadelphia)
- 600 Grumman Road West
 - 244K SF (Long Island)

Prologis Availabilities:

- 4 South Middlesex Avenue
 - 203K SF (Monroe / Exit 8A)
- 4700 Island Avenue
 - 255K SF (Philadelphia)

NYC Boroughs: Multi-Story Developments



640 Columbia Street (Brooklyn)

- CBRE IM
- 300K SF on 3 levels
- Tenant: Amazon
- Status: Completed



2505 Bruckner Boulevard (Bronx)

- Innovo Property Group
- 1M SF on 2 levels
- Tenant: 50% to Amazon
- Status: Completed



55-15 Grand Avenue (Queens)

- RXR & LBA
- 770K SF on 5 levels
- Tenant: Amazon
- Status: Completed



980 E 149th Street (Bronx)

- Turnbridge Equities & Dune RE
- 1.3M SF on 4 levels
- Tenant: None
- Status: Under Construction



2330 Borden Avenue (Queens)

- Innovo Property Group
- 840K SF on 5 levels
- Tenant: None
- Status: Under Construction



28-10 Whitestone Exp. (Queens)

- Wildflower Ltd
- 249K SF on 3 levels
- Tenant: None
- Status: Under Construction

Prologis Boroughs

38-21 Twelfth Street (Queens)

- 400K SF on 5 levels



46-81 Metropolitan Ave (Queens)

- 15,100 SF on 4.5 Acre Lot



280 Johnson Ave (Brooklyn)

- 31,450 SF



450 Johnson Ave (Brooklyn)

- 32,500 SF



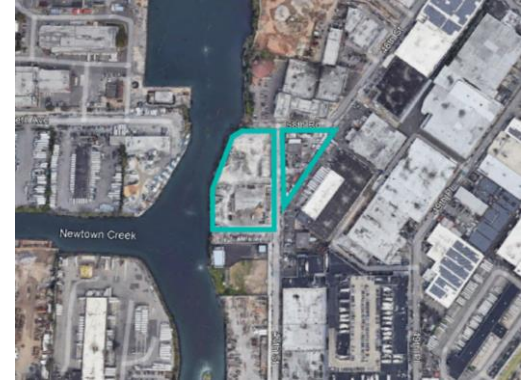
460 Kingsland Ave (Brooklyn)

- 25,315 SF



57-00 47th Street (Queens)

- 24,498 SF on 3.85 Acre



Regional Market Comparison

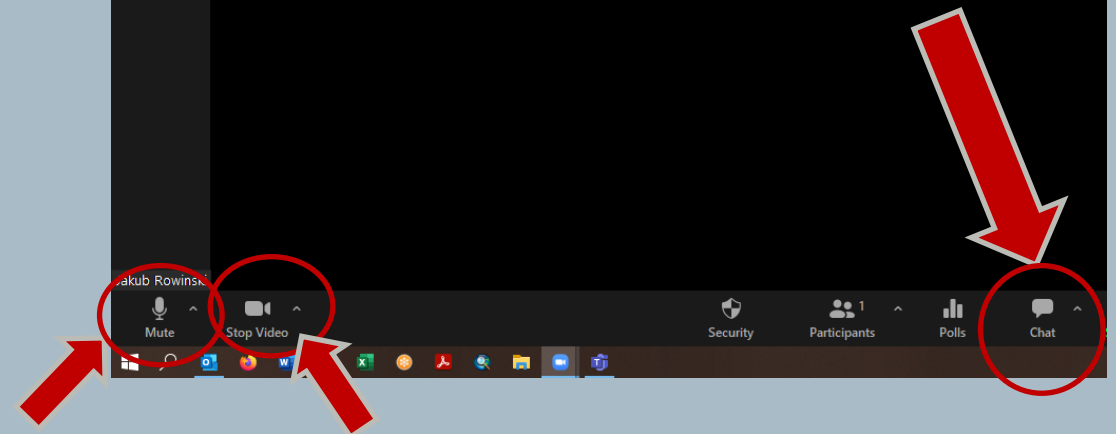
	Square Footage	Vacancy %	Population	Ports TEUs	Net PSF Rents
New Jersey	900 M	2.3%	20M	9M	\$10 - \$30
Central PA/Lehigh Valley	500 M	3.1%	6M	-	\$6 - \$11
Baltimore/DC	250 M	3.1%	9M	1M	\$12 - \$20
Atlanta	660 M	4.2%	7M	6M / 3M	\$6 - \$8
South Florida	330 M	2.4%	6M	2M	\$14 - \$17



December 12 Freight Initiatives Committee



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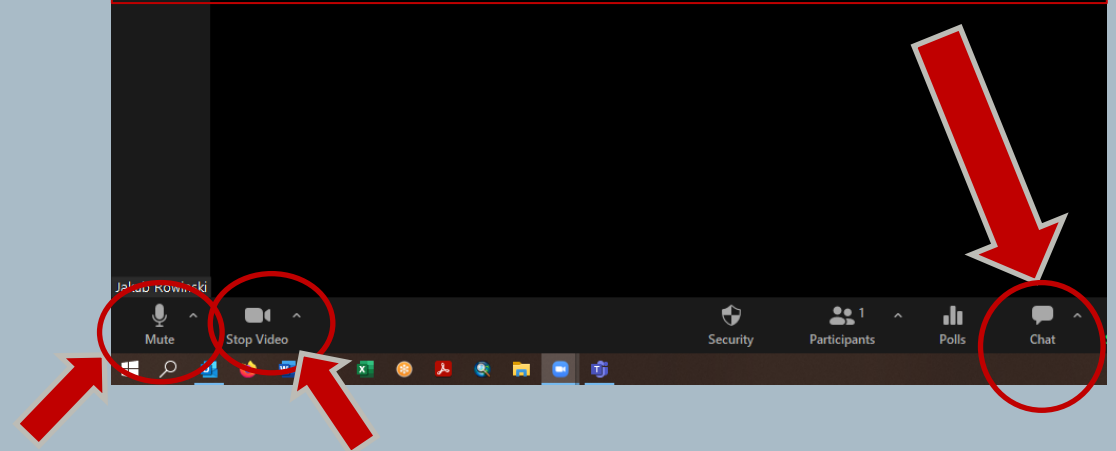


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