



Princeton, New Jersey

Tenant's Guide ▪ North American Markets ▪ First Quarter 2012

Overview

Princeton has become all-a-buzz in promotional events, public gatherings, and academic, economic, and political forums. Countering the direct deal negotiations of the past, tenant advisory and outsourcing trends are back in vogue as a means of generating new contacts and business opportunities.

Market Trends

- The office medical surge has commenced with the delivery of two new medical centers.
- Renewing (and early renewing) tenants will secure the best economic terms (but not for much longer).
- Social networking, both electronically and face-to-face, is on the rise.

Tenant's Perspective

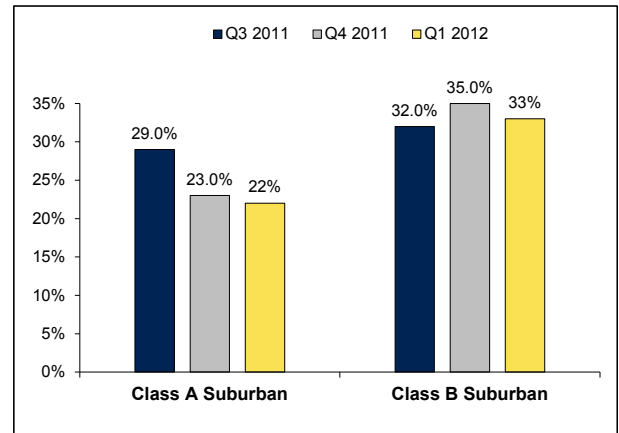
The greatest windows of opportunity for tenants are slowly closing as confidence in an economic turn-around seems evident. Landlords in the Princeton market have traditionally taken a forward-looking, optimistic approach regarding any anticipated positive economic news. This can cause them to start raising their rents much earlier than the markets warrants, so early negotiations are highly recommended at this time.

Although this positive feeling may be true nationally, there still is a sizable consolidation and relocation by regional firms to move closer or into their New York and Philadelphia metropolitan markets. Only with competitive rental rates will many firms consider continuing their presence (or return) within the greater Princeton office market.

Major Transactions

Tenant/Buyer	Size	Type	Lease/Sale
Integra Life Sciences	36,000	Office	Lease
Sparta	30,000	Office	Lease
Princeton Marketing Group	15,000	office	Lease
Ferra & Company	13,658	office	Lease
Yoss Wong Fleming P.C.	13,652	Office	Lease
IDIS	11,895	office	Lease
CBIZ Valuation Group	8,426	Office	Lease
Antares Pharma, Inc.	8,065	Office	Lease
The Concord Advisory Group	5,500	Office	Sale
Weil Gotshal	4,839	Office	Sublease

Vacancy Rate



Average Rental Rates

CBD	Q3 2011	Q4 2011	Q1 2012
Class A Office	\$30.73	\$31.39	\$32.81
Class B Office	\$25.58	\$22.97	\$26.65