



**EXTENSIVE SURVEY OF NEW JERSEY'S RETAIL
LANDSCAPE INDICATES 8.12 PERCENT VACANCY RATE
THROUGHOUT NORTHERN AND CENTRAL NEW JERSEY**

22 RETAIL CORRIDORS, TOTALING OVER 4,250 PROPERTIES SURVEYED

Vacancy Rate Stabilizing; New Jersey Retail Sector Improving

PARAMUS, NJ. (MARCH 14, 2011) - The Goldstein Group, New Jersey's leading commercial real estate brokerage firm, recently completed its Survey of New Jersey's retail marketplace and concluded that as of January 2011 there was an overall vacancy rate of 8.12% throughout Northern and Central New Jersey, compared to the 8.16% in July 2010, 8.11% in January 2010 and 8.18% in July 2009. There appears to be stabilization in the vacancy rates, but more importantly, there is considerable improvement in the absorption of vacant space on New Jersey's major highways. Spanning over 4,250 highway properties and comprised of over 96 million square feet of retail space, this survey is the most in-depth retail vacancy report of the State of New Jersey. The vacancy rate indicates stabilization in the market compared to the increases that started in July 2008 when the vacancy rate was 5.21%. Finally, things are looking up for the retail real estate market.

Market	# Of Properties	Total SF	Vacant SF	% Vacancy Rate						SF Leased In 2010	SF Under Construction
				1/2011	7/2010	1/2010	7/2009	1/2009	7/2008		
TOTAL*	4,251	96,674,577	7,850,760	8.12%	8.16%	8.11%	8.18%	6.86%	5.21%	3,730,085	902,910
Rt 4 - Paramus	91	2,687,299	170,227	6.33%	6.71%	7.33%	7.08%	6.81%	9.81%	117,922	43,081
Rt 4 - Elmwood Park/Fair Lawn	90	771,952	65,320	8.46%	8.79%	7.53%	9.20%	7.88%	3.51%	20,500	0
Rt 17 - Paramus	135	3,648,328	364,578	9.99%	10.07%	9.37%	11.53%	8.88%	7.37%	230,433	45,000
Rt 17 - Ramsey/Mahwah	120	2,678,391	68,380	2.55%	2.03%	2.21%	2.05%	3.80%	2.50%	30,000	36,500
Rt 17 - Rochelle Park/Rutherford	132	2,838,775	176,019	6.20%	3.32%	3.72%	3.67%	3.17%	2.95%	62,851	0
Rt 46 - Totowa/Fairfield	168	5,322,369	617,983	11.61%	10.95%	11.17%	9.88%	6.00%	3.87%	280,850	0
Rt 23 - Wayne/Butler	198	3,707,481	219,257	5.91%	4.82%	5.28%	5.80%	5.65%	3.05%	112,405	0
Rt 3 - Clifton Area	66	2,204,879	50,579	2.29%	3.56%	4.50%	6.98%	6.67%	1.79%	55,134	7,800
Rt 10 - Livingston/East Hanover	132	3,271,266	376,288	11.50%	12.93%	9.39%	8.26%	6.98%	3.21%	101,922	0
Rt 10 - Morris Plains/Ledgewood	260	4,847,262	484,346	9.99%	10.47%	10.10%	8.91%	5.51%	4.58%	111,043	155,000
Rt 46 - Montville/Rockaway	319	4,301,659	224,036	5.21%	5.40%	5.01%	5.45%	6.19%	5.31%	111,228	0
Rt 22 - Union/Springfield	168	3,925,067	264,017	6.72%	4.73%	4.83%	5.42%	6.34%	3.48%	80,860	0
Rt 22 - Scotch Plains/Bridgewater	341	6,569,390	548,399	8.34%	9.22%	8.56%	8.83%	5.63%	5.04%	176,764	0
Rt 1 - Woodbridge/Edison	201	5,582,348	341,708	6.12%	8.33%	9.47%	8.76%	7.86%	6.00%	380,240	0
Rt 1 - N. Brunswick/Lawrence	202	8,812,358	529,075	6.00%	5.07%	5.95%	6.44%	3.64%	3.12%	278,702	45,000
Rt 18 - East Brunswick	158	3,159,484	582,869	18.44%	14.14%	16.41%	18.02%	15.40%	12.15%	170,305	127,455
Rt 9 - Sayreville/Howell	434	10,707,013	853,700	7.97%	7.98%	7.98%	8.16%	7.82%	5.22%	389,775	422,904
Rt 35 - Hazlet/Middletown	198	4,639,865	351,244	7.57%	8.53%	6.65%	6.72%	5.68%	4.26%	131,784	0
Rt 35 - Shrewsbury/Ocean	334	7,125,500	756,541	10.61%	11.60%	11.76%	11.76%	11.50%	9.56%	298,452	20,170
Brick - Rt 70/Brick Blvd	170	4,510,734	335,809	7.44%	7.95%	6.74%	6.25%	4.09%	3.81%	275,999	0
Toms River - Rt 37	256	3,842,908	403,430	10.49%	11.26%	11.87%	11.22%	9.64%	8.07%	225,575	0
Toms River - Hooper Avenue	78	1,520,249	66,955	4.40%	6.16%	3.13%	5.01%	5.47%	1.63%	87,341	0

*Does Not Include Regional Malls

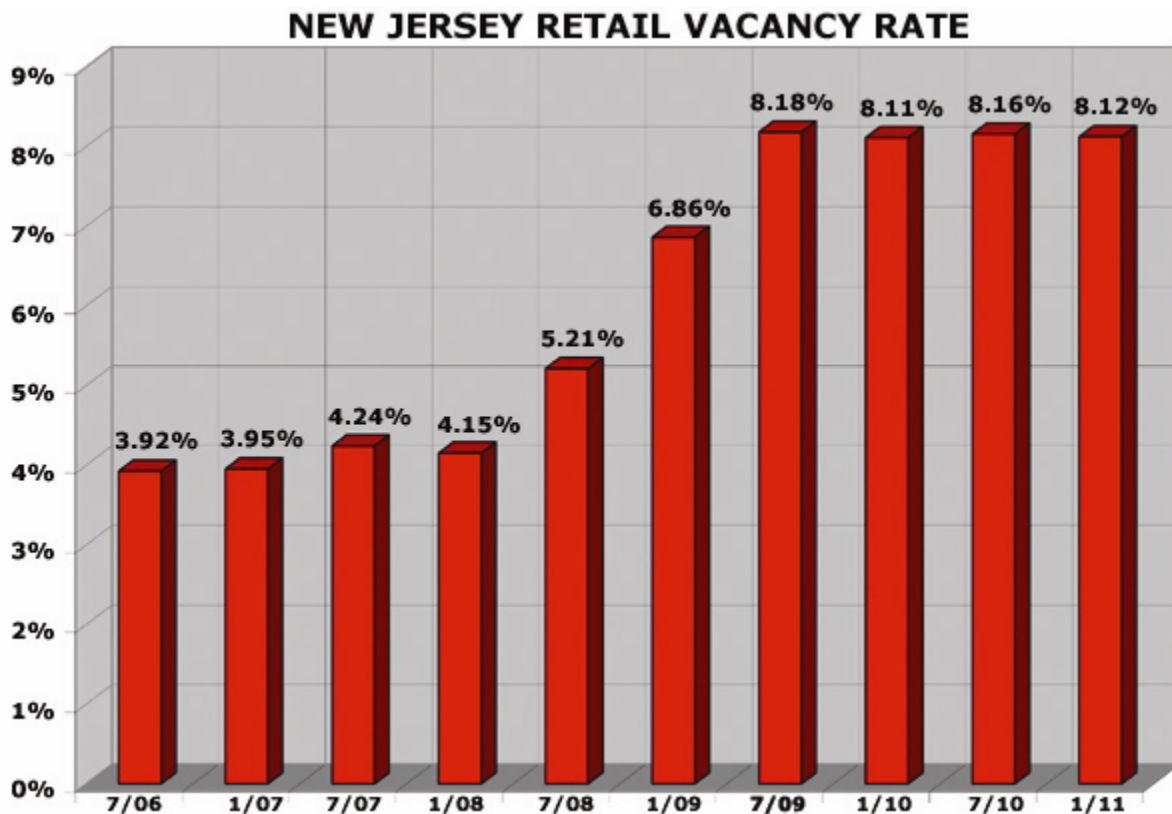
“Things are continually improving over last year, albeit minimally,” commented Chuck Lanyard, President of The Goldstein Group. Granted, the historic recession will impact New Jersey's retail vacancies for many years to come, but fortunately, we are seeing positive signs and an increase in activity in the leasing of vacant spaces, both with big boxes as well as smaller spaces. The recession has hit us all

and created unique opportunities for retailers interested in opening new locations. We have worked closely with landlord and tenants with many vacant stores being leased as a result. Of course, many landlords are struggling to fill their spaces, but compared to 2009 and the first half of 2010, we are seeing spaces finally filling up. This trend in leasing activity is carrying through in 2011 as well.

The survey reports over 7.86 million square feet of vacant retail space from over 96 million square feet of space evaluated among 22 primary retail markets. The survey, conducted during February 2011, evaluated all retail properties in each specific market, excluding regional malls.

The retail markets with the lowest overall vacancy rates include the Ramsey/Mahwah - Route 17 corridor; the Clifton - Route 3 corridor and the Toms River - Hopper Avenue corridor. The highest vacancy rates are reported in the East Brunswick – Route 18 corridor; the Totowa/Fairfield - Route 46 corridor and the Livingston/East Hanover – Route 10 corridor.

“Although, as anticipated, new vacancies appeared throughout 2010, the numbers are not as severe as 2009,” added Lanyard. However, while the re-leasing of space, also referred to as absorption, will be understandably slower over the next few years, it is definitely showing increased activity in the leasing of quality space that had until now, been vacant for over a year or more. Although retailers will continue to move forward cautiously in opening new stores, it is indeed happening. Consumer confidence has finally returned, the unemployment rate continues to improve, now down to around 9%, and there’s no question that consumers are spending more. A good indicator of the strengthening of consumer confidence was the over 3% increase in sales for this past holiday season. Most retailers saw the biggest improvement in holiday sales performance in over four years.



“Fortunately, New Jersey continues to be one of the strongest retail markets in the Northeast,” noted Lanyard. Compared to other regions of the country, New Jersey is doing better than expected with other states continuing to report retail vacancy rates from 12% to 15%. As we saw last year, landlords continue to assist retailers in some very creative deal structuring. Landlords are happy that tenants are finally “coming to the table” to lease space. Of course coming to the table had its price - landlords

provided rent incentives and considerable tenant improvement allowances to lure tenants in this competitive market where there still is an abundance of space and not as many tenants to fill them.

New Jersey is the eleventh most populated state in the nation with over 8.7 million people and the most densely populated with 1,174 residents per square mile. It is the second wealthiest state in per household income, only behind Maryland. New Jersey's median household income of \$68,342 is 36% higher than the nation's median income. It is also one of the most expensive states in the nation in which to live with an overall cost of living 60% above the national average.

While retailers have historically been enticed to New Jersey due to its tremendous population density and high household incomes, the state continues to feel the impact of the economic downturn. The New Jersey unemployment rate is around 9%, near the national average.

The number of retailers closing their stores or filing for bankruptcy in 2010 dropped off considerably, although recent Chapter 11 filings will add to the vacancy rate in 2011. The filings for reorganization of A&P supermarkets and Borders Books, as well as the continued troubles of retailers such as Blockbuster Video and Charlie Brown's Steakhouse have resulted in more retail spaces being returned back to landlords. On the positive side, many of these sites are desirable locations

The silver lining in the improving economy is the entrepreneurial retailer looking to open a business. They have opportunities to secure prime locations that weren't previously available to them and can take advantage of very favorable rents. However, they are now getting competition in procuring sites since the regional and national retailers are once again looking for locations.

Activity has definitely increased as retailers look at sites and landlords are more receptive to the market conditions. A large majority of leasing deals being made are by tenants taking spaces of 20,000 square feet or less with many of these being independent retail stores owners with one or two locations, as well as franchised chains. For example, The Goldstein Group completed a lease transaction in the Toys R Us anchored center on Route 10 in Livingston with an independent farmers market that has 8 existing locations.

The Goldstein Group represents many retailers and has seen clients jumping at opportunities. 7-Eleven, one of the most active retailers in the region signed multiple new deals this past year and vigorously continues their expansion plans in New Jersey over the next few years. In 2010, we placed national retailers such as Jo-Ann Fabric and Craft Stores (Paramus), Ashley Furniture (Eatontown), Dollar General (Newton, Bayville and Plainfield), Great Clips (Riverdale and Carlstadt), T Mobile (Rochelle Park and Paramus), Verizon (Whitehouse Station), Massage Envy (Waldwick) and Apple Computer (Paramus). Pet Valu, a chain with over 375 locations, opened locations in Wall, Mendham and Madison.

Fortunately, New Jersey is seeing a flurry of activity in the larger stores looking for space. We are working with many big box tenants not currently in the area for which the recession has opened up opportunities for entry into the market. The A&P/Pathmark bankruptcy filing has resulted in the closing of many New Jersey locations making additional big box space on the market. Big box retailers that have opened new stores, or recently signed deals, include Dick's Sporting Goods (Paramus), Best Buy (Riverdale), P.C. Richard (Brick, East Brunswick, Lawrenceville and Wayne), Electronics Expo (Wayne), Homegoods (Lawrenceville) and National Wholesale Liquidators (Jersey City). New chains to the market looking for sites include Fresh Market and REI while existing retailers such as Walmart, Costco, Marshalls, TJ Maxx, and LA Fitness continue to look for new locations.

As for restaurants, Smashburger, a new high-quality hamburger concept represented by The Goldstein Group, opened its fifth New Jersey location, has signed five new deals and expects to have ten-twelve restaurants open by the year-end. Restaurateurs entering New Jersey for the first time include: Brick House Tavern, a new concept that took their first New Jersey location in South Plainfield, along with

Joe's Crab Shack, which opened in South Plainfield and is presently under construction with a site in Clifton. Texas Roadhouse, another new concept to New Jersey, opened in Old Bridge while Buffalo Wild Wings opened two new restaurants in Eatontown and South Brunswick with another restaurant opening soon in Watchung. A new Olive Garden restaurant opened in Freehold while a new Hooters opened in East Brunswick. Other restaurants searching for sites include Sonic, Chipotle and Musclemaker Grill. Panthero's Mexican Grill Restaurant, a new restaurant concept which The Goldstein Group represents, is looking for sites throughout northern and central New Jersey to add to its Flemington and Woodbridge locations, has finalized two more deals in northern New Jersey. Houlihan's is under construction at the former Bennigan's in Woodbridge

Health club and gyms continue to lease space as Planet Fitness, a client of The Goldstein Group, opened clubs in Pompton Plains, Whippany and Flemington. Retro Fitness opened new clubs in Ramsey and Toms River. Other health clubs continuing to comb the market for space include LA Fitness, 24 Hour Fitness, Crunch, Club Metro and Blink Fitness.

Banks are also coming back to the market. Chase Bank, TD Bank, Clifton Savings Bank, Oritani Bank, Investor Savings and other small regional banks have begun to open new locations in New Jersey.

As to the future, we expect to see continued activity in the leasing of retail spaces. Although it will be quite some time before retailers open stores as strongly as they did before the recession, we see the pace in leasing activity picking up considerably. We predict very exciting times ahead as our retail landscape continues to change over the next few years. Fortunately, new retailers and concepts are looking for space and the existing spaces that are available are finally losing their "FOR RENT" signs. New restaurants, including many independent restaurants are seeking new locations. Also, new retail construction, as well as transit villages and mixed-use projects with both residential and retail components, are expected to break ground in the coming year. Once again, we hear developers talk about new projects in New Jersey, such as the former Xanadu project in the Meadowlands, the Harrison waterfront site, the former Ford Plant site in Edison, the redevelopment of the Livingston Route 10 big box Center, along with a large mixed-use project planned for Sayreville. These new projects are all in the planning stages with some possibly breaking ground soon.

All in all, we finally are seeing a real "turning the corner" and a much brighter outlook on the horizon for New Jersey's retail marketplace.

About The Goldstein Group

The Goldstein Group, New Jersey's leading full-service commercial real estate brokerage firm, specializes in owner representation, retailer representation, investment sales and management services. The firm, founded in 1986, represents over 8,000,000 square feet of retail space and more than 50 national and regional retailers. The Company is the New Jersey member of the Retail Brokers Network. As an RBN affiliate, The Goldstein Group provides clients assistance throughout the United States with qualified retail specialists in over 60 offices in the United States and Canada.

For more information on the Retail Brokers Network, visit www.retailbrokersnetwork.com.

For more information, contact Chuck Lanyard at 201-703-9700, extension 15 or visit the Company's website at www.thegoldsteingroup.com.