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## News Release

### FOR IMMEDIATE RELEASE

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## WCRE FIRST QUARTER 2026 REPORT: TRANSITION CONTINUES AS CRE MARKETS REBALANCE

### *Leasing and Capital Markets Adjust to Evolving Demand Dynamics Across the Region*

**April 14, 2026 – Marlton, NJ** – Wolf Commercial Real Estate (WCRE) has released its Q1 2026 Regional Market Report, providing a comprehensive analysis of commercial real estate conditions across Southern New Jersey, Philadelphia, Northern New Jersey, and the New York Metro markets.

As 2026 begins, commercial real estate markets across the region are defined by a continued rebalancing between supply and demand. While certain sectors are demonstrating early signs of stabilization, others remain in transition as occupiers recalibrate space needs and investors adjust to evolving pricing dynamics. Elevated availability in select asset classes, coupled with limited new construction and improving capital clarity, is shaping a more disciplined and opportunity-driven environment.

“The first quarter of 2026 reflects a market that is working through excess supply in some sectors while benefiting from long-term demand drivers in others,” said Jason M. Wolf, Managing Principal and Founder of WCRE. “We are seeing a more selective, fundamentals-driven approach from both tenants and investors, with capital continuing to favor high-quality, well-located assets.”

### **Regional Market Highlights:**

**Southern New Jersey** continues to play a critical role in the region’s industrial and retail performance. Industrial demand remains anchored by Burlington County, where modern logistics facilities are attracting both tenants and institutional capital. Retail fundamentals remain tight, supported by strong household incomes and limited supply, while office assets continue to undergo repositioning and adaptive reuse as demand remains uneven.

**Philadelphia** remains in a transitional phase across asset classes. The industrial sector is stabilizing following a surge in supply, with demand improving for modern logistics assets despite elevated vacancy levels. The office market continues to face structural challenges, with negative absorption and tenant downsizing persisting, though select leasing activity and conversions are providing incremental relief. Retail fundamentals remain among the strongest in the region, with low vacancy and steady backfilling activity supporting stability.

**Northern New Jersey** is showing early signs of recovery in the industrial sector, with leasing

activity rebounding and absorption returning to positive territory, though availability remains elevated. The office market has seen modest improvement, supported by declining availability and limited new supply, while retail assets continue to benefit from strong fundamentals, low vacancy, and consistent tenant demand despite slower leasing velocity.

**New York Metro** continues to demonstrate resilience, particularly in the office and retail sectors. Office leasing activity remains robust, led by trophy and Class A assets in Manhattan, as the flight-to-quality trend persists. Retail fundamentals remain strong in urban corridors, supported by tourism and limited supply, though large-format tenants continue to face pressure. Industrial markets are adjusting to a supply-driven increase in availability, with tenant-friendly conditions emerging in the near term.

### **Key Market Takeaways:**

Market conditions remain segmented, with industrial and retail sectors showing relative stability while office continues to recalibrate

- Flight-to-quality trends persist across all asset classes, concentrating demand in modern, well-located properties
- Elevated supply in industrial markets is being gradually absorbed, with fundamentals expected to stabilize into late 2026
- Office markets remain challenged by hybrid work dynamics, driving long-term shifts in space utilization and asset repositioning
- Retail fundamentals remain tight, supported by limited new construction and steady consumer demand in core corridors

### **Notable Transactions for Q1 2026:**

- **Southern New Jersey:** EQT Real Estate acquired Forest Park Corporate Center for approximately \$308.7 million (\$156/SF), highlighting continued institutional demand for large-scale industrial assets in core logistics corridors.
- **Philadelphia:** A 666,000 SF office tower traded for \$45.5 million (\$68/SF), reflecting ongoing repricing in the office sector and continued investor focus on value-add opportunities.
- **Northern New Jersey:** CoreWeave's \$322 million acquisition of a 281,000 SF property for data center conversion underscores the growing intersection of industrial and technology-driven real estate demand.
- **New York:** Ingka Investments acquired 529 Broadway in Manhattan for \$213 million (\$4,018/SF), reinforcing global investor appetite for flagship retail assets in premier corridors.
- **Philadelphia Industrial:** EQT Real Estate continued its regional expansion with multiple acquisitions, including a fully leased 610,200 SF facility in Mansfield, NJ at \$232/SF, demonstrating sustained demand for modern logistics product.

### **Outlook for The Remainder of 2026:**

Looking ahead, WCRE anticipates a continued period of measured adjustment across regional commercial real estate markets. Industrial sectors are expected to stabilize as construction pipelines contract and demand gradually absorbs recent deliveries. Office markets will likely remain challenged, with recovery dependent on sustained tenant expansion and continued inventory reduction through conversions and redevelopment.

Retail fundamentals are expected to remain steady, supported by limited supply and resilient consumer demand, though growth may moderate amid broader economic uncertainty. Capital markets should continue to improve incrementally as pricing expectations align and financing conditions stabilize.

Overall, the remainder of 2026 is expected to favor disciplined investors and adaptable occupiers, with long-term opportunities concentrated in high-quality assets positioned to benefit from evolving market dynamics.

WCRE's **Q1 2026 Market Report** delivers critical insights into the trends shaping the commercial real estate landscape and serves as a strategic resource for owners, investors, and occupiers navigating a market defined by recalibration and opportunity.

**The full Q1 2026 market report is available upon request.**

#### **About WCRE | CORFAC International**

WCRE | CORFAC International is a full-service commercial real estate brokerage, advisory and property management firm specializing in office, retail, medical, industrial and investment properties in New Jersey, Philadelphia and New York metro regions. We provide a complete range of real estate services to commercial property owners, companies, banks, commercial loan servicers, and investors seeking the highest quality of service, proven expertise, and total commitment to client-focused relationships. Through our intensive focus on our clients' business goals, our commitment to the community, and our highly personal approach to client service, WCRE is creating a new culture and a higher standard. We go well beyond helping with property transactions and serve as a strategic partner invested in your long-term growth and success.

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