

YoY  
Chg 12-Mo.  
Forecast**27.8%**  
Vacancy Rate**11.3K**  
Net Absorption, SF**\$31.66**  
Asking Rent, PSF

(Overall, All Property Classes)

**ECONOMIC INDICATORS  
Q2 2020**YoY  
Chg 12-Mo.  
Forecast**350K**  
Fairfield County  
Employment**8.8%**  
Fairfield County  
Unemployment Rate**13.0%**  
U.S.  
Unemployment Rate

Source: BLS

**ECONOMY: Acute Job Loss**

The COVID-19 pandemic continues to send shockwaves throughout the world, causing significant economic disruptions and devastation in its wake. In the first six months of 2020, Fairfield County surpassed the cumulative job losses of the financial crisis of 2008-2009 by over 385%. As a result, non-farm payrolls declined by a staggering 84,900 jobs from this time one year ago causing the unemployment rate to surge 520 basis points (bps) to 8.8%—the largest mid-year increase on record.

The COVID-19 pandemic struck the U.S. in March 2020, late in the quarter but with enough time to have a significant impact on first quarter market fundamentals. In the second quarter of 2020, the U.S. economy felt its effects more fully, as government-mandated shutdowns along with shelter-in-place ordinances pushed the country deeper into recession. The situation remains very fluid. Access Cushman and Wakefield's most recent information specific to COVID-19 [here](#).

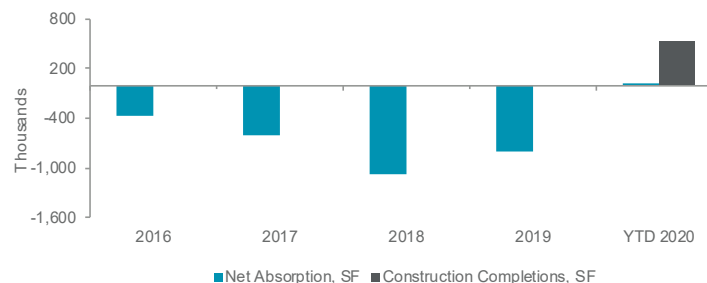
**SUPPLY AND DEMAND: Leasing Activity Plummets**

Tenant demand contracted sharply in the first half of 2020, falling 38.7%, year-over-year. Compared to the five and ten mid-year averages, overall leasing activity plummeted 34.0% and 23.4%, respectively, registering one of the lowest mid-year inflows of new leasing activity since 2008. Indeed, three of the top five leases signed in the second quarter were renewals. Of the new leases signed in the second quarter, nearly 85.0% were less than or equal to 10,000 square feet (sf).

Nonetheless, the overall vacancy rate decline a nominal 10 bps from previous quarter to 27.8%; however, despite this inconsequential drop, relative to this time last year, the overall vacancy rate is 100 bps higher. Most of the uptick can be attributed to sublease space additions, which now is it at an all-time high of 1.8 million square feet (msf)—over 17.0% of all the available space currently on the market.

**PRICING: Asking Rents Remain Flat**

Regardless of the significant sublease space on the market, the overall average asking rent in the county remained relatively stable, increasing a nominal \$0.10 per square foot (psf) over the last 12 months to \$31.66. Overall, there has been a significant uptick in residential interest over the last few months as well as a the number of small and medium sized business actively looking for new locations in Fairfield County. We anticipate that the migration of people outside of urban centers will bring companies to open office locations in the suburbs to accommodate their human capital which continues to be a significant driver for real estate decisions.

**SPACE DEMAND / DELIVERIES****OVERALL VACANCY & ASKING RENT**

# MARKETBEAT FAIRFIELD COUNTY

Office Q2 2020



CUSHMAN &  
WAKEFIELD

## MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	SUBLET VACANT (SF)	DIRECT VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	YTD LEASING ACTIVITY (SF)	UNDER CNSTR (SF)	OVERALL AVG ASKING RENT (ALL CLASSES)*	OVERALL AVG ASKING RENT (CLASS A)*
Greenwich CBD	1,798,516	189,996	141,233	18.4%	14,583	13,143	64,495	0	\$82.49	\$90.73
Greenwich Non-CBD	2,232,586	48,681	394,576	20.9%	-34,314	-37,039	31,920	0	\$42.02	\$41.73
<b>GREENWICH</b>	<b>3,918,880</b>	<b>238,677</b>	<b>535,809</b>	<b>19.8%</b>	<b>-19,731</b>	<b>-23,896</b>	<b>96,415</b>	<b>0</b>	<b>\$49.62</b>	<b>\$49.90</b>
Stamford CBD	7,258,726	191,563	1,948,987	29.8%	34,453	39,281	190,086	532,258	\$45.42	\$46.37
Stamford Non-CBD	8,903,096	794,546	2,092,151	32.8%	-36,613	14,023	64,365	0	\$31.82	\$35.73
<b>STAMFORD</b>	<b>15,981,322</b>	<b>986,109</b>	<b>4,041,138</b>	<b>31.5%</b>	<b>-2,160</b>	<b>53,304</b>	<b>254,451</b>	<b>0</b>	<b>\$37.61</b>	<b>\$41.44</b>
Darien/New Canaan	635,747	15,774	159,292	27.5%	-1,920	-59	7,989	0	\$34.65	\$34.96
Norwalk	5,788,299	328,613	1,674,184	34.6%	-32,598	-71,718	107,018	0	\$28.66	\$31.67
Wilton	1,628,687	31,769	385,451	25.6%	50,253	27,521	7,256	0	\$33.21	\$34.59
<b>SOUTH CENTRAL</b>	<b>8,052,733</b>	<b>376,156</b>	<b>2,218,927</b>	<b>32.2%</b>	<b>15,735</b>	<b>-44,256</b>	<b>122,263</b>	<b>0</b>	<b>\$29.91</b>	<b>\$32.60</b>
Westport	1,261,364	33,895	165,523	15.8%	3,213	-8,200	56,518	0	\$39.11	\$42.33
Fairfield/Southport	740,262	8,990	75,696	11.4%	-5,352	6,026	31,836	0	\$31.06	\$30.87
<b>CENTRAL</b>	<b>2,001,626</b>	<b>42,885</b>	<b>241,219</b>	<b>14.2%</b>	<b>-2,139</b>	<b>-4,841</b>	<b>88,354</b>	<b>0</b>	<b>\$36.39</b>	<b>\$38.80</b>
Bridgeport	1,041,478	19,337	247,202	25.6%	2,595	6,026	39,954	0	\$21.01	\$25.09
Shelton/Stratford	3,569,520	91,187	506,365	16.7%	-17,401	-64,197	58,320	0	\$18.73	\$19.36
Trumbull	856,239	69,836	143,947	25.0%	2,500	44,509	5,114	0	\$15.30	\$18.34
<b>EASTERN</b>	<b>5,467,237</b>	<b>180,360</b>	<b>897,514</b>	<b>19.7%</b>	<b>-12,306</b>	<b>-13,662</b>	<b>103,388</b>	<b>0</b>	<b>\$18.75</b>	<b>\$20.44</b>
Greater Danbury	3,082,016	6,064	929,278	30.3%	42,156	44,663	76,290	0	\$19.03	\$19.04
<b>FAIRFIELD COUNTY TOTALS</b>	<b>38,503,814</b>	<b>1,830,251</b>	<b>8,863,885</b>	<b>27.8%</b>	<b>21,555</b>	<b>11,312</b>	<b>741,161</b>	<b>532,258</b>	<b>\$31.66</b>	<b>\$34.25</b>

\*Rental rates reflect full service asking

## KEY LEASE TRANSACTIONS Q2 2020

PROPERTY	SUBMARKET	TENANT	SF	TYPE
First Stamford Place, Stamford	Stamford CBD	Ernst & Young	35,661	Renewal*
1266 East Main Street, Stamford	Stamford Non-CBD	WWE	24,547	Renewal*
100 Washington Boulevard, Stamford	Stamford Non-CBD	McKinsey & Co.	23,919	Renewal*
333 Ludlow Street, Stamford	Stamford Non-CBD	Sema4	58,566	Lease/Expansion

\*Renewals not included in leasing statistics

## KEY SALES TRANSACTIONS Q2 2020

PROPERTY	SUBMARKET	SELLER / BUYER	SF	PRICE / \$ PSF
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No significant sales transactions

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