



Office Q3 2021

YoY
Chg 12-Mo.
Forecast32.1%
Vacancy Rate-1.0M
Net Absorption YTD, SF\$33.91
Asking Rent, PSF

(Overall, All Property Classes)

ECONOMIC INDICATORS
Q3 2021YoY
Chg 12-Mo.
Forecast401K
Fairfield County
Employment7.1%
Fairfield County
Unemployment Rate5.2%
U.S.
Unemployment Rate

Source: BLS

ECONOMY: Gradual Improvement

Fairfield County continued to record modest economic gains through the third quarter as total non-farm payrolls increased 2.7% over the last 12 months, adding 10,700 additional jobs to Fairfield County's non-farm sector. Similarly, the unemployment rate declined by 240 basis points (bps) from one year ago to 7.1%. In comparison, the average unemployment rate across the U.S. dropped 360 bps to 5.2% year-over-year (YOY), while non-farm payrolls increased by 4.4%.

SUPPLY AND DEMAND: Optimistic Business Demand

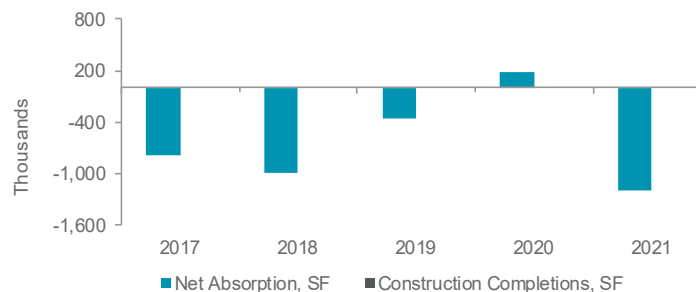
Leasing demand in the Fairfield County office market rose a notable 33.1% over the last 12 months, producing 1.3 million square feet (msf) of new transactions year-to-date (YTD). Growth in the Greenwich office market continued into the third quarter, with YTD demand totaling 727,455 square feet (sf)—outpacing the five-year average by 42.1%. Likewise, Stamford registered a significant uptick in YTD activity, with leasing velocity outperforming the five-year historical average by 16.7%. Despite the notable resurgence in business activity in Stamford and Greenwich, overall YTD demand throughout the county fell below the historical five-year average by 7.3%.

High vacancy levels continued to impact Fairfield County, which closed the third quarter with an overall vacancy rate of 32.1%. The abundance of office space in Fairfield County is predominantly concentrated in the South Central submarket, which recorded an overall vacancy rate of 40.3% at the end of the quarter. Compared to this time last year, the overall vacancy rate in the South Central submarket increased 620 bps to 40.3%. Significant large blocks of space coming online at Wiltonwoods and Merritt 7 Corporate Park were the main contributors to the elevation of vacancy levels in the submarket. As a result, YTD overall net absorption for the county remained in the red at the end of the third quarter, recording negative 1.2 msf in occupancy loss.

PRICING: Asking Rents On The Rise

Overall average asking rents in Fairfield County increased \$2.06 per square foot (psf) YOY to \$33.91. Despite elevated levels of supply, overall average asking rents throughout the county appear to be on the rise as every submarket in the county posted a YOY uptick in their overall average asking rent for space. More specifically, downtown asking rents in Stamford and Greenwich both increased from one year ago by \$0.96 and \$5.07 psf to \$47.11 and \$89.15 psf, respectively.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT



MARKETBEAT FAIRFIELD COUNTY

Office Q3 2021



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	1,800,029	173,245	109,395	15.7%	24,256	20,813	221,947	0	\$89.15	\$94.94
Greenwich Non-CBD	2,120,364	230,224	345,019	27.1%	2,866	-200,866	60,724	0	\$42.12	\$41.84
GREENWICH	3,920,393	403,469	454,414	21.9%	27,122	-180,053	282,671	0	\$50.46	\$50.97
Stamford CBD	7,175,726	297,435	2,164,254	34.3%	16,962	-212,004	234,360	532,258	\$47.11	\$47.80
Stamford Non-CBD	8,732,188	1,149,050	2,229,312	38.7%	-172,475	-164,251	493,095	0	\$32.00	\$35.56
STAMFORD	15,907,914	1,446,485	4,393,566	36.7%	-155,513	-376,255	727,455	532,258	\$39.84	\$43.34
Darien/New Canaan	635,747	19,274	179,185	31.2%	2,184	-23,943	29,000	0	\$33.89	\$34.40
Norwalk	5,670,603	397,197	1,806,554	38.9%	-22,170	-227,267	66,403	0	\$29.26	\$31.38
Wilton	1,545,836	80,057	685,946	49.6%	3,509	-293,664	20,780	0	\$33.14	\$33.66
SOUTH CENTRAL	7,852,186	496,528	2,671,685	40.3%	-16,477	-544,874	116,183	0	\$30.57	\$32.37
Westport	1,261,364	18,450	205,736	17.8%	-154	-22,892	42,307	0	\$39.72	\$41.61
Fairfield/Southport	740,262	26,900	108,393	18.3%	-1,263	-49,306	22,258	0	\$33.61	\$35.15
CENTRAL	2,001,626	45,350	314,129	18.0%	-1,417	-72,198	64,565	0	\$37.58	\$39.74
Bridgeport	1,041,478	19,337	232,104	24.1%	1,208	13,327	6,494	0	\$21.54	\$25.12
Shelton/Stratford	3,567,520	62,662	573,948	17.8%	-27,392	-51,069	90,576	0	\$18.89	\$19.47
Trumbull	856,239	12,015	211,910	26.2%	6,160	-1,951	25,028	0	\$14.99	\$18.42
EASTERN	5,465,237	94,014	1,017,962	20.4%	-20,024	-39,693	122,098	0	\$19.02	\$20.51
Greater Danbury	3,081,504	250,868	674,807	30.0%	-5,473	191,730	19,409	0	\$21.88	\$22.70
FAIRFIELD COUNTY TOTALS	38,228,860	2,736,714	9,526,563	32.1%	-171,782	-1,021,343	1,332,381	532,258	\$33.91	\$36.85

*Rental rates reflect full service asking

KEY LEASE TRANSACTIONS Q3 2021

PROPERTY	SUBMARKET	TENANT	SF	TYPE
2200 Atlantic Street, Stamford	Stamford Non-CBD	Atlas Power	33,006	Sublease
262 Harbor Drive, Stamford	Stamford Non-CBD	Cowen	31,455	Renewal*
3 Corporate Drive, Shelton	Eastern	Kolmar	29,538	New Lease
1 Greenwich Plaza, Greenwich	Greenwich CBD	Piper Sandler	25,924	Sublease

*Renewals not included in leasing statistics

KEY SALES TRANSACTIONS Q3 2021

PROPERTY	SUBMARKET	SELLER / BUYER	SF	PRICE / \$ PSF
1700 East Putnam Avenue, Greenwich	Greenwich Non-CBD	Related Properties / Crown Family Holdings	186,725	\$63,500,000 / \$340
40 Old Ridgebury Road, Danbury	Greater Danbury	Welltower Inc. / Aspect Health	66,825	\$26,836,782 / \$154

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