

FAIRFIELD COUNTY



Office Q1 2024

	YoY Chg	12-Mo. Forecast
29.0% Vacancy Rate	▲	▼
-74K Net Absorption YTD, SF	▼	▲
\$34.60 Asking Rent, PSF	▼	▼

(Overall, All Property Classes)

ECONOMIC INDICATORS Q1 2024

	YoY Chg	12-Mo. Forecast
434K Fairfield County Employment	▲	▲
4.5% Fairfield County Unemployment Rate	▲	▼
3.8% U.S. Unemployment Rate	▲	▲

Source: BLS

ECONOMY: Job Markets Continue to Exhibit Resilience

The U.S. labor market witnessed robust payroll growth in the first quarter of 2024, with the addition of 2.7 million new non-farm jobs since the first quarter of 2023. While the unemployment rate rose minimally from 3.5% to 3.8% year-over-year (YOY), it remained well below the ten-year average of 5.0%. Following this national pattern, Fairfield County gained 1,200 new jobs over the past twelve months, coupled with a slight uptick of 50 basis points (bps) in the unemployment rate to 4.5%. Overall, both local and national labor markets demonstrated resilience throughout the first three months of 2024, highlighting the strength and stability in the American jobs market.

DEMAND: Demand Wanes While Supply Edges Higher

In the first quarter of 2024, new leasing activity in Fairfield County amounted to 317,178 square feet (sf)—an 8.2% contraction from this time last year. This marks a significant decrease of 44.5% from the five-year average of 571,874 sf typically registered in the first quarter. Most notably, Stamford's first-quarter demand was 45.7% lower than its five-year historical average of 256,737 sf, despite contributing nearly 44.0% of the total transactional volume across the county in the first quarter of 2024, with about one-quarter of those leases signing at premier properties. Similarly, Greenwich noted a 70.0% YOY decrease in new tenant leasing activity, recording just 18,695 sf in the first quarter of 2024.

The overall vacancy rate in Fairfield County increased by 50 bps, rising from 28.5% one year ago to 29.0%. Stamford and Greenwich both posted a vacancy reduction of 40 bps and 170 bps, respectively. Conversely, the Eastern submarket recorded a 260-bps vacancy growth YOY, climbing from 21.4% to 23.9%. The South Central submarket continued to exhibit the highest vacancy in the county at 39.2%, up 100 bps over the past year. Consequently, overall net absorption throughout the county ended in the red for the first quarter of 2024, recording at negative 73,479 sf.

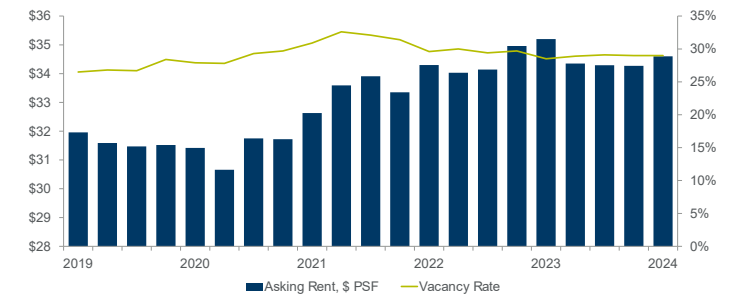
PRICING: Average Asking Rents Show Slight Increase

Overall average asking rents in Fairfield County increased by a nominal \$0.05 per square foot (psf) over the last twelve months to \$34.60. Greenwich recorded the largest YOY uptick in the overall average, jumping by \$1.11 to \$61.38 psf. However, Stamford posted a slight YOY drop of \$0.02 to \$40.04 psf, despite the average asking rent in the Central Business District rising by \$0.05 psf over the past twelve months to \$47.29. Class A asking rents in the Greenwich and Central submarkets rose by \$1.04 psf and \$1.64 psf, respectively.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT



MARKETBEAT FAIRFIELD COUNTY

Office Q1 2024



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	1,803,029	33,113	108,205	7.8%	-17,240	-17,240	4,567	0	\$110.97	\$110.97
Greenwich Non-CBD	2,173,325	196,571	217,698	19.1%	9,195	9,195	14,128	0	\$43.42	\$43.94
GREENWICH	3,976,354	229,684	325,903	14.0%	-8,045	-8,045	18,695	0	\$62.29	\$65.24
Stamford CBD	7,970,862	257,305	1,857,675	26.5%	146,557	146,557	49,523	0	\$47.29	\$47.95
Stamford Non-CBD	8,268,981	667,761	2,424,687	37.4%	-116,995	-116,995	89,785	0	\$33.08	\$36.53
STAMFORD	16,239,843	925,066	4,282,362	32.1%	29,562	29,562	139,308	0	\$40.02	\$43.20
Darien/New Canaan	635,747	19,607	101,124	19.0%	4,607	4,607	0	90,000	\$33.81	\$34.04
Norwalk	5,670,603	450,561	1,905,584	41.6%	15,234	15,234	30,877	0	\$29.73	\$31.33
Wilton	1,010,836	31,767	360,108	38.8%	-20,491	-20,491	3,688	0	\$31.58	\$32.30
SOUTH CENTRAL	7,317,186	501,935	2,366,816	39.2%	-650	-650	34,565	90,000	\$30.22	\$31.68
Westport	1,313,569	69,069	145,546	16.3%	-2,925	-2,925	18,062	0	\$43.37	\$47.78
Fairfield/Southport	740,262	10,998	95,183	14.3%	-27,634	-27,634	9,112	0	\$34.13	\$35.53
CENTRAL	2,053,831	80,067	240,729	15.6%	-30,559	-30,559	27,174	0	\$39.61	\$42.69
Bridgeport	1,041,478	11,133	230,875	23.2%	-23,944	-23,944	5,201	0	\$22.48	\$25.43
Shelton/Stratford	3,817,520	277,959	735,495	26.6%	-17,462	-17,462	40,314	0	\$19.87	\$20.10
Trumbull	786,259	0	95,581	12.2%	2,817	2,817	21,203	0	\$18.82	\$20.97
EASTERN	5,645,257	289,092	1,061,951	23.9%	-38,589	-38,589	66,718	0	\$20.48	\$21.34
Greater Danbury	2,822,528	38,695	691,191	25.9%	-25,198	-25,198	30,718	0	\$21.17	\$21.72
FAIRFIELD COUNTY TOTALS	38,054,999	2,064,539	8,968,952	29.0%	-73,479	-73,479	317,178	90,000	\$34.60	\$37.16

*Rental rates reflect full service asking

KEY LEASE TRANSACTIONS Q1 2024

PROPERTY	SUBMARKET	TENANT	SF	TYPE
20 Horseneck Lane, Greenwich	Greenwich CBD	Stone Point Capital	43,368	Renewal*
200 Elm Street, Stamford	Stamford CBD	Ascot Group	23,944	New Lease
6 High Ridge Road, Stamford	Stamford Non-CBD	cxLoyalty	22,408	Renewal*
6 Armstrong Road, Stamford	Eastern	LightBox	21,114	New Lease
680 Washington Boulevard, Stamford	Stamford CBD	H/2 Capital Partners	20,188	Renewal*

*Renewals not included in leasing statistics

KEY SALES TRANSACTIONS Q1 2024

PROPERTY	SUBMARKET	SELLER / BUYER	SF	PRICE / \$ PSF
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No significant sales in Q1 24.

LORI ALBERT

Tri-State Research Director
lori.albert@cushwake.com

STEVEN FIORE

Senior Research Analyst
steven.fiore@cushwake.com

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