

# Office Market Report

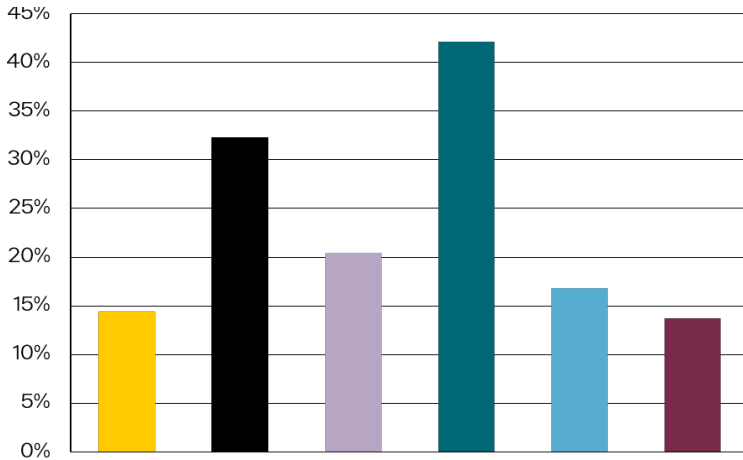
## Fairfield County

Q1 2024

Fairfield County leasing activity started 2024 slowly and ended the first quarter with approximately 335,000 SF of new leases signed – the slowest start since 2020 and approximately 12% below the 5-year moving average. Slack demand combined with space returns led to a negative absorption of 89,000 SF and total availability of 29.6%, up approximately 40 basis points from year end 2023. Economic conditions were mixed with nonfarm employment falling by 200 positions from last quarter and flat year-over-year. Inflation continues to be a problem nationally and economists are predicting a GDP growth rate of half of last year's 3% annual growth. While a slow-down in leasing is not unexpected, there were some bright spots. Average Asking Rent remained stable at \$36 PSF and there were several deals of note, particularly Stone Point Capital's lease renewal for 43,368 SF, the largest deal in Q1. In addition, one of the larger office property sales took place in Westport with 315 Post Road West selling for \$6.6M, over \$200 PSF.

However, there are storm clouds on the horizon. A surprising announcement came from ESRT in early April when it was revealed they had decided to turn over their interest in First Stamford Place, an 800,000 SF class A property, to a special servicer. Even more revealing was that the property is still cash flow positive. One of the real issues was a loan maturing in 2027 for \$176M that may not be able to be refinanced. This is the second time ESRT has returned a property to a special servicer. The prior property was a 260,000 SF class A property located at 383 Main St in Norwalk and also claimed to be cash flow positive when relinquished in April of 2022. Financing for commercial office properties will continue to be a significant hazard for all market participants.

### Vacancy Rates



Submarket	Vacancy Rate	Total Inventory	Avg PSF Asking Rate
Greenwich	14.4%	4,210,500	\$65.75
Stamford	32.3%	16,020,500	\$42.00
Darien/ New Canaan	20.4%	685,420	\$34.25
Norwalk	42.1%	5,285,940	\$30.00
Westport	16.8%	1,484,672	\$43.75
Fairfield/ Southport	13.7%	603,875	\$35.00

### Market Snapshot

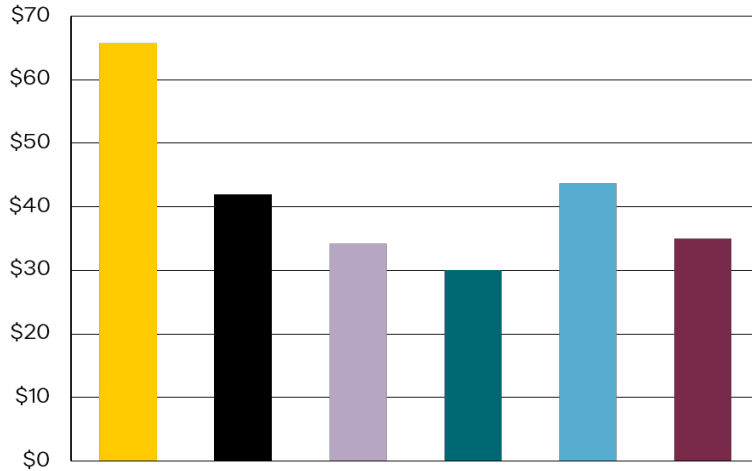
**39 MSF**  
office market size

**29.6%**  
vacancy rate

**\$36.00**  
average asking rent

**(89K)**  
absorption (sf)

## Average PSF Asking Rate



Submarket	Avg PSF Asking Rate
Greenwich	\$65.75
Stamford	\$42.00
Darien/ New Canaan	\$34.25
Norwalk	\$30.00
Westport	\$43.75
Fairfield/ Southport	\$35.00

## Key Leases Q1 2024

Tenant	Size (SF)	Address	City
Stone Point Capital	43,368	20 Horseneck Avenue	Greenwich
Ascot Group	23,944	695 East Main Street	Stamford
CX Loyalty	22,408	6 High Ridge Road	Stamford
H/2 Capital Partners	20,118	680 Washington Boulevard	Stamford

## Key Sales Q1 2024

Property	City	Size (SF)	Price	PSF
315 Post Road West	Westport	32,000	\$6,600,000	\$206
26 Mill Plain Road	Danbury	19,384	\$2,100,000	\$108

\* Data derived from Costar and other sources deemed to be reliable

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