

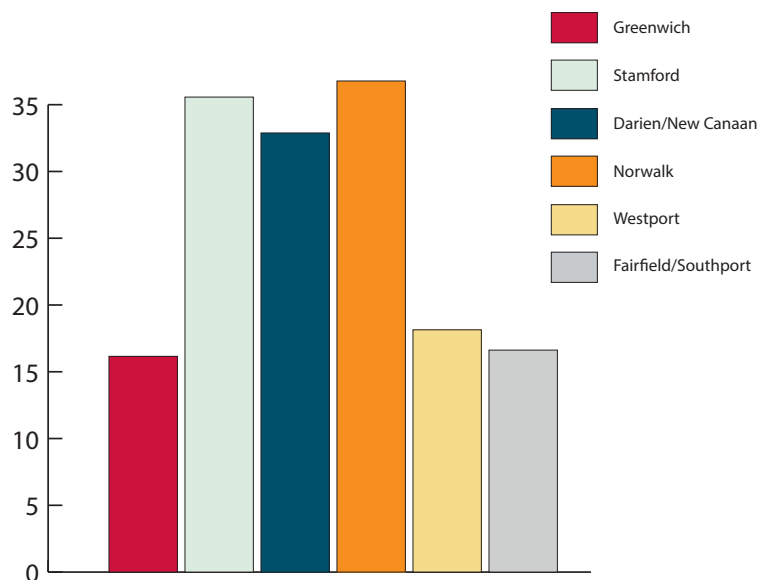
Fairfield County Office Market Report

1st Quarter 2021

The Fairfield County office market has one bright star shining through the economic fog of Covid-19 uncertainty – the Greenwich office market. NYC office tenants relocating to Greenwich accounted for more than 50% of demand in Greenwich in 2020. Unfortunately, the demand throughout the remainder of Fairfield County office markets remains tepid at best. The mild overall demand outside of Greenwich is apparent with the 1st Quarter statistical indicators. Leasing activity continues 27% below the five year average. vacancy is up again for the 5th quarter in a row to 28.4%, with office absorption at negative 525,000 SF for the 1st quarter alone. The negative absorption is almost half of last year's reduction of 1.1MM SF. A large portion of the continued downturn of absorption is from Blue Sky Studios placing 171,000 SF on the sublease market at 1 American Center in north Greenwich. While The Blue Sky Studios sublease adds to a long list of sublease space in the market, its close proximity to Armonk, NY has little impact on the Greenwich market.

The Average Asking Rental rate dropped precipitously from \$35.10 to \$30.50 per SF as Landlords lowered pricing to better match tenant expectations. The good news is that Connecticut will lift all Covid-19 restrictions on businesses in May and that could provide additional comfort to employers bringing employees back to their offices, possibly giving a lift in demand in the rest of Fairfield County. We feel this should have a positive impact on the overall market.

SUBMARKET VACANCY RATES



SUBMARKET	VACANCY RATE	TOTAL INVENTORY	AVG. PSF ASKING RATE
Greenwich	16.0%	4,031,100	\$69.00
Stamford	36.1%	16,273,800	\$39.55
Darien/New Canaan	33.4%	635,750	\$33.75
Norwalk	37.5%	5,820,100	\$28.90
Westport	18.6%	1,261,400	\$34.50
Fairfield/Southport	17.1%	740,260	\$36.90

MARKET INFORMATION MACRO (1Q 2021)

Metro Area	Fairfield County, CT
Office Market Size (SF)	41,790,000
Office Market Vacancy Rate	28.4%
Average Asking Rent	\$36.50
YTD Absorption (SF)	(525,000)

RECENT COMPLETED LEASES

TENANT	SIZE (SF)	ADDRESS	CITY
Elliot Management	36,552	600 Steamboat Road	Greenwich
Dassault Systems	34,000	6 Research Drive	Shelton
Wells Fargo	32,000	450 Post Road East	Westport

RECENTLY COMPLETED BUILDING SALES

PROPERTY	CITY / TOWN	SIZE (SF)	PRICE
1111 & 1177 Summer Stret	Stamford	128,721	\$8,500,000 / \$66.00 PSF
1177 High Ridge Road	Stamford	24,000	\$3,900,000 / \$162.50 PSF

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