



nerrej

CBRE releases 3rd Quarter 2011 Fairfield County Office Market Report

November 17, 2011 - Connecticut

When compared to a year ago, the commercial real estate market in Fairfield County showed significant improvement. Average asking rents rose by \$0.54 over the same time last year to end the third quarter of 2011 at \$33.55 per s/f. Fairfield's Greenwich submarket posted the most expensive rental rate at \$62.02 per s/f. That's an increase of nearly one dollar per s/f from the figure posted at the same period last year, according to CBRE's Third Quarter 2011 Fairfield County Market Report.

"Fairfield County's office market has benefited from an increase in company expansions and a countywide boost in financial services leasing activity," said Robert Caruso, senior managing director of CBRE's Westchester/Fairfield operations. "In fact, expansions accounted for nearly 50% of this quarter's leasing activity, which is a vast improvement when compared to the 20% it has been averaging so far this year."

Despite posting higher rental rates, Fairfield's third quarter 2011 leasing activity of 710,666 s/f, showed a 64,206 s/f drop when compared to third quarter 2010. However, year-to-date the county has experienced almost two million s/f in total leasing activity.

Moderate demand combined with space returns pushed the availability rate slightly higher to 19.95% from the second quarter's 19.87%. However, this rate remained lower than last year's 20.2%.

In the third quarter, Fairfield's Shelton submarket posted the highest absorption rate with 278,174 s/f, due in large part to Sikorsky Aircraft Corporation's 166,994 s/f commitment at 1 Far Mill Crossing. Also in Shelton, a newly delivered 91,368 s/f office flex building at 50 Waterview Dr. is experiencing briskly leasing activity.

In addition to the Sikorsky transaction, some other noteworthy third quarter 2011 leases in Fairfield County included Blue Sky Studio's 43,008 s/f lease at 1 American Lane in Greenwich; GE Capital Real Estate's 38,782 s/f commitment at 901 Main Ave. in Norwalk; GexPro's 30,132 s/f pick up at 1000 Bridgeport Ave. in Shelton; and Prudential Financial's 29,100 s/f lease at 2 Corporate Dr., also in Shelton.

New England Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540