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Choyce Peterson publishes year-end lower Fairfield County office space available poster

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Norwalk, CT Choyce Peterson, Inc. released its 24th semi-annual Lower Fairfield County office space availability poster. The full-size poster depicts silhouettes of 96 buildings with a total inventory of 18.2 million s/f and tracks changes in office space availability from year-end 2020 to year-end 2021 in larger, primarily multi-tenanted Class A office buildings in Stamford, Norwalk, Greenwich, and Westport. The unique study illustrates the absorption and give back of direct and sublease space, as well as overall availability statistics.

This report shows there was a 0.9 percentage point decrease in total availability during 2021, from 29.8% at year-end 2020 to 28.9% at year-end 2021. Of the 5,277,382 s/f of available space: 3,738,928 s/f (70.9%) is on a direct basis while 1,538,454 s/f (29.1%) is sublease space.

The following refers to the poster's "availability rate" at year end 2020 vs. year-end 2021 in each market surveyed:

- Stamford decreased from 34.1% to 30.4%. Of the 31 buildings surveyed, 17 experienced a decrease in available square footage, 10 had an increase and four were unchanged. 300 Atlantic St., 1 Landmark Sq., and One Station Place (Metro Center) combined added 145,781 s/f of available space, while 290 Harbor Dr., 2200 Atlantic St. (1 Harbor Point), and 3001 Summer St. combined leased 258,461 s/f. Interestingly, of the 2,913,696 s/f of available space in Stamford, five buildings account for 47%, or 1,370,324 s/f, of the total.
- Norwalk increased from 34.6% to 38.3%. Of the 20 buildings surveyed, 10 experienced a decrease in available square footage, eight had an increase and two were unchanged. 201, 301 and 401 Merritt 7 combined added 157,689 s/f of available space, and 801 Main Ave. and 20 Glover combined leased 90,914 s/f. The 38.3% availability is the highest level since they started tracking these buildings ten years ago.
- Greenwich, the strongest of the four markets, decreased from 16.1% to 15.5%. Of the 25 buildings surveyed, 14 experienced a decrease in available square footage, three had an increase and eight were unchanged.

100 West Putnam Ave., 1 American Lane and 411 West Putnam Ave. combined added 196,409 s/f of available space, and 1 Greenwich Plaza, 600 Steamboat combined leased 148,992 s/f. A rare occurrence in the market: there is now essentially an equal amount of sublease and direct space

available in Greenwich.

- Westport increased from 12.6% to 16.0%. Of the 20 buildings surveyed, five experienced a decrease in available square footage, six had an increase and nine were unchanged. 276 Post Rd. W, 57 Greens Farms Rd. and 285 Riverside Ave. combined added 53,491 s/f of available space, and 33 Riverside Ave. and 274 Riverside Ave. combined leased 25,440 s/f. Two points of interest: there is almost double the amount of available sublease space versus direct, and 13 of the 20 buildings surveyed have either no space for lease or less than 5,000 s/f available.

“It’s certainly an interesting office market environment where two sub-markets had a decrease in availability (Greenwich and Stamford), while two sub-markets had an increase (Norwalk and Westport),” said John Hannigan, co-founder and a principal at Choyce Peterson. “There’s a balancing act going on right now: on one hand, sublease space continues to be added to the market, while at the same time Greenwich and Stamford in particular are attracting companies from outside the area who are absorbing large amounts of space. As a result, we expect the overall availability rate to remain relatively the same during the first half of 2022.”

Adam Cognetta, vice president at Choyce Peterson said, “Sublease supply, fueled by a shift in workplace trends and an underlying uncertainty, is something we continue to track closely as it remains a primary contributor to overall availability. Interestingly, we’re seeing well-located assets at premium price points attract more interest and outperform the broader market.”

Hannigan said, “Now more than ever, landlords continue to be flexible in their lease negotiations and accommodating tenants’ specific needs. Transactions are even being completed with companies who have two plus years of term remaining on their leases. We at Choyce Peterson are successfully advising our clients to create an action plan on whether to renew, downsize or relocate. From there, we are negotiating very favorable financial terms on their behalf, including generous amounts of free rent, discounted base rent, and landlord funded retrofits designed exactly to a tenants’ specific layout needs.”

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