

Absorption soared as office conversions continued



Note: Arrows indicate change from previous quarter.

QUICK FACTS

- Quarterly leasing activity totaled 318,000 sq. ft., down 21% from Q2 2025 and 26% behind the five-year quarterly average.
- Year-to-date leasing activity totaled 1.15 million sq. ft., down 19% from the same time last year.
- The availability rate decreased to 24.7%, down 30 basis points (bps) from Q2 2025 and down 120 bps from a year ago.
- Quarterly net absorption was positive 122,000 sq. ft., bringing year-to-date absorption to positive 766,000 sq. ft.
- The average asking rent was \$35.68 per sq. ft., unchanged from the prior quarter and down 2% from one year ago.

Market Overview

The Fairfield County office market saw county-wide availability drop to 24.7%—near the 2019 average of 24.4%. Throughout 2025, the shift of office space to alternative uses, particularly in Stamford, has led to a noticeable decline in availability. This has led to positive absorption for the sixth consecutive quarter at 122,000 sq. ft., driven primarily by the removal of 131,000 sq. ft. of space at 1 Canterbury Green in downtown Stamford, which is now approved for conversion to multifamily apartments. Leasing was tepid in Q3 with only 318,000 sq. ft. of activity, down 19% from the prior quarter and 26% behind the five-year quarterly average. Stamford CBD, which has always been a driver of activity in Fairfield County, recorded its lowest leasing figure since Q1 of last year, amounting to 93,000 sq. ft.

Fairfield County’s average asking rent remained stable quarter-over-quarter at \$35.68 per sq. ft. Unlike the rest of Fairfield County, Greenwich CBD exhibited strong demand and tightening supply. Asking rents increased 4% from the prior quarter, reaching a new all-time high of \$110.76 per sq. ft. Q3 marked the submarket's fourth consecutive quarter of lowered availability at 7.6%—the tightest submarket in the Tri-State area.

Economic Conditions

CBRE has revised its U.S. growth outlook upward, a shift from the more pessimistic view held in the spring. Greater clarity around trade policy and private sector resilience should equate to 1.6% GDP growth this year. Much of this growth should be frontloaded as higher inflation—peaking in the low-3% range by early 2026—creates some headwinds during the latter half of this year. The labor market is flashing important signals such as falling job openings and weak hiring by firms.

Connecticut’s labor market grew by 7,800 positions quarter-over-quarter in Q3 (+0.5%) and is up 12,700 positions year-over-year (+0.7%). Office-using employment (OUE) outperformed the state, adding 4,200 positions quarter-over-quarter in Q3 (+1.1%). Professional and business services accounted for much of the gains, adding 3,000 positions in Q3 (+1.4%), followed by financial activities which added 800 positions (+0.7%), and information services which grew headcount by 400 roles (+1.3%). Year-over-year, OUE in Connecticut is up a net of 5,800 positions (+1.61%). Connecticut’s OUE currently stands at 100.9% of the pre-pandemic level.

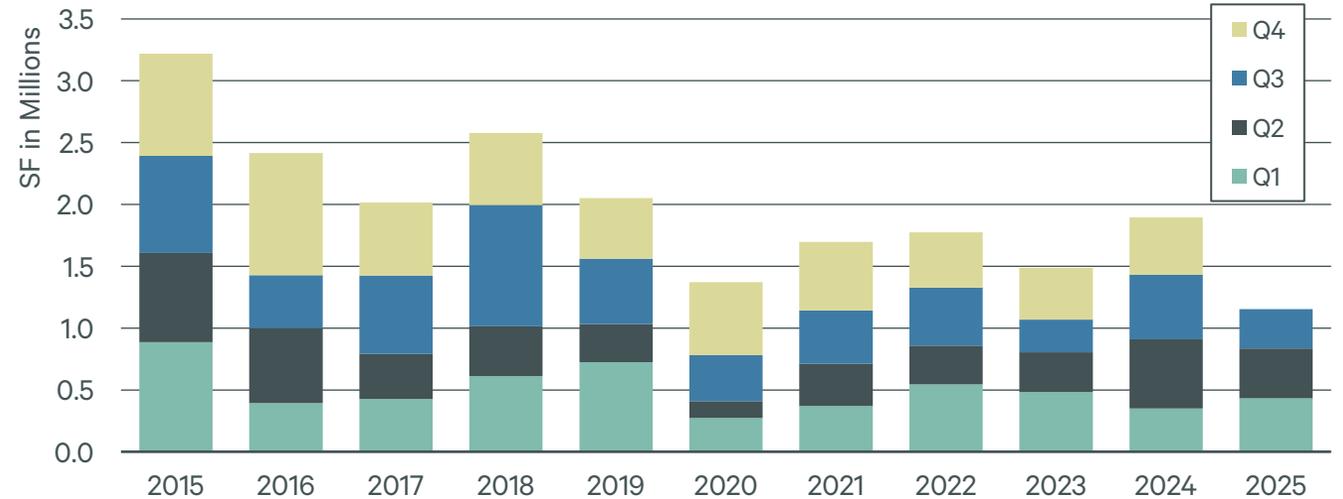
Connecticut’s overall unemployment is 3.8%, unchanged since May 2025, and below the national unemployment rate of 4.3%.

Leasing Activity

The Fairfield County office market accumulated 318,000 sq. ft. of leasing activity in Q3, down 21% from the prior quarter and 26% below the five-year quarterly average. The subdued pace of commercial leasing was partly due to a lack of activity in the Class A segment in Q3. The limited Class A activity led to Class B properties capturing a 40% share of total leasing activity which equated to 128,000 sq. ft. This segment has made up a 25% quarterly leasing share in each of the last two quarters.

Central Fairfield led all submarkets in leasing for the fifth time in six quarters. The Central submarket saw 106,000 sq. ft. of transactions, up 36% from last quarter and 5% above the five-year quarterly average.

FIGURE 1: Historical Leasing Activity



Source: CBRE Research, Q3 2025.

FIGURE 2: Top Transactions | Q3 2025

Size (Sq. Ft.)	Deal Type	Direct/ Sublet	Tenant	Address	Submarket
20,559	R	D	Libertas Capital Group	411 West Putnam Avenue	Greenwich Non-CBD
17,773	L	D	Industrious	51 Weaver Street #5	Greenwich Non-CBD
15,748	L	D	Air Age Media	88 Danbury Road	Central Fairfield
14,617	L	S	Versant	333 Ludlow Street North Tower	Stamford CBD
13,959	L	D	Post Road Equipment Finance	601 Merritt 7	Central Fairfield

Source: CBRE Research, Q3 2025. Lease (L), Renewal (R), Expansion (E), Renewal and Expansion (RE), Direct (D), Sublet (S).

The submarket saw two significant deals focused on 88 Danbury Road, which brought the Wilton Office to 100% occupancy, Air Age Media’s 16,000-sq.-ft. lease and Stamford Hospital’s 13,000-sq.-ft. lease.

Stamford CBD notched a below-average 93,000 sq. ft. of leasing in Q3—bringing year-to-date activity to 313,000 sq. ft., down 26% from 2024. The slower pace of demand is not unexpected as recent sales of downtown properties have temporarily disrupted leasing activity. New ownership groups are now focused on relaunching marketing campaigns for these assets.

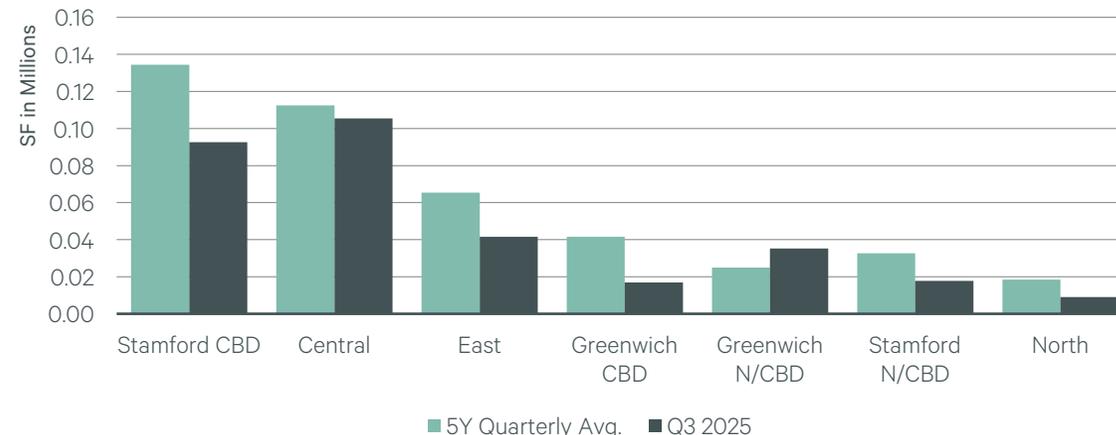
Renewals were still active in Stamford CBD during Q3; one notable deal was Capital One’s 11,000 sq. ft. renewal at 100 First Stamford Place.

Greenwich CBD’s leasing activity in Q3 was stronger than 2024 figures. The submarket saw 17,000 sq. ft. of new leases this quarter, bringing year-to-date activity to 75,000 sq. ft., 131% ahead of 2024. The largest deal the submarket saw was Perella Weinberg’s 8,000 sq. ft. new lease at 3 Pickwick Plaza. The rate of leasing is impressive given that available supply in the market is limited—the availability rate has been at or below 9% for all of 2025.

Greenwich NCBD leasing activity followed suit. The outlying suburban market of Greenwich notched 35,000 sq. ft. of new activity stemming from Industrious’ 17,000 sq. ft. lease at Greenwich Office Park. Year-to-date totals for the NCBD have accumulated to 84,000 sq. ft., 117% ahead of 2024. The submarket also captured the largest lease of the quarter with Libertas Capital Group renewing for 21,000 sq. ft. at 411 West Putnam Avenue.

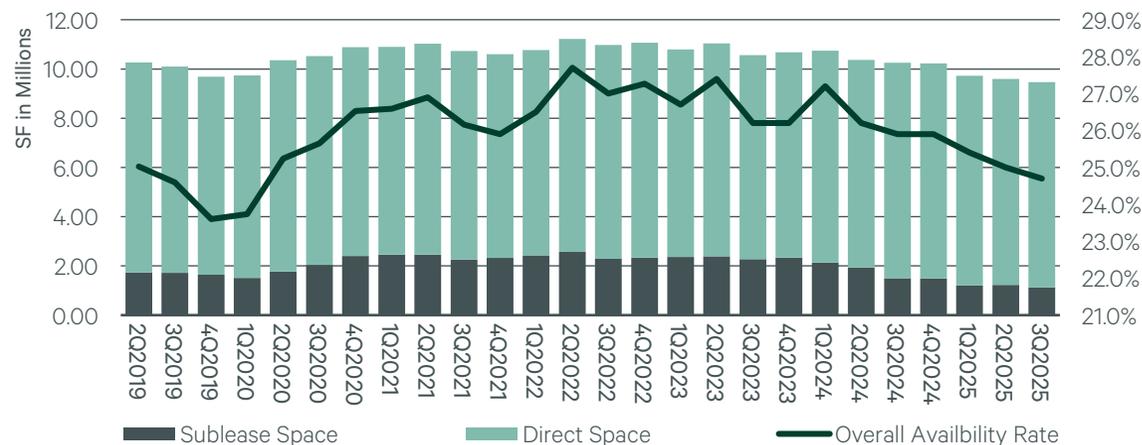
The more remote suburban submarkets tallied leasing figures below their respective five-year averages. Stamford NCBD saw leasing activity of 18,000 sq. ft., 45% below the five-year quarterly average. Fairfield East notched 42,000 sq. ft. of leasing in the quarter, with 95% of activity focused within Class B assets. Fairfield North totaled 9,000 sq. ft. of leasing in Q3, bringing year-to-date activity to 27,000 sq. ft., 4% ahead of last year.

FIGURE 3: Quarterly Leasing Activity by Submarket



Source: CBRE Research, Q3 2025.

FIGURE 4: Availability Rate | Direct vs. Sublease Breakdown



Source: CBRE Research, Q3 2025.

Net Absorption and Availability

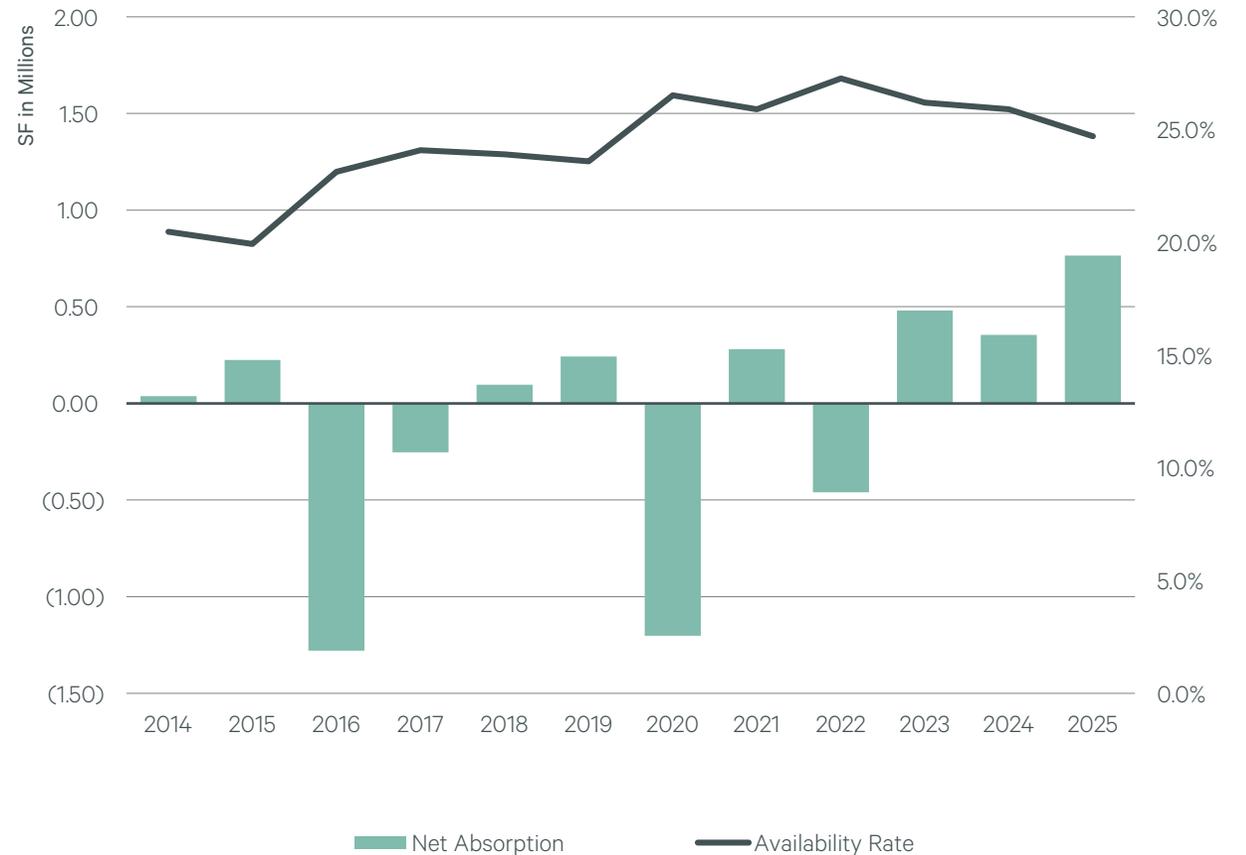
Supply decreased in Fairfield County in Q3, pushing the availability rate down 30 basis points (bps) quarter-over-quarter to 24.7%. Net absorption was positive at 122,000 sq. ft. in Q3 2025. The withdrawal of 131,000 sq. ft. at 1 Canterbury Green in Stamford, which was recently approved for a multifamily conversion, removed supply from the market. Year-to-date absorption now totals 766,000 sq. ft., the highest mid-year year-to-date figure since the start of 2012. Conversions and demolition of office space for non-office use have been a major factor in returning availability rates to their 2019 levels.

Four of Fairfield's seven submarkets experienced positive absorption. Stamford CBD registered the most positive absorption at 95,000 sq. ft., driven by the aforementioned office conversion. Availability dropped 90 bps quarter-over-quarter to 21.4%—the lowest since Q1 2010. Central Fairfield managed positive absorption of 61,000 sq. ft., due to space withdrawals at 761 Main Avenue in Norwalk stemming from sublease expirations from Source Marketing & ICR Incorporated.

In Greenwich, the CBD notched its fourth consecutive quarter of positive absorption due to consistent leasing and only one new space addition. Q3 saw 16,000 sq. ft. of positive absorption bringing the year-to-date figure to 35,000 sq. ft.

Greenwich NCBD reported significant negative absorption. The outlying suburbs saw net negative absorption of 44,000 sq. ft. primarily due to the addition of 50,000 sq. ft. at 411, 500 and 777 West Putnam Avenue. The largest block of which was Whitman, Breed, & Morgan's 16,000 sq. ft. space listed at 500 West Putnam. Despite this, overall year-to-date absorption remains positive at 32,000 sq. ft.

FIGURE 5: Annual Absorption and Availability Rate



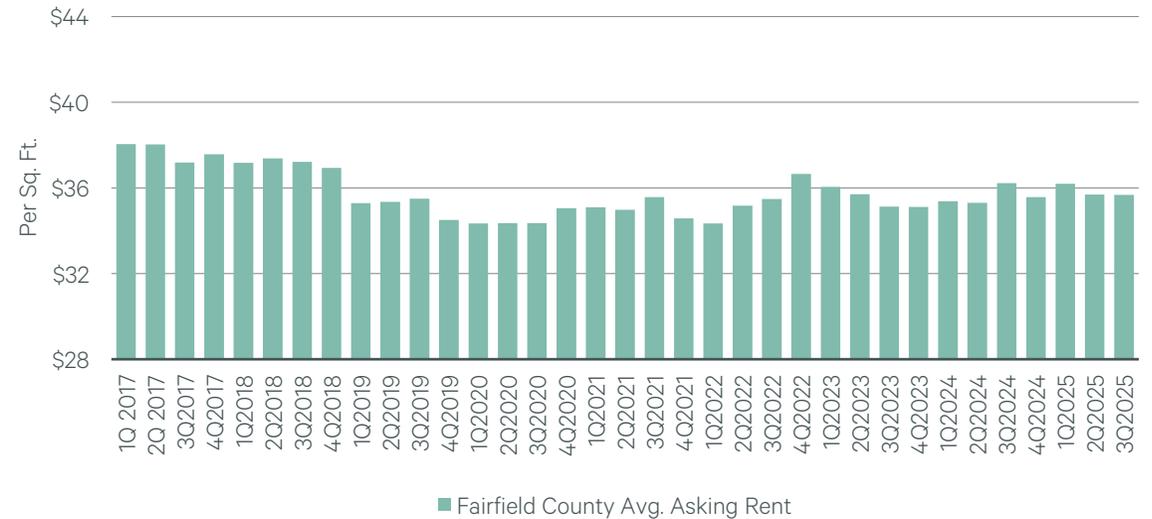
Source: CBRE Research, Q3 2025.

Average Asking Rent

Fairfield County's average asking rent was \$35.68 per sq. ft., unchanged quarter-over-quarter but down 2% year-over-year. The decrease in county-wide asking rent stems from a significant amount of high-quality, above-average-priced Class A space being leased over the past three quarters.

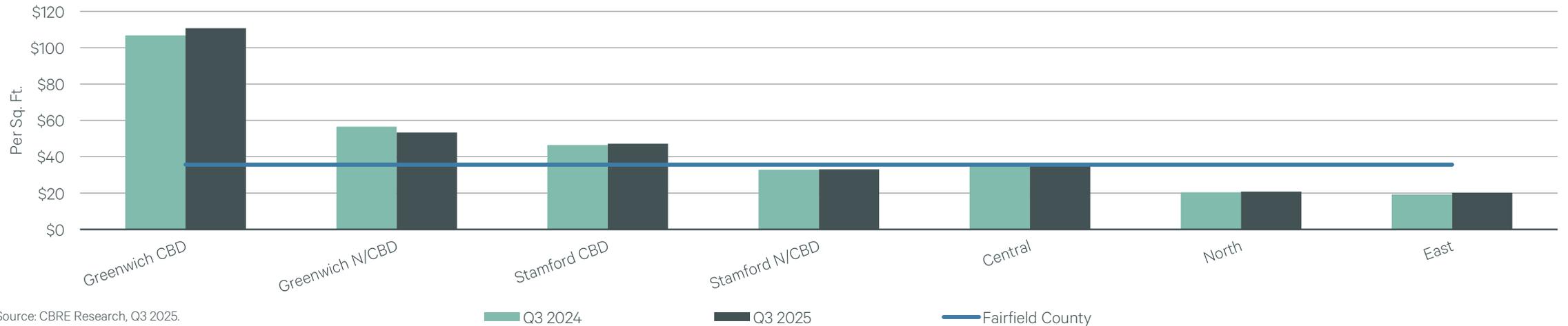
Greenwich CBD was the sole submarket to experience a notable quarterly shift. Asking rents jumped 4% to a record \$110.76 per sq. ft., due to 8,000 sq. ft. of leasing at 130 Mason Street which was marketing rent at \$85 per sq. ft., well below the CBD average.

FIGURE 6: Average Asking Rent | Quarterly Historical



Source: CBRE Research, Q3 2025.

FIGURE 7: Average Asking Rent | By Submarket



Source: CBRE Research, Q3 2025.

FIGURE 8: Q3 2025. | Market Statistics

Submarket	Market Rentable Area (MSF)	Total Available (MSF)	Availability Rate (%)	Vacancy Rate (%)	Net Absorption (SF)	Leasing Activity (SF)	Average Asking Rent (\$/SF/Year)
Greenwich CBD	2.17	0.16	7.6%	7.5%	15,830	16,833	\$110.76
Greenwich Non-CBD	2.04	0.41	20.1%	18.6%	(43,627)	35,190	\$53.33
Stamford CBD	9.97	2.13	21.4%	20.5%	95,618	92,529	\$47.23
Stamford Non-CBD	5.06	2.01	39.6%	38.7%	18,793	17,798	\$33.15
Central Fairfield	9.22	2.43	26.4%	24.6%	60,875	105,519	\$35.16
Eastern Fairfield	6.73	1.54	22.9%	21.6%	(19,336)	41,496	\$20.22
Northern Fairfield	3.11	0.79	25.2%	23.8%	(6,191)	9,003	\$20.86
FAIRFIELD COUNTY	38.30	9.47	24.7%	23.5%	121,962	318,368	\$35.68

Source: CBRE Research, Q3 2025.

Market Area Overview

Definitions

Availability: Space that is being actively marketed and is available for tenant build-out within 12 months. Includes space available for sublease as well as space in buildings under construction.

Asking Rent: Weighted average asking rent.

Leasing Activity: Total amount of sq. ft. leased within a specified period of time, including new deals, expansions, and pre-leasing, but excluding renewals.

Leasing Velocity: Total amount of sq. ft. leased within a specified period of time, including new deals, expansions, and pre-leasing and renewals.

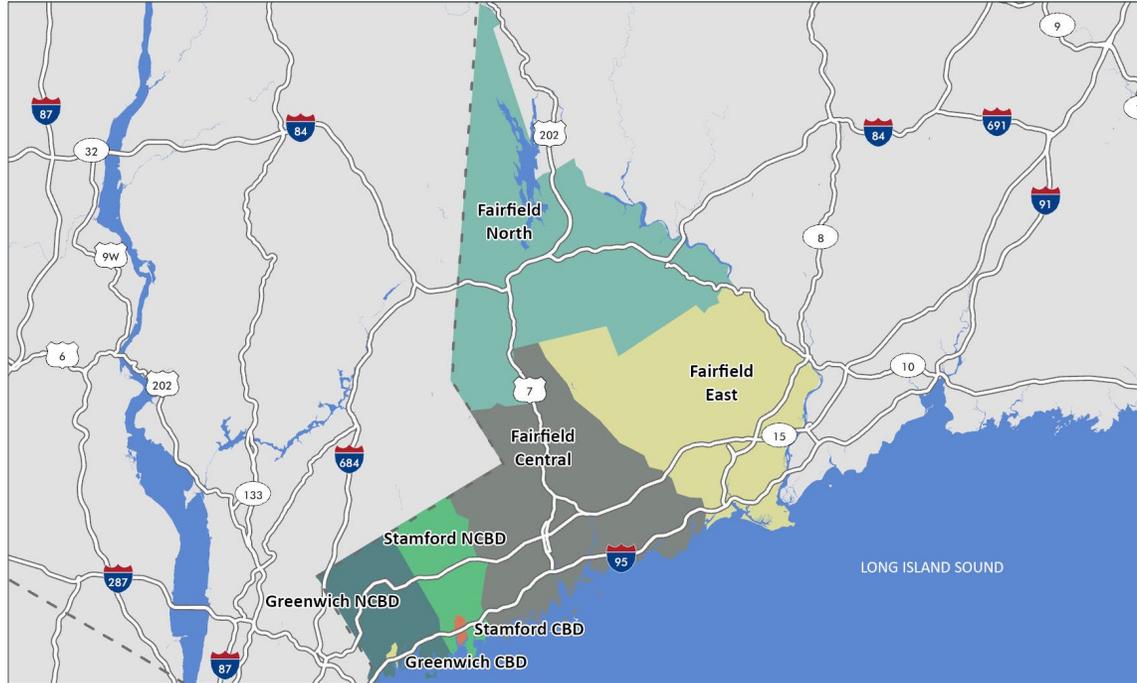
Net Absorption: The change in the amount of committed sq. ft. within a specified period of time, as measured by the change in available sq. ft.

Vacancy: Unoccupied space available for lease.

Survey Criteria

CBRE's market report analyzes Fairfield County's fully modernized office buildings that total 20,000 SF or larger, Class A and B only, multi-storied, conventionally modernized, and not owned and occupied by a government or medical institution. New construction must be available for tenant build-out within 12 months. CBRE assembles all information through telephone canvassing and listings received from owners, tenants and members of the commercial real estate brokerage community.

Market Area Overview



Submarket	Total Stock (MSF)
Greenwich CBD	2.17
Greenwich N/CBD	2.04
Stamford CBD	9.97
Stamford N/CBD	5.06
Central Fairfield	9.22
Eastern Fairfield	6.73
Northern Fairfield	3.11
FAIRFIELD COUNTY	38.30

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