

Year-to-date leasing activity outpaced last year by 41%



Note: Arrows indicate change from previous quarter.

QUICK FACTS

- Quarterly leasing activity totaled 203,000 sq. ft., down 26% from the prior quarter and 11% higher than the three-year quarterly average.
- Year-to-date leasing activity totaled 636,000 sq. ft., up 41% from the same period a year ago.
- The availability rate was 23.3%, down 50 basis points (bps) from Q2 2025 and up 10 bps from a year ago.
- Quarterly net absorption was positive 142,000 sq. ft., bringing year-to-date absorption to positive 72,000 sq. ft.
- The average asking rent was \$21.15 per sq. ft., unchanged from the prior quarter but up 2% from a year ago.

Market Overview

Hartford County’s Q3 leasing activity totaled 203,000 sq. ft., down 26% from the prior quarter but was 11% ahead of the three-year quarterly average. Despite the quarterly dip, the 636,000 sq. ft. of year-to-date activity remained 41% above the same period in 2024.

Hartford CBD led all submarkets in quarterly leasing activity for the first time in 2025 with 65,000 sq. ft. of new activity—doubling the activity achieved in the entire the first half of the year.

Positive absorption in Q3 pushed availability down 50 basis points (bps) to 23.3%. Hartford County’s 142,000 sq. ft. of positive absorption brought year-to-date absorption to positive 72,000 sq. ft. Average asking rent remained stable at \$21.15 per sq. ft. and is up 2% year-over-year.

Economic Overview

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 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

Hartford County’s Q3 leasing activity tallied 203,000 sq. ft.—11% higher than the three-year quarterly average. This solid performance trailed a very strong Q2 by 26%. Year-to-date leasing was 636,000 sq. ft.—up 41% compared to the same period last year.

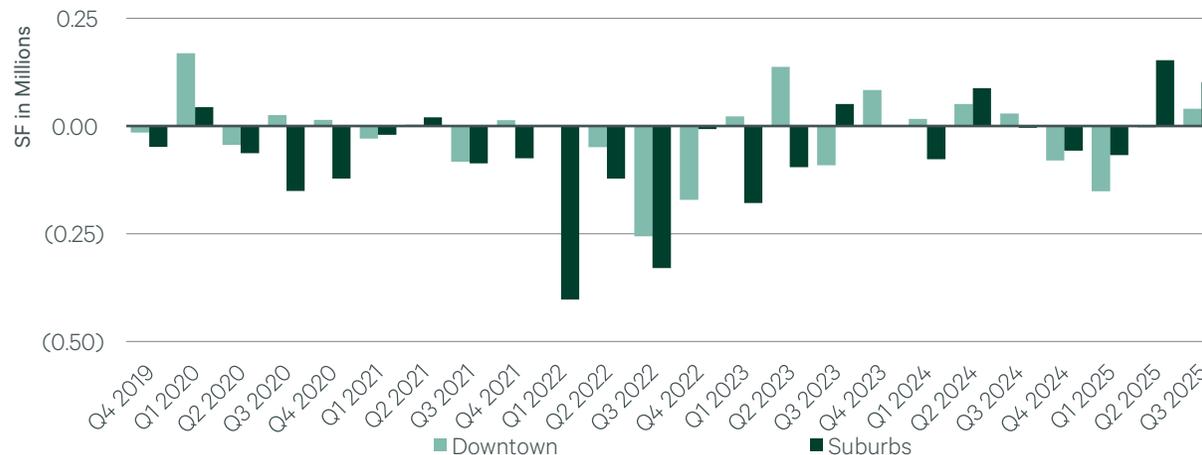
Hartford CBD led the county in leasing for the first time in the past four quarters, notching 65,000 sq. ft. of activity. The deals completed in Q3 included the Connecticut State Department of Banking’s full-floor 25,500-sq.-ft. lease at 280 Trumbull Street, and Infosys’ 19,000-sq.-ft. expansion at 185 Asylum Avenue.

FIGURE 1: Transactions of Note | Q3 2025.

Size (Sq. Ft.)	Deal Type	Direct/ Sublet	Tenant	Address	Submarket
25,500	L	D	State of Connecticut Department of Banking	280 Trumbull Street	Hartford CBD
19,166	E	D	Infosys - Hartford Tech & Innovation Hub	225 Asylum Street	Hartford CBD
16,653	L	D	Konica Minolta Business Solutions	200 Great Pond Drive	Hartford North
14,310	R	D	Brown Rudnick LLP	185 Asylum Street	Hartford CBD
14,073	R/E	D	Johnson Brunetti	100 Great Meadow Road	Hartford South

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

FIGURE 2: Quarterly Net Absorption



Source: CBRE Research, Q3 2025.

Those two deals made up 68% of the quarterly activity. Additionally, Hartford CBD also saw the largest renewal of the quarter with Brown Rudnick’s 14,000 sq. ft. renewal at CityPlace 1. Year-to-date, the CBD has notched 113,000 sq. ft. of new leasing and 79,000 sq. ft. of renewals.

Hartford’s suburban submarkets in Q3 leasing were led by Hartford East, notching 41,000 sq. ft. of activity, up 116% quarter-over-quarter, and 27% above the three-year quarterly average. The City of East Hartford made up 60% of new leasing within the Eastern submarket. Year-to-date leasing in Hartford East was 99,000 sq. ft., down 4% from a year ago.

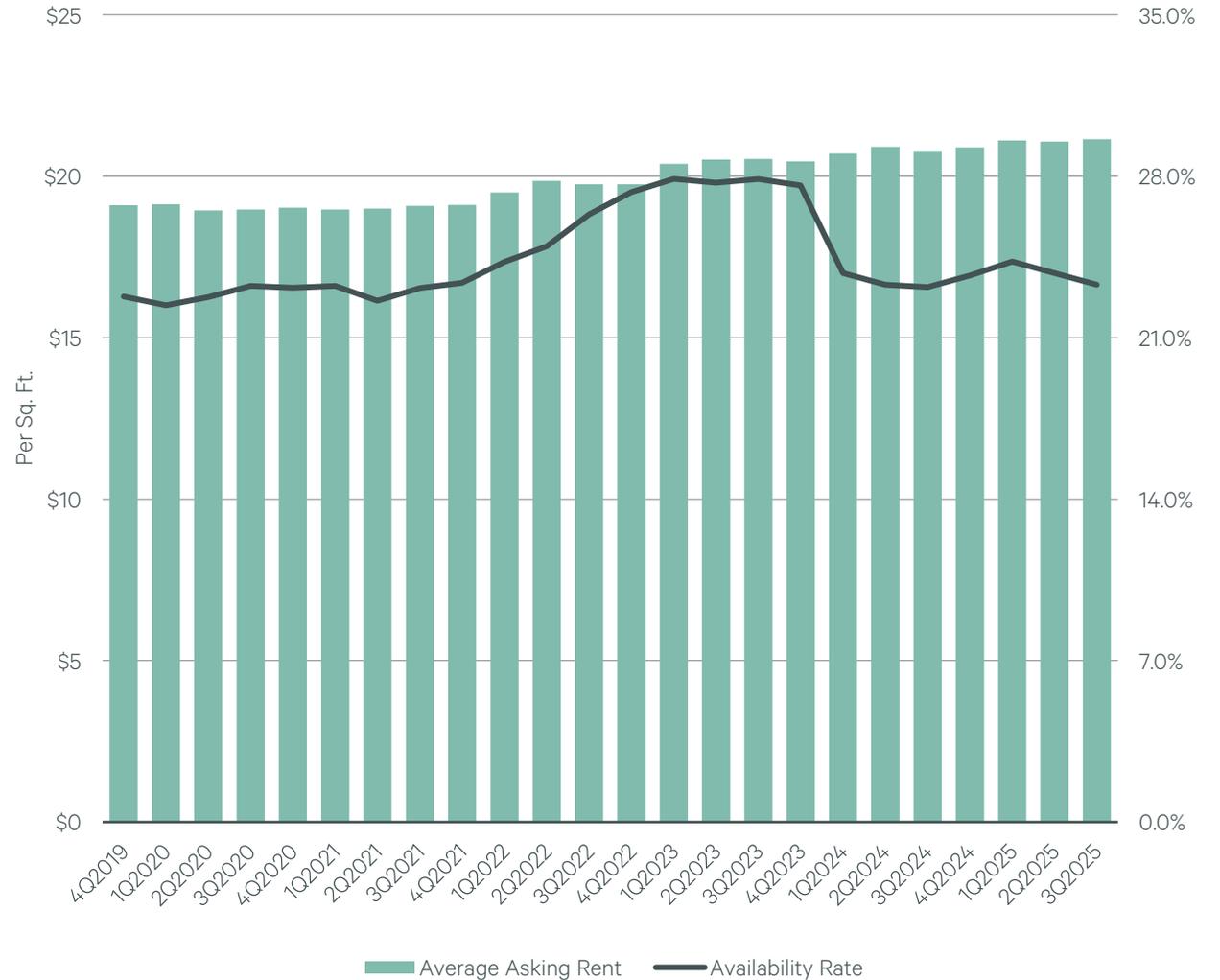
Hartford West has accumulated the most year-to-date leasing out of all the submarkets with 169,000 sq. ft.—56% better than the same period in 2024. Q3 saw the submarket tally 40,000 sq. ft. of new activity—7% below the three-year quarterly average. The submarket was driven by smaller transactions with 21 new deals completed in Q3 at an average of 2,000 sq. ft. per deal. The towns of West Hartford and Farmington captured most of Hartford West’s Q3 demand.

Net Absorption and Availability

For the second time in 2025, Hartford County registered positive quarterly absorption. Q3’s total 142,000 sq. ft. of absorption lowered the availability rate 50 bps from the prior quarter to 23.3%. Year-to-date absorption was positive 72,000 sq. ft., outpacing the 2024 total.

Hartford North led all submarkets in Q3 with 62,000 sq. ft. of positive absorption, bringing its year-to-date total to positive 34,000 sq. ft. Correspondingly, Hartford North’s availability rate dropped 120 bps to 45.7%, the lowest mark seen since the end of 2021. Year-over-year availability is down 730 bps. The large annual drop in availability stemmed from office conversions over the past year. Despite the reduction in supply, the availability rate remained well above pre-pandemic figures and leads all of Hartford County’s submarkets in available space.

FIGURE 3: Availability vs. Average Asking Rent



Source: CBRE Research, Q3 2025.

Hartford CBD notched 41,000 sq. ft. of positive absorption due to leasing outpacing new space additions. The CBD saw only four new space additions come to market, 75% of which were at 280 Trumbull Street. Year-to-date absorption is still negative 134,000 sq. ft. The availability rate dropped 50 bps to 23.5% quarter-over-quarter but is still up 180 bps year-over-year.

Hartford South notched 20,000 sq. ft. of positive absorption in Q3, lowering the availability rate 60 bps to 15.8%. Year-to-date absorption in Hartford South was 157,000 sq. ft., the highest among Hartford County’s submarkets. The removal of supply in this market has caused a 300 bps annual drop in its availability rate to the lowest level since 2018.

Office Average Asking Rent

Hartford County's average asking rent remained flat quarter-over-quarter but was up 2% year-over-year to \$21.15 per sq. ft. Similarly, Hartford CBD’s asking rent also remained flat quarter-over-quarter but took a 2% jump year-over-year to \$22.83 per sq. ft.

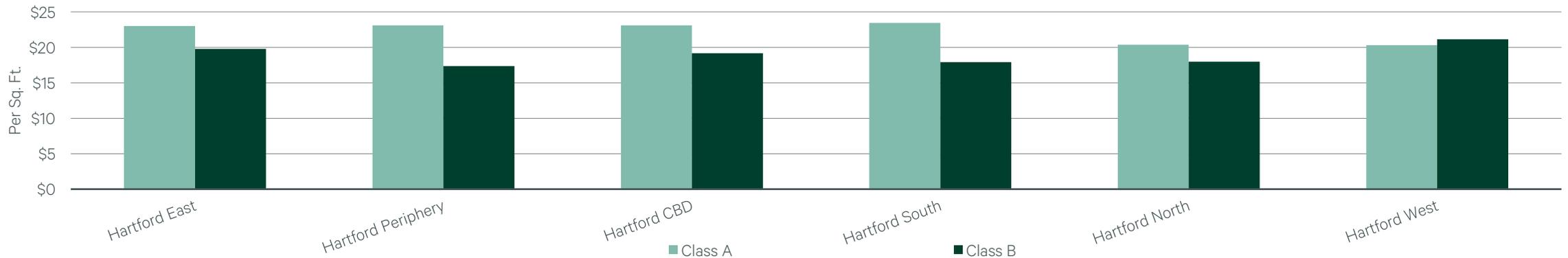
All of Hartford’s submarkets were unchanged in their asking rent quarter-over-quarter.

Year-over-year, Hartford Periphery tallied a 6% increase in average asking rent due to B-class stock being removed from inventory and Class A assets driving above averaged priced rents.

Hartford South also saw a significant year-over-year change in asking rent with a 4% increase due to an uptick in leasing and Class A spaces commanding a premium in Rocky Hill.

The Hartford office market's inventory and availability figures have changed substantially due to a shift in the number and type of buildings that are being tracked as statistical inventory. The updated statistical building set aligns with the rest of CBRE's Tri-State markets and provides a more relevant view of the Hartford office market, tracking Class A and Class B office buildings that total 20,000 sq. ft. or larger, and that are not owned and occupied by a government or medical institution.

FIGURE 4: Average Asking Rent | Class A vs. Class B



Source: CBRE Research, Q3 2025.

FIGURE 5: Q3 2025. | Market Statistics

Submarket	Buildings	Market Rentable Area (MSF)	Availability Rate (%)	Vacancy Rate (%)	Leasing YTD (SF)	Net Absorption YTD (SF)	Average Asking Rent (\$/SF/Year)
Hartford CBD	37	2.19	23.5%	23.3%	112,638	(134,331)	\$22.83
Class A	18	2.01	27.9%	27.6%	86,928	(148,516)	\$23.11
Hartford Periphery	16	0.10	3.7%	3.6%	12,584	19,159	\$19.56
Class A	3	0.03	1.8%	1.8%	1,755	(1,525)	\$23.10
Hartford North	48	2.28	45.7%	45.1%	95,796	33,849	\$19.86
Class A	18	1.70	51.2%	50.4%	66,200	24,541	\$20.38
Hartford East	50	0.46	13.8%	12.4%	98,874	5,791	\$21.11
Class A	15	0.19	16.5%	15.3%	50,590	(4,124)	\$23.01
Hartford South	54	0.58	15.8%	15.3%	147,122	157,303	\$20.53
Class A	14	0.27	16.7%	16.1%	78,596	9,048	\$23.43
Hartford West	101	1.19	22.6%	21.8%	168,546	(9,906)	\$20.66
Class A	34	0.56	24.8%	23.8%	99,994	(27,558)	\$20.32
HARTFORD OVERALL	306	6.79	23.3%	22.7%	635,560	71,865	\$21.15

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.

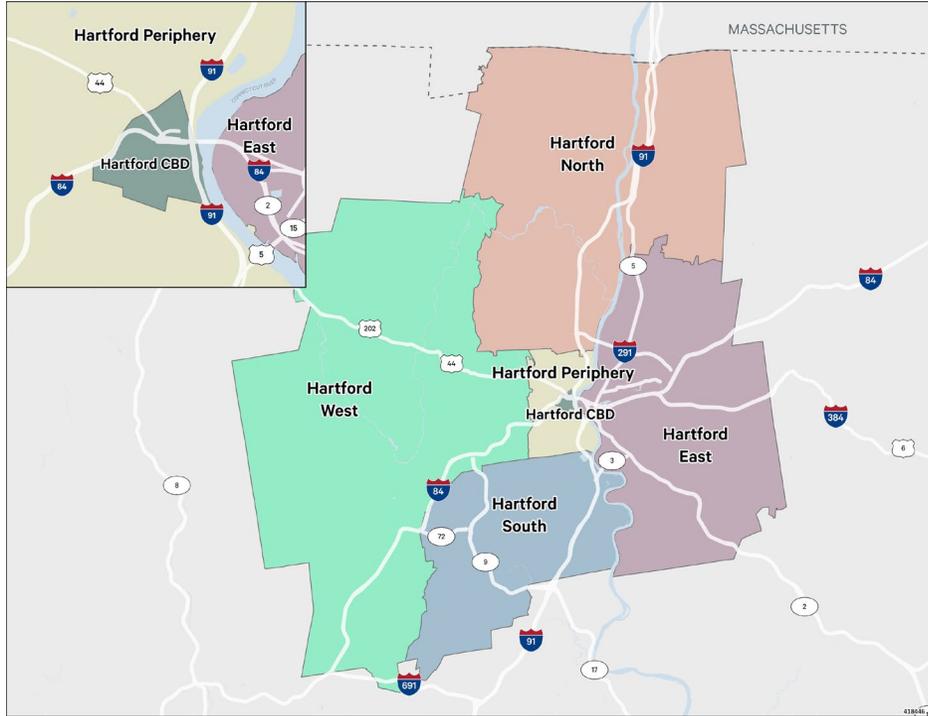
Net Absorption: The change in the amount of committed sq. ft. within a specified period of time, as measured by the change in available sq. ft.

Vacancy: Unoccupied space available for lease.

Survey Criteria

CBRE's market report analyzes Hartford's Class A and B office buildings that are 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)
Hartford CBD	9.93
Hartford Periphery	2.63
Hartford North	5.09
Hartford East	3.79
Hartford South	3.34
Hartford West	5.77
HARTFORD OVERALL	30.55

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