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New Haven County Office Market H1 2025

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Leasing activity slowed in H1 2025

▼ 93,000 YTD Leasing Activity

▼ (3,000) YTD Absorption

▼ 19.7% Availability Rate

▼ 19.5% Vacancy Rate

▶ $22.10 Average Asking Rent

Note: Arrows indicate change from previous half year.

QUICK FACTS

- Leasing activity amounted to 93,000 sq. ft.—down 60% from H2 2024.
- Renewals totaled 17,000 sq. ft. for H1 2025—down 43% from H2 2024.
- The availability rate was 19.7%—down 40 basis points (bps) from H2 2024.
- Net absorption for H1 2025 was negative 3,000 sq. ft.
- Average asking rent was $22.10 per sq. ft., unchanged from H2 2024.
- Sublease space currently makes up 1% of all available space on market.

FIGURE 1: Top Lease Transactions for H1 2025

Size (Sq. Ft.)	Deal Type	Direct/ Sublet	Tenant	Address	Submarket
13,294	R	D	Level 3 Communications	54 Meadow Street	New Haven Central
7,500	L	D	ProHealth Physicians	1445 Boston Post Road	New Haven East
5,762	L	D	TEKsystems	545 Long Wharf Drive	New Haven Central
4,041	R	D	Citizens Bank	555 Long Wharf Drive	New Haven Central
1,287	L	D	JAJ Financial Planning	1445 Boston Post Road	New Haven East

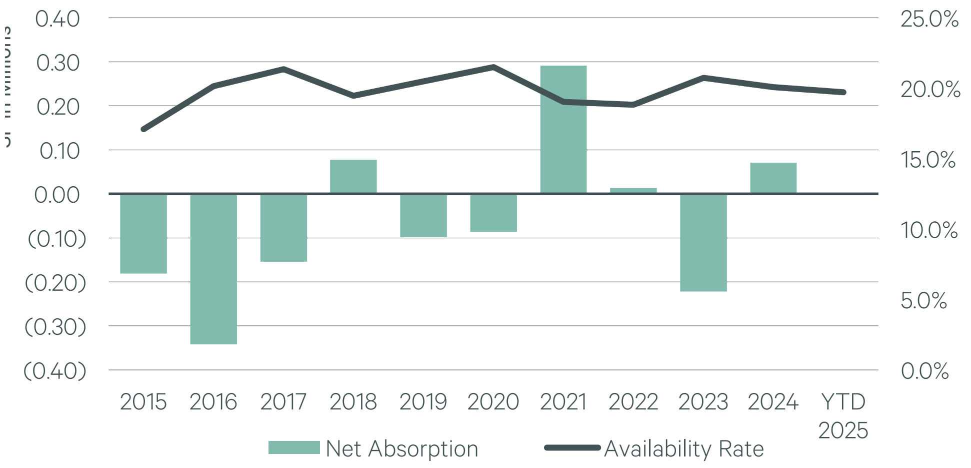
Source: CBRE Research, H1 2025. | Lease (L), Renewal (R), Expansion (E), Renewal and Expansion (RE), Direct (D), Sublet (S).

FIGURE 2: New Haven Market Activity

Source: CBRE Research, H1 2025.

New Haven County	H1 2025	H2 2024
Leasing Activity	92,717	232,270
Renewals	17,335	30,631
Absorption	(2,641)	18,219
Availability Rate	19.7%	20.1%
Vacancy Rate	19.5%	20.1%
Average Asking Rent	$22.10	$21.99

FIGURE 3: New Haven County Quarterly Absorption & Availability Rate



New Haven Overview

Situated along the Long Island Sound, New Haven has undergone a transformation in the past few decades, from a declining industrial center to an innovation hub. One of the main drivers of this change has been the presence and growth of educational institutions, healthcare organizations, and biotech companies, which have attracted talent, investment, and development to the city.

Major Headlines

- Average asking rent remained on par with the previous half standing at $21.10 per sq. ft.
- Level 3 Communications had the largest deal of the first half with a 13,000 sq. ft. renewal at 54 Meadow Street in downtown New Haven.
- The largest lease of the first half was ProHealth Physicians 7,500 sq. ft. lease at 1445 Boston Post Road in Guilford
- Absorption was negative 3,000 sq. ft. through the first half of 2025 due to leasing activity slowing in H1 and large space additions coming to market along Long Wharf Drive & Nicoll Street in Downtown New Haven.
- Availability dropped 40 bps from the previous half to 19.7%. Year-over-year availability is down 50 bps

FIGURE 4: New Haven Market Activity

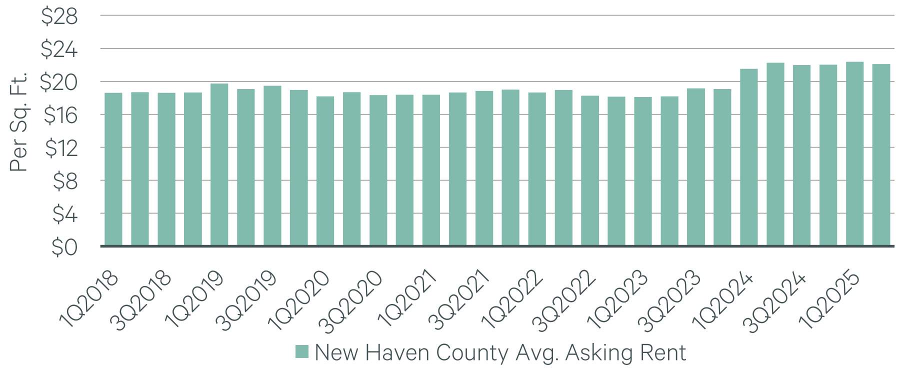
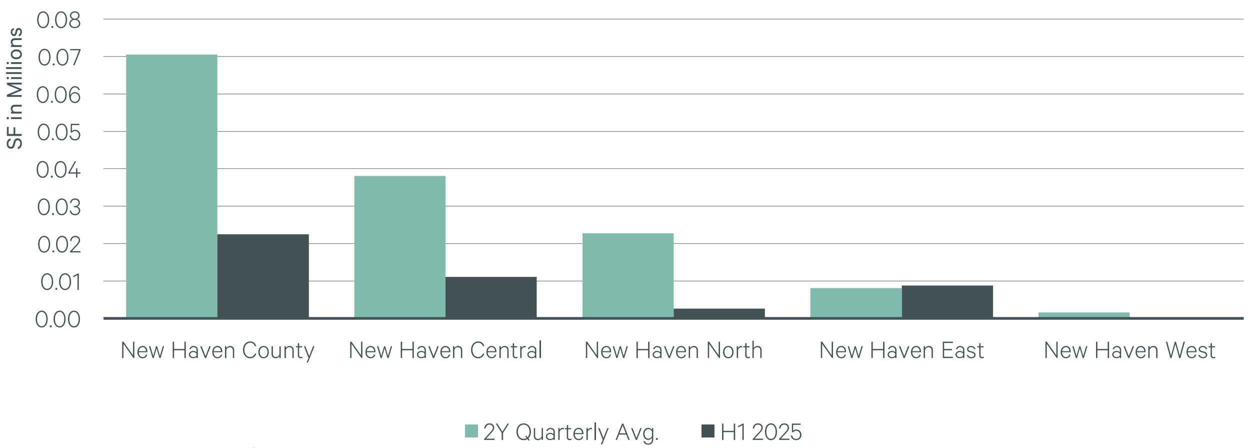


FIGURE 5: Quarterly Leasing Activity by Submarket



Source: CBRE Research, H1 2025.

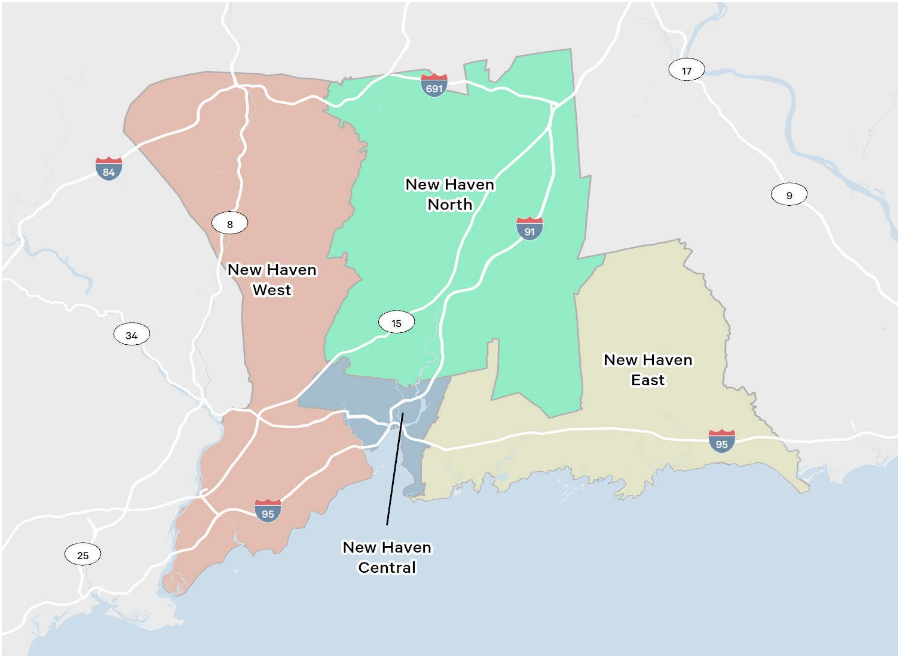


FIGURE 6: H1 2025 | Market Statistics

Submarket	Market Rentable Area (MSF)	Total Available (MSF)	Availability Rate (%)	Vacancy Rate (%)	2025 YTD Absorption (SF)	2025 Leasing Activity YTD (SF)	Average Asking Rent ($/SF/Year)
New Haven Central	6.12	0.98	15.1%	14.5%	(38,980)	28,011	$26.80
New Haven North	3.56	0.74	21.9%	21.6%	23,798	18,401	$20.21
New Haven East	0.53	0.07	10.9%	10.9%	8,371	41,305	$22.02
New Haven West	1.56	0.59	37.2%	35.4%	4,170	5,000	$16.68
NEW HAVEN COUNTY	**11.86**	**2.38**	**19.7%**	**19.5%**	**(2,641)**	**92,717**	**$22.10**

Source: CBRE Research, H1 2025

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.

Concession Values: The combination of rent abatement and T.I. allowance. The graph is for new leases for raw space of 25,000 sq. ft. or greater consummated year-to-date, this excludes expansion and renewal deals.

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.

Rent Abatement: The time between lease commencement and rent commencement.

Taking Rent: Actual, initial base rent in a lease agreement.

Taking Rent Index: Initial taking rents as a percentage of asking rents.

Definitions

T.I.: Tenant improvements.

Vacancy: Unoccupied space available for lease.

Percentage of Leasing by Industry: The percentage of sq. ft. leased by an industry based on transactions where a tenant and industry have been confirmed.

Survey Criteria

CBRE's market report analyzes fully modernized office buildings that total 20,000+ sq. ft. in New Haven County, including owner-occupied buildings (except those owned and occupied by a government or government agency). 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.

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