

2024 YEAR-END SALES REPORT

F A I R F I E L D



230
TRADES

\$1 B
VOLUME

\$4.5 M
AVG DEAL
PRICE

2024 COMMERCIAL REAL ESTATE MARKET REPORT: FAIRFIELD

By Tom Ashforth & Nat Barnum,
Co-Managing Directors at RMF

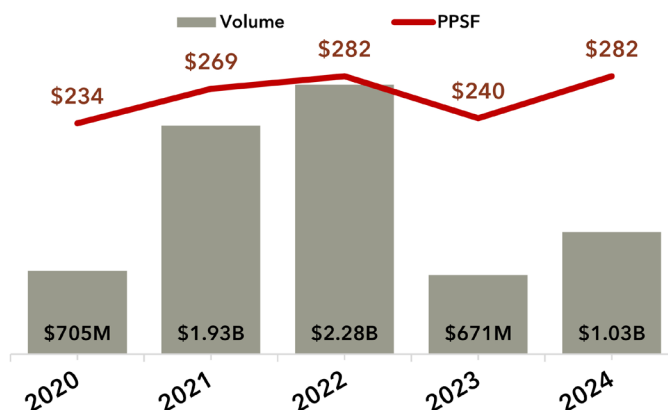
GENERAL MARKET TRENDS

In 2024, Fairfield's investment sales market was significantly influenced by lender actions. Despite many debt maturities, distressed sales were avoided as banks worked with borrowers to extend loans. Lenders were reluctant to lease or operate properties themselves, prompting their willingness to cooperate with borrowers.

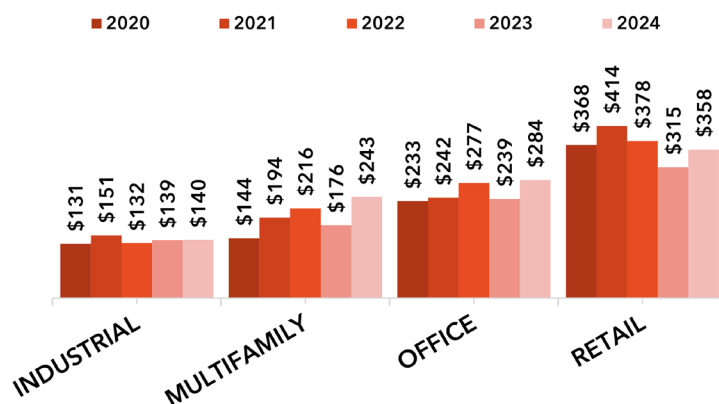
There was still a disconnect between buyer and seller expectations. Many properties stayed on the market because sellers were unwilling to meet buyers' pricing expectations, which slowed transaction volumes, particularly for underperforming assets.

Multifamily and residential development properties were the most sought-after asset types in Fairfield. This demand was driven by the need for additional housing stock in most Connecticut towns. In contrast, office properties remained out of favor, reflecting broader trends of decreased interest in this asset class.

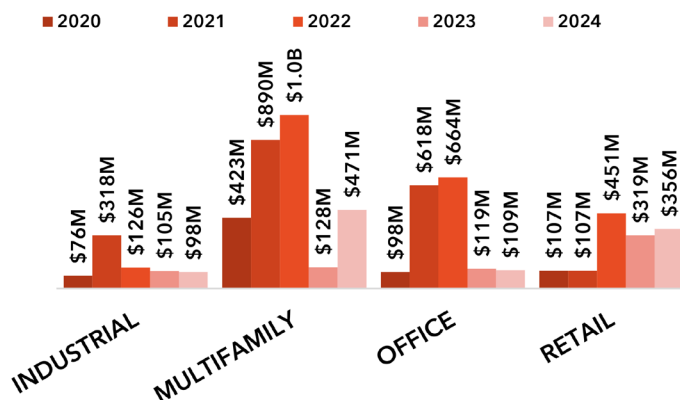
AVERAGE PPSF & TOTAL VOLUME ^{1 2}



MARKET SEGMENTS: AVERAGE PPSF ¹



MARKET SEGMENTS: VOLUME ¹



1) Fairfield Investment/Building Sales

2) Data Excludes Known Development Sites & Specialty Use Properties

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FINANCING

Interest rates played a significant role in shaping the market in 2024. Looking ahead, they are expected to remain steady in 2025. The Federal Reserve has signaled caution about future rate cuts, while uncertainties surrounding the new administration's economic policies add an additional layer of unpredictability. Refinancing and new loans are likely to remain challenging, making financing a major constraint for investors.

OPERATING CHALLENGES

Operating expenses, particularly insurance, continued to rise in 2024. Events like the Southern California wildfires have increased the likelihood of further hikes in insurance costs. These rising expenses complicated underwriting for investors and made it necessary to add pricing cushions to account for uncertainties.

For office property owners, leasing and capital expenditure remained key challenges. Owners with maturing debt focused on negotiating loan extensions with lenders, often under new conditions. Leasing teams faced greater pressure to secure tenants, and properties with quality space and effective leasing strategies were better positioned to succeed.

REFLECTIONS AND PREDICTIONS

One of the biggest surprises in 2024 was the resilience of certain asset classes despite the ongoing disconnect between buyers and sellers. Looking ahead to 2025, an increase in debt maturities could provide opportunities for investors to partner with property owners. These partnerships could support recapitalization efforts, including leasing, refinancing, or selling assets.

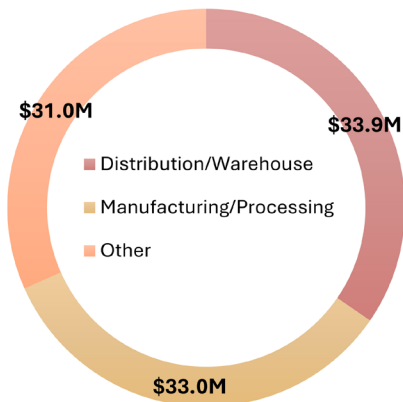
CONCLUSION

Fairfield's commercial real estate market in 2024 faced notable challenges, including rising operating costs, tight financing conditions, and a disconnect between buyers and sellers. However, demand for multifamily remained strong, driven by the need for housing. As 2025 approaches, debt maturities could create new opportunities for investors to collaborate with property owners and navigate a changing market landscape.

DATA POINTS

	2024	YoY
Total Volume	\$98M	↓ 6.9%
Velocity	44 Trades	↓ 29%
Avg. Deal Price	\$2.2M	↑ 31%
Avg. Price / SF	\$140	→ FLAT

VOLUME BY TYPE: 2024

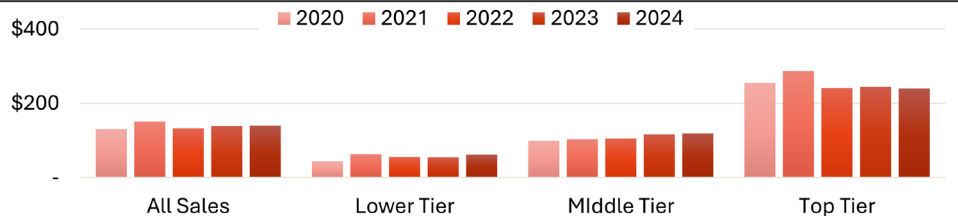


VOLUME HISTORY



AVERAGE PRICE PER SF

Each tier is approximately 1/3 of transactions.



FEATURED TRANSACTIONS



53 Church Hill Rd | Newtown

SALE PRICE: \$7,675,000
BUILDING SF: 64,762 SF
PPSF: \$119



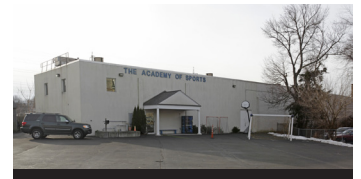
32 Schoolhouse Hill Rd | Newtown

SALE PRICE: \$8,890,000
BUILDING SF: 130,543 SF
PPSF: \$68



60 Backus Ave | Danbury

SALE PRICE: \$10,060,000
BUILDING SF: 107,435 SF
PPSF: \$94



55 Crescent St | Stamford

SALE PRICE: \$2,700,000
BUILDING SF: 8,500 SF
PPSF: \$318

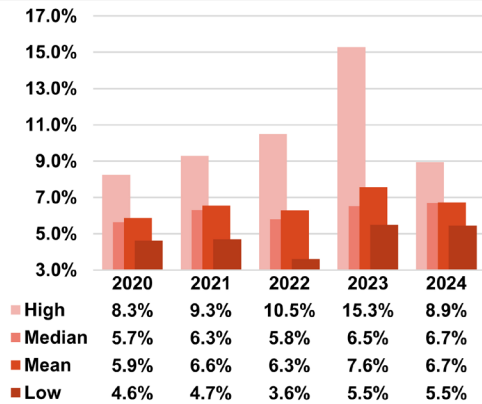
VIEWPOINTS

TOM ASHFORTH & NAT BARNUM: The industrial sector in Fairfield continued to showcase strong demand, driven by a limited supply of inventory and a shortage of viable development sites. This persistent lack of available space has heightened competition among investors, particularly for properties with unique attributes. Among the most attractive opportunities were in-fill Class B flex properties, which offered below-market rents and strategic locations that appealed to tenants and investors alike. These assets demonstrated their ability to generate steady returns while requiring comparatively lower capital outlays. The combination of constrained supply and the consistent desirability of well-located flex spaces underscores the sector's resilience and growth potential.

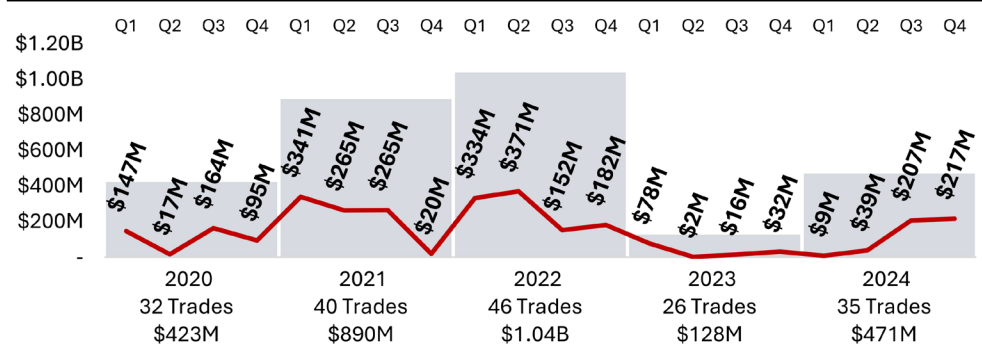
DATA POINTS

	2024	YoY
Total Volume	\$471M	↑ 268%
Velocity	35 Trades	↑ 35%
Avg. Deal Price	\$13.5M	↑ 173%
Avg. Price / Unit	\$228K	↑ 37%

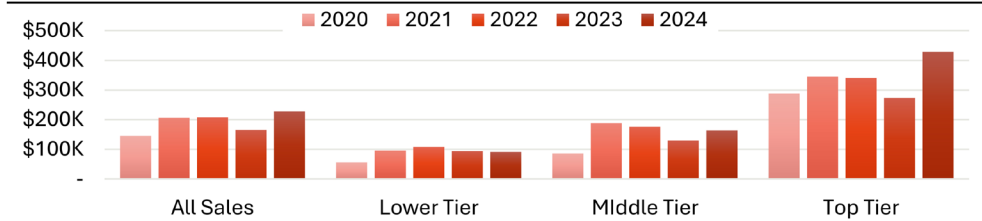
CAPITALIZATION RATES



VOLUME HISTORY



AVERAGE PRICE PER UNIT



FEATURED TRANSACTIONS



100 Lakeview Ave | New Canaan

SALE PRICE: \$74,645,615
BUILDING SF: 157,480 SF
PPSF: \$474



215 Alfred St | Bridgeport

SALE PRICE: \$107,500,000
BUILDING SF: 332,352 SF
PPSF: \$323



137 Hollow Tree Ridge Rd | Darien

SALE PRICE: \$120,000,000
BUILDING SF: 453,024 SF
PPSF: \$265



709 Hallett St | Bridgeport

SALE PRICE: \$3,400,000
BUILDING SF: 8,275 SF
PPSF: \$411

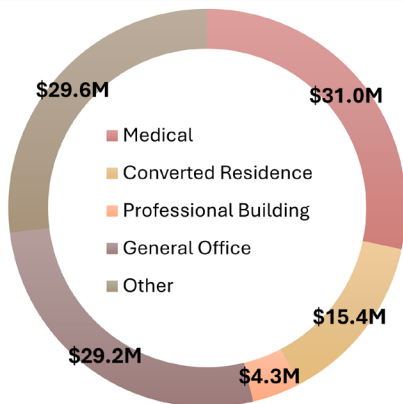
VIEWPOINTS

TOM ASHFORTH & NAT BARNUM: Multifamily properties emerged as one of the most sought-after asset classes in Fairfield during 2024, driven by the region's acute need for additional housing stock. The strong demand for rental housing, coupled with limited supply, positioned multifamily developments as a reliable and attractive investment. Shifting demographics and rising homeownership costs further fueled interest in this asset class, as more residents turned to rental options. Multifamily properties consistently demonstrated resilience and stability, making them a top choice for institutional and private investors seeking dependable opportunities in a competitive market. This sector's enduring appeal highlights its critical role in Fairfield's real estate landscape.

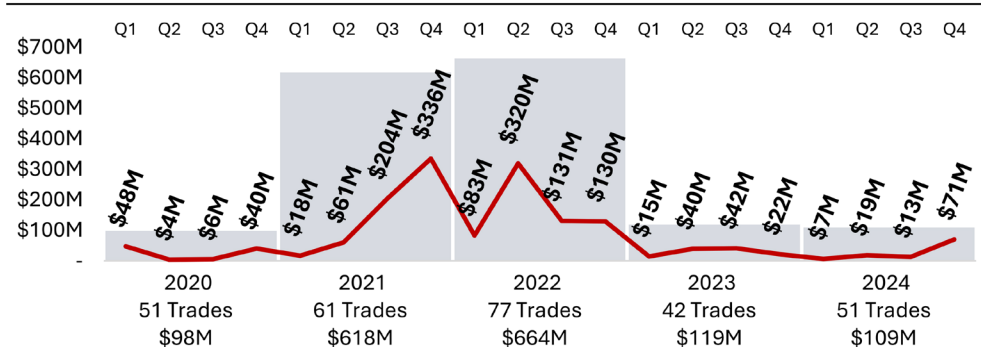
DATA POINTS

	2024	YoY
Total Volume	\$109M	↓ 8.0%
Velocity	51 Trades	↑ 21%
Avg. Deal Price	\$2.1M	↓ 24%
Avg. Price / SF	\$284	↑ 19%

VOLUME BY TYPE: 2024

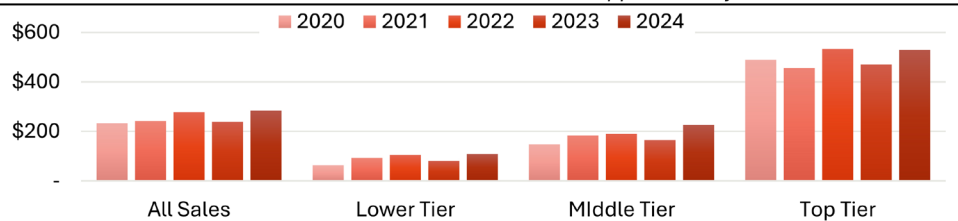


VOLUME HISTORY



AVERAGE PRICE PER SF

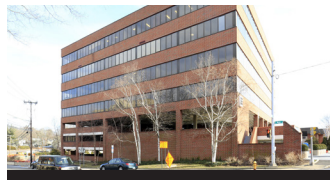
Each tier is approximately 1/3 of transactions.



FEATURED TRANSACTIONS

**315 Post Rd W | Westport**

SALE PRICE: \$6,590,000
BUILDING SF: 32,000 SF
PPSF: \$206

**1281 E Main St | Stamford**

SALE PRICE: \$19,100,000
BUILDING SF: 73,060 SF
PPSF: \$261

**31 Saint Roch Ave | Greenwich**

SALE PRICE: \$1,800,000
BUILDING SF: 3,936 SF
PPSF: \$457

**400 Main St | Stamford**

SALE PRICE: \$2,700,000
BUILDING SF: 33,488 SF
PPSF: \$81

VIEWPOINTS

TOM ASHFORTH & NAT BARNUM: The office market in Fairfield demonstrated a stark divide in performance across different property classes. High-quality Class AA properties remained highly desirable, attracting tenants with their premium amenities, modern facilities, and prime locations. These properties achieved record-high asking and taking rents, especially in competitive markets like Greenwich, CT, where demand for top-tier office space continued to surge.

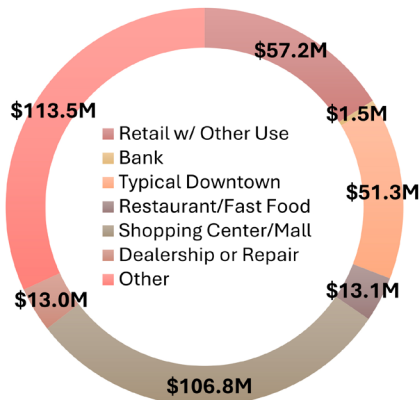
In contrast, Class B office buildings faced significant challenges. Many of these properties struggled to secure leases due to outdated infrastructure, less favorable locations, and a lack of competitive amenities. The ongoing shift towards hybrid work models and tenant preferences for newer, more flexible spaces further exacerbated difficulties in leasing these assets. This divide highlights the broader challenges within the sector, as property owners grapple with evolving tenant demands and increased competition. Despite these challenges, average asking prices increased almost 20% year over year driven primarily by more sale activity among class A assets.

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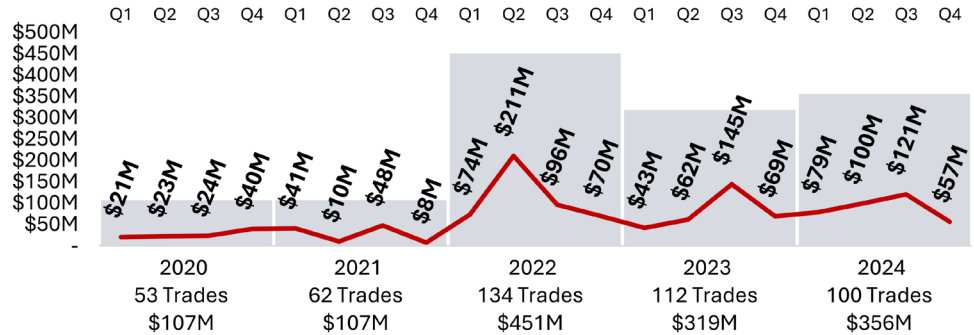
DATA POINTS

	2024	YoY
Total Volume	\$356M	↑ 12%
Velocity	100 Trades	↓ 11%
Avg. Deal Price	\$3.6M	↑ 25%
Avg. Price / SF	\$358	↑ 13%

VOLUME BY TYPE: 2024

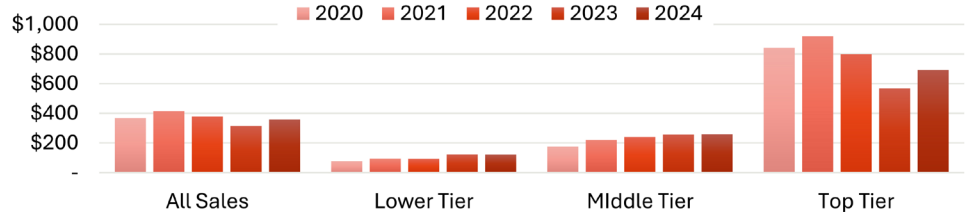


VOLUME HISTORY



AVERAGE PRICE PER SF

Each tier is approximately 1/3 of transactions.



FEATURED TRANSACTIONS



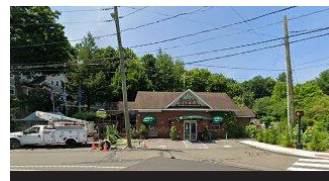
81-87 Stony Hill Rd | Bethel

SALE PRICE: \$30,500,000
BUILDING SF: 101,205 SF
PPSF: \$301



379-397 & 403 Post Rd E | Westport

SALE PRICE: \$45,500,000
BUILDING SF: 76,368 SF
PPSF: \$596



17 Barlett Ave | Norwalk

SALE PRICE: \$3,700,000
BUILDING SF: 2,378 SF
PPSF: \$1,556



286 S Main St | Newtown

SALE PRICE: \$1,950,000
BUILDING SF: 1,063 SF
PPSF: \$1,834

VIEWPOINTS

TOM ASHFORTH & NAT BARNUM: Retail properties in Fairfield in 2024 demonstrated resilience, with premium locations seeing price growth while other properties held steady. High-traffic retail spaces commanded the highest price per square foot, driven by strong demand and investor confidence in prime areas. Properties in more modest locations performed consistently, maintaining stable pricing and attracting cost-conscious tenants and investors. Meanwhile, less favorable locations, though stable, exhibited limited growth potential due to location challenges or weaker tenant dynamics. This stability underscores the adaptability of Fairfield's retail market, as investors prioritized high-performing properties while seeking opportunities to enhance underperforming assets.

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