



**CITY OF
STAMFORD**
Innovating since 1641



2017

Q1 REPORT

Economic Development Activity

Q1 Overview

2017 Q1 was a reminder of why the city of Stamford is the place to be. The city boasts an environment where business can flourish and its residents can live, work, learn, and play.

New Business

Stamford's proximity to New York City enhances our local ecosystem of industry-leading businesses and merging tech community. It is a place where businesses, both small and large, can prosper in Connecticut. The city boasts an inventory of over 16.2 million square feet (SF)¹ of Class A and B corporate office space, attracting tenants to Stamford. The newest additions to Stamford's community of companies include PartnerRe, adding 220 jobs,² the sports and talent agency Octagon, adding 150 new positions,² and the consolidation of Henkel Corporation and its Innovation Lab from Arizona and Wilton, bringing 266 jobs in 2017 (and set to expand to over 500 by 2018).⁴

Current Developments

A total of 3,608 apartment units throughout the city are currently under construction or have land use approvals. Major development projects during the first quarter of 2017 in-

clude Park Square West Phase IV, the new UCONN dormitory (Rippowam Place), Metro Green III (affordable housing), and Atlantic Station.

Commercial Real Estate

In Stamford's office market, there was a 23.3% increase in leasing activity over the past year due to an influx of companies moving into Stamford. The continued increase in the demand for office space is expected to increase, further decreasing the unemployment rate.

Residential Real Estate

Stamford ended Q1 with the highest number of home sales in Fairfield County. A total of 141 sales were closed in quarter one, two less than at this time last year. Notably, the number of condominium sales closed saw an increase of 15.2%. In addition, there were 10 new single family housing starts during this quarter.

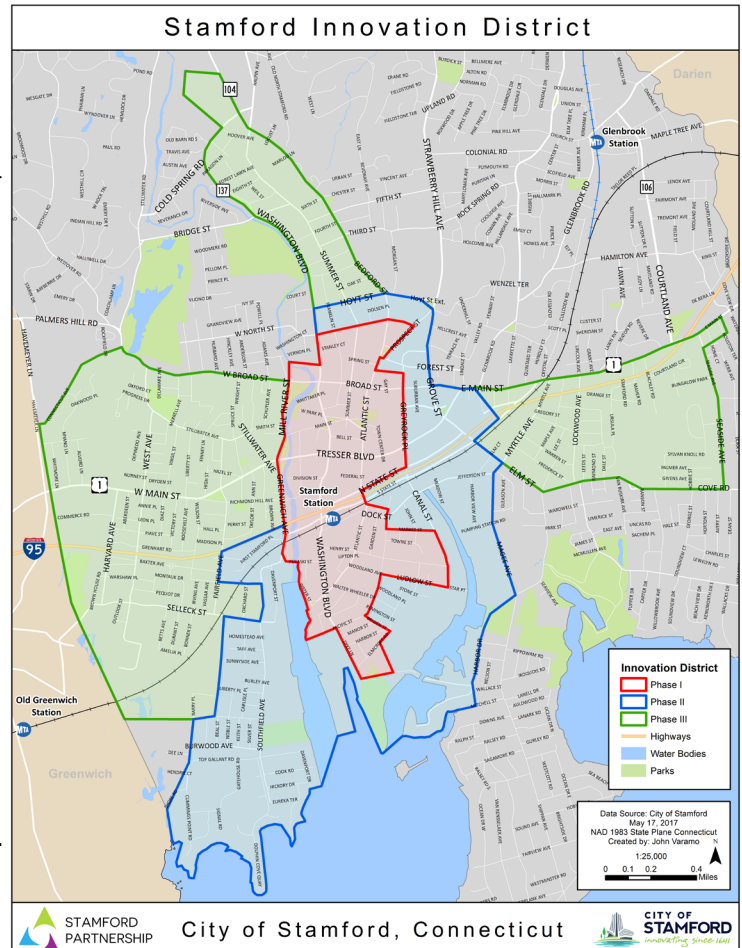
CTNext Grant & Stamford Innovation District

Innovate Stamford, in association with the Stamford Partnership, BCFC, and BLT are creating a long-term plan that will transform Stamford into CT's innovation hub. Innovate Stamford will pitch their plan to CTNext, an organization that supports entrepreneurs and innovative initiatives, to be considered for a grant that will allow the development of innovation districts in the city. If successful, the city may be in an eligible position to receive an annual \$2 million grant for five years to create one of the four innovation districts in the state.

The innovation district will include a number of geographic locations where startups, modern manufacturing businesses, coworking spaces and gathering places are clustered in a cohesive neighborhood. The perimeter of the first phase would include the Downtown and Harbor Point areas, with the Stamford Transportation Center as the hub.

Key features of the district will include incubators and coworking spaces, an autonomous vehicle program that will allow the industry to grow in Stamford, access to a gigabit-based WiFi network that will provide speeds of up to 1,000 megabits per second, and shared experiences such as Downtown Special Services District's Alive @ Five summer concert series. The innovation district will ultimately contribute to the creation of an environment that attracts innovators, startups, and tech-oriented people.

State funding from CTNext will allow this plan to begin and further reinforce Stamford's position as the epicenter of economic growth in the state of Connecticut.



City of Stamford

Economic Headlines

[Westfair - Henkel Expanding Stamford HQ by an Additional 20,000 Square Feet](#)

"Henkel Consumer Goods Inc. has taken another 20,000 square feet at 200 Elm St. in Stamford, for a total footprint of approximately 155,000 square feet, as it prepares to relocate its North American corporate headquarters from Scottsdale, Arizona." (266 Employees, 500 by 2018)

[Westfair- Octagon Inc. Relocates HQ to Shippan Landing in Stamford](#)

"Octagon Inc., a sports and entertainment marketing and talent management agency, is relocating its headquarters to the Shippan Landing complex in Stamford. The company, which is moving from Norwalk, has signed an 11-year lease to occupy 57,009 square feet across the entire third floor and a section of the second floor of the property at 290 Harbor Drive along the Stamford waterfront." (150 Employees)

[Stamford Advocate - Uber Gets The Greenlight To Help Drivers At New Hub In Stamford](#)

"Uber opened a new office in Stamford to help its drivers, and a city official points to it as an example of the city's growing tech community."

[Westfair - PartnerRe Relocates to 200 First Stamford Place](#)

"Partner Reinsurance Company of the U.S. (PartnerRe) is relocating its Northeast office from One Greenwich Plaza in Greenwich to 200 First Stamford Place in Stamford." (220 Employees)

[CTPost- Connecticut Emerging as a New Frontier For Driverless Cars](#)

"Hartford and Stamford have been named as possible right-sized cities for experimentation"

Commercial Real Estate

250K+

Leasing Activity (SF)

73

A Class Buildings

66

B Class Buildings

+33%

Absorption

Office Market Overview

Leasing

Leasing activity in Stamford's CBD and Non-CBD experienced a small decline after its above-average year-end leasing. Activity this quarter was down by 259,462 square feet compared to 470,333 square feet in the last quarter of 2016. Despite this decline from the previous quarter, new companies moving into Stamford caused a 23.3% increase from Q1 of 2016 to Q1 of 2017.

The Stamford office market saw a 4% increase in availability, from 27.2% in the Q4 of 2016, to 31.2% this quarter. Despite large blocks of space opening up in past quarters, a stable level of demand has allowed for an increase in total net absorption from -674,325 SF in Q4 of 2016 to -454,170 SF in Q1 of 2017. Direct Asking Rent in Stamford

remained stable at \$43.40 per square foot.

As new companies continue to move into and expand in Stamford, labor markets are expected to improve and increased demand for office space is anticipated in 2017.⁵

Sales

A&E High Ridge LLC, a Westchester County, N.Y.-based investor, purchased a pair of mixed-use buildings for \$10.25 million. The new ownership plans to reinvigorate the buildings and take advantage of its location. Together, the two three-story buildings total over 40,000 square-feet of office and retail space. They stand on an acre, with more than 150 parking spaces. The buildings were 100% leased when sold.

Key New Lease Transactions

Tenant	Building	Type	Submarket	SF	Industry	Class
PartnerRe	200 First Stamford Place	New Lease	Stamford CBD	56,690	Finance/Insurance	A
AirCastle Advisors	201 Tresser Boulevard	Sublease	Stamford CBD	31,117	Transportation	A
Charter Communications	201 Tresser Boulevard	Sublease	Stamford CBD	23,055	Media/Telecom	A
High Ridge Brands	333 Ludlow Street	Sublease	Stamford Non-CBD	21,165	Consumer Products	A
Henkel of America	200 Elm Street	Expansion	Stamford CBD	20,000	Consumer Products	A
Winsupply Stamford	81-91 Southfield Avenue	New	Stamford Non-CBD	18,060	Construction	B
Waypoint Residential	9 West Broad Street	New	Stamford CBD	11,505	Real-Estate	A

Key Sales Transactions

Building	Submarket	Sale Price	Price/SF	SF
111-123 High Ridge Road	Stamford Non-CBD	\$10,250,000	\$254	40,371

Source: Cushman & Wakefield, Newmark Knight Frank

Residential Real Estate

Single Family Homes⁶

Stamford's single-family home sales experienced a small decline, decreasing by only 1.39% from the number of sales in 2016. There were 141 sales closed this quarter, two less than this time last year. However, Stamford continues to have the highest number of home sales in Fairfield County.

Stamford also saw a 9.2% increase in the median sales price from \$541,000 in Q4 of 2016 to \$591,000 this quarter. Additionally, there were 10 new single family housing starts during quarter one.

Stamford housing prices affirm its position as the most affordable location to live within Fairfield County and the New York Metropolitan Area. The average price of a home in Stamford in Q1 was \$688,313, whereas neighboring municipalities like Greenwich, Darien, New Canaan, Westport, and Wilton average at least \$1 million.⁷

Multi-family Home

Multi-family homes experienced small declines in the number of sales closed, which moved from 25 sold in Q4 to 21 sold this quarter, and the median sales price, which moved from \$518,000 in Q4

to \$500,000 this quarter, but year-over-year trends were more promising. Six more homes were sold this quarter compared to Q1 of 2016 and the median sales price of multi-family homes increased by 12%, from \$440,000 this time last year.

Foreclosures

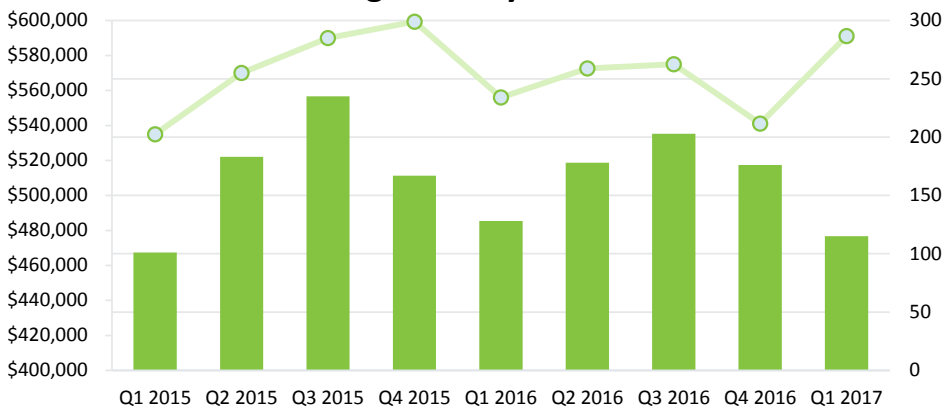
The city of Stamford has a foreclosure rate of 1 in every 1,603 homes. Within Stamford, the 06902 zip code holds the lowest foreclosure ratio (1 in 2089), while the 06906 zip code holds the highest (1 in 890). Fairfield County holds the third-lowest foreclosure ratio in Connecticut with one in every 1363 homes facing foreclosure, while the state average is currently 1 in 1189.

Condominiums

Condominium sales saw a 12.6% year-over-year increase from 97 units sold in Q4 of 2016, to 111 units sold this quarter. The number of sales closed saw larger quarterly declines, moving from 168 in Q4 of 2016 to 111 units this quarter, but the market is expected to improve moving into Q2, as it has consistently in previous years.

The market saw quarterly declines in median sales price, moving from \$308,500 in Q4 2016 to \$270,000 this quarter.

Single Family Sales



Source: City of Stamford Assessor's Office

■ Number of Sales Closed
○ Median Sales Price

Apartment Market

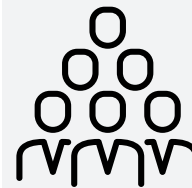
Stamford leads the rest of Connecticut with over \$6 billion in development projects. By the end of Summer 2017, 458 units are expected to be completed, all within Stamford Downtown.

A total of 3,608 units are currently under constructions or have land use approvals within the entire city. 1,817 of those units are located in the Downtown Special Services District, and 826 units are in the Harbor Point/South End District.

Stamford by the NUMBERS



36
Median Age



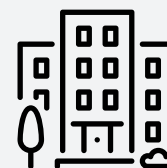
129,113
Population



\$79,359
Median HH Income



AAA/Aa1
S&P and Moody's



3,608
Apartments in development

Source: US Census Bureau, City of Stamford

Residential Construction

Residential building permits in Stamford decreased 17.2 percent between the first quarters of 2016 and 2017. Single family permits numbered 183 this quarter— including 10 new housing starts - most of which were renovations/additions to existing properties— and ac-

counted for 88.4% of the total residential permits issued during Q1 2017. There was a 15.3% decrease in single family housing permits issued year-over-year. Multi-family permits dropped by 31.6% from the previous year, from 38 to 24 permits over-the-year.⁸



Park Square West Phase IV

Park Square West, located on 1011 Washington Boulevard is set to complete in the summer of 2018. The high-rise apartment building will be 15 stories high with 209 units and 156,100 square feet of luxury residential space.



Rippowam Place

Rippowam Place, located on 900 Washington Boulevard, is set to complete in the summer of 2017. The luxury dormitory building will bring 118 residential units, 1,500 square feet of retail space, and 4,200 square feet of restaurant space to Downtown Stamford.



Metro Green Phase III

Metro Green, located on 717 Atlantic Street, is set to complete in the fall of 2017. The 231-unit apartment building is a mixed-income housing project that will have ranging house affordability. Metro Green strives to provide environmentally-friendly housing to the City of Stamford.



Midtown Estates

Midtown Estates, located on 20 Third Street, is set to complete in the summer of 2017. The 23-unit luxury townhouse will bring 47,300 square feet of residential space to the Ridgeway neighborhood of Stamford.



Atlantic Station

Atlantic Station, located on 421 Atlantic Street, is set to complete in the spring of 2018. With 650 rental apartments, and 50,000 square feet for retail and restaurants, the two Atlantic Station buildings will be a mixed-use development for both luxury residential living and dynamic retail.



West Gate Townhomes

West Gate Townhomes, located on 220 West Avenue, is set to complete in the spring of 2018. The 32-unit luxury townhouse community will have 50,000 square feet of space for residential living.



Marriott Residence Inn

Marriott Residence Inn, located on 23 Atlantic Street, is set to complete in the winter of 2018. The eight-story building will become the only extended-stay hotel in the City of Stamford upon completion with 156 rooms.



1000 Commons Park N

1000 Commons Park N, located next to Commons Park in Harbor Point, is set to complete in the spring of 2018. With 16 stories and 365,000 square feet of space, the residential building will house 258 one-bedroom apartments, 125 two-bedroom apartments, and eight studios.

Consumer Activity

Consumer Confidence

Consumer Confidence in the US surged to 125.6, its highest level since December 2000. Economists expected it to hit 97%, but it reached 97.6%, up from 96.3 in the previous month. This means most consumers look favorably on the U.S. economy.⁹

The New England Region, which includes Connecticut, reported a Consumer Price Index for All Urban Cities (CPI-U) of 265.070. The index has steadily increased since January, and since its reported 261.675 at the end of Q4 of 2016.¹⁰

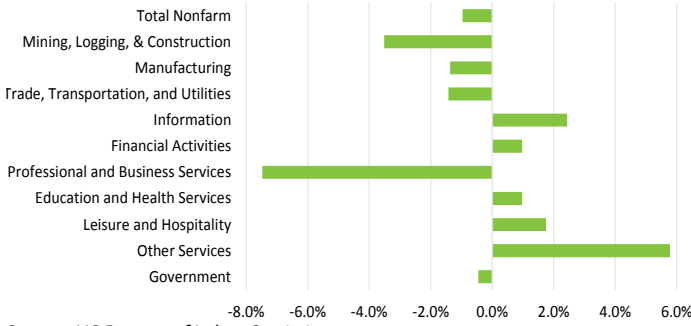
Employment Activity

Employment in Fairfield County increased by 0.93% from March 2016 to 2017, surpassing a 0.85% increase across the Bridgeport-Stamford LMA and falling short of the 1.76% increase in employment across the entire state of Connecticut.¹¹ The Information industry reported the second-largest job growth in the LMA, with an increase of 2.4% from 12,300 to 12,600 jobs; Other Services saw the greatest increase at 5.8%, up from 2.4% in the previous year. The largest drop in employment was seen in the Professional and Business Services supersector, which fell 7.5% from the previous year, losing 5,000 jobs. Construction, Mining, and Logging (-3.5%), Manufacturing (-1.4%), and Trade, Transportation, and Utilities (-1.4%) also saw their numbers lower. Other Services also had the greatest increase in jobs statewide, adding 2,500 jobs for an increase of 3.9%.¹²

Connecticut has added 900 non-farm jobs since last year and lost a total of 4,300 government positions, its largest Q1 drop in government employment since 7,200 positions were lost between 2009 and 2010. This is a part of an ongoing trend of decreased government spending.

Employment Growth by Industry Q1 2017

Bridgeport-Stamford-Norwalk 12-Month % Change, Seasonally Adjusted



Source: US Bureau of Labor Statistics

Major Employers

EMPLOYERS	EMPLOYEES	RANK
City of Stamford	3,174	1
Stamford Hospital Systems	2,700	2
Stamford Town Center	1,850	3
Gartner	1,300	4
Charter Communications	1,000	5
Deloitte	971	6
UBS AG	800	7
Indeed	750	8
NBC Sports	700	9
WWE	700	9
Total	13,945	

Unemployment Rate

Stamford maintains the lowest unemployment rate among the five most populous cities in Connecticut. Unemployment saw a decrease from 5.0% in Q1 of 2016 to 4.4% in Q1 of 2017, consistent with the annual decline since its peak at 7.7% during the Great Recession. The city continues to outperform the areas that contain it— from Fairfield County up to the national level, Stamford has consistently held the lowest unemployment rate for over a decade: Fairfield hit an unemployment rate of 4.9% this quarter, while the state of Connecticut actually rose above the national rate of 4.6% to hit a level of 5.1%. With the influx of new companies adding a significant number of jobs, the unemployment rate is expected to continue to decline.

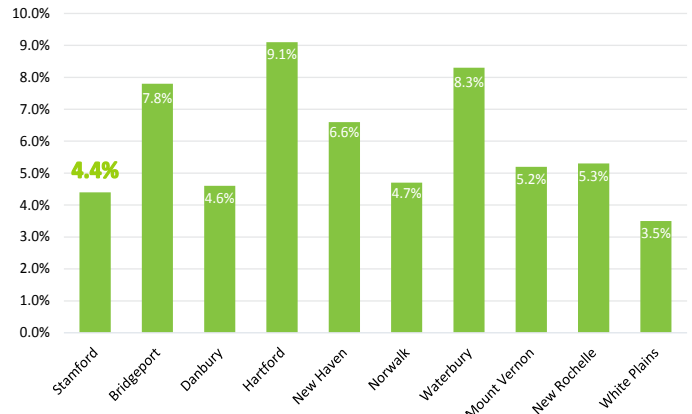
The city's labor force has continued to grow, adding 460 more people since Q1 of 2016. The labor force is estimated to total 70,192 and has grown by 4.16% since 2012. This outpaces the growth seen in other major cities such as Hartford, New Haven, and Bridgeport, which have experienced a decline in their respective labor forces over the same period of time.¹³

Labor Statistics

	Labor Force	Employed	Unemployed	Unemployment Rate
Q1 2016	70,105	66,624	3,481	5.0%
Q1 2017	70,192	67,084	3,108	4.4%

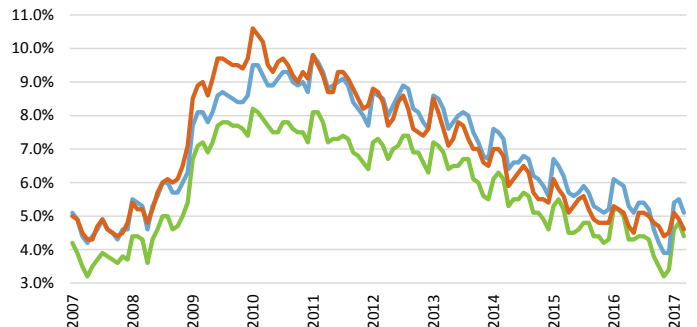
Source: CT Department of Labor

Unemployment Rate Q1 2017



Source: CT Department of Labor, NYS Department of Labor

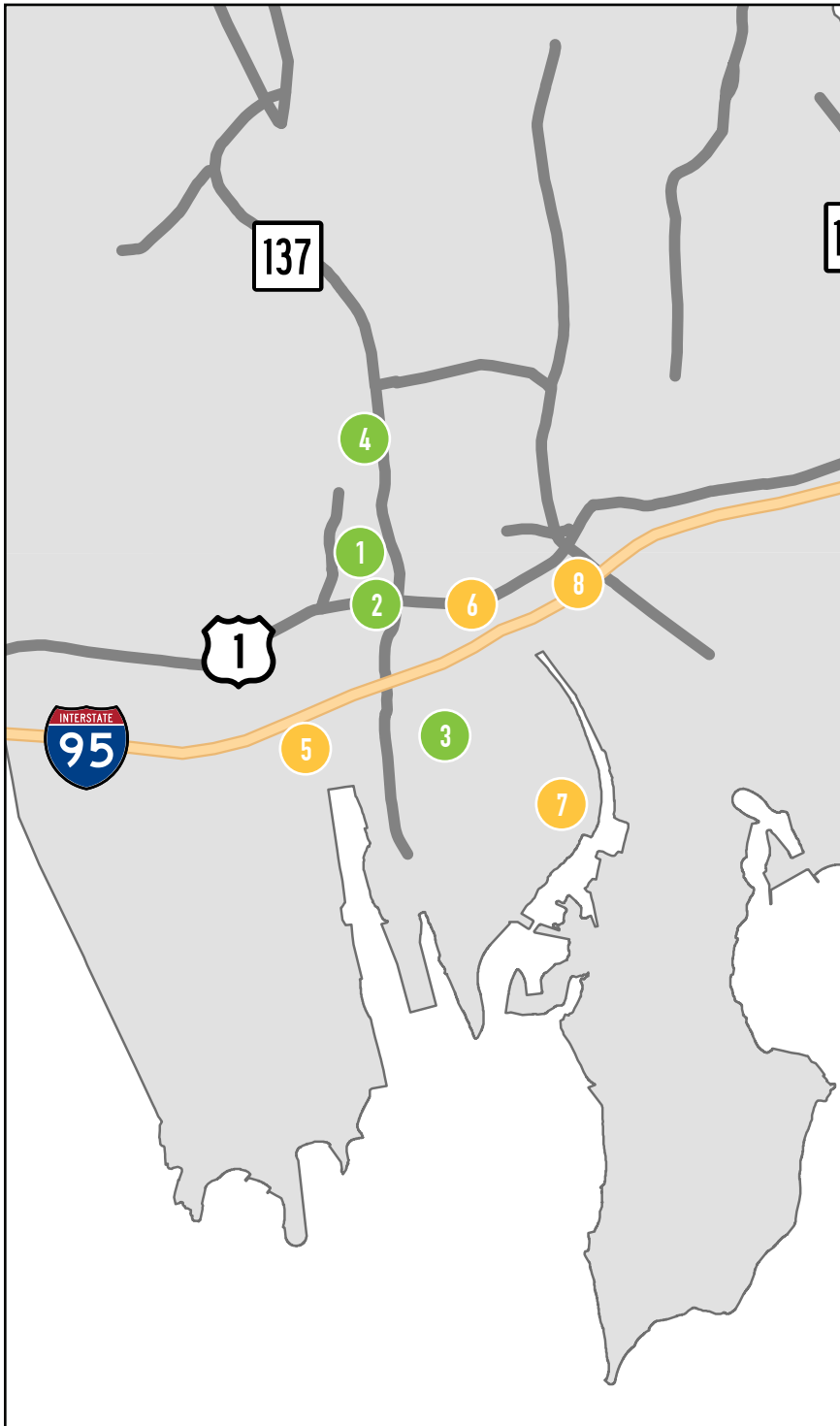
Historical Unemployment



(not seasonally adjusted) — Stamford — Connecticut — US
Source: CT Department of Labor, US Bureau of Labor Statistics

Activity Map

DOWNTOWN STAMFORD/HARBOR POINT



Current Development

Under Construction

- 1** **Park Square West IV**
1011 Washington Boulevard
209 Residential Units
Trinity Financial
Completion Summer 2018
- 2** **Rippowam Place**
900 Washington Boulevard
118 Units
RMS Companies
Completion Summer 2017
- 3** **Metro Green III**
717 Atlantic Street
131 Units
Malkin Properties
Completion Fall 2017
- 4** **Midtown Estates**
16 Third Street
23 Units
Empire Residential
Completion August 2017

Major Leases

- 5** **Partner Reinsurance Company**
200 First Stamford Place
New Lease
56,690 Square Feet
- 6** **AirCastle Advisors**
201 Tresser Boulevard
Sublease
31,117 Square Feet
- 6** **Charter Communications**
201 Tresser Boulevard
Sublease
23,055 Square Feet
- 7** **High Ridge Brands**
333 Ludlow Street
Sublease
21,165 Square Feet
- 8** **Henkel of America**
200 Elm Street
Expansion
20,000 Square Feet

Source: Stamford Downtown, Stamford Downtown 2017 Demographic Profile

- | | | | |
|----|--|-----|---|
| 1. | Newmark Knight Frank, Fairfield County 1Q17 | 8. | City of Stamford Assessor's Office |
| 2. | Stamford Advocate | 9. | cnbc.com |
| 3. | The Hour | 10. | US Bureau of Labor Statistics |
| 4. | Stamford Advocate | 11. | CT Department of Labor, Occupational Employment and Wages |
| 5. | Newmark Knight Frank - FAIRFIELD COUNTY 1Q17 OFFICE MARKET | 12. | U.S. Bureau of Labor Statistics, Stamford-Bridgeport LMA |
| 6. | City of Stamford Assessor's Office | 13. | CT Department of Labor |
| 7. | Elliman Reports, Fairfield County Q1 2017 | | |



**CITY OF
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innovating since 1641

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