



**CITY OF
STAMFORD**
innovating since 1641



2017

Q4 REPORT

Economic Development Activity
October-December 2017

Q4 Overview

During the fourth quarter of 2017, Stamford experienced many positive signs into the new year. With a large amount of high profile lease renewals as well as new leases, the city continues to be the corporate hub for the State of Connecticut. The largest lease transaction was a renewal for Odyssey Reinsurance Company at their longtime headquarters at 300 First Stamford Place. The 87,314 square foot office has been their headquarters for almost 20 years, with the renewal taking place on the cusp of the third and fourth quarters of 2017. The largest new lease was for Cowen Group, a financial services firm that is new to Stamford. Their 32,000 square foot lease is at the newly renovated 262 Harbor Drive building, which has picturesque views of Long Island Sound. ITV America has also signed a lease for a 20,000 square foot office to produce television shows at 850 Canal Street, further solidifying Stamford as a digital media center.

The residential real estate market saw an 11% increase in home sales when compared to both the previous quar-

ter, and the previous year. This is a positive sign for the Stamford real estate market, which has lost some heat in recent years as urban apartment living has become the housing of choice for millennials. Stamford's apartment market saw no signs of slowing down as thousands of units are slated to be completed in the next few years. Almost 1,100 units are expected to be completed in 2018 from the luxury developments Atlantic Station, Vela on the Park, and Davenport Landing.

Stamford continues to have one of the lowest unemployment rates of local mid-sized cities, at 3.6%. While this is slightly higher than the previous quarter, it means more people are joining the labor force due to the improving job market. This is evidenced by our expanding labor force, which grew by almost 400 people this year. Stamford continues to have an unemployment rate that is lower than both Connecticut's and the United States' average.

The Fairfield County Five

On Thursday, November 2, Mayor David Martin and Economic Development Director Thomas Madden were joined by representatives from Greenwich, Norwalk, Westport and Fairfield, along with included Connecticut Department of Economic and Community Development Commissioner Catherine Smith, for "The Fairfield County Five," at the Marriott Marquis Times Square for the group's first business recruitment showcase in New York City.

The Fairfield County Five is an economic development group that is arranging business outreach sessions educate those outside the region about the business and residential environment and to highlight real estate opportunities within through tours of the five localities. The goal of the group is to attract service, marketing and emerging technology businesses that will benefit from as well as enhance Lower Fairfield County with their presence.

"Stamford's economic development success means that we are competing in a regional economy to attract new businesses," said Mayor Martin. "It doesn't help Stamford, or Connecticut in general, to have places like Stamford competing with the likes of Norwalk or Fairfield for one company. If we work together, we can make our area even more competitive to attract companies similar to the ones already here. Thursday's forum will provide us with the opportunity to show off what Stamford and Lower Fairfield County can offer."

The group pitched the "5C's" of Lower Fairfield County to potential business, real estate brokers, and site selectors on why Fairfield is the right area for companies to be. The presentation

looked at how "Cost" of living and doing business in Connecticut was 40 percent less than that in Manhattan and Boston. The average asking rent for office space in the five towns is almost half that of Manhattan (\$40 versus \$73 per square foot). The availability of "Connectivity" through trains and public transit and access to high speed broadband with Fairfield County. The proximity of both human and financial "Capital". Connecticut is ranked No. 1 nationally for its educated workforce, near the top for employee productivity, and is home to the world's largest hedge funds, including Bridgewater. The region is made up of "Communities" where you can raise families and grow businesses as the five towns are ranked among the safest in the United States, with a diverse housing stock, a mix urban and suburban living. Lastly, the area offers "Culture" with the area having an abundance of parks, hiking trails, live theater and music that offers a range in taste for everyone.

"This is first event in what we expect to yearly spring and fall events in NYC to attract companies to lower Fairfield County. With vacancy rates hovering below 4 percent in the City, it is time to show how off our area is a real alternative to being in NYC," noted Thomas Madden, Director of Economic Development. "The cost of doing business here is 40% less than being in Manhattan with the access to the high speed internet connectivity and the available capital start-ups and businesses are looking for."

About 60 people attended the presentation and luncheon in Manhattan, including attorneys, representatives of a start-up company, and site finders that help companies find new homes.

City of Stamford Economic Headlines

[NBC News- Charter Communications to Build New Headquarters in Stamford](#)

"Charter Communications, Inc. has plans to build a new 500,000-square foot headquarters in Stamford. Charter is the second-largest cable operator in the U.S. and has committed to creating an additional 1,100 corporate headquarter jobs in Stamford."

[Stamford Advocate- OdysseyRe Extends Lease of Stamford Headquarters](#)

"Reinsurer OdysseyRe announced this week the renewal of its headquarters lease. The extension commits OdysseyRe until 2033 to its 89,000 SF base at First Stamford Place where its been headquartered since 1999, with a local contingent of about 230 employees."

[Stamford Advocate-Stamford Sets Benchmark for Corporate Growth in Connecticut](#)

"Connecticut gets mixed reviews for its economic performance, but a blockbuster corporate expansion unveiled last week has garnered more plaudits for the state's third-largest city. Expansions at Charter, Indeed, Octagon and Henkel add thousands of jobs to Stamford's local economy."

[Stamford Advocate- Apartments in Stamford Attracting More Than Just Millennials](#)

"While millennial-aged residents account for a large share of the residents moving into Harbor Point in Stamford, there is much diversity. There's a mix ranging in age from 21 to 68 comprised of millennials, empty-nesters, downsizers, families and married couples."

[Stamford Advocate-Southwestern Connecticut Companies Lauded for LGBTQ Policies](#)

"Several area companies received perfect scores from Human Rights Campaign for their employment policies for people identifying themselves as LGBTQ. Charter Communications, Comcast NBCUniversal, Deloitte, Indeed, Marriott, Synchrony Financial and UBS are the Stamford companies who made the list"

Office Market

300k

Q4 Leasing
Activity (SF)

73

Class A
Buildings

66

Class B
Buildings

\$35.38

Direct Asking
Rents (\$/SF)

[Office Market Overview Leasing](#)

Stamford experienced strong leasing activity throughout the year, including in Q4 with almost 300,000 SF of space leased. While the previous quarter had more floor spaced leased, at 338,000 SF, Q4 had two more lease deals for a total of 19, more than any quarter in two years. This highlights the trend that many companies are looking for smaller footprints as employers embrace open offices and telecommuting.

A similar pattern can be seen when comparing year-over-year: Q4 2016 saw 14 leases with over 382,000 SF space leased. This was mainly due to the large 134,000 SF lease for Henkel North America Consumer Goods, who relocated their headquarters from Scottsdale Arizona to 200 Elm Street in

downtown Stamford. Q4 2017 lacked a large headlining lease and instead saw a large number of new moderately sized leases and numerous renewals.

[Sales](#)

677 Washington Boulevard sold to Stamford Washington Investors LLC, an affiliate of AVG Partners, who purchased the ground earlier this year. The 700,000 SF building sold for \$33 million, as well as two adjoining lots for an extra \$7 million.

860 Canal Street was sold for \$7.6 million to Stamford Media Village LLC for who plan to renovate the space into class A offices for digital media and entertainment companies. The building is unique in that it contains one of the two heliports in Stamford, the only other is on the roof of the Stamford Hospital.

New Lease Transactions

Tenant	Building	Type	Submarket	SF	Industry	Class
Odyssey Reinsurance	300 First Stamford Pl	Renewal	Non-CBD	87,314	Reinsurance	A
Greenwich Associates	6 High Ridge Park	Renewal	Non-CBD	41,679	Finance	A
Cowen Group	262 Harbor Drive	New Lease	Non-CBD	31,455	Finance	A
Tudor Investment Group	200 Elm Street	New Lease	CBD	23,939	Finance	A
Loxo Oncology	281 Tresser Boulevard	New Lease	CBD	22,987	Biotechnology	A
ITV America	850 Canal Street	New Lease	Non-CBD	19,700	Television Production	B
ISG (Information Services Group)	2187 Atlantic Street	New Lease	Non-CBD	18,073	Technology Research	A
This Old House	262 Harbor Drive	Renewal	Non-CBD	15,557	Television Production	A

Key Sales Transactions

Building	Submarket	Sale Price	Price/SF	SF
677 Washington Boulevard	CBD	\$33 million	\$298	325,701
860 Canal Street	Non-CBD	\$7.6 million	\$103	90,000

Source: Newmark Knight Frank

Residential Real Estate

Home Sales

The total of residential houses sold in Q4 of 2017 was 175, up 11% from the 156 sold in Q4 last year. Both single family and multi-family home sales increased from 2016, with 160 single family and 14 multi-family homes being sold. While the number of homes sold decreased from the previous two quarters, this is normal as the real estate market is more active during the summer than the winter. In 2017, a total of 709 homes were sold in Stamford, up 11% from the 633 homes sold in 2016. The market for multi-family homes saw a 2% year-over-year increase in the median sales price, moving from \$490,000 to \$500,000.

Condo Sales

The condominium market was relatively stable in all quarters when compared to 2016. This quarter saw a slight decrease in condos sold: 158 in Q4 2017 vs 161 in Q4

2016. But overall, 2017 saw more condos sold with 614 this year vs 603 sold in 2016. The median sales price of the condos decreased this quarter both vs last quarter and last year. This quarter's median sales price was \$288,250 while Q3 2017 was \$327,500 and Q4 last year was \$308,000. The increase in sales may be due to the drop in sales prices for condominiums this year.

Apartment Market

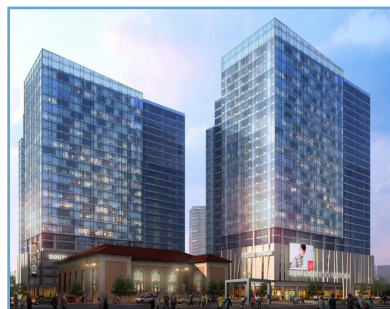
Stamford leads the rest of Connecticut with over \$6 billion in development projects. By the end of Summer 2017, 458 units are expected to be completed, all within Stamford Downtown. A total of 3,608 units are currently under constructions or have land use approvals within the entire city. 1,817 of those units are located in the Downtown Special Services District, and 826 units are in the Harbor Point/South End District.

Source: City of Stamford Assessor's Office

Current Developments



Vela on the Park - 1011 Washington Blvd
209 Units
Estimated Completion: May 2018



Atlantic Station - 421 Atlantic St
650 Units & 40,000 sf retail
Phase 1 Completion: Spring 2018



URBY Stamford - 57 Greyrock Pl
648 Units & 5,100 sf retail
Estimated Completion: 2020



Davenport Landing - 28 Southfield Ave
218 Units & 4.4 Acre Boatyard
Estimated Completion: Summer 2018

Stamford by the NUMBERS



36
Median Age



51,165
Total Housing Units



\$6 billion
Assessed Value of Commercial Property



\$11 billion
Assessed Value of Residential Property

FORTUNE **9**
Fortune 1000 Companies

Sources: US Census Bureau, City of Stamford, Time Inc.

Employment Activity

The Stamford-Bridgeport-Norwalk Labor Market Area saw a 0.5% increase in overall employment when comparing Q4 of 2017 to the same time in 2016. This amounts to over 2,000 jobs being added to the LMA in the previous 12 months. For the third quarter in a row, the 'Professional and Business Services' sector has the largest job loss, while 'Financial Activities' continues to see strong growth after the Great Recession. The 'Education and Health Services' sector added the most jobs of all the industries, with over 4,000 jobs coming from this sector alone. 'Mining, Logging, & Construction' also saw strong growth, while 'Manufacturing' slowed down in the past year.

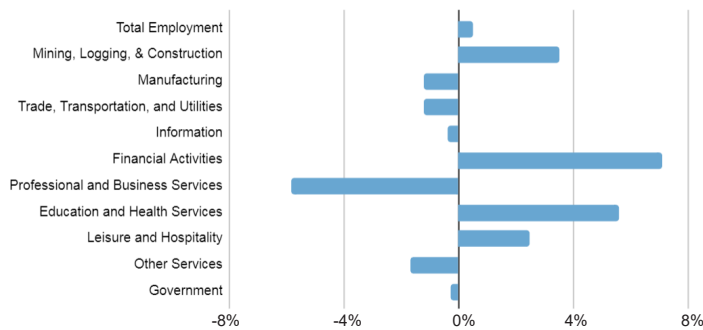
In the past year, the City of Stamford's labor force grew by another 377 people, and the number of those employed also grew by 228. While the city experiences some positive growth, the number of unemployed individuals also increased by about 150, and the unemployment rate increased from 3.4% to 3.6%. This indicates a healthy labor force, with more people actually

Stamford Labor Statistics

	Labor Force	Employed	Unemployed	Unemployment Rate
Q4 2017	69,666	67,185	2,481	3.6%
Q4 2016	69,289	66,957	2,332	3.4%

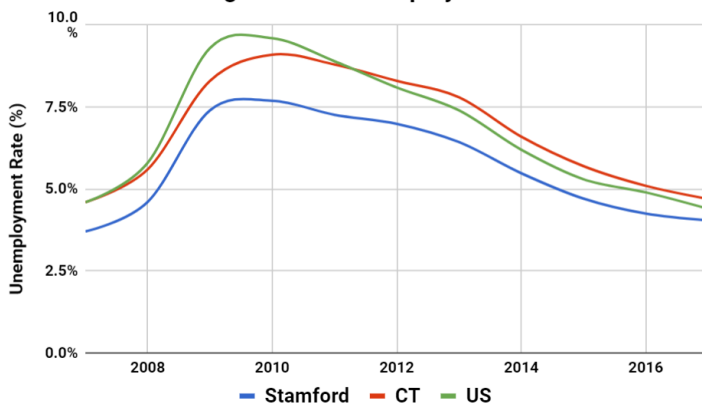
Source: CT Department of Labor

Employment Growth by Industry Q4 2016
Stamford-Bridgeport-Norwalk LMA



Source: US Bureau of Labor Statistics

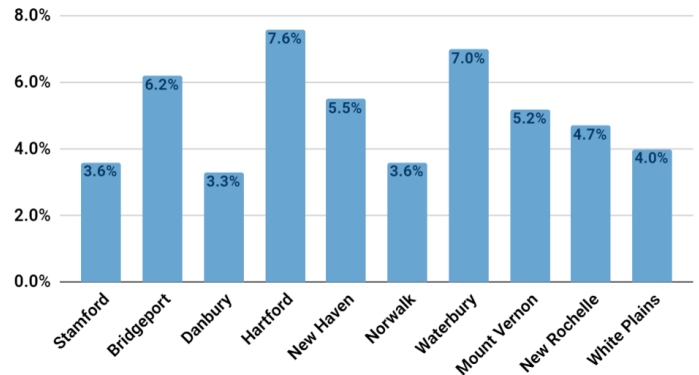
Average Annual Unemployment Rate



Source: CT Department of Labor

entering the job market, and does not necessarily represent an increase in layoffs in the city. Stamford's unemployment rate continues to be one of the lowest of all the local cities, including those in Westchester County. The only local city with a lower unemployment rate is Danbury, which also has a labor force that is 20,000 people less than Stamford.

Q4 2017 Unemployment Rates



Sources: CT Department of Labor, NYS Department of Labor

Consumer Goods Companies

Stamford may be known for finance and insurance, but over the past few years, Stamford's consumer goods and products sector has grown dramatically. The city's newest addition is Henkel Corporation, which manufactures famous brands such as Dial, Snuggle, Right Guard, Purex, and Soft Scrub to name a few.

In 2016, Rhone Apparel, a startup men's athletic wear company, set up shop in the South End neighborhood of Stamford. Rhone was named the 11th fastest growing company in the country in 2016 by Inc. 5000, and continues to prosper in Stamford.

High Ridge Brands owns brands such as Alberto VO5, La Looks, and White Rain while PDC Brands makes Calgon, Dr. Teals, and Body Fantasies to name a few. Nestlé Waters bottles Poland Spring, Nestlé Pure Life, Perrier, San Pellegrino, and Nestea; Harvest Hill owns beverage brands such as SunnyD and Juicy Juice.

Philips has had offices in Stamford for over 50 years and currently markets various products here, including their Norelco shavers, Sonicare toothbrushes and AVENT baby products.





**CITY OF
STAMFORD**
innovating since 1641

City of Stamford – Department of Economic Development
888 Washington Boulevard Stamford, CT 06901

John Varamo
Economic Development Analyst
(203) 977-4693
jvaramo@stamfordct.gov