



**CITY OF
STAMFORD**
innovating since 1641



2019

Q2 REPORT

Economic Development Activity
April-June 2019

Q2 Overview

The second quarter of 2019 saw some strong gains and signs of strength in the commercial and employment markets. The quarter was filled with renewals and new leases signed mainly by companies moving within Stamford, but the availability rate ticked down 1.1% to 31.2% citywide.

Approximately 200k SF of commercial space was signed in the second quarter, a 45% increase over last year, and was hallmarked by the nearly 60,000 SF lease signed by the alcoholic beverage giant Diageo in Downtown Stamford.

Concurrently, Charter Communications is in the midst of construction on the first tower of their new 777k SF headquarters, and ITV America is building their own 130k SF office and studio production space in the city's

South End. These are the first new commercial office buildings built in the city since 2200 Atlantic St was completed in 2011.

Signs continue to be positive for Stamford as the labor force continues to grow and the number of unemployed individuals fell again this quarter to 2,202 or 3.1%.

Commercial offices continue to change hands, which brings hope that upgrades and repositioning of the buildings will attract new tenants. 677 Washington Blvd, the former UBS site, has shown great success in the repositioning following the purchase by AVG and George Comfort & Sons. It is forecasted that upgrades and adaptive reuse will become the norm over the next few years, helping to remove some of the older office stock from the market.

Stamford Companies Show Their PRIDE!

Since 2002, the Human Rights Campaign (HRC) has published the Corporate Equality Index (CEI), an annual report that benchmarks corporate policies and practices that are pertinent to lesbian, gay, bisexual, transgender, and queer employees. The 2019 CEI report rated thousands of corporations spanning nearly every industry and geography, with 571 of them receiving perfect scores. Stamford had 36 corporations that are headquartered in or have offices in the city that received a perfect score of 100, and are designated "Best Places to Work for LGBTQ Equality".

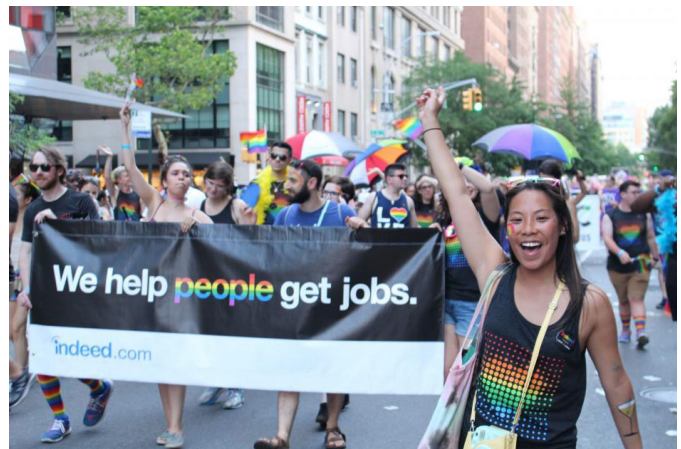
Companies are rated based on detailed criteria in four broad categories: non-discrimination policies, employment benefits, supporting an inclusive culture and corporate social responsibility, and responsible citizenship.

Many of the city's largest employers received perfect scores including Synchrony Financial, Deloitte, Gartner, Indeed, UBS, PwC, EY, Marriott International, AXA XL, Thomson Reuters, KPMG, Legg Mason, Citigroup, Oracle, AON, Diageo, and Omnicom Group. Nestle Waters North America received a 95, while Charter Communications and NBCUniversal both received scores of 90.

Source: Human Rights Campaign Corporate Equality Index

The City of Stamford has also received a perfect score on the HRC Municipal Equality Index for the past 3 years.

Many other Stamford companies have not been rated by the Human Rights Campaign but continue to show their support for the LGBTQ+ community through sponsorship of local and national Pride events, by encouraging LGBTQ+ employee networks, and through fair workplace policies that protect employees from discrimination and/or harassment. Inclusive companies in Stamford that were not rated by the HRC include Pitney Bowes, Philips, Natwest Markets, Bank of Ireland, Henkel, and ITV America.



Indeed employees show their pride at the NYC Pride March

City of Stamford

Economic Headlines

[Globe St. Diageo to Relocate CT Offices to Downtown Stamford](#)

"The alcoholic beverages company signed a lease for approximately 40,000 sf at 200 Elm St. in Downtown Stamford. The property owner... says that Diageo will bring 250 jobs to Stamford... and will house...R&D & Innovation centers, finance, HR, & business services departments"

[Stamford Advocate: PDC Brands Relocates Offices Within Stamford](#)

"Beauty-and-wellness company PDC Brands has relocated its HQ...taking more than 26,000 sf...at 750 E. Main St...increasing its office footprint by nearly 20%. PDC's brands include BOD Man, Calgon, Cantu, and Dr. Teal's."

[Stamford Advocate: ITV America Stamford Production Hub Set for 2020 Opening](#)

"Reality-show powerhouse ITV America... said this week that they were planning to open a production hub next year in Stamford. ITV intends to establish production and post-production operations at 860 Canal St...which is expected to create about 450 jobs in Stamford."

[Stamford Advocate: Stamford's Atlantic Station Construction Resumes](#)

"Construction has started on the second apartment tower at the downtown Atlantic Station complex. Excavation and foundational work are underway...on a 325-unit structure that is expected to take about two years to complete."

[Stamford Advocate: UConn to Launch Stamford Computer-Coding Program](#)

"UCONN School of Engineering announced the launch of its first computer-coding "boot camp," a program focused on working professionals. The curriculum would cover the basics of coding, algorithms and data structure and include training...of HTML, CSS and JavaScript."

[Stamford Advocate: Stamford-based SpringWorks Gains FDA Designation for Rare-Disease Drug](#)

"Biotech firm SpringWorks Therapeutics... secured a "fast track" designation from the U.S. FDA that will accelerate the review of its treatment for a debilitating rare disease...called Neurofibromatosis Type 1 (NF1). SpringWorks, a spin off from Pfizer, relocated last November to a 24,000 sf office...in Stamford's South End."

Commercial Real Estate

200k

Q2 Leasing Activity (SF)

31.2%

Availability Rate

\$41.63

Direct Asking Rent (\$/SF)

16M

Total Inventory (SF)

Leasing

The second quarter saw 200K SF of leasing activity, a nearly 45% increase over the 110k signed during Q2 of 2018. The largest lease signed was the 57,551 SF lease by Diageo North America at 200 Elm Street, moving their CT office from Norwalk and will be bringing 250 new employees to the city.

Industrial materials giant Hexcel renewed their 24k SF HQ lease at 2 Stamford Plaza. Keeping the Fortune #931 company in Stamford, their home since 1996. ADM Group signed a new lease at 78 Southfield Ave, replacing their lease at 62 Southfield which is being prepped for a large tenant. Legal & General America

is opening a new 17k SF office at 750 Washington Blvd with the office focused on their US pension risk transfer business.

Currently, there is nearly 900k SF of new office space under construction. Charter is building their new 2-building 777k SF HQ adjacent to the Stamford Train Station, while ITV America is building a new production studio at 860 Canal St.

Sales

The largest commercial sale this quarter was the 450k SF office at 600 Washington, the "RBS building." RBS sold the building to Rubinstein Partners for \$163M, and will remain as a tenant for at least the next 12 years.

Key New Lease Transactions

Tenant	Building	Type	Submarket	SF	Industry
Diageo North America	200 Elm St	New Lease	CBD	57,551	Consumer Goods
Hexcel Corporation	281 Tresser Blvd	Renewal	CBD	23,961	Manufacturing
Legal & General America	750 Washington Blvd	New Lease	CBD	17,100	Insurance
Eastern Generation	300 Atlantic St	Renewal	CBD	11,783	Energy/Utilities
RBC Wealth Management	3 Landmark Sq	Expansion	CBD	11,142	Finance
McCarter & English	201 Broad St	Renewal	CBD	11,058	Legal
ADM Group	78 Southfield Ave	New Lease	Non-CBD	9,441	Digital Media

Key New Sales Transactions

Building	Submarket	Sale Price	Price/SF	SF
600 Washington Blvd (Class A Office)	CBD	\$163 Million	\$355.55	450,000
119 Research Dr (Office/Retail)	Non-CBD	\$1.65 Million	\$201.22	8,200

Sources: Newmark Knight Frank, City of Stamford Assessor's Office

Residential Real Estate

Home Sales

The second quarter experienced significantly higher than average home sales, with 193 homes sold. This was 25 more than sold in Q2 of 2018, and 68 more than sold last quarter. YTD sales were 318 homes, 11 less than the same period last year.

The quarterly median home sale price was \$620,000 while the mean was \$664,150. Gross sales were \$128,181,000; over \$16 million greater than Q2 last year.

Condo Sales

The condominium market saw below average sales when compared to Q2 in 2017 (181 sales) and 2018 (131 sales). Total sales this quarter were 111 units. Comparatively, 114 were sold in Q1 2019, which is

Source: City of Stamford Assessor's Office

typically the slowest quarter of the year. Additionally, the median sales price dipped slightly by \$5,000 vs Q2 2018 to \$325,000, but was \$13,000 more than Q2 of 2017.

Apartment Market

Interest in the Stamford apartment market continues to grow with 1,730 apartment units currently under construction, and over 2,700 apartment units that have zoning board approval to begin construction. Additionally, there are over 1,000 units currently proposed in the city, mainly in the South End.

Major apartment projects under construction include Stamford URBYP (648 units), The Smyth (414 units), Allure at Harbor Point (435 units), and Atlantic Station Phase II (325 units).

Current Developments



Charter Communications World HQ
777,000 sf office
Estimated Completion: 2020



The Smyth - 885 Washington Blvd
414 apartments & 19,333 sf retail
Estimated Completion: 2020



URBY Stamford - 57 Greyrock Pl
648 apartments & 5,100 sf retail
Estimated Completion: Q4 2019



Allure at Harbor Point - 850 Pacific St
435 apartments
Estimated Completion: Q3 2019

Stamford by the NUMBERS



37
Median Age



56,952
Housing Units



\$7.2B
Assessed Value of Commercial Property



\$11.6B
Assessed Value of Residential Property



AAA
S&P and Fitch Bond Rating

Sources: US Census Bureau, City of Stamford, S&P, Fitch

Employment Activity

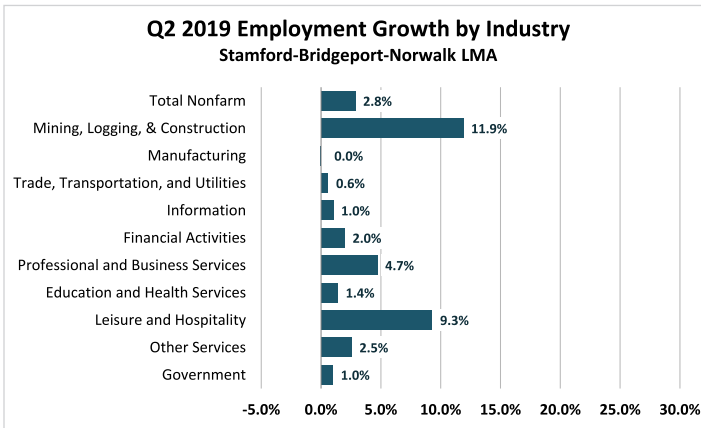
Stamford's labor force grew by almost 700 people when compared to the same period last year. The number of employed individuals also increased by 1,216, the total unemployed individuals decreased by 537, and the unemployment rate dropped by nearly 1% and now sits at 3.1%. The unemployment rate also decreased from last quarter, when it was at 4.0%.

When compared to other local cities, Stamford had the third lowest unemployment rate this quarter, only being surpassed by Danbury and White Plains. It's worth noting that Stamford's labor force is significantly larger than any other city in Connecticut or in neighboring Westchester County, New York. Additionally, Stamford supplies tens of thousands of jobs to residents of all the surrounding towns.

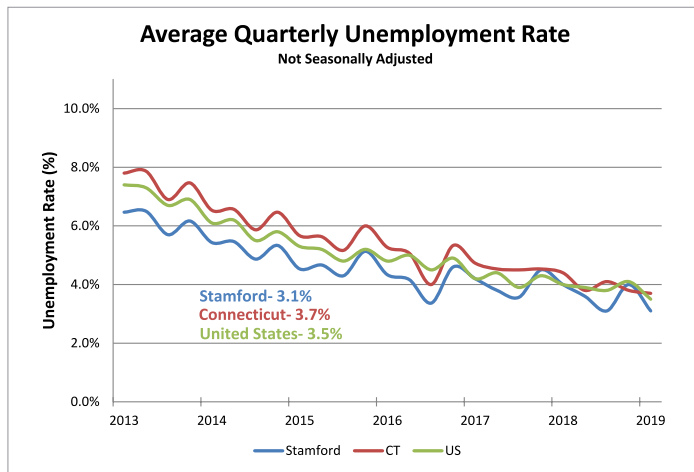
Stamford Labor Statistics

	Labor Force	Employed	Unemployed	Unemployment Rate
Q2 2019	70,933	68,731	2,202	3.1%
Q2 2018	70,253	67,515	2,739	4.0%

Source: CT Department of Labor



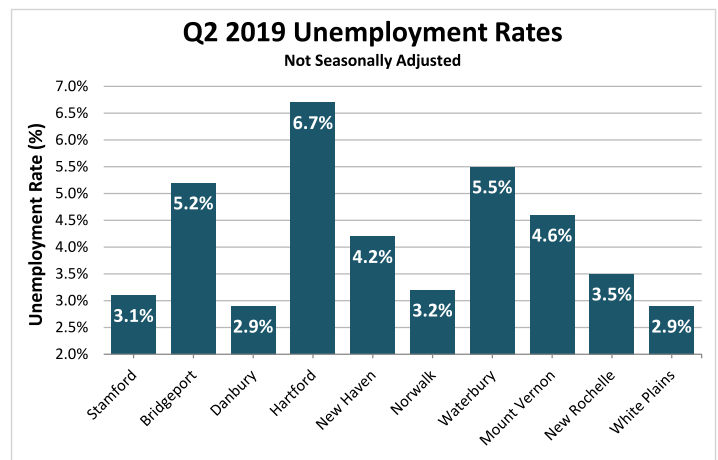
Source: U.S. Bureau of Labor Statistics



Source: CT Department of Labor

The Stamford-Bridgeport-Norwalk LMA experienced major job gains in the Mining, Logging, & Construction (+11.9%) Leisure & Hospitality (+9.3%), and the Professional & Business Services (+4.7%) sectors. It's worth noting that no sector saw any job losses in Q2, the first time this has happened in over three years. The Manufacturing sector is the only industry this quarter that remained stable, i.e. saw no growth.

Stamford's unemployment rate is currently 3.1%, 40 basis points lower than the Federal average of 3.5% and 60 basis points lower than the Connecticut state average of 3.7%.



Sources: CT Department of Labor, NYS Department of Labor

Top 15 Largest Employers

EMPLOYER	EMPLOYEES	RANK
Stamford Health	3,600	1
City of Stamford	3,300	2
Charter Communications	2,000	3
Indeed.com	1,700	4
Gartner	1,650	5
Stamford Town Center	1,500	6
Deloitte	1,150	7
NBC Sports Group & NBCUniversal	1,075	8
PwC	900	9
UBS AG	800	10
Synchrony Financial	740	11
WWE	700	12
Nestlé Waters North America	610	13
Point72 Asset Management	550	14
NatWest Markets (RBS Securities)	540	15
TOTAL	20,815	

Source: City of Stamford Office of Economic Development

Company Highlight



Indeed is the #1 job search site in the world with over 250 million unique visitors every month. It's also the one of the fastest growing companies in Stamford, and the largest technology and software corporation in the city.

Indeed was co-founded in Stamford and Austin, TX in 2004 by Paul Forster and Rony Kahan, with Forster managing the Stamford headquarters and Kahan in Texas office.

Initially, Indeed's headquarters was a small 7,195 square foot lease at 470 West Avenue, and employed roughly 50 people, with another 35 in Austin. By 2010, the company employed about 100 in Stamford and was in desperate need of more space. In 2011, Indeed signed a 15,000 square foot lease at 177 Broad Street, taking half of the 6th floor. Today, it occupies nine whole floors in the same building.

In July 2017, Indeed announced it would add 500 jobs to their Stamford headquarters, and in December 2018 announced they would add another 500 jobs bringing their local contingent to 1,700.



Indeed's Stamford headquarters since 2011 at 177 Broad St.

The website officially launched in March 2005, and was adding 100,000 new jobs every day. Today, Indeed adds about 10 new jobs per second, or roughly 860,000 jobs every single day. Later that year, Time

magazine listed Indeed, Inc on their "50 Coolest Websites" list, and The New York Times Company invested \$5 million for a minority interest in Indeed. The company has grown rapidly ever since.



Indeed employees playing pool on a break in the Stamford office

During the 2018 Stamford expansion announcement, Indeed's Chief Operating Officer Dave O'Neill said "Stamford continues to be a critical region for our success, and we are confident we will continue to find the talent we need to help our business continue its growth." A large majority of the Indeed workforce in Stamford is millennial-aged, with the company citing their ability to recruit from top universities in the area as a deciding factor in their decision to expand in Connecticut.

To learn more about Indeed, visit www.Indeed.com.



FORTUNE 500 & 1000 COMPANIES

#70

Charter Communications

Revenues (\$M) - \$43,634
Telecommunications

#173

Synchrony Financial

Revenues (\$M) - \$18,253
Banking & Finance

#379

United Rentals

Revenues (\$M) - \$8,047
Equipment Rentals

#581

Silgan Holdings

Revenues (\$M) - \$4,449
Packaging & Containers

#631

Gartner

Revenues (\$M) - \$3,976
Information Technology

#659

Pitney Bowes

Revenues (\$M) - \$3,734
Software & Office Equipment

#706

Crane

Revenues (\$M) - \$3,346
Industrial Machinery

#931

Hexcel

Revenues (\$M) - \$2,189
Aerospace & Defense

Stamford has 8 Fortune 1000 and 3 Fortune 500 companies listed on the 2019 Fortune 1000 list. For a city of 130,000 people, this concentration of major corporate headquarters is an anomaly and speaks to Stamford's strength as a small, but vital city.

Nearly all the Stamford companies increased their ranking vs. last year, with Crane seeing the largest increase of 71 ranks, closely followed by Gartner with an increase of 66 ranks. United Rentals increased by 45, Hexcel by 28, Silgan Holdings by 15, and Charter Communications by 4. Synchrony Financial remained at #173, but saw a 9.3% increase in their revenues vs. last year. Pitney Bowes was the sole Stamford company to decrease in ranking, dropping a minor 2 spaces to #659.

Charter Communications is ranked as #264 on the Fortune Global 500 list, which is unchanged from last year. Gartner is listed on Fortune's 'World's Most Admired Companies' list, and Synchrony Financial ranked #51 on Fortune's 'Best Companies to Work For' list.

Bond Rating

City of Stamford's "AAA" bond rating has been affirmed this year by credit rating agencies Standard & Poor's and Fitch. Both agencies commended Stamford's economy and the City's financial management.

Stamford's "AAA" bond rating is the highest possible rating for both agencies and is higher than the State of Connecticut's rating (A from S&P, A+ from Fitch).

"We believe the city's ongoing developments will continue to expand its tax base and provide additional revenue-raising flexibility," Standard & Poor's report said. "Coupled with its strong management conditions, this should allow the city to maintain positive financial operations and stable reserve levels."

Municipal Bond Ratings

Municipality	Standard & Poor's	Fitch
Stamford	AAA	AAA
Norwalk	AAA	AAA
Bridgeport	A	A
New Haven	BBB+	Baa1 (Moody's)
Hartford	BB+	B1 (Moody's)
State of CT	A	A+



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