



Fairfield County, Connecticut

Tenant's Guide ▪ North American Markets ▪ First Quarter 2012

Overview

The overall vacancy rate for Fairfield County class A buildings is 20.8% for the first quarter of 2012, which is a slight decrease compared to the fourth quarter of 2011. A similar decrease occurred in the vacancy rates for class B buildings, which ended the quarter at 25.4%. Average asking rental rates increased for both classes with class A experiencing almost a \$2.00 per square foot increase compared to the last quarter of 2011.

Once again, the most significant change in average rental rates occurred in class A buildings in Greenwich which increased by over \$13.00, while the average rental rates for the same in Stamford remained consistent with last quarter.

Market Trends

- The vacancy rate in New Canaan class B buildings increased by over 17% due to over 6,000 square feet in two separate office buildings becoming available on the market.
- Another significant increase in vacancy rates was experienced in Shelton class B buildings which increased by just over 5%. This was due to an entire class B office/light manufacturing building becoming available.
- Overall, the vacancy rates for most of Fairfield County either increased slightly by less than 1% or decreased significantly from -2% to -5.5% compared to last quarter.

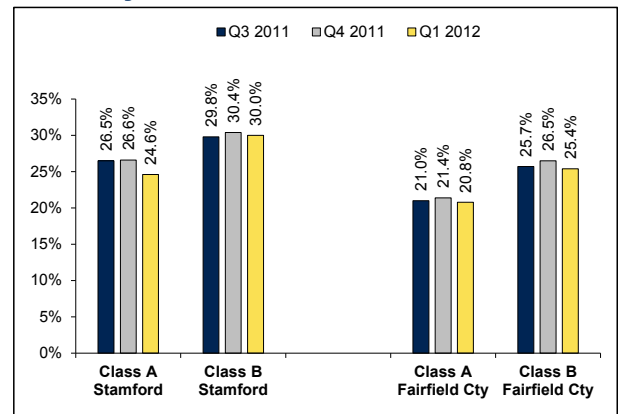
Tenant's Perspective

There are still a number of properties in our market offering exceptional value. In the past, we have always seen a "flight to quality" when vacancy rates are high. In this market there seems to be a considerable amount of leasing activity in the trophy properties, but at prices that are clearly a premium over some of the other alternatives. Even though there are more cost-effective options available, this may be an indication of some buildings becoming functionally obsolete.

Major Transactions

Tenant/Buyer	Size	Type	Lease/Sale
KABR Real Estate/Blackpoint	175,000	Office	Purchase
Building and Land Tech.	614,000	Office	Purchase
HistoGenetics	118,000	Office	Purchase
Unilever	108,818	Office	Lease
Fred F. French Investing	38,000	Office	Purchase
Gexpro	30,132	Office	Lease

Vacancy Rate



Average Rental Rates

Stamford	Q3 2011	Q4 2011	Q1 2012
Class A Office	\$44.66	\$41.86	\$41.82
Class B Office	\$26.41	\$26.64	\$26.99

Fairfield City	Q3 2011	Q4 2011	Q1 2012
Class A Office	\$37.69	\$36.65	\$38.45
Class B Office	\$27.07	\$26.94	\$27.07