

**QUICK STATS**

	Current	Change from Mid04
Availability	10.6%	↓
Vacancy	11.4%	↓
Lease Rates	\$6.45	↓
Net Absorption*	342,909	↓
Construction	0%	↓

\* The arrows are trend indicators over the specified time period and do not represent a positive or negative value. (e.g., absorption could be negative, but still represent a positive trend over a specified period.)

**HOT TOPICS**

- Few space returns, notable leasing and no new construction combine to bring about positive absorption in first six months of 2005.
- Lower availability and vacancy a trend countywide, as demand improves and strong performance from last year continues to influence 2005's stats.
- Ridgefield, Danbury, Brookfield and Stamford see positive absorption dramatic drops in availability due to improving consumer demand.
- Sublease space drops 78% to just 1% of county's total availability.
- Asking rent drops 59 cents per square foot or 8% to \$6.45 per square foot.

Expectations that the improving economy will continue to result in higher consumer demand produced yet another positive outcome for Fairfield County's industrial market in the first six months of 2005. Leasing outpaced space returns during that time, while a lack of new construction limited new options, generating positive absorption and lower availability compared to the same period of last year.

In total, the strong velocity and dearth of new offerings brought about 342,910 SF of positive absorption thus far this year, up 86% from 2004. Available space in Fairfield, as a result, dropped 17% from last July to 5.9 million SF. The availability rate saw a corresponding decline of three percentage points to 10.6%. Vacancy also fell 15% to 5.4 million SF and the vacancy rate almost a full percentage point to 11.4%.

Much of 2005's impressive progress thus far came about as a result of events in the Upper Fairfield submarket, where a strong volume of new claims and the elimination of available space in the towns of Ridgefield, Brookfield and Danbury brought about positive absorption and lower availability. Altogether, those three municipalities accounted for 87% of the Upper submarket's 785,430 SF of positive absorption for the past six months. Their available supplies,

*First Half of 2005 a Time of Positive Movement for Fairfield County's Industrial Market*

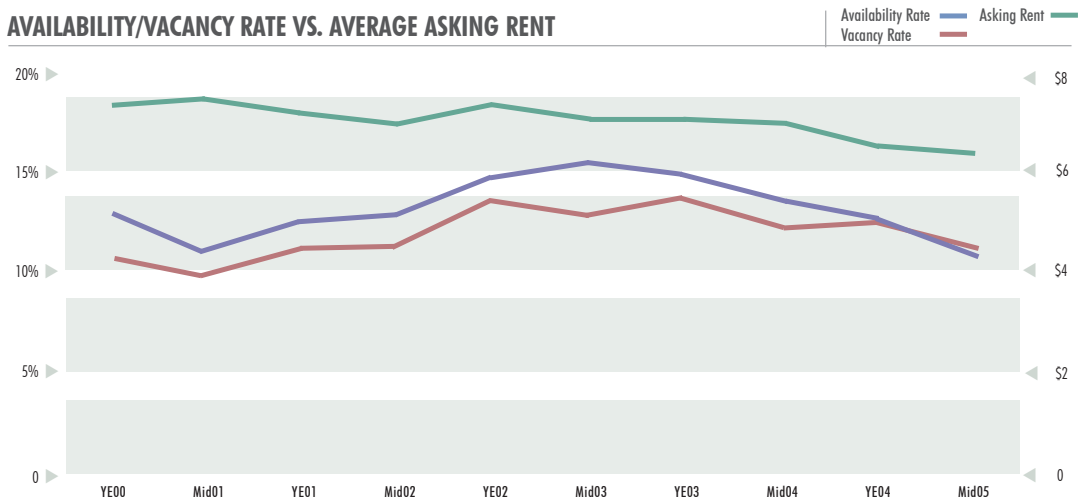
consequently, dropped 100%, 81% and 24%, respectively, from the end of June last year. Ridgefield, in fact, now has no industrial space available at all. Notable absorption in the City of Stamford also generated 12,850 SF of positive absorption in the Lower Fairfield submarket, resulting in a 15% drop in available industrial space to 1.0 million SF.

In contrast, space returns and comparatively slower leasing velocity in Bridgeport, Shelton and Stratford played a large part in the Eastern Fairfield segment's 455,370 SF of negative absorption thus far in 2005. Strong absorption in late 2004 and extremely limited opportunities in Trumbull and Monroe, however, still resulted in a 7% decline in available space in that submarket to 3.8 million SF.

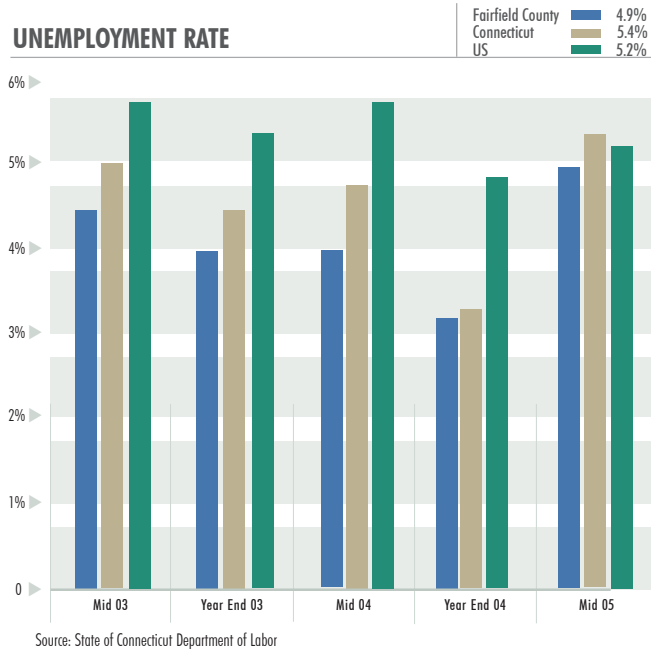
Due to a combination of the dramatic falloff in new space offerings in most of the county and significant leasing in existing availabilities in the first half of this year, sublease space also fell markedly from last year. In total, available industrial subleases in Fairfield County dropped 78% over the past year to 85,180 SF.

Average asking rent, responding to the addition of less expensive space in the Lower Fairfield submarket, fell 59 cents per SF or 8% from last year to \$6.45 per SF.

**AVAILABILITY/VACANCY RATE VS. AVERAGE ASKING RENT**



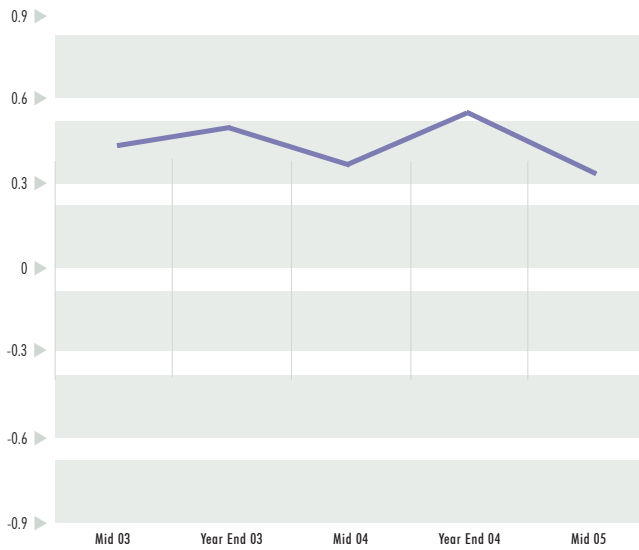
Market	Rentable Area	Availability Rate %	Net Absorption SF	Under Construction SF	Average Asking Lease Rate \$ SF/YR	Vacancy Rate %
Bridgeport	13,650,089	18.3%	(176,685)	—	\$6.44	18.5%
Fairfield	1,301,136	2.7%	(30,537)	—	\$7.25	13.3%
Monroe	558,746	2.7%	0	—	\$9.00	2.7%
Shelton	3,733,434	10.2%	(122,438)	—	\$6.37	11.0%
Stratford	8,350,205	6.3%	(160,153)	—	\$6.29	7.2%
Trumbull	1,224,140	2.4%	34,445	—	\$8.10	2.4%
<b>Eastern Fairfield</b>	<b>28,817,750</b>	<b>12.1%</b>	<b>(455,368)</b>	<b>0</b>	<b>\$7.24</b>	<b>13.0%</b>
Greenwich	106,300	0.0%	0	—	—	0.0%
Norwalk	5,851,174	9.1%	(82,353)	—	\$9.40	9.1%
Stamford	7,731,319	5.7%	97,701	—	\$9.20	5.7%
Wilton	219,721	4.4%	0	—	\$15.00	4.4%
Westport	41,000	25.6%	(2,500)	—	N/A	25.6%
<b>Lower Fairfield</b>	<b>13,949,514</b>	<b>7.1%</b>	<b>12,848</b>	<b>0</b>	<b>\$8.40</b>	<b>7.1%</b>
Bethel	1,286,382	19.3%	25,690	—	\$5.95	23.9%
Brookfield	1,266,564	5.9%	196,000	—	\$6.86	6.3%
Danbury	3,918,581	14.7%	280,276	—	\$6.52	13.9%
Newtown	1,578,985	9.6%	70,500	—	\$6.20	10.0%
Ridgefield	320,320	0.0%	212,963	—	—	0.0%
<b>Upper Fairfield</b>	<b>8,370,832</b>	<b>12.6%</b>	<b>785,429</b>	<b>0</b>	<b>\$6.38</b>	<b>12.6%</b>
<b>Fairfield County</b>	<b>51,138,096</b>	<b>10.6%</b>	<b>342,909</b>	<b>0</b>	<b>\$6.45</b>	<b>11.4%</b>



At the end of the second quarter of 2005, the unemployment rate in Fairfield County registered 4.9% -- 0.3 percentage points below the national rate of 5.2% and 0.5 point below the state rate of 5.4%. Between June 2004 and June 2005, total non-farm employment in the Stamford-Bridgeport and Danbury LMAs decreased by 500 jobs, representing a yearly change of 0.1%. The Financial Activities and Leisure & Hospitality sectors experienced the largest increase -- 800 and 700 jobs, respectively. In contrast, the Professional & Business Services sector lost 1,000 jobs.

### NET ABSORPTION

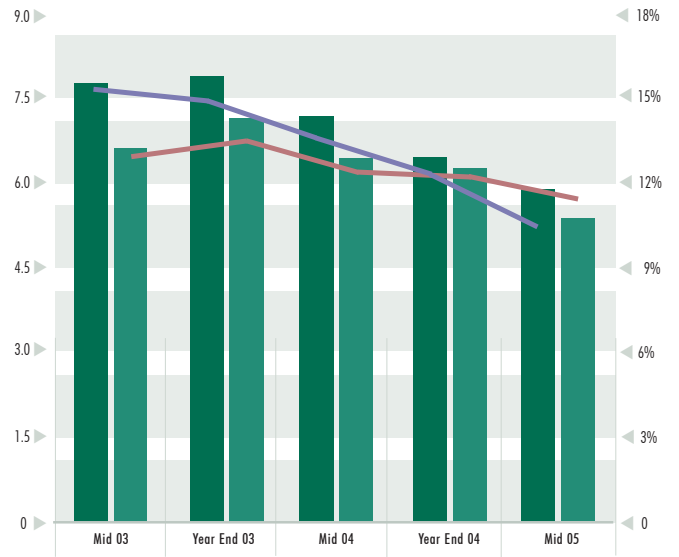
MILLION SQ. FT. Year End



Notable leasing combined with few space returns to produce positive absorption totaling 342,910 SF in Fairfield County in the first six months of 2005 -- an achievement 86% higher than the 184,290 SF absorbed in the same period of last year. The Upper and Lower segments were primarily responsible for this result, as they saw 785,430 SF and 12,850 SF of positive absorption, respectively, during that time. Lower Fairfield, on the other hand, had difficulty, as weakness in Bridgeport, Stratford and Shelton led to 455,370 SF of negative absorption segment-wide.

### AVAILABILITY/VACANCY

MILLION SQ. FT. Available Vacant Availability Rate Vacancy Rate

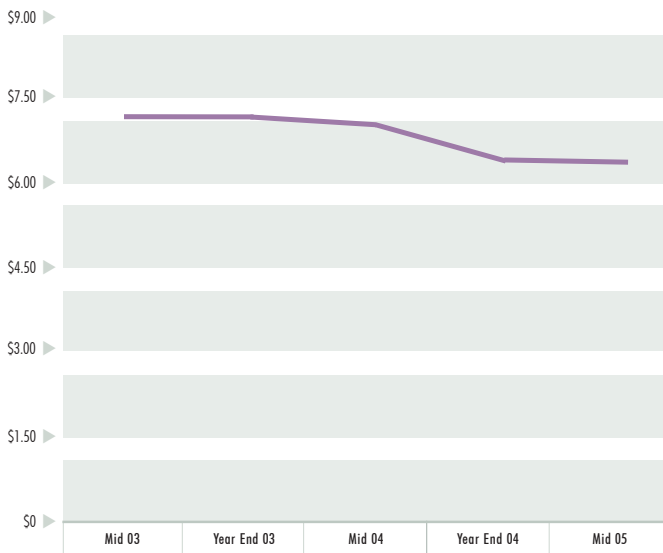


Overall availability in Fairfield County dropped 17% from last June to 5.9 million SF as few new space returns and no new construction enabled positive absorption. All three submarkets saw lower availability than last year as strong absorption last year combined with higher demand this year. The Upper segment experienced the largest drop -- 40% -- during that time as available space in Brookfield, Danbury and Ridgefield dove.

Fairfield's overall vacancy also decreased from last year's level as vacant properties saw some leasing. Altogether, vacancy fell 15% from last year to 5.4 million SF.

### HISTORICAL AVERAGE ASKING RENTS

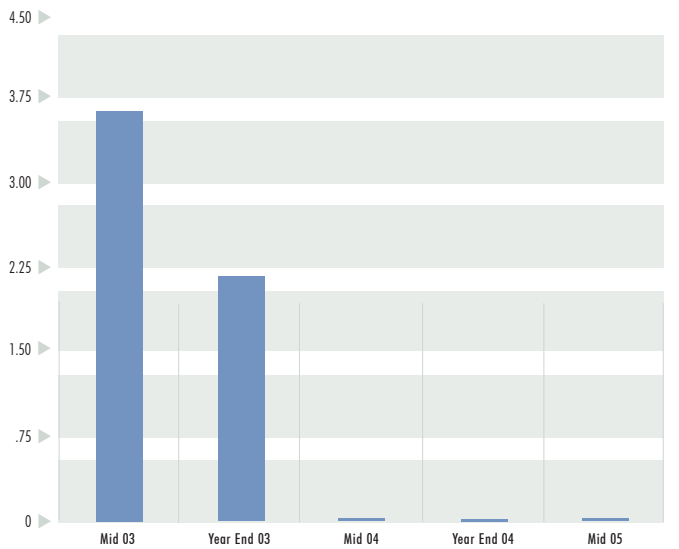
\$ PER SQ. FT. Overall



Average asking rent dropped 59 cents per square foot, or 8%, from last June to \$6.45 per square foot due to the addition of less expensive space in the Lower Fairfield submarket.

### NEW CONSTRUCTION

000's SQ. FT. Overall



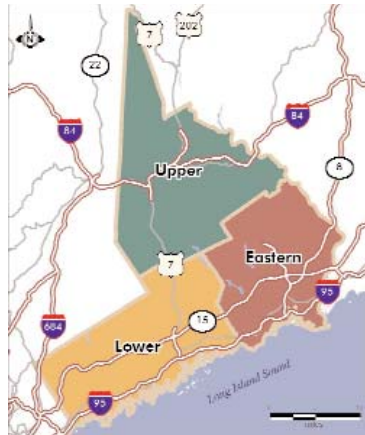
There were no new industrial projects under construction in the first six months of 2005.

**TOP FAIRFIELD COUNTY LEASE TRANSACTIONS**

Size (Sq. Ft.)	Tenant	Address
100,000*	ACMI Corp.	300 Stillwater Avenue, Stamford
40,000	Aurora Products Inc.	400 Long Beach Boulevard, Stratford
30,000	Vineyard Vines	37 Brown House Road, Stamford
11,000	Mark H. Simon CPA	161 East Avenue, Norwalk
10,500	MTM Industries	1480 Stratford Avenue, Stratford
8,400	Electric Wholesalers Inc.	107 Ardmore Street, Fairfield
5,500	Phoenix Audio Video LLC	511 Commerce Drive, Fairfield

\* Renewal

**FAIRFIELD COUNTY SUBMARKET MAP**



**Fairfield County**

950 buildings totaling 51.1 million square feet in Bridgeport, Brookfield, Danbury, Darien, Fairfield, Greenwich, New Canaan, Monroe, Newtown, Norwalk, Ridgefield, Shelton, Stamford, Stratford, Trumbull, Westport, and Wilton.

**Eastern Fairfield**

28.8 million square feet of net rentable space in 444 buildings (10,000 square feet or greater), or 56.4% of the county's total industrial inventory. Bridgeport, Fairfield, Monroe, Shelton, Stratford and Trumbull.

**Lower Fairfield**

13.9 million square feet of net rentable area in 326 buildings (10,000 square feet or greater), or 27.3% of the county's inventory. Greenwich, Norwalk, Stamford, Westport and Wilton.

**Upper Fairfield**

8.4 million square feet of net rentable area in 180 buildings (10,000 square feet or greater), or 16.4% of the county's total. Bethel, Brookfield, Danbury, Newtown and Ridgefield.



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**AVERAGE ASKING LEASE RATE**

Rate determined by multiplying the asking net lease rate for each building by its available space, summing the products, then dividing by the sum of the available space with net leases for all buildings in the summary.

**NET LEASES**

Includes all lease types whereby the tenant pays an agreed rent plus most, or all, of the operating expenses and taxes for the property, including utilities, insurance and/or maintenance expenses.

**MARKET COVERAGE**

Includes all competitive industrial buildings 10,000 square feet and greater in size.

**NET ABSORPTION**

The change in the amount of occupied square feet (including tenant fit-out) within a specified period of time.

**NET RENTABLE AREA**

The gross building square footage minus the elevator core, flues, pipe shafts, vertical ducts, balconies, and stairwell areas.

**OCCUPIED SQUARE FEET**

Building area not considered vacant.

**UNDER CONSTRUCTION**

Buildings which have begun construction as evidenced by site excavation or foundation work.

**AVAILABLE SQUARE FEET**

Available Building Area which is either physically vacant or occupied.

**AVAILABILITY RATE**

Available Square Feet divided by the Net Rentable Area.

**VACANT SQUARE FEET**

Existing Building Area which is physically vacant or immediately available.

**VACANCY RATE**

Vacant Building Feet divided by the Net Rentable Area.

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