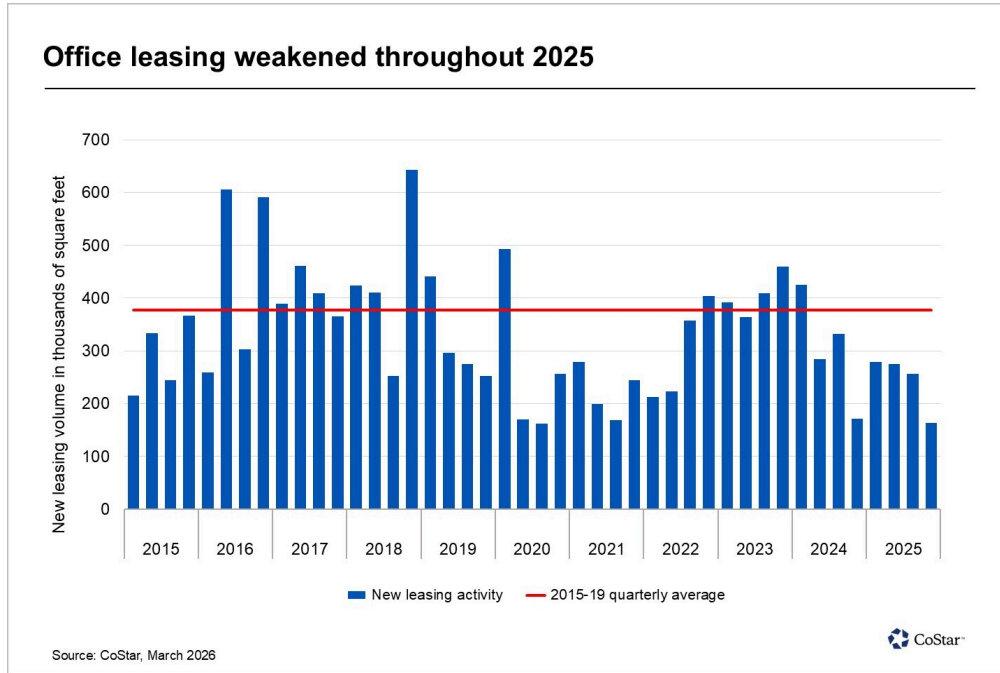




COSTAR INSIGHT

New office leasing declined in Hartford for three consecutive quarters

Despite less demand, availability declined in 2025 around Connecticut capital



By **Jared Koeck**

CoStar Analytics

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New leases signed in Hartford, Connecticut, totaled 974,000 square feet last year, the second-lowest total of the last 10 years, after 2021, and 35% below the annual average from 2015 to 2019.

Analyzing quarterly data indicates the lull in leasing has persisted beyond 2025. Quarterly new leasing has been below the five-year quarterly average from 2015 to 2019 for seven consecutive quarters, and leasing fell for three consecutive quarters in 2025. The fourth-quarter total of 164,000 square feet was the lowest since the third quarter of 2020.

Although leasing has been decidedly weak, it is not the entire story of demand. While annual net absorption was negative — coming in at

-142,000 square feet at year-end — constituting the fourth year of negative absorption out of the past five, it was positive for three consecutive quarters to finish out 2025. The positive absorption was caused by tenant move-ins from earlier leases and relatively few move-outs.

The availability rate in Hartford has been trending downward since the end of 2023, and at 10.7%, it is now only slightly above year-end 2019. Three-star buildings have been driving the decline, through a mix of improved occupancy, especially in medical properties, and buildings pivoting away from office use toward multifamily conversion: a trend gaining steam across Connecticut. The three-star, 99,000-square-foot [500 Day Hill Road](#) in Windsor, provides an example of a building slated for conversion. A joint venture of Condyne Capital Partners and Mark Greenburg & Associates purchased the property last August and intends to make it into a mixed-use development featuring 300 apartments.

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