



STATE OF THE MARKET

ANNUAL REPORT

2023

START WITH SOMEONE
WHO **CARES** TM

As we approach the culmination of another year in the dynamic landscape of commercial real estate, this year-end report reflects our steadfast commitment to being an authentic, transparent and positive real estate services company that has greatly contributed to our success in 2023.

www.sentrycommercial.com

Welcome To Sentry Commercial

A Message from our Brokerage & Advisory Team



A LOOK FORWARD INTO 2024

As of 2024, the Greater Hartford commercial real estate market appears to be positioned for steady growth and resilience. The region continues to benefit from its strategic location, well-established infrastructure, and diverse economic base. With a history of attracting businesses across various sectors, including finance, healthcare, aerospace, manufacturing and technology, the market remains dynamic.

However, challenges such as evolving work patterns and the ongoing impact of technological advancements may influence office space demand. The industrial sector is likely to maintain its robust performance, driven by e-commerce trends. Investors are advised to monitor market dynamics closely, considering the interplay of economic factors and emerging trends, to make informed decisions in this evolving landscape.

2023 Sentry Commercial Building Sales

8 E NEWBERRY RD

BLOOMFIELD, CT



SALE PRICE: \$1,300,000

Building Size 14,600 SF

Close Date 4/10/2023

Building Type Industrial

24 TOBEY RD

BLOOMFIELD, CT



SALE PRICE: \$820,000

Building Size 11,900 SF

Close Date 3/27/2023

Building Type Industrial

78 GRANBY ST

BLOOMFIELD, CT



SALE PRICE: \$660,000

Building Size 9,715 SF

Close Date 6/9/2023

Building Type Industrial

97 W DUDLEY TOWN RD

BLOOMFIELD, CT



SALE PRICE: \$750,000

Building Size 11,069 SF

Close Date 10/25/2023

Building Type Industrial

160-182 GOVERNOR ST

EAST HARTFORD, CT



SALE PRICE: \$1,200,000

Building Size 19,155 SF

Close Date 8/8/2023

Building Type Industrial

36 CEDAR STREET

EAST HARTFORD, CT



SALE PRICE: \$1,300,000

Building Size 23,300 SF

Close Date 5/18/2023

Building Type Industrial

2023 Sentry Commercial Building Sales

75 AIRPORT RD

HARTFORD, CT



SALE PRICE: \$1,805,000

Building Size 18,165 SF
Close Date 3/28/2023
Building Type Industrial

84 COLONIAL RD

MANCHESTER, CT



SALE PRICE: \$1,700,000

Building Size 24,000 SF
Close Date 2/10/2023
Building Type Industrial

50 & 80 UTOPIA RD

MANCHESTER, CT



SALE PRICE: \$5,700,000

Building Size 60,000 SF
Close Date 9/7/2023
Building Type Industrial

301 FARMINGTON AVE

PLAINVILLE, CT



SALE PRICE: \$475,000

Building Size 9,800 SF
Close Date 3/22/2023
Building Type Industrial

37 SEA PAVE ROAD

SOUTH WINDSOR, CT



SALE PRICE: \$860,000

Building Size 8,820 SF
Close Date 2/24/2023
Building Type Industrial

1 BESTOR LANE

BLOOMFIELD, CT



SALE PRICE: \$500,000

Building Size 4,766 SF
Close Date 9/28/2023
Building Type Office

2023 Sentry Commercial Building Sales

57 JOLLEY DRIVE

BLOOMFIELD, CT



SALE PRICE: \$1,000,000

Building Size	7,139 SF
Close Date	12/20/2023
Building Type	Office

3 CREAMERY BROOK

EAST GRANBY, CT



SALE PRICE: \$1,000,000

Unit Size	4,000 SF
Close Date	12/29/2023
Building Type	Office

1379 ENFIELD ST

ENFIELD, CT



SALE PRICE: \$950,000

Building Size	6,096 SF
Close Date	4/27/2023
Building Type	Office

447 NAUBUC AVE

GLASTONBURY, CT



SALE PRICE: \$350,000

Unit Size	1,420 SF
Close Date	3/17/2023
Building Type	Office Condo

255 MAIN STREET

HARTFORD, CT



SALE PRICE: \$145,000

Unit Size	3,000 SF
Close Date	7/5/2023
Building Type	Office Condo

20 HOLMES ROAD

NEWINGTON, CT



SALE PRICE: \$625,000

Building Size	12,240 SF
Close Date	12/21/2023
Building Type	Warehouse

2023 Sentry Commercial Building Sales

365 WILLARD AVE NEWINGTON, CT



SALE PRICE: \$162,500

Unit Size	3,045 BSF
Close Date	9/7/2023
Building Type	Office Condo

12 VILLAGE STREET NORTH HAVEN, CT



SALE PRICE: \$1,505,000

Building Size	22,793 SF
Close Date	6/12/2023
Building Type	Office

276 ADDISON RD WINDSOR, CT



SALE PRICE: \$667,500

Building Size	6,908 SF
Close Date	4/5/2023
Building Type	Office

2023 Sentry Commercial Leases

Address	City	Property Type	Space Size (RSF)	Close Date
125 Old Iron Ore Road (Front)	Bloomfield	Industrial	9,930	1/26/2023
32 East Industrial Road	Branford	Industrial	9,600	6/30/2023
33 Business Park Drive	Branford	Industrial	25,140	7/31/2023
69 Legget Street	East Hartford	Industrial	40,000	3/1/2023
12-14 Eastern Park Road	East Hartford	Industrial	30,000	6/1/2023
250 South Road	Enfield	Industrial	38,588	3/1/2023
21 Still River Drive	New Milford	Industrial	4,000	4/18/2023
1640 John Fitch Boulevard	South Windsor	Industrial	43,000	8/1/2023
11 Kenny Robers Memorial Drive	Suffield	Industrial	4,840	10/25/2023
11 Kenny Robers Memorial Drive	Suffield	Industrial	6,056	6/1/2023
9 Fairfield Boulevard	Wallingford	Industrial	32,745	3/6/2023
27 Siemon Company Drive	Watertown	Industrial	8,497	3/23/2023
425-431 Hayden Station Road	Windsor	Industrial	10,400	3/10/2023
111 Pitkin Street	East Hartford	Retail	3,750	9/5/2023
100 Simsbury Road	Avon	Office	26,877	6/1/2023
111 Founders Plaza	East Hartford	Office	2,722	6/29/2023
304 Main Street	Farmington	Office	4,099	5/1/2023
99 Citizens Drive	Glastonbury	Office	3,500	4/1/2023
280 Trumbull Street	Hartford	Office	10,668	10/16/2023
51 Depot Street	Watertown	Office	540	9/12/2023
51 Depot Street	Watertown	Office	358	9/11/2023
1030 New Britain Avenue	West Hartford	Office	9,248	9/1/2023
2437 Albany Avenue	West Hartford	Office	885	9/29/2023
200 Great Pond Road	Windsor	Office	12,366	11/8/2023

Sentry Commercial Brokerage & Advisory

Industrial Summary and Forecast 2023-2024



Hartford's industrial real estate market continues to exhibit robustness, sustaining historically low vacancy rates. Despite a moderate influx of new properties, this surge has not notably impacted these vacancy rates. While the market continues to demonstrate above average metrics, the likelihood of consecutive record-breaking years appears low. Depending on perspective, we anticipate a market correction in the coming 12-24 months.

Warehouse, distribution, and manufacturing spaces are operating at a mere 4.5% vacancy rate. Supply isn't keeping pace with demand, affording landlords a considerable pricing advantage, a dynamic further reinforced by Hartford's affordability in relation to more primary logistics and manufacturing epicenters nearby.

Rental rates have surged by an impressive 20% over the last 12 months (from 4.8%-5.8%), though this is a trend that we do not anticipate continuing through 2024. Projections indicate a stagnation or moderate decrease in average rates relative to the appreciation realized from 2020-2023.

As for the acquisition/disposition markets, valuations have soared to unprecedented heights with the average sale resulting in a 30+% increase since 2020 (\$50 PSF in 2020 - \$67 PSF in 2023). Despite stringent lending regulations and increased debt costs, investor interest in Hartford's industrial real estate remains intense, evidenced by a record-breaking \$201 million in sales volume during the last quarter. Average capitalization rates hover at 8.3%, exceeding the national index of 7.0%. Certain transactions have even realized cap rates as high as 10.2% within the past 36 months.

Conclusively, Hartford's industrial real estate sector remains an enticing prospect for investors seeking opportunities, although a cautious approach might be warranted, considering projections which indicate a potential deceleration in rent appreciation, including a likely decrease, over the short to medium term.

Sentry Commercial Brokerage & Advisory Office Summary and Forecast 2023-2024



The office market in the suburban areas of Hartford continues to exhibit a wide range of dynamics. Notably, West Hartford boasts impressively low vacancy rates in the single digits, contrasting sharply with the northern market, where vacancy rates exceed 50%. A significant trend in this area is the transformation of traditional office spaces into alternative uses.

In Windsor, the office buildings at 415 and 425 Day Hill Road have been replaced by a new warehouse development, illustrating this shift. Similarly, the 100,000 square-foot office building at 1 Targeting Center, also in Windsor, is currently being repurposed as a self-storage facility. Meanwhile, in Bloomfield, the medical office at 57 Jolley Drive is set for demolition to make way for an expansion of the Wash Brook Apartment complex.

Glastonbury is witnessing a similar transformation with the redevelopment of the office complex on Nye Road into a residential community comprising 19 buildings and 64 units. In Rocky Hill, the former Ames headquarters on Main Street is being converted into a residential complex with 213 apartments across 11 buildings. Additionally, in West Hartford Center, there's active consideration for transforming 40,000 square feet of retail space into office space.

Downtown Hartford is also undergoing significant changes. Spinnaker is converting the former 240,000 square-foot office building at 55 Elm Street into residential apartments. The State of Connecticut is in the process of selling two office buildings at 18-20 and 30 Trinity Street to a residential developer based outside the state. These developments are part of a broader trend positively impacting the downtown market.

The University of Connecticut plans to lease 50,000 square feet of space formerly used by the University of St. Joseph at the Hartford 21 complex. This \$5 million expansion will accommodate clinical labs, an innovation center, health research linked to UConn Health, and potentially, facilities for sports medicine. Additionally, Capital Community College is exploring options to relocate its 300,000 square-foot downtown campus within Hartford. The Government Services Administration (GSA) is also considering multiple sites for a new 300,000 square-foot facility, which will replace the existing Ribicoff Federal Building and US Courthouse at 450 Main St.

Sentry Commercial Construction Management

2024 REGIONAL CONSTRUCTION



The year 2023 has been marked by growth and dynamic shifts within the construction market, increasing Sentry Commercial's Construction Division's operations. Our commitment to excellence and adaptability has positioned us as a key player in the industry, successfully navigating emerging trends and contributing to landmark projects that shape our market.

KEY TRENDS

Sustainable Construction: A predominant trend throughout the year has been an increased emphasis on sustainable construction practices. Clients are increasingly prioritizing eco-friendly and energy-efficient solutions, reflecting a broader industry shift towards environmentally conscious building methodologies.

Technology Integration: The integration of cutting-edge technologies has accelerated within the construction sector. Sentry Commercial has embraced innovations such as drones for site surveys, and advanced project management software. These technologies have not only enhanced efficiency but also contributed to improved collaboration and communication across project teams.

Resilience in Supply Chain Management: The construction industry has faced challenges in supply chain disruptions due to global events. Sentry Commercial has demonstrated resilience through proactive supply chain management, establishing robust contingencies to ensure uninterrupted project timelines.

A decorative graphic in the top left corner consisting of a grid of blue dots of varying sizes, arranged in a pattern that tapers to the right.

Sentry Commercial Construction Management **2024 REGIONAL CONSTRUCTION**

Major Construction Projects:

Landmark Commercial Developments: Sentry Commercial has played a pivotal role in several high-profile commercial developments. These projects have ranged from state-of-the-art office complexes to innovative retail spaces, showcasing our expertise in delivering diverse and architecturally significant structures.

Outlook and Future Strategy:

Looking ahead, Sentry Commercial Construction Division remains committed to staying at the forefront of industry trends. We are poised to leverage emerging technologies, further enhance sustainability practices, and continue our legacy of delivering landmark projects that define the construction landscape. Our strategic vision focuses on flexibility, innovation, and client satisfaction, ensuring Sentry Commercial remains a trusted partner in the dynamic construction market.

As we conclude 2023, Sentry Commercial Construction Division expresses gratitude to our clients, partners, and dedicated team for their collective contribution to a year marked by achievement, growth, and resilience.

A horizontal banner image showing a construction site with steel beams and scaffolding, overlaid with a blue tint.

Sentry Commercial Property Management

2023 PROPERTY MANAGEMENT RECAP

2023 marked a year of remarkable growth and dynamic evolution for Sentry Commercial Property Management (SCPM). This year was pivotal, as we significantly expanded our team, embracing new members who brought a wealth of diverse skills and perspectives to our division. This strategic enhancement of our team has solidified SCPM's vital presence in the commercial property management arena.

Moreover, we made substantial strides in growing our commercial property portfolio through strategic acquisitions. These properties have broadened our geographic reach and positioned SCPM as a key player in a thriving commercial property management market. Highlighting our adaptability, SCPM has journeyed into Facilities Management and hit the ground running in 2023 with Facilities Management projects for some of Connecticut's own heavy hitters.

SENTRY
COMMERCIAL
BROKERAGE & ADVISORY



Chris Duclos

DIRECTOR, BROKERAGE AND ADVISORY

860.922.6481

chrisduclos@sentrycommercial.com



Larry Levere, SIOR

DIRECTOR, OFFICE BROKERAGE

860.690.0447

levere@sentrycommercial.com



David Murdock

DIRECTOR, INDUSTRIAL BROKERAGE

860.983.0029

murdock@sentrycommercial.com



Nick Leone

INDUSTRIAL SPECIALIST

860.528.0884

leone@sentrycommercial.com



Kathryn Frasier

CORPORATE SERVICES

802.430.4307

frasier@sentrycommercial.com



Stephanie Romano Shaw, CCIM

INDUSTRIAL SPECIALIST

860.810.4392

romano@sentrycommercial.com

SENTRY
COMMERCIAL

www.sentrycommercial.com

SENTRY
COMMERCIAL
CONSTRUCTION MANAGEMENT



David Lucibello, LEED AP BD+C

PROJECT EXECUTIVE

860.967.0780

lucibello@sentrycommercial.com



Tim Mulcahy

CONSTRUCTION DEVELOPMENT

413.657.0086

mulcahy@sentrycommercial.com



Don Batchelder

CONSTRUCTION MANAGER

860.781.1806

batchelder@sentrycommercial.com



Ermira Elezi

JUNIOR ACCOUNTANT

203.592.2217

elezi@sentrycommercial.com

SENTRY
COMMERCIAL

www.sentrycommercial.com

SENTRY
COMMERCIAL
PROPERTY MANAGEMENT



Marcel Coronel

DIRECTOR, PROPERTY MANAGEMENT

860.849.6389

coronel@sentrycommercial.com



Patrick Nagle

DIRECTOR, FIELD OPERATIONS

860.528.0884

nagle@sentrycommercial.com



Matthew Milano

PROPERTY MANAGER

203.996.5980

milano@sentrycommercial.com



Jennifer Carrero

PROPERTY ADMINISTRATOR

860.213.3307

carrero@sentrycommercial.com



Greg Blewitt

FIELD ENGINEER

860.528.0884

blewitt@sentrycommercial.com

SENTRY
COMMERCIAL

www.sentrycommercial.com



Mark Duclos, SIOR, CRE

PRESIDENT

860.983.5630

duclos@sentrycommercial.com



Melissa Fernance

CORPORATE SERVICES

860.528.0884

fernance@sentrycommercial.com



Mary Murphy

ACCOUNTING / HR

860.528.0884

murphy@sentrycommercial.com



Jackie Cusson

PROPERTY RESEARCH

860.528.0884

cusson@sentrycommercial.com



Meagan Cordi

BRAND STRATEGY / COMMUNITY
OUTREACH

860.528.0884

cordi@sentrycommercial.com



www.sentrycommercial.com