# B B VIRGULAK

# The State of Commercial Real Estate 2025

## The Market Pulse: Commercial Real Estate

According to J.P. Morgan Chase, strong public-private relationships are critical to the future of commercial real estate development, particularly in affordable housing. Government entities and private organizations are collaborating in meaningful ways, such as local governments leasing land to apartment developers at discounted rates or offering tax credits, grants, and low-interest loans to developers. Additionally, public entities are streamlining the development process by expediting permits and regulatory processes.

Commercial real estate developers benefit from regular communication with public entities to stay updated on zoning and regulation changes, which helps resolve any issues quickly.

*The Bottom Line:* The 2025 commercial real estate outlook remains optimistic, with strong performance expected in the industrial sector and steady growth in retail. While concerns such as climate change, cybersecurity, and interest rate uncertainty persist, opportunities in affordable housing and public-private partnerships offer promise for growth and innovation.

Sincerely,

Bob Virgulak Jr.
William Pitt Sotheby's International Realty

# Agent Spotlight

*Sacha Crockett - Armstrong: A Valued Partner in Commercial Real Estate*

I am excited to highlight Sacha Crockett in this month's newsletter. Sacha has been an invaluable partner in commercial real estate. Initially joining as a referral, Sacha quickly became a trusted partner, helping me navigate the local real estate landscape in Hartford, New Britain, and Berlin, CT, located in the heart of Connecticut.

Working out of the Hartford Avon Old Farms office, Sacha has been instrumental in helping me understand the nuances of this vibrant market. Along with her manager, Alex Ohlandt, she stands out as one of the leading promoters of commercial real estate in our area. Their dedication and expertise have led to six listings currently pending, set to close by April 15, 2025.

I look forward to continuing our productive working relationship and learning from Sacha's insights as we move forward together. Her passion for real estate and commitment to excellence make her an invaluable asset to our team and clients alike.

# Mortgage & Banking Spotlight

*Meet Chuck Threshie: Your Local Mortgage Expert*

Chuck Threshie, Vice President and Senior Mortgage Banker at Total Mortgage is a licensed mortgage banker committed to providing tailored solutions for every homebuyer, whether you're a first-time buyer or a seasoned investor. His dedicated team is always ready to assist and address any questions you may have throughout the process.
Chuck takes pride in being the local mortgage expert, offering a personalized experience that sets him apart. He will sit down with you to understand your specific needs and create a financing plan designed to help you reach your goals as efficiently as possible. With his extensive knowledge of the mortgage landscape, Chuck is not only adept at navigating single-family homes but also experienced in handling multifamily listings.
Let Chuck guide you through the ins and outs of the mortgage process, ensuring a seamless experience from start to finish. Reach out today and discover how Chuck and his team can help you achieve your homeownership dreams!

# Current Listings

Here are some exciting commercial real estate opportunities currently available:

- **148 East Ave, Norwalk, CT:** Traditional office space on the 1st floor with parking.
- **158 East Ave, Norwalk, CT:** Medical building with beautiful, fully built-out space.
- **Klepacki Farm, Southington, CT:** Industrial warehouse with parking.
- **5 Reynold St, Norwalk, CT:** Industrial warehouse with parking.
- **116 Court St., New Haven, CT:** Retail condo.
- **504 Main St, Middletown, CT:** Historical mixed-use building.
- **5 Brook St, Darien, CT:** Traditional small New England-style office space.
- **74 White Oak St, New Rochelle, NY:** Lucrative parking lot sale.
- **860 Scarsdale Ave, Scarsdale, NY:** Free-standing building suitable for restaurant, retail, or health services.

# Commercial Real Estate Tips

When it comes to choosing commercial real estate investments, creativity and a bit of humor can go a long way. Here are five unique "tricks" or ideas that investors might not have considered, along with some light-hearted innuendos:

1. Location, Location, Vibes: Instead of just focusing on traditional metrics like foot traffic and demographics, consider the "vibe" of the area. Is it up-and-coming or already on the decline? A neighborhood with a good energy can attract businesses and customers alike. Think of it as finding the "cool kid" in high school—everyone wants to hang out with them!

2. Zoning Shenanigans: Dive into the local zoning laws. Sometimes, properties can be repurposed in clever ways that others might overlook. For instance, a former factory could become a trendy co-working space. It's like turning a pumpkin into a carriage—just make sure you don't lose track of time!

3. Hidden Gems: Look for properties that have been on the market for a while. Owners might be ready to negotiate, especially if the property hasn't attracted much interest. You might just find a diamond in the rough—just make sure it doesn't come with too many quirks!

4. Community Engagement: Attend local events and engage with the community. This can provide insights into what businesses may thrive in the area. Plus, who doesn't love a good bake sale? You might find the next big tenant while munching on cookies!

5. Tech-Enabled Trends: Stay ahead of the curve by exploring tech trends in commercial real estate, like virtual reality tours or AI-driven valuations. It's like having a crystal ball—just make sure it's not a magic eight ball that says "ask again later."

By blending these unconventional insights with a touch of humor, investors can not only make smarter decisions but also enjoy the journey of commercial real estate investing!

# Fall 2025 Connecticut Multi-Family Market Update

Connecticut's multi-family market remains strong with 225,434 apartments statewide, 1,370 units sold, and a total sales volume of $274.4 million.

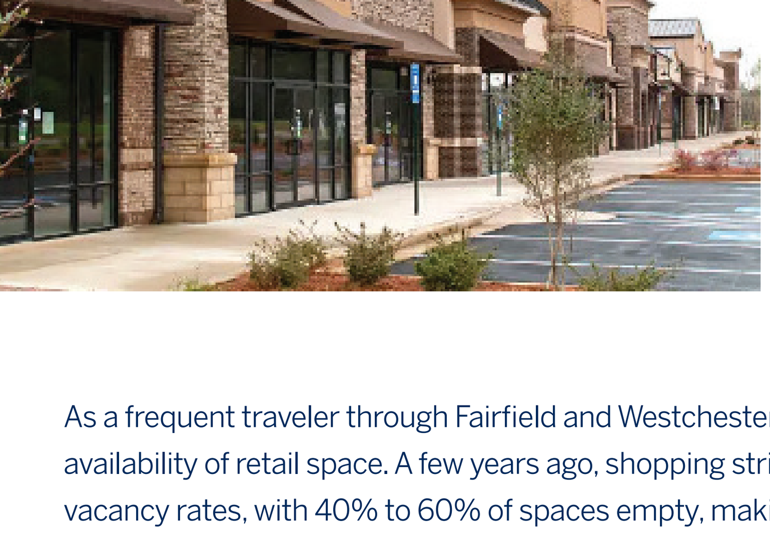
Key Highlights:
**Low Vacancy:** Statewide vacancy rate is 4.9%, with Fairfield County the highest at 6.3%.

**Rent Growth:** Steady 3.5% annual growth, ensuring strong investor returns.

**Top Performing Markets:**
**Fairfield County:** $290,520 per unit, $214.1 million sales volume, 737 units sold.
**New Haven County:** $111,900 per unit, $45.4 million sales volume.
**Hartford County:** 136 units sold, $7.5 million sales volume.

**Smaller Counties:**
Low sales volumes ($3M or less) but high occupancy (vacancies under 3%).

**Investor Takeaway:**
Strong rental demand, low vacancies, and steady rent growth make Connecticut a prime market for multi-family investment in Spring 2025.



# From Bob's Eyes

As a frequent traveler through Fairfield and Westchester Counties, I've noticed a significant shift in the availability of retail space. A few years ago, shopping strip centers and mini malls struggled with high vacancy rates, with 40% to 60% of spaces empty, making these areas look neglected.

Recently, however, many of these properties have been revitalized, reducing vacancy rates to around 5% to 20%. This positive trend suggests growing opportunities for businesses in our local retail centers. It's encouraging to see Main Street traffic increasing, reflecting renewed interest and investment in these areas. This revitalization not only benefits business owners but also enhances the overall aesthetic and economic health of our communities.

These observations highlight a significant and positive transformation in our local retail market, signaling a promising

Bob Virgulak
Real Estate Advisor
203.246.6505

Stay connected via Facebook & Instagram for more updates and insights.

We look forward to enhancing our collaboration and continuing to provide top-tier service to our clients. Stay tuned for more news, insights, and trends in the commercial real estate landscape.