



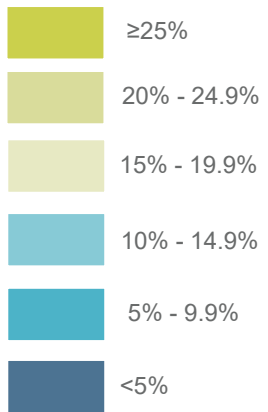
OAKLAND/EAST BAY OFFICE MARKET OVERVIEW

JANUARY 2025



East Bay Office VACANCY THEMATIC MAP

Vacancy Thematic



Richmond
12.5% | \$1.99

Pleasant Hill
15.3% | \$3.05

Berkeley CBD
12.4% | \$3.57

Concord
32.0% | \$2.53

Lamorinda
11.7% | \$3.93

Shadelands
20.4% | \$2.38

West Berkeley
16.6% | \$2.47

Pleasant Hill BART
36.8% | \$3.89

Emeryville
30.8% | \$4.16

Walnut Creek BART
33.2% | \$3.77

City Center
39.3% | \$4.22

Walnut Creek Downtown
14.7% | \$3.51

Jack London Square
11.1% | \$2.84

Lake Merritt
30.0% | \$4.30

North Alameda
17.6% | \$4.50

San Ramon
28.1% | \$3.08

South Alameda
5.2% | \$2.61

Dublin
12.2% | \$2.59

Airport/Coliseum
10.1% | \$2.42

Pleasanton
23.3% | \$2.94

Livermore
26.8% | \$2.18

Macro Level Overview



Supply & Demand Dynamics

- Oakland Metro: 27.8M sf market, 6.85M sf vacant (24.6%) | Current demand: 400K sf (↓60% from pre-COVID)
- I-680 Corridor: 33.9M sf market, 8.51M sf vacant (25.1%) | Current demand: 900K sf (↓40% from 2019)

Market Trends

- Flight to Quality: Tenants are prioritizing Class A buildings with security, parking & amenities
- Deal Terms: Shorter leases, declining rents & more free rent, BUT reduced TI allowances due to limited capital
- Return to Office: Bay Area office utilization is at 40-48% of pre-COVID levels (Kastle data)
- Transit: BART ridership is at 40% of pre-pandemic benchmark (November 2019 vs. 2024)

Capital Markets

- Many buildings are now bank-owned with more expected as loans mature
- Lenders are exercising increased control over asset and leasing decisions
- Sale transaction volume is showing early signs of recovery with recent benchmark sales
- Many Landlords are pursuing loan modifications/extensions to bridge market recovery

Reasons for Optimism

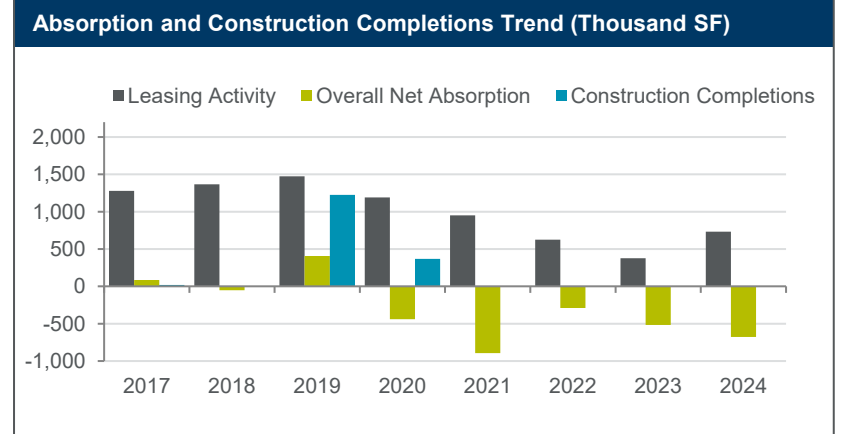
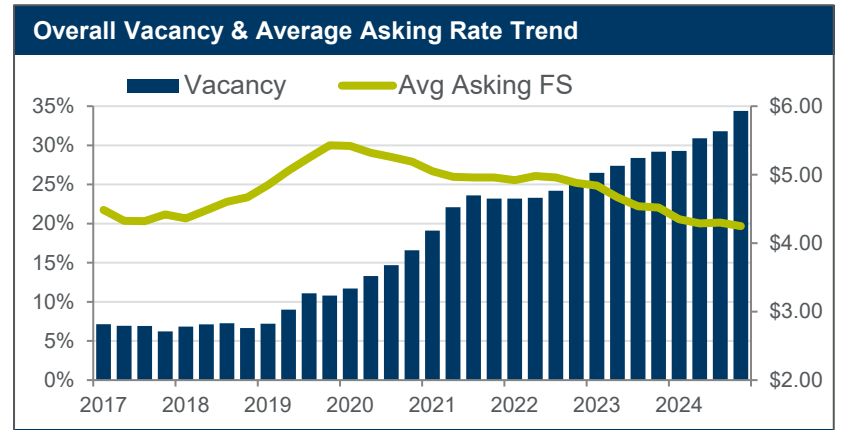
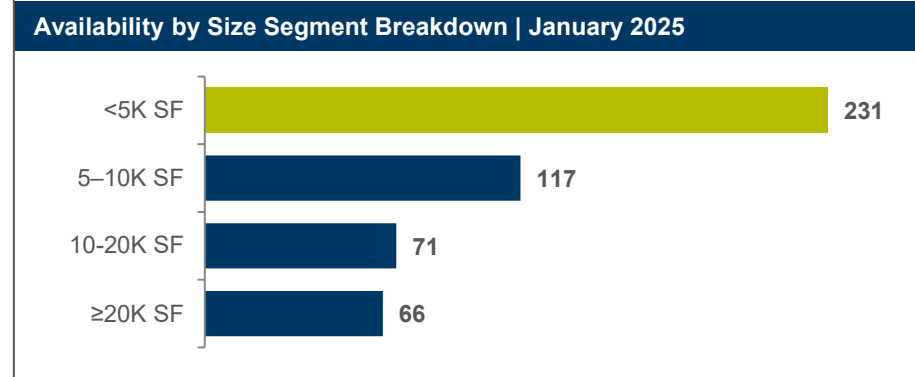
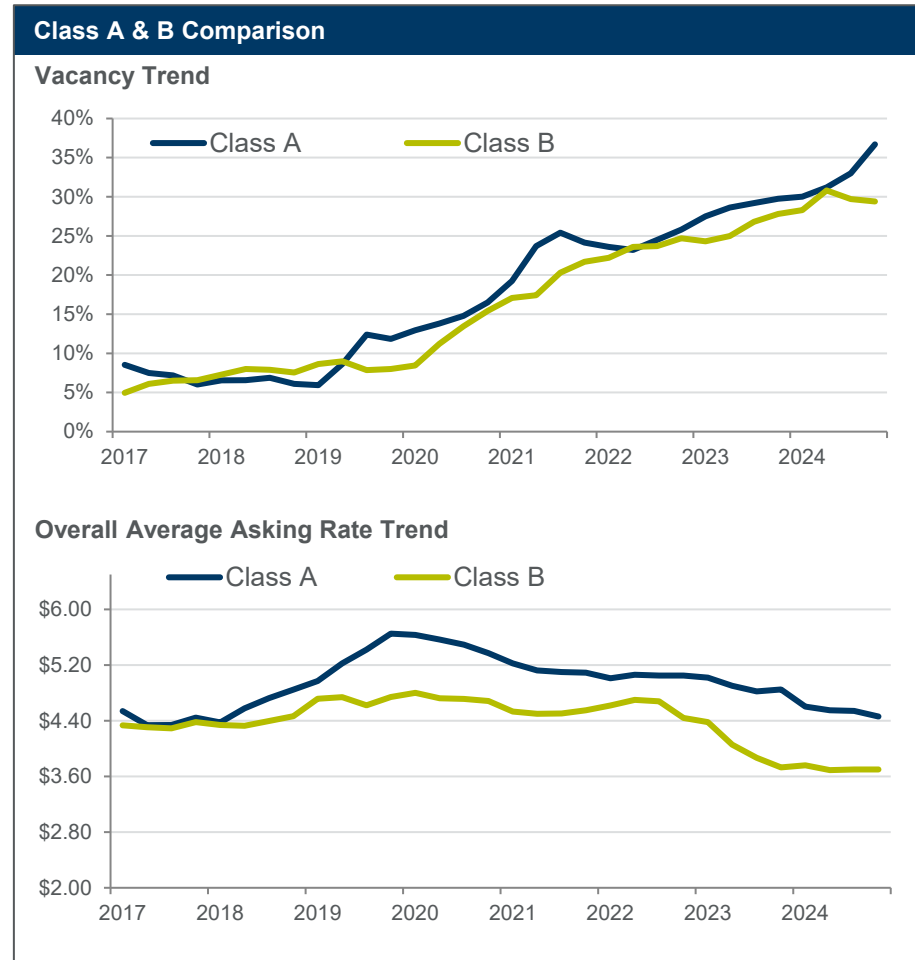
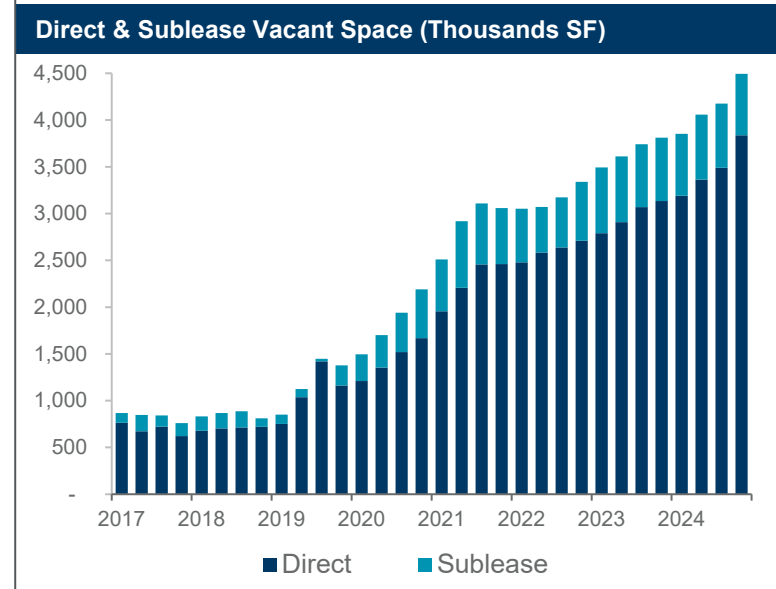
- Local election results show the public is prioritizing public safety and demands more from our elected officials
- Many businesses are planning to mandate their employees back to the office at least 3-4x per week
- The market reset is creating unprecedented investment opportunities for our collective clients
- Bay Area dominance in VC funding continues: \$50B invested in Q1-Q3 2024 (exceeding next 6 metro areas combined)
- The East Bay has a diverse economy which includes a robust biotechnology/pharmaceutical/life sciences industry, as well as a growing advanced manufacturing and high-tech R&D sector
- UC Berkeley, UCSF, Cal State East Bay, the Port of Oakland and Lawrence Berkeley National Laboratory (LBNL) are all major economic engines that benefit the East Bay economy
- Housing in the East Bay is generally more affordable than many other parts of the Bay Area

CBD-OAKLAND OFFICE MARKET

FOURTH QUARTER 2024



Market Summary Q4 2024	
Inventory (SF)	13,055,536
Number of Buildings	130
Direct Vacant (SF)	3,836,445
Sublet Vacant (SF)	657,744
Overall Vacant (SF)	4,494,189
Current Quarter Overall Net Absorption (SF)	-317,801
2024 Overall Net Absorption (SF)	-677,508
YTD Leasing Activity (SF)	731,779
Direct Average Asking Rent (Class A, FS)	\$4.52
Overall Average Asking Rent (Class A, FS)	\$4.46
Direct Average Asking Rent (All Classes)	\$4.27
Overall Average Asking Rent (All Classes)	\$4.25
Overall Vacancy Rate	34.4%
Under Construction (SF)	0



Key Tenants

Tenant	Building	RSF	Effective	Term
PG&E	300 Lakeside	753,000	\$8.20	420M
Square (Vacant)	Uptown Station	205,000	\$5.16 (Net)	144M
Blue Shield	601 12th St	200,219	\$5.80	144M
Clorox	1221 Broadway	160,000	-	-
Pandora Media	2101 Webster St	125,000	\$5.62	109M
Credit Karma	1100 Broadway	110,000	\$5.44	132M
Delta Dental	1333 Broadway	106,000	\$4.08	120M
FiveTran	1221 Broadway	89,914	\$5.43	127M
WeWork	1111 Broadway	81,452	\$6.62	132M
Callisto Media (Vacant)	Uptown Station	78,000	\$5.37 (IG)	48M

Disclaimer: The information contained herein while not guaranteed has been secured by sources we deem reliable. All information should be verified prior to lease or sale.
*Source: Cushman & Wakefield Research & Brokerage Services
© Cushman & Wakefield 2024

East Bay – Oakland Metro



SUBMARKET	INVENTORY (SF)	SUBLET VACANT (SF)	DIRECT VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION	YTD OVERALL NET ABSORPTION (SF)	YTD LEASING ACTIVITY (SF)	UNDER CNSTR (SF)	OVERALL AVG ASKING RENT (ALL CLASSES)*	OVERALL AVG ASKING RENT (CLASS A)*
Richmond	2,577,176	9,604	320,935	12.5%	-11,755	-86,186	47,464	0	\$1.99	\$2.25
West Berkeley	780,888	16,290	113,390	16.6%	-20,400	-70,496	8,379	0	\$2.47	-
Berkeley CBD	2,407,660	86,494	211,358	12.4%	-13,338	-49,332	95,231	0	\$3.57	\$3.43
Emeryville	3,135,572	311,926	652,901	30.8%	-21,803	-81,931	116,274	0	\$4.16	\$4.34
City Center Oakland CBD	6,206,583	367,939	2,069,863	39.3%	-5,031	-77,092	364,868	0	\$4.22	\$4.37
Lake Merritt Oakland CBD	6,848,953	289,805	1,766,582	30.0%	-312,770	-600,416	366,911	0	\$4.30	\$4.63
Oakland CBD Total	13,055,536	657,744	3,836,445	34.4%	-317,801	-677,508	731,779	0	\$4.25	\$4.46
Jack London Square	1,578,324	23,274	151,257	11.1%	15,627	9,487	79,308	0	\$2.84	\$4.25
Oakland Coliseum	1,929,457	2,714	191,791	10.1%	-3,637	-12,147	9,994	0	\$2.42	\$3.00
Northern Alameda	1,224,394	16,604	198,671	17.6%	0	-24,074	75,918	0	\$4.50	\$4.31
Southern Alameda	1,152,631	0	59,665	5.2%	17,006	6,175	28,000	0	\$2.61	\$2.61
CLASS BREAKDOWN										
Class A	13,686,488	983,812	3,387,412	31.9%	-341,713	-720,893	724,316	0	\$4.36	
Class B	11,720,367	140,838	2,118,652	19.3%	-19,639	-187,334	414,368	0	\$3.44	
Office/Flex	2,434,783	0	220,745	9.1%	5,251	-77,785	53,663	0	\$1.81	
TOTALS	27,841,638	1,124,650	5,726,809	24.6%	-356,101	-986,012	1,192,347	0	\$3.96	\$4.36

East Bay – Walnut Creek & Tri Valley



SUBMARKET	INVENTORY (SF)	SUBLET VACANT (SF)	DIRECT VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION	YTD OVERALL NET ABSORPTION (SF)	YTD LEASING ACTIVITY (SF)	UNDER CNSTR (SF)	OVERALL AVG ASKING RENT (ALL CLASSES)*	OVERALL AVG ASKING RENT (CLASS A)*
Concord	4,589,594	106,119	1,383,436	32.5%	-37,954	-31,056	153,678	0	\$2.53	\$2.54
Pleasant Hill	551,356	0	82,640	15.0%	-8,481	-4,303	32,659	0	\$3.05	\$3.10
WC Pleasant Hill BART	1,676,561	125,742	491,396	36.8%	-44,806	-96,882	95,274	0	\$3.89	\$4.05
WC Downtown	1,893,441	33,805	243,637	14.7%	-9,141	-21,527	149,314	0	\$3.51	\$4.78
WC BART Area	2,351,447	44,185	736,393	33.2%	-23,415	-95,317	162,973	0	\$3.76	\$3.88
WC Shadelands	1,748,466	14,483	341,562	20.4%	-49,957	-51,987	50,531	0	\$2.38	\$2.85
WALNUT CREEK TOTALS	7,669,915	218,215	1,812,988	26.5%	-127,319	-265,713	458,092	0	\$3.49	\$3.93
Lamorinda	1,139,996	29,344	103,471	11.7%	-3,699	-5,389	25,666	0	\$3.93	\$4.14
CLASS BREAKDOWN										
Class A	8,241,522	310,760	2,474,934	33.8%	-122,942	-204,139	-	0	\$3.24	-
Class B	5,709,339	42,918	907,601	16.6%	-54,511	-102,322	-	0	\$2.83	-
TOTALS	13,950,861	353,678	3,382,535	26.8%	-177,453	-306,461	670,095	0	\$3.13	-
SUBMARKET	INVENTORY (SF)	SUBLET VACANT (SF)	DIRECT VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION	YTD OVERALL NET ABSORPTION (SF)	YTD LEASING ACTIVITY (SF)	UNDER CNSTR (SF)	OVERALL AVG ASKING RENT (ALL CLASSES)*	OVERALL AVG ASKING RENT (CLASS A)*
Dublin	2,700,707	144,166	184,924	12.2%	46,161	27,556	87,693	0	\$2.59	\$2.92
San Ramon	7,902,571	238,267	1,993,556	28.2%	-160,010	-251,116	260,485	0	\$3.08	\$3.11
Pleasanton	7,900,229	295,335	1,545,275	23.3%	45,034	163,245	494,818	0	\$2.94	\$3.05
Livermore	1,396,423	85,103	288,967	26.8%	-14,460	-39,494	7,056	0	\$2.18	\$2.43
CLASS BREAKDOWN										
Class A	13,348,964	577,780	3,390,717	29.7%	-61,671	-48,952	-	0	\$3.06	-
Class B	5,098,857	180,987	567,173	14.7%	-15,334	-46,208	-	0	\$2.33	-
TOTALS	19,899,930	762,871	4,012,722	24.0%	-83,455	-99,809	850,052	0	\$2.92	\$3.06