



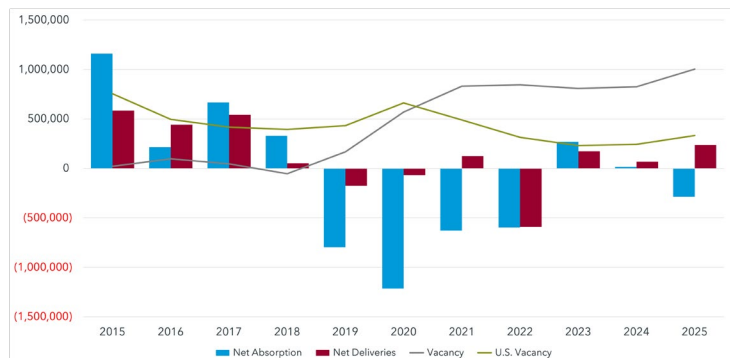
RETAIL MARKET OVERVIEW

JESSICA MAUSER, *President*

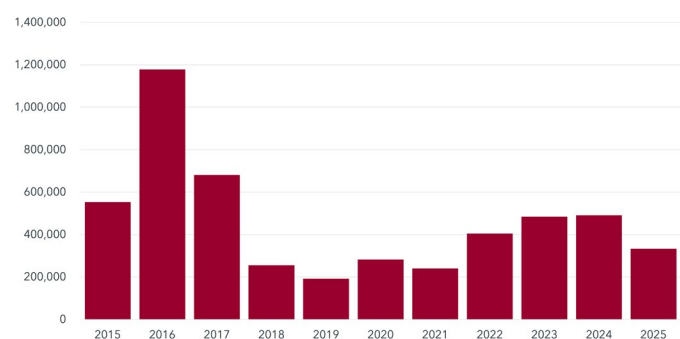
The East Bay retail market continues to demonstrate steady fundamentals through mid-2025 with modest fluctuations. Net absorption rebounded strongly in Q1-Q2 2025 following negative absorption in Q3 2024, signaling renewed tenant demand. Vacancy rates remain tight at 5.4%-5.7%, supporting stable occupancy levels. Average NNN asking rents have remained relatively flat, indicating limited rent volatility. Investment sales activity accelerated in Q3-Q4, establishing a strong momentum heading into 2026, driven by higher transaction volume and several larger deals closing in December. Notably, H Mart continues to expand its East Bay footprint with the purchase of a 98,000 SF space at Pacific Commons in Fremont, reinforcing retailer's confidence in the region.

MARKET INDICATORS	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024
▼ 12 Mo. Net Absorption SF	(285,549)	183,407	459,671	502,875	15,553
▲ Vacancy Rate	5.8%	5.7%	5.6%	5.5%	5.4%
▲ Avg NNN Asking Rate PSF	\$33.22	\$33.16	\$33.22	\$33.22	\$33.02
◀ ▶ Sale Price PSF	\$335.00	\$335.00	\$340.00	\$336.00	\$335.00
◀ ▶ Cap Rate	6.0%	6.0%	5.9%	5.9%	5.9%
▼ Under Construction SF	332,921	408,712	414,601	406,205	490,591
▲ Inventory SF	122,499,771	122,431,180	122,386,991	122,399,687	122,260,404

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
43782 Christy Street Fremont, CA	98,000 SF	\$18,300,000 \$186.73 PSF	H Mart Heitman	Single-Tenant
175 E. Vineyard Road Livermore, CA	34,050 SF	\$14,500,000 \$425.84 PSF	C&J Cox Corp Piazza Rubino LLC	Multi-Tenant
1231 S. California Boulevard Walnut Creek, CA	17,707 SF	\$16,600,000 \$937.48 PSF	Deerfield Realty Corp Richard V. Bowling	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1604-1786 Decoto Road Union City, CA	31,000 SF	Pacific Rim Financial Corporation	Ross Dress for Less	Discount Department Store
230 Atlantic Avenue Pittsburg, CA	25,879 SF	Seeno Enterprises Commerical LLC	Undisclosed	Undisclosed
4349 San Pablo Avenue Emeryville, CA	19,935 SF	Agree Realty Corporation	Planet Fitness Holdings LLC	Fitness

The information and details contained herein have been obtained from third-party sources believed to be reliable, however, Lee & Associates has not independently verified its accuracy. Lee & Associates makes no representations, guarantees, or express or implied warranties of any kind regarding the accuracy or completeness of the information and details provided herein, including but not limited to, the implied warranty of suitability and fitness for a particular purpose. Interested parties should perform their own due diligence regarding the accuracy of the information.

The information provided herein, including any sale or lease terms, is being provided subject to errors, omissions, changes of price or conditions, prior sale or lease, and withdrawal without notice. Third-party data sources: CoStar Group, Inc., The Economist, U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics, Congressional Budget Office, European Central Bank, GlobeSt.com, CoStar Property, and Lee & Associates Proprietary Data. ©

© Copyright 2025 Lee & Associates all rights reserved. Third-party Image sources: sorbis/shutterstock.com, shutterstock.com, pixabay.com, istock.com