

MARKETBEAT

EAST BAY OAKLAND

INDUSTRIAL Q3 2026



MARKET FUNDAMENTALS

	YOY Chg	Outlook
8.4% Vacancy Rate	▲	▼
-2.0M YTD Net Absorption, SF	▼	▲
\$1.26 Asking Rent, PSF <i>(Overall, Net Asking Rent)</i>	▼	▬

ECONOMIC INDICATORS

	YOY Chg	Outlook
1.2M East Bay Oakland Employment	▲	▼
4.4% East Bay Oakland Unemployment Rate	▼	▲
4.2% U.S. Unemployment Rate <i>Source: BLS</i>	▼	▲

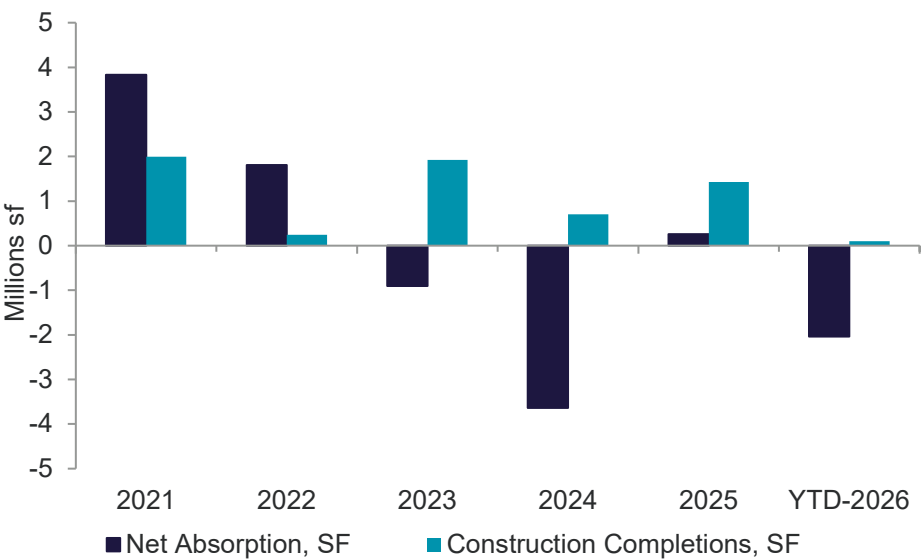
Economy: Global Headwinds

The East Bay, consisting of Alameda and Contra Costa counties, continued to add jobs over the past year, bringing regional employment to 1.2 million and the unemployment rate down to 4.4%, compared with 4.2% nationally. Industrial users across the United States have faced a series of headwinds, from elevated interest rates and supply chain concerns to uncertainty around trade policy and soaring fuel costs. In the East Bay Oakland market, these factors have weighed heavily on many traditional users. However, the past year has also recorded a significant uptick in demand from a growing base of technology and advanced manufacturing tenants that are expanding beyond Silicon Valley and up the I-880 corridor.

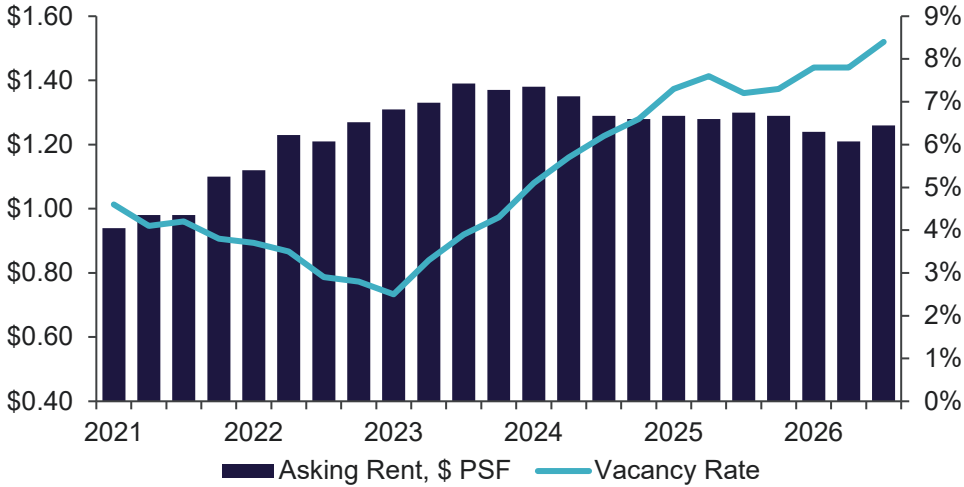
Supply: Demand Uneven

The East Bay Oakland industrial market closed the third quarter with a vacancy rate of 8.4%, up 60 basis points (bps) from the prior quarter and 120 bps year-over-year (YOY). Net absorption for the quarter was negative 967,979 square feet (sf), the largest single-quarter occupancy loss in over two years, bringing the year-to-date (YTD) total to negative 2.0 million square feet (msf). Vacancy in the market continued to diverge by geography, with the southern end of the I-880 corridor outperforming the greater region. Fremont and Newark ended the quarter with vacancy rates of 4.3% and 4.5%, down roughly 170 and 130 bps YOY, and have recorded a combined 359,486 sf of positive absorption YTD. By contrast, vacancy has risen between 200 and 320 bps YOY in Hayward (11.6%), San Leandro (10.0%) and Oakland (9.3%), which together recorded an occupancy loss of 1.2 msf this quarter. The overall region continued to grapple with rising sublease space, up 50.7% YOY to 3.3 msf, accounting for nearly a quarter of all vacancy in the market. Sublease space has long been a vulnerability for the East Bay, but the source of it has recently reversed. Two years ago, it came from technology and R&D users exposed to swings in venture funding, whereas today it is concentrated in warehouse product, as 3PL, distribution and other traditional industrial users battle elevated fuel costs and supply chain difficulties. Not only has this weighed on sublease space, but on the warehouse product type as a whole. Warehouse vacancy reached 11.4%, up 280 bps YOY, while manufacturing vacancy has declined to 5.4%. Large block spaces, those over 100,000 sf, reversed gains made in the prior quarter and are up 11.1% YOY. That said, demand has proven softest for mid-size vacancies. Vacancies 25,000-50,000 sf are up 33.3% YOY, from 66 to 88 spaces, and spaces 50,000-100,000 sf are up 29.0%.

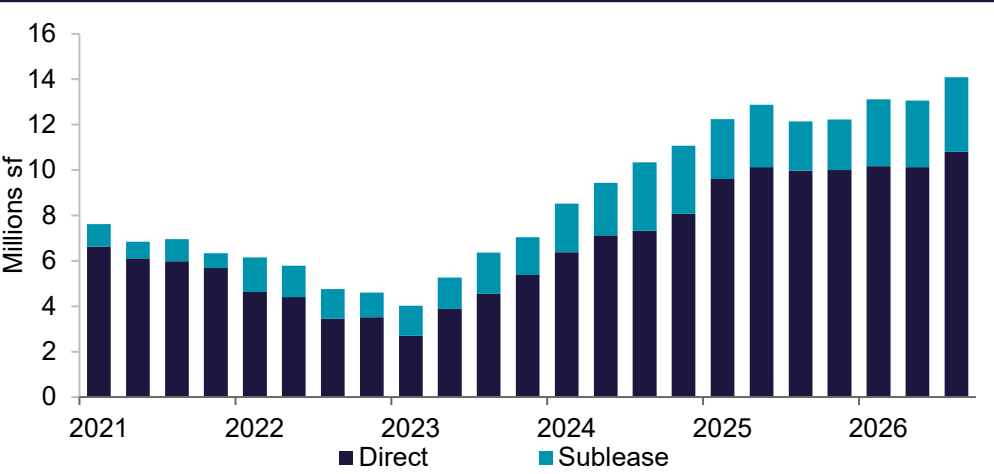
SPACE DEMAND / DELIVERIES



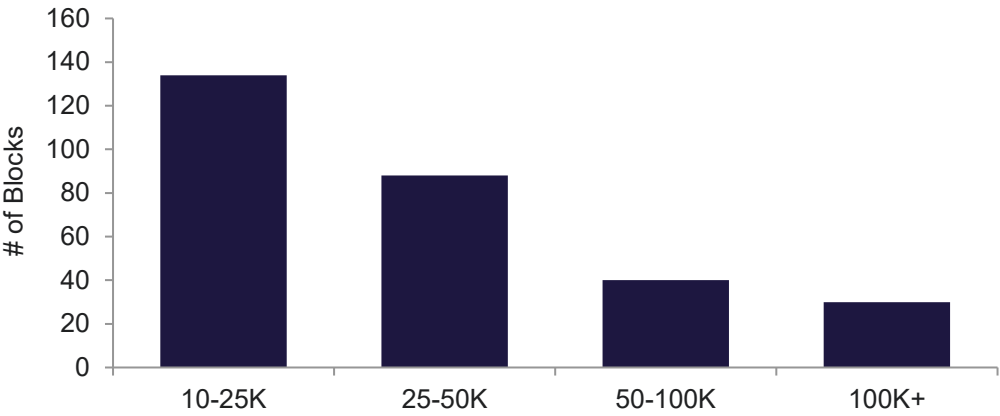
OVERALL VACANCY & ASKING RENT



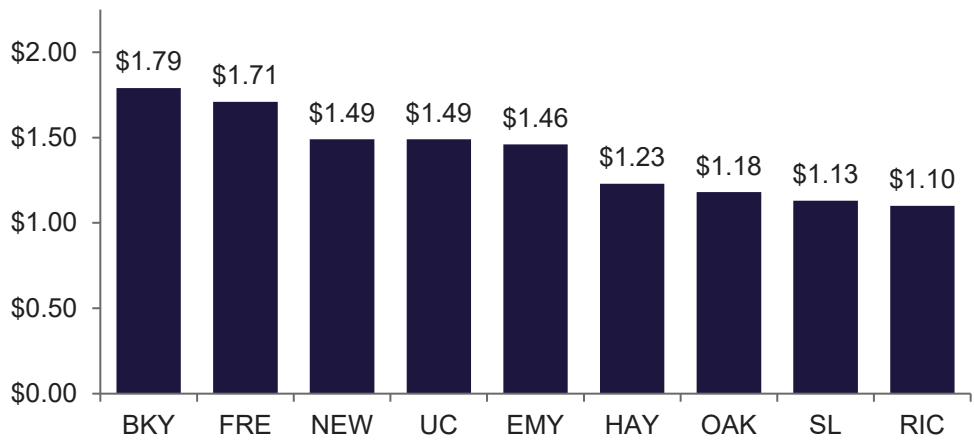
DIRECT AND SUBLEASE AVAILABLE SPACE



AVAILABILITIES BY SIZE SEGMENT



OVERALL ASKING RATE BY SUBMARKET (NNN)



Demand: Tech Tenants Drive Growth

The East Bay Oakland industrial market recorded 3.3 msf of gross leasing activity in the third quarter, up 3.1% from the prior quarter but down 25.1% YOY against an exceptionally strong third quarter in 2025. The southern end of the I-880 corridor continued to capture an outsized share of activity, as Fremont and Newark accounted for 37.2% of gross leasing with approximately 20% of the market’s inventory. The largest lease of the quarter was signed by GoFo for 224,154 sf at 6015 Giant Road in Richmond. This marks another win for the region’s northernmost submarket where YTD leasing has already surpassed each of the prior three full years. Other notable leases included MiTAC’s three-building, 210,795-sf lease at Clarion’s new Campus @ Bayside development and Quanta’s two new leases for 203,414 sf and 198,768 sf, all three of which were signed in Fremont or Newark. Demand at the southern end of the corridor is beginning to outpace its supply of quality space. Fremont and Newark have just three vacancies over 100,000 sf between them, and Fremont’s construction pipeline is nearly fully pre-leased, which suggests the technology and advanced manufacturing users driving demand will increasingly need to look north. Tenants are also becoming more selective about the spaces themselves, seeking above-standard power and other features that will help direct demand toward the best positioned inventory across the full East Bay.

Pricing: Rents Diverge on Quality

The average asking rental rate for East Bay industrial closed the third quarter at \$1.26 per square foot (psf) on a monthly triple net basis, up \$0.04 psf from the prior quarter but down \$0.05 psf YOY. The quarterly increase reflected the mix of space on the market more than broad rent growth, as newly available buildings in Fremont and Hayward hit the market with asking rates of \$1.95 to \$2.25 psf, while rates were little changed in Oakland and fell in Richmond. The delta in pricing between the two ends of the corridor remains wide, with Fremont closing the quarter at \$1.71 psf compared with \$1.18 psf in Oakland and \$1.13 psf in San Leandro. The quality of space is becoming increasingly important, with spaces that meet the needs of advanced manufacturers able to push pricing, regardless of geography, while older-generation, traditional industrial space has seen rates fall.

Capital Markets: Investors Drive Activity

Sales activity maintained its momentum, with significant demand for East Bay industrial real estate. The largest transaction of the quarter was Wistron Corporation’s \$120.0 million purchase of three buildings, totaling 374,730 sf, on Warm Springs Boulevard in Fremont from Link Logistics for \$320 psf. This large user purchase stands out among the quarter’s top transactions, which were dominated by investors. Strong leasing from technology and advanced manufacturing users has renewed investor focus on the East Bay, and the breadth of buyers pursuing deals, even as vacancy has risen, demonstrates continued confidence in the market’s long-term demand drivers.

OUTLOOK

- Vacancy is expected to improve modestly as leased space is occupied, but unevenly, with Oakland, Hayward and San Leandro likely to lag Fremont and Newark, and asking rents are expected to hold roughly flat.
- The construction pipeline grew in the third quarter to 1.1 msf, two-thirds of it in Fremont and the majority of that pre-leased, which limits new supply risk.
- Investors will continue to look to the East Bay as an opportunity to transact, with quality inventory that can attract modern users commanding a premium.

MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	OVERALL VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	UNDER CNSTR (SF)	YTD CONSTR COMPLETIONS (SF)	OVERALL WEIGHTED AVG NET RENT (W/D)	OVERALL WEIGHTED AVG NET RENT (MF)	OVERALL WEIGHTED AVG NET RENT
Richmond	14,949,291	1,332,504	8.9%	269,548	301,232	19,500	0	\$1.21	\$0.87	\$1.10
Berkeley	5,759,815	220,190	3.8%	-53,958	-49,958	0	0	\$1.48	\$1.82	\$1.79
Emeryville	2,242,378	167,402	7.5%	53,102	68,752	0	0	\$1.45	\$1.48	\$1.46
Oakland	33,386,781	3,091,263	9.3%	-319,737	-703,472	176,889	0	\$1.17	\$1.20	\$1.18
San Leandro	25,816,585	2,586,510	10.0%	-336,216	-476,747	67,440	0	\$1.18	\$1.06	\$1.13
Hayward	38,826,250	4,522,884	11.6%	-517,638	-1,298,552	104,526	97,620	\$1.26	\$1.11	\$1.23
Union City	13,717,739	729,118	5.3%	116,318	-238,979	0	0	\$1.49	\$1.50	\$1.49
Newark	9,295,639	415,871	4.5%	-58,782	52,466	0	0	\$1.49	\$1.49	\$1.49
Fremont	23,691,390	1,021,354	4.3%	-120,616	307,020	737,553	0	\$1.76	\$1.65	\$1.71
TOTALS	167,685,868	14,087,096	8.4%	-967,979	-2,038,238	1,105,908	97,620	\$1.28	\$1.22	\$1.26

*Rental rates reflect weighted net asking \$psf/month

KEY LEASE TRANSACTIONS Q3 2026

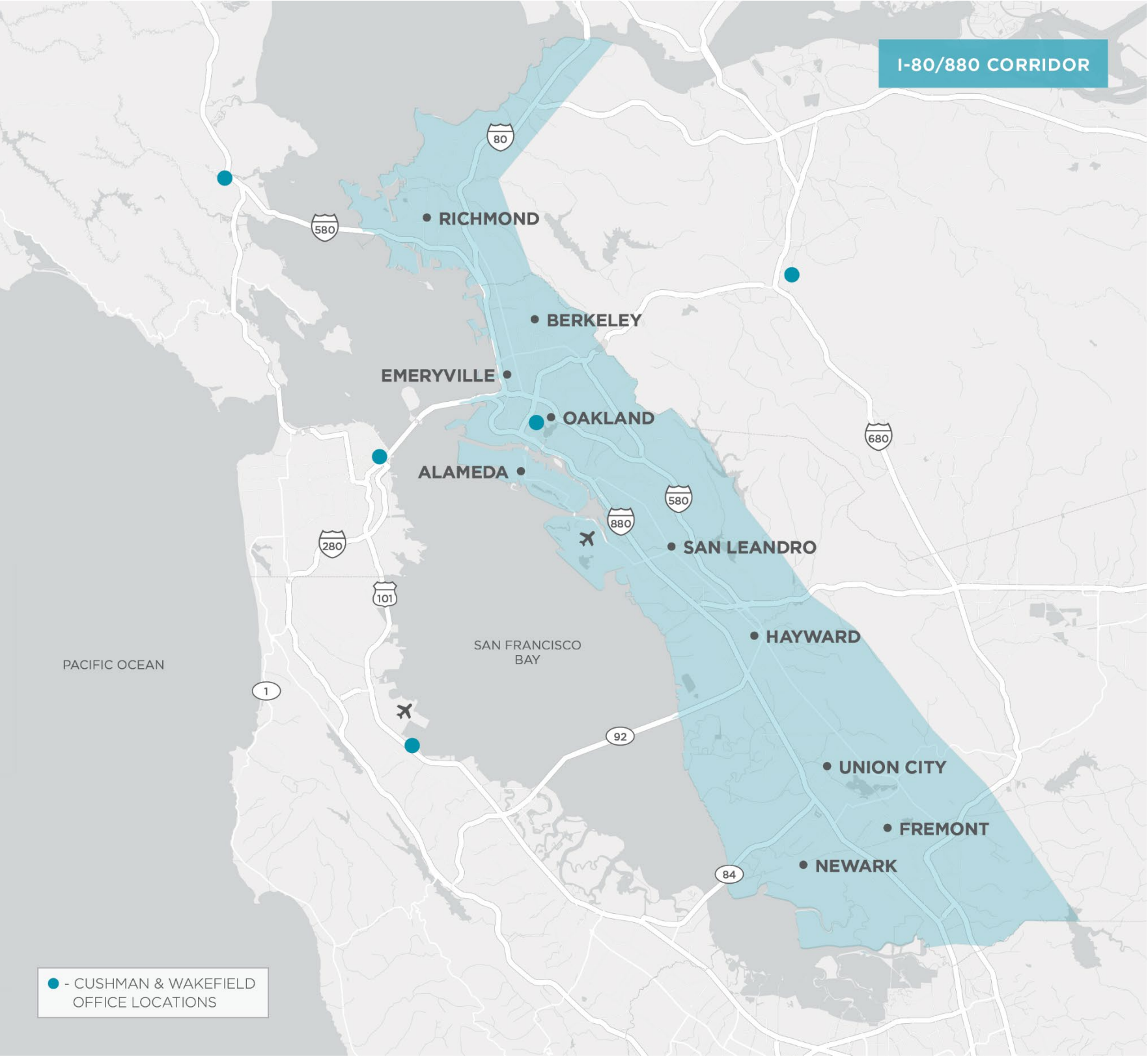
PROPERTY	SUBMARKET	TENANT	RSF	TYPE
6015 Giant Road	Richmond	GoFo	224,154	New Lease
2477 Liston Way	Union City	American Licorice	220,568	Renewal*
2425 Whipple Road	Hayward	Morgan Advanced Materials	214,172	Renewal*
Campus @ Bayside: Buildings 4-6	Fremont	MiTAC	210,795	New Lease
46895 Bayside Parkway	Fremont	Quanta	203,414	New Lease
8311 Central Avenue	Newark	Quanta	198,768	New Lease
31775 Hayman Street	Hayward	Vesta Foodservice	190,621	Renewal*
48688 Fremont Boulevard	Fremont	Wismettac Asian Foods	174,578	New Lease

*Renewals not included in national leasing statistics

KEY SALES TRANSACTIONS Q3 2026

PROPERTY	SUBMARKET	SELLER / BUYER	SF	PRICE/ \$PSF
48021-48133 Warm Springs Boulevard (3 Buildings)	Fremont	Link Logistics / Wistron Corporation	374,730	\$120.0M / \$320
21001-21005 Cabot Boulevard	Hayward	Link Logistics / Lift Partners	248,860	\$59.4M / \$239
47020 Kato Road	Fremont	KKR / Clarion Partners	209,916	\$89.5M / \$426
45101-45169 Industrial Drive	Fremont	Link Logistics / Bridge Logistics Properties	198,676	\$61.4M / \$309
30526 San Antonio Street	Hayward	Morgan Stanley & Lift Partners / Lincoln Property Company & NYL	148,935	\$37.5M / \$252
2910 Faber Street	Union City	Guolian Aquatic Products / LBA Logistics	52,476	\$17.0M / \$324

INDUSTRIAL SUBMARKETS



WESCOTT OWEN
Research Manager
Tel: +1 415 451 2418
Wescott.Owen@cushwake.com

ALEXANDER BRANDT
Research Analyst
Tel: +1 510 267 6096
Alexander.Brandt@cushwake.com

CUSHMAN & WAKEFIELD
555 12th St
Suite 100
Oakland, CA 94607

A CUSHMAN & WAKEFIELD RESEARCH PUBLICATION
Cushman & Wakefield (NYSE: CWK) is a leading global commercial real estate services firm for occupiers and investors with approximately 53,000 employees in over 350 offices and nearly 60 countries. In 2025, the firm reported revenue of \$10.3 billion across its core service lines of Services, Leasing, Capital markets, and Valuation and other. Built around the belief that Better never settles, the firm receives numerous industry and business accolades for its award-winning culture. For additional information, visit www.cushmanwakefield.com.

©2026 Cushman & Wakefield. All rights reserved. The information contained within this report is gathered from multiple sources believed to be reliable, including reports commissioned by Cushman & Wakefield (“CWK”). This report is for informational purposes only and may contain errors or omissions; the report is presented without any warranty or representations as to its accuracy.

Nothing in this report should be construed as an indicator of the future performance of CWK’s securities. You should not purchase or sell securities—of CWK or any other company—based on the views herein. CWK disclaims all liability for securities purchased or sold based on information herein, and by viewing this report, you waive all claims against CWK as well as against CWK’s affiliates, officers, directors, employees, agents, advisers and representatives arising out of the accuracy, completeness, adequacy or your use of the information herein.