

FIGURES | OAKLAND R&D/FLEX | Q1 2026

# Rising vacancy rates overshadow diverse leasing activity

▲ 19.3%  
Vacancy Rate

▼ (118K)  
SF Net Absorption

▶ 0  
SF Under Construction

▼ \$3.82  
NNN / Lease Rate  
Existing Properties

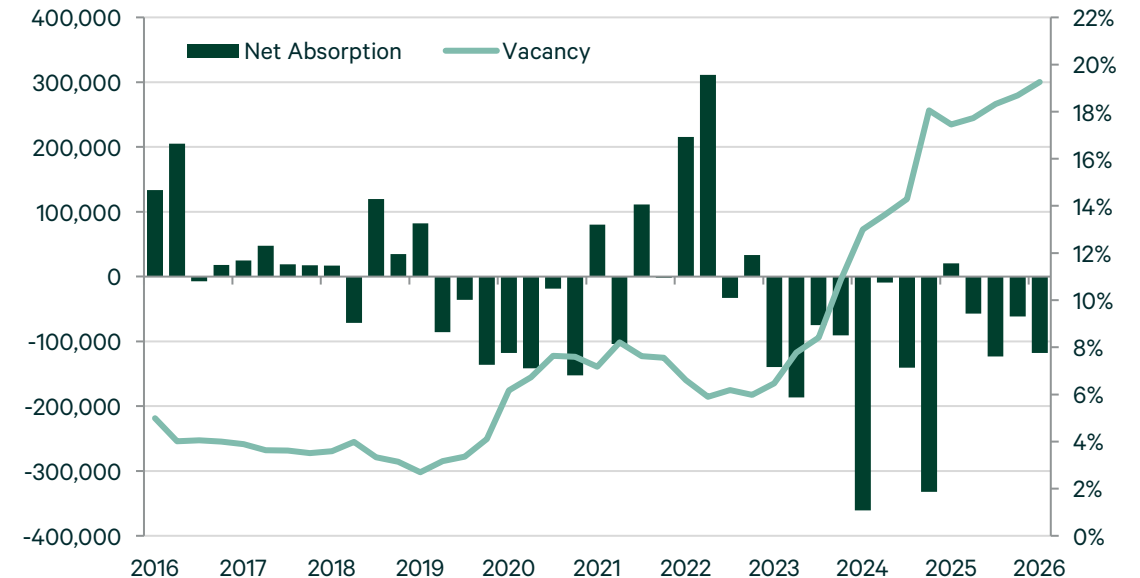
▼ 274.7K  
Office Using Employment  
Alameda/Contra Costa County

Note: Arrows indicate change from previous quarter.

## R&D/FLEX MARKET HIGHLIGHTS

- The total population of Alameda and Contra Costa Counties stood at 2.83 million, a decrease of 0.01% from the previous quarter and up 0.08% from Q1 2025. Total labor force decreased 0.76%, from 1.460 million to 1.450 million, while the total office employment decreased by 0.24% to 274.7K at the beginning of Q1. The unemployment rate decreased quarter-over-quarter (QoQ) by 4 basis points (bps) from 4.97% to 4.93% and up 42 bps year-over-year (YoY) from 4.51%.
- Net absorption for the Oakland R&D/Flex market was a negative 117,754 sq. ft. for the quarter. Oakland and Union City were the two submarkets that experienced positive absorption for the quarter.
- The overall weighted average direct NNN asking rent decreased QoQ from \$3.93 to \$3.82 NNN.
- Life Science and technology tenants leased 21% and 20% of the total square feet leased, respectively. New, versus renewal, lease transactions signed during the quarter accounted for most of the transactions during the quarter.

FIGURE 1: Vacancy & Net Absorption Trend



Source: CBRE Research, Q1 2026

### R&D/FLEX OVERVIEW

The Oakland I-880 Corridor R&D/Flex market is comprised of approximately 20.7 million sq. ft. of net rentable area. The vacancy rate increased by roughly 60 bps QoQ from 18.7% to 19.3% while the overall availability rate grew by roughly 40 bps from 21.6% to 22.0%. Sublease availability growth has been subdued resulting in a decrease of 25 bps QoQ to 3.9%. There are no projects currently under construction.

Leasing activity weakened in the first quarter, decreasing 43% QoQ to 230,865 sq. ft. The largest deal was Voya Energy 27,969 sq.-ft. new lease in Hayward. Further momentum came from Azalea Therapeutics 22,113 sq.-ft. lease in Emeryville and Electrochemistry Foundry 20,818 sq.-ft. lease in Hayward. Fifteen of 24 transactions were under 10,000 sq. ft., signaling the growth of smaller tenant demand. Given the moderate leasing activity, vacancy growth exceeded move-ins, resulting in negative 117,754 sq. ft. of net absorption. Locally, the market displayed a combination of upward and downward movements, driven by fluctuating space needs.

Asking rates for R&D/Flex space decreased QoQ to \$3.82 per square foot per month NNN. High-tech and biotech-focused areas like Berkeley, Emeryville, and Alameda continued to attract top rents, whereas established areas such as Richmond, Oakland, and Union City offered more economical options for tenants looking for reduced occupancy expenses and greater adaptability.

Market conditions weakened in early 2026 as new availabilities rose and leasing activity softened. Conditions are expected to stay similar for the remainder of 2026, with modest leasing gains likely as demand aligns with moderating supply. Expect more battery and tech influenced tenant activity as life science looks to rebalance and grow.

FIGURE 3: Notable Sale Transactions

Buyer	Location	SF Sold	Sale Price \$/SF
Zydus Pharmaceuticals*	901 Heinz Ave, Berkeley	25,400	\$6.88M \$271/SF

Source: CBRE Research, Q1 2026

\* User Sale

FIGURE 2: Submarket Statistics

Submarket	Net Rentable Area	Total Vacancy (%)	Total Availability (%)	Average Asking Lease Rate (\$/SF/NNN)	Q1 Leasing Activity	YTD Leasing Activity	Q1 Net Absorption	YTD Net Absorption
Richmond	2,935,522	10.8%	10.8%	\$1.81	15,634	15,634	0	0
Berkeley	2,935,783	32.4%	32.4%	\$6.23	11,968	11,968	(17,776)	(17,776)
Emeryville	1,562,919	45.8%	49.6%	\$4.71	32,163	32,163	(6,588)	(6,588)
Oakland	1,905,587	24.6%	25.9%	\$1.77	36,197	36,197	9,142	9,142
Alameda	1,348,805	25.5%	30.7%	\$3.89	0	0	(69,135)	(69,135)
San Leandro	2,846,542	9.0%	13.9%	\$2.18	32,916	32,916	19,852	19,852
Hayward	5,807,033	12.8%	16.8%	\$3.25	69,514	69,514	(60,772)	(60,772)
Union City	1,400,353	14.4%	17.7%	\$3.10	32,473	32,473	7,523	7,523
<b>Oakland R&amp;D/Flex Market</b>	<b>20,742,544</b>	<b>19.3%</b>	<b>22.0%</b>	<b>\$3.82</b>	<b>230,865</b>	<b>230,865</b>	<b>(117,754)</b>	<b>(117,754)</b>

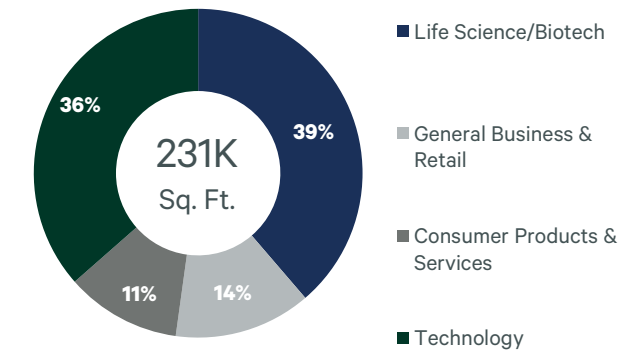
Source: CBRE Research, Q1 2026

FIGURE 4: Notable Lease Transactions

Tenant	Location	SF Leased	Type
Voya Energy	24500-24570 Clawiter Rd, Hayward	27,969	New Lease
Azalea Therapeutics	3100 San Pablo Ave, Berkeley	22,113	New Lease
Electrochemistry Foundry	31057-31069 Genstar Rd, Hayward	20,818	New Lease
Nelumbo	1933 Peralta St, Oakland	18,720	New Lease

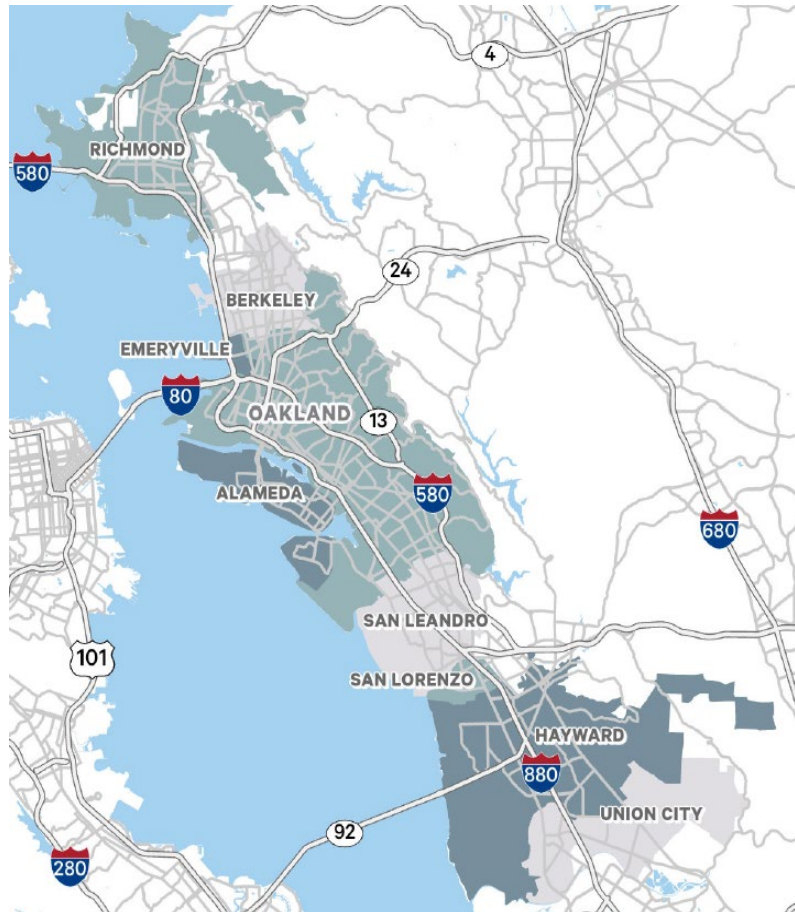
Source: CBRE Research, Q1 2026

FIGURE 5: Leases of the Quarter by Industry (known tenants)



Source: CBRE Research, Q1 2026

**Submarket Map**



Source: CBRE Research, Location Intelligence

**Definitions**

Average Asking Rate Direct Monthly Lease Rates., Triple Net (NNN). Availability All existing space being marketed for lease. Total Vacancy Rate Direct Vacancy + Sublease Vacancy.

CBRE’s market report analyzes existing single- and multi-tenant R&D/Flex buildings that total 5,000+ sq. ft. within defined submarkets, including owner-occupied buildings. CBRE assembles all information through telephone canvassing, third-party vendors, and listings received from owners, tenants and members of the commercial real estate brokerage community.

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