

FIGURES | NAPA-SOLANO COUNTY INDUSTRIAL | Q3 2026

Vacancy Climbs While Tenant Diversification Reshapes The Market

▲ 10.7%

Vacancy Rate

▼ (319,662)

SF Net Absorption

► 0

SF Under Construction

► \$0.91

NNN / Lease Rate
Existing Properties

► 0

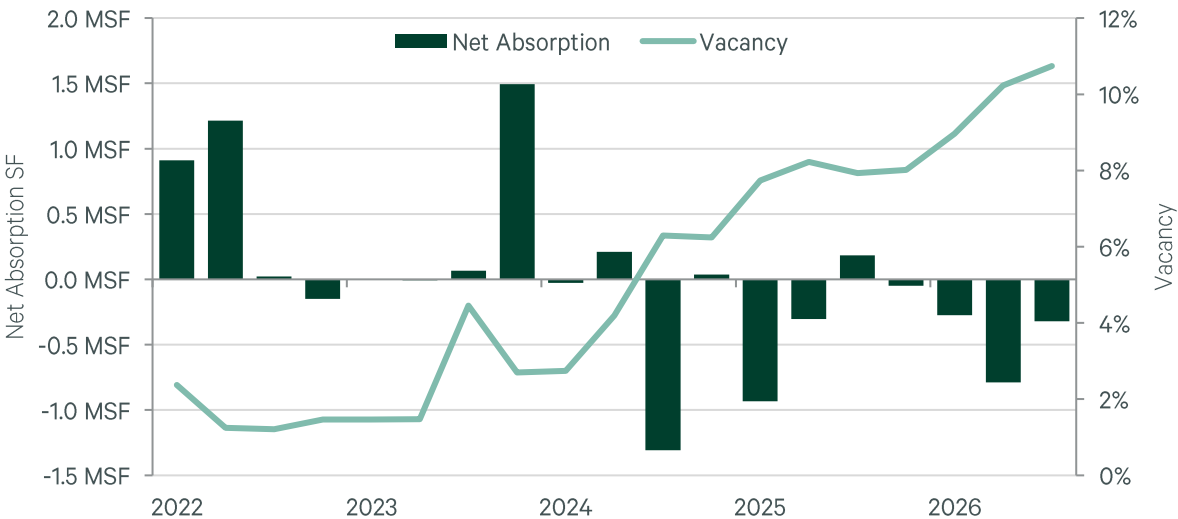
SF Delivered

Note: Arrows indicate change from previous quarter.

INDUSTRIAL MARKET HIGHLIGHTS

- The Napa-Solano Industrial Market, comprised of Napa and Solano counties, is home to 583,900 residents and hosts a labor force of 294,100. Through September of 2026, the total employment was 219,600 representing essentially unchanged from Q2. The unemployment rate decreases slightly, quarter-over-quarter (QoQ), to 5.32% at the end of the third quarter.
- The market vacancy rate increased by 50 basis points (bps) from 10.2% in Q2 2026 to 10.7% in Q3 2026. The wine industry slowdown is transforming the Napa-Solano market, encouraging tenant diversification across traditionally specialized areas.
- Net absorption for the total market was negative 319,662 sq. ft. This follows the negative 787,267 sq. ft. of absorption during Q2.
- Leasing activity is at historically low levels as the market undergoes a transition in its traditional demand base. A broader range of occupiers is expanding tenant demand, while elevated availability is expected to maintain downward pressure on asking rents.

FIGURE 1: Vacancy & Net Absorption Trend



Source: CBRE Research, Q3 2026

FIGURE 2: Submarket Statistics

Napa Submarkets	Net Rentable Area	Total Vacancy (%)	Total Availability (%)	Average Asking Rate (\$)	Q3 Leasing Activity	YTD Leasing Activity	Q3 Net Absorption	YTD Net Absorption
Napa	9,158,060	21.7%	21.9%	0.82	23,000	57,085	(65,850)	(368,115)
Warehouse/Distribution	8,571,647	18.6%	18.8%	0.82	23,000	43,000	(11,850)	8,150
Manufacturing	574,413	68.7%	68.7%	1.25	0	14,085	(54,000)	(376,265)
R&D/Flex	12,000	0.0%	0.0%	0.00	0	0	0	0
American Canyon	8,973,839	7.9%	8.3%	1.13	14,783	246,803	(86,212)	(307,628)
Warehouse/Distribution	6,487,569	7.9%	8.5%	1.12	11,914	232,019	(57,749)	(245,068)
Manufacturing	763,100	9.3%	9.3%	1.10	0	6,960	0	(11,689)
R&D/Flex	1,723,170	6.9%	7.2%	1.28	2,869	7,824	(28,463)	(50,871)
Napa Ind. Market	18,131,899	14.9%	15.2%	0.90	37,783	303,888	(152,062)	(675,743)

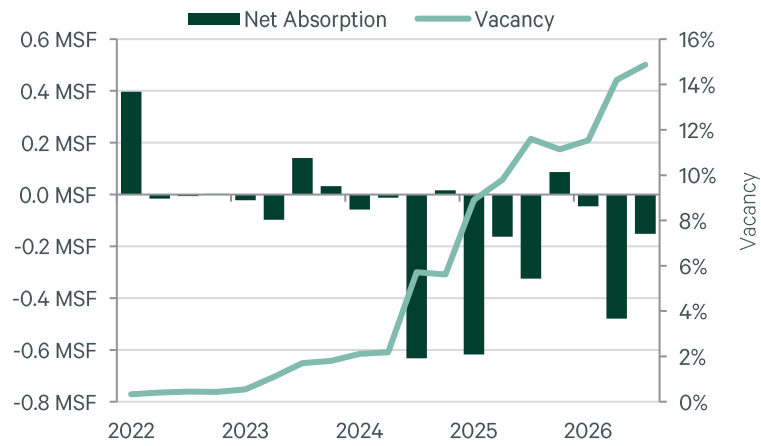
Solano Submarkets	Net Rentable Area	Total Vacancy (%)	Total Availability (%)	Average Asking Rate (\$)	Q3 Leasing Activity	YTD Leasing Activity	Q3 Net Absorption	YTD Net Absorption
Benicia	8,558,010	7.0%	9.7%	0.96	66,056	290,503	(54,970)	(165,152)
Warehouse/Distribution	6,897,889	7.1%	10.3%	0.94	66,056	283,899	(59,893)	(162,759)
Manufacturing	1,199,094	8.8%	9.9%	1.18	0	2,100	0	(11,820)
R&D/Flex	461,027	1.5%	1.5%	0.80	0	4,504	4,923	9,427
Fairfield	18,006,290	9.5%	11.1%	0.95	298,813	630,908	16,518	(77,150)
Warehouse/Distribution	14,158,861	10.0%	12.1%	0.92	298,813	621,644	59,630	(39,356)
Manufacturing	2,518,141	6.7%	6.7%	1.00	0	0	0	0
R&D/Flex	1,329,288	8.5%	9.3%	1.27	0	9,264	(43,112)	(37,794)
Vacaville	13,025,722	12.2%	14.2%	0.86	37,796	354,356	(129,148)	(481,561)
Warehouse/Distribution	10,357,946	12.3%	14.7%	0.85	25,195	323,495	(126,625)	(441,825)
Manufacturing	1,137,871	0.9%	0.9%	0.75	0	8,000	(10,680)	(2,680)
R&D/Flex	1,529,905	19.7%	20.3%	1.07	12,601	22,861	8,157	(37,056)
Vallejo	4,374,661	1.9%	1.9%	1.09	0	18,649	0	18,649
Warehouse/Distribution	2,237,628	1.8%	1.8%	0.95	0	0	0	0
Manufacturing	1,586,898	2.6%	2.6%	1.22	0	18,649	0	18,649
R&D/Flex	550,135	0.0%	0.0%	0.00	0	0	0	0
Solano Ind. Market	43,964,683	9.0%	10.8%	0.91	402,665	1,294,416	(167,600)	(705,214)

Total Market	Net Rentable Area	Total Vacancy (%)	Total Availability (%)	Average Asking Rate (\$)	Q3 Leasing Activity	YTD Leasing Activity	Q3 Net Absorption	YTD Net Absorption
Napa-Solano Ind. Market	62,096,582	10.7%	12.1%	\$0.91	440,448	1,598,304	(319,662)	(1,380,957)
Warehouse/Distribution	48,711,540	11.0%	12.6%	\$0.89	424,978	1,504,057	(196,487)	(880,858)
Manufacturing	7,779,517	10.2%	10.4%	\$1.11	0	49,794	(64,680)	(383,805)
R&D/Flex	5,605,525	9.6%	10.1%	\$1.19	15,470	44,453	(58,495)	(116,294)

Source: CBRE Research, Q3 2026

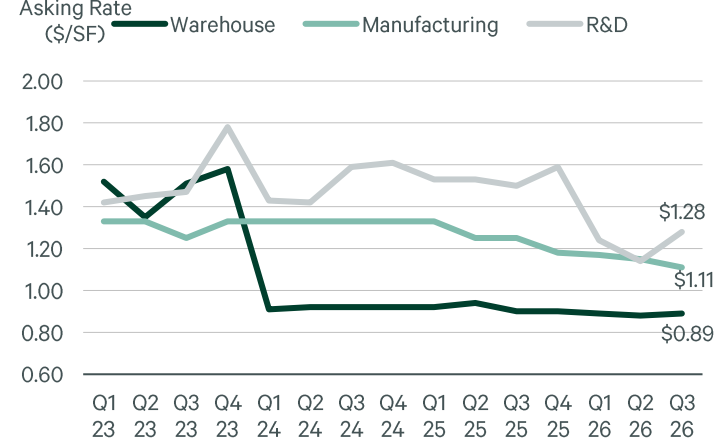
Napa County Market Breakdown

FIGURE 8: Napa Market Vacancy & Net Absorption Trend



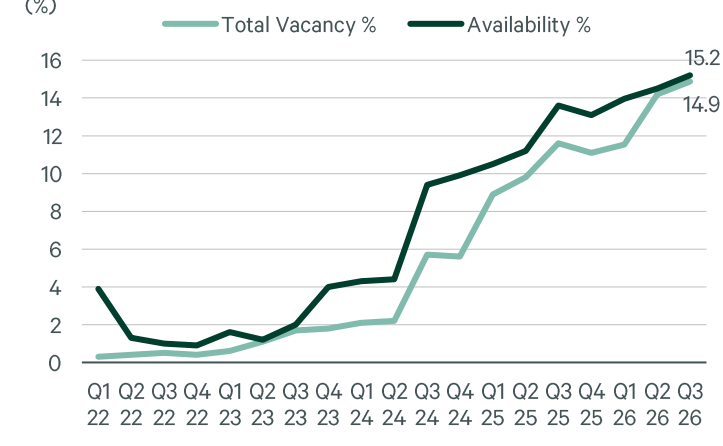
Source: CBRE Research, Q3 2026

FIGURE 9: Napa Market Lease Rates



Source: CBRE Research, Q3 2026

FIGURE 10: Napa Market Vacancy & Availability



Source: CBRE Research, Q3 2026

FIGURE 11: Napa Market Notable Lease Transactions

Tenant	Address	SF Leased	Property Type
United Rentals	5505 Broadway St, Napa	23,000*	Warehouse**

Source: CBRE Research, Q3 2026

*Renewal **CBRE Involved

FIGURE 12: Napa Market Notable Sale Transactions

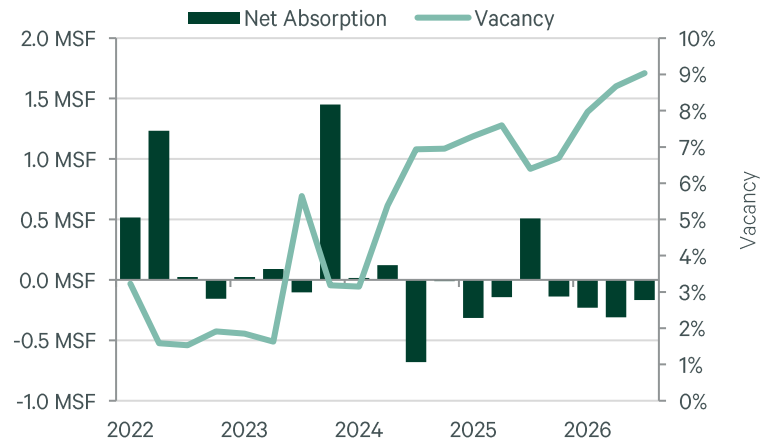
Buyer	Address	SF Sold	Sale Price \$/SF
No Notable Sale Transactions			

Source: CBRE Research, Q3 2026

*CBRE Involved

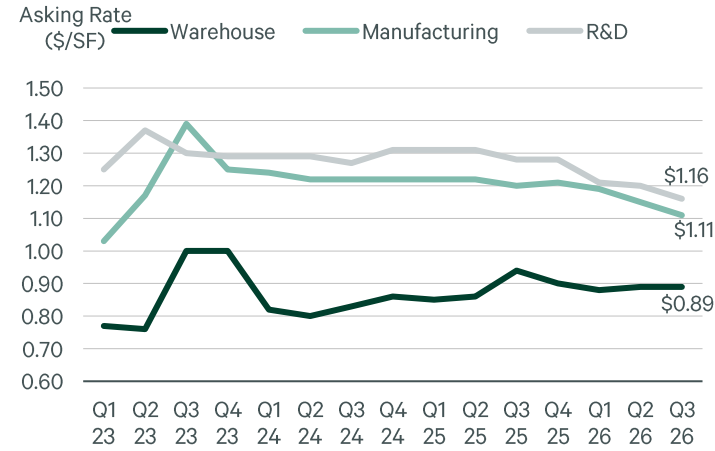
Solano County Market Breakdown

FIGURE 8: Solano Market Vacancy & Net Absorption Trend



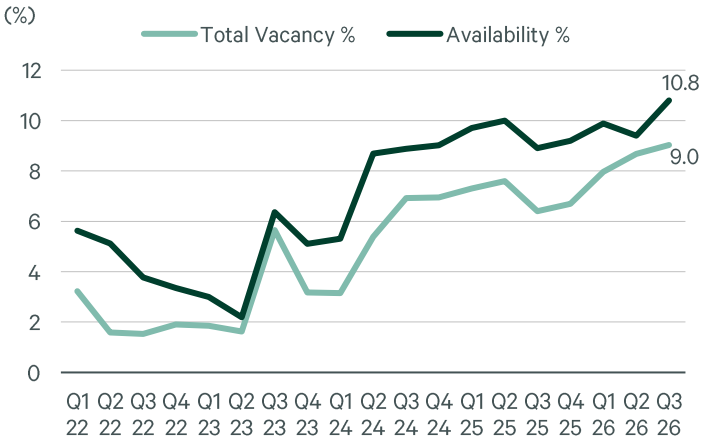
Source: CBRE Research, Q3 2026

FIGURE 9: Solano Market Lease Rates



Source: CBRE Research, Q3 2026

FIGURE 10: Solano Market Vacancy & Availability



Source: CBRE Research, Q3 2026

FIGURE 11: Solano Market Notable Lease Transactions

Tenant	Address	SF Leased	Property Type
Cooler Depot	2345 S Watney Way, Fairfield	100,460	Warehouse
Metropolitan Van and Storage	2950 Cordelia Rd, Fairfield	98,101	Warehouse
Specialty Distribution Group	537 Stone Rd, Benecia	30,976*	Warehouse**

Source: CBRE Research, Q3 2026

*Renewal **CBRE Involved

FIGURE 12: Solano Market Notable Sale Transactions

Buyer	Address	SF Sold	Sale Price \$/SF
NorthPoint Development	Benicia Commerce Center*	542,105	\$87.5M \$161/SF
Bearing	877 Cotting Ct & 902 Alridge Rd, Vacaville	279,185	\$27.4M \$98/SF

Source: CBRE Research, Q3 2026

*CBRE Involved

Submarket Map



Source: CBRE Research, Location Intelligence

Definitions

Average Asking Rate Direct Annual Lease Rates, 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 office buildings that total 10,000+ sq. ft. in downtown San Francisco, excluding 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.

Contacts

Konrad Knutsen
Research Director
+1 916 446 8292
konrad.knutsen@cbre.com

Paul Magoria
Research Manager
+1 510 874 1912
paul.magoria@cbre.com

Vikram Narula
Research Analyst
+1 510 874 1924
vikram.narula@cbre.com

Walnut Creek Office
1676 N California Blvd. Suite 500
Walnut Creek, CA 94596