

FIGURES | OAKLAND INDUSTRIAL | Q4 2025

# Stable market fundamentals drive renewal activity and new construction

▲ 7.1%

Vacancy Rate

▼ (313.8K)

SF Net Absorption

▲ 276.3K

SF Under Construction/Renovation

▼ \$1.31

NNN / Lease Rate Existing Properties

▲ 284.2K

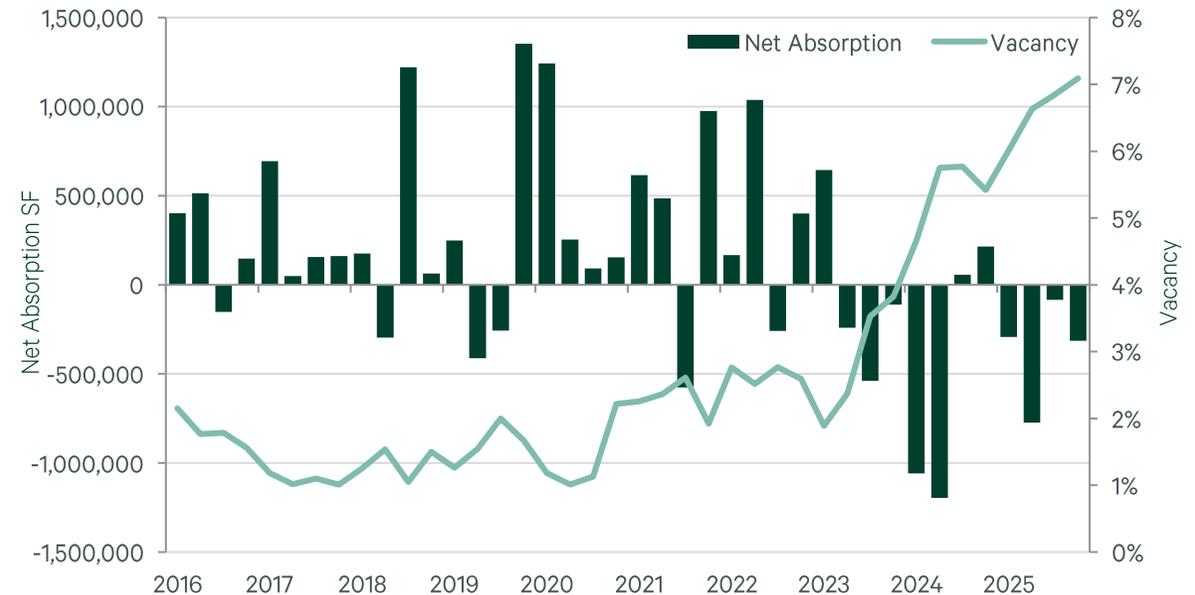
Industrial Using Employment Alameda & Contra Costa

Note: Arrows indicate change from previous quarter.

## INDUSTRIAL MARKET HIGHLIGHTS

- The total population of Alameda and Contra Costa Counties stood at 2.83 million, an increase of 0.19% from the previous quarter and up 0.89% from Q4 2024. Total labor force increased 0.08%, from 1.398 million to 1.399 million, while total industrial using employment increased by 0.14%, from 283.8K in Q3 2025 to 284.2K in Q4 2025. The unemployment rate decreased quarter-over-quarter (QoQ) by 2 basis points (bps) from 4.95% to 4.92% and up 3 bps year-over-year (YoY) from 4.89%.
- The overall vacancy rate increased slightly QoQ to 7.1%. This represents a 167-bps increase YoY from the 5.4% reported during Q4 2024. The current availability rate increased 42 bps QoQ to 8.7%.
- This quarter had 313,762 sq. ft. of negative absorption with 2.33M sq. ft. in gross leasing. In comparison, Q4 2024 had 71,807 sq.ft. of negative absorption with 1.29M sq.ft. in gross leasing. Through 2025, 259 leases were signed, covering a total of 8.65M sq. ft. Among the 2025 leases, 27 deals exceeded 100,000 sq. ft., accounting for 4.2M sq. ft. of gross leasing activity.
- Total leasing activity for Q4 was 2,329,501 sq. ft. with warehouse representing 91% of the total. New leases, when compared to renewals, were 61% of the total leasing activity.

FIGURE 1: Vacancy & Net Absorption Trend



Source: CBRE Research, Q4 2025

## INDUSTRIAL OVERVIEW

The Oakland/East Bay industrial market currently comprises just over 127 million sq. ft. of inventory. Overall vacancy and availability rates increased to 7.1% and 8.6%, respectively. This market has not seen rates like this since Q2 2011, 56 quarters ago.

Leasing activity decreased by 13.5% QoQ, from 2.6M sq. ft. in Q3 to 2.3M sq. ft. in Q4. Year-over-year, leasing activity increased by 15.0%, up from 2.0 million sq. ft. reported in Q4 2024. New vacancies outpaced new leases, resulting in 313,762 sq. ft. of negative net absorption. Contributing factors included 53 new availabilities under 30,000 sq. ft., totaling 451,512 sq. ft., and the addition of 99,395 sq. ft. of warehouse space at 25375 Clawiter Rd. in Hayward. Overall, direct asking rates slightly decreased to \$1.31 NNN per sq. ft. per month.

Tenant demand increased QoQ to 3.8M sq. ft., though the number of tenants seeking spaces over 50,000 sq. ft. declined from 29 to 26. Nine leases were signed for spaces exceeding 100,000 sq. ft., resulting in a 50% YoY increase. Renewals outpaced new leases, with seven of the top 10 transactions being renewals, totaling 843,423 sq. ft. Conversely, the largest deal signed this quarter was a new lease at Prologis Nexus of 266,000 sq. ft. from a confidential tenant.

Capital markets remained active, highlighted by Sagard Real Estate's purchase of 2009-2013 Farallon Dr for \$62.7M (\$240 psf). Moore Living Trust completed a 25,219 sq. ft. sale of 8383 Baldwin St for \$5.6M (\$222 psf).

In Q4, two new projects broke ground. The Kennedy Logistics Center at 727 Kennedy St is a renovation totaling 176,889 sq. ft. in Oakland. Diablo Park at 25375 Clawiter Dr in Hayward involves the demolition of an office complex to make way for a new 99,305-sq.-ft. industrial facility.

The Oakland/East Bay industrial market demonstrated resilience through stable tenant demand and noticeable year-over-year leasing growth. The modest construction activity and active capital markets indicate a stable outlook for the region.

FIGURE 2: Submarket Statistics

Submarket	Net Rentable Area	Total Vacancy (%)	Total Availability (%)	Average Asking Lease Rate (NNN)		Q4 Leasing Activity	YTD Leasing Activity	Q4 Net Absorption	YTD Net Absorption
				Mfg.	Whs.				
Richmond	13,833,828	10.3%	10.4%	\$1.31	\$1.21	143,803	504,462	(40,247)	(279,391)
Berkeley	4,679,551	2.2%	2.3%	N/A	\$1.52	0	19,928	0	11,697
Emeryville	2,221,094	9.3%	9.3%	\$1.11	\$1.95	0	108,462	(50,638)	(39,083)
Oakland	32,717,391	6.4%	7.4%	\$1.37	\$1.20	277,439	1,657,045	(131,891)	158,579
Alameda	3,875,003	9.0%	9.5%	\$1.70	\$1.38	62,937	106,292	61,665	(114,800)
San Leandro	20,115,975	8.3%	8.8%	\$1.09	\$1.29	355,515	2,054,961	(58,866)	(56,590)
San Lorenzo	1,104,363	11.0%	11.0%	N/A	\$1.25	0	10,608	0	10,608
Hayward	36,057,900	7.4%	11.0%	\$1.26	\$1.41	766,142	2,854,922	(206,311)	(1,290,571)
Union City	12,770,632	3.0%	4.8%	\$1.35	\$1.34	723,665	1,331,880	112,526	133,862
<b>Oakland Ind. Market</b>	<b>127,375,737</b>	<b>7.1%</b>	<b>8.6%</b>	<b>\$1.31</b>	<b>\$1.31</b>	<b>2,329,501</b>	<b>8,648,560</b>	<b>(313,762)</b>	<b>(1,465,689)</b>
<b>Manufacturing</b>	<b>33,646,616</b>	<b>5.0%</b>	<b>5.4%</b>	<b>\$1.31</b>	<b>N/A</b>	<b>204,667</b>	<b>769,983</b>	<b>(50,825)</b>	<b>(343,369)</b>
<b>Warehouse</b>	<b>93,729,121</b>	<b>7.8%</b>	<b>9.8%</b>	<b>N/A</b>	<b>\$1.32</b>	<b>2,124,834</b>	<b>7,878,577</b>	<b>(262,937)</b>	<b>(1,122,320)</b>

Source: CBRE Research, Q4 2025

FIGURE 3: Notable Lease Transactions

Tenant	Location	SF Leased	Type
Confidential	1345 Doolittle Dr, San Leandro	266,000	Warehouse
Outform	4100 Whipple Rd, Union City	154,886	Warehouse
Forward Air*	30108-30118 Eigenbrodt Way, Union City	135,860	Warehouse
Core-Mark International*	31300 Medallion Dr, Hayward	130,122	Warehouse
HL Uriman	33201 33207 Dowe Ave, Union City	125,118	Warehouse

Source: CBRE Research, Q4 2025

\* Renewal

FIGURE 4: Notable Sale Transactions

Buyer	Location	SF Sold	Sale Price \$/SF
Sagard Real Estate	2009-2013 Farallon Dr, San Leandro	260,989	\$62.75M \$240 psf
Moore Living Trust	8383 Baldwin St, Richmond	24,700	\$5.6M \$227 psf
Gregory Reeb	2426-2500 Kirkham St, Oakland	20,000	\$2.7M \$135 psf
SPP Investors	2811 Teagarden St, San Leandro	11,000	\$2.32M \$211 psf

Source: CBRE Research, Q4 2025

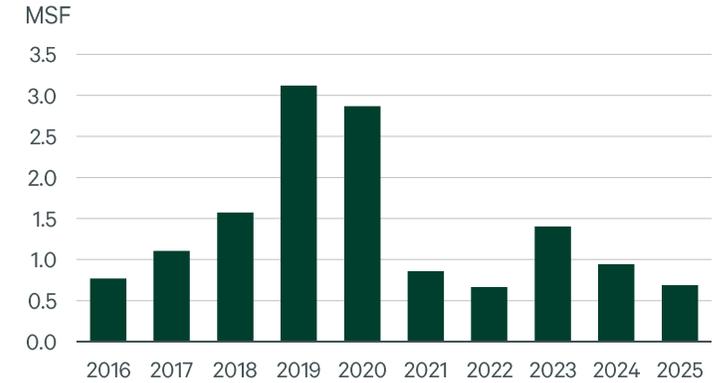
\* User Sale

FIGURE 5: Lease Rates



Source: CBRE Research, Q4 2025

FIGURE 7: Construction Completions



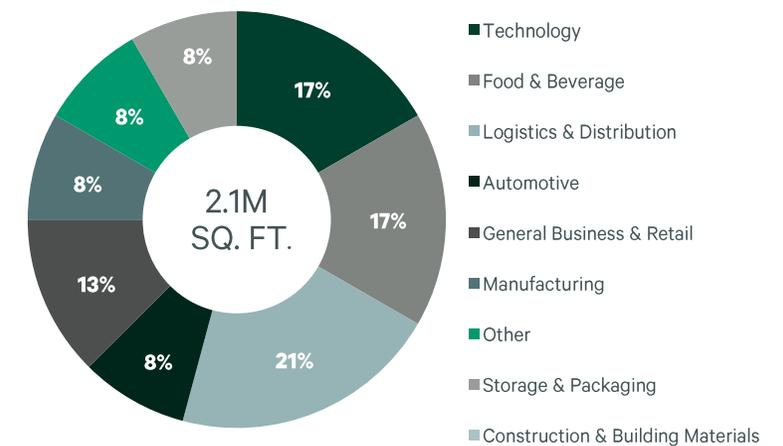
Source: CBRE Research, Q4 2025

FIGURE 6: Vacancy & Availability



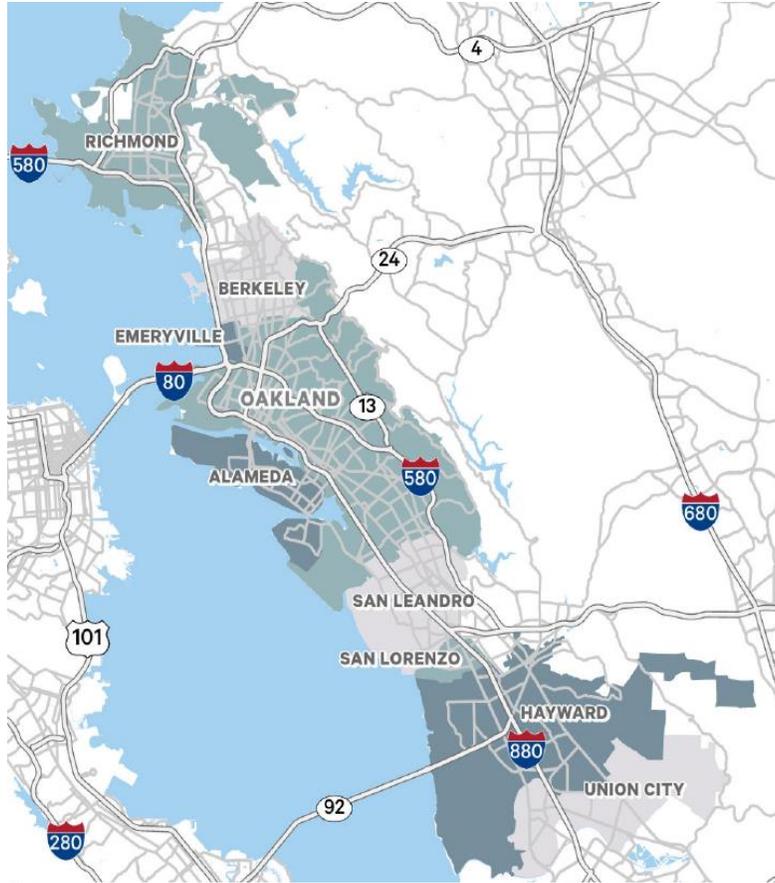
Source: CBRE Research, Q4 2025

FIGURE 8: Top 25 Leases of the Quarter by Industry



Source: CBRE Research, Q4 2025

**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 industrial 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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