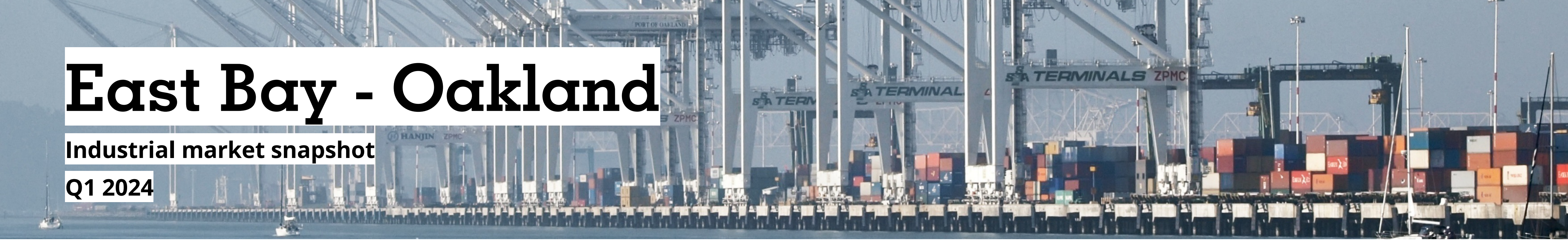


East Bay - Oakland

Industrial market snapshot

Q1 2024

After a sluggish performance in 2023, the East Bay industrial market shows signs of a turnaround in Q1 2024. Flex space performed well with over 800K sf of positive net absorption, largely driven by the move-in for a single tenant in the Fremont submarket. However, traditional industrial space experienced over 500K sf of negative absorption, indicating varied performance across different segments. For the coming quarters, high interest rates remain a concern as persistent inflation shows no signs of subsiding.

242K sf

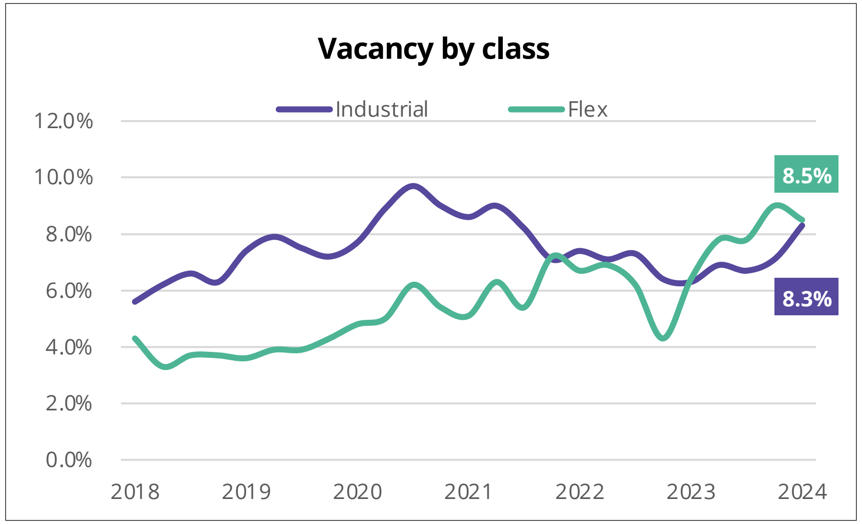
Overall, net absorption in the East Bay for Q1 2024 is positive, with flex products leading the gains and traditional industrial experiencing losses.

1.3 msf

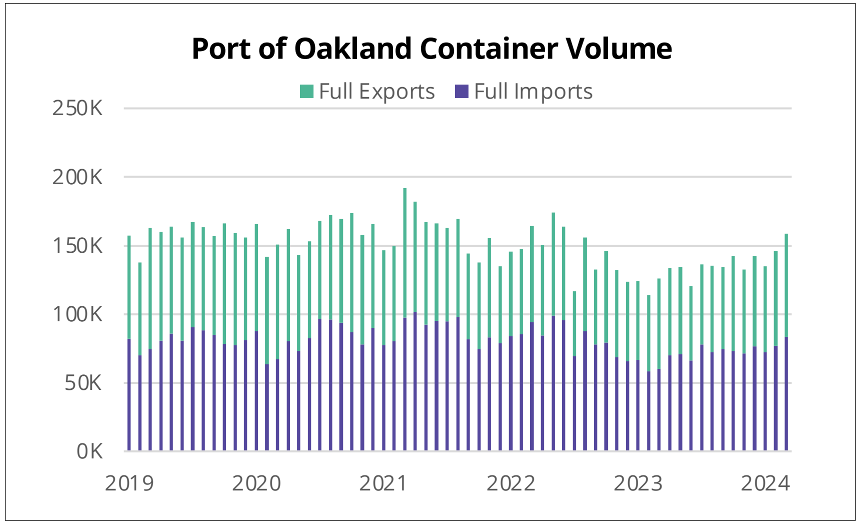
Over a million sf of **construction** was **delivered** in the first quarter, causing availability to rise despite positive net absorption.

+20%

Q1 2024 sees a healthy **rebound** in **port activity**. Full container import/exports have increased by 20% compared to Q1 2023.



The East Bay is beginning to see a recovery in flex space demand. Vacancy has fallen from the multi-year high seen in Q4 2023 and asking rates have risen slightly after several consecutive quarters of decrease. Meanwhile, warehouse and manufacturing vacancy continues to rise.



The start of 2024 sees a strong rebound in port activity. Average monthly full container volume saw an increase of 20% in Q1 2024 compared to Q1 2023, and 5% compared to the previous quarter.

Source: AVANT by Avison Young, CoStar

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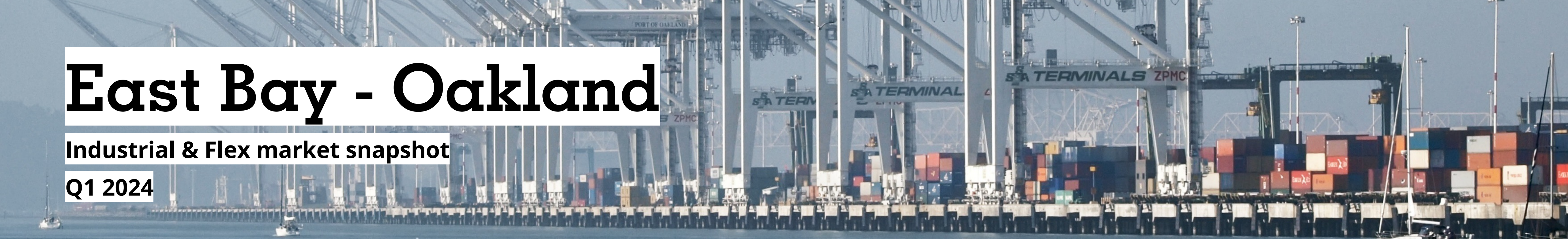
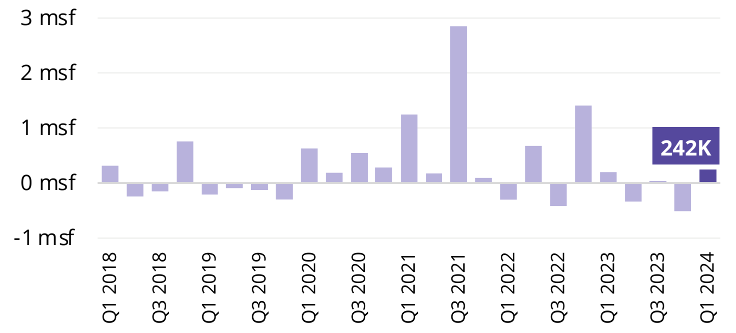


East Bay - Oakland

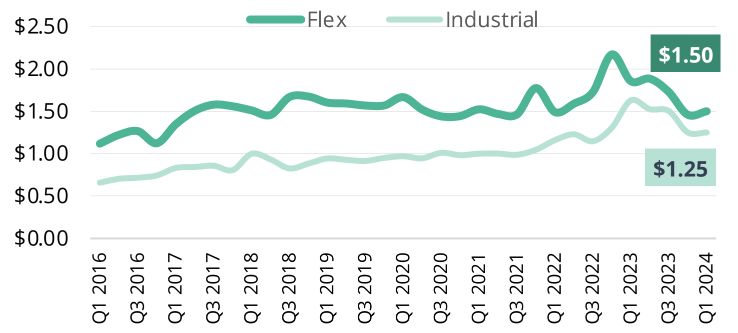
Industrial & Flex market snapshot

Q1 2024

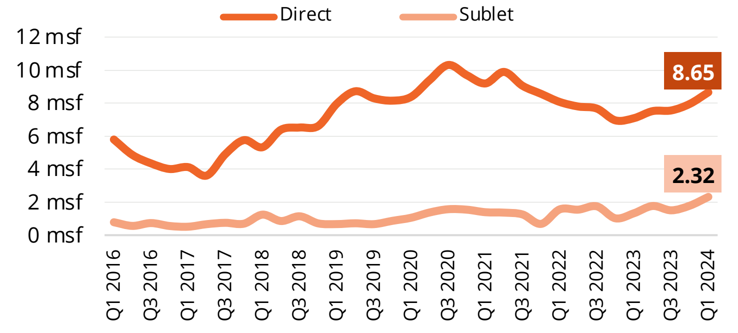
Net absorption (sf)



Average asking rents (psf/NNN)



Availability



Recent leasing activity

Tenant	Address	Property Type	Size (sf)	Transaction type	Lease type	Sign Date
Undisclosed	4225 Hacienda Dr, Pleasanton	Pleasanton	263,713	New Lease	Direct	Mar-24
SMS Infocomm	4211 Starboard Dr, Fremont	Light Mfg.	129,808	New Lease	Direct	Jan-24
Quanta Computer	41707-42001 Christy St, Fremont	Mfg.	120,960	Renewal	Direct	Mar-24
PODS	21001-21005 Cabot Blvd, Hayward	Warehouse	118,820	Renewal	Direct	Mar-24

Recent sales activity

Buyer	Address	Property Type	Sale Price	$/psf	Sale Date	Seller
PGIM, Inc.	25500 Clawiter Rd, Hayward (2 properties)	Warehouse	$103M	$291.25	Jan-24	Dermody Properties
Royal Coffee Inc.	5901 San Leandro St, Oakland	Warehouse	$31.7M	$242.89	Feb-24	Centerpoint Properties
Arc Capital Partners	40737 Encyclopedia Cir, Fremont	Warehouse	$25.25 M	$309.87	Feb-24	Nuveen
Fortinet	1528-1550 Atlantic St, Union City	Mfg.	$14.75M	$273.46	Jan-24	Northwood Design Ptr.

Source: AVANT by Avison Young

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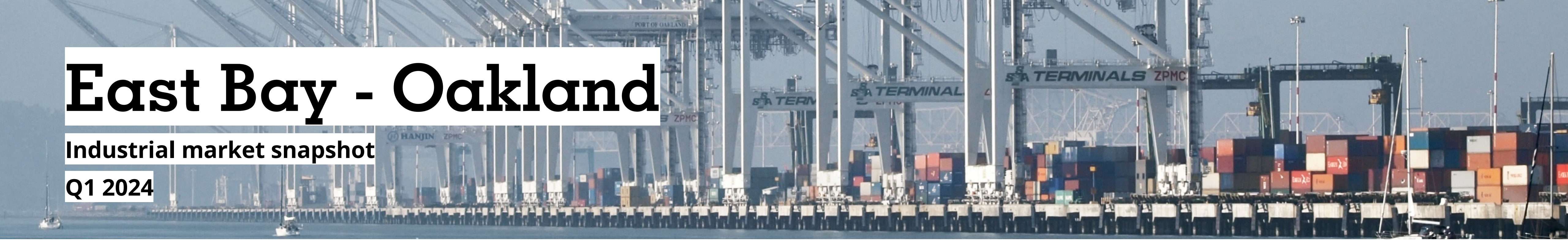


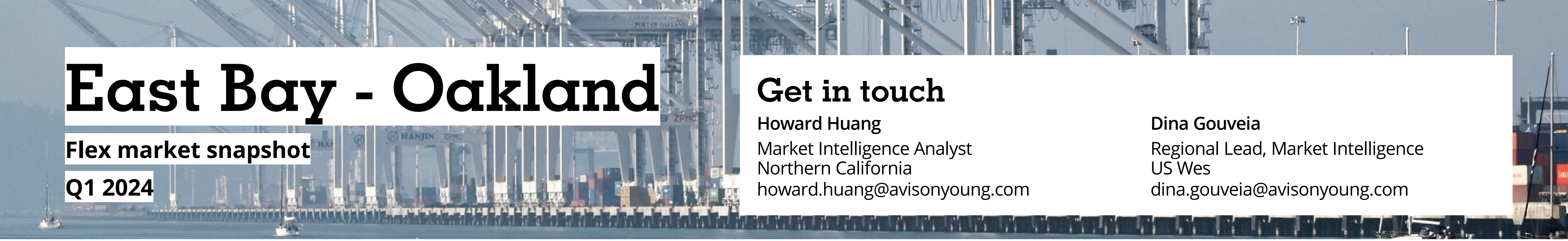
East Bay - Oakland

Industrial market snapshot

Q1 2024

	Inventory			Vacancy			Absorption		Asking Rent (NNN)
	Existing inventory	YTD Deliveries	Under development	Direct %	Sublet %	Total %	Net absorption sf (QTD)	Net absorption sf (YTD)	Industrial
Richmond	11,700,386	271,291	72,000	5.5%	1.4%	6.9%	125,032	125,032	$1.18
Emeryville	1,214,911	0	0	12,0%	0.0%	12.0%	-3,428	-3,428	$1.61
Berkeley	3,370,677	0	0	4.2%	0.0%	4.2%	2,707	2,707	-
Oakland	21,892,273	0	0	6.9%	1.4%	8.3%	-155,040	-155,040	$1.30
Alameda	3,641,461	0	0	9.7%	0.0%	9.7%	-60,456	-60,456	$1.17
San Leandro	19,406,661	0	0	7.6%	0.4%	8.0%	-299,720	-299,720	$1.16
Hayward/Castro Valley	31,782,441	353,653	223,583	4.0%	1.1%	5.1%	146,052	146,052	$1.22
Union City	12,178,231	0	0	3.9%	1.1%	5.0%	-272,999	-272,999	$1.33
Fremont	8,080,587	0	0	2.9%	3.2%	6.1%	-159,060	-159,060	$1.55
Newark	2,306,723	0	0	5.9%	0.0%	5.9%	115,649	115,649	$0.95
Overall	**115,574,351**	**624,944**	**295,583**	**5.5%**	**1.1%**	**6.7%**	**-561,263**	**-561,263**	**$1.25**

Note: Overall market statistics in this report consists of industrial properties 20,000 sf and greater in these listed submarkets.
Source: AVANT by Avison Young, CoStar



East Bay - Oakland

Flex market snapshot

Q1 2024

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	Inventory			Vacancy			Absorption		Asking Rent (NNN)
	Existing inventory	YTD Deliveries	Under development	Direct %	Sublet %	Total%	Net absorption sf (QTD)	Net absorption sf (YTD)	Flex
Richmond	2,594,835	0	0	5.3%	0.4%	5.7%	88,942	88,942	$1.90
Emeryville	931,691	0	0	1.8%	0.4%	2.2%	0	0	-
Berkeley	852,080	0	0	13.2%	0.0%	13.2%	-40,808	-40,808	$2.13
Oakland	1,695,229	0	0	9.6%	1.3%	10.9%	56,679	56,679	$1.65
Alameda	1,661,565	0	0	1.5%	0.0%	1.5%	-7,610	-7,610	-
San Leandro	828,253	0	0	2.4%	0.2%	2.6%	21,562	21,562	$1.80
Hayward/Castro Valley	3,610,937	0	0	5.4%	0.4%	5.8%	-5,918	-5,918	$2.58
Union City	847,079	0	0	1.5%	0.0%	1.5%	-2,304	-2,304	$1.76
Fremont	4,393,129	703,270	0	4.0%	2.3%	6.3%	737,765	737,765	$1.99
Newark	786,393	0	0	29.6%	6.6%	36.2%	0	0	-
Overall	**18,201,191**	**703,270**	**0**	**6.0%**	**1.1%**	**7.1%**	**848,308**	**848,308**	**$2.02**

Note: Overall market statistics in this report consists of flex properties 20,000 sf and greater in these listed submarkets.
Source: AVANT by Avison Young, CoStar

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