

East Bay - Oakland

Office market snapshot

Q1 2024

Despite increasing availability rates and another quarter of significant negative absorption, the start of 2024 sees signs of hope that the East Bay office market has begun its recovery. Leasing activity sees a significant improvement over previous quarters, while a rebound in non-remote job postings hint at a potential recovery in the job market and return-to-office prevailing at last.

+13.8%

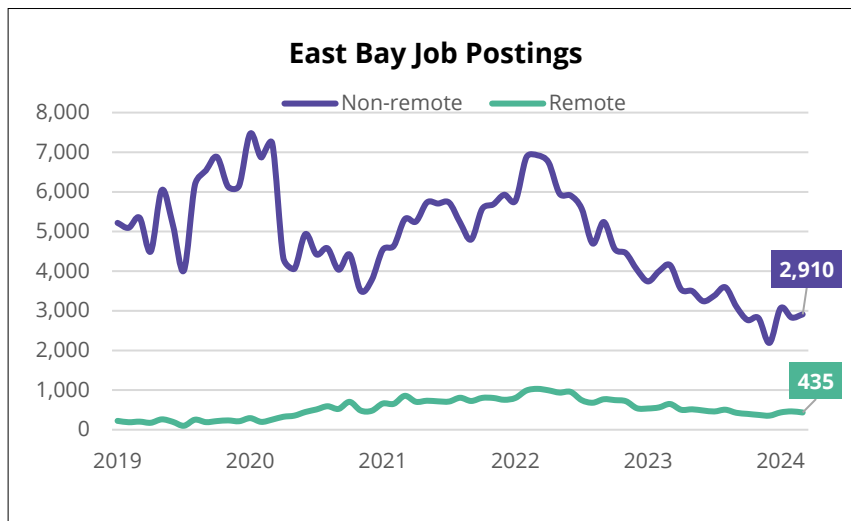
Job postings have **rebounded** from the lows experienced in Q4, with a notable 13.8% increase in the monthly average postings in Q1 2024.

228K sf

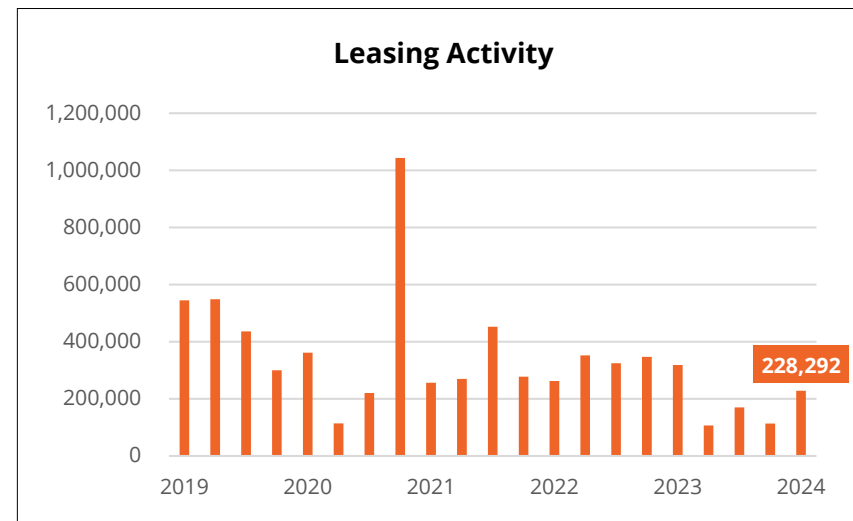
Leasing activity sees notable **improvement** compared to previous quarters, though it remains below the levels of previous years.

-218K sf

Despite the significant improvement in leasing activity, Q1 sees further **negative absorption** due to a swath of expired leases that came to market at year end.



Non-remote job postings have notably increased compared to the previous quarter, whereas remote job postings have remained relatively stable. This trend suggests a potential focus on return-to-office and may indicate the beginning of the recovery for the East Bay economy.

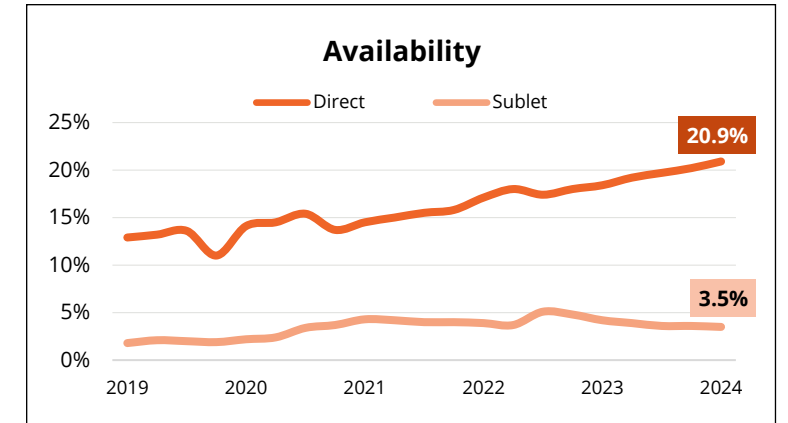
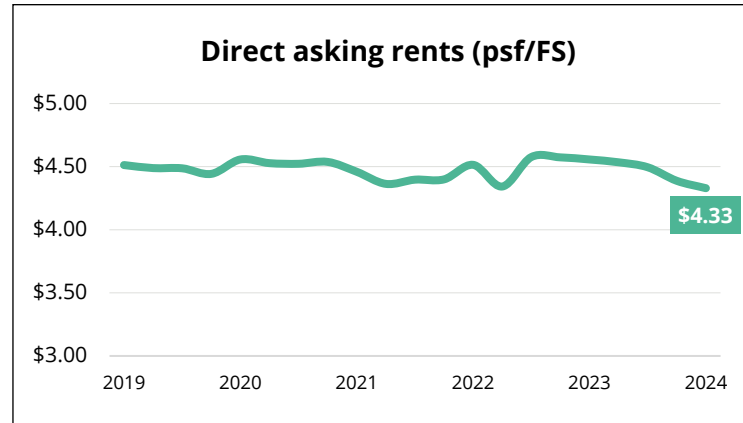
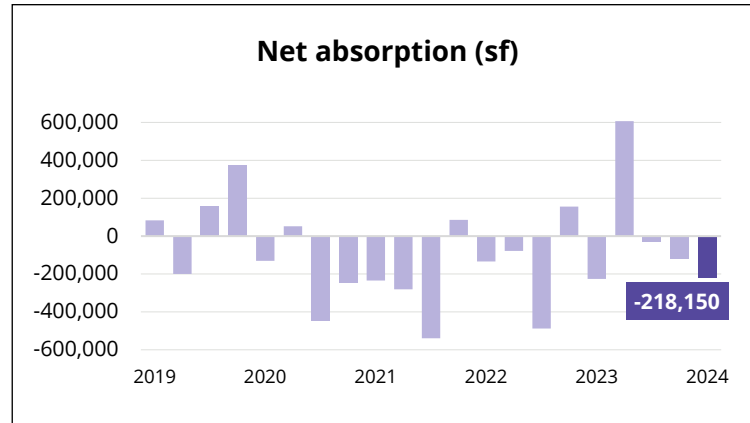


Leasing activity has experienced a substantial boost, more than doubling the activity of the previous quarter. Although it remains below the levels observed in Q1 2023, this surge may signal a breakout from the sluggishness experienced in the latter half of 2023.

Source: AVANT by Avison Young, CoStar

East Bay - Oakland

Office market snapshot
Q1 2024



Recent leasing activity

| Tenant | Address | Size (sf) | Transaction type | Lease type |
|-----------------------|----------------------------|-----------|------------------|------------|
| Silverado Contractors | 2200 Powell St, Emeryville | 20,242 | New | Direct |
| BioMADE | 1900 Powell St, Emeryville | 21,246 | New | Direct |
| Husch Blackwell | 1999 Harrison St, Oakland | 16,038 | Renewal | Direct |

Recent sales activity

| Buyer | Address | Sales Price | Total RSF | Seller |
|----------------------|--------------------------------------|--------------|-----------|---------------------------|
| Quarterra | Two property portfolio in San Ramon | \$40,500,000 | 210,056 | Nearon Enterprises |
| PSAI Realty Partners | Six property portfolio in Pleasanton | \$73,500,000 | 341,392 | Stockbridge Capital Group |

East Bay - Oakland

Office market snapshot

Q1 2024

Get in touch

Howard Huang
Market Intelligence Analyst
Northern California
howard.huang@avisonyoung.com

Dina Gouveia
Regional Lead, Market Intelligence
US West
dina.gouveia@avisonyoung.com

| | Inventory | | | Availability | | | | | Absorption | | Direct Asking Rent (FS) | | |
|--------------------------------|--------------------|------------|-------------------|--------------|-------------|--------------|--------------|--------------|-----------------------|-----------------------|-------------------------|---------------|---------------|
| | Existing inventory | Deliveries | Under development | Direct % | Sublet % | Total % | Class A % | Class B % | QTD Net absorption sf | YTD Net absorption sf | Class A | Class B | Total |
| Oakland – Downtown | 6,746,630 | 0 | 0 | 33.6% | 4.6% | 38.2% | 41.2% | 43.6% | -31,805 | -31,805 | \$4.94 | \$4.04 | \$4.64 |
| Oakland – Uptown /Lake Merritt | 7,506,411 | 0 | 0 | 19.7% | 3.9% | 23.7% | 25.4% | 25.8% | -101,733 | -101,733 | \$5.30 | \$3.20 | \$4.58 |
| Oakland – Jack London Square | 1,224,216 | 0 | 0 | 16.5% | 1.2% | 17.6% | 6.6% | 38.0% | -11,276 | -11,276 | - | \$3.76 | \$2.95 |
| CBD Total | 15,477,257 | 0 | 0 | 25.5% | 4.0% | 29.5% | 32.8% | 31.9% | -144,814 | -144,814 | \$5.06 | \$3.65 | \$4.54 |
| Alameda | 1,316,132 | 0 | 0 | 11.6% | 0.0% | 11.6% | 20.1% | 18.6% | -29,220 | -29,220 | - | \$3.48 | \$3.48 |
| Berkeley | 3,005,926 | 0 | 0 | 8.6% | 4.0% | 12.6% | 19.2% | 14.0% | -11,146 | -11,146 | \$3.66 | \$3.04 | \$3.29 |
| Emeryville | 2,266,108 | 0 | 0 | 30.1% | 8.4% | 38.5% | 46.2% | 37.1% | -46,487 | -46,487 | \$4.55 | - | \$4.55 |
| Oakland - Airport | 2,457,743 | 0 | 0 | 11.9% | 0.0% | 11.9% | - | 11.6% | 3,385 | 3,385 | - | \$2.78 | \$2.40 |
| Richmond | 1,111,267 | 0 | 0 | 11.7% | 0.0% | 11.7% | - | 16.8% | 8,682 | 8,682 | - | \$2.44 | \$2.44 |
| San Leandro | 927,060 | 0 | 0 | 8.6% | 0.0% | 8.6% | 8.4% | 10.8% | 1,450 | 1,450 | \$4.15 | \$2.65 | \$2.43 |
| Non-CBD Total | 11,084,236 | 0 | 0 | 14.4% | 2.8% | 17.2% | 32.0% | 17.1% | -73,336 | -73,336 | \$4.41 | \$2.80 | \$3.58 |
| Overall | 26,561,493 | 0 | 0 | 20.9% | 3.5% | 24.4% | 32.6% | 24.3% | -218,150 | -218,150 | \$4.94 | \$3.41 | \$4.33 |

Note: Overall market statistics in this report consists of offices 20,000 sf and greater in these listed submarkets. Life science and medical use offices are not included.
Source: AVANT by Avison Young