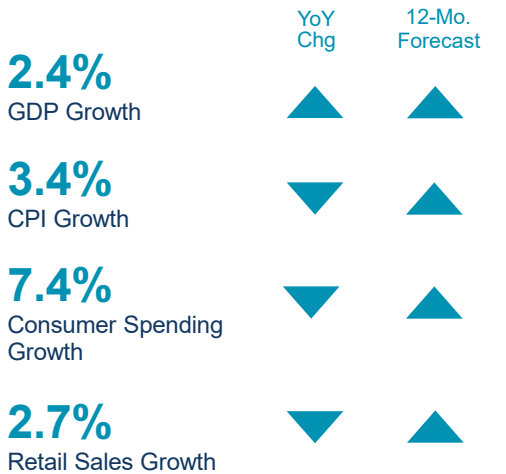


U.S. ECONOMIC INDICATORS Q3 2023



Source: BLS, BOC, Moody's Analytics
Q3 2023 data are based on latest available data.
Growth rates are year-over-year.

ECONOMY: Unemployment Rate Increases

In the third quarter of 2023, the East Bay, encompassing Alameda and Contra Costa counties, reported an unemployment rate of 3.9%, marking an 80 basis points (bps) increase from 3.1% one year ago. Despite this uptick in unemployment rate, there was positive job growth, with 28,100 jobs added year-over-year (YOY), resulting in a total regional employment of 1.21 million. Additionally, the median income was up 5.6% YOY to \$121,700 and the population exhibited steady growth at 0.5%.

SUPPLY & DEMAND: Positive Net Absorption Continues

The vacancy rate at the East Bay retail market continued its decline, reaching 6.6% in the third quarter of 2023. It was down 20 bps from last quarter's 6.8% and 100 bps from 7.3% one year ago. This represents the fourth consecutive quarter of declining vacancy rates since reaching its highest rate last year. The East Bay's competitive retail market can be attributed to its robust consumer base and limited new construction activity. The vacancy rates in Alameda and Contra Costa counties were 5.8% and 7.5%, respectively.

For the fourth quarter in a row, the East Bay retail market also maintained a consistent trend of positive absorption. During the third quarter of 2023, there was a net absorption of 103,800 square feet (sf), with 40,100 sf in Alameda County and 63,700 sf in Contra Costa County. The 580 Corridor submarket recorded the highest net absorption at 67,100 sf, followed by Highway 4 at 65,300 sf and North 80 Corridor at 31,800 sf. Meanwhile, the net absorptions in 880 Corridor and 680 Corridor were in red at -39,900 sf and -33,400 sf, respectively.

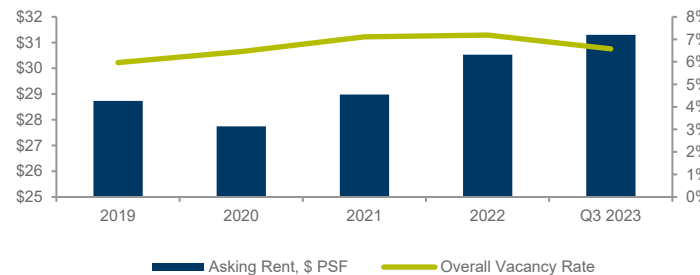
The East Bay market saw no new retail space completions in the third quarter, leaving the total inventory unchanged at 51.9 million square feet (msf). Additionally, there is just one project currently under-construction – Plaza Gale Ranch Phase IV in San Ramon spanning 125,000 sf.

In the investment market, a total of 349,400 sf of retail space across 15 properties changed ownership in the third quarter, with total investment sales of approximately \$167.1 million. A couple of major shopping center sales in the third quarter were Pacific Pearl Center in Pleasanton (112,000 sf) and Shamrock Plaza in Dublin (65,000 sf).

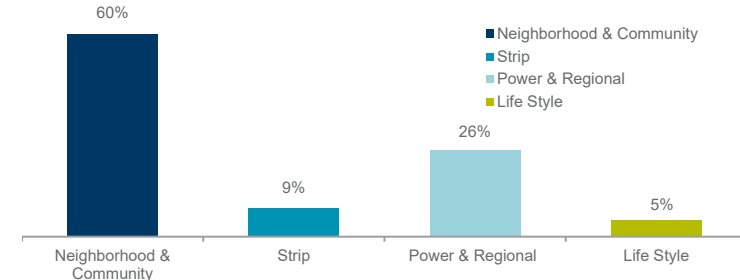
PRICING: Average Asking Rents Rises

Due to limited new supply and continued strong demand, rental rates are on the rise. The average asking rent in the East Bay stood at \$31.30 per square feet (psf) on an annual triple net basis, up 2.1% from last quarter's figure and 4.4% from \$29.99 psf rate last year.

RENT / VACANCY RATE



AVAILABILITY BY PRODUCT TYPE



MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	SUBLET VACANT (SF)	DIRECT VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION	YTD OVERALL NET ABSORPTION (SF)	UNDER CNSTR (SF)	OVERALL AVG ASKING RENT (NNN)*
Highway 4	8,840,830	16,868	729,232	8.4%	65,339	180,040	0	\$23.97
680 Corridor	11,536,298	29,452	774,711	7.0%	-33,404	85,744	125,000	\$34.08
North 80 Corridor	4,112,618	85,852	194,815	6.8%	31,788	-58,791	0	\$28.65
CONTRA COSTA COUNTY TOTALS	24,489,746	132,172	1,698,758	7.5%	63,723	206,993	125,000	\$28.84
South 80 Corridor	1,586,777	0	23,617	1.5%	3,039	9,075	0	\$36.00
Oakland	2,258,928	0	252,136	11.2%	9,900	79,865	0	\$44.27
880 Corridor	15,743,289	47,372	850,078	5.7%	-39,907	-19,727	0	\$31.25
580 Corridor	7,828,763	25,011	383,918	5.2%	67,051	50,787	0	\$40.21
ALAMEDA COUNTY TOTALS	27,417,757	72,383	1,509,749	5.8%	40,083	120,000	0	\$34.00
EAST BAY TOTALS	51,907,503	204,555	3,208,507	6.6%	103,806	326,993	125,000	\$31.30

*Rental rates reflect NNN asking

KEY LEASE TRANSACTIONS Q3 2023

PROPERTY	SUBMARKET	TENANT	RSF	TYPE*
32111 Union Landing Boulevard (Union Landing)	Union City	Columbia Sportwear	25,000	New Lease
590 2 nd Street	Oakland	Narrative	18,000	New Lease
1921-1933 Broadway	Oakland	Oakland School for the Art at Sweets Ballroom	12,800	New Lease
2840 Broadway	Oakland	Automotive Collision Repair	8,900	New Lease
1820-1826 A Street (Eastwood Shopping Center)	Antioch	Quick Bins	7,600	New Lease

KEY SALES TRANSACTIONS Q3 2023

PROPERTY	SUBMARKET	SELLER / BUYER	SF	PRICE / \$ PSF
2848 El Charro Road (Pacific Pearl Center)	Pleasanton	UBS Realty Investors LLC JV BHV CenterStreet Props / Tourmaline Capital	112,000	\$48.2M / \$430
7499 Dublin Boulevard (Shamrock Plaza)	Dublin	Invesco Real Estate / TRC Retail	65,000	\$35.0M / \$539
2717 N Main Street	Walnut Creek	Hall Equities Group / Nicholas Price	27,700	\$12.5M / \$452
1500 Macdonald Avenue	Richmond	Charles Patterson III / Urban Tilth	27,000	\$4.4M / \$161
1422 N California Blvd (Midtown Plaza)	Walnut Creek	Nearon Enterprises LLC / L&B Realty Advisors	23,500	\$12.4M / \$526

KEY CONSTRUCTION COMPLETIONS YTD 2023

PROPERTY	SUBMARKET	MAJOR TENANT	SF	OWNER / DEVELOPER
N/A	N/A	N/A	N/A	N/A

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