

## MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
<b>133,700</b> Median HH Income	▲	▲
<b>0.5%</b> Population Growth	▲	▲
<b>4.7%</b> Unemployment Rate	▲	▼

## ECONOMIC INDICATORS

	YOY Chg	12-Month Forecast
<b>2.4%</b> GDP Growth	▼	▲
<b>7.0%</b> Consumer Spending Growth	—	▲
<b>1.7%</b> Retail Sales Growth	▼	▲

Source: BLS, BOC, Moody's Analytics.  
Q3 2024 data are based on latest available data.  
Growth rates are year-over-year.

## ECONOMY: UNEMPLOYMENT RATE INCREASES

The unemployment rate in the East Bay, which includes Alameda and Contra Costa counties, increased by 40 basis points (bps) year-over-year (YOY) to reach 4.7% in the third quarter of 2024. Despite this uptick, the median household income recorded YOY growth of 3.6%, rising to \$133,700, while the population grew by 0.5% YOY.

## SUPPLY & DEMAND: POSITIVE NET ABSORPTION

The shopping center vacancy rate in the East Bay stood at 7.0% by the end of the third quarter, down 50 bps from the previous quarter, though still higher than the same period in 2023. By counties, Alameda reported a 5.9% vacancy rate, down from 6.6% last quarter, while Contra Costa recorded a vacancy rate of 8.2%, slightly lower than the previous quarter's 8.5%.

Most submarkets recorded positive net absorption in the third quarter, which led to a decline in vacancy rates across nearly all submarkets. The total net absorption in the East Bay reached 235,800 square feet (sf). The 880 Corridor had the highest take-up at 137,200 sf, followed by the 680 Corridor with 72,800 sf and the Highway 4 with 52,400 sf. The only submarket to record an occupancy loss was the North 80 Corridor, with net absorption of -60,700 sf.

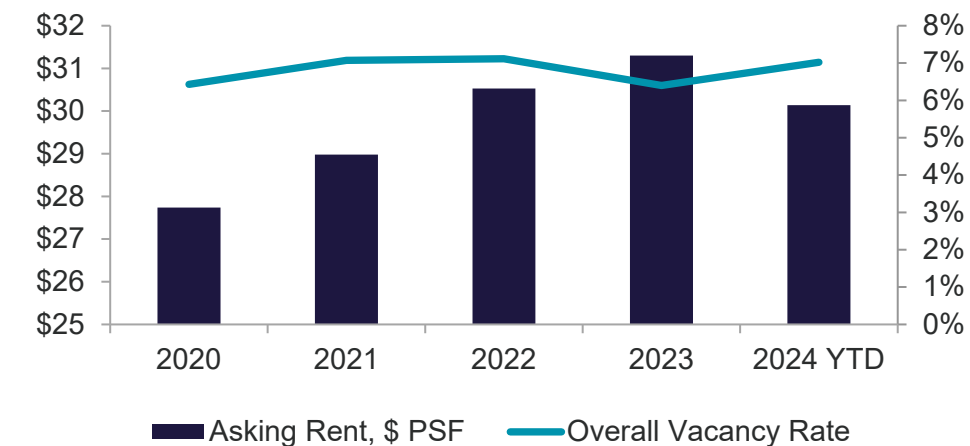
With no new retail space delivered, the total shopping center inventory in the East Bay remained stable at 52.2 million square feet (msf), leaving nearly 3.7 msf of retail space vacant.

The largest shopping center transaction was the sale of Pinole Vista Crossing, which is home to Target, Burlington, Nordstrom Rack, Homegoods, Ulta Beauty and FoodMaxx, among others. Federal Realty purchased this 216,400-sf power center in Pinole for \$60 million or \$277 per square foot (psf).

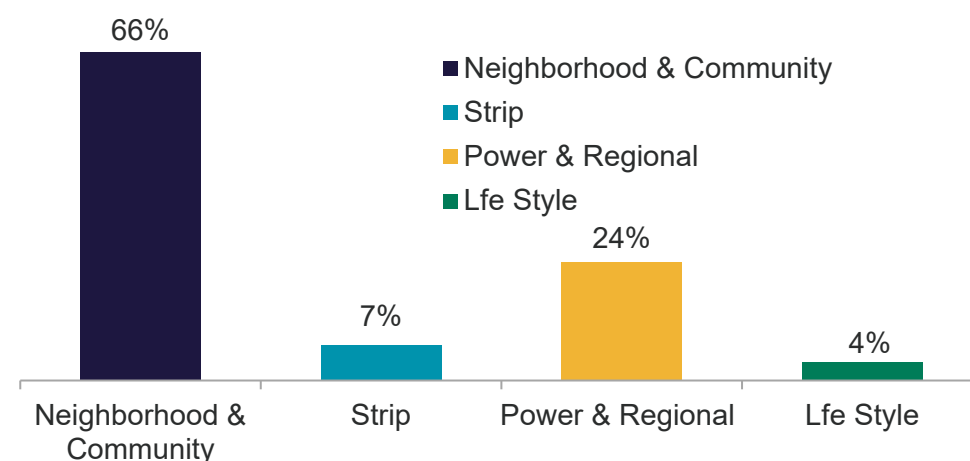
## PRICING: AVERAGE ASKING RENT DOWN

The average asking rent in the East Bay retail market has seen a correction for two consecutive quarters, settling at \$30.14 psf on an annual triple net basis. This reflects a decrease of 2.5% from the previous quarter and a 3.6% drop from one year ago.

## OVERALL VACANCY & ASKING RENT



## AVAILABILITY BY PRODUCT TYPE



Source: Costar

MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	SUBLET VACANT (SF)	DIRECT VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	UNDER CNSTR (SF)	OVERALL AVG ASKING RENT (NNN)*
Highway 4	8,832,020	29,605	718,278	8.5%	52,387	-40,236	0	\$27.18
680 Corridor	11,655,712	5,828	811,549	7.0%	72,786	18,508	125,000	\$33.17
North 80 Corridor	4,208,791	85,852	380,386	11.1%	-60,661	-208,680	0	\$21.99
CONTRA COSTA COUNTY TOTALS	24,696,523	121,285	1,910,213	8.2%	64,512	-230,408	125,000	\$29.35
South 80 Corridor	1,593,816	5,481	24,712	1.9%	2,480	-1,095	0	\$24.00
Oakland	2,269,346	0	272,553	12.0%	382	-33,338	0	\$31.31
880 Corridor	15,825,802	47,371	872,353	5.8%	137,169	-26,076	0	\$28.74
580 Corridor	7,821,736	12,957	399,205	5.3%	31,270	-26,988	0	\$38.53
ALAMEDA COUNTY TOTALS	27,510,700	65,809	1,568,823	5.9%	171,301	-87,497	0	\$30.90
<b>EAST BAY TOTALS</b>	<b>52,207,223</b>	<b>187,094</b>	<b>3,479,036</b>	<b>7.0%</b>	<b>235,813</b>	<b>-317,905</b>	<b>125,000</b>	<b>\$30.14</b>

\*Rental rates reflect Triple Net asking \$PSF/Year

KEY LEASE TRANSACTIONS Q3 2024

PROPERTY	SUBMARKET	TENANT	SF	TYPE
4000 Telegraph Avenue	Oakland	PickleBall Gym	11,900	New Lease
480-578 Center Street (Rheem Valley Plaza)	Moraga	Grocery Outlet	11,000	New Lease
3305-3413 Deer Valley Road (The Crossings)	Antioch	Pet Supplies Plus	9,000	New Lease
2535-2665 Somerville Road (Somersville Plaza)	Antioch	VIP Snooker & Billiard Club	5,900	New Lease
2042 Mt. Diablo Boulevard	Walnut Creek	Up the Creek Records	4,400	New Lease

\*Renewals not included in leasing statistics

KEY SALES TRANSACTIONS Q3 2024

PROPERTY	SUBMARKET	SELLER / BUYER	SF	PRICE / \$ PSF
1330 Fitzgerald Drive (Pinole Vista Crossing)	Pinole	Stockbridge JV LACERA / Federal Realty	216,400	\$60M / \$277
230 Bay Place (Whole Foods)	Oakland	DDR / Apollo Global RE	57,200	\$44.4 / \$776
1722 First Street (Vine Cinema)	Livermore	Cantor Funds / Read Enterprises LLC	36,100	\$10.4M / \$288
43962 Fremont Boulevard (former REI)	Fremont	REI / 43962 Fremont Blvd, LLC	23,900	\$4.3M / \$180
224 E 18 <sup>th</sup> Street	Oakland	Frank Stonebarger / AIDS Healthcare Foundation	7,200	\$3.5M / \$484

KEY CONSTRUCTION COMPLETIONS YTD 2024

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

Source: Costar, RCA

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