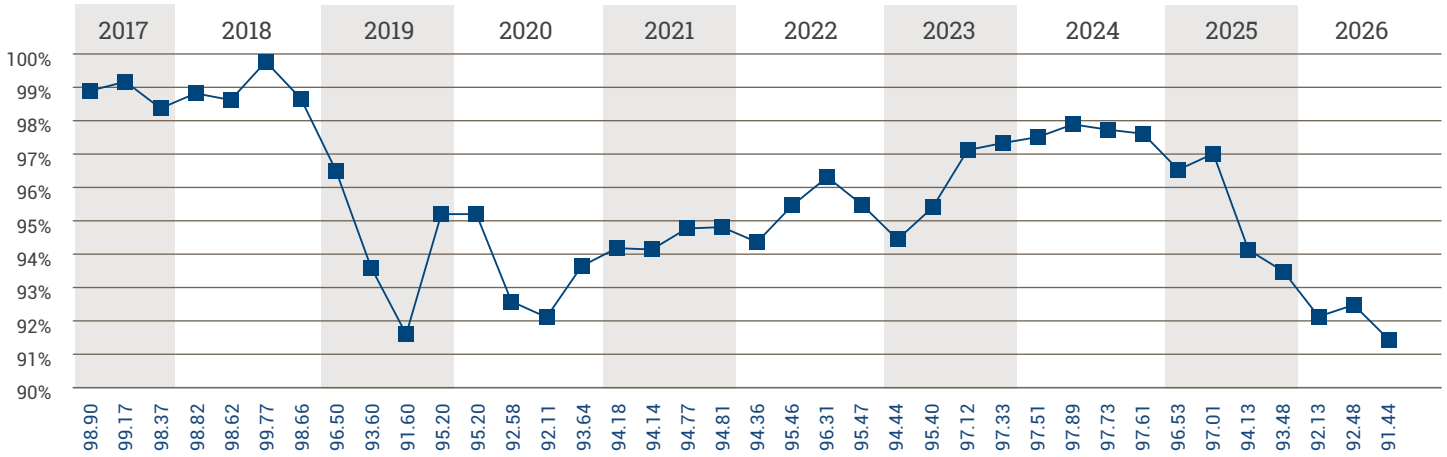
Q3 | 2026

Oakland Submarkets **Retail** Overview

Q3: Vacancy Rates Climb; Green Shoots Point to a Rebound

OVERALL OCCUPANCY



Overall occupany in the Oakland submarket experienced a slight decrease of 1.04% in the 3rd quarter of 2026.

For the fourth time in five quarters, Oakland's retail occupancy level fell in Q3 of 2026, with a 0.96% drop in overall vacancy during Q3. Oakland's 91.44% occupancy rate is a significant decline from the year earlier period, when occupancy clocked in at 94.13% Notably, the occupancy rate in Oakland held firm at 97% or above between Q3 '23 and Q2 '25. But six of the subsequent eight quarters resulted net negative absorption in Oakland, as macro-economic pressures from inflation to tariffs to rising construction costs all conspired to dampen leasing activity.

The struggle for leasing gains is most notable in Montclair Village, where the vacancy rate has surged to 14.65%. However, two of the key vacancies in this submarket formerly occupied by Rite Aid (25,940 SF) and Chase Bank (3,961 SF), are both the result of corporate bankruptcies or mergers, and not a reflection on the Oakland retail market in particular. And on a more encouraging note, the former Rite Aid space is nearing completion of a new lease which will be a welcome boost to this submarket's occupancy level. By comparison, the Rockridge submarket, focused along College Ave's vibrant retail district maintained an occupancy level above 97%, and the Grand Lake submarket ended Q3 at a respectable 92.81% occupancy rate.

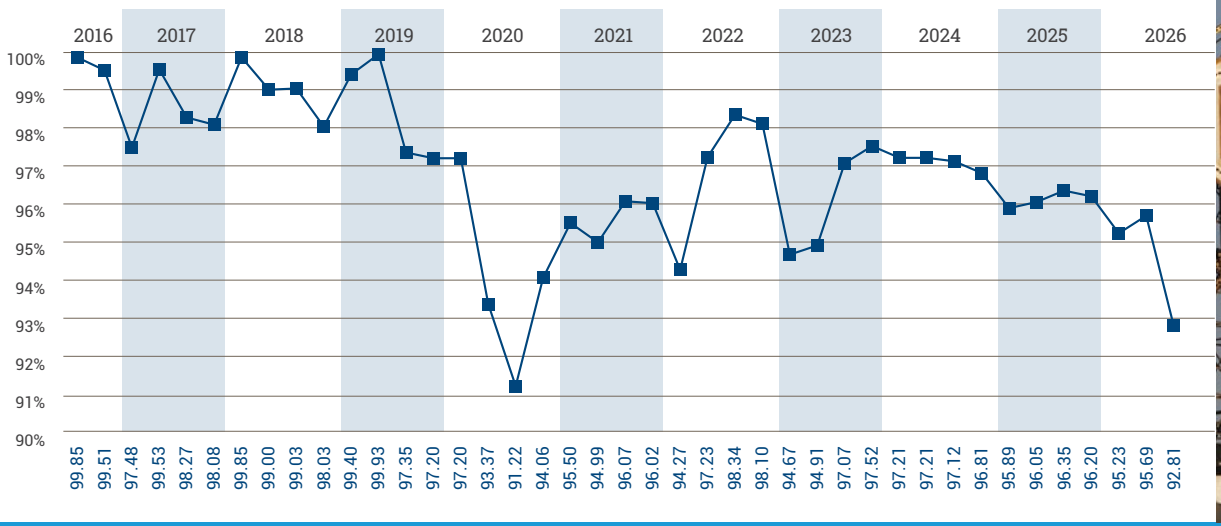
Oakland enjoyed widespread progress during Q3 including the lease of the formerly vacant Walgreens space by Grocery Outlet, and news of Tesla leasing 40,000 SF in West Oakland for advanced manufacturing, robotics, and engineering support, matching a broader regional trend where artificial intelligence and hardware companies are expanding into East Bay industrial facilities that offer high power capacity and large floor plates.

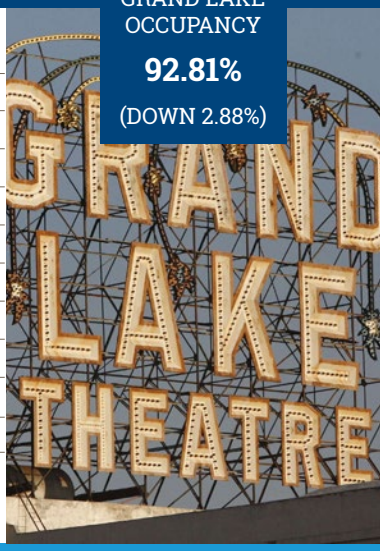
Finally, and perhaps most encouragingly, Costco continues to progress through its plans for a West Oakland warehouse club, which if approved would be the first of its kind in Oakland. Users like Costco and Tesla making significant, strategic moves in Oakland present an encouraging counter-narrative to the turbulent headlines that have bedeviled Oakland's fitful attempts to create sustained retail leasing momentum. Closures of exciting brands like In N Out, Shake Shack, GAP, Starbucks, Target and others in Oakland have acted as a cautionary example to high-quality brands evaluating the market. A Costco success story would be crucial to reversing that trend.

JohnCumbelich & Associates 25 YEARS 2000 – 2025

SUBMARKET HISTORICAL OCCUPANCY LEVELS

Grand Lake



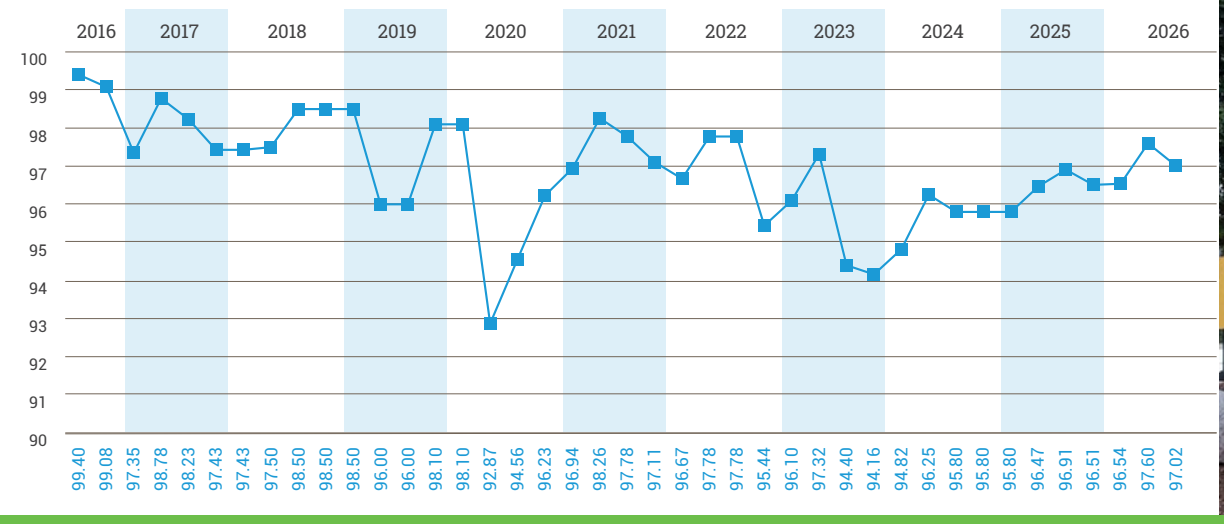


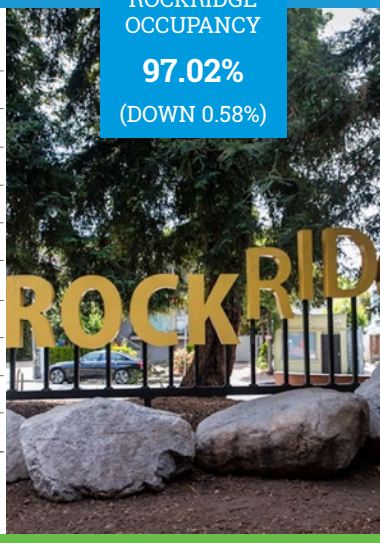
GRAND LAKE OCCUPANCY

92.81%

(DOWN 2.88%)

Rockridge



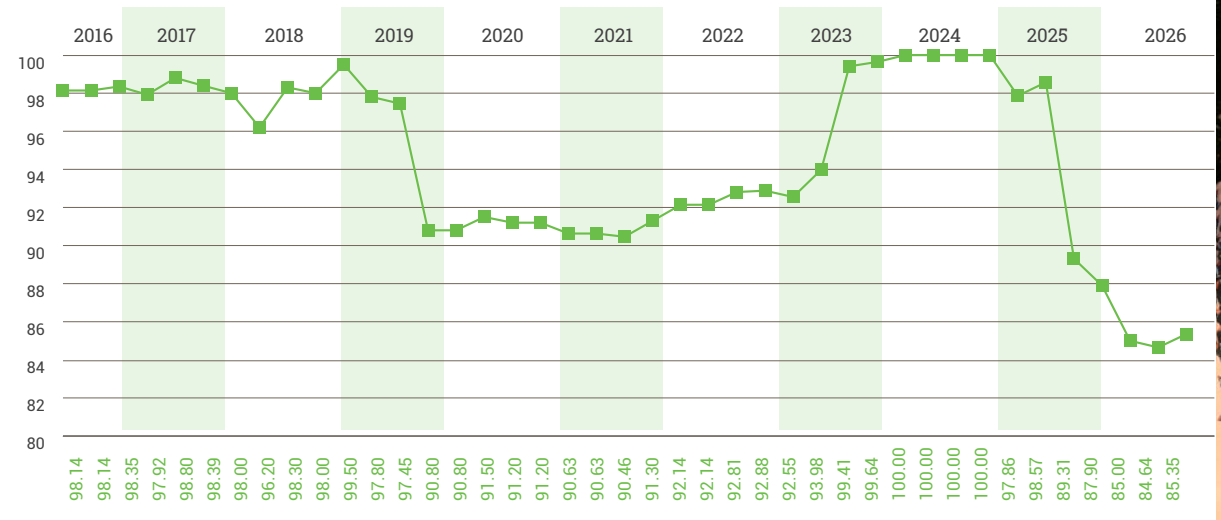


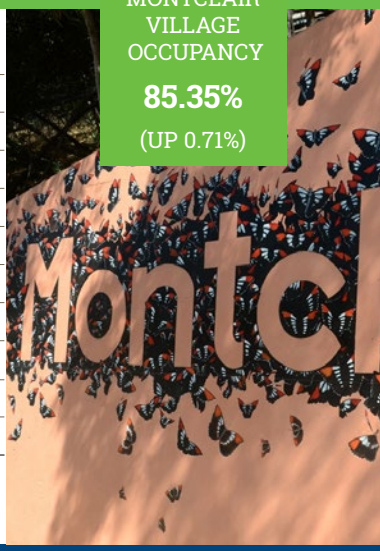
ROCKRIDGE OCCUPANCY

97.02%

(DOWN 0.58%)

Montclair Village





MONTCLAIR VILLAGE OCCUPANCY

85.35%

(UP 0.71%)

OAKLAND'S RETAIL DISTRICTS

Oakland's premier retail districts, Rockridge, Grand Lake and Montclair Village, have a comparable inventory of retail space, 830,000 SF, to Walnut Creek's regional mall area. Yet these vibrant streets outperform Walnut Creek – with occupancy levels that are unsurpassed by any other Bay Area submarket. A powerful mixture of residential density, incomes and growing job creation have pushed Oakland's retail inventory to record occupancy and rent levels. High barriers to entry have constrained the development of new retail inventory, helping to maintain both occupancy and rent levels.

OVERALL OCCUPANCY

Total Retail (SF)	830,502
Vacant (SF)	71,105
Occupancy Rate	91.44%

(DOWN 1.04%)

Grand Lake

Size:	325,211 SF
Occupancy:	92.81%
Avg Rent:	$42-$60 SF

Rockridge

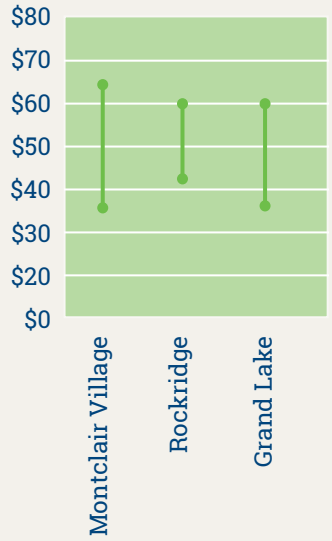
Size:	225,185 SF
Occupancy:	97.02%
Avg Rent:	$36-$60 SF

Montclair Village

Size:	290,106 SF
Occupancy:	85.35%
Avg Rent:	$36-$65 SF

NEIGHBORHOOD SUMMARY

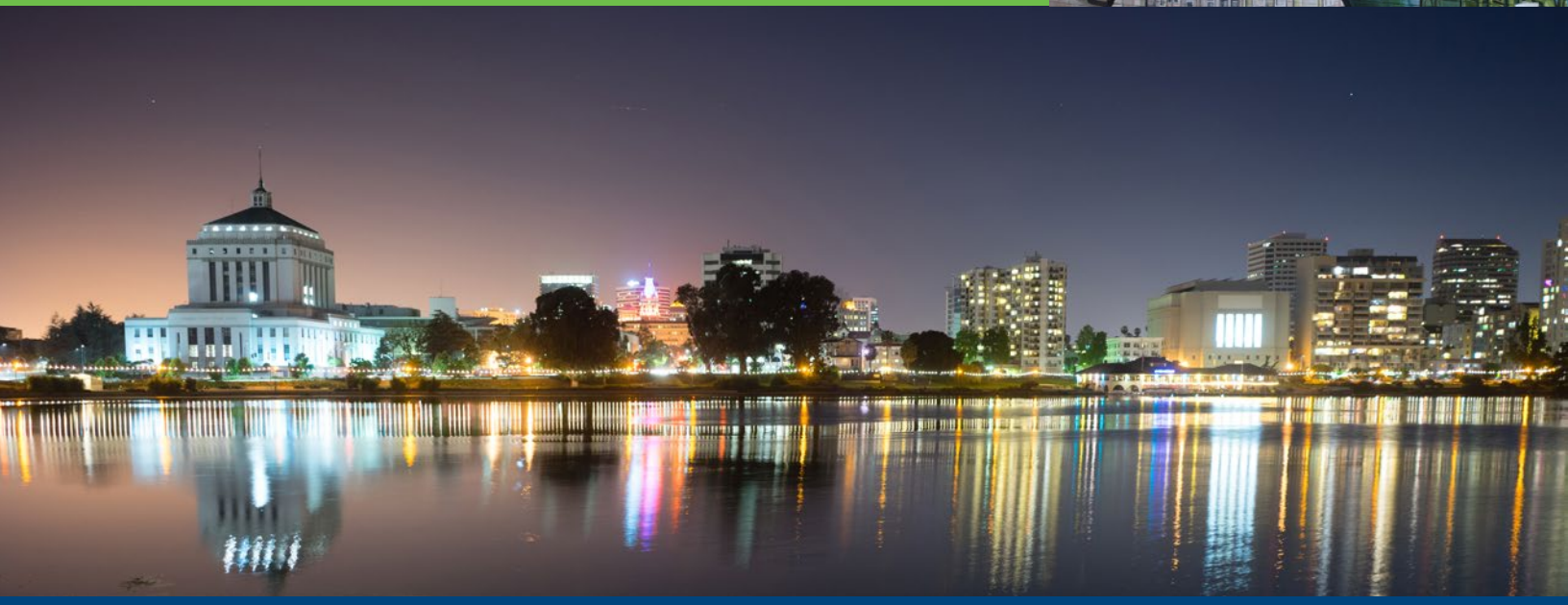
Rental Rates*



*Rental rates are quoted

- Oakland closed the quarter with an overall occupancy of 91.44% (down 1.04%)
- Grand Lake occupancy closed at 92.81% (down 2.88%)
- Rockridge occupancy closed at 97.02% (down 0.58%)
- Montclair Village occupancy closed at 83.75% (up 0.71%)
- Salt & Straw will open a location at 6310 College Ave
- Ensarro Ethiopian, 2400 SF, beautifully renovated and now open at 5997 College Ave
- Costco progressing with plans to develop a West Oakland warehouse club.
- Tesla signed a 40,000 SF lease for advanced manufacturing development.
- Grocery Outlet backfills the closed Walgreens in the Temescal

Oakland's distinctive retail landscape is home to some of the Bay Area's elite restaurants, shopping and entertainment venues. Urban in nature, but low-rise in scale, Oakland's premier retail streets and shopping districts are the perfect cross between San Francisco's urban towers and the sprawling, suburban centers of the East Bay. Oakland has a dynamic retail market built on a mixture of both national retailers and local artisanal businesses. Composed of multiple unique shopping & dining districts, Oakland offers a blend of existing centers and new developments that provides consumers with a broad shopping experience.



FEATURED TRANSACTION

Grocery Outlet is Coming to Temescal!

Grocery Outlet
consummated a
15 year, 14,370 SF lease at

TEMESCAL PLAZA
OAKLAND, CA

For more information
contact Catherine Macken

FEATURED LISTING - GROUND LEASE OPPORTUNITY

Conceptual Rendering

Ground Lease Opportunity

1595 Washington Avenue
San Leandro • CA

Vibrant Downtown Location
Ideal Location for Bank,
QSR, Fitness, Retail or Dining!

Zoned Retail Mixed Use
Corner Location

BROCHURE

For more information
contact Catherine Macken

VIEW ALL LISTINGS

VIEW ALL RETAILERS

ABOUT THE FIRM

John Cumbelich & Associates is a San Francisco Bay Area firm that provides commercial real estate services to Fortune 500 retailers and select owners and developers of retail commercial properties. The firm's expertise is in developing store networks for retailers seeking to penetrate the Northern California marketplace, and the representation of premier power center and lifestyle developments.

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Trust.
Experience.

SALAD DAYS

JOHN CUMBELICH | OCTOBER 12, 2026

October 5, 2026 – True Food Kitchen files for bankruptcy.

Is anyone shocked by the news that yet another salad focused restaurant brand has bit the dust? Not me.

A brief recap for those of you who have been too busy enjoying your chicken sandwiches, burritos, burgers and bowls to notice how the salad brands have been wilting.

Tender Greens – filed for Chapter 11 in 2024

Salad and Go – filed for Chapter 11, August 2026

True Food Kitchen – filed for Chapter 11, October 2026

The question is not, "why did they fail?" rather, the question is "who's next?" **Sweetgreen** is the consensus front-runner. The chain's struggles came into sharp relief in 2025, as same-store sales declined 9.5% in Q3 due to an 11.7% drop in foot traffic. By August of 2026, the stock was down 86% from its peak. Like just about every other brand that dove into the deep end of the salad economy, the company simply does not make money. One suspects that their best chance for stabilization may stem from the harsh reality that most of their national competitors are going bankrupt. But this sounds more like a stay of execution than a mandate for growth.

The plight of each of these salad brands has laid bare the true North Star of American diners. In this country, we like our animal proteins and we like our caffeine. Chick-fil-A, Raising Cane's, Dutch Bros, 7 Brew, In -N-Out, McDonald's, Shake Shack and Whataburger are all clamoring to add sites to meet consumer demand. The biggest growth challenge for the protein and coffee brands is the push back from municipalities that are coping with the impacts of consistently long drive thru lines that snake through parking lots and onto city streets. These lengthening lines of consumers are now being addressed with double and triple lane drive thus that can accommodate 50 vehicles at once – a telling affirmation of consumer dining preferences that spills out before us.

And inside this divergence of outcomes lies a secret that aspiring brand builders in the dining worlds should digest. To wit, Americans like their salad hidden in their protein, not their protein hidden in their salad. If you look at my order at Chipotle or Cava, it's mostly composed of beans, rice, salsa, lettuce and guacamole (Salad!). The supporting actor role in my order is played by the flavorful meat. A healthy and largely plant-based meal can be delivered at many of the non-salad chains. Pay attention to the crucial mom shoppers who the make dining choices for their families, buying three or five meals at a time. Their kids don't think of it as health food. Instead, they find these dishes tasty, filling and as an extra bonus they don't need to use utensils. Or a plate. Consumers aren't necessarily rejecting the vegetables served at salad brands; they are rejecting the format.

Meals like those served at Chipotle, Chick-fil-A and McDonald's look and feel entirely different than a bowl or plate of greens with a piece of cooked meat or fish tucked inside. Notably, salad isn't easily eaten on the go, in the car, or without the full complement of dining apparatus: a table, a plate or bowl and utensils.

Anecdotally, the clientele at the salad chains appears to be weighted towards Millennials and Gen X, who visit solo or in pairs. But after the ball game, the team swarms In-N-Out or Chick-fil-A. Road trippers break at Starbucks or Dutch Bros, and increasingly at McDonalds or other brands that have successfully leaned into the caffeine space. Parents and coaches do not take the kids, the team, or the birthday party out for salad.

Brilliant brand builders like Ray Kroc, Howard Schultz and Truett Cathy did not waste their energy or enterprise seeking to reeducate the American consumer, and later the world, on what to eat. Rather their success was built on meeting the consumer exactly how and where they wanted to eat and drink. They focused on the food and drink choices that have been staples for centuries, and then introduced various other menu items, some healthy, some decadent, as tastes have changed over the years.

A frank testimony showcasing who the victors and the vanquished are in the faltering efforts to build a national salad chain played out in the bankruptcy auction for Salad and Go's drive thru real estate. The bidding war quickly escalated into a brawl between whom? Dutch Bros and 7 Brew – two brands whose brilliance lies squarely at the intersection of caffeine and convenience.

In researching this blog post, I found it remarkable how each of the salad brands had gone to the trouble to adopt a slogan. Each one of them was aspirational! Transformational! Alas, their outcomes were something less.

"Greens for Everyone"; "Real Food for Real Life"; "Slow Food Done Fast"; "Build healthier communities by connecting people to real food." That last one is a mouthful.

For aspiring restaurant operators, the message is clear: convenience, comforting foods, and caffeine drive consistent volume—aspirational slogans do not.

Entrepreneurs take note: Burger King's "Have it your way" message was much more than a slogan. It was the playbook for enduring succes.

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