Q1 2026

Bay Area Regional Shopping Center Quarterly Report


Q1 OCCUPANCY RATES REMAIN NEAR 5-YEAR HIGH

John Cumbelich & Associates survey of the Northern California Regional Shopping Center inventory in Q1 2026 saw occupancy rates remain strong, ticking down nominally from 93.74% to 93.70%. After Q4's impressive achievement of 124,000 SF in net positive absorption, markets across the region held gains, and remain within striking distance of the 5-year high in occupancy rates of 94.06% achieved in Q1, 2022. The Regional Shopping Center market ended Q1 at its second highest occupancy level in 14 quarters.

The East Bay remains the strongest opportunity for additional leasing gains, as 506,807 SF or 62% of the region's 822,962 SF are located in this submarket. Conversely, the South Bay market has a mere 66,971 SF in available space across its inventory of flagship assets, and the North Bay has a similarly small inventory of only 75,199 SF now available. The largest of the leasing voids in the East Bay remain at **Century Plaza** in Pittsburg (160,865 SF), **Pacific Commons** in Fremont (107,685 SF), **Hacienda Crossings** in Dublin (75,847 SF) and **Downtown Pleasant Hill** (40,460 SF).

The Bay Area's flattening occupancy levels in Q1 comes as no surprise, as the region experienced five consecutive quarters with increasing occupancy levels through Q4 of 2025. *(Continued on next page)*

About the Report

The attached survey of flagship assets studies the 25 dominant Power Centers located in each of the San Francisco Bay Area's nine counties.

The survey covers 13.1 million square feet of best in class inventory.

The data in this report is for information purposes only.

Summary

ETHNIC GROCERS HAVE AN APPETITE FOR GROWTH

GO CONSIDER STOP

OCCUPANCY GAINS HOLD
All four NorCal submarkets remain 90%+ occupied

INTERNATIONAL FLAIR
Hispanic, East Asian and Indian markets hunt sites

OCCUPANCY RATES FLATTEN
After five consecutive quarterly gains, occupancy flattens

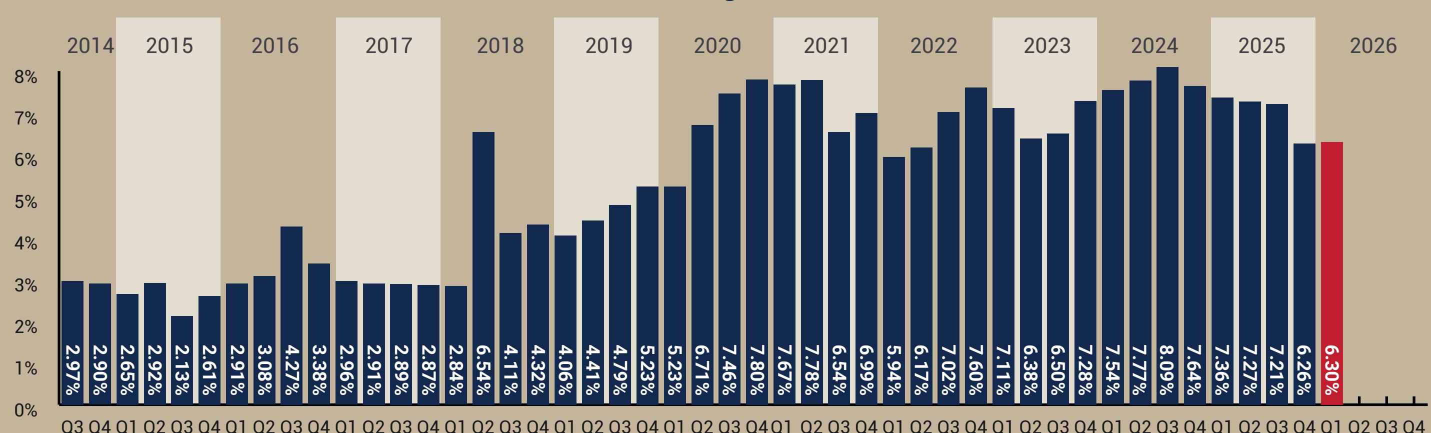
Tiny increases in vacancy in the East Bay, South Bay and North Bay submarkets during Q1 were largely offset by 25,000 SF in net positive absorption that occurred in the San Francisco Peninsula submarket, a result of leases at Westlake Shopping Center in Daly City to Guitar Center (17,000 SF on 2 levels)and select smaller leases.

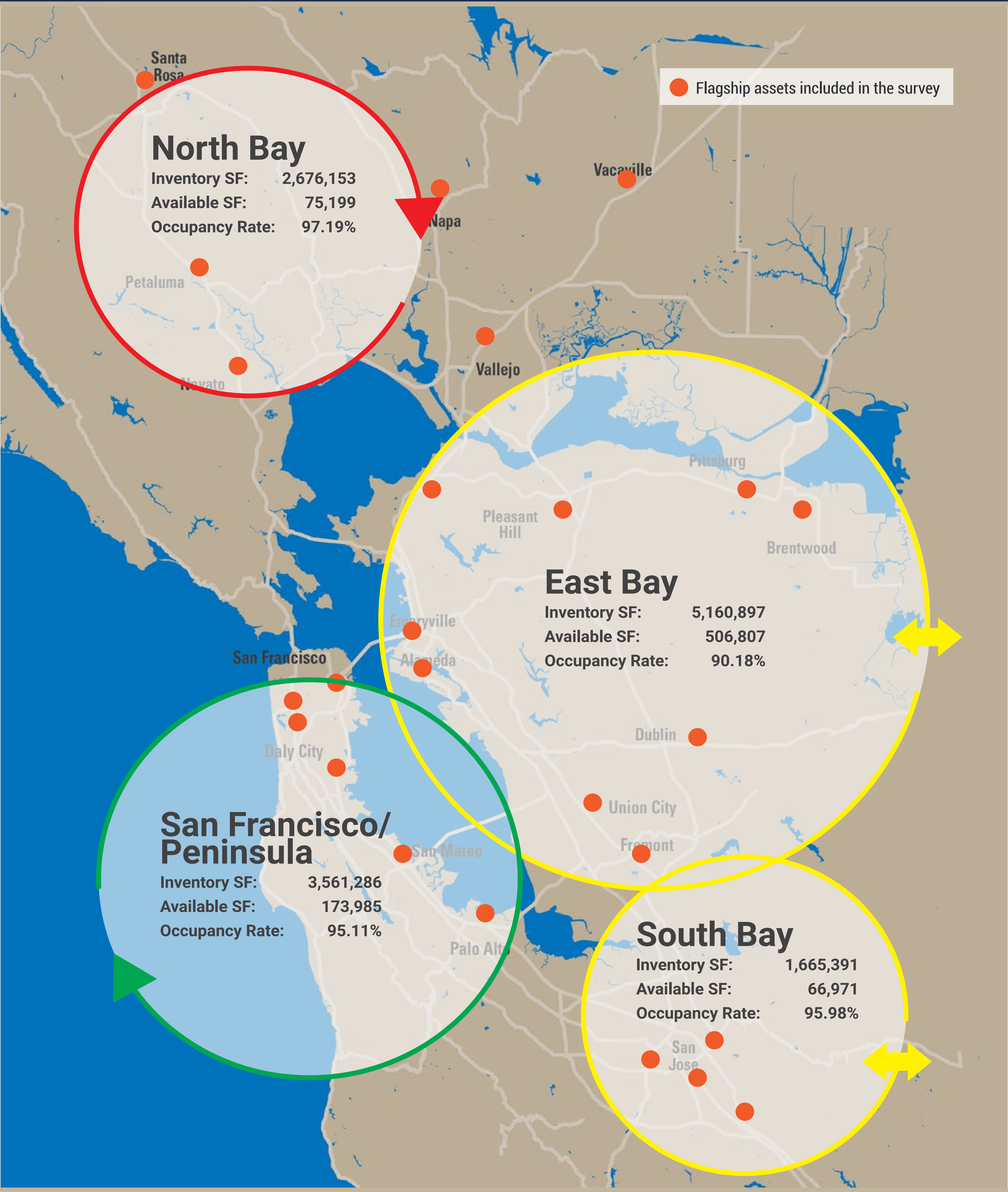
Through Q1 of 2026, all four Bay Area submarkets remain above the 90% occupancy level at the same time – something that, prior to Q4 of 2025, had not happened since Q2 of 2023. The market's ability to hold these gains across each submarket is an encouraging an unmistakable trend.

Select new brands are emerging in the region, with an appetite for growth, notably in the coffee space, including **7 Brew**, **Philz Coffee** and **Dutch Bros**. Other active brands include **T&T Market**, **Osaka Marketplace**, **Boot Barn** and **Total Wine**. **Costco** and **Sam's Club** remain aggressive in their search for sites across Northern California, while others like **Trader Joe's** and **Skechers** seek to densify their store counts.

As noted in this report previously, ethnic grocers like **H-Mart**, **Las Mantanas**, **Osaka Marketplace**, **Vallarta**, **T&T** and **Rancho San Miguel** will become an increasingly large factor in the releasing of second-generation retail boxes in the near and medium term, reflecting the success of these brands in capturing the dense and multi-ethnic Bay Area consumer audience.

Overall Historical Vacancy




Flagship assets included in the survey
North Bay
Inventory SF: 2,676,153
Available SF: 75,199
Occupancy Rate: 97.19%
East Bay
Inventory SF: 5,160,897
Available SF: 506,807
Occupancy Rate: 90.18%
San Francisco/ Peninsula
Inventory SF: 3,561,286
Available SF: 173,985
Occupancy Rate: 95.11%
South Bay
Inventory SF: 1,665,391
Available SF: 66,971
Occupancy Rate: 95.98%
Santa Rosa
Petaluma
Napa
Vacaville
Vallejo
Pittsburg
Pleasant Hill
Brentwood
Dublin
Union City
Fremont
San Francisco
Daly City
San Mateo
San Jose

Results – Flagship Power Centers

North Bay

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San Francisco/Peninsula

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Available SF:	173,985
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South Bay

Inventory SF:	1,665,391
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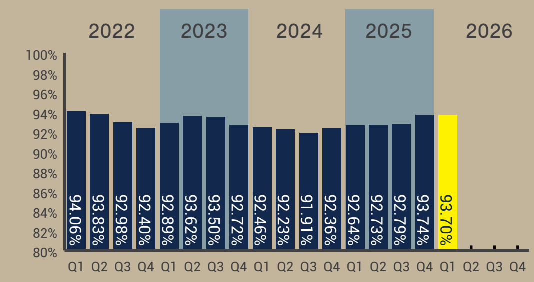
East Bay

Inventory SF:	5,160,897
Available SF:	506,807
Occupancy Rate:	90.18%

BAY AREA TOTALS

INVENTORY SF:	13,063,727
AVAILABLE SF:	822,962
OCCUPANCY	93.70%

Overall Occupancy



Highest Occupancy

Power Center	Size (SF)	Occupied (SF)	Occupancy %
Bridgepointe	572,000	572,000	100.00%
South Napa Market Place	349,530	349,530	100.00%
San Jose Market Center	360,838	360,838	100.00%
Santa Rosa Marketplace	544,234	542,927	99.76%
Pinole Vista Crossings	353,838	352,349	99.58%
Vintage Oaks of Novato	620,228	616,500	99.40%

Highest Vacancy

Power Center	Size (SF)	Available (SF)	Vacancy %
Century Plaza	530,000	160,865	30.35%
Potrero Center	226,642	65,361	28.84%
Hacienda Crossings	470,000	75,847	16.14%
Gateway Plaza	428,750	54,448	12.70%
San Bruno Towne Center	333,869	41,739	12.50%
Downtown Pleasant Hill	345,687	40,460	11.70%

Largest Vacant Spaces

Power Center	Size (SF)	Available (SF)
Century Plaza	530000	101,850
Pacfic Commons	1,133,000	50,000
Portrero Center	226,642	38,370
Century Plaza	530,000	37,010
Downtown Pleasant Hill	345,687	35,877
Haciena Crossings	470,000	35,618

Featured Transaction

NorthBay HEALTH

NorthBay Health purchased 30.52 acres at

I-80 & SUISUN VALLEY RD
FAIRFIELD, CA

The firm represented both the buyer and the seller in the transaction.

For more information contact John Cumbelich

Featured Transaction

DOLLAR TREE

Dollar Tree consummated 9,700 SF, 10 year lease at

THE PLANT
SAN JOSE, CA

The firm represented the lessor in the transaction

For more information contact Tim Seiler

Seeking 8,000-10,500 SF / San Francisco Bay Area

Submit Your Sites to Tim Seiler/Joe Cumbelich

Featured Listing

View the Portfolio

Portfolio of San Francisco Retail Boxes

Available for Sublease

Seven retail boxes ranging in size from 7,808 SF -11,276 SF. Fully built out as standard retail space, each storefront features large display windows, promiant sign opportunities and excellent visibility. Sublease terms vary.

For More Information Contact Tim Seiler/Joe Cumbelich

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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25 YEARS 2000 — 2025

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Notable Completed Transactions

Crate & Barrel 19,725 SF Walnut Creek, CA	Costco 152,000 SF Riverbank, CA	Amazon Fresh 45,040 SF SF Roseville, CA	RH New Gallery Store Walnut Creek, CA	NorthBay Health 30.52 Acres Fairfield, CA
Lucid Motors 16,985 SF Rockin, CA	Sprouts Farmers Market 48,137 SF Lodi, CA	Macerich 4,800 SF Walnut Creek, CA	TJ Maxx 24,000 SF Riverbank, CA	NorthBay Health 8,256 SF Vallejo, CA
Burlington 42,216 SF Pleasant Hill, CA	Smart & Final 32,350 SF San Jose, CA	Calicraft Brewing Co. 4,000 SF + Patio Davis, CA	HmeGoods 25,000 SF Riverbank, CA	El Pollo Loco 20,922 SF Hayward, CA
Sprouts Farmers Market 32,620 SF Newark, CA	Hobby Lobby 57,000 SF Concord, CA	Pvolve 2,042 SF Walnut Creek, CA	Philz Coffee 2,162 SF Lafayette, CA	Skechers 10,500 SF Roseville, CA
Dutch Bros Coffee 824 SF/.52 Acres Merced, CA	Public Storage 212,000 SF Ceres, CA	Dick's Sporting Goods 35,000 SF Morgan Hill, CA	East Brother Beer 2,179 SF + 1,327 SF San Francisco, CA	Outdoor Supply Hardware 41,108 SF/3.18 Acres San Leandro, CA
Lewis Retail Centers 12.85 Acre Site Hercules, CA	Wendy's 2,500 SF Riverbank, CA	Bluemercury 2,965 SF Lafayette, CA	Gott's Roadside 5,500 SF Walnut Creek, CA	Raising Cane's 54,668 SF Land Parcel Ceres, CA
Walmart 50,331 SF San Ramon, CA	Tiffany & Co. 6,785 SF Walnut Creek, CA	Target 10.8 Acres San Jose, CA	Regency Centers 34 Acres Petaluma, CA	LOJA 350,000 SF Pleasant Hill, CA

DECODING THE RETAIL REBRAND

JOHN CUMBELICH | APRIL 23, 2026

Imagine a time machine in which a traveler from 1976 visits 2026. When he learns that tonight "We're going to that millennial place at the lifestyle center with great wraps," he wouldn't know if the family was going to the hospital, a sci-fi movie, or the metro. Yet today's traveler who went back to 1976 would have no trouble understanding, "We're going to the Mexican restaurant that all the kids like at the shopping center."

One of the quirks of our information age is that the changes in the vocabulary used to describe retail and dining have outpaced the changes in retail itself. The 24/7 information cycle has produced not so much a marketplace of information, but rather a marketplace of labels: some clever, some corny, always changing, and frequently unnecessary. Social media certainly doesn't help, frequently suggesting that something old is new when, in fact, it is simply being rebranded.

Dining establishments that were once rated on a universally understood scale of 1 to 5 have been redefined in contemporary parlance as "chef-driven," "elevated," "hand-crafted," "farm-to-table," and "artisanal." Did restaurants really change that much, or just the way that we describe them? More importantly, does "elevated" mean 3 stars or 4?

When you pay close attention, some of the rebranding of traditional goods and services feels like a consumer I.Q. test. A case in point: a Walmart advertisement touting its e-commerce business highlighted that purchases made online could be delivered to your home, or available through "free in-store pickup." Wait a minute… hasn't in-store pickup always been free? Who's fooling whom here?

Shopping centers themselves were already broadly categorized into neighborhood centers, power centers, and malls. A newer so-called class of assets are *open-air centers*, a name which makes as much sense to me as *sunlight centers*. Aren't all centers in the open air? How does this label help? Yet another new label: *experiential centers*. A name that implies that the asset differentiates itself from other shopping centers which… do not offer the consumer a shopping experience? Methinks not.

While the staples of restaurant cuisine remain largely unchanged—burgers, tacos, pizza, etc.—yesteryear's familiar fare has been recoined with labels like "sliders," "street food," "wraps," and "freezes." Similarly perplexing are the names used to describe the restaurants themselves. I still can't tell you the difference between casual dining, fast-casual, fast-fine and quick-service. Does anyone actually eat at a ghost kitchen? Isn't a gastropub just a restaurant that sells beer? Aren't tapas what we used to call appetizers?

Finally, I could not hope to tell you the difference between a trattoria and an osteria. But I found it rather amusing that when I searched online for osteria, my computer tried to spell-check me to "hysteria." "A state of extreme upset." How fitting.

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