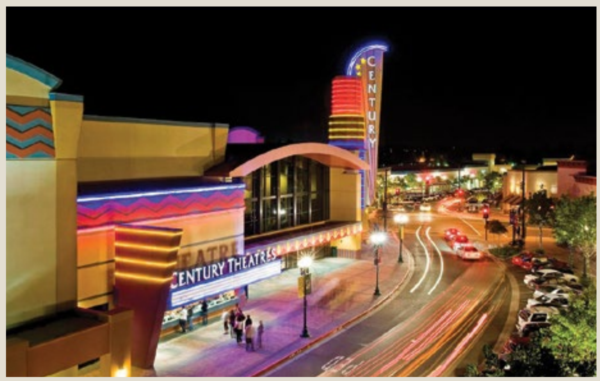
Q3 2025

Bay Area Regional Shopping Center Quarterly Report



Q3 HIGHEST OCCUPANCY RATE IN EIGHT QUARTERS

John Cumbelich & Associates survey of the Northern California Regional Shopping Center inventory in Q3 captured a market that continues to strengthen with occupancy levels moving to their highest level in the past 8 quarters. Paced by small leasing gains in the East Bay and North Bay, the Bay Area submarket has experienced four consecutive quarters with increasing occupancy levels.

The East Bay moved from an 87.67% occupancy rate to 88.01%. The already strong North Bay submarket improved further, inching higher from a 97.42% occupancy level to 97.79%, leaving a mere 59,136 of available space in the entire North Bay region. Meanwhile leasing activity on the San Francisco Peninsula was essentially flat, and the South Bay submarket ticked down with a small increase of 18,100 SF in net new vacancies. With interest rates moving lower in Q3 and impacts from tariffs that were less than consensus expectations, the market was able once again to hold leasing gains and continue steady if unspectacular improvement.

The East Bay remains the region's most challenged submarket, as its 618,797 SF of available space represents 66% of the region's total inventory. But the East Bay is clearly on an encouraging trend, achieving its highest occupancy level in 5 quarters. If the East Bay can achieve only 102,000 SF in additional positive absorption, it will join the Bay Area's three other submarkets with occupancy levels above 90%.

(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

NRG Adventure Park is among the active brands that may help fill lingering vacancies.

GO CONSIDER STOP

101 CORRIDOR RULES
The high barrier to entry 101 corridor continues to outperform

C.U.P. ISSUES MULTIPLY
Education, Entertainment and other uses needing conditonal use permits are trying to compete for retail boxes

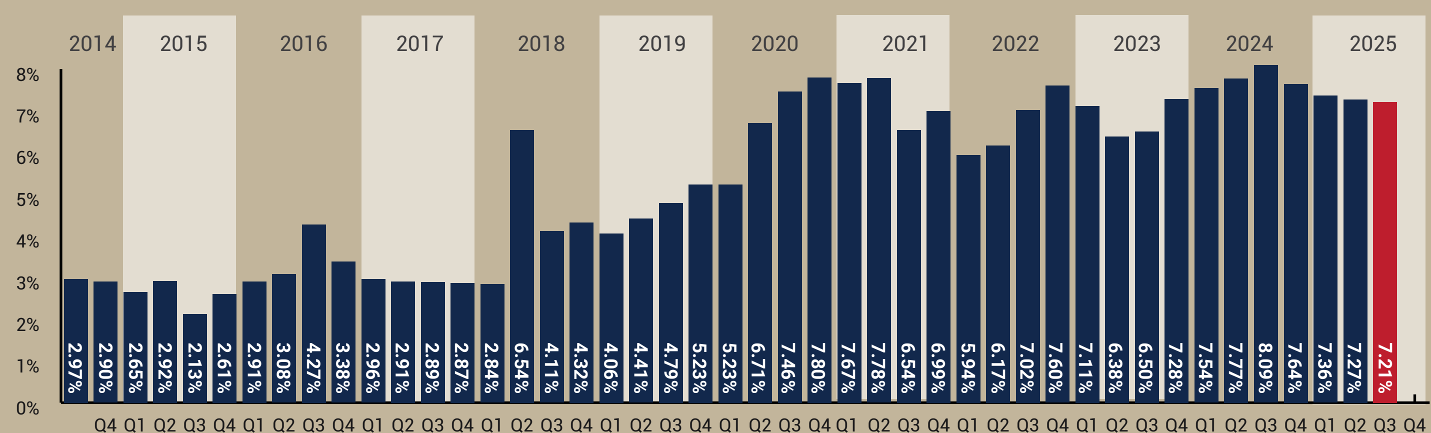
EAST BAY GLUT
The East Bay market is home to 66% of all vacancy in the region

Large format vacancies continue to vex the East Bay, particularly at **Pacific Commons** (197,771 SF), **Century Plaza** (160,865 SF), **Hacienda Crossings** (82,983 SF) and **Downtown Pleasant Hill** (44,003 SF) where boxes formerly occupied by Bed, Bath & Beyond, Kohl's and Target have proven difficult to backfill. The possibility of a Kohl's bankruptcy would hit the East Bay and the entire region powerfully.

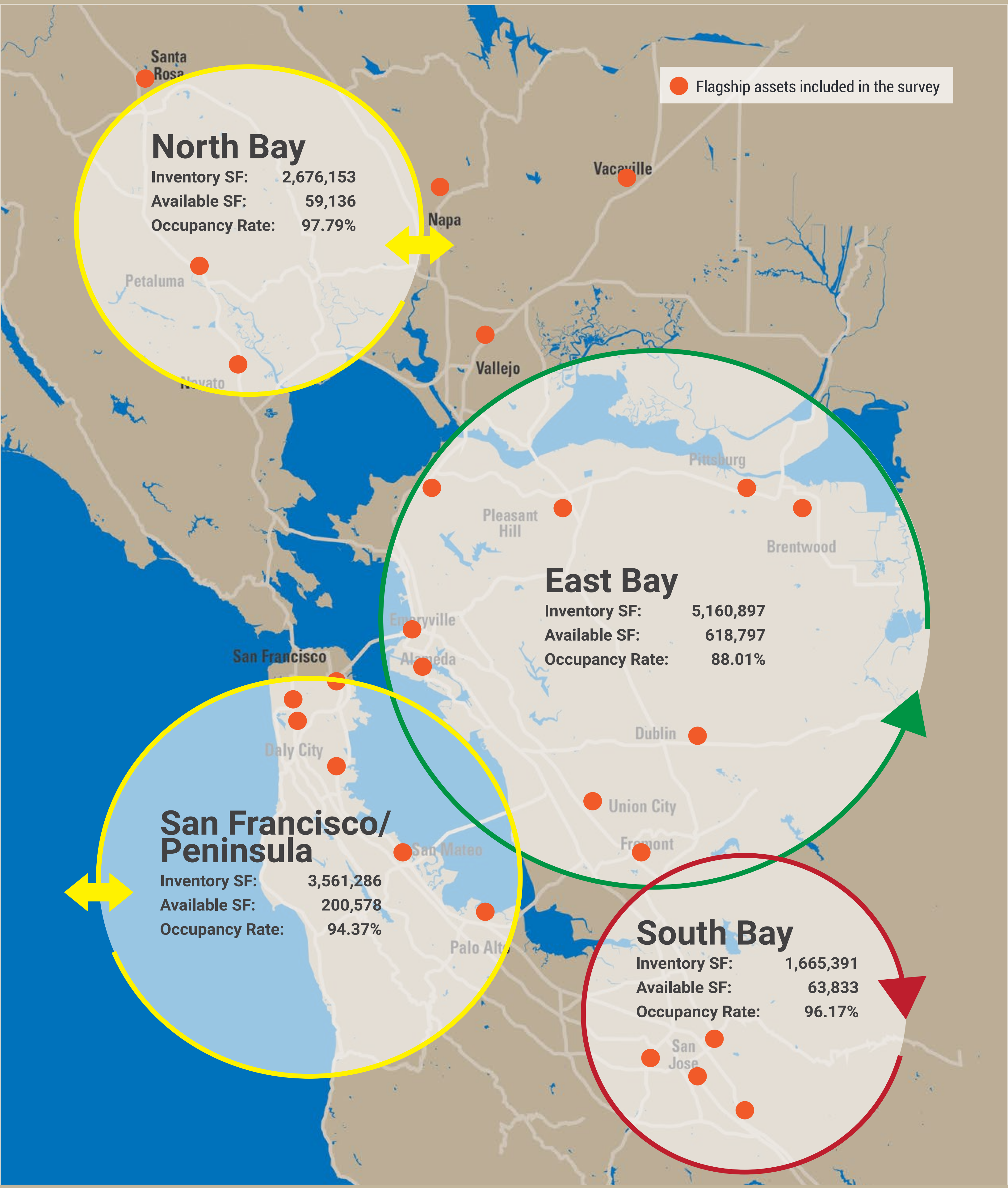
The glass remains full to overflowing in Marin County and the San Francisco Peninsula. Four of the Bay Area's top five performing assets, and seven of the top ten are located in the North Bay and Peninsula submarkets including **Bridgepointe** in San Mateo (572,000 SF – 100% occupancy), **Vintage Oaks** in Novato (620,228 SF – 99.63% occupancy), **Santa Rosa Marketplace** (544,234 SF - 99.54% occupancy), **Nut Tree Village** in Vacaville (392,000 SF – 99.36% occupancy) and the **280 Metro Center** in Colma (227,829 SF- 98.81% occupancy).

Emerging solutions for vacancies may come from active brands such as NRG Adventure Park, Tractor Supply Hardware, Sprouts, Sam's Club, T&T Market, and Vallarta Market.

Overall Historical Vacancy



The overall vacancy rate decreased 0.06% in Q3 2025.


Flagship assets included in the survey
North Bay
Inventory SF: 2,676,153
Available SF: 59,136
Occupancy Rate: 97.79%
East Bay
Inventory SF: 5,160,897
Available SF: 618,797
Occupancy Rate: 88.01%
San Francisco/ Peninsula
Inventory SF: 3,561,286
Available SF: 200,578
Occupancy Rate: 94.37%
South Bay
Inventory SF: 1,665,391
Available SF: 63,833
Occupancy Rate: 96.17%
Santa Rosa
Petaluma
Napa
Vacaville
Vallejo
Pleasant Hill
Pittsburg
Brentwood
San Francisco
Alameda
Daly City
Dublin
Union City
San Mateo
San Jose

Results – Flagship Power Centers

North Bay

Inventory SF:	2,676,153
Available SF:	59,136
Occupancy Rate:	97.79%

San Francisco/Peninsula

Inventory SF:	3,561,286
Available SF:	200,578
Occupancy Rate:	94.37%

South Bay

Inventory SF:	1,665,391
Available SF:	63,833
Occupancy Rate:	96.17%

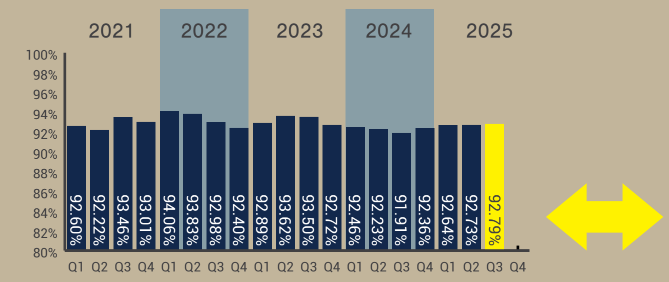
East Bay

Inventory SF:	5,160,897
Available SF:	618,797
Occupancy Rate:	88.01%

BAY AREA TOTALS

INVENTORY:	13,063,727
AVAILABLE:	942,344
OCCUPANCY RATE:	92.79%

Overall Occupancy



Highest Occupancy

Power Center	Size (SF)	Occupied SF	Occupancy %
Bridgepointe	572,000	572,000	100.00%
Pinole Vista Crossings	353,838	353,838	100.00%
Vintage Oaks of Novato	620,228	617,955	99.63%
Santa Rosa Marketplace	544,234	541,756	99.54%
Nut Tree Village	392,000	389,495	99.36%
San Jose Market Center	360,838	358,269	99.29%

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	82,983	17.66%
Pacific Commons (Combined)	1,133,000	197,771	17.46%
Westlake Center	683,254	68,211	9.98%
San Bruno Towne Center	333,869	33,328	9.98%

Largest Vacant Spaces

Power Center	Size (SF)	Available (SF)
Century Plaza	530000	101,850
Pacific Commons	1,133,000	98,000
Pacific Commons	1,133,000	50,000
Downtown Pleasant Hill	345,687	40,377
Century Plaza	530,000	37,010

Featured Transaction

T.J.maxx

TJ Maxx consummated a 24,000 SF, 10 year lease at

CROSSROADS WEST
RIVERBANK, CA

The firm represented the lessor, Browman Development Co., in the transaction

VIEW AVAILABILITIES AT CROSSROADS WEST – RIVERBANK, CA

Anchor, Drive-Thru & Pad Opportunities at New 365,000 SF Costco Anchored Development. Adjacent to 630,000 SF Target, Kohl's & Home Depot Anchored Center.

Featured Retailer

SUBMIT YOUR SITES TO JOHN CUMBELICH

NRG ADVENTURE PARK

NRG ADVENTURE PARK
A national leader in family entertainment

Seeking sites in SF Bay Area & Sacramento

50,000 - 100,000 SF

Second-generation big box retail opportunities

Featured Listing

HOLLISTER GATEWAY

Hwy 25 & San Felipe Rd

New Development Targeting
Grocery • Fuel • C-Store • Retail • Drive-Thru

New grocery anchored center in busy trade area

VIEW BROCHURE

CONTACT JOHN 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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PARTNER XTEAM RETAIL ADVISORS

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	Skechers 10,500 SF Roseville, CA	Raising Cane's 54,668 SF Land Parcel Ceres, 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	Smart & Final 33,000 SF Stockton, 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	Model Bakery 4,367 SF Walnut Creek, 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

Debt of Gratitude

JOHN CUMBELICH | JUNE 23, 2025

I had the unique pleasure to celebrate a double milestone a few weeks ago. May 20 was both my 60th birthday and also the 25th anniversary or our firm. I honestly never thought about distant milestones when I elected to make my 35th birthday the day that I would go into business for myself. Thinking about a 25th anniversary was just about the furthest thing from my mind. And it did not even occur to me until just a few months ago that these two anniversaries would align in such an elegant and surprising way.

What I do remember about May of 2000 was this: I had been married for less than a year, my wife was expecting our first child, we had just bought our first home together, and my dear father had suddenly passed away two months prior. My life was filled with dramatic changes that were quickly redefining my life, my priorities and the course I would chart both personally and professionally. Against the upheaval of these unfolding complexities, I quickly understood that if I didn't start a business right NOW, life would only become more complicated and it might never happen.

My family was not filled with corporate ladder climbers, and only a handful of the many cousins in my generation had college degrees. My grandparents were immigrants and my parents both learned English as a second language. But what our families' provenance lacked in higher education and corporate achievements it more than made up for in entrepreneurship and work ethic. My maternal grandfather owned and operated restaurants. So did his children, my aunts and uncles. One of my uncles owned a small pharmacy. Another invested in real estate. My female cousins married contractors and young men who were successfully in business for themselves. My brother who is almost twelve years older than me also went into business, in real estate.

At family gatherings in my youth, the adult conversations that I was exposed to were filled with questions like, "How's your business?", "Do you like your CPA?", "I'm investing in a shopping center with some friends – are you interested?", "Have you purchased short-term commercial paper with excess cash?" I didn't always know what they were talking about, but I had an innate sense of respect for the fact that our family was made of up savvy business people who were more than comfortable to bet on themselves. I admired this special character of our family, and a vision began to form in my mind about owning my own business one day.

In college, my high achieving friends had a near uniform desire to go to work in Corporate America; in tech, in banking, in medicine and in law, or to jump directly into graduate school. But the immigrant blood in my veins and chorus of voices in my head from years of dinner table conversations never let me make peace with the prospect of embarking on a long career working for some big firm. Commercial real estate, and brokerage in particular, fit my personality and my aspirations well. There was no limit on my earning potential. The harder and smarter I worked, the better I did. After a brief 12-month training period, my earnings were 100% commission based. I've basically never worked for a salary in my life.

As the years unfolded, my production followed a consistently upward trajectory, with occasional plateaus. Meanwhile I watched many of my peers move from job to job, sometimes enduring layoffs or corporate downsizing, and living with salary & bonus compensation that was based on how the firm, or the overall economy was performing, but not necessarily rewarding their individual performance.

In my brokerage space, I tried to work with all of the best real estate firms and/or users that were making a big impact in my market. These included national, regional and local companies or individuals. And while we have had plenty of success working with Fortune 500 firms, I learned over the years to gravitate to the very high quality, but sub-institutional players in my market. The advantages were numerous. These firms were entrepreneurial; I could work with the decision makers; There was no distant corporate boss who may or may not approve of what we worked on locally. I liked the way that well capitalized local and regional firms led by hands-on principals with long resumes valued my work and paid me well. I also learned that one of the most consistent and unbecoming characteristics of institutional clients was their need to grind fees. That made the decision easy to align with people in the industry who I could identify with – people who built their own firms, bet on themselves, paid us well when we created value, and looked for win/win partnerships. It always shocked me at how willing my peers were to engage in the race to the bottom on fees, just for the perceived prestige of working with a big-name client. I'll take the smaller name and the bigger payday every time.

In time, I surrounded myself with a great team and a great clientele of like-minded friends. I formed a doctrine in my business life – let's make the pie bigger for everyone. The fee-grinding firms that wanted great outcomes for themselves but only so-so outcomes for us, quickly moved down my list. And we increasingly centered our business around true partners that relished the opportunity to win with us.

I'll confess that my recent milestones were a bit of a cause for reflection. And when considering the journey, I'm filled with gratitude. A debt of gratitude to my family and extended family that showed me how to be my own man in the business world. A debt of gratitude to clients that have become great friends and who have partnered with us to make the pie bigger for everyone. And a debt of gratitude to my team, the ones who make me and our firm look good every day, who teach me, motivate me, and give me great pride as we win more than our share in the marketplace.

It all leaves me looking forward not so much to the next milestone, but to the challenges and satisfaction of the journey that will take me there.

JCA

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