

Bay Area Regional Shopping Center Quarterly Report



Q3 OCCUPANCY MOVES HIGHER FOR EIGHTH CONSECUTIVE QUARTER

John Cumbelich & Associates survey of the Northern California Regional Shopping Center inventory in Q3 2026 saw occupancy rates move to 94.52%, the highest level across the region since Q1 of 2022.

Net occupancy gains of 61,658 SF in Q3, followed net gains of 45,773 SF in Q2, and pushed regional occupancy to 94.52% in the flagship Power Center asset class. The occurrence of consecutive quarters ending at 94%+ occupancy last occurred in Q1 of 2020, over six years ago, clearly underscoring the market's strong comeback. Overall vacancy in the market dropped to 715,531 SF in Q3, a reduction of 227,000 SF from the year-earlier period of Q3, 2025. Q3 2026's occupancy level achievement reflects a 304,342 SF net occupancy gain from the COVID era vacancy rate peak achieved in Q4 of 2020.

Paced by net leasing gains of 34,357 SF in the East Bay East Bay submarket and 22,604 SF on the San Francisco Peninsula, three of the region's four submarket now boast occupancy levels above 95%. All four Bay Area submarkets are performing well but look for future leasing gains to primarily occur in the East Bay, which has more available inventory than all three other Bay Area submarkets, combined. The East Bay presently represents 59.6% of all available Bay Area inventory.

(Continued on next page)

About the Report

The attached survey of flagship assets studies the 25 dominant Power Centers located in 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



THE DISTRICT: DUBLIN FALLON 580 PROJECT RENDERING

GO CONSIDER STOP

A GOLDEN ERA FOR POWER CENTERS

Eight consecutive quarterly leasing gains is unprecedented.

TIME TO BUILD?

A massive E. Dublin project may buck the trend and build.

ARE MALLS COOL AGAIN?

Maybe not, but large format brands have refocused on this asset class.

Strongly improving occupancy rates are producing an array of benefits, both direct and indirect for landlords, consumers and communities. Lower vacancy rates create increased leasing pressure on remaining vacancies, and provide landlords with the opportunity to be picky, not only demanding higher rental rates but seeking higher quality, higher credit tenants. Better brands provide a higher quality of retail and dining options for consumers, elevating the communities where they operate. Also, as space in flagship assets become increasingly sparse, second tier assets including long-suffering regional malls become viable releasing options for a growing list of tenants that are otherwise shut out of the market.

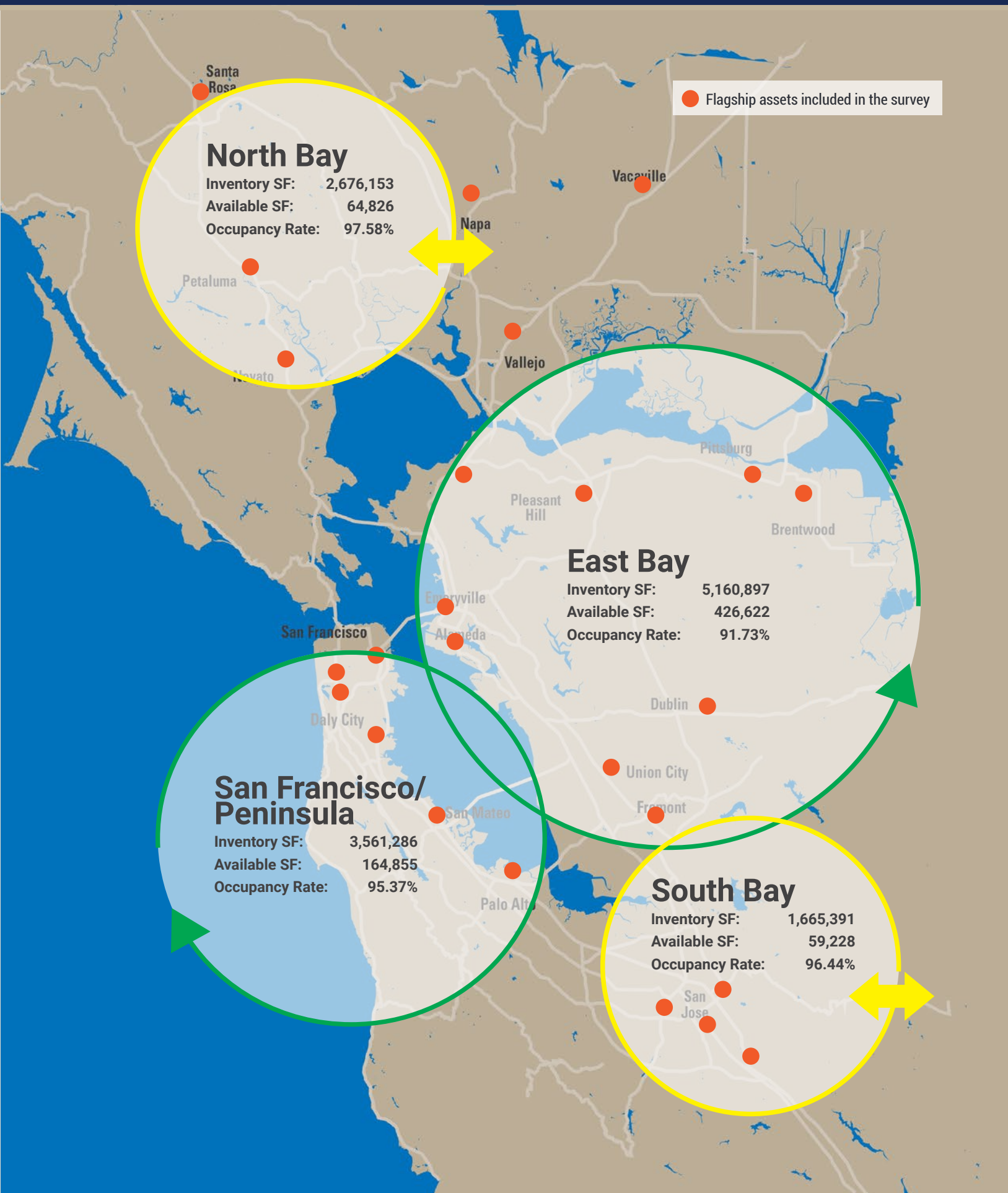
Evidence of the market's vitality is the growing list of fully occupied centers – six of the region's 25 flagship assets clocked in at 100% occupancy at the close of Q3, including **Vintage Oaks of Novato (620,228 SF)**, **Bridgepointe (572,000 SF)**, and **Santa Rosa Marketplace (544,234 SF)**.

As market metrics continue to strengthen, GH PacVest is proposing to develop the region's next massive project in east Dublin, an 850,000 SF project called **The District** that seeks leverage rising rents and the appetite of power brands to land in the desirable Tri-Valley submarket.

Overall Historical Vacancy



Overall vacancy decreased 0.47% in Q3



Results – Flagship Power Centers

North Bay

Inventory SF: 2,676,153
Available SF: 64,8260
Occupancy Rate: 97.58% ↔

San Francisco/Peninsula

Inventory SF: 3,561,286
Available SF: 164,855
Occupancy Rate: 95.37% ▲

South Bay

Inventory SF: 1,665,391
Available SF: 59,228
Occupancy Rate: 96.44% ↔

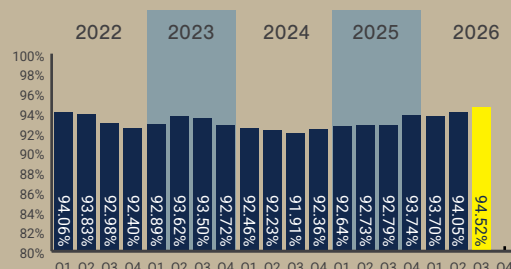
East Bay

Inventory SF: 5,160,897
Available SF: 426,622
Occupancy Rate: 91.73% ▲

BAY AREA TOTALS

INVENTORY SF: 13,063,727
AVAILABLE SF: 715,531
OCCUPANCY 94.52% ↔

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	544,234	100.00%
Vintage Oaks of Novato	620,228	620,228	100.00%
280 Metro Center	227,829	227,829	100.00%

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	88,437	18.82%
Westlake Shopping Center	683,254	53,355	7.81%
Pacific Commons	1,133,000	74,907	6.61%
San Bruno Towne Center	333,869	15,161	4.54%

Largest Vacant Spaces

Power Center	Size (SF)	Available (SF)
Pacific Commons	1,133,000	98,000
Century Plaza	530,000	46,000
Potrero Center	226,642	38,370
Hacienda Crossings	470,000	35,472
El Paseo de Saratoga	340,950	25,000
Westlake Shopping Center	683,254	22,900

Featured Transaction



TRADER JOE'S®

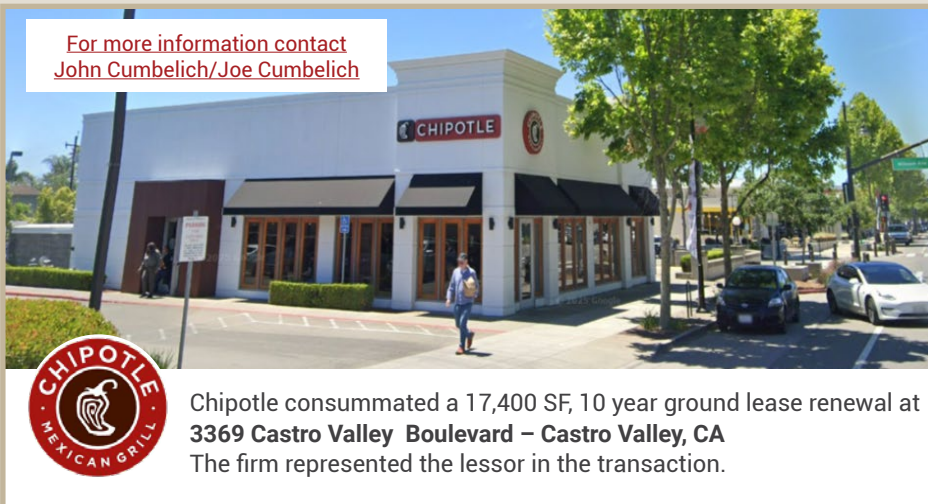
Trader Joe's consummated a 12,500 SF, 10 year lease at **Crossroads West Riverbank, CA**

The firm represented the lessor in the transaction.

[For more information contact John Cumbelich/Joe Kuvetakis](#)

Representative

Featured Transaction



[For more information contact John Cumbelich/Joe Cumbelich](#)



Chipotle consummated a 17,400 SF, 10 year ground lease renewal at **3369 Castro Valley Boulevard – Castro Valley, CA**
The firm represented the lessor in the transaction.

Featured Listing



ONE SPACE REMAINING!



SUBJECT

Fairview Plaza, Vallejo, CA
3,523 SF (Divisible) with Outdoor Patio

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[For more information 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 Roseville, CA	 RH New Gallery Store Walnut Creek, CA	 NorthBay Health 30.52 Acres Fairfield, CA
 Lucid Motors 16,985 SF Rocklin, 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	 HomeGoods 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/0.52 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

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 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 success.



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