

Bay Area Regional Shopping Center Quarterly Report



Q4 YEAR ENDS WITH A SURGE IN OCCUPANCY

John Cumbelich & Associates survey of the Northern California Regional Shopping Center inventory in Q4 2025 saw a surge in positive absorption that lifted occupancy rates in the region to the highest level since Q2 of 2023. 2025 wrapped up with the region clocking in at a 93.74% occupancy level across the region, reflecting some 124,000 SF in net positive absorption. That net gain was the result of 161,523 in new occupancy against 37,483 SF in new vacancies. At year end, the Regional Shopping Center market is positioned at its strongest occupancy level in 14 quarters.

Paced by leasing gains in the East Bay and North Bay, the Bay Area submarket has experienced five consecutive quarters with increasing occupancy levels.

The East Bay moved from an 88.01% occupancy rate to 90.23%, due to the absorption of a 97,970 SF **H-Mart** at Pacific Commons in Fremont and a 22,000 SF **Boot Barn** at the East Bay Bridge Center in Emeryville. The already tight North Bay leasing market improved further, moving higher from a 97.79% occupancy level to 98.12%, leaving a mere 50,381 SF of available space in the entire North Bay region. Now is the moment for Landlord's in this supply-constrained submarket to move rents higher as supply approaches an all-time low. Meanwhile, leasing activity on the San Francisco Peninsula was essentially flat, and the South Bay submarket ticked down with a small increase in new vacancies.

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.

(Continued on next page)

Summary



BRIDGEPOINT SHOPPING CENTER IS ONE OF THREE CENTERS IN THE REGION WITH 100 OCCUPANCY

GO CONSIDER STOP

A ROBUST RECOVERY

The Regional Shopping Center market achieved an occupancy level last seen in Q2 of 2023

ALMOST SOLD OUT!

The entire North Bay submarket has a mere 50,381 SF available. Smaller than several individual East Bay vacancies.

HOW LONG HAS IT BEEN?

All four Bay Area submarkets have exceeded 90% occupancy levels in unison for the first time since Q2 2023.

The East Bay's solid leasing gains are a welcome tonic, yet this submarket remains the region's most challenged, as its 504,102 SF of available space represents 62% of the region's total inventory. But the East Bay is clearly on an encouraging trend, achieving its highest occupancy level in 6 quarters. With these gains, all four Bay Area submarkets have surpassed the 90% occupancy level at the same time – something that has not happened since Q2 of 2023. COVID's impacts appear to have completely dissipated.

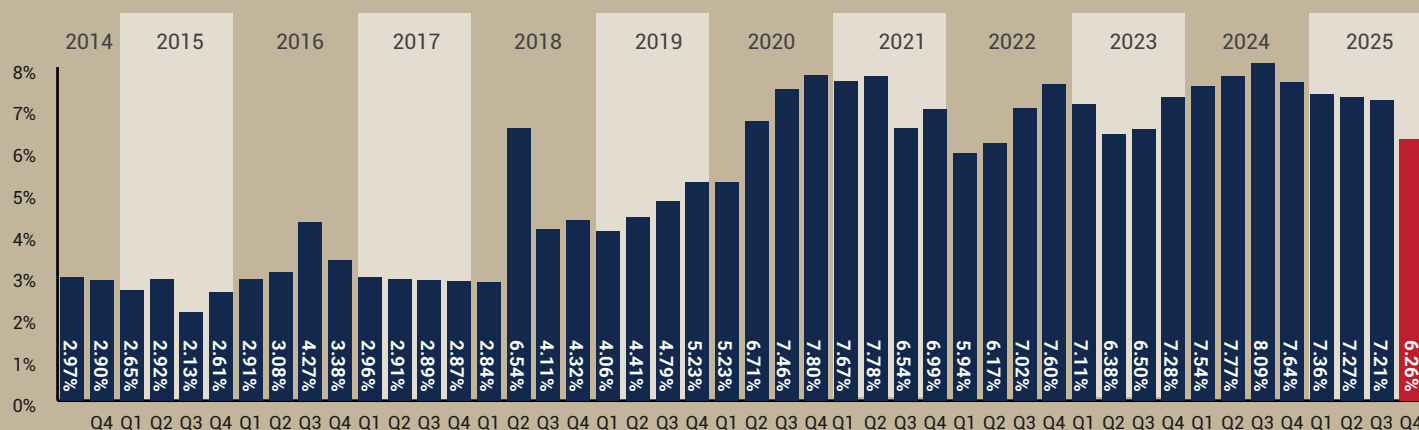
An interesting side effect of the region's tightening of space has been the decision of multiple grocery anchors to make brokerage changes, seeking to recalibrate their teams in order to shake loose quality real estate in a market with shrinking inventory. Sprouts, Whole Foods and Trader Joe's each made brokerage team changes during Q4 of 2025. Time will show if new brokers can offset the realities of supply and demand.

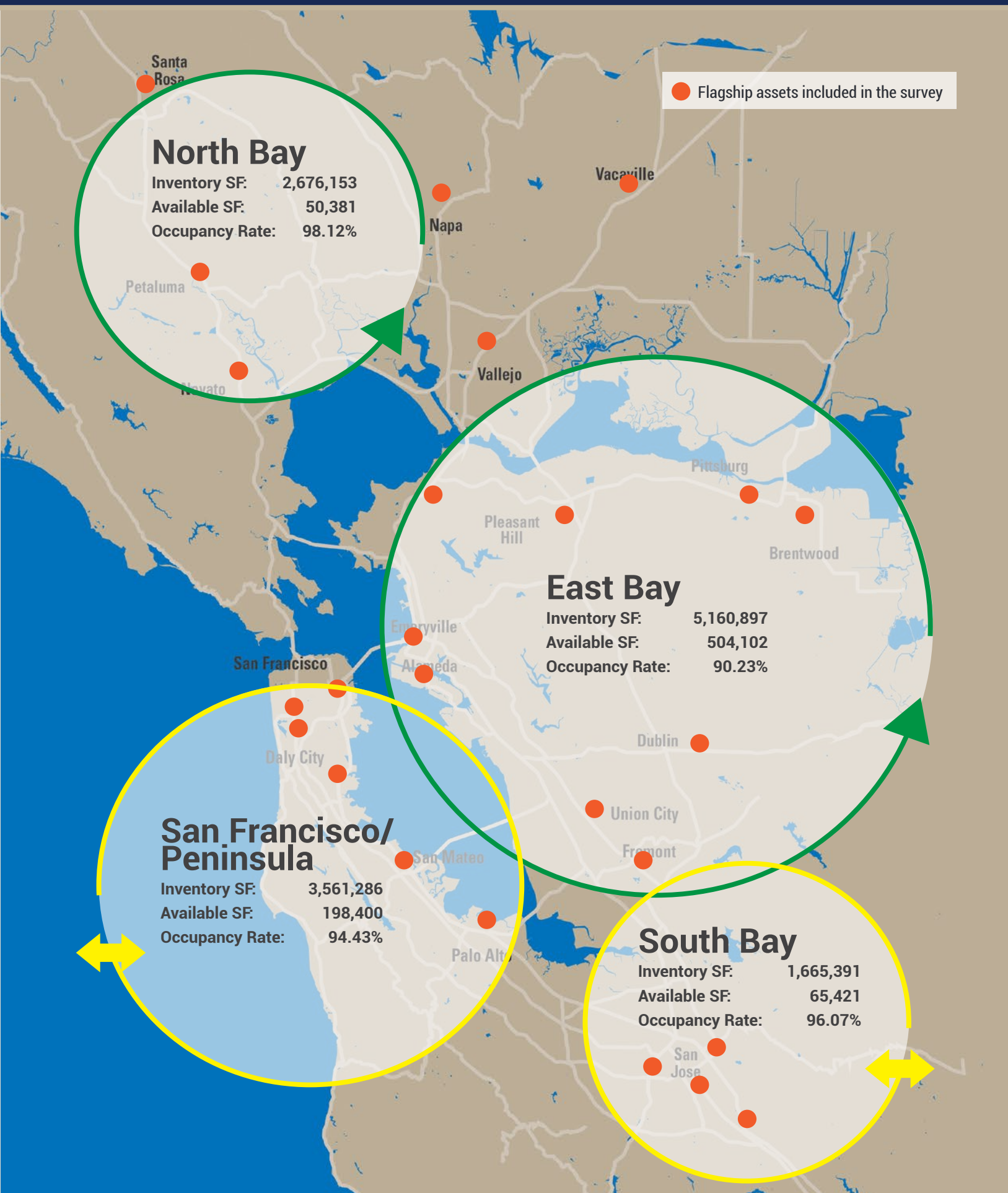
Finding the users for large format vacancies will continue to be the key to solving the region's remaining large format vacancies. **Century Plaza** (158,860 SF), **Pacific Commons** (99,801 SF), **Hacienda Crossings** (88,437 SF) and **Potrero Center** (68,361 SF) have the most prominent holes to fill, but reports of leasing action on each of these projects is encouraging.

In the North Bay and SFO Peninsula submarkets, an embarrassment of riches reigns. Five of the Bay Area's top six 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)**, **Santa Rosa Marketplace (544,234 SF - 100% occupancy)**, **South Napa Marketplace (349,530 SF – 100% occupancy)**. Others including **Vintage Oaks** in Novato, **Nut Tree Village** in Vacaville, and the **280 Metro Center** in Colma exceed 98.1% occupancy.

Ethnic grocers like H-Mart, Vallarta, T&T and others continue to hunt sites and will likely be a part of the leasing story in 2026.


Overall Historical Vacancy






Results – Flagship Power Centers


North Bay

Inventory SF: 2,676,153
Available SF: 50,381
Occupancy Rate: 98.12% 


San Francisco/Peninsula

Inventory SF: 3,561,286
Available SF: 198,400
Occupancy Rate: 94.43% 


South Bay

Inventory SF: 1,665,391
Available SF: 65,421
Occupancy Rate: 96.07% 

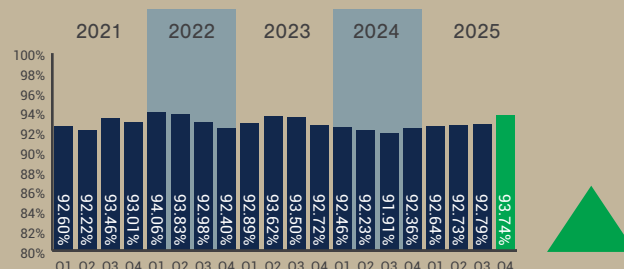
East Bay

Inventory SF: 5,160,897
Available SF: 504,102
Occupancy Rate: 90.23% 

BAY AREA TOTALS

INVENTORY: 13,109,889
AVAILABLE: 818,304
OCCUPANCY RATE: 93.74% 

Overall Occupancy



Highest Occupancy

Power Center	Size (SF)	Occupied (SF)	Occupancy %
Bridgepointe	572,000	572,000	100.00%
Santa Rosa Marketplace	544,234	544,234	100.00%
South Napa Market Place	349,530	349,530	100.00%
Pinole Vista Crossings	353,838	352,349	99.58%
Vintage Oaks of Novato	620,228	616,500	99.40%
Nut Tree Village	392,000	389,495	99.36%

Highest Vacancy

Power Center	Size (SF)	Available (SF)	Vacancy %
Potrero Center	226,642	68,361	30.16%
Century Plaza	530,000	158,860	29.97%
Hacienda Crossings	470,000	88,437	18.82%
Downtown Pleasant Hill	345,687	44,003	12.73%
San Bruno Towne Center	333,869	34,072	10.21%
Westlake Center	683,254	62,289	9.12%

Largest Vacant Spaces

Power Center	Size (SF)	Available (SF)
Century Plaza	530,000	101,850
Pacific 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

Featured Transaction

RH

RH Outlet consummated a 45,000 SF lease at

ARDEN FAIR MALL SACRAMENTO, CA

The firm represented the lessee in the transaction.

*For more information
contact John Cumbelich*



Featured Transaction

For more information contact
Joe Kuvetakis/John Cumbelich



BMO

BMO consummated a 20 year ground 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 Transaction



Dollar Tree consummated a 15,160 SF, 10 year lease at

SAN TOMAS PLAZA CAMPBELL, CA

The firm represented the lessee in the transaction

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

Submit Sites to
Tim Seiler/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

 <p>Crate & Barrel 19,725 SF Walnut Creek, CA</p>	 <p>Costco 152,000 SF Riverbank, CA</p>	 <p>Amazon Fresh 45,040 SF SF Roseville, CA</p>	 <p>Skechers 10,500 SF Roseville, CA</p>	 <p>Raising Cane's 54,668 SF Land Parcel Ceres, CA</p>
 <p>Lucid Motors 16,985 SF Rockin, CA</p>	 <p>Sprouts Farmers Market 48,137 SF Lodi, CA</p>	 <p>Macerich 4,800 SF Walnut Creek, CA</p>	 <p>TJ Maxx 24,000 SF Riverbank, CA</p>	 <p>NorthBay Health 8,256 SF Vallejo, CA</p>
 <p>Burlington 42,216 SF Pleasant Hill, CA</p>	 <p>Smart & Final 32,350 SF San Jose, CA</p>	 <p>Calicraft Brewing Co. 4,000 SF + Patio Davis, CA</p>	 <p>HmeGoods 25,000 SF Riverbank, CA</p>	 <p>El Pollo Loco 20,922 SF Hayward, CA</p>
 <p>Sprouts Farmers Market 32,620 SF Newark, CA</p>	 <p>Hobby Lobby 57,000 SF Concord, CA</p>	 <p>Pvolve 2,042 SF Walnut Creek, CA</p>	 <p>Philz Coffee 2,162 SF Lafayette, CA</p>	 <p>Smart & Final 33,000 SF Stockton, CA</p>
 <p>Dutch Bros Coffee 824 SF/.52 Acres Merced, CA</p>	 <p>Public Storage 212,000 SF Ceres, CA</p>	 <p>Dick's Sporting Goods 35,000 SF Morgan Hill, CA</p>	 <p>East Brother Beer 2,179 SF + 1,327 SF San Francisco, CA</p>	 <p>Outdoor Supply Hardware 41,108 SF/3.18 Acres San Leandro, CA</p>
 <p>Lewis Retail Centers 12.85 Acre Site Hercules, CA</p>	 <p>Wendy's 2,500 SF Riverbank, CA</p>	 <p>Bluemercury 2,965 SF Lafayette, CA</p>	 <p>Gott's Roadside 5,500 SF Walnut Creek, CA</p>	 <p>Model Bakery 4,367 SF Walnut Creek, CA</p>
 <p>Walmart 50,331 SF San Ramon, CA</p>	 <p>Tiffany & Co. 6,785 SF Walnut Creek, CA</p>	 <p>Target 10.8 Acres San Jose, CA</p>	 <p>Regency Centers 34 Acres Petaluma, CA</p>	 <p>LOJA 350,000 SF Pleasant Hill, CA</p>

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 of 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.



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