



NEWMARK

# North I-680 Office Market Overview

---

4Q25

NMRK.COM

# U.S. Market Observations



## Economy

- The East Bay's unemployment increased by 40 basis points in the fourth quarter and currently stands at 5.5%. This is now 110 basis points higher than the national average.
- Job growth year-over-year increased in financial activities, construction, government, and leisure hospitality. The information, professional business and services, and other services sectors showed the largest decreases in employment.
- As the new year begins, the U.S. economy enters a period of heightened uncertainty, shaped by recent tariff actions and evolving interest rate policy. These dynamics are expected to play a significant role in influencing market conditions, investor sentiment, and economic performance throughout the year ahead.



## Leasing Market Fundamentals

- The vacancy rate decreased from 25.5% to 24.9% in the fourth quarter of 2025. The market experienced 82,409 square feet of positive absorption.
- Well-leased buildings with strong tenant engagement are drawing heightened interest as companies shift back to in-person operations. With more employers enforcing return-to-office mandates, there's a growing demand for workplaces that support collaboration, stability, and culture-building. As a result, tenants are increasingly prioritizing properties that offer modern amenities, convenient access, and an environment that helps attract and retain talent.



## Major Transactions

- Kimley-Horn & Associates leased 21,611 square feet at 2999 Oak Road.
- Black & Veach subleased 19,549 square feet of space at 1277 Treat Blvd.
- Discovery Builders leased 17,236 square feet at 5099 Commercial Circle.
- Southland industries renewed 11,626 square feet and expanded 2,617 square feet of space at 2999 Oak Road.
- Unison leased 10,104 square feet of space at 1320 Willow Pass Road.

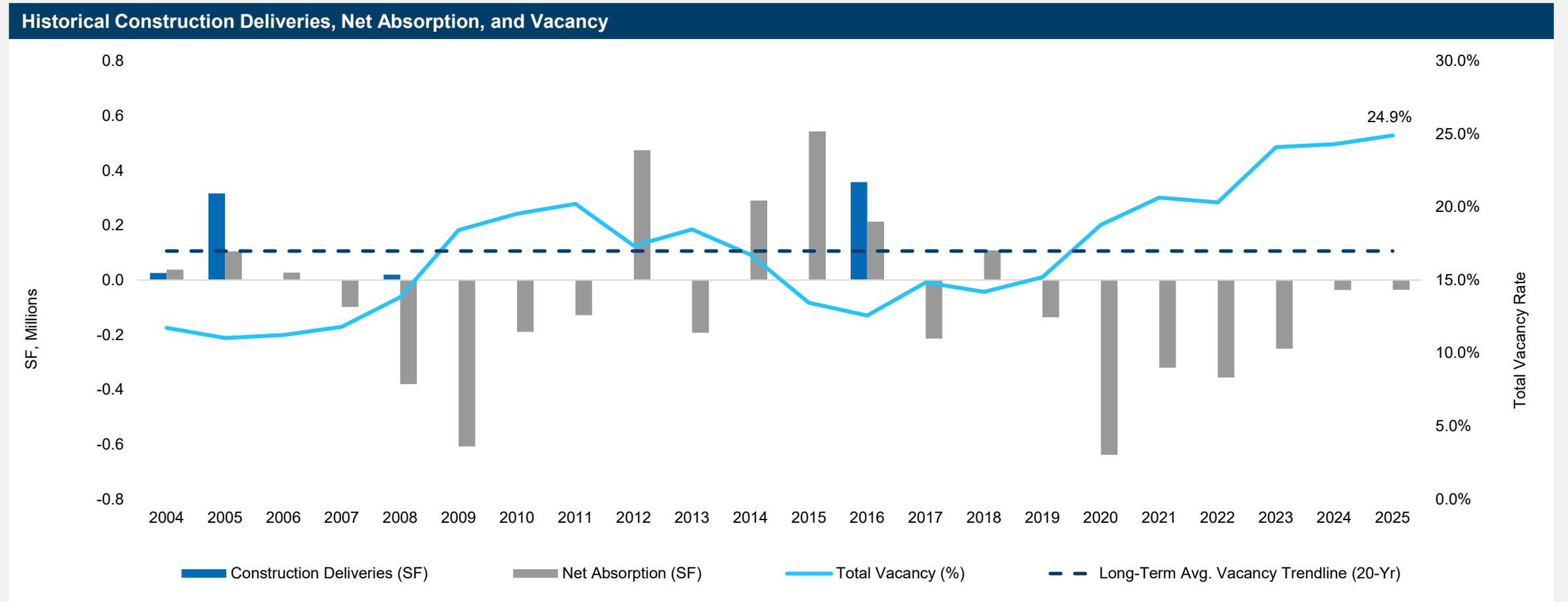


## Outlook

- In migration from San Francisco slowed a bit during the fourth quarter. We expect this to pick up as the fast-paced recovery in San Francisco pushes more tenants east towards North I-680.
- Buildings that are well leased and have good employee density are leasing fastest as energy environments are attracting employers and employees.
- Tenants are committing to longer term deals to make sure that their office are impressive enough to recruit and retain talent.

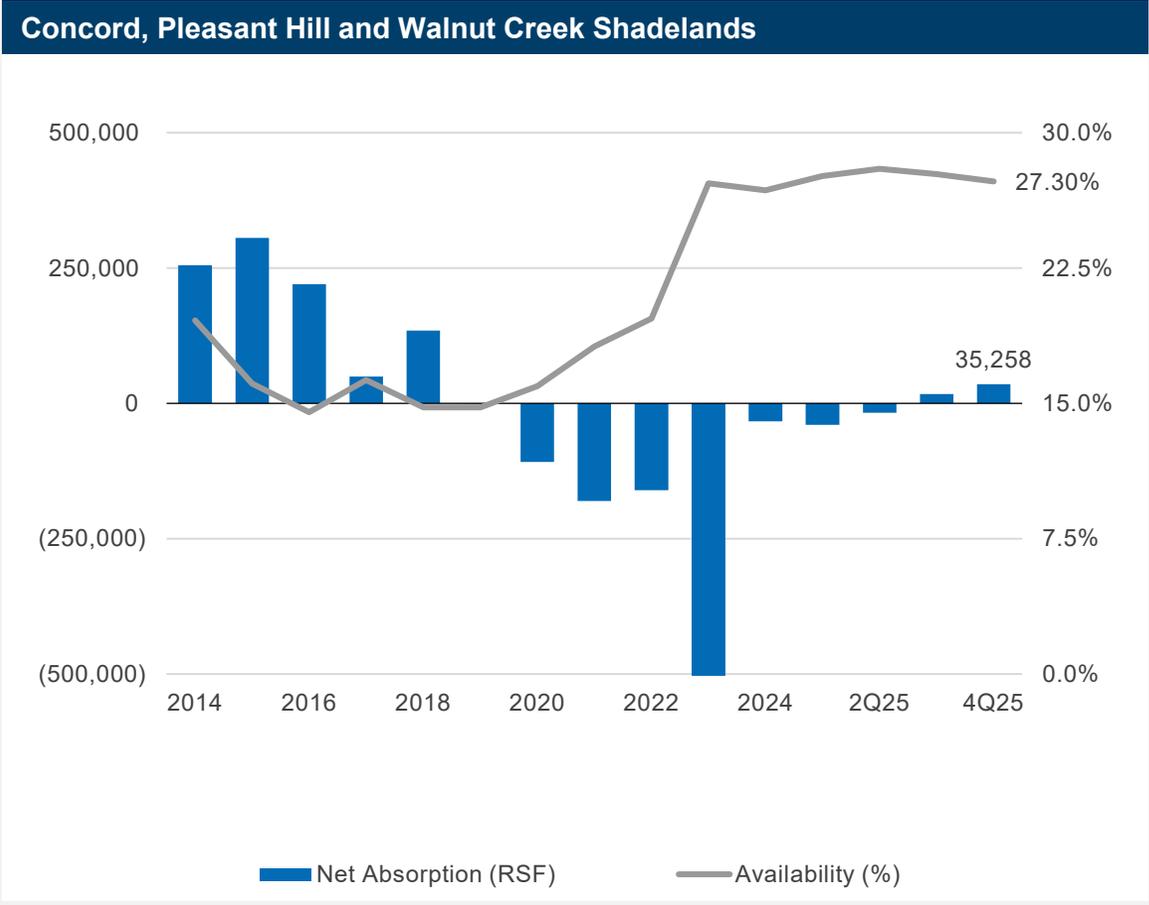
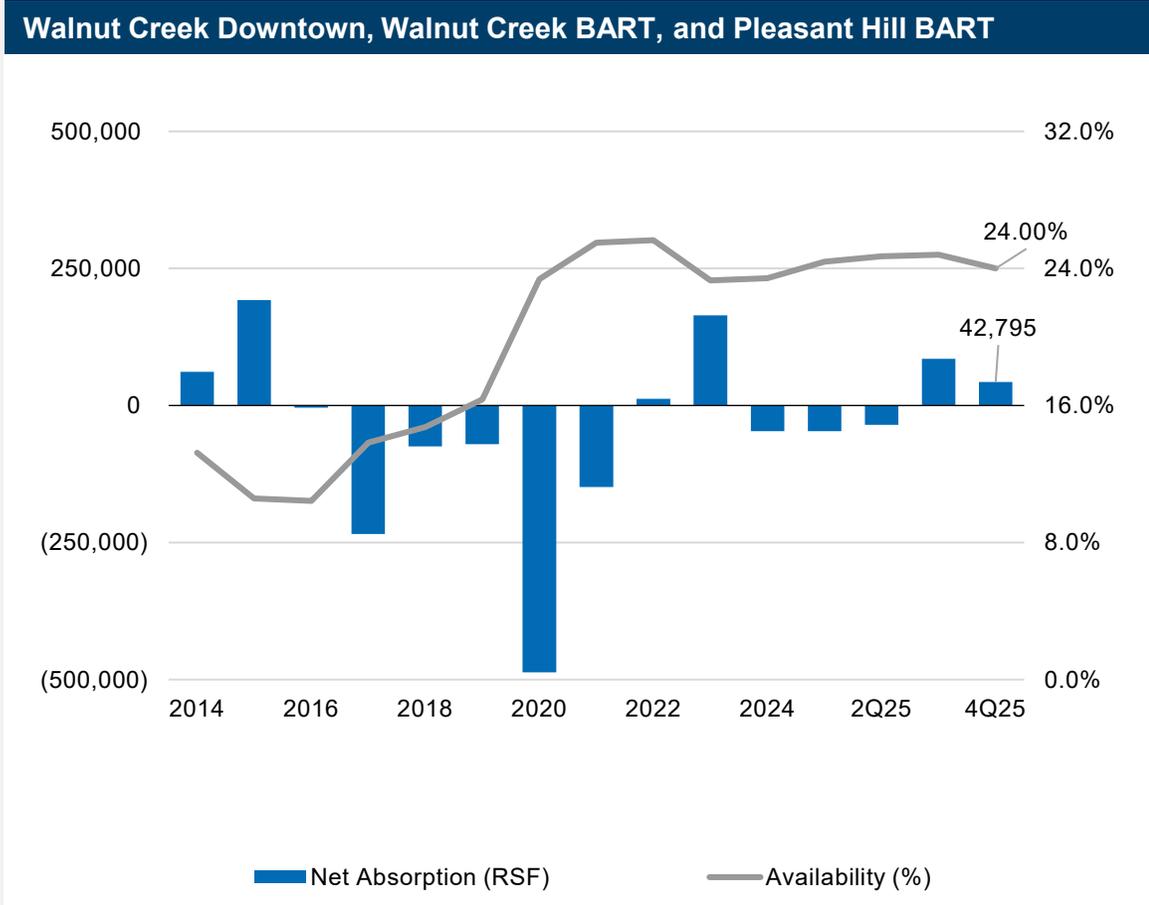
# Vacancy Remains Steady in Fourth Quarter of 2025

The vacancy rate held steady in the fourth quarter of 2025. Net absorption totaled positive 82,409 square feet for the quarter, partially offsetting earlier losses and bringing the year-to-date total to negative 35,381 square feet. Meanwhile, no new office construction projects are currently in the pipeline.



# Net Absorption and Availability Correlation

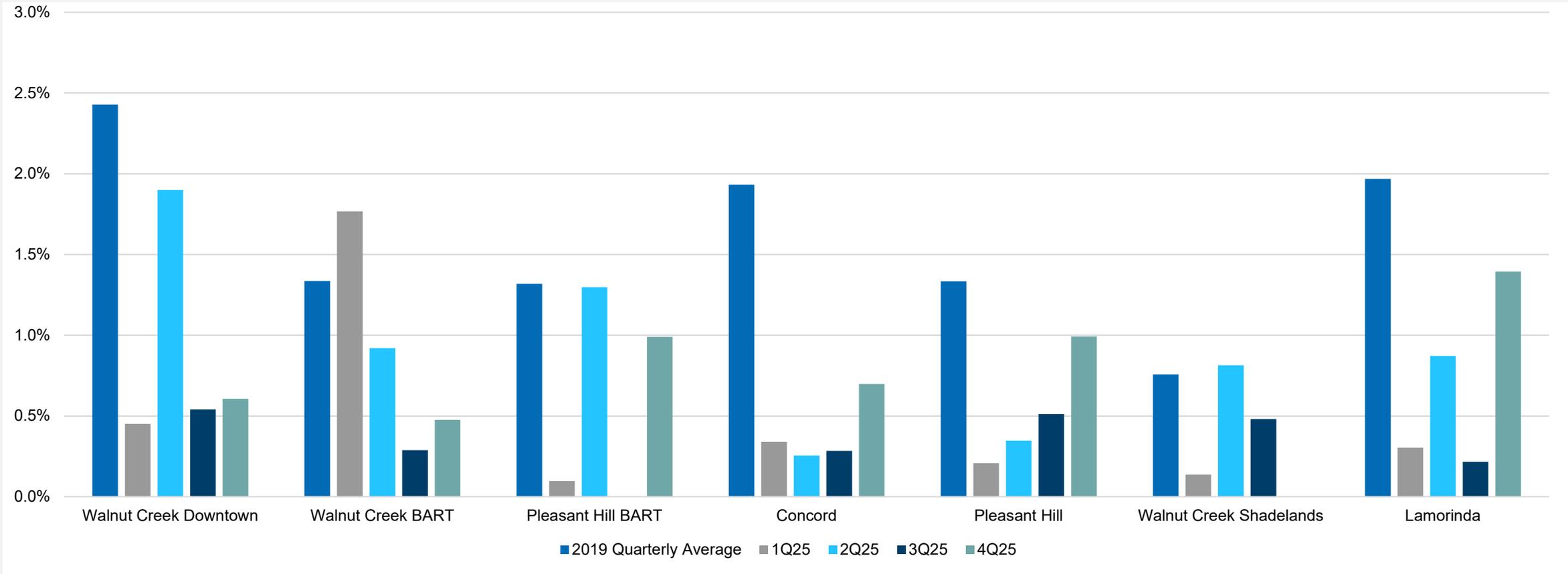
Most submarkets in Greater Walnut Creek experienced positive absorption in the fourth quarter, with the exception of Walnut Creek Shadelands. The Concord submarket led the region, posting the highest level of positive absorption at 37,534 square feet. Overall availability declined slightly, driven by steady positive absorption across several areas of the market.



# NI-680 Leasing Activity Increases

All submarkets outpaced last quarter’s leasing activity except for Walnut Creek Shadelands. Lamorinda, Pleasant Hill, and Pleasant Hill BART recorded the highest levels of leasing activity, while Walnut Creek Shadelands faced significant challenges in securing new leases.

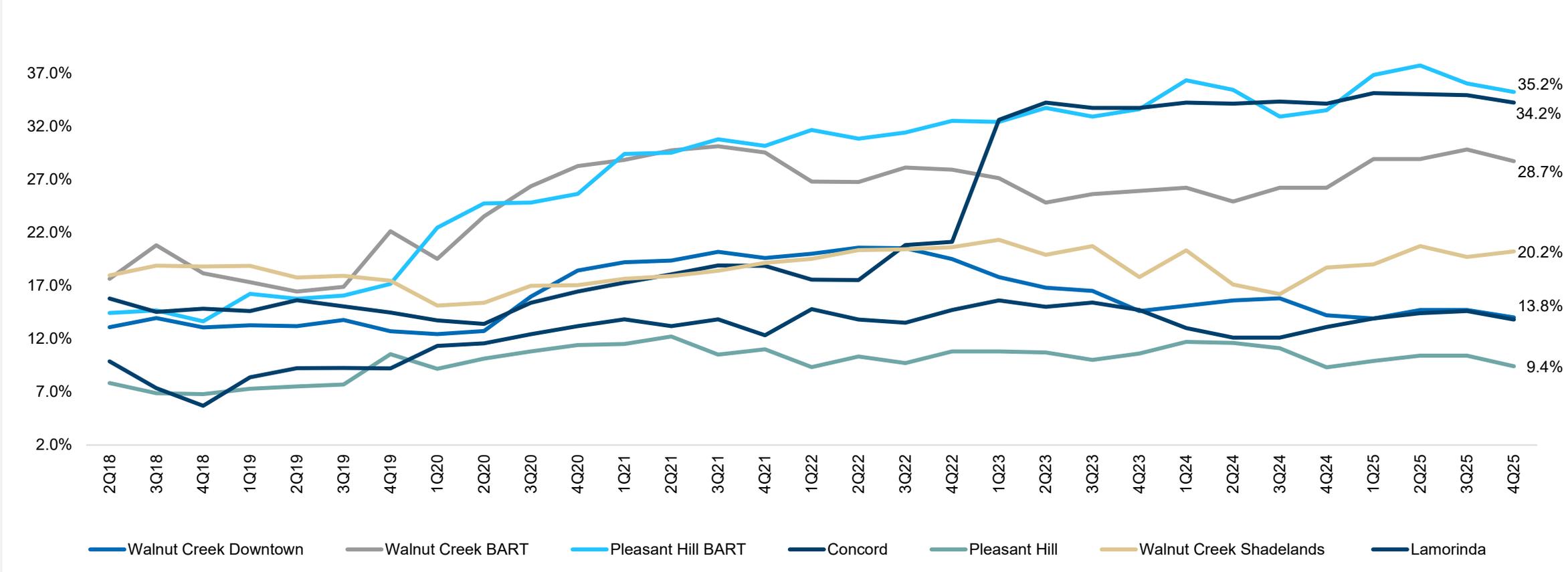
## Leasing Activity as a Percentage of Inventory



# Availability Decreased in Almost All Submarkets

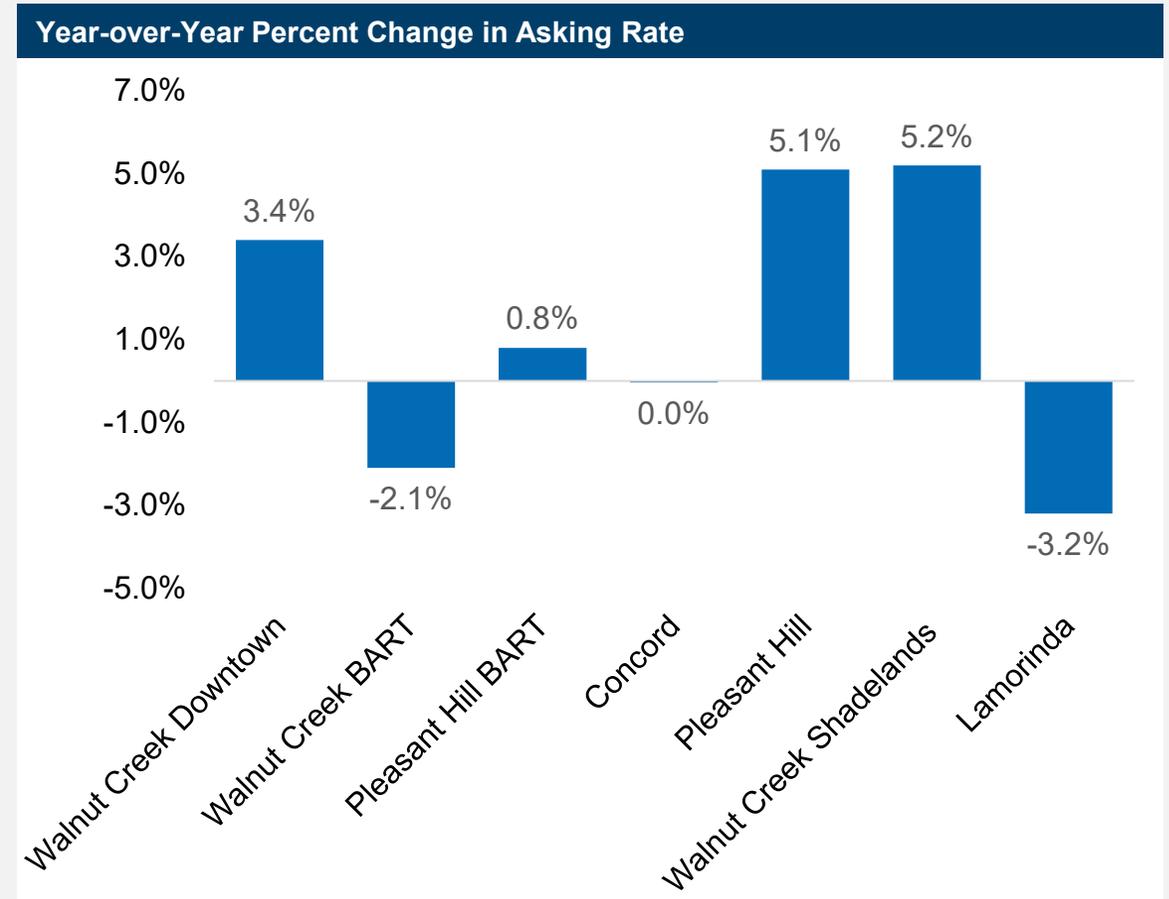
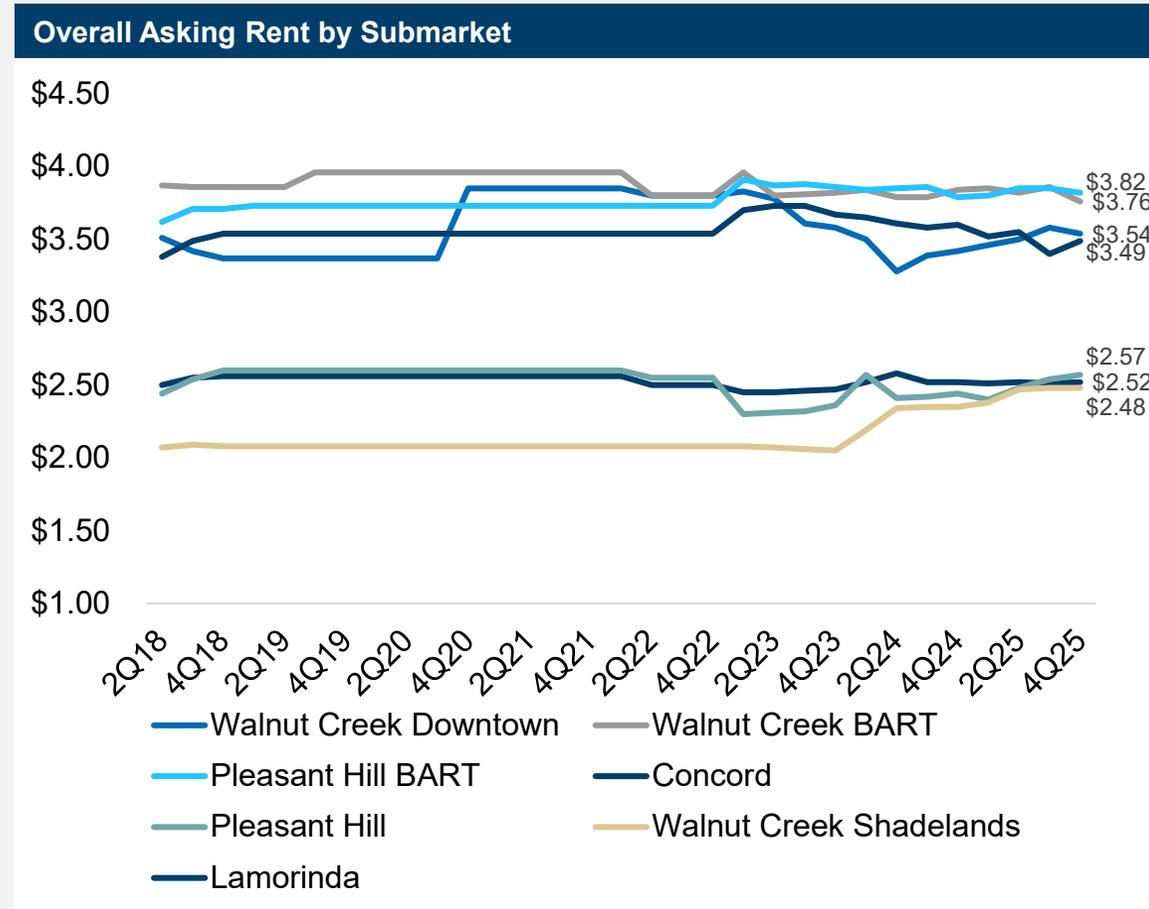
Almost every submarket experienced a decrease in availability during the fourth quarter of 2025, with Walnut Creek Shadelands being the only exception, increasing by 50 basis points. The largest decline occurred in Walnut Creek BART, which dropped by 110 basis points. This overall reduction in availability suggests optimism for increased leasing activity in the East Bay.

## Availability Rate by Submarket



# Asking Rates Remain Relatively Steady

Asking rental rates remained largely stable across East Bay submarkets during Q4 2025, except for Walnut Creek BART, which experienced a notable decline. Rents in Walnut Creek BART fell 2.3%, decreasing from \$3.86 to \$3.76 per square foot. Conversely, Lamorinda posted the largest quarter-over-quarter increase, with asking rents rising by \$0.09 per square foot.



# Fourth Quarter Lease Transactions

During the fourth quarter of 2025, leasing activity in the East Bay was primarily concentrated in the Walnut Creek and Concord submarkets. The largest lease was executed by Kimley-Horn and Associates at 2999 Oak Road in Walnut Creek, totaling 21,611 square feet.

## Notable 4Q25 Lease Transactions

Tenant	Building(s)	Submarket	Type	Square Feet
Kimley-Horn and Associates	2999 Oak Road	Walnut Creek – Pleasant Hill BART	Direct Lease	21,611
Black & Veatch	1277 Treat Blvd	Walnut Creek – Pleasant Hill BART	Sublease	19,549
Discovery Builders	5099 Commercial Circle	Concord – Concord	Direct Lease	17,236
Southland Industries	2999 Oak Road	Walnut Creek – Pleasant Hill BART	Lease Renewal/Expansion	14,243
Unison	1320 Willow Pass Road	Walnut Creek – Pleasant Hill BART	Direct Lease	10,104

# N-I680 Office Market Statistics

## Office Market Stats 4Q25

	Total Inventory (SF)	Total Availability (SF)	Sublease Availability (SF)	Total Availability Rate	Sublease Availability Rate	Qtr Net Absorp (SF)	YTD Absorp (SF)	Direct FS Asking Rent (Price/SF)		Total Inventory (SF)	Total Availability (SF)	Sublease Availability (SF)	Total Availability Rate	Sublease Availability Rate	Qtr Net Absorp (SF)	YTD Absorp (SF)	Direct FS Asking Rent (Price/SF)	
<b>Pleasant Hill BART</b>	<b>1,946,374</b>	<b>685,930</b>	<b>6,054</b>	<b>35.2%</b>	<b>0.3%</b>	<b>15,226</b>	<b>(5,805)</b>	<b>\$3.82</b>		<b>Concord</b>	<b>4,854,142</b>	<b>1,660,606</b>	<b>102,136</b>	<b>34.2%</b>	<b>2.1%</b>	<b>37,534</b>	<b>(13,583)</b>	<b>\$2.52</b>
Class A	1,789,006	624,902	6,054	34.9%	0.3%	24,890	(5,325)	\$3.94		Class A	3,378,573	1,442,598	101,533	42.7%	3.0%	15,795	(24,881)	\$2.59
Class B	157,368	61,028	0	38.8%	0.0%	(9,264)	(480)	\$2.59		Class B	940,159	114,914	0	12.2%	0.0%	(2,585)	(7,424)	\$2.05
<b>Walnut Creek BART</b>	<b>2,123,278</b>	<b>610,412</b>	<b>25,212</b>	<b>28.7%</b>	<b>1.2%</b>	<b>12,168</b>	<b>(42,457)</b>	<b>\$3.76</b>		Class C	535,410	102,734	603	19.2%	0.1%	24,324	18,722	\$2.08
Class A	1,955,486	572,108	25,212	29.3%	1.3%	(1,084)	(60,922)	\$3.85		<b>Pleasant Hill</b>	<b>1,120,558</b>	<b>105,336</b>	<b>3,329</b>	<b>9.4%</b>	<b>0.3%</b>	<b>9,078</b>	<b>6,882</b>	<b>\$2.57</b>
Class B	167,792	38,304	0	22.8%	0.0%	13,252	18,465	\$2.40		Class A	342,984	70,895	3,329	20.7%	1.0%	888	2,255	\$3.10
<b>Walnut Creek Downtown</b>	<b>3,205,583</b>	<b>449,476</b>	<b>13,692</b>	<b>14.0%</b>	<b>0.4%</b>	<b>15,361</b>	<b>16,618</b>	<b>\$3.54</b>		Class B	546,033	19,054	0	3.5%	0.0%	708	4,865	\$2.06
Class A	1,121,560	161,261	6,264	14.4%	0.6%	10,556	2,884	\$4.99		Class C	231,541	15,387	0	6.6%	0.0%	7,482	(238)	\$1.91
Class B	1,735,307	262,274	7,428	15.1%	0.4%	3,676	14,846	\$2.77		<b>Walnut Creek Shadelands</b>	<b>1,925,449</b>	<b>388,771</b>	<b>0</b>	<b>20.2%</b>	<b>0.0%</b>	<b>(11,354)</b>	<b>10,550</b>	<b>\$2.48</b>
Class C	348,716	25,941	0	7.4%	0.0%	1,129	(1,112)	\$2.73		Class A	697,829	140,329	0	20.1%	0.0%	1,865	16,359	\$2.94
<b>NORTH I-680</b>	<b>16,256,508</b>	<b>4,059,365</b>	<b>158,479</b>	<b>24.9%</b>	<b>1.0%</b>	<b>82,409</b>	<b>(35,381)</b>	<b>\$3.08</b>		Class B	912,260	233,564	0	25.6%	0.0%	(13,219)	(12,509)	\$2.18
Class A	9,897,831	3,111,401	150,448	31.4%	1.5%	48,371	(75,790)	\$3.27		Class C	315,360	14,878	0	4.7%	0.0%	-	6,700	\$2.43
Class B	4,820,360	765,772	7,428	15.9%	0.2%	1,103	18,575	\$2.46		<b>Lafayette/Moraga/Orinda</b>	<b>1,081,124</b>	<b>148,834</b>	<b>8,056</b>	<b>13.8%</b>	<b>0.7%</b>	<b>4,356</b>	<b>(7,586)</b>	<b>\$3.49</b>
Class C	1,538,317	172,192	603	11.2%	0.0%	32,935	21,834	\$2.26		Class A	612,393	98,948	8,056	16.2%	1.3%	(4,539)	(6,160)	\$3.66
										Class B	361,441	36,634	0	10.1%	0.0%	8,895	812	\$3.34
										Class C	107,290	13,252	0	12.4%	0.0%	0	(2,238)	\$2.82

# Newmark Walnut Creek

## Office Division

**Kam Schroeder**  
*Executive Vice President*  
t 925.984.6645  
kam.schroeder@nmrk.com

**Dan Watson**  
*Executive Managing Director*  
t 925.467.0903  
dan.watson@nmrk.com

**Jeff Morgenstern**  
*Senior Managing Director*  
t 925.467.0905  
jeff.morgenstern@nmrk.com

**Justin Grilli**  
*Senior Managing Director*  
t 925.997.1353  
justin.grilli@nmrk.com

**Alex Grell**  
*Senior Managing Director*  
t 925.974.0108  
alex.grell@nmrk.com

**Curtis Berrien**  
*Managing Director*  
t 925.974.0129  
curtis.berrien@nmrk.com

**Danny Bartz**  
*Director*  
t 925.974.0231  
danny.bartz@nmrk.com

**Alexis Williams**  
*Transaction Manager*  
t 510.915.2471  
alexis.williams@nmrk.com

**Breck Lutz**  
*Vice Chairman*  
t 925.974.0109  
breck.lutz@nmrk.com

**Rich Hoyt**  
*Senior Managing Director*  
t 925.460.9292  
rich.hoyt@nmrk.com

**Mark McNally**  
*Senior Managing Director*  
t 925.974.0101  
mark.mcnally@nmrk.com

**Rick Steffens**  
*Senior Managing Director*  
t 925.974.0110  
rick.steffens@nmrk.com

**Dave Bruzzone**  
*Managing Director*  
t 925.467.0910  
dave.bruzzone@nmrk.com

## Investment Division

**Forrest Gherlone**  
*Senior Managing Director*  
t 925.974.0237  
forrest.gherlone@nmrk.com

**Max Gunari**  
*Associate*  
t 925.974.0116  
max.gunari@nmrk.com

**Mike Zylstra**  
*Senior Managing Director*  
t 925.974.0106  
mike.zylstra@nmrk.com

**Nelson Roberts**  
*Associate*  
t 925.210.8741  
nelson.roberts@nmrk.com

**Jack Baughman**  
*Research Analyst*  
*East Bay Research*  
Jack.Baughman@nmrk.com

**Tri-Valley Office**  
1333 N California Blvd, Ste 343  
Walnut Creek, CA 94596  
T 925-974-0100

**New York Headquarters**  
125 Park Ave.  
New York, NY 10017  
t 212-372-2000

Newmark has implemented a proprietary database and our tracking methodology has been revised. With this expansion and refinement in our data, there may be adjustments in historical statistics including availability, asking rents, absorption and effective rents. Newmark Research Reports are available at [nmrk.com/insights](https://nmrk.com/insights)

All information contained in this publication (other than that published by Newmark) is derived from third party sources. Newmark (i) has not independently verified the accuracy or completeness of any such information, (ii) does not make any warranties or representations, express or implied, concerning the same and (iii) does not assume any liability or responsibility for errors, mistakes or inaccuracies of any such information. Further, the information set forth in this publication (i) may include certain forward-looking statements, and there can be no guarantee that they will come to pass, (ii) is not intended to, nor does it contain sufficient information, to make any recommendations or decisions in relation to the information set forth therein and (iii) does not constitute or form part of, and should not be construed as, an offer to sell, or a solicitation of any offer to buy, or any recommendation with respect to, any securities. Any decisions made by recipient should be based on recipient's own independent verification of any information set forth in this publication and in consultation with recipient's own professional advisors. Any recipient of this publication may not, without the prior written approval of Newmark, distribute, disseminate, publish, transmit, copy, broadcast, upload, download, or in any other way reproduce this publication or any of the information it contains with any third party. This publication is for informational purposes only and none of the content is intended to advise or otherwise recommend a specific strategy. It is not to be relied upon in any way to predict market movement, investment in securities, transactions, investment strategies or any other matter. If you received this publication by mistake, please reply to this message and follow with its deletion, so that Newmark can ensure such a mistake does not occur in the future.