

Bay Area Snapshot

Office - 2nd Quarter 2025

	# BLDGS	INVENTORY	DIRECT VACANT SF	SUBLET VACANT SF	VACANT %	PREV. QTR VACANT %	SAME QTR PREV YR VACANT %	NET ABSORPTION (SF)	PREV. QTR NET ABSORPTION (SF)	SAME QTR PREV YR NET ABSORPTION (SF)	QTR DEAL VELOCITY	2024 YTD DEAL VELOCITY
Class A	793	163,055,780	39,786,587	8,122,477	29.38%	29.30%	28.06%	(138,557)	(586,194)	(344,780)	224	437
Class B	5,730	173,816,583	32,136,581	4,805,039	21.25%	20.78%	20.41%	(820,364)	(198,826)	(595,253)	624	1,214
Class C	8,847	71,166,980	5,749,664	256,381	8.44%	8.21%	8.21%	(163,812)	(109,019)	(8,056)	239	489
TOTALS	15,370	408,039,343	77,672,832	13,183,897	22.27%	21.99%	21.32%	(1,122,733)	(894,039)	(948,089)	1,087	2,140

Still getting worse, the San Francisco Bay Area office markets hit an overall vacancy rate of 22.27% in Q2 2025 with slightly over <1.1M> sq. ft. in negative absorption. That's another jump from the 21.99% vacancy rate and negative <894K> sq. ft. of absorption in Q1 this year. Contrasted against the 21.32% vacancy rate and <948K> sq. ft. of negative absorption in Q2 2024, the outlook remains tepid at best.

By: Eric Rehn, CCIM

Eric Rehn, CCIM - TRI Commercial
eric.rehn@tricommercial.com

