

Northern California 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	985	184,698,232	44,207,816	8,275,224	28.42%	28.34%	27.00%	276,200	(680,084)	(297,183)	277	542
Class B	10,741	257,388,535	41,570,087	5,051,253	18.11%	17.71%	17.48%	(1,036,190)	(167,762)	(322,823)	863	1,689
Class C	17,487	134,214,153	9,163,402	312,231	7.06%	6.87%	6.84%	(250,623)	(137,907)	66,042	401	827
TOTALS	29,213	576,300,920	94,941,305	13,638,708	18.84%	18.58%	18.03%	(1,010,613)	(985,753)	(553,964)	1,541	3,058

Hard to believe, but it is getting worse; Nor Cal's office markets hit an overall vacancy rate of 18.84% in Q2 2025 with slightly over one million sq. ft. in negative absorption. That's another jump from the 18.58% vacancy rate and negative <984K> sq. ft. of absorption in Q1 this year. Contrasted against the 18% vacancy rate and <500K> sq. ft. of negative absorption in Q2 2024, the trend lines continue on a downward slope.

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