

FIGURES | SAN FRANCISCO INDUSTRIAL | Q4 2024

Market sees positive net absorption, but rents continue to decline

▼ 8.3%

Vacancy Rate

▲ 103K

Sq. Ft. Net Absorption

► 0

Sq. Ft. Under Construction

▼ \$1.80

IG / Monthly Lease Rate Existing Properties

▲ 36.8K

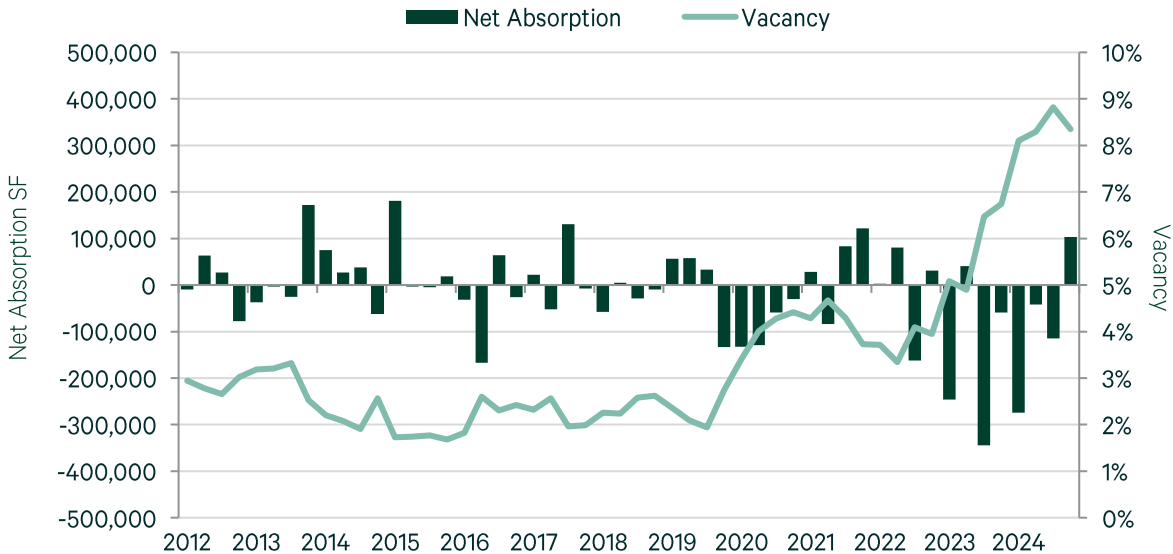
Industrial Using Employment

Note: Arrows indicate change from previous quarter.

MARKET HIGHLIGHTS

- In Q4 2024, the vacancy rate decreased by 50 basis points (bps) to 8.3% on 103,117 sq. ft. of positive net absorption. The vacancy rate increased by 160 bps, year-over-year.
- Mission Bay/China Basin experienced the largest occupancy gains, while Bayview/Hunters Point experienced the largest occupancy losses.
- The vacancy rate for warehouse facilities increased 60 basis points to 6.9% in Q4 2024. The vacancy rate for manufacturing facilities decreased 760 basis points to 17.5%.
- The average direct asking rate in Q4 2024 was \$1.80 IG monthly, a 16.2% decrease from the previous quarter, and a 22.6% decrease, year-over-year.
- There were no construction deliveries in Q4 2024, and there were no properties under construction at the close of the quarter.
- Industrial-using employment in San Francisco increased by 0.5% to 36,800 jobs.

FIGURE 1: Vacancy & Net Absorption Trend



Source: CBRE Research, Q4 2024

FIGURE 2: Submarket Statistics

Submarket	Net Rentable Area	Total Available SF	Total Availability (%)	Total Vacant SF	Total Vacancy (%)	Q4 2024 Net Absorption	2024 Net Absorption	Average Direct Asking Rate IG Monthly
Bayview/Hunters Point	7,508,240	943,426	12.6%	657,171	8.8%	(215,112)	(349,158)	\$1.48
Mission Bay/China Basin	3,177,665	290,286	9.1%	274,451	8.6%	249,068	113,910	\$1.88
Mission/Potrero	8,022,896	576,796	7.2%	451,009	5.6%	(18,900)	(140,274)	\$2.06
Showplace Square	927,717	236,623	25.5%	71,657	7.7%	33,331	24,486	\$1.99
South of Market	2,241,955	374,199	16.7%	372,454	16.6%	54,730	23,368	\$2.26
San Francisco Total Market	21,878,473	2,421,330	11.1%	1,826,742	8.3%	103,117	(327,668)	\$1.80
Warehouse	18,937,271	1,811,969	9.6%	1,311,954	6.9%	(119,479)	(509,400)	\$1.77
Manufacturing	2,941,202	609,361	20.7%	514,788	17.5%	222,596	181,732	\$1.93

Source: CBRE Research, Q4 2024

FIGURE 3: Notable Lease Transactions Q4 2024

Tenant	Address	SF Leased	Deal Type
CYO Transportation	2895 3rd St	31,806	New Lease
Built Robotics	225 7th St	4,000	New Lease
Power Scaffolding	2111-2115 Jennings St	3,900	New Lease

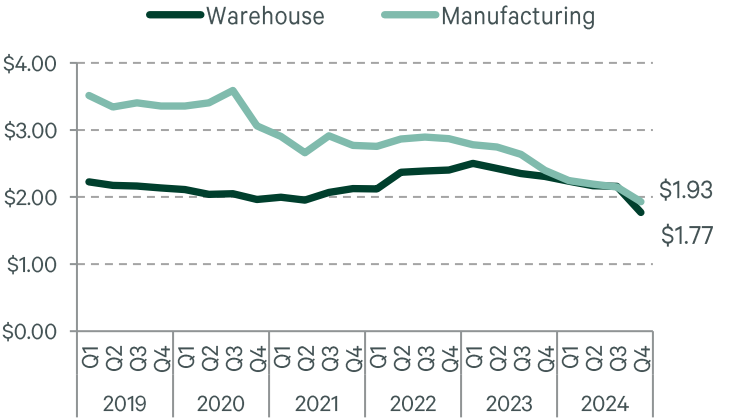
Source: CBRE Research, Q4 2024

FIGURE 4: Notable Sale Transactions Q4 2024

Buyer	Address	SF Sold	Sale Price
Private	101 Utah St	74,000	\$11.5M
City of San Francisco	240 6th St	18,000	\$5.3M
Navigate Investments	501 Mendell St	11,280	\$3.6M

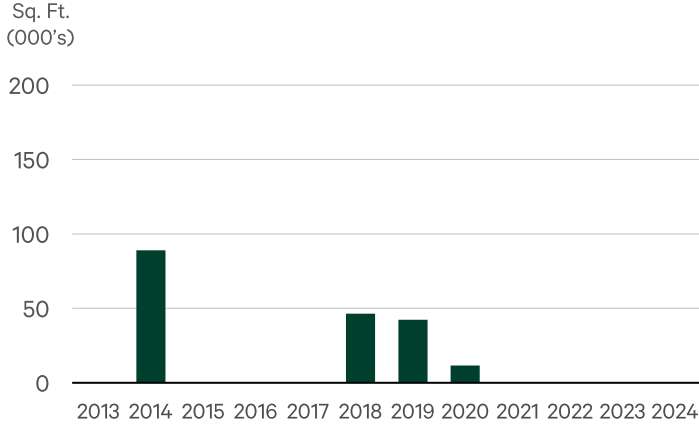
Source: CBRE Research, Q4 2024

FIGURE 5: Average Direct Asking Rate



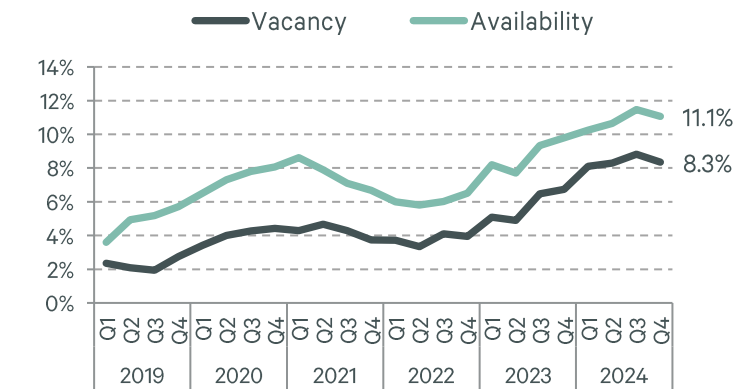
Source: CBRE Research, Q4 2024

FIGURE 7: Construction Completions



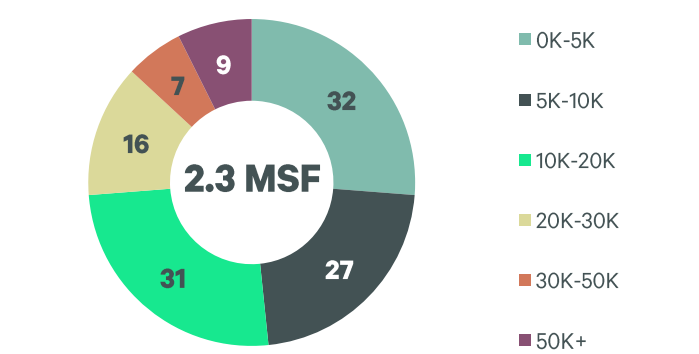
Source: CBRE Research, Q4 2024

FIGURE 6: Vacancy & Availability



Source: CBRE Research, Q4 2024

FIGURE 8: Number of Available Spaces by Size Range



Source: CBRE Research, Q4 2024

Aerial View of Submarkets



Source: CBRE Research, Location Intelligence, Q4 2024

Definitions

Average Asking Rate Direct Monthly Lease Rates., Industrial Gross (IG). Availability: All existing space being marketed for lease. Total Vacancy Rate: Direct Vacancy + Sublease Vacancy.

CBRE's market report analyzes existing single- and multi-tenant industrial buildings that total 1,000+ sq. ft. in San Francisco County. CBRE assembles all information through telephone canvassing, third-party vendors, and listings received from owners, tenants and members of the commercial real estate brokerage community

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