BLP Targets Northern California's Shifting Industrial Demand as AI and Advanced Manufacturing Tighten Supply

Recent Fremont and Stockton investments tied to AI and advanced manufacturing with Central Valley assets benefiting from logistics demand migration.

Sept. 14, 2026 —Bridge Logistics Properties ("BLP"), a subsidiary of Bridge Investment Group Holdings LLC (together with its affiliates, "Bridge") is seeking to expand its Northern California portfolio as industrial demand shifts across the region. As AI, advanced manufacturing and technology growth tighten available Class A supply in Fremont and San Jose, BLP is targeting well-located, functional, second-generation assets along the I-880 corridor while also investing in Central Valley markets benefiting from logistics demand migrating east.

"We see one interconnected Northern California industrial market," said Paul Jones, Managing Director at BLP. "We're investing in AI and technology-driven demand along I-880 while also positioning in the Central Valley as logistics demand migrates inland. Our strategy is to follow where we believe demand is being created, where it is being displaced, and where supply cannot keep pace."

BLP recently closed two acquisitions that reflect that strategy — 45101-45169 Industrial Drive in Fremont and 1919 Boeing Way in Stockton.

45101-45169 Industrial Drive in Fremont, CA

The 198,676-square-foot facility is fully leased to Quanta Manufacturing and Stericycle, with Quanta occupying approximately 90% of the property.

"The availability of high-quality, functional industrial product in Fremont and San Jose has compressed dramatically," said Jones. "Advanced manufacturing and technology companies want to be in those markets, but there simply isn't enough Class A supply. That is pushing demand into second-generation properties and farther north along I-880."

Fremont vacancy fell to approximately 2% in Q2 2026, with Class A vacancy below 1%. At the same time, Class A-to-B rent and valuation spreads have widened to approximately 40%, compared with a more typical 15% to 20%. BLP believes that gap will compress toward historical levels as advanced manufacturing and technology users increasingly compete for functional second-generation space.

1919 Boeing Way in Stockton, CA

The 545,836-square-foot cross-dock facility is leased to UNFI and Dollar Tree.

Tightening supply and rising occupancy costs along the I-880 corridor are pushing traditional trucking, distribution and 3PL users east into the Central Valley, where they can realize significant occupancy savings.

That migration is tightening Central Valley fundamentals. Vacancy has declined 200 basis points over last year, with significant leasing activity in space over 250k SF. A constrained construction pipeline following interest-rate reversion is further limiting new supply.

"These acquisitions reflect two sides of the same Northern California supply dynamic," said Sean Andrews, Vice President of Investments at BLP. "In Fremont, we're investing directly into demand from advanced manufacturing and technology users competing for scarce functional space. In Stockton, we're investing in the downstream effect, as traditional logistics users move east in search of availability and lower occupancy costs."

Together, the Fremont and Stockton acquisitions reflect BLP's view that tightening I-880 supply is reshaping demand across Northern California, creating opportunity in second-generation Silicon Valley assets and driving logistics users east to the Central Valley.

Mike Kendall, Nick Mascheroni and Greig Lagomarsino of Colliers represented the Fremont transaction. Mike Kendall, Nick Mascheroni and Mike Goldstein of Colliers represented the Stockton transaction.

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About BLP
BLP is a vertically-integrated logistics real estate investment manager led by tenured, multi-disciplinary real estate professionals with experience navigating several economic environments over the past three decades. Its founding members and leadership team employ a disciplined investment strategy that is both cycle-tested and innovative. Founded in 2021, BLP is comprised of industrial real estate veterans with prior tenure at Brookfield, Prologis, IDI Logistics, Duke Realty, Hines and KTR Partners. BLP is highly collaborative with its institutional capital partners. Leveraging its deep local relationships and its global operating experience, BLP uncovers and executes on investment opportunities in targeted coastal and gateway markets in the U.S. BLP executes its acquisition and development strategy in a vertically integrated regional structure across five offices located in New Jersey, Atlanta, Miami, Dallas and Los Angeles. Its steadfast focus on innovation and sustainable development promotes solutions that are both profitable and socially responsible. For more information, visit BridgeBLP.com.

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About Bridge Investment Group
Bridge Investment Group is an affiliate of Apollo Global Management, Inc. (NYSE: APO) and a leading alternative investment manager, diversified across specialized asset classes. Powered by Apollo, Bridge combines its nationwide operating platform with dedicated teams of investment professionals focused on select real estate verticals.

Forward-Looking Statements:
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