

	YoY Chg	12-Mo. Forecast
6.10% Cap Rate	▼	▼
\$674m Total Volume (USD)	▲	▲
300 Total Properties Sold	▲	▲
1.63m Total SF (Excluding MF)	▲	▲
1,913 Total Units (MF)	▲	▲

(All Property Classes)
MF = Multifamily

ECONOMIC INDICATORS
Q2 2021

	YoY Chg	12-Mo. Forecast
357.3K Boise Metro Employment	▲	▲
2.9% Boise Metro Unemployment Rate	▼	▼
5.9% U.S. Unemployment Rate	▼	▼
1.63% U.S. 10-Yr Treasury Yield	▲	▲

Source: BLS

ECONOMIC OVERVIEW

The Boise and Treasure Valley have exhibited a strong and continued economic recovery in the first half of 2021. Idaho remains one of the markets least effected by the Covid 19 Pandemic in America. Population growth continues to top the nation at 1.9%, down from last year's stellar 3.0% with a positive outlook. Idaho unemployment ranks 3rd nationally and just half of the 3.0% national rate, dropping over 67% year over year (YOY) with a healthy outlook. With virtually all restrictions related to the COVID-19 protocols, most businesses are back to operations. However, the largest challenge facing most businesses is finding the human capital to continue operations. The Boise Metro area continues to receive nationwide accolades for its unequalled economic climate.

INVESTMENT OVERVIEW

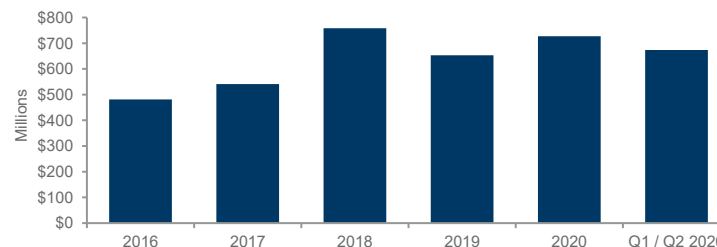
Investment activity continues to roar back to life in the first half of 2021, outpacing both H2 2020 and pre-pandemic H2 2019 with over half a billion traded across the four major asset classes. Fear of business closures and tenant defaults lessened, investor confidence returned, and buyers dove back into the market. Overall activity was constrained only by lack of supply, as many owners remained reluctant to sell due to limited reinvestment options.

Once again, healthy market fundamentals drove the strongest demand for multifamily and industrial properties. The office and retail segments, which were more negatively impacted by COVID-19, saw slightly less investor demand, apart from single tenant net leased retail properties, which remained highly sought after in most cases. High levels of activity in the owner/user arena offset the negative effects of any softening in demand from investors in these sectors. Hospitality continues to remain soft but is showing signs of life after the brutal effects of the pandemic. As restrictions lessen, a steady recovery is expected as business and leisure travel return to normal.

CAP RATES

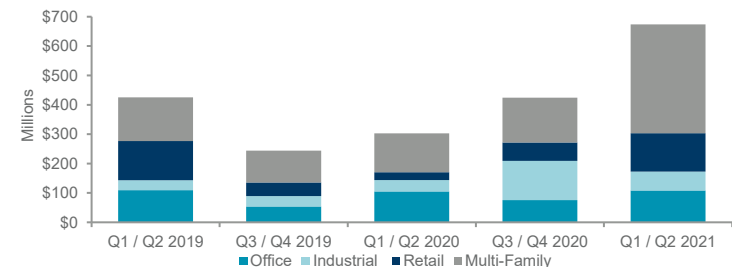
The overall weighted average cap rate fell 20 basis points (bps) to 6.10% from 6.30% at Year-End 2020. Office was the only sector showing an increase up 29 bps, with retail posting the largest H1 decrease of 74 bps from H2 2020. Industrial and multifamily assets experienced continued cap rate compression. With core markets across the West Coast dominated by institutional and REIT investors, pushing sub-4% cap rates, Boise will continue to be an attractive haven for private investors in search of core real estate quality and economic fundamentals without the core market premium.

INVESTMENT SALES VOLUME



Source: Cushman & Wakefield Research

INVESTMENT SALES VOLUME BY SECTOR



INVESTMENT ACTIVITY

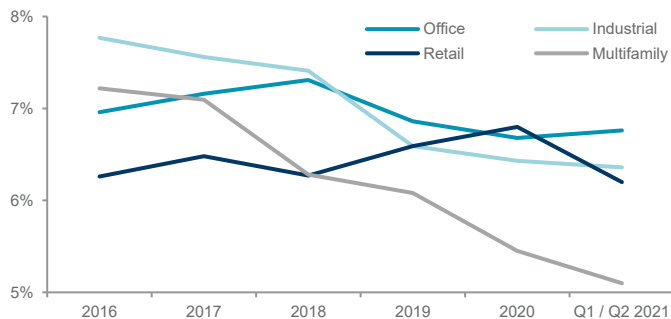
PROPERTY TYPE	PROPERTIES SOLD	SALES VOLUME (USD)	TOTAL SOLD	PRICE / SF*, UNIT	CAP RATE
Office	43	\$108,266,248	601,219	\$180	6.76%
Industrial	31	\$64,513,808	237,634	\$129	6.36%
Retail	35	\$130,603,042	794,739	\$64	6.20%
Multifamily	191	\$370,310,472	1,890,607	\$199* \$196,667	5.10%
TOTAL	300	\$673,693,570	2,913,738 SF	\$168.07	6.10%

SIGNIFICANT SALES

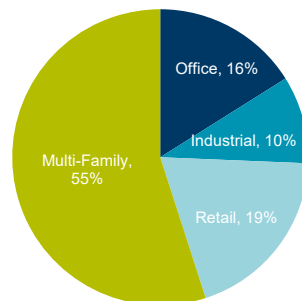
PROPERTY NAME	TYPE	BUYER	SELLER	TOTAL SF / UNITS	PURCHASE PRICE	PRICE / UNIT (\$ PSF)	MARKET
The Lofts at Ten Mile	Multi-Family	Kennedy Wilson	Brighton Corporation	240	*inquire	*inquire	Meridian
Jasper Apartments	Multi-Family	Kennedy Wilson	The Burrell Group	240	*inquire	*inquire	Meridian
Centrepont Marketplace	Retail	Wood Investments	Woodbury Corp	179,000	*inquire	*inquire	Meridian
Fred Meyers	Retail	Benderson Development Co, Inc	The Kroger Co.	167,000	*inquire	*inquire	West Boise
Country Square Center	Retail	Sandpoint Equities LLC	Janet Thomson	97,000	*inquire	*inquire	Southwest Boise
9th & Idaho Center	Office	Centennial Real Estate Investments	H&S Financial Corp	87,500	*inquire	*inquire	Downtown

Sources: Cushman & Wakefield Research
 *SF includes office, industrial and retail. Unit calculation for apartment only

CAP RATE TREND



INVESTMENT BY SECTOR



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