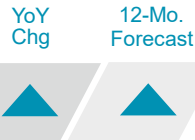


\$69,400

Boise HH Income



2.1%

Population Growth



2.9%

Unemployment Rate



Source: BLS (Economic Indicators are representative of specific county or MSA.)

U.S. ECONOMIC INDICATORS Q3 2021

5.6%

GDP Growth



0.4%

Population Growth



5.2%

Unemployment Rate



Source: BEA, Census Bureau

ECONOMY

Idaho and more specifically the Treasure Valley exhibited a strong and continued economic recovery in Q3 2021. Boise Metro continues its reign at #1 for population growth in the United States. Idaho's pro-business policies continues to bring businesses into the State while Idaho's lower than average cost of living and attractive quality of life attracts a workforce for mid-level and up paying positions. Unemployment for Boise remains at 2.9% which remains significantly lower than the national average of 5.3%. However, even with the population boom and the low unemployment retailers are having a hard time finding and retaining employees. The gap for service-related talent is widening and proving to be the largest challenge for retailers now that virtually all COVID-19 related restrictions have been removed.

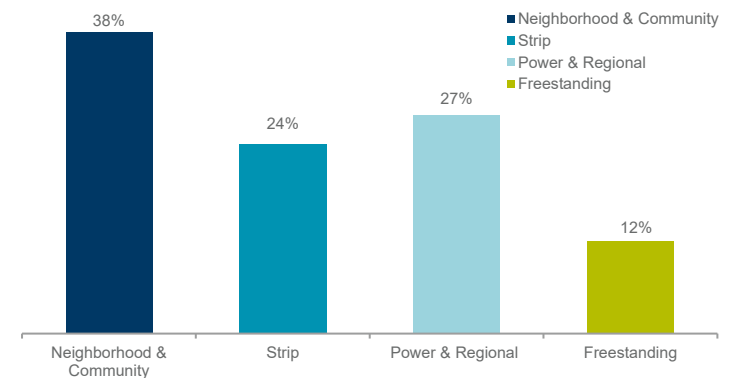
SUPPLY & DEMAND

The third quarter showed a small decrease in the vacancy from 6.3% to 6.1% with year over year (YOY) availability rate dipping one half percent to 5.9%. Supply is keeping up with demand, with deliveries and absorption total square feet nearly identical over the last 5 quarters. Availability in traditional neighborhood and community center experienced a 5% YOY increase while strip retail falling 4% from Q2. Every sector of retail opportunities from bare land to inline shop space continues to be sparse even in communities outside of Boise such as Idaho Falls and Pocatello. New development continues progressing in outlying markets such as Star and Kuna. The low growth in these markets seen over the last decade is over. The lack of infill opportunities in conjunction with unprecedented population growth has expanded the market to these former sub-markets. New retailers continue actively pursuing Idaho and existing tenants are beginning another round of expansion. There is new activity from Café Zupas, Take 5 Oil Change, Pizza Hut and aggressive expansion from Family Dollar and Grocery Outlet. Increases in construction costs have delayed some construction even though Meridian alone has 243,929 square feet currently under construction. The economy remains strong with steady demand for retail property.

RENT / VACANCY RATE



AVAILABILITY BY PRODUCT TYPE



MARKET STATISTICS

| SUBMARKET | INVENTORY (SF) | SUBLET VACANT (SF) | DIRECT VACANT (SF) | OVERALL VACANCY RATE | CURRENT QTR OVERALL NET ABSORPTION | YTD OVERALL NET ABSORPTION (SF) | UNDER CNSTR (SF) | OVERALL AVG ASKING RENT (NNN)* |
|---------------------|-------------------|--------------------|--------------------|----------------------|------------------------------------|---------------------------------|------------------|--------------------------------|
| North Boise | 1,745,098 | 21,663 | 98,735 | 6.9% | -10,343 | -13,294 | 19,096 | \$13.09 |
| Downtown | 1,486,532 | 15,273 | 132,878 | 10.0% | 10,016 | -50,996 | 2,850 | \$16.90 |
| Central Boise | 1,619,287 | 6,385 | 58,725 | 4.0% | 4,253 | 111,545 | 0 | \$8.78 |
| West Boise | 3,563,337 | 0 | 149,916 | 4.2% | 13,923 | -19,373 | 32,025 | \$11.94 |
| Southwest Boise | 1,556,587 | 0 | 35,898 | 2.3% | 8,716 | 29,734 | 0 | \$13.90 |
| Airport | 81,741 | 0 | 0 | 0.0% | 0 | 0 | 0 | N/A |
| Southeast Boise | 1,290,106 | 0 | 23,302 | 1.8% | 13,079 | 20,243 | 0 | \$18.22 |
| Meridian | 4,809,238 | 0 | 189,925 | 3.9% | 1,172 | 40,350 | 175,092 | \$21.28 |
| South Meridian | 514,567 | 0 | 12,920 | 2.5% | 3,315 | 21,497 | 68,837 | \$17.79 |
| Eagle | 857,247 | 0 | 30,325 | 3.5% | 9,410 | 11,551 | 4,700 | \$15.14 |
| Nampa | 4,732,858 | 2,748 | 576,440 | 12.2% | 23,316 | 36,843 | 0 | \$12.96 |
| Caldwell | 1,060,180 | 0 | 80,220 | 7.6% | 7,592 | 7,386 | 0 | \$11.52 |
| Middleton | 167,513 | 0 | 10,847 | 6.5% | 0 | 799 | 0 | \$10.00 |
| Kuna | 416,780 | 0 | 3,384 | 0.8% | 2,563 | 56,133 | 0 | \$20.74 |
| BOISE TOTALS | 23,901,071 | 46,069 | 1,403,515 | 6.1% | 87,012 | 252,418 | 302,600 | \$13.30 |

*Rental rates reflect NNN asking

KEY LEASE TRANSACTIONS Q3 2021

| PROPERTY | SUBMARKET | TENANT | RSF | TYPE |
|------------------------------|------------|------------------------------|--------|--------|
| V2710 Sundance Rd | Nampa | Smart Foodservice Stores LLC | 20,550 | Direct |
| Cole Village Shopping Center | West Boise | The Chocolate Bar | 13,080 | Direct |
| Franklin Towne Plaza | West Boise | Aarons Rents | 9,920 | Direct |

*Renewals not included in leasing statistics

KEY SALES TRANSACTIONS Q3 2021

| PROPERTY | SUBMARKET | SELLER / BUYER | SF |
|---------------------------|-----------------|--|--------|
| 2329-2351 S Apple St | Southeast Boise | Carriage Crossing Shopping Center North LLC / Craig P Duling | 25,907 |
| 3840 W Chinden | North Boise | 3840 WCB, LLC / The Osborn Family Trust et al | 14,420 |
| 2310 W Fairview Ave | North Boise | Ennis Richard A & Thomas W / E6 LP | 13,426 |
| 13613 W McMillan Rd | West Boise | McMillan's Corner LLC / | 13,175 |
| 113 S 7 th Ave | Caldwell | Boise Vz LLC / Miller Family Holdings, LLC | 13,000 |

Christopher S. Ison

Brokerage Research Administrator

Tel: +1 208 287 8448

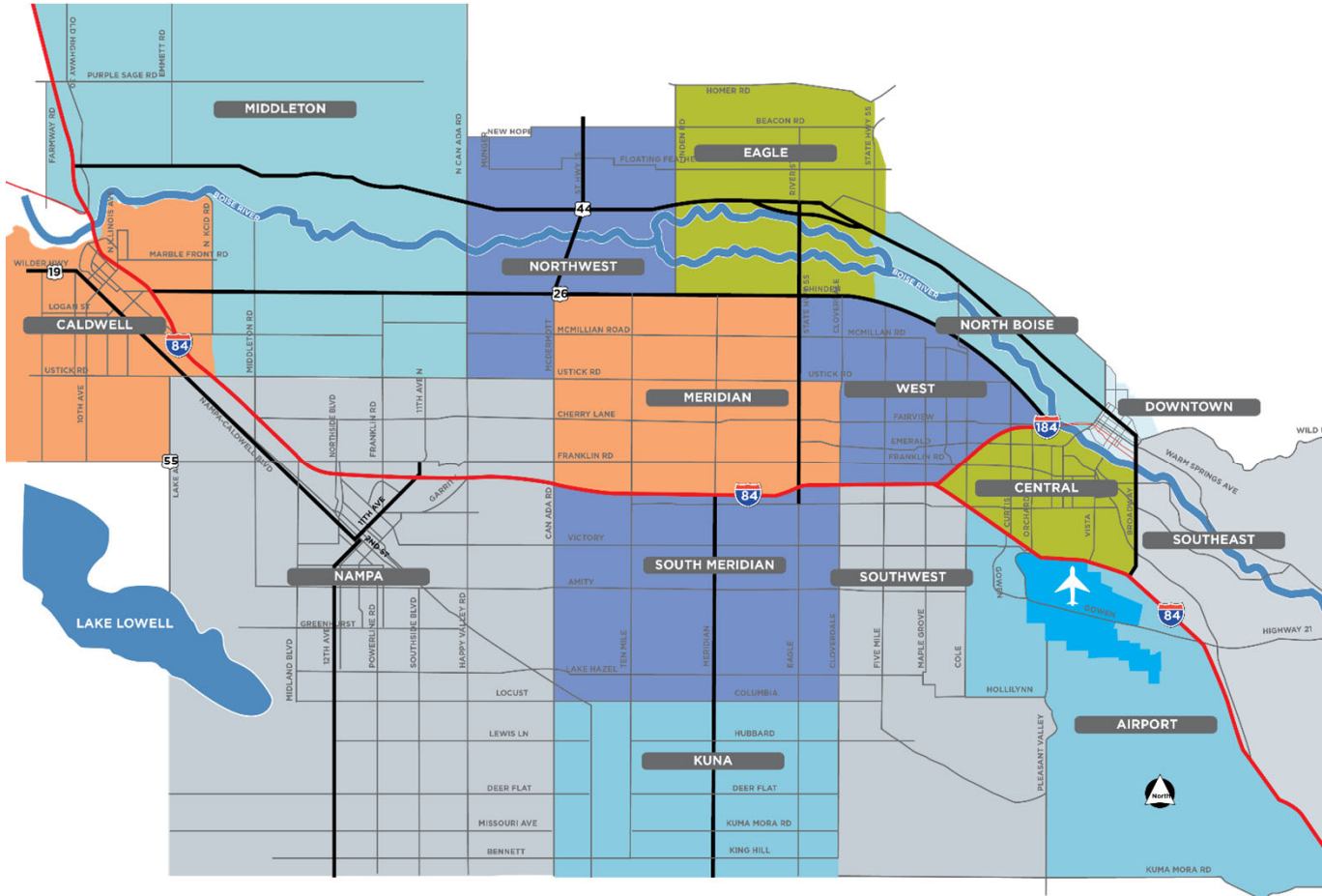
Christopher.Ison@paccra.com

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RETAIL SUBMARKETS



Christopher S. Ison
 Brokerage Research Administrator
 Tel: +1 208 287 8448
Christopher.Ison@paccra.com

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