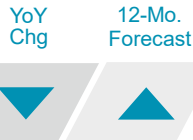


1.1%
Vacancy Rate



954K
Net Absorption, SF



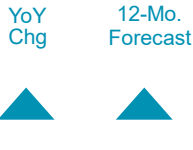
\$0.90
Asking Rent, PSF



Overall, Net Asking Rent (Monthly)

**ECONOMIC INDICATORS
Q4 2021**

356.6K
Boise Employment



2.6%
Boise Unemployment Rate



4.2%
U.S. Unemployment Rate



Source: BLS

ECONOMY

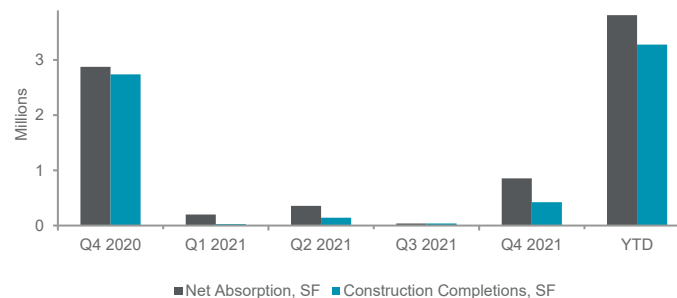
As economic outlook remains uncertain in much of the U.S., Boise, Idaho remains in the forefront of the fastest growing cities in the United States with population reaching 749,202 in the metro area. The consistent influx of new residents tops charts in the country as population growth maintains its #1 position among all major U.S. metropolises at 2.2%. This coupled with a 2.6% unemployment rate, the 4th lowest in the same category, puts Boise in an economic standing all its own. Countless articles including those from the Business Insider and NY Times continue to praise Idaho for its livability and culture.

SUPPLY & DEMAND

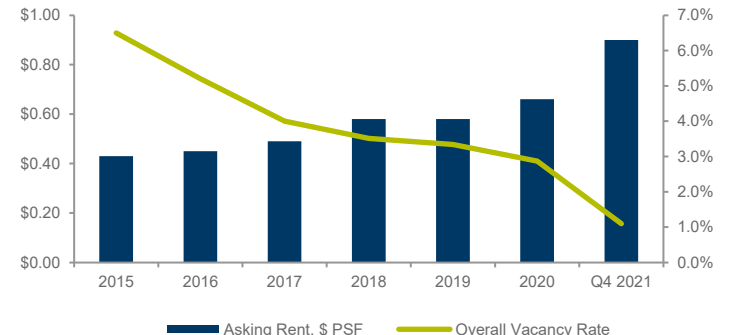
The Idaho industrial market continues on its high velocity growth path, with year-to-date new construction coming in just over 1.0 million square feet (msf), with 521,982 square feet (sf) coming from Q4 of 2021. Vacancy and availability both dropped for a fourth straight quarter to 1.1% and 0.9% respectively. As new construction begins, and new product is delivered, there is potential for supply to narrow the gap on the excessive demand and raise vacancy. The supply pipeline is being filled by both local and, for the first time, national developers that are now including the Treasure Valley in their footprint. The current lack of supply within this market stems from the rapid economic growth forcing existing users to expand within the market and is furthered by steady immigration and the addition of new and relocating businesses to the Boise MSA and the State of Idaho.

The former Shopko Distribution facility is now leased and occupied by Azek Company Inc. and will serve as their West Coast manufacturing and distribution facility. The 355,426-sf facility is located in the Airport Submarket of Boise. The AZEK lease was the largest of Q2 and after their occupancy in Q4, the largest absorption of this quarter. Amazon finished construction and occupied their 278,493-sf sort center in the Airport submarket of Boise. R&L Carriers is now operational at their 41,298-sf cross dock facility in the Airport submarket. Adler Industrial completed their speculative 99,000-sf warehouse in Meridian, 33,000-sf of which is occupied by Bastian Solutions. Adler also completed another speculative 140,000-sf building in Nampa. Hayden Beverage completed their 53,777-sf built-to-suit location in the active Meridian market. Overall net absorption topped 1.9 msf for the last 12 months, with 945,109-sf arriving in Q4.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT



PRICING

In line with strong demand and limited supply in Q3, overall asking rents rose from \$0.85 to \$0.90 per square foot (psf) on a monthly basis. Broken down even further, manufacturing, flex, and warehouse/distribution prices are coming in at \$0.87 psf, \$1.05 psf, and \$0.76 psf, respectively. These numbers are expected to rise over the next year and clearly show premium prices are being paid for small bay flex industrial spaces. The Meridian submarket generally leads the way in rent psf on all fronts, with Boise, Nampa, Garden City and Caldwell following, respectively.

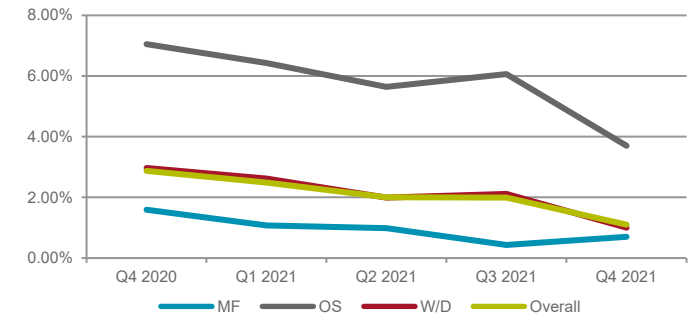
PIPELINE

Additional supply to help feed demand within the market is underway or forecasted, with several large industrial projects recently breaking ground, including Bow River Capital's Fuller 84 project and Fit Development's Madison Logistics Center in Nampa, among others. Adler Industrial, the predominant developer in the Treasure Valley, has several projects ongoing in Meridian, Nampa, and breaking ground in Boise. These projects and others will add over 2 msf to the market through 2022. Coupled with nearly 5 msf of planned and proposed projects to deliver in 2022 and 2023, the supply pipeline for the Boise MSA is the largest on record and likely to grow.

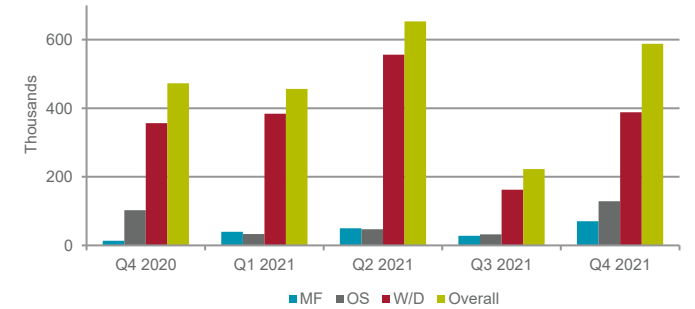
Outlook

- As we continue to see record setting absorption numbers driven heavily by logistics users taking advantage of the growth of e-commerce, we expect businesses to continue choosing the Boise MSA due to its strategic location along I-84, pro-business climate, and relative affordability.
- Mirroring national trends, Boise anticipates more strong construction activity to keep pace with strong demand.
- Rents are expected to increase in the foreseeable future due to strong demand and limited supply in the market.

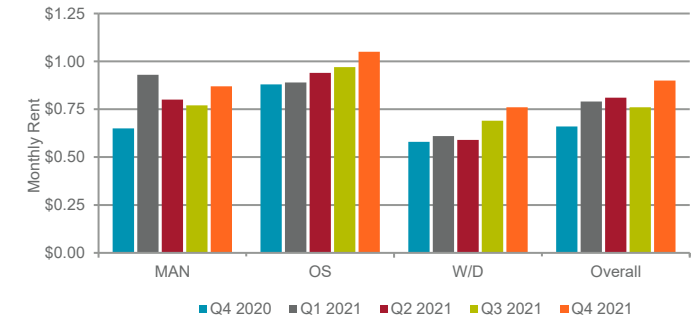
VACANCY BY QUARTER



DIRECT LEASING ACTIVITY



RENTS TRENDS



MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	OVERALL VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	UNDER CNSTR (SF)	CONSTR COMPLETIONS (SF)	OVERALL WEIGHTED AVG NET RENT (OS)	OVERALL WEIGHTED AVG NET RENT (W/D)	OVERALL WEIGHTED AVG NET RENT
North Boise	1,701,292	42,989	2.5%	1,480	1,480	32,114	0	\$1.00	0.7	\$0.72
Downtown	477,277	0	0.0%	0	0	0	0	N/A	N/A	N/A
West Boise	3,711,853	109,546	3.0%	178,962	178,962	270,062	0	\$0.95	0.94	\$0.95
Southwest Boise	764,728	18,082	2.4%	-18,082	-18,082	0	0	N/A	0.75	\$0.75
Airport	7,029,129	41,516	0.6%	861,613	861,613	183,985	301,343	\$0.95	N/A	\$0.95
Southeast Boise	5,945,618	71,515	1.2%	122,421	122,421	0	0	\$1.25	N/A	\$1.00
Meridian	5,508,739	6,400	0.1%	287,571	287,571	556,498	162,081	N/A	N/A	N/A
South Meridian	735,035	41,695	5.7%	-17,584	-17,584	36,000	0	\$1.27	N/A	\$1.27
Eagle	235,860	7,648	3.2%	0	0	0	0	\$1.25	N/A	\$1.25
Nampa	12,634,753	46,415	0.4%	277,783	277,783	869,581	29,338	N/A	0.85	\$0.97
Caldwell	5,324,506	82,290	1.5%	112,166	112,166	408,200	29,220	\$0.85	0.76	\$0.78
Central Boise	2,095,310	55,803	2.7%	41,612	41,612	0	0	\$1.01	0.78	\$0.80
Middleton	349,076	0	0.0%	0	0	16,000	0	N/A	N/A	N/A
Northwest	58,297	0	0.0%	0	0	36,000	0	N/A	N/A	N/A
TOTALS	46,629,480	523,899	1.1%	954,109	1,847,942	2,408,440	521,982	\$1.04	\$0.76	\$0.90

*Rental rates reflect weighted net asking \$psf/month *Renewals not included in leasing statistics *10,000+ Square Feet

OS = Office Service/Flex W/D = Warehouse/Distribution

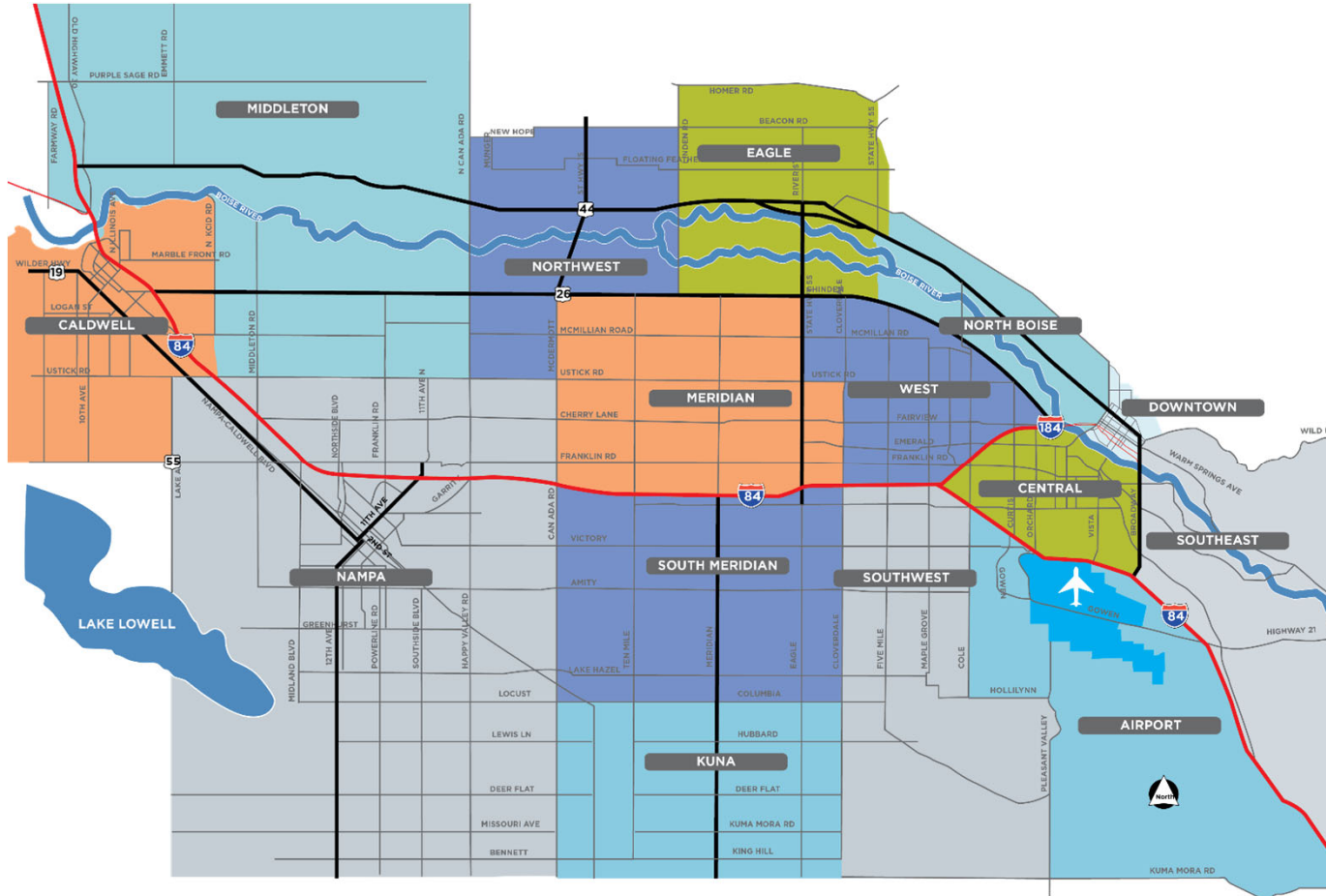
KEY LEASE TRANSACTIONS Q4 2021

PROPERTY	SUBMARKET	TENANT	RSF	TYPE
1906 Smeed Parkway	Caldwell	Federated Ordinance/Nemo Arms	265,200	Direct
1 Idea Wy	Caldwell	I/D/E/A Inc	53,080	Direct
16141-16161 N 20 th St	Nampa	House of Design LLC	43,570	Renewal

KEY SALES TRANSACTIONS Q4 2021

PROPERTY	SUBMARKET	SELLER / BUYER	SF	PRICE/\$ PSF
2100 Braniff St	Southeast Boise	/ Motive Power Inc.	67,800	Inquire
2000 E Yamhill Rd	Southeast Boise	Jay Mannino Trust / Boise Metal Works	38,400	Inquire
5617 Cleveland Blvd	Caldwell	Steven and Barbara Barney Trust / Sahara Group LLC	20,900	Inquire

INDUSTRIAL SUBMARKETS



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