

	YoY Chg	12-Mo. Forecast
5.43% Cap Rate	▼	▲
\$1,416m Total Volume (USD)	▲	▲
351 Total Properties Sold	▲	▲
3.4m Total SF (Excluding MF)	▲	▲
2,518 Total Units (MF)	▲	▲

(All Property Classes)
MF = Multifamily

ECONOMIC INDICATORS Q4 2021

	YoY Chg	12-Mo. Forecast
356.6K Boise Metro Employment	▲	▲
2.6% Boise Metro Unemployment Rate	▼	▲
4.2% U.S. Unemployment Rate	▼	▼
1.57% 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 second half of 2021. Idaho remains one of the markets least effected by the COVID -19 Pandemic in America. Boise is #1 in population growth nationwide with 2.2%, followed by Austin at 1.9%, and Fort Myers/Naples at 1.8%. The median household income for Boise also increased slightly to \$69,800 in the fourth quarter with a forecast increase. The unemployment rate in Boise currently ranks #4 at 2.6%, followed by Oklahoma City at 2.5%, Omaha at 2.2%, and Salt Lake City at 2.1%. 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

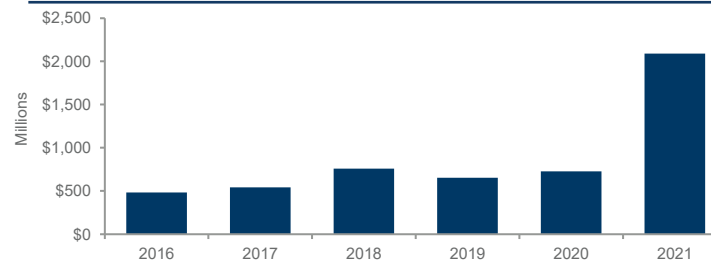
Investment activity in H2 2021 continues and exceeds the frantic pace set in first half of the year, setting a historic high with nearly 1.5 billion traded across the four major asset classes. FOMO carried whales into the multifamily dining hall, driving land prices to all time highs. Investor confidence continued to soar creating competing multiple offers from buyers. 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 sector, which was more negatively impacted by COVID-19, saw more investor demand. High levels of activity in the owner/user arena offset the negative effects of any softening in demand from investors in office and retail 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

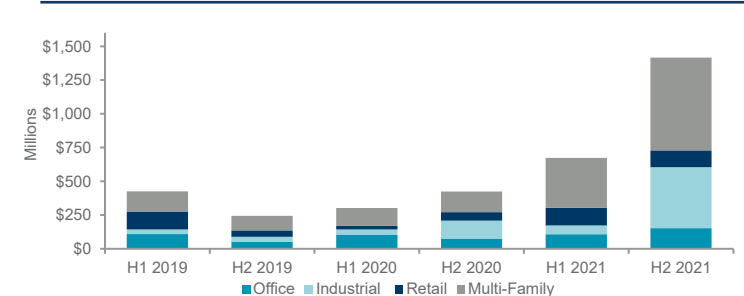
The overall weighted average cap rate fell 67 basis points (bps) to 5.43% from 6.10% at H1 2021. Retail was the only sector showing a nominal change down 10 bps, with office posting the largest H2 decrease of 130 bps from H1 2021. All sectors continue to experience cap rate compression. With core markets 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



H2 2021 INVESTMENT ACTIVITY

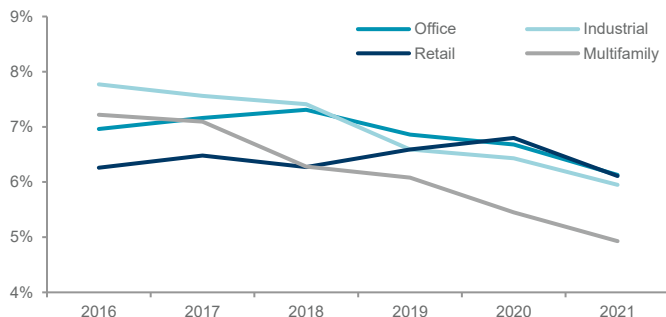
PROPERTY TYPE	PROPERTIES SOLD	SALES VOLUME (USD)	TOTAL SF SOLD	PRICE / SF*, UNIT	CAP RATE
Office	42	\$153,338,504	957,023	\$160	5.46%
Industrial	40	\$451,277,618	1,535,691	\$294	5.49%
Retail	35	\$123,682,954	908,234	\$136	6.01%
Multifamily	234	\$688,160,028	1,946,831	\$268* \$208,036	4.76%
TOTAL	351	\$1,416,459,104	5,347,779	\$264.87	5.43%

H2 2021 SIGNIFICANT SALES

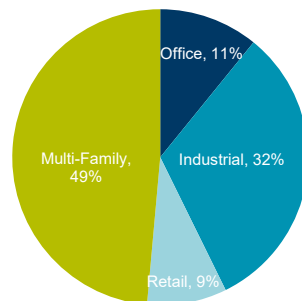
PROPERTY NAME	TYPE	BUYER	SELLER	TOTAL SF / UNITS	PURCHASE PRICE	PRICE / UNIT (\$ PSF)	MARKET
Indigo Apartments	Multi-Family	Cortland	The Wolff Company	336	*inquire	*inquire	Meridian
Prelude at Paramount	Multi-Family	Pacific Development Partners LLC	The Pacific Companies	280	*inquire	*inquire	Meridian
1711 Slipstream Way	Industrial	The Slipstream Way LLC	Erlebach Properties LP	68,400	*inquire	*inquire	Caldwell
1701-1805 Smeed	Industrial	Smeed Owner LLC	Strider Group LLC	120,000	*inquire	*inquire	Caldwell
Carriage Crossing	Retail	Craig Duling	Carriage Crossing S.C. North LLC	26,000	*inquire	*inquire	Southeast Boise
Airport Plaza	Office	Airport Plaza LLC	Tower Boise, LLC	47,000	*inquire	*inquire	Central Boise

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

CAP RATE TREND



H2 2021 INVESTMENT BY SECTOR



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