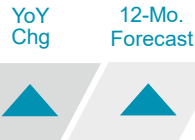


\$69,800

Boise HH Income



2.2%

Population Growth



2.6%

Unemployment Rate



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

U.S. ECONOMIC INDICATORS Q4 2021

5.4%

GDP Growth



0.5%

Population Growth



4.2%

Unemployment Rate



Source: BEA, Census Bureau

ECONOMY

Idaho and more specifically the Treasure Valley exhibited a strong and continued economic recovery in Q4 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. 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%. 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.

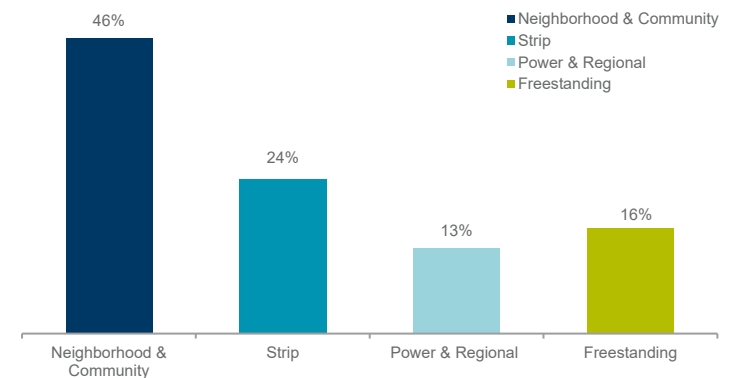
SUPPLY & DEMAND

The fourth quarter showed a small decrease in the vacancy from 4.8% to 4.6% with year-over-year (YOY) availability rate dropping over 150 basis points (bps) to 4.1%. Rents are up from the third quarter (Q3), and up \$1.30 per square foot YOY. Supply is keeping up with demand, with deliveries and absorption nearly identical over the last 5 quarters. Availability in traditional neighborhood and community centers experienced a 5% decrease from Q3 while Power/Regional Center rose nearly 7%. 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. The Bodo Boise redevelopment in downtown is taking shape with new tenants Treefort Music Hall & The Warehouse Food Hall. Increases in construction costs have delayed some construction even though Meridian alone has 273,958 square feet currently under construction. Grocery anchored mixed use projects are drawing a mix of local and national tenants. Build to suit new construction pad rents in these developments are experiencing record highs, topping \$40.00 per square foot. 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	1,750,333	21,663	93,858	6.6%	-925	-10,319	19,096	\$12.99
Downtown	1,486,532	10,566	136,041	9.9%	-5,661	-51,152	2,850	\$17.73
Central Boise	1,624,322	6,385	65,680	4.4%	-9,218	104,590	0	\$8.88
West Boise	3,563,337	0	110,710	3.1%	29,183	19,833	32,025	\$12.27
Southwest Boise	1,556,587	0	39,438	2.5%	-3,540	25,039	0	\$14.37
Airport	81,741	0	0	0.0%	0	0	0	N/A
Southeast Boise	1,279,606	0	23,247	1.8%	55	20,298	0	\$15.62
Meridian	4,827,506	0	184,568	3.8%	46,767	61,286	172,089	\$19.97
South Meridian	514,567	0	12,920	2.5%	0	21,497	101,869	\$18.17
Eagle	857,247	0	34,669	4.0%	-4,344	7,207	10,664	\$15.71
Nampa	4,629,299	0	283,895	6.1%	7,104	162,627	18,363	\$16.89
Caldwell	1,084,480	0	63,506	5.9%	3,446	10,832	10,000	\$12.48
Middleton	167,513	0	10,800	6.4%	0	799	0	N/A
Kuna	425,832	0	2,074	0.5%	1,310	57,443	0	N/A
BOISE TOTALS	23,848,902	38,614	1,061,406	4.6%	64,177	429,980	366,956	\$13.82

*Rental rates reflect NNN asking

KEY LEASE TRANSACTIONS Q4 2021

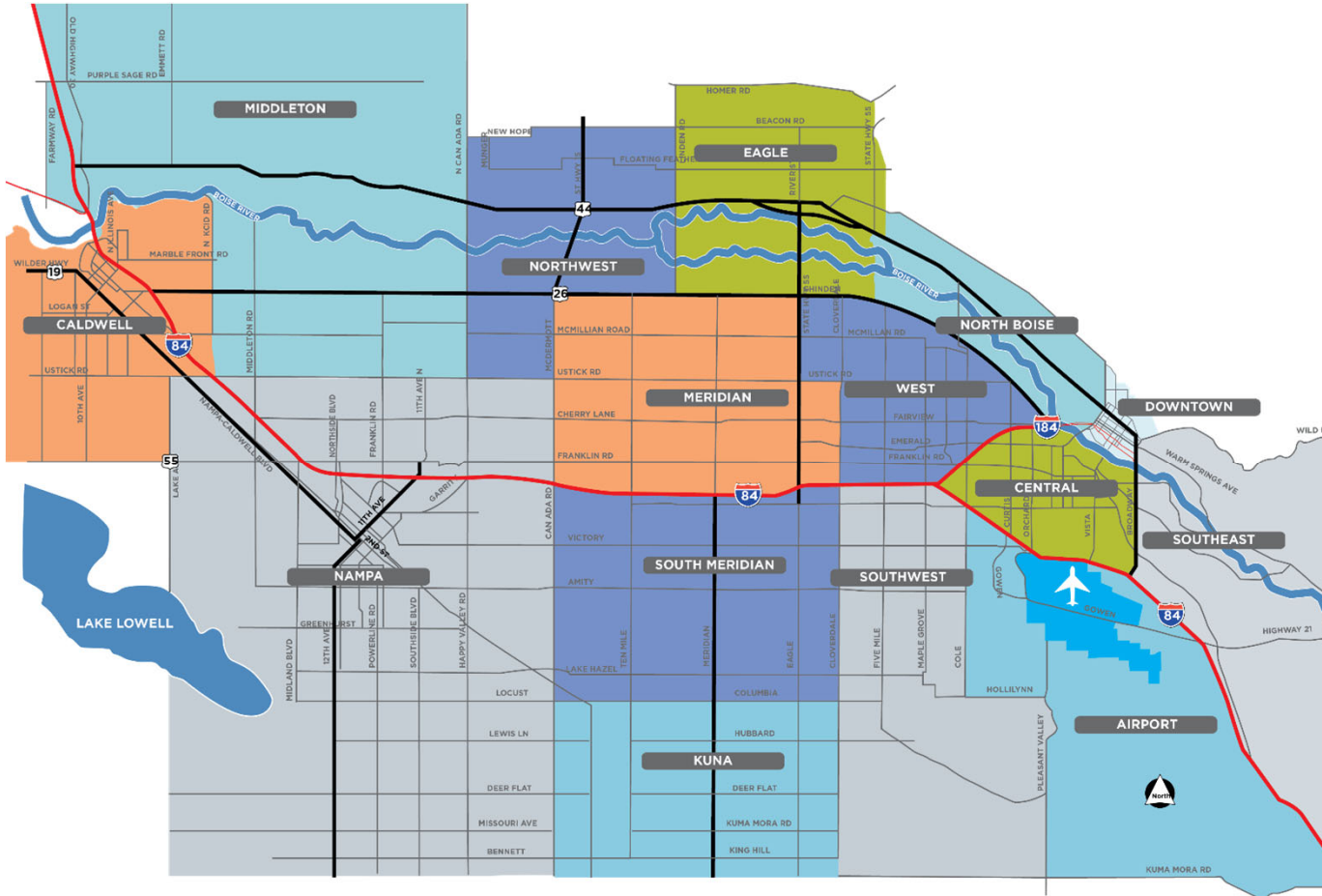
PROPERTY	SUBMARKET	TENANT	RSF	TYPE
370 S 8 th Street	Downtown	The Warehouse Food Hall	45,000	Direct
Gateway Marketplace	Meridian	The Mecca Gym	23,336	Direct
722 W Broad Street	Downtown	Treefort	19,609	Direct

*Renewals not included in leasing statistics

KEY SALES TRANSACTIONS Q4 2021

PROPERTY	SUBMARKET	SELLER / BUYER	SF
Gateway Marketplace	Meridian	RELO BOISE LLC / Wood Investments	178,000
Five Mile Plaza	Southwest Boise	Layton Crossing Management LLC / Investment Realty Advisors	153,000
Canyon Plaza – Former Shopko	Nampa	Well Nampa / 2100 Caldwell LLC	90,000
Ustick Towne Centre	West Boise	Elevate Boise, LLC	30,000
4705 W State Street	North Boise	Laursen Family LP / 4705 W State St	26,500

RETAIL SUBMARKETS



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