

	YoY Chg	12-Mo. Forecast
\$70,000 Boise HH Income	▼	▲
2.3% Population Growth	▲	▲
2.8% Unemployment Rate	▼	▬

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

U.S. ECONOMIC INDICATORS Q1 2022

	YoY Chg	12-Mo. Forecast
4.1% GDP Growth	▲	▲
0.5% Population Growth	▲	▲
3.6% Unemployment Rate	▼	▼

Source: BEA, Census Bureau

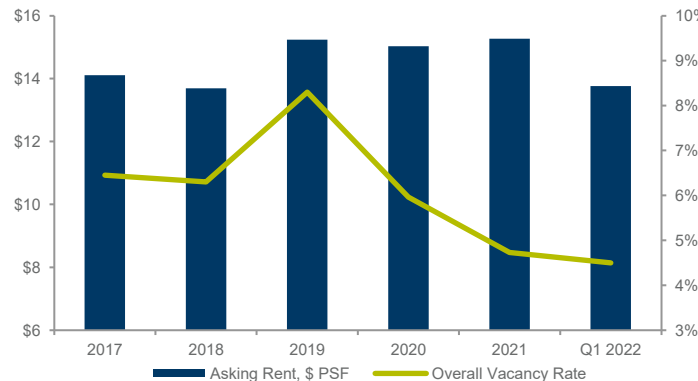
ECONOMY

The Boise and Treasure Valley continued to have a strong first quarter in 2022. The market experienced dramatic housing price increases and slow continued population growth. Boise is #1 in population growth nationwide with 2.3%, followed by Austin at 2.1%, and Fort Myers/Naples at 2.0%. The median household income for Boise also increased slightly to \$70,000 in the fourth quarter with a forecast increase. Boise is tied for the 5th lowest unemployment rate at 2.8%, followed by Omaha at 2.6%, Oklahoma City at 2.4%, Indianapolis at 2.3%, and Salt Lake City at 2.2%. Most industries, from restaurants to construction, continue to have difficulty finding workers, which is affecting service and delivery times in all sectors. Despite the population boom and low unemployment, retailers are still having a hard time finding and retaining employees. The gap for service-related talent continues to widen and still proves to be the largest challenge for retailers now that virtually all COVID-19 related restrictions have been removed.

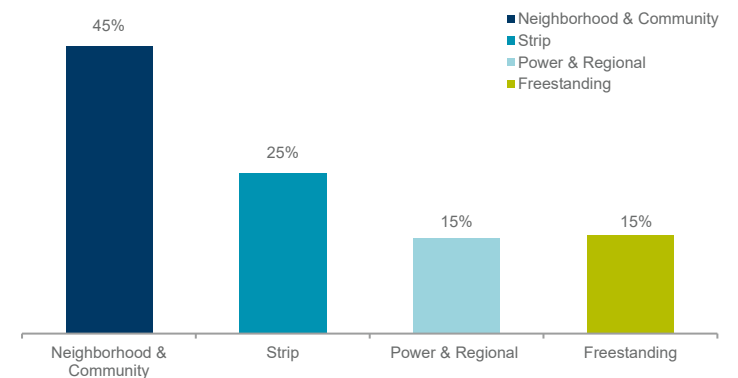
SUPPLY & DEMAND

Despite a marked decrease in direct leasing activity in Q1, roughly half of 4th quarter numbers, vacancy and availability have remained relatively flat with nominal increase of 6-8 basis points (bp) from Q4 at 4.5% and 4% respectively. 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 (psf). Downtown Boise rents range from \$18 - \$35.00 psf. Strip retail rents have climbed to \$20.00 psf. Community and neighborhood centers have seen weighted average rents drop under \$12.00 psf as a result of lower asking (under \$14.00 psf) rents in larger spaces, and an increase in availability, which has shifted away from power centers over the last several years. With the supply of both direct and sublease space relatively flat and net absorption outpacing deliveries over the last 12 months, we should see overall rents increase and vacancy drop for the remainder of the 2022. New development continues progressing in outlying markets such as Star and Kuna. New retailers continue actively pursuing Idaho and existing tenants are beginning another round of expansion. In addition to several mixed-use conversions in established power center/mall locations in the Nampa market, entertainment and sporting goods big box retailers are springing up along Meridian's Eagle and Ten Mile Corridor.

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	1,750,363	21,663	94,981	6.7%	-1,703	-1,703	19,096	\$12.86
Downtown	1,489,382	10,566	103,532	7.7%	32,431	32,431	7,100	\$19.28
Central Boise	1,624,322	6,385	60,807	4.1%	2,118	2,118	0	\$9.56
West Boise	3,563,882	0	123,275	3.5%	-11,965	-11,965	32,025	\$12.04
Southwest Boise	1,556,587	1,526	58,613	3.9%	-23,501	-23,501	0	\$12.57
Airport	81,741	0	0	0.0%	0	0	0	N/A
Southeast Boise	1,279,606	0	25,260	2.0%	-2,013	-2,013	3,575	\$15.08
Meridian	4,838,699	0	174,039	3.6%	23,463	23,463	169,156	\$21.65
South Meridian	514,567	0	11,708	2.3%	1,212	1,212	101,869	\$18.11
Eagle	857,247	0	37,029	4.3%	-2,360	-2,360	10,664	\$14.16
Nampa	4,631,771	0	297,569	6.4%	-15,289	-15,289	18,363	\$15.09
Caldwell	1,084,480	0	37,892	3.5%	-4,795	-4,795	130,000	\$16.80
Middleton	175,313	0	10,800	6.2%	0	0	0	N/A
Kuna	425,832	0	0	0.0%	2,074	2,074	0	N/A
BOISE TOTALS	23,873,792	40,140	1,035,505	4.5%	-328	-328	491,848	\$13.76

*Rental rates reflect NNN asking

KEY LEASE TRANSACTIONS Q1 2022

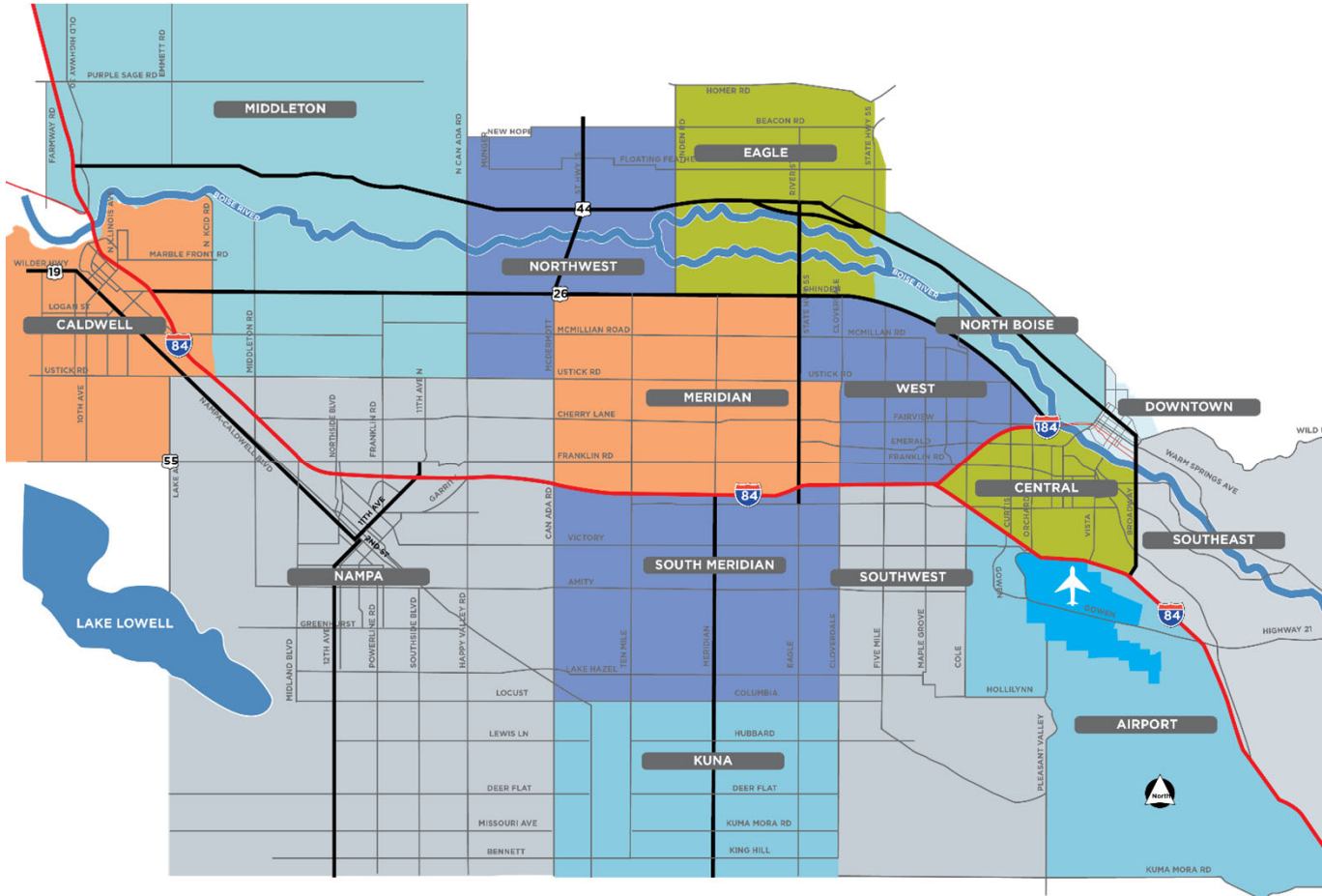
PROPERTY	SUBMARKET	TENANT	RSF	TYPE
8610-8664 W Overland Road	Southwest Boise	FMRI	10,700	Direct
228 E Plaza	Eagle	The Vault	8,526	Direct
633-655 N Milwaukee Street	West Boise	Boise Fitness Equipment	7,100	Direct

*Renewals not included in leasing statistics

KEY SALES TRANSACTIONS Q1 2022

PROPERTY	SUBMARKET	SELLER / BUYER	SF
1455 S Country Terrace Place	South Meridian	Cook Meridian Fitness Holdings LLC / Ray & Susan Montierth	47,200
5111 N Glenwood Street	North Boise	BLT-Boise II LLC / Scottsdale Commerce LLC	46,300
820 Cleveland Boulevard	Caldwell	Ryan McMillan / RPMJefferson LLC	12,000
6097 N Ten Mile Road	Meridian	Lost Rapids Development, LLC / Happy Valley-Mcgill, LLC	9,493
3480 W Chinden Boulevard	North Boise	Dick Stephen / Chinden Properties One LLC	7,752

RETAIL SUBMARKETS



Christopher S. Ison
 Research Analyst
 Tel: +1 208 287 8448
Christopher.Ison@cushwake.com

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