

\$76,800

Boise HH Income

YoY Chg



12-Mo. Forecast



2.3%

Population Growth



2.5%

Unemployment Rate



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

U.S. ECONOMIC INDICATORS Q3 2022

1.5%

GDP Growth

YoY Chg



12-Mo. Forecast



0.6%

Population Growth



3.5%

Unemployment Rate



Source: BEA, Census Bureau

ECONOMY

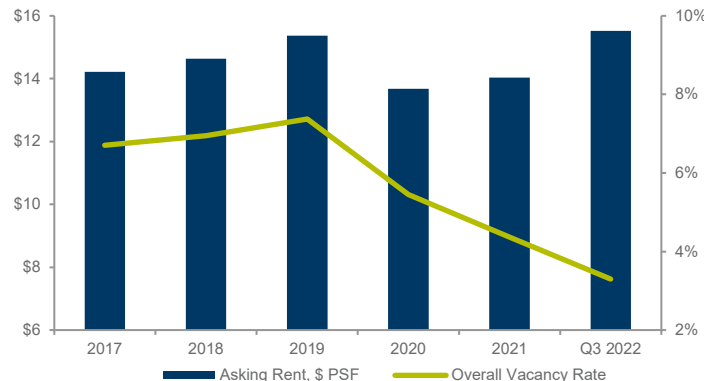
The Boise and Treasure Valley continued to have a strong third quarter in 2022. Boise once again is #1 in annual population growth nationwide at 2.3% with a forecast increase, tied with Austin and followed by Fort Myers/Naples (2.2%) and Las Vegas (2.0%). The median household income for Boise rose to \$76,800 in the third quarter with a forecast increase. Boise unemployment dropped to 2.5%, down 90 basis points (bps) year-over-year (YOY), and is tied for the 5th lowest unemployment rate overall. For comparison, the U.S. is showing 0.6% population growth, \$71,300 household income, and 3.6% unemployment. Many industries, from restaurants to construction, continue to have difficulty finding workers, which is affecting service and delivery times in all sectors.

SUPPLY & DEMAND

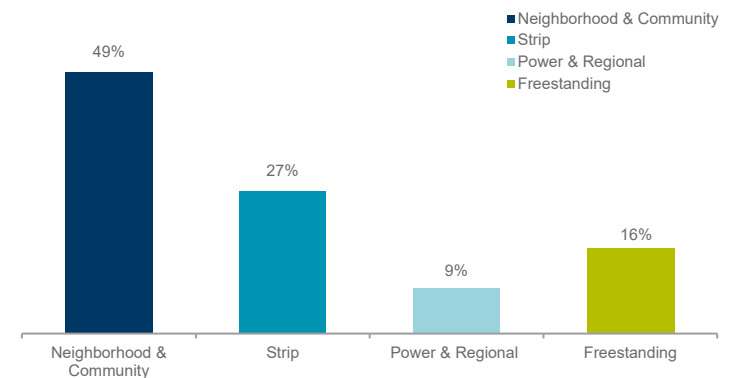
Strong absorption and low supply in the market has pushed the overall vacancy rate down 50 bps quarter-over-quarter (QOQ) to 3.3% in Q3, and 107 bps year-over-year YOY from 4.37%. Overall rents have remained flat at \$15.52 per square foot (psf) triple net (NNN) QOQ, however are up \$1.50 psf YOY. Direct vacancy continued to fall, dropping nearly 253,000 square feet (sf) YOY, while sublease vacancy continued to stay flat. With overall absorption outpacing deliveries by nearly 250,000 sf in the last fifteen months, the market will be reacting to pending delivery of 700,000 sf of projects currently under construction. Several large build-to-suit projects in Meridian and Caldwell that dominate the market include Scheels All Sports and Topgolf in Meridian; and D&B Supply in Caldwell.

Mixed use multifamily projects are adding street retail to the downtown cores of several Treasure Valley cities. Grocery anchored mixed use projects are drawing a mix of local and national tenants. Build-to-suit new construction pad rents in these developments experienced record highs, topping \$40.00 psf. Downtown Boise rents range from \$18.00 to \$33.00 psf NNN. Meridian continues to see the most growth, with grocery anchor progressing in outlying markets such as Star and Kuna. New retailers continue actively pursuing Idaho and existing tenants are beginning another round of expansion.

RENT / VACANCY RATE



AVAILABILITY BY PRODUCT TYPE



MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	DIRECT VACANT (SF)	SUBLET VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION	YTD OVERALL NET ABSORPTION (SF)	YTD LEASING ACTIVITY (SF)	UNDER CNSTR (SF)	OVERALL AVG ASKING RENT (NNN)*
Airport RETAIL	177,075	0	0	0.0%	0	0	0	0	N/A
Caldwell RETAIL	811,766	11,617	0	1.4%	-374	8,861	20,540	142,530	\$21.63
Central Boise RETAIL	1,789,718	50,378	6,385	3.2%	-7,522	19,625	30,473	0	\$11.40
Downtown RETAIL	1,513,480	59,700	10,566	4.6%	12,618	83,834	28,109	0	\$19.38
Eagle RETAIL	989,152	25,483	0	2.6%	6,802	12,568	24,094	4,700	\$15.61
Kuna RETAIL	425,832	0	0	0.0%	0	2,074	0	0	N/A
Meridian RETAIL	4,406,235	86,623	0	2.0%	62,432	112,177	111,947	375,720	\$16.73
Middleton RETAIL	175,313	10,800	0	6.2%	0	0	0	5,000	N/A
Nampa RETAIL	4,924,485	270,185	0	5.5%	32,402	28,965	134,108	18,363	\$18.37
North Boise RETAIL	1,792,132	94,804	21,663	6.5%	13,781	7,835	34,099	19,096	\$14.36
Northwest RETAIL	244,478	0	0	0.0%	0	0	12,217	0	N/A
South Meridian RETAIL	664,989	14,297	6,907	3.2%	-660	59,809	16,770	43,869	\$25.38
Southeast Boise RETAIL	1,123,748	13,062	0	1.2%	4,363	3,107	5,435	40,675	\$16.77
Southwest Boise RETAIL	1,451,517	42,151	0	2.9%	10,208	-441	46,893	0	\$15.13
West Boise RETAIL	3,738,643	75,054	0	2.0%	28,699	24,489	55,741	51,225	\$10.24
BOISE TOTALS	24,228,563	754,154	45,521	3.3%	162,749	362,903	520,426	701,178	\$15.52

KEY LEASE TRANSACTIONS Q3 2022

PROPERTY	SUBMARKET	TENANT	RSF	TYPE
The Gateway Marketplace	Meridian	PGA Superstore	42,200	Direct
Plantation Shopping Center	North Boise	Big 5 Sporting Goods	13,000	Direct
Belmont Plaza	West Boise	Boise Iron Gym	7,200	Direct

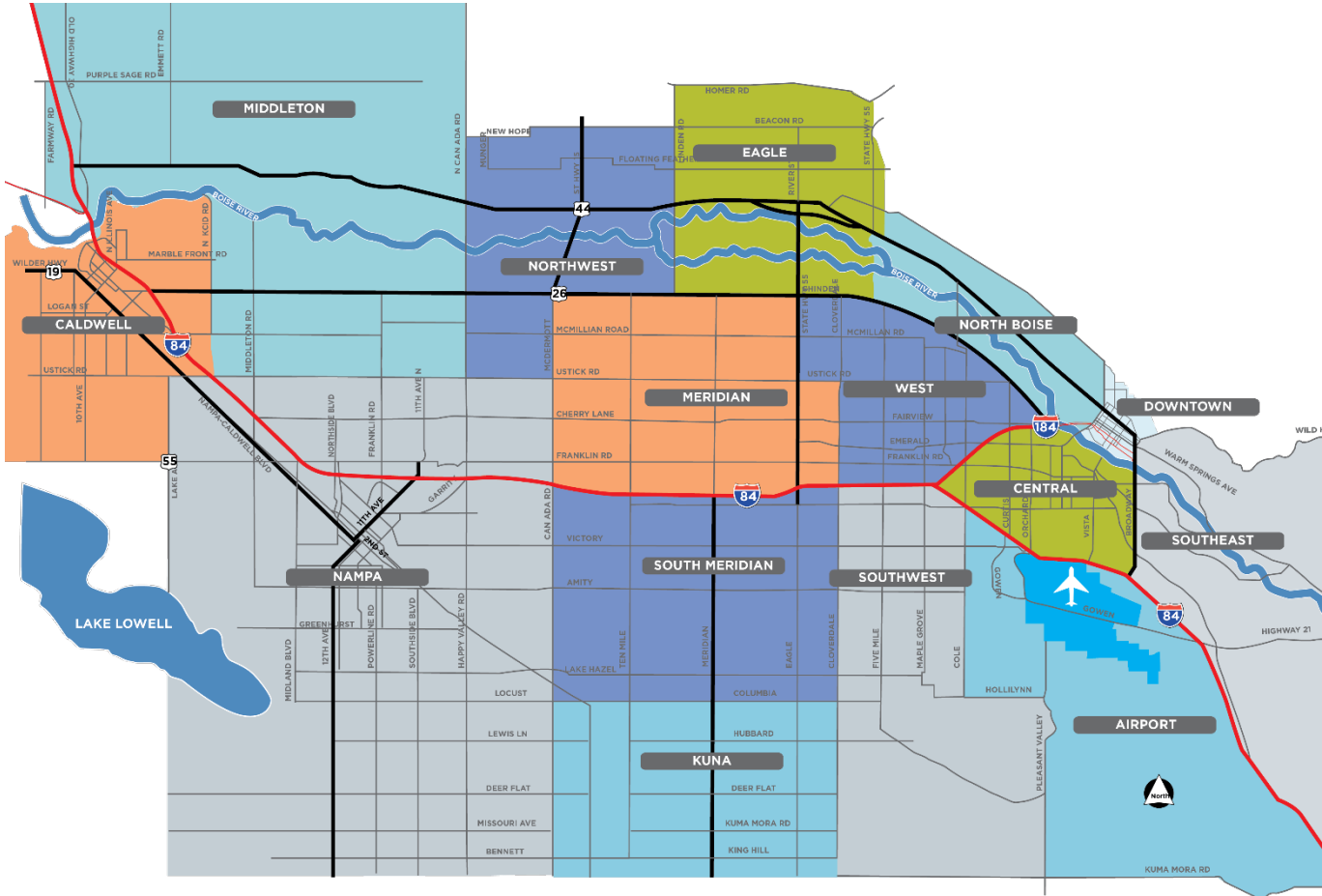
*Renewals not included in leasing statistics

KEY SALES TRANSACTIONS Q3 2022

PROPERTY	SUBMARKET	SELLER / BUYER	SF
Glenwood Center	North Boise	Scottsdale Commerce LLC/TPC Glenwood LLC	46,250
Eagle Pavilion	Eagle	Eagle Pavilion LLC/vm Properties LLC	17,100
Walgreens	Nampa	Inland Real Estate Group of Companies, Inc/Manohar Mundluru	14,500
Shops at Eagle River	Eagle	Vista View LLC/Hook Family Trust	12,600
Shops at the Idaho Center	Nampa	Vista View LLC/Hook Family Trust	12,000



RETAIL SUBMARKETS



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

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