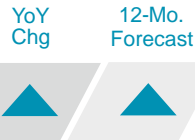


\$87,500

Boise HH Income



2.3%

Population Growth



3.2%

Unemployment Rate



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

U.S. ECONOMIC INDICATORS Q1 2024

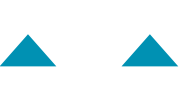
3.1%

GDP Growth



6.4%

Consumer Spending Growth



2.4%

Retail Sales Growth



Source: BEA, Census Bureau

ECONOMY: Rapid Population and Economic Growth

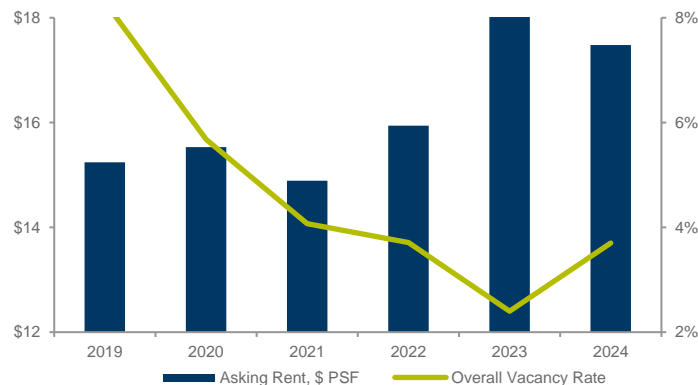
Boise and the Treasure Valley kicked off 2024 with an impressive economic performance. Boise secured the second spot nationwide for annual population growth, boasting a robust 2.3% increase with further growth projected. The Boise economy expanded at a 2.3% year-over-year (YOY) rate, resulting in the addition of 8,900 jobs to the local workforce. The median household income in Boise surged to \$89,400 YOY, with expectations of continued growth. Boise's unemployment rate experienced a 70 basis-point (-bp) jump YOY, reaching 3.3%. Remarkably, this places Boise among the 12 lowest unemployment rates nationwide. By comparison, the U.S. reported a 0.5% population growth, a median household income of \$81,600, and an unemployment rate of 3.9%. Despite challenges, Boise's economy remained resilient. New nonfarm jobs declined by 21.4% YOY to 8,800, while real gross product dipped by 100 bps YOY to 5.8%.

SUPPLY & DEMAND:

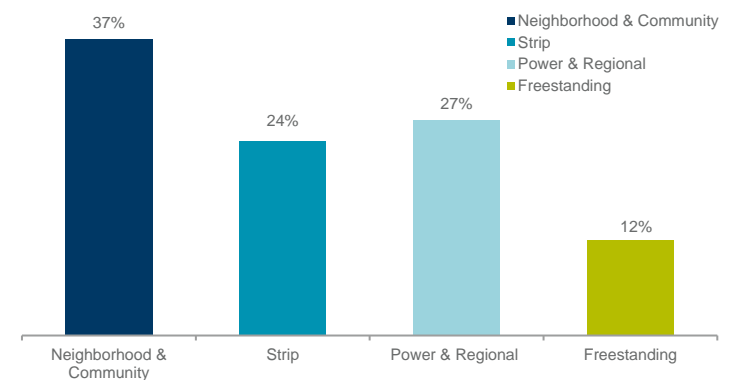
Retail vacancy climbed 30 bps quarter-over-quarter (QOQ) to 3.5% and surged 130 bps YOY. Direct vacancy climbed 13.9% QOQ and 55.1% YOY, while sublease vacancy remained flat QOQ but increased 68.3% YOY. Despite over 650,000 square feet (sf) of leasing activity over the past 12 months, overall vacancy increased from new construction and direct vacancy totaling 830,000 sf. A new 315,000 sf big box in Q1 2024 resulted in construction deliveries outpacing overall absorption by 280,000 sf during the previous 15 months.

Overall asking rents declined by 5.4% QOQ to \$17.48 per square feet (psf) and 11.4% YOY. Build-to-suit construction pad rents are now reaching \$55.00 psf. Despite challenges, low levels of speculative construction and steady demand are expected to contribute to lower vacancy rates and higher rents in 2024. The impact of The Federal Reserve's rate hikes, aimed at curbing 40-year high inflation that began in H2 2022, continued to reverberate in Q1 2024. Inflation rose by 10 bps to 3.2% in February. Federal Reserve officials signaled their expectation of three interest rate cuts in 2024. Investment transaction levels declined QOQ and YOY. Availability in strip and freestanding properties increased, while neighborhood/community and power/regional center availability dipped QOQ.

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	196,680	0	0	0.0%	0	0	0	0	\$14.07
Caldwell	971,711	26,133	0	2.7%	8,882	8,882	5,001	11,529	\$24.16
Central Boise	1,790,855	53,708	3,300	3.2%	-7,095	-7,095	17,749	0	\$13.64
Downtown	1,517,630	80,724	0	5.3%	-29,523	-29,523	20,206	0	\$15.46
Eagle	985,252	22,823	0	2.3%	-18,694	-18,694	1,304	7,560	\$12.45
Kuna	434,338	5,734	0	1.3%	2,684	2,684	2,684	8,147	N/A
Meridian	4,843,958	69,181	1,887	1.5%	336,573	336,573	10,056	71,244	\$21.69
Middleton	175,313	0	0	0.0%	0	0	0	0	\$22.54
Nampa	5,023,610	376,660	0	7.5%	-30,166	-30,166	35,538	14,332	\$35.00
North Boise	1,816,935	146,856	1,453	8.2%	-50,673	-50,673	17,169	19,096	N/A
Northwest	307,478	0	0	0.0%	0	0	0	4,000	\$19.92
South Meridian	736,167	16,326	0	2.2%	9,836	9,836	4,603	11,889	\$11.90
Southeast Boise	1,164,522	6,646	0	0.6%	40,765	40,765	30,239	6,930	\$21.99
Southwest Boise	1,451,517	52,059	0	3.6%	-2,483	-2,483	5,514	10,000	N/A
West Boise	3,800,108	67,404	2,668	1.8%	-20,277	-20,277	30,250	0	N/A
BOISE TOTALS	25,216,074	924,254	9,308	3.7%	239,829	239,829	180,313	164,727	\$17.48

*Rental rates reflect NNN asking

KEY LEASE TRANSACTIONS Q1 2024

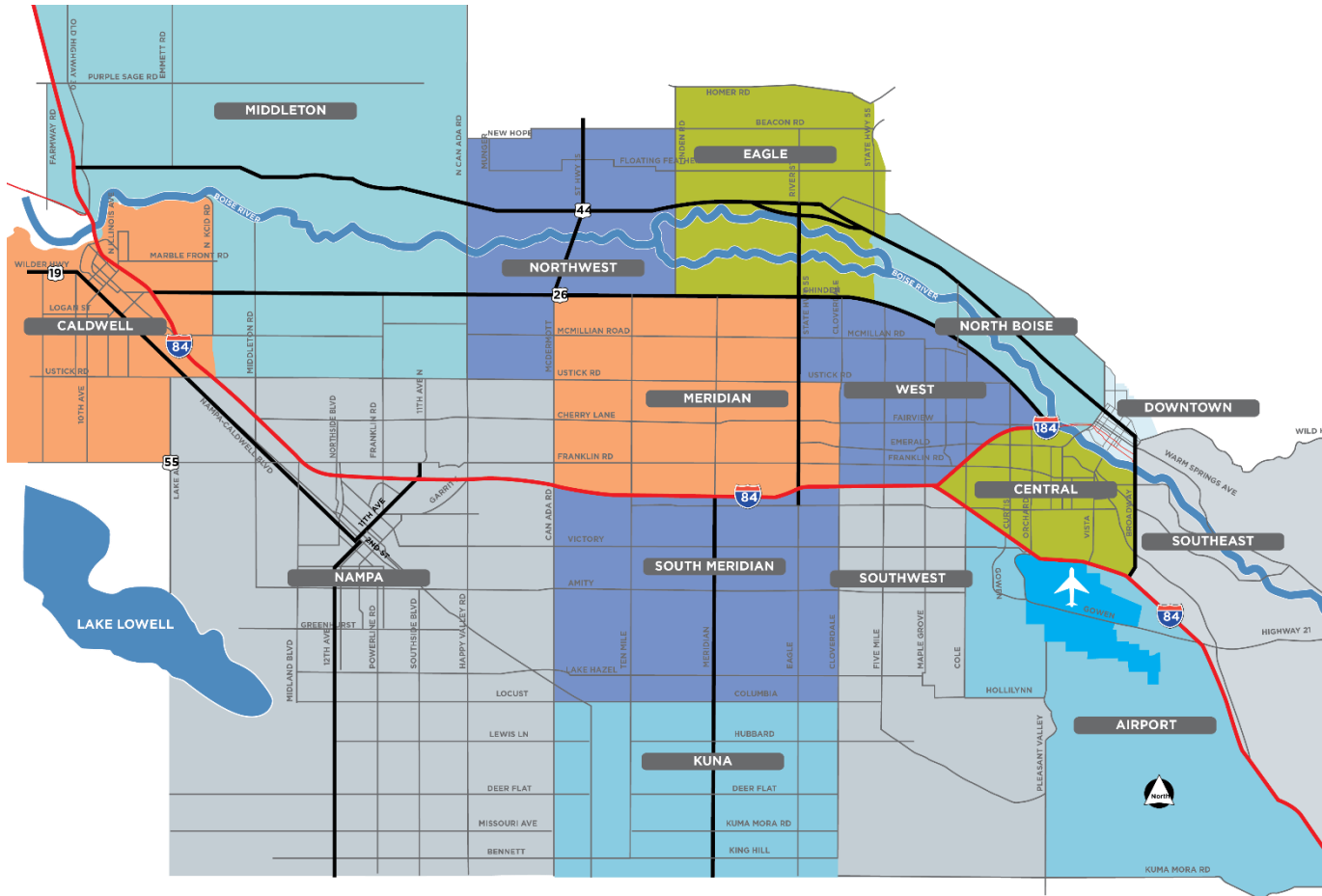
PROPERTY	SUBMARKET	TENANT	RSF	TYPE
3107 N Cole Road	West Boise	Idaho Capital Asian Market	30,250	Direct
3639 S Federal Way	Southeast Boise	S2 Pickleball and Racquet Club	28,000	Direct
2020 Caldwell Boulevard	Nampa	Undisclosed	22,500	Direct
957 Bozic Street	Middleton	Undisclosed	16,345	Direct
5443 N Glenwood Street	North Boise	Undisclosed	13,000	Direct

*Renewals not included in leasing statistics

KEY SALES TRANSACTIONS Q1 2024

PROPERTY	SUBMARKET	SELLER / BUYER	SF
2999 N Lakeharbor Lane	North Boise	Spirit Realty Capital Inc. / Realty Income Corp.	51,360
5707 E Gate Boulevard	Nampa	Jkc Bend Sonicl LLC / Jfk Eastgate LLC	44,470
3816 Cleveland Boulevard	Caldwell	DNKK LLC / Bradley B LLC	30,389

RETAIL SUBMARKETS



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