

COMMERCIAL REAL ESTATE REPORT Q3 2022

Boise City, ID Metro Area

Demographics and Economy

Demographics

3.3%	29.9%	1.6%	49.6%
population growth (2020-2021) U.S.: 0.7%	share of renters (2021) U.S.: 34.5%	renter household formation (2021) U.S.: 2.6%	share of inbound moves (Jan-Sept 2022)

Economy

2.5%	10,600	2.9%	10.1%
GDP growth (2021) U.S.: 5.9%	12-month job creation (September 2022)	1-year job growth (September 2022) U.S.: 3.9%	1-year wage growth (September 2022) U.S.: 4.8%
\$53,185	2.5%	16.8%	43.2%
Average wage per year (September 2022) U.S.: \$49,100	unemployment rate (September 2022) U.S.: 3.5%	share of workers teleworking (2021) U.S.: 17.9%	inbound businesses moves (Jan-Sept 2022)

Commercial Real Estate by Sector

1. Office

Demand for office space is **stronger than nationwide** as this area has a faster absorption of office space. As a result, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
Q3 2022	-50,912	248,676	3.3%	\$21	4.6%
Q3 2021	445,721	1,085,752	4.1%	\$21	4.9%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
Q3 2022	33,446,905	26,287	143,531	\$3,118,000	8.4%
Q3 2021	33,303,374	126,761	1,178,668	\$12,018,750	8.5%

2. Multifamily

Demand for multifamily space is **stronger than nationwide** as this area has a faster absorption of multifamily space. Despite strong conditions, rent prices rose slower than nationwide and vacancy rate is higher in this area.

	Absorption Units	Absorption Units 12 Months	Market Asking Rent Growth 12 Months	Market Asking Rent/Unit	Market Effective Rent/Unit	Vacancy Rate
Q3 2022	361	1,182	5.1%	\$1,520	\$1,508	7.5%
Q3 2021	593	2,308	13.9%	\$1,446	\$1,439	3.9%
	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo	Market Cap Rate		
Q3 2022	33,677	699	2,501	4.0%		
Q3 2021	31,176	526	1,880	4.4%		

3. Retail

Demand for retail space is **weaker than nationwide** as this area has a slower absorption of retail space. As a result, rents rose slower than nationwide. However, vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
Q3 2022	-22,099	231,758	4.1%	\$16	3.5%
Q3 2021	370,023	1,008,533	3.6%	\$16	3.7%
	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF	
Q3 2022	41,916,685	6.3%	\$19,595,308	\$416	
Q3 2021	41,750,720	6.4%	\$32,046,768	\$143	

4. Industrial

Demand for industrial space is **stronger than nationwide** as this area has a faster absorption of industrial space. Despite strong conditions, rent prices rose slower than nationwide. However, vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
Q3 2022	-139,896	1,857,848	7.4%	\$10	2.5%
Q3 2021	357,656	1,295,123	6.0%	\$9	3.1%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
Q3 2022	52,282,430	332,528	1,587,912	6.3%	\$10,308,437
Q3 2021	50,694,518	295,283	1,252,584	6.1%	\$56,750,460

Sources: NAR analysis on data from the U.S. Census Bureau, U.S. Bureau of Labor Statistics, Bureau of Economic Analysis, USPS, CoStar

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