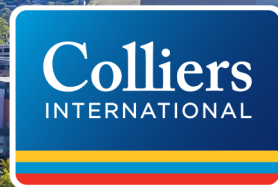


OFFICE MARKET REPORT

TREASURE VALLEY | Q4 2020



Vacancy Rate — 5.7%



Absorption SF — (50K)



Asking Rate — \$17.06

Overview

In spite of the uncertainty, office properties in the Treasure Valley have remained strong throughout the year. With strong asking rates and relatively steady vacancy, the picture has become much less stark. New ground continues to be broken, and metro centers continue to grow.

Highlights

The Treasure Valley has seen a high level of investment activity in the final quarter of 2020. TELEO Capital has announced it will be adding headquarters to Boise alongside an allotment of \$250 million for investment.

At the beginning of the quarter, Clearwater Analytics announced it was preparing for an IPO, followed by news it had received additional investment bringing the company valuation to \$3 billion. This is the second billion dollar investment to the Treasure Valley this year, with the Swedish company Ericsson acquiring Boise-based Cradlepoint for \$1.1 billion earlier this year.

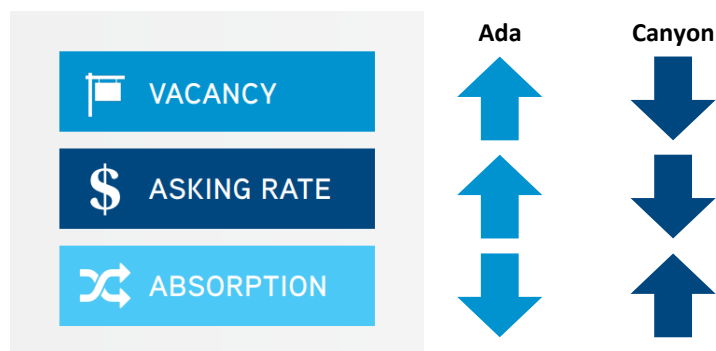
The growth has not been relegated to Boise, with the west side of Meridian seeing the delivery of the Treasure Valley's first 24-hour urgent care center adding 270k square feet to the rapidly growing 10-mile corridor.

These developments strengthen the office real estate market and bring new interest to the area from the elevated press exposure.

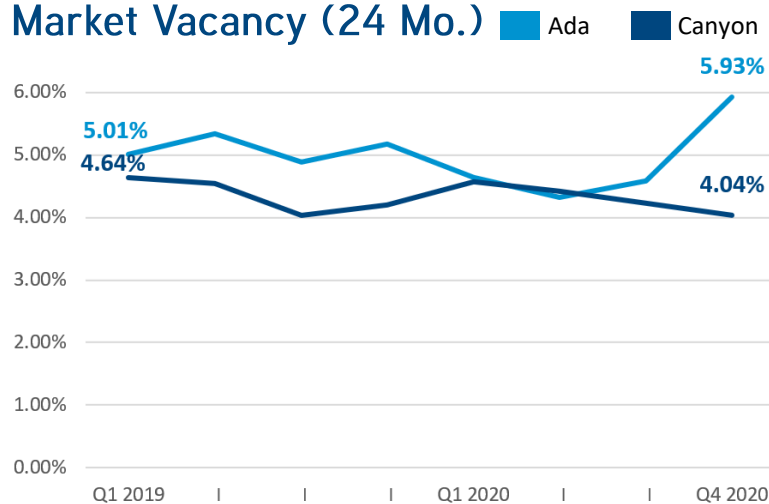
Vacancy & Absorption

Office vacancy in the Treasure Valley has moved downward over the past two years, approaching 4% and below. Ada county has broken from this trend over the past two quarters, mostly due to significant amounts of new construction coming on the market in South Meridian.

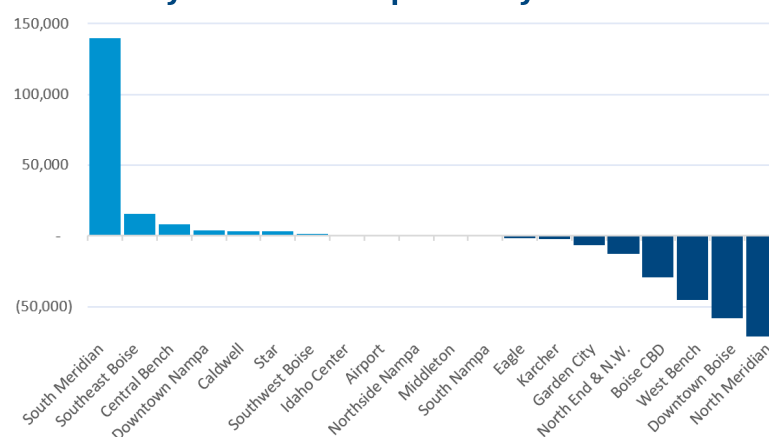
Market Direction Q3-Q4 2020



Market Vacancy (24 Mo.)



Quarterly Net Absorption by Submarket



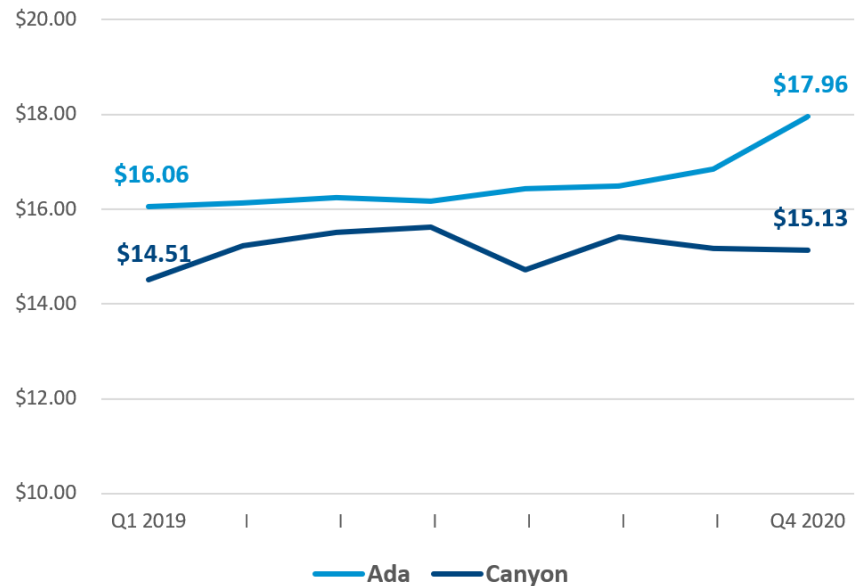
OFFICE MARKET REPORT

TREASURE VALLEY | Q4 2020

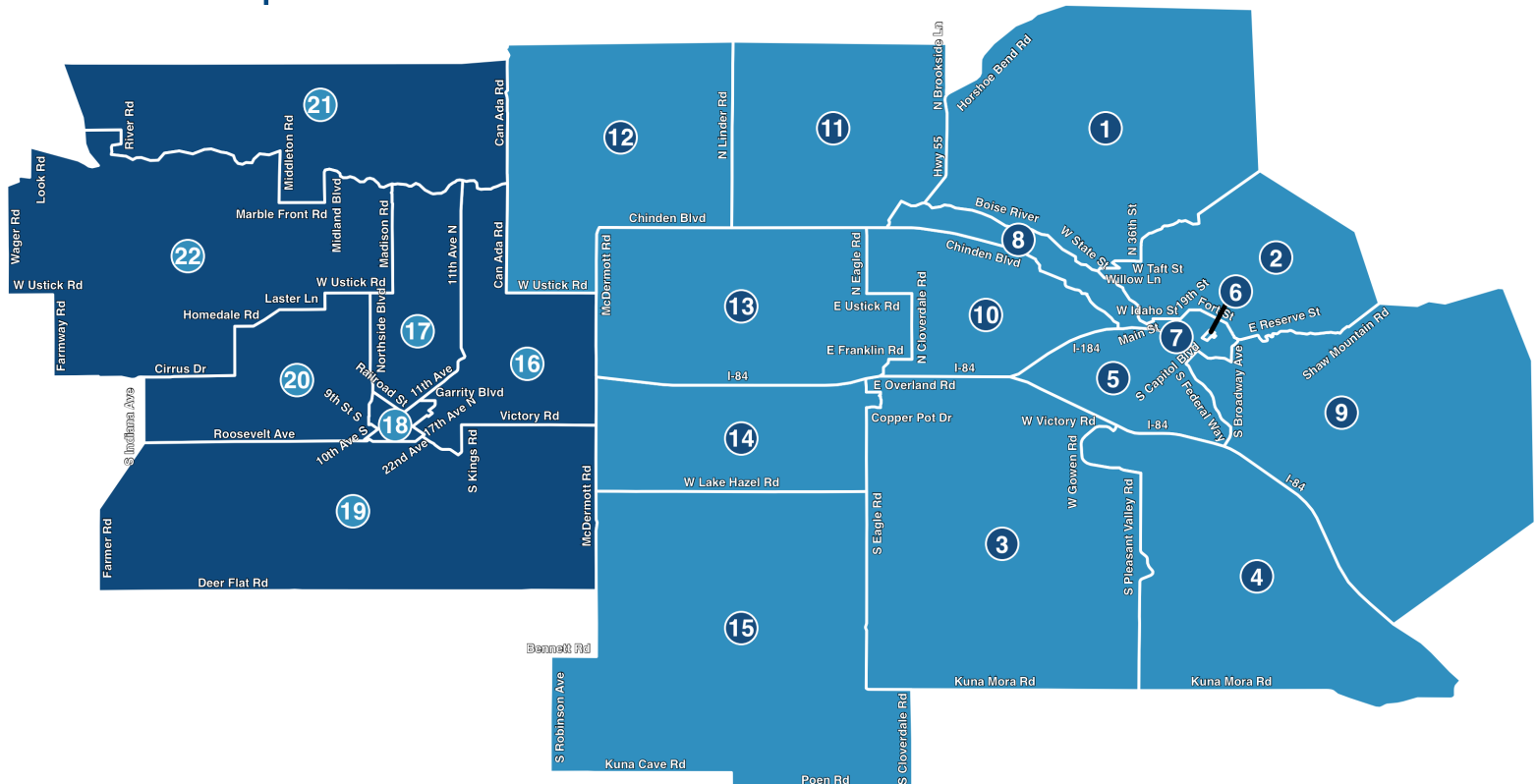
Asking Rate

While office asking rates in the Treasure Valley have remained relatively steady over the last two years, Ada County has seen a notable upward shift over the past few quarters. This is in part due to a higher amount of newly constructed buildings listed on the market. While the Canyon County asking rate is up from its position two years ago, it shows a slight downward trend and should be watched closely for any change in direction.

Treasure Valley Full-Service Asking Rate



Submarket Map



- | | | | | |
|------------------|-------------------|--------------------|--------------------|---------------|
| 1. Northwest | 6. Downtown CBD | 11. Eagle | 16. Idaho Center | 21. Middleton |
| 2. North End | 7. Downtown Boise | 12. Star | 17. Northside | 22. Caldwell |
| 3. Southwest | 8. Garden City | 13. North Meridian | 18. Downtown Nampa | |
| 4. Airport | 9. Southeast | 14. South Meridian | 19. South Nampa | |
| 5. Central Bench | 10. West Bench | 15. Kuna | 20. Karcher | |

OFFICE MARKET REPORT

TREASURE VALLEY | Q4 2020

Notable Transactions

Lease

1755 N. Westgate Dr.
11,415 Square Feet



Sale

9777 W. Chinden Blvd.
12,000 Square Feet



Data Tables

Submarkets	Full Service Asking Rate	Asking Rate Change Q3-Q4	Total Square Feet in Submarket	Vacant Square Feet	Vacancy	Vacancy Change Q3-Q4	Net Absorption Q3-Q4	Net Absorption YTD
Airport	\$ 10.61	\$ 0	364,915	29,600	8.11%	-0.06%	226	(17)
Central Bench	\$ 13.86	\$ (0.24)	3,526,533	199,077	5.65%	-0.23%	8,049	(54,576)
Boise Central Business District	\$ 23.48	\$ 1.66	1,181,124	78,845	6.68%	2.48%	(29,293)	(16,967)
Downtown Boise	\$ 22.55	\$ (0.57)	6,093,380	410,427	6.74%	0.95%	(57,892)	130,672
Eagle	\$ 18.75	\$ 0	1,200,199	40,581	3.38%	0.14%	(1,691)	(17,574)
South Meridian	\$ 23.26	\$ 3.07	2,273,987	370,459	16.29%	7.06%	139,605	293,306
North Meridian	\$ 20.53	\$ 0.54	3,616,086	197,270	5.46%	1.96%	(70,800)	(74,270)
North End & N.W.	\$ 13.55	\$ (0.3)	750,956	26,137	3.48%	1.72%	(12,905)	10,841
Garden City	\$ 13.83	\$ (0.45)	241,628	14,192	5.87%	2.60%	(6,276)	(580)
Southeast Boise	\$ 16.93	\$ 0.6	2,342,449	73,521	3.14%	-0.68%	15,859	(11,096)
Southwest Boise	\$ 17.15	\$ (0.25)	1,109,980	43,072	3.88%	-0.13%	1,485	(5,901)
West Bench	\$ 14.34	\$ (0.27)	5,311,223	183,360	3.45%	0.85%	(45,196)	117,839
Star	\$ 24.58	N/A	103,757	1,390	1.34%	-2.95%	3,056	0
ADA COUNTY TOTAL	\$ 17.96	\$ 0.32	28,116,217	1,667,931	5.93%	1.27%	(55,773)	371,677
Downtown Nampa	\$ 10.72	\$ (2.47)	610,950	5,770	0.94%	-0.68%	4,127	956
Idaho Center	\$ 21.62	\$ (0.00)	553,266	34,958	6.32%	-0.10%	566	3,156
Karcher	\$ 13.39	\$ 0.14	605,146	30,538	5.05%	0.32%	(1,950)	(15,663)
Northside Nampa	\$ 17.95	N/A	62,099	0	0.00%	0.00%	0	0
South Nampa	\$ 15.01	\$ 1.34	445,184	25,735	5.78%	0.02%	(81)	18,864
Caldwell	\$ 12.11	\$ (2.06)	1,065,098	39,450	3.70%	-0.32%	3,392	5,748
Middleton	N/A	N/A	33,842	0	0.00%	0.00%	0	0
CANYON COUNTY TOTAL	\$ 15.13	\$ (0.51)	3,375,585	136,451	4.04%	-0.18%	6,053	13,060
TREASURE VALLEY TOTAL	\$ 17.06	\$ 0.04	31,491,802	1,804,382	5.73%	1.11%	(49,720)	384,738