



Colliers

Treasure Valley

Industrial

21Q4

Industrial building development is ramping up as high demand meets **low vacancy** and **increasing asking rates**.

Accelerating success.



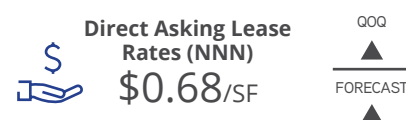
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## Highlights

- Ball Ventures Ahlquist's 520-acre Pleasant Valley Industrial Park will include 1.3 million square feet of industrial space.
- The proposed Red River Logistics Center in southeast Boise would include two speculative buildings totaling 890,000 square feet.
- Other developments include the 362,000-square-foot Kings Road Commerce Center in Nampa, which will begin construction early next year, and the 305,000-square-foot North Ranch Logistics Building 1 in Caldwell, which will be the largest industrial building within Caldwell's city limits.



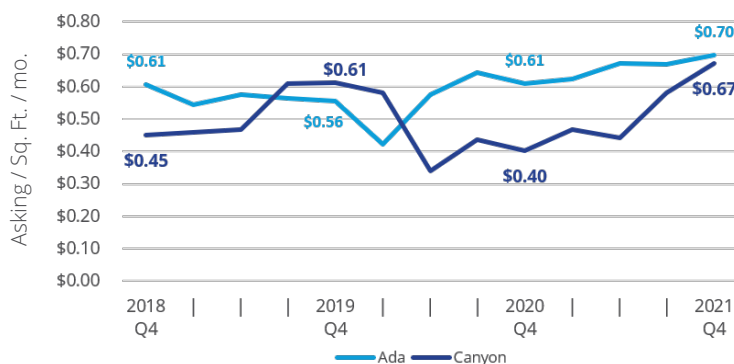
## Overview

Q4 caps an excellent year for industrial assets in the Treasure Valley. With vacancy at a three-year low and asking rates continuing to rise, construction activity is ramping up. We estimate that roughly 3.5 million square feet of speculative development is currently planned or under construction.

## Asking Rate

Since the end of 2020, asking rates have increased by 15% in Ada County and by 68% in Canyon County. These increases continued in Q4, reflecting sustained demand and diminishing supply as vacancy continues to drop. We expect asking rates to level off as supply catches up to demand.

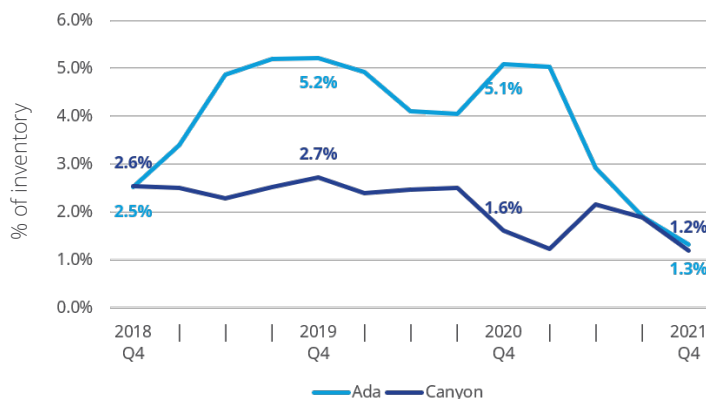
## NNN Direct Asking Rate



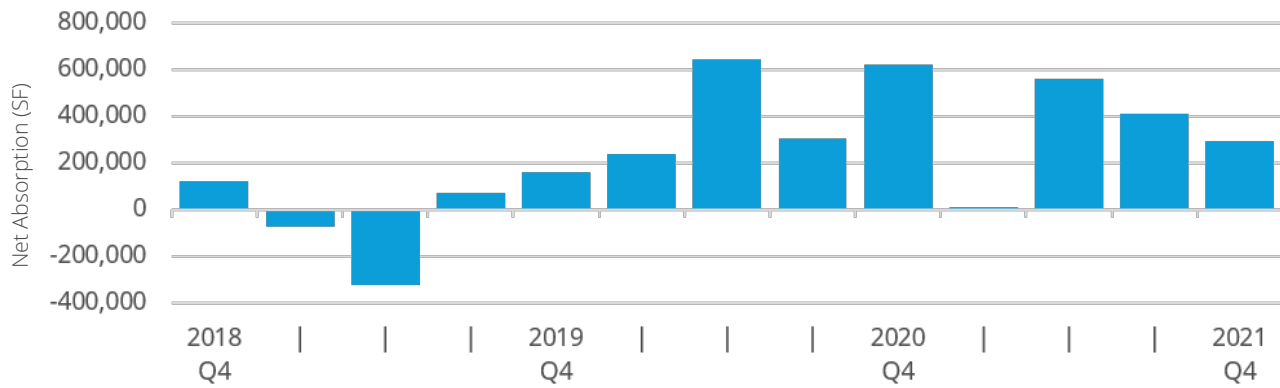
## Vacancy & Absorption

Vacancy is down this quarter in both counties, with quarterly net absorption once again positive. Vacancy has reached 1.3%, significantly lower than in the U.S.'s top 30 industrial markets, where vacancy is at 5.9%. Although absorption was high, it was lower than in Q2 and Q3; vacancy is now so low that we can expect absorption to taper off until new deliveries arrive on the market.

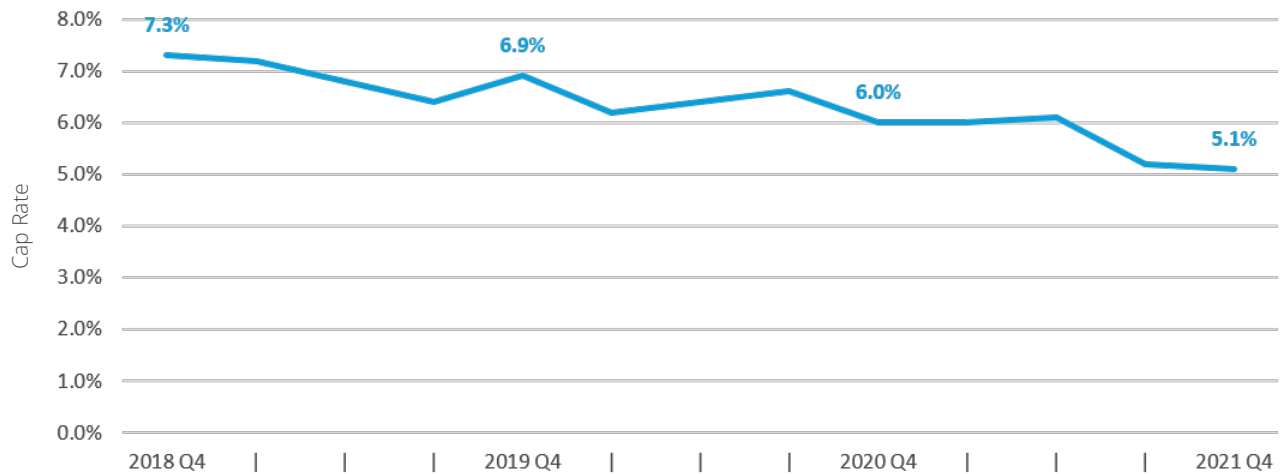
## Market Vacancy






## Net Absorption by Quarter



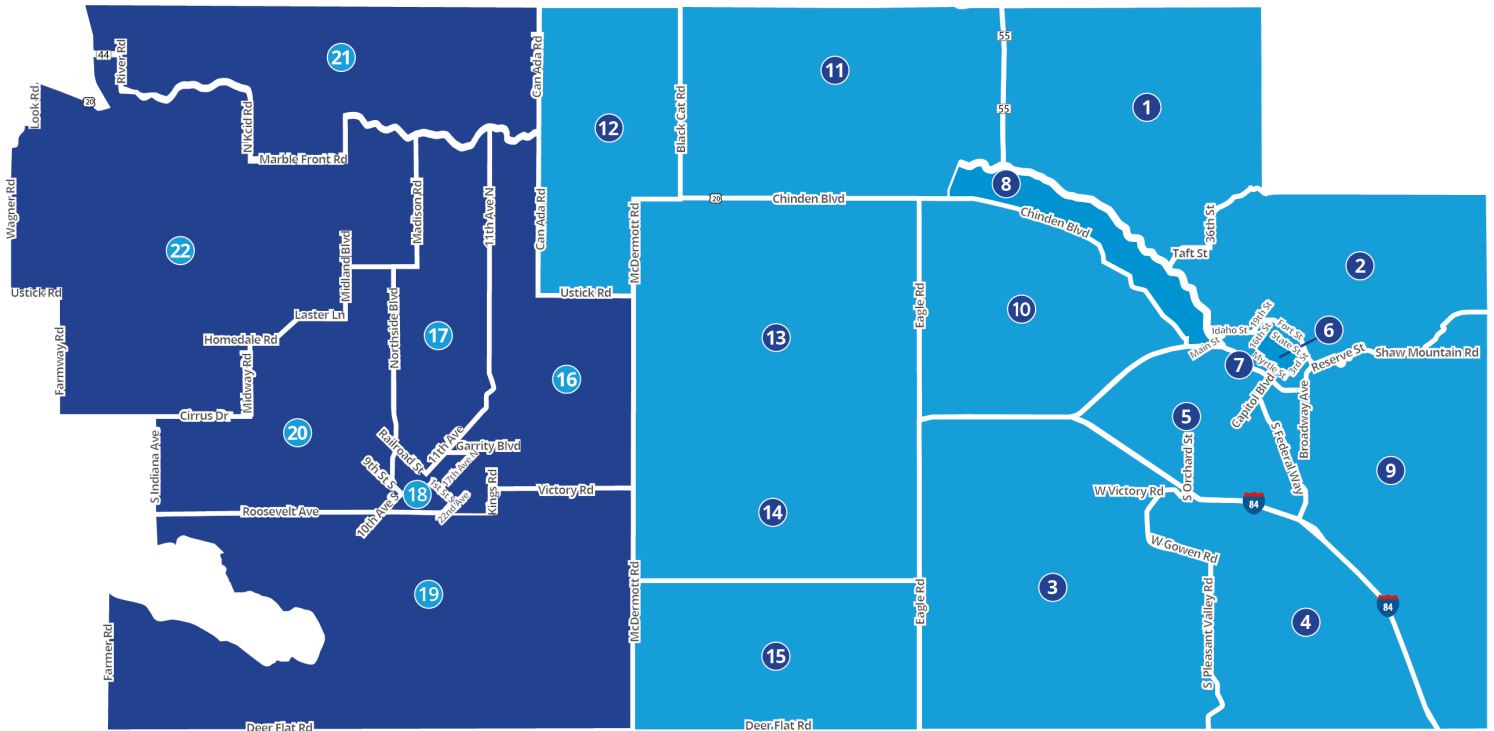
## Cap Rate by Quarter



## Market Direction Q2 2021 - Q3 2021

	 Vacancy	 Asking Rate	 Absorption
Ada	↓	↑	↓
Canyon	↓	↑	↓

## Submarket Map



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

## Notable Transactions



**Lease 33k SF**  
Meridian | Idaho  
Sentry Solutions



**Lease 16k SF**  
Nampa | Idaho  
Caliber Holdings, LLC



**Lease 11.2k SF**  
Nampa | Idaho  
Horizon Supply, LLC



**Lease 8.5k SF**  
Nampa | Idaho  
Shop Equipment  
Specialites, LLC

# Treasure Valley | 2021 Q4 | Industrial | Market Statistics



County/ Submarket	Total Inventory SF	Vacant SF	Vacant SF (Last Quarter)	Net Absorption Current	Net Absorption YTD	Under Construction	Deliveries YTD	Avg Direct Asking Rate (NNN)	Flex Inventory SF	Flex Vacant SF
<b>Ada County</b>										
Airport	6,992,771	42,400	91,536	49,136	572,784	0	5,400	\$0.47	251,734	7,523
Boise CBD	0	0	0	0	0	0	0	\$0.00	0	0
Central Bench	1,929,536	0	0	0	72,244	0	0	\$0.75	287,897	6,461
Downtown Boise	716,994	0	0	0	2,116	0	0	\$0.00	15,313	9,075
Eagle	181,708	5,043	5,043	0	-5,043	0	0	\$0.00	124,181	2,665
Garden City	1,653,526	48,879	56,681	7,802	14,460	0	0	\$0.73	287,550	4,351
Kuna	272,731	0	0	0	0	17,280	0	\$0.95	7,794	0
North End	52,655	0	0	0	0	0	0	\$0.00	0	0
North Meridian	5,162,449	20,270	16,521	24,963	109,354	386,060	40,737	\$0.75	686,997	11,600
Northwest Boise	158,485	0	0	0	0	0	0	\$0.00	0	0
South Meridian	795,793	0	0	0	0	0	0	\$0.00	209,989	35,115
Southeast Boise	3,169,772	142,992	161,760	18,768	30,798	0	0	\$0.60	1,276,259	0
Southwest Boise	1,233,307	0	0	0	11,958	0	0	\$0.67	95,709	0
Star	64,447	2,800	2,800	0	-2,800	0	0	\$0.00	4,500	0
West Bench	3,192,986	77,763	152,954	75,191	103,514	98,680	0	\$0.75	800,235	84,290
<b>TOTAL</b>	<b>25,577,160</b>	<b>340,147</b>	<b>487,295</b>	<b>175,860</b>	<b>909,385</b>	<b>502,020</b>	<b>46,137</b>	<b>\$0.70</b>	<b>4,048,158</b>	<b>161,080</b>
<b>Canyon County</b>										
Caldwell	5,142,661	118,254	102,120	-16,134	150,797	287,200	93,000	\$0.35	481,251	0
Downtown Nampa	230,742	24,500	24,500	0	-16,000	0	0	\$0.77	27,537	0
Idaho Center	3,090,136	0	5,220	9,680	59,828	464,520	37,294	\$0.77	324,087	0
Karcher	1,666,167	0	0	0	42,470	12,020	9,000	\$0.73	78,978	0
Middleton	220,531	0	0	0	2,520	0	0	\$1.05	0	0
Northside Nampa	5,652,111	56,821	181,586	124,765	127,015	183,922	165,000	\$0.63	179,580	0
South Nampa	556,664	0	0	0	0	0	0	\$0.00	0	0
<b>TOTAL</b>	<b>16,559,012</b>	<b>199,575</b>	<b>313,426</b>	<b>118,311</b>	<b>366,630</b>	<b>947,662</b>	<b>304,294</b>	<b>\$0.67</b>	<b>1,091,433</b>	<b>0</b>
<b>Treasure Valley Total</b>										
Ada County	25,577,160	340,147	487,295	175,860	909,385	502,020	46,137	\$0.70	4,048,158	161,080
Canyon County	16,559,012	199,575	313,426	118,311	366,630	947,662	304,294	\$0.67	1,091,433	0
<b>TOTAL</b>	<b>42,136,172</b>	<b>539,722</b>	<b>800,721</b>	<b>294,171</b>	<b>1,276,015</b>	<b>1,449,682</b>	<b>350,431</b>	<b>\$0.68</b>	<b>5,139,591</b>	<b>161,080</b>

## Sources

<https://boisedev.com/news/2021/10/06/red-river-logistics-boise/>  
<https://boisedev.com/news/2021/09/16/black-cat-development/>  
<https://idahobusinessreview.com/2021/11/16/groundbreaking-for-caldwells-biggest-building/>

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## 5 offices across Idaho

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