MARKETBEAT

Boise

MULTIFAMILY Q1 2025



CUSHMAN & WAKEFIELD

MARKET FUNDAMENTALS

	YOY Chg	Outlook
5.5% Stabilized Vacancy Rate	▲	▲
473 Net Absorption, units	▼	▲
$1,632 Effective Rent, PSF	–	▲

(Overall, All Property Classes)

ECONOMIC INDICATORS

	YOY Chg	Outlook
413.2K Boise Employment	▲	▲
3.6% Boise Unemployment Rate	▲	▲
3.9% Boise Household Growth Rate	▲	▲

Source: BLS

ECONOMY: CONTINUED RAPID EXPANSION

Boise and the Treasure Valley showed strong economic performance in Q1 2025, achieving the second highest annual population growth at 2.9%, with further increases expected. Real gross product grew 240 basis points (bps) to 5.9% year-over-year (YOY), new nonfarm jobs grew 55.9% to 14,500 YOY, and nonfarm jobs climbed 3.6% to 413,200 YOY with further growth projected. Healthcare employment levels surged 10.6% YOY to 61,800 with further growth projected and new healthcare jobs grew an impressive 55.3% YOY to 5,900. The median household income in Boise swelled 2.4% YOY to $85,600, with expectations of continued growth. Boise's unemployment rate experienced a 10 bps jump YOY, reaching 3.4%, placing it among the 8th lowest market nationwide. By comparison, the U.S. reported a a real gross product of 2.4%, a 17.8% YOY decrease in new nonfarm jobs, a median household income of $81,700, and an unemployment rate of 4.1%.

SUPPLY OR DEMAND: RECORD DELIVERIES, POSITIVE ABSORPTION

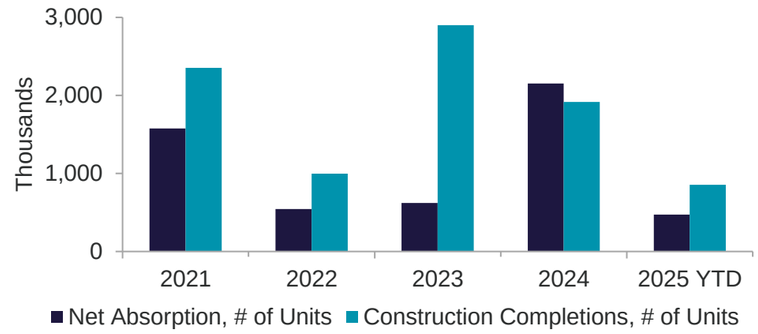
The metro Boise multifamily market finished the first quarter of 2025 with slightly elevated rental demand. Stabilized vacancy increased slightly quarter-over-quarter (QOQ) to 5.5%, though remains above the 10-year average of 3.5%. Overall vacancy fell 40 bps YOY to 7.1%. Net absorption remains positive for the ninth consecutive quarter, as 476 units absorbed. In Q1 2025, West Boise recorded the largest net gains in positive absorption (323 units).

The multifamily market experienced a surge in new deliveries during the first quarter of 2025. Meridian introduced 446, Downtown delivered 298 units, and Nampa contributed 110 units to the growing supply. Less than optimistic rent growth has slowed new development. High construction costs, lack of skilled labor, and less than optimistic rent growth have slowed new development.

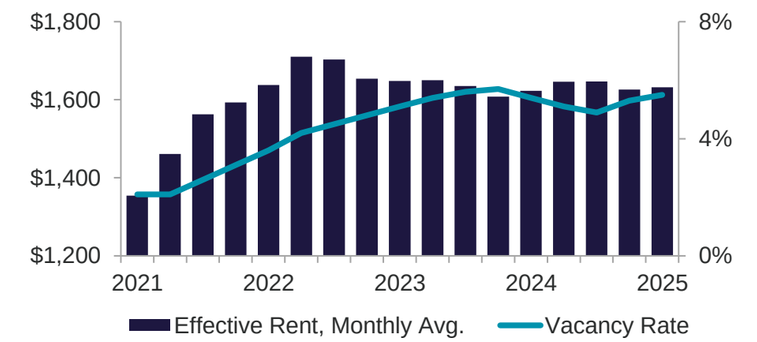
PRICING: RENTS REBOUND

After peaking in Q2 2022 at $1,710, effective rates have increased from $1,623 per unit in Q1 2024 to $1,632 per unit in Q1 2025, a 0.6% YOY increase. Asking rents remain up 38.9% since the end of 2019. Concessions are becoming less common, with 9.5% of properties currently offering lease concessions, down from 10.6% a year ago. As a percentage of overall rental rate, concessions fell by 60 bps YOY to 6.5%, while discretionary (Class A) surged 300 bps YOY.

DEMAND / DELIVERIES



OVERALL VACANCY & EFFECTIVE RENT



Source: Yardi Matrix

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BOISE
MULTIFAMILY Q1 2025

MARKET STATISTICS

SUBMARKET	INVENTORY (UNITS)	YTD DELIVERIES (UNITS)	YTD % INVENTORY GROWTH	UNDER CNSTR (UNITS)	YTD NET ABSORPTION (UNITS)	VACANCY RATE	YOY VACANCY RATE CHANGE (BPS)	AVG EFFECTIVE RENT / UNIT	YOY % EFFECTIVE RENT GROWTH
Boise Bench	3,375	0	0.0%	0	-5	5.8%	30	$1,653	-5.3%
Caldwell	1,406	0	0.0%	813	0	10.1%	240	$1,523	-0.3%
Downtown Boise	1,846	298	19.2%	423	0	5.5%	140	$1,661	4.4%
Eagle	942	0	0.0%	0	1	4.8%	-230	$1,800	-0.8%
East Boise	3,955	0	0.0%	287	0	4.4%	-40	$1,688	2.9%
Kuna	53	0	0.0%	0	0	3.8%	-750	$1,455	-0.1%
Meridian	7,873	446	6.0%	926	95	6.0%	10	$1,674	0.4%
Middleton	160	0	0.0%	0	0	10.0%	440	$1,462	4.1%
Nampa	1,395	110	8.5%	264	3	4.2%	70	$1,511	2.8%
North Boise	308	0	0.0%	0	0	6.1%	-140	$1,363	-7.7%
Outlying Area	456	0	0.0%	0	57	3.2%	230	$1,392	0.5%
South Boise	739	0	0.0%	0	2	4.9%	150	$1,503	1.1%
Garden City	2,612	0	0.0%	164	-3	4.8%	20	$1,684	3.1%
West Boise	3,364	0	0.0%	0	323	4.6%	-140	$1,506	0.1%
MARKET	**28,484**	**854**	**3.1%**	**2,877**	**473**	**5.5%**	**20**	**$1,632**	0.5%

Source: Yardi Matrix – 50+ Units; excluding Fully Affordable properties

KEY SALE TRANSACTIONS Q1 2025

PROPERTY	SUBMARKET	SELLER / BUYER	UNITS	PRICE / $ UNIT
930 N Maple Grove	West Boise	Karen Spencer / Edward Buell	234	Inquire
3547 N Eagle Road	Meridian	Troy Wood / 3715 Centerpoint LLC	230	Inquire
4711-4753 Stamm Ln	Nampa	Salt River Investments LLC / Bellevue Towers LLC	44	Inquire
1420 S Maple Grove	South Boise	Maple Grove Apartments / Dno LLC	30	Inquire
5114-5122 Alworth St	Garden City	Ronald Lee Smith Living Trust / Ken Grant	21	Inquire

OUTLOOK

- Population growth remains among the highest in the nation and is expected to continue rising, driving increased demand.
- Healthy absorption is expected to shore up supply by late 2025 and into 2026, fueling healthier rent growth.
- Rate cuts by The Federal Reserve may encourage more investment activity in 2025.

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