MARKETBEAT

Boise

MULTIFAMILY Q2 2025



CUSHMAN & WAKEFIELD

MARKET FUNDAMENTALS

	YOY Chg	Outlook
4.5% Stabilized Vacancy Rate	▼	▼
976 Net Absorption, units	▼	▲
$1,699 Effective Rent, PSF	▲	▲

(Overall, All Property Classes)

ECONOMIC INDICATORS

	YOY Chg	Outlook
414.2K Boise Employment	▲	▲
3.5% Boise Unemployment Rate	—	▲
3.6% Boise Household Growth Rate	▲	▲

Source: BLS

ECONOMY: POPULATION GROWTH FUELS EXPANSION

Boise and the Treasure Valley showed strong economic performance in Q2 2025, achieving the highest annual population growth at 3.0%, with further increases expected. Real gross product grew 100 basis points (bps) to 4.8% year-over-year (YOY), and new nonfarm jobs climbed 50 bps to 2.8% YOY with contraction projected. The median household income in Boise swelled 3.2% YOY to $86,700, with expectations of continued growth. Boise's unemployment rate remained flat at 3.5% YOY, placing it as the 9th lowest market nationwide.

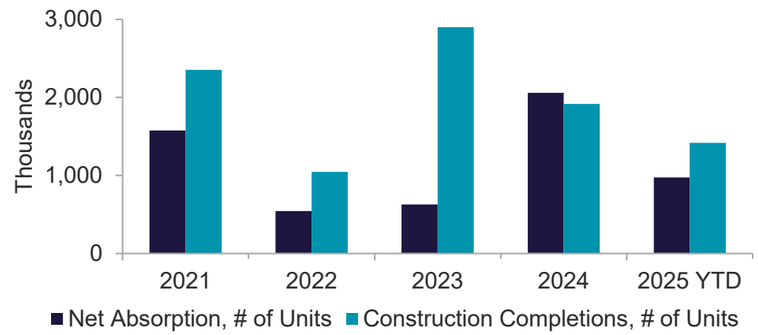
SUPPLY & DEMAND: BOISE MARKET BALANCES GROWTH, RISK

The metro Boise multifamily market finished the second quarter of 2025 with very strong rental demand. Stabilized vacancy sustained a 20 bps QOQ and 100 bps YOY contraction to 4.5%, though remains above the 10-year average of 3.6%. Unstabilized properties continue to drive vacancy upward in the Boise multifamily market, raising the overall rate from 4.5% to 6.2%. Garden City and Meridian experienced the largest increases due to high vacancy rates at lease-up properties, while Downtown Boise's vacancy rose to 15.2% with the inclusion of The Arthur, which is currently 64.1% vacant. Notably, this figure does not include the first phase of Broadstone Saratoga (a 334-unit project still under construction), where only 11 units are reported as preleased; if included, Downtown's unstabilized vacancy would likely be even higher. Net absorption remained positive for the 10th consecutive quarter, with 976 units absorbed year-to-date. In Q2 2025, Meridian recorded the largest net gains in positive absorption (221 units). High construction costs, lack of skilled labor, and less than optimistic rent growth have slowed new development. Six projects totaling 1,419 units were completed year-to-date and 2,474 units were under construction.

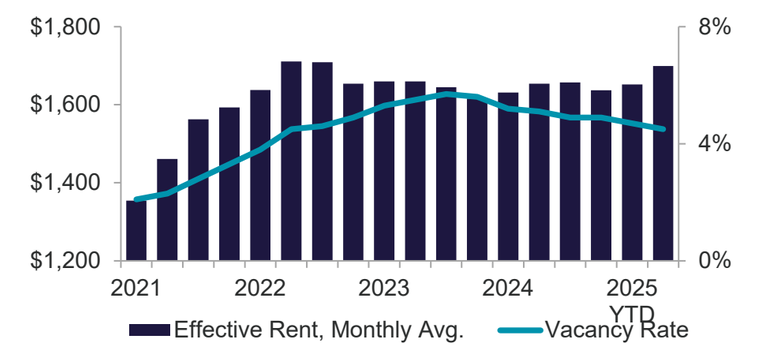
PRICING: RENTS GROWTH RETURNS, CONCESSIONS WIDEN

After peaking in Q2 2022 at $1,711, effective rates have increased from $1,652 per unit in Q1 2024 to $1,699 per unit in Q2 2025 and surged 3.5% YOY. Asking rents remain up 44.6% since the end of 2019. Concessions are becoming more common, with 13.6% of properties currently offering lease concessions in Q2, up 410 bps QOQ. As a percentage of overall rental rate, concessions rose by 30 bps YOY to 7.2%, while discretionary (Class A) surged 290 bps YOY.

DEMAND / DELIVERIES



OVERALL VACANCY & EFFECTIVE RENT



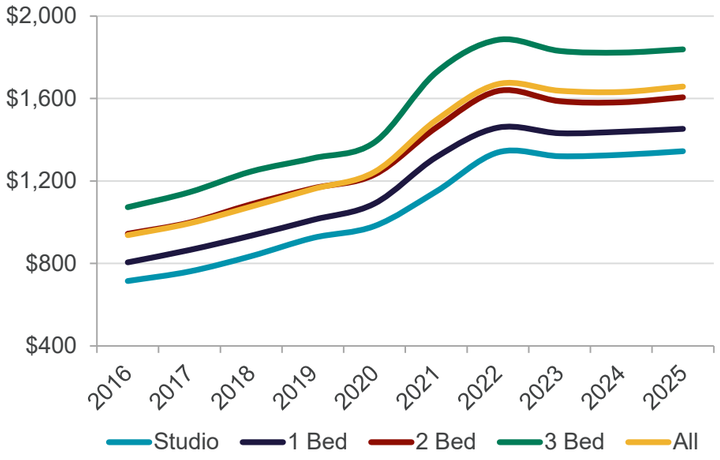
Source: Yardi Matrix

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BOISE
MULTIFAMILY Q2 2025

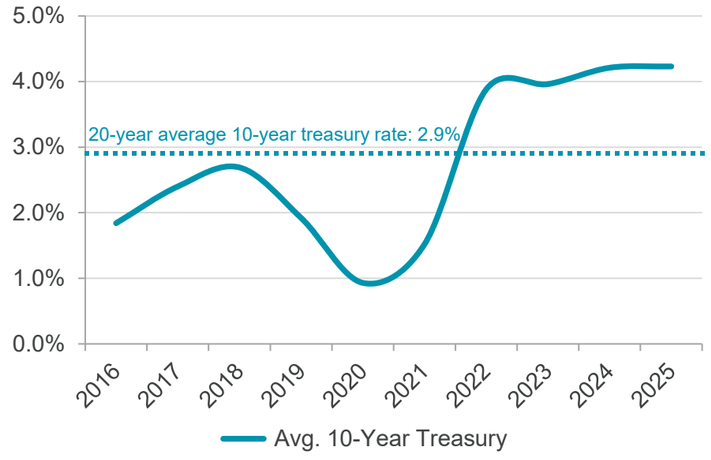
AVERAGE RENT PER UNIT HISTORY (1)

RENTS HAVE LARGELY REBOUNDED SINCE 2022, AND STUDIOS NOW EXCEED THEIR PREVIOUS PEAK, SIGNALING RENEWED MARKET STRENGTH.



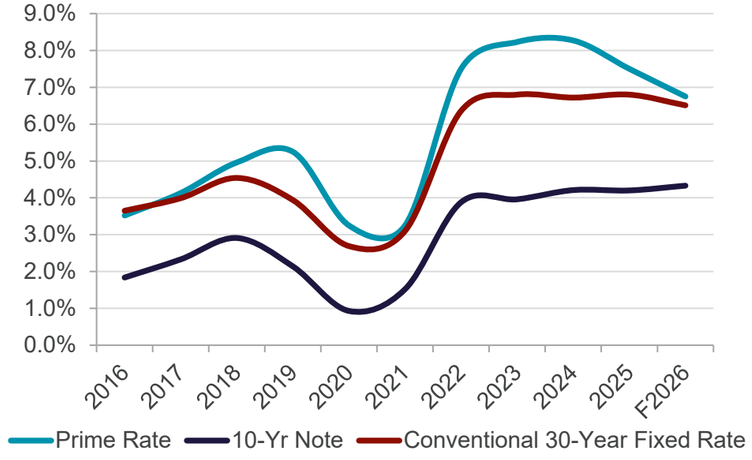
AVERAGE 10-YEAR TREASURY RATE (2)

THE 10-YEAR U.S. TREASURY RATE IS ABOVE THE HISTORICAL AVERAGE OF 2.9%.



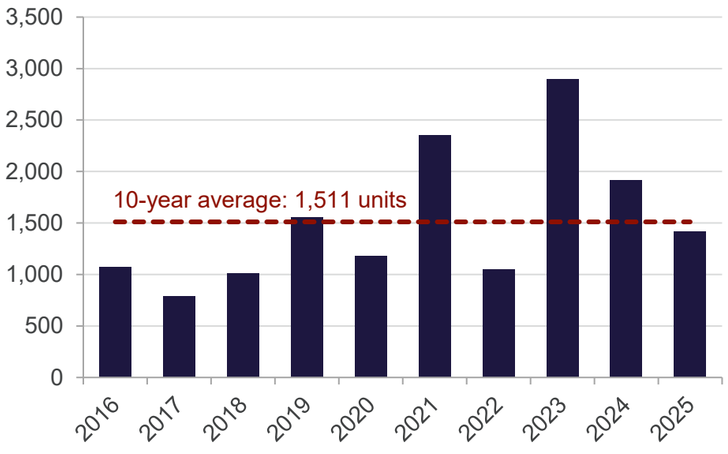
INTEREST RATES (3)

THE FEDERAL RESERVE HELD INTERESTS RATES STEADY, WHILE SIGNALLING EXPECTATIONS FOR MULTIPLE CUTS LATER THIS YEAR.



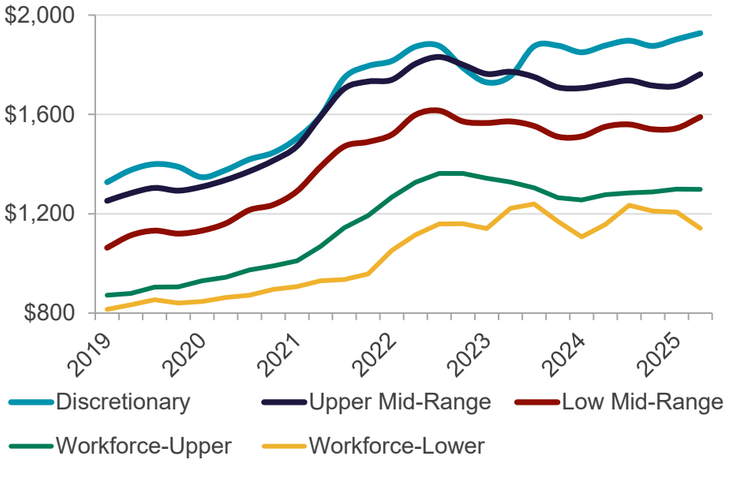
NEW INVENTORY (4)

TOTAL NUMBER OF NEW INVENTORY UNITS COMPLETED IN Q2 2025 IS 94% OF THE 10-YEAR ANNUAL AVERAGE OF 1,511 UNITS



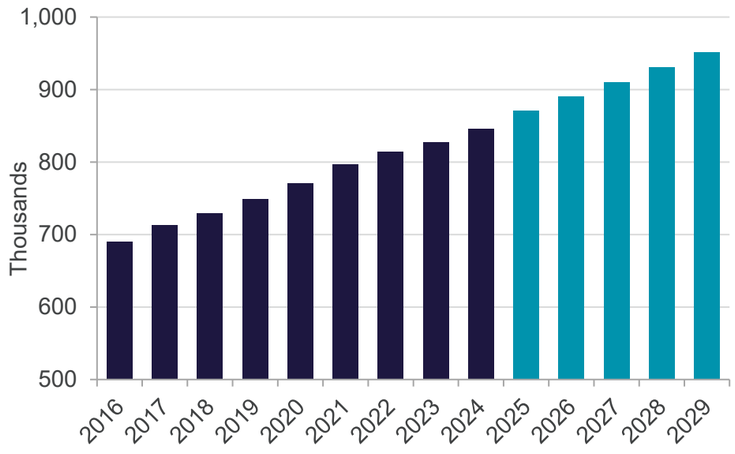
ASKING RENT PER UNIT BY ASSET CLASS (5)

DISCRETIONARY AND LOWER-TIER WORKFORCE SEGMENTS HAVE SURPASSED 2022 RENT LEVELS, WHILE OTHER SEGMENTS REMAIN NEAR PEAK PRICING.



POPULATION (6)

POPULATION IS PROJECTED TO GROW SIGNIFICANTLY THROUGH 2029



(1) Yardi Matrix, Cushman & Wakefield
(2) Federal Reserve Board
(3) Federal Reserve Board, Wells Fargo
(4) Yardi Matrix
(5) Yardi Matrix
(6) Moody's & U.S. Census Bureau

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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	3,427	0	0.0%	0	12	4.5%	-100	$1,684	-1.2%
Caldwell	1,406	0	0.0%	813	0	10.1%	340	$1,688	7.0%
Downtown Boise	1,899	298	15.7%	452	130	3.4%	-140	$1,801	10.6%
Eagle	942	0	0.0%	0	86	4.3%	-250	$1,847	5.6%
East Boise	3,955	0	0.0%	287	120	3.9%	30	$1,738	1.8%
Kuna	53	0	0.0%	0	-1	5.7%	-370	$1,452	-0.1%
Meridian	8,416	941	11.2%	300	221	4.4%	-150	$1,758	2.9%
Middleton	160	0	0.0%	56	0	10.0%	130	$1,524	4.2%
Nampa	1,395	110	7.9%	264	-3	4.8%	140	$1,561	4.1%
North Boise	368	0	0.0%	0	1	5.8%	-70	$1,394	-2.2%
Outlying Area	456	0	0.0%	240	56	4.4%	130	$1,445	3.2%
South Boise	739	0	0.0%	0	88	4.7%	50	$1,547	0.0%
Garden City	2,682	70	2.6%	62	-76	4.4%	-10	$1,760	3.5%
West Boise	3,364	0	0.0%	0	342	4.4%	-160	$1,522	1.4%
MARKET	**28,484**	**1,419**	**5.0%**	**2,474**	**976**	**4.5%**	**-60**	**$1,699**	3.5%

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

KEY SALE TRANSACTIONS Q2 2025

PROPERTY	SUBMARKET	SELLER / BUYER	UNITS	PRICE / $ UNIT
597 N Maple Grove Rd	West Boise	Telluride Chelan LLC / Wgp Telluride Owner Tlc	102	Inquire
951 Holly St	Southeast Boise	Koch-homestead-Idaho LLC / Gcp Homestead LLC	76	Inquire
415 E 42nd St	North Boise	Eric D Wilhite / Samuel David Nichols	64	Inquire
1006-1094 Hilton Ave	Central Bench	Melba Investments / Hilton Street Apartments LLC	48	Inquire
2220 S Hervey St	Central Bench	Carpathia Properties / JDK Investment Properties, L.P.	16	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.

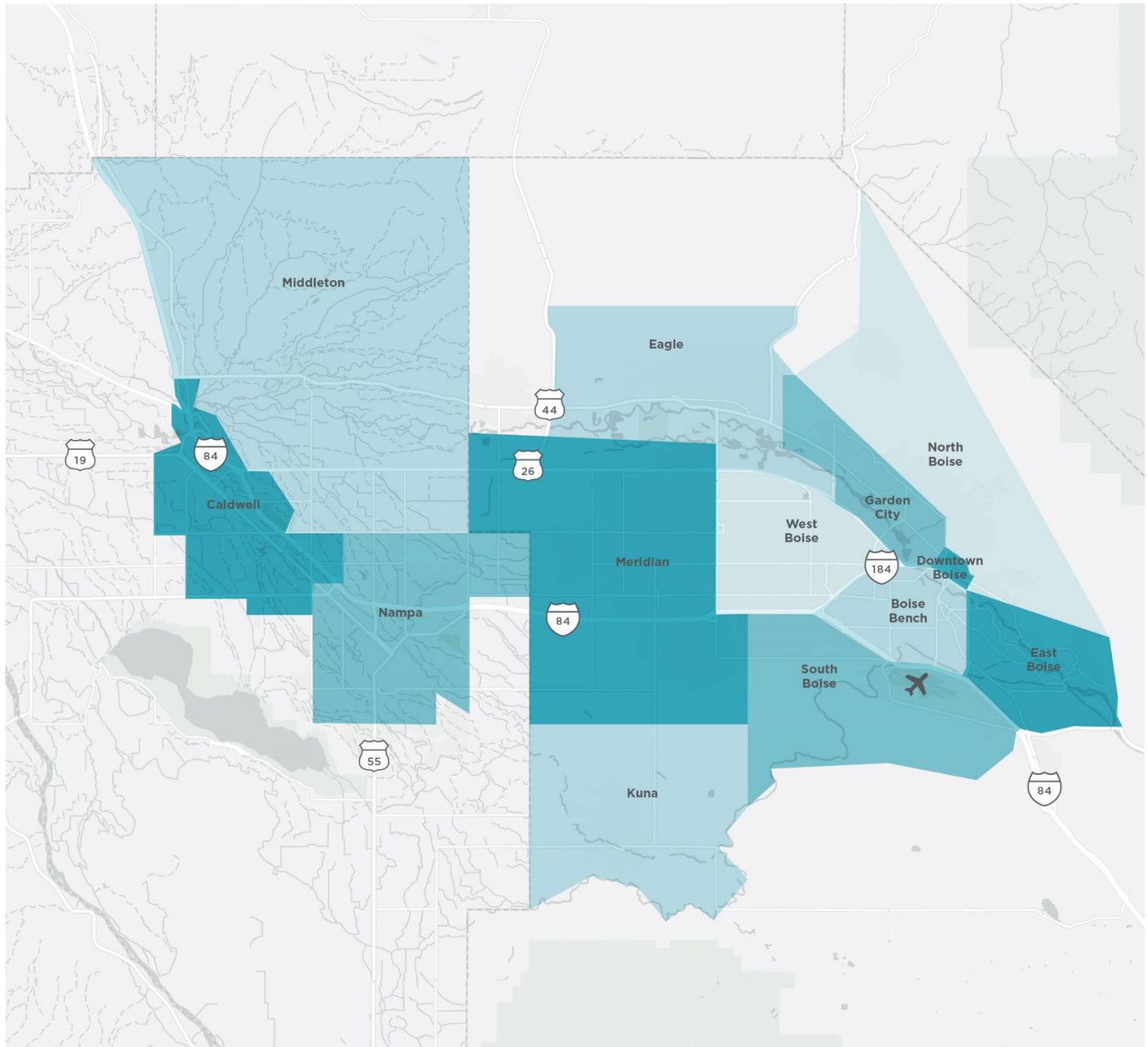
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MULTIFAMILY SUBMARKETS



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