



MARKET FUNDAMENTALS

	YOY Chg	Outlook
8.4% Vacancy Rate	▲	▼
1.85M YTD Net Absorption, SF	▲	▼
\$0.93 Asking Rent, PSF <i>(Overall, Net Asking Rent)</i>	▲	▲

ECONOMIC INDICATORS

	YOY Chg	Outlook
418K Boise Employment	▲	▲
3.4% Boise Unemployment Rate	▬	▲
4.2% United States Unemployment Rate <i>Source:BLS</i>	▼	▲

ECONOMY: GROWTH REMAINS STEADY

Boise continued to post solid economic performance in Q3 2026, leading all tracked markets with population growth of 2.3% year-over-year (YOY). Median household income climbed 5.0% YOY to \$96,600, supporting consumer spending and economic activity. Nonfarm employment expanded to 417,800 jobs, up 0.8% YOY, while healthcare employment grew to 61,100 jobs. The unemployment rate remained at 3.4%, below the U.S. rate of 4.2%. Looking ahead, continued growth in population, income, and employment is expected to support business expansion and commercial real estate demand throughout the Boise market.

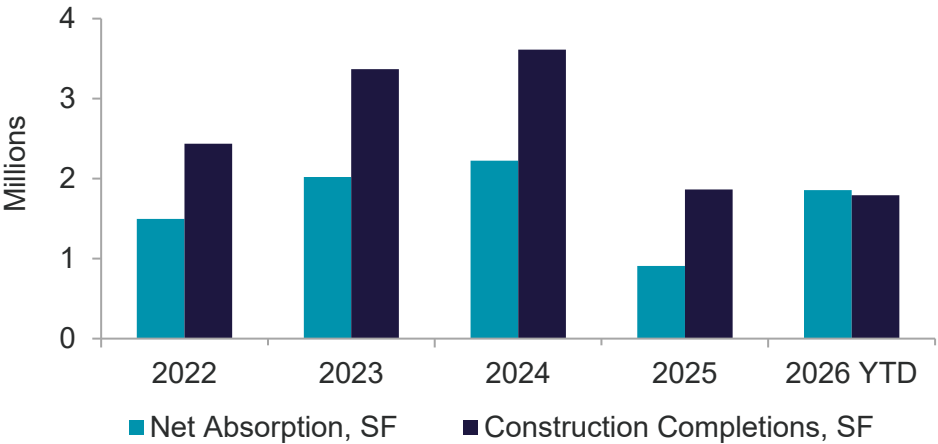
SUPPLY & DEMAND: RECORD ABSORPTION DRIVES VACANCY LOWER

Boise's industrial vacancy rate declined to 8.4% in Q3 2026, down 100 basis points (bps) quarter-over-quarter (QOQ), as record net absorption of 1.5 million square feet (msf) outpaced new supply additions and reduced available inventory across the market. Direct vacant space fell to 4.8 msf, while sublease vacancy declined to approximately 191,000 square feet (sf) and now represents a relatively small share of total vacancy. The quarter marks a notable shift from the elevated availability levels that emerged during the recent development cycle, with record absorption helping to reverse rising vacancy trends.

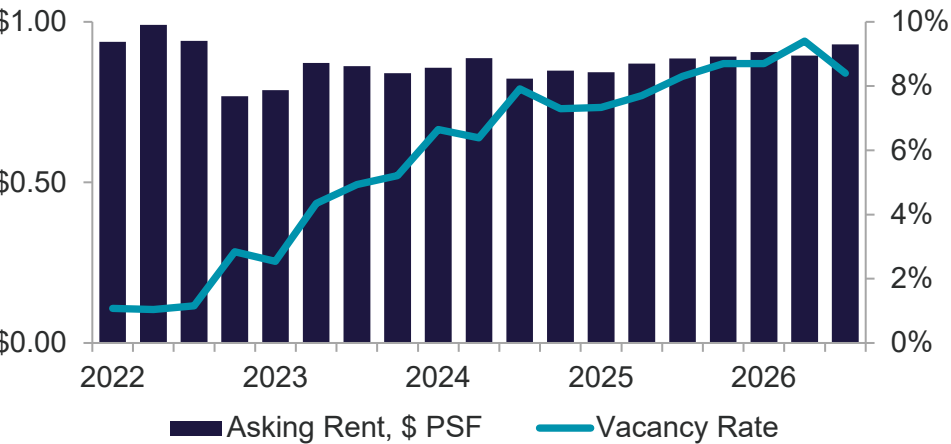
Net absorption totaled a record 1.5 msf during the quarter, exceeding the 939,000 sf delivered and contributing to the decline in vacancy despite continued development activity. Warehouse and distribution properties accounted for the vast majority of occupancy gains, supported by strong demand from manufacturing, industrial suppliers, and logistics users.

Leasing activity remained concentrated in modern distribution facilities, reflecting continued demand from occupiers serving the region's expanding industrial and manufacturing base. Several large occupancies within recently completed projects helped absorb available inventory, while strong tenant demand supported the market's best quarterly absorption performance on record. Leasing volume increased to approximately 1.3 msf during Q3, up from roughly 1.0 msf in the prior quarter. Activity remained concentrated in Nampa, Meridian, and the Airport submarket, where tenants continued to favor modern warehouse and distribution facilities. Demand was driven by manufacturing

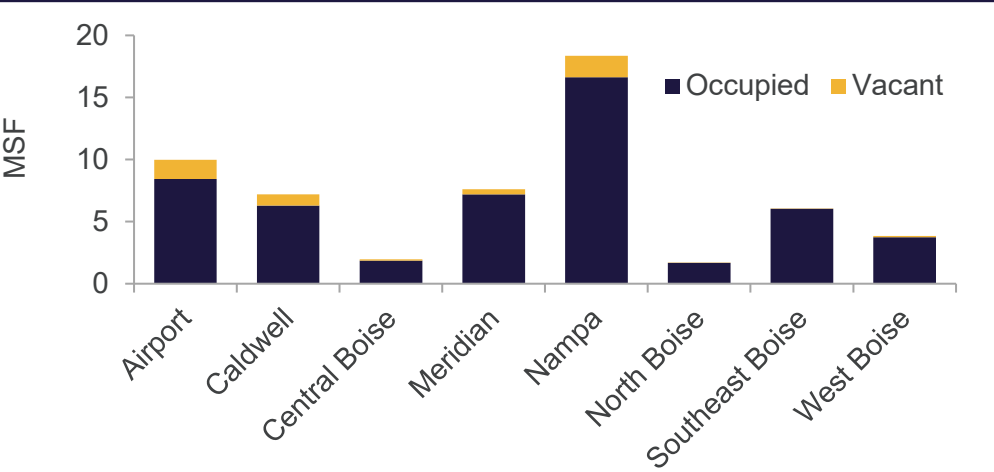
SPACE DEMAND / DELIVERIES



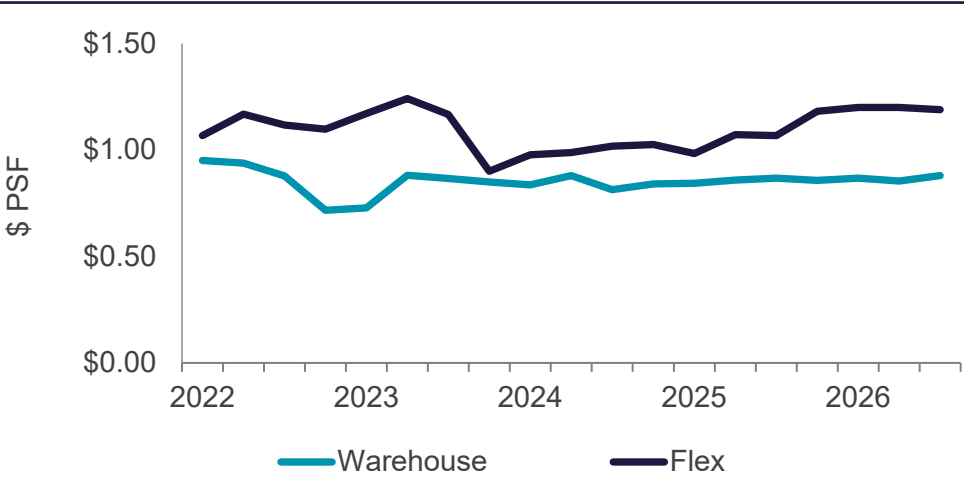
OVERALL VACANCY & ASKING RENT



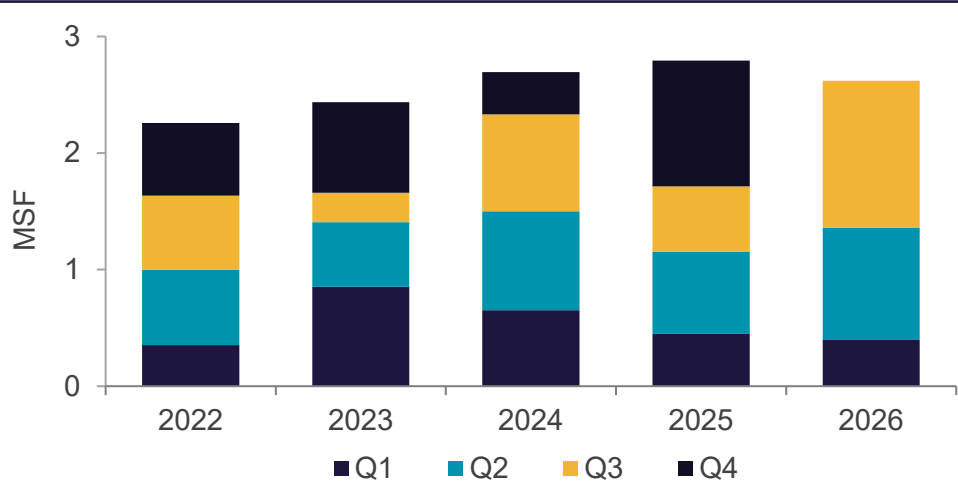
SUBMARKET COMPARISON



WAREHOUSE/FLEX ASKING RENT (\$ PSF, NNN)



LEASING ACTIVITY



firms, industrial suppliers, contractors, warehousing and logistics operators, and professional service providers. The breadth of leasing activity across multiple industries suggests occupier demand remains broadly supported throughout the Boise industrial market.

Construction activity remained elevated with approximately 7.2 msf underway at quarter end, though roughly two-thirds of the pipeline consists of build-to-suit development, including Micron's ongoing expansion. More than 2.0 msf remains under construction on a speculative basis, with approximately 1.7 msf currently available for lease. While 38.5% of speculative deliveries completed during Q3 remained vacant at quarter end, the quarter's record net absorption demonstrates continued demand for newly delivered industrial product.

PRICING: ASKING RATES CONTINUE TO TREND HIGHER

Boise's industrial asking rent increased to \$0.93 per square foot (psf) NNN, rising 3.0% QOQ and 4.5% YOY. Asking rates continued to trend higher as strong leasing activity and occupancy gains within the warehouse/distribution segment supported overall market pricing. While newly delivered speculative buildings continue to offer tenants multiple occupancy options, declining vacancy supported rent growth across the market. As a result, asking rates remained near historical highs despite continued development activity.

Rental performance varied by product type during the quarter. Warehouse and distribution rents increased to \$0.88 psf NNN, up 3.5% QOQ, driven by continued demand within Boise's largest industrial segment. Office Service rents reached \$1.19 psf NNN, the highest among Boise's primary industrial product types, while manufacturing rents were \$1.03 psf NNN. Despite modest quarterly fluctuations among product types, all three major industrial segments recorded YOY rent growth.

INVESTMENT: IMPROVING FUNDAMENTALS

Investment activity remained steady in Q3 2026 as investors continued to target well-leased warehouse/distribution and office service assets with durable cash flow and limited rollover risk. Improving market fundamentals and greater alignment between buyers and sellers supported transaction activity during the quarter. Boise's improving occupancy trends and record absorption have reinforced long-term investor confidence.

OUTLOOK

- Vacancy is expected to remain above historical averages in the near term as available warehouse inventory and speculative development continue to lease up across the market.
- Occupier demand is expected to support continued absorption of available industrial space, though performance will likely vary by submarket and building quality.
- Construction starts are expected to remain selective as developers evaluate current vacancy levels and available speculative inventory.
- Rent growth is expected to remain stable despite competition from newer industrial developments.
- Higher interest rates may continue to influence development, leasing, and investment decisions, though Boise's long-term industrial fundamentals remain favorable.

MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	OVERALL VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	YTD LEASING ACTIVITY (SF)	UNDER CNSTR (SF)	YTD CONSTR COMPLETIONS (SF)	OVERALL WEIGHTED AVG NET RENT (OS)	OVERALL WEIGHTED AVG NET RENT (W/D)	OVERALL WEIGHTED AVG NET RENT
Airport	9,985,101	1,546,305	15.5%	174,250	332,757	1,000,009	5,728,188	562,394	N/A	\$0.80	\$0.80
Caldwell	7,186,843	902,637	12.6%	12,046	31,190	122,341	0	57,760	\$1.25	\$1.00	\$1.04
Central Boise	1,961,887	99,004	5.1%	-49,659	-72,289	33,021	0	0	\$0.96	\$0.85	\$0.91
Downtown	508,996	102,120	20.1%	-19,593	-19,593	0	0	0	N/A	\$0.97	\$0.97
Eagle	270,107	12,154	4.5%	654	12,666	8,534	0	0	\$1.40	N/A	\$1.40
Meridian	7,608,300	413,422	5.4%	95,486	-58,167	313,468	433,829	25,000	\$1.46	\$1.31	\$1.42
Middleton	432,076	7,500	1.7%	0	0	8,000	30,000	0	\$1.25	N/A	\$1.25
Nampa	18,355,353	1,719,652	9.4%	1,199,156	1,437,509	782,040	908,220	1,052,887	\$1.16	\$0.91	\$0.95
North Boise	1,707,704	30,616	1.8%	7,634	11,908	71,651	0	0	\$1.02	\$1.09	\$1.08
Northwest	154,297	0	0.0%	0	0	0	0	0	N/A	N/A	N/A
South Meridian	853,668	11,992	1.4%	0	11,347	8,580	44,818	0	\$1.17	N/A	\$1.17
Southeast Boise	6,073,383	39,308	0.7%	56,055	60,780	113,468	10,000	33,068	N/A	\$1.09	\$0.92
Southwest Boise	873,131	20,059	2.3%	-8,428	70,585	47,299	0	60,000	\$1.10	\$0.93	\$0.96
West Boise	3,835,428	89,172	2.3%	2,206	36,773	112,584	0	0	\$1.11	\$0.80	\$1.16
BOISE TOTALS	59,806,274	4,993,274	8.4%	1,469,807	1,855,466	2,620,995	7,155,055	1,791,109	\$1.19	\$0.88	\$0.93

*Rental rates reflect weighted net asking \$psf/month

KEY LEASE TRANSACTIONS Q3 2026

PROPERTY	SUBMARKET	TENANT	SF	TYPE
1409 W Gowen Road	Airport	Micron	233,456	Direct
1201 W Gowen Road	Airport	Micron	172,980	Direct
1820 E Fargo Avenue	Nampa	Morgan Industrial Inc.	152,140	Sublease
645-651 E Gowen	Airport	ACME Construction Supply Co.	105,000	Direct
900 E Karcher Road	Nampa	Lippert Compnents, Inc.	102,512	Direct

*Renewals not included in leasing statistics

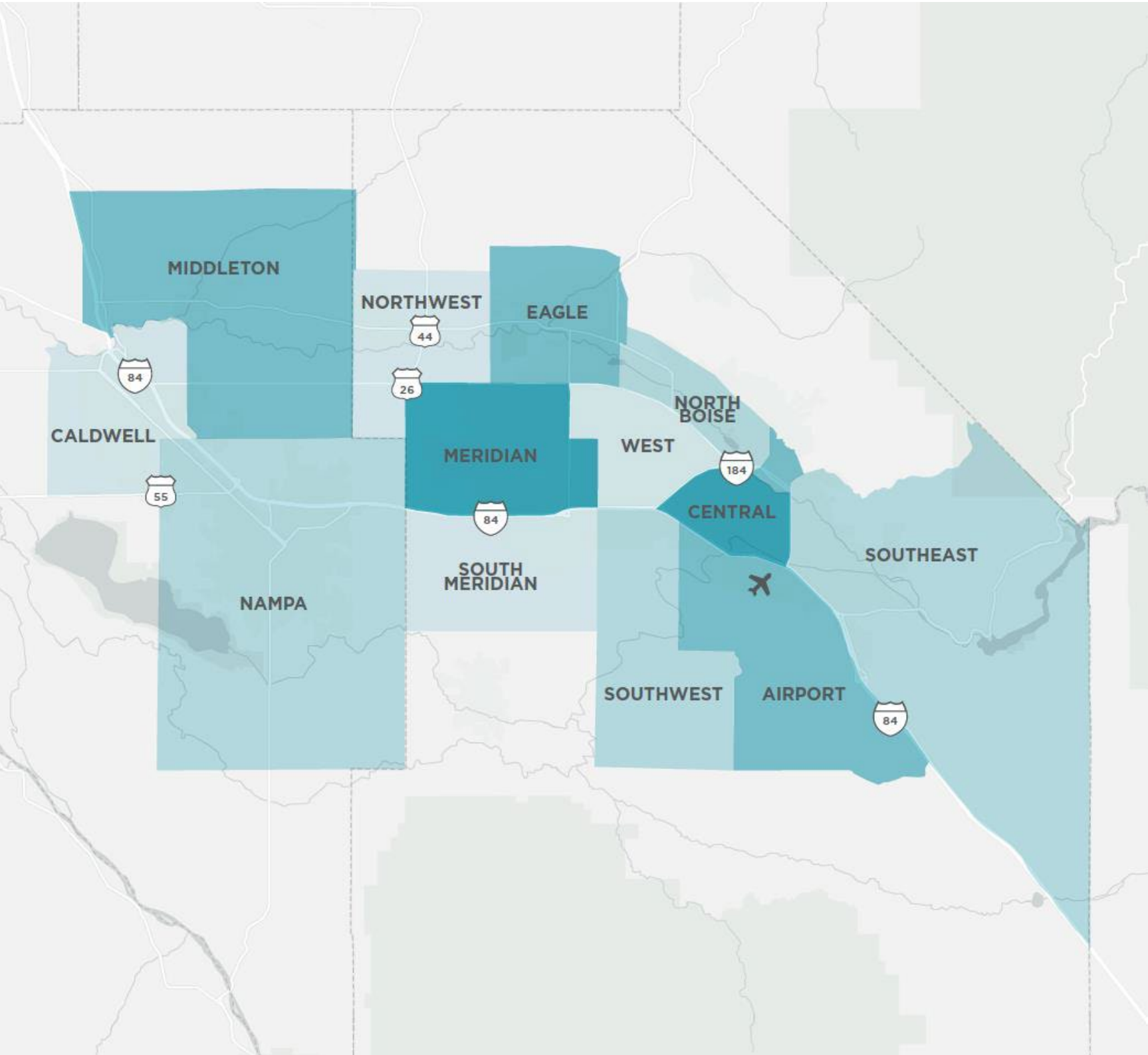
KEY SALE TRANSACTIONS Q3 2026

PROPERTY	SUBMARKET	SELLER/BUYER	SF	PRICE / \$ PSF
5250 E Franklin Road	Nampa	RE II Industrial VII LLC / 5200-5300 E Franklin Owner LLC	166,540	Inquire
5300 E Franklin Road	Nampa	RE II Industrial VII LLC / 5200-5300 E Franklin Owner LLC	138,060	Inquire
5200 E Franklin Road	Nampa	RE II Industrial VII LLC / 5200-5300 E Franklin Owner LLC	135,000	Inquire
1406 N Galleria Drive	Nampa	Gardner Company LLC / Schweitzer Engineering Laboratories	104,000	Inquire

KEY CONSTRUCTION COMPLETIONS Q3 2026

PROPERTY	SUBMARKET	MAJOR TENANT	SF	OWNER/DEVELOPER
18650 Midland Boulevard	Nampa	Tractor Supply Company	860,000	Tractor Supply Company
9850 W Silver Fern Street	Nampa	Nutrien AG Solutions	25,200	Z D Investment Property LLC

INDUSTRIAL SUBMARKETS



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