

Market Trends

12 Month Comparison
May 2011 to May 2012

Office

Total Vacancy



Absorption Rate



New Construction

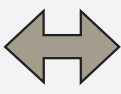


Industrial

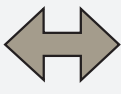
Total Vacancy



Absorption Rate



New Construction



Retail

Total Vacancy



Absorption Rate

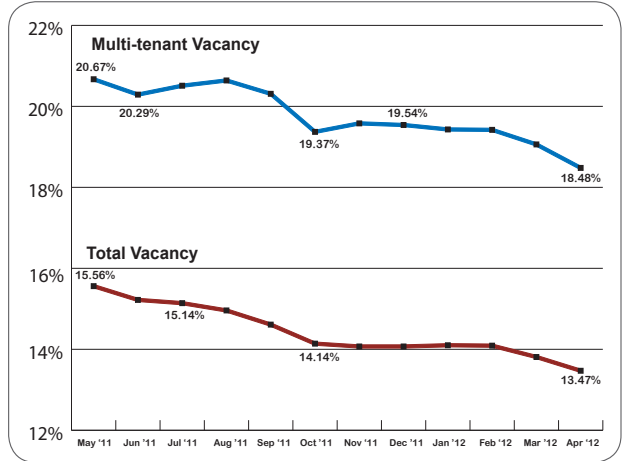


New Construction



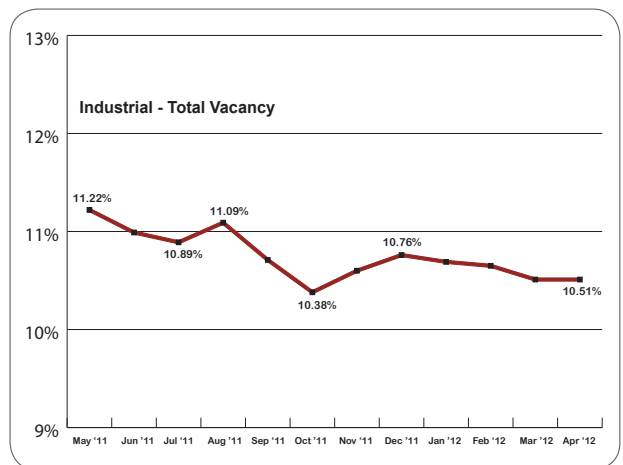
Office Review

Total vacancy has continued to decline for the past five quarters and ended April at 13.5%. Multi-tenant vacancy has declined five consecutive months and is currently at its lowest level since mid-2009. West Boise (18.0%) was very active in April with multiple deals occurring over 9,000 SF. Central Garden & Pet (a new call center to the valley) and Core Realty leased a combined 45,000 SF along the Emerald Corridor, while Mybullfrog.com occupied 12,000 SF in the Boise Research Center. Scentsy continued to expand its presence by purchasing a 26,000 SF bank owned building near its headquarters at Eagle and Pine. This brought Meridian's vacancy to its lowest level since late 2006. At the end of April, net absorption is 272,000 SF, nearly 100,000 SF more than at this point last year.



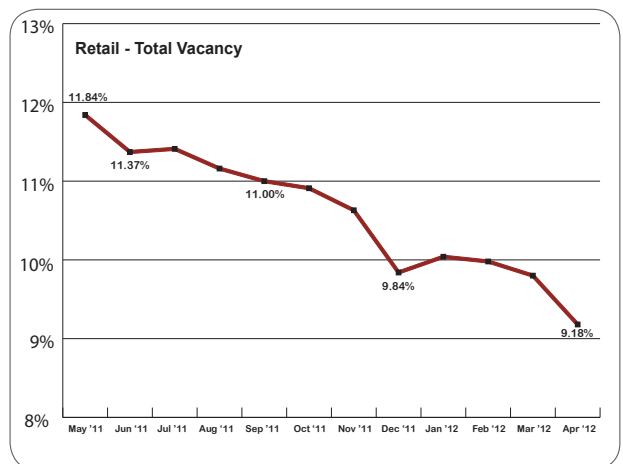
Industrial Review

Total vacancy remained flat at 10.5% in April, while multi-tenant vacancy increased slightly from 18.9% to 19.0%. Downtown Boise, a submarket with historically low levels of industrial inventory, saw nearly 20,000 SF come online last month, driving vacancy to its highest level since Q3 2006 (10.3%). Submarkets with declining vacancy include Airport (5.5%), Southwest Boise (9.8%), Eagle (6.2%) and Meridian (6.4%). Last month a 15,000 SF building in Southeast Boise was leased by a dance company and a knife company leased nearly 10,000 SF in Southwest Boise. Net absorption year-to-date is 48,000 SF, down slightly from the end of Q1 2012. Southwest Boise leads the submarkets in net absorption with 59,000 SF. Four of the twelve submarkets have negative absorption for the year.

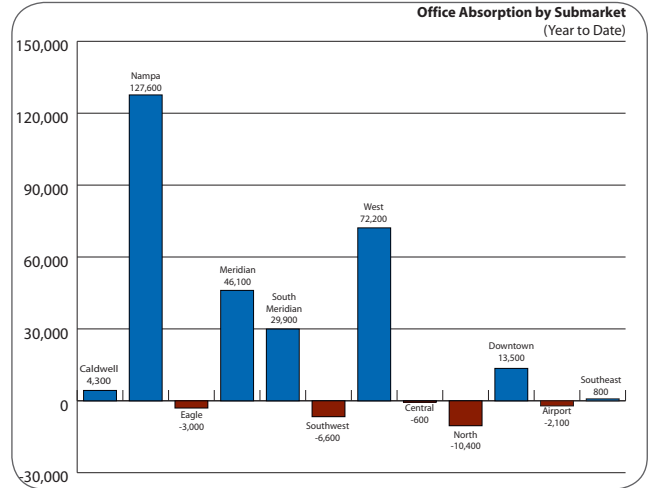
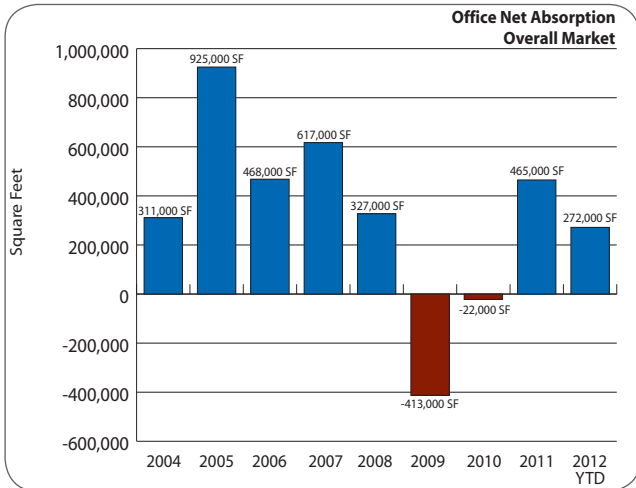


Retail Review

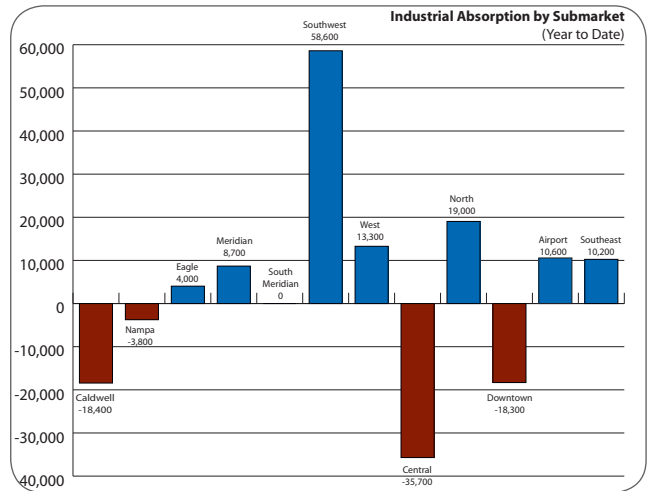
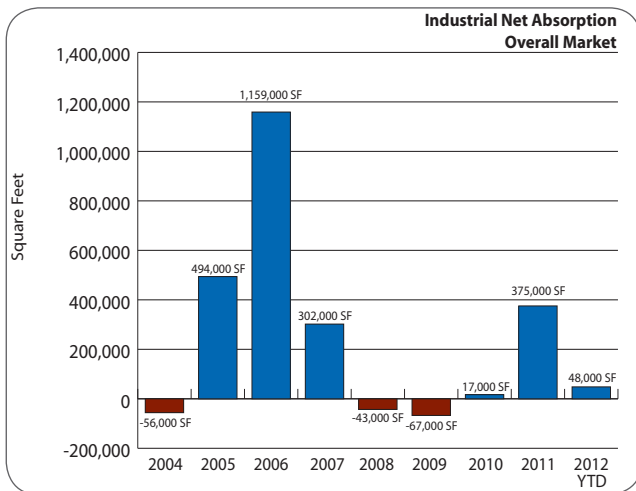
Total vacancy decreased from 9.8% to 9.2% last month and unanchored vacancy declined over 100 basis points to 18.3%, its lowest level since late 2007. West Boise continues to see a lot of activity near the Boise Towne Square Mall: Ulta Cosmetics leased 15,000 SF of the former Circuit City space, while the remaining 24,000 SF is being eyed by Dave & Buster's, and Go Games & Toys opened in the 30,000 SF former Border's space. West Boise's vacancy (4.9%) has fallen steadily since late 2010 and only a handful of anchor spaces remain on the market. Net absorption for April surpassed net absorption for the entire first quarter of 2012. Only one submarket has negative net absorption (Southwest). This is a welcome change from the first quarter, when only two submarkets were positive.



Office



Industrial



Retail

