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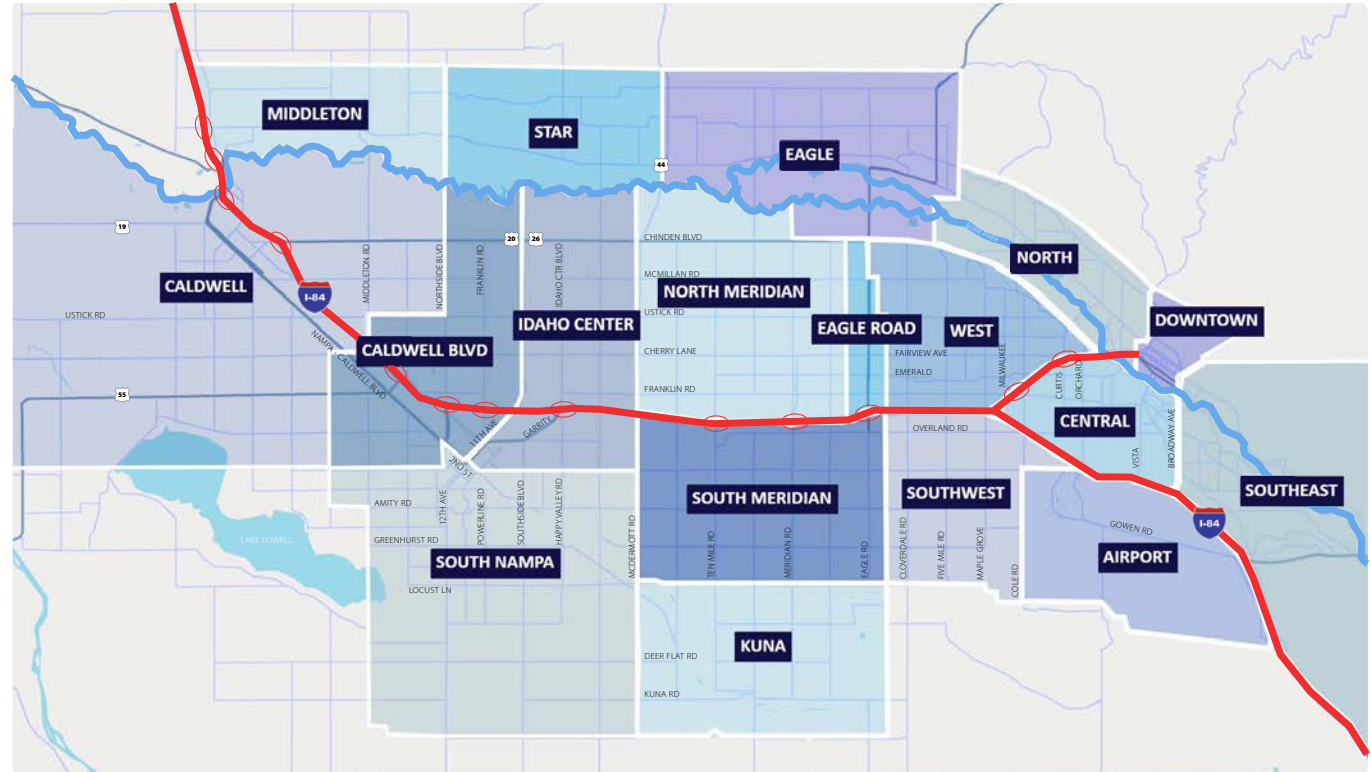
COMMERCIAL

BOISE MERIDIAN EAGLE KUNA NAMPA CALDWELL

Q1 2025

LAND
MARKET REPORT

YOUR GUIDE TO THE **BOISE VALLEY'S LAND MARKET**



TOX LAND MARKET

MARKET SNAPSHOT

THROUGH DECEMBER 2024



ANNUAL



QUARTERLY

6,498
RESIDENTIAL PERMITS



ANNUAL



QUARTERLY

155
COMMERCIAL PERMITS



ANNUAL



QUARTERLY

\$1.7 BILLION
TOTAL RESIDENTIAL PERMIT VALUE



ANNUAL



QUARTERLY

\$445 MILLION
TOTAL COMMERCIAL PERMIT VALUE

COMMERCIAL LAND

The commercial land market in the Treasure Valley has seen shifts in transaction volume and land consideration. Unlike previous years, office and retail land sales surpassed industrial land in 2024, with acreage sold increasing 32 percent from 2023. Industrial and multifamily land sales have slowed as rising vacancy rates and longer lease-up times create hesitation in new acquisitions and development. Overall, commercial land consideration was down 16 percent from 2023, with the number of transactions also declining by 5 percent. Additionally, entitlement challenges persist, as municipalities remain backlogged, forcing developers to plan at least two years in advance for new projects.

While the total number of permits issued in the Boise MSA rose by 24 percent compared to the end of 2023, the overall value of these permits declined nearly 30 percent year-over-year, reflecting a shift towards smaller-scale or lower-cost developments. Despite the Federal Reserve's 25 basis point rate cut, Treasury yields have increased, pushing interest rates higher for commercial real estate. Economic factors, including a strong economic outlook, potential new tariffs, and a low unemployment rate, suggest that meaningful interest rate reductions may take longer to materialize.

Construction activity remained strong in the industrial and retail sectors throughout 2024, with 3.7 million square feet of industrial and commercial space delivered. Notably, over 60,000 square feet of office and retail space was completed in Star, an area experiencing significant growth. Looking ahead, the expansion of Highway 16 is expected to drive further development, creating new opportunities for growth in Star and surrounding areas to the North.

RESIDENTIAL LAND

Boise MSA's residential land market continued to evolve in 2024, driven by shifting economic conditions and steady demand. According to Intermountain MLS, Ada County's median home price increased 2.9 percent year-over-year to \$540,000, while Canyon County's median price rose 3.8 percent to \$415,000. Home sales have rebounded as market conditions stabilized and interest rates normalized, prompting more homeowners to list their properties. This shift led to an 8 percent year-over-year increase in existing home sales across Ada and Canyon counties. Additionally, latent demand boosted new construction sales, which climbed 10 percent in Canyon County and 17 percent in Ada County compared to 2023. Nampa led the region with 1,353 residential permits issued. Growth continues to be concentrated in western Canyon County and Meridian, though further expansion remains dependent on infrastructure improvements, particularly in water and sewer systems.

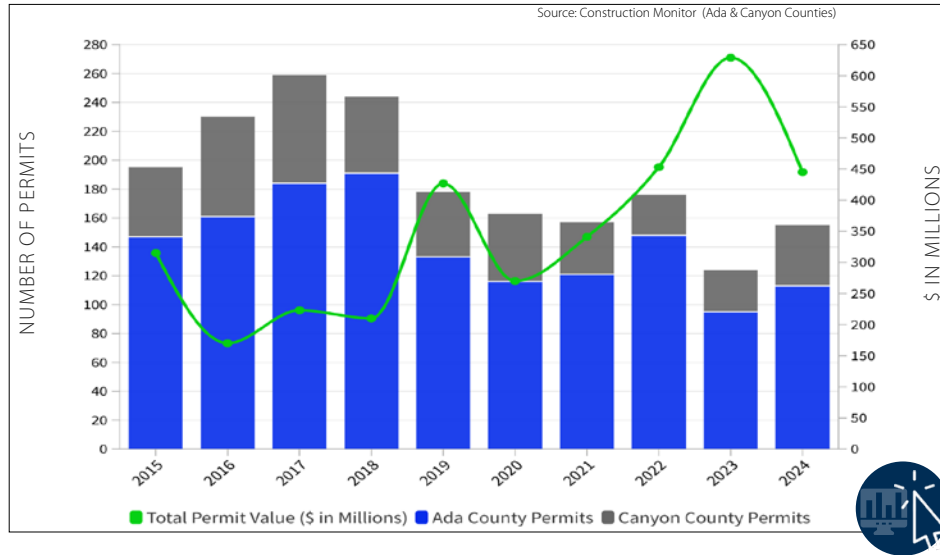
The multifamily market in the Treasure Valley is undergoing a shift as new development slows. The number of planned units has declined by nearly 50 percent compared to 2023, and permit values dropped by 60 percent in 2024, indicating that developers are pulling back on large projects. Currently, 2,573 units are under construction or in lease-up, while 1,745 units were delivered in 2024. Many of the units now coming online were initiated during a period of strong multifamily investment returns, but current market conditions reflect a slowdown in new construction. This decline in new projects may help balance supply and demand over time, though near-term challenges in lease-ups and occupancy remain a focus for property owners and investors.

TAKEAWAYS:

- **TOTAL ACREAGE SOLD FOR COMMERCIAL LAND WAS UP 32% FROM 2023. HOWEVER, CONSIDERATION WAS DOWN 16% AND THE NUMBER OF TRANSACTIONS WERE DOWN 5%.**
- **PLANNED MULTIFAMILY UNITS WERE DOWN NEARLY 50% AND PERMIT VALUES DROPPED 60% YEAR-OVER-YEAR.**

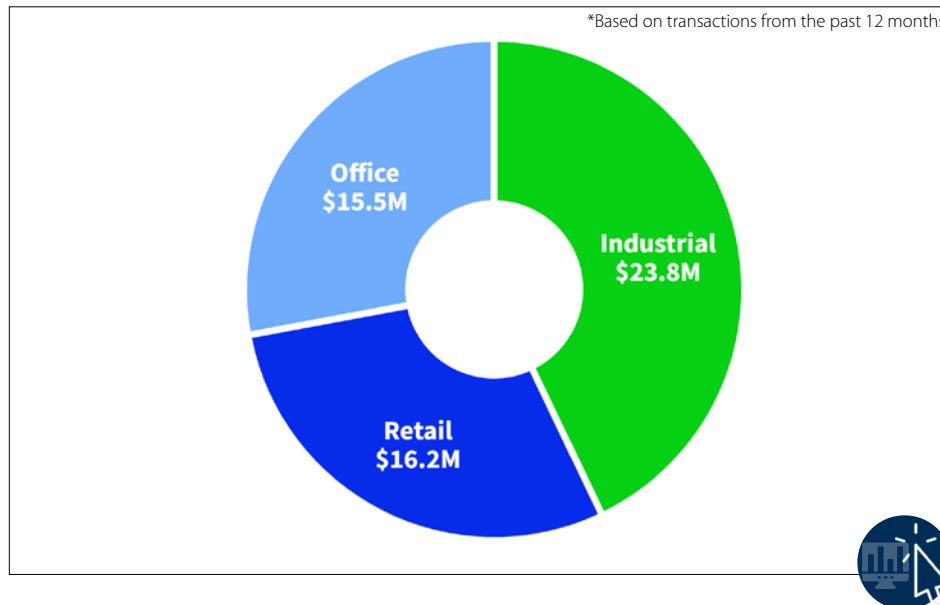
COMMERCIAL PERMITS & VALUES

TOTAL number of PERMITS INCREASED by 24% compared to the end of 2023. However, PERMIT VALUE saw a nearly 30% DECLINE year-over-year.



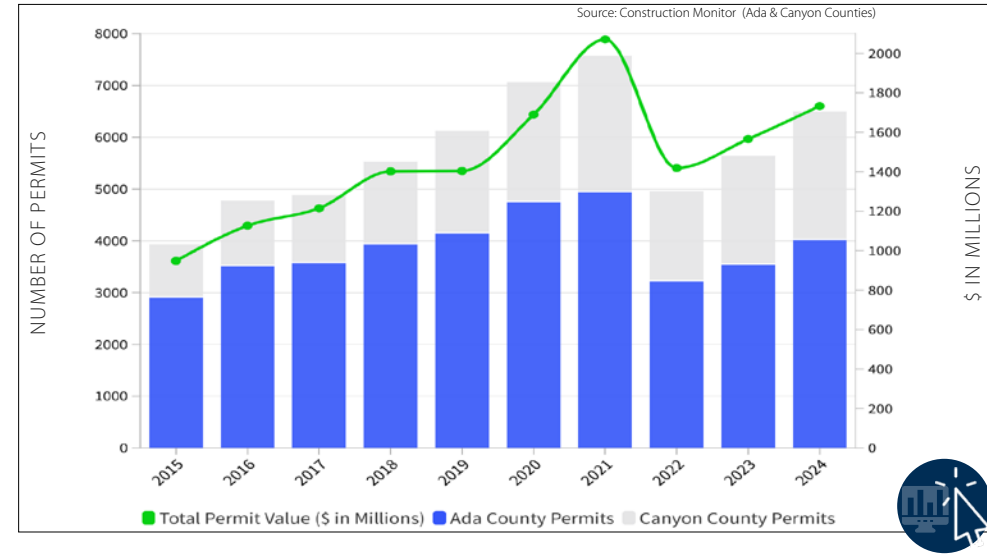
COMMERCIAL LAND CONSIDERATION

OVERALL CONSIDERATION was DOWN 16% from the previous 12 months. 43% of COMMERCIAL LAND SOLD in 2024 was INDUSTRIAL LAND.



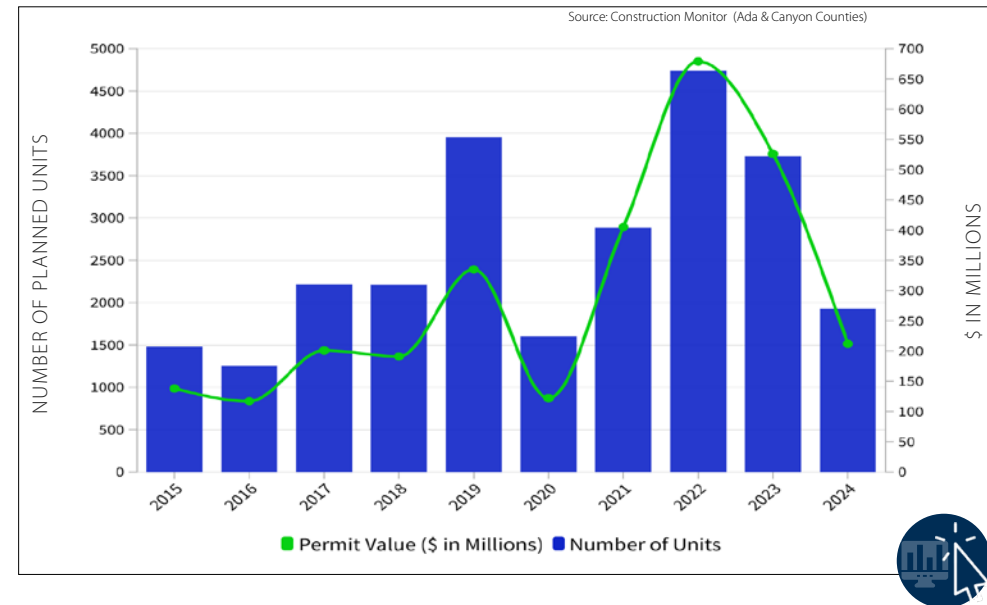
SINGLE FAMILY UNITS & PERMIT VALUES

The number of SINGLE FAMILY PERMITS were UP 15% compared to 2023. The CITY OF NAMPA recorded the MOST PERMITS in 2024 with 1,353 permits issued.



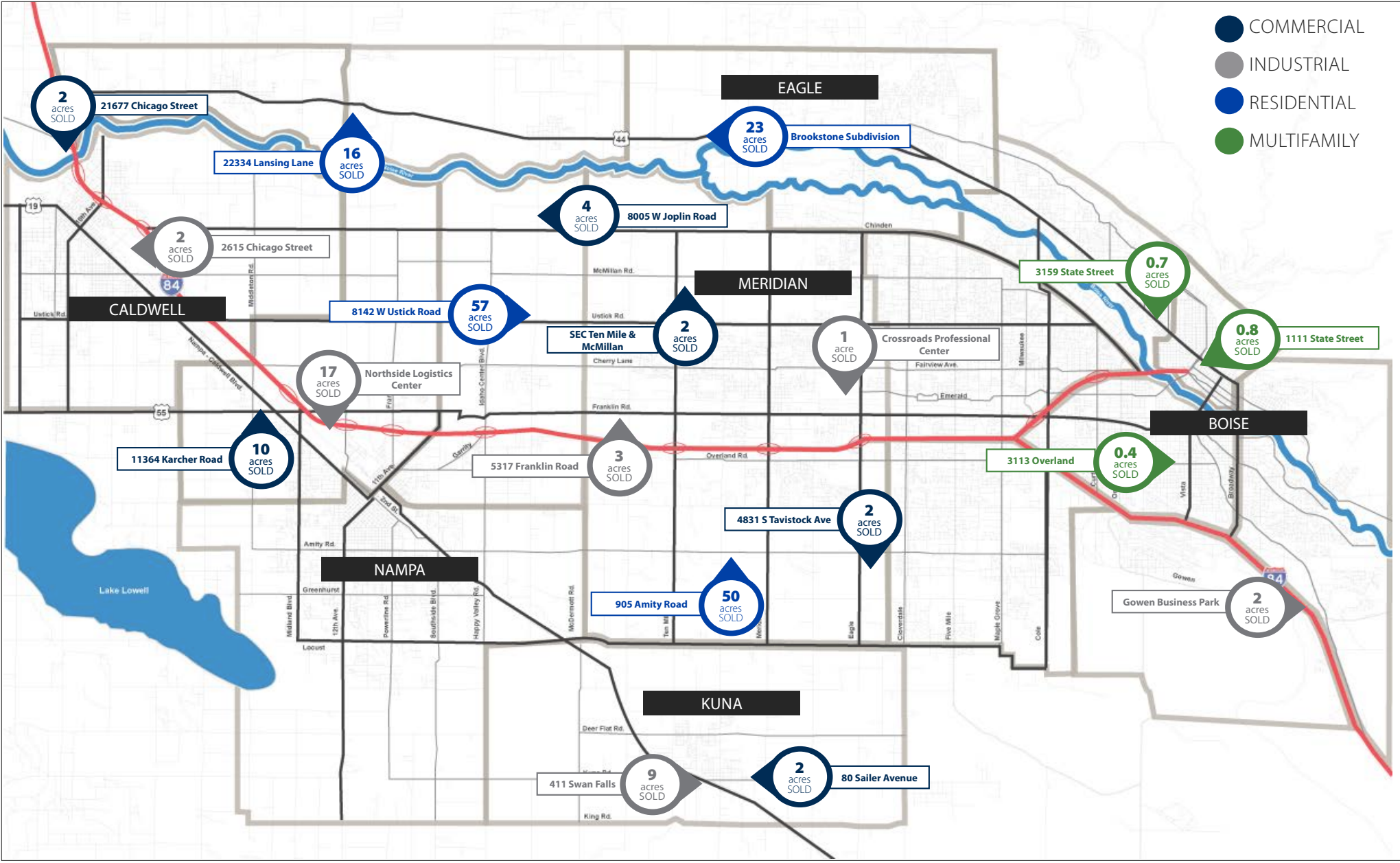
MULTIFAMILY UNITS & PERMIT VALUES

NUMBER OF PLANNED UNITS are DOWN NEARLY 50% year-over-year. The CITY OF STAR recorded the MOST UNIT PERMITS in 2024 with 615 UNIT PERMITS ISSUED.



TOK LAND MARKET ACTIVITY

RECENT LAND DEALS



TOK

COMMERCIAL



MARKET INSIGHT

+157 MILLION SQUARE FEET TRACKED REAL TIME ACROSS IDAHO MARKETS



RESULTS

20,000 SQUARE FEET LEASED OR SOLD PER BUSINESS DAY (2024)



REACH

AS THE REGION'S LARGEST CRE FIRM, WE CAN COVER REQUIREMENTS ACROSS THE STATE

BOISE VALLEY OFFICES

OUR EXPERTISE IS YOUR ADVANTAGE



MICHAEL BALLANTYNE, SIOR, CCIM
MANAGING PARTNER
208.947.0831
mjb@tokcommercial.com



DEVIN PIERCE, SIOR
208.947.0850
devin@tokcommercial.com



CHRIS PEARSON, SIOR
208.947.0859
chris@tokcommercial.com



LENNY NELSON
208.947.0831
lenny@tokcommercial.com



NICK SCHUITEMAKER, CCIM
208.947.0802
nick@tokcommercial.com



SEAN EDWARDS
208.579.2304
sean@tokcommercial.com



KEKAULA KANIHO
208.947.0853
kekaula@tokcommercial.com



MOSES MUKENZEZI
208.947.0836
moses@tokcommercial.com



JOHN STEVENS, CCIM
SALES MANAGER
208.947.0814
john@tokcommercial.com



PETER OLIVER, SIOR, CCIM
208.947.0816
peter@tokcommercial.com



SAM MCCASKILL, CCIM
208.947.0814
sam@tokcommercial.com



JP GREEN, CCIM
208.947.0852
jppgreen@tokcommercial.com



PATRICK SHALZ, SIOR
208.947.0834
pat@tokcommercial.com



ANDREW BOESPFLUG
208.947.5524
andrew@tokcommercial.com



LAURIE REYNOLDSON
CCIM, CLS
208.947.5514
laurie@tokcommercial.com



MIKE ARNOLD
208.957.5609
mikea@tokcommercial.com



DAN MINNAERT, SIOR, CCIM
208.947.0845
dan@tokcommercial.com



MIKE GREENE, SIOR, CCIM
208.947.0835
mikeg@tokcommercial.com



GAVIN PHILLIPS, SIOR
208.947.0812
gavin@tokcommercial.com



HOLLY CHETWOOD, CCIM
208.947.0827
holly@tokcommercial.com



AL MARINO, SIOR
208.947.0811
al@tokcommercial.com



BRIANNA MILLER, CCIM, CLS
208.947.5519
briannam@tokcommercial.com



MIKE KELLER
208.947.0844
mtk@tokcommercial.com



LANCE HENDRICKS
208.957.5623
lance@tokcommercial.com

