



MIDYEAR 2024

MAGIC VALLEY MARKET REPORT

TWIN FALLS

BURLEY

JEROME

TRENDING REPORTS

MARKET TAKEAWAYS

OFFICE MARKET

INDUSTRIAL MARKET

RETAIL MARKET

LAND MARKET

YOUR GUIDE TO **MAGIC VALLEY'S COMMERCIAL REAL ESTATE MARKET**



DISCOVER THE DIFFERENCE.

WORK WITH

**IDAHO'S
BROKERAGE
EXPERTS.**

TENANT REPRESENTATION

SALES

LEASING

ACQUISITIONS

PROPERTY MANAGEMENT

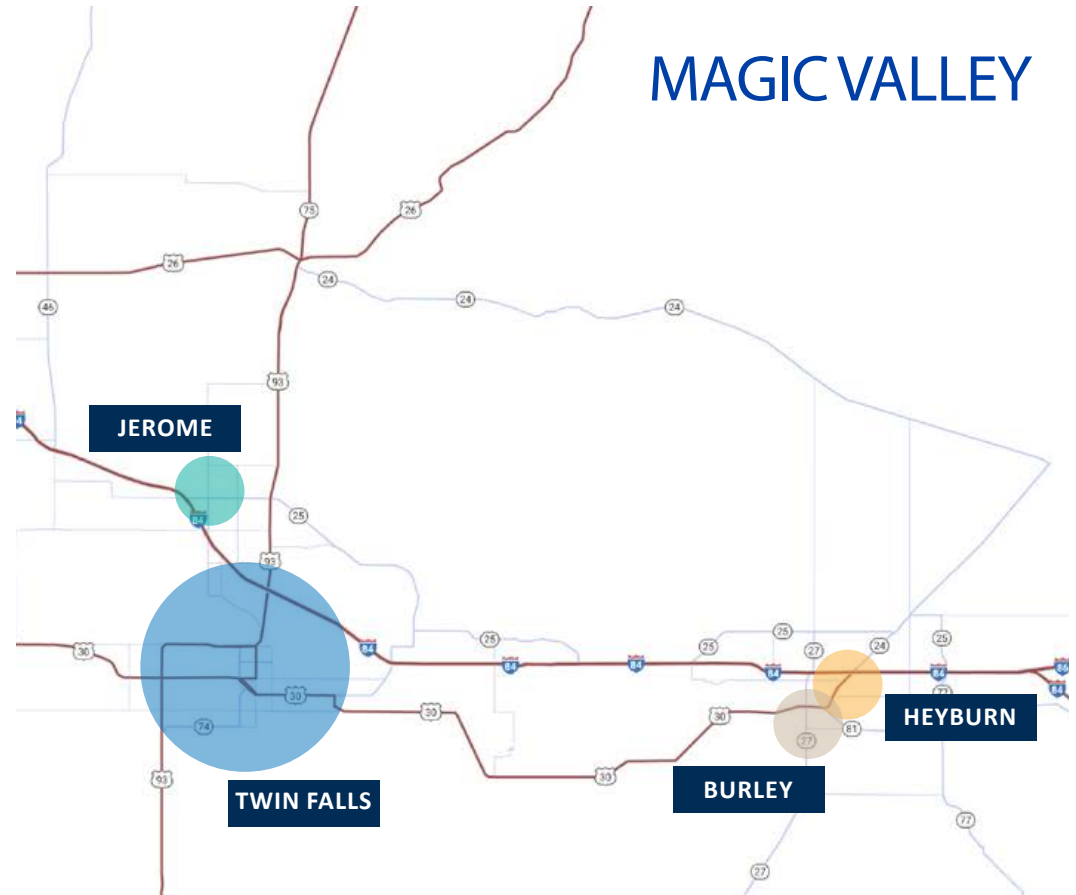
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COMMERCIAL

(208) 944-9694

tokcommercial.com

MAGIC VALLEY **SUBMARKET MAPS**



MARKET SNAPSHOT

THROUGH JUNE 2024



ANNUAL



QUARTERLY

11,000 SQ. FEET
NET ABSORPTION



ANNUAL



QUARTERLY

2.9%
MULTITENANT VACANCY



ANNUAL



QUARTERLY

\$19.00
AVERAGE NNN LEASE RATE (ANNUALLY)

OFFICE

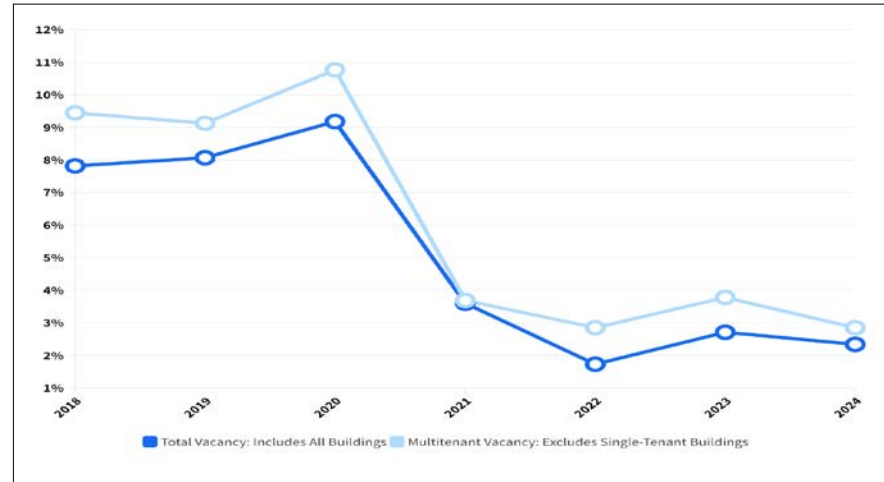


OFFICE SUMMARY

While overall office activity in the Magic Valley has slowed, the majority of the growth occurring is primarily in the medical office sector. Of the 60,000 square feet of office space that is currently under construction, 64 percent is slated for medical use. This includes projects like the 23,000 square foot North Canyon Medical Center Clinic and the 5,000 square foot Horizon Home Health & Hospice building. Additionally, Majestic Aesthetics and Wellness recently occupied their newly completed 6,000 square foot building in the Canyon submarket. This introduction of higher-end medical office product has led to a \$1.50 increase in lease rates per square foot compared to this time last year.

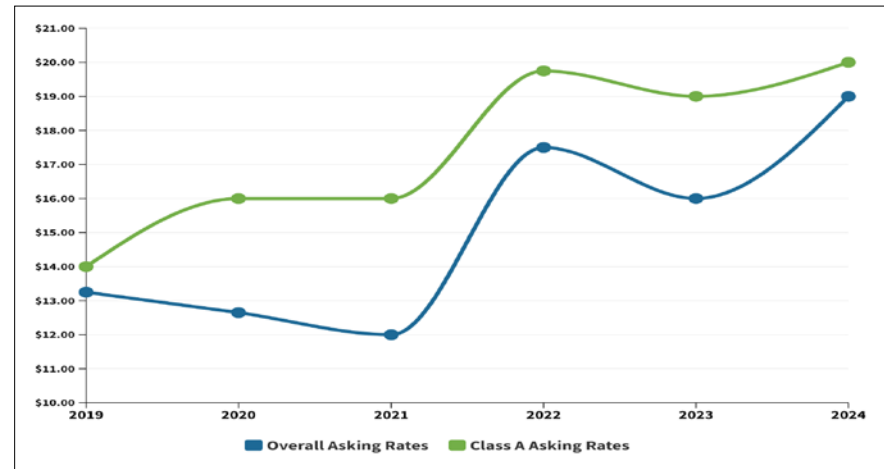
VACANCY TRENDS

 [CLICK TO VIEW INTERACTIVE GRAPH!](#)



LEASE RATES

 [CLICK TO VIEW INTERACTIVE GRAPH!](#)



TOK MAGIC VALLEY INDUSTRIAL MARKET

MARKET **SNAPSHOT**

THROUGH JUNE 2024



ANNUAL



QUARTERLY

38,000 SQ. FEET
NET ABSORPTION



ANNUAL



QUARTERLY

2.2%
TOTAL VACANCY RATE



ANNUAL



QUARTERLY

\$0.86
AVERAGE NNN LEASE RATE (MONTHLY)

INDUSTRIAL

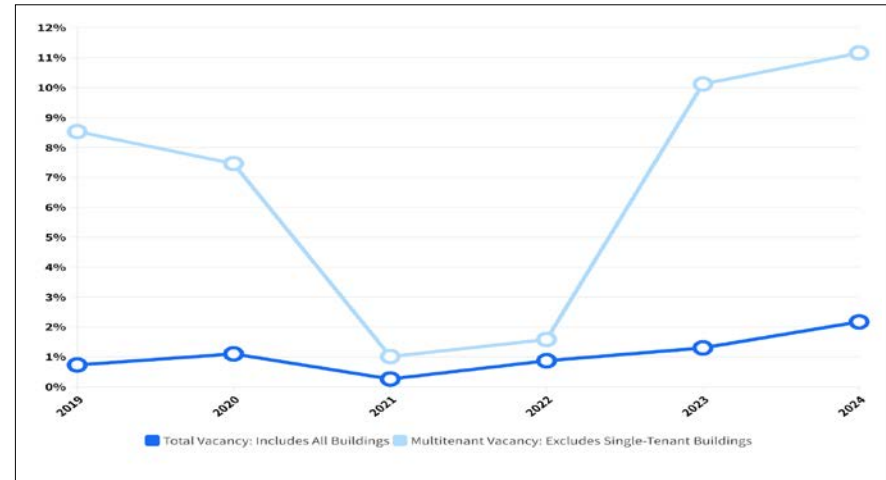


INDUSTRIAL SUMMARY

The Magic Valley has seen a notable increase in industrial space, with over 236,000 square feet delivered since this time last year. Of this new construction, 45 percent was speculative, resulting in overall projected supply reaching a record high of 10.8 months. This influx of supply has ultimately caused vacancy rates to rise, with multitenant vacancy reaching 11.2 percent, up from 5.7 percent a year ago. Overall vacancy has also risen nearly 200 basis points from this time last year, ending June at 2.2 percent. Overall average lease rates are at \$0.86 per square foot (NNN, monthly), a 9 percent decrease since the end of 2023. In contrast, Class A lease rates have risen to \$1.05 per square foot over the same period, likely driven by the addition of new Class A industrial space to the market.

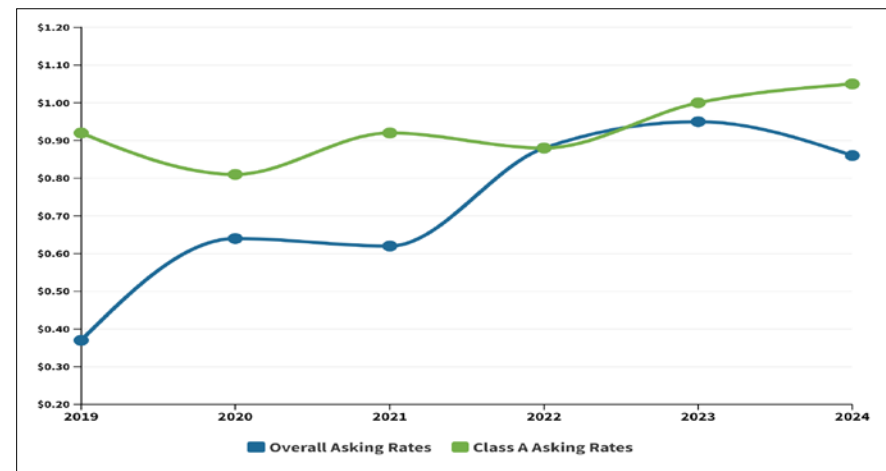
VACANCY TRENDS

 [CLICK TO VIEW INTERACTIVE GRAPH!](#)



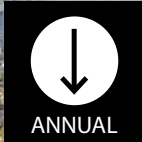
LEASE RATES

 [CLICK TO VIEW INTERACTIVE GRAPH!](#)

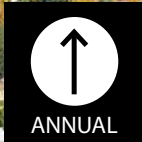


MARKET SNAPSHOT

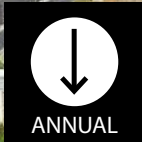
THROUGH JUNE 2024



-9,000 SQ. FEET
NET ABSORPTION



3.5%
TOTAL VACANCY RATE



\$12.00
ASKING NNN LEASE RATE (ANNUALLY)

RETAIL

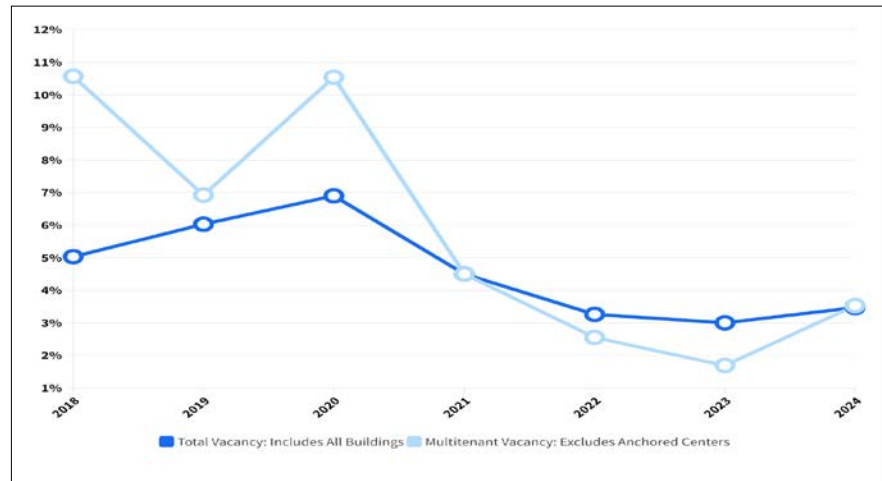


RETAIL SUMMARY

The Retail market has experienced a handful of notable closures in the first half of the year, including MOD Pizza vacating 3,000 square feet in central Twin Falls and Elegant Gowns vacating 3,800 square feet in downtown Twin Falls. Total transactions are also down 29 percent from this time last year, leading to 9,400 square feet of negative net absorption midway through the year. Affordable retail supply remains a major challenge for businesses in the Magic Valley, with construction costs too high to justify developing and Class A lease rates reaching \$20.25 per square foot (NNN, annually). However, overall lease rates have begun to decline and are now at \$12.00 per square foot. Over the past three years, vacancy rates have remained consistent with overall and unanchored vacancy both currently at 3.5 percent.

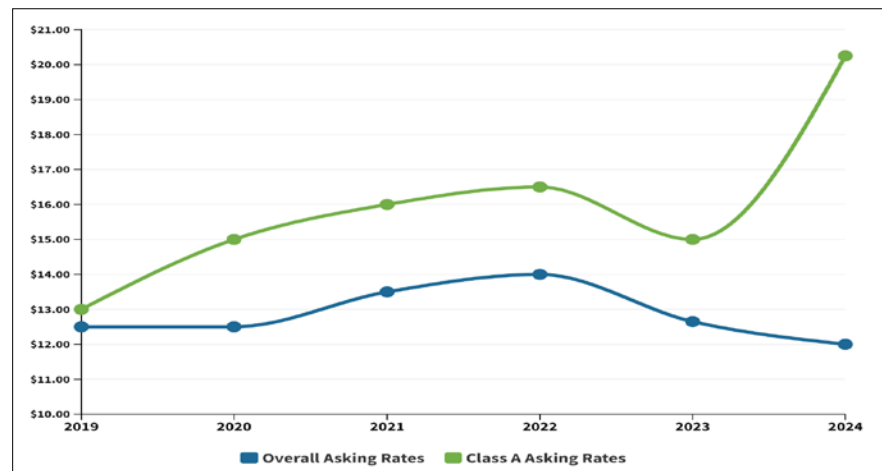
VACANCY TRENDS

 [CLICK TO VIEW INTERACTIVE GRAPH!](#)



LEASE RATES

 [CLICK TO VIEW INTERACTIVE GRAPH!](#)



MARKET SNAPSHOT

THROUGH JUNE 2024



ANNUAL



QUARTERLY

341

RESIDENTIAL PERMITS



ANNUAL



QUARTERLY

9

COMMERCIAL PERMITS



ANNUAL



QUARTERLY

\$89 MILLION

TOTAL RESIDENTIAL PERMIT VALUE



ANNUAL



QUARTERLY

\$10 MILLION

TOTAL COMMERCIAL PERMIT VALUE

LAND



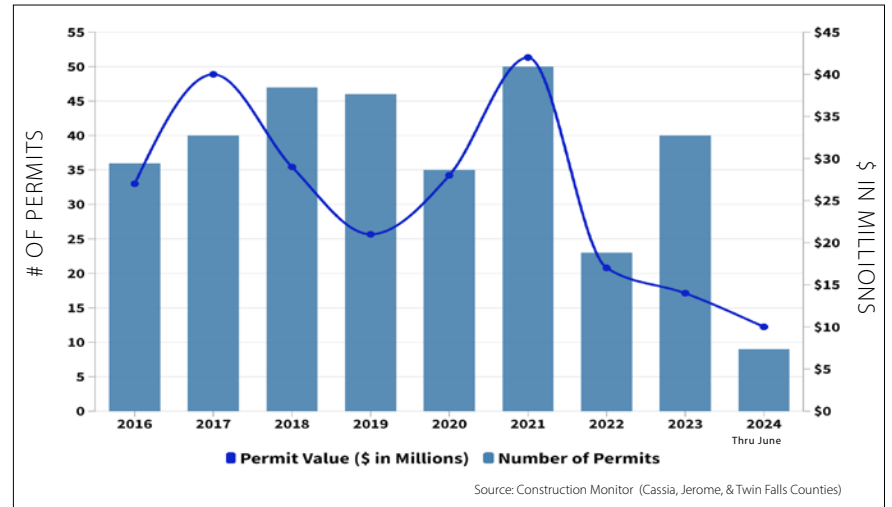
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LAND SUMMARY

Commercial land transactions in the Magic Valley have dropped by 67 percent compared to the first half of 2023. Although there was a decrease in deals, 46 acres were sold with total consideration exceeding \$1.7 million. Total number of commercial permits have also decreased by 61 percent compared to this time last year. Despite a decline in the number of permits, the overall value of commercial permits has actually risen by 50 percent. On the residential side, total number of single family permits have more than doubled from the first half of 2023, with 341 permits pulled so far this year. Multifamily development remains strong as well, with over \$18 million in permits pulled in the first half of 2024.

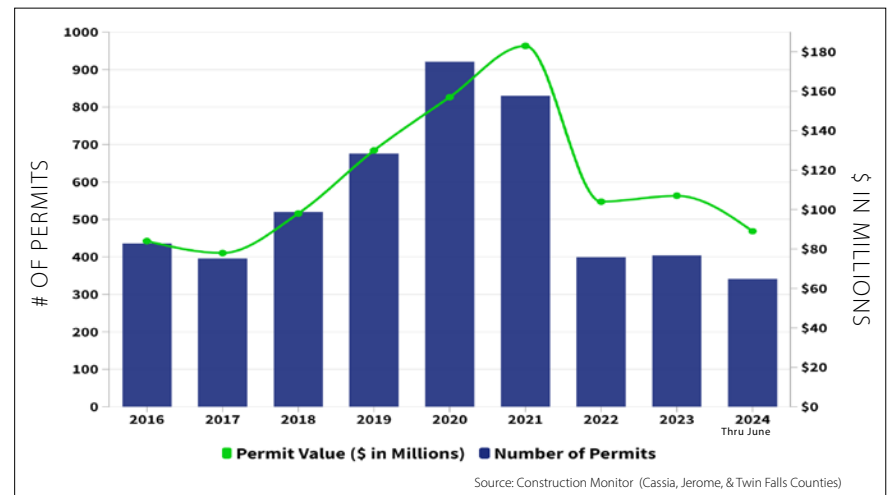
COMMERCIAL PERMITS & VALUES

[CLICK TO VIEW INTERACTIVE GRAPH!](#)



SINGLE FAMILY PERMITS & VALUES

[CLICK TO VIEW INTERACTIVE GRAPH!](#)



OFFICE PROPERTIES

512 POLE LINE ROAD



TWIN FALLS
5,000 SF | **LEASED TO INNOVATIVE FAMILY MEDICINE (EXPANSION)**

519 MAIN STREET



BURLEY
3,900 SF | **SOLD TO IHC HEALTH SERVICES**

561-685 FILER STREET



TWIN FALLS
2,800 SF | **LEASED TO LITTLE WORLD PLAY**

INDUSTRIAL PROPERTIES

4 NORTH 150 WEST



JEROME
45,000 SF | **OCCUPIED BY MOUNTAIN VIEW EQUIPMENT COMPANY**

2423 GARFIELD STREET



JEROME
29,000 SF | **OCCUPIED BY NELSON JAMESON**

3125-3135 ELDRIDGE AVE



TWIN FALLS
18,000 SF | **LEASED TO 208 OUTLETS, INC.**

RETAIL PROPERTIES

215-231 EASTLAND DRIVE



TWIN FALLS
5,100 SF | **LEASED TO CANYON FLORAL**

110 MAIN AVE



TWIN FALLS
2,700 SF | **LEASED TO SMOKE & MIRRORS BARBER + BEAUTY**

1519 WASHINGTON STREET



TWIN FALLS
1,900 SF | **LEASED TO HOT WORX**

LAND PROPERTIES

509 SPRING CREEK ROAD



BURLEY
42.2 ACRES RESIDENTIAL LAND | **SOLD**

CENTENNIAL SPUR & KUHN DR



JEROME
3.3 ACRES INDUSTRIAL LAND | **SOLD**

5515 N US HIGHWAY 93



JEROME
37.6 ACRE INDUSTRIAL LAND | **SOLD**

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MARKET INSIGHT

+157 MILLION SQUARE FEET TRACKED REAL TIME ACROSS IDAHO MARKETS



RESULTS

20,000 SQUARE FEET LEASED OR SOLD PER BUSINESS DAY (2023)



REACH

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

TWIN FALLS OFFICE

Our commercial brokerage expertise is your advantage.



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MAGIC VALLEY
BROKERAGE TEAM

