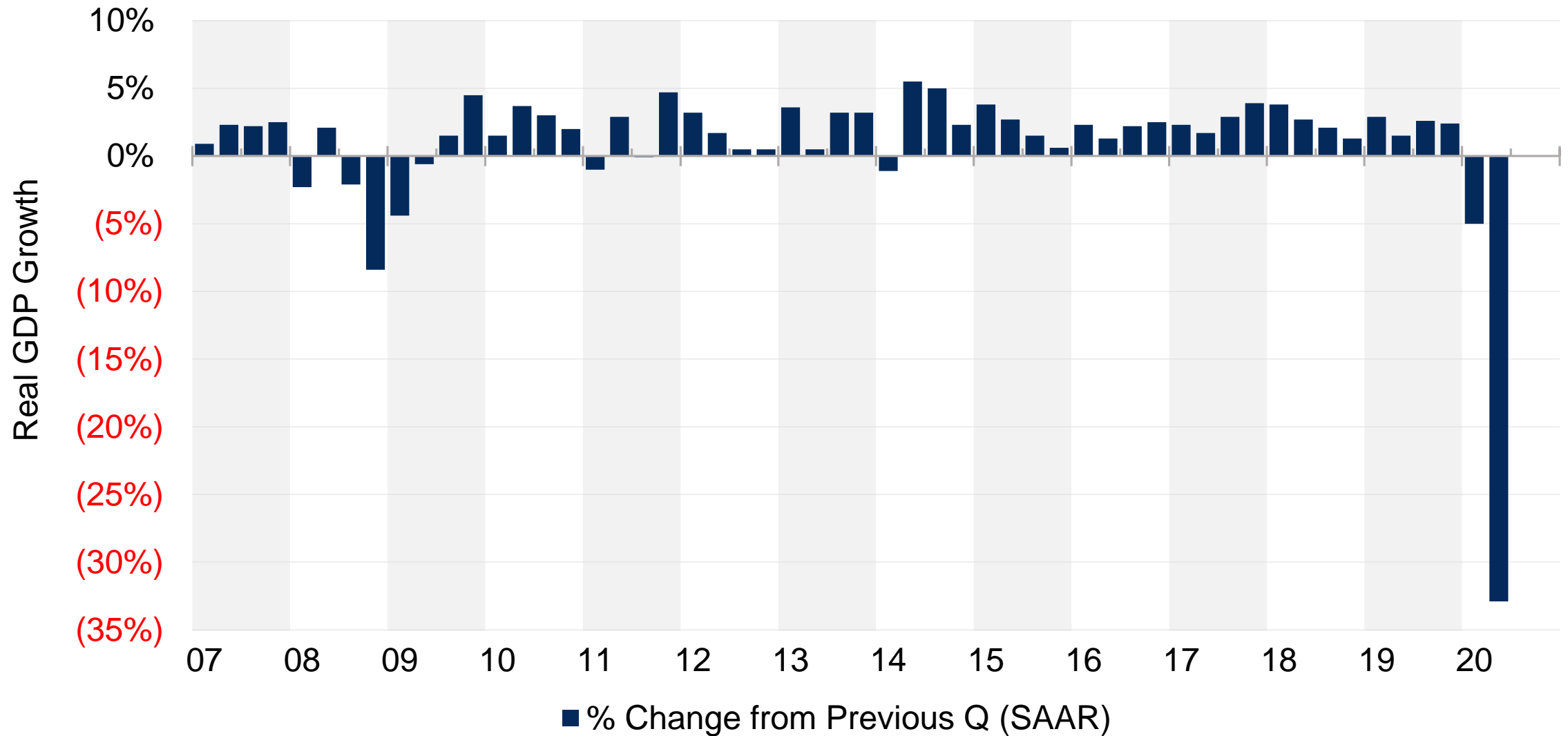




# Boise Multifamily Market Overview

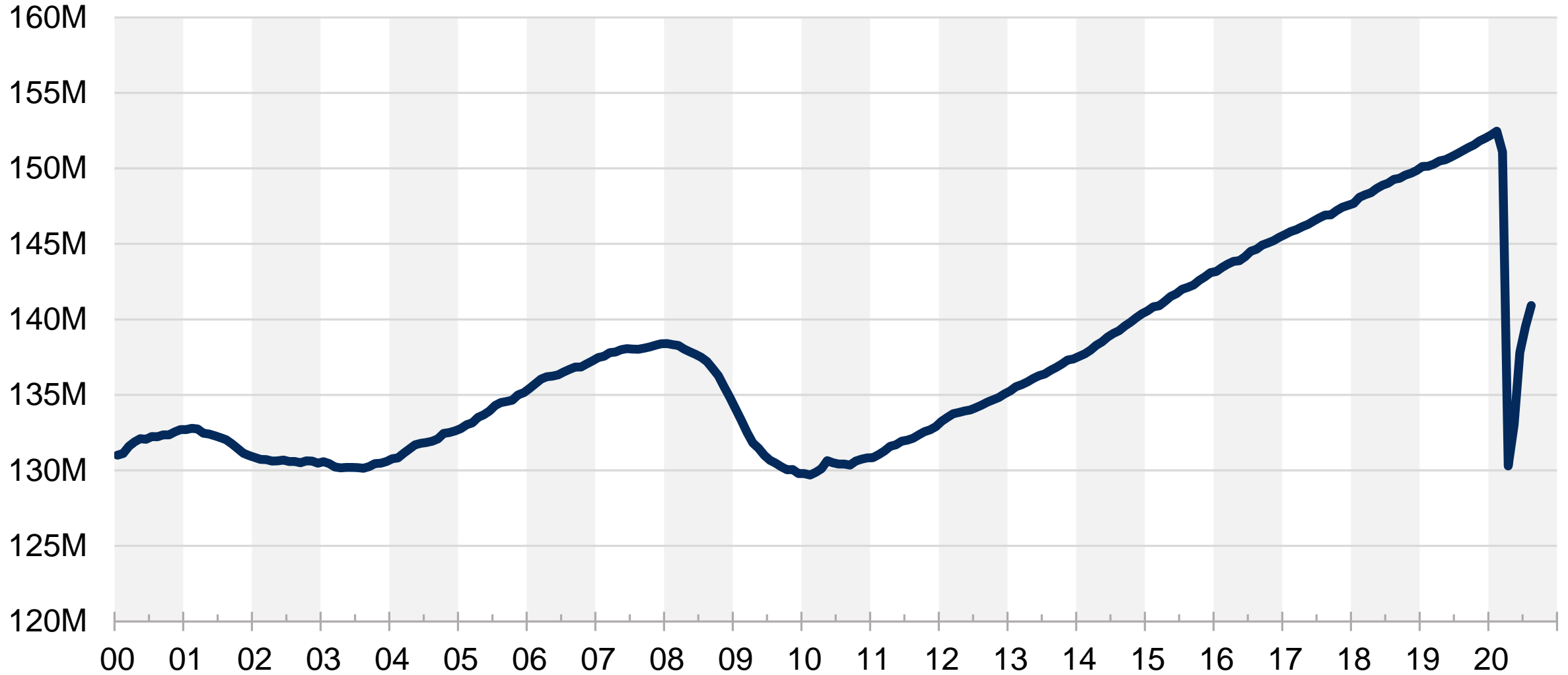
Christine Cooper, Ph.D.  
Managing Director, Senior Economist

# Real GDP Growth



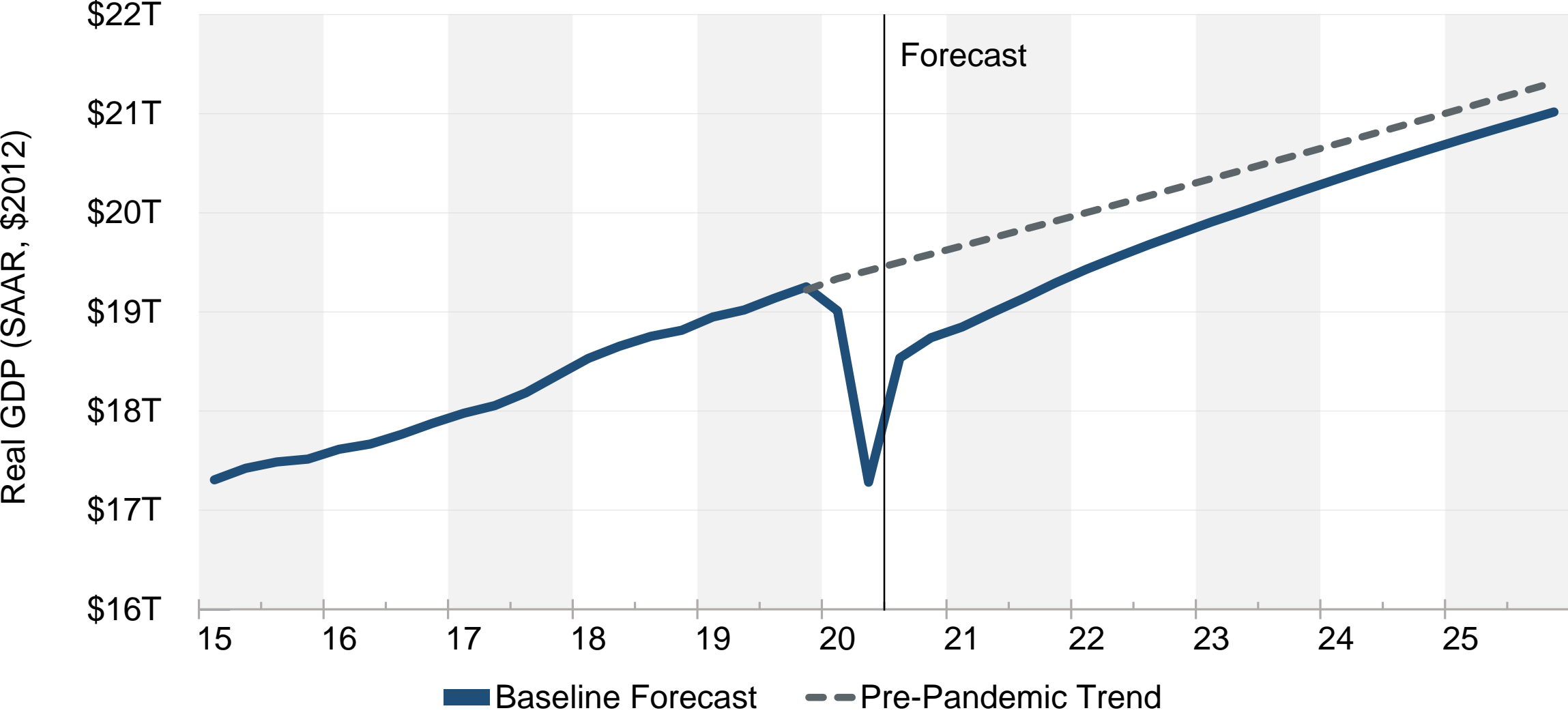
Source: Bureau of Economic Analysis

# Nonfarm Employment



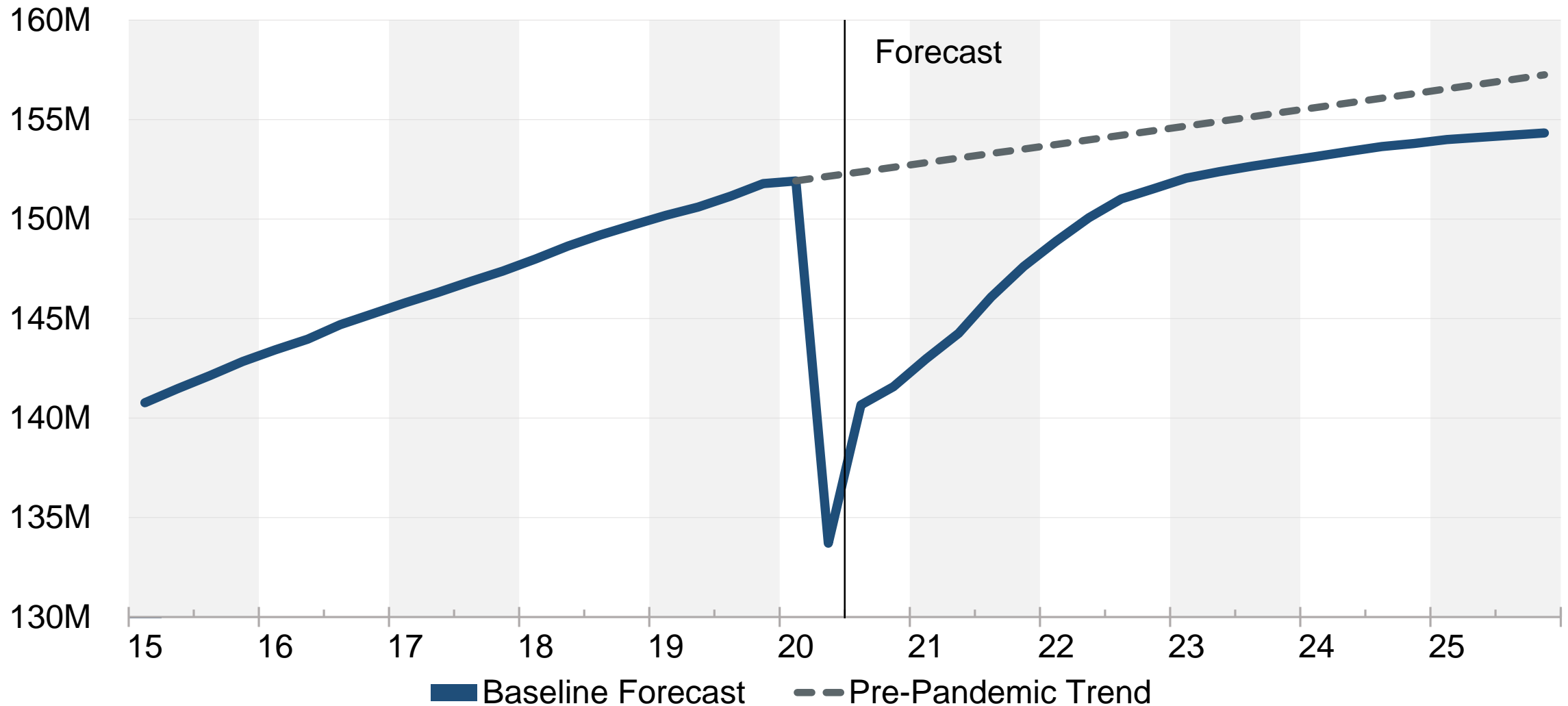
Source: Bureau of Labor Statistics

# Real GDP Forecast



Sources: Bureau of Labor Statistics, Forecast by Oxford Economics.

# Nonfarm Employment Forecast



Sources: Bureau of Labor Statistics, Forecast by Oxford Economics.

# National Economic Environment

- ▶ US economic growth cratered due to the pandemic, losing ten percent of its output in two quarters
- ▶ We lost ten years of job growth in two months
- ▶ A robust bounce back is expected in Q3 and Q4, but full recovery will take time
- ▶ Inflation remains restrained; short term interest rates will remain low

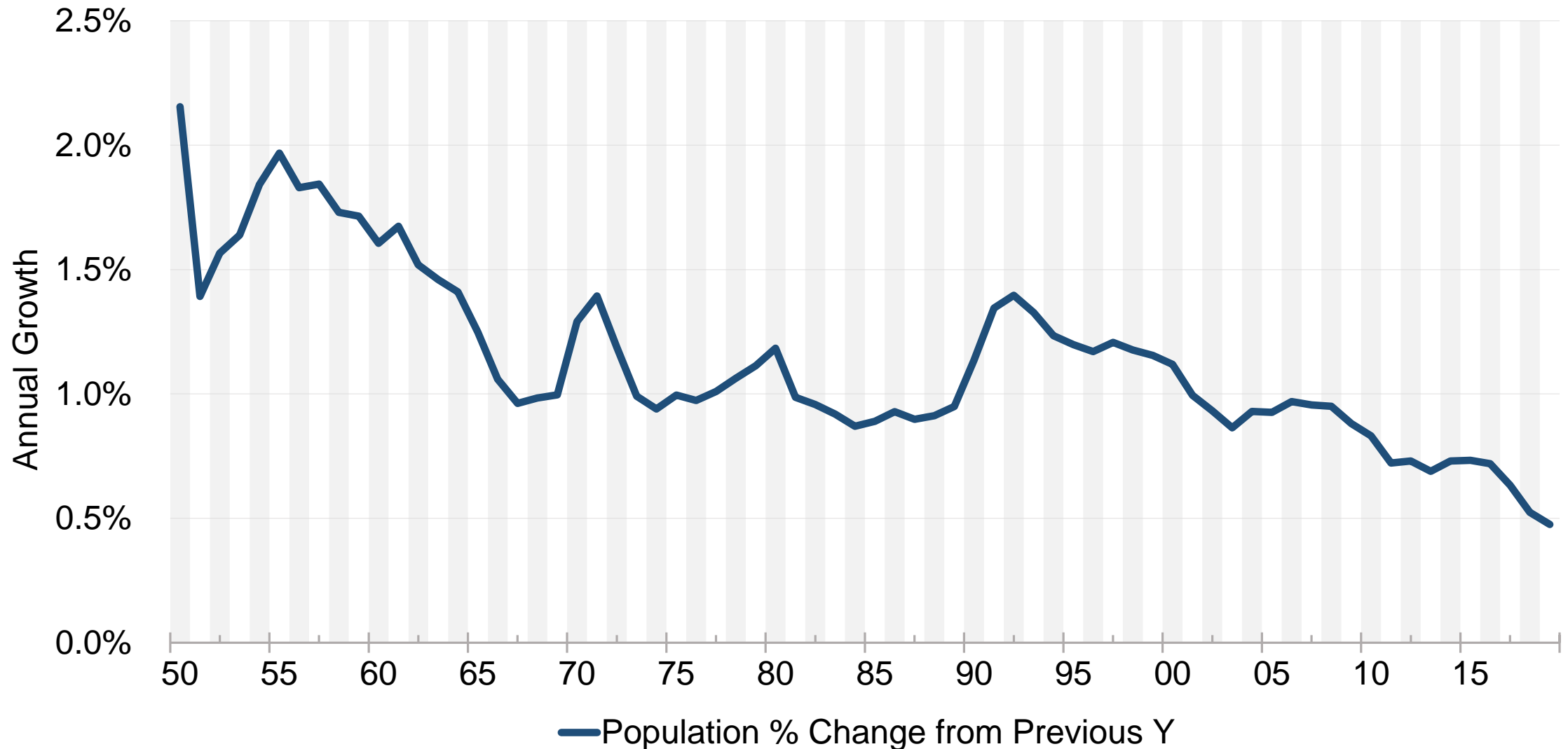
# National Multifamily Market



CoStar™



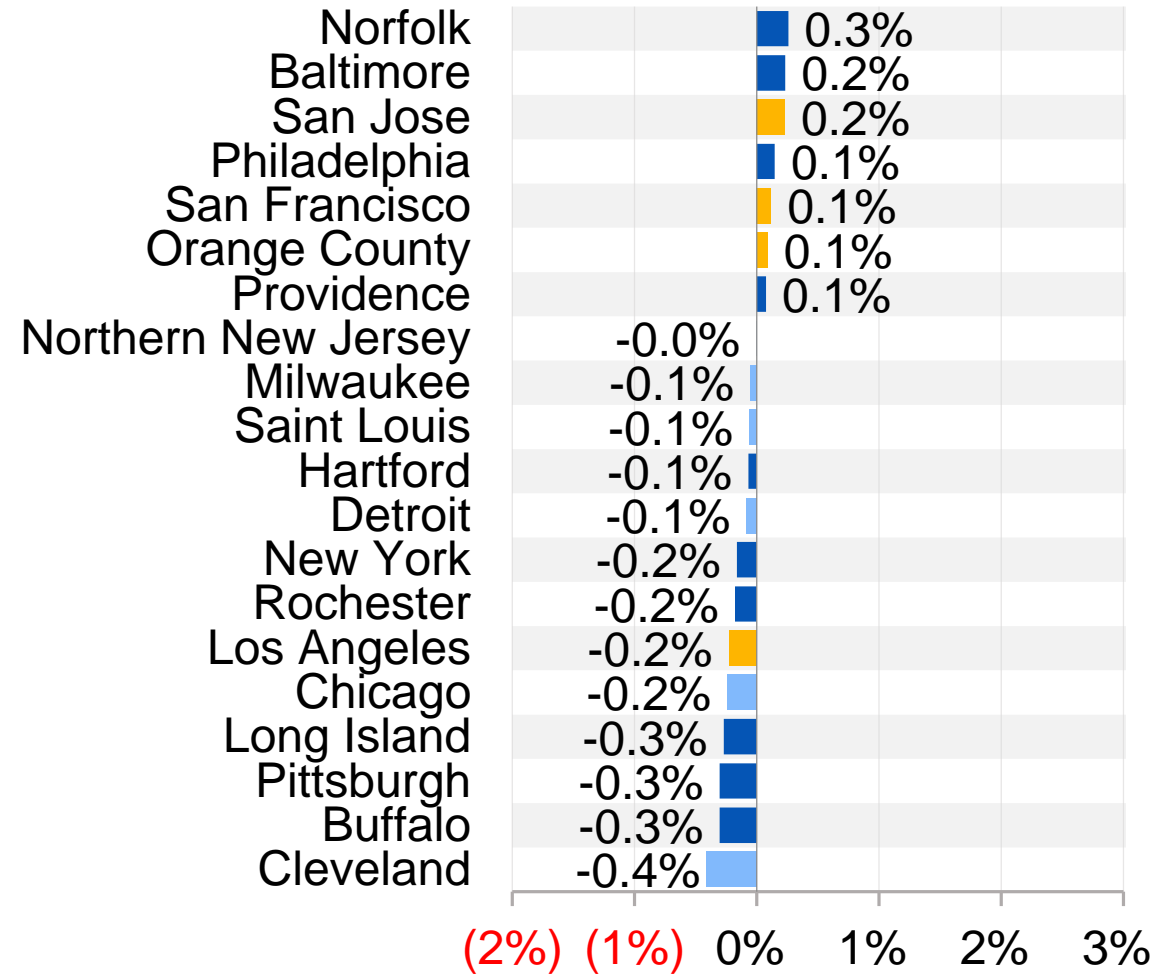
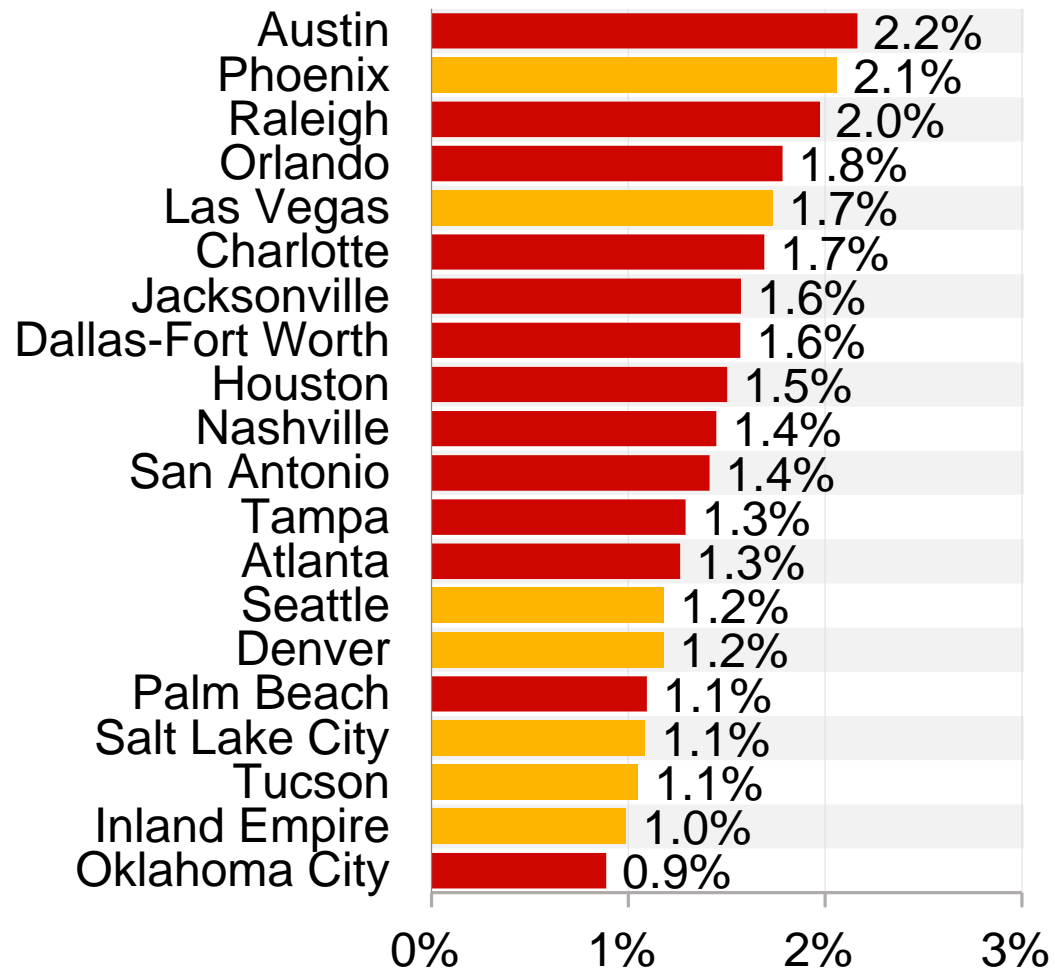
# Population Growth



Source: Census Bureau



# Population Growth, Fastest and Slowest Markets



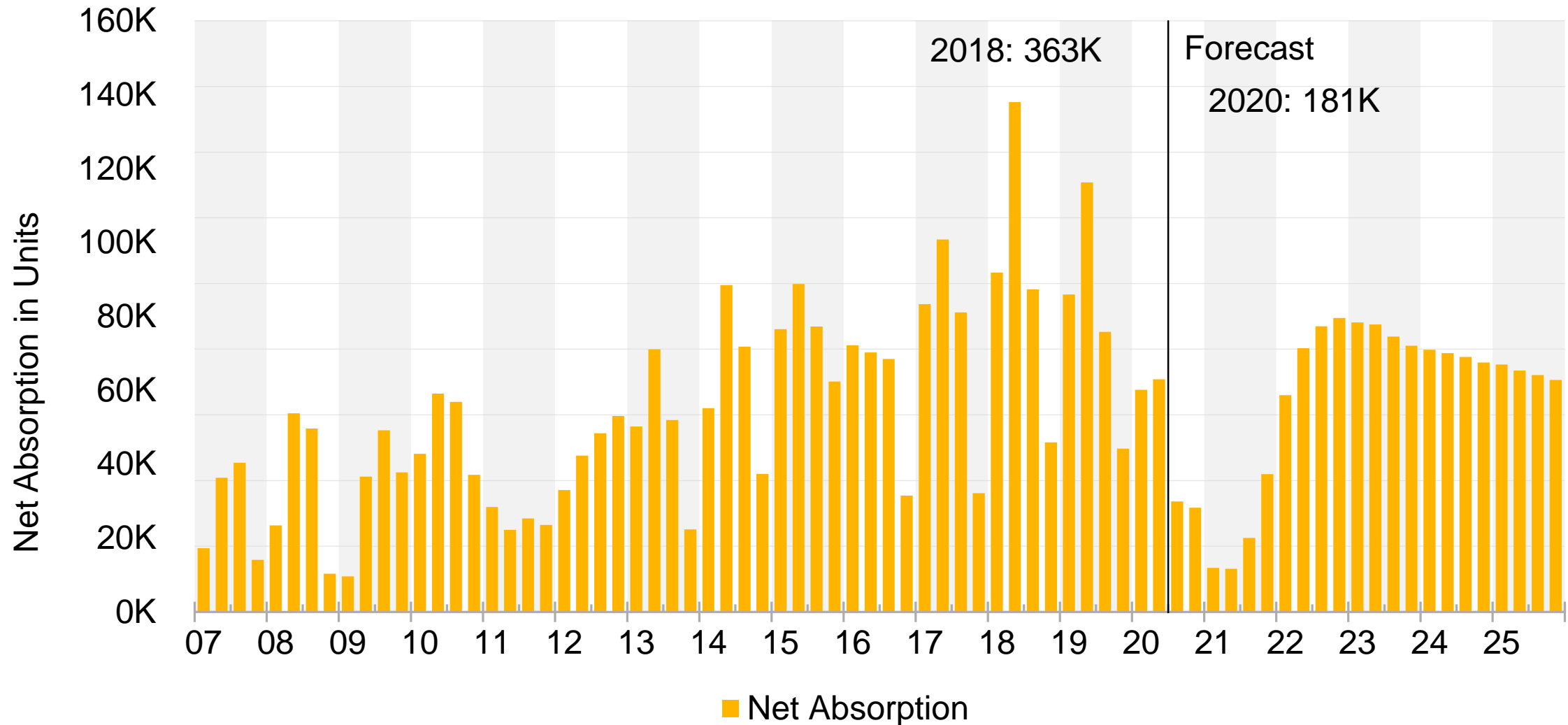
■ Population Growth, YOY

Source: Census Bureau

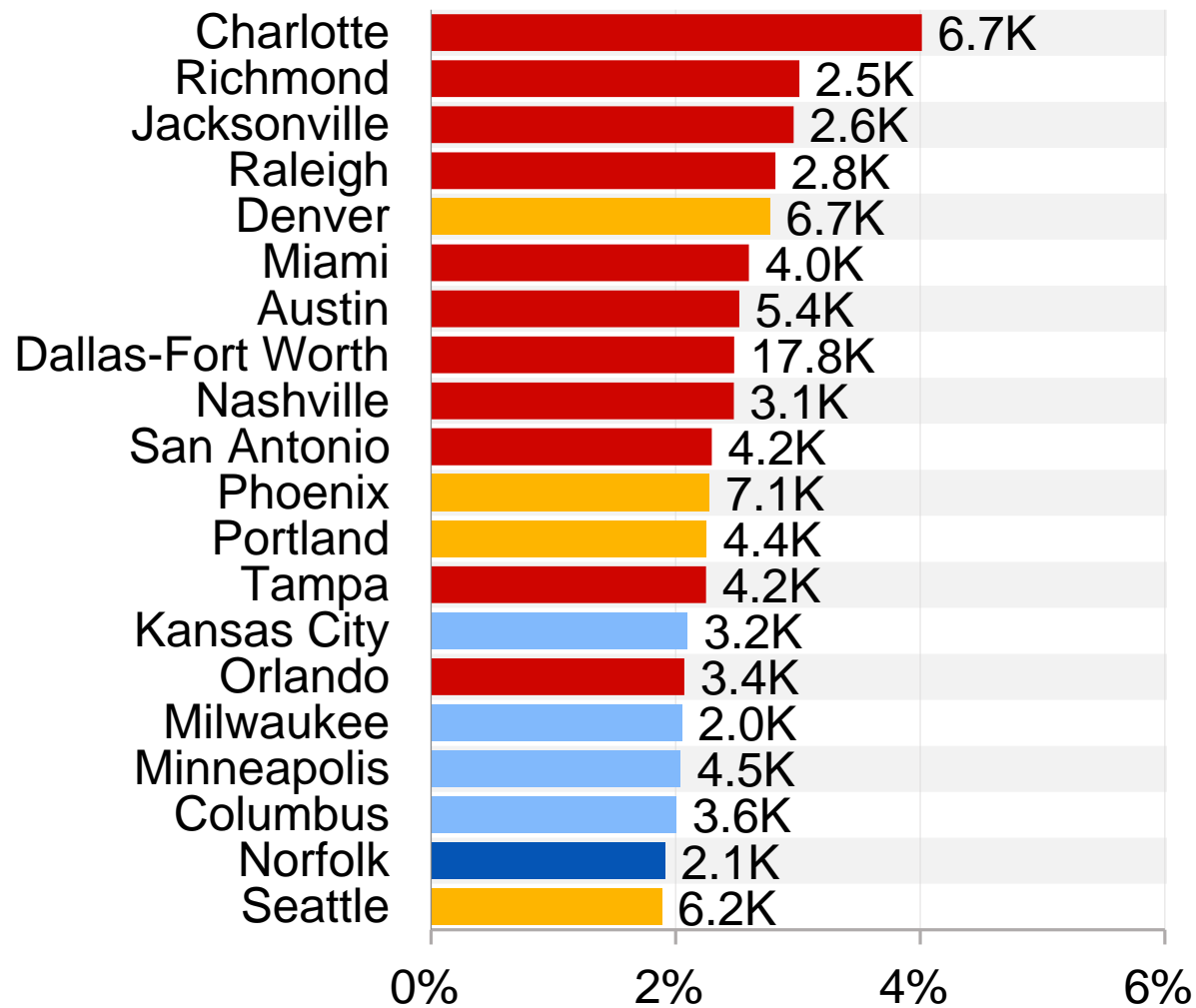
Includes markets with 1M+ population



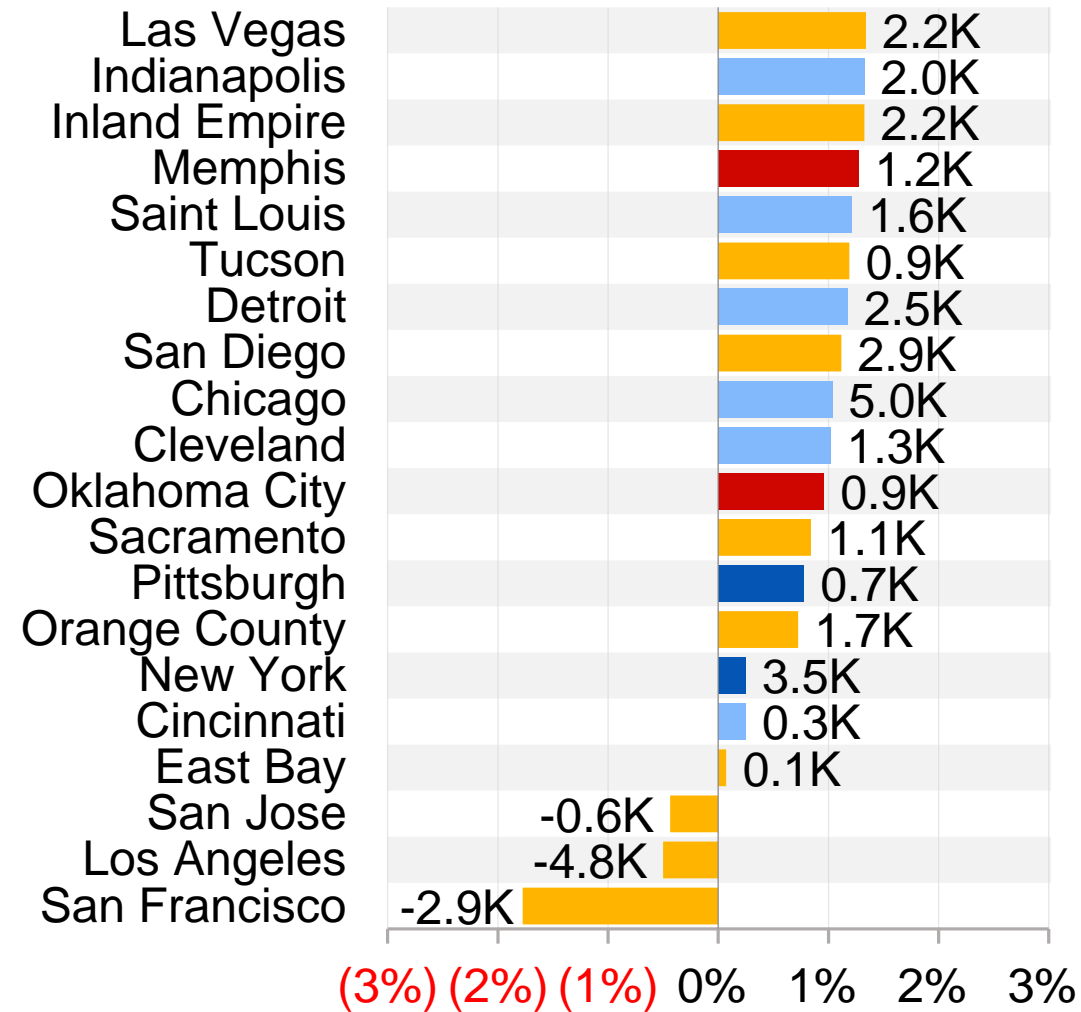
# National Multifamily Demand



# Net Absorption By Metro



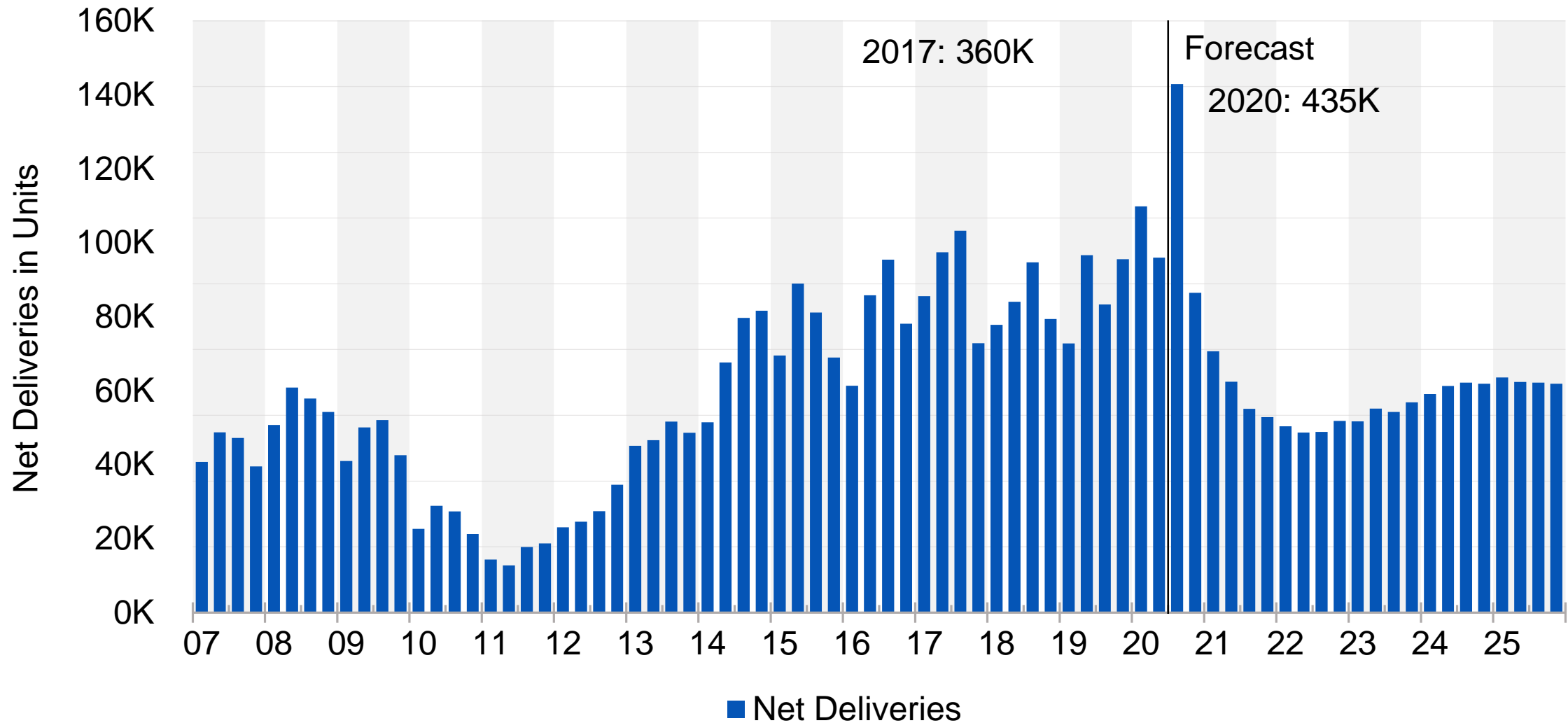
■ Net Absorption as Share of Inventory (Last 4 Quarters)



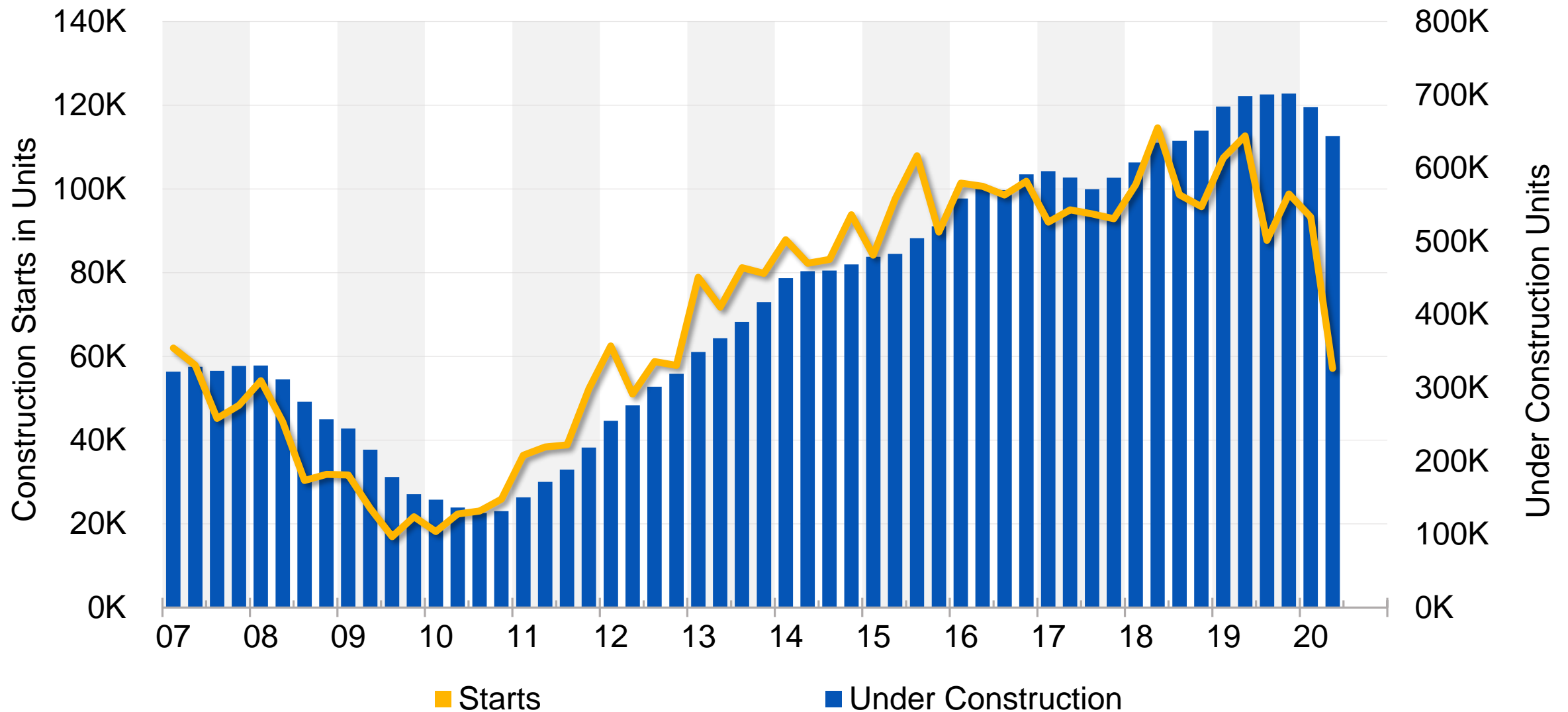
Includes markets with 75K+ units inventory



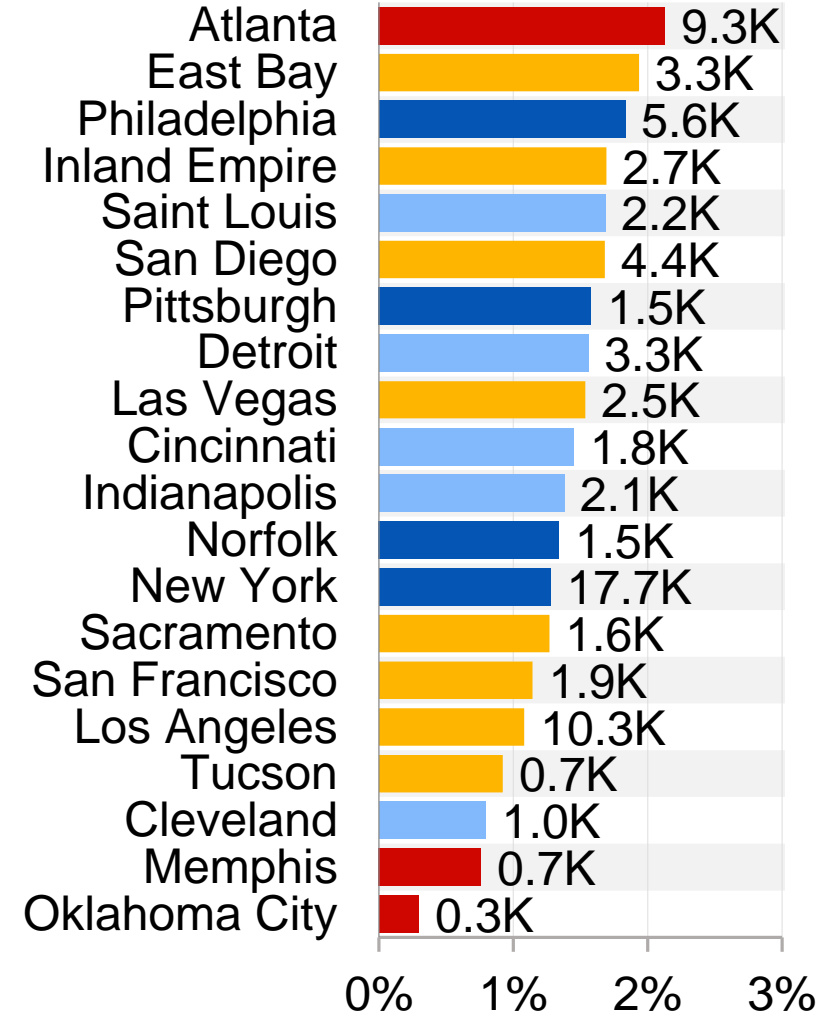
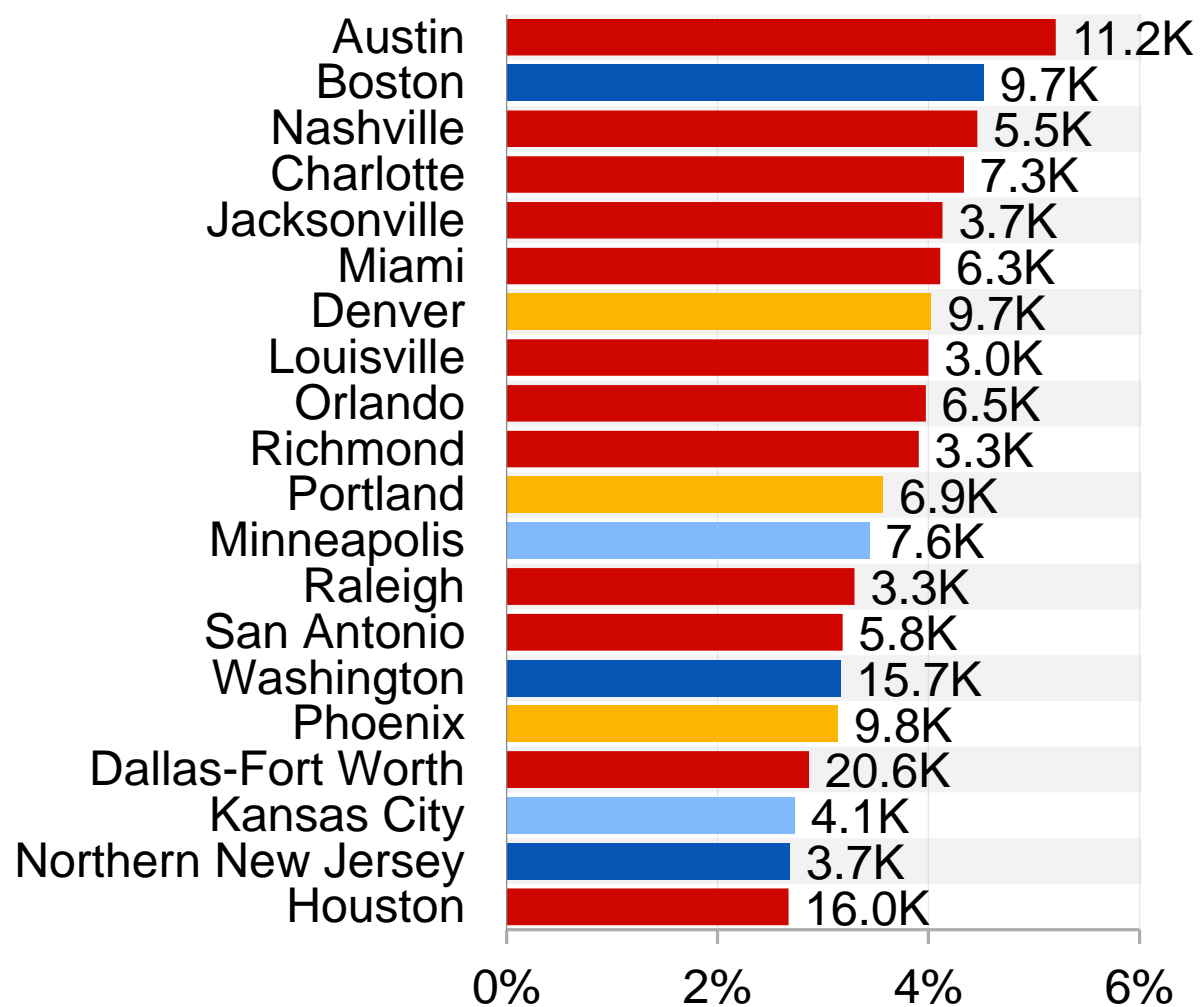
# National Multifamily Supply



# Starts and Under Construction Units



# Net Deliveries By Metro

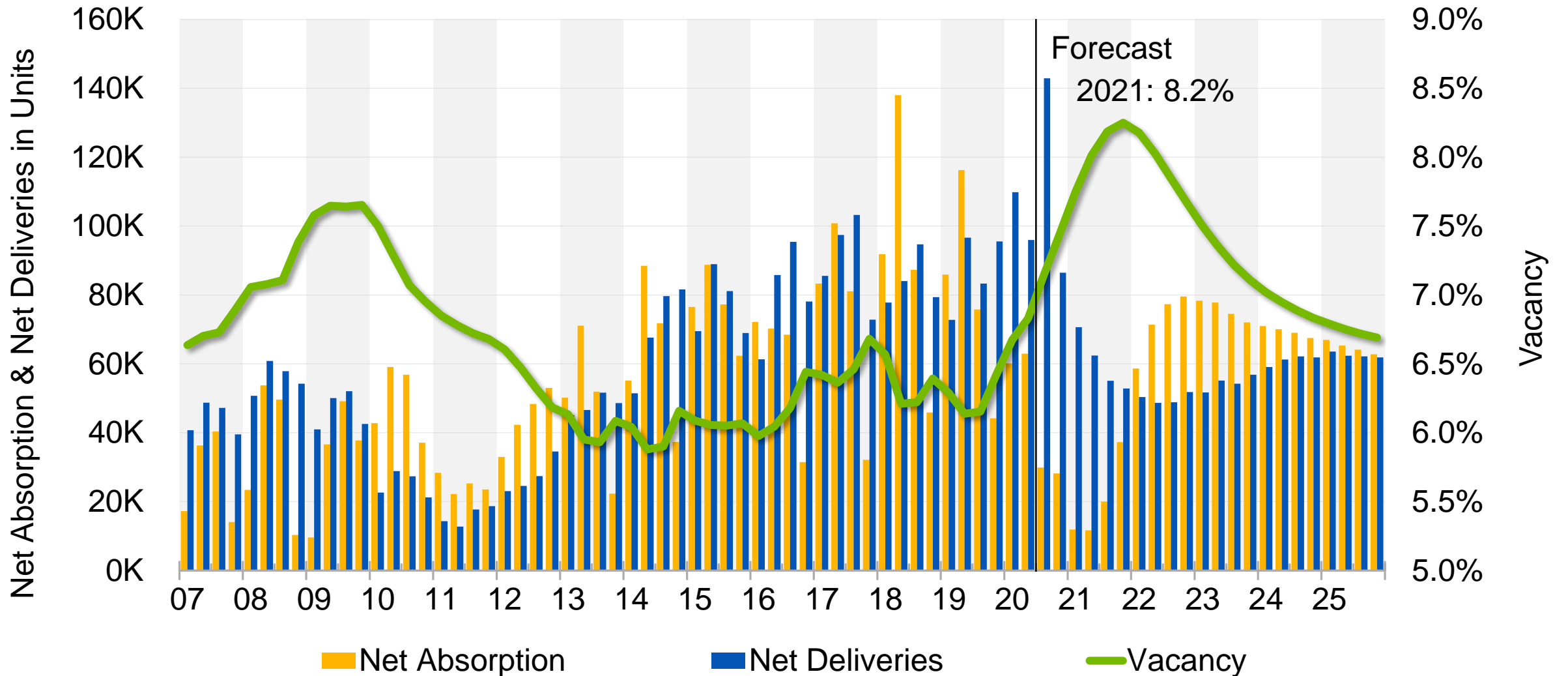


■ Net Deliveries as Share of Inventory (Last 4 Quarters)

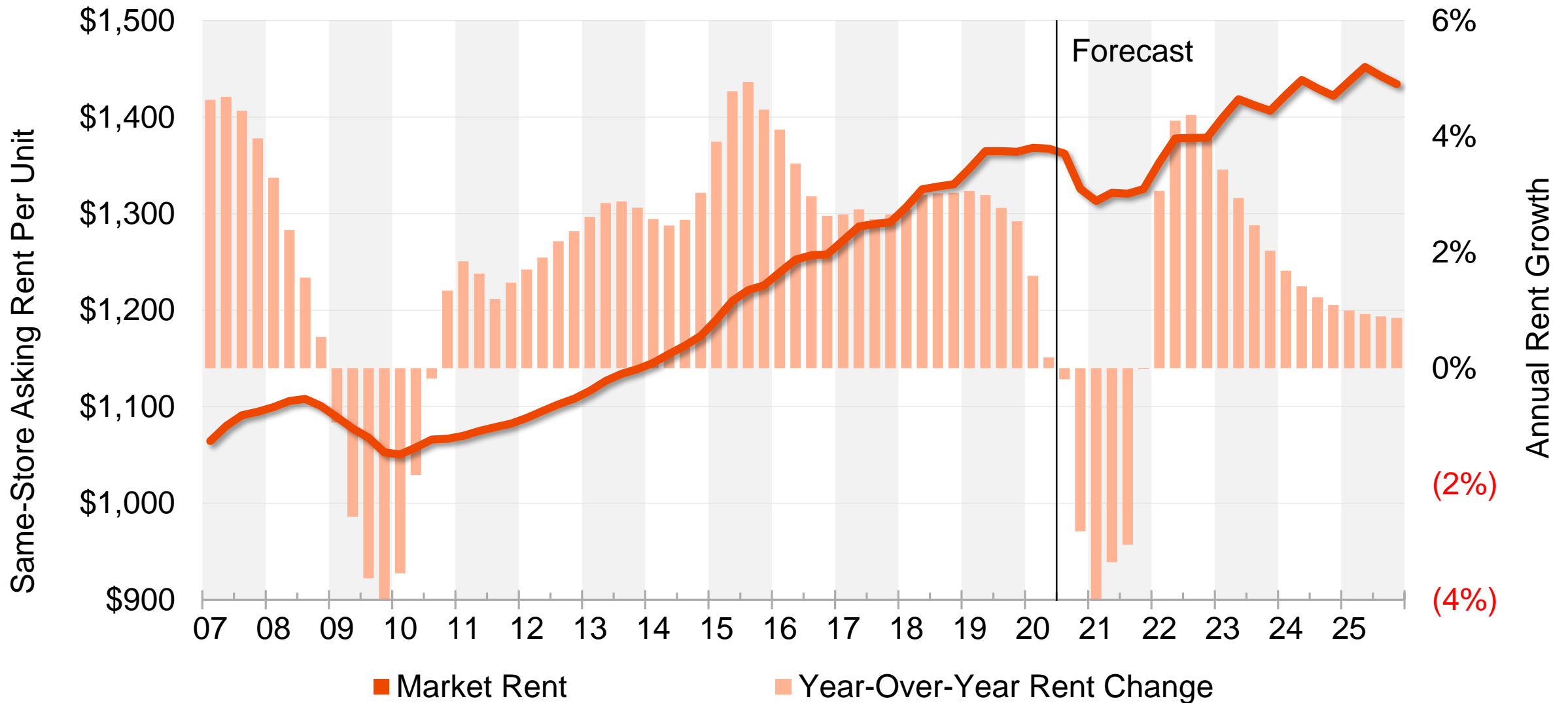
Includes markets with 75K+ units inventory



# National Multifamily Fundamentals

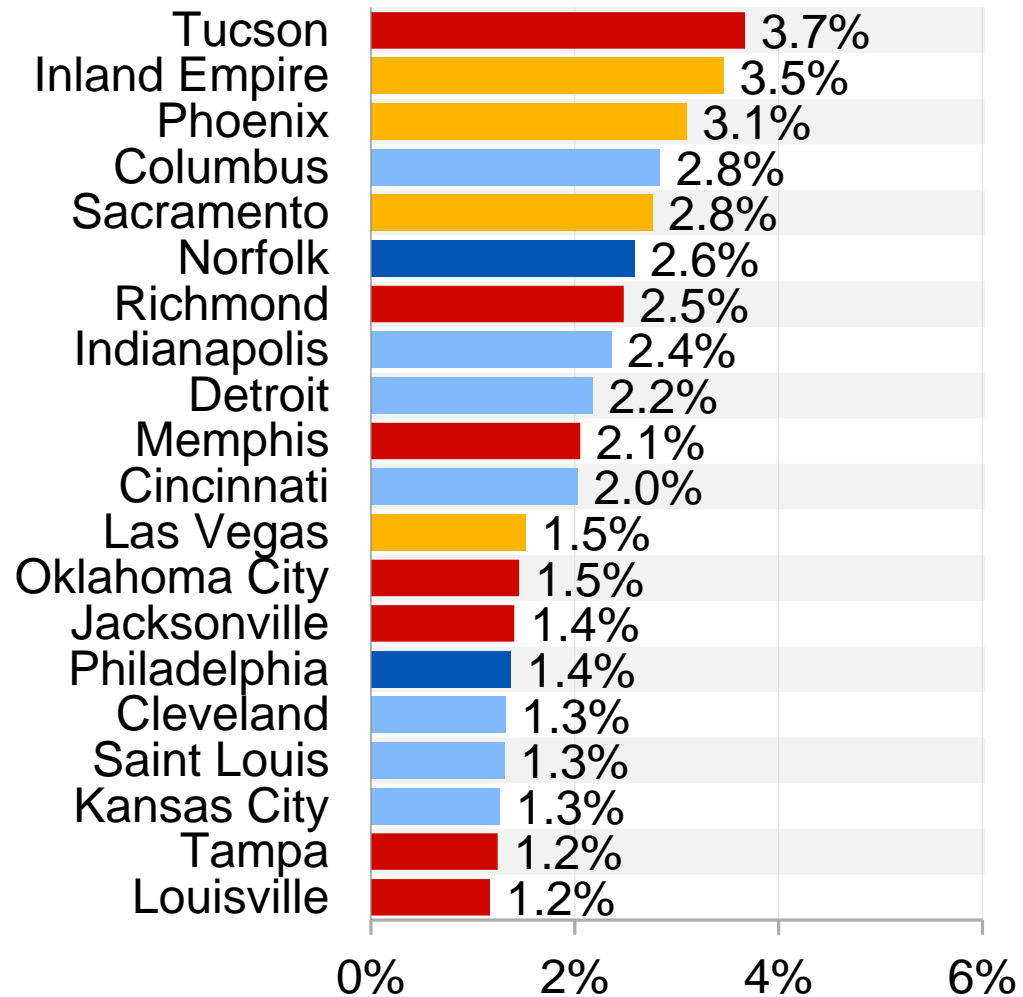


# National Multifamily Rent Growth

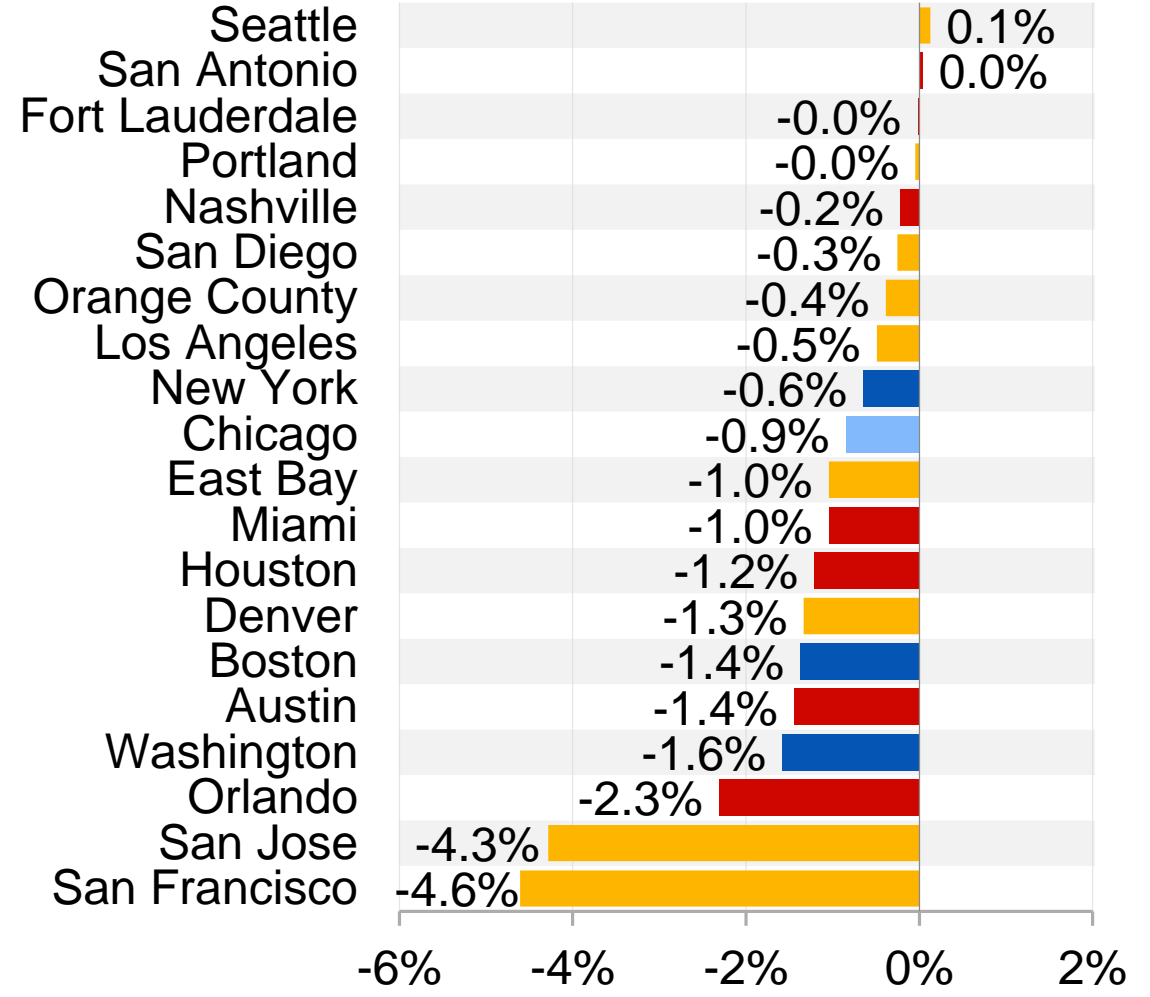




# Multifamily Rent Growth, Fastest and Slowest



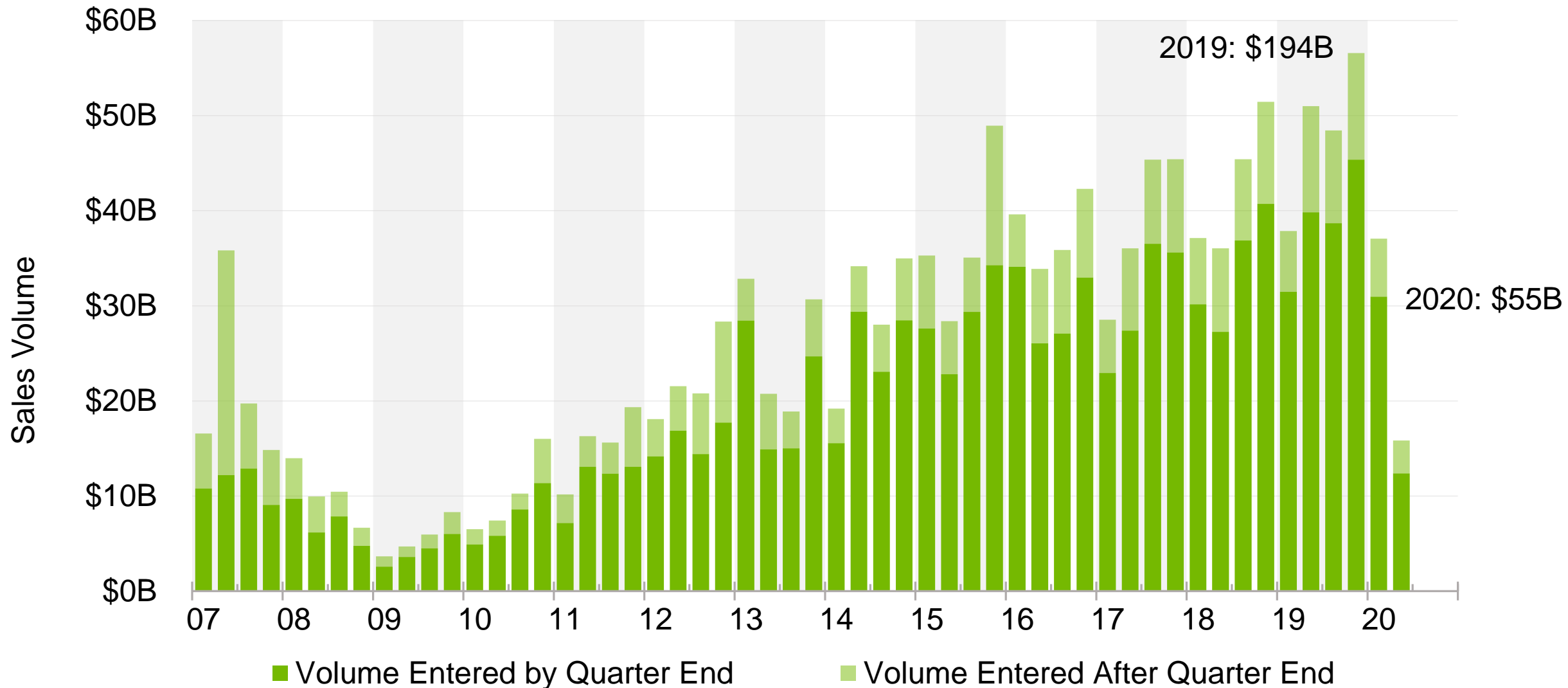
■ Rent Growth, YOY



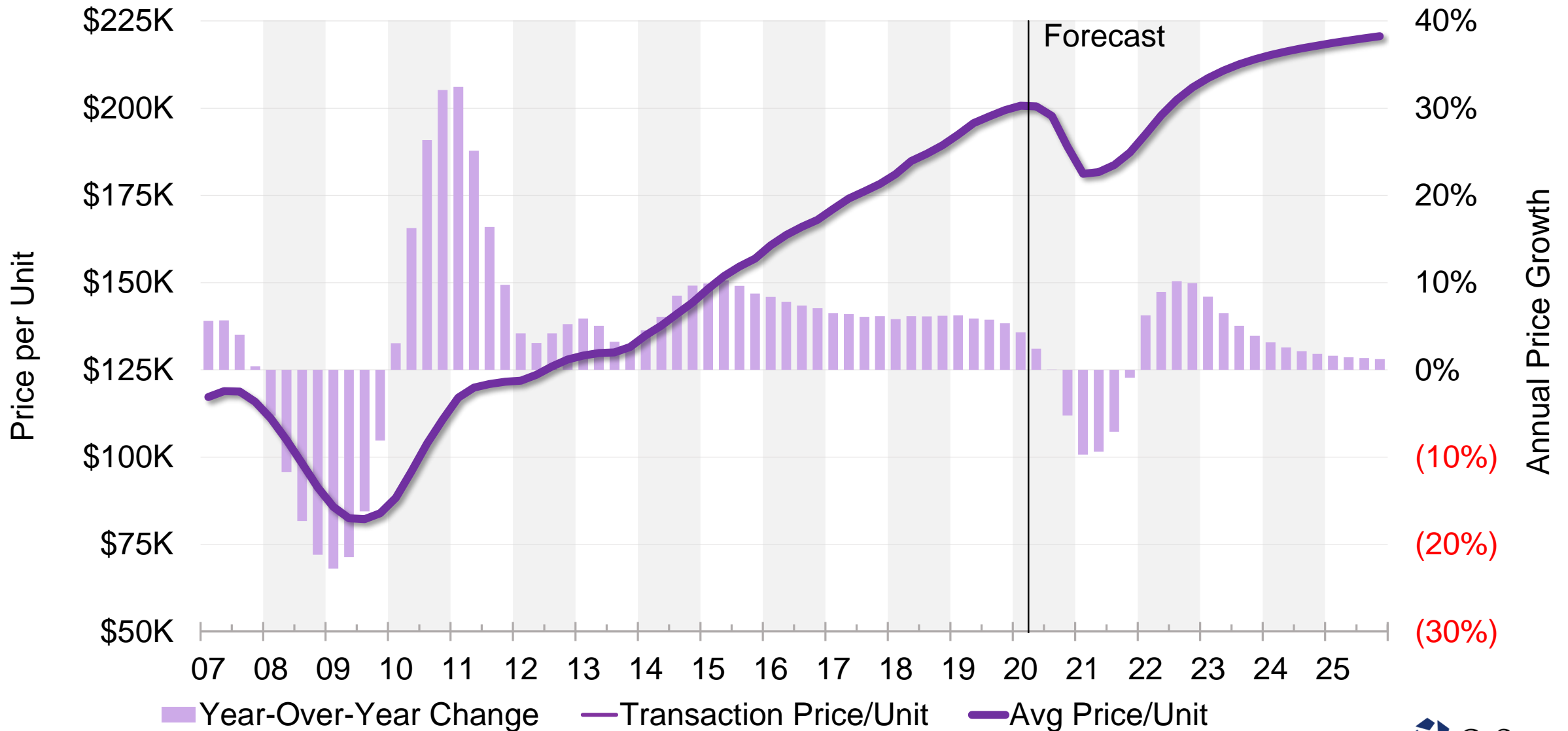
Includes markets with 75K+ units inventory



# National Multifamily Sales Volume



# National Multifamily Pricing

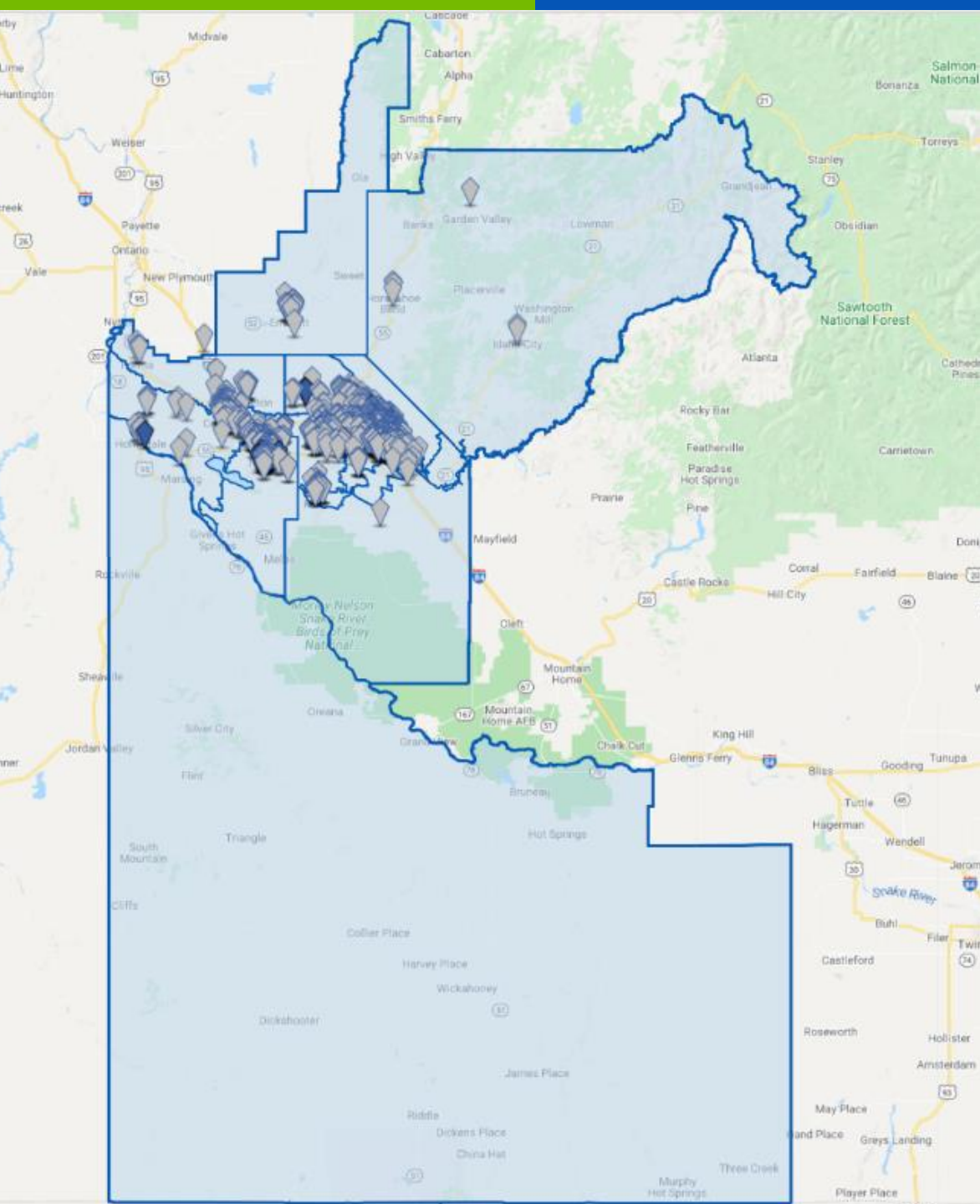


# Takeaways

- ▶ Challenging economic environment; recovery is broadly dependent on the virus
- ▶ Record-high demand nationally in multifamily produced strong performance—until this year
- ▶ Record low vacancy rates are now turning into record highs
- ▶ Rent growth will turn negative, as will price appreciation
- ▶ None are safe, but Western and Southern metros seem to fare the best

# Boise Multifamily Market

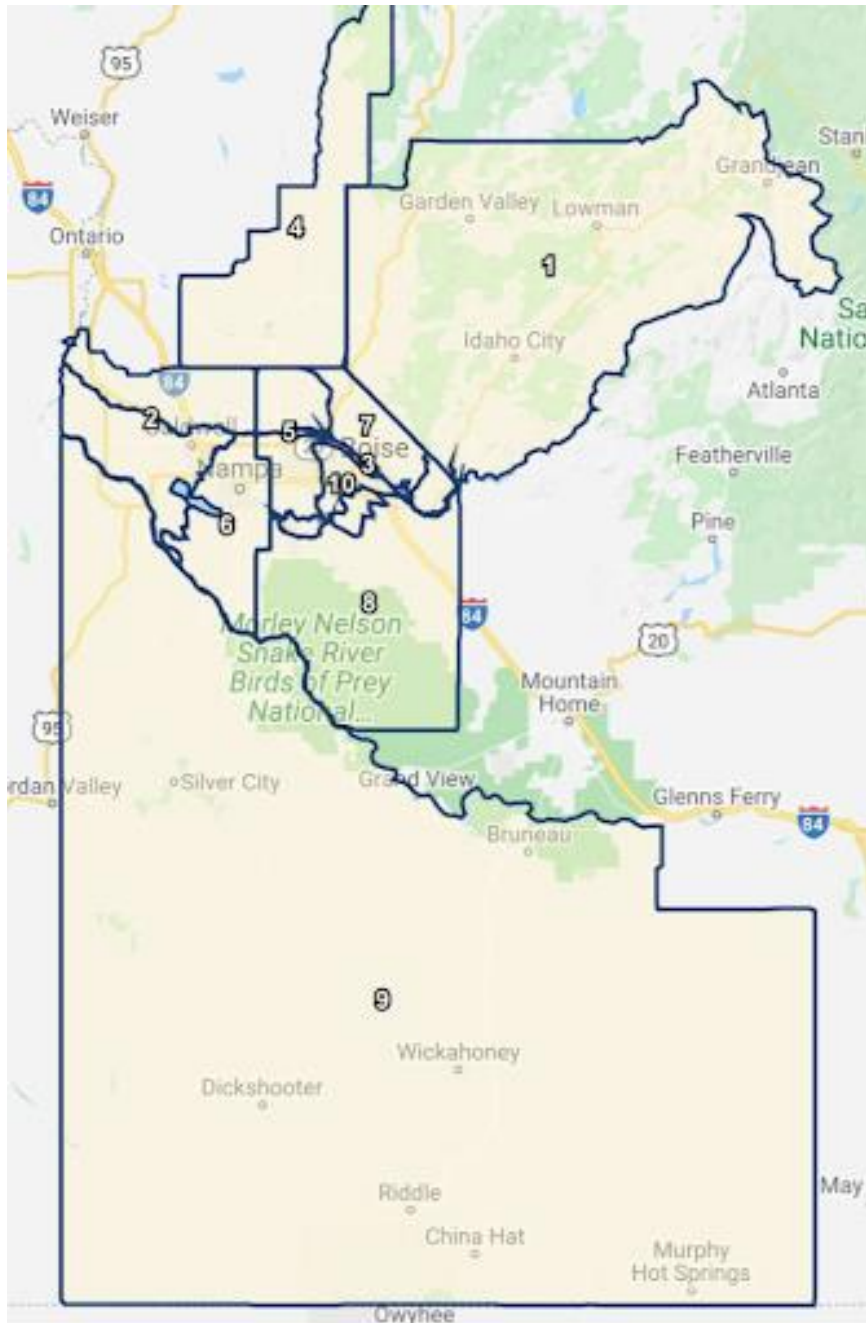




# Boise Multifamily Market

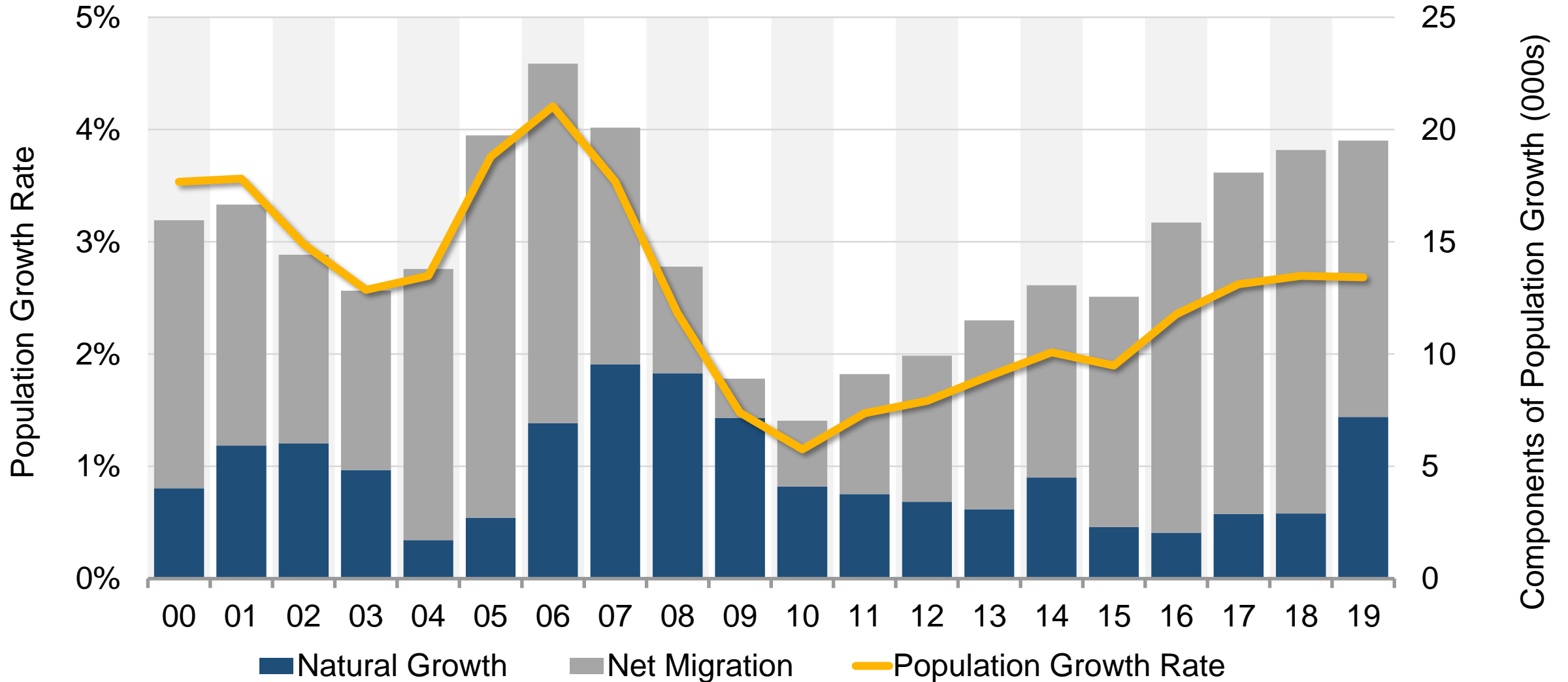
27,533  
Units

# Boise Multifamily Submarkets



#	Submarket	Communities	Units	Units in Pipeline
1	Boise County	1	6	-
2	Caldwell	63	1,198	-
3	Downtown Boise	84	1,704	336
4	Gem County	3	61	-
5	Meridian	53	5,432	1,535
6	Nampa	82	3,288	102
7	North Boise	123	4,917	160
8	Outlying Ada County	15	953	38
9	Owyhee County	1	8	-
10	South Boise	190	10,067	296

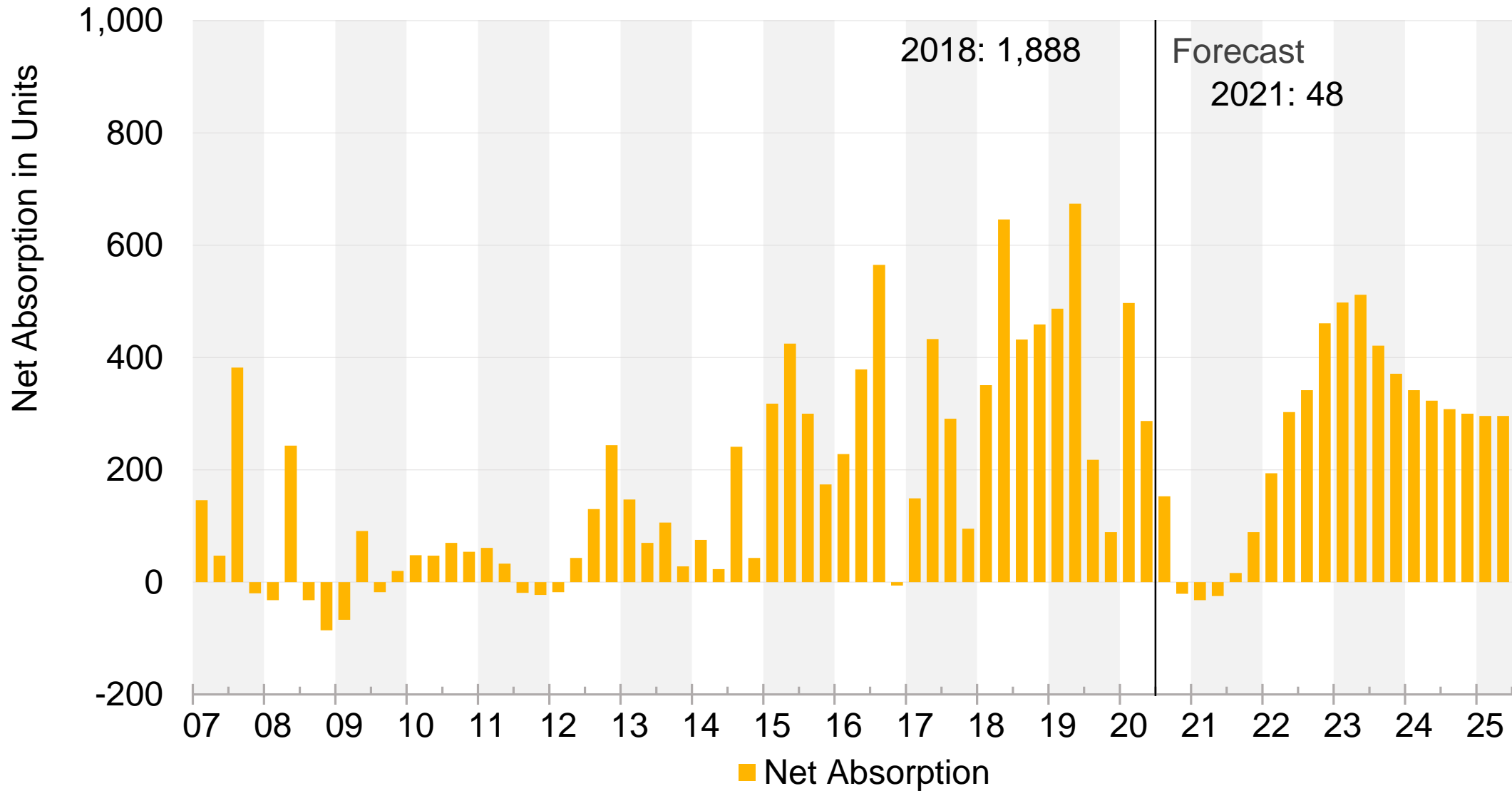
# Boise Population Growth



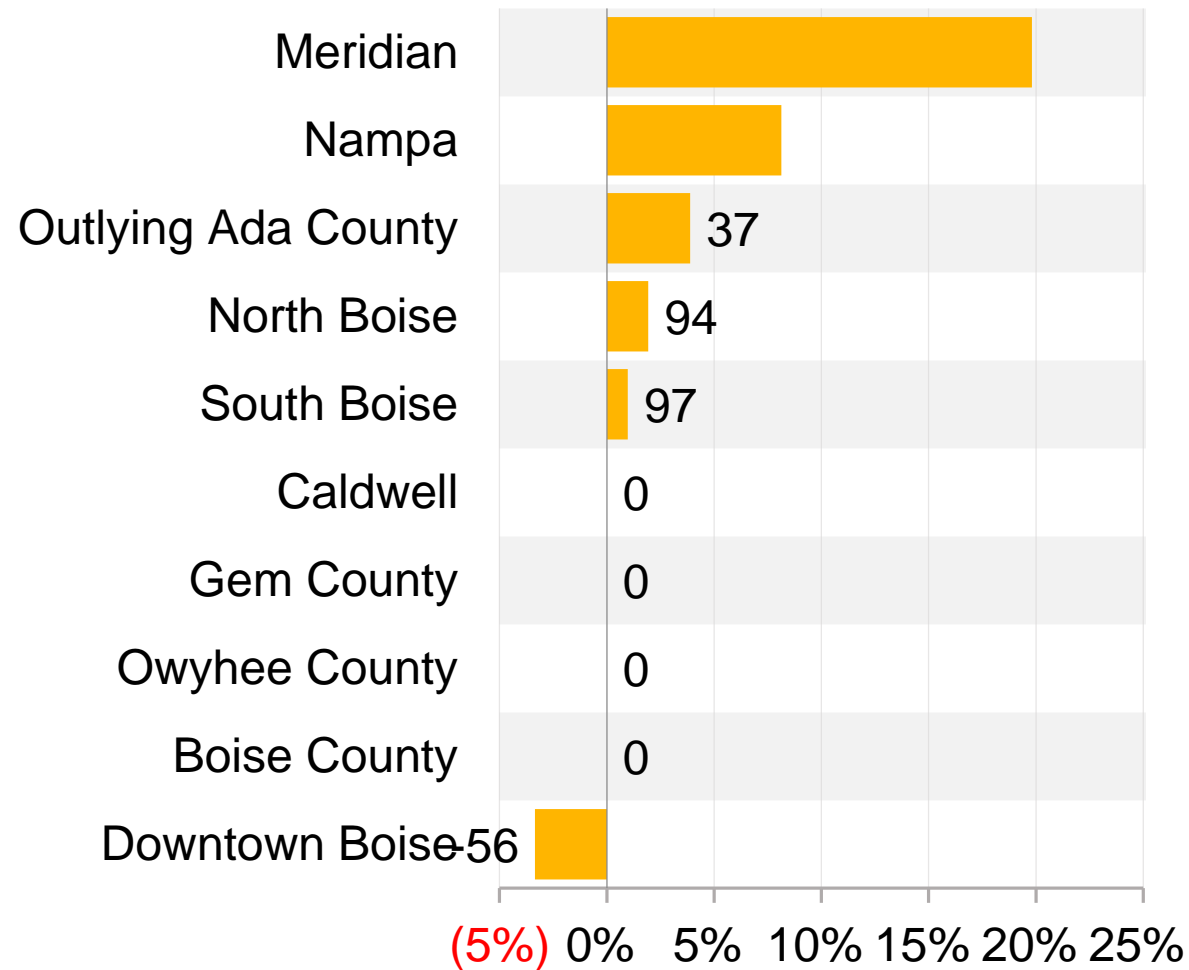
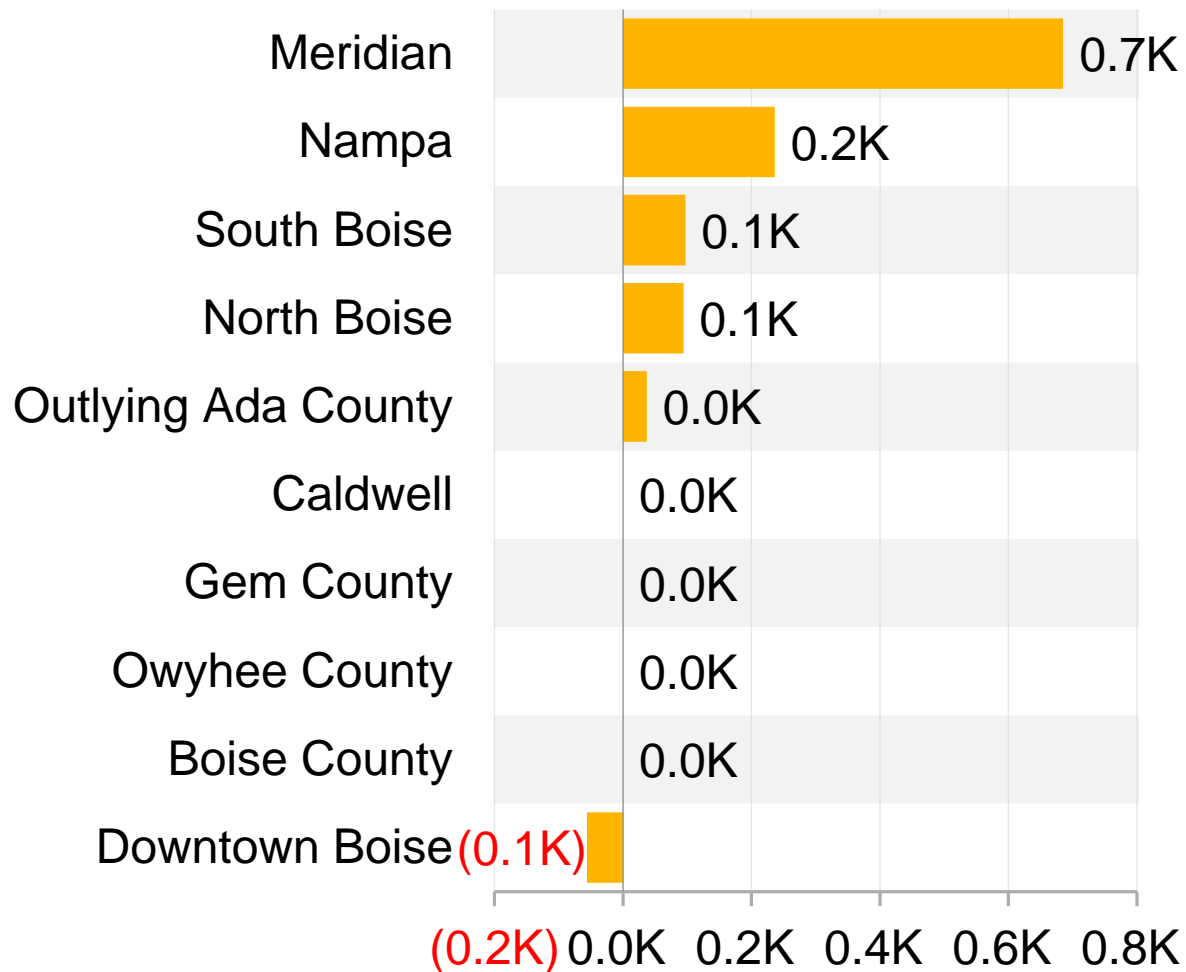
Source: Census Bureau, Oxford Economics



# Boise Multifamily Demand



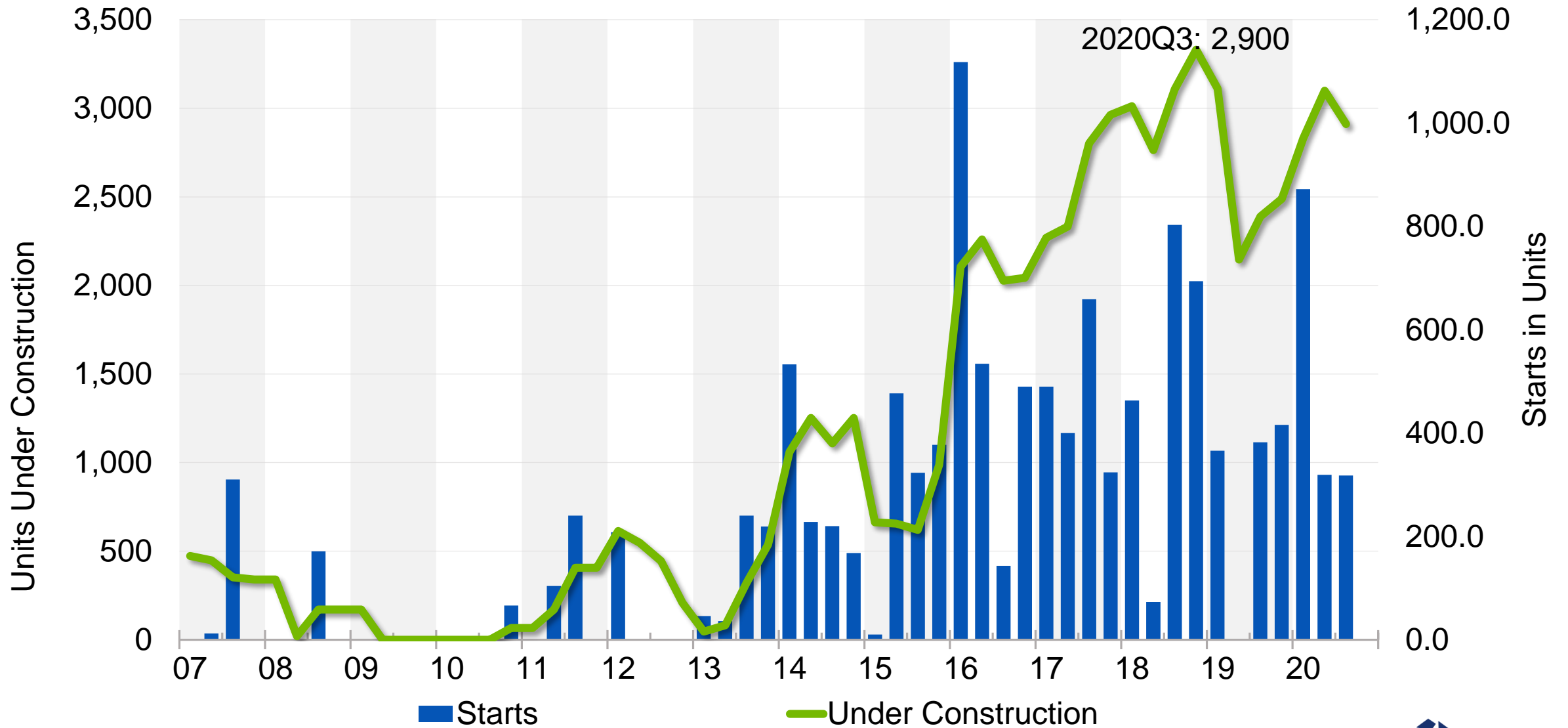
# Net Absorption by Submarket



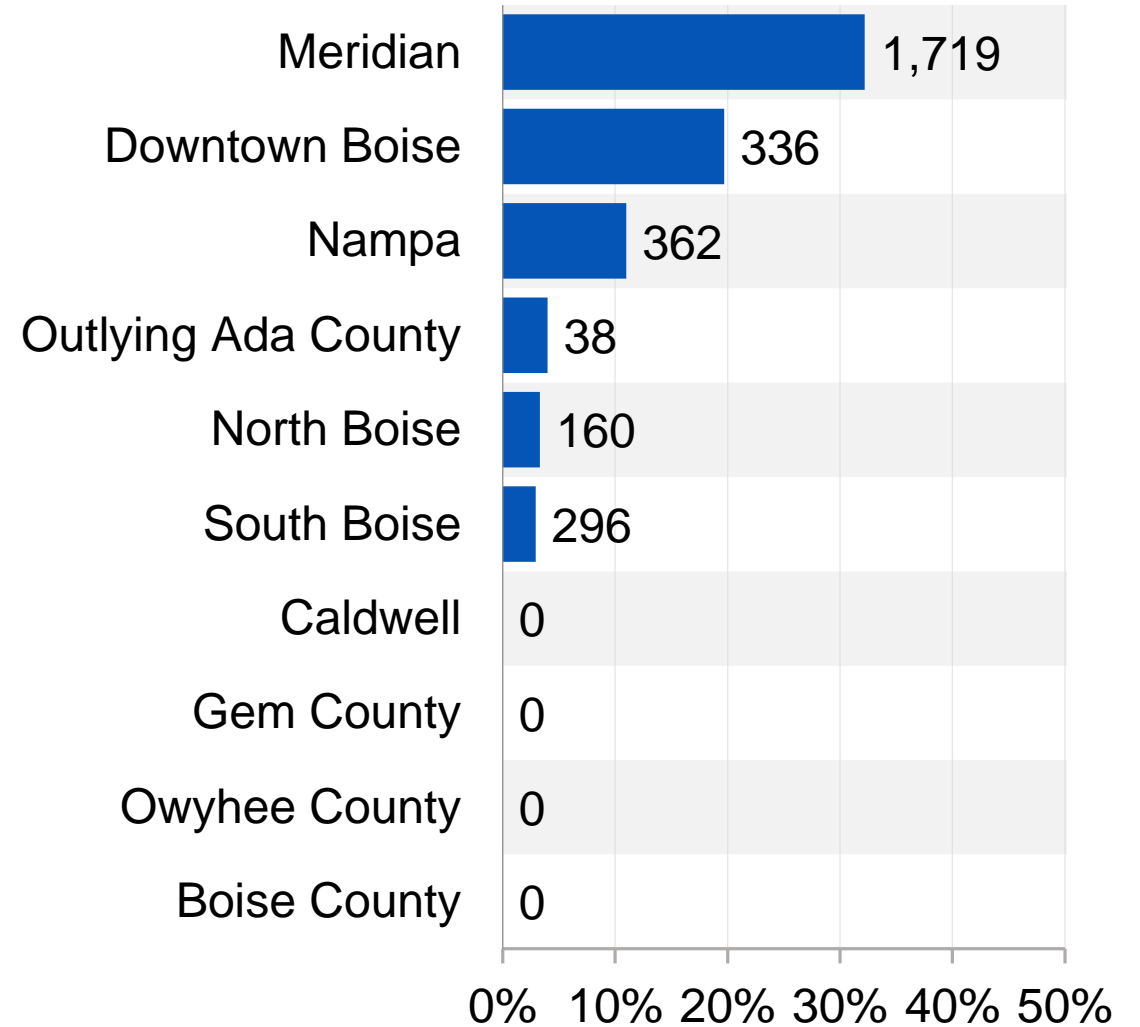
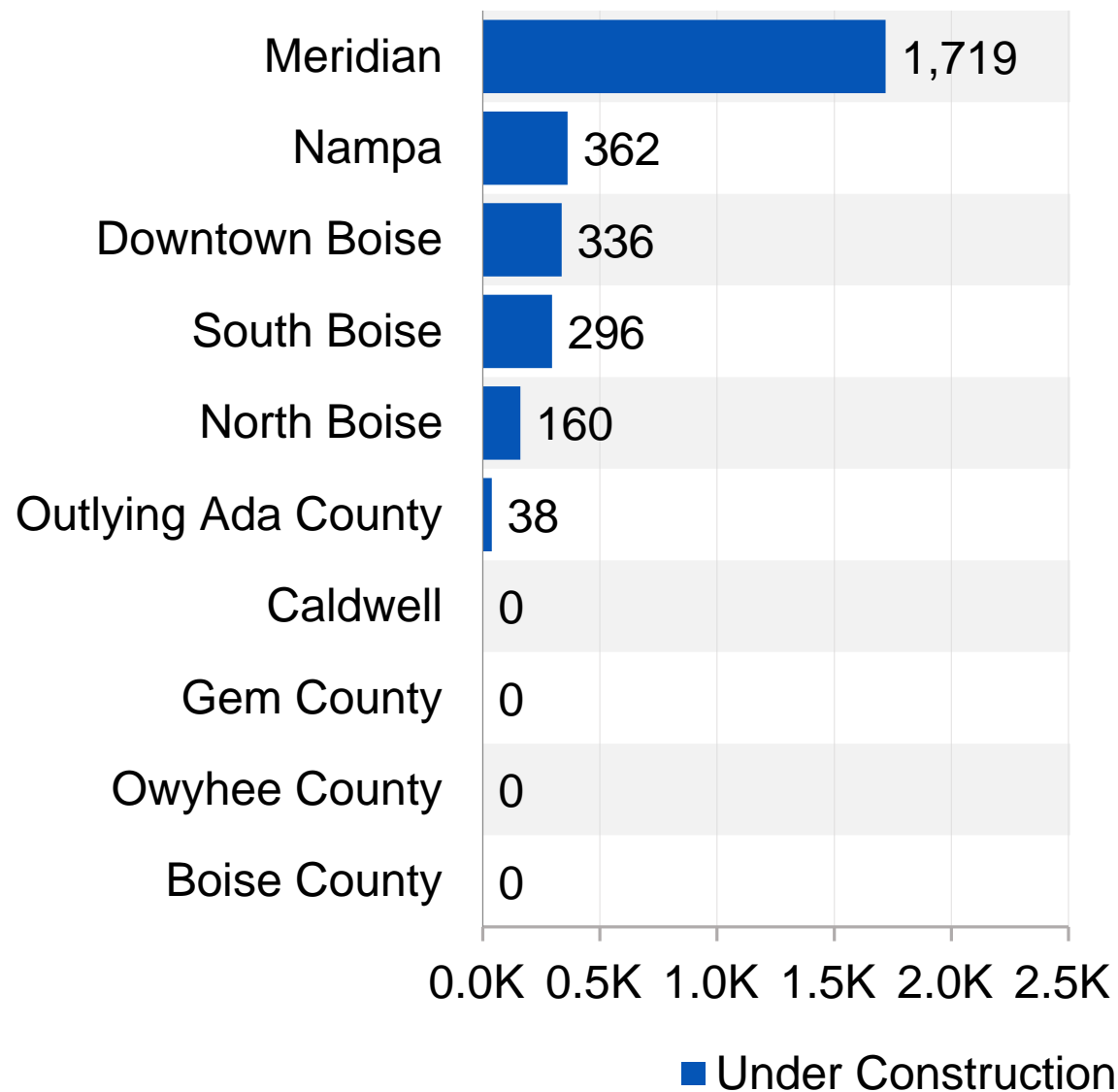
■ Net Absorption (Last 4 Quarters)

■ Share of Inventory (Last 4 Quarters)

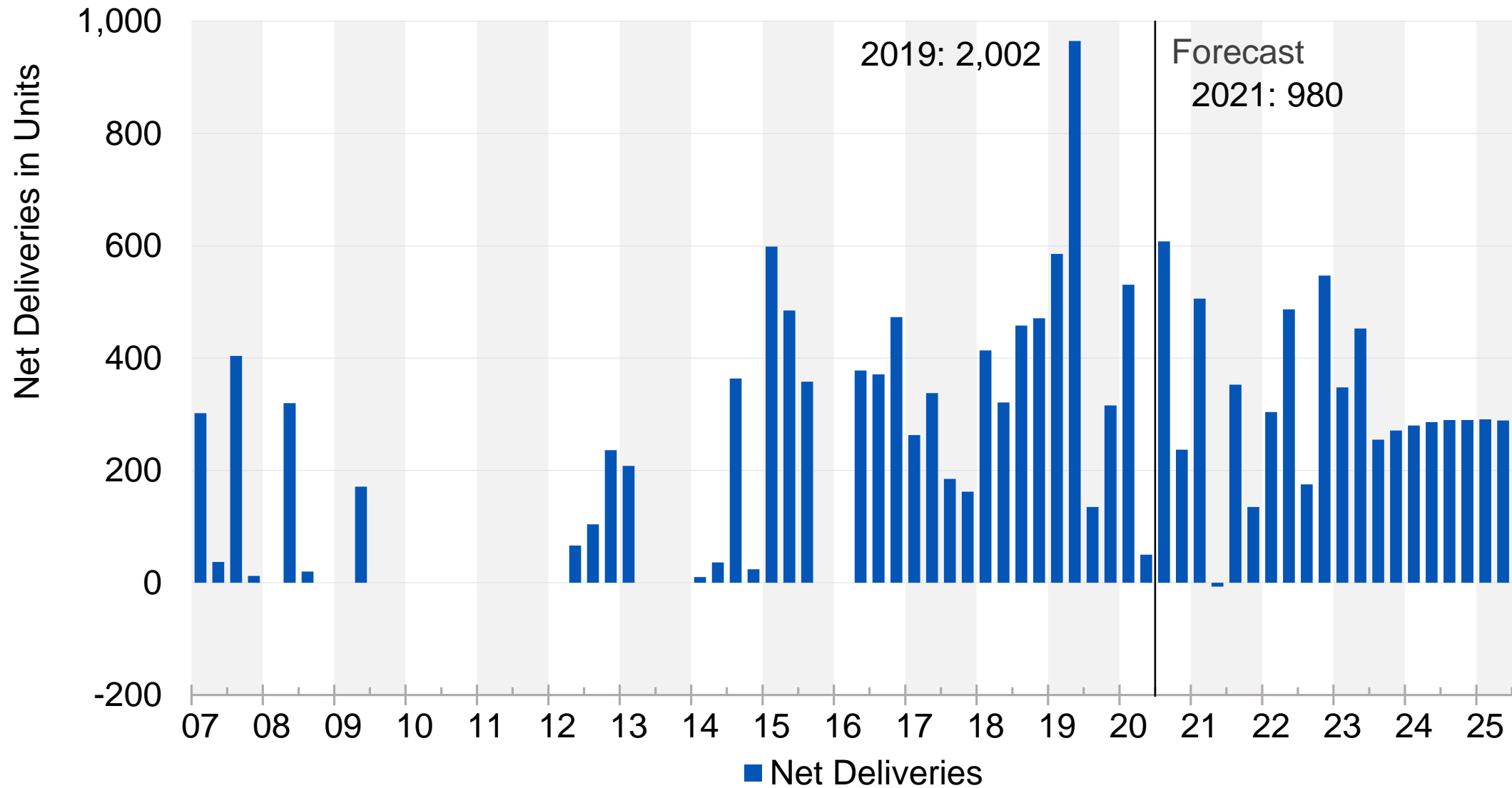
# Units Under Construction



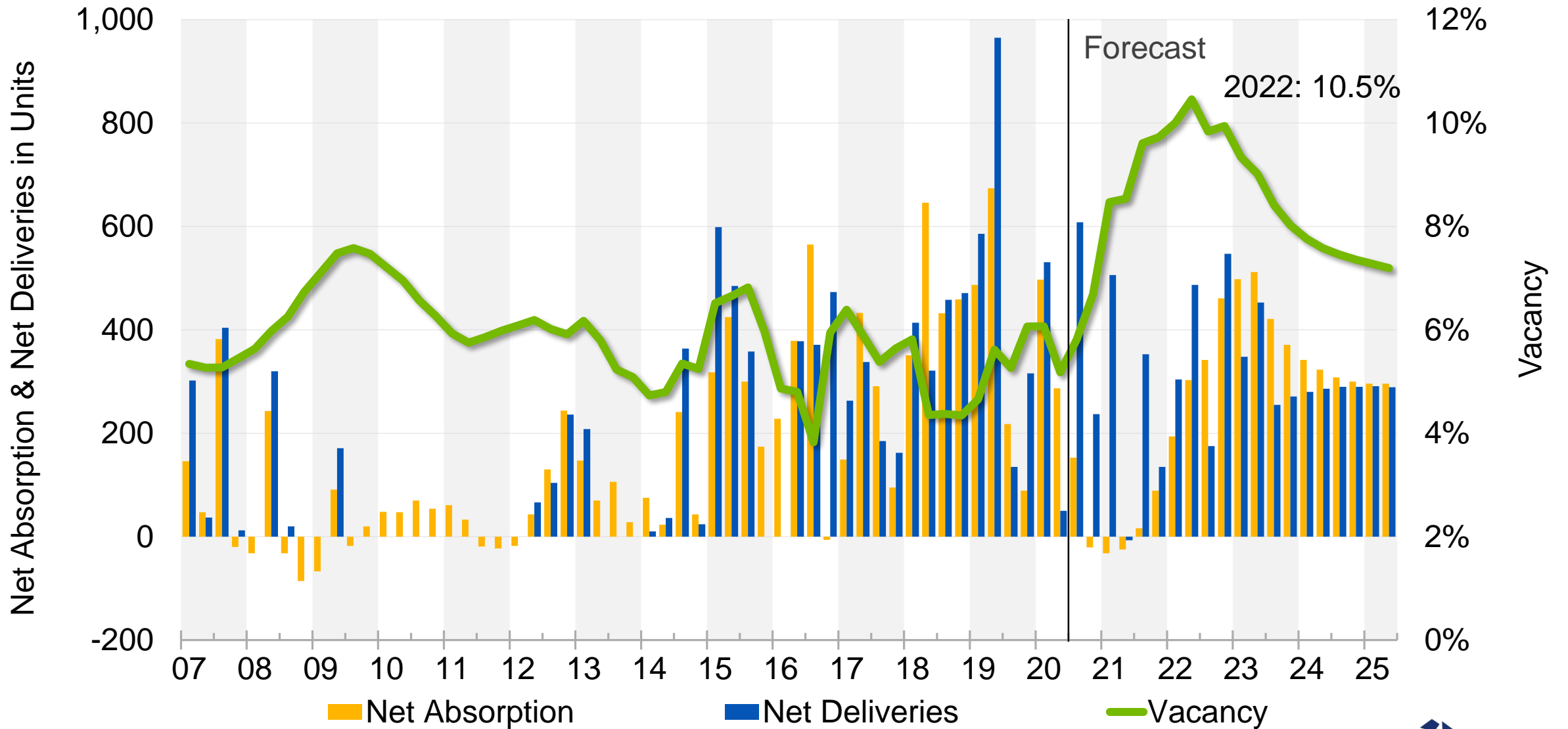
# Under Construction by Submarket



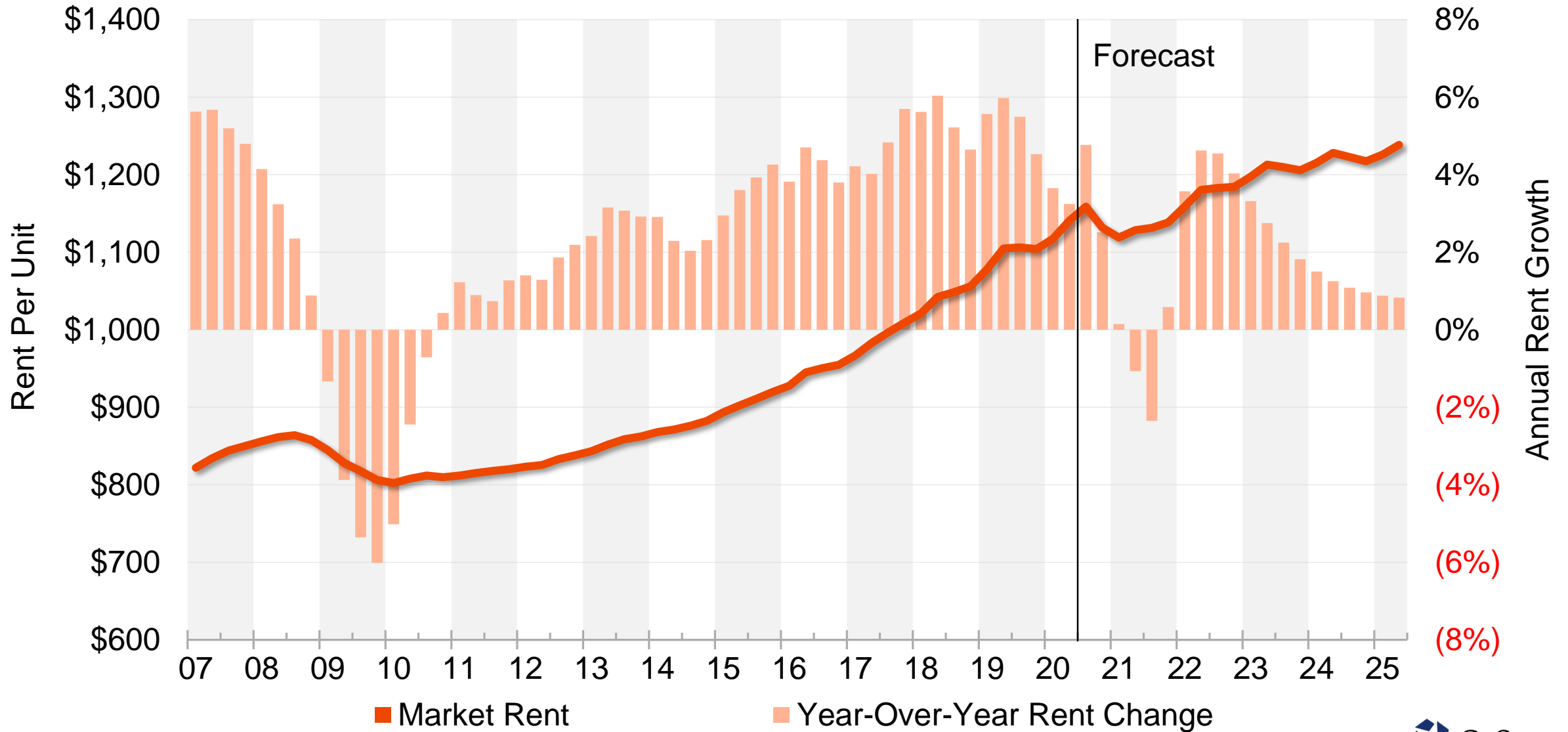
# Boise Multifamily Supply



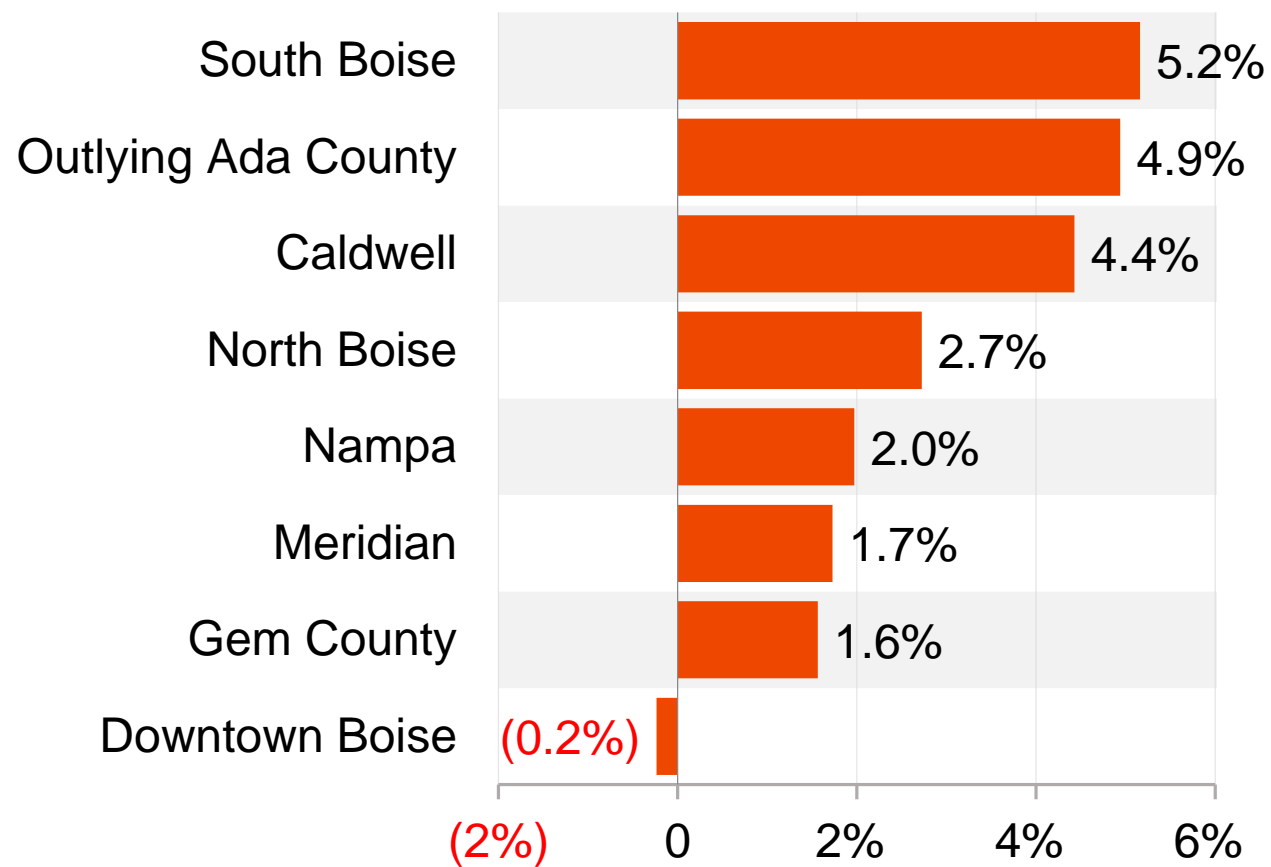
# Boise Multifamily Fundamentals



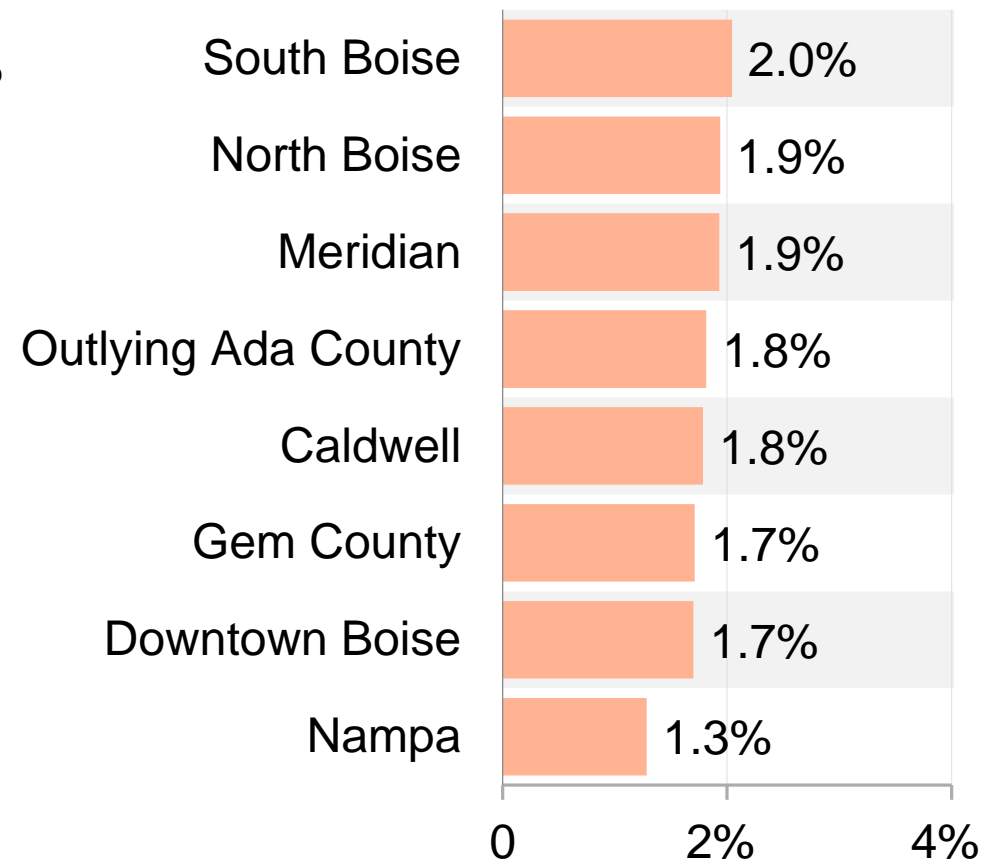
# Boise Multifamily Same-Store Rents



# Rent Growth by Submarket



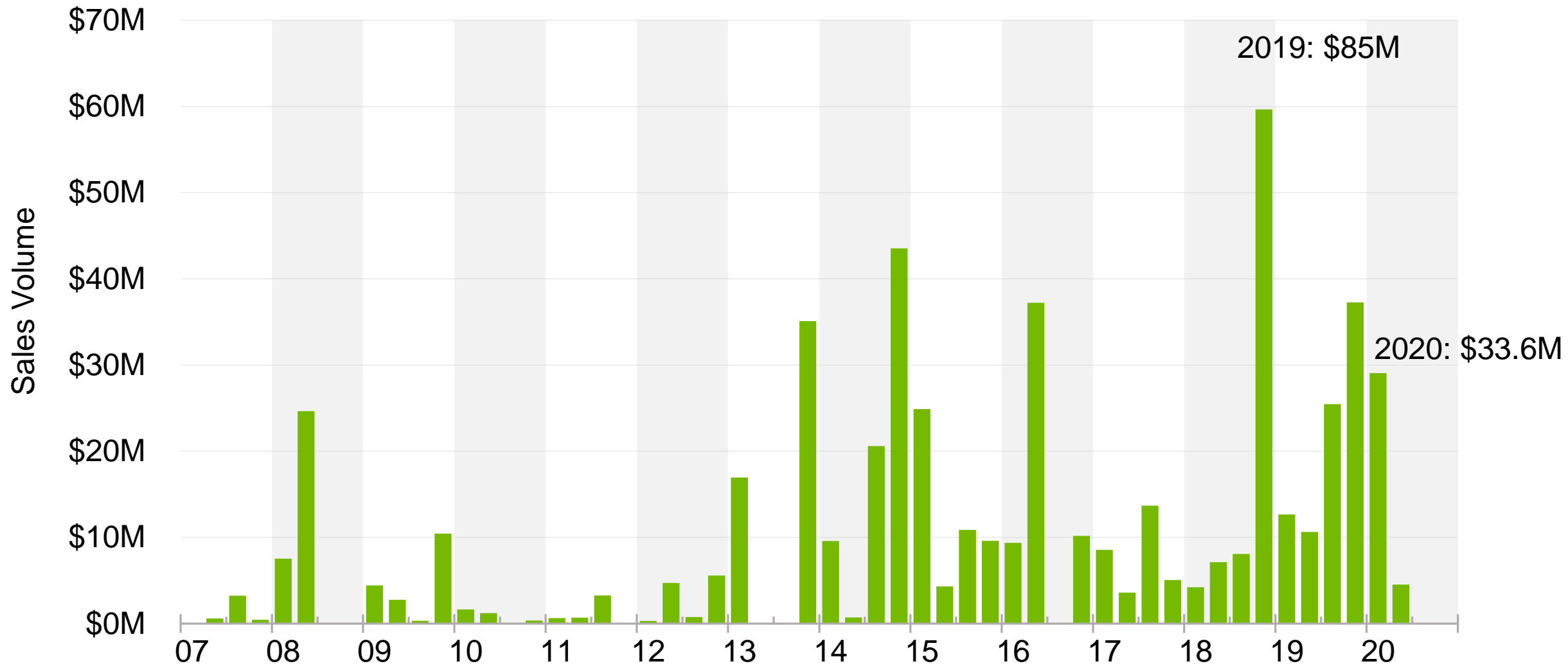
■ Rent Growth, YOY



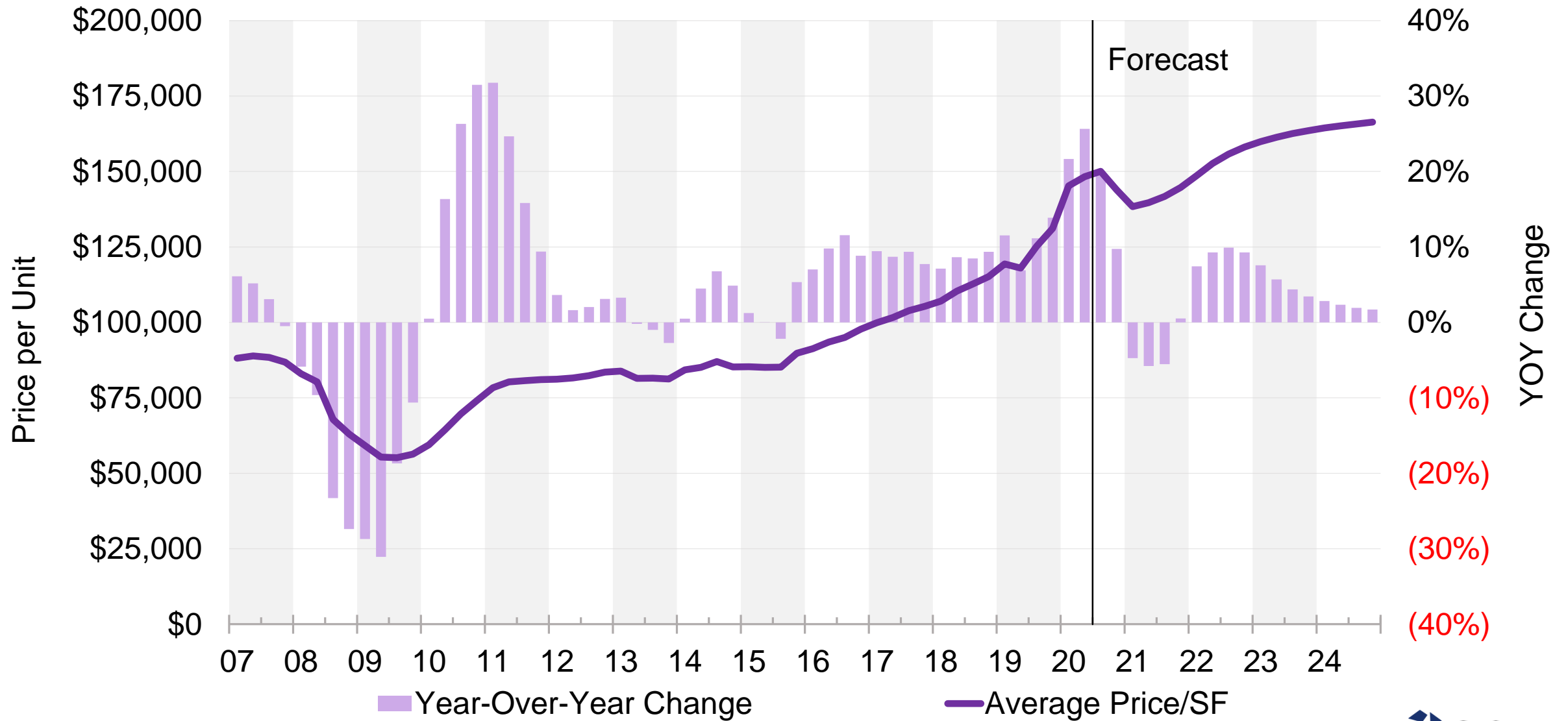
■ Four-Year Average Forecast



# Boise Multifamily Sales Volume



# Market Price: Base Case Forecast



# Takeaways

- ▶ The pandemic has brought about a deep recession
- ▶ That is causing damage in all elements of the multifamily market, including absorption, deliveries, vacancy, rent growth, transaction volume and pricing
- ▶ It will take through 2021 to come out of it
- ▶ But fundamentals will return to their prior strength, as strong population growth continues



**THANK YOU!**

**Christine Cooper**  
**ccooper@costar.com**

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