

Yardi® Matrix

MULTIFAMILY REPORT

Denver's Growth Spurt

Winter 2020

Sales Volume Reaches \$5B

Deliveries Remain Robust

Rental Gains Decelerate

DENVER MULTIFAMILY

Yardi® Matrix

Downtown Steals The Spotlight

The multifamily market in Denver remains highly favorable, boosted by the metro's long-running demographic and economic expansion. Developers and investors were particularly keen on the city's urban core, which saw a 13% population increase last year, while high-tech employment more than doubled since 2010.

The metro's talented workforce and business-friendly environment have prompted company relocations and expansions in the region. In the 12 months ending in November, Denver gained 49,300 jobs—a 2.0% year-over-year increase, outpacing the 1.8% national average. Education and health services led growth (10,800 jobs), followed by government (9,800 jobs) and professional and business services (9,700 jobs). Thriving companies brought an influx of high-paying jobs in 2019, a trend that is set to continue this year. Notable employers included tech firms Quizlet and Slack as well as Fortune 500 company VF Corp., which moved its corporate headquarters to downtown Denver. Gusto, a San Francisco-based payroll and benefits company, also plans to bring 1,500 jobs this year.

In 2019, nearly \$5 billion in multifamily assets traded in Denver, as the market's strong fundamentals appealed to many investors. Developers were also active, with some 24,000 units under way as of January. Demand is expected to maintain rent growth at 2.1% this year.

Market Analysis | Winter 2020

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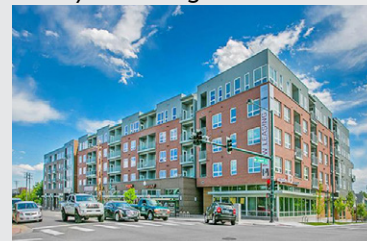
Adriana Pop

Senior Associate Editor

On the cover: Photo by Kruck20/iStockphoto.com

Recent Denver Transactions

Emery West Highland



City: Denver
Buyer: MetLife Real Estate
Investment
Purchase Price: \$115 MM
Price per Unit: \$356,366

Spyglass Hill



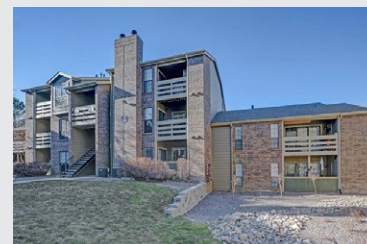
City: Denver
Buyer: Priderock Capital Partners
Purchase Price: \$106 MM
Price per Unit: \$184,991

Legacy on the Promenade



City: Westminster, Colo.
Buyer: Praedium Group
Purchase Price: \$94 MM
Price per Unit: \$311,667

Sofi Westminster



City: Westminster, Colo.
Buyer: Holland Partners
Purchase Price: \$81 MM
Price per Unit: \$244,729