



MULTIFAMILY REPORT

Denver's Rebound

June 2025



Rent Gains Signal Recovery

Development Activity Solid

Employment Growth Sluggish

DENVER MULTIFAMILY



Rent Growth on Recovery Path, Supply Softens

Denver's multifamily fundamentals have softened. After months of larger contractions, the metro's average advertised asking rents showed signs of recovery, sliding just 0.1%, on a trailing three-month basis through April, to an average of \$1,867. The national figure stood at 0.2%. The metro's occupancy rate dropped to 93.7% as of March, partly due to an outstanding 2024 for new supply volume. Meanwhile, the national average increased to 94.4%.

Denver's unemployment rate was 4.6% in March, according to preliminary data from the Bureau of Labor Statistics. The figure was 40 basis points above the national average, but below Colorado's 4.8%. The employment market expanded 0.4% during the 12 months ending in February, while the national average marked a 0.9% increase. To take advantage of underutilized spaces, Denver City Council recently approved two investments. Denver will invest up to \$70 million in land and infrastructure work to help build a 14,500-seat stadium. The city also approved a land swap, which will transform Park Hill Golf Course into an urban park.

Developers brought 4,440 units online year-to-date through April and had 26,731 units under construction. Most of the deliveries and underway projects remained geared toward Lifestyle renters. Investment volume in the first four months of the year totaled more than \$525 million, with the per-unit average settling at \$276,458.

Market Analysis | June 2025

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Recent Denver Transactions

Solaire



City: Brighton, Colo.
Buyer: The Milestone Group
Purchase Price: \$65 MM
Price per Unit: \$259,127

West 8th



City: Golden, Colo.
Buyer: MIG Real Estate
Purchase Price: \$48 MM
Price per Unit: \$479,798

Eagles's Peak



City: Windsor, Colo.
Buyer: Green Courte Partners
Purchase Price: \$33 MM
Price per Unit: \$274,167

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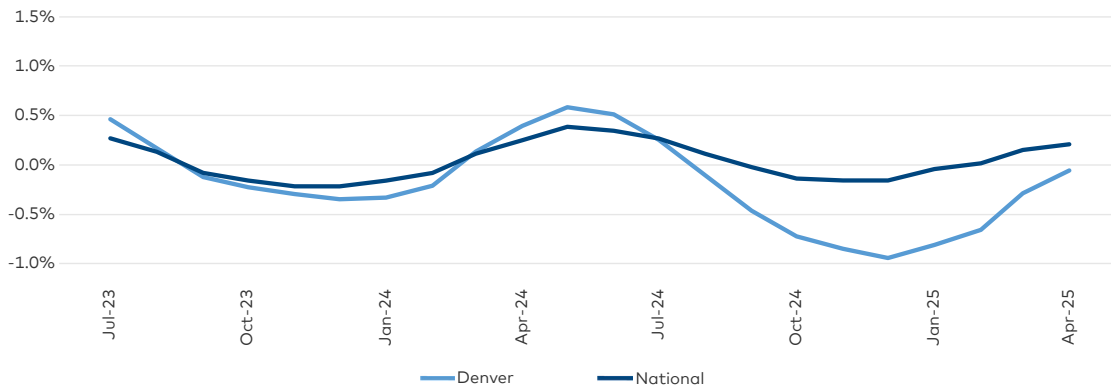


City: Denver
Buyer: Leetsdale Acquisition
Partners
Purchase Price: \$33 MM
Price per Unit: \$164,975

RENT TRENDS

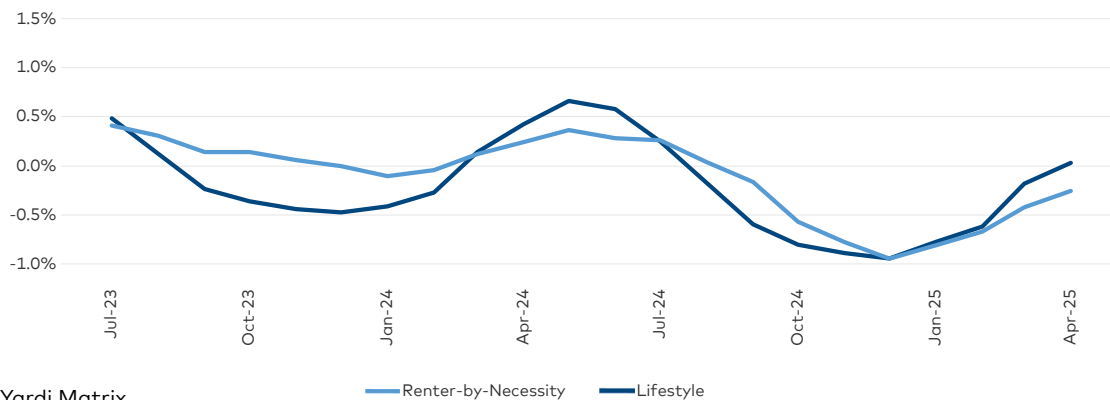
- Average advertised asking rents in Denver ticked down 0.1% on a trailing three-month (T3) basis through April, to \$1,867. Though not yet reaching positive territory, the rate was an improvement after eight months of stronger contractions. The national figure was up 0.2%, to \$1,736. Year-over-year, Denver's rents were down 3.9%, while the national average climbed 0.9%.
- Advertised asking rents for the upscale Lifestyle segment remained flat, on a T3 basis through April, at \$2,036. The figure for the working-class Renter-by-Necessity segment was down 0.3%, to \$1,569.
- As of March, the occupancy rate in stabilized assets was 93.7%, down 110 basis points year-over-year and below the 94.4% national average.
- The metro's Lifestyle occupancy was 94.1%, while the RBN rate stood at 92.9%.
- Year-over-year asking rents increased in only six Denver submarkets, out of the 49 tracked by Yardi Matrix. Castle Rock led gains (up 2.3% to \$2,028), followed by Greeley–West (up 0.8% to \$1,575) and Greeley–East (up 0.6% to \$1,390). The latter was also the metro's most affordable submarket. Denver–Downtown remained the most expensive, despite advertised asking rents falling 5.2% year-over-year, to \$2,384.
- Rents for Denver's SFR sector increased 0.4% year-over-year through April, while the national figure stagnated. Occupancy was down 180 basis points to 93.3%, while the U.S. rate contracted 60 basis points, to 94.8%.

Denver vs. National Rent Growth (Trailing 3 Months)



Source: Yardi Matrix

Denver Rent Growth by Asset Class (Trailing 3 Months)



Source: Yardi Matrix

ECONOMIC SNAPSHOT

- Denver's unemployment rate was 4.6% in March, up 90 basis points year-over-year, according to preliminary data from the BLS. However, the 60-basis-point decrease from the previous month points to some improvement. The metro's unemployment rate was also 20 basis points below Colorado's figure, but 40 basis points higher than the national rate.
- Employment growth in the metro slid to a 0.4% expansion year-over-year through February, lagging the nation by 50 basis points. The rate inched down after five consecutive months of stable growth, albeit at only 0.5%. Denver consistently lagged the nation throughout 2024.
- Over the 12-month period ending in February, Denver lost 5,800 net jobs, with only three sectors growing. Government gained 10,000 jobs, followed by education and health services (4,400) and financial activities (100). The other seven sectors lost a combined 20,300 jobs.
- To revitalize the local economy, Denver City Council recently approved two investments. The first is a \$70 million investment in land and infrastructure work at Santa Fe Yards to enable the construction of a 14,500-seat stadium. The city also approved a land swap that would allow the conversion of the 155-acre Park Hill Golf Course. The transaction marked the largest single purchase of private land designated for an urban park.

Denver Employment Share by Sector

Code	Employment Sector	Current Employment	
		(000)	% Share
90	Government	337.5	15.9%
65	Education and Health Services	277.1	13.1%
55	Financial Activities	133	6.3%
30	Manufacturing	117.3	5.5%
60	Professional and Business Services	391	18.4%
50	Information	60.3	2.8%
15	Mining, Logging and Construction	144.3	6.8%
70	Leisure and Hospitality	217.9	10.3%
80	Other Services	86.5	4.1%
40	Trade, Transportation and Utilities	357	16.8%

Sources: Yardi Matrix, Bureau of Labor Statistics

Population

- Denver gained 22,721 residents between 2021 and 2022. The increase amounted to a 0.8% expansion, double the national growth rate of 0.4%. According to the Colorado State Demography Office, the 65-plus population was the fastest growing cohort in the state.

Denver vs. National Population

	2019	2020	2021	2022
National	324,697,795	326,569,308	329,725,481	331,097,593
Denver Metro	2,892,066	2,928,437	2,936,665	2,959,386

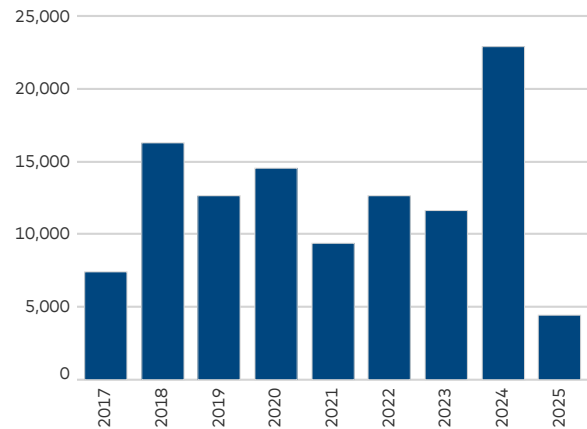
Source: U.S. Census

SUPPLY

- ▶ Year-to-date through April, developers added 4,440 new units to Denver's inventory. This was 1.3% of existing stock and outpaced the national figure by 50 basis points. Most of these completions were in Lifestyle properties. Yardi Matrix expects Denver to gain roughly 15,600 units this year, which would make it the third-best year for deliveries since 2017.
- ▶ Denver had 26,731 units under construction as of April. Most of the pipeline comprised units in Lifestyle projects, units in RBN developments accounted for nearly 15% of the total, and fully affordable projects clocked in at just under 4%. The metro also had some 120,000 units in the planning and permitting stages.
- ▶ Developers broke ground on 850 units during the first four months of the year, down to roughly half of the 1,663 starts recorded in the same period last year.
- ▶ Denver-Central led construction activity with 2,376 units underway. Nine submarkets had more than 1,000 units underway each. Broomfield (1,979 units), Aurora-South (1,824), Denver-West (1,633) and Denver-Airport (1,478) rounded out the top five. Thirty-eight of the metro's 49 submarkets had projects underway.

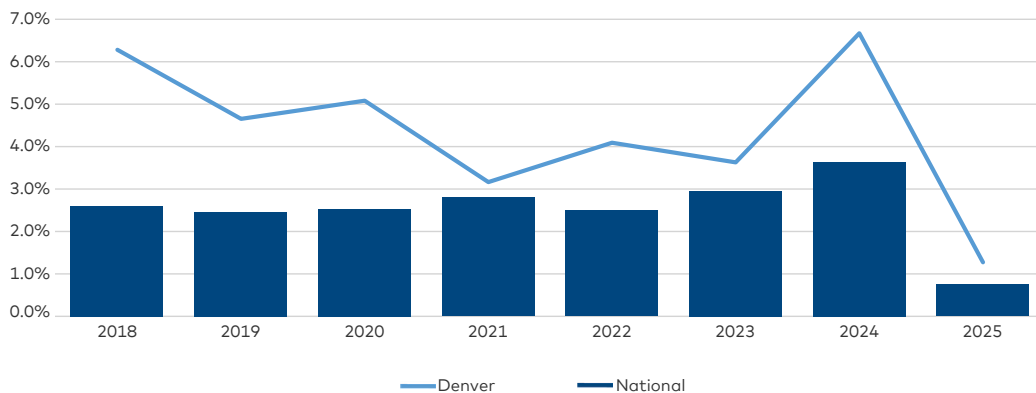
- ▶ A notable project underway is Alexan Peña Station in the Denver-Airport submarket. Trammell Crow Residential started construction on the 578-unit, partially affordable community last July and expects to deliver it in late 2026. The developer secured an \$89.5 million construction loan funded by Bank OZK, as well as \$81.2 million in joint venture equity to build it.

Denver Completions (as of April 2025)



Source: Yardi Matrix

Denver vs. National Completions as a Percentage of Total Stock (as of April 2025)



Source: Yardi Matrix

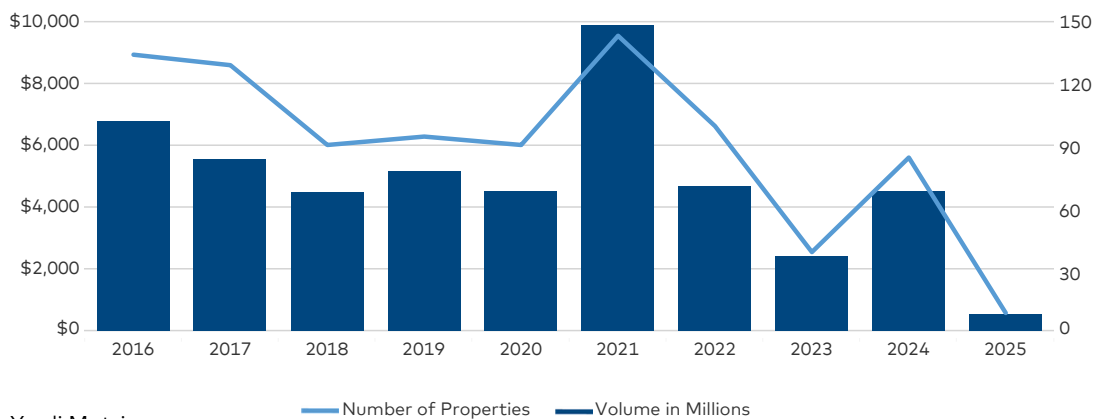
TRANSACTIONS

- Denver investors traded \$525 million in multi-family sales year-to-date through April, down to less than half of the \$1.2 billion recorded in the same period last year—a slowdown in line with nationwide trends. Last year's sales totaled \$4.5 billion, while the annual average recorded over the past 10 years stood at \$5.2 billion.
- The average price per unit in Denver settled at \$276,458 for sales recorded in the first four months of the year, influenced by investors favoring Lifestyle properties. The figure remained

well above the \$212,785 national rate. The per-unit price was just short of last year's \$277,330 and below the \$299,458 average of the past five years.

- Recent notable transactions include the sale of the 99-unit West 8th in the Golden submarket. MIG Real Estate acquired the LEED Silver property from Confluence Cos. for \$47.5 million or \$479,798 per unit. As part of the transaction, the buyer also assumed a \$31.3 million loan.

Denver Sales Volume and Number of Properties Sold (as of April 2025)



Source: Yardi Matrix

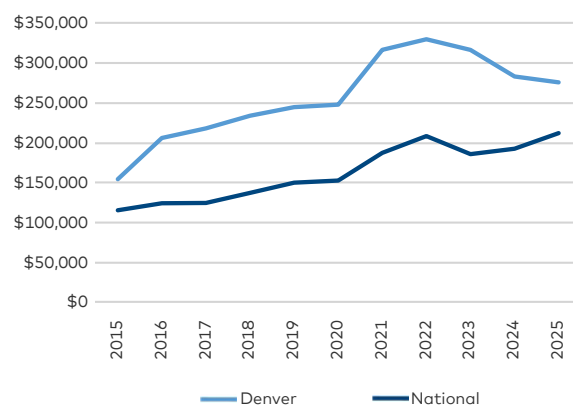
Top Submarkets for Transaction Volume¹

Submarket	Volume (\$MM)
Parker–Lone Tree	397
Fort Collins–South	303
Aurora–Central	270
Westminster	267
Englewood	242
Longmont	222
Denver–Southeast	218

Source: Yardi Matrix

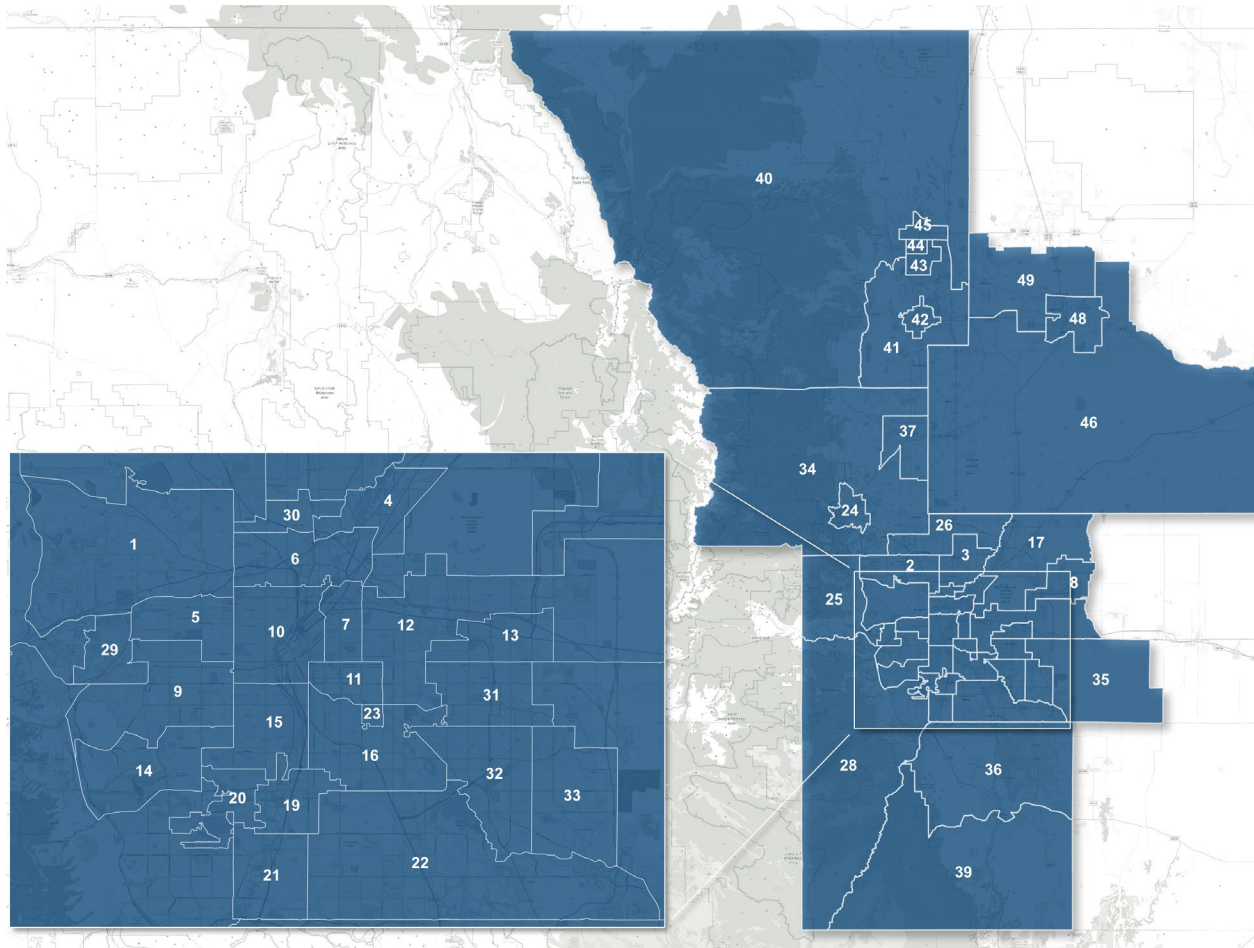
¹ From May 2024 to April 2025

Denver vs. National Sales Price per Unit



Source: Yardi Matrix

DENVER SUBMARKETS



Area No.	Submarket
1	Arvada
2	Westminster
3	Northglenn/Thornton
4	Commerce City/Derby
5	Wheat Ridge
6	Berkley/North Washington
7	City Park/City Park West
8	Denver International Airport
9	Lakewood-North
10	CBD/Five Points/North Chapel Hill
11	Capitol Hill/Cheesman Park/Hale
12	East Colfax/Lowry Field/Stapleton
13	Aurora-Northwest
14	Lakewood-South
15	College View/Ruby Hill

Area No.	Submarket
16	Hampden/Virginia Village/Washington
17	Brighton
19	Englewood/Sheridan
20	Bear Valley/Fort Logan
21	Columbine Valley/Littleton
22	Arapahoe-Southwest
23	Glendale
24	Boulder
25	Golden
26	Broomfield/Todd Creek
28	Jefferson
29	Applewood/West Pleasant View
30	Sherrelwood/Welby
31	Aurora-West Central
32	Aurora-Southwest

Area No.	Submarket
33	Aurora-Southeast
34	Greater Boulder
35	Arapahoe-East
36	Douglas County-North
37	Longmont
39	Douglas County-East
40	Estes Park/Laporte
41	Champion
42	Loveland
43	Fort Collins-South
44	Fort Collins-Central
45	Fort Collins-North
46	Weld South
48	Greeley East
49	Windsor/Greeley West

DEFINITIONS

Lifestyle households (renters by choice) have wealth sufficient to own but have chosen to rent. Discretionary households, most typically a retired couple or single professional, have chosen the flexibility associated with renting over the obligations of ownership.

Renter-by-Necessity households span a range. In descending order, household types can be:

- ▶ *A young-professional*, double-income-no-kids household with substantial income but without wealth needed to acquire a home or condominium;
- ▶ *Students*, who also span a range of income capability, extending from affluent to barely getting by;
- ▶ *Lower-middle-income ("gray-collar") households*, composed of office workers, policemen, firemen, technical workers, teachers, etc.;
- ▶ *Blue-collar households*, which barely meet rent demands each month and likely pay a disproportionate share of their income toward rent;
- ▶ *Subsidized households*, which pay a percentage of household income in rent, with the balance of rent paid through a governmental agency subsidy. Subsidized households, while typically low income, extend to middle-income households in some high-cost markets, such as New York City;
- ▶ *Military households*, subject to frequency of relocation.

These differences can weigh heavily in determining a property's ability to attract specific renter market segments. The five-star resort serves a very different market than the down-and-outer motel. Apartments are distinguished similarly, but distinctions are often not clearly definitive without investigation. The Yardi® Matrix Context rating eliminates that requirement, designating property market positions as:

Market Position	Improvements Ratings
Discretionary	A+ / A
High Mid-Range	A- / B+
Low Mid-Range	B / B-
Workforce	C+ / C / C- / D

The value in application of the Yardi® Matrix Context rating is that standardized data provides consistency; information is more meaningful because there is less uncertainty. The user can move faster and more efficiently, with more accurate end results.

The Yardi® Matrix Context rating is not intended as a final word concerning a property's status—either improvements or location. Rather, the result provides reasonable consistency for comparing one property with another through reference to a consistently applied standard.

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