



MULTIFAMILY REPORT

Denver Vs. Wall of Deliveries

September 2025

Asking Rents Sluggish, Occupancy Down

Investment Volume Moderates

Job Gains Offset by Losses

DENVER MULTIFAMILY



Fundamentals Point to Mixed Outlook

Denver is still finding its footing as absorption works its way through the recent delivery spike. Rent growth decelerated following the leasing season peak, up just 0.1%, on a trailing three-month basis through July, to \$1,885. Year-over-year, average advertised asking rents declined 3.9%, marking the second-slowest pace among Yardi Matrix's top 30 metros. Occupancy in stabilized assets also faced challenges, down 70 basis points year-over-year, to 94.1% in June, representing the sharpest drop across the top 30 metros.

Denver employment expanded a modest 0.1% through May. The metro added just 5,000 net jobs over 12 months, with significant differences across sectors. Growth was recorded in five sectors, led by government (8,100 jobs) and education and health services (5,900 jobs). Offsetting gains, five other sectors shed a combined 14,200 jobs, including trade, transportation and utilities (-6,100 jobs) and professional and business services (-4,900 jobs). Unemployment stood at 4.4% in June, outperforming the state (4.7%) but trailing the national rate (4.1%), according to data from the Bureau of Labor Statistics. Projects expected to impact the local economy include the \$950 million 2025 Vibrant Denver Bond package and the redevelopment of Cherry Creek West.

Developers delivered 9,973 units in 2025 as of July, on the heels of last year's 23,165 units. Meanwhile, investors traded \$1.1 billion in assets, for a price per unit that clocked in at \$288,527 through July.

Market Analysis | September 2025

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Recent Denver Transactions

Montane



City: Parker, Colo.
Buyer: Bell Partners
Purchase Price: \$133 MM
Price per Unit: \$332,500

Aura Colliers Hill



City: Erie, Colo.
Buyer: Consolidated Investment
Group
Purchase Price: \$111 MM
Price per Unit: \$337,386

Outlook Table Mesa



City: Wheat Ridge, Colo.
Buyer: FJ Management
Purchase Price: \$97 MM
Price per Unit: \$388,000

Lafayette Station

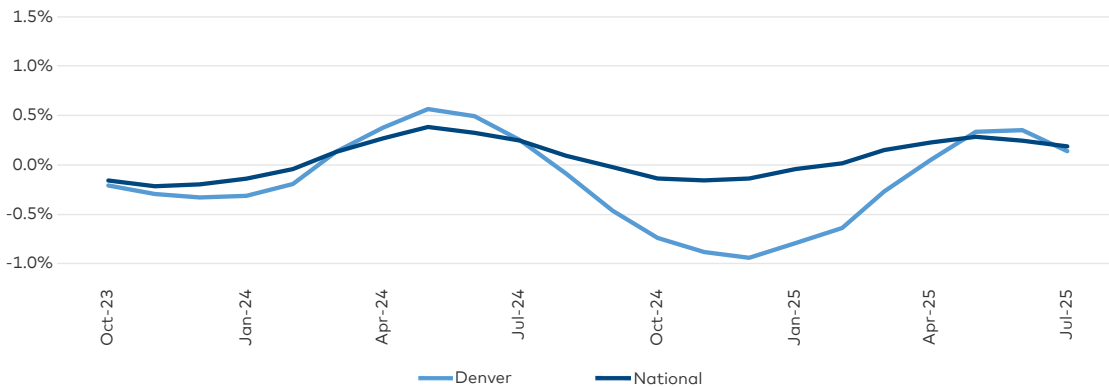


City: Lafayette, Colo.
Buyer: Green Leaf Capital Partners
Purchase Price: \$69 MM
Price per Unit: \$329,327

RENT TRENDS

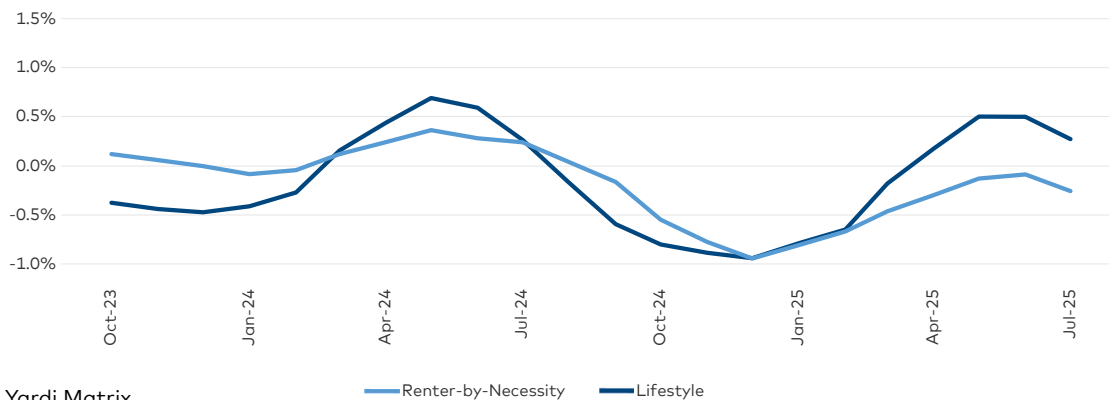
- ▶ Denver's average advertised asking rents inched up 0.1%, on a trailing three-month (T3) basis through July, to \$1,885. Meanwhile, the U.S. rate was up 0.2%, marking the fifth consecutive month of increases, at \$1,754 in July. The metro's performance has been consistently lagging, posting a 3.9% decline year-over-year, outperforming only Austin (-4.6%) among Yardi Matrix's top 30 metros. During this period, the U.S. rate rose 0.7%.
- ▶ Rent growth was sustained by the Lifestyle segment, up 0.3%, on a T3 basis through July, to \$2,068 and moderating. Working-class Renter-by-Necessity rates declined 0.3%, to \$1,558, marking a full year of contractions.
- ▶ Denver's occupancy rate in stabilized properties recorded the largest slide among Yardi Matrix's top 30 metros, down 70 basis points year-over-year, to 94.1% in June. The influx of new Lifestyle stock slammed occupancy rates across asset classes, hitting RBN the hardest, down 110 basis points to 93.4%, while Lifestyle figures fell 60 basis points, to 94.5%.
- ▶ Year-over-year through July, asking rents improved in five of the 49 tracked submarkets, including two of Denver's priciest areas: Golden (2.7% to \$2,345) and Boulder (0.1% to \$2,313). The most expensive average rates were in Denver-City Park-Cherry Creek (-4.1% to \$2,382) and Denver-Downtown (-5.0% to \$2,375).
- ▶ Denver also saw slides in the SFR-BTR segment, with asking rents down 1.2%, to \$2,750, as of July, and occupancy down 1.5%, to 93.4% in June.

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 employment growth nearly came to a halt, landing at a mere 0.1% as of May, while the national rate slowed to 0.8%. The metro added 5,000 net jobs over 12 months, with gains sustained by five sectors, led by government (8,100 jobs), education and health services (5,900) and information (2,900). Meanwhile, another five sectors lost 14,200 positions combined, with the steepest contractions posted by trade, transportation and utilities (-6,100), professional and business services (-4,900) and mining, logging and construction (-1,700).
- ▶ The metro's unemployment rate stood at 4.4% as of June, according to preliminary data from the Bureau of Labor Statistics. Although it marked a 50-basis-point improvement from January and outperformed the 4.7% state rate, it trailed the 4.1% U.S. average.
- ▶ In November, voters will decide on the allocation of the \$950 million proposed 2025 Vibrant Denver Bond debt package. In the meantime, the redevelopment of the 13-acre mixed-use Cherry Creek West was approved. Estimated at \$1 billion, the plan includes 825 residences, 600,000 square feet of office and 100,000 square feet of retail space, underground parking with more than 2,000 spaces and 4 acres of open space. Phased construction will begin in 2026, with completion slated for 2029.

Denver Employment Share by Sector

Code	Employment Sector	Current Employment	
		(000)	% Share
90	Government	342.2	15.8%
65	Education and Health Services	279.1	12.9%
50	Information	62.7	2.9%
70	Leisure and Hospitality	231.8	10.7%
55	Financial Activities	133.7	6.2%
30	Manufacturing	117.6	5.4%
80	Other Services	89.6	4.1%
15	Mining, Logging and Construction	149.1	6.9%
60	Professional and Business Services	393.2	18.2%
40	Trade, Transportation and Utilities	362.8	16.8%

Sources: Yardi Matrix, Bureau of Labor Statistics

Population

- ▶ Denver gained almost half a million people between 2010 and 2022, for a 20.1% increase that was more than double the 8.9% national rate.
- ▶ Population was up 0.8% in 2022, double the U.S. figure and on par with the likes of San Antonio and Seattle.

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

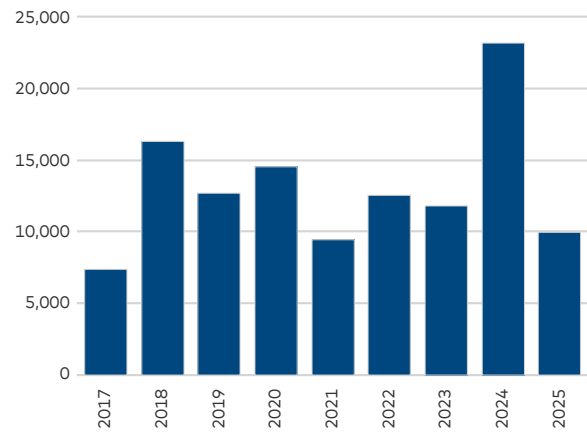
SUPPLY

- ▶ Denver's inventory gained 9,973 units in 2025 through July, equivalent to 2.8% of its existing stock, while the national rate was 1.6%. This was in line with the market's recent construction boom. The metro's stock growth averaged 4.6% over the past five years, well above the 2.9% U.S. yearly average. Lifestyle was developers' preferred asset class, accounting for 81.3% of deliveries, followed by fully affordable (11.2%) and RBN (7.5%) units.
- ▶ As of July, the construction pipeline encompassed 21,855 units underway and another 119,000 in the planning and permitting phases. Lifestyle remained developers' first choice, accounting for 82.1% of the units, followed by fully affordable (14.8%) and RBN (3.1%).
- ▶ Construction starts dropped to 2,699 units across 13 properties in 2025 through July, from 4,637 units across 20 properties recorded during the same interval in 2024. Overall, developers broke ground on 9,428 units across 47 properties during last year.
- ▶ Development remained strong across the map as of July, with 39 of the 49 submarkets tracked by Yardi Matrix having at least one property of more than 50 units underway. Six submarkets

had more than 1,000 units underway each, led by Aurora-South (1,910 units), Broomfield (1,812) and Denver-Central (1,526).

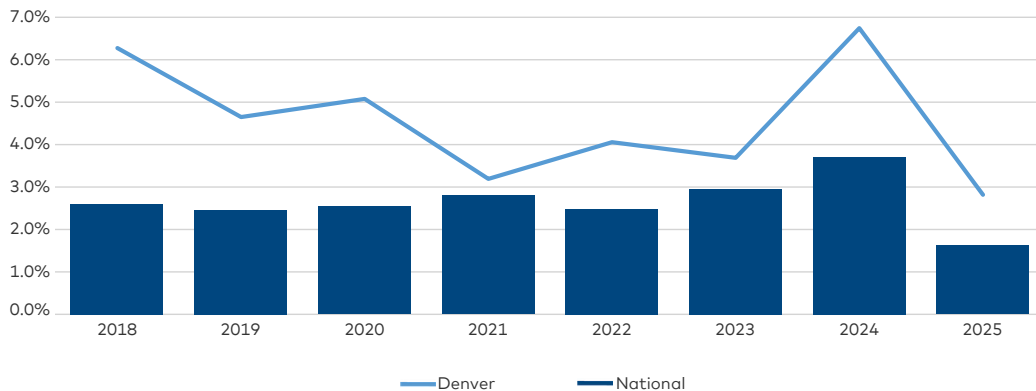
- ▶ The largest project delivered in 2025 through July was a 425-unit Lifestyle property in Parker-Lone Tree, dubbed The Lincoln. Owned by Century Communities, the development includes 3,000 square feet of retail and was built with aid from an \$80 million construction loan issued by U.S. Bank.

Denver Completions (as of July 2025)



Source: Yardi Matrix

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



Source: Yardi Matrix

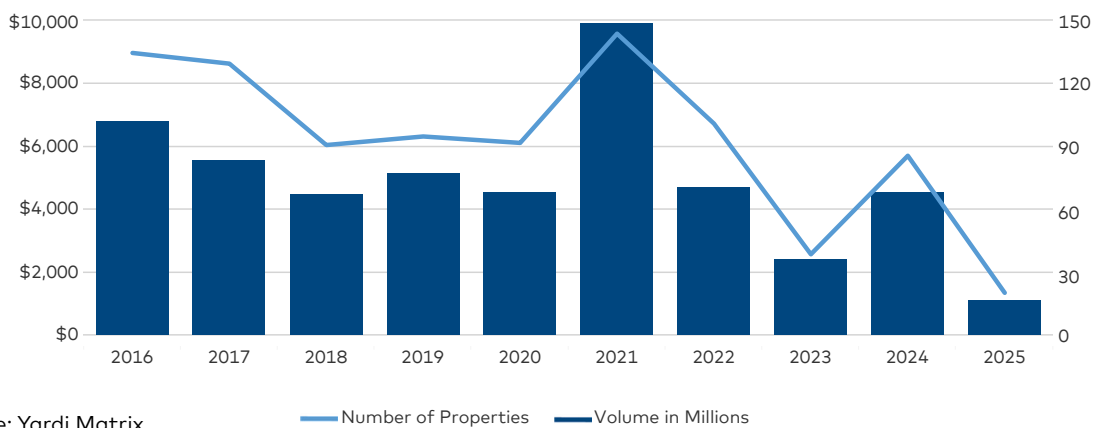
TRANSACTIONS

- ▶ Multifamily sales in Denver totaled \$1.1 billion in 2025 through July, mirroring the national moderating trend. The metro's five-year average stood at \$4.3 billion.
- ▶ Investor interest was tilted toward the Lifestyle segment, as three-quarters of sales recorded in 2025 through July were for Lifestyle properties. Yet, the average per-unit price posted a minor, 1.9% increase year-to-date, to \$288,527 as of July. Meanwhile, the national average rose 7.4%, to \$207,299. In 2010, Denver's average price was

nearly equal to the U.S. figure, and subsequently, the national figure recorded a 172.2% increase, while Denver's rate soared, up by 274.8%.

- ▶ Denver's sales activity was fairly balanced across quarters, with Q1 totalling \$504 million and Q2 at \$468 million. The highest sale price was registered in July, when Bell Partners acquired Montane, a 400-unit Lifestyle asset, from Starlight Investments for \$133 million, with aid from an \$84.9 Freddie Mac million loan originated by JLL.

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



Source: Yardi Matrix

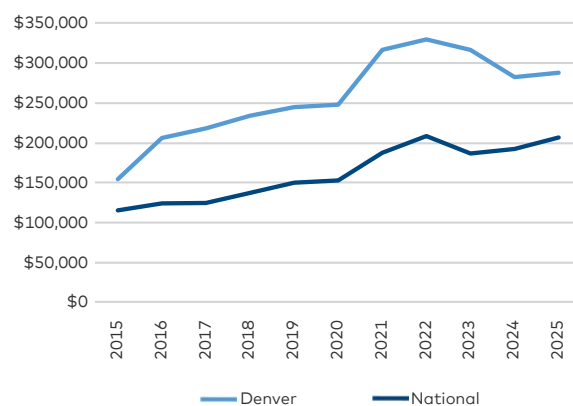
Top Submarkets for Transaction Volume¹

Submarket	Volume (\$MM)
Parker–Lone Tree	530
Fort Collins–South	303
Aurora–Central	261
Englewood	242
Lafayette–Louisville	220
Golden	219
Denver–Southeast	218

Source: Yardi Matrix

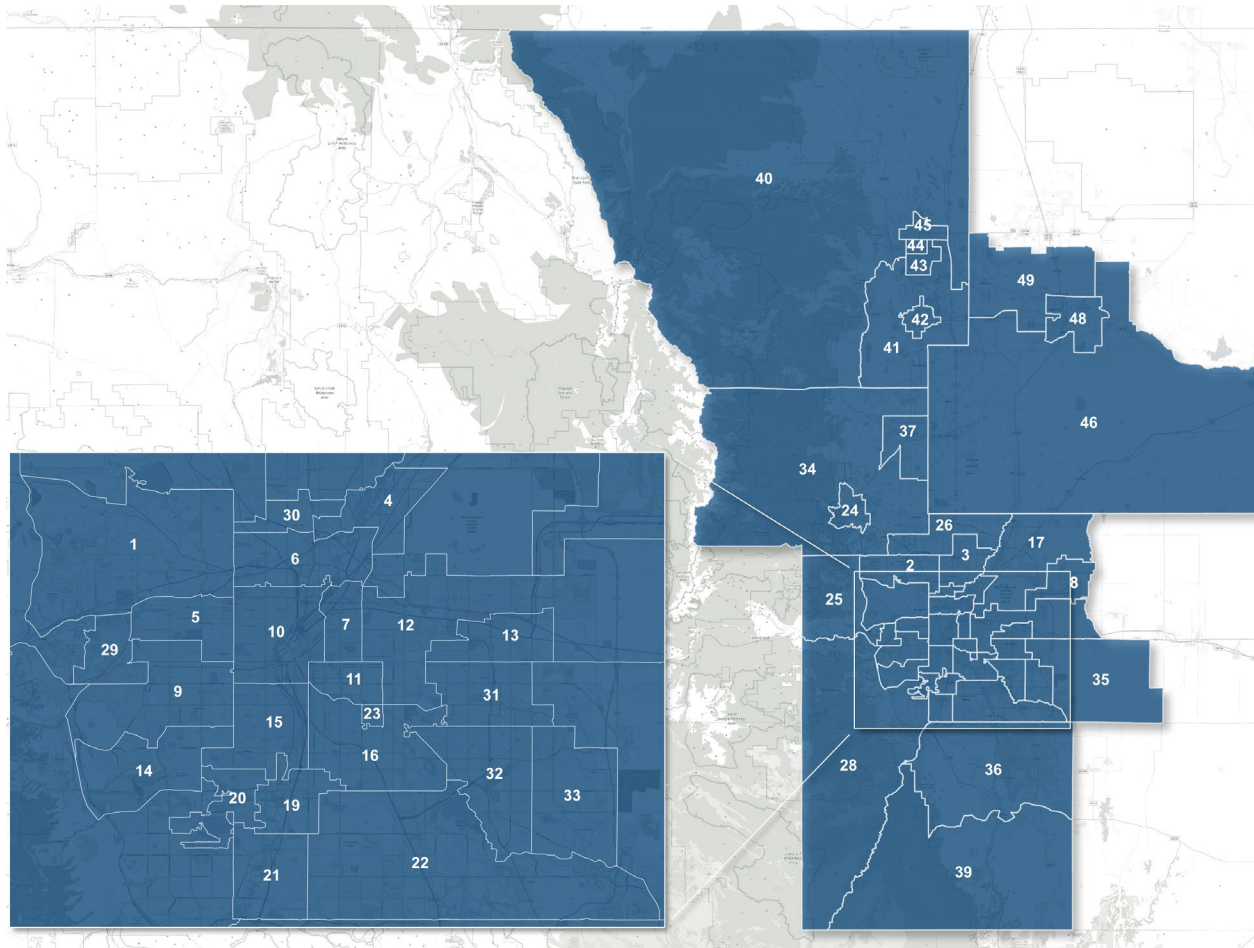
¹ From August 2024 to July 2025

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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