

Yardi® Matrix

# Denver's Steady Climb

Multifamily Report Fall 2019

**Per-Unit Prices Rise**

**Rent Progress Tapers**

**Employment Gains Slide Below 2.0%**

# DENVER MULTIFAMILY

Yardi® Matrix

## Market Analysis

Fall 2019

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## Supply and Demand Find a Balance

Denver's solid demographic growth and steady economic expansion have kept demand strong. As a result, occupancy has remained high, despite a large number of apartments delivered in the metro. Some 7,100 units were added to the Mile High City in 2019 through September, following an even more active 2018, with 16,151 new units completed. Even so, the occupancy rate in stabilized properties slid slightly to 95.2% as of August.

Employment growth softened to a 1.7% rate year-over-year through July, on par with the national figure, but falling below the 2.0% mark for the first time since 2011. The metro's economy is diversifying, and the highly educated workforce has helped attract businesses. Employment growth over the past 12 months was led by the professional and business sector, which added 13,700 jobs, followed by the education and health services sector (6,500 jobs) and leisure and hospitality (5,400 jobs).

Investors spent nearly \$3 billion on multifamily assets year-to-date through September, with a per-unit price that rose 2.6% year-over-year to \$246,672. The most sought-after submarket remained the CBD/Five Points/North Capitol Hill area, leading in transaction volume, deliveries and units under construction.

### Recent Denver Transactions

IMT Hyland Hills



City: Westminster, Colo.  
Buyer: IMT Capital  
Purchase Price: \$120 MM  
Price per Unit: \$254,449

Liberty Creek



City: Aurora, Colo.  
Buyer: Bridge Investment Group  
Purchase Price: \$106 MM  
Price per Unit: \$180,736

Venue at the Promenade



City: Castle Rock, Colo.  
Buyer: Equity Residential  
Purchase Price: \$92 MM  
Price per Unit: \$294,872

The Brodie



City: Westminster, Colo.  
Buyer: Equity Residential  
Purchase Price: \$88 MM  
Price per Unit: \$281,250