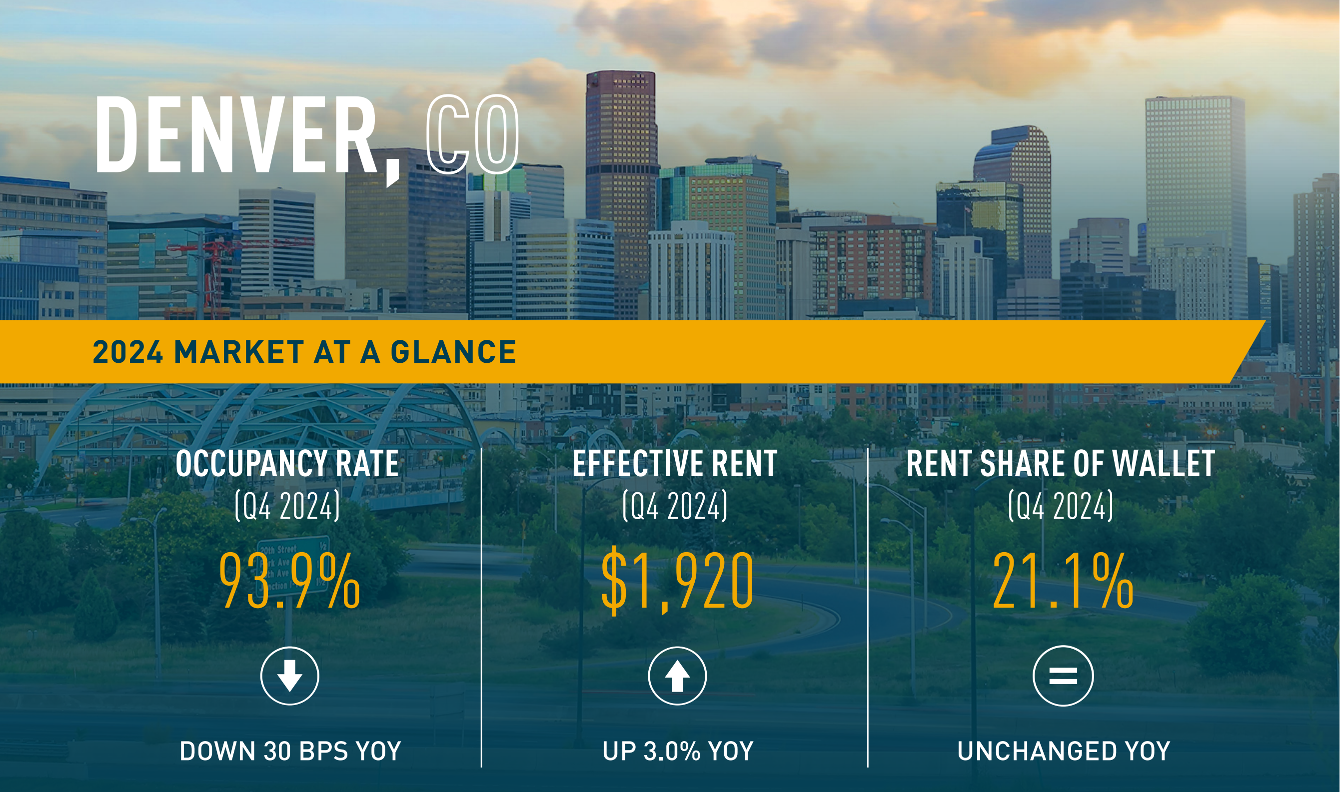


DENVER, CO

2024 MARKET AT A GLANCE

OCCUPANCY RATE (Q4 2024)	EFFECTIVE RENT (Q4 2024)	RENT SHARE OF WALLET (Q4 2024)
93.9%	$1,920	21.1%
DOWN 30 BPS YOY	UP 3.0% YOY	UNCHANGED YOY

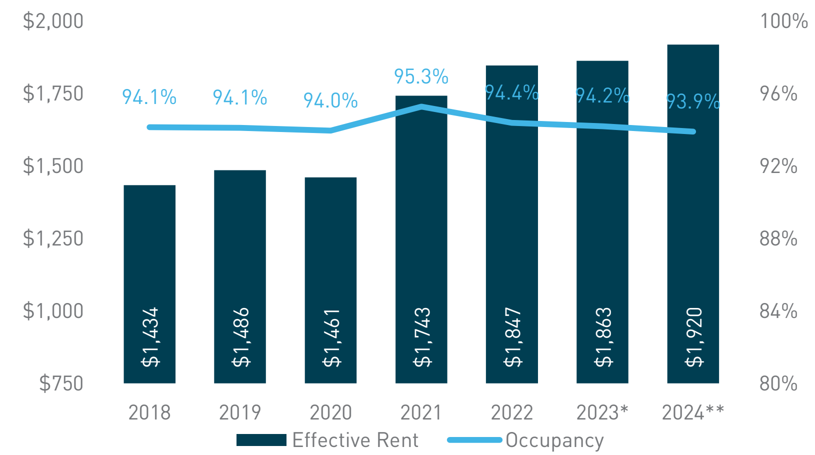
Record Apartment Leasing Driven by Strong Household Formation and In-Migration

Denver's multifamily outlook for 2024 is a stark contrast from the leasing and delivery activity seen over the past three years. Both absorption and deliveries are expected to elevate, approaching or exceeding previous record volumes in 2021. Builders will complete an estimated 13,200 units as renters absorb 10,900 net units by the end of this year. The influx of new apartments, particularly near the urban core, serves to fill the gap left by the lack of available, affordable single-family housing. This year, annual household formation of 1.6% will surpass population growth and net in-migration is expected to reach nearly 18,000, the highest projected influx of new residents since 2016. However, the Denver Metro has one of the highest costs of living in the U.S., and many first-time homebuyers will struggle to find a single-family option within their budget. o
Much of the apartment development and leasing activity radiates from downtown where there is more supply and neighborhoods that appeal to young renters. Denver's suburbs remain challenging environments in which to develop new product, tightening the rental market in areas outside the urban core. Given the forecast of record demand and 2.8% increase in median household income, Denver's landlords can justify a projected 3% annual average effective rent increase to $1,920 per month in the fourth quarter of 2024.

Unless noted otherwise, data and images pertaining to rent, occupancy, employment, unemployment, income, price per unit, and cap rate are year-end figures. Absorption and construction figures are full-year totals, unless noted otherwise. Numbers for 2023 are projected values. 2024 figures are forecast projections.

APARTMENT TRENDS

Effective Rent & Occupancy

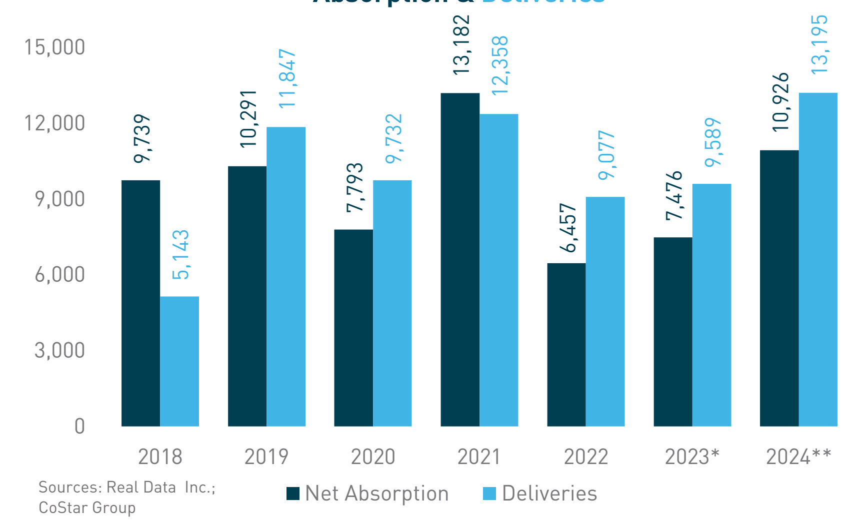


Sources: Real Data Inc.; CoStar Group

*Projected **Forecast

Note: Effective rent and occupancy reflect stabilized properties and does not include preleased units or properties in lease-up. A newly constructed property is considered stabilized once it becomes 85% occupied.

Absorption & Deliveries



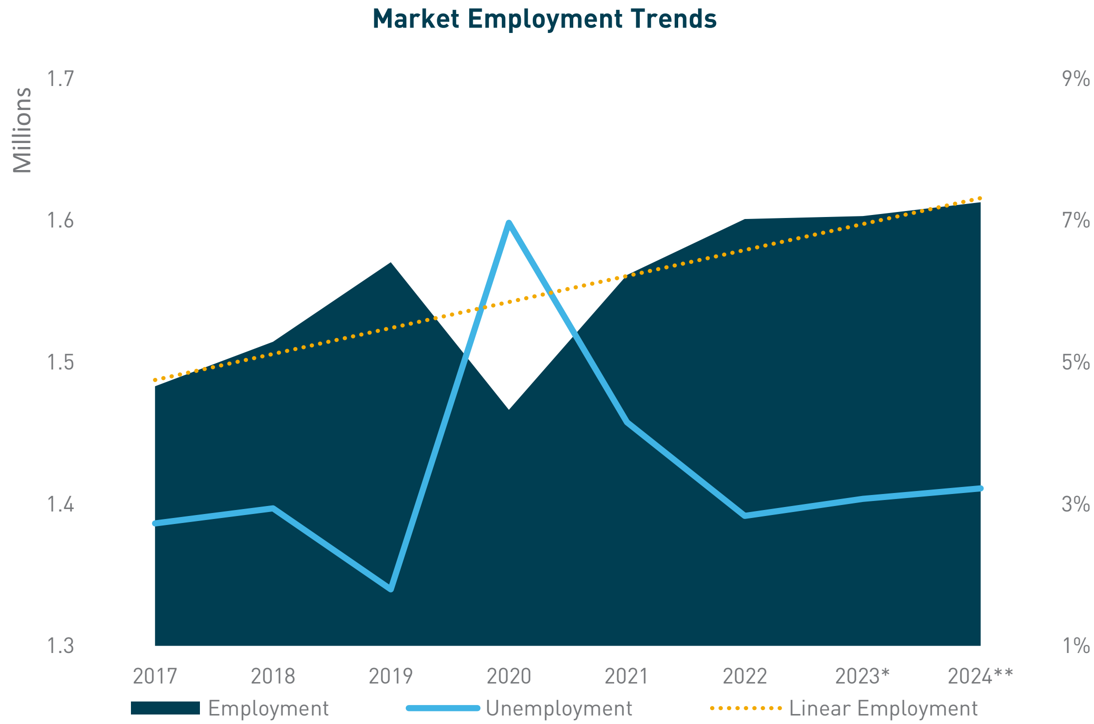
Sources: Real Data Inc.; CoStar Group

*Projected **Forecast

DENVER, CO

BERKADIA

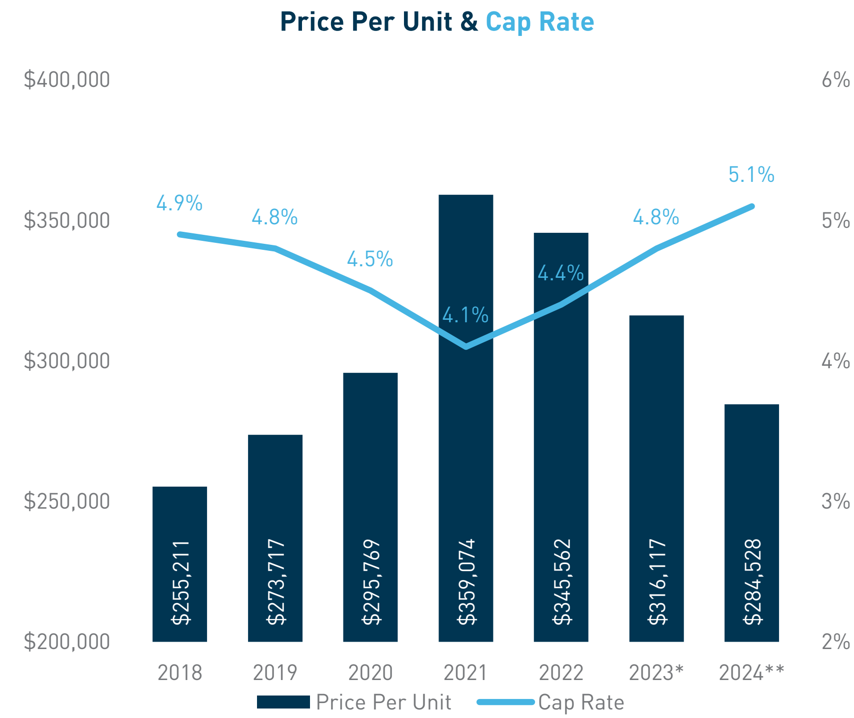
EMPLOYMENT TRENDS



Source: Moody's Analytics

*Projected **Forecast

SALES TRENDS



Sources: Berkadia; CoStar Group; MSCI

*Projected **Forecast

The apartment sales information represents transactions of apartment properties with a sales price of $2.5 million or more, unless otherwise indicated.

EMPLOYMENT (DEC. 2024)	UNEMPLOYMENT (DEC. 2024)	MEDIAN HOUSEHOLD INCOME (DEC. 2024 SAAR)	PRICE PER UNIT (2024 AVG.)	CAP RATE (2024 AVG.)
1,612,800	3.2%	$108,990	$284,528	5.1%
UP 0.6% YOY	UP 10 BPS YOY	UP 2.8% YOY	DOWN 10.0% YOY	UP 30 BPS YOY