

# DENVER, CO MULTIFAMILY REPORT

2024 | MID-YEAR

**BERKADIA**<sup>®</sup>





# DENVER, CO EMPLOYMENT

## Jobs Added / Lost

LAST 12 MONTHS

-11,900

↓ 0.7%

## Unemployment

JUNE 2024

3.8%

↑ 70 BPS YOY

\*Seasonally Adjusted

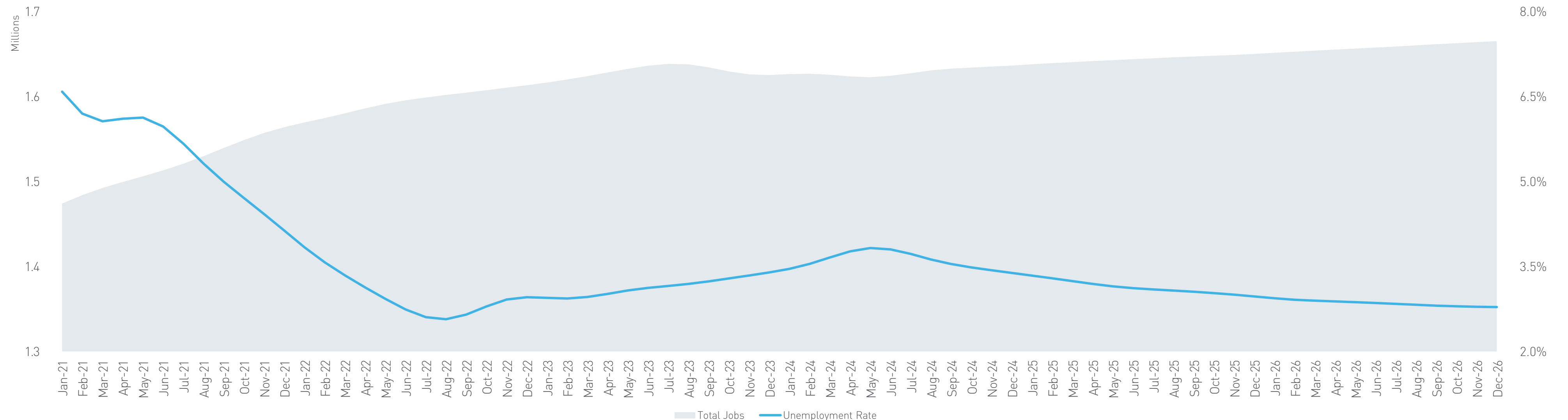
Over the 12 months through June 2024, the metro Denver labor market posted gains in two sectors: government as well as private education and healthcare. Following a boost in government spending, the government sector added 7,600 jobs annually. The private education and healthcare sector gained 4,600 jobs at the same time. However, the market employment levels lowered by 11,900 jobs, resulting from cuts in six of the 11 industry sectors annually through mid-2024. Metro Denver's seasonally adjusted unemployment rate remained low at 3.8% in June 2024, lower than the U.S. rate of 4.1%. The labor force within the MSA reflects a statewide trend as Colorado measured as the fourth-highest labor force participation in the country.

Recovery in the leisure and hospitality sector following the pandemic helped contribute to the state's ranking. Colorado leisure and hospitality employers added 89,400 seasonally adjusted jobs between January 2021 and June 2024. Payrolls have surpassed the pre-pandemic peak, representing an encouraging comeback for Colorado's tourism industry. A healthy post-pandemic employment environment extended to several white-collar sectors. The financial sector grew by 9,900 personnel statewide. Colorado's professional and business services workforce has grown 15.4% at the same time, representing the structural changes to a more diverse economy in recent years.

## In the News

- 🔗 [\\$55 million in state funding for worker training expected to create 6,500 jobs](#)
- 🔗 [Two clean energy companies bring 1,200 new jobs combined to I-76 corridor](#)
- 🔗 [Scythe Robotics expansion will create 390 high-paying jobs in Longmont](#)

## Employment Trends



Source: Moody's Analytics



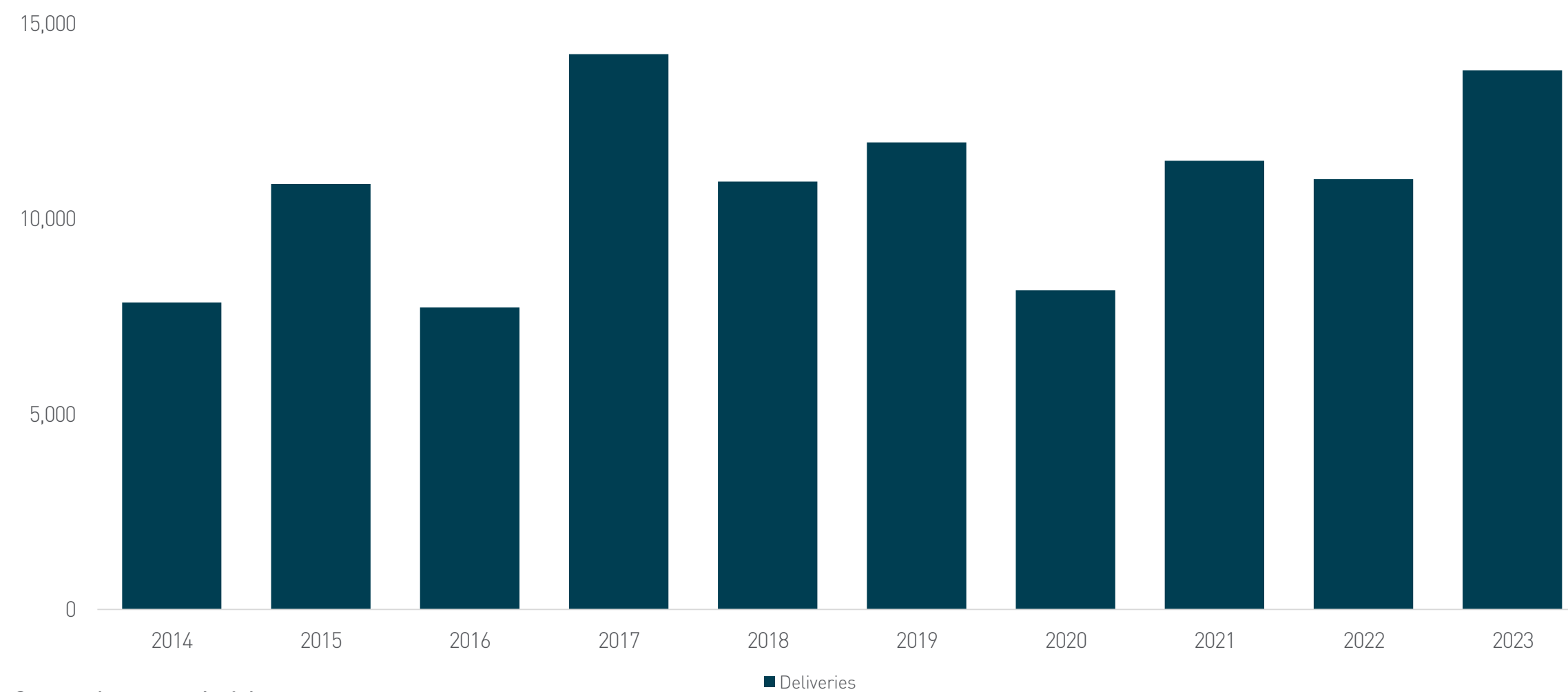
2024 TOTAL\*  
DELIVERIES  
14,815 UNITS

\*Projected

# DENVER, CO DELIVERIES

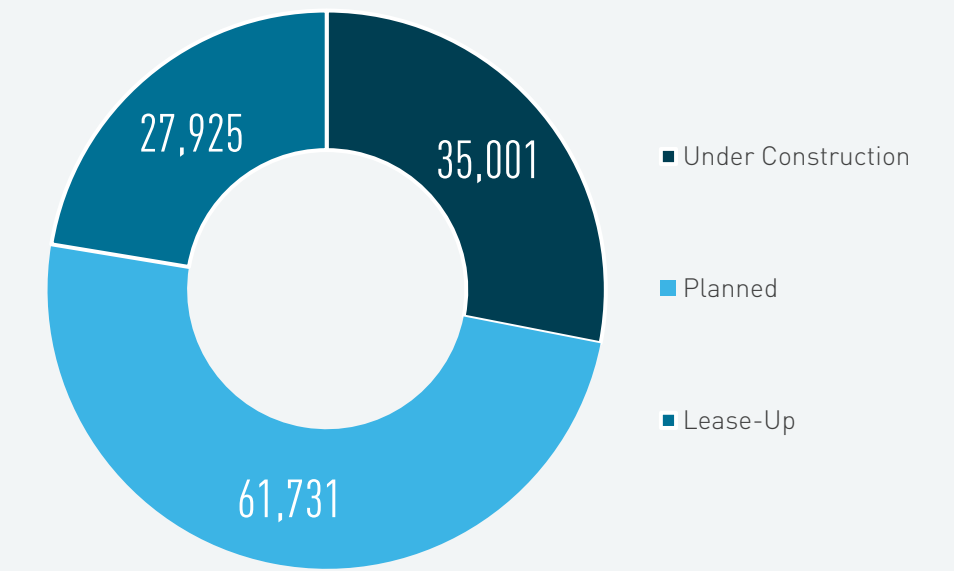
Approximately 18,000 more people migrated into Greater Denver and Boulder than moved out in the last year, the highest annual net in-migration since 2018. The inflow was part of elevated net in-migration in recent years. This trend, combined with a 4.5% market-wide household expansion over the past five years and the high price of homes, has spurred Denver multifamily developers to bring an average of nearly 11,300 units online annually since 2019. Construction and labor costs delayed many developments after the pandemic, elevating the pipeline in 2023, with approximately 13,800 units delivered. With around 35,000 units under construction at mid-year, the volume of new units projected to be completed in 2024

could be even higher. With more than 4,700 units under construction in the second quarter of 2024, developers heavily favor the Central Business District submarket. The city of Denver has extensive plans to transform downtown Denver, putting in more pathways for pedestrians and revitalizing the retail and restaurant offerings so that the area transitions from a nine-to-five area to a 24/7 district. Developers have continued to focus on Denver Northeast and the Denver International Airport submarkets as well, as these areas are still a part of a major growing industrial corridor and as the airport itself is currently under expansion. Land around the airport recently opened for development, with the hope that it will attract employers in the aeronautics industry.

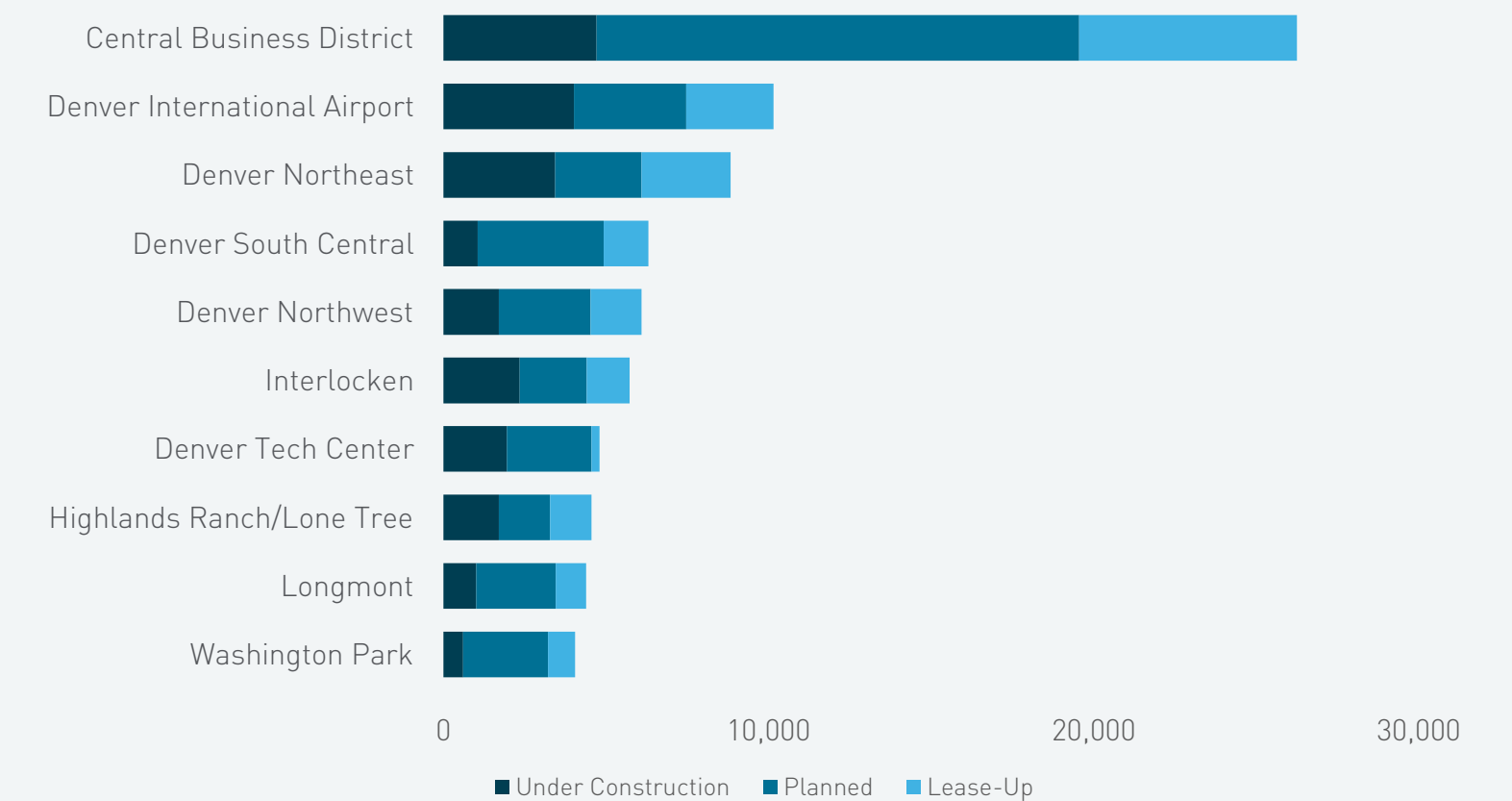


Source: Apartment Insights

## Market Pipeline



## Top Submarket Pipelines





## DENVER, CO

# RENT & OCCUPANCY

### Rent

Q2 2024

\$1,907

↑ 1.4% YOY

### Occupancy

Q2 2024

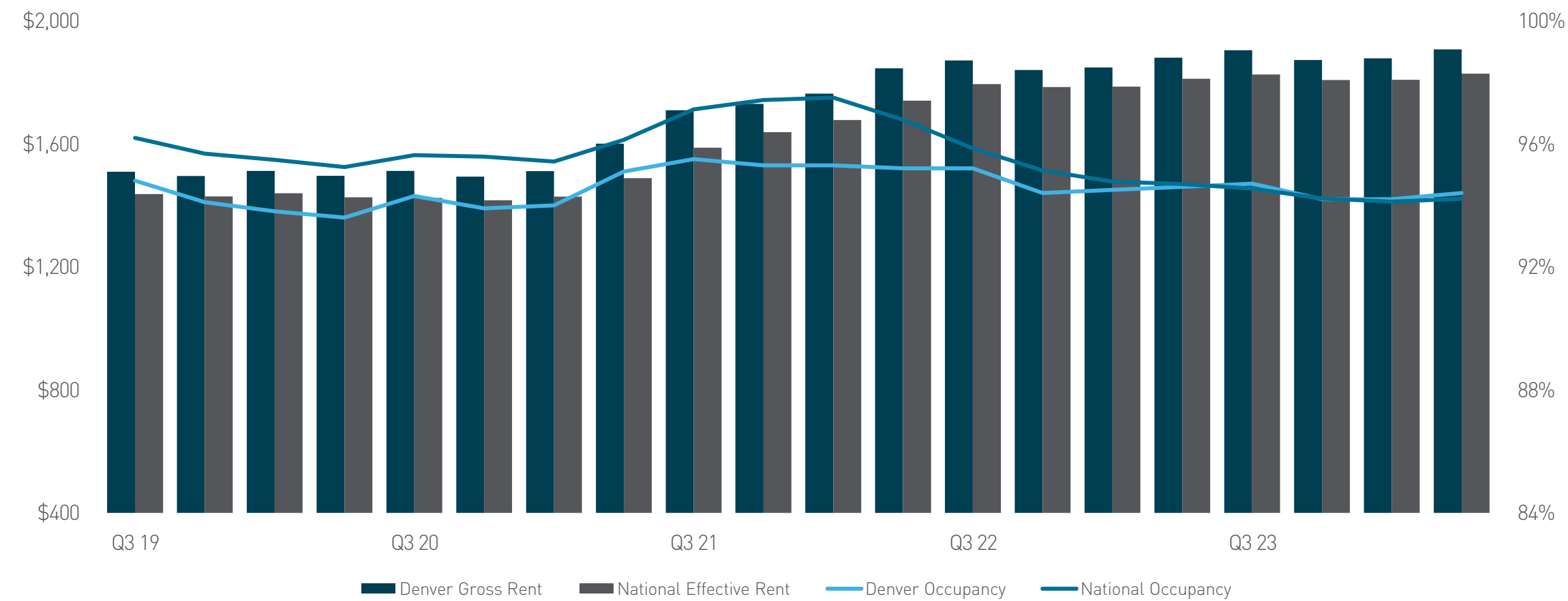
94.4%

↓ 20 BPS YOY

Advancing 1.9% in the last year, Denver’s rent increased at a faster clip than the U.S. average of 0.9%. Even at \$1,907 per month in the second quarter of 2024, renting an apartment in Denver was a bargain compared to purchasing a home. In June 2024, the median monthly mortgage payment reached \$5,210. This advantage also extended to Class A apartments, where rent averaged \$3,046 in the second quarter of 2024. Rents trended up the most in suburban submarkets, especially where the rents were below the market average. Multifamily operators in the Aurora Northeast submarket produced a market-leading 25.3% increase annually during the second quarter of 2024. During midyear 2023, Aurora Northeast

had the second lowest gross rent, at \$1,484, which is what allowed landlords to make a dramatic push, as the gross rent stood at \$1,859 in the second quarter of 2024. Ten of the 33 submarkets posted increased occupancy rates at mid-year. Brighton increased the most with a 130-basis-point leap from the year prior. The Brighton submarket owed its occupancy boost to the city of Brighton’s population growth, which ranked sixth in Colorado for the 6% gain between July 2020 and July 2023. Brighton has also seen an uptick in investment, particularly for last mile industrial facilities, over recent years. VSK Energy will open their facility in late 2024, bringing 900 jobs to the city and Amprius Technologies will add 300 people to their new factory in 2025.

## Denver vs. National Rent & Occupancy



Sources: Apartment Insights; RealPage

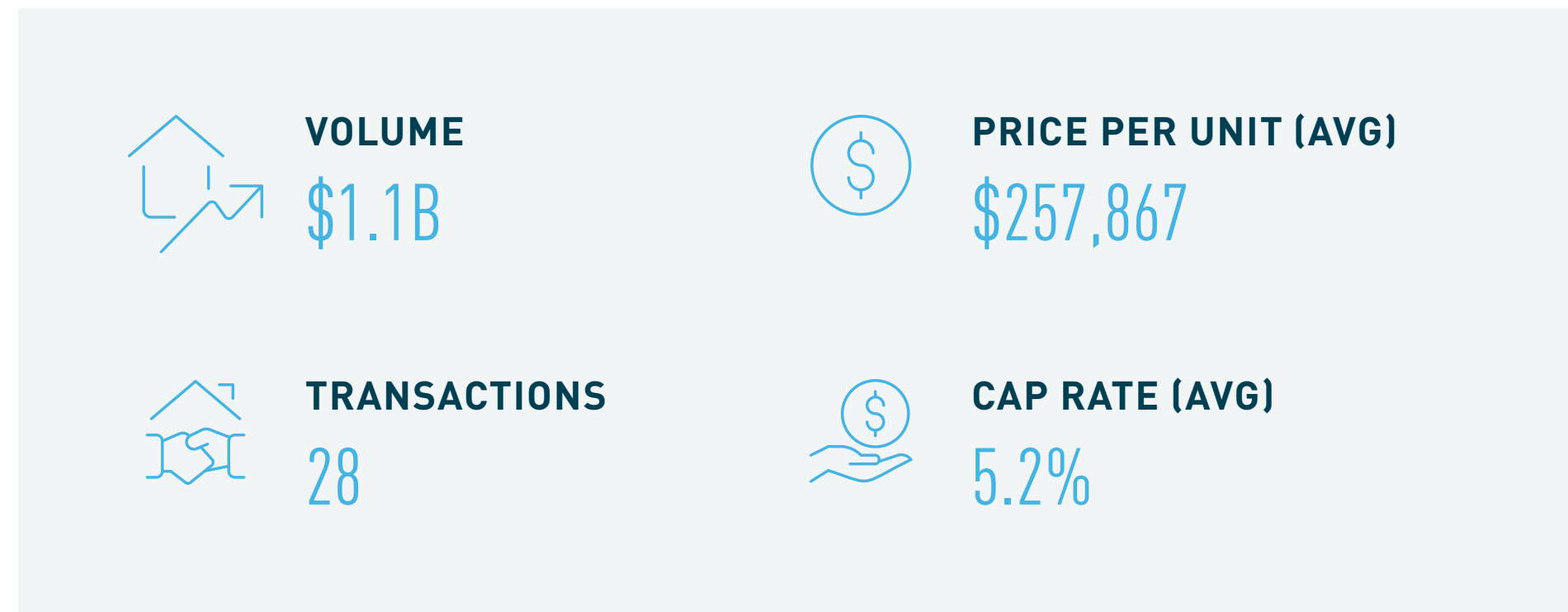
## Submarket Performance

SUBMARKET NAME	Q2 2024 OCCUPANCY	YOY (BPS)	Q2 2024 GROSS RENT	YOY
Arvada	94.8%	100	\$1,791	3.6%
Aurora East	93.6%	-30	\$1,691	0.7%
Aurora Northeast	93.8%	-270	\$1,859	25.3%
Aurora South	94.7%	30	\$1,950	1.1%
Aurora Southwest	95.4%	-30	\$1,760	1.7%
Boulder North	94.8%	30	\$2,286	2.1%
Boulder South	96.8%	90	\$1,864	-0.4%
Brighton	94.3%	130	\$1,892	5.2%
Capitol Hill	93.9%	-90	\$1,903	0.2%
Castle Rock	94.1%	-60	\$1,957	-0.6%
Central Business District	93.7%	-40	\$2,172	-2.0%
Cherry Creek Area	94.7%	0	\$2,098	1.4%
Commerce City	93.7%	-240	\$1,698	2.4%
Denver International Airport	93.1%	-90	\$2,023	-1.6%
Denver Northeast	94.6%	-60	\$1,789	1.8%
Denver Northwest	92.9%	-90	\$2,051	-0.9%
Denver South Central	95.1%	-20	\$1,930	-0.7%
Denver Southeast	94.4%	-50	\$1,599	2.0%
Denver Southwest	96.4%	-40	\$1,585	7.1%
Denver Tech Center	94.7%	60	\$2,020	-0.4%
Erie/Firestone/Frederick	96.4%	-110	\$1,892	3.3%
Golden	95.5%	-20	\$2,274	-3.6%
Highlands Ranch/Lone Tree	94.6%	120	\$2,111	0.4%
Interlocken	95.0%	30	\$1,980	-1.0%
Jefferson County South	94.7%	-10	\$1,939	-0.9%
Lakewood	94.7%	-10	\$1,832	0.7%
Longmont	94.8%	-120	\$1,809	0.3%
Lowry Area	93.3%	-110	\$1,693	3.2%
Parker	95.4%	80	\$1,891	0.6%
Thornton/Northglenn	93.9%	0	\$1,830	0.6%
Washington Park	94.6%	90	\$2,270	-0.8%
Westminster	94.2%	-20	\$1,756	0.9%
Wheat Ridge	94.4%	-100	\$1,768	1.1%



# DENVER, CO SALES

2024 Year to Date\*



What's Trading?\*



Source: MSCI Real Capital Analytics  
\*\$2.5m+

Top Buyers\*

BUYER	LOCATION
Mesirow Financial	Chicago, IL
Harbor Group International	Norfolk, VA
Griffis Residential	Greenwood Village, CO
Brixton Capital	Solana Beach, CA
Pacific Urban Investors	San Francisco, CA

Top Sellers\*

SELLER	LOCATION
Independence Realty Trust	Chicago, IL
Heitman	Chicago, IL
The Garret Cos.	Greenwood, IN
Holland Partners	Vancouver, WA
Regents of the University of California	Oakland, CA

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Sources: RealPage; Moody's Analytics; Real Capital Analytics

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