

DENVER, CO

2022 MARKET AT A GLANCE

Occupancy Rate

95.7%



DOWN 30 BPS YOY

Effective Rent

\$1,848



UP 7.7% YOY

Rent Share of Wallet

20.2%



UP 80 BPS YOY

Economic Recovery Well Underway as Multifamily Market Thrives

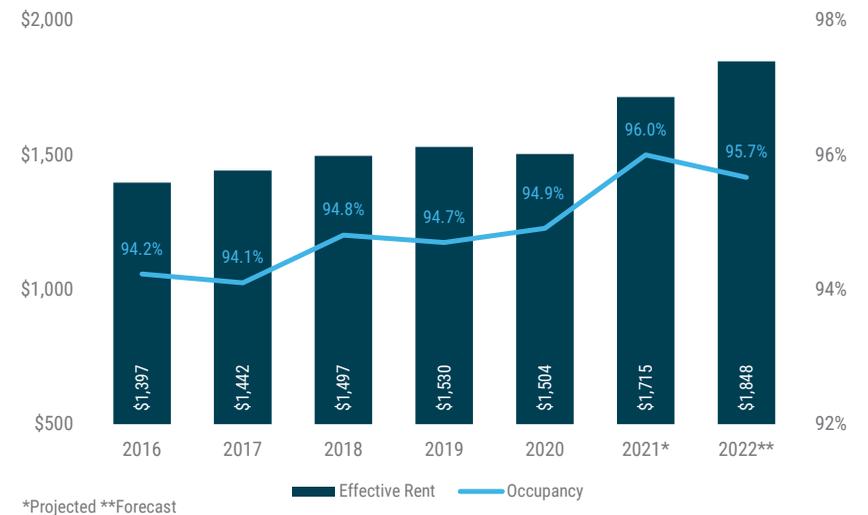
Denver is routinely considered one of the best cities in the nation to live. It's business-friendly environment, affordable cost of living, airport connectivity, and tech ecosystem will continue to be a winning combination for Denver's multifamily market. Following a 14.0% increase in 2021, annual apartment rent growth will continue unabated, reaching 7.7% by year-end 2022, surpassing the 5.9% U.S. figure. With the market hot off another sturdy year for leasing activity, developers are ratcheting up deliveries with a robust construction pipeline of 10,302 units to be added to the inventory in 2022. Multiple factors will keep demand and rent elevated this year. The population in Denver will increase by 96,300 residents, for a 1.0% uptick, matching the annual gain last year. The metro's population expanded 14.7% in the past decade, boosted by both domestic in-migration and natural growth. Additionally, jobs are surging in Denver. Employers are poised to add 50,300 net jobs—a 3.2% annual increase—in the next 12 months, thanks to hiring at United Airlines Inc., Fluid Truck, Fidelity Investments Inc., and Crusoe Energy Systems Inc. By year-end, Denver will have fully recovered the 64,800 jobs lost at the onset of the pandemic. While apartment fundamentals, demographics, and economic conditions remain strong, multifamily transaction activity will continue its upward trajectory. Trends show the price per unit rising 8.5% on a year-over-year basis to \$338,279 in 2022. Simultaneously, the average cap rate will remain in the mid-4% range.

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 2021 are projected values. 2022 figures are forecast projections. The apartment sales information represents transactions of apartment properties with a sales price of \$2.5 million or more, unless otherwise indicated.

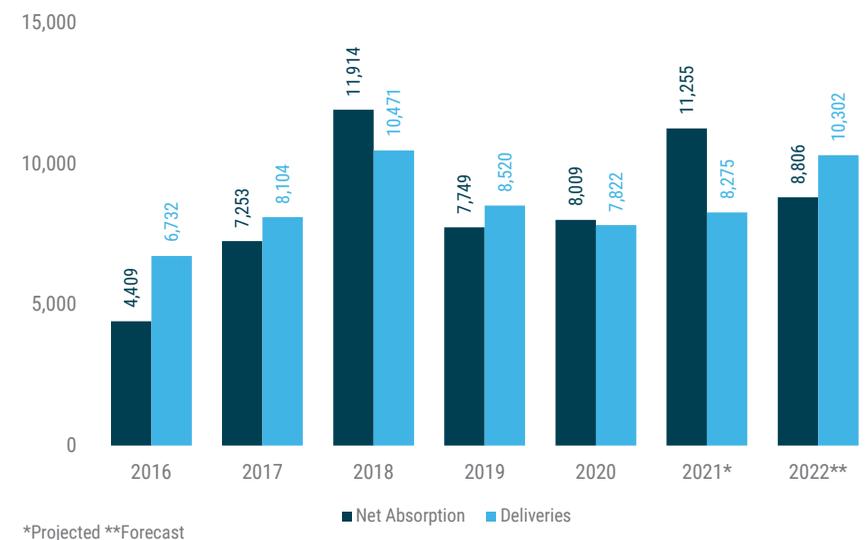
2022 FORECAST

APARTMENT TRENDS

Effective Rent & Occupancy

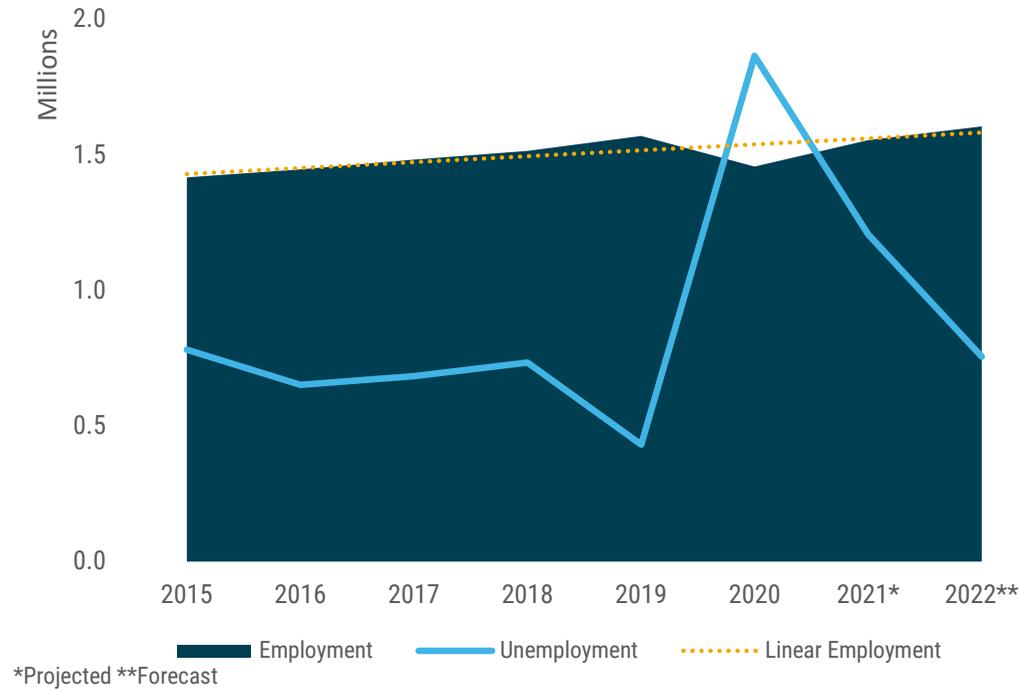


Absorption & Deliveries



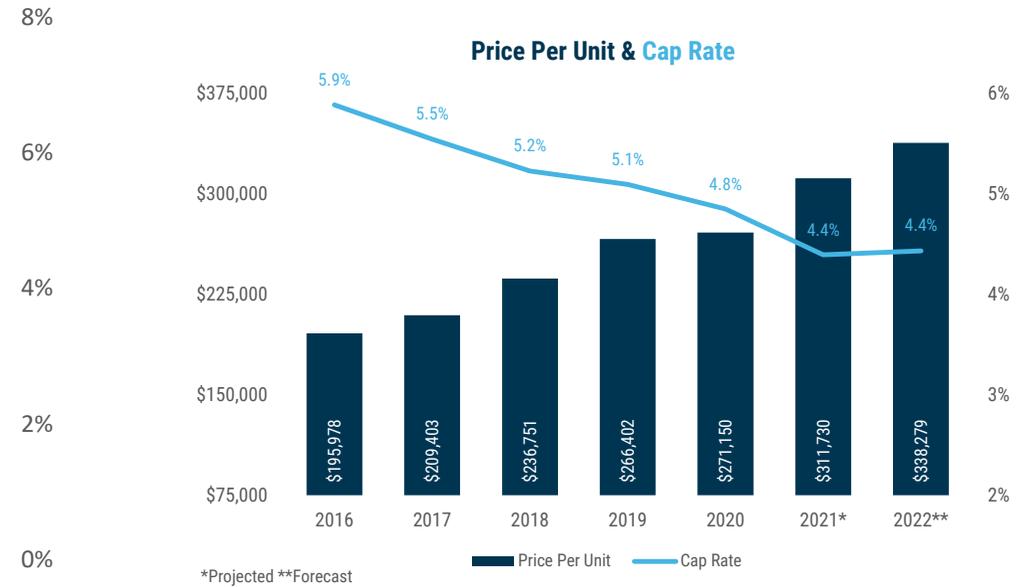
EMPLOYMENT TRENDS

Market Employment Trends



SALES TRENDS

Price Per Unit & Cap Rate



| | | |
|---|---|--|
| <p>Employment</p> <p>1,605,500</p> <p>↑</p> <p>UP 3.2% YOY</p> | <p>Unemployment</p> <p>3.0%</p> <p>↓</p> <p>DOWN 180 BPS YOY</p> | <p>Median Household Income</p> <p>\$109,765</p> <p>↑</p> <p>UP 3.2% YOY</p> |
|---|---|--|

| | |
|---|--|
| <p>Price Per Unit</p> <p>\$338,279</p> <p>↑</p> <p>UP 8.5% YOY</p> | <p>Cap Rate</p> <p>4.4%</p> <p>=</p> <p>UNCHANGED YOY</p> |
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