

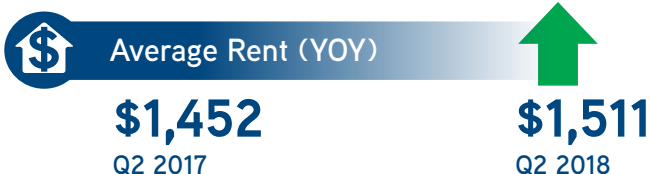
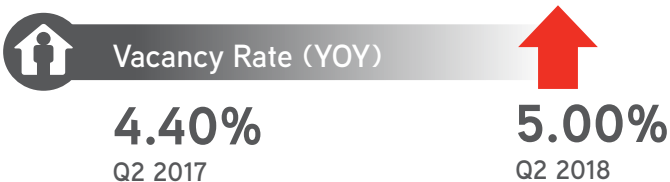
METRO DENVER | MULTIFAMILY Q2 2018

Accelerating success

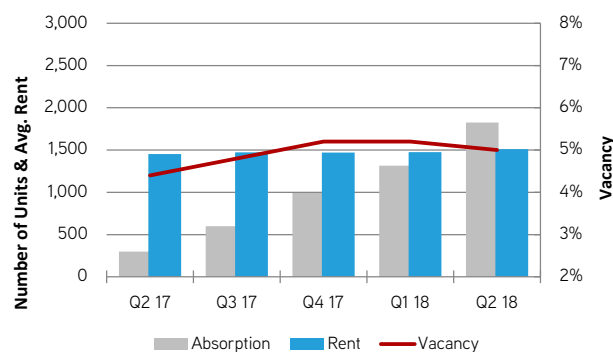
Apartment Market Thrives with Metro's Strong Economy

The slight increase in vacancy year-over-year comes as no surprise as over 2,700 more units were completed compared to the second quarter of 2017 in Metro Denver. In addition, over 1,500 more units were absorbed compared to last year. Average rents have also increased compared to last year by approximately 4%. The increase in rent and absorption indicate strong market fundamentals in the greater metro area. The Metro Denver Economic Development Corporation expects Colorado to grow at 1.6% in 2018 compared to 1.7% in 2017, and in-migration will continue to be a major contributing factor for Colorado's booming economy. The housing supply will continue to increase to meet the metro's pent-up demand, and with the increase in activity this year, the outlook for the multifamily market continues to look great.

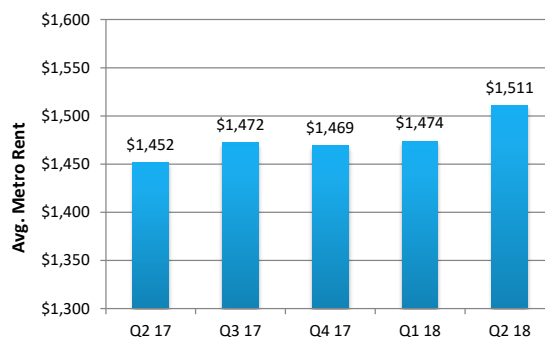
Sale Statistics (50+ Units)	Q2 2017	Q2 2018
Total Number of Sales	24	13
Total Transaction Volume	\$1,228,514,316	\$668,030,000
# of Units Sold	5,845	2,746
Average Price Per Unit	\$210,182	\$233,564



Absorption, Rent, Vacancy Trends



Average Metro Rent



Source: Yardi Matrix

Highlights

- > Absorption reached 1,825 units during the second quarter - up 1,527 units from Q2 2017.
- > The overall average rental rate in Metro Denver during the second quarter was \$1,511 per unit, an increase of 4.1 percent year-over-year.
- > A total of 21,311 units are under construction in Metro Denver, with more than 6,145 units located in the CBD.
- > Metro Denver vacancy rates increased by 60 basis points from the previous year to the current rate of 5.00%.


Q2 2018 Notable Transactions

PROPERTY	CITY	SALE PRICE	# OF UNITS	BUYER	SELLER
Pearl DTC	Denver	\$121,750,000	408	Goldman, Sachs & Company	Carmel Partners Inc.
Sync36	Westminster	\$108,750,000	374	MAA	Lennar Multifamily Investors
Modera Observatory Park	Denver	\$92,500,000	275	Bascom Group	Mill Creek Residential
Hive Baseline	Boulder	\$51,000,000	144	The Carlyle Group	Starwood Capital Group
Willow Run Village	Broomfield	\$50,000,000	216	Hamilton Zanze	Griffis/Blessing

COLORADO SPRINGS | MULTIFAMILY

Q2 2018

Accelerating success.

Vacancy Rate (YOY) 

3.70% Q2 2017 **4.20%** Q2 2018

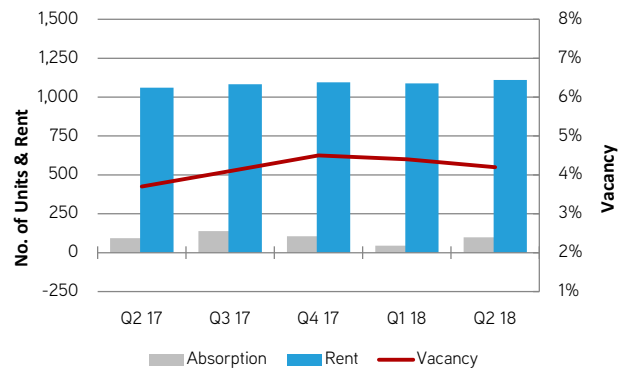
Average Rent (YOY) 

\$1,061 Q2 2017 **\$1,110** Q2 2018

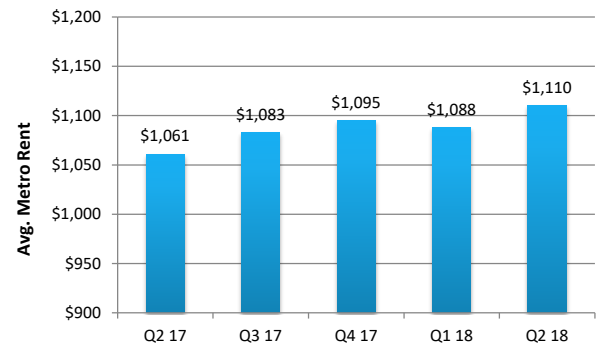
Q2 2018 Construction & Absorption

3,049 UNITS UNDER CONSTRUCTION **99** UNITS ABSORBED

Average Rent Per Unit



Absorption, Rent, Vacancy Trends



Source: Yardi Matrix

Q2 2018 Sales Statistics

 **7** properties

 **1,178** units

 **\$92,488**/unit

Q2 2018 Notable Transactions

PROPERTY	CITY	SALE PRICE	# OF UNITS	BUYER	SELLER
7 Property Portfolio	Colorado Springs	\$102,205,000	1,178	Slipstream Properties	Resident Management Systems

NORTHERN COLORADO | MULTIFAMILY

Q2 2018

Accelerating success

Vacancy Rate (YOY)

2.70%
Q2 2017

3.90%
Q2 2018

Average Rent (YOY)

\$1,314
Q2 2017

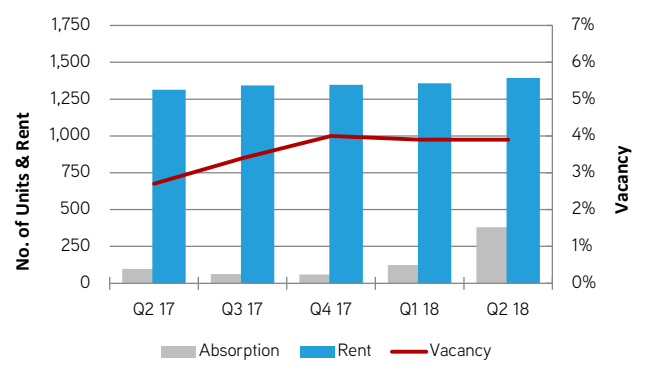
\$1,394
Q2 2018

Q2 2018 Construction & Absorption

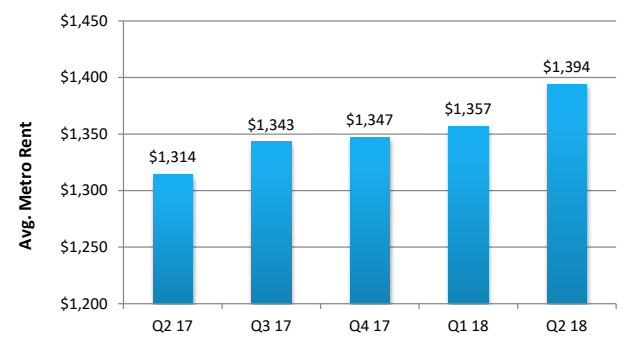
4,565
UNITS UNDER CONSTRUCTION

380
UNITS ABSORBED

Average Rent Per Unit



Absorption, Rent, Vacancy Trends



Source: Yardi Matrix

Q2 2018 Sales Statistics

1 properties

92 units

\$230,424/unit

Q2 2018 Notable Transactions

PROPERTY	CITY	SALE PRICE	# OF UNITS	BUYER	SELLER
University Flats Greeley	Greeley	\$21,199,000	92	Nelson Brothers	Central Street Capital

CURRENTLY MARKETING



GROVE AT CITY CENTER
420 UNITS



LION VILLAGE
141 UNITS



EMORY
95 UNITS

RECENTLY SOLD



A.T. LEWIS & RIO GRANDE
120 UNITS
43,000 SF/Retail



BRITTANY HOUSE
68 UNITS



SIERRA VISTA
192 UNITS



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396 offices in
68 countries on
6 continents

United States: **153**

Canada: **29**

Latin America: **24**

Asia Pacific: **79**

EMEA: **111**

\$2.6

billion multifamily
sales volume

149

multifamily brokers

15,000

professionals
and staff