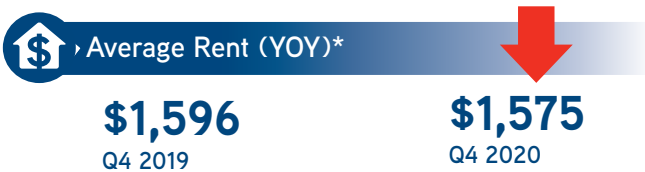
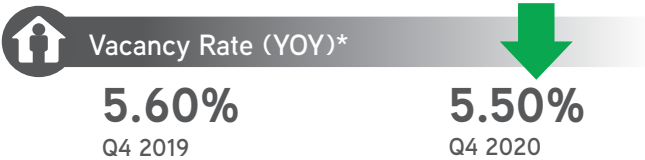


# METRO DENVER | MULTIFAMILY

## Q4 2020

Accelerating success.

## Q4 Ends on a High Note as Market Begins to Rebound

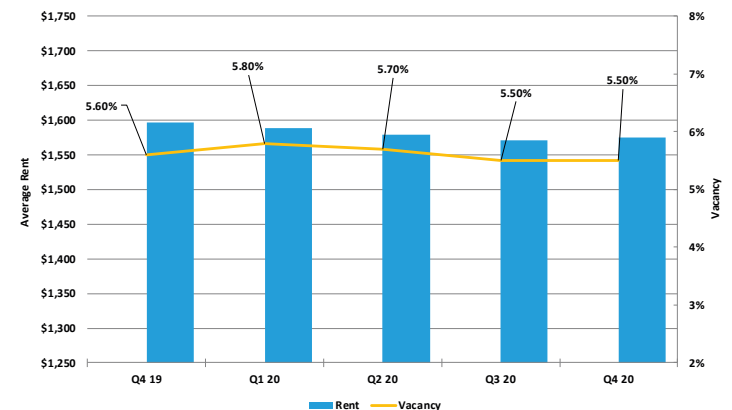


### Sale Statistics\*

(50+ Units)

	Q4 2018	Q4 2019	Q4 2020
Total Number of Sales	20	27	20
Total Transaction Volume	\$1,336,152,770	\$1,318,329,831	\$1,256,262,662
# of Units Sold	5,042	5,234	4,443
Average Price Per Unit	\$265,005	\$251,878	\$282,751

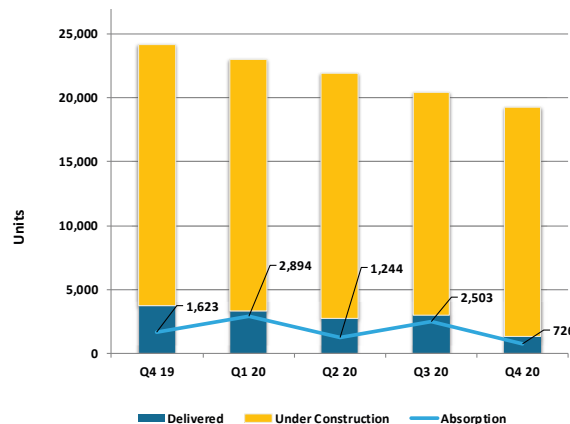
### Rent & Vacancy Trends\*



## Highlights

- › Metro Denver's vacancy rate remains the same from the previous quarter at 5.5%.
- › Absorption declined to under 750 units, a large decrease from Q3's 2,500 units.
- › The average rental rate continues to rebound back concluding at \$1,575.
- › More than 17,900 units are currently under construction.

### Units Absorbed vs Delivered & Under Construction\*



### Q4 2020 Notable Transactions

PROPERTY	CITY	SALE PRICE	# OF UNITS	BUYER	SELLER
The Metro	Denver	\$160,300,000	415	Security Properties and Rockwood Capital	BentallGreenOak
Summit at Flatirons	Broomfield	\$154,060,000	500	Treeline Multifamily Partners	Bell Partners
Artwalk City Center	Englewood	\$123,500,000	438	Oak Coast Properties	CBRE Global Investors
The Bluffs at Highlands Ranch	Highlands Ranch	\$108,500,000	340	Starlight U.S. Multifamily	Sares-Regis Group
Canvas on Blake	Denver	\$103,300,000	241	Cahill Equities	LMC

# METRO DENVER | MULTIFAMILY

## Q4 2020

### Market Overview

#### Construction Pipeline

With Denver continuing to prove itself as a top tier city, the demand for apartments remains extremely high. According to Yardi Matrix, more than 10,000 units were delivered to the metro area in 2020. Despite the number of units under construction nowhere close to 2019 or 2018 levels, Denver currently has over 17,900 units underway with more forecasted in the near future as mitigations to fight COVID-19 are in full effect despite construction down 51% year-over-year. More and more companies announced their relocations to Denver with the likes of Healthpeak Properties and Ispace U.S. Technologies. Denver ranked seventh in RentCafé's Top 15 Hottest Cities for Millennial Renters in the Past Five Years with Seattle ranking first.

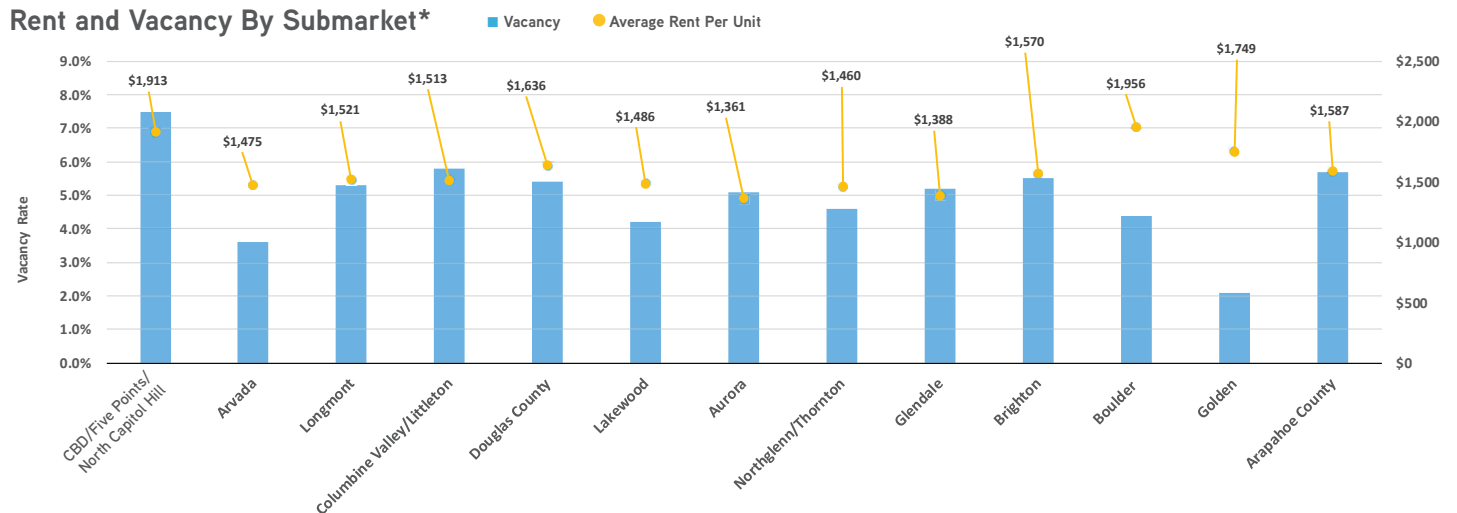
#### Eviction Moratorium

Since the pandemic began, Colorado Governor Jared Polis issued multiple orders to put a hold on evictions for tenants across the state expiring after New Year's Eve. In October, Polis issued an order which lasted 30 days for tenants that can prove financial hardship due to the pandemic. Some of the criteria the renters had to prove were; unable to pay full rent due to a large loss of household income as well as unable to find other housing and would likely be rendered homeless (The Colorado Sun). Heading into the new year, certain evictions will resume such as; Landlords can move to evict people whose leases have expired, Colorado landlords can once again take renters to court, and landlords can obtain eviction orders that can be carried out later (Colorado Public Radio).

#### Investment Activity

Investment activity continues to build off of the third quarter's success. The fourth quarter comprised of over 4,400 units sold with a transaction volume near \$1.3 billion. November had two notable sales with the 500-unit Summit at Flatirons selling for \$154 million to Treeline Multifamily Partners and the 241-unit Canvas on Blake selling for \$103.3 million or \$428,630/per unit to Cahill Equities. Sales by buyer type continue to be dominated by private capital, representing over 60% of the total sales. In conclusion, Q4 ended with a bang as the 415-unit The Metro located behind Coors Field in Denver sold for over \$160,300,000 in a portfolio sale to buyers Security Properties and Rockwood Capital. Investment activity is expected to build momentum into 2021.

#### Rent and Vacancy By Submarket\*



#### Denver Demographics (5 Mile Radius of CBD)\*\*

**519,203**

Population

**\$66,797**

 Median Household  
Income

**84**

 Housing  
Affordability

**73**

Diversity Index

**56.6%**

College Degree

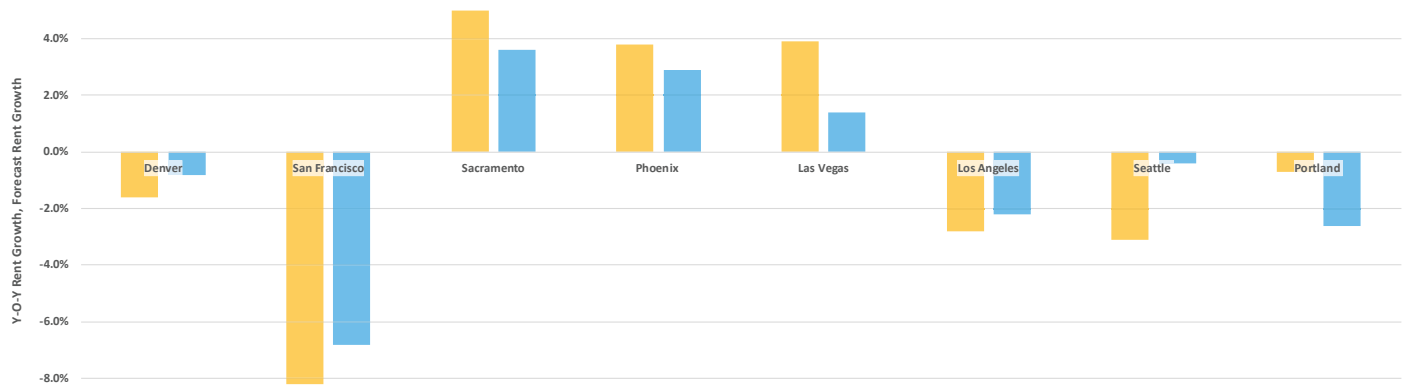
\*Source: Yardi Matrix as of September 2020.

\*\* Source: ESRI

# METRO DENVER | MULTIFAMILY

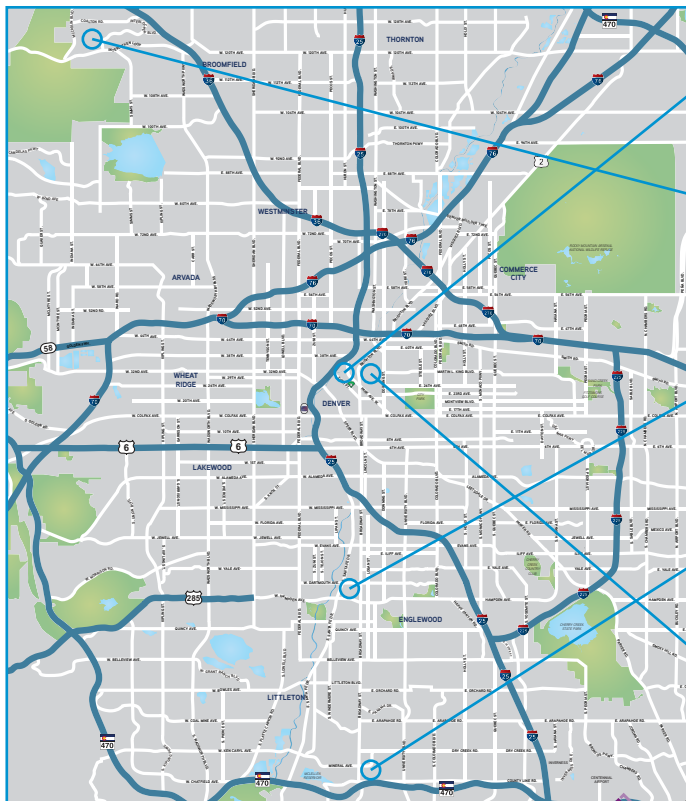
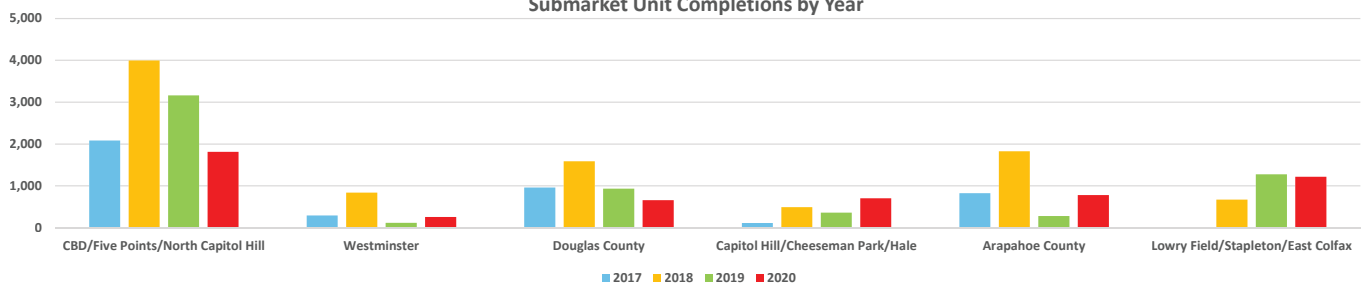
## Q4 2020

### Denver vs. Western United States\*



### Submarket Unit Completions by Year\*

### Submarket Unit Completions by Year



#### The Metro

Sale Price: \$160,300,000 Price Per Unit: \$386,265  
Units: 415 City: Denver

#### Summit at Flatirons

Sale Price: \$154,060,000 Price Per Unit: \$308,120  
Units: 500 City: Broomfield

#### Artwalk City Center

Sale Price: \$123,500,000 Price Per Unit: \$281,963  
Units: 438 City: Englewood

#### The Bluffs at Highlands Ranch

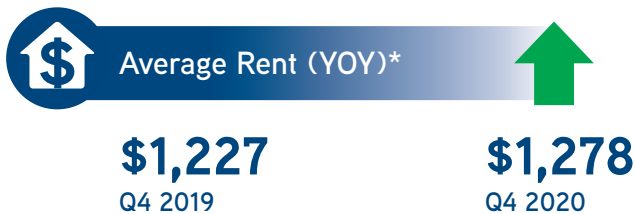
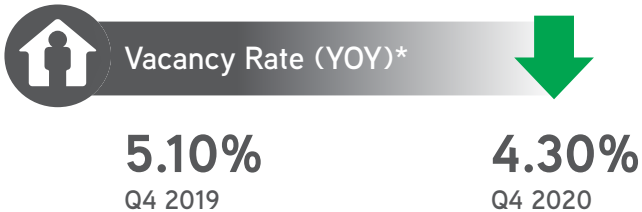
Sale Price: \$108,500,000 Price Per Unit: \$319,117  
Units: 340 City: Highlands Ranch

#### Canvas on Blake

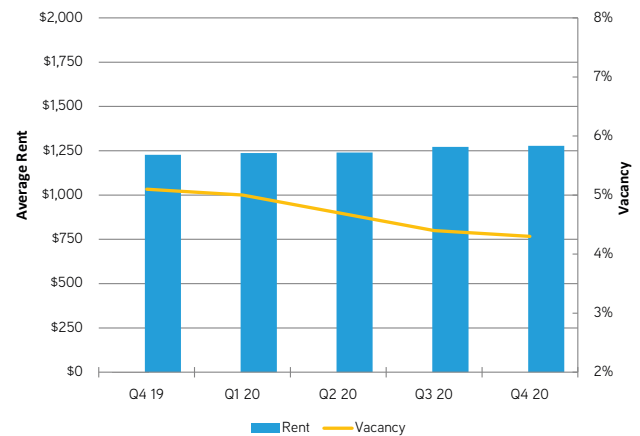
Sale Price: \$103,300,000 Price Per Unit: \$428,630  
Units: 241 City: Denver

# COLORADO SPRINGS | MULTIFAMILY

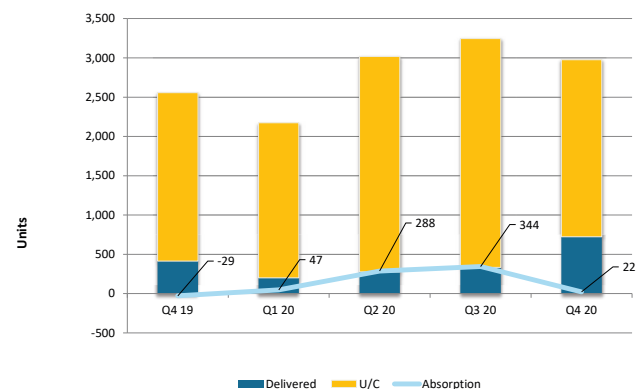
## Q4 2020



### Rent & Vacancy Trends\*



### Units Absorbed vs Delivered & Under Construction\*



## Highlights

- > Colorado Springs' vacancy rate dropped 10 basis points from the previous quarter.
- > Absorption in units declined to 22 from Q3's 344.
- > Rental rates continue to increase to \$1,278, up 4.2% YoY.
- > More than 2,200 units are under construction.

### Q4 2020 Notable Transactions

PROPERTY	CITY	SALE PRICE	# OF UNITS	BUYER	SELLER
Rockrimmon	Colorado Springs	\$66,000,000	260	Kennedy Wilson Properties	Green Leaf Partners
Village at Lionstone	Colorado Springs	\$46,750,000	288	LYND	American Capital Realty Group
Elevate Apartment Homes <i>Colliers Denver Sale</i>	Colorado Springs	\$29,000,000	192	Golden Bear Equities	Strategic Realty Holdings
The Townhouse Apartments	Colorado Springs	\$8,700,000	54	Gianna Hensen	Patriosh Rohilla

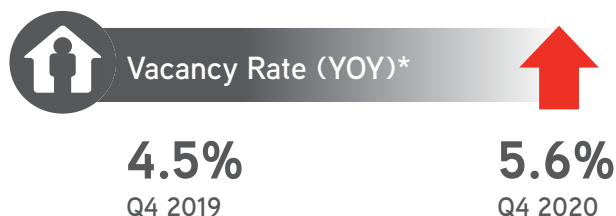
Source: CoStar



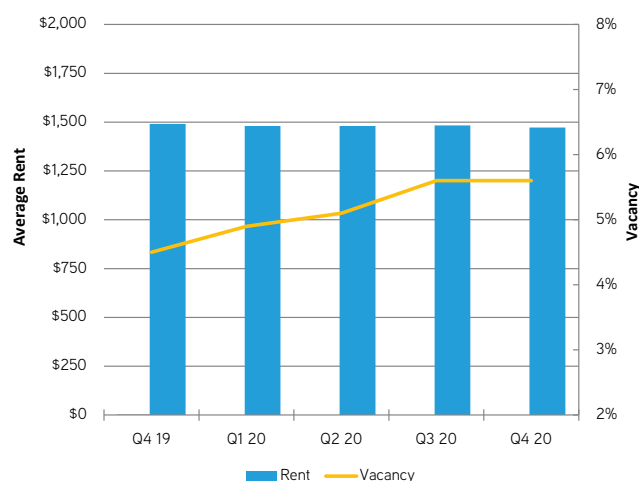
# NORTHERN COLORADO | MULTIFAMILY

## Q4 2020

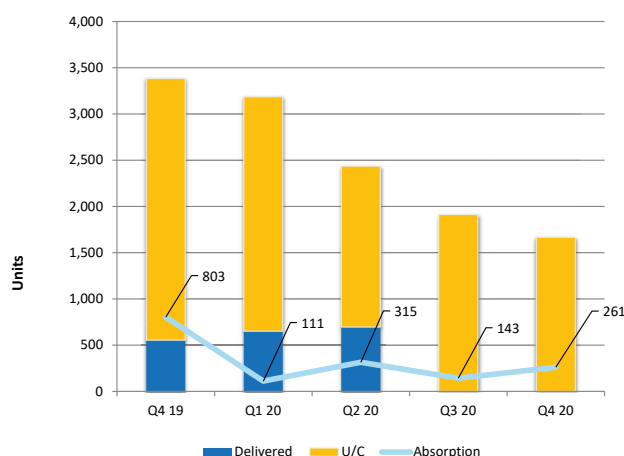
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### Rent & Vacancy Trends\*



### Units Absorbed vs Delivered & Under Construction\*



## Highlights

- > Northern Colorado's vacancy rate remains the same quarter over quarter
- > Absorption in units increased over 100 units to 261 compared to last quarter
- > Rental rates decreased to \$1,472 compared to Q3's \$1,483
- > More than 1,600 units are under construction

### Q2 2020 Notable Transactions

PROPERTY	CITY	SALE PRICE	# OF UNITS	BUYER	SELLER
Whispering Pines Apartments	Fort Collins	\$17,800,000	92	Homewood Realty	Ronald J. & Mary R. Helten
Cottonwood Apartments	Greeley	\$14,518,000	96	Stratford Partners	BlueLine Equity Partners
Prairie Sun	Fort Lupton	\$3,825,000	50	Garrison Development	Garrison Companies

Source: CoStar

## CURRENTLY MARKETING



**ART DISTRICT FLATS**  
126 UNITS



**TIMBERGLEN**  
54 UNITS

## RECENTLY SOLD



**THE CENTRE**  
168 UNITS



**VIEW AT NORTH PEAK**  
288 UNITS



**PALMER PARK**  
200 UNITS



**ELEVATE APARTMENT HOMES**  
192 UNITS



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**68** countries on  
**6** continents

United States: **109**

Canada: **43**

Latin America: **18**

Asia Pacific: **35**

EMEA: **85**

**\$3.3**

billion  
sales volume

**149**

multifamily brokers

**17,300**

professionals  
and staff

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