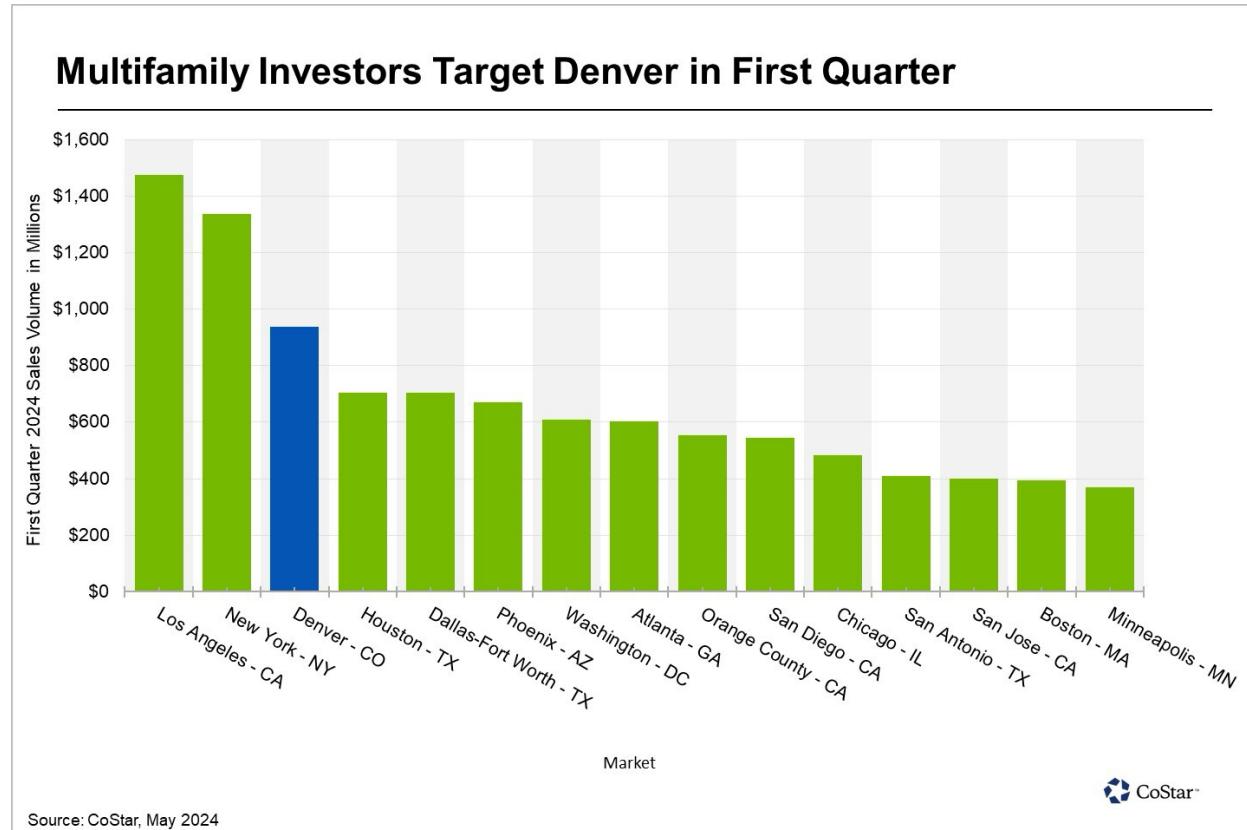


Denver Apartment Market Ranks Third in Nation for Investment Volume

Activity Still 30% Below Pre-Pandemic Average



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May 14, 2024 | 8:50 A.M.

Denver's multifamily market has reemerged as a top investor target with \$940 million trading in the first quarter, ranking the Mile High City third in the nation for investment volume.

The much larger [Los Angeles](#) and [New York](#) markets took the top spots, unsurprising given the size of their respective apartment inventories. Still, [Denver](#) ranked above other markets with larger apartment inventories that have also dominated in population growth figures in recent years, including Houston and Dallas.

The recent momentum underscores investor's willingness to look beyond short-term hurdles created by the high cost of capital and construction boom and focus on the region's ongoing demand for housing.

The Denver metropolitan area added nearly 19,000 people last year, making 2023 the [strongest year for population growth](#) since the onset of the COVID-19 pandemic. According to new estimates from the U.S. Census Bureau, population for the 10-county metropolitan area now exceeds 3 million people for the first time in the market's history. Population growth helped boost apartment demand and increase investor appetite in the Denver market.

In total, 46 properties traded in the first quarter, including two that closed with a sales price above \$100 million.

[Downtown](#) Denver led the region in transaction volume in 2023, but investors are now shifting focus to sprawling suburban assets that offer value-added potential. In one of the largest deals in the first quarter, Southern California investment firm Brixton Capital purchased [The Windsor](#), a 53-building complex in Lakewood, Colorado, for \$124.5 million. The firm is planning to invest an undisclosed amount into renovations for units as well as common areas at the 1997-built property.

While Denver outperformed relative to other markets in the first quarter, sales volume still represents a drop of about 30% compared to the market's pre-pandemic, five-year quarterly average.

Investors have pulled back across the nation in the past year in response to the increased cost of capital. The multifamily construction boom is compounding broader economic challenges as the flood of new units added across the country weakens rent growth, making deals less attractive. While the apartment building boom is winding down, the cautious wait-and-see approach that is weighing down investment volume will likely persist while interest rates remain high.