

# MARKET UPDATE

## Ranking the 50 Largest Metro Areas

**SPECIAL REPORT | NOVEMBER 2020**



**MORRISON  
STREET  
RESEARCH**

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SOURCES:

Morrison Street Research  
ACLED U.S. Crisis Monitor  
Bureau of Labor Statistics  
CoStar  
Cuebiq Mobility Insights  
FBI Uniform Crime Statistics  
MyMove  
NOAA  
Pew Research Center  
Reason Foundation/Inrix data  
Tax Foundation  
Trepp  
University of Pennsylvania – [citycrimestats.com/covid](https://citycrimestats.com/covid)  
U.S. Census Bureau  
USPS  
William H. Frey

## Letter from the Editor



**RANCE GREGORY**  
CEO

*Covid-19 has transformed society in ways both temporary and enduring. The varied lockdowns and social distancing policies accelerated numerous demographic and technological changes already underway, making them easier to detect and measure. Grasping new trends caused by Covid-19 responses may require more patience, analysis and prognostication.*

*Due to the commercial real estate industry's dependence on occupancy and foot traffic, the current pandemic is a worst-case scenario, one that's already taking a toll on industry fundamentals. The latest trends in cases and hospitalizations do not bode well for the winter months. Additional shutdowns could push weaker tenants and borrowers over the edge.*

*In light of underlying social, political and economic weaknesses exposed and exacerbated by Covid-19, we are inclined to underwrite a low growth scenario for the foreseeable future. In this environment where we can no longer rely on a rising tide to lift all boats, we must become even more cautious in selecting markets, sectors and properties that are sustainable and demonstrate long-term growth potential. You may recall the Top Down States Analysis we presented in February 2020. This November 2020 Special Report covering market conditions in the 50 Largest Metropolitan Statistical Areas is a successor to that prior state-level report, and a predecessor to additional research reports drilling down to detect areas of relative strength and weakness within submarkets and property sectors.*

*If we don't speak sooner, we hope you have a safe and healthy Holiday season. Please let us know if you have any questions or comments regarding this report.*

**ABOUT US:** Morrison Street Research ("MSR") is a division of Norris, Beggs & Simpson Companies, LLC, an 88-year-old commercial real estate firm based in Portland, OR. MSR publishes a monthly newsletter and special reports and white papers to serve clients of its affiliated companies, Morrison Street Capital, NBS Real Estate Consulting and NBS Financial Services.



# Outline and Methodology

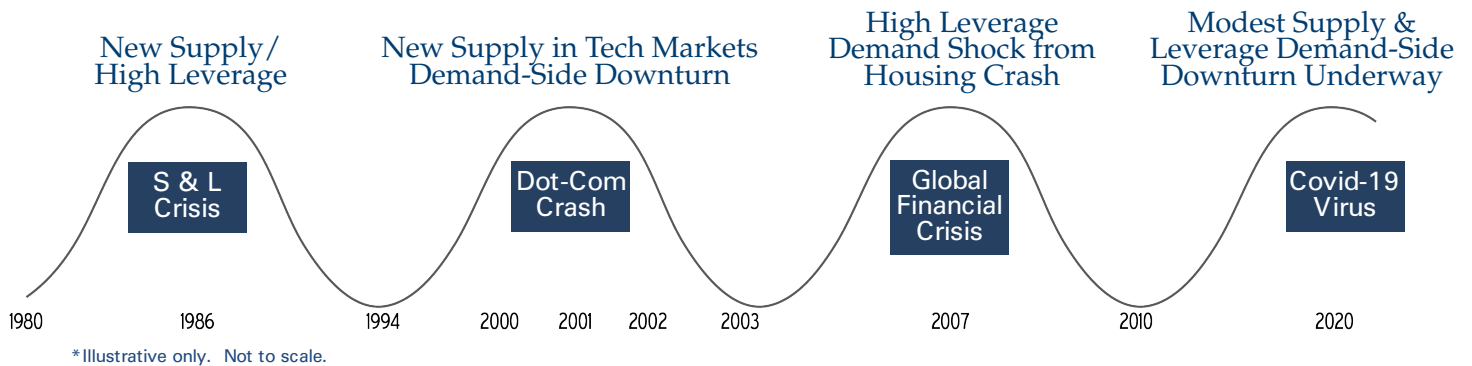
To assess relative strength of each market, we consider relevant statistics for the last 10 years preceding Covid-19, analyze immediate changes occurring during the Covid phase of 2020, and look ahead using likely indicators of future trends. Specifically, we study a variety of key factors impacting the status and growth potential of the Largest 50 metropolitan areas, including:

- **Population Statistics**
  - Absolute population
  - 10-year growth
  - Growth percentage
  - Net migration
  - Organic growth
  - Mobility during Covid-19
- **Age Demographics** (percentage of Millennials, Baby Boomers, and overall Median Age)
- **Employment Statistics**
  - Pre-covid unemployment rate
  - Post-covid unemployment rate
  - Job growth from 12/2010 to 2/2020
  - Job growth/losses since March 2020
- **Crime** (major categories of violent incidents and property crimes)
- **Social Unrest** (protests and riots per capita since May 2020)
- **Weather** (monthly temperature, precipitation, humidity)
- **State Tax Burden** (individual, sales, corporate, property, unemployment insurance)
- **Traffic** (annual peak hours of congestion)
- **Commercial Real Estate Fundamentals:**
  - For each product type (office, industrial, retail, multi-family)
  - Net Absorption
  - Completions
  - Current Vacancy
  - Past 10 Yr Rent Growth
  - Projected Vacancy 2020-2024
  - Projected Rent Growth 2020-2024



## Covid-19 Caused an Abrupt Halt to Demand

Commercial real estate cycles are driven by supply, demand, and leverage in place. Among these three factors, the Covid-related downturn primarily demonstrates a sudden contraction in demand based on the inability of most tenants to occupy or fully utilize their spaces.

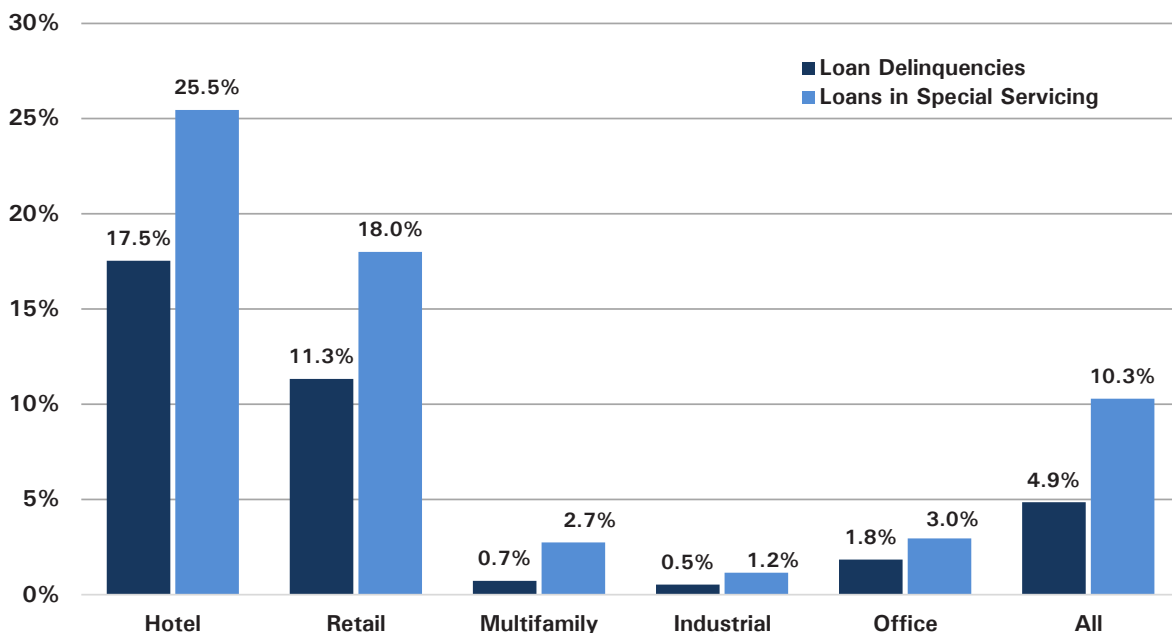


## Immediate Impact of Covid-19 on Commercial Real Estate

### Early Signs of Market Distress

There has been an unprecedented disruption to flow of payments, flow of people and the rule of law. After a gradual reopening in 2021, expect widespread structural changes in the uses of commercial real estate. The market will split into have/have-not locations, product types and properties. Functionally obsolete properties and locations will suffer in this next cycle. Choosing the right assets at the lowest possible basis (price) in submarkets benefiting from these changes could prove rewarding.

### CMBS Market Loan Performance - October 2020



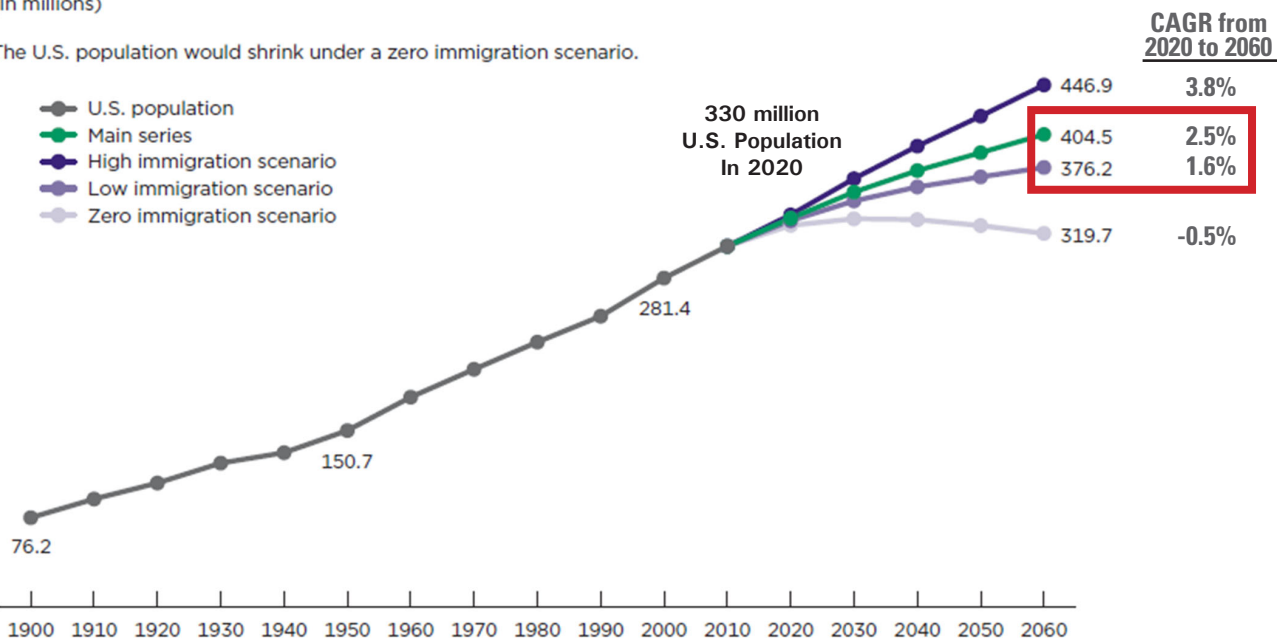
# Population Statistics

## U.S. Population Forecast

Given recent health, economic and political trends, MSR assumes the low growth or baseline projections are more likely than robust population growth.

### U.S. Population 1900-2016, Population Projections 2017-2060 by Immigration Scenario (In millions)

The U.S. population would shrink under a zero immigration scenario.

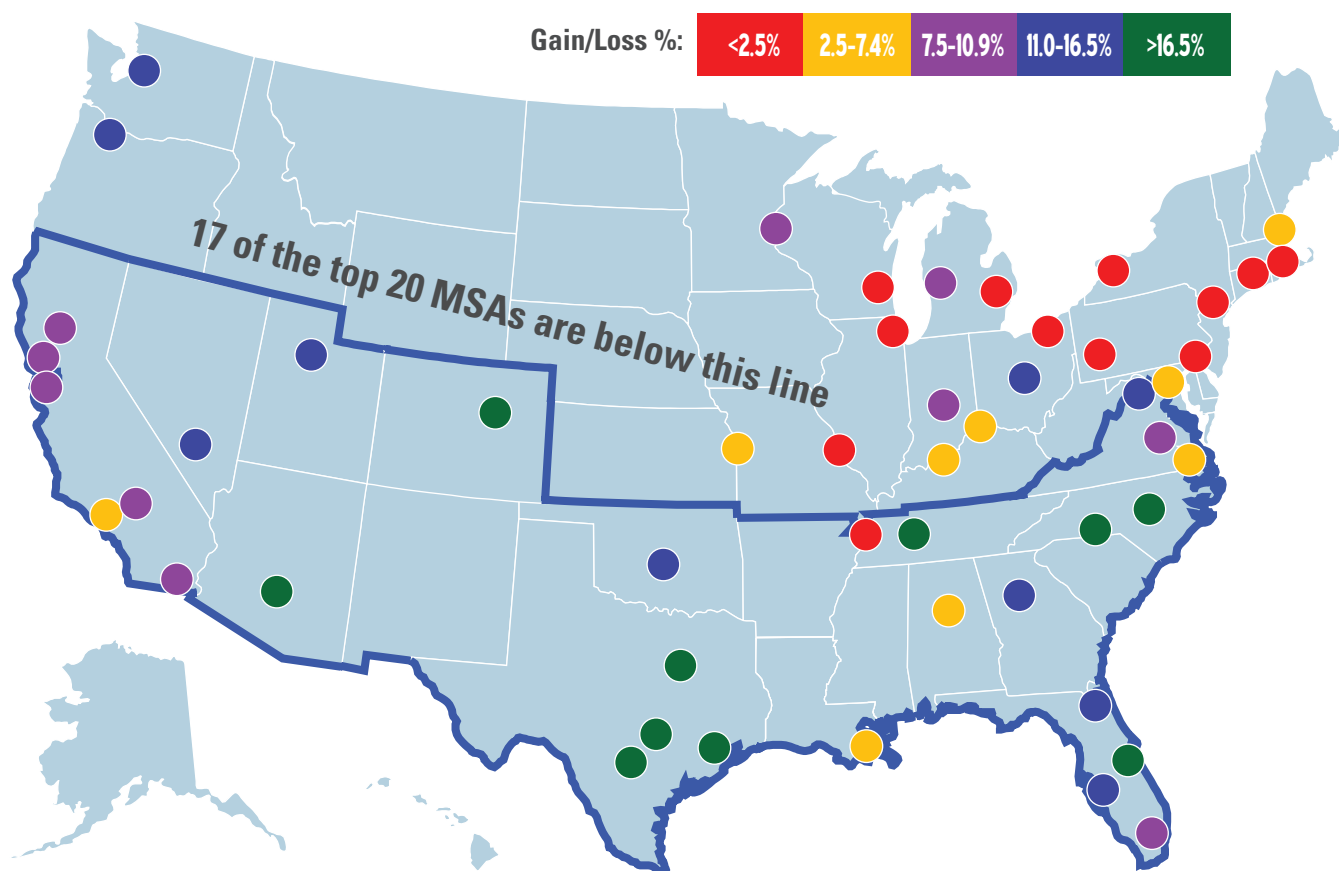


Note: Census values for 1950 and earlier exclude the populations of Alaska and Hawaii.



## MSA Rankings by Population Gain/Loss (2010 to 2019)

A variety of factors including warmer weather, lower taxes, and lower costs of living have continued to drive people from more dense northeastern locations into cities and states starting roughly south of the 40th parallel. Interestingly, only 18 states are included within the highlighted area. As you will soon see, this same 18-state region often contains many of the top 20 MSAs according to a variety of key growth indicators.

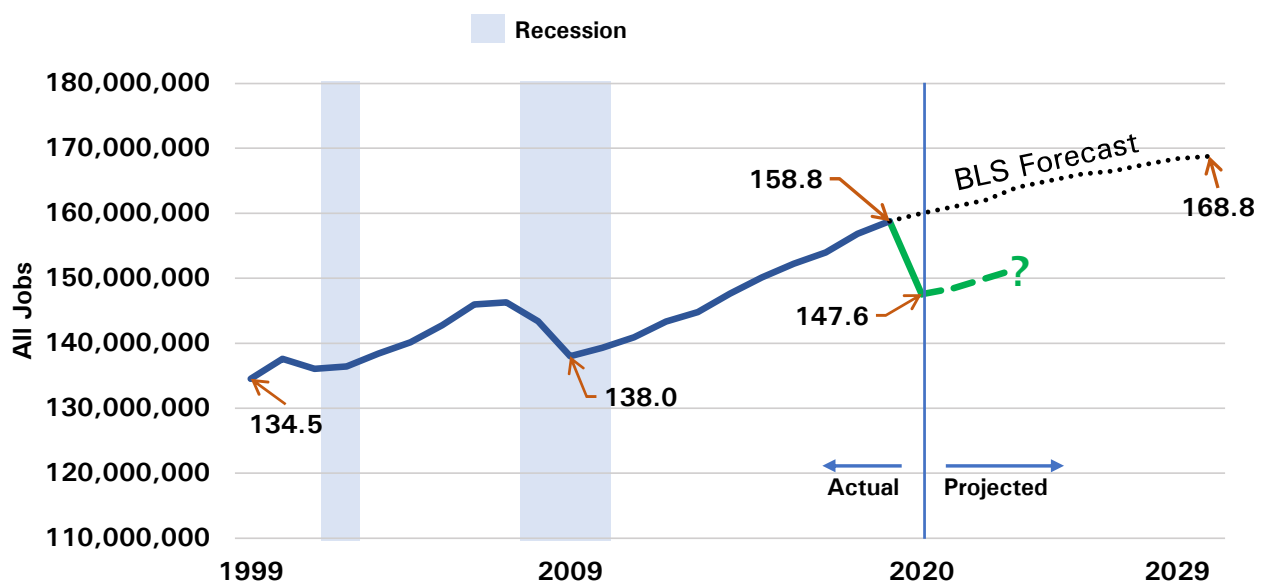


# job losses

## Employment Statistics

### Total Employment (1999 to Projected 2029)

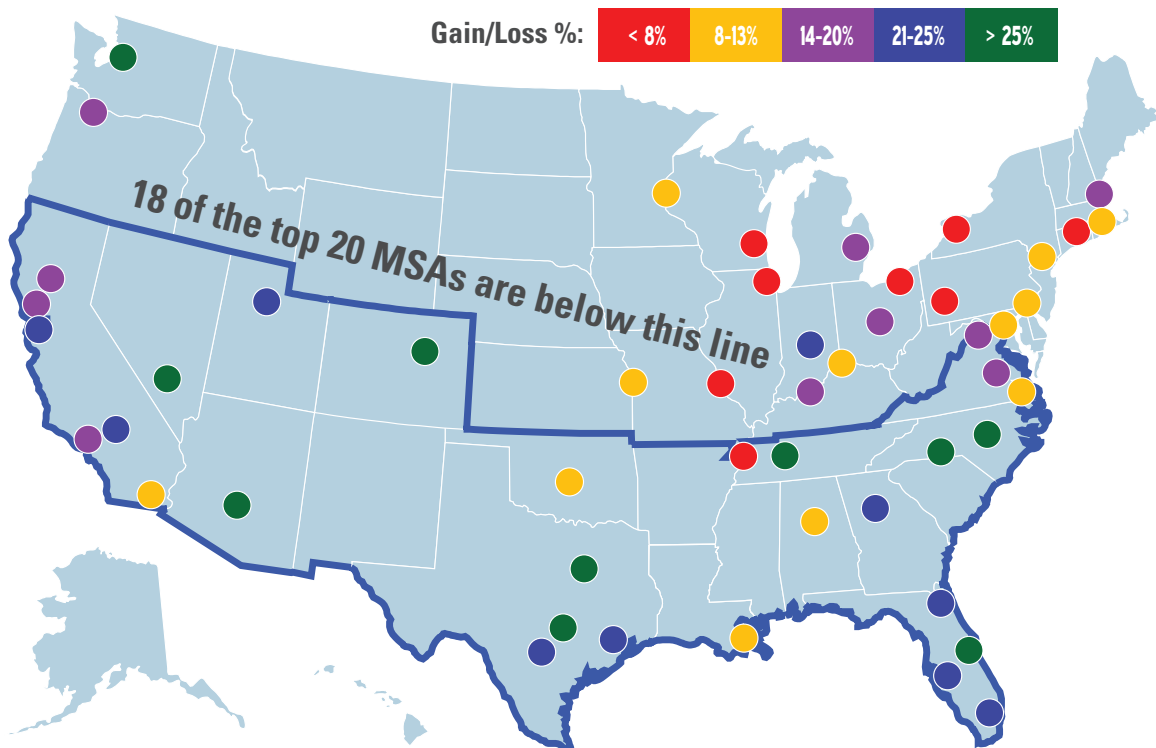
The most recent Bureau of Labor Statistics forecast models issued in late 2019 had assumed total employment would reach nearly 169 million by 2029. The official forecast did not take into account the more than 11 million jobs lost so far to this recession, making for a steeper and longer to climb to restore similarly robust economic health.





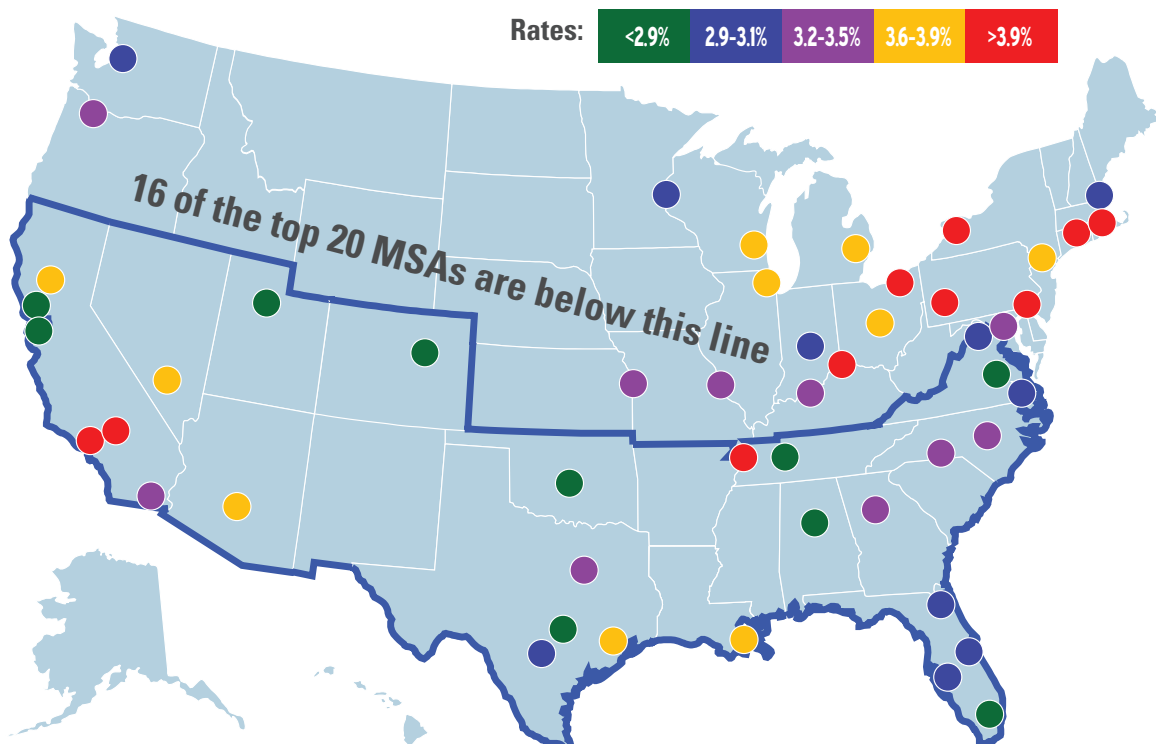
## Jobs Created (Pre-Covid Period: 2010 to Feb. 2020)

The states represented by the green dots (top 10) and blue dots (top 20) experienced the greatest percentage increase in job creation between 2010 and the onset of Covid-19.



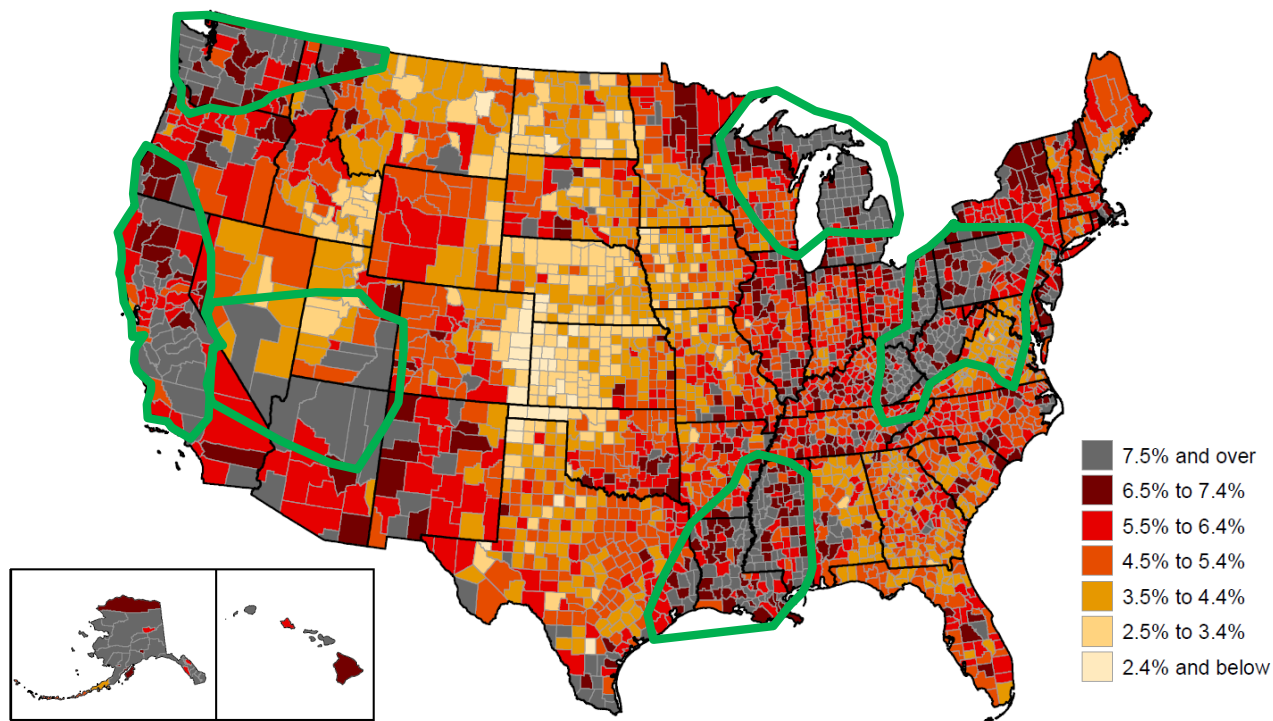
## Ranking of MSAs by Unemployment Rates (Pre-Covid Period: 2010 to Feb. 2020)

Unemployment rates were almost universally low in early 2020, and there was not much differentiation in absolute percentage terms. Nevertheless, the map does show the relative weakness in certain Rust Belt MSAs in comparison to more southerly locations.



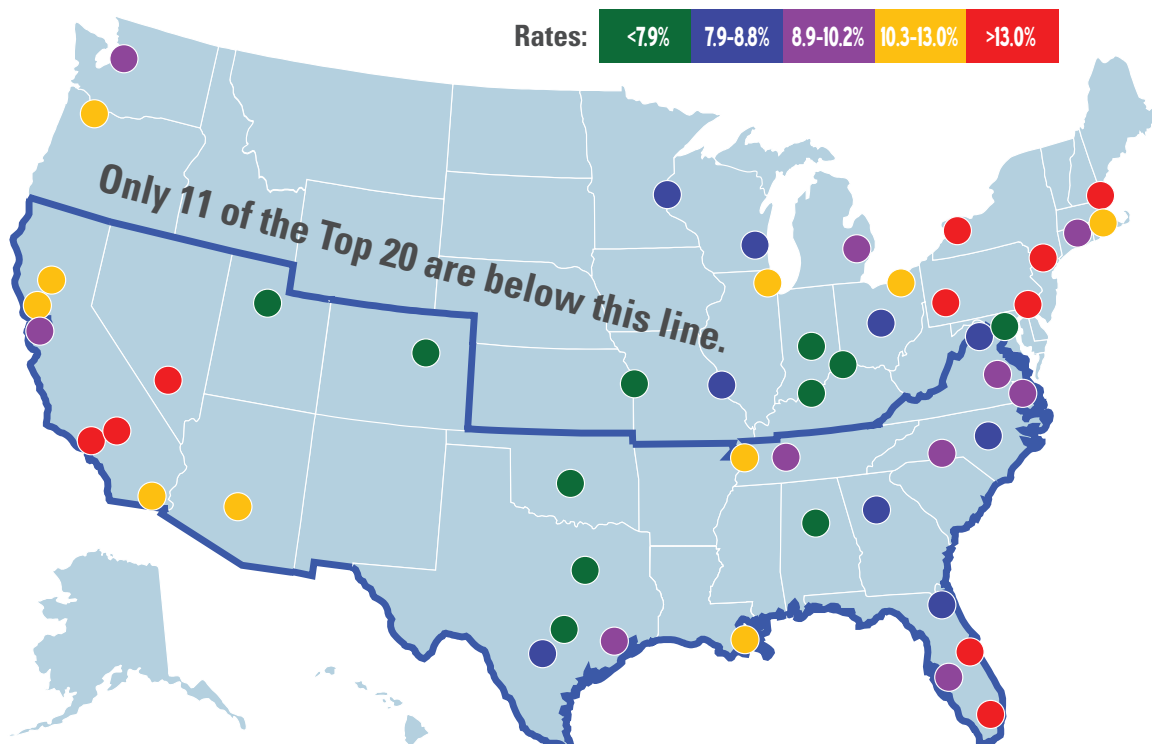
## Unemployment Rates (Covid Phase - rates by county)

This map highlights some pockets of relative weakness in unemployment based on averages over the year ending in June 2020.



## Ranking of MSAs by Unemployment Rates (Covid Phase)

Obviously overall unemployment rates have spiked markedly during the Covid period, with the national unemployment rate increasing from 3.5% in February to a high of 13.3% in May. The current rate of 7.9% is likely understated due to discouraged workers. Temporary weakness in southern locations appears due to Covid-related shutdowns, college students returning home during school closures, and loss of tourism and service jobs in previously high growth markets.

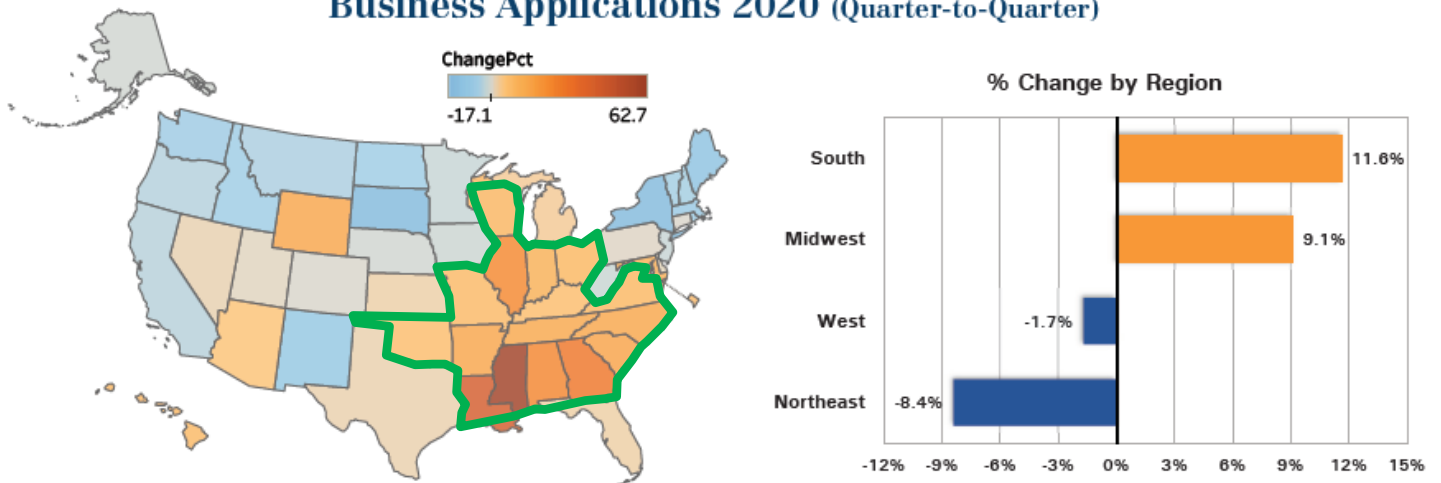




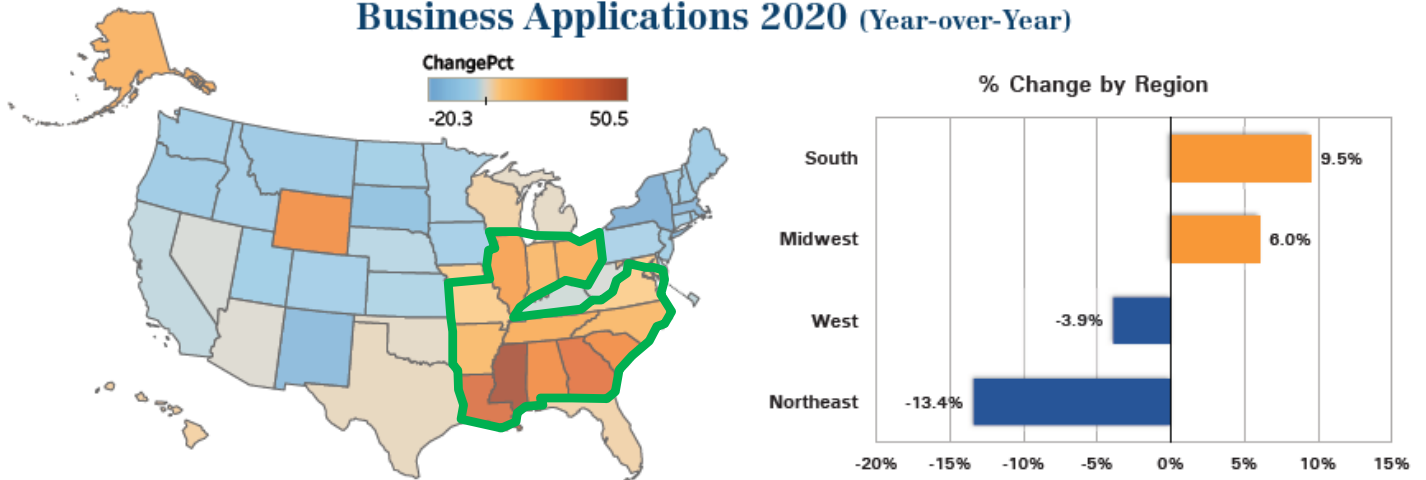
## Employment Growth (Forecast)

More businesses have been forming in markets relatively more open for economic activity during Covid-19. This could be a transitory difference, but should lead to more immediate job creation in the shorter term once the economy emerges from the Covid period.

### Business Applications 2020 (Quarter-to-Quarter)



### Business Applications 2020 (Year-over-Year)

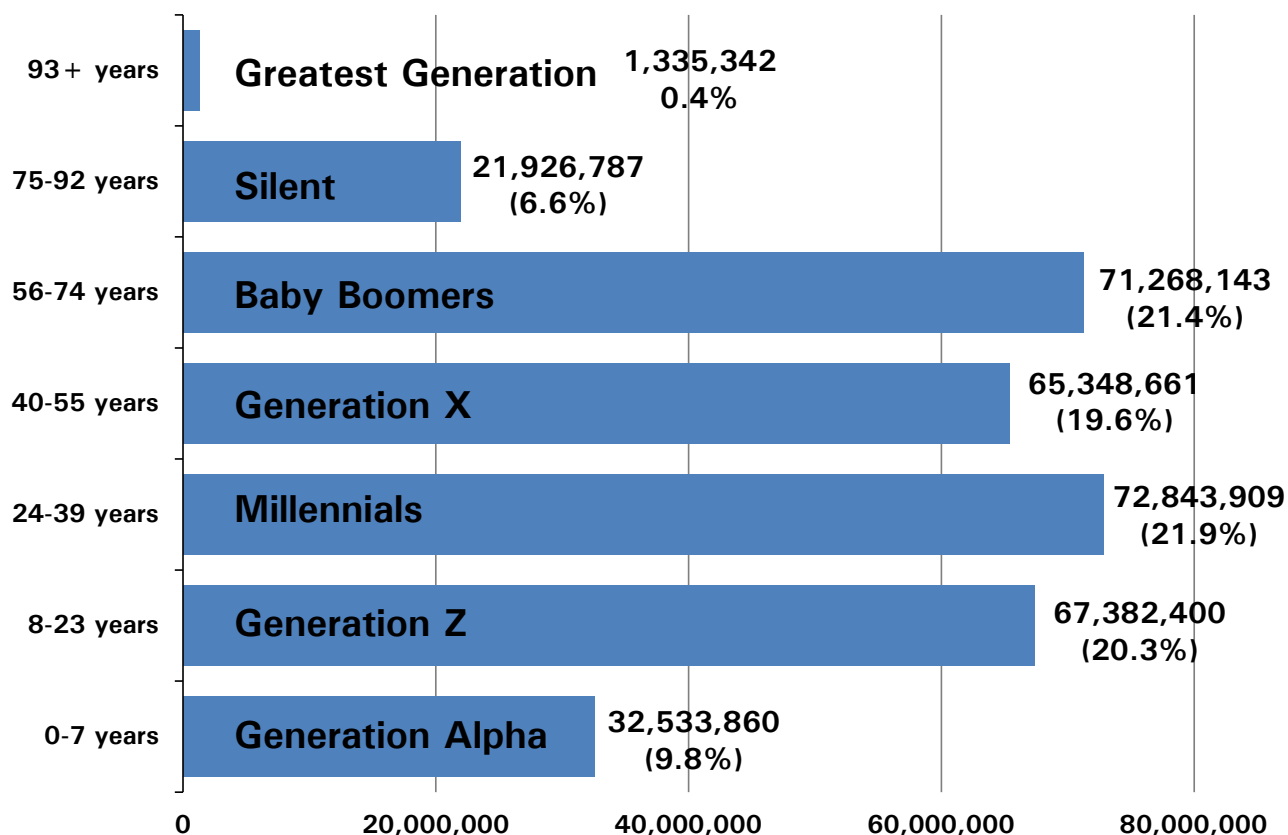




# Age Demographic Analysis

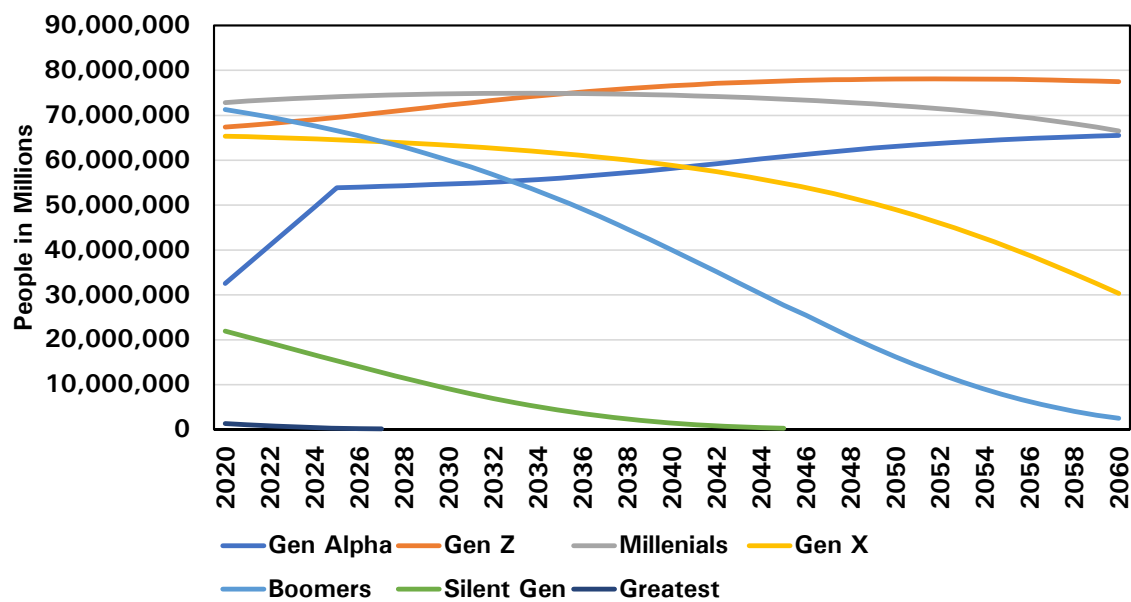
## Age Demographics

Generational shifts are a primary driver of broader economic and societal changes. This is especially true now as the overall economy is poised to be reshaped in fundamental ways by the ongoing retirements of Baby Boomers and the aging of Millennials into phases of marriage and child rearing. In particular, we anticipate significant populations from both groups previously living in dense urban areas will now seek suburban locations with retirement amenities, elder care facilities, and higher quality public schools.



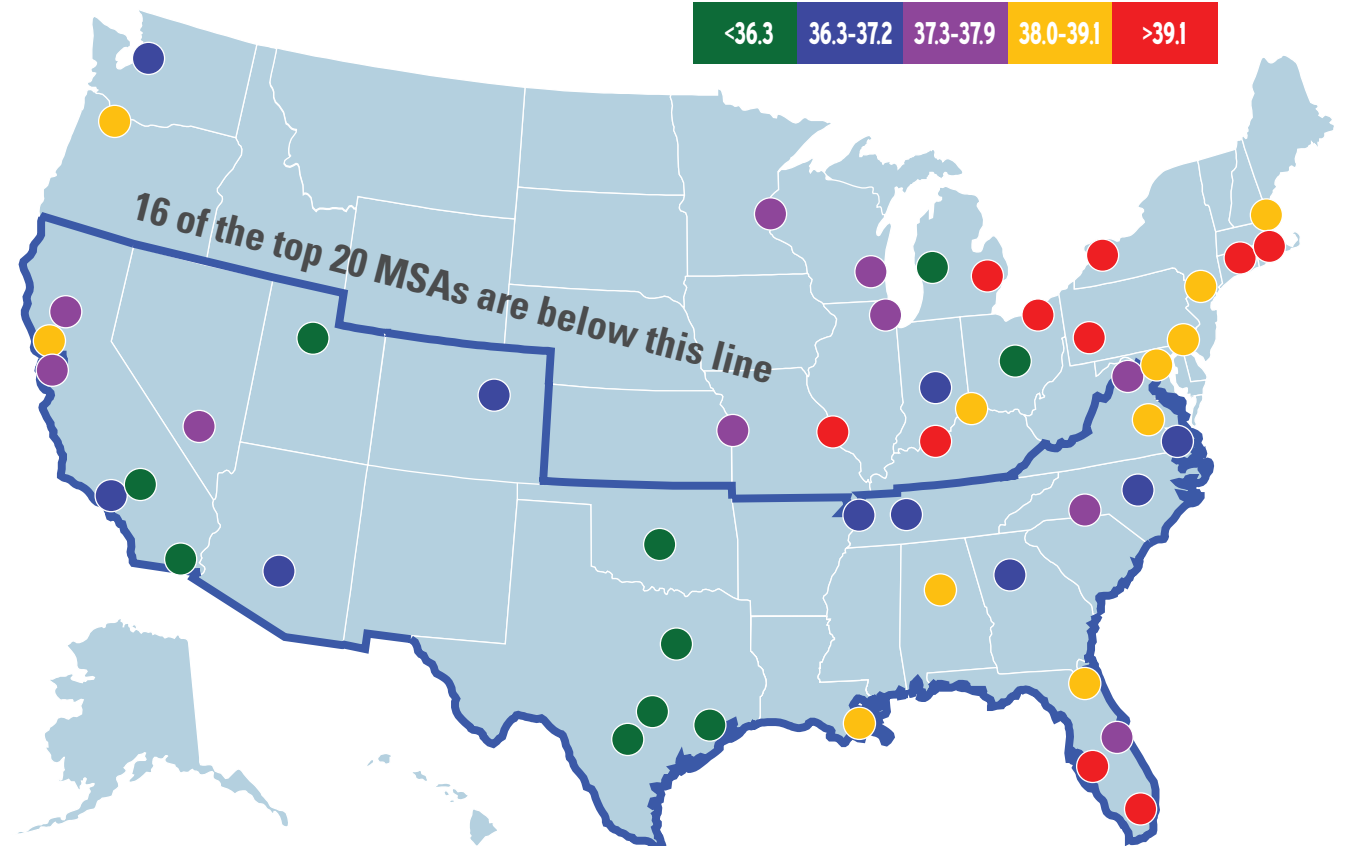


# Projected Population by Generation (in millions)



# MSA Ranking by Age Distribution (Median Age)

As a result of these changing demographics, we view metropolitan areas with relatively younger populations as more promising for future growth. Generations Z and Alpha will need to replace a substantial population of Baby Boomer, Generation X, and Millennial residents in downtown locations over the next few business cycles. With the youngest average population in the country, Salt Lake City shows particular growth potential, followed closely by four major cities in Texas.

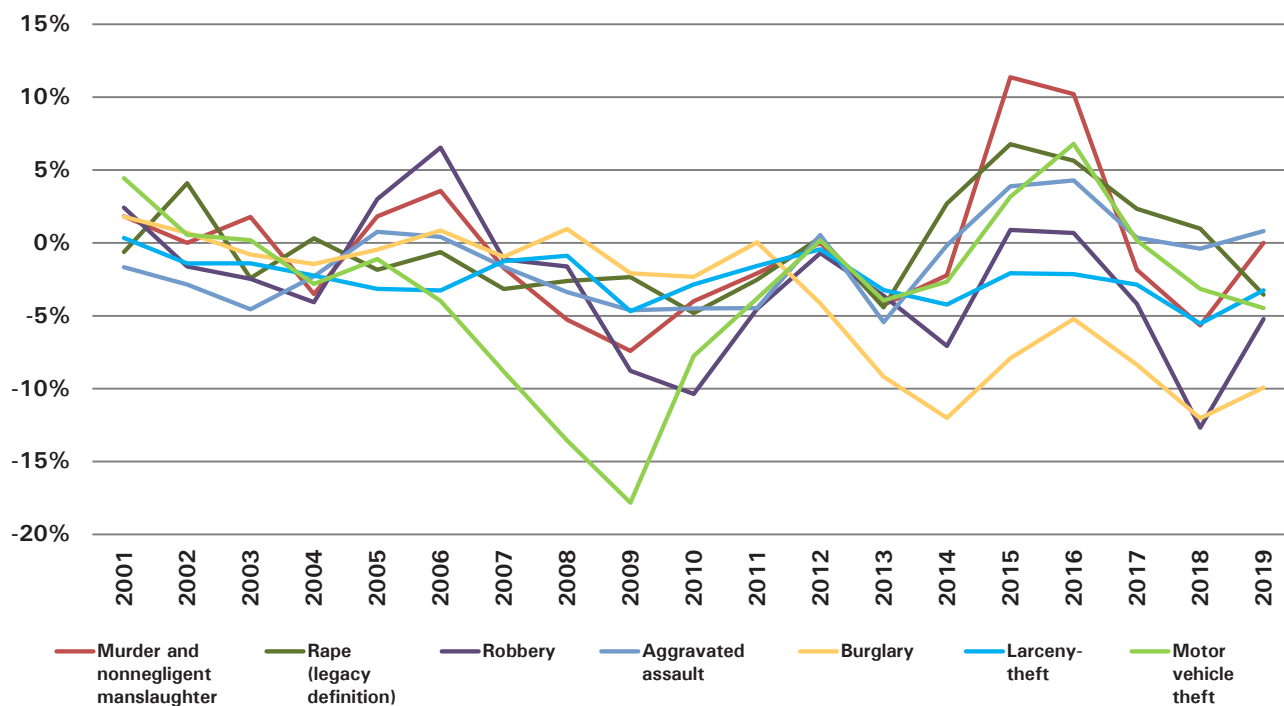




# Crime and Social Unrest

Most categories of crime had for decades been on an extended period of decline occurring in concert with economic gains and upward mobility. Since 2009, however, economic inequality and the stagnation of working class incomes and wealth creation has coincided with troubling fluctuations and increases in certain categories of violent crime. Although not depicted here, shootings and arsons are also on the rise. Obviously the 2019 data in this chart does not yet account for the impact of Covid, shutdowns, protests and election-related disruptions. For that, we turn to the next page.

## Crime Stats (% change year-over-year - per 1000 capita)

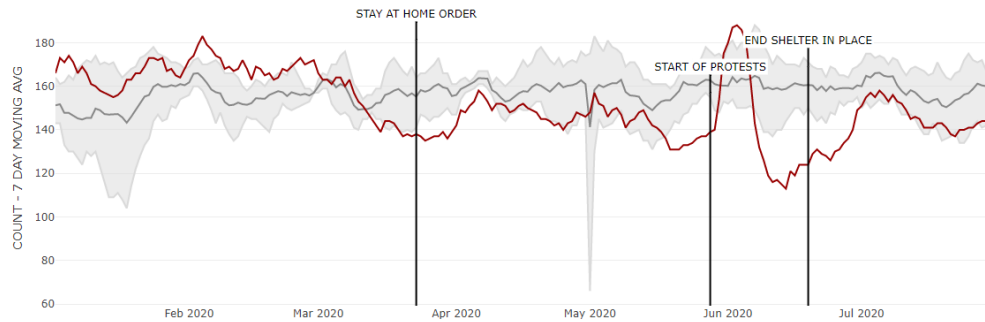




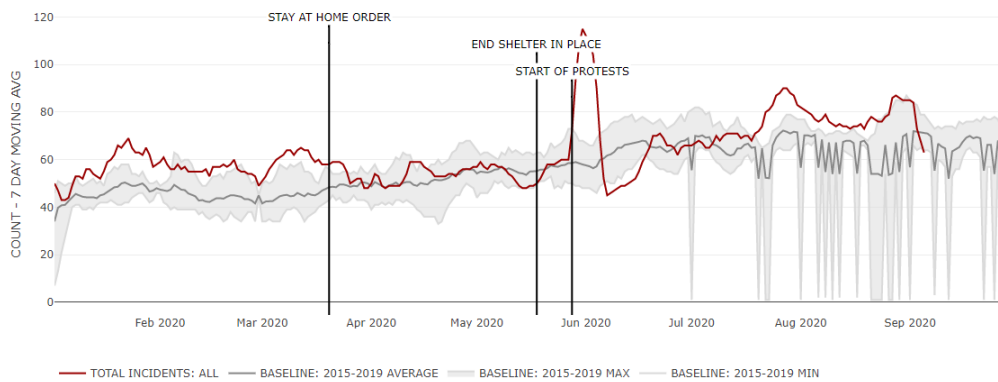
# Crime Trends During 2020

## Crime (all incidents)

### Portland



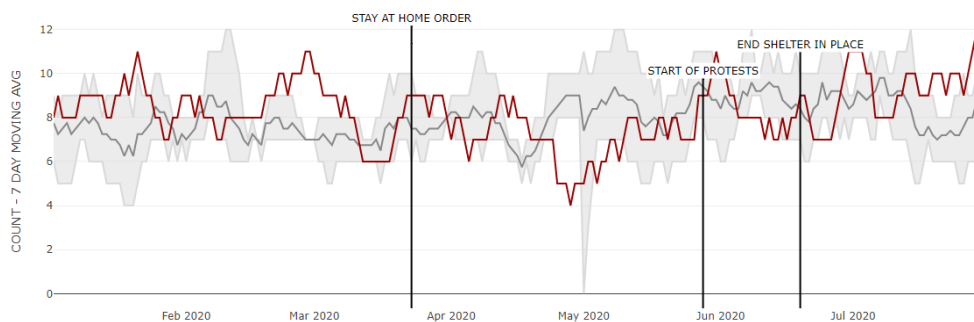
### Minneapolis



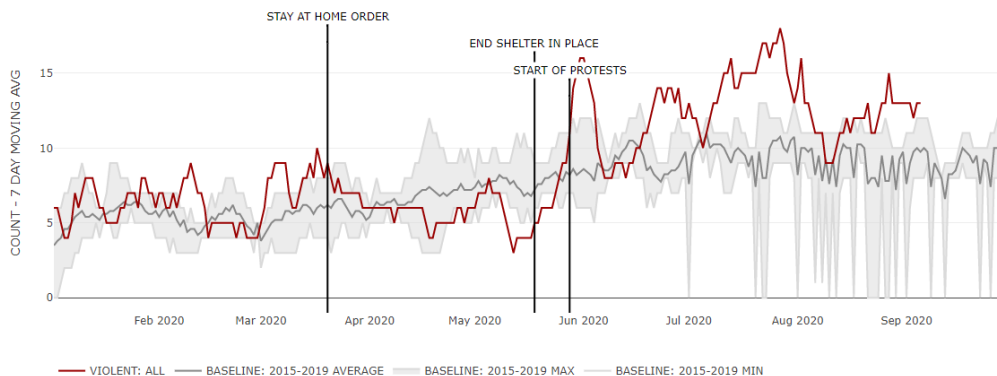
Using Portland and Minneapolis as examples, we can see the relative impact on overall crime of stay at home orders, ending of sheltering in place, and the onset of protests. In both cases, the red line representing 2020 activity is not terribly out of bounds beyond five year averages for overall crime (other than during the height of protest season).

## Crime (violent incidents)

### Portland



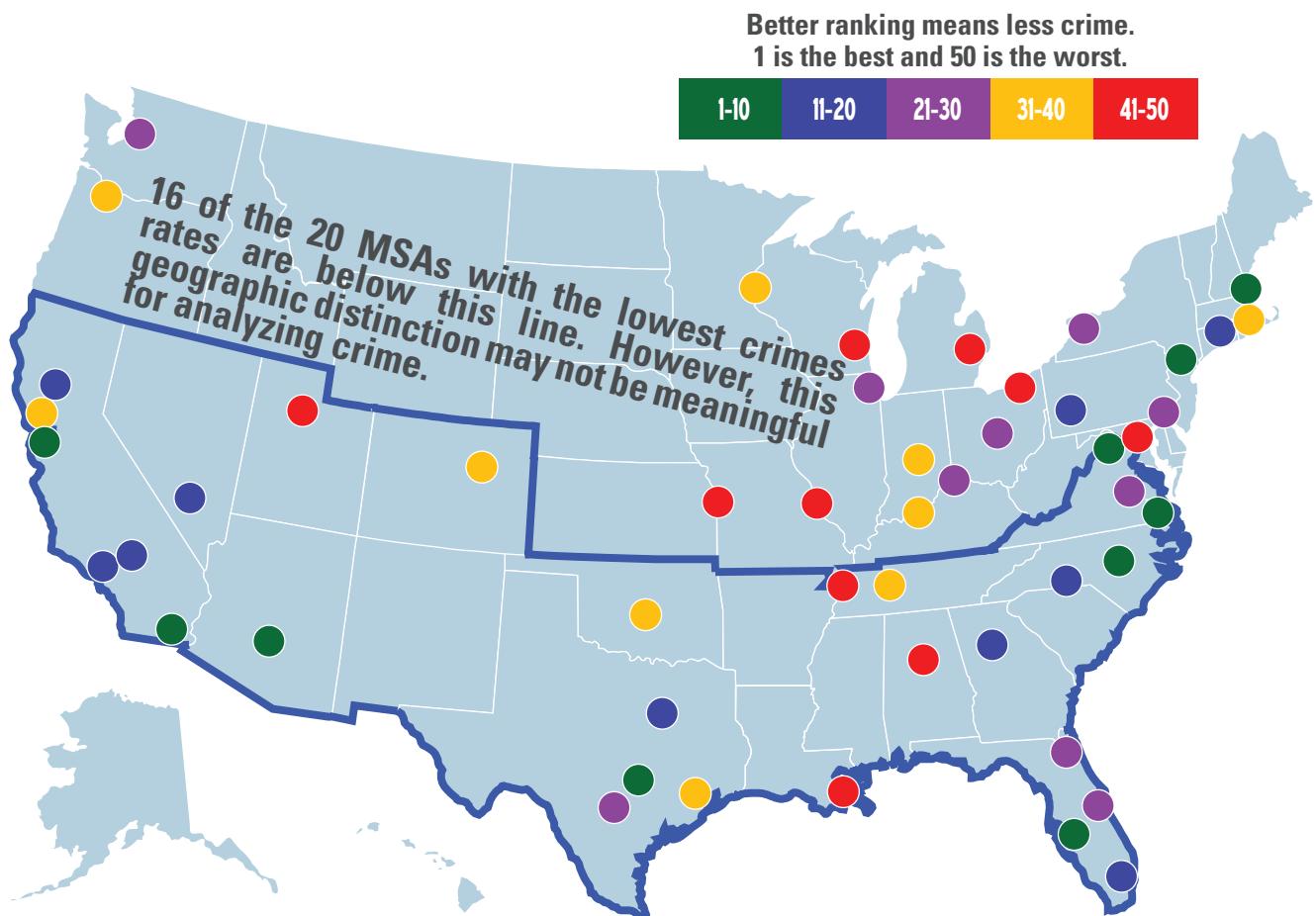
### Minneapolis



However, as is the case in most major cities this year, we can observe a more troubling increase in violent crimes, which in many cities has sustained itself beyond the onset of the protests back in June.

## Overall MSA Rankings for Crime and Social Unrest

In this category, other than a small cluster of low crime cities in the northeast, we don't find a clearly discernible pattern of crime trends according to geography or size of MSA. More likely, crime statistics depend on a variety of local factors including laws on the books, enforcement, weather, and relative density. Nevertheless, the prevalence of crime should certainly play a role in the vibrancy and growth potential of each MSA.

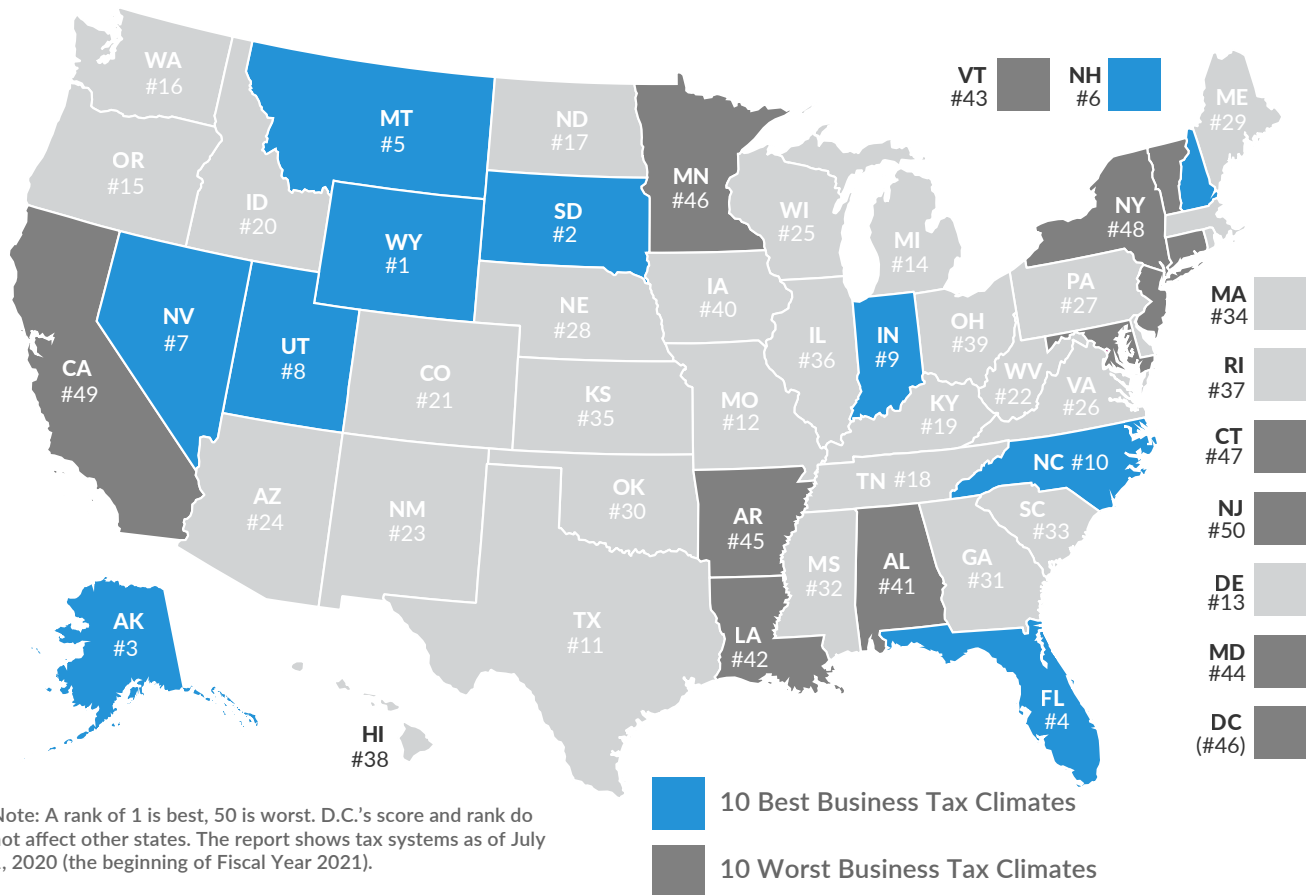


## Ranking of States by Individual Tax Burden

This map is drawn using data from the Tax Foundation's State Business Climate Index. The index is assembled by weighting each state's combined tax burden arising from the categories of individual income, sales, corporate, property and unemployment insurance taxes.

To our eyes, this map does not show any clear geographic pattern, but certain high growth states do jump out for having relatively more favorable tax structures. As mentioned, we have the most concern with states heavily dependent on high level of income tax, which can subject state revenues to more volatility. Glancing at the map, CA, NY and NJ appear the most unfavorable from an overall individual tax perspective.

## 2021 State Business Tax Climate Index





# Movement

## Annual U.S. Migration Rates (1947-2019)

In recent decades, there has been a disconnect between the perception of population mobility and the actual practice of it. Mobility has actually been in an extended period of decline.

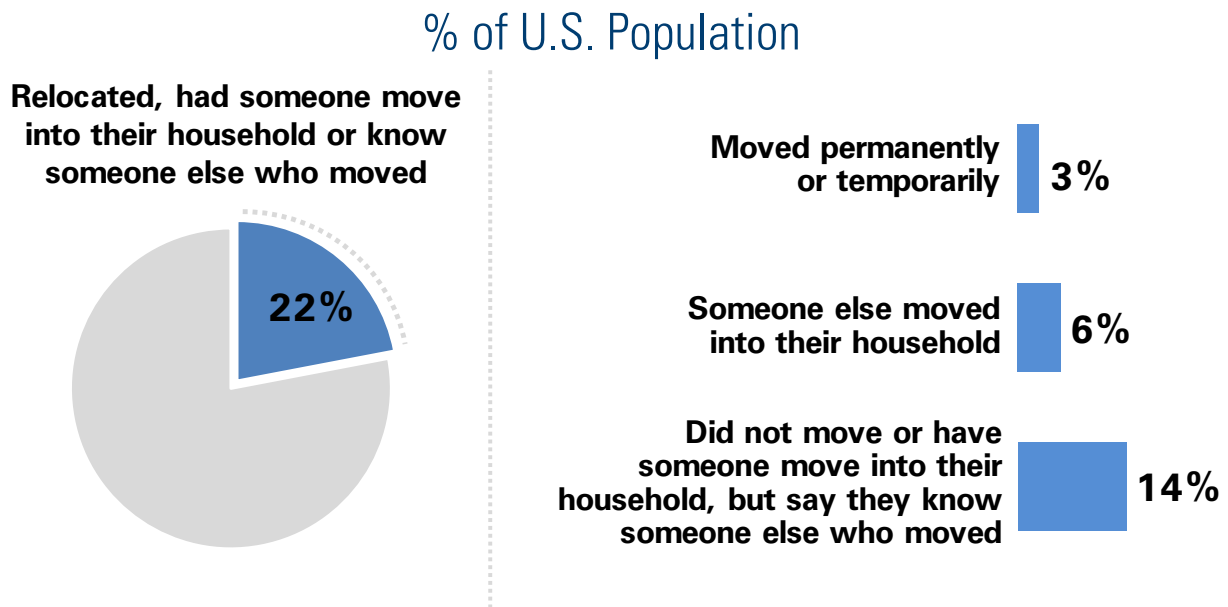
We predict that's about to change due to moves already occurring during Covid and the continued adoption of remote working technologies that will allow for a more mobile workforce. Many of the young professionals who moved back home with their parents may take jobs there, and many of those laid off during this downturn may need to look elsewhere for post-Covid employment.



## Relocations (Covid Phase)

Changed migration patterns should be slow to form--after all, people tend to settle in for long periods of time. Selling homes, changing jobs or schools--all these things are big lifestyle changes that require time to plan and execute.

As a result, we don't expect large percentage moves in any one year. The impact is felt in smaller shifts that add up and accumulate over time. According to the Pew Survey below, during February to June of this year, 22% of Americans had relocated or know someone who has relocated. Presumably these numbers increased from July to October.



**Note:** Response categories do not sum to total since some respondents chose more than one answer.

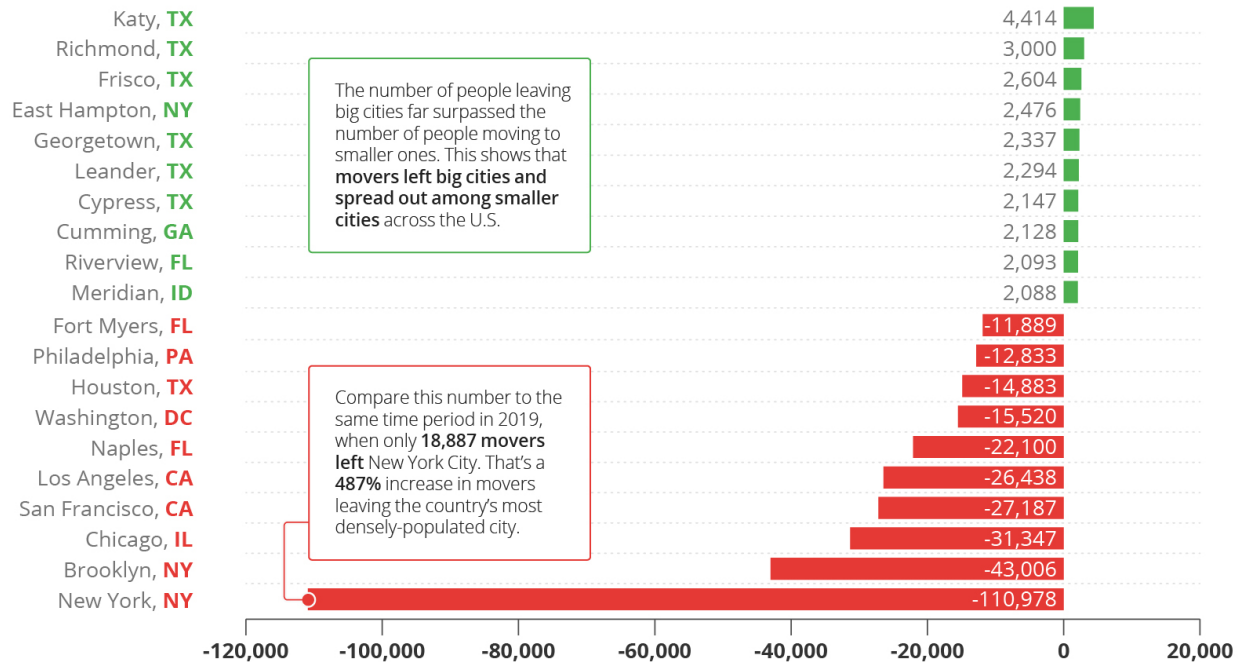
We reviewed perhaps a dozen other polls and surveys that indicate between 25% and 50% of Americans are expecting to move during or following the pandemic phase of Covid-19. However, a recent review of change of USPS change of address notices found that most moves remain temporary and the percentage of permanent changes of address had increased from only 8.0% to 9.7% over the same period in 2019 to 2020. A large portion of the increase in temporary moves could be from students returning home to live with their parents.

## USPS Change of Address Requests

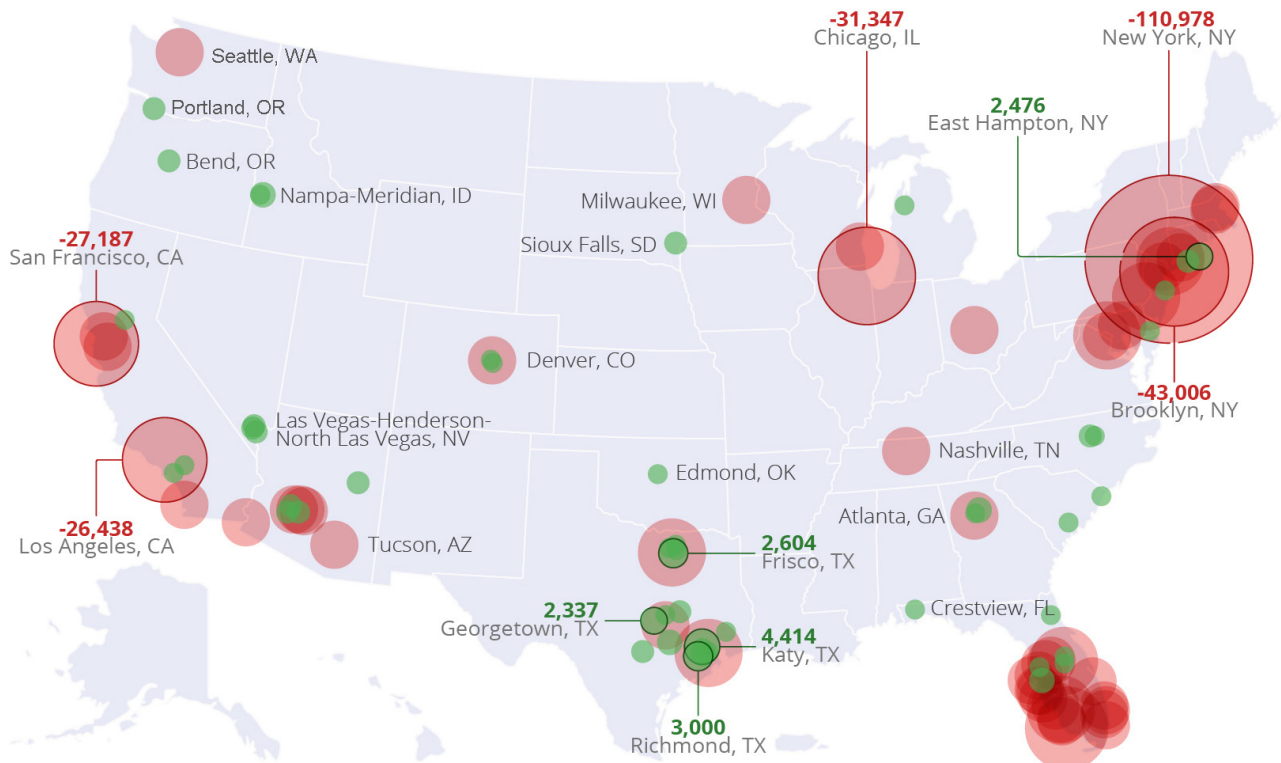
	Feb 1 - Jul 31 2019	% of Moves	Feb 1 - Jul 31 2020	% of Moves	% of Increase
<b>Temporary</b>	14,148,295	92.0%	14,423,108	90.3%	1.9%
<b>Permanent</b>	1,224,476	8.0%	1,551,718	9.7%	26.7%
	<b>15,372,771</b>	<b>100.0%</b>	<b>15,974,826</b>	<b>100.0%</b>	<b>3.9%</b>

## Cities that gained and lost the most movers during Covid Phase

Data shows that people moved from densely populated urban areas - like Manhattan, Brooklyn and Chicago. Less populated cities, six of which were in Texas, gained the most movers.



## Top 50 Cities that gained and lost movers during Covid Phase

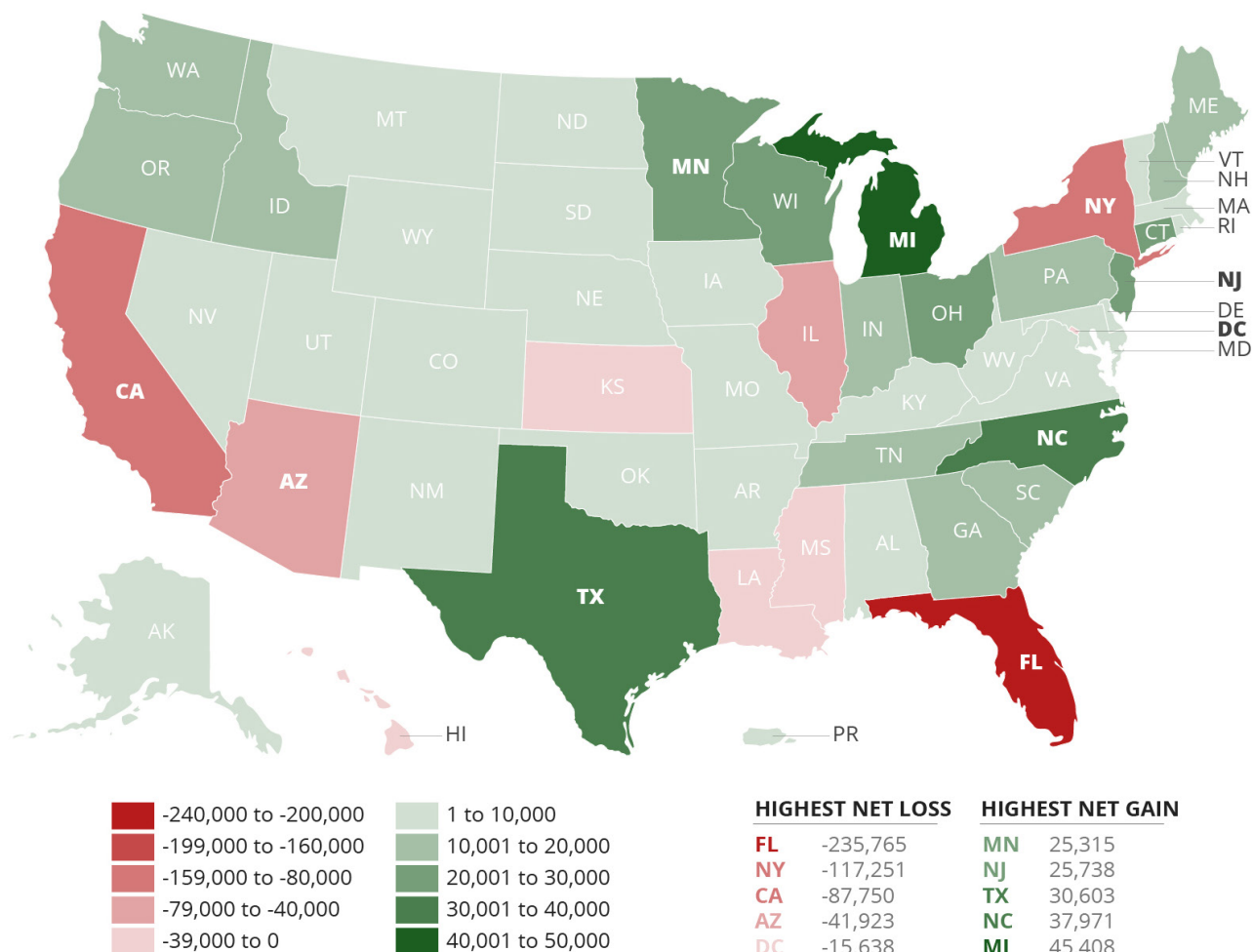


\*Data pulled from total USPS change-of-address requests filed between February 1, 2020 and July 31, 2020. To calculate the data, we took the total number of moves to each city and subtracted the total number of moves from it.



## States that gained and lost movers during Covid Phase

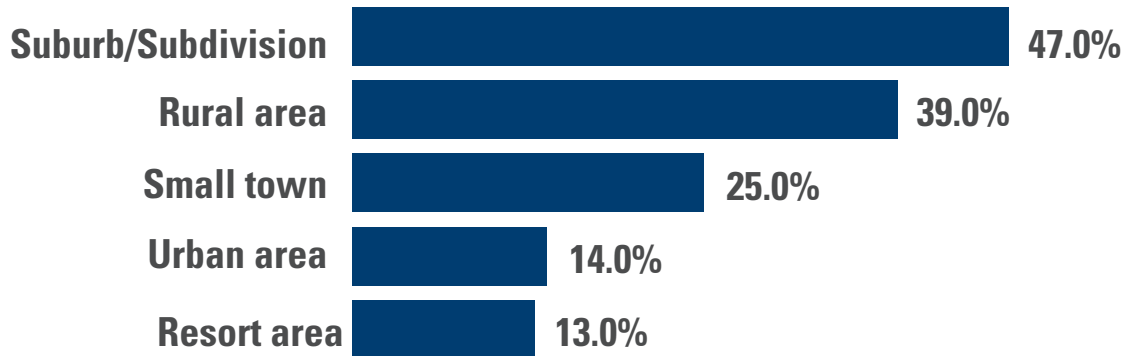
Florida, New York and California - states with big cities that experienced a surge in infection rates during the onset of the pandemic - lost the largest number of movers. Michigan, North Carolina and Texas gained the most movers.



\*Data pulled from total USPS change-of-address requests filed between February 1, 2020 and July 31, 2020. To calculate the data, we took the total number of moves to each state and subtracted the total number of moves from it.

## Suburban Shift (Covid Phase)

### Home buyers have shifted searches more to suburbs and small towns

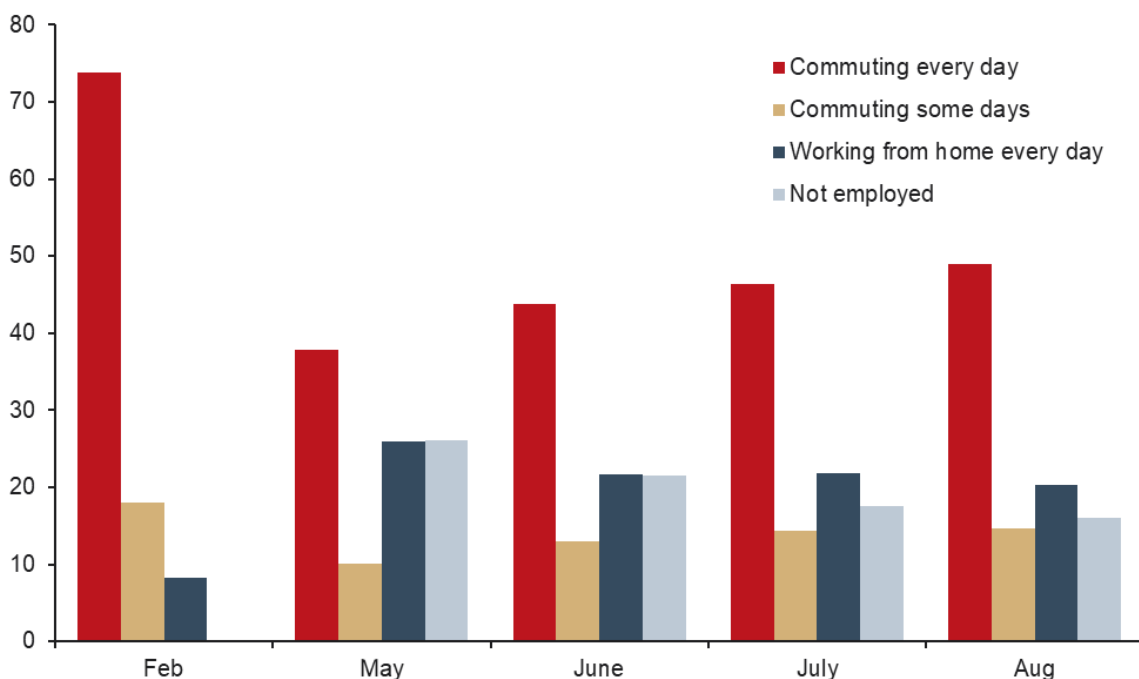


National Association of Realtors 2020 Market Recovery Survey, conducted June 24-26.

Realtors were asked to describe locations where home shoppers were looking among those who shifted searches in response to Covid-19.

## Percentage of Workforce (ages 18 to 64)

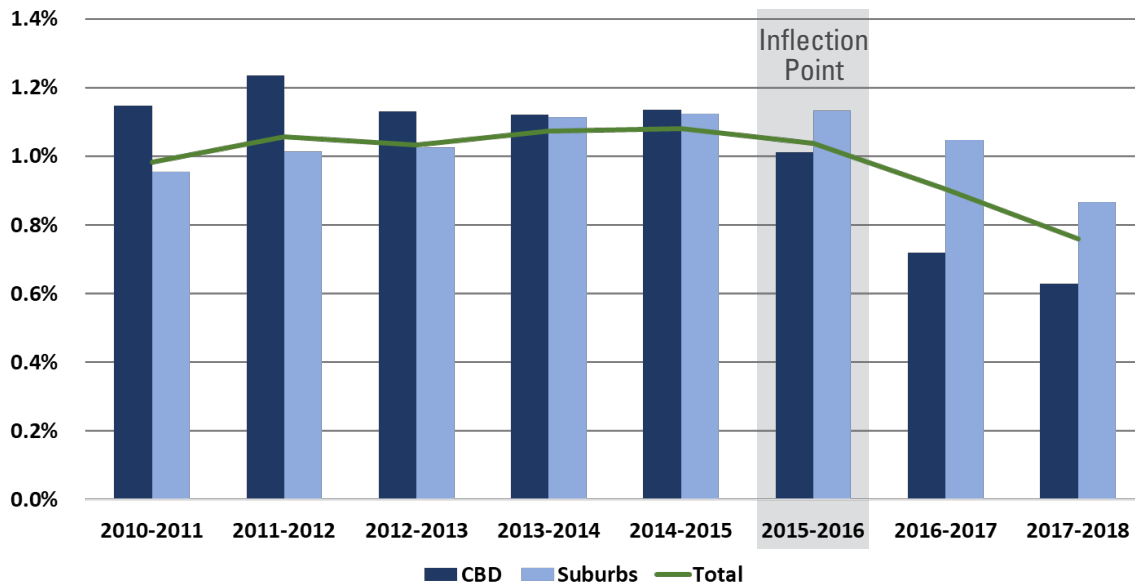
There has been a slow trend of return-to-work, but the percentage of workers commuting every day remains well below February levels. With positive tests and hospitalizations again increasing, it will be important to monitor progress and setbacks in returning to normalized activity.



Note: Chart is using February job totals.

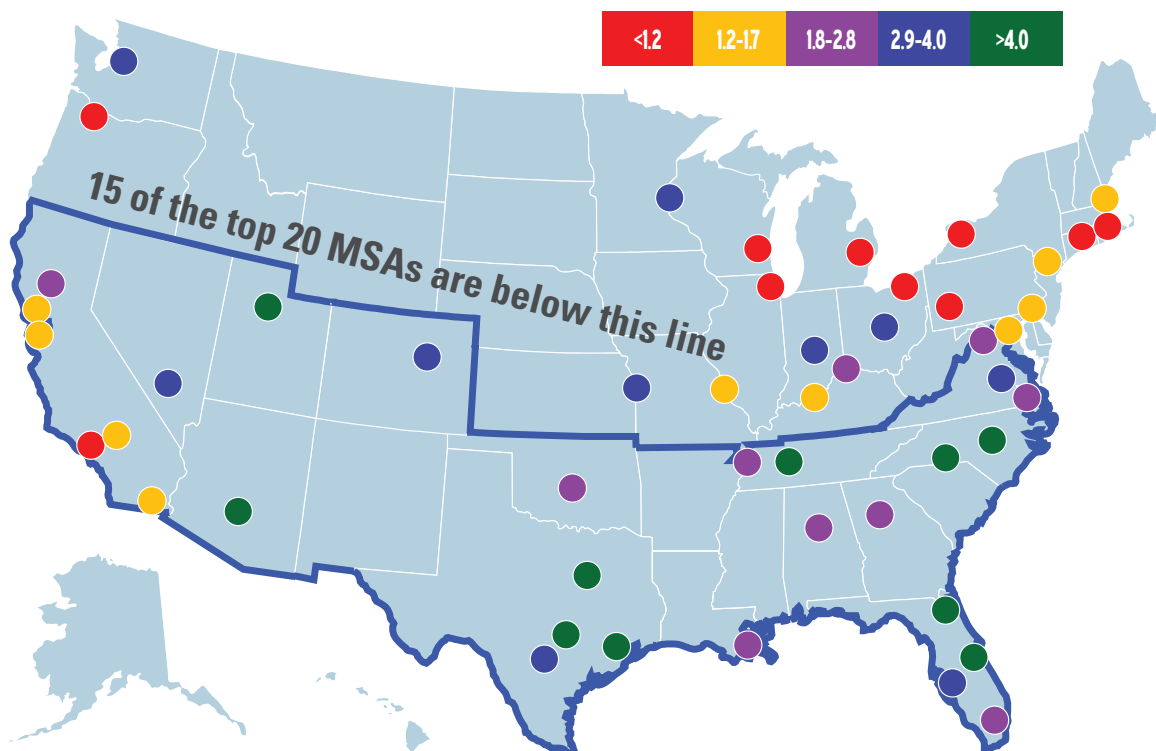
## % Change in the Population of the Top 50 MSAs (Pre-Covid - 2010-Feb. 2020)

This is the most notable chart in this entire report. With all of the redevelopment, development and immigration that occurred in core CBDs over the past two decades, it seems to have escaped widespread notice that the trend began reversing itself back in 2015-2016. Since that time, suburban population growth has steadily outpaced CBD population growth. Again, this is likely due to Millennials aging into new phases of family, career and lifestyle choices.



## Potential Future Growth Building Permits (Forecast Units Per Capita)

One indicator of the market's view of future population growth is the current level of new building permits in each MSA. Home and apartment builders certainly hold a more bullish view of southern states than they do for the Rust Belt (and California).







Tying together all of these threads of population growth and movement, employment growth, age demographics, along with lifestyle factors such as traffic, taxes, and weather, we arrive at a 50% weighting in the overall Morrison Street Research ranking formula. Blended together with another 50% weight from detailed commercial real estate fundamentals in each market, we can derive an overall ranking of the Top 50 MSAs.

Each MSA has been ranked according to the following criteria and relative weights:

## Socioeconomic Factors (35.75%)

- **Population Statistics:** (Pop. Growth, Net Migration, Organic Growth, Covid Migration)
- **Employment Statistics:** (Size of Labor Force, Job Creation, Unemployment Rates)
- **Age Demographics:** (% of Boomers and Millennials, Median Age)
- **State and Local Tax Burden:** (Taxes Considered - Individual Income, Sales, Corporate Income, Property, Unemployment Insurance)

## Quality of Life (14.25%)

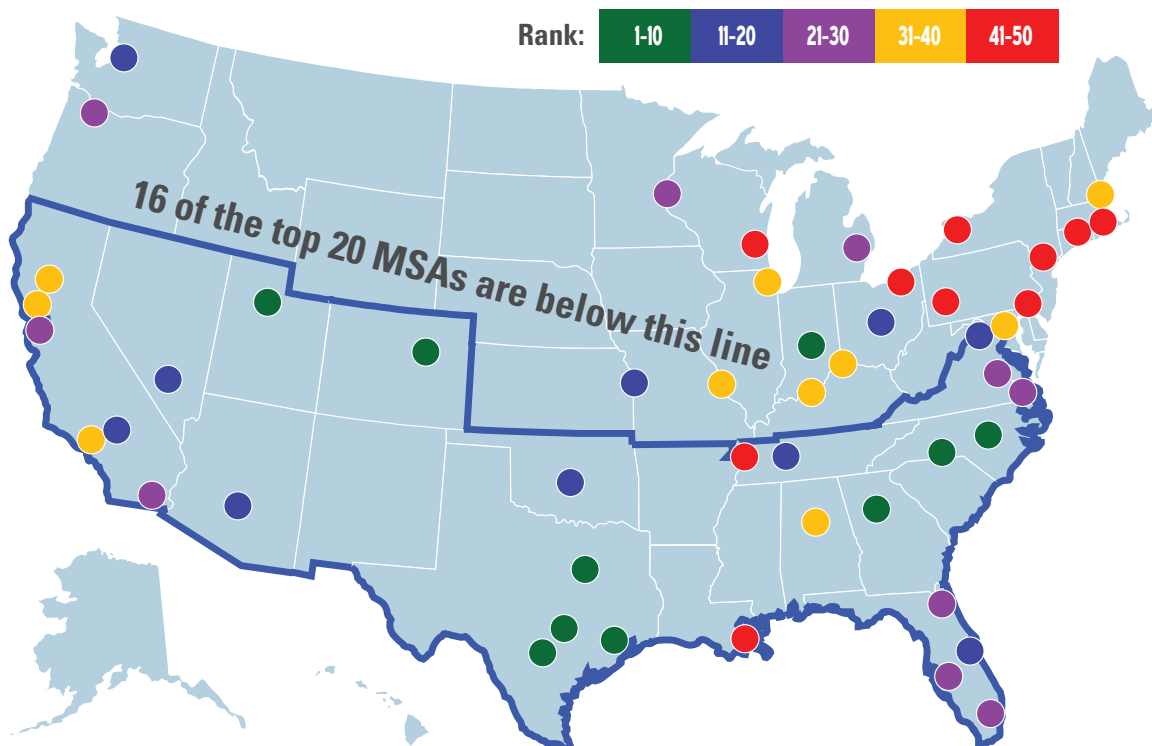
- **Weather:** (Monthly temperature, precipitation, humidity)
- **Traffic:** (Annual peak hours of congestion)
- **Crime:** (Major Categories of Violent and Property Crimes)
- **Social Unrest:** # per capita (Riots and Protests)

## Commercial Real Estate Fundamentals (50%)

- Net Completion/Absorption Surplus or Deficit, Vacancy, Change in Vacancy, Rent Growth
- All statistics are considered separately for office, industrial, retail and apartment categories
- Each product type is equally weighted

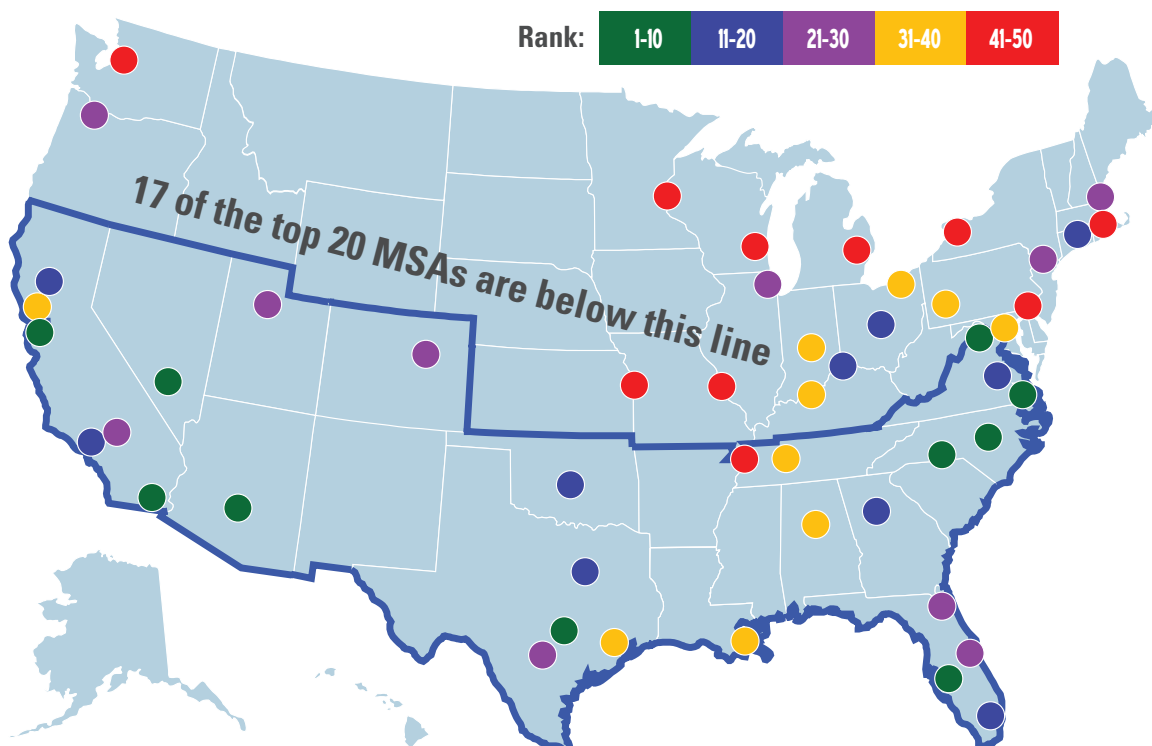
## Socioeconomic Factors

Taking into account statistics for population, employment, age demographics and taxes, the following map represents the combined socioeconomic rankings, representing a 35.75% weighting in our total rankings formula.



## Quality of Life

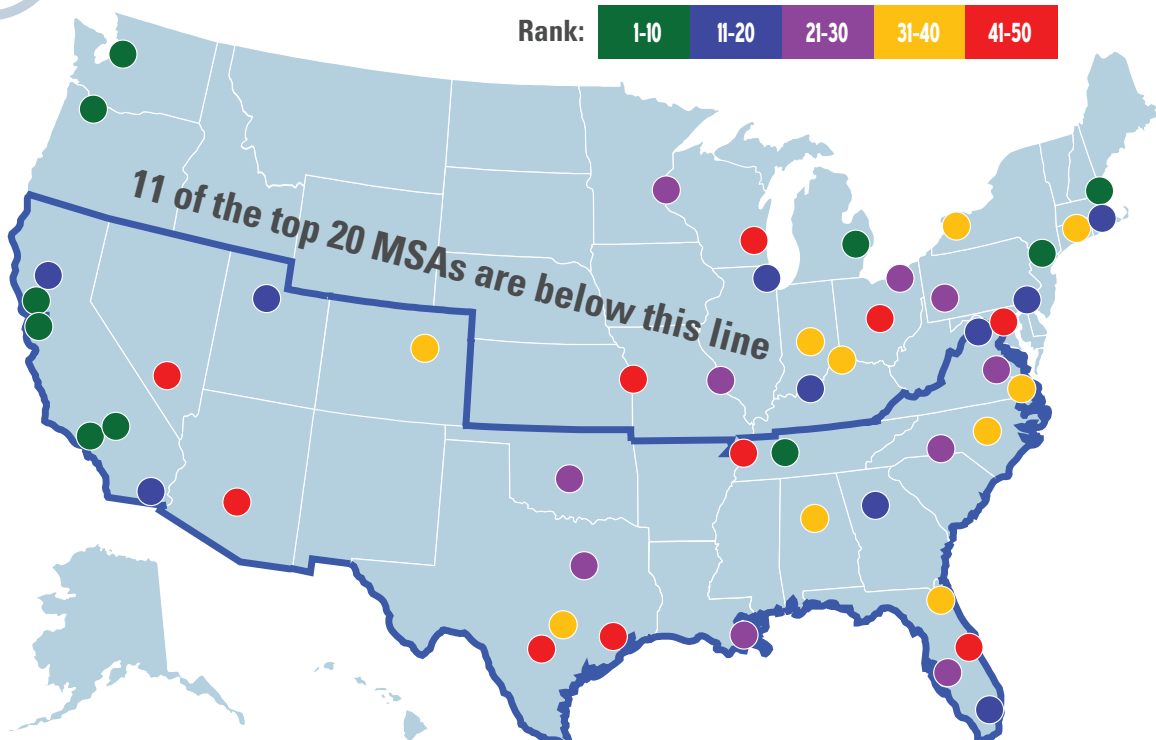
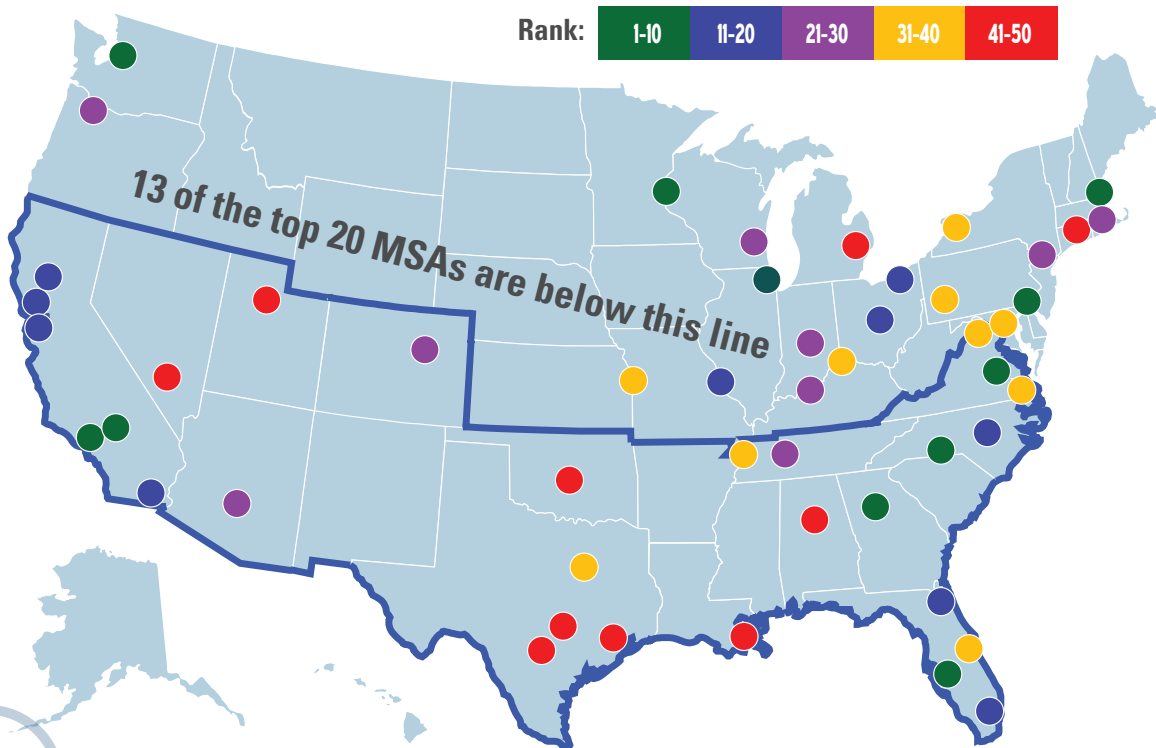
This map ranks the top 50 MSAs according to quality of life factors including weather, traffic, crime and social unrest. The factors constitute an additional 14.25% weighting in our total rankings formula.





This map shows the ranking of office sector fundamentals based on factors including net absorption, completions, current vacancy, trailing 10 year rent growth, and projected vacancy and rent growth through 2024.

The subsequent maps for the industrial, retail and apartment sectors account for the same factors and all four product types are equally weighted in the consolidated rankings for each MSA.







## Retail

Rank:

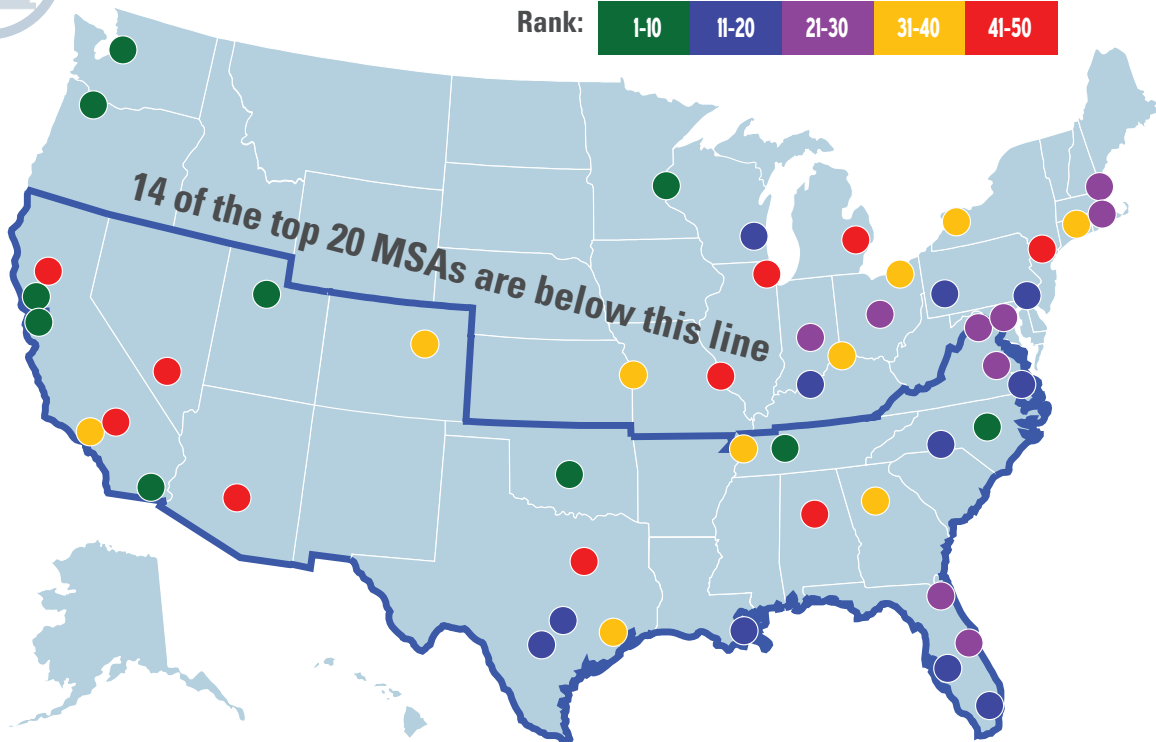
1-10

11-20

21-30

31-40

41-50



## Multifamily

Rank:

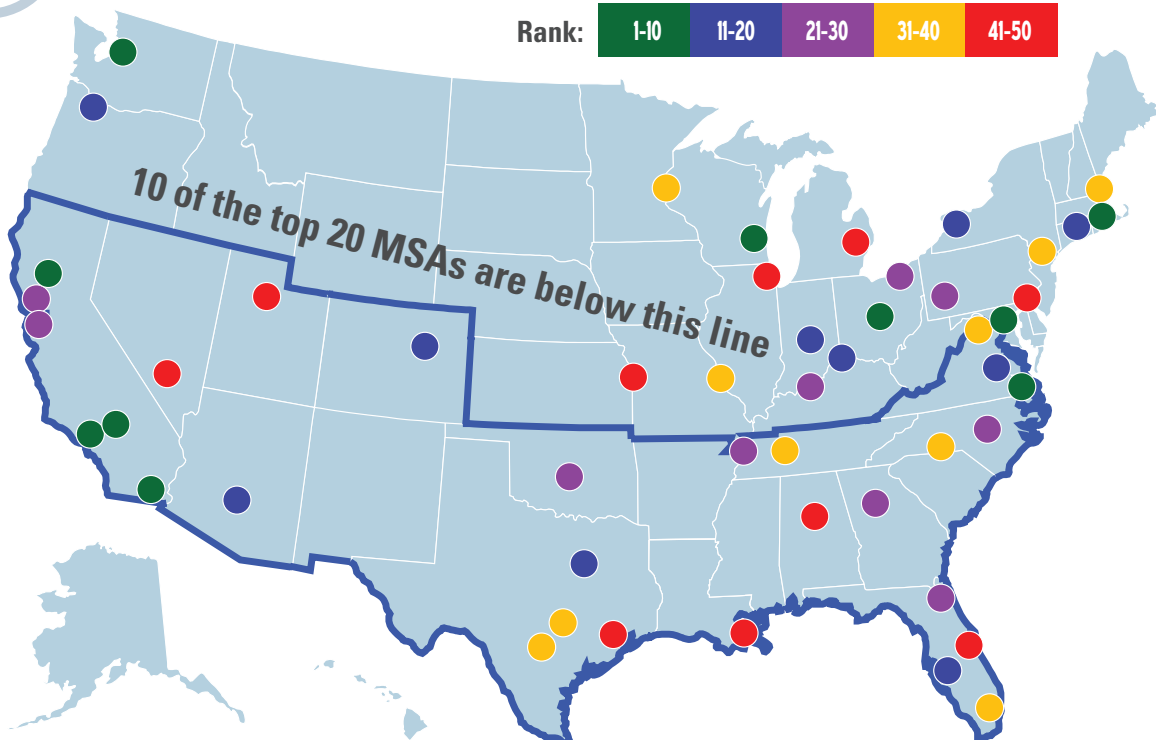
1-10

11-20

21-30

31-40

41-50

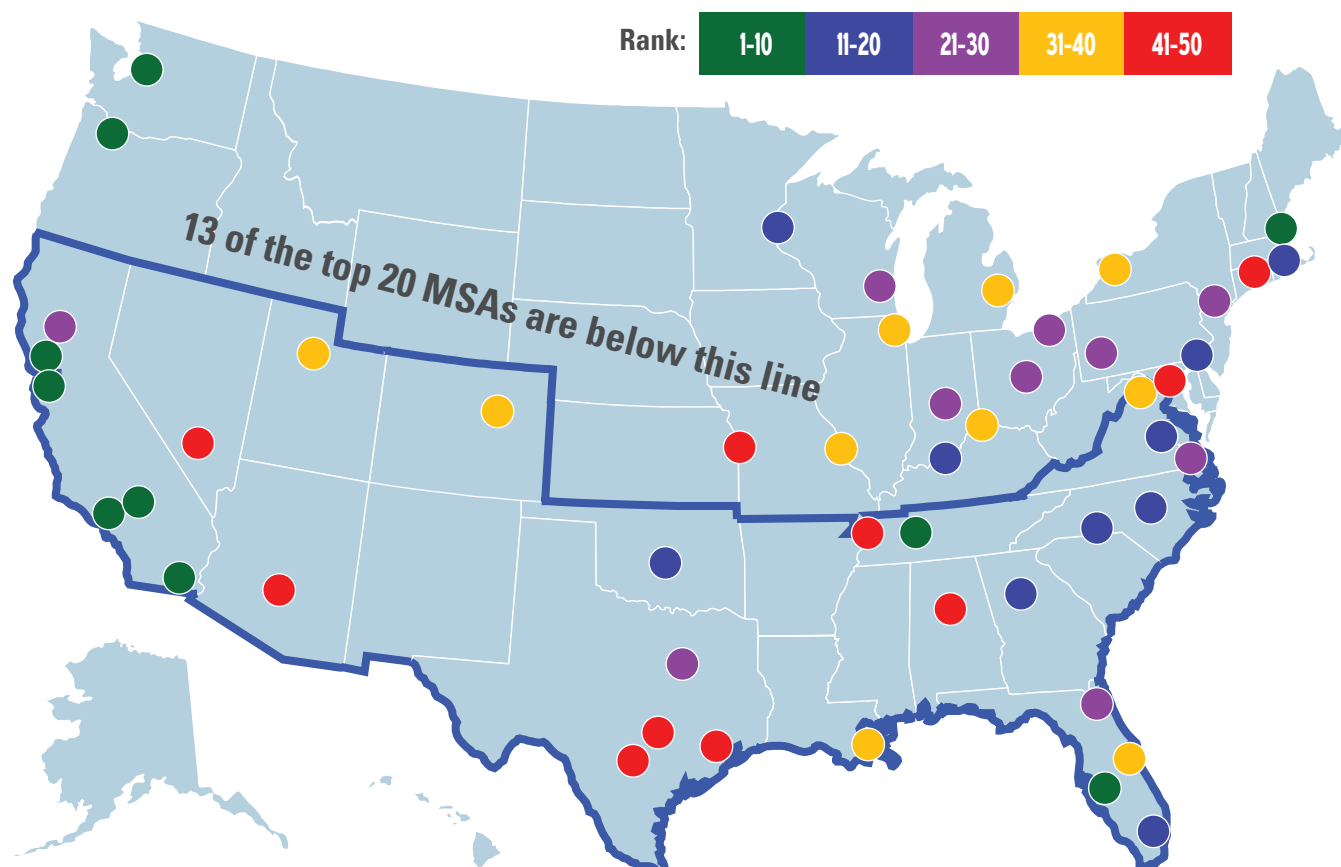


# Consolidated Ranking of Commercial Real Estate Fundamentals (4 product types)



This map combines an equal weighting of all four primary property types for each major market. Note that in some high growth markets (Texas, for example) the relative weakness in the rankings reflects in part high levels of new supply delivered by developers bullish on future growth. Whereas other markets where development is more difficult (CA, for example) relatively lower levels of new supply result in higher rankings of certain property type fundamentals.

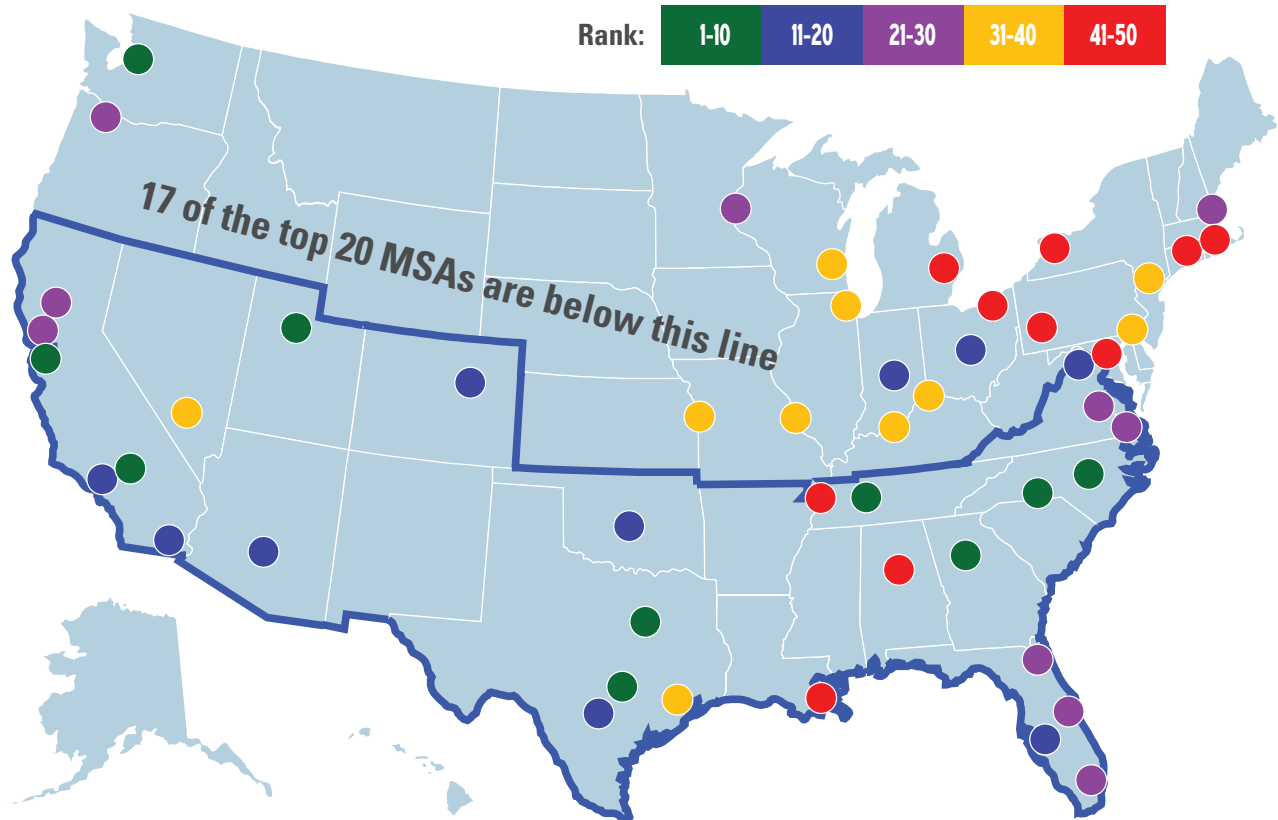
If absorption outpaces supply in strong growth markets, the red dots could improve. However, accounting for the current slowdown and using reasonable projections of future absorption between now and the end of 2024, some higher growth markets do appear to be at least temporarily over-supplied.



# Morrison Street Research's Top 50 MSA Ranking

These consolidated rankings account for all factors within the categories of socioeconomic, quality of life and commercial real estate fundamentals. In total, 32 separate inputs were used to analyze each MSA and develop a consolidate picture of its overall health and growth prospects.

In this comprehensive view of the top 50 markets, we once again see a heavy concentration of states in the southern portion of the country (south of 40 degrees).



#	METROPOLITAN STATISTICAL AREA	#	METROPOLITAN STATISTICAL AREA
1	Raleigh-Cary, NC Metro Area	26	Minneapolis-St. Paul-Bloomington, MN-WI Metro Area
2	Charlotte-Concord-Gastonia, NC-SC Metro Area	27	Boston-Cambridge-Newton, MA-NH Metro Area
3	Dallas-Fort Worth-Arlington, TX Metro Area	28	Jacksonville, FL Metro Area
4	Seattle-Tacoma-Bellevue, WA Metro Area	29	Sacramento-Roseville-Folsom, CA Metro Area
5	Atlanta-Sandy Springs-Alpharetta, GA Metro Area	30	Orlando-Kissimmee-Sanford, FL Metro Area
6	Nashville-Davidson--Murfreesboro--Franklin, TN Metro Area	31	Houston-The Woodlands-Sugar Land, TX Metro Area
7	San Jose-Sunnyvale-Santa Clara, CA Metro Area	32	Louisville/Jefferson County, KY-IN Metro Area
8	Salt Lake City, UT Metro Area	33	Cincinnati, OH-KY-IN Metro Area
9	Riverside-San Bernardino-Ontario, CA Metro Area	34	Kansas City, MO-KS Metro Area
10	Austin-Round Rock-Georgetown, TX Metro Area	35	New York-Newark-Jersey City, NY-NJ-PA Metro Area
11	Washington-Arlington-Alexandria, DC-VA-MD-WV Metro Area	36	Las Vegas-Henderson-Paradise, NV Metro Area
12	San Diego-Chula Vista-Carlsbad, CA Metro Area	37	Philadelphia-Camden-Wilmington, PA-NJ-DE-MD Metro Area
13	Indianapolis-Carmel-Anderson, IN Metro Area	38	Chicago-Naperville-Elgin, IL-IN-WI Metro Area
14	Denver-Aurora-Lakewood, CO Metro Area	39	Milwaukee-Waukesha, WI Metro Area
15	Phoenix-Mesa-Chandler, AZ Metro Area	40	St. Louis, MO-IL Metro Area
16	Oklahoma City, OK Metro Area	41	Detroit-Warren-Dearborn, MI Metro Area
17	San Antonio-New Braunfels, TX Metro Area	42	Baltimore-Columbia-Towson, MD Metro Area
18	Tampa-St. Petersburg-Clearwater, FL Metro Area	43	Providence-Warwick, RI-MA Metro Area
19	Los Angeles-Long Beach-Anaheim, CA Metro Area	44	Cleveland-Elyria, OH Metro Area
20	Columbus, OH Metro Area	45	Memphis, TN-MS-AR Metro Area
21	Richmond, VA Metro Area	46	Hartford-East Hartford-Middletown, CT Metro Area
22	Portland-Vancouver-Hillsboro, OR-WA Metro Area	47	Pittsburgh, PA Metro Area
23	Miami-Fort Lauderdale-Pompano Beach, FL Metro Area	48	Birmingham-Hoover, AL Metro Area
24	Virginia Beach-Norfolk-Newport News, VA-NC Metro Area	49	New Orleans-Metairie, LA Metro Area
25	San Francisco-Oakland-Berkeley, CA Metro Area	50	Buffalo-Cheektowaga, NY Metro Area



## Conclusions

In the context of significant technological and societal changes, properties and market locations are sorting ever more so into winners and losers. Differentiating sustainable and growing assets will prove challenging but potentially rewarding through a post-Covid recession and eventual recovery.

Covid has accelerated societal and technological changes already underway.



Remote work will lead to reduced office footprints.



We expect a modest trend away from core downtowns and back to larger homes in the suburbs.



Average CRE transaction sizes will trend smaller.

After the forbearance period, capital gaps will form due to distressed assets and lower LTV mortgages for stable product.



Investment strategies should be executed with these trends in mind.



Like all things—  
2020, too, shall pass.  
Right?



# Case Study - Denver, CO

If we can no longer rely on overall growth within a state or city, we will need to spot pockets of growth and momentum within particular product types or submarkets. To do this, we can apply the same overall methods, but drill down another layer to understand what is driving movement and locate the path of growth in each market.

To help illustrate these concepts, let's take a quick look at Denver. We're using Denver as an example of an approach to studying a market, not necessarily to forecast a particular investment we would make on behalf of the Morrison Street Funds. Any specific investment decision would depend on product type involved, the quality of the property itself, and the details of the sponsorship and rent roll.

## Morrison Street Research Top 50 MSA's Ranking Criteria

First, let's provide a framework for reviewing the geography within any MSA. We are not necessarily predicting a uniform movement into or out of every major city. We see an overall trend toward moving away from the inner core, but in some markets the opposite may be true.

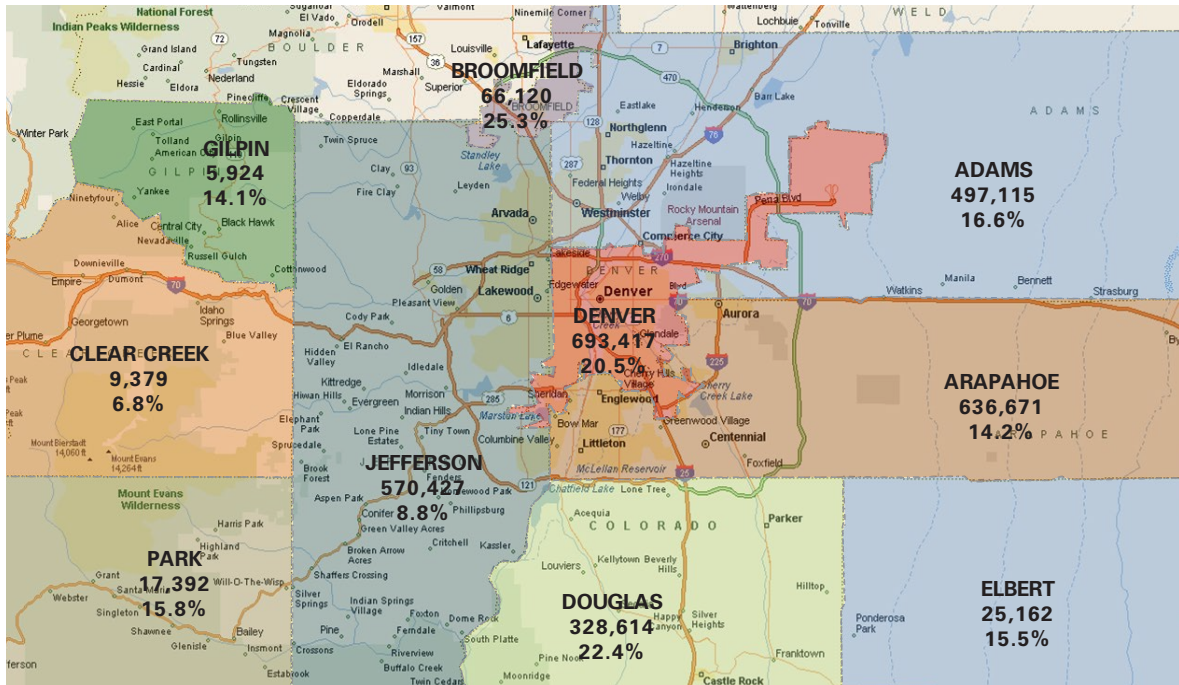
What we're most interested in finding are pockets of coalescing concentrations of modern infrastructure, safety, jobs and population. On this map, these sorts of edge or satellite cities have amenities similar to CBD locations, but are lower rise in nature, with more open space, larger houses and apartments, a growing tax base, better schools, and multiple transportation options.





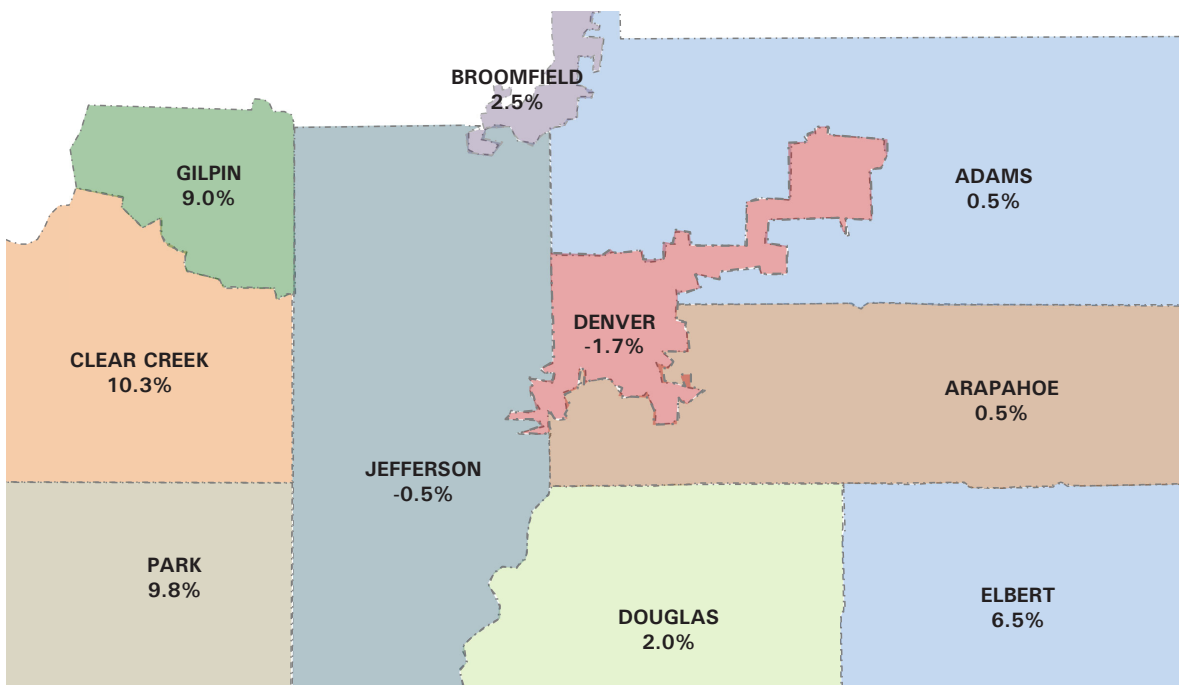
## Current Denver MSA Population (by county & % change from 2010-2019)

As with many markets, the Denver downtown area has gone through a Renaissance over the past two decades, including the conversion of older buildings into modern office, retail and residential spaces and construction of abundant new condos and apartments. As a result, Denver County continues to have a larger population than its neighboring counties.



## Denver MSA Population Movement (Covid Phase)

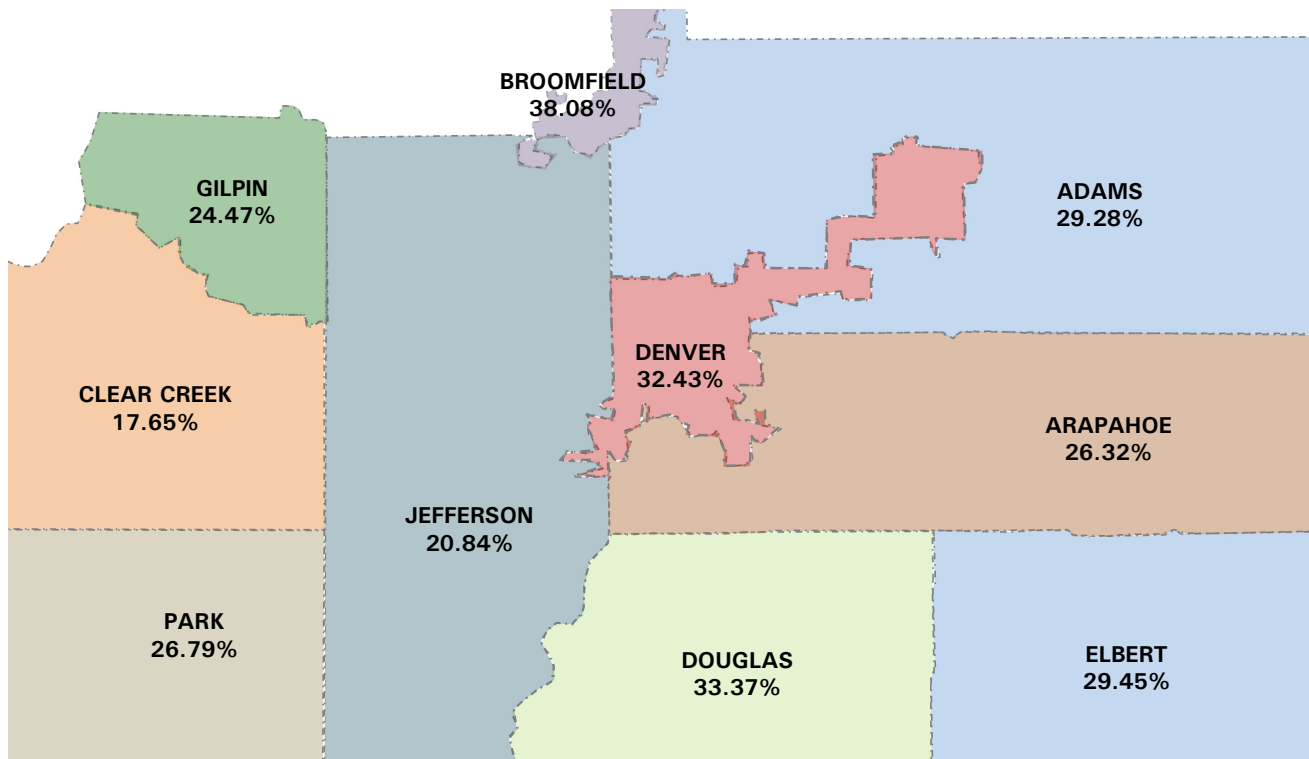
We reviewed the data of cell phone users to see if we could detect movement within the MSA following the onset of Covid. What we believe we're seeing here are younger workers and students leaving downtown and moving into second homes (or their parent's second homes) in the lower mountains.





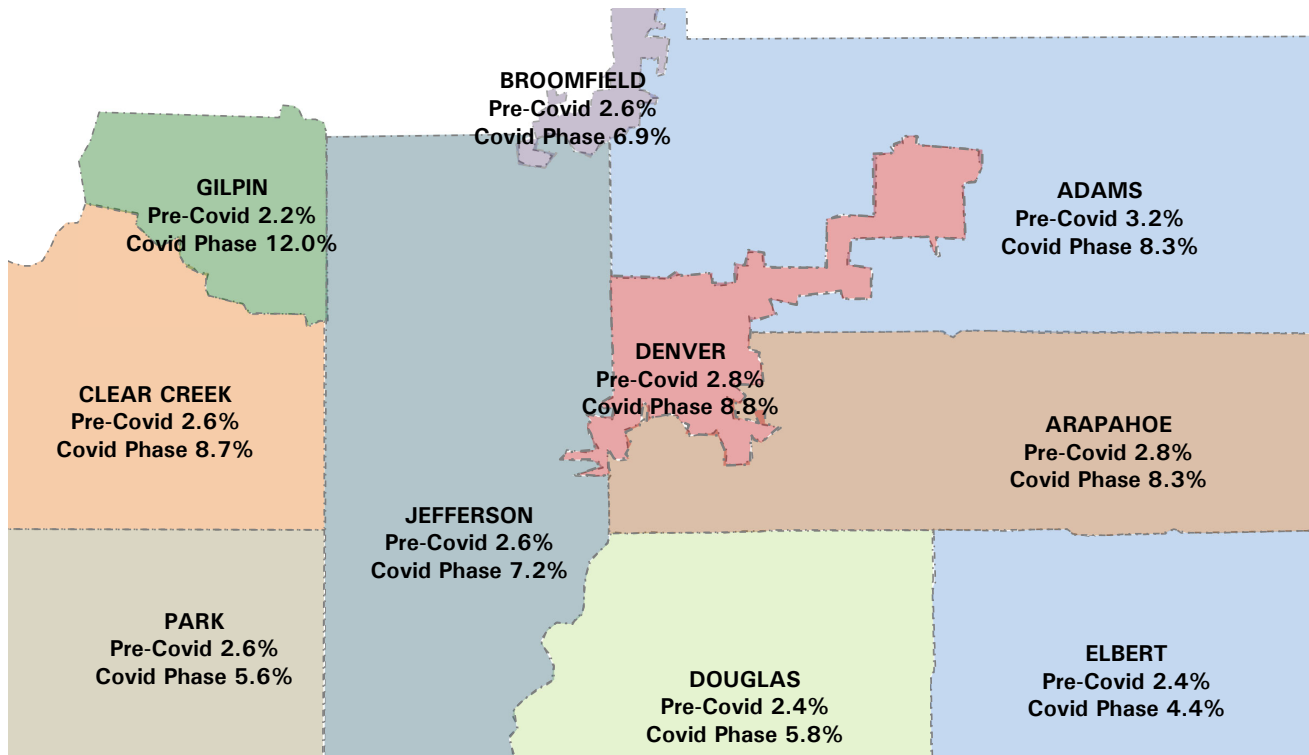
## Denver MSA Job Gains/Losses (Pre-Covid - 2010-Feb.2020)

Over the past 10 years, Broomfield, Denver and Douglas counties had experienced the most job growth.

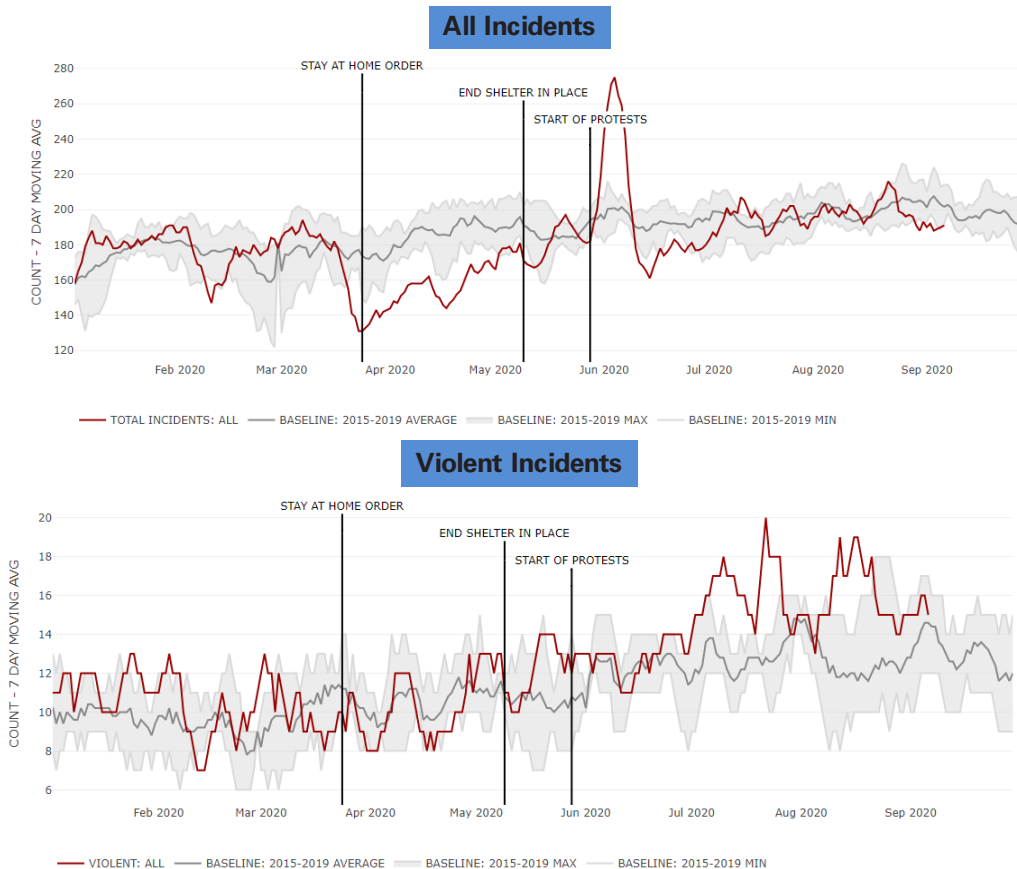


## Denver MSA Unemployment (Pre- and Covid Phase)

Before Covid hit, unemployment was relatively low across the Denver MSA. During Covid, Denver County has seen the greatest increase in unemployment among the major counties.



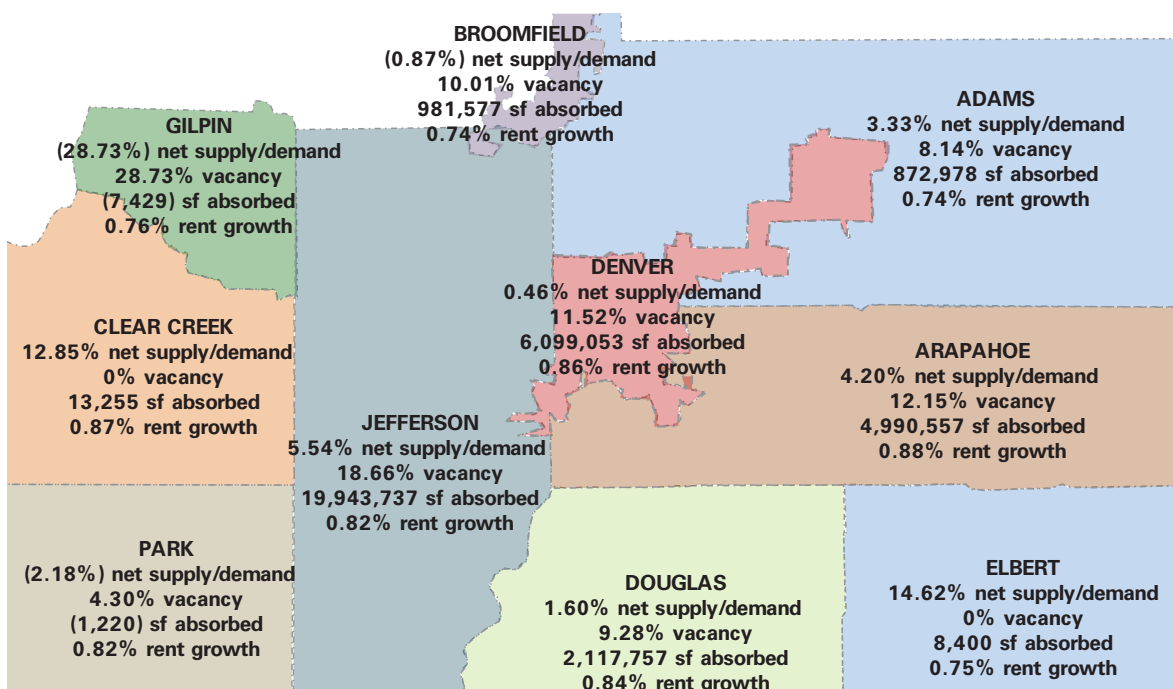
## Denver MSA Crime



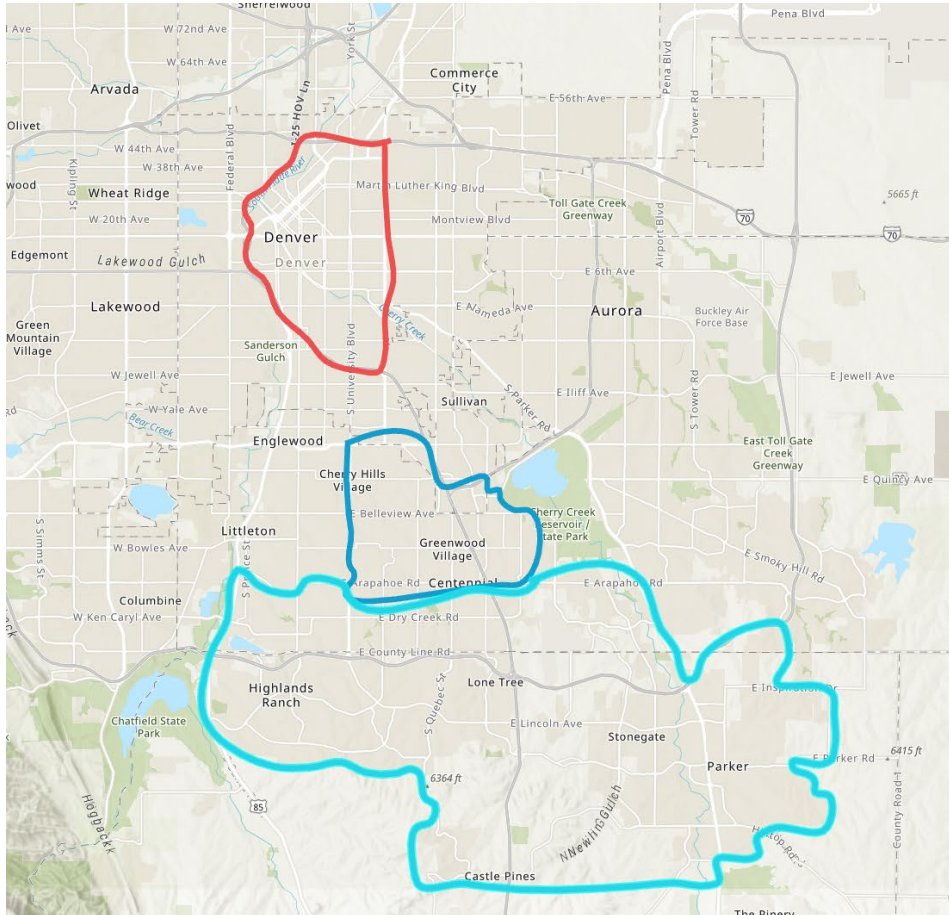
Like Portland and Minneapolis, the incidence of overall crime in the city of Denver has been typical other than during the initial protest phase, but violent crime shows a more concerning trend.

## Denver MSA Office Statistics

In the interest of saving time and space, we are only looking here at Denver office statistics. Downtown Denver has a relatively weaker net supply/demand ratio for the past 10 years than Douglas County, where much of the recent growth has been occurring.



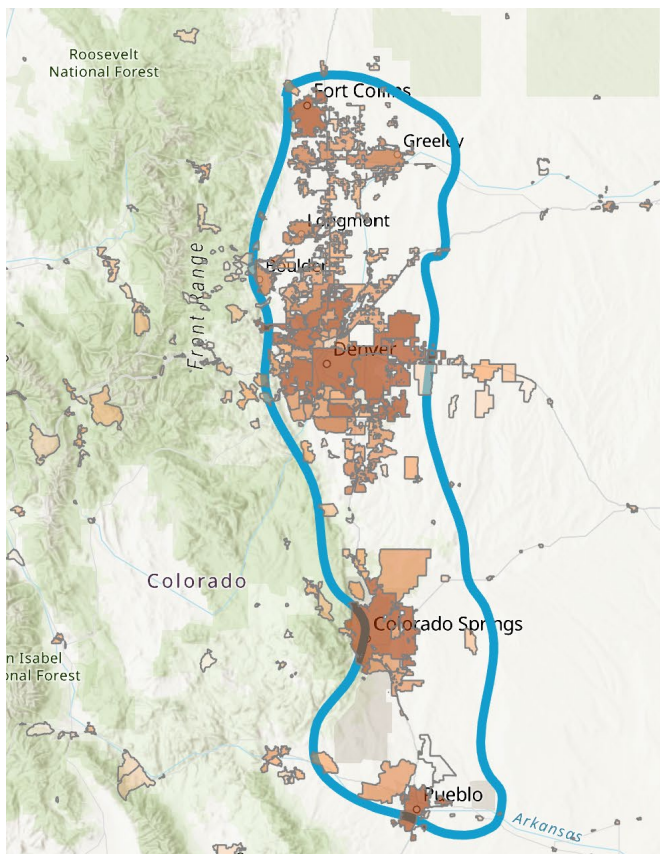
## Urban-Suburban Migration



Historically, the two most significant office markets are Downtown Denver (red outline) and the Denver Tech Center/Greenwood Village area (darker blue outline). The CBD Denver and Southeast Suburban markets contain similar amounts of office space. Perhaps the main differences are that downtown has more walkable amenities, and while Denver public schools are among the worst in the state, Cherry Creek schools are among the very best.

A new competitor is on the horizon. In addition to the traditional growth corridor going northwest toward Boulder, an emerging concentration area is forming around Highlands Ranch, Lone Tree, Centennial and Parker, which

surrounds the southern portion of the E-470 that rings around about 70% of the Denver metro area.



## Growth Dynamics

This map reflects population density. People want access to the mountains, and as a result, the larger growth corridor tends to run along I-25 to the north and south and less so to the east and west along I-70. Eventually, one could expect a single vertical megalopolis from Fort Collins to Pueblo.





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