



Colorado Springs/El Paso County Q4 2024 Market Update



Item	2023 YTD	2024 YTD	% Difference
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VELOCITY (Source: Moody's, through December)

Commercial Sales Volume	\$127,065,934	\$363,730,836	186.25%
Commercial Transactions	65	99	52.31%

SALES TAX INDICATORS

(Source: ColoradoSprings.gov - City of Colorado Springs, December)

All Sales Taxes	\$19,938,339	\$19,739,979	-0.99%
Retail Taxes	\$17,995,593	\$17,668,043	-1.82%
Restaurant Taxes	\$2,492,309	\$2,464,941	-1.10%
Lodging Taxes	\$505,065	\$498,762	-1.25%
Medicinal Marijuana Sales	\$104,919	\$94,822	-9.62%

VACANCY RATE 11.30% 13.54% 3.75%

(Source: Variable; Office Sector, Class A/B, through Q4)

EL PASO COUNTY RESIDENTIAL REAL ESTATE

(Source: Colorado Association of Realtors - El Paso County, through December)

Residential Total Sales	\$5,426,185,410	\$5,497,085,412	1.31%
Residential Average Price	\$540,726	\$559,329	3.44%
Residential Days on Market	36	42	16.67%
Residential Listed for Sale	1663	2065	24.17%

Cap Rates as of 01/27/2025 Commercial Property Cap Rates By Property Type, Sector & Class			
Property Type	Class A	Class B	Class C
Multifamily Metro Mid & High Rise	4.80 - 5.07	4.85 - 5.14	5.50 - 5.60
Multifamily Suburban	4.85 - 5.10	5.14 - 5.18	5.58 - 5.64
Retail Metro (CBD)	5.68 - 5.92	6.25 - 6.84	6.80 - 6.94
Retail Suburban	6.04 - 6.42	6.25 - 6.75	7.12 - 7.25
Office Metro	7.95 - 8.42	8.38 - 8.82	8.38 - 8.76
Office Suburban	7.85 - 8.40	8.28 - 8.68	8.76 - 9.02
All Self-Storage	5.90 - 5.82	5.64 - 5.95	6.14 - 6.42
All Industrial	6.12 - 6.38	6.28 - 6.42	6.56 - 6.93
Hotel Metro (Luxury)(CBD)	6.08 - 6.24	6.58 - 6.85	7.00 - 7.40
Hotel Suburban	7.02 - 7.25	7.85 - 8.20	8.25 - 8.60
Hotel Economy		8.90 - 9.45	9.50 - 10.0

Source: <https://apartmentloanstore.com/colorado-springs/colorado/cap-rate>



Colorado Springs/El Paso County Recent and Current Happenings



PUBLIC POLICY

- A newly approved annexation, known as the Karman Line, encompasses approximately 1,783 acres of vacant agricultural land in El Paso County. Situated just east of Schriever Space Force Base, the site is planned for the development of 6,500 homes and a variety of mixed-use spaces.

HAPPENINGS

- The Annual Business Snapshot showcased the achievements of the Colorado Springs Chamber & EDC in 2024, including the successful completion of economic development projects with 11 new and expanding companies. These efforts created 1,181 jobs and brought \$62.2 million in capital investments to the Pikes Peak region.
- The Milken Institute has ranked Colorado Springs as the 5th Best-Performing City in the U.S. for 2025, a remarkable climb of 10 spots from its 2024 position at 15th place. This accolade underscores Colorado Springs' strong economic growth, vibrant job market, and flourishing innovation ecosystem, solidifying its status as a top city for economic performance nationwide.
- Meyer Burger, a Swiss solar company, scrapped its plans to build a new factory in Colorado Springs. This erases the 350+ new jobs and large commercial leasing opportunities that were expected.

COMMERCIAL REAL ESTATE

- In 2024, the Colorado Springs industrial market saw mixed results. Sales volume and prices fell, with the average price per square foot down 5.6% to \$173.57 but still 49% higher than five years ago. Lease rates rose 1.5% to \$11.00 per square foot, with deal execution averaging \$12.16—a 22% increase over five years.

KEY TRANSACTIONS

- MULTI-FAMILY: Apex Luxury Apts (360 units | \$102,500,000); View On Centennial (312 units | \$95,000,000)
- MEDICAL/DENTAL: 6011 E Woodmen Rd (\$31,000,000)