



Colorado Springs/El Paso County Q1 2024 Market Update



Item	2023 YTD	2024 YTD	% Difference
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VELOCITY

(Source: Moody's – El Paso County, Q1)

Commercial Sales Volume	\$194,969,774	\$278,149,119	42.66%
Commercial Transactions	86	76	-11.63%

SALES TAX INDICATORS

(Source: ColoradoSprings.gov - City of Colorado Springs, March 2024)

All Sales Taxes	\$17,055,520	\$17,920,354	5.07%
Retail Taxes	\$15,308,220	\$16,356,204	6.85%
Restaurant Taxes	\$2,322,926	\$2,531,639	5.57%
Lodging Taxes	\$417,911	\$410,079	-1.87%
Medicinal Marijuana Sales	\$109,258	\$115,554	5.76%

VACANCY RATE*	11.30%	13.05%	15.49%
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(Source: Variable; Office Sector, Class A/B, *Q1 2024 – Colorado Springs)

EL PASO COUNTY RESIDENTIAL REAL ESTATE

(Source: Colorado Association of Realtors - El Paso County, March 2024)

Residential Total Sales	\$1,166,085,530	\$1,084,297,480	-7.01%
Residential Average Price	\$518,030	\$526,358	1.61%
Residential Days on Market	50	53	6.00%
Residential Listed for Sale	1507	1566	3.92%

Cap Rates as of 04/18/2024			
Commercial Property Cap Rates			
By Property Type, Sector & Class			
Property Type	Class A	Class B	Class C
Multifamily Metro Mid & High Rise	4.75 – 5.00	4.85 – 5.10	5.20 – 5.40
	4.85 – 5.12	5.00 – 5.15	5.45 – 5.75
Retail Metro (CBD)	6.00 – 6.25	6.10 – 6.55	6.80 – 7.25
	5.90 – 6.20	6.15 – 6.70	6.40 – 6.86
Office Metro	6.60 – 7.20	6.75 – 7.10	7.20 – 7.50
	6.50 – 7.20	7.20 – 7.50	7.25 – 7.65
All Self-Storage	5.20 – 5.40	5.64 – 5.70	6.00 – 6.20
All Industrial	5.50 – 6.00	6.00 – 6.25	6.00 – 6.20
Hotel Metro (Luxury)(CBD)	7.75 – 8.30	8.25 – 8.70	8.90 – 9.20
Hotel Suburban	8.25 – 8.80	8.40 – 8.80	8.75 – 9.25
Hotel Economy		9.00 – 9.50	9.25 – 9.65

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



PUBLIC POLICY

- The resolution firmly asserted that Colorado Springs would not adopt the Sanctuary City status, citing the City's consistent recognition as one of the best places to live and United States, with its cherished safety and quality of life for law-abiding citizens.
- We're continuing to see affordable housing projects to get funding/traction.

DEVELOPMENTS

- Continued highway construction on both I-25 and the Hwy 21 (Powers Blvd) to help ease traffic congestion between Colorado Springs and Denver.
- A \$73 million project is underway to create a more sustainable water system for part of northern El Paso County. The Northern Water Delivery System will allow the Triview Metropolitan District in Monument to use renewable water rights to help replace its diminishing groundwater resources .
- Semiconductor, Defense, Aerospace, Cyberspace sectors continue to see growth and increased focus on the Colorado Springs market. Specific companies include: Spectrum LLC, Ignite Fueling Innovation, and Invictus.
- Sunset Amphitheatre continued construction and announced the upcoming season of performers, beginning Summer 2024. This will be the first outdoor music venue to Colorado Springs.