



# Colorado Springs/El Paso County Q2 2024 Market Update



Item	2023 YTD	2024 YTD	% Difference
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## VELOCITY

(Source: Moody's - El Paso County, Q2)

Commercial Sales Volume	\$239,030,508	\$155,705,246	-34.86%
Commercial Transactions	109	101	-7.34%

## SALES TAX INDICATORS

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

All Sales Taxes	\$20,454,130	\$21,562,213	5.42%
Retail Taxes	\$18,503,174	\$19,692,832	6.43%
Restaurant Taxes	\$2,851,169	\$3,072,118	7.75%
Lodging Taxes	\$800,588	\$905,816	13.14%
Medicinal Marijuana Sales	\$111,582	\$110,390	-1.07%

## VACANCY RATE

	13.38%	12.96%	-3.14%
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(Source: Variable; Office Sector, Class A/B, Colorado Springs, Q2)

## EL PASO COUNTY RESIDENTIAL REAL ESTATE

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

Residential Total Sales	\$2,870,555,902	\$2,686,596,924	-6.41%
Residential Average Price	\$533,759	\$552,684	3.55%
Residential Days on Market	37	42	13.51%
Residential Listed for Sale	2051	2384	16.24%

Cap Rates as of 07/30/2024			
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
Multifamily Suburban	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
Retail Suburban	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
Office Suburban	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>



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### **PUBLIC POLICY**

- The 2024-2028 Strategic Plan draft, published in June outlines Mayor Yemi's vision for the city's long-term goals and priorities for the next four years. The plan highlights five specific priorities: public safety, economic vitality, infrastructure, housing solutions, and community activation.

### **DEVELOPMENTS**

- The 39th Space Symposium at the Broadmoor Hotel in Colorado Springs which kicked off on April 8, draws a global crowd of thousands, including top space professionals and experts. Some highlights included an announcement of a new space warfare lab; a Colorado Springs electronics manufacturer expanding by adding 100 jobs; and the Space Foundation's Discovery Center preparing for a three-story James Webb telescope model.
- Aiding the positive absorption in the Office Market, 2424 Garden of the Gods continued to fill vacancies through the additional Space Command offices.
- A new education partnership between Guild and Team USA, utilizing Purdue Global as a preferred online university degree provider, will provide eligible Team USA athletes — including Olympians & Paralympians — with flexible, tuition-free education and skills programming for long-term success on and off the field of play.
- Colorado was the recent recipient of major federal grants aimed at creating safe passage for wildlife and increasing driver safety. Funding includes \$22 million to create a wildlife overpass along I-25 between Denver and Colorado Springs.

### **KEY TRANSACTIONS**

- INDUSTRIAL: 6250 Corporate Dr (Buyer-MedRide, 23,095 SF)
- OFFICE: Medical Pavilion at Briargate (Tenant-HealthONE, 27,821 SF)
- RETAIL: Chapel Hills East [Portfolio of 7 Properties] (Buyer-MetLife Investment, \$31,777,000 Closing Sale Price)