



# Colorado Springs/El Paso County Q3 2024 Market Update



Item	2023 YTD	2024 YTD	% Difference
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## VELOCITY

(Source: Moody's - El Paso County, Q3)

Commercial Sales Volume	\$211,049,848	\$226,742,110	7.44%
Commercial Transactions	152	95	-37.50%

## SALES TAX INDICATORS

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

All Sales Taxes	\$21,454,445	\$21,847,303	1.83%
Retail Taxes	\$19,531,013	\$19,687,516	0.80%
Restaurant Taxes	\$2,809,454	\$2,957,763	5.28%
Lodging Taxes	\$1,049,816	\$1,076,553	2.55%
Medicinal Marijuana Sales	\$121,527	\$111,636	-8.14%

<b>VACANCY RATE</b>	13.29%	15.10%	13.62%
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(Source: Variable; Office Sector, Class A/B, Colorado Springs, Q3)

## EL PASO COUNTY RESIDENTIAL REAL ESTATE

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

Residential Total Sales	\$4,362,181,526	\$4,166,897,006	-4.48%
Residential Average Price	\$540,811	\$557,519	3.09%
Residential Days on Market	35	40	14.29%
Residential Listed for Sale	2358	2747	16.50%

Cap Rates as of 10/28/2024			
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**

- Every four years City Council District boundaries are re-drawn. The districts were last re-aligned in 2020 and the City Clerk is now reviewing the districts ahead of the 2025 General Municipal Election.

## **HAPPENINGS**

- Presented with a top business award by the Colorado Springs Chamber of Commerce and EDC in July of 2024, We Fortify provides tiny houses for young people through its Elevate Villages program. In addition to housing, the program equips participants with life skills training, job placement services, and trauma-response therapies.
- Neighbor.com today unveiled the results of its fifth annual "Most Neighborly Cities in America" ranking, and Colorado Springs is ranked No. 1, up two spots from 2023. The ranking took into account charitable donations, volunteerism, crime rates, voter turnout and population growth. Second was Madison, WI and third was Virginia Beach, VA.
- The annual Labor Day Lift Off took place at Memorial Park, featuring over 70 unique hot air balloons, and is estimated to have an economic impact of \$20M each year.
- Major investments at the Colorado Springs Airport – aimed at expansion and customer experience.

## **COMMERCIAL REAL ESTATE**

- The average asking lease rate across Colorado Springs office market have continued to climb, ending the third quarter at \$18.12 per square foot, NNN.
- The office vacancy rate also continued to climb, now up over 15% (up 13.62% from this time last year).

## **KEY TRANSACTIONS**

- MULTI-FAMILY: Ironwood Apartments (192 units) at Palmer Park (\$41,350,000)
- HOSPITALITY: Embassy Suites at Commerce Center (\$17,000,000)