



Colorado Springs/El Paso County Q4 2025 Market Update



Item	2024	2025	% Difference
------	------	------	--------------

VELOCITY

Commercial Sales Volume
Commercial Transactions

Data Sources are out of date

SALES TAX INDICATORS

(Source: ColoradoSprings.gov - City of Colorado Springs, Dec 2025)

All Sales Taxes	\$19,739,979	\$20,254,146	2.60%
Retail Taxes	\$18,308,608	\$18,841,143	2.91%
Restaurant Taxes	\$2,464,941	\$ 2,609,602	5.87%
Lodging Taxes	\$498,762	\$478,107	-4.14%

VACANCY RATE 13.54% 12.87% 4.95%

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

EL PASO COUNTY RESIDENTIAL REAL ESTATE

(Source: Colorado Association of Realtors - El Paso County, through Dec 2025)

Residential Total Sales	\$ 5,493,955,789	\$5,688,434,820	3.54%
Residential Average Price	\$559,409	\$564,105	0.84%
Residential Days on Market	42	49	16.67%
Residential Listed for Sale	2268	2471	8.95%

Cap Rates as of 02/03/2026			
Commercial Property Cap Rates			
By Property Type, Sector & Class			
Property Type	Class A	Class B	Class C
Multifamily Metro Mid & High Rise	4.90 - 5.17	4.95 - 5.24	5.60 - 5.90
Multifamily Suburban	4.95 - 5.20	5.04 - 5.28	5.68 - 5.74
Retail Metro (CBD)	5.78 - 6.02	6.35 - 6.94	6.80 - 7.04
Retail Suburban	6.14 - 6.59	6.35 - 6.85	7.22 - 7.35
Office Metro	8.05 - 8.59	8.58 - 8.92	8.58 - 8.86
Office Suburban	8.05 - 8.50	8.38 - 8.78	8.86 - 9.12
All Self-Storage	6.00 - 6.30	5.74 - 6.05	6.24 - 6.49
All Industrial	6.22 - 6.48	6.38 - 6.52	6.66 - 7.03
Hotel Metro (Luxury)(CBD)	6.18 - 6.34	6.68 - 6.95	7.10 - 7.50
Hotel Suburban	7.12 - 7.35	7.95 - 8.30	8.35 - 8.70
Hotel Economy		9.50 - 9.55	9.60 - 10.10

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



Colorado Springs / El Paso County Recent and Current Happenings



PUBLIC POLICY

- With the ushering in of retail marijuana after over a decade of remaining strictly medicinal, Colorado Springs has brought in nearly \$2M in tax revenue after only 9 months of retail shops being open, representing a staggering increase.
- Year-end state of the city remarks by local officials emphasized significant drops in crime rates, including a 20% reduction in homicides, 41% in motor vehicle thefts, and 16% in overall property crime. Emergency response times also improved, with 911 calls being answered more efficiently.

HAPPENINGS

- The city advanced agreements for job creation, notably Swire Coca-Cola's announcement of a \$475 million manufacturing facility, which was expected to boost advanced manufacturing jobs.
- In November 2025, apartment construction activity rose — with permits issued for over 1,100 new units across multiple projects (including affordable units and larger complexes), signaling a rebound after slower construction earlier in the year.
- Cost of living in Colorado Springs is now 2% higher than the national average and 3% lower than the state average; housing in the Springs is 7% more expensive than the U.S. average.

COMMERCIAL REAL ESTATE

- Office Vacancy rates remained relatively stable over the past year, edging down from 13.54% at year-end 2024 to 12.87% in 2025. Over the last four years, these have averaged 12.80%, with the market reaching its lowest point in 2022 at 11.59%.
- The Colorado Springs multifamily market ended 2025 in a position of relative stability, with occupancy rising to 93.0%, reflecting modest gains over both 2024 and 2023. Development activity continued its downward trend from the 2023 peak, with 2025 deliveries less than one-third of 2024 levels. Investment activity softened relative to 2024 but rebounded to 2023 levels, suggesting cautious yet renewed investor interest.

KEY TRANSACTIONS

- MULTI-FAMILY: \$82M | Forge at Briargate
- MULTI-FAMILY: \$81M | Upland Flats