MARKETBEAT

COLORADO SPRINGS

MULTIFAMILY Q4 2025

CUSHMAN & WAKEFIELD

MARKET FUNDAMENTALS

	YOY Chg	Outlook
6.9% Vacancy Rate	▲	▼
2,120 Net Absorption, units (YTD)	▼	▲
$1,409 Effective Rent, per unit *(Overall, All Property Classes)*	▼	▼

ECONOMIC INDICATORS

	YOY Chg	Outlook
336.2K Colorado Springs Employment	▲	▲
4.3% Colorado Springs Unemployment Rate	▼	▼
1.2% Colorado Springs Household Growth Rate	▲	▲

Source: BLS

Metro- and city-level employment data as of Q3 2025; U.S. averages Oct. and Nov. data due to delays from government shutdown

ECONOMY: COLORADO DROPS BELOW NATIONAL AVERAGE

- Colorado Springs' unemployment rate decreased 10 basis points (bps) from Q3 2024 and 50 bps from Q2 2025, ending September 2025 at 4.3%, 30 bps below the national average.
- Employment continued expanding year-over-year (YOY) in Colorado Springs, reaching 336,200 by the end of Q3 2025. The median household income rose to $95,700, significantly exceeding the revised national average of $83,800, and is projected to continue growing through 2026.
- The annual household growth rate in Colorado Springs grew 40 bps faster than the U.S average YOY. High birthrates, competitive wages, and beautiful geography continue to drive population growth in the area.

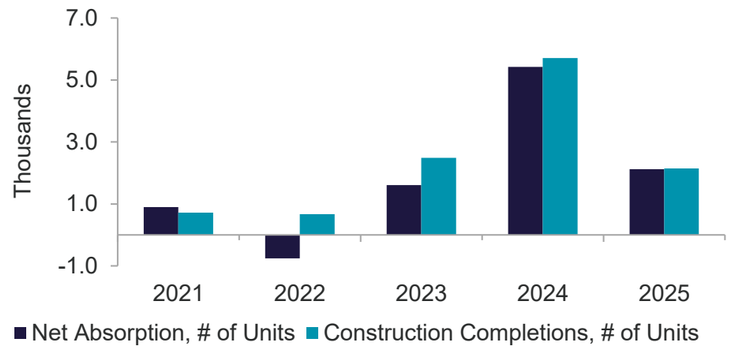
SUPPLY: ABSORPTION REMAINS BELOW FIVE-YEAR AVERAGE

- Net absorption continued to drop through Q4 2025, recording 31 units of absorption, a 92.7% decrease quarter-over-quarter (QOQ) and a decrease of 97.7% compared to Q4 2024.
- Three of the four submarkets posted positive absorption in Q4 2025. West Colorado Springs led with 58 units absorbed, followed by Central Colorado Springs with 19 units and North Colorado Springs with a modest gain of one unit. East Colorado Springs recorded negative absorption of 47 units.
- Colorado Springs' overall vacancy rate grew 50 bps QOQ but fell 10 bps YOY, ending Q4 2025 at 6.9%. This figure remained 120 bps above the five-year average of 5.7% for the Colorado Springs Market.
- The largest delivery of the quarter occurred in the North submarket with the completion of The Aven, a 284-unit property owned and developed by Hines.
- However, there were only three projects completed in the fourth quarter of 2025, two in the Central submarket and one in the North submarket.

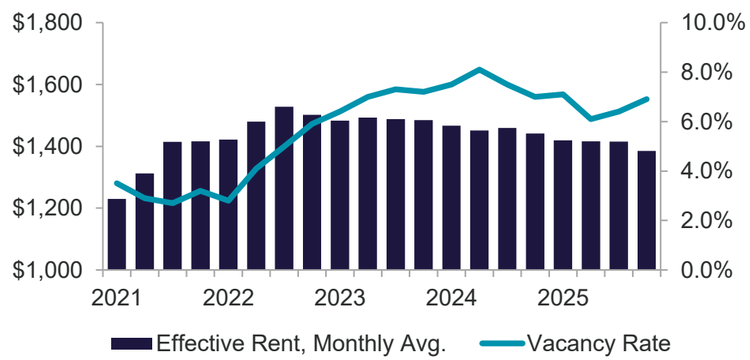
PRICING: EFFECTIVE AND ASKING RENT PRICES FALL

- Average asking rents, which had stabilized through the first three quarters of 2025, declined in the final quarter to $1,420 per unit and $1.67 per square foot, marking a 2.3% YOY decline and a 1.1% decrease from Q3 2025. Rental rates now range from $1,271 (Central) to $1,531 (North).

DEMAND / DELIVERIES



OVERALL VACANCY & EFFECTIVE RENT



Source: (RealPage)

© 2024 Cushman & Wakefield

COLORADO SPRINGS
MULTIFAMILY Q4 2025

MARKET STATISTICS

SUBMARKET	INVENTORY (UNITS)	Q4 2025 DELIVERIES (UNITS)	YOY % INVENTORY GROWTH	UNDER CNSTR (UNITS)	Q4 2025 NET ABSORPTION (UNITS)	VACANCY RATE (%)	YOY VACANCY RATE CHANGE (%)	AVG EFFECTIVE RENT / UNIT	AVG EFFECTIVE RENT PSF	YOY % EFFECTIVE RENT GROWTH
Central Colorado Springs	16,844	154	4.8%	383	19	7.0%	-0.2%	$1,271	$1.65	-8.7%
East Colorado Springs	13,928	-	4.1%	326	(47)	7.1%	-0.5%	$1,329	$1.57	-8.8%
North Colorado Springs	18,997	143	4.8%	928	1	7.2%	0.8%	$1,531	$1.64	-7.5%
West Colorado Springs	13,822	-	0.3%	-	58	6.3%	-0.6%	$1,407	$1.65	-7.6%
MARKET	**63,591**	**297**	**3.6%**	**1,637**	**31**	**6.9%**	**0.1%**	**$1,409**	**$1.63**	**-8.0%**

Source: RealPage

KEY SALE TRANSACTIONS Q4 2025

PROPERTY	SUBMARKET	SELLER / BUYER	UNITS	PRICE / $ UNIT
Bear Creek Assisted & Senior Living - 1685 South 21st Street	West	Columbia Pacific / Stellar Senior Living	159	$24.3M / $152,500
Draper Commons Apartments (Phase I) - 335 Victoria Street	Central	Thomas Gannett III	95	$14.1M / $148,400
Forest Ridge Senior Living - 16006 West US Highway 24	West	Cottonwood Healthcare	80	$13.0M / $162,500

Source: RCA

KEY CONSTRUCTION COMPLETIONS Q4 2025

PROPERTY	SUBMARKET	UNITS	OWNER / DEVELOPER
The Aven - 9520 Antora Grove	North	284	Hines
The Hunter - 225 East Cimarron St	Central	214	Argosy Capital / Formativ

Source: RealPage

MARKET DRIVERS

- After a period of record deliveries, multifamily construction starts and completions have dropped sharply, slowing supply growth and tightening the balance between supply and demand. Elevated borrowing costs and stricter lending standards have made financing new developments more difficult, contributing to reduced construction and influencing investor decisions.
- The region continues to experience steady population and household growth, reinforcing structural demand for rental housing, particularly for lower- and middle-income renters. This pressure is compounded by a persistent mismatch between housing costs and household incomes, especially for younger adults, seniors, and middle-income workers. Looking ahead, El Paso County is projected to approach one million residents by 2050, representing a 35% increase from 2023, while Colorado Springs alone has added more than 30,000 households since 2010.

PAT KNOWLTON
Executive Director
Tel: +1 719 648 0423
Pat.Knowlton@cushwake.com

JEFF DIMMEN
Senior Director
Tel: +1 719 499 5756
Jeff.Dimmen@cushwake.com

SEAN HOLAMON
Executive Director
Tel: +1 303 588 2119
Sean.Holaman@cushwake.com

KEVIN PHELAN
Senior Director
Tel: +1 917 679 8723
Kevin.Phelan@cushwake.com

A CUSHMAN & WAKEFIELD RESEARCH PUBLICATION

Cushman & Wakefield (NYSE: CWK) is a leading global commercial real estate services firm for property owners and occupiers with approximately 52,000 employees in nearly 400 offices and 60 countries. In 2024, the firm reported revenue of $9.4 billion across its core service lines of Services, Leasing, Capital markets, and Valuation and other. Built around the belief that Better never settles, the firm receives numerous industry and business accolades for its award-winning culture. For additional information, visit www.cushmanwakefield.com.

©2026 Cushman & Wakefield. All rights reserved. The information contained within this report is gathered from multiple sources believed to be reliable, including reports commissioned by Cushman & Wakefield ("CWK"). This report is for informational purposes only and may contain errors or omissions; the report is presented without any warranty or representations as to its accuracy.

Nothing in this report should be construed as an indicator of the future performance of CWK's securities. You should not purchase or sell securities—of CWK or any other company—based on the views herein. CWK disclaims all liability for securities purchased or sold based on information herein, and by viewing this report, you waive all claims against CWK as well as against CWK's affiliates, officers, directors, employees, agents, advisers and representatives arising out of the accuracy, completeness, adequacy or your use of the information herein.

© 2024 Cushman & Wakefield