

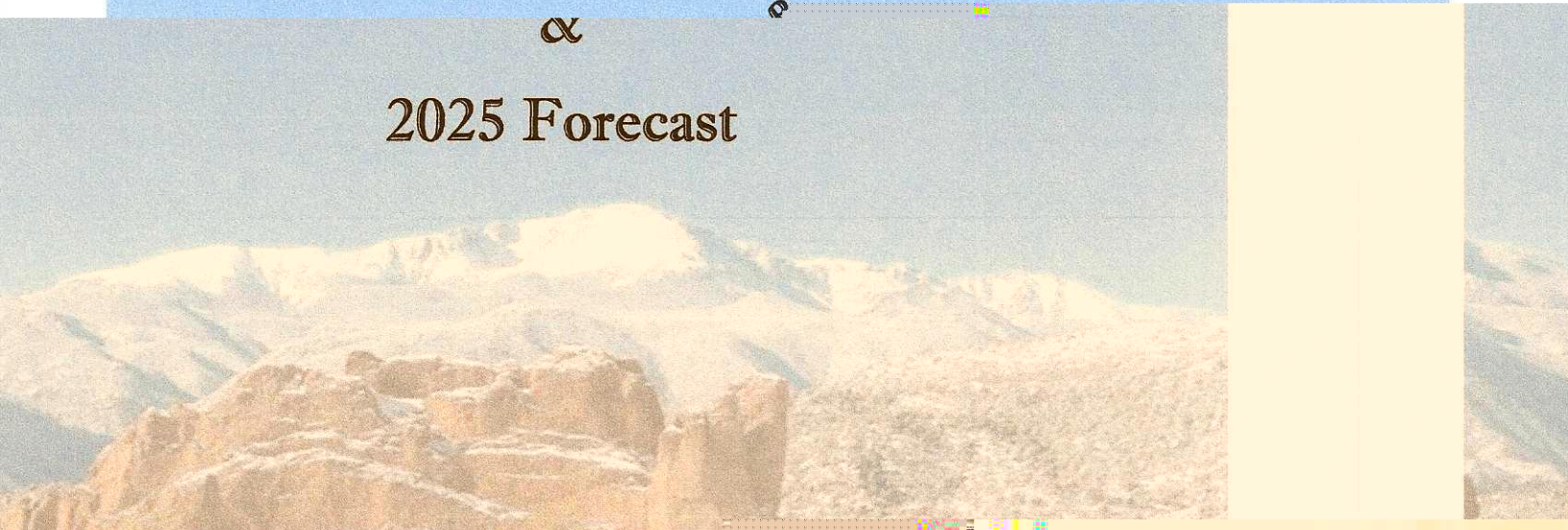


# Colorado Springs Residential Real Estate 2024 Annual Review

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## 2025 Forecast

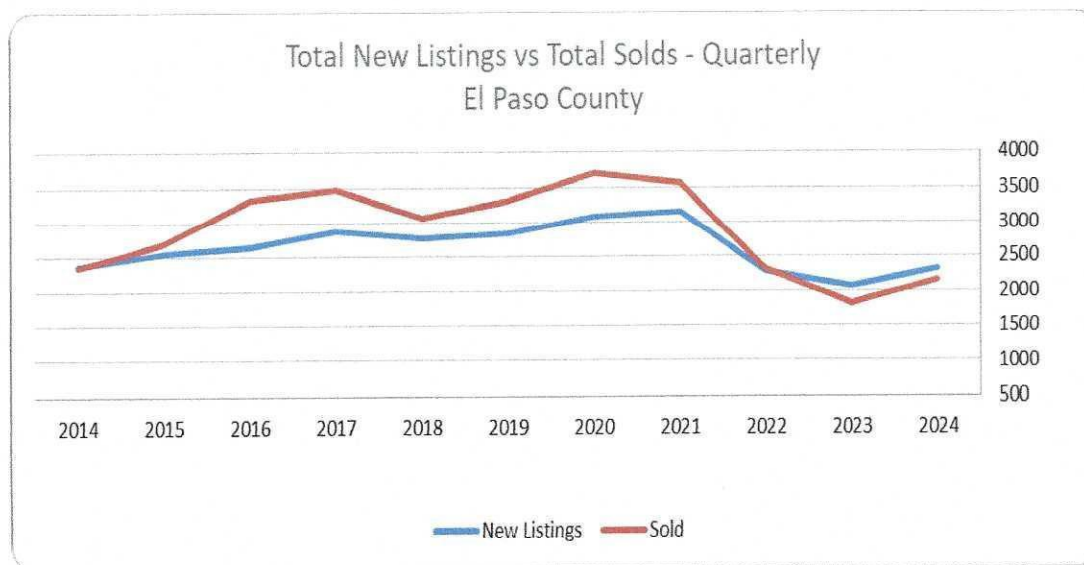


## 4th Quarter 2024—Trends

The final quarter of 2024, especially the month of December, saw the market gain some steam for 2025. Similar to a year ago, most of the key metrics we monitor stabilized with the one exception being an increase in inventory—which was much needed in our market. Here are some of the key metrics from the last quarter of 2024:

- Active listings at the end of the year were up 32%
- New listings for the year saw a strong increase of 861 units (up 7%)
- Sale prices rose nearly 3.6% for the quarter
- Inventory dipped below 3 months in December due to increased sales
- Under contracts for the last quarter jumped 13.8%
- Mortgage rates were relatively stable in the high-6's
- Sales units jumped by over 100 units or 17%

In early October, mortgage rates bottomed out at 6.12% which seemed to inspire many buyers to get active in the market and resulted in strong sales numbers in late November and into December. Also, presidential elections historically tend to slow home sales, but once the election is over the market normalizes.



This graph compares the total new listings to the number of sales. When the number of sales is lower than the number of new listings, the inventory is increasing.



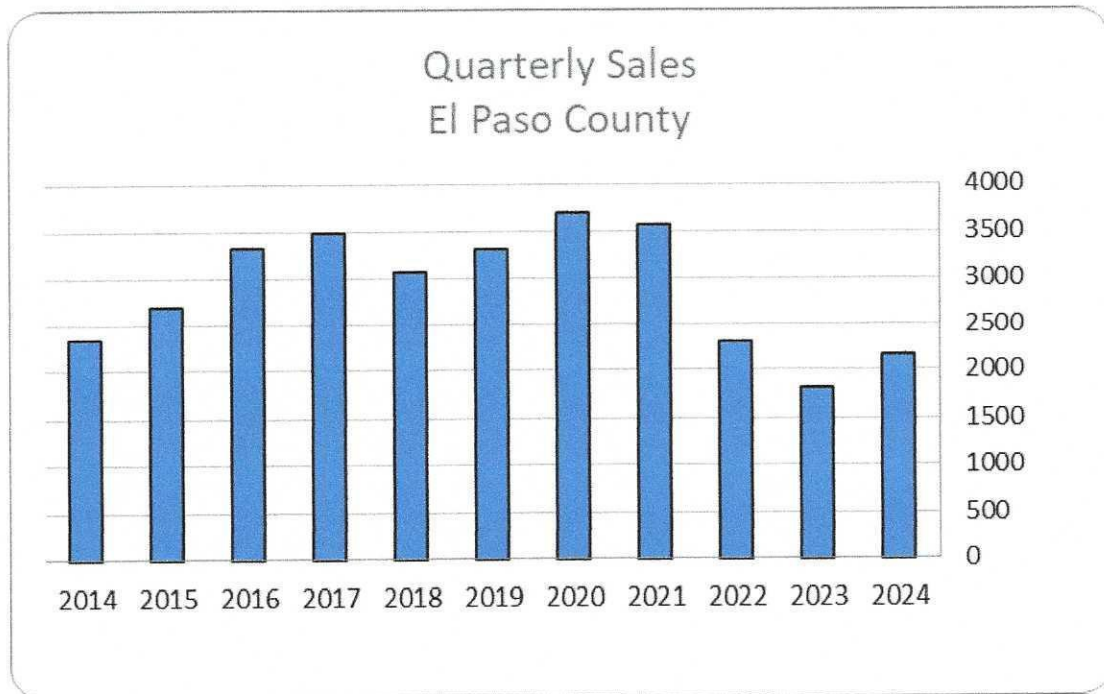
# 4th Quarter 2024 –Trends

## Quarterly Price Comparisons for Single Family & Patio Homes

This chart shows the performance of the market in different price ranges for the 4th Quarter.  
The Days on Market more than doubled when compared to last year.

### SINGLE FAMILY/PATIO HOME - EL PASO COUNTY ONLY

List Price	Active s	Under Contract	Solds	Days on Market	SP/LP	Inventory
\$200,000 to \$299,999	38	26	61	44	94.6%	1.9
\$300,000 to \$399,999	285	158	422	43	99.2%	2.0
\$400,000 to \$499,999	478	193	679	49	99.7%	2.1
\$500,000 to \$599,999	353	123	396	61	99.3%	2.7
\$600,000 to \$699,999	207	87	231	73	98.8%	2.7
\$700,000 to \$799,999	140	39	150	66	98.8%	2.8
\$800,000 to \$899,999	91	27	86	76	98.4%	3.2
\$900,000 to \$999,999	40	11	52	63	98.4%	2.3
\$1 mil to \$1.25 mil	49	26	59	66	96.8%	2.5
\$1.25 mil to \$1.50 mil	43	11	34	82	97.6%	3.8
\$1.5 mil to \$1.75 mil	16	6	17	101	96.1%	2.8
\$1.75 mil to 2.0 mil	10	3	3	124	102.2%	10.0
\$2.0 mil and up	35	4	11	90	93.7%	9.5

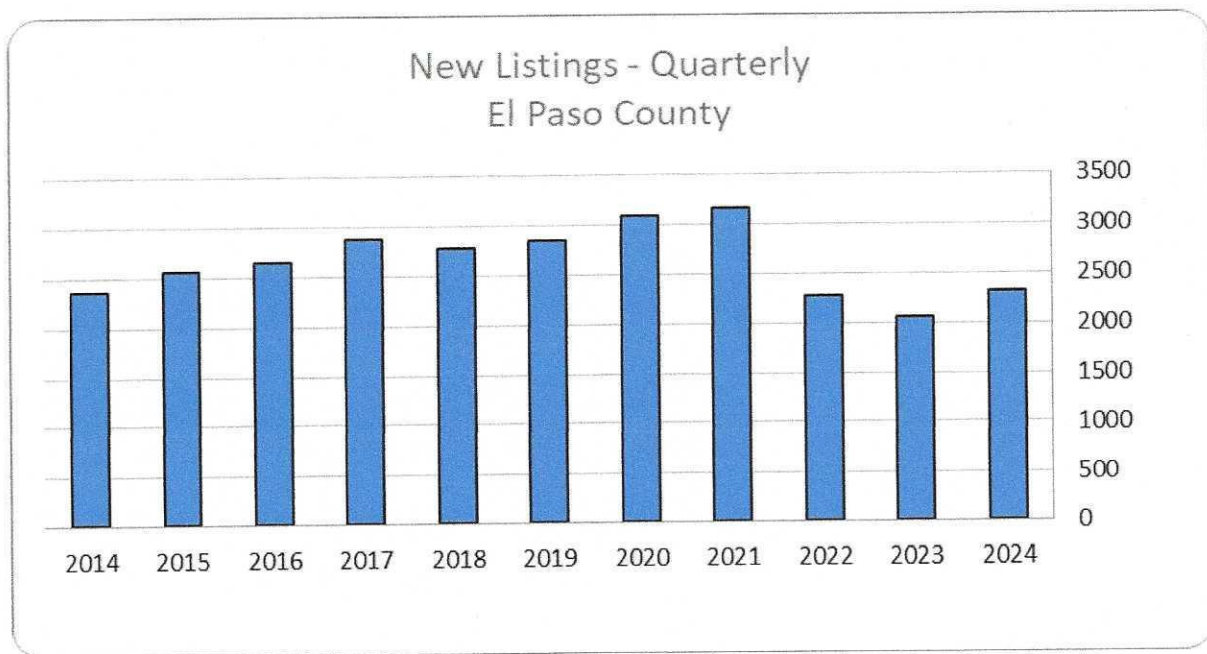
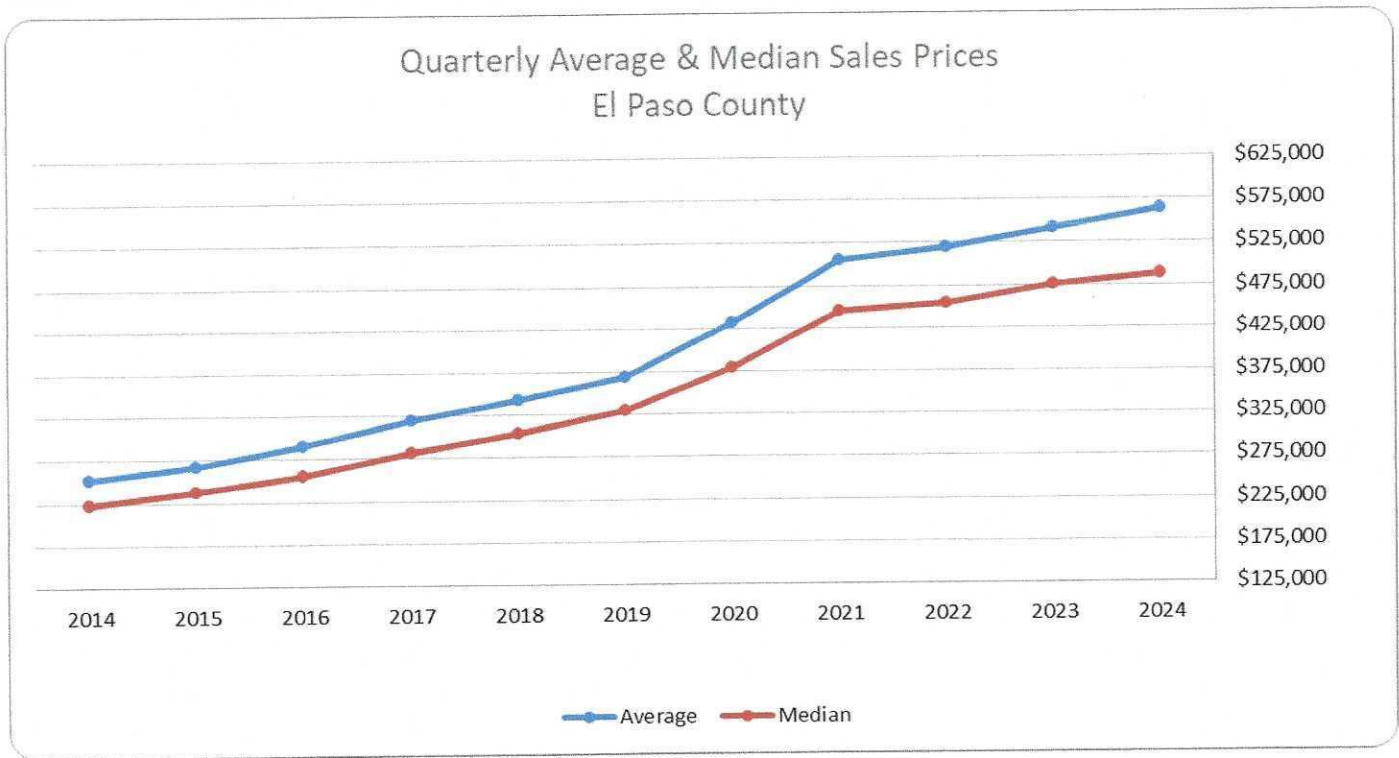


The number of sold units is a great barometer to gauge the health of a market.  
The total number of sales in the 4th Quarter increased by nearly 350 units (16%).



# 4th Quarter 2024—Trends

The chart below shows the annual average & median sales prices for the 4th Quarter over the past 10 years. Sales prices are the true “score” of the market.



The graph above shows the total number of new listings input into the MLS during the last quarter. It shows the number of new listings is increasing again, which is a welcomed trend.



# Looking Back at 2024

## 2024 El Paso County Real Estate Market Review

The 2024 Colorado Springs metro area real estate market was relatively stable with the only real notable change being inventory. Sales and pricing patterns for the year were somewhat flat.

### First Quarter

The year began with a significant increase in active listings, which was much needed, up by 20% compared to the same period in 2023. However, sales activity did not follow suit, as transactions were down by 11%. Despite this disparity, prices held steady, signaling a balanced start to the year.

### Second Quarter

The upward trend in inventory continued, with active listings surging by 40%. Sales experienced another dip, down by 12%, and prices remained flat. This stability in pricing despite rising inventory highlighted a market where buyers were cautious, but sellers were holding firm on value.

### Third Quarter

By mid-year, inventory levels crested, reaching approximately 3 months of supply. Sales declined by 8%, but this quarter marked a turning point as prices showed modest growth, increasing by about 3%. This slight appreciation suggested a strengthening demand amid improving mortgage rates during this period.

### Fourth Quarter

The final quarter of the year brought some momentum to the local market for 2025. Inventory tightened in December, and sales activity surged by nearly 20%, reflecting renewed buyer confidence. Prices appreciated by 4%, capping off the year with strong performance in both demand and value metrics.

### Year-End Highlights

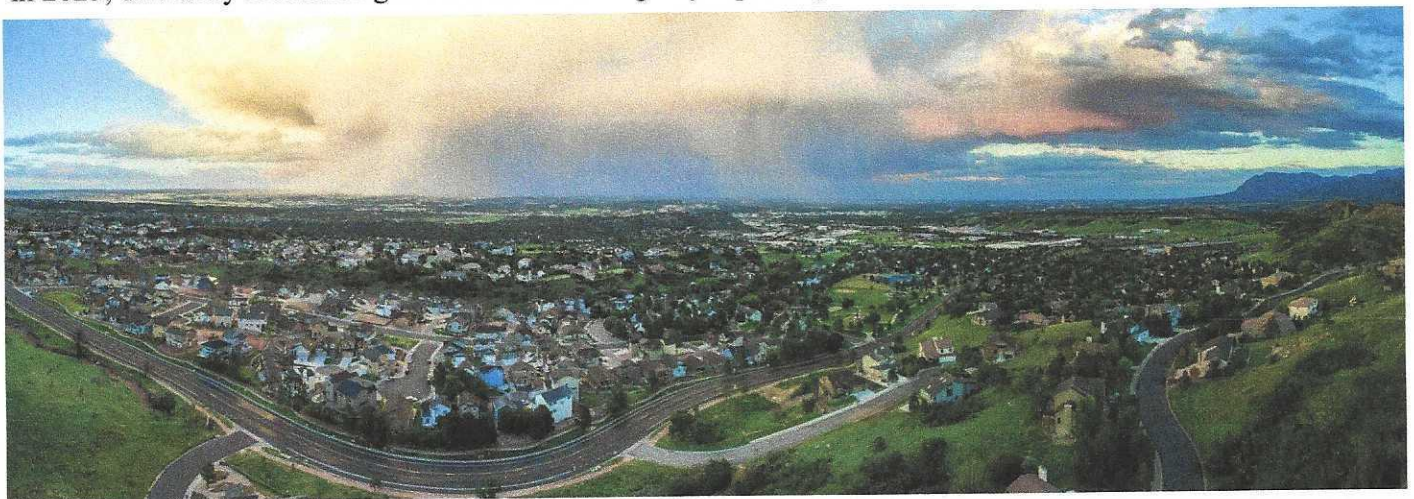
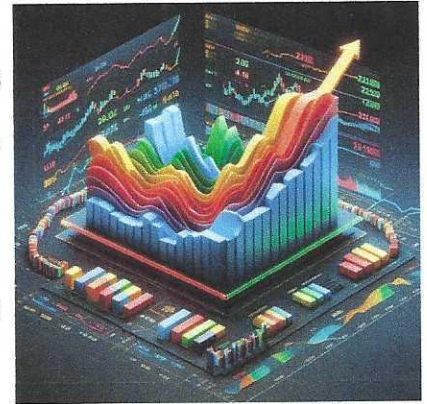
Looking at the year as a whole, the Colorado Springs metro area displayed resilience and adaptability:

- **New Listings:** Increased by 7%, adding nearly 1,000 additional units to the market.
- **Inventory:** The average months of inventory rose by about 2 weeks, reaching 3 months.
- **Total Sales:** Fell by approximately 300 units compared to 2023.
- **Average Sales Price:** Climbed to \$557,421, an increase of \$16,707 or 3% year-over-year.
- **New Builds:** New home construction as reported by PPRBD showed an increase of 184 single family homes (up 6.8%) from 2023.

**Median Sales Price:** Rose to \$488,800, up nearly \$14,000 or 2.9%.

### Conclusion

The 2024 Colorado Springs real estate market navigated a balancing act between rising inventory and shifting buyer activity. While the year started with slower sales and steady pricing, it concluded on a high note with tightening inventory and stronger appreciation. These trends suggest a market poised for continued evolution in 2025, driven by measured growth and increasing buyer participation.





# Looking Back at 2024

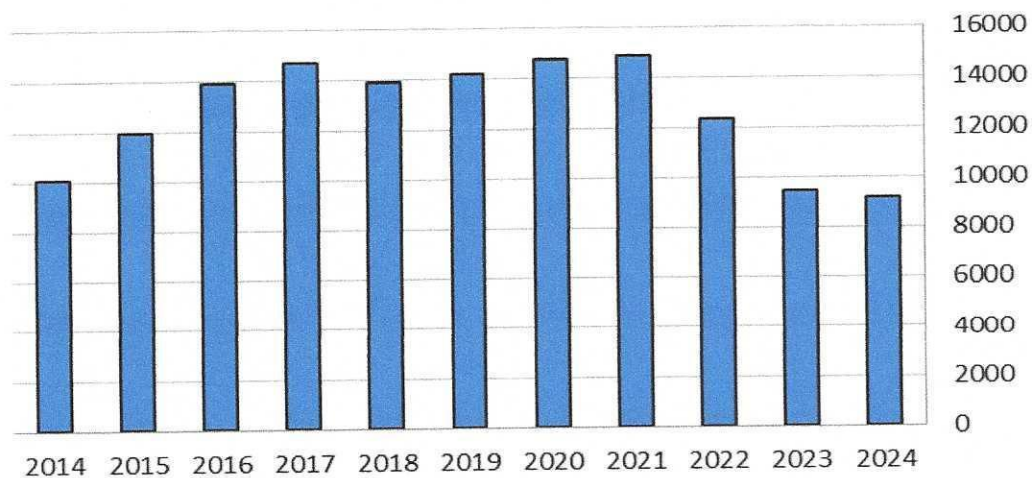
## Annual Price Range Comparisons for Single Family & Patio Homes

This chart shows the performance of the market in different price ranges over the entire past year. We analyze annual data mostly for comparison and to quickly gain some objectivity.

### SINGLE FAMILY - EL PASO COUNTY ONLY

List Price	Actives	Under Contract	Solds	Days on Market	SP/LP	Inventory
\$200,000 to \$299,999	38	26	247	40	96.6%	1.8
\$300,000 to \$399,999	285	158	1750	37	99.6%	2.0
\$400,000 to \$499,999	478	193	2938	40	99.5%	2.0
\$500,000 to \$599,999	353	123	1755	46	99.6%	2.4
\$600,000 to \$699,999	207	87	980	54	99.4%	2.5
\$700,000 to \$799,999	140	39	654	61	99.1%	2.6
\$800,000 to \$899,999	91	27	356	58	99.0%	3.1
\$900,000 to \$999,999	40	11	239	60	99.1%	2.0
\$1 mil to \$1.25 mil	49	26	244	62	97.9%	2.4
\$1.25 mil to \$1.50 mil	43	11	120	64	97.5%	4.3
\$1.5 mil to \$1.75 mil	16	6	68	77	97.3%	2.8
\$1.75 mil to 2.0 mil	10	3	15	82	96.7%	8.0
\$2.0 mil and up	35	4	30	110	95.8%	14.0

### Annual Sales - El Paso County

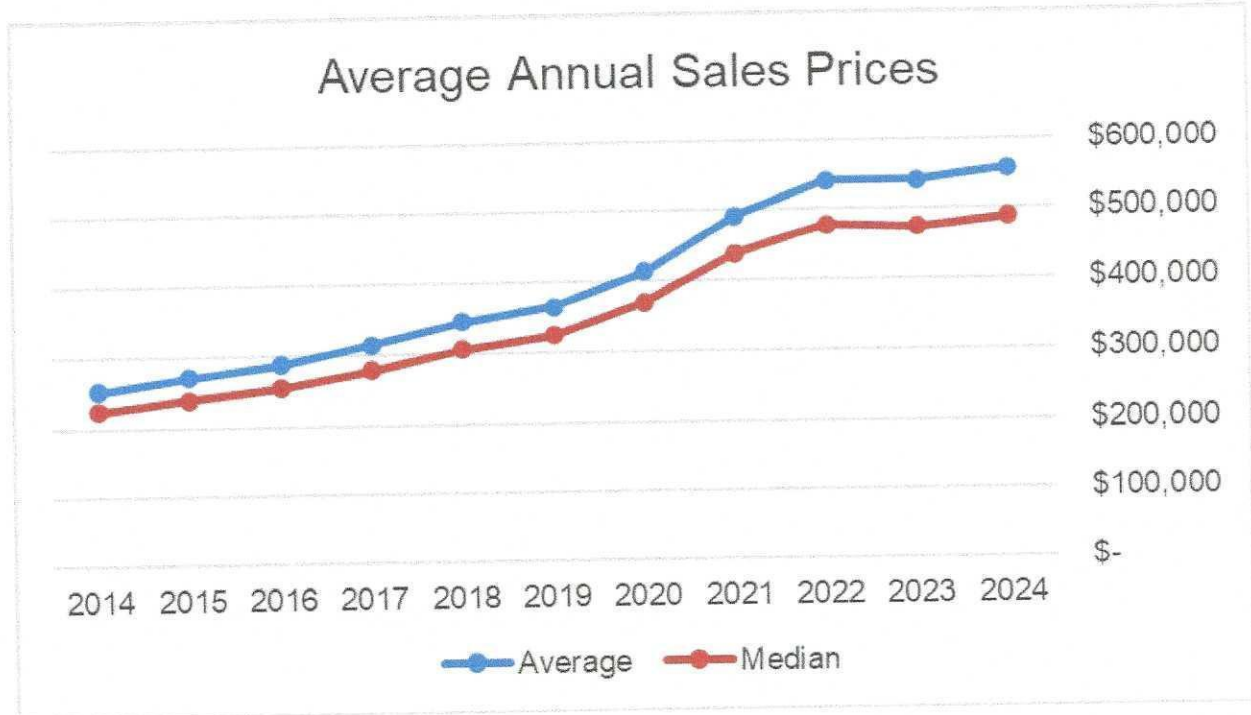


The number of sold units is a great barometer to gauge the health of a market. Last year, the total number of sales decreased nearly 300 units (3%) despite a strong 4th Quarter.



# Looking Back at 2024

The chart below shows the annual average & median sales prices for each calendar year over the past decade. Sales prices are the “true score” of the market. Last year the average sales price and average median sales price were both up about 3%.

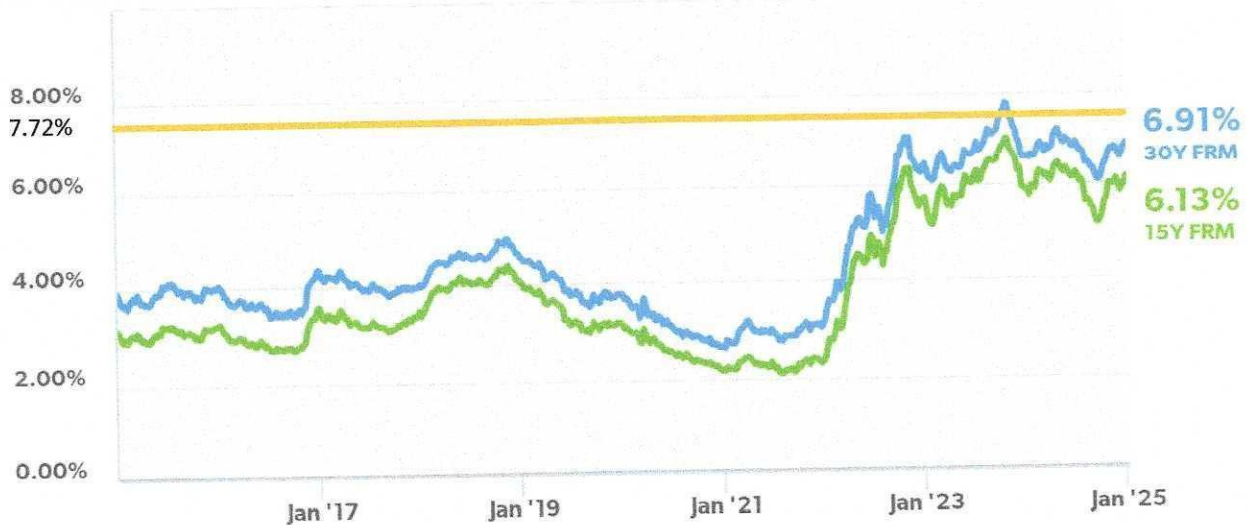


Rates hit a high of 7.22% in May, while the low point was in late September at 6.08%. The orange line indicates the average mortgage rate since 1970. A good rule of thumb is when rates move up or down a full percentage point, the affect to a buyer’s buying power is about 10%.



## Primary Mortgage Market Survey®

U.S. weekly average mortgage rates as of 01/02/2025



# Looking Back at 2024

This graph shows the annual appreciation/depreciation for all existing homes in the Colorado Springs market. It is based on data collected by the Federal Housing Finance Agency.

## ANNUAL APPRECIATION: COLORADO SPRINGS, CO

1992 - 2024 HOME PRICE INDEX

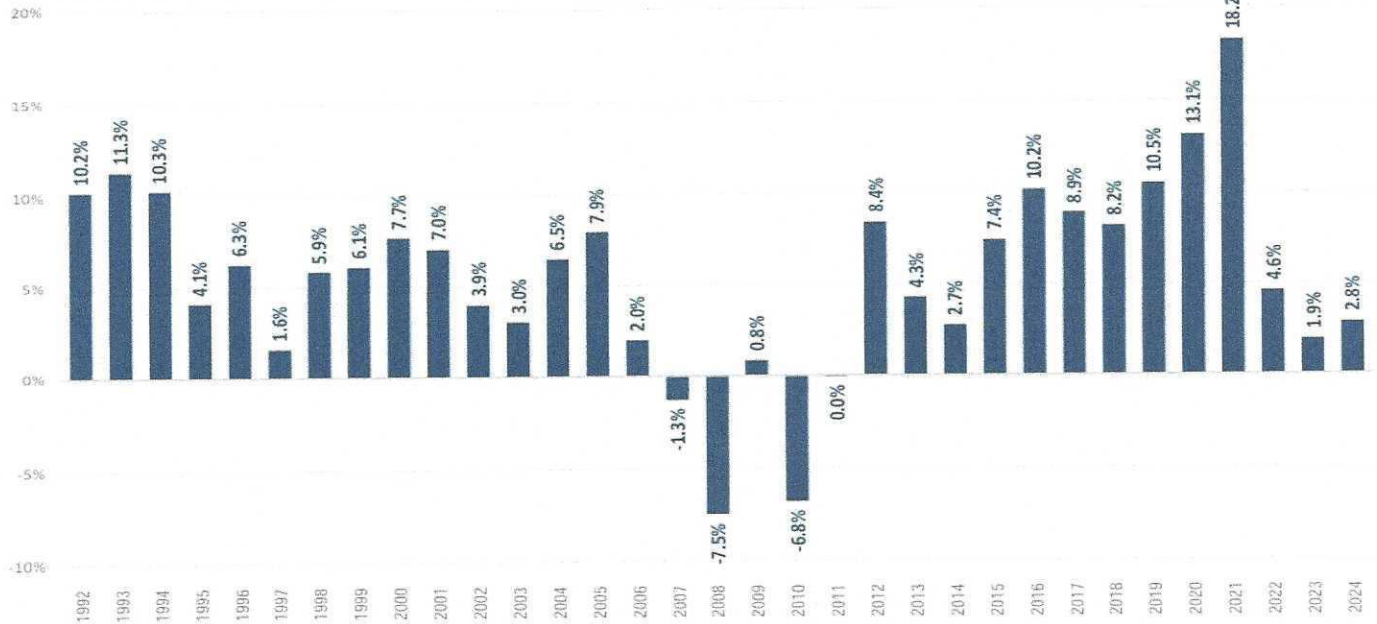
\*NOTE: 2024 APPRECIATION RATES BASED ON ONLY JAN-SEP DATA

\*\*APPRECIATION BASED ON PURCHASE ONLY DATA

AVERAGE ANNUAL APPRECIATION: **5.7%**

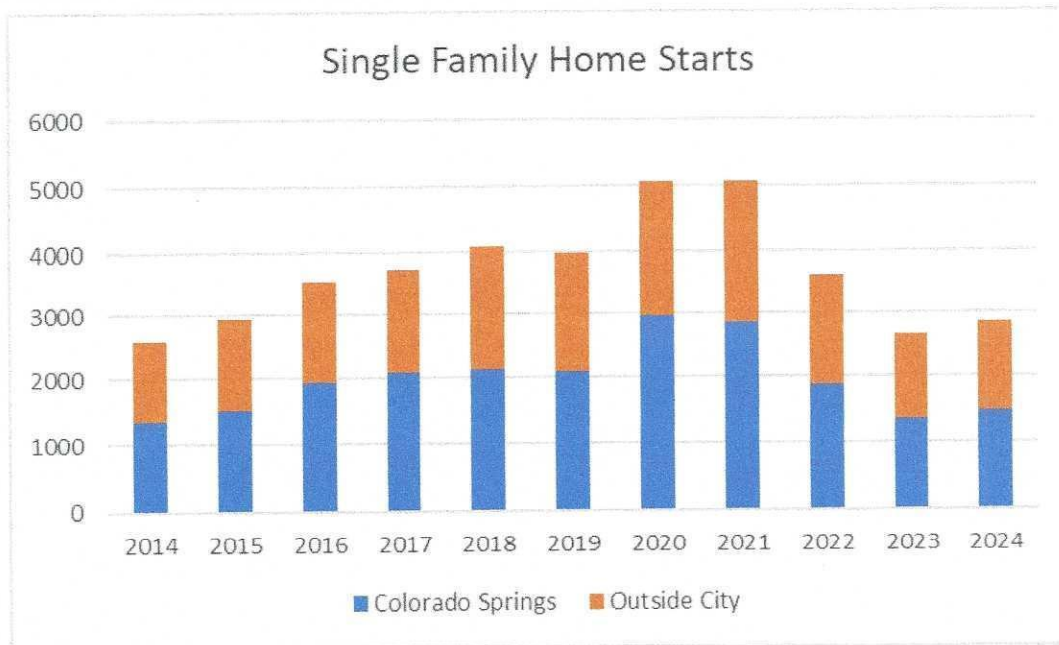
### RECENT QUARTER APPRECIATION

4Q'23	1Q'24	2Q'24	3Q'24
-0.39	-0.64	1.47	1.98



DATA REPORTED: 11/29/2024, SOURCE: WWW.FHFA.GOV

The building of new homes is another good indicator of where the market is headed. The number of new homes built in the area began to rebound last year.





## Quick Hits from 2024

### Fun Facts From 2024 (El Paso County)

- ◇ Most expensive sale—A home in Flying Horse North sold for \$5,300,000.
- ◇ Largest home sold—A home in the Black Forest neighborhood of Cathedral Pines had 15,420 square feet.
- ◇ Cheapest home sold—The town of Ramah takes bragging rights for the 4th year in a row with the sale of a single family home for \$40,000.
- ◇ Smallest home to sell—A Tiny Home in Black Forest with just 390 square feet.



\*AI generated photo

### Quick Hits From 2024 (El Paso County)

- ◇ Number of units sold was 9,170, a drop of 301 units (↓3%) from last year
- ◇ Average sales price for the year was \$557,421 an increase of \$16,707 (↑3%)
- ◇ The median sales price was \$488,817, down \$13,817 (↑3%)
- ◇ Number of active single family listings on 1/1/2025 compared to 1/1/2024 increased 437 units to 1784
- ◇ Inventory levels for the year averaged nearly 2.5 months, compared to 2 months in 2023
- ◇ New home permits totaled 2665, down 940 units (26%)

### Why Olympic City USA Is Such A Great Place To Live

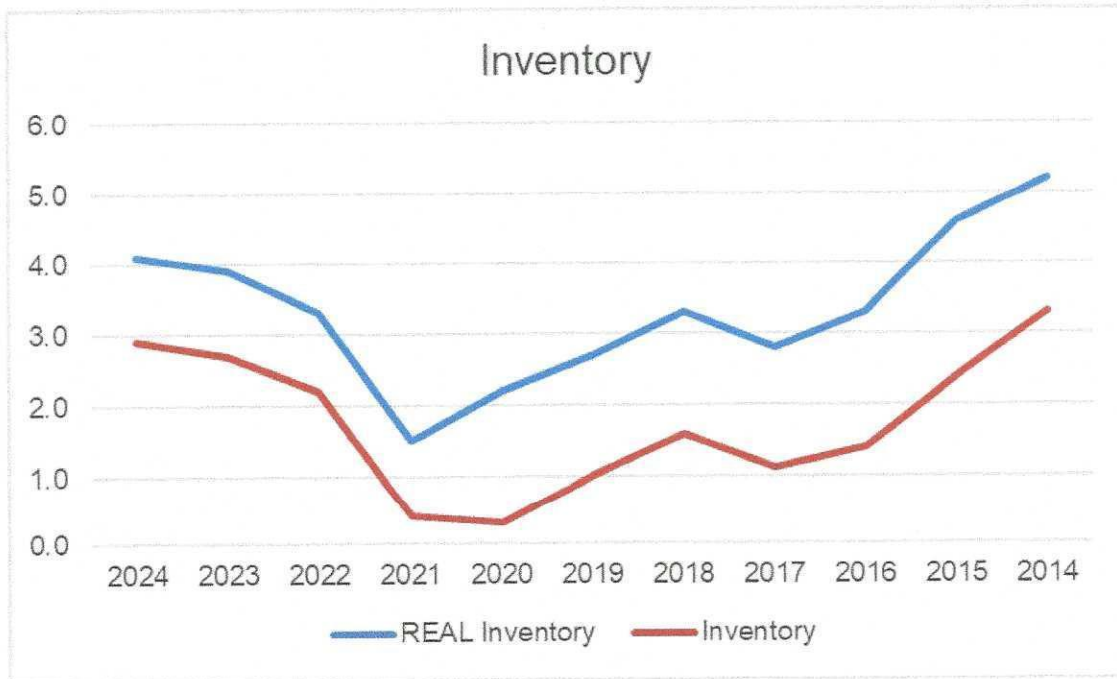
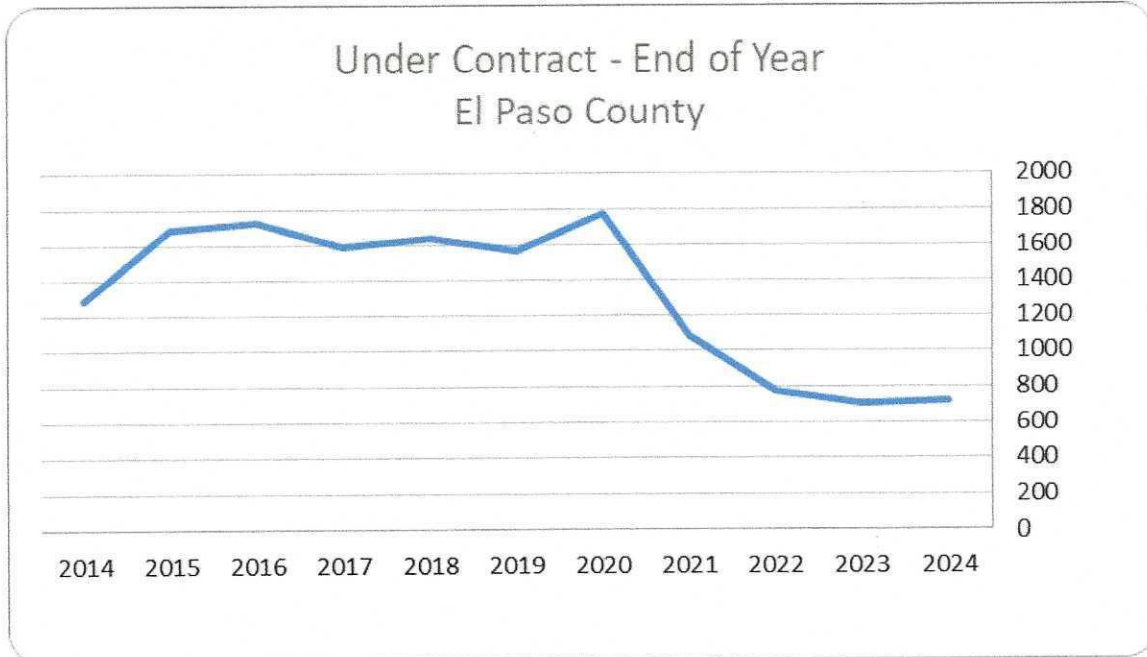
- ◇ Home to the United States Air Force Academy, US Space Command, Fort Carson, Peterson AFB, Schriever AFB, US Olympic Committee & 23 Olympic NGB's, US Olympic Training Center, Northern Command, NORAD, Garden of the Gods Park, US Olympic and Paralympic Museum, Cheyenne Mountain Zoo, Pro Rodeo Hall of Fame, Space Foundation
- ◇ Outstanding higher education institutions; US Air Force Academy, University of Colorado at Colorado Springs, Colorado College, and Pikes Peak State College
- ◇ Diverse industries including Aerospace, Healthcare, Cybersecurity, Defense Technology, Military, Manufacturing, Sports, and Tourism
- ◇ Remarkable event venues including The Broadmoor Resort Hotel & Convention Center, Fine Arts Center, The Broadmoor World Arena & Pikes Peak Center, Weidner Field, Robson Arena, Ford Amphitheatre, and the ENT Center for Performing Arts
- ◇ Excellent business climate—highly educated workforce, high-tech infrastructure, and local airport
- ◇ World-class trails for hiking and biking
- ◇ Centrally located to allow residents the opportunity to enjoy all Colorado has to offer





# Looking Forward 2025

Here is what is currently under contract in the Pikes Peak MLS.  
Most under contract homes close within 30-45 days.



Inventory is traditionally calculated by dividing the current active listings by the number of solds. REAL Inventory divides the number of actives + under contracts by the number of solds. Most economists consider 6 months of inventory to be a balanced market, but our local market "feels" more balanced now.



# Looking Forward To 2025

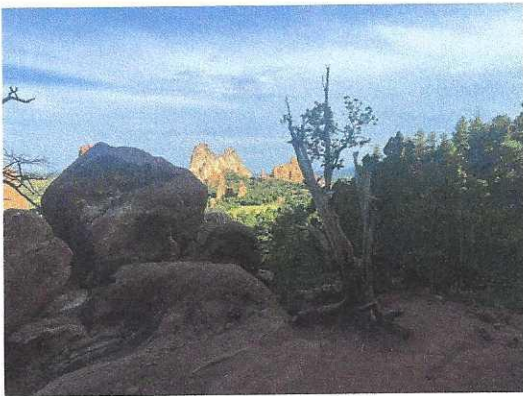
## “Looking into our crystal ball”

Reflecting on our 2024 predictions for the local real estate market, we're pleased to say we got it right! We anticipated a modest price increase of 1%-3% and relatively flat sales activity. This is exactly what happened; prices rose by just 3% and the total number of sales dipped slightly. We also foresaw mortgage rates holding steady in the 6% range, which proved accurate.



This stability has set a solid foundation for 2025, as more buyers and sellers come to terms with 6% rates being a reasonable norm. As a result, we expect an uptick in market activity. Our forecast for 2025 includes a healthy 3%-5% increase in home prices, a 10% rise in total sales, and mortgage rates largely remaining in the 6% range.

Interestingly, REALTOR.com predicts Colorado Springs will be the hottest residential real estate market in the U.S. in 2025. While we see improvements ahead, we're cautious about such a bold outlook. Our local economy is solid and we will continue to see an influx of high paying jobs in the high-tech sector which announced thousands of new jobs in recent years.



The enduring appeal of Colorado Springs—its climate, outdoor recreation, job growth, and expanding cultural scene—continues to attract newcomers to the region.

However, challenges remain. The Colorado Springs metro area still faces a significant housing shortage across single-family homes, townhomes, and condos. New construction in 2024 was modest, and restrictive construction defect laws make building affordable

condos particularly difficult.

Another pressing issue is property insurance. Rising premiums, higher deductibles, and coverage restrictions are becoming the norm, driven by increased risks of hail and wildfires. Many homeowners have faced non-renewals, and those with roofs over 10 years old may find their coverage limited.

While hurdles exist, 2025 promises growth and opportunity for our real estate market, fueled by a strong local economy and sustained demand for the unique lifestyle Colorado Springs offers.



## ERA Shields Real Estate

was founded in 1985. The firm is locally owned and comprised of a TEAM of nearly 100 individual real estate brokers who work TOGETHER to provide professional real estate services. Our offices are designed to enhance the SYNERGY amongst our TEAM as we continually set the bar for success in real estate.

## ERA Shields Real Estate

handles more relocation business than any other firm in the Pikes Peak region. We are a Principal Broker for Cartus (the world's largest Relocation company) which handles nearly 160,000 transfers each year across 165 countries.

## ERA Shields Real Estate

is the #1 top producing company in the Mountain Region and a top 15 company across North America for ERA Real Estate. ERA Real Estate is a GLOBAL real estate franchise with 31,000 sales associates in 1800 offices located in 36 countries. ERA has a long history in residential real estate bringing technology and services to its agent base which allows them to serve their clients in today's world. ERA is an affiliate of Anywhere Real Estate, the largest real estate company in the world which also owns Sotheby's, Coldwell Banker, Century 21 and Better Homes & Gardens.

## ERA Shields Real Estate

is an award-winning residential real estate company in the Pikes Peak region. Annually we are recognized locally & nationally for our service, production and involvement in our COMMUNITY. Our agents are full-time professionals working to be *Your Trusted Advisor*.

## ERA Shields Real Estate

is committed to the COMMUNITY. Our TEAM volunteered across our COMMUNITY more than 2000 hours and we are a past recipient of The Community Kindness Award & ERA's Ed Bilinkas Award. Investing in our COMMUNITY is good business.

## ERA Shields Real Estate

is a recognized leader in real estate. Locally, our team boasts 4 past presidents for PPAR, past NAR vice president, past president of CAR, and 2 past presidents of ERA Colorado Broker Council. Nationally we have been on the USAA Movers Advantage Advisory Council, CARTUS Relocation Director Advisory Board, ERA's Advisory Board and Directors with NAR.



*The data found within the ERA Shields Real Estate Annual Review is based on information from the Pikes Peak REALTOR® Services Corporation (RSC) or its PPMLS, El Paso County Trustee, and Pikes Peak Regional Building Department. This content is deemed reliable; however RSC, PPMLS and ERA Shields Real Estate do not guarantee its accuracy. Data maintained by RSC does not reflect all real estate activity in the market.*