Q3 2026 MARKET REPORT
DOWNTOWN COLORADO SPRINGS







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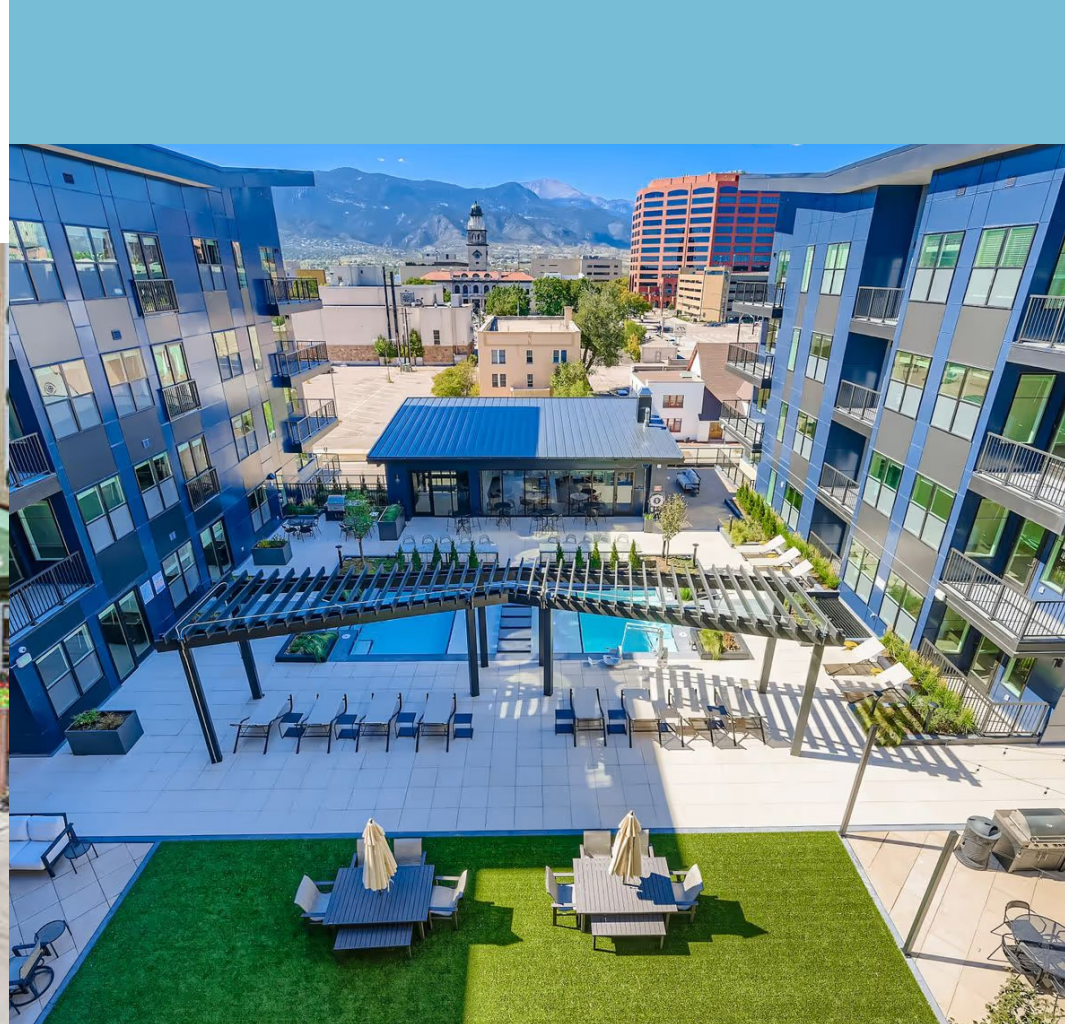
Produced by Downtown Partnership of Colorado Springs
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Data as of 10/22/2026
Sources: Downtown Partnership, CoStar, Placer.ai

DEVELOPMENT



In July 2026, the building at 318 N. Tejon sold for $1,238,000. The 609 SF office building was constructed in 1970.



Avian apartments officially opened in December 2025 and is a LEED Silver certified building featuring a rooftop spa, Sky Deck lounge, fitness center with mountain views, yoga studio, and covered parking.

PROPERTY SALES

# of Sales	Sales Volume	Build SF	Average $/SF
16	$11,177,000	89,016 SF	$213.75

- Downtown recorded 16 commercial property sales in Q3 2026, totaling $11.18 million, compared with 15 sales totaling $11.24 million in Q3 2025.
- Sales totaled approximately 89,000 building SF (▲ 16.0% YOY). The average sale price was $213.75 per SF (▲ 4.3% YOY).

MULTIFAMILY YOY

Inventory	Vacancy Rates	Absorption	Effective Rents
6,402	10.4% ▼ 11.7%	174	$1,417 ▲ 1.7%

- Downtown's multifamily inventory totaled 6,402 units.
- Vacancy fell to 10.4% in Q3, down from 13.2% in Q2 and 22.1% in Q3 2025.
- Net absorption was positive at 174 units, compared with 224 units in Q2.
- Effective rent averaged $1,417 per unit, up 0.8% from $1,406 in Q2.

SHOPPING & DINING

New businesses

RETAIL

- **The Urban Grocer:** Chef-led grocery store with a butcher, deli, prepared meals, wine, and beer at 25 W. Cimarron St.
- **Love Your Space:** Full-service interior design and custom window coverings studio at 18 E. Rio Grande St.
- **Green Magick Apothecary:** Botanical shop inside COATI featuring handcrafted herbs, spices, teas, and seasonings, along with curated botanical and metaphysical goods.
- **Easy's Records and Vintage:** Music store offering records, CDs, VHS tapes, and vintage goods at 327 N. Tejon St.

FOOD/BEVERAGE/ENTERTAINMENT

- **Landmarks Coffee:** Café serving coffee, chai, matcha, tea, energy drinks, and light bites, including breakfast sandwiches and pastries, at 635 S. Sierra Madre St.
- **Ice Cream Lab:** Ice cream shop at 122 N. Tejon St. that uses liquid nitrogen to flash-freeze its ice cream for an extra-creamy scoop and specializes in rolled ice cream.
- **Stoney's Bar & Grill:** Sports bar and grill serving food and drinks, with game-day viewing, music, and entertainment at 118 N. Tejon St. Opened Sept. 2.

SERVICES

- **Ritual Hot House:** Fitness and wellness studio with saunas and a cold plunge at 520 E. Pikes Peak Ave.
- **Columbia Bank:** Local bank branch at 517 S. Cascade Ave., Unit A.
- **Pilates House Studio:** Pilates studio offering memberships and group classes at 117 E. Boulder St. Opened July 27.
- **Lux & Lav Aesthetics:** Woman-owned med spa inside Elke Modern Massage at 523 N. Nevada Ave., offering facials, HydraFacials, chemical peels, and microneedling.
- **West & Main Homes:** Real estate office at 328 N. Nevada Ave.

130+ dining, drink & nightlife options

• 70+ shopping options

• 15+ galleries and art centers





Top: Downtown's second grocery store, Urban Grocer, opened adjacent to The Warehouse Restaurant. Bottom: West & Main Homes opened a street-level office on Nevada Avenue.

RETAIL

Vacancy Rate	Total inventory	Total Available	Net Absorption	Average Rent (NNN)
7.1%	2,435,514 SF	183,182 SF	-66,013 SF	$22.99

OFFICE

ALL OFFICE

- Downtown's office market showed signs of improvement in Q3, with positive net absorption contributing to a decline in vacancy from Q2. At 8.9%, Downtown's vacancy rate remained below the citywide average of 11.9%, reinforcing its relatively strong position within the broader Colorado Springs office market.
- Downtown also recorded stronger net absorption than the citywide market, suggesting continued demand for office space in the urban core. Average asking rents remained competitive with the broader market, providing businesses with access to a central location at rates comparable to other parts of the city.

	Downtown	Citywide
Vacancy	8.9%	11.9%
Total Inventory	6,183,853 SF	30,139,585 SF
Total Available	632,644 SF	4,120,453 SF
Net Absorption	33,393 SF	26,008 SF
Avg Rent (NNN)	$18.24	$18.29

CLASS A

- Downtown's Class A office market experienced some softening during Q3, recording negative net absorption and a modest increase in vacancy. Despite these changes, Class A vacancy remained well below the citywide average, indicating a comparatively tighter market for Downtown properties.
- The contrast between positive absorption in the overall office market and negative absorption in Class A suggests that demand is not evenly distributed across office properties. While Downtown continues to demonstrate relative strength, the quarter highlights differing conditions among office building classes.

	Downtown	Citywide
Vacancy	6.3%	13.2%
Total Inventory	543,875 SF	5,054,925 SF
Total Available	27,123 SF	603,503 SF
Net Absorption	-8,395 SF	-10,355 SF
Avg Rent (NNN)	$20.56	$20.55

WORKFORCE & BUSINESSES

(Rolling 12 months ending Sept. 30, 2026)

- Downtown's extended workforce was estimated at 21,188.
- Extended inbound commuter visits totaled 3,255,892.
- Downtown had 1,530 businesses.
- Median salary was $64,468.84. White-collar employees made up 42.48% of the workforce.



For Sorren's 75 employees at its Downtown headquarters, lunch, errands and everyday essentials are just a walk away. Nearby options include 140 places to eat and drink, salons and barbers, banks, boutiques, two grocery stores, and more.

TOURISM & ATTRACTIONS



Jelly Roll brought his national tour to a showstopping close before a packed house at Weidner Field on July 30.

- Downtown recorded 4,354,500 non-resident visits in Q3 2026, up 3.7% from 4,200,371 in Q3 2025.
- Out-of-market unique visitors increased 3.7% to 1,291,772, compared with 1,246,090 a year earlier.
- Downtown recorded 3,916,989 out-of-market visits in Q3, up 4.9% from 3,732,653 in Q3 2025.
- Commuter activity peaked at 1 p.m., with an estimated 6,678 people. Out-of-market visitor activity peaked at 7 p.m., with an estimated 10,224 people.
- The week of July 27–Aug. 2 brought Q3's highest number of out-of-market visits, with 326,530. It also featured back-to-back concerts at Weidner Field — Jelly Roll on July 30, followed by Shinedown and Coheed & Cambria on July 31 — and the COS 150 Downtown Celebration, held alongside the Tokyo Games Fan Fest at the U.S. Olympic & Paralympic Museum.
- July 31 had the most out-of-market visits of any day in Q3, with 62,682.

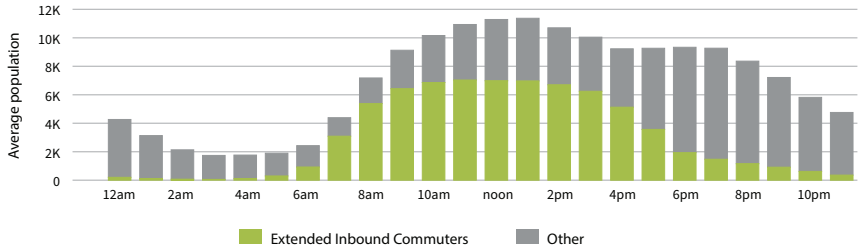
HOSPITALITY YOY

	July	August	September
Occupancy	74.6% ↓ 4.7%	75.9% ↓ 5.3%	76.4% ↑ 2.8%
RevPAR	$126.64 ↓ 5.5%	$127.55 ↓ 1.1%	$133.77 ↑ 11.6%
ADR	$169.82 ↓ 1.1%	$168.02 ↑ 4.0%	$180.37 ↑ 8.5%
Overall Revenue	↓ 5.5%	↓ 1.1%	↑ 11.6%

CORRIDOR VISITATION

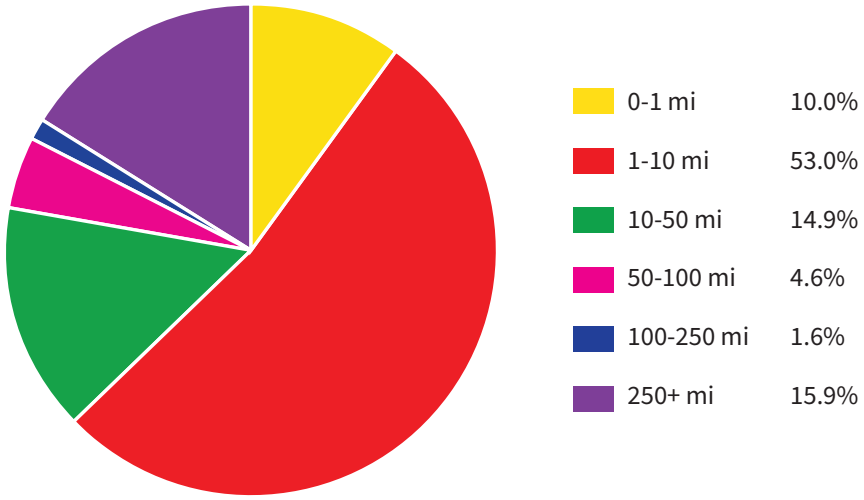
	Visits	YOY Change	Average Dwell Time
N. Tejon Corridor	262.8K	↑ 4.1%	78 mins
Tejon/Bijou Spine	921.8K	↑ 8.2%	101 mins
Restaurant Row	276.9K	↑ 9.6%	104 mins
Trolley Block	126.9K	↓ 18.4%	79 mins

HOURLY ACTIVITY



Visitation peaks between 11 a.m. and 1 p.m. across all segments, including commuters, while out-of-market visits are highest during the evening hours of 6 to 8 p.m.

VISITOR TRAVEL DISTANCE



Spotlight:

EASY'S RECORDS & VINTAGE

BEFORE EASY'S RECORDS & VINTAGE had a storefront of its own, Erica Dunford and Ryan Fowler were building a business one pop-up market at a time. On Sept. 10, the owners opened their new shop at 327 N. Tejon St., giving Downtown its first standalone record store since 2018.

Their path to North Tejon came in stages. The business moved from pop-up markets into Vintage & Vinyl, a roughly 300-square-foot retail space inside CO.A.T.I. Over two years, Dunford and Fowler built a customer base, refined their offerings, and established a presence in Downtown's retail community. Their new space gives them about four times as much room to grow their selection of vinyl records, cassettes, CDs, VHS tapes, vintage clothing, and music merchandise.

Easy's is intended to be more than a place to shop. The owners envision it as a gathering place for music enthusiasts, collectors, and the broader community, with listening parties, record releases, live performances, and collaborations with local artists and musicians. The location also connects the business to North Tejon's history: the block once housed Budget Records & Tapes, part of a longstanding tradition of music retail on the street.

For Downtown, Easy's offers a useful example of how a small business can grow toward a permanent storefront: start with pop-ups, build a customer base in a smaller space, then expand when the opportunity comes. That progression brings a distinctive independent retailer to the mix and creates another reason for residents, students, and visitors to explore Downtown.







