



2025

State of Housing Report

Report sponsored by



Becoming Wings Credit Union

**PREPARED FOR
EL PASO COUNTY, COLORADO**

www.pphousingnetwork.org

Welcome



Jill Gaebler
Executive Director



David Lord
Leadership Council
Board Chair

Thank you for supporting housing affordability and production, and for wanting to ensure all community members can find a home in the Pikes Peak region.

As incomes continue to lag behind the cost of housing, more of our residents are unable to find housing they can afford. This prevents families from experiencing the American dream of homeownership and often forces them to move to other cities with lower-priced housing, preventing our employers from finding and retaining the talent they need to grow and thrive. These outcomes harm our economy as employers, who can't find the employees they need to run their businesses, move to other cities with a lower cost of living.

Pikes Peak Housing Network developed this report as a tool for residents to use as they learn the facts about our housing crisis, who it's harming, and how they can advocate for the development of new and diverse types of housing. We hope you will keep the report handy as you talk to your neighbors and coworkers who may wrongly believe that the Pikes Peak region has enough housing, as the data clearly shows that we must build more housing to remain a vibrant and healthy community at the foot of Pikes Peak.

In addition to the graphs you will find in this report, we have also included relevant backup and descriptions that provide understanding on how the data impacts community members and our region as a whole. Thank you for taking the time to better understand the complicated issues surrounding our housing crisis, and we hope you will join our growing list of Housing Champions.



2,744
Apartments
Permitted



\$460,000
Median Home Price



2,347
Single-Family Homes
Permitted



\$87,500
Median Income
El Paso County

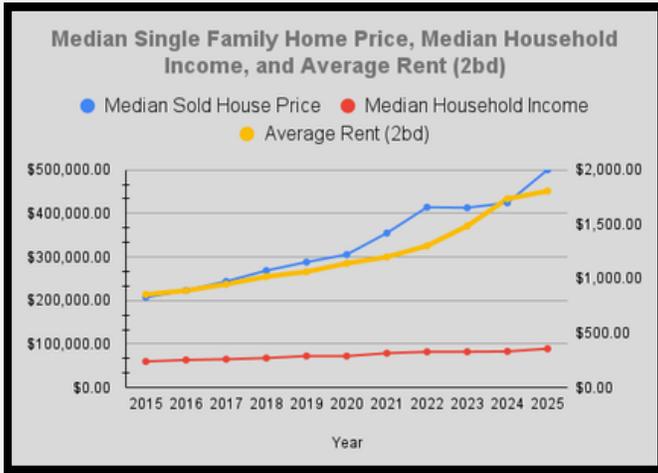


747,859
Population
El Paso County



83,585 or 11%
Military Veterans

Housing Snapshot for El Paso County



Source: Federal Reserve Bank of St. Louis

This graph shows the increases in incomes, rents, and home prices over the past 10 years. **Incomes in El Paso County have risen 49%.** By contrast, the average **rental housing costs have risen 111%** and **home prices have increased 141%**. Housing costs have risen more than twice or three times that of incomes, which forces residents to spend more of their incomes on housing. This causes families to live beyond their financial means, often incurring debt, living precariously, often just one family or health crisis away from losing their home.

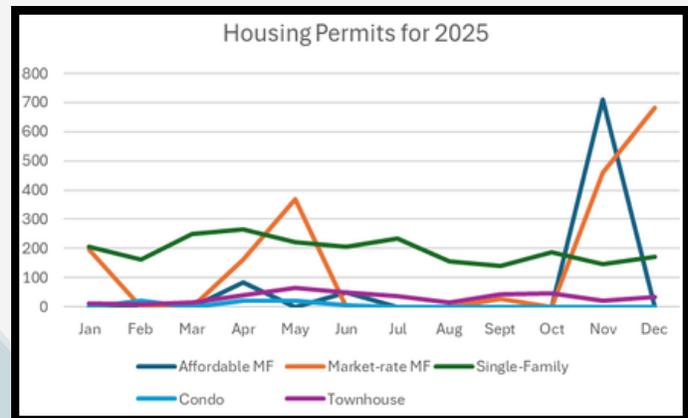
This income to household cost differential began in 2007 when housing development slowed during the recession. Housing costs are also rising from state regulations, to include new building and energy codes, and laws that have increased the management costs of rental housing.

Housing permits were up in 2025. This is great news. **5,710 housing permits** were filed in El Paso County, compared to **3,852 in 2024**.

Multifamily housing saw the largest increase, as a whopping **2,744 permits** were filed in 2025 compared to **832 units** permitted in 2024.

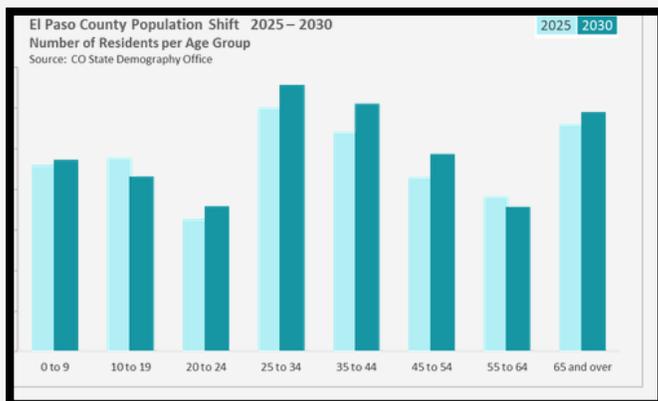
Single-family home permits dropped from **2,462 in 2024 to 2,347 in 2025**. These numbers are both a significant decrease from the pre-recession permit numbers that were above 5,500 per year.

The decrease in home permitting reduces supply, which keeps housing prices high and unaffordable for many of our residents.



Source: Pikes Peak Regional Building Department

Colorado's state demographic data shows the largest expected population growth within the 25 - 34-year old range in El Paso County. Those 65 years and older are the next fastest growing age range. El Paso County continues to grow faster than other areas of Colorado and it remains important for us to build the types of housing these age groups want and need. Our younger residents and seniors both want smaller homes that are close or walkable to amenities, in neighborhoods where they can build community and support systems.



Source: Colorado State Demographer

State of Homeownership

Typical Mortgage Payment in 2025



Source: Pikes Peak Association of Realtors and El Paso County

The median home price in El Paso County decreased in 2025 due to higher number of homes on the market. However, with increases in insurance and property taxes, the monthly mortgage cost for a homeowner buying a medium priced home is \$3,457. **Someone paying this mortgage rate must earn \$138,280 to not be cost-burdened.** Cost-burdened homeowners are those paying more than 30% of their income on housing.

The high cost of housing is preventing many of our citizens from experiencing the American dream of homeownership.

Working as a region to build lower-priced homes, like townhomes and condos, will provide entry-level homebuying opportunities for many of our citizens.

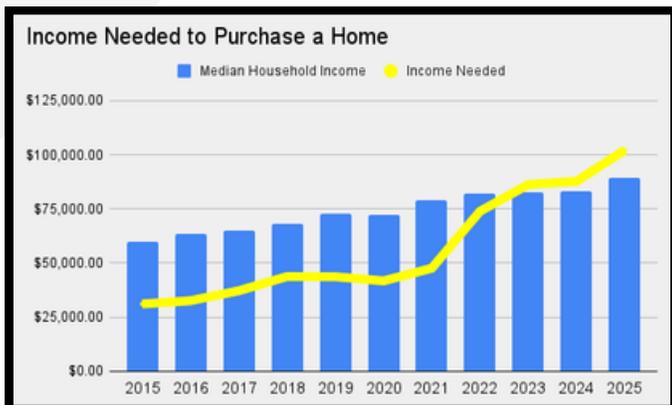
The graph to the right is another way to express housing affordability, and shows the price of a home residents can afford to purchase assuming they pay no more than 30% of their income on housing and put 20% of the home price toward a down payment. The blue line represents the interest rate over these past five years. The graph shows that in 2023 a family earning the median income could purchase a home valued at \$473,000, while today they can only purchase a home valued at \$405,000. Our residents are losing purchasing power as home prices rise faster than incomes.



Source: Affordable Home Price - Pikes Peak Association of Realtors, El Paso County Assumes 20% down payment, 1% property tax, .5% Homeowners Insurance; Source: 30-Year Fixed Rate Mortgage Average - Freddie Mac via Fred

The blue bars represent the median household income over the past ten years. The yellow line represents the actual annual income needed to purchase a home. This data shows that around 2023, the annual income needed to purchase a home became higher than the median income. It is important for our region to bring down home prices by building smaller and more affordable homes.

This amount does not include insurance and property taxes, which further increase monthly mortgage costs.



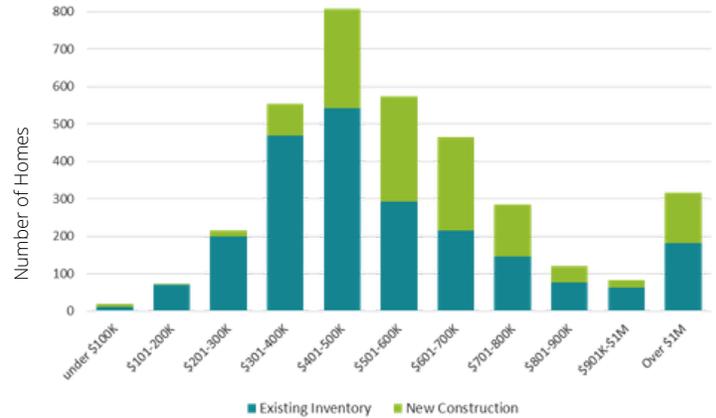
Source: Federal Reserve Bank of St. Louis

State of Homeownership

This bar graph shows the sales prices of existing and newly constructed homes in El Paso County during 2025. As you can see from the graph, very few new homes were sold below \$400,000, and the majority of existing home sales occurred in the \$300k - \$600k price range. This data shows a strong demand for starter homes.

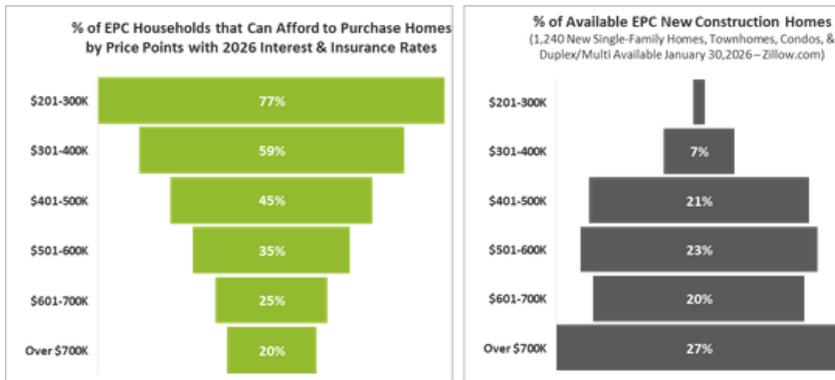
Additionally, the graph shows that \$400k - \$700k is the price range where the highest number of new homes were built. We'd like to see more homes built at lower price points to ensure more of our residents can afford to purchase homes.

Distribution of El Paso County Homes for Sale by Price Point



Source: Zillow & Pikes Peak Association of Realtors

The Price of Housing our Citizens can Afford & The Prices of the Homes we are Building

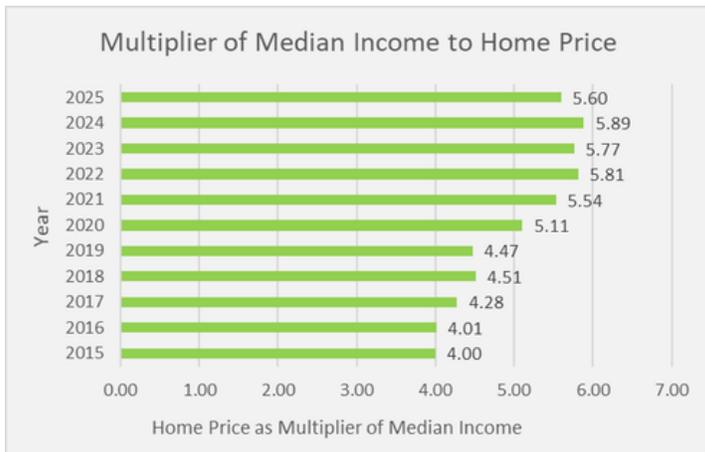


Source: ACS 2024 & Pikes Peak Association of Realtors

The funnel graph on the left shows the home prices our citizens can currently afford based on the incomes within our region.

The right funnel graph shows the prices of homes constructed in 2025. As you can see, there is a mismatch between the homes we are building and the homes our citizens can afford.

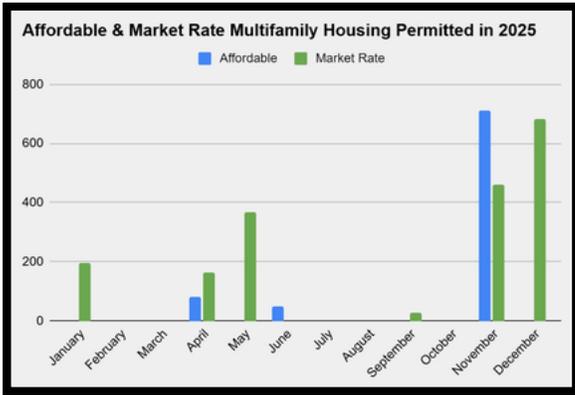
However, the mismatch is improving. **In 2024, 18% of homes were priced at or below \$450k. In 2025 this percentage rose to 29%**, meaning 11% more homes built were lower-priced, starter homes that are more affordable for young families and seniors.



Source: Federal Reserve Bank of St. Louis

This chart shows the ratio of the median income needed to purchase a home. In 2015, it cost four times the median income to purchase a home in El Paso County. By contrast, in 2025 it took 5.6 times the median income to purchase a home. This is a simple indicator of how much more difficult it has become for many of our community members to purchase a home as home prices continue to rise faster than the incomes within our region.

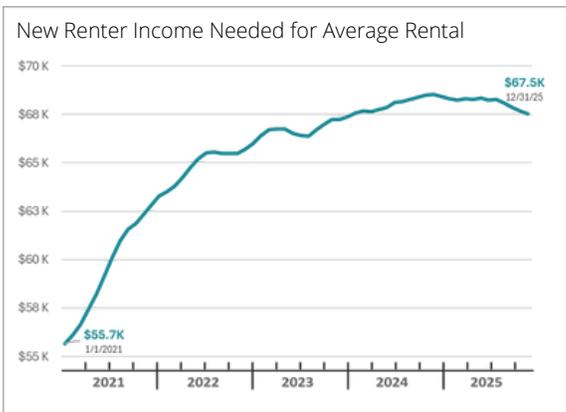
State of Rental Housing



Source: Pikes Peak Regional Building Department

Throughout 2025, El Paso County permitted 2,744 multifamily housing units. 1,899 of these units will become market rate housing and 845 will become affordable rental units. Affordable housing refers to housing rented between 30% - 80% of the area median income, meaning a single person earning \$23,400 - \$63,040 and a family of four earning \$33,730 - \$90,000 qualifies for this housing.

These permit numbers are a significant increase from 2024, when we permitted a total of 832 units. And while this increase is great news, the recently released regional Housing Needs Assessment states there remains a deficit of 13,320 rental units throughout Colorado Springs and unincorporated El Paso County.

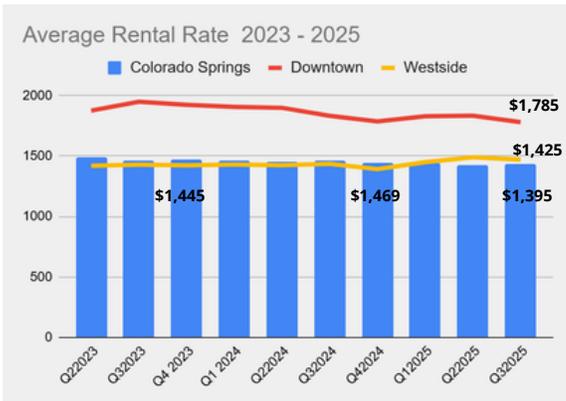


Source: 2024 ACS, El Paso County, ZORI

The needs assessment also states that 68% of these units are needed for those earning below 80% of the median income. Thus we hope our local housing developers will focus on building affordable, workforce housing for our community members who are struggling with the cost of living and are often cost-burdened by high housing costs.

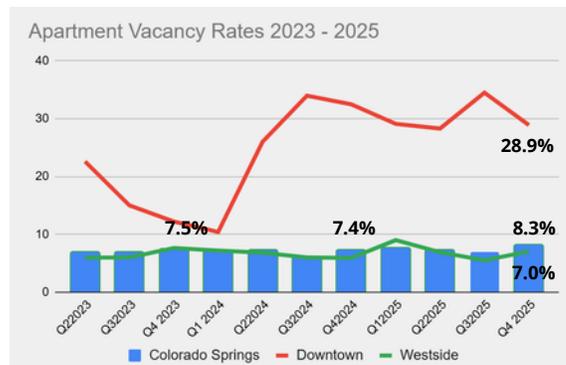
The graph on the left shows the needed income required to rent a one-bedroom apartment at the end of 2025. As you can see, renters, on average, needed an income of \$67,500 to afford an apartment. This is an improvement over 2024, when the needed rental income was \$68,514.

The median income for El Paso County is currently \$87,500 which means many residents can not afford to rent an apartment without a roommate or other financial support.



Source: Apartment Trends, Downtown Partnership

Even with high permits and construction of new multifamily housing over the past three years, average rents and vacancies remain stable. Average rents in Colorado Springs for a one-bedroom apartment at the end of 2025 were \$1,395. This is 3.4% lower than the average rent of \$1,469 at the end of 2024. Likewise, average vacancy rates for Colorado Springs at the end of 2025 were 8.3%, which is an increase of .9% from 2024. Vacancy rates around 6-9% are ideal for apartment owners, who prefer having some open units for maintenance, renovations, and availability.



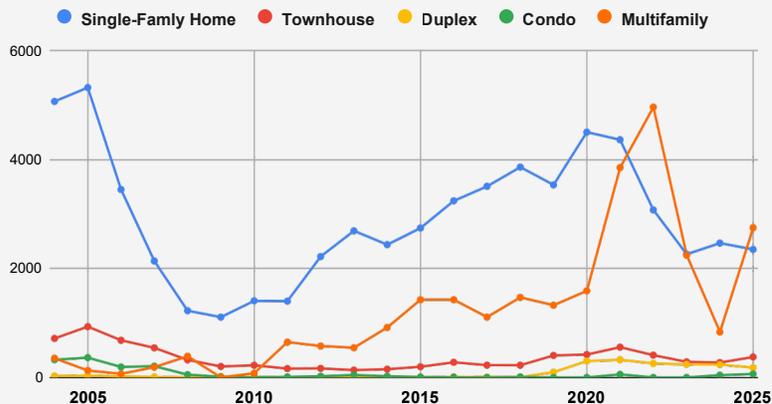
Source: Apartment Trends, Downtown Partnership

This data contradicts the messages we hear in our community telling us we have enough, or too many apartments. This data also confirms the Housing Needs Assessment's data showing a significant deficit of rental housing.

Further, nationally the average age of the first-time homebuyer increased from 31-years old to 40-years old over the past decade. This means more of our community members are remaining in rental housing for more years of their lives. This drives up the need for rental housing.

Housing Forecast

Residential Building Permits 2005 - 2025



Source: Pikes Peak Regional Building Department

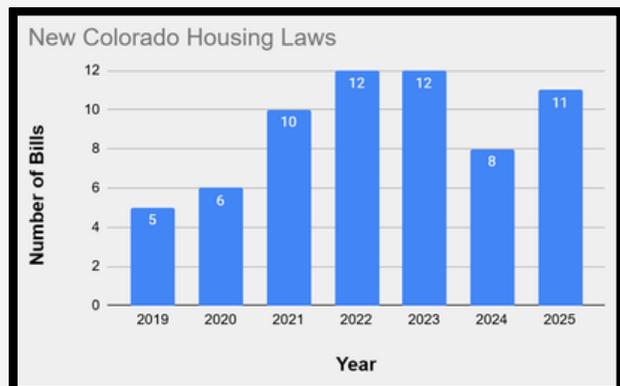
The nationwide housing crisis became critical during the 2007-2008 recession, when single-family housing development dropped from around 5,500 permits per year to 1,500, as you can see from the graph to the left, which shows residential permits from 2005-2025. Although single-family housing permits bounced back after 2015, they have decreased again these past few years, and at no time did they return to pre-recession levels, even as El Paso County became the most populated county in Colorado.

Rental housing permits have increased over the past five years, with over 2,700 permits filed in 2025 alone. These units are providing housing for the increasing number of residents who can't afford to purchase homes, and will continue to ease rental costs in 2026.

More residents are choosing to rent homes as a lifestyle choice. They may want to avoid home maintenance burdens or just aren't ready to set down roots. These demographic changes have increased the need for more rental housing and the construction of 'Build to Rent' (BTR) homes. These homes are similar to townhomes but only for rent.

Lastly, more homeowners are looking for flexible housing that can evolve with them as they age. They are seeking homes that may include an accessory dwelling unit, single-level living, or an integrated housing suite for multigenerational living. More homes will be modified to allow for multigenerational living and our local land use codes should expand to allow for these uses.

Colorado's 2026 Legislative Session



Source: Colorado General Assembly

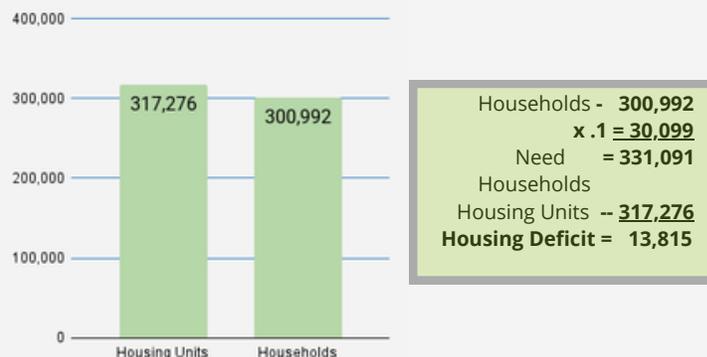
Colorado's state legislature has passed 64 housing bills in the past seven years, and most of these news laws have increased the cost of rental housing and have added onerous and costly building codes. 13 housing bills have already been proposed during the 2026 session, to include a bill that will further erode local land use authority for our cities.

PPHN's Housing Champions receive updates on these bills and will be encouraged to speak up on behalf of our housing industry in support of housing affordability and production in the Pikes Peak region.

Scan the QR code below to join us as a Housing Champion.



Housing Units and Households



A simple way to determine the housing deficit in El Paso County is to assume that a healthy housing market has 10% more housing units than households. This margin allows for a healthy number of homes to be on the market and in the process of ownership change.

The latest data from the Colorado State Demographer states that El Paso County has grown to 300,992 households. **Adding 10% to this number takes our needed households to 331,091 units. The current number of housing units in EPC is 317,276, thus we have a simple housing deficit of 13,815 units.**

This number does not consider other factors that may drive up the need for more housing units, but it is a simple tool to understand whether or not we need more housing in our region, and we clearly do.

Pikes Peak Housing Network Leadership Council

David Lord - Chair

Lee Patke - Vice Chair - Greccio Housing

Terry Anderson - Pikes Peak Habitat for Humanity

Andrea Barlow - NES, Inc.

Sam Clark - Pikes Peak Real Estate Foundation

Aimee Cox - City of Colorado Springs

Randi Davis - El Paso County Housing Authority

Laura Nelson - Apartment Association of Southern Colorado

Johnna Reeder Kleymeyer - Colorado Springs Chamber & EDC

Kim Sandoval - Classic Homes

Brendan Zahl - Community Banks of Colorado

About Pikes Peak Housing Network

Pikes Peak Housing Network (PPHN) was established in 2023 by a group of community leaders who care deeply about El Paso County and its deficit of affordable and attainable housing for our workforce, military servicemembers, families, and senior population.

In its two years in operations, PPHN has become a respected and valued leader advocating for pro-housing policies, housing developments, and housing supply solutions at the local and state levels of government.

PPHN uses its data to support the need for all types of housing production in every neighborhood within the Pikes Peak region.

PPHN is the only nonprofit organization accomplishing this mission in the Pikes Peak region.

Pikes Peak Housing Network needs your financial support to continue its advocacy work within the Pikes Peak region.

You can donate by scanning the QR code below.

Thank you for your support!

