

Availability and vacancy tighten as development activity slows

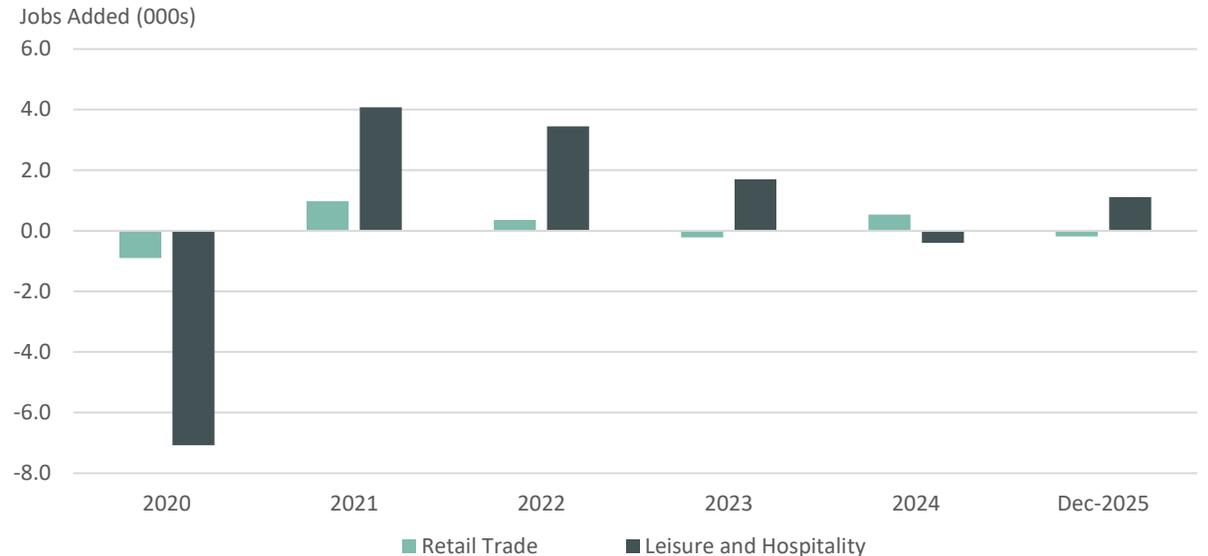


Note: Arrows indicate change from previous half-year.

MARKET SUMMARY

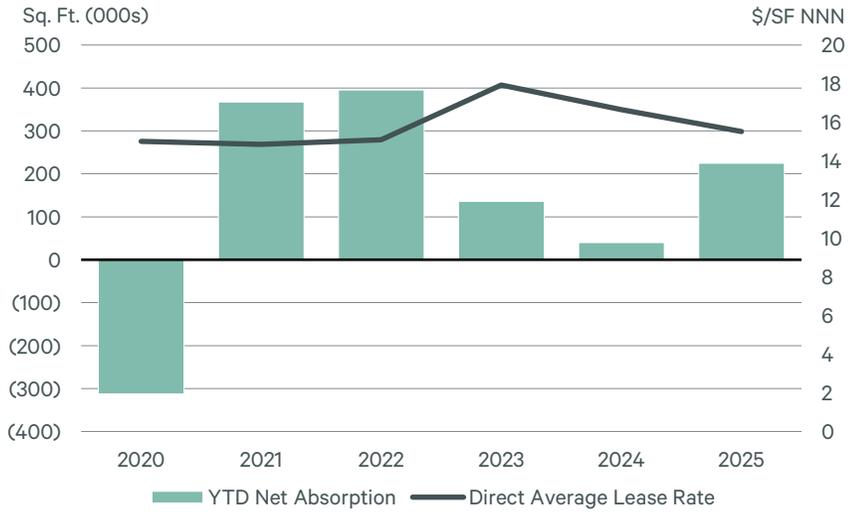
- Retail net absorption in the second half of 2025 reached positive 161,000 sq. ft., a major improvement compared to the positive 63,000 sq. ft. of absorption in H1 2025 and the positive 35,000 total net absorption recorded in all of 2024.
- The average direct asking rent ended H2 2025 at \$15.53 per sq. ft. NNN, which was a 6.9% decrease compared to the previous half-year.
- In H2 2025, total availability and direct vacancy remained stable compared to H1 2025 at 5.6% and 4.8%, respectively.
- New development declined yet remained active with over 69,000 sq. ft. of retail space under construction and 217,000 sq. ft. having delivered in H2 2025.
- Overall sales volume for H2 2025 totaled \$205.4 million, a 28.6% increase from the \$159.7 million recorded during the previous half-year. This brought the total for 2025 to \$365.1 million.

FIGURE 1: Retail Market Indicators



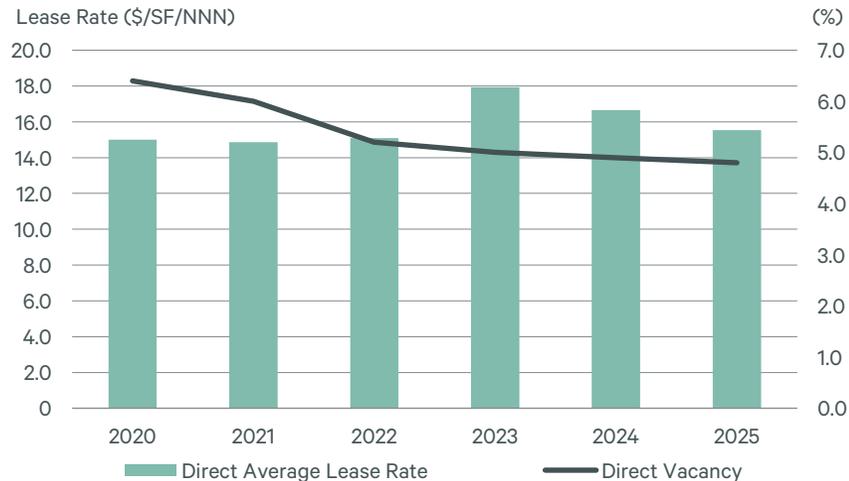
Source: U.S. Bureau of Labor Statistics, December 2025

FIGURE 3: Net Absorption vs. Asking Rent



Source: CBRE Research H2 2025

FIGURE 4: Asking Rent vs. Direct Vacancy



Source: CBRE Research H2 2025

FIGURE 5: Market Statistics by Submarket

Submarket	Net Rentable Area (SF)	YTD Net Absorption (SF)	Under Construction (SF)	Average Asking Lease Rent (NNN\$/SF/YR)	Total Availability Rate (%)	Direct Vacancy Rate (%)
CBD	879,354	(2,864)		\$28.32	3.8%	3.3%
Central	8,263,576	4,708	5,300	\$13.53	9.3%	7.1%
East	2,823,237	44,168	46,467	\$15.00	0.9%	0.6%
Falcon	532,793	29,812		\$25.00	0.6%	0.6%
Fountain/Security/Widefield	1,369,220	126,057		\$10.28	2.0%	0.8%
Greater Downtown	1,083,435	(25,286)	3,000		4.7%	7.9%
Northeast	6,628,454	91,764	9,102	\$17.17	3.7%	4.9%
Northwest	2,218,260	13,508		\$16.26	3.5%	2.5%
Southeast	2,875,690	0		\$14.89	10.4%	6.4%
Southwest	2,763,902	(31,610)	5,074	\$17.28	5.5%	5.3%
Tri-Lakes	1,185,261	19,850		\$25.66	3.2%	3.1%
West Side/Manitou	1,784,047	6,392		\$14.21	4.7%	4.6%
METRO TOTAL	32,412,229	161,493	68,943	\$15.53	5.6%	4.8%

Source: CBRE Research H2 2025

FIGURE 6: Top Sale Transactions H2 2025

Property	Submarket	Sale Price	Size (SF)	Price Per SF
The Shops at Falcon Landing	Northeast	\$41,175,000	61,768	\$667
Hobby Lobby	Northeast	\$12,000,000	86,954	\$138
Springs Ranch Shopping Center	East	\$11,231,303	35,811	\$314
Natural Grocers	Northeast	\$7,430,000	14,718	\$505
Mercedes-Benz of Colorado Springs	Southwest	\$6,660,000	25,568	\$260

Source: CBRE Research H2 2025

FIGURE 7: Notable Deliveries H2 2025

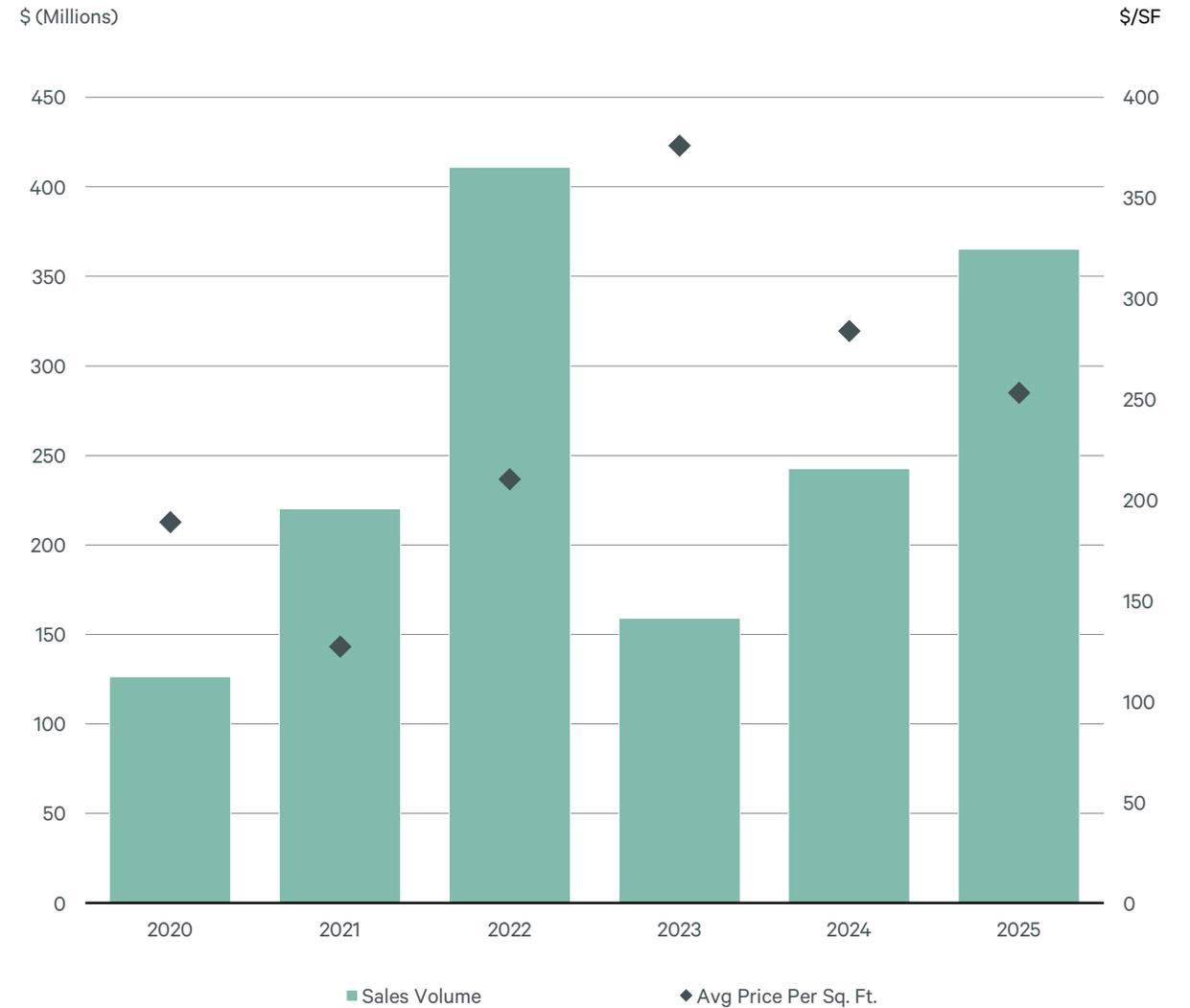
Property	Submarket	City	Size (SF)	Quarter
Mesa Ridge Marketplace – King Soopers	Fountain/Security/Widefield	Fountain	122,000	Q3 2025

FIGURE 8: Notable Projects Under Construction H2 2025

Property	Submarket	City	Size (SF)	Est. Comp.
3153-3173 Cinema Pt	East	Colorado Springs	15,587	Q1 2026
NWC E Woodmen Rd & Meridian Rd	East	Peyton	15,000	Q1 2026
7602-7662 Barnes Road	East	Colorado Springs	13,880	Q1 2026

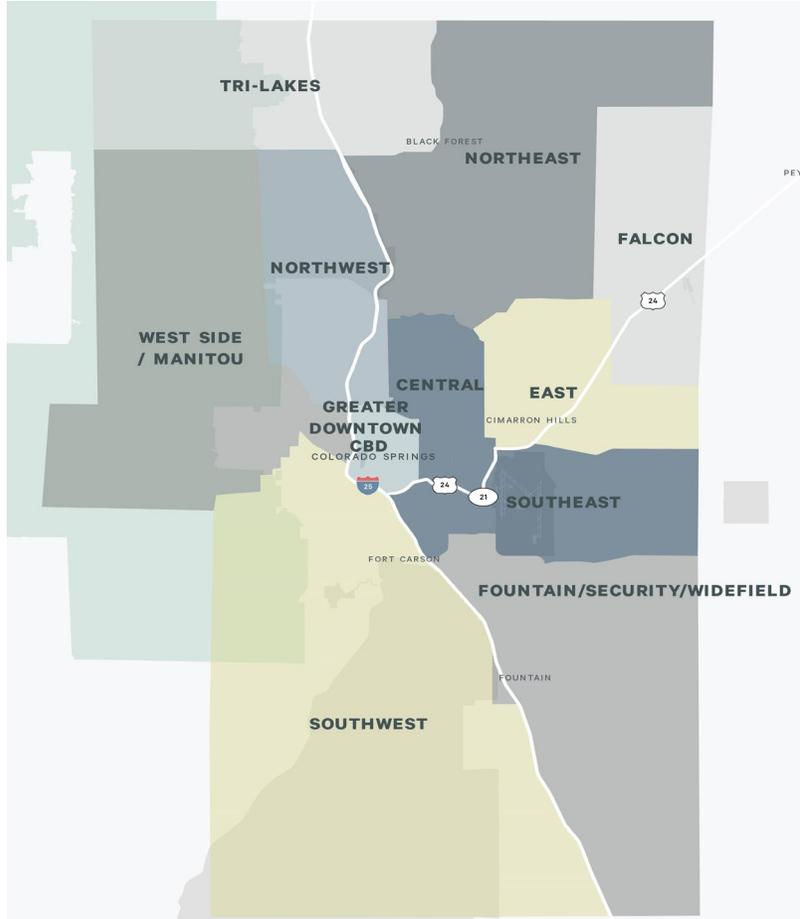
Source: CBRE Research H2 2025

FIGURE 9: Investment Trends



Note: Sales volume for transactions \$500,000 and higher
 Source: CBRE Research H2 2025

Market Area Overview



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