

Greetings from Austin Bluffs!

Highlights:

- Colorado Springs city sales tax continues to come in strong
- Local employment indicators were mixed for August
- Apartment vacancy is falling, but August saw the first new multi-family permits since March
- US retail sales rebounded in August, employment saw gains, but inflation increased

Retail Activity: The latest report from the city was a very strong one – August’s sales and use tax collections, for sales made in July, were up 11.7% over the same month last year. That was partly driven by an unusually large amount of use tax – i.e., tax paid by purchasers if the sellers do not collect sales tax – but sales tax, which is by far the larger category, was up 9.5% year-on-year. Year-to-date, sales and use tax collections are now up 6%.

Many transactions are not subject to sales and use tax. A somewhat broader measure of retail sales calculated by the Colorado Department of Revenue was up 2.5% for the first half of 2026 compared with the same period in 2025 for Colorado Springs. This indicates that the revenue growth is partly due to taxable sales outpacing overall retail sales. That same measure has sales in El Paso County up 3.3% and statewide up 2.8%. It is also worth noting that these data are not adjusted for inflation.

So, while the city revenue picture is definitely brightening, the sales and use tax numbers are giving a somewhat exaggerated picture of the pace of overall spending growth in the city.

Housing and Residential Real Estate: The single-family market continued to fade in August – sales were down 4.1% relative to a year ago. The number of active listings was slightly down from July, but up 3.8% compared with August 2025. An elevated number of listings as the summer selling season winds down may put downward pressure on prices.

Homeowner’s insurance continues to be a source of affordability pressure. Nationally, the pace of annual increases has eased somewhat, from a peak of 15.4% at the end of 2024 to 8.7% in June 2026, according to the [ICE Mortgage Monitor](#). That’s still high, and Colorado Springs was above the national average, with an 11.4% increase. Locally, 12% switched carriers in the past year.

Single-family permits were lackluster again in August – there may still be some hangover from the June 30 code change which caused some activity to get pulled forward. Year-to-date single-family dwelling units permitted are up 8% over last year, but we will see if higher interest rates lead to a sluggish end to the year.

The decline in apartment vacancy has accelerated, according to Apartment List. Rents are creeping back up, though still well off their 2022 peak. There is some additional supply on the way: according to PPRBD, there were 4,110 units under construction as of September 1.

August had the first new multi-family permits since March for the 410-unit building next to Weidner Field, which will complement Weidner's existing building south of the stadium.

Employment: Local labor market indicators were mixed for August. The BLS reported a preliminary increase in payrolls of 400 – this has showed gains since February, reversing the declining trend we'd seen from mid-2024 through 2025. That data is collected from a survey of business establishments; August numbers based on the household survey (in the lower-right of page 1 on the dashboard) showed a significant (-5801) decline in the number of people who reported being employed. These data are not adjusted for seasonal patterns (the seasonally adjusted unemployment rate for the region hasn't been reported yet for August). It is not unusual to see a drop in August, but this one was abnormally large. However, the same data had a strong gain in (3887) in July. Between the two surveys, the establishment survey is considered more reliable because of its larger sample size, and it's not unusual to see an occasional divergence between them. For both surveys, we shouldn't read too much into any one month's data.

In our table of payrolls by sector on page 1 of the dashboard, professional and business services has moved into the top spot, overtaking government. The growth in this high-paying category is likely contributing to the strong growth we're seeing in average hourly earnings.

A modestly encouraging note comes from job listings, which are now up over their year-ago levels.

The state's unemployment rate ticked up from 3.9% to 4.0% in August but still remains below the national rate (4.1%). The state also saw a modest decline in payrolls.

Travel and Tourism: LART collections for July transactions were up 3.6% over the same month last year. Combined with a similar (4%) year-on-year gain in June, this suggests that we managed to have a decent summer travel season despite elevated gas prices and airfares.

While enplanements at the airport were off modestly (-4.2%) in July compared with a year ago, the load factor (percent of seats occupied) was a bit higher than last year (81.4% versus 80.5%).

El Paso County Coroner: The [coroner's report for 2025](#) was troubling: it noted a 23% increase in suicides and a 16% increase in accidental deaths due to drug overdoses, though homicides were down by 9.8%.

Colorado State Budget Outlook: The September [Economic and Revenue Forecast from the Legislative Council Staff \(LCS\)](#) projects strong revenue growth for the state for the 2026-27 fiscal year, upgrading its expectations since its June forecast. However, they see the overall budget picture worsening, mainly due to increasing Medicaid costs. The state will also face a spending obligation for SNAP (the Supplemental Nutritional Assistance Program, formerly known as Food Stamps) due to federal changes from last year's H.R.1 (the so-called "Big Beautiful Bill"). They are projecting modest TABOR surpluses over the next several fiscal years, leading to refunds starting with tax year 2027. The Office of State Planning and Budget's forecast was similar but had smaller revenue increases and TABOR surpluses. The LCS reports to the General Assembly, while the OSPB is part of the executive branch – both of them issue quarterly updates on the state economy and budget.

Colorado Teacher Pay: The Economic Policy Institute updated its [estimates of the "teacher pay penalty"](#) – i.e., how much less teachers are paid compared with other comparable college graduates. In 2025, Colorado continued to have the largest gap among states, at 40.7%, compared with a national figure of 25.2%.

National Macro: A strong *retail sales* number for August more than made up for the dip we'd noted in July. Combined, over the two months, retail sales excluding gasoline grew at a 3.1% annualized rate, which is decent enough to ease concerns that consumers are slowing down, though I still have my doubts about how long they can sustain the pace of spending growth.

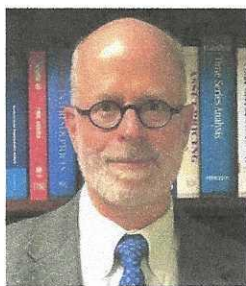
The August *jobs* report was a pretty good one – payrolls increased by 162,000 (preliminary) and, while the unemployment rate was steady at 4.1%, the labor force participation rate and employment-to-population ratios both increased. June and July payrolls were revised up.

Inflation, as measured with the Consumer Price Index, came in a little warm for August. The one-month changes of 0.4% and 0.3% in the overall and core (excluding food and energy) rates annualize to 4.7% and 3.5% respectively (the year-on-year changes were 3.4% and 2.4%). With recent moves in gas prices, we can expect an ugly headline number for September, and other costs that are rising due to the gulf in the Persian Gulf, such as diesel, will put pressure on a broader set of prices.

With inflation continuing to be on the high side while the labor market is holding up reasonably well, it was appropriate for the **Federal Reserve** to tap the brakes with a quarter-point increase in the target range for the federal funds rate. This move helps protect its credibility – the new chair needed an action to back up his “hawkish” tone, particularly given the pressure from the president for an easy monetary policy. While this move was framed as “raising rates,” serious doubts about the Fed’s credibility would drive long-term rates higher, so this was actually protective against that risk.

Real (inflation-adjusted) *median household income* in the US increased 2.6% in 2025 to \$87,460. The official *poverty* rate decreased to 10.2% from 10.7%. The official poverty measure (OPM) is a simple (and outdated) formula based on income and does not account for government benefits or regional housing cost differences. The poverty rate calculated using the supplemental poverty measure (SPM), which adjusts for these factors, saw a small (not statistically significant) tick up to 13.1% from 13.0%. At the state level, the Census Bureau reports the SPM over a three-year window. Colorado’s SPM poverty rate over 2023-25 was 10.8%, compared with 13.0% nationally. Over the same time frame, the official poverty rate was 8.6% for Colorado, versus 10.7% for the US overall.

Those are from the Current Population Survey Annual Social and Economic Supplements. The data we report on poverty and income in the dashboard is from another *Census* product, the American Community Survey (ACS), because of its availability at smaller geographic levels. The ACS release for 2025 has been delayed because the Commerce Department, which oversees Census, has ended the use of one of their main methods of protecting privacy. This has [troubled data users](#): in addition to seeing valuable data delayed, or possibly not reported at all, the decision was made at a political level, not by expert career civil servants. The data community is also very alarmed by [proposed changes to the decennial census](#), which could undermine its accuracy and consistency.

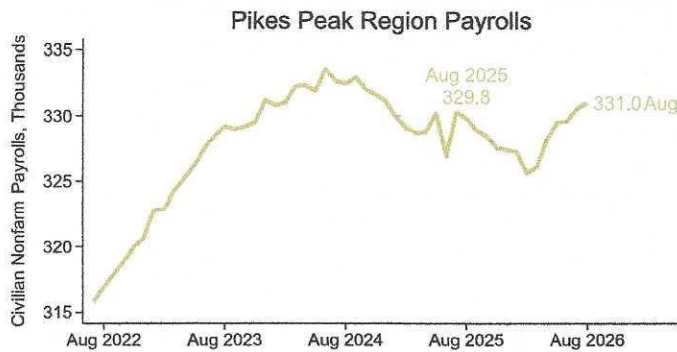


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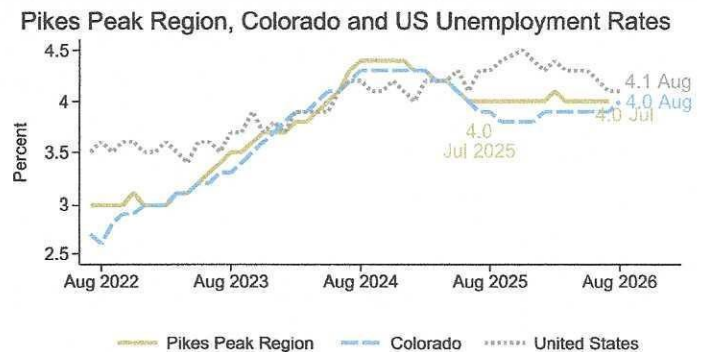
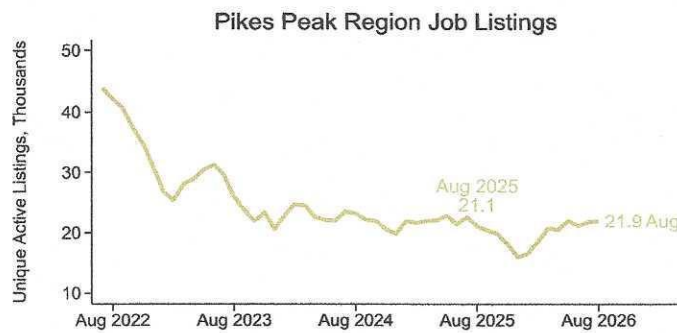
A handwritten signature in blue ink that reads "Bill".

Bill Craighead, Ph.D.
Director, UCCS Economic Forum
craighead@uccs.edu

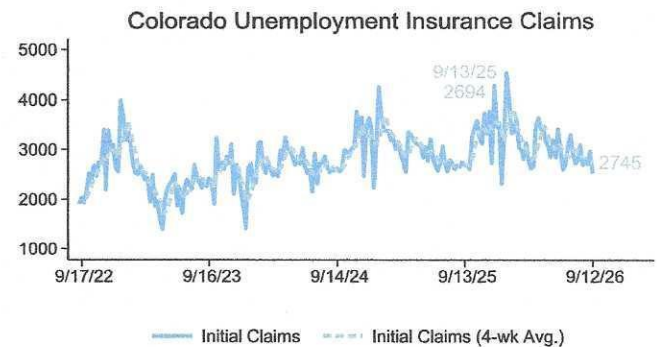
Labor Market



Data: Bureau of Labor Statistics, seasonally adjusted


Data: Bureau of Labor Statistics, seasonally adjusted. Not reported for Oct. 2025
Note: Local estimates released later than national and state data


Data: The Conference Board-Lightcast Help Wanted OnLine®, courtesy Pikes Peak Workforce Center, not seasonally adjusted


Data: US Employment and Training Administration
Claims during week ended on given date, not seasonally adjusted

Pikes Peak Region Payrolls by Sector, August 2026

Sector	Employment	1 yr. % chg.
Professional & Business Services	55,000	+3.0
Government	54,500	-1.8
Private Education & Health Serv.	53,400	+2.9
Leisure & Hospitality	44,000	+2.8
Retail Trade	32,300	-2.4
Other Services	22,500	-2.2
Financial Activities	19,600	-1.5
Mining, Logging & Construction	18,400	+1.7
Manufacturing	11,500	-0.9
Transport, Warehouse & Utilities	10,400	+1.0
Wholesale Trade	6,700	-1.5
Information	4,300	-10.4

Data: Colorado Labor Market Information, Current Employment Statistics Program; Bureau of Labor Statistics. Not seasonally adjusted.

Pikes Peak Region Job Postings, August 2026

Occupation	No. of Postings	Median Advertised Ann. Salary
Registered Nurses	1,036	\$93,440
Other Computer Occupations	822	\$137,984
Software Developers	574	\$145,152
Retail Salespersons	569	\$35,712
Heavy Truck Drivers	497	\$73,088
First-Line Retail Supervisors	378	\$46,976
Home Health & Pers. Care Aides	266	\$42,496
Physical Therapists	255	\$98,304
Customer Service Reps.	251	\$41,600
General & Operations Managers	233	\$100,096
Total Openings	21,942	\$71,040

Unique, active postings for top 10 occupations shown. Data: The Conference Board-Lightcast Help Wanted OnLine®, courtesy Pikes Peak Workforce Center

Armed Forces in El Paso County

2024	2023
35,535	38,320

Data: Census Bureau

Average Hourly Earnings

	August	1 yr. % chg.
Pikes Peak Region	\$40.90	+8.2
Colorado	\$40.31	+3.0
United States	\$37.78	+3.8

Data: Bureau of Labor Statistics. Private sector, not seasonally adjusted.

Pikes Peak Region Employment

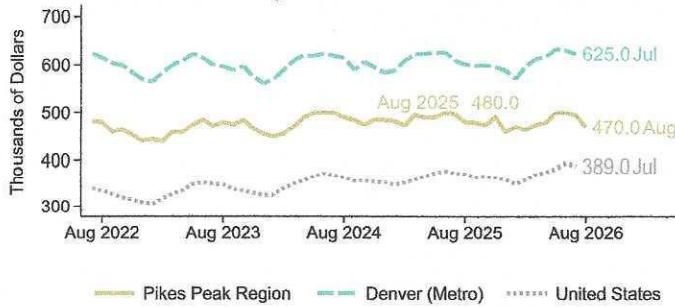
	August	July
Employed	367,254	373,055
Unemployed	18,258	16,782

Household survey data, civilians, includes self-employed, not seasonally adjusted. Data: Colorado Department of Labor & Employment; Bureau of Labor Statistics

Note: "Pikes Peak Region" refers to the metropolitan statistical area of El Paso and Teller counties unless otherwise specified. Data subject to revisions. Please do not reproduce without permission.

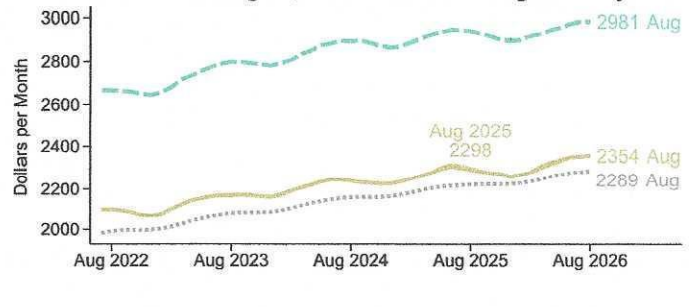
Housing

Pikes Peak Region, Denver and US House Prices



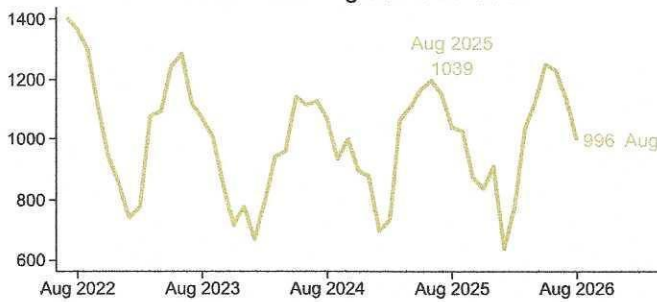
Median Sales Price, Single-Family Homes
Data: Realtor® Services Corp., courtesy Pikes Peak Assoc. of Realtors®; Zillow
Local data includes properties on regional MLS outside El Paso and Teller Counties

Pikes Peak Region, Denver and US Single-Family Rent



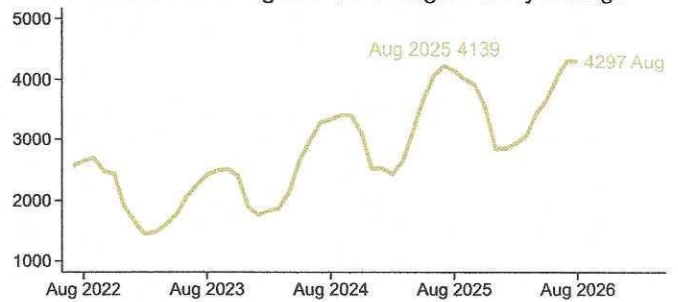
Data: Zillow

Pikes Peak Region Home Sales



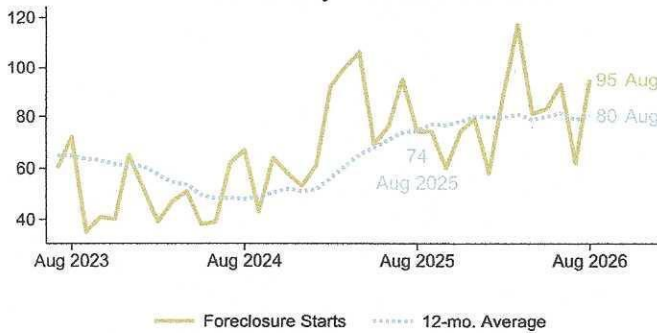
Data: Realtor® Services Corp., courtesy Pikes Peak Assoc. of Realtors®
Includes properties on regional MLS outside El Paso and Teller Counties

Pikes Peak Region Active Single-Family Listings



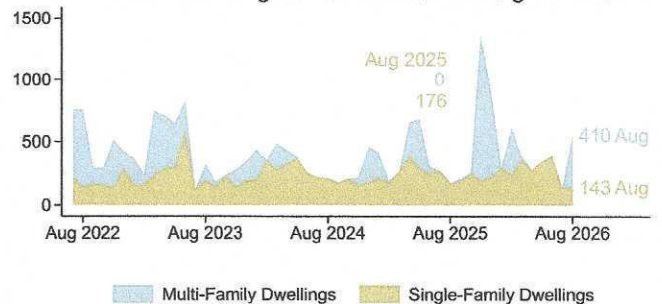
Data: Realtor® Services Corp., courtesy Pikes Peak Assoc. of Realtors®
Includes properties on regional MLS outside El Paso and Teller Counties

El Paso County Foreclosure Starts



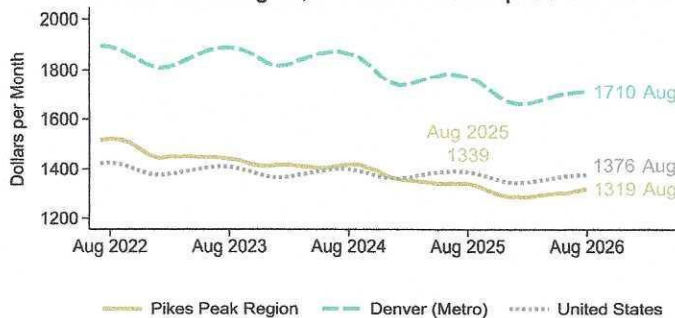
Data: El Paso County Public Trustee

Pikes Peak Region Residential Building Permits



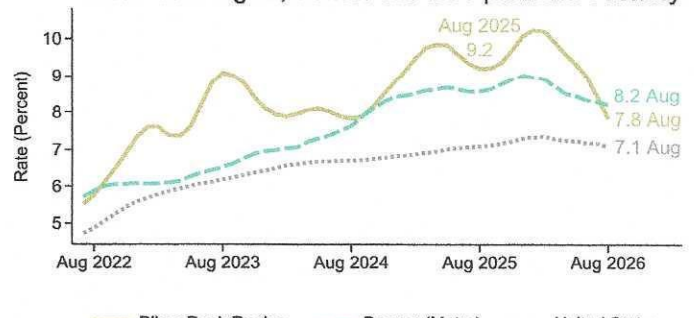
Some permitting may have been pulled forward due to code changes on June 30 2023 and June 30 2026
Data: Pikes Peak Regional Building Department; serves El Paso County and Woodland Park

Pikes Peak Region, Denver and US Apartment Rents



Median Rent of Two-Bedroom Apartment for New Leases
Data: Apartment List

Pikes Peak Region, Denver and US Apartment Vacancy

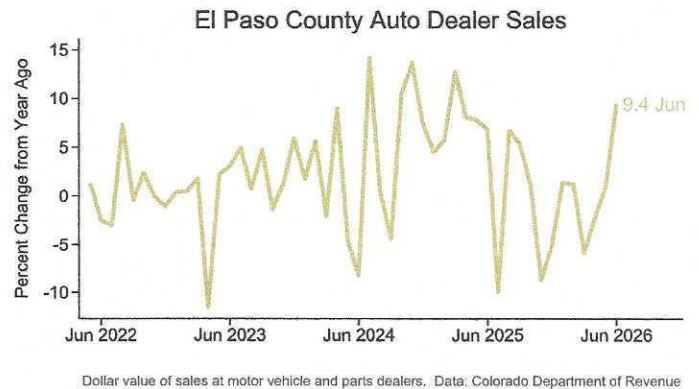
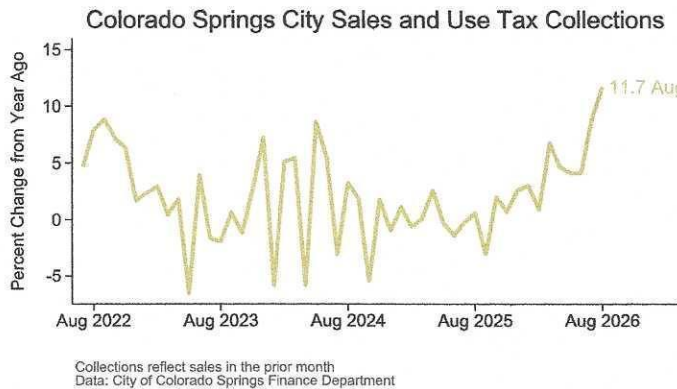
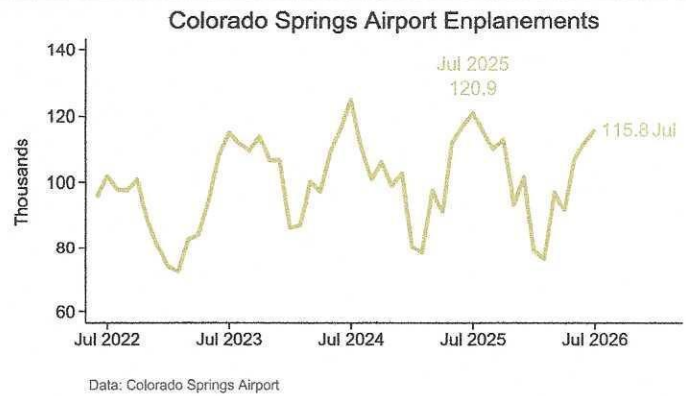
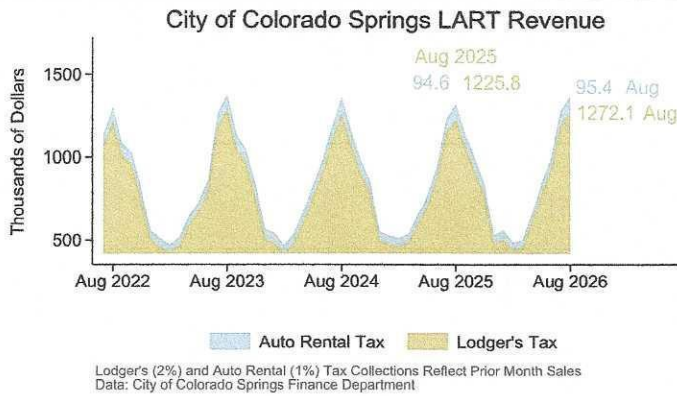


Data: Apartment List

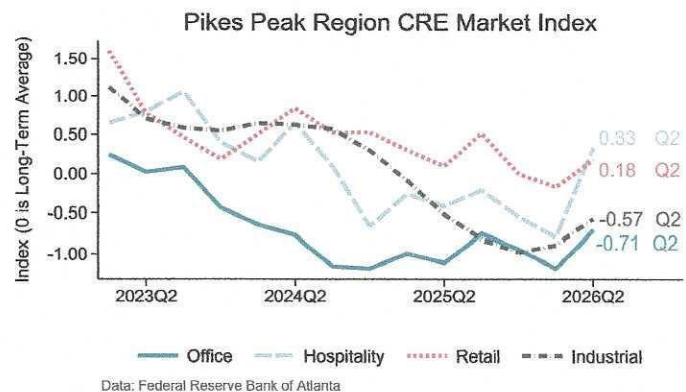
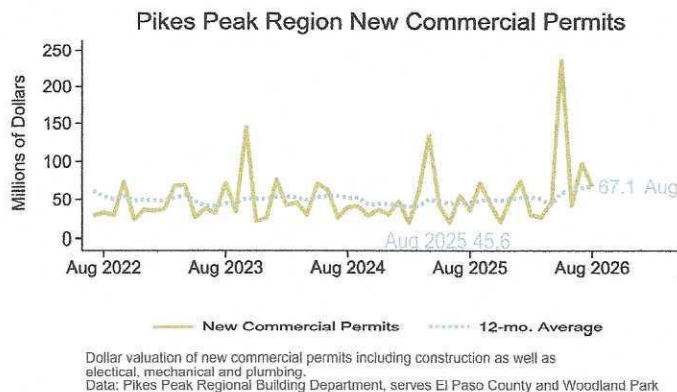
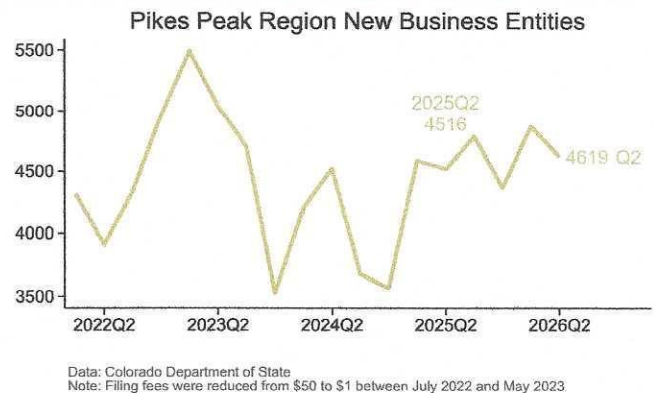
Additional indicators are reported in the Annual Forum Reports available under "Economic Forum Archive" on the Economic Forum website

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Travel and Consumers



Business and Commercial Real Estate

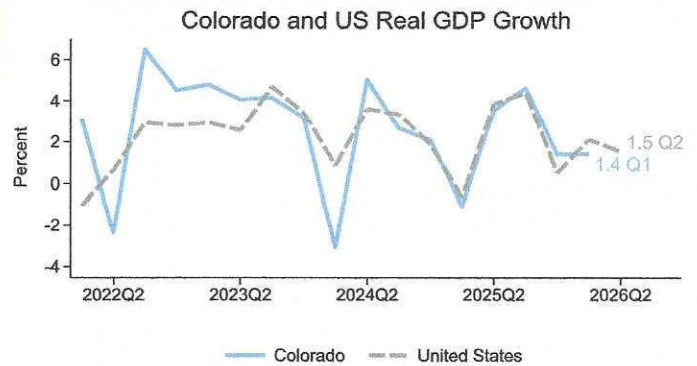


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Output

	GDP (2024)	Real GDP Growth 2024	5-yr. Avg.
Pikes Peak Region	\$56.4 bn	2.6%	3.6%
Boulder MSA	\$39.3 bn	1.5%	2.5%
Denver MSA	\$330.2 bn	1.8%	3.7%
Ft. Collins MSA	\$28.5 bn	1.1%	2.2%
Grand Junction MSA	\$9.5 bn	2.6%	1.9%
Greeley MSA	\$29.5 bn	6.5%	2.8%
Pueblo MSA	\$8.8 bn	0.5%	1.4%
Colorado	\$557.6 bn	2.0%	3.2%
United States	\$29.3 tr	2.8%	2.5%

Data: Bureau of Economic Analysis. MSA: metropolitan statistical area. 5-yr. avg. to 2024.



Data: Bureau of Economic Analysis, seasonally adjusted annual rate

Schools

	K-12 Enrollment (2025-26)	Avg. Teacher Salary (2025-26)	4-yr. Graduation Rate (2025)	Matriculation Rate (2025)		CMAS: % Meeting or Ex- ceeding Expectations (2025)	
				Total	4-year Inst.	8th gr. ELA	8th gr. Math
Harrison 2	12,011	\$60,311	89.8%	60.8%	24.4%	31.2%	26.4%
Widefield 3	8,976	\$66,709	82.9%	55.8%	24.5%	41.6%	32.3%
Fountain 8	7,225	\$70,963	90.7%	50.6%	26.7%	33.0%	28.9%
Colorado Springs 11	22,363	\$63,635	76.7%	49.8%	20.3%	36.0%	29.3%
Academy 20	26,131	\$67,136	95.4%	70.1%	53.4%	65.5%	59.9%
Lewis-Palmer 38	6,127	\$59,958	93.2%	74.1%	54.3%	51.8%	56.7%
District 49*	25,932	\$60,573	63.5%	30.8%	13.0%	42.2%	34.3%

Data: Colorado Dept. of Education. ELA: English Language Arts. Data shown for districts enrolling more than 5,000 students; data for other districts included in Annual Forum Report.

*D49 figures impacted by statewide GOAL HS charter school; higher graduation rates for Falcon HS (93.4%) Sand Creek HS (92.0%) and Vista Ridge HS (93.4%). Avg. salaries include charter schools.

Demographics and Cost of Living

Population and Population Forecasts					Mortgage Payment Share of Median Income, July 2026	
	2015	2025	2035	2045		
El Paso County	677,974	757,064	845,420	932,452	Pikes Peak Region	44.8%
0-4	46,325 (6.8%)	45,280 (6.0%)	51,330 (6.1%)	50,080 (5.4%)	Denver (Metro)	46.6%
5-17	121,758 (18.0%)	116,696 (15.4%)	118,995 (14.1%)	131,888 (14.1%)	United States	43.9%
18-24	76,624 (11.3%)	91,320 (12.1%)	84,761 (10.0%)	90,020 (9.7%)	Estimated payment for home purchased at local median price as share of median household income. Data: Federal Reserve Bank of Atlanta	
25-64	352,968 (52.1%)	391,476 (51.7%)	468,835 (55.5%)	528,865 (56.7%)		
65-79	62,533 (9.2%)	89,396 (11.8%)	83,225 (9.8%)	85,579 (9.2%)		
80+	17,766 (2.6%)	22,896 (3.0%)	38,274 (4.5%)	46,020 (4.9%)	Cost of Living Index Q1 2026	
Colorado	5.45 mil.	5.99 mil.	6.53 mil.	7.01 mil.	Pikes Peak Region	98.9
United States	325.59 mil.	348.16 mil.	357.31 mil.	362.90 mil.	Denver (Metro)	109.1

Age group shares of total in parentheses. Data: Colorado State Demography Office, Congressional Budget Office

Relative to national average of 100
Data: Council for Community and Economic
Research, courtesy Co Springs Chamber & EDC

Selected Population Characteristics, 2024

	El Paso County	Colorado	United States
Median Household Income	\$91,009	\$97,113	\$81,604
Poverty Rate	8.5%	9.6%	12.1%
Median Age	35.5	38.0	39.2
Bachelor's Deg. or Higher (≥25)	42.8%	47.8%	36.8%
Veteran (civilian pop. ≥18)	15.6%	7.0%	5.9%
Military (≥16)	5.9%	0.9%	0.5%

Data: Census Bureau

Pikes Peak Region Estimated Living Wages

Living Wage: 1 Adult with No Children	\$24.13/hr
Living Wage: 1 Adult with 2 Children	\$62.41/hr
Living Wage: 2 Work- ing Adults w/ 2 Children (per adult)	\$32.41/hr

Data: MIT Living Wage Calculator

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