

PIKES PEAK PLAYBOOK · RELOCATION GUIDE

Investor Guide: LTR vs. STR

Military demand, healthcare jobs and 25 million annual visitors make the Pikes Peak region attractive to investors. But long-term and short-term rentals follow very different rules here — and short-term rental rules change at every city and county line.

Underwrite every property under the rules of its exact jurisdiction. A home a mile away can fall under a completely different short-term rental ordinance.

NEVER ASSUME AN STR PERMIT TRANSFERS

In Colorado Springs, Manitou Springs and Teller County, short-term rental permits or licenses are tied to the owner, not the house. Buying an operating Airbnb doesn't guarantee you can keep running it.

LONG-TERM RENTALS (LTR)

- Steady demand from military, healthcare and university households
- Lower management intensity and fewer local permits
- Colorado tenant law has tightened: "for cause" eviction rules (2024), security deposit return deadlines and limits on screening fees
- Lower but more predictable returns

SHORT-TERM RENTALS (STR)

- Strong summer demand near Manitou, Garden of the Gods, Pikes Peak and Cripple Creek
- Local license, lodging and sales taxes, insurance and safety rules
- Owner-occupancy, spacing and zoning limits in several jurisdictions
- Higher potential income with higher regulatory and seasonal risk

STR RULES BY JURISDICTION

Where you can run a short-term rental.

Summary as of October 2026. STR = rental for less than 30 days. Confirm current rules with each jurisdiction before you buy.

JURISDICTION	LICENSE	OWNER-OCCUPANCY	LOCATION & DENSITY LIMITS	OTHER KEY RULES
Colorado Springs	Annual city permit per listing	Owner-occupied = owner lives there 185+ days/yr	New non-owner-occupied STRs barred in single-family zones (R-E, R-1 6, R-1 9, single-family PDZ); elsewhere 500 ft from another non-owner STR	\$500K liability coverage; 24-hour local contact; permit doesn't transfer
Manitou Springs	Planning Commission permit + business license	New STRs must be owner-occupied (185+ days/yr)	500 ft from any existing STR; city cap of 2% of residential structures	Must rent 21+ days/yr; annual renewal; permit issued to the owner, not the property
Woodland Park	Two steps: location approval + annual STR business license	Primary- and non-primary-residence STRs treated differently	Zone-based limits under voter-approved Ordinance 1469 (2023)	Occupancy and parking limits set at approval; monthly sales and lodging tax
Teller County (unincorporated)	New annual license under Ordinance 23 (adopted Sept. 10, 2026)	New buyers must own the property 365 days before licensing	Limited to certain residential and agricultural zones, with density caps	\$750 annual fee; occupancy tied to septic capacity; emergency-alert registration
El Paso County (unincorporated)	No countywide STR license as of this edition	—	Zoning, HOA covenants and deed restrictions still apply	State and local sales/lodging taxes still apply; confirm before buying
Cripple Creek, Victor, Green Mountain Falls, Monument, Fountain	Check with the town or city	Varies	Varies	Rules differ — verify before you underwrite

Sources: City of Colorado Springs and Manitou Springs STR program pages; City of Woodland Park STR Resource Center; Teller County Ordinance 23 (Colorado Springs Gazette, Sept. 11, 2026, and county records). Ordinance details summarized; read the adopted text.

 LTR VS. STR

Compare the trade-offs.

FACTOR	LONG-TERM RENTAL	SHORT-TERM RENTAL
Income	Lower, steadier	Higher potential, seasonal
Regulation risk	Moderate — state tenant law	High — local permits, caps and changes
Management	Light to moderate	Intensive: cleaning, guests, pricing
Financing	Standard investment loans	Some lenders limit STR income or require reserves
Insurance	Landlord policy	STR-specific coverage; liability minimums in some cities
Wear & furnishing	Tenant-furnished	You furnish, stock and replace
Exit flexibility	Sell with or without tenants	Permit may not transfer to the next buyer

UNDERWRITING CHECKLIST

- Confirm the exact jurisdiction and zoning
- Model LTR rent as your fallback
- Include taxes, insurance, HOA or metro district fees, utilities, management and reserves
- Check HOA rules — many ban rentals under 30 days
- For STRs: license eligibility, caps, waitlists and occupancy limits

COLORADO RISKS TO PRICE IN

- Wildfire Resiliency Code can raise renovation costs in mapped areas
- Insurance availability and cost in wildfire and hail zones
- Property tax treatment of short-term rentals has been changing — ask a tax advisor
- Teller County septic inspection at sale; STR occupancy tied to septic capacity


 STRATEGY OVER SCRIPT

Running numbers on a rental? Let's check the rules and the rent comps before you write an offer.

Call or text **719-244-5264** · hello@claycaldwellrealtor.com · ClayCaldwellRealtor.com

Colorado tenant law: HB24-1098 (for-cause eviction), C.R.S. 38-12-103 (security deposits), HB23-1099 (portable tenant screening reports). Wildfire code: SB23-166. Information deemed reliable but not guaranteed. This guide is general guidance, not legal, tax, inspection or financial advice; hire licensed professionals for inspections and consult an attorney or tax advisor for your situation. Clay Caldwell is a real estate broker with Better Homes and Gardens® Real Estate Kenney & Company. Each franchise is independently owned and operated. Equal Housing Opportunity. © 2026 Clay Caldwell Realtor.