

Denver housing market stays sluggish in September despite rate cut

Home buying activity remained sluggish in September despite a mid month half percentage point interest rate cut and more homes being available.

According to the September report from the Denver Metro Association of Realtors, the months of available inventory crossed the three-month mark for the first time since the pandemic. For comparison, in June 2023, the metro had 1.25 months of inventory.

The number of active listings, at 11,115, is up 4% from August's 10,724 and 46% from September 2023's 7,629.

The average number of active listings for September 1985–2021 was 15,253, while the record high was 31,450 listings in 2006, and the record low was 3,971 in 2021. Historically, active listings increase by an average of .74 percent from August to September. This year's 4 percent rise indicates strong late-season growth in inventory. *

“Homes are simply spending more time on the market and experiencing more price reductions before finding a buyer,” said Libby Levinson-Katz, chair of the DMAR Market Trends Committee.

The median close price dropped to \$576,171, 2.3% from \$590,000 in August and down 2% from \$585,000 in September 2023.] *

She warned sellers to be patient as buyers may be waiting out the election and holiday season before making offers. But doing that can be risky.

“If buyers are waiting for the end of the election cycle and the holidays to wrap up, they may be kicking themselves for not striking while the iron is hot.

Historically, sellers have reaped the rewards after an election cycle as home prices tend to increase.”

Million-dollar homes Activity in the \$1 million+ housing market saw a slight increase in new buyers and sellers last month.

New listings increased by 11% over August and 22% from September 2023.

Pending home sales increased by 5% from August and 38% from September 2023. The median time homes spent on the market decreased by one day from 26 to 25.

“Despite the slight bump in new buyer activity over the past month, expect inventory levels to climb as the election approaches and the months get colder,” said Nick DiPasquale, with West+Main, a member of the market trends committee.

“This bodes well for the savvy buyer, looking for a great home at a good price. Sellers can still find success with patience and creativity.”

DiPasquale said that timing remains crucial for both buyers and sellers.

“While many buyers wait for the perfect home at the perfect interest rate, sellers weigh listing now in a slower market against waiting for spring, when buyer activity is at its peak,” he said. “In either case, moving too fast or too slow may mean missed opportunities.”

Homes priced \$500,000 to \$749,999

So far this year, the \$500,000 to \$749,999 price range category has been the busiest.

Of the 32,213 residential properties sold across the Denver Metro this year, 41%, or 13,119 homes, fall in this price bracket.

And that’s unlikely to change heading into the year’s final months, said realtor Christina Ray, a marketing committee member.

“As we move deeper into the ‘Ber’ months and the seasons continue to shift, I’m optimistic that buyers will soon find some of the best opportunities of the year,” she said.

“For sellers, timing is key — list now to take advantage of current market activity or wait until after the holidays for the most favorable terms. Just like the changing seasons, the market has its moments and knowing when to act makes all the difference.”

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Her professional background includes editing positions at The Denver Post, The Des Moines Register, The Fort Collins Coloradoan, and At Home with Century 21. She’s also the founder and editor of DogsBestLife.com and the author of “The Complete Guide to Cocker Spaniels.”