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Metro Denver's housing market continued to soften in July, as buyers, despite having more options available to them, remain hesitant to sign on the dotted line, according to a monthly update from the Denver Metro Association of Realtors.

"The adage in Denver is that if you don't like the weather, wait 15 minutes, and that advice rings true for many sellers, as patience might be the key to finding the right buyer," said Libby Levinson-Katz, chairwoman of the DMAR Market Trends Committee in comments accompanying the report. "Amazing properties can languish on the market, while unremarkable homes sell immediately, leaving many to question what is happening."

Sales dropped 5.2% from June and are down 4.7% over the past year. New listings dropped even more, 11.6% on the month, but are up 7.6% over the past year. The number of active listings rose 3.6% to 10,584 between June and July.

Compared to July 2023, buyers have 68% more listings available. Measured at the current pace of closings, that represents a 2.85 months supply. When the inventory is below three months of supply, the market favors sellers, while three to six months is considered more balanced and above six months is a buyer's market.

The median price of a single-family home sold last month was \$660,000 — the same as in June. Home prices have risen 1.5% over the past year, so appreciation appears to be flattening out.

For condos and townhomes, median prices rose 1.2% from June to \$415,000 and are down a similar percentage amount on the year. But sales are down by nearly a fifth.

One theory is that association fees are on the rise to cope with higher home insurance and property tax costs, reducing affordability and pricing out some potential buyers.

That cooling was most noticeable in the highest tier of homes, priced at \$1 million or more, which saw sales drop about 10% between June and July.

"This deacceleration in activity resulted in a tremendous increase in available inventory," said Colleen Covell, a member of the DMAR Market Trends Committee and a Denver-area Realtor specializing in luxury homes. "Sellers with homes priced \$1.5 million and above are experiencing the toughest buyer's market in years."

When it comes to single-family homes priced above \$2 million, there is a seven-month supply and for condo and townhome listings, there were enough listings to meet 16 months of sales at July levels.



Granted, \$2 million-and-above homes don't fly off the shelf even in the best of times. Single-family homes priced from \$1.5 million to \$1.99 million have a 4.8-month supply, while condos and townhomes at that price level have a 7.5-month supply.

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