

Denver's officially a buyer's market. When will homebuyers show up?



Sara B. Hansen

Available homes in the Denver metro surged 48% year-over year in May, producing the highest inventory levels since 2011.

According to monthly data compiled by the Denver Metro Association of Realtors, the 13,599 active listings in May are up 14% from April and 48% from the 9,159 available a year ago.

May's available homes are close to the historic average of 14,510 from 1985 to 2024. The record high was 30,457 listings in 2006, and the record low was 2,075 in 2021.

But while that inventory makes Denver a buyer's market, prices remain steady as potential buyers remain cautious. The median close price in May sat at \$600,000, down slightly from April's \$604,000 but the same as the median close price a year ago.

"As more homes enter the market and fewer are closing, we're seeing a build-up of active listings rolling into the next month," said Amanda Snitker, chair of the DMAR Market Trends Committee.

"This is where strategy and staying power come into play. Sellers need to be mindful of how their home is positioned —while buyers may finally have more room to breathe."

Data from April's REMAX National Housing Report indicates that Denver is among 10 major metros where conditions favor buyers for the first time in years. Denver ranks third in that report behind San Diego and Raleigh, N.C.

According to the REMAX report, multiple markets are seeing a rare combination of:

- Increased active inventory
- Longer days on market
- Stable or declining median prices

- More new listings.

Nationally, Redfin reports 500,000 more sellers than buyers, the most on record. *

According to the report:

- There are 34% more sellers in the market than buyers. At no other point in records dating back to 2013, sellers outnumbered buyers this much. In other words, it's a buyer's market.
- Redfin expects home prices to drop 1% by the end of the year. Prospective buyers may see their purchasing power increase, and prospective sellers should consider selling sooner rather than later.
- 31 of the top 50 metros, including Denver, are buyer's markets. The report shows Denver has 16,357 sellers and 11,525 buyers, a 42% difference.

According to DMAR, May's pending sales of 4,349 were up 7% from April's 4,069 and 10% from 3,949 a year ago.

However, May's 4,036 closed sales were down 3% from April's 4,145 and 10% from May 2024's 4,460.] !!

The median days of 13 in the MLS remained the same as April but were up 44% from 9 days in May 2024.

Greg Cox with Compass said that in the \$1 million or more market, May's 5% sales volume dip in that category showed continued buyer hesitation.

"This gap between pendings and closings highlights a deliberate pace: buyers are entering contracts but pausing before finalizing, likely due to increased inventory and higher expectations, as well as a potential blip in the market from tariff negotiations in April."] !!

Andrew Abrams with Guide Real Estate expects the number of available listings in the \$750,000 to \$999,999 category to continue to increase.

"Historically, inventory tends to peak around September. This means buyers who remain patient may soon benefit from more options, while sellers may find that patience is increasing tested." More inventory lets buyers prioritize low-maintenance homes while sellers face more challenges.

"If their property isn't turnkey and priced appropriately, they are left with two difficult choices," Abrams said. "Wait for the right buyer or reduce the price to stay competitive with other available options."

Sara B. Hansen has been an editor and writer for more than 20 years. 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."