

Housing market experiences déjà vu in 2025

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Metro Denver's housing market continued treading water last year, with sales and prices holding steady as buyers and sellers alike waited for what comes next, according to a monthly update from the Denver Metro Association of Realtors.

It wasn't that frigid scene from the movie "Titanic," but it also wasn't a warm beach scene from "South Pacific" — more a lot of bobbing up and down in the wake of a year that was turbulent both politically and financially.

The number of home and condo sales last year, 42,268, was on par with the sales numbers recorded in 2024 and 2023. Closings are about a third below the peak seen in 2021, which was an anomaly, but a quarter below the counts seen in 2019, which wasn't.

The median price of a detached home sold last year was \$650,000, up 0.39% from 2024 and 2022, when the median price was \$647,500. Median condo and townhome prices looked more fatigued, falling 2.85% from 2024 to \$391,900 in 2025. The median sales price in December was \$625,000 for single-family homes and \$385,000 for condos.

The sales volume, or the dollar value of properties that traded hands, continues to heave around the \$30 billion mark, as it did in 2024 and 2023. It remains \$9.3 billion below the high-water mark reached in 2023.

There were 7,607 properties available for sale at the end of December, up 10.4% from the 6,888 available in December 2024, but down a sharp 27.6% from the 10,506 available in November. The decline was larger than the 18.6% drop averaged between the last two months of the year, but not enough to shoot off a warning flare.

New listings, a measure of seller activity, were up 6.8% last year, coming in at 59,671 and approaching the volumes seen in 2022.

"In many ways, real estate became collateral damage from wider economic forces beyond the industry's control," Amanda Snitker, chairwoman of the DMAR Market Trends Committee and a local Realtor, said in comments accompanying the report.

Despite rate cuts from the Federal Reserve, concerns about stubborn inflation and the impact of tariffs kept 30-year mortgage rates anchored in the 6% to 7% range for most of the year. Volatility in the bond markets increased borrowing costs, and consumer confidence declined, shrinking the pool of buyers. Tougher immigration policies in the face of an already tight construction labor market put upward pressure on new home prices.

"These economic variables shaped housing market psychology more than traditional supply-and-demand fundamentals, leaving both buyers and sellers navigating conditions largely determined by forces outside the real estate sector," Snitker said.

One noticeable change was in the time it took listings to sell — a median of 25 days in 2025 compared to 18 days in 2024. In December, the median was up to 45 days, although that month is usually the slowest one of the year.

More observers made the call that metro Denver had shifted to a buyer's market. However, a falling inventory of homes for sale indicated that sellers wouldn't be forced into a corner.

Modest price appreciation, steady transaction volumes and mortgage rates in the 6% to 7% range have defined the market the past three years and will likely continue to do so in 2026, Snitker predicts.

"Buyers will need to focus on creative financing solutions. They should explore rate buydown options, consider a wider range of neighborhoods and property types and work with lenders who can structure loans that maximize purchasing power," she advises.

As for sellers, they need to focus on "competitive pricing from day one" and on making sure their listings are properly prepared and their homes presented well. Sellers who have failed to do so have been forced into rounds of price cuts or have found themselves yanking their listing from the market due to a lack of interest.