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Cum RE

Metro Denver housing market sees slowdown

Sales dropped by nearly 20% between July and August and have fallen 17.3% year over year

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Stress cracks are forming in the upper corners of Denver's housing market as elevated mortgage rates weaken buyer demand, causing sales to slip in a big way last month.

Metro Denver home sales fell by nearly a fifth between July and August, according to a monthly update from the Denver Metro Association of Realtors.

"The general economic uncertainty continues to weigh heavily on real estate," Amanda Snitker, chairwoman of the DMAR Market Trends Committee and a local Realtor, said in comments accompanying the report.

Stubborn inflation, shifting tariff policies, and mortgage rates that refuse to provide meaningful relief for affordability are all generating uncertainty, she said.

Buyers closed on only 3,068 properties last month. Sales volumes that low tend to cluster around the cold weather holidays. They are an anomaly in the heat of summer.

Activity does dip once the school year starts back. But with the annual decline at 17.3%, citing a seasonal slowdown won't cut it. Note

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Whatever shifted in the market has shifted recently. For the first eight months of the year, closings are down about 3.5% from the same period in 2025.

Snitker argues that many housing statistics in Denver have remained surprisingly stable over the past three years.

The inventory of homes and condos for sale stood at 13,080, not far from the 13,115 at the end of July and the 13,059 a year ago.

Normally, when sales slow in a big way, the inventory rises, but sellers have acted as a stabilizer.

Sellers listed about 10% fewer properties in August than July, and about 4.5% more than they did a year ago.

Note

For single-family home sales, August's median home sold price came in at $649,500, down 1.65% from July and only $400 below the median a year earlier. Again, a sign of stability. Condos and townhomes tell a different story, with a median sold price of $370,000 in August. That is down 2.6% from July and 4.9% from a year earlier. Note

The condo market had a 23.5% annual decline in sales. It was creaking in a big way, evidence of some unnatural twisting happening beneath the surface.With sales already so weak, and the slower winter season ahead, some analysts are warning that metro Denver could see a big drop in prices.

Nick Gerli, who runs a real estate data platform called Reventure Consulting, has a bearish outlook on Denver's housing market.

He predicts home price declines of 10% to 20% in some areas, with Denver challenging Austin, Texas, for the title of the nation's most distressed metro housing market.

Note

Denver suffers from an extreme mismatch between what homes cost and what people can afford, he argues. Would-be buyers in Colorado need 30-year mortgage rates to fall. Instead, they remain closer to 7% than 6%.

Gerli also believes that mom-and-pop real estate investors and short-term rental operators bet heavily on the Denver market between 2020 and 2022, contributing to a buying frenzy that distorted prices.

Those investors, along with large institutions, are under increasing pressure to sell. That could cause listings to rise in the coming months, disrupting the facade of a stable inventory.

Note

And strong migration, something the region could count on in prior decades, won't be there to shore things up this time around, he warns.