

Denver Real Estate Market: Boom or Bust?

Denver real estate experts are uncertain about the housing market's future. Local home buyers lend authority to the argument as Denver house prices stall.

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/EINPresswire.com/ -- "Denver houses could drop in value over the next 12 months, a bold statement by local real estate investor and [Denver home buyer](#)", Shaun Martin. "There are a number of strong headwinds including interest rates, inflation, and the resulting increase in the cost of goods. People are having to choose between gas or bidding over list price on their dream home." This sentiment is mirrored by Denver agent Rosalie Trent who said, "Denver has been a seller's market for many years. I believe we are seeing the start of a cooling-off period.

I don't think prices will drop much. However, we may see some historically normal behavior in the Denver market over the next 2 or 3 years."

This could be welcoming news for Denver residents who have seen an astronomical rise in the price of homes in the past decade. Research online reviews homes that sold for \$80,000 less than 10 years ago are now selling for \$500,000 or more! One example of a house that sold recently for \$780,000 sold for only \$56,000 9 years ago.

Nationally the housing market is overpriced according to Moody's Analytics data by Fortune. According to them, the national housing market is 25% overvalued. This means the prices homes are selling for have gone way past what buyers in that area can afford. Roger from [cashforhouses.org](#) - a national home buying company that pays [cash for houses](#) said, "Home-owners need to take a breath and look at where they were 5 years ago. even if prices dropped a massive 10% they will still be way ahead. Now would be a time to remind people that headlines are often sensationalized. Take a moment before you make any decisions. If in doubt find a



Denver's Proven Cash Home Buyer

trusted expert or reputable real estate company to help you understand all of your options and their ramifications."

"The current balance of price versus earnings is not sustainable" according to Neil Capazilo, research analyst for the San Diego Institute of Real Estate and Numbers. "Such an imbalance has never been seen before in the history of real estate. We now have finally been inflation bare its head and of course, the Federal Reserve was reactive, instead of proactive, to it. I have been calling for them to raise interest rates, gradually, for the past five years. My models suggest the US economy would have continued to grow however inflation would not of come on so strongly."

So what does this mean for the price of houses across the US?

"Our research suggests that home prices will slow their appreciation and at some point level off. We even see up to a 10% drop in the value in some more rural areas. Bigger markets, in California, or Denver, CO will potentially lose less value.

Denver real estate agent Tam Donaldson had this to say about Denver, "There really isn't anywhere for the Denver market to go. During the Great Recession, we had an abundance of supply. This isn't the case now. We have seen an increase in supply recently but it is nowhere near a normal level. It is still very low."

"Net migration is still positive for Denver and Colorado overall. In fact, it is still predicted that we will have 10 million residents within 20 or 30 years. That is almost double where we are at now. Homeowners are still selling houses in California and coming to buy homes that are much cheaper in their minds. There is no doom or gloom or cliff to fall off. Not according to my crystal ball." concluded Tam.

So what are local home buyers seeing in Denver?

Shaun: "I am a numbers guy, I follow data intensely. Because of this I have noticed an increase in concern on the seller side of the equation. More sellers are looking on google and searching for "how to [sell my house fast Denver](#)". Typically we see about 350 searches a month for how to sell my house fast in Denver but in the past 4 weeks, there have been 1200. This is a huge increase and could suggest that the people of Denver are worried home prices will fall."

Roger: "Denver, CO is still a great place to buy a house. Especially if you plan to stay there for a long time. While it is possible that house prices could dip, over the long term you will be happy that you bought a house in the Mile-high City. Job growth, increased population, new industries in tech, and big players like Amazon are happy to move to Denver. So why wouldn't it be a good place for you to call home too?"

"Denver real estate has risen to record high levels. Denver homes have risen in price at a record

pace. I think it would be healthy for a cooling-off period. This is not something any homeowner should panic about," said Roger of Cash For Houses.

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