

## March Case-Shiller Report Shows Denver Metro 2nd Only to Seattle in Home Price Decline

Denver homeowners hoping for a spring rebound won't find much comfort in the latest S&P Cotality Case-Shiller report. The March 2026 release shows **national** home prices rising a thin **0.7%** year-over-year, down from **0.8%** in February — already one of the slowest growth rates since the pandemic boom. More than half of the nation's major metros posted annual price declines in March, and Denver once again landed near the bottom of the pack.

The report doesn't publish metro-level numbers in the press release, but it does name Denver among the weakest performers. That's consistent with what brokers across the metro have been reporting for months: the market is softening, not crashing, but certainly no longer leading the nation. In fact, the report notes that **Seattle overtook Denver as the nation's softest market** in March, an unflattering reminder that the Front Range has been lagging the national recovery for nearly a year.

Even the modest national gain masks a more sobering reality: home prices have now

trailed inflation for 10 consecutive months. In practical terms, that means real home values are slipping across the country, even in metros still posting nominal gains. Denver's weakness, then, isn't happening in isolation — it's part of a broader national cooling — but the metro's underperformance stands out.

Independent data from the Federal Reserve Bank of St. Louis places Denver's seasonally adjusted Case-Shiller index at 313.0 in March 2026, essentially flat compared to a year earlier and consistent with the plateauing trend that began in mid-2023. While this figure isn't part of the S&P release, it aligns with the report's characterization of Denver as one of the metros experiencing year-over-year declines.

Contrast that with the metros now leading the national index: Chicago up 6.1%, New York up 4.0%, and Cleveland up 3.9%. These markets, once considered slow-and-steady performers, are now outpacing the West's former high-flyers.

The Case-Shiller report doesn't diagnose

individual markets, but Denver's pattern is easy to understand when viewed through local fundamentals:

◆ **Affordability ceilings:** After a decade of rapid appreciation, Denver hit a price ceiling earlier than many metros. With mortgage rates still elevated, even small rate bumps sideline buyers who are already stretched.

◆ **Inventory normalization:** Active listings remain below pre-pandemic norms, but they're no longer scarce. A more balanced supply has reduced bidding wars and softened upward pressure on prices.

◆ **Migration shifts:** Denver's net in-migration has slowed from its 2015–2020 peak and even reversed. Meanwhile, metros like Chicago and New York have seen renewed population inflows, helping fuel their price gains.

◆ **Buyer psychology:** After years of “buy now or be priced out forever,” buyers are more cautious. Many are waiting for clarity on rates, inflation, or both.

Together, these forces have pushed Denver from a perennial top-tier performer to a market that's now drifting sideways.

For sellers, the message is clear: **pricing power is no longer automatic**. Homes that would have attracted multiple offers in 2021 now need to be priced to current conditions, not last year's comps. Well-prepared, well-priced homes still move quickly, but aspirational pricing is punished faster than at any time since before the pandemic.

For buyers, the picture is more nuanced. The market is more balanced than it has been in years, and softer prices offer some relief. But higher borrowing costs continue to offset much of that benefit. The result is a market that feels neither hot nor cold, just tight, cautious, and highly sensitive to interest-rate shifts.

Denver remains one of the softest major markets in the Case-Shiller universe, even as national prices continue to post small nominal gains. With inflation still outpacing home appreciation, the real value of housing is slipping nationwide. For the Front Range, the March report reinforces what many already suspected: this is a year of adjustment, not acceleration, and both buyers and sellers will need to navigate a market that rewards realism over optimism.

## Colorado Homebuyers Can Be Grateful for Our More Equitable Property Tax System

Colorado homebuyers have plenty to worry about — rising insurance premiums, volatile assessments, and, as I argued recently, the steep mill levies in Metro Districts. But if there's one thing Colorado buyers can be grateful for, it's that we do **not** have the equivalent of California's Proposition 13.

Under Prop 13, property taxes are capped at 1% of the purchase price, and annual increases in assessed value are limited to 2%, no matter how much the home appreciates, but homebuyers are tax based on the sale price. The result: two neighbors in identical homes can pay wildly different tax bills simply because one bought their home in 1990 and the other bought it recently.

In some California neighborhoods, the difference isn't a few hundred dollars — it's tens of thousands. A long-time owner might pay \$3,000 a year while the new buyer next door pays \$15,000. That inequity is baked into the state constitution. Similar inequities exist in other states, inspired by Prop 13.

Colorado, by contrast, reassesses property values regularly and applies mill levies uniformly within each taxing district. We may debate the fairness of our assessments or the

complexity of our tax structure, but we do not saddle new buyers with a permanent, structural disadvantage relative to their neighbors. A buyer in Colorado pays the same mill levy as the homeowner next door, regardless of when either purchased.

That doesn't mean Colorado is free of inequity. Far from it. Our version of a tax gap shows up not between neighbors, but between new subdivisions and established neighborhoods. Virtually all new construction along the Front Range is within a Metropolitan Tax District — a financing mechanism that shifts the cost of roads, water, sewer, and parks onto future homeowners through higher mill levies. These levies routinely run 120 to 180 mills, compared with 60 to 80 mills in older neighborhoods.

For a \$600,000 home, that difference translates to **\$3,600 to \$6,000 more per year** in property taxes. Over a decade, the Metro District premium can exceed **\$60,000**, wiping out the energy-efficiency and maintenance savings that national analysts often cite when comparing new homes to resales.

The key distinction is this: California's inequity is based on time of purchase. Colo-

rado's is based on actual market value.

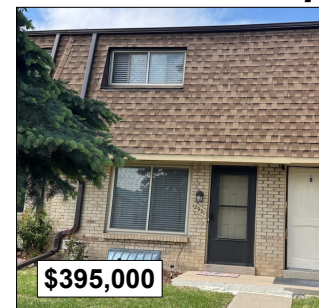
One system penalizes new buyers for not having purchased decades earlier. The other penalizes buyers for choosing a new home over a resale. Both distort the market, but only one is locked into the state constitution.

As Colorado continues to debate housing affordability, it's worth remembering that our tax system, for all its flaws, still treats

neighbors equitably. The challenge ahead is ensuring that buyers of new homes aren't carrying an outsized share of the infrastructure burden simply because they arrived last.

**NOTE:** I write many more articles each week than fit into this space. You can find them all on our company blog, <http://RealEstateToday.substack.com>.

## 2-Bed/2-Bath Applewood Townhome Just Listed



This beautifully maintained Applewood Park townhome at **12931 W. 20th Avenue** has updated systems, a finished basement family room, and two covered parking spaces directly behind the fenced patio. The main floor features a bright south-facing living room, dining area, and kitchen. Upstairs are two bedrooms and a full bath with tub/shower. The basement provides a non-conforming bonus room ideal for an office, guest space, or family room, along with a dedicated laundry area. Major mechanicals were replaced in 2023, including the furnace, central A/C, and gas water heater. The kitchen features updated cabinets, tile flooring, and stainless steel appliances. Newer paint, carpet, and laminate flooring add to the move-in appeal. Enjoy a well-managed community with low HOA fees that include water, sewer, trash, exterior maintenance, and access to a pool, clubhouse, tennis courts, and playground. Fantastic location with quick access to I-70, parks, trails, and shopping. This unit is a great value in Applewood. Find a narrated video tour, floor plans and interior pictures at [www.GRElistings.com](http://www.GRElistings.com), then call your agent or me to arrange a private showing.

## Updated 1-Bedroom/1-Bath Sable Cove Condo



This nicely updated and well-maintained condo at **992 S. Dearborn Way #7** is east of I-225 and north of Mississippi Avenue, south of Aurora's town center. The seller, who bought it for a family member, updated everything in this ground level unit. It has luxury vinyl plank flooring throughout, a pantry with slide-out drawers, laundry hookups, and a wood-burning fireplace. There is lots of open lot parking for you and your guests. There is a locked storage closet on the front porch, big enough for all your gear. Find a narrated video tour, floor plan and interior pictures at [www.GRElistings.com](http://www.GRElistings.com), then call your agent or me to arrange a private showing.



**Jim Smith, Broker**  
CENTURY 21 Golden Real Estate  
303-525-1851  
[Jim@GoldenRealEstate.com](mailto:Jim@GoldenRealEstate.com)

The articles in this ad are posted at [RealEstateToday.substack.com](http://RealEstateToday.substack.com).

PDFs of past columns are archived at [www.JimSmithColumns.com](http://www.JimSmithColumns.com).



Read Our Substack

