

First-Time Homebuyer's Guide to South Denver

Q1 2026 EDITION

Everything You Need to Know to Buy Your First Home in South Denver

southdenverguide.com

2026 Market Snapshot: South Denver

The Denver metro housing market has shifted in early 2026 -- slower pace, more inventory, and more negotiating power for buyers. The median sale price dipped 2.7% year-over-year to \$550,000, while average days on market surged 21% to 80 days. New listings rose 2.2% YoY, but closed sales fell 14.6% as buyers take more time to decide.

What this means for first-time buyers: conditions are the most favorable they've been in years. You have actual negotiating leverage. Use it.

Metro Denver Median Sale Price	\$550,000
Denver Proper Median Sale Price	\$568,000
Avg. Days on Market	80 (+21% YoY)
Price per Square Foot (Denver)	\$362 (-0.82% YoY)
New Listings (Jan 2026)	+2.2% YoY
Closed Sales (Jan 2026)	-14.6% YoY

Neighborhoods at a Glance (Q1 2026 Median Prices)

Prices below reflect Redfin/Zillow data as of March 2026. Year-over-year changes show a buyer's market correction across most South Denver neighborhoods.

Neighborhood	Median Price	YoY Change	Type	Schools	Walk
Cherry Hills Village	\$2.4M	-23% YoY	Ultra-Luxury	Cherry	2/10
Cherry Creek	\$850K	-5% YoY	Urban Luxury	Denver	8/10
Belcaro	\$1.1M	-4% YoY	Established Luxury	Denver	6/10

Washington Park	\$1.1M	-5% YoY	Walkable Urban	Denver	9/10
Greenwood Village	\$750K	-3% YoY	Executive Suburban	Cherry	4/10
Bonnie Brae	\$900K	-4% YoY	Charming Walkable	Denver	7/10
Platt Park	\$850K	-4% YoY	Earthy Walkable	Denver	7/10
Centennial	\$600K	-3% YoY	Family Suburban	Cherry	3/10
University Hills	\$580K	-3% YoY	Quiet Suburban	Cherry	4/10
Observatory Park	\$650K	-3% YoY	Up-and-Coming	Denver	6/10
Englewood	\$539K	-4% YoY	Historic Walkable	Englewood	8/10
Hampden South	\$550K	-3% YoY	Modern Suburban	Cherry	5/10

Colorado-Specific Buyer Programs (2026)

CHFA (Colorado Housing Assistance Corporation) -- Updated for 2026:

CHFA Loan	Below-market rate, 3-5% down, no PMI required. Income limits updated annually (South Denver metro ~\$136K for 4-person household). Combine with DPA for minimal cash at closing.
CHFA Down Payment Assistance	Up to 4% of loan amount as deferred loan -- no monthly payments, repaid at sale/refinance.
Denver OED Programs	City-specific down payment assistance for Denver residents; income and purchase price limits apply.
VA Loans	0% down for veterans, competitive rates, no PMI -- available throughout South Denver.

6 Things First-Time Buyers Should Know in 2026

- Interest Rates** Rates remain elevated -- shop multiple lenders; even 0.5% difference = tens of thousands over loan life
- Negotiating Power** Homes sitting 60+ days have motivated sellers -- don't skip inspections but negotiate repairs or credits
- CHFA Programs** Colorado Housing Finance Authority offers 3-5% down, below-market rates -- income limits updated annually
- HOA Caveat** Condo/townhome HOA dues have surged statewide -- factor \$300-600/mo into budget before falling in love
- Days on Market** Average 80 days in metro -- don't rush, and use extended DOM as negotiating leverage
- Cherry Creek Schools** If schools are priority, focus on Centennial, University Hills, or Hampden South for best value

The South Denver Homebuying Process

- 1 Assess Readiness** Check credit (620+ minimum, 740+ for best rates), calculate DTI (28/36 rule), save 3-5% down + 3% closing costs.
- 2 Get Pre-Approved** 3-5 days, multiple lenders. A local lender strengthens your offer in competitive

situations.

3 Find Your Agent

Interview 2-3 agents. In 2026's slower market, a strong negotiator saves you more than ever.

4 House Hunt

Focus on neighborhoods matching your priorities. Days on market are up -- don't rush, but move fast on right homes.

5 Make an Offer

Write strong but not desperate. Use 80-day DOM as leverage. Demand inspection repairs or credits.

6 Inspections

Standard + radon (Colorado-specific, ~\$150-300) + sewer scope (~\$200-400 for older homes). Don't skip these.

7 Appraisal & Close

If appraisal comes in low, renegotiate. Closing costs ~3% of purchase price. Bring certified funds.

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