

The Light: 5 Key Consumer Shifts

by [Ken Perlman](#) & [Lesley Deutch](#) April 1, 2020
www.realestateconsulting.com



What today's new home buyers are telling us

Never before have so many Americans spent this much time in their homes, and—despite all the orders to stay inside—homes are still selling.

Last week, we connected with more than 90 real estate professionals in more than 45 metro areas to understand what buyers were feeling, thinking, and saying about new home purchases. In this newsletter, we focus on the positive and how understanding current conditions can provide strategic insight into consumer preferences when the recovery begins. We highlight 5 key consumer shifts below:

New homes equals healthy homes



Source: [DesignLens](#)

Buyers from Washington to Florida are delivering a consistent message that now, more than ever, purchasers believe in the *value* of a new home. At JBREC's 2020 Design Summit in February, Liza Housman, Vice President at Houzz, told our group that their research shows that **new equates to healthy**, and builders reiterated this in our discussions. Many buyers have even been pushing the builders to finish early so they can move in, including some willing to pay a premium. Seamless transitions into outdoor space, fresh air, open spaces, and oversized windows to bring in natural light are all in strong demand.

Surban™ instead of urban



[Source: DesignLens](#)

We think that surban environments (communities that combine the services and density of urban locales with the safety and affordability of the suburbs) will continue to attract urban dwellers looking for more privacy and open space.

Health and wellness trend now getting a big boost



[Source: DesignLens](#)

Healthy and sustainable living have been among the fastest-growing trends in home building and community design in recent years. Think: the rise of the community gardens, the farm to table movement, and fitness on demand. Expect the current pandemic to move that trend into hyperspeed with a particular emphasis on the home. We expect more smart home technology, more touchless controls on sinks, motion sensor lights, and voice commands. And new homes have a clear advantage over resale homes in this space. Builders like [Thrive](#) in Denver tout the benefits of “eco-luxury,” which they define as “cutting-edge design, the highest energy efficiency, and cleaner indoor air in a home.”

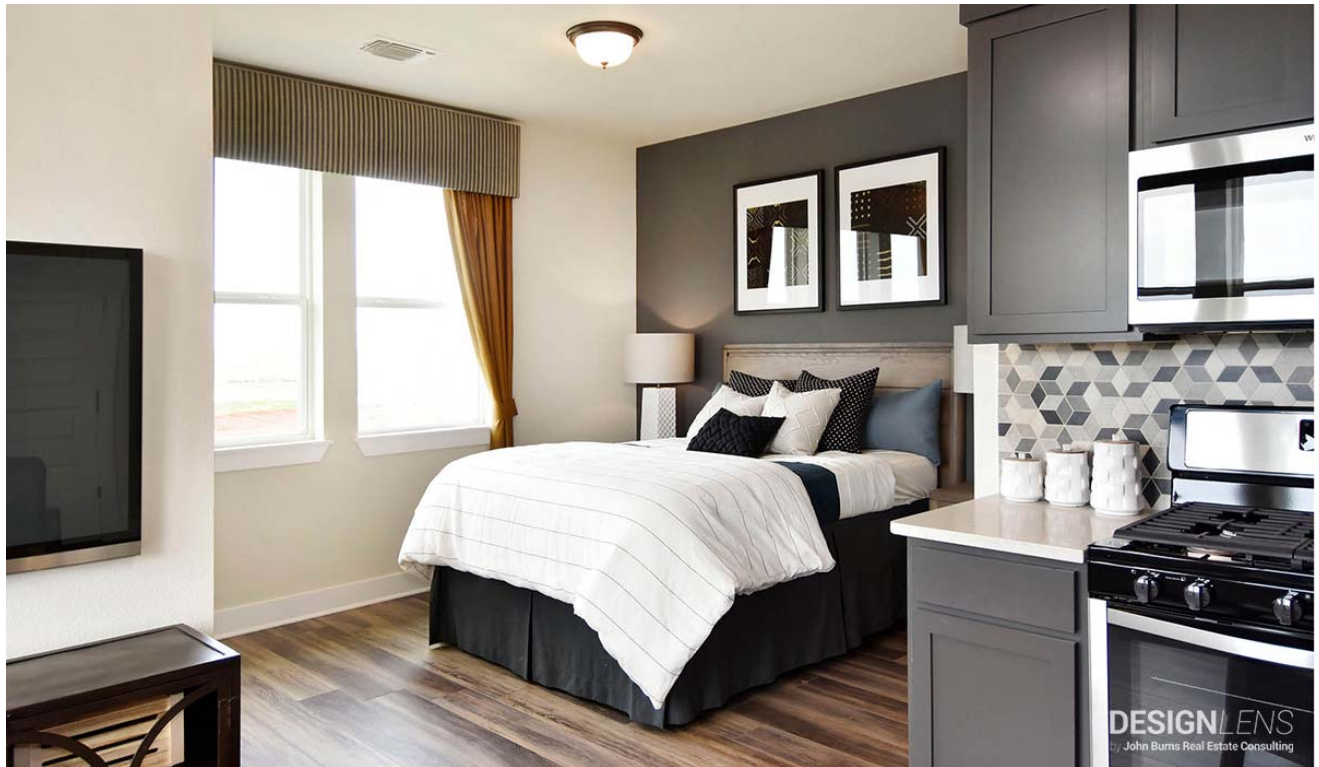
Working from home



[Source: DesignLens](#)

John doesn't like the word remote, so we already had a "connected team member" initiative in place and moved 100% to our homes in less than a day. We are certain that one result of this pandemic will be more working from home, and we wonder how many people currently hate their home work space. Some new home buyers prefer a more generic office at the front of the home with optional doors for privacy, while others embrace space, quiet, and privacy wherever they can. Van Metre Homes offers an "enhanced study" at its Prosperity Plains community in Chantilly, Virginia, with barn doors located off the foyer and work area created with telecommuters in mind. The concept of at-home school spaces will be closely aligned with home office spaces. These include quiet environments with dedicated work spaces and, importantly, good access to technology, such as a strong Internet connection.

Living multigenerationally



Source: [DesignLens](#)

Thousands of lucky homeowners have recently purchased a home designed with multigenerational living in mind. Home builders such as Pardee and Lennar were at the forefront of the multigenerational trend with homes that include separate living areas and kitchens and feature private entrances. Pulte Homes is perfecting the concept of the multigenerational suite within the home (private living areas and kitchenette, but no private entrance). Pacesetter Homes built a full studio over the garage at its [Easton Park Quads](#) neighborhood in Austin. At Persimmon at The Cannery (Davis, CA), Shea Homes is offering plans with suites over the garages that feature private entrances, and Miller & Smith is offering an over-garage studio at its West Park Collection at Brambleton. The studio can simply be an open space or can be upgraded to include a kitchenette and full bathroom.

We continue to monitor shifts in consumer preferences as a result of COVID-19 and will provide additional color in future posts.

Contact [Ken Perlman](#) or [Lesley Deutch](#) to talk about how we can help you find your strategic advantage in this unprecedented time of uncertainty.

We will continue our weekly webinars for our research subscribers, who are going to help our firm through to the proverbial light at the end of the tunnel. Their willingness to share insights with us during these times is making us all smarter. We are so fortunate to have them, and we are certainly willing to let you join the club by contacting [Sara Newton-Mahony](#).



If you have any questions, please contact Ken Perlman, Principal, at (858) 281-7214 or by [email](#).



If you have any questions, please contact Lesley Deutch, Principal, at (561) 998-5814 or by [email](#).