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New Home Design: Less is More

The consensus coming out of the recent International Builders' Show in Las Vegas is that dream homes of 2010 will cost less, be smaller with fewer rooms and be more energy efficient. This is a sign of the times as the troubled economy requires that housing be more affordable, the Chicago Tribune reported Feb. 12.

The National Association of Home Builders, the show sponsor, confirmed the downsizing trend in its "NEW New Home" survey of builders released Jan. 20. It showed a decline in the average square footage of single-family homes in 2009. The survey concluded that most builders will focus on lower-priced models and smaller homes in 2010, the Tribune reported. The survey is available by visiting www.nahb.com/generic.aspx?sectionID=137&genericContentID=133039.

In addition to the troubled economy, changes in design are also being dictated by droves of younger consumers. Generation Y, those born between 1981 and 2001, do not want the same floor plans as Baby Boomers, born between 1946 and 1964. "Gen Y likes smaller, edgier homes in urban settings. They aren't interested in the typical suburban model," Steve Lane, principal and senior designer at Kephart Community, Planning, Architecture in Denver, told the Tribune.

Lane added that the magic number for a new house today is \$200,000 or less. "To hit that price point, builders are scaling down from 2,600 square feet to below 2,000 square feet," Lane told the Tribune.

With new designs in the works, the burning question remains: when will home construction bounce back?

"The turnaround will start in the third and fourth quarters of 2010 and spill over into 2011 and beyond. Based on demographics, there is a huge pent-up demand for housing, and it will be released," Edward Sullivan, chief economist for the Portland Cement Association in Skokie, Ill., told the Tribune. In addition, builders hope that historic low mortgage rates in the 5 percent range and government tax incentives that run through April will boost sales, the Tribune reported.
