

NEWS & MEDIA



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Better, Not Bigger, Homes Among 2024 Design Trends

NAHB: Buyers say they want smaller homes now and are looking for homes around 2,070 sq. ft., compared to 2,260 sq. ft. 20 years ago.

WASHINGTON – Following a brief uptick in new home sizes in 2021, the average size of a new home continues to inch smaller – dropping from 2,479 square feet in 2022 to 2,411 square feet in 2023, the smallest average size in 13 years – to match home buyer preferences for less square footage.

According to the latest “What Home Buyers Really Want” study from the National Association of Home Builders (NAHB), home buyers are looking for homes around 2,070 square feet, compared to 2,260 square feet 20 years ago.

“It’s related to two factors that are linked,” said Rose Quint, NAHB assistant vice president of survey research. “First, we’ve seen changes in home buyer preferences. Second, housing affordability has worsened in recent years.”

Builders are acting on this trend, with 38% indicating they built smaller homes in 2023 to help support home sales and 26% indicating they plan to build even smaller in 2024.

They are also working to bridge the gap on housing affordability by cutting home prices, providing sales incentives and offering more affordable finishes. Median new homes prices dropped to \$427,400 in 2023 – down 7 percentage points from 2022, a drop not seen since 2009 – while existing median home prices continued to rise to \$394,600, marking a 1 percentage point increase over the prior year.

Home buyers are not only shifting their preferences on size; they're shifting their overall design preferences as well, placing higher value on personalization and authenticity.

“Our homeowners are looking to personalize their homes,” said Donald Ruthroff, AIA, founding principal at Design Story Spaces LLC. “They want to it feel like it was made just for them and be significantly different than their neighbors’ homes.”

This is reflected in the style of the home and the upgrades that buyers choose to incorporate into their homes, whether it's creating an island that looks like a piece of furniture, higher quality cabinets or more expensive flooring.

Home features that remain at the top of buyers' wish list include four outdoor features, two kitchen features and two related to energy efficiency:

- Laundry room
- Patio
- Energy Star window
- Exterior lighting
- Ceiling fan
- Garage storage
- Front porch
- Hardwood flooring
- Full bath on the main level
- Energy Star appliances
- Walk-in pantry
- Landscaping
- Table space in the kitchen

Technology features are becoming increasingly popular, most notably security cameras, wired home security systems, programmable thermostats, video doorbells, multizone HVAC systems and energy management systems.

Other home features that have seen strong growth in popularity over the past 10 years include:

- Quartz or engineered stone for kitchen countertops
- Lighting control systems
- Outdoor fireplaces
- Outdoor kitchens
- Built-in kitchen seating
- Exposed beams

Additional information on home buyer trends can be found in NAHB's *What Home Buyers Really Want* (2024 edition).

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