

# Builder

## Consumer Trends

January 02, 2019

## 2019 TRENDS AND TAKEAWAYS FROM THE EXPERTS

**From higher-density developments to unmanned model homes, these are the ideas that will dominate this year.**

By [Jennifer Goodman](#)

With many analysts predicting a steady yet flat housing market in the new year, U.S. builders will need to be at the top of their game in 2019 to turn home shoppers into home buyers. This means staying abreast of what's on the mind of consumers, who are doing their homework before coming in to the sales office.

“My clients are starting to take more time analyzing deals and understanding what their money buys in this shifting market,” says [Massachusetts](#) real estate agent Dana Bull.

Here are some of the trends and developments that will impact residential real estate in 2019:



Courtesy Lexington Homes *Lexington Homes' Chicago townhomes help meet the need for affordable urban housing for middle-class buyers.*

**Affordability.** With a shortage of attainable housing in many markets across the country, addressing the “missing middle” segment will offer significant opportunities for home builders in 2019. Jeff Benach of Chicago-based Lexington Homes notes much of the demand for affordably priced housing comes from educators, healthcare workers, and tradespeople who are priced out of gentrifying city neighborhoods.

Designed in response to this problem, his Lexington Village project offers 22 single-family rowhomes priced from the low-to-mid \$500,000s in Chicago’s trending Avondale neighborhood. “This infill site was a hidden gem, and allowed us to build new-construction family homes for almost \$100,000 less than similar new and existing homes in the neighborhood,” he says.

**Density.** Higher-density housing will help reduce builders' direct costs in 2019, says Garrett Hoskins, project director at Irvine, Calif.-based Robert Hidey Architects (RHA), who notes that collaboration between builder, trades, and architect is essential to creating denser projects. But even in higher density products, buyers don't want to give up certain components of a home, such as a first-story suite, flex rooms, or outdoor spaces, so the firm adapts its plans to accommodate those demands. At the Almeria community in [San Diego](#), RHA offers homeowners spacious bonus rooms with an exterior staircase and entry that owners can choose to list on sites like Airbnb as a second source of income. "For each empty lot we begin designing for, we ask ourselves, 'How can we create as much value as possible here?'" says Hoskins.

**First-time buyers.** In 2018, the pace of buying new homes by millennials finally gained traction. National Association of Realtors recently put the national percentage of millennial buyers at 34%. Sixty-five percent of these buyers were first-time buyers. For millennials, decisions will often come down to location, amenities and – crucially – price. As they overcome obstacles such as student-loan debt, they seek the ideal time and location to enter the market and 2019 will be the year to buy for many, says Suzanne M. Maddalon, vice president of marketing for Freehold Communities, a Boston-based developer.

**Floor plans.** The hottest plans change every year and this year, director of content for the Hanley Wood House Plans Network Aurora Zeledon says one of the biggest trends will be in-law suites on the main floor, ranging from simple bedroom suites to all-out mini-apartments with a separate living zone and kitchenette. The modern farmhouse look will continue to be the hot style of the moment, and along with it, exteriors that showcase siding in different ways, such as vertical siding on top and traditional horizontal on the rest of the home, she adds.



Courtesy Morgante Wilson Architects *In 2019, kitchens will be larger and include more expansive seating areas and living space, as well as “unfitted” elements such as open shelving and furniture-like pieces.*

**Expanding kitchens.** The emphasis for kitchen design in 2019 will be as much on creating an inviting living space as it will the function of cooking. According to Elissa Morgante, co-principal of Morgante Wilson Architects in [Chicago](#), kitchens will be bigger ever, but the extra square footage will be devoted to features such as expansive banquettes, oversized islands and bar seating, rather than to work space, as in previous years.

Morgante is also seeing the resurgence of “unfitted” kitchens where pieces are more furniture-like, materials are more complex, and open shelving replaces expanses of cabinetry. “Kitchens are now a full-fledged part of a home’s living space, so it makes sense that homeowners want to blur the line and take it up to the design level we’re seeing elsewhere in the home,” says Morgante. “We’re using different types of wood, mixing in a variety of metals, colors and textures, and in general adding the layers of visual interest that are part of a rich and engaging space.”

**Statement ceilings.** Designers will go to new heights in 2019 as the statement ceiling has its moment as a design focus for adding dimension and personalization to a space. Morgante notes the statement ceiling trend encompasses a broad range of design elements, from delicate trim details to an intricate design using beams, to a bolder look where materials such as plaster finishes, wallpaper or even brick are the focal point.

“Many buyers may overlook the impact of the so-called fifth wall, so we work with them on identifying designs that can help accentuate a room,” adds Julie Whitley, director of architecture design at Chicago-based Red Seal Homes. “Adding decorative interest on a ceiling can bring a completely unique detail to the space by increasing the depth, dimension, and texture,” she says, adding that a simple use of crown molding or ceiling trim can cost as little as \$1,000, yet achieve a dramatic change in a home.

**Master planned concepts.** As they do every year, community developers will continue to update and refine their amenities offerings in 2019. Topping Maddalon’s list of the most in-demand amenities are nature preserves with trail systems, club-like centers with WiFi cafes and work spaces, agrihoods with neighborhood gardens, and full-time lifestyle directors. Rather than be “cookie-cutter,” new communities in 2019 will more reflect the specific market where they are located, says Maddalon. [Miralon](#) in Palm Springs, for example, will include a bar-lounge in the mid-century modern style preferred in this market. Authenticity and sustainability also will be more important than ever. Maddalon predicts a rise in “preservation developments” that appear to have emerged organically and more reuse of historical buildings in shared spaces.

**Wellness.** A focus on health and fitness will be at the forefront of 2019's biggest housing trends, says Mary Cook, president of Mary Cook Associates, a Chicago-based interior design firm. "To truly embrace wellness, builders, developers and designers must consider all the possibilities of how the property will be used and build in everything from fitness space to community gathering places for residents," she says. "Social connectivity is as important to overall wellness as is physical activity."

Lee Crowder, design gallery and model home branding manager for [Taylor Morrison](#) and Darling Homes in [Houston](#) and [Dallas](#) also predicts a shift toward eco-friendly and healthy lifestyles. While there are many different ways to achieve this look, her must-have is an abundance of greenery.

"Bringing touches from the outdoors inside is not only an aesthetic choice, but real plants also provide the benefit of filtering the harmful chemicals out of your home," she says. Crowder also suggests opting for natural materials over manmade, ditching carpet for hardwood and swapping high-gloss paint for flat finishes with fewer harmful chemicals.



Adobe Stock *Metallic accents will add visual interest to interiors in 2019.*

**Interior accents.** While whitewashed minimalism had its moment in 2018, artisan colors and creativity in materials will set homes apart in 2019, according to Kim Ambrose, vice president of marketing at McLean, Va.-based home builder Miller & Smith. Bold, colored cabinets will take hold along with a more eclectic, transitional style in interior design, she says. “Metallics, such as gold, bronze and chrome are also making quite a comeback as designers mirror today’s jewelry fashion trends in mixing metals,” she says. “Hardwood flooring is set to evolve in 2019, with lighter, more natural colors ebbing out the once-popular espresso shades.”

Additionally, engineered vinyl plank flooring is also gaining market acceptance from entry-level to luxury home buyers with its durability and realistic hardwood look and feel, she adds.

**After-hours model visits.** Moving into 2019, buyers will desire more flexibility to schedule their home shopping experience and will expect builders to fit their busy schedules rather than the other way around, notes Ambrose. Miller & Smith and other building firms are offering programs and technology that allow potential buyers to visit models anytime outside of the “manned hours” of 11:00 a.m. to 6:00 p.m. “Unmanned Model Visits” involve installing cameras for security and collecting buyer identification and credit card information in exchange for a key code to open the door to the model.

**Teleworking.** Whether taking files home from the office or working at home full time, buyers are telecommuting more than ever before. Builders and communities will accommodate this trend in two areas, says Alison Girard, director of marketing for Brookfield Residential’s Playa Vista community in [Los Angeles](#). These include inside the home, where they are creating home offices or other flexible spaces and equipping the entire residence with smart-home technology. Outside the home, builders are offering community centers with amenities such as co-working space, internet cafés, package delivery, and outdoor WiFi parks with tables for laptops.

**Attached housing.** In 2019, look for many builders and developers to equip their condos and townhomes with wider footprints and amped-up square footage to emulate the space and feel of single-family living. Chicago-area builder Benach notes he is already seeing an uptick of both families and move-down buyers looking for townhome options with single-family-style features.

As such, the builder has created a collection of townhome designs that live like a single-family home due to their wider layout and inclusion of semi-private backyards. “Townhomes typically tend to be long and narrow, but by shifting the footprint to be wide instead of deep, we gave these homes a more expansive feel in the configuration of the open-concept kitchen and great room,” Benach says of his [Lexington](#) Heritage project. “The plans also have full basements with 9-foot ceilings that can add a whole extra level of living space to the home if finished.”



**Smart as standard.** As Amazon, Google, and Apple compete for consumers to purchase devices that do everything from drawing the shades to turning on the lights, they are increasingly partnering with larger home builders to lock in market share, says Girard. Widespread adoption of home technology has made connectivity an affordable, expected standard in new-home construction and savvy builders are responding to meet this need.

**Market volatility.** Perhaps the biggest trend for the new year is how difficult it will be to predict what will happen to the housing market, says Dale Stroud, senior business advisor for piping manufacturer [Uponor](#). He points to rising mortgage rates, increasing home prices, declining optimism, the labor shortage, a jittery stock market, and a lack of housing for entry-level buyers as some of the reasons why the 2019 housing outlook is filled with uncertainty. “To make it even more confusing as to why there is a blurred image, consider that some of the general fundamentals are positive,” he adds. Upbeat indicators like strong consumer confidence and employment and good GDP growth will make 2019 a mixed bag for builders, he says.

“To use a weather analogy, the headwinds seem to be neutralizing the tailwinds,” he says. “Some of the fundamentals suggest that we should see good growth while, on the other hand, other indicators are less encouraging.”

## ABOUT THE AUTHOR



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