

New Homes Built to Fit New Priorities

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from NAHB

Can you imagine living in a 175,000 square foot home? That's how large George Vanderbilt built his North Carolina home, the Biltmore, in 1895. With 250 rooms and 43 bathrooms, the home had more space than his family, or quite possibly anyone's family, could ever hope to use.

Even though the average home in the United States is far smaller than the Biltmore, it is a fact that Americans have tended to build larger and larger homes over the years. In 1973, the typical newly-built home was 1,660 square feet. Near the end of 2008, the average size had grown to more than 2,500 square feet.

But lately, that trend has changed. Builders are now seeing demand for smaller homes. By early 2009, according to federal government data on new housing starts, the average size of homes had decreased to 2,400 square feet.

Jerry Howard, president and CEO of the National Association of Home Builders, said, "Our latest surveys show nearly 60 percent of our members are building smaller homes and a similar number are putting more emphasis on lower-priced models."

A number of factors are most likely the reason for this new trend.

First, Americans are becoming more focused on energy conservation. A smaller new home will cost less to heat and cool than a larger home with similar energy-efficient features, and will leave a smaller carbon footprint on the environment.

In addition, family size has been decreasing over the years. The average household in 1960 had 3.3 people, while in 2008 it is 2.5. Families don't need to build homes with a lot of bedrooms if they aren't planning to have as many kids as previous generations.

The economy is also impacting new home buyers' decisions. Cost-conscious home buyers are choosing to include more and higher-quality features in their new homes rather than add square footage. For example, a family may prefer to have high-end appliances and granite countertops in their kitchen rather than larger rooms.

Finally, around a third of new homes are typically purchased by first-time buyers, who can often only afford smaller homes. These buyers are looking to take advantage of the \$8,000 first-time home buyer federal tax credit before it expires November 30, 2009, so builders are building to meet the demand from this group.

So the "perfect" home for your family may be a showstopper such as the 2009 New American Home, a nearly 9,000 square foot contemporary home in Las Vegas that incorporates the latest in sustainable design, or it may be something very different.

Whatever your preference—size, features, price, or something else—new home builders today are providing homes that will appeal to a wide range of tastes and budgets, with more customization choices for your lifestyle than ever before.

For more information about the first-time home buyer tax credit, go to www.federalhousingtaxcredit.com. Find your new home in Connecticut by contacting one of the state's [five local HBAs](#).